

Justification

RUIA Claims Notification and Verification System

RRB Form ID-4K, ID-4K (Internet), ID-4E, and ID-4E (Internet)

1. Circumstances of information collection - Section 5(b) of the Railroad Unemployment Insurance Act (RUIA) (45 U.S.C. 355), as amended by the Railroad Unemployment Insurance and Retirement Improvement Act of 1988 (P.L. 100-647), requires that effective January 1, 1990, when a claim for benefits is filed with the Railroad Retirement Board (RRB), the RRB shall provide notice of the claim to the claimant's base-year employer(s) to provide the employer(s) with an opportunity to submit information relevant to the claim before we make an initial determination. If we determine to pay benefits to the claimant under this Act, we notify the base-year employer(s) of our determination.

Whereas the law requires that notice be provided and the opportunity to respond to the notice, the decision to respond to any particular notice is voluntary.

The procedures pertaining to the notice and the opportunity for response are prescribed in 20 CFR 320.10.

2. Purposes of collecting/consequences of not collecting the information - The purpose of the claims notification system is to provide two notices, pre-payment Form ID-4K and post-payment Form ID-4E, to a claimant's base year employer (and current employer, if not the same as the base year employer), regarding the filing, under the RUIA, of each unemployment application and each unemployment and sickness claim for benefits. Each notice allows the base-year employer the opportunity to provide information which may be relevant to the proper adjudication of the employee's claims by the RRB.

A. First Notice

Form Letter ID-4K, Prepayment Notice of Employees' Applications and Claims for Benefits Under the Railroad Unemployment Insurance Act, is sent by the RRB to an employer when one of their employees files an unemployment application or subsequent unemployment or sickness claim. Railroad employers may elect to receive ID-4K prepayment notices by one of three options:

Option 1

Form Letter ID-4K, is a computer-generated paper notice of all unemployment applications, unemployment claims, and sickness claims received from employees of a railroad company on a particular day, and is mailed on a daily basis to railroad employers

or their designees. The notice contains information about unemployment applications and unemployment and sickness claims received and entered into the Railroad Unemployment Claims System database (RUCS) on the preceding business day.

Employers who are mailed Form Letter ID-4K are instructed to telephone the adjudicating

RRB office if information can be provided within three business days, and to mail information to the RRB after three business days.

Option 2

A file transfer protocol (FTP) equivalent of the Form ID-4K notice is transmitted to participating railroads on a daily basis; generally on the same day that unemployment applications and unemployment and sickness claims are received and entered into RUCS. Employers participating in the electronic notification process are encouraged to respond electronically.

Option 3

Form ID-4K (Internet), Notice of RUIA Claim Determination is posted on a daily basis on the RRB's *Employer Reporting System* (ERS), generally the same day that unemployment applications and unemployment and sickness claims are entered into RUCS and provides employers with the ability to respond more quickly by utilizing ERS. Employers participating through ERS are encouraged to respond via ERS.

Under all three options, when the RRB sends the base year railroad employer(s) an unemployment application or unemployment or sickness claim notice by Form ID-4K, FTP, or ERS, each notice contains the following information:

- Employee Name, Date Last Worked, Social Security Number
- Employee's reason for being unemployed, Payroll Identification Number
- Days Claimed by the employee for unemployment or sickness benefits
- Local RRB Office, Telephone Number

The employer then has the opportunity to mechanically or manually compare the information provided in the RRB notice with available personnel and work force records (i.e., payroll, timekeeping, crew management, and employee status records and respond if the comparison reveals a question regarding entitlement to benefits for that specific application or claim. In addition to responding to the specific information provided in the RRB notice, the railroad employer is able to provide any additional information considered relevant to the employee's eligibility for RUIA benefits

Railroad employers are allowed three business days from the date of the RRB's notice to provide a response before a decision is made to pay or deny a claim. Upon receipt of the information from the employer, the RRB's adjudication office determines whether to pay or deny benefits. If no response is received by the third business day, a determination is made on the employee's claim based on the information available.

The RRB proposes no changes to Form ID-4K manually or electronically.

B. Second Notice

Form Letter ID-4E, Notice of RUIA Claim Determination, is sent by the RRB to a base-year employer when a sickness or unemployment claim by one of their employees is approved for payment, either in whole or in part, by the RRB. The notice displays either the gross payable or an amount charged, depending on whether additional benefits have been paid that were previously denied for the same claim period.

Railroad employers may elect to receive ID-4E post-payment notices of claims by one of the following three options:

Option 1

Form Letter ID-4E, is a computer-generated paper notice, which the RRB sends daily. If upon receipt the base-year employer(s) believes the determination is incorrect, a review of the determination to pay benefits may be requested.

In essence, this is the employer's second chance to challenge a claim for benefits. Since a base-year employer's RUIA contribution rate is determined, in part, by the cumulative amount of RUIA benefits their employees are paid, it is in the base-year employer's best interest to verify that RUIA benefits are correctly claimed and paid to their employees. Employers who are mailed Form Letter ID-4E are instructed that if they disagree with the determination to pay benefits and decide to request reconsideration, their request must be in writing and must be received by the RRB within 60 calendar days of the date of the notice. If no response is received within 60 calendar days, the benefit charges are included in the base year employer's individual "benefit charge total" for the appropriate quarter.

Option 2

A file transfer protocol (FTP) equivalent of the Form ID-4E notice is transmitted to participating railroads on a daily basis, generally on the same day that payments are approved. Employers participating in the electronic notification process are encouraged to respond electronically.

Option 3

Form ID-4E (Internet), Notice of RUIA Claim Determination, is posted on a daily basis on the Employer Reporting System (ERS), generally the same day that payments are approved and provides employers the ability to respond more quickly by utilizing ERS. Employers participating through ERS are encouraged to respond via ERS.

Under all three options, when the RRB sends the base year railroad employer(s) a post-payment notice of application or claims by Form Letter ID-4E, FTP, or ERS, each notice contains the following information:

- Employee Name, Social Security Number
- Claim Begin Date, Claim Profile (a series of 14 numeric codes indicating the days claimed and allowed, and the days denied in the claim period)
- Gross Payable - The amount of benefits payable with respect to the claim
- Charged - The amount of benefits previously not reported to the employer. If the notice is the first one with respect to the claim, the amount will be the same as the "Gross Payable." If the determination results in a payment on a claim which was previously denied in whole, or in part, or was not paid pending completion of an investigation, the amount of the additional benefits paid as a result of the determination is shown.
- Type of Benefit - Sickness (SI) or Unemployment (UI)
- Benefit Year (BY)
- Payroll Identification Number of the employee
- Local RRB office

The employer then has the opportunity to mechanically or manually compare the information provided in the RRB notice with available personnel and work force records (i.e., payroll, timekeeping, crew management, and employee status records) and respond to a claim notice if the comparison reveals the claimant should not have been paid benefits for one or more of the claimed days. In addition to responding to the specific information provided in the RRB notice, the railroad employer is able to provide any additional information considered relevant to the employee's eligibility for the RUIA benefits paid. Upon receipt of the information from the employer, the RRB's adjudication office determines whether to recover benefits previously paid.

Under all three options employers are allowed sixty calendar days from the date of the RRB notice to protest the payment of benefits.

The RRB proposes no changes to Form ID-4E manually or electronic.

The required Paperwork Reduction Act Notice and the burden statement for the collection of RUIA appeal information are incorporated in RRB Circular Letter No. UI-C-229. This circular letter is mailed to railroad Chief Executive Officers and Unemployment and Sickness Insurance Contact Officials, and is available for viewing on the RRB's website at www.rrb.gov.

3. Planned use of improved information technology or technical/legal impediments to further burden reduction - In the case of notices sent by file transfer protocol, information from each unemployment application, unemployment claim, and sickness claim filed under the Railroad Unemployment Insurance Act is formatted into a message for transmission to each participating employer, which the majority of the submissions.

There are no current plans to remove the paper transmission option at this time due to a small percentage of annuitants who still prefer to use this option. We will reevaluate this after the completion of the RRB IT Modernization project

4. Efforts to identify duplication - To our knowledge, no other agency uses forms similar to Forms ID-4K, ID-4K (Internet), ID-4E, or ID-4E (Internet) and this information collection does not duplicate any other RRB collection.
5. Small business respondents - Completion is Voluntary.
6. Consequences of less frequent collection - N.A.
7. Special circumstances - N.A.
8. Public Comments/consultations outside the agency – In accordance with 5 CFR 1320.8(d), comments were invited from the public regarding the information collection. The notice to the public was published on page 7122 of the January 26, 2021, Federal Register. No comments or requests for additional information were received.
9. Payments or Gifts to Respondents - N.A.
10. Confidentiality - Privacy Act Systems of Records RRB-7, Applications for Unemployment Benefits and Placement Service under Railroad Unemployment Insurance Act, and RRB-21, Railroad Unemployment and Sickness Insurance Benefit System. In accordance with

OMB Circular M-03-22, a Privacy Impact Assessment for this information collection was completed and can be found at <https://www.rrb.gov/sites/default/files/2017-06/PIA-BPO.pdf>.

11. Sensitive questions - There are no questions of a sensitive nature.
12. Estimate of respondent burden -The current and estimated annual burden for this collection is as follows:

Current Burden

RRB Messages	Responses	Time (Minutes)	Burden
UI Applications/Claims			
ID-4K (Paper)	500	2	17
ID-4K (Mainframe) (FTP)	6,600	---*	84
ID-4K (Internet)	25,600	2	853
ID-4E (Paper)	30	2	1
ID-4E (Internet)	90	2	3
Subtotal	32,820		958
Sickness Claims			
ID-4K (Paper)	750	2	25
ID-4K (Mainframe) (FTP)	9,900	---*	126
ID-4K (Internet)	38,400	2	1,280
ID-4E (Paper)	20	2	1
ID-4E (Internet)	30	2	1
Subtotal	49,100		1,433
Total	81,920		2,391

Proposed Burden

RRB Messages	Responses	Time (Minutes) 1/	Burden
UI Applications/Claims			
ID-4K (Paper)	500	2	17
ID-4K (Mainframe) (FTP)	7,200	---*	84
ID-4K (Internet)	27,200	2	906
ID-4E (Paper)	30	2	1
ID-4E (Internet)	90	2	3
Subtotal	35,020		1,007
Sickness Claims			
ID-4K (Paper)	750	2	25
ID-4K (Mainframe) (FTP)	10,400	---*	126
ID-4K (Internet)	39,600	2	1,320
ID-4E (Paper)	20	2	1
ID-4E (Internet)	30	2	1
Subtotal	50,800		1,473

Total	85,820		2,484
--------------	--------	--	-------

1/The RRB has been collecting the information on these forms since OMB approved the information collection. Based on a sampling done when the form was originally created, the office calculated the estimated time, which includes time for getting the needed data and reviewing the completed form.

*The burden for the railroad employers receiving file transfer protocol (FTP) messages has been calculated in the following manner. We estimate that 10 minutes a day would be required on average for each of the 5 railroad employers to operate the system. Based on 251 workdays in a year, we calculate the number of burden hours to be 210 hours, of which we allocated 40 percent to unemployment transactions) and 60 percent to sickness transactions 126 hours).

	Responses	Hours
Total burden Change	+3,900	+93
Adjustment	+3,900	+93

- 13. Estimate of annual cost to respondents or record keepers - N.A.
- 14. Estimated cost to Federal Government - N.A.
- 15. Explanation for change in burden – The estimate of responses has increased by 3,900, from 81,920 to 85,820 and the burden has increased by 93, from 2,391 to 2,484. This increase reflects the actual responses received over the last three benefit years.

The total number of **unemployment applications and claims** has increased by 2,200, from 32,820 to 35,020, and the burden has increased by 49, from 958 to 1,007. Due to a rise in the number of responses from employers using ERS, the Internet unemployment responses has increased by 1,600, from 25,600 to 27,200, with an increase in burden of 53, from 853 to 906. FTP responses (which replaces EDI), increased the unemployment responses by 600, from 6,600 to 7,200.

The total number of **sickness claims**, has increased by, 700, from 49,100 to 50,800, and the burden has increased by 40, from 1,433 to 1,473. This is mainly due to a rise in the number of responses from employers using ERS. FTP sickness responses increased by 500, from 9,900 to 10,400, and the ERS Internet responses increased by 1,200, from, 400 to 39,600. The burden increased by 40, from 1,280 to 1,320. We have classified the 3,900 increase in responses and 89 burden hours as an adjustment

- 16. Time schedule for data collections and publication - The results of this collection will not be published.
- 17. Request not to display OMB expiration date - The RRB started an extensive multi-year IT Modernization Initiative at the beginning of Fiscal Year 2019 to transform our operations into the 21st Century using multiple contractor services to improve mission performance, expand service capabilities, and strengthen cybersecurity. In addition, we received a new Chief Information Officer (CIO) on September 2, 2019 who is reviewing our estimated project timeline milestone dates. We provided OMB with a consolidated project timeline.

Given that the forms in this collection are seldom revised; the costs associated with redrafting, reprinting, and distributing forms in order to keep the appropriate OMB expiration date in place; and our desire to reevaluate after the completion of the modernization

project, **the RRB requests the authority to not display the expiration date on the forms.**

18. Exceptions to Certification Statement - None