

SUPPORTING STATEMENT
VA FORM 29-888
INSURANCE DEDUCTION AUTHORIZATION
2900-0024

JUSTIFICATION:

1. This form is used by insureds to authorize the Department of Veterans Affairs (VA) to make deductions from benefit payments to pay premiums, loans and/or liens on his/her insurance contract. The information requested is authorized by law, 38 CFR 8.8.
2. This form is used by the insured or their representative to authorize VA to deduct money from the insured's VA compensation check. The deduction from the compensation check can pay the premium, loan and/or lien on the insurance. The authorization will remain in effect as long as the monthly benefit payment is enough to pay the monthly premium, and/or loan, and/or lien payment.
3. VA Form 29-888 is available on the One-VA web site in a fillable electronic format. VBA is currently hosting this form on a secure server and does not currently have the technology in place to allow for the complete submission of the form. 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 form to be incorporated with an existing centralized legacy database.
4. The information is not contained in any other VA records. Similar information is not available elsewhere.
5. The information does not involve any small businesses.
6. This form is designed for use by the insured to authorize deduction from benefits payments.
7. There are no special circumstances requiring that the collection of information be conducted in a manner inconsistent with the guidelines in 5 CFR Section 1320.6.
8. The Department notice was published in the Federal Register on May 2, 2011, page 24567. There were no comments received in response to this notice.
9. The information collected is supplied by the respondent. No remuneration is made.
10. The information collection conforms to the Privacy Act of 1974 and is subject to the conditions of disclosure contained therein. The records are maintained in the system identified as 36VA00, "Veterans and Armed Forces Personnel United States Government Life Insurance Records - VA" as contained in the Privacy Act Issuances, 1993 Compilation.

11. There are no questions of a sensitive nature.

12. We estimate that approximately 3,732 forms a year will be received. We also estimate that it will take approximately 10 minutes to complete this form. We arrived at this estimate by initiating a trial with a VA staff member unfamiliar with the forms. The annual burden is 622 hours. The cost to reporting public is \$9,330.00 (622 hours X \$15/hour).

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

14. Cost to Government:

\$3,355.00	Estimated mailing cost (3,732 X 2 minutes per form X \$15.51/hour (average salary for station mail personnel) plus 3,732 X 38.2 cents each (presort discount)).
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\$1,739.00	Estimated cost for collections (3,732 X 2 minutes per X \$13.98/hour (average salary of station collections personnel)).
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\$18,501.00	Estimated cost for processing (3,732 forms X 15 minutes per form X \$19.83/hour (average salary for reviewers)).
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\$120.00	Estimated printing costs (4,000 X \$30/1,000 forms).
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\$23,715.00	Total cost to the Government.
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15. There is no change in respondent burden.

16. The information is collected for insurance purposes only and there are no plans for publication.

17. The collection instrument, VA Form 29-888, may be reproduced and/or stocked by the respondents and veteran service organizations. This VA form does not display an expiration date, and if required to do so would result in unnecessary waste of existing stock of this form. This form is submitted to OMB for approval every three 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 this VA form.

18. There are no exceptions to the certification statement identified in Item 19 of

OMB Form 83-I.

Statistical Methods

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