

Supporting Statement for VA Form 21P-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 current regulatory basis is found at 38 CFR 3.262 and 38 CFR 3.272. In RIN 2900-AO73, VA proposes to add a new regulation to define medical expenses to maintain the integrity of its needs-based benefits programs. VA has authority under 38 U.S.C. 501(a) to prescribe all rules and regulations which are necessary or appropriate to carry out the laws administered by VA. VA would amend its information collections consistent with RIN 2900-AO73.
2. VA Form 21P-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 21P-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 21P-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 XXXXXX at page XXXXXX. Comments/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 58VA21/22/28, "Compensation, Pension, Education, and Rehabilitation Records—VA" as set forth in Privacy Act Issuances, 1993 compilation found in 74 Fed. Reg. 117 (June 19, 2009).

11. There are no questions of a sensitive nature.

12. Estimate of Information Collection Burden.

a. Number of Respondents is estimated at 60,000 per year.

b. Frequency of Response is annually for most beneficiaries.

c. Annual burden is 30,000 hours.

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

e. According to the U.S. Bureau of Labor Statistics Average Hourly Earnings, the cost to the respondent is \$24, making the total cost to the respondents an estimated \$720,000 (30,000 hours x \$24 per hour).

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

14. Estimated Costs to the Federal Government:

a. Processing/Analyzing costs	\$3,405,300
(GS-11/5 @ \$47.86 * 60,000 * 30/60 minutes =	\$1,435,800
(GS- 9/5 @ \$39.55 * 60,000 * 30/60 minutes =	\$1,186,500)
(GS- 5/5 @ \$26.10 * 60,000 * 30/60 minutes =	\$ 783,000)
b. Printing and production cost	\$25,200
c. Total cost to government	\$3,430,500

15. This change decreases the reporting burden, a review of our corporate database shows the number of claimants submitting this form has decrease. We believe this is due to the change in the Eligibility Verification Report, process, we no longer send out these forms

annually along with the Medical Expense Report. Expiration date has been added since last approval.

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 The information collection is not for publication or tabulation use.

17. We are not seeking approval to omit the expiration date for OMB approval.

17. 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.