

Request for Information on Earnings, Dual Benefits, Dependents
and Third Party Settlement
1240-0016 (CA-1032)
January 2022

SUPPORTING STATEMENT

Request for Information on Earnings, Dual Benefits, Dependents and Third Party Settlement OMB 1240-0016 (CA-1032)

This ICR seeks a revision request.

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 information requested on the CA-1032 is obtained from each claimant receiving continuing compensation on the periodic disability roll under the Federal Employees' Compensation Act (FECA). The Office of Workers' Compensation Programs (OWCP) sends the form out once a year to each claimant receiving FECA compensation on the periodic roll. The form requests information on the claimant's earnings, dependents, third party settlements, and other Federal benefits received as required by the FECA. Specifically, Congress required that:

- 1) Compensation must be adjusted to reflect a claimant's earnings while in receipt of benefits, and the information is to be collected in the manner specified by the Secretary of Labor. *See* 5 U.S.C 8106.
- 2) Compensation is payable at the augmented rate of 75 percent only if the claimant has one or more dependents as defined by the FECA under 5 U.S.C 8110.
- 3) Compensation may not be paid concurrently with certain benefits from other Federal Agencies, such as the Office of Personnel Management, Social Security, and the Veterans Administration. *See* 5 U.S.C 8116. At times, benefits may be reduced. *See* 5 U.S.C. 8116(d).
- 4) Compensation must be adjusted to reflect any settlement from a third party responsible for the injury for which the claimant is being paid compensation. *See* 5 U.S.C. 8132.
- 5) An individual convicted of any violation related to fraud in the application for, or receipt of, any compensation benefit, forfeits (as of the date of such conviction) any entitlement to such benefits, for any injury occurring on or before the date of conviction. *See* 5 U.S.C 8148 (a).

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- 6) No Federal compensation benefit can be paid to any individual for any period during which such individual is incarcerated for any felony conviction. See 5 U.S.C. 8148 (b)(1).

Under 5 U.S.C. 8106, Congress gave the Secretary of Labor the authority to collect earnings information from partially disabled FECA claimants. Employees that fail to report their earnings when required or knowingly underestimate them forfeit their compensation rights. 5 U.S.C. 8106(b). And in accordance with 5 U.S.C. 8106 and 20 C.F.R. § 10.528, OWCP periodically requires each employee who is receiving compensation benefits to complete a signed statement as to any work, or activity indicating an ability to work, which the employee has performed for the prior 15 months. If an employee, who is required to file such a report fails to do so within 30 days of the date of the request, his or her right to compensation for wage loss under 5 U.S.C. § 8105 or § 8106 is suspended until OWCP receives the requested report. At that time, OWCP will reinstate compensation retroactive to the date of suspension if the employee remains entitled to compensation.

Reference: <https://www.dol.gov/owcp/dfec/regs/statutes/feca.htm>.

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.

The information collected through the CA-1032 is used to verify that compensation being paid on the periodic roll is correctly calculated under the FECA. For this reason, OWCP needs the claimant to provide information about earnings, status of dependents, any third party settlement, and details of any other Federal benefits that they are receiving. Without this information, claimants might receive compensation to which they are not entitled, resulting in an overpayment of compensation.

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.

OWCP's FECA program maintains that this form not be made available for electronic posting at the OWCP website, (<http://www.dol.gov/owcp/dfec/regs/compliance/forms.htm>). The form must be completed and submitted by the claimant in the time frame set by the program (to avoid suspension of benefits) and because not every claimant has the ability to complete it electronically, the printed form still needs to be sent by mail (the form is internally driven and initiated by OWCP) each year in the claimant's birth. Mailing the form helps ensure that all claimants have the same opportunity to complete the form within the allotted time specified before the benefits to avoid the possibility of

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suspension.

However, once a claimant has completed this form, rather than mailing the form to OWCP, the claimant has the option to upload this form into their individual case record in a web-based feature known as the Employee Compensation Operations and Management Portal, or ECOMP, which was initiated by OWCP in 2011. This electronic feature is internet based, and there is no cost to the claimant.

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.

This information is not duplicated anywhere else in the FECA program or anywhere else in the federal sector. While the Internal Revenue Service (IRS) and the Social Security Administration have some earnings information, their information is not sufficiently current or complete for determining the claimant's entitlement to ongoing compensation. In addition, information from the IRS is not available without the claimant's written authorization, which OWCP cannot require.

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.

Please refer to No. 1 and No. 2. If this information collection was done less frequently, there is a chance that compensation would be paid erroneously, resulting in overpayments. Overpayment collection is difficult, and experience shows that once an overpayment has occurred, it is very difficult and costly to recover the overpaid funds.

7. Explain any special circumstance that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

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- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of statistical data classification that has not been reviewed and approved by OMB; that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

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. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection-of-information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A Federal Register Notice inviting public comment was published on June 7, 2021. Reference [86

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FR 30335]. OWCP received one public comment.

The National Association of Letter Carriers (NALC), letter dated August 2, 2021, raised concerns with Part D.2. SSA benefits section of the CA-1032. The commenter noted that the present format increases the burden on claimants, resulting from confusion among claimants how to respond to the questions to this section of the questionnaire related to SSA benefits, which often results in FECA and/or SSA benefit overpayments, and generates significant paperwork as decisions go through a lengthy process.

The commenter provided two examples to support their concerns. First, citing the Department of Labor's Inspector General consistently finding that FECA overpayments due to dual receipt of OWCP compensation and Social Security Benefits, results from claimants not understanding the SSA Benefits language and failing to report benefits accurately. Secondly, noting a few decisions by the Employees' Compensation Appeals Board, which also often note the claimants misunderstanding of the SSA dual benefit process.

In the current format, the language regarding SSA benefits reads as follows:

2. SSA Benefits. Report any benefits that you receive from the SSA as part of an annuity under the Federal Employees' Retirement System (FERS). DO NOT report any benefits received from the SSA on account of employment in the private sector.
 - a. (Retirement) Do you receive benefits from the SSA as part of an annuity for Federal service?
Yes or No: _____ Monthly Amount: _____
 - b. (Other) If you are in receipt of any other SSA benefits, including disability, please list each kind in the space (s) below.

Note: If you receive SSA retirement benefits attributable even in part to your Federal service, your FECA benefits are subject to an offset. Likewise, if you receive SSA disability benefits, those SSA benefits may be reduced due to your receipt of FECA benefits.

The commenter suggested the following language related to SSA benefits be revised that is more clear and easier to understand.

2. SSA Benefits
 - a. Do you receive any Social Security Benefit? Yes or No _____
 - b. If yes, list the monthly amount _____
 - c. Are you retired? Yes or No _____
Date of Retirement (Month/Day/Year) _____/_____/_____

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Note: If you receive SSA retirement benefits, your FECA benefits may be subject to an offset. Likewise, if you receive SSA disability benefits, those SSA benefits may be reduced due to your receipt of FECA benefits.

OWCP thanks the NALC for providing comment on the CA-1032, and agrees on the need to update the SSA benefits section of the Form CA-1032 and will consider the comments accordingly.

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

No payment 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.

All information contained in FECA claim files are fully protected under the Privacy Act of 1974. The claim forms that are filled out by an injured employee when initiating a compensation claim contain a statement advising the claimant of the provisions of the Privacy Act. The applicable Privacy Act system of records is DOL/GOV-1 at website: <http://www.dol.gov/sol/privacy/dol-govt-1.htm>.

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.

While the information collected from beneficiaries may be considered to be sensitive, it is all necessary to ensure they receive proper payments, as explained in item one of this supporting statement. The information collection cover letter explains the need for the information the claimant is being asked to provide.

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 conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is**

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expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. General, estimates should not include burden hours for customary and usual business practices.

- **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The information requested by the CA-1032 should be readily available to the claimant. In most cases, it should simply be a matter of filling in the form; 20 minutes has been allotted for the completion of the form.

The number of respondents is currently about 37,056 per year. This is an estimate using the number of FECA claimants currently receiving compensation of the periodic roll for FY2017-2019. Therefore, hours are calculated at $37,056 \times 1/3 \text{ hour} = 12,228 \text{ hours}$.

Because the wage category of most of the respondents is not known, we have estimated the cost of the burden hours using the National Average Weekly Wage for non-supervisory workers on private non-agriculture payrolls as computed by BLS, or \$23.84 per hour.¹

Therefore, the cost is estimated at \$291, 515.00 (12, 228 hours x \$23.84).

Reference: <https://www.bls.gov/news.release/empsit.t24.htm>.

Estimated Annualized Respondent Cost and Hour Burden

Activity	No. of Respondents	No. of Responses per Respondent	Total Responses	Average Burden (Hours)	Total Burden (Hours)	Hourly Wage Rate	Total Burden Cost
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¹ This average hourly wage is based on the most recent non-preliminary data, December 2019.

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CA-1032	37,056	1	37,056	.33	12,228	\$23.84	\$291,515.00
Total	37,056	1	37,056	.33	12,228	\$23.84	\$291,515.00

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- **The cost estimate should be split into two components: (a) a total capital And start up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

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There are no start-up costs. The only operation and maintenance cost is for postage and envelopes. The response cost is \$0.58 (\$0.55 postage and \$0.03 envelope). However, electronically uploaded responses using ECOMP is 26.29% and responses sent via facsimile is 3.78%, and neither entail a response cost. The total cost for the 69.93% mailed, is calculated as \$15,029.69, rounded up to \$15,030.00 as noted in the chart below.

The 37,056 responses at \$.55 postage + \$.03 envelope per response = \$21, 492.00 (rounded down).

Respondent Cost Table - CA-1032

[\$0.55 (postage) + \$0.03 (envelopes)] x 37,056 (forms) = \$21,492.48, rounded down to \$21,492.00.

Total Cost for mailed response=\$21,492.48 x 69.93% (mailed response) = \$15,029.69, rounded up to \$15,030.00

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Federal Cost Estimate:

Printing Cost: There will be no printing cost since the CA-1032 is stored in OWCP's Automatic Data Processing systems in a word processing program.

Mailing and Envelope Cost: 37,056 x \$.58 = \$21,492.48 (or \$21,492.00 rounded down)

Review Cost: time to review each form is 0.25/hour

- hourly wages of reviewer GS-12/6 at \$42.89 (Reference OPM Salary Table at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2020/RUS_h.pdf).
- 37, 056 x 1/4 X \$42.89 = \$397, 332.96 or \$397,333.00 (rounded up)

Total federal Costs: Mailing cost (\$21, 492.00) + Review Costs (\$397, 333.00) + Annual

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ECOMP Contract Pricing Hosting (\$7,714.00)² = \$426,539.00.

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

There are no changes with the previous submission related to number of respondents and IC cost burden dollars, which remains 37, 056, and \$15, 030, respectively. However, the previously approved burden hours, 12, 352, is reduced to 12, 228 (a decrease of 124) due to rounding of the average burden hour to “.33 versus .3333333333”.

The revision to this ICR only affects a change to a question in PART D--OTHER FEDERAL BENEFITS OR PAYMENTS.

Current language:

2. SSA Benefits. Report any benefits that you receive from the SSA as part of an annuity under the Federal Employees' Retirement System (FERS). DO NOT report any benefits received from the SSA on account of employment in the private sector.

a. (Retirement) Do you receive benefits from the SSA as part of an annuity for Federal service? Yes or No: _____ Monthly Amount: _____

b. (Other) If you are in receipt of any other SSA benefits, including disability, please list each kind in the space (s) below.

Note: If you receive SSA retirement benefits attributable even in part to your Federal service, your FECA benefits are subject to an offset. Likewise, if you receive SSA disability benefits, those SSA benefits may be reduced due to your receipt of FECA benefits.

Revised language:

2. Social Security Administration (SSA) Benefits.

² The ECOMP cost is \$270,000 for FY 2019. There are 35 forms, which require OMB approval, can be downloaded through ECOMP. These forms are: CA-2a, CA-5, CA-5b, CA-7, CA-12, CA-15, CA-16, CA-17, CA-20, CA-40, CA-41, CA-42, CA-155, CA-278, CA-721, CA-722, CA-1027, CA-1031, CA-1032, CA-1074, CA-1087, CA-1090, CA-1108, CA-1122, CA-1143, CA-1305, CA-1331, CA-2231, OWCP-5a, OWCP-5b, OWCP-5c, OWCP-16, OWCP-17, OWCP-20, and OWCP-44. The ECOMP figure used was based on the average cost for each of those collections, or 1/35 of \$270,000, which is \$7,714.29, \$7,714, rounded down.

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- a. Are you receiving any benefits from SSA? Yes or No: _____
- b. If yes, please select benefit type: _____ Retirement Benefits
_____ Disability Benefits
- c. If you receive retirement benefits from SSA attributable even in part to your Federal service, your FECA benefits are subject to an offset.

If you are in receipt of retirement benefits from SSA, please complete the following:

_____ Your Age
_____ Your Federal Retirement Coverage (CSRS, FERS, CSRS Offset, Other).
If other, explain. _____
_____ Your Monthly Benefit if your retirement is not CSRS

Note: If you receive SSA disability benefits, those SSA disability benefits may be reduced by SSA due to your receipt of FECA benefits.

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.

Data collected with these forms will not be published.

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.

The OMB Control Number and expiration date will be displayed.

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

There are no exceptions to certification.

B. Collection of Information Employing Statistical Methods:

Statistical methods are not used in these collections of information.