

## Supporting Statement for 2900-0219

### VA Form 10-10d, Application for CHAMPVA Benefits, VA Form 10-7959a, CHAMPVA Claim Form, VA Form 10-7959c, CHAMPVA other Health Insurance (OHI) Certification, and VA Form 10-7959d, CHAMPVA Potential Liability Claim

#### A. JUSTIFICATION

##### 1. Explain the **circumstances** that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.

a. VA Form 10-10d, Application for CHAMPVA Benefits, is used to determine eligibility of persons applying for healthcare benefits under the CHAMPVA program in accordance with 38 U.S.C. Sections 501 and 1781.

b. VA Form 10-7959a, CHAMPVA Claim Form, is used to adjudicate claims for CHAMPVA benefits in accordance with 38 U.S.C. Sections 501 and 1781, and 10 U.S.C. Sections 1079 and 1086. This information is required for accurate adjudication and processing of beneficiary submitted claims. The claim form is also instrumental in the detection and prosecution of fraud. In addition, the claim form is the only mechanism to obtain, on an interim basis, other health insurance (OHI) information.

c. Except for Medicaid and health insurance policies that are purchased exclusively for the purpose of supplementing CHAMPVA benefits, CHAMPVA is always the secondary payer of healthcare benefits (38 U.S.C. Sections 501 and 1781, and 10 U.S.C. Section 1086). VA Form 10-7959c, CHAMPVA - Other Health Insurance (OHI) Certification, is used to systematically obtain OHI information and to correctly coordinate benefits among all liable parties.

d. The Federal Medical Care Recovery Act (42 U.S.C. 2651-2653), mandates recovery of costs associated with healthcare services related to an injury/illness caused by a third party. VA Form 10-7959d, CHAMPVA Potential Liability Claim, provides basic information from which potential liability can be assessed. Additional authority includes 38 U.S.C. Section 501; 38 CFR 1.900 et seq.; 10 U.S.C. Sections 1079 and 1086; 42 U.S.C. Sections 2651-2653; and Executive Order 9397.

##### 2. Indicate **how, by whom, and for what purposes** the information is to be used; indicate actual use the agency has made of the information received from current collection.

The information requested on these forms is required for Health Administration Center (HAC) staff to adjudicate/pay healthcare benefit claims.

a. The HAC staff uses the VA Form 10-10d to collect eligibility information from prospective CHAMPVA beneficiaries.

b. VA Form 10-7959a is used by CHAMPVA beneficiaries for each claim for payment/reimbursement of related healthcare expenses. Numerous bills/invoices may accompany a single claim form providing that the billed services are all associated with a single beneficiary. The information is required for the timely and accurate processing of claims.

c. To help ensure that other health insurance information is current, completion of VA Form 10-7959c is periodically solicited (consistent with the health insurance industry standard). To minimize the

## Supporting Statement for 2900-0219, Continued

beneficiary burden, the certification form has been designed to accommodate all CHAMPVA-eligible family members.

d. Upon receipt of a claim or invoice involving treatment of an injury or potential work-related illness, HAC is required to solicit additional information relative to the injury/illness as well as third party claim information. VA Form 10-7959d is designed for this purpose. This information is essential in assessing whether potential liability exists. The form is required on an as needed basis when a claim/invoice indicates an injury or potential work-related illness.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also described any consideration of using information technology to reduce burden.**

a. VA Forms 10-10d, 10-7959a and 10-7959c currently meet the basic goals of the Government Paperwork Elimination Act (GPEA) because the applicant can complete the forms electronically via the Internet. The forms are then printed and mailed to the HAC with supporting documentation. Fill in versions on the web reduce the amount of outgoing paper from the HAC. With the advent of online forms, the potential beneficiary or the beneficiary filing a claim can simply download the file after completing it in online and then mail it to us. They do not need to request the forms from us and therefore we save money in both storage of hard copy forms, postage and man hours mailing the forms to the public.

b. We have made progress in the area of moving forward to become completely GPEA compliant with our forms in the submission of electronic data. The availability of new commercial software purchased by VA's Office of VHA Forms, Publications and Records Management allows us to address the transmission of data and attachments. We currently are in Phase I of testing the Application Form 10-10d so that it may be filled in online and data and attachments sent electronically for processing. Once the testing is completed, provided we have no problems, this first form will help define the process that we can then apply and make available to the rest of the forms. The OHI form will be the second form to be tested.

c. It was decided that it would not be economically feasible to convert the 10-7959d to a fill in, online form.

d. In addition, EDI (electronic data interface) was implemented on Oct. 16, 2003 which allows all provider claims to be submitted electronically. This will vastly cut down the amount of mail received for claims as well as the man-hours needed to process these claims. Basically from the provider to the clearinghouse, to the HAC and to Austin for payment is now completely electronic.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

a. Strong consideration was given to incorporating the VA Form 10-10d with the VA Form 10-10EZ (Application for Health Benefits). However, due to the unique differences in customer populations (veterans vs. dependents and survivors) and the information being solicited, it was quickly recognized that separate application forms were necessary. Rather than diminishing the public burden, a test of the

## Supporting Statement for 2900-0219, Continued

combined application increased the burden as it led to confusion by both populations. There is no known alternative source for collecting the required application information.

b. Information on VA Form 10-7959a such as the other health insurance information and the claimant's signature and date are specific to each claim submitted. Existing information on file does not substitute for that specificity.

c. There is no existing collection instrument that will meet the requirements of annual OHI certification requested on VA Form 10-7959c. While the 10-7959a does solicit OHI information, it is only required when a beneficiary submits a claim. Since claims submitted directly from providers are not accompanied by a CHAMPVA Claim Form there is no other mechanism to obtain updated OHI information.

### **5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

The collection of information on VA Forms 10-10d, 10-7959c and 10-7959d is limited to beneficiary supplied information—there is no involvement of small businesses or other entities. The impact on small businesses and other entities is minimized by the VA practice of allowing submission of provider generated billing forms, the Universal Billing Form 92 and the phased-transition process of accepting electronic claims information in lieu of 10-7959a.

### **6. Describe the consequences to federal program or policy activities if the collection is not conducted or is conducted less frequently as well as any technical or legal obstacles to reducing burden.**

Without this information we could not establish benefit eligibility or adjudicate claims. The frequency of collecting information is generally determined by beneficiary utilization. VA Form 10-10d is a one-time requirement unless there is a break in eligibility. Consistent with industry practice, data on VA Form 10-7959c is solicited periodically.

### **7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses 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; 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 and require the use of a statistical data classification that has not been reviewed and approved by OMB.**

There are no such special circumstances.

### **8. a. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the sponsor in responses to these comments. Specifically address comments received on cost and hour burden.**

## Supporting Statement for 2900-0219, Continued

The notice of Proposed Information Collection Activity was published in the Federal Register on November 20, 2006, Volume 71, Number 223, Page 67205-67206. We received no comments in response to this notice.

**b. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, clarity of instructions and recordkeeping, disclosure or reporting format, and on the data elements to be recorded, disclosed or reported. Explain any circumstances which preclude consultation every three years with representatives of those from whom information is to be obtained.**

**Outside consultation is conducted with the public through the 60- and 30-day Federal Register notices.** Numerous health insurance industry forms were evaluated before these forms were designed. Not only did we incorporate the best features from these industry forms, each form was beneficiary tested for clarity and ease of use.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payment or gift is provided to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Information collected on these forms is protected by the Privacy Act of 1974, VA confidentiality statutes 38 USC 5701 and 38 USC 7332, and 45 CFR Parts 160 and 164, Health Insurance Portability and Accountability Act. Respondents are informed that the information collected will be included as a part of the system of records identified as 54VA16, Health Administration Center Civilian Health and Medical Program Records-VA as set forth in the 2005 Compilation of Privacy Act Issuances via online GPO access at <http://www.gpoaccess.gov/privacyact/index.html> and disclosures made in accordance with the statute.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

VA Form 10-7959a is a claim form and, thus, contains a Release of Medical Information notice informing claimants that by signing the form they are authorizing the release of claim-related medical information including information that could be considered sensitive. Examples of such sensitive documentation are identified in the statement.

**12. Estimate of the hour burden of the collection of information:**

a. The annualized burden for this collection is 19,668 hours.

**Supporting Statement for 2900-0219, Continued**

<b>Form #</b>	<b>Respondents</b>	<b>Responses</b>	<b>Minutes</b>	<b>Total Hours</b>
10-10d	29,500	29,500	10	4,917
10-7959a	28,300	28,300	10	4,717
10-7959c	57,400	57,400	10	9,567
10-7959d	4,000	4,000	7	467
<b>TOTALS</b>	<b>119,200</b>	<b>119,200</b>		<b>19,668</b>

**b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB 83-I.**

See Chart attached to OMB 83-I.

**c. Provide estimates of annual cost to respondents for the hour burdens for collections of information. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The annualized cost to respondents is estimated at \$295,020 (19,668 hours x \$15/hour).

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

a. There are no capital, start-up, operation or maintenance costs.

b. Cost estimates are not expected to vary widely. The only cost is that for the time of the respondent.

c. There is no anticipated recordkeeping burden beyond that which is considered usual and customary.

**14. Provide estimates of annual cost to the federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

**Supporting Statement for 2900-0219, Continued**

The cost to the federal government is currently estimated at approximately \$235,272. The “per claim” cost has been reduced from previous years because of the ongoing improvements in technological advancements. The HAC's Optical Character Recognition (OCR) capabilities are fully functional, reducing the cost per claim, and the beneficiary population continues their increased use of downloaded fill-in forms on the Intranet, eliminating needs of printing and postage of the organization.

<b>Form</b>	<b>Hourly Salary</b>	<b>Responses</b>	<b>Time to Complete</b>	<b>Total Hours</b>	<b>Cost</b>
10-10d	\$16.40	29,500	12 minutes	5,900	\$96,760
10-7959a	\$16.40	28,300	6 minutes	2,830	\$46,412
10-7959c	\$16.40	57,400	5 minutes	4,783	\$78,447
10-7959d	\$16.40	4,000	7 minutes	467	\$7,653
8					
Printing/Distribution/Supplies					\$6,000
<b>TOTAL</b>					<b>\$235,272</b>

**15. Explain the reason for any changes reported in Items 13 or 14 above.**

The previous estimate submitted by this office made an invalid assumption that a VA Form 10-7959a was required for every medical claim that is created in the facility. A more correct estimate would be that only 15% of all claims require a VA Form 10-7959a, since this form is ONLY used by a taxpayer requesting repayment for out of pocket costs. The majority of claims are received directly from the doctor, pharmacy, or hospital, and not from the taxpayer. Thus, this is considered a routine business practice and these agencies are not required to use this form.

VA Form 10-7959d usage figure has been reduced to the figure stated, based on the current conditions within the HAC’s department that process these. They are anticipating increasing the workforce to process more of these in the future.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

There are no plans to publish the results of the information collected.

**17. If seeking approval to omit the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

VA seeks to minimize the cost to itself of collecting, processing and using the information by not displaying the expiration date. We seek an exemption that waives the displaying of the expiration date on this VA Form. The VA Form may be stocked by the HAC or reproduced by the respondents and veterans service organizations from the Internet and then stocked. If we are required to display an expiration date, it would result in unnecessary waste of existing stock of the forms. Inclusion of the expiration date would place an unnecessary burden on the respondent (since they would find it necessary to obtain a newer version, while VA would have accepted the old one).

**Supporting Statement for 2900-0219, Continued**

**18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB 83-I.**

There are no exceptions.

**B. COLLECTIONS OF INFORMATION EMPLOYING **STATISTICAL METHODS****

The number of applications for CHAMPVA benefits determines the frequency of data collection, there are no statistical methods employed.