

Supporting Statement Part A
Request for Enrollment in Supplementary Medical Insurance (SMI) and Supporting
Regulations in 42 CFR 407.10, 407.11 and 408.40(a)(2)
(CMS-4040, OMB 0938-0245)

Background

On July 30, 1965, P.L. 89-97 created Title XVIII of the Social Security Act. Title XVIII established the hospital insurance program (also referred to as Part A) and the supplementary medical insurance (SMI) program (also referred to as Part B).

The Social Security Act at section 226(a) provides that individuals who are age 65 or older and eligible for, or entitled to, Social Security or Railroad Retirement Board (RRB) benefits shall be entitled to premium-free Part A upon filing an application for such benefits.

Part B is a voluntary program and is financed from premium payments by enrollees together with contributions from funds appropriated by the Federal government. All individuals age 65 or older who are entitled to Part A can enroll in Part B. There are some individuals, age 65 and over who are not entitled to or eligible for premium-free Part A. These individuals may, however, enroll in Part B only.

The form CMS-4040 is the form used by individuals who wish to enroll in Part B only.

This 2026 iteration of form CMS-4040 *Request for Enrollment in Medicare Part B (Medical Insurance)* includes substantive changes to the collection previously approved by the Office of Management and Budget (OMB). These changes are driven by newly enacted federal legislation.

On July 4, 2025, Public Law 119-21, which CMS refers to as the “Working Families Tax Cut” (WFTC) legislation, was enacted. Section 71201 of the WFTC amended Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (the Act) to add a new section 1899C, which provides that, subject to section 1899C(b) of the Act, an individual may be entitled to, or enrolled for, Medicare benefits only if the individual is in one of the following four groups: (1) a citizen or national of the United States (U.S.); (2) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act; (3) an alien who has been granted the status of Cuban and Haitian entrant (CHE); or (4) an individual who lawfully resides in the U.S. in accordance with a Compact of Free Association (COFA migrant).

In alignment with the addition of Section 1899C, form CMS-4040 has been updated to include a citizenship section to verify the applicant’s citizenship or immigration status. Other Original Medicare initial enrollment forms are simultaneously being revised to update or include the citizenship section.

The citizenship section asks applicants to identify their citizenship or immigration status by selecting the category that best applies to them: U.S. citizen or national, lawful permanent resident, Cuban/Haitian entrant, Compact of Free Association resident (Marshall Islands, Micronesia, or Palau), or other. Applicants who indicate they are U.S. citizens or nationals skip

the remaining questions in the section. Those who select one of the non-citizen statuses must provide additional information to verify eligibility, including their Alien Registration Number (if applicable), confirmation of lawful presence in the U.S., the date they became lawfully present, current U.S. residency status, the date they became a U.S. resident, whether they have lived in the U.S. continuously for the past five years, and the addresses where they lived during that period. Applicants who select “Other” may not be eligible for Medicare under current federal law.

Although a citizenship section has been added to the collection instrument, the hourly burden estimate has not been adjusted because of this addition. The WFTC legislation narrows the categories of non-citizens eligible for Medicare, which is expected to result in a smaller overall pool of applicants who are not U.S. citizens or nationals. For the majority of respondents who are U.S. citizens or nationals, selecting their status and proceeding to the next section is estimated to take less than one minute and is therefore considered negligible. For the remaining applicants who select a non-citizen status, SSA already collects documentation related to immigration and residency status as part of its existing enrollment processes, which should minimize any additional burden. CMS anticipates only a small number of applicants to indicate they may be ineligible under current federal law and that number is expected to be negligible. Accordingly, no change to the overall burden estimate is warranted at this time. New section headings have been added to the form to better organize the content and align with other Medicare Part A and Part B enrollment forms.

SSA is unable to share Calendar Year (CY) 2025 enrollment numbers of individuals utilizing CMS form 4040 with CMS. Therefore, the 2025 enrollment figure has been estimated using historical growth trends as a proxy. The projection for 2025 enrollment is based on the increase from 2022 (42,011) to 2024 (48,642), which represents a 15.8% growth over two years. This corresponds to an average annual growth rate of approximately 7.9%. Applying this annual rate to the 2024 enrollment, the figure is multiplied by 1.079 to estimate 2025 enrollment, resulting in approximately 52,485.

A. Justification

1. Need and Legal Basis

Section 1836 of the Social Security Act, and CMS regulations at 42 CFR 407.10, provide the eligibility requirements for enrollment in Part B for individuals aged 65 and older who are not entitled to premium-free Part A. The individual must be a resident of the United States, and either a U.S. Citizen or an alien lawfully admitted for permanent residence that has lived in the US continually for 5 years.

CMS regulations at 42 CFR 407.11 state that forms to apply for SMI are available through CMS and SSA.

Section 1840(d)(1) of the Social Security Act and 42 CFR 408.40(a)(2) requires that the Part B premium be deducted from a Federal Civil Service Retirement Act annuity if the individual is receiving such benefits. The statute also permits the Part B premium of a spouse to be deducted from the individual’s annuity.

The CMS-4040 (and the CMS-4040 SP) elicits the information that the Social Security Administration (SSA) and Centers for Medicare & Medicaid Services (CMS) need to determine entitlement to Part B and to allow for the deduction of a beneficiary's Part B premium from his/her spouse's annuity.

The form consists of 4 sections that must be completed to determine an individual's eligibility for enrollment in Medicare Part B.

Section 1: Basic information

- Name
- Sex
- Social Security Number
- Date of birth
- Place of birth and record of birth
- Phone number
- Email address (optional)
- Civil service annuitant (CSA) status and CSA number

Section 2: Citizenship

- Select one of five statuses: U.S. citizen or national, lawful permanent resident, Cuban/ Haitian entrant, Compact of Free Association, or Other
- Alien registration number
- Citizenship status effective date
- Current U.S. residence status
- U.S. residency start date
- Residency status for the past 5 years
- Addresses for the past 5 years

Section 3: Remarks

- Space provided for more room to answer questions in Section 2: Citizenship if needed.

Section 4: Signature(s)

- Signature, date signed, and current address
- Witness name, signature, and date signed

If this information were not collected, it would be impossible to establish entitlement/enrollment for individuals not covered under Title II of the Social Security Act and subsequently process Medicare claims for them.

2. Information Users

The CMS-4040 (and the CMS-4040 SP) is used to establish entitlement to and enrollment in Medicare Part B for beneficiaries who file for Part B only.

The CMS-4040 solicits the information that is used to determine entitlement for individuals who

meet the requirements in section 1836 as well as the entitlement of the applicant or their spouses to an annuity paid by OPM for premium deduction purposes. The application follows the application questions and requirements used by SSA. This is done not only for consistency purposes but to comply with other Title II and Title XVIII requirements because eligibility to Title II benefits and free Part A under Title XVIII must be ruled out in order to qualify for enrollment in Part B only.

The form provides an explanation of Part B premium payments to ensure the applicant understands a premium is due for Part B enrollment.

3. Use of Information Technology

Although the preferred method of data collection is an in-person interview with an SSA representative, the form CMS-4040 is available on the internet via CMS.gov. Individuals may complete the form and submit it to SSA for processing via U.S. mail or fax. During the in-person interview the form is completed by the applicant with assistance from an SSA representative. Applications are processed and directly input into the SSA Master Beneficiary Record (MBR). The data is then passed to the CMS master record, the Enrollment Database (EDB). A health insurance record showing entitlement/enrollment is established, and if applicable, a Medicare card is issued.

4. Duplication of Efforts

Item 3 requests information pertaining to previous applications for benefits. It is elicited to ensure that a previous claim has not already been filed and, if it has, to ensure that the proper action will be taken by SSA.

If no duplication in filing has occurred, this information is not available from any other source.

5. Small Businesses

Use of this form does not involve small businesses.

6. Less Frequent Collection

This information is collected once, for each individual respondent, at the time the individual files for Part B of Medicare. If this information is not collected, the applicant cannot establish entitlement to Part B. Because there is a legal requirement to apply for benefits either on paper or electronically, the burden cannot be minimized.

7. Special Circumstances

There are no special circumstances that would require an information collection to be conducted in a manner that requires respondents to:

- Report information to the agency more often than quarterly;
- Prepare a written response to a collection of information in fewer than 30 days after receipt

of it;

- Submit more than an original and two copies of any document;
- Retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- Collect data in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
- Use a statistical data classification that has not been reviewed and approved by OMB;
- Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- Submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

8. Federal Register/Outside Consultations

The 60-day notice published in the Federal Register on TBD (FR).

9. Payments/Gift to Respondents

There are no payments/gifts to respondents.

10. Confidentiality

The information collected is used only by SSA for the purpose of determining a beneficiary's eligibility for a Medicare part B. Both CMS and SSA are responsible for ensuring that all PII remains confidential.

The completed form is never provided to CMS, rather it is stored with SSA.

11. Sensitive Questions

There are no sensitive questions associated with this collection. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimate (Hours and Wages)

Wage Estimates

To derive average costs for individuals, we used data from the U.S. Bureau of Labor Statistics' May 2025 National Occupational Employment and Wage Estimates for our salary estimate (www.bls.gov/oes/current/oes_nat.htm). We believe that the burden will be addressed under All Occupations (occupation code 00-0000) at \$24.51/hr since the group of individual respondents varies widely from working and nonworking individuals and by respondent age, location, years of

employment, and educational attainment, etc.

We are not adjusting this figure for fringe benefits and overhead since the individuals' activities would occur outside the scope of their employment.

Burden Estimates

There are approximately 52,485 applicants who use Form CMS-4040. The data represents the most current information based on estimated Medicare enrollments for Part B only from January 1- December 31, 2025, via Enrollment and Eligibility Medicare Online (ELMO). Based on the information requested for completion by the applicant on the form, we estimate that it takes an applicant on average 15 (.25 hrs) minutes to complete.

The burden is computed as follows:

We estimate an annual burden of 13,121 hours (52,485 respondents x 0.25 hours) at a cost of 321,596 (13,121 hours x \$24.51/hr) or \$6.13 per respondent (321,596/ 52,485).

Number of applications	Time required	Total burden hours	Wage costs	Total cost
52,485	15 mins (0.25 hours)	13,121	\$24.51/hr	\$321,596

12.2. Information Collection Instruments and Supporting Documents

- Request for Enrollment in Supplementary Medical Insurance (CMS-4040)

The form can be obtained in hard copy by contacting the Social Security Administration (SSA).

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

Processing Costs

We estimate it will take the federal government employee 15 minutes to review and record the information into the form.

The burden is computed as follows:

It is calculated that the burden hours for 52,485 responses to be reviewed and recorded in 15 minutes per response to be 13,121 total hours (52,485 x .25 [15 minutes/response]).

We estimate that the average government employee at SSA to receive and record the collected data to be a Grade 11, Step 5 (GS-11/5)- which we believe is the most appropriate level for a SSA representative. To derive average costs, we used data from the Office of Personnel Management 2026 General Schedule (GS) Locality Pay Table for all salary estimates (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/26Tables/html/GS_h.aspx).

As the processing of this form occurs at the national level and not just one geographic location, we estimated the salary using the national base general schedule. Such an hourly wage is \$34.64 or \$72,051 annually. Therefore, the total cost to the government to complete the annual volume of responses is \$454,511 (13,121 hours x \$34.64/hr).

Number of applications	Time required	Total burden hours	Wage costs	Total cost
52,485	15 mins (0.25 hours)	13,121	\$34.64/hr	\$454,511

15. Changes to Burden

The burden from CMS's 2025 approved submission increased in cost from \$410,191 to \$454,511 for federal government costs – an increase of \$44,320. The hourly burden from the 2025 approved submission has not changed. This change in burden is due to the increase in respondents and an increase in the federal employee's wages. The number of respondents newly enrolling in Medicare can vary due to the number of individuals that become eligible yearly.

16. Publication/Tabulation Dates

This information is not published or tabulated.

17. Expiration Date

The form displays the expiration date next to the OMB control number.

18. Certification Statement

There are no exceptions to the certification statement.

19. Collection of Information Employing Statistical Methods

There have been no statistical methods employed in this collection.