

SUPPORTING STATEMENT

**HEALTH INSURANCE CLAIM FORM
1240-0044 (OWCP-1500)**

This Information Collection Request revises the currently approved ICR to incorporate regulatory updates implementing the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA), 42 U.S.C. 7384 *et seq.*

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 Office of Workers' Compensation Programs (OWCP) is the agency responsible for administration of the Federal Employees' Compensation Act (FECA), 5 U.S.C. 8101 *et seq.* - administered by the Division of Federal Employees' Compensation Program; the Black Lung Benefits Act (BLBA), 30 U.S.C. 901 *et seq.*, - administered by the Division of Coal Miner Workers' Compensation Program; and the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA), 42 U.S.C. 7384 *et seq.* - administered by the Division of Energy Employees Occupational Illness Compensation Programs. All three of these statutes require that OWCP pay for medical treatment of beneficiaries; BLBA also requires that OWCP pay for medical examinations and related diagnostic services to determine eligibility for benefits under that statute. In order to determine whether billed amounts are appropriate, OWCP needs to identify the patient, the injury or illness that was treated or diagnosed, the specific services that were rendered and their relationship to the work-related injury or illness. The regulations implementing these statutes require the use of Form OWCP-1500 for medical bills submitted by certain physicians and other providers (20 CFR 10.801, 30.701, 725.405, 725.406(e), 725.701 and 725.715).

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.

Form OWCP-1500 is used by OWCP and contractor bill payment staff to process bills for medical services provided by medical professionals other than medical services provided by hospitals, pharmacies and certain other medical providers. To consider the appropriateness of the requested payment in a timely fashion, it is essential that provider bills be submitted on a standard form that will capture the critical data elements needed to evaluate the bill, such as procedure and diagnosis codes. Form OWCP-1500 therefore includes the standard billing form (Form CMS-1500) for medical professionals used by Centers for Medicare and Medicaid Services, Tricare, Department of Veteran Affairs and most private health insurance carriers. However, since OWCP only needs some of the information requested by the CMS-1500 to process bills submitted in the three programs, it does not require providers to respond fully to the CMS-1500 (see instructions for completing Form OWCP-1500).

For diagnostic services needed to determine claimant eligibility under the BLBA, OWCP staff complete the data elements relevant to claimant identification, and pre-code the medical procedures on the OWCP-1500 forms that are sent to the medical professionals who provide specific authorized services related to the benefit determination process. Information collected by these forms that relates to the actual services provided, the dates of services, fees, required medical reports and signatures is submitted by the medical provider.

The Internal Revenue Service requires the reporting of payments to specific providers in excess of \$600 in any one year, making it necessary to obtain the provider's tax identification number for each bill. If the provider's tax identification number and social security number (SSN) are the same, OWCP is required to obtain the SSN to meet IRS reporting requirements.

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.

In accordance with the Government Paperwork Elimination Act, the current Form OWCP-1500 is electronically interactive and is posted on the Internet at <https://www.dol.gov/owcp/dfec/regs/compliance/OWCP-1500.pdf> and

<https://owcpmed.dol.gov/portal/formsAndLinks.do>. A provider may complete and submit the form online or print out a paper copy and mail it to OWCP's medical billing contractor. An estimated 22 percent of responses will be filed electronically based on the mean value of data compiled during FY2015 through FY2017 according to OWCP and Contractor bill payment staff that processes the Form OWCP-1500.

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 A.2 above.

The information requested through Form OWCP-1500 is not duplicative of any information available elsewhere. The medical providers who use Form OWCP-1500 to bill the programs for their services are the only sources of the required information.

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

This information collection has been streamlined to obtain the necessary information for OWCP's bill processing system while imposing the minimum burden on respondents. Form OWCP-1500 does not impose additional burdens on small businesses or other small entities because providing billing information in this format is part of a medical provider's usual business practices.

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.

Please refer to Nos. 1 and 2 on page 1. The information required is the minimum needed to meet the bill processing needs of the three programs and is in a widely recognized standard format. Appropriate payment for the medical services provided by law to eligible claimants cannot be made by OWCP and contractor bill payment staff without the information collected. Frequency of data collection is based on how often the provider requests payment for covered services it has rendered. Because Form OWCP-1500 lends itself to multiple visits or services, the number of times the form is filed with OWCP varies with the number of times during any period that the provider decides to submit billing. Less frequent collection of data would result in delayed payment to providers.

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

There are no special circumstances for the collection of this information.

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.

OWCP published a Notice of Proposed Rulemaking (NPRM) that involved Form OWCP-1500 in the Federal Register on November 18, 2015 and sought comments. No comments on the Form OWCP-1500 were received.

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

There are no gifts to respondents. Payments are only for medical services provided under the various acts.

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

All bill payment requests submitted on Form OWCP-1500 are fully protected under the Privacy Act in the following systems of records: DOL/GOVT-1 (for FECA), 81 FR 25776 (Apr. 29, 2016); DOL/OWCP-2 (for BLBA), 81 FR 25858 (Apr. 29, 2016); and DOL/OWCP-11 (for EEOICPA), 81 FR 25868 (Apr. 29, 2016). A Privacy Act Statement is included on the form.

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.

There are no questions of a sensitive nature (as described in paragraph 11 above) on this form.

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 following burden estimates for the three programs have been derived by averaging data for FY 2015 through FY 2017. FECA: an estimated 51,611 respondents submit the OWCP-1500; BLBA: an estimated 1,755 respondents submit the OWCP-1500; and EE0ICPA: an estimated 3,733 respondents submit the OWCP-1500 making the total number of respondents 57,099. Note: all numbers may not add due to rounding.

FECA: An estimated 51,611 respondents submit the OWCP-1500 for an estimated total number of responses under that program of 2,949,986. Of these, approximately 602,036 responses are submitted electronically and 2,347,950 responses are submitted manually. It is estimated that each of these responses will take approximately one minute to complete electronically and seven minutes to complete manually.

Total annual hour burden of 284,060 hours (10,054 + 274,006 = 284,060)

Electronic (602,036 x .0167 = 10,054 hours)

Manual (2,347,950 x 0.1167 = 274,006 hours)

BLBA: An estimated 1,755 respondents submit the OWCP-1500 for an estimated total number of responses under that program of 69,084. Of these, approximately 1,674 responses are submitted electronically and 67,410 responses are submitted manually. It is estimated that each of these responses will take approximately

Health Insurance Claim Form
1240-0044 (OWCP-1500)
December 2018

one minute to complete electronically and seven minutes to complete manually.

Total annual hour burden of 7,895 hours ($28 + 7,867 = 7,895$)
Electronic ($1,674 \times 0.0167 = 28$ hours)
Manual ($67,410 \times 0.1167 = 7,867$ hours)

EEOICPA: An estimated 3,733 respondents will submit Form OWCP-1500 for an estimated total number of responses under that program of 362,162. Of these, approximately 127,650 responses are submitted electronically and 234,512 responses are submitted manually. It is estimated that each of these responses will take approximately one minute to complete electronically and seven minutes to complete manually.

Total annual hour burden of 29,500 hours ($2,132 + 27,368 = 29,500$)
Electronic ($127,650 \times 0.0167 = 2,132$ hours)
Manual ($234,512 \times 0.1167 = 27,368$ hours)

Combining the burden hours for all three programs, Form OWCP-1500 has a total respondent burden hour estimate of 321,455. The mean wage rate for billing clerks (based on Bureau of Labor Statistics data, <http://www.bls.gov/oes/current/oes433021.htm>) is estimated to be \$18.06 per hour. Thus, the respondent cost estimate for this collection is \$5,805,477. $321,455 \text{ hours} \times \$18.06 = \$5,805,477$.

Totals: Responses 3,381,232; Time 321,455 Hours; Time Value: \$5,805,477.

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

The cost of completing and submitting bills using Form OWCP-1500 is included in the charges submitted by respondents for the services provided. Therefore, respondents experience no operation and maintenance costs.

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

The estimated costs to the Federal government for collecting the information on Form OWCP-1500 are set out below:

Printing costs: There is no printing cost associated with Form OWCP-1500. The instructions for filling out the portions of the form that is required for OWCP's billing processes are included in the program provider manuals that are available to and/or disseminated by the servicing contractor to all providers in the programs. When needed, updates are issued in the form of bulletins to the programs' provider community. Printing and mailing costs for provider manuals and bulletins are built into the contract that OWCP has with the contractor that provides billing support services to the three programs.

Mailing costs: Physicians and other providers seeking payment under FECA, BLBA and EEOICPA may obtain copies of Form OWCP-1500 from various sources on the Internet. All forms are downloaded and computer-generated; for these forms, there are no distribution costs.

Processing/Reviewing costs:

FECA: Under OWCP's contractor medical bill processing system, the contractor cost to process one Form OWCP-1500 is \$3.44. Therefore, the contractor cost to process 2,949,986 forms for the FECA program will be \$10,147,952 (2,949,986 forms x \$3.44/form = \$10,147,952

Bills that suspend out of the contractor medical bill processing system and require manual review are examined by 80 bill resolution clerks and coding specialists employed by the FECA program at the GS-5, step 4 level, and by 12 at the GS-9, step 2 level; approximately 5% of their time is required for this function. Thus, the cost to provide this review function is \$175,374(80 x \$36,130/year (GS 5, step 4 using Salary Table 2017-RUS) x 5% = \$144,520; 12 x \$51,424/year (GS 9, step 2 using Salary Table 2017-RUS) x 5% = \$30,854; \$144,520 + \$30,854 = \$175,374).

<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/RUS.pdf>

Total FECA processing/review costs: \$10,323,326
(\$10,147,952 + \$175,374).

BLBA: OWCP's contractor medical bill processing system processes Forms OWCP-1500 for the BLBA program at a cost of \$3.44 per form. Therefore, the contractor cost to process the estimated 69,084 forms submitted for the DCMWC program will be \$237,649 (69,084 forms x \$3.44/forms = \$237,649).

Three Federal employees in Washington, DC review all OWCP-1500 forms under the BLBA program that suspend out of the bill processing system: a Payment Systems Manager (GS-14, step 7 using Salary Table 2017-DCB) at \$134,426 yearly, an Assistant Payment System Manager (GS-13, step 9 using Salary Table 2017-DCB) at \$120,074 yearly, and a Claims Examiner (GS-11, step 10 using Salary Table 2017-DCB) at \$86,460 yearly.

Approximately 2% of the Payment Systems Manager's time is attributable to this reviewing function. Approximately 40% of the Assistant Payment System Manager's time is attributable to this reviewing function. Approximately 50% of the Claims Examiner's cost is attributable to this reviewing function. The total time attributable to this reviewing function is \$93,949 ($\$134,426 \times 2\% = \$2,689$) ($\$120,074 \times 40\% = \$48,030$) ($\$86,460 \times 50\% = \$43,230$)

<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB.pdf>

Total BLBA Processing/Reviewing costs: \$331,598 ($\$237,649 + \$93,949$).

EEOICPA: OWCP's contractor medical bill processing system processes Forms OWCP-1500 for the EEOICPA program at a cost of \$3.44 per form. Therefore, the contractor cost to process the estimated 362,162 forms submitted for the EEOICPA program will be \$1,245,837 ($362,162 \text{ forms} \times \$3.44/\text{forms} = \$1,245,837$).

Two Federal employees in Washington, DC review all OWCP-1500 forms under the EEOICPA program that suspend out of the bill processing system: a Payment Systems Manager (GS-14, step 5 using Salary Table 2017-DCB) at \$126,958 yearly and an Assistant Payment Systems Manager (GS-13, step 4 using Salary Table 2017-DCB) at \$104,275 yearly. About 40% of their time is attributable to this reviewing function, for a cost of \$92,493 ($\$126,958 + \$104,275 = \$231,233 \times 40\% = \$92,493$).

<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB.pdf>

Total EEOICPA Processing/Reviewing costs: \$1,338,330
(\$1,245,837 + \$92,493).

Total Federal Cost: \$11,993,254. [\$10,323,326 (FECA processing and reviewing costs) + \$331,598 (BLBA coding and processing costs) + \$1,338,330 (EEOICPA processing and reviewing costs)]

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

Because there has been an increase in the number of responses, the burden hours increased from 280,856 to 321,455. In addition, the final BLBA rule continues the current information collection requirements but would change where the regulatory authorities are codified. This ICR updates the regulatory citation for the BLBA program's authority to collect the information.

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 data collected on the form.

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.

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

18. Explain each exception to the certification statement 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.