

SUPPORTING STATEMENT
CLAIM FOR REIMBURSEMENT - FORM CA-278
OMB NO. 1240-0006 (Formerly 1215-0202)

1. The Office of Workers' Compensation Programs (OWCP) is the federal agency responsible for administration of the War Hazards Compensation Act (WHCA), 42 U.S.C. 1701 *et seq.* Under section 1704(a) of the WHCA, an insurance carrier or self-insured who has paid workers' compensation benefits to or on account of any person for a war-risk hazard may seek reimbursement for benefits paid (plus expenses) out of the Employees' Compensation Fund for the Federal Employees' Compensation Act (FECA) at 5 U.S.C. 8147.

Form CA-278 is used by insurance carriers and the self-insured to request reimbursement. The regulations that implement the WHCA permit OWCP to collect the information needed to consider an insurance carrier's or self-insured's reimbursement request at 20 CFR 61.101 and 61.104.

2. The information collected is used by OWCP staff to process requests for reimbursement of WHCA benefit payments and claims expenses submitted by insurance carriers and self-insureds. The information is also used by OWCP to decide whether it should opt to pay ongoing WHCA benefits directly to the injured worker.

3. Form CA-278 is currently posted on the internet at <http://www.dol.gov/owcp/dfec/regs/compliance/forms.htm> for downloading by insurance carriers and self-insured. However, since Form CA-278 must be accompanied by documentation in support of the request for reimbursement, providing for the submission of this information electronically is not considered to be practicable.

4. The information collected on this form is not duplicative of any information available elsewhere. The respondent is the only source of the benefit payment and claims expenses data that is needed to process the request for reimbursement.

5. This information collection has been streamlined to obtain the minimum information needed for OWCP to process a request for reimbursement while imposing the minimum burden on respondents, and does not have a significant economic impact on a substantial number of small entities.

6. Please refer to Nos. 1 and 2 above. The information collected from both insurance carriers and self-insureds is the

minimum needed to evaluate whether a reimbursement request meets the statutory requirements in the WHCA. Reimbursement requests cannot be processed by OWCP without the information collected.

7. There are no special circumstances for conducting this information collection.

8. No outside consultations have been conducted concerning the use of Form CA-278. However, reimbursement for benefit payments and claims expense has been available since the WHCA was passed in 1942, and OWCP has received a sufficient number of requests for reimbursement to develop the proposed collection instrument.

A notice inviting public comment on this information collection (under the former OMB control number 1215-0202) was published in the Federal Register on March 15, 2010. No comments were received.

9. Respondents do not receive any gifts or payments to furnish the requested information.

10. All information contained in FECA claim files is fully protected under the Privacy Act in the system of records known as DOL/GOVT-1 (Office of Workers' Compensation Programs, Federal Employees' Compensation Act File, (<http://www.dol.gov/sol/privacy/dol-govt-1.htm>)).

11. There are no questions of a sensitive nature on this form.

12. OWCP receives an average of 269 new WHCA reimbursement claims annually, of which approximately 269 are opened when an insurance carrier or self-insured submits a request for reimbursement to OWCP. These 269 responses are submitted by seven respondents through attorney firms (thirty eight responses per year per respondent), since each reimbursement request is for a single beneficiary). It is estimated that each Form CA-278 will take approximately 30 minutes to prepare, for an annual hour burden of 135 hours (269 responses annually x 0.5 = 135 hours).

Using the current median hourly wage for insurance claims and policy processing clerks (reported by the Bureau of Labor Statistics) <http://www.bls.gov/oes/current/oes439041.htm> of \$15.91 per hour, the respondent annualized cost estimate for this collection is \$2148 (135 x \$15.91 = 2147.85 or \$2148 rounded up). The rate of submission of new claims has increased as the result of the conflicts in Iraq and Afghanistan. The increase is

likely to continue in the next few years as additional injuries or deaths occur.

13. There are no startup costs for this information collection. Operation and maintenance costs consist solely of mailing costs. An estimated annual total of 269 mailed responses at \$2.07 per response (based on \$1.92 in postage for 4 ounces to accommodate attachments + \$.15 for large size envelope) = annual operation and maintenance costs of \$557(\$269 x 2.07) = \$556.83 or \$557 rounded up.

14. The estimated costs to the Federal government of collecting the information on Form CA-278 are set out below:

Printing costs: Due to the small number of respondents that OWCP contemplates will submit a Form CA-278; there are no plans to print the form in bulk for distribution.

Mailing/Developmental costs: Insurance carriers and self-insureds who wish to request reimbursement from OWCP will be able to download Form CA-278 directly from the Internet once it has been approved by OMB and for that reason, no mailing costs for the form will be incurred. There are also no developmental costs associated with this collection of information.

Processing/Reviewing Costs: Reimbursement requests made under the WHCA are processed by a "special claims" unit located in the FECA program's district office in Cleveland, Ohio that includes 1-GS 9 claims examiner, 11-GS-12 senior/claims examiners, and 1-GS-13 supervisor, who spend about 10% of their time processing WHCA reimbursement requests.

<u>Claims Examiners</u>	<u>Grade/Step</u>	<u>Salary</u>	<u>Cost</u>
1	GS-09/1	\$49,327	\$49,327
1	GS-12/2	\$73,917	\$73,917
3	GS-12/6	\$83,455	\$250,365
2	GS-12/7	\$85,839	\$171,678
1	GS-12/8	\$88,223	\$88,223
2	GS-12/9	\$90,607	\$181,214
2	GS-12/10	\$92,992	\$185,984
1	GS-13/10	\$110,580	<u>\$110,580</u>
Total Cost			\$1,111,288

\$1,111,288.00x 10% of the salaries listed above = \$111,288.00 for the Estimated Federal cost.

The Salary Table 2010-CLE, <http://opm.gov/oca/10tables/html/cle.asp> was used to arrive at the estimated Federal Cost.

15. There is an adjustment of 70 burden hours to 135 which is an increase of 65 burden hours as a result of the number of claims being submitted due to the conflict in Iraq. There has been a change in the operation and maintenance costs due to an increase in postage from \$239.00 to \$557.00.

16. There are no plans to publish any data collected by Form CA-278.

17. This information collection request does not seek a waiver from the requirement to display the expiration date.

18. There are no exceptions to the certification statement.