

## Supporting Statement

### Request for Examination and/or Treatment (LS-1) OMB No. 1215-0066

#### A. Justification.

1. The Office of Workers' Compensation Programs (OWCP) administers the Longshore and Harbor Workers' Compensation Act (LHWCA). The Act provides benefits to workers injured in maritime employment on the navigable waters of the United States or in an adjoining area customarily used by an employee in loading, unloading, repairing or building a vessel. In addition, several acts extend coverage to certain other employees.

Under section 7 (33 USC, Chapter 18, Section 907) of the Longshore Act the employer/insurance carrier is responsible for furnishing medical care for the injured employee for such period of time as the injury or recovery period may require. Form LS-1 serves two purposes: it authorizes the medical care, and it provides a vehicle for the treating physician to report the findings, treatment given, and anticipated physical condition of the employee.

2. The information collected on Form LS-1 is used by the Longshore Division to verify that proper medical treatment has been authorized by the employer/insurance carrier, and to determine the severity of a claimant's injuries and thus his/her entitlement to compensation benefits. The employers/insurance carriers are responsible by law to provide these benefits if a claimant is medically unable to work as a result of a work-related injury. If the information were not collected, verification of authorized medical care and entitlement to compensation benefits would not be possible.

3. We are not aware of any improved information technology that would reduce burden. This form was not considered feasible to be made electronically interactive as mandated by the Government Paperwork Elimination Act (GPEA) because it requires multiple signatures. However, the form is currently available on the internet for on-line completion, printing, signature and submission by regular mail. The Department of Labor website is: <http://www.dol.gov/esa/dlhwc/lsforms.htm>

4. This form has been carefully reviewed to eliminate requests for duplicate information. The LS-1 is a unique form in that it is used by three separate parties. Part A is for the employer/insurance carrier to authorize treatment by the physician selected by the injured worker. The employee must then take the form to the selected physician for treatment. Part B is used by the treating physician to report on the medical diagnosis and prognosis of the injured worker.

5. The information is not requested from small businesses or other small entities and does not have a significant economic impact on a substantial number of small entities.

6. The form is used only for the initial authorization and examination and therefore cannot be used less frequently.

7. Since the form is completed only at the time an injury occurs, it is completed on occasion rather than quarterly. In accordance with section 907(e) of the law, the form is to be submitted within 10 days following the first treatment. Other than these circumstances, there are no other special circumstances for the collection of this information.

8. Consultations were held with industry representatives individually and at seminars at the time the Act was amended in 1972. The form was developed as a result of these consultations. The format of the form is basic in that the first part merely authorizes medical treatment by a physician selected by the injured worker, and the second part provides space for the physician to report the findings of the medical treatment provided. Daily contact is also maintained with representatives of insurance carriers and self-insurers by OWCP district office personnel with whom the form is filed. If any complaints or suggestions for improvement are received, they are forwarded to the National Office for review and appropriate action.

A Federal Register notification inviting public comment was published on January 16, 2008. No comments were received.

9. No payments or gifts are provided to respondents.

10. Records pertaining to compensation cases are covered under the Privacy Act. LHWCA is including the Privacy Act Statement on the LS-1 with this submission.

11. There are no questions of a sensitive nature.

12. Burden has been estimated to be approximately 81,000 hours. It is estimated that approximately 75,000 Forms LS-1 are used each year. Approximately 25,000 employers and physicians will complete approximately 3.00 forms each. The number of forms that each respondent will complete is an estimate since some may complete more than 3.00 and some less. The time needed to complete each form has been estimated to be approximately 10 minutes for each side for a total of 20 minutes or .33 hours. In addition, an estimate of 15 minutes or .25 hours has been allocated for the time needed to actually perform the physical examination by the physician. This estimate is considered reasonable since some examinations for very minor injuries such as minor cuts, burns and bruises will take less than 15 minutes while examinations for more serious injuries will take longer. It is also estimated that approximately .50 hours is required for the employee to travel to and from the office visit - 15 minutes allocated for each one-way trip. This is considered reasonable since the injured employee is permitted to choose his/her own physician and the physician will therefore generally be located close to the employee's home. This estimate is an average since some trips may take less and others more time depending on the distance to the physician's office. The combined burden hours for the form are therefore 1.08 hours and the calculation is as follows:  $1.08 \times 75,000 = 81,000$  hours.

The annualized burden cost to the respondents is estimated to be approximately \$1,174,500. This estimate was derived from the National Average Weekly Wage (NAWW) as computed by the Bureau of Labor Statistics based on the national average earnings of production and non-supervisory workers on private non-agricultural payrolls. Section 6(b) of the Longshore and Harbor Workers' Compensation Act mandates the use of the NAWW in setting the maximum and minimum compensation rates and in determining the amount of annual adjustments due to permanent total disability and death. Since it is not possible to determine the specific occupation or wages for each person who will provide the information covered by this clearance, and wages can vary considerably from person to person depending on locale as well as duties and length of service, use of a national average weekly wage covering all occupations appears reasonable under the circumstances. The current applicable NAWW is \$580.18. The computations are therefore as follows:  $\$580.18 \div 40 = \$14.50/\text{hr}$  ( $\$14.5045$  rounded)  $\times 81,000 = \$1,174,500.00$ .

13. This information collection does not require the use of systems or technology for generating, maintaining or disclosing the data above that which would already be kept as a customary

business practice. The cost of an exam by the physician is approximately \$130.00. It is estimated that the physician takes approximately 15 minutes to perform the exam and another 20 minutes to complete the form. Total cost of the physician's time is approximately \$47.00 per form for a total of \$3,525,000 for the 75,000 forms. This represents a pro rata share of the medical exam as it relates to the time needed to gather information for the completion of this form. A mailing cost of \$.44 per response (\$.41 postage and \$.03 envelope charge) is applied as an operation cost with a total of \$ 33,000 for the 75,000 responses. Total cost for physician's time plus mailing cost is \$3,558,000.

14. The cost to the government is estimated to be approximately \$65,700.00. This estimate was determined by taking into consideration printing, distribution and analysis costs associated with the issuance and review of Form LS-1. Printing costs were determined by using a cost of \$6.00 per 100 copies (or \$0.06 per copy) for a two-sided form. Approximately ½ of the total forms (i.e. 37,500) will need to be printed. Distribution costs were determined by applying a postage (\$.41) and envelope charge (\$.03) against the number of copies issued annually. Analysis and handling costs were determined by applying the hourly rate of a GS-12 claims examiner (\$31.30) to the total annual hours required for review. The annual review hours were determined by applying an estimate of .02 hours or 1 minute for the review and analysis of each of the 75,000 forms, received each year. The calculations are as follows:

Printing	\$ 2,250.00 (37,500 copies at \$0.06/copy)
Distribution	16,500.00 (37,500 x \$.44)
Analysis	46,950.00(75,000 x .02 = 1,500 x \$31.30)
Total	\$65,700.00

15. Burden has been reduced by 28,350 hours (109,350 previous burden hours - 81,000 current burden hours = 28,350 hours). This reduction in burden hours is the result of reduced reporting under the Act resulting in a reduction in the number of responses from the previous estimate of 101,250 responses to the current estimate of 75,000. A cost to the employer of \$47.00 is applied per response for the physician's time in performing each exam and completing the form. Total cost to the employer for the 75,000 forms is \$3,525,000. This addition of \$3,525,000 to operation and maintenance cost is due to this pro rata share not being accounted for previously. The change in mailing from \$40,500 to \$33,000 (-\$7,500) is due to a decrease in the responses since the last clearance but an increase in postage cost. \$3,525,000 + \$33,000 = \$3,558,000 (total operation and maintenance costs).

Total difference in operation and maintenance cost from last clearance is \$3,517,000.

16. The information will not be published for statistical use.

17. We are requesting a continuation of the exemption of the provisions of 5 CFR 1320.8(b)(1) which requires that a current expiration date be affixed on all OMB cleared forms.

The usual OMB clearance is for 3 years. In the Longshore program, users supply and stock most forms. Large insurance carriers and self-insured employers will generally print, or have their own supplies of the forms they use printed. However, small to medium carriers and employers will usually purchase their quantities of the forms with which to fill small orders. It is difficult to estimate the amount of demand for the forms; therefore, supplies of some forms may stay in stocks for many years before they are all purchased and new supplies are printed. Large carriers and self-insurers also print in large quantities to reduce costs. Since the Longshore program has remained stable for many years, very few, if any changes are ever required in the forms used. To require that all forms be reprinted every three years to merely change the OMB expiration date on the forms would impose an economic burden on the industry, which cannot be justified under the circumstances.

To require reprinting every three years would also impose an additional cost on the government. New proofs of the forms would be required, specimens would need to be printed and then distributed to the industry for subsequent printing in large quantities. If there are no substantive changes required in the forms, it is difficult to justify the added cost merely to change an OMB expiration date on the forms.

It should be recognized that to require reprinting of large quantities of forms to update OMB expiration dates, when no other changes are required or justified, clearly violates the spirit of the Paperwork Reduction Act which mandates that burden to the public be reduced - not increased. We, therefore, request a continuation of the exemption from the provisions of 5 CFR 1320.8(b)(1) relative to the expiration date requirement for the Longshore form associated with this clearance.

18. There are no exceptions to the certification.