

**SUPPORTING STATEMENT FOR
NOTICE OF CONTROVERSION OF RIGHT TO COMPENSATION – (LS-207)**

OMB CONTROL NO. 1240-0042

This ICR seeks an extension of a currently approved ICR.

A. JUSTIFICATION

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

The Division of Federal Employees Longshore and Harbor Workers' Compensation administers the Longshore and Harbor Workers' Compensation Act. This Act provides benefits to workers injured in maritime employment on the navigable waters of the United States or in an adjoining area customarily used by an employer in loading, unloading, repairing, or building a vessel. In addition, several acts extend Longshore Act coverage to certain other employees.

Pursuant to Section 914(d) of the Act, and 20 CFR 702.251, if an employer controverts the right to compensation he/she shall file with the district director in the affected compensation district on or before the fourteenth day after he/she has knowledge of the alleged injury or death, a notice, in accordance with a form prescribed by the Secretary, stating that the right to compensation is controverted. Form LS-207 is used for this purpose.

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.

Insurance carriers and self-insured employers use the form to controvert claims under the Act. OWCP district offices use the information to determine the basis for not paying benefits in a case. It also informs the injured claimant of the reason(s) for not paying compensation benefits. If the information were not collected, our district offices and claimants would have no way of knowing the reason(s) for controverting the right to 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.

Respondents can submit the form LS-207 electronically using our secure web portal [SeaPortal](#). The form itself is located on our website at <https://www.dol.gov/sites/dolgov/files/owcp/dlhwc/ls-207.pdf>.

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.

All forms in the Longshore program have been carefully reviewed to eliminate all requests for duplicate information. The LS-207 is a unique form in that insurance carriers and self-insured employers use it to controvert specific cases.

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

The information is not requested from small businesses or other small entities. This information collection does not have a significant economic impact on a substantial number of small entities.

6. Describe the consequence to 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.

The information is only collected when a carrier or self-insurer controverts the payment of compensation benefits to an injured claimant. It therefore cannot be collected less frequently without eliminating notice to OWCP district offices and claimants of the reasons that payment is being denied.

7. Explain any special circumstances 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;**
- **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.**

The Longshore Act requires insurance carriers and self-insured employers to immediately file this information with the OWCP. The form must be submitted at the time initial payment is denied. Other than this exception, there are no other special circumstances.

<https://www.dol.gov/agencies/owcp/dlhwc/lhwca>

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.

The LS-207 is a basic claims form, which insurance carriers and self-insurers use to controvert compensation benefits. It requests only basic data relating to the reason(s) that benefits are not paid. OWCP district office personnel with whom the form is filed maintain daily contact with representatives of the insurance carriers and self-insurers. Should any complaints be received, or suggestions for improvement be received, they are carefully evaluated, and appropriate action is taken.

A Federal Register Notification inviting public comment was published on March 18, 2024, 89 FR 19360. No comments were received.

In addition, OWCP and Longshore leadership invite comment and feedback on processes and forms on a continual basis with regularly scheduled meetings with stakeholders including, but not limited to: four to five conferences per year during which OWCP makes presentations to stakeholders and fields their questions, comments and concerns; annual Carrier Performance Meetings with OWCP leadership and the largest carriers; special requests for in person and/or virtual meetings with stakeholders throughout the year; outreach efforts at the District Office and National Office levels; and continual communication with all stakeholders.

The Longshore Program consulted with three internal and/or external representatives to the agency involved in requesting Form LS-207 Notice of Controversion of Right to Compensation. The consultation asked Longshore industry contacts for their feedback on burden estimates for information collection activities associated with requesting Form LS-207. None of the three representatives had any changes or comments on the estimated burden, so the Longshore Program is proceeding with the initial estimates published in the 60-day notice. The individuals/organizations consulted about the information collection are listed in the table below. We have redacted their last names and contact information.

Table 1: List of Internal and External Representatives

Contact	Organization	Email	Phone
Tracie XXX	AWAC	xxx	xxx
Penny XXX	BIW	xxx	xxx
Stephanie XXX	Deputy Director Longshore	xxx	xxx

9. Explain any decision to provide any payments or gifts 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, regulation, or agency policy.

While no assurance of confidentiality is provided to respondents, to the extent records pertaining to specific compensation cases are disclosed, they are protected under the Privacy Act. Otherwise, the information collected is not protected under the Privacy Act.

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.

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 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. Generally, 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.**

Burden has been estimated to be approximately 5,982 hours.

It is estimated from records maintained in the National Office that about 550 insurance carriers and self-insurers will file approximately 43.505 forms each for a total annual number of forms filed of 23,928. The time needed to complete the form, including the time needed to obtain the information required by the form from existing records, has been estimated to be 15 minutes or .25 hour. (23,928 forms x .25 hours = 5,982 hours). This estimate is considered reasonable in light of the information required by the form which is the reason(s) that a carrier or a self-insurer is controverting the right to compensation benefits and usually consists of only one or two single sentence reasons, e.g. lack of jurisdiction, claimant not injured in course of employment, etc.

The annualized burden cost to the respondents has been estimated to be approximately \$98,223.13. This estimate is derived from use of the National Average Weekly Wage (NAWW) as computed by the Bureau of Labor Statistics and which is based on the national average earnings of production or nonsupervisory workers on private nonagricultural payrolls.

Section 906(b) of the Act mandates the use of the NAWW in setting the maximum and minimum compensation rates under the Act and in determining the amount of annual adjustments due to permanent total disability and death beneficiaries. Since it is not possible to determine the specific occupation or wages for each person who will provide the information covered by this clearance, and wages can vary considerably from person to person depending on duties and length of service,

use of a national average weekly wage covering all occupations appears reasonable under the circumstances. The current applicable NAWW is \$963.29. [National Average Weekly Wage](#) The computations are therefore as follows:

$$\$963.29 / 40 \text{ hrs} = \$24.08/\text{hr} \times 5,982 \text{ hrs} = \$144,046.56 \text{ annualized burden cost.}$$

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
LS-207	550	43.505	23,928	.25	5,982	24.08	144,046

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.**

There are no start-up costs associated with this collection. The only operation and maintenance cost is for postage and envelopes, which is based on \$0.71 (\$0.68 postage and \$0.03 envelope) Based on data from FY 2023, 11% of respondents used the mail option, while 89% used the option to electronically upload/submit responses via SEAPortal.

Total mailed responses = 2,617

Total electronic responses = 21,311

Total = 23,928

Respondent Cost using mail option for submission for the LS-207

Total cost for mailed responses = \$1,858.07 [(\$0.68 (postage) + \$0.03 (envelopes)) x 2,617 (forms)] = \$1,858.00 rounded.

14. Provide estimates of the annualized cost 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), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.

The cost to the government has been estimated to be \$108,643.00. This estimate was determined by taking into consideration analysis costs associated with the review of all forms associated with this clearance. Analysis and handling costs were determined by applying the hourly rate of a GS-12, step 5 workers' compensation claims examiner taken from the [2023 Rest of the U.S. pay chart](#) (\$44.98) to the time it takes to review each form. The annual review hours were determined by applying an estimate of 5 minutes (.08 hours) for the review and analysis of each form. The computations are therefore as follows:

Form	Grade/Rate	Analysis (Hours)	# of Forms	Federal Cost
LS-207	GS-12s5/\$44.98	.08	23,928	\$86,102.52

Total review cost to the government is 23,928 (responses) x .08 hrs x \$44.98 (grade 12, step 5) = \$86,102.52.

Thus, the total cost to the government is \$86,102.52 + (\$66,000.00/10 = \$6,600) * = \$92,702.52 or \$92,703.00 rounded.

*The cost to maintain SEAPortal is \$66,000 so this has been divided over the total Information Collection Requests (ICRs) that are impacted.

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

Time burden has increased due to an increase in claims with an attendant increase in the actual number of controversion forms filed by employers in response to the claims. Cost burden to respondents has decreased despite the increase in both responses and postage costs because a larger percentage of respondents are filing their LS-207 forms electronically.

16. For collections of information whose results will be published, outline plans for tabulations, 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 of information, completion of report, publication dates, and other actions.

The information collected will not be published for statistical use.

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.

Since the form is available on-line, this ICR does not seek a waiver from the requirement to display the expiration date.

18. Explain each exception to the certification statement.

There are no exceptions to the certification.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS.

Statistical methods are not used in these collections of information.