

SUPPORTING STATEMENT
Notice of Issuance of Insurance Policy
1240-0048

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collections. Attach a copy of the appropriate section of each statute and of each regulation mandating or authorizing the collection of information.

The Black Lung Benefits Act as amended, and codified at 30 USC 933

(<http://www.gpo.gov/fdsys/pkg/USCODE-2011-title30/html/USCODE-2011-title30-chap22-subchapIV-partC-sec933.htm>) requires that a responsible coal mine operator be insured and outlines the items each contract of insurance must contain. It also enumerates the civil penalties to which a responsible coal mine operator is subject, should these procedures not be followed. In addition, 20 CFR Part V, Subpart C, 726.208 - .213

(http://www.ecfr.gov/cgi-bin/text-idx?SID=6879d5bc7d2580bacd2c5531e3c57c15&mc=true&node=sg20.4.726_1207.sg0&rgn=div7) requires that each insurance carrier shall report to DCMWC each policy and endorsement issued, cancelled, or renewed with respect to responsible operators. It states that this report will be made in such a manner and on such a form as DCMWC may require. It is also required that if a policy is issued or renewed for more than one operator, a separate report for each operator shall be submitted.

The insured coal mining operations are conducted in a State that reports all workers' compensation to the National Council on Compensation Insurance (NCCI), Form CM-921, Notice of Issuance of Insurance Policy is not required. OWCP and NCCI have a Memorandum of Understanding in place that permits NCCI to provide policy information directly to OWCP via Secure FTP (File Transfer Protocol) server.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

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The CM-921 will be completed by the insurance carrier and forwarded to the Department for review when not reporting to NCCI. DCMWC staff reviews any completed CM-921 to identify those operators who have secured insurance for payment of black lung benefits as required by Section 423 of the Act.

NCCI collects state data on policies, premiums, and claims. NCCI has collected the workers' compensation data for years prior to the MOU with DCMWC. Thirty-four states, including seven of the leading coal-producing states in the US, use NCCI for risk and loss/cost analysis in order to set premium rates, for experience rating on individual companies, for tracking medical claims, and for proof of coverage (POC). Even in the states that have not contracted with NCCI to act as their licensed rating and statistical organization, NCCI still collects and analyzes data. OWCP's Memorandum of Understanding with NCCI is used by DCMWC only for proof of coverage to enable DCMWC to identify the proper Responsible Mine Operator and Insurer for individual claims.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The form is available online at <http://www.dol.gov/owcp/regs/compliance/cm-921.pdf>. The CM-921 can also be accessed through the Department of Labor's on-line forms library at <http://webapps.dol.gov/libraryforms/>

Respondents use the National Council for Compensation Insurance as their agent to report policies electronically at the same time that they report similar information to the several states. OWCP and NCCI have a Memorandum of Understanding in place that permits NCCI to provide policy information directly to OWCP via Secure FTP (File Transfer Protocol) server. Any other respondents in states that do not have such capability can submit the actual form to the DCMWC.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

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There is no similar approved information collection form used by DCMWC or Federal government for insurance carriers to report coverage of coal mine operators. Many states also collect this information through NCCI. OWCP and NCCI have a Memorandum of Understanding in place that permits NCCI to provide policy information directly to OWCP via Secure FTP (File Transfer Protocol) server; therefore, OWCP has removed reporting that is duplicative with state requirements.

5. If the collection information impacts small businesses or other small entities, describe any methods used to minimize burden.

This information collection does not have a significant economic impact on a substantial number of small entities.

6. Describe the consequence of Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

This information is collected on an annual basis, because 20 CFR 726.206 requires that policies be issued for one year. DCMWC needs to collect this information in order to conform to the regulatory requirements of the Black Lung Benefits Act. If this information is not collected, DCMWC would be in violation of the regulating requirements of the Act.

7. Explain any special circumstance required in the conduct of this information collection:

There are no special circumstances for conducting this information collection.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.

A Federal Register Notification inviting public comment was published on January 21, 2016 (81FR3477). No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payments or gifts are provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulations, or agency policy.

No assurance of confidentiality is provided. No information covered by the Privacy Act of 1974 is collected.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary; the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

This collection contains no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not make special surveys to obtain information on which to base burden estimates. Consultation with a sample of potential respondents is desirable. If the burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated burden and explain the reason for the variance. Generally, estimates should not include burden hours for customary and usual business practices. Provide estimates of the hour burden of the collection of information.

The public burden estimate of this information collection is approximately 58 hours. This burden is based on NCCI receiving 3,500 electronic responses, one response annually from each respondent. It is estimated that it takes each respondent one (1) minute to confirm their coverage electronically with NCCI.

3,500 responses X 1 minute = 3,500 minutes

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3,500 minutes / 60 = 58.3333 (rounded down to 58)

13. Annual Costs to Respondents (capital/start-up & operation and maintenance).

Previously, there were annual costs for the respondents involving envelopes, postage, and printing forms. Currently, there are no annual costs to respondents since they submit updated information directly to NCCI electronically.

14. Provide estimates of annualized cost to the Federal government.

The estimated total annual cost to the Federal government is approximately \$579.00. Claims examiners view available information from NCCI approximately 1,000 times annually. Each view performed by a claims examiner (GS-12/1) will take approximately one minute to perform. The hourly rate of a GS-12/1 claims examiner is \$34.03 https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2016/RUS_h.pdf

The annualized cost to the Federal government is figured as follows:

1,000 minutes / 60 = 17 hours X \$34.03 per hour = \$579.00
(\$578.51 rounded up)

OWCP estimates the Agency spends \$360 per year to maintain its side of the FTP.

15. Explain the reasons for any program changes or adjustments.

There are no program changes or adjustments for respondents.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection information, completion of report, publication dates, and other actions.

There are no plans to publish this collection of information.

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17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Because the CM-921 can be printed and distributed by individual insurance companies, the data required by OMB is printed on our instruction sheet for completing the CM-921. This relieves individual carriers from the added expense of redesigning and printing new forms every few years. This ICR does not seek a waiver from the requirement to display the expiration date.

18. Explain each exception to the certification statement identified in ROCIS

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used in these collections of information.