

Supporting Statement for VA Form 21-8416
Medical Expense Report
(2900-0161)

A. Justification

1. The Department of Veterans Affairs (VA), through its Veterans Benefits Administration (VBA), administers an integrated program of benefits and services established by law for veterans, service personnel, and their dependents and/or beneficiaries. Information is requested under the authority of 38 U.S.C. 1503. 38 U.S.C. 1503 provides that unreimbursed medical expenses paid by a beneficiary or claimant may be excluded from their countable income. The regulatory basis is found at 38 CFR 3.262 and 38 CFR 3.272.
2. VA Form 21-8416 is used by beneficiaries and claimants to report medical expenses paid in connection with claims for pension and other income-based benefits. Unreimbursed medical expenses may be deducted from otherwise countable income in determining eligibility for income-based benefits and the rate payable. It would be impossible to administer these programs without the collection of the information.
3. VA Form 21-8416 is available on the One-VA web site in a fillable electronic format. VBA is currently hosting these forms on a secure server and does not currently have the technology in place to allow for the complete submission of the forms. Validation edits are performed to assure data integrity. Efforts within VA are underway to provide a mechanism to allow the information to be submitted electronically with a recognized signature technology. There currently is no utility process in place that will allow the data submitted on the forms to be incorporated with an existing centralized legacy database. Veterans Online Applications (VONAPP) allows applicants to view, print, and submit applications electronically to VBA. VA Form 21-8416 will be added to VONAPP when the resources become available.
4. Program reviews were conducted to identify potential areas of duplication; however, none were found to exist. There is no known Department or Agency that maintains the necessary information, nor is it available from other sources within our department.
5. The collection of information does not involve small businesses or entities.
6. This form solicits information that is necessary to determine the amount of deductible medical expenses paid by the claimant in order to calculate the correct rate of payment. Without this information, VA would be unable to authorize and properly pay income-based benefits.
7. There is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines.

8. The Department notice was published in the Federal Register on January 24, 2008, Volume 73, Number 14, page 3808. No comments were received.

9. No payments or gifts to respondents have been made under this collection of information.

10. The records are maintained in the appropriate Privacy Act System of Records identified as 58VA21/22, "Compensation, Pension, Education and Rehabilitation Records - VA" as set forth in Privacy Act Issuances, 1993 compilation found in 42 Fed. Reg. 49726 (9/27/1977).

11. There are no questions of a sensitive nature.

12. Estimate of Information Collection Burden.

a. Number of Respondents is estimated at 96,400 per year.

b. Frequency of Response is annually for most beneficiaries.

c. Annual burden is 48,200 hours.

d. The estimated completion time of 30 minutes is based on review by staff personnel and previous usage of this form.

e. The total estimated cost to respondents is \$723,000 (48,200 hours x \$15 per hour).

13. This submission does not involve any record keeping costs.

14. Estimated Costs to the Federal Government:

a. Processing/Analyzing costs \$2,219,449

(GS-9/5 @ \$25.00 x 96,400 x 50/60 minutes = \$2,008,333)

(GS-3/5 @ \$13.14 x 96,400 x 10/60 minutes = \$ 211,116)

b. Printing and production cost \$3,750

c. Total cost to government \$2,223,199

15. There is no change in the reporting burden.

16. The information collection is not for publication or tabulation use.

17. The collection instrument, VA Form 21-8416, may be reproduced and/or stocked by the respondents and veterans service organizations. This VA form does not display an expiration date, and if required to do so would result in unnecessary waste of existing

stocks of this form. This form is submitted to OMB every 3 years. As such, this date requirement would also result in an unnecessary burden on the respondents and would delay Department action on the benefit being sought. VA also seeks to minimize its cost to itself of collecting, processing and using the information by not displaying the expiration date. For the reasons stated, VA continues to seek an exemption that waives the displaying of the expiration date on VA Form 21-8416.

18. This submission does not contain any exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

The Veterans Benefits Administration does not collect information employing statistical methods.