

SUPPORTING STATEMENT

CM-623, REPRESENTATIVE PAYEE REPORT
CM-623S, REPRESENTATIVE PAYEE REPORT (Short Form)
CM-787, PHYSICIAN'S/MEDICAL OFFICER'S STATEMENT
OMB No. 1215-0173

JUSTIFICATION:

1. CM-623 and CM-623S

Benefits due a DOL black lung beneficiary may be paid to a representative payee on behalf of the beneficiary when the beneficiary is unable to manage his/her benefits due to incapability, incompetence or minority. The CM-623 (Representative Payee Report) form is used to collect expenditure data regarding the disbursement of the beneficiary's benefits by the payee to assure that the beneficiary's needs are being met. The Federal Mine Safety and Health Act (30 U.S.C. 901) and 20 CFR 725.510, 511, and 513 necessitate this information collection. The CM-623 is used to ensure that benefits paid to the representative payee are used for the beneficiary's care and well being. The submission of the CM-623 is required to obtain and retain benefits and failure to complete and file this form may prevent payment of benefits.

The CM-623S, Representative Payee Report (Short Form) is sent to representative payees who are relatives of and who live with the beneficiary. The CM-623S requires less detailed certification from the representative payee than the CM-623 requires. The CM-623S was developed because relatives of the beneficiary who live with him/her felt that to have to complete the regular form CM-623 was an unwarranted burden, since the regular form requires such detailed verification. To have to complete a form in such detail by someone who is a close family member and who apparently has the beneficiary's best interests in mind seemed unnecessarily burdensome for this category of representative payee. The CM-623S is used when the representative payee is a family member residing with the beneficiary to ensure that benefits paid to the representative payee are used for the beneficiary's care and

well being. The submission of the CM-623S is required to obtain and retain benefits and failure to complete and file this form may prevent payment of benefits.

CM-787

In certain instances, benefits due a DOL black lung beneficiary may be paid to another person on behalf of the beneficiary when the beneficiary is unable to meet his/her needs due to incapability or incompetence. To determine incapability or incompetence, certain medical information needs to be obtained from a physician. In a small percentage of representative payee cases the CM-787 is needed to determine the capability of a beneficiary to manage monthly benefits. The Federal Mine Safety and Health Act of 1977 (30 U.S.C. 922) and 20 CFR 725.506 necessitate this information. The CM-787 is used to help determine if the beneficiary requires assistance in managing his/her benefits because of impairment.

2. CM-623 and CM-623S

The representative payee reports to the Division of Coal Mine Workers' Compensation (DCMWC) the utilization of yearly benefits received on behalf of the beneficiary. The claims examiner reviews the form and determines if the representative payee is providing for the beneficiary's current needs with the funds certified to the representative payee, if any excess monies remain, and if the funds have been properly conserved for the beneficiary's future needs. If no reporting and accounting were required, the DCMWC would have no way of knowing if a representative payee is properly using the beneficiary's money to provide for the beneficiary's care and keeping. This could result in potential fraud and abuse.

CM-787

If the District Director has reason to believe that a beneficiary may not be able to manage his/her benefits, and if medical information is needed to help determine the beneficiary's incapability, the patient's physician or a medical officer is requested to report the beneficiary's capability to manage benefits to DCMWC on a one time only basis or, as appropriate, if the beneficiary later becomes capable to manage benefits. Without the CM-787, the claims

examiner would have no uniform way of requesting this type of medical information.

3. CM-623, CM-623S and CM-787

In accordance with the Government Paperwork Elimination Act (GPEA), the CM-623, CM-623s, and CM-787 in this information collection were considered but found to be not practicable for electronic submission. In the OWCP Black Lung GPEA Forms Final Transformation Status report, OWCP determined that the three forms should not be made available for electronic submission.

All three forms are currently available on the Internet for downloading, on-screen filling, and printing at:

<http://www.dol.gov/esa/regs/compliance/owcp/cm-623.pdf>,
<http://www.dol.gov/esa/regs/compliance/owcp/cm-623s.pdf>;
<http://www.dol.gov/esa/regs/compliance/owcp/cm-787.pdf>.

The CM-623 and CM-623s contain space for the signature of a witness if the person completing the form is unable to sign his or her name. Two independently-obtained digital signatures by different people would be required to submit such a form on-line and, in order to keep claim information confidential, the Department of Labor's web site does not permit forwarding or submission of on-line forms to any electronic address other than the Department's designated electronic mailbox. This would prevent the payee from forwarding the form to the witness after both had received their digital signature verification keys. The CM-787 is similarly fillable only. Although there is no space for a witness, the form is pre-filled by the claims examiner with the beneficiary's name, address, and identifying information before it is mailed to the physician for completion and signature.

4. CM-623, CM-623S and CM-787

We have reviewed all of our forms and determined that there is no form analogous to the CM-623, CM-623s, and CM-787. The Social Security Administration uses a similar form, the SSA-788, to assure proper usage of benefits, to determine if the beneficiary's needs are being met and to account for monies certified to the representative payee. DCMWC cannot use the SSA form because DCMWC and SSA have different beneficiary populations and because the SSA form does not include appropriate references to the Black Lung Benefits Act.

5. CM-623

Small businesses such as nursing homes, long-term care facilities, boarding houses, etc. would be involved. If the beneficiary were a resident in that type of institution and that institution were appointed the representative payee, the institution's administrator would be required to give an accounting of the use of the beneficiary's benefits. The only burden would be the completion of the CM-623 form. Since the information needed for completion should be part of the small business's regular accounting procedure, and is only required on occasion, the government's efforts to minimize burden for small businesses have been considered.

CM-623S

Since this form will only be completed by a relative living with the beneficiary, there are no small businesses involved.

CM-787

Small businesses such as physicians are involved. The only burden is the completion of a short form. The medical information, for the most part, is already a matter of record and the physician would affirm the facts for DOL/DCMWC records.

There is no significant economic impact on a substantial number of small entities.

6. CM-623 and CM-623S

DCMWC will mail the report to the appropriate representative payee when necessary. Annual reporting is accomplished on OMB 1215-0084, while the CM-623 and CM-623S will be used on those occasions when an additional report is necessary, such as a change in representative payee or a final accounting following the death of a beneficiary. If final reporting were not done, the potential for fraud and abuse would increase as representative payees would not be held accountable for use of the beneficiary's monies.

CM-787

DCMWC mails the request for the physician's statement on a one-time basis for the most part. The physician's response is brief for pertinent information. If this information were not obtained, there would not be any other means to determine the beneficiary's capability to manage benefits from a medical view.

7. CM-623, CM-623S & CM-787

There are no applicable special circumstances for conducting this information collection.

8. CM-623 and CM-623S

The SSA-788's predecessor form, SSA-623, was used as a prototype in the development of the black lung forms. The CM-623 expands upon the SSA form to capture more detailed expenditure information to ensure proper use of the beneficiary's funds and identify potential fraud and abuse. The CM-623S requests less information than the SSA form and is sent only to a representative payee who is a relative of the beneficiary and lives with the beneficiary.

CM-787

The CM-787 is used by DCMWC to obtain a medical professional's opinion concerning the capacity of a beneficiary to manage his/her own benefits.

A Federal Register Notification inviting public comment was published on April 4, 2008. No comments were received.

9. Respondents do not receive gifts or payments to furnish the requested information.

10. CM-623, CM-623S & CM-787

The Privacy Act System (ESA-6 and ESA-30) provides confidentiality of information collection involving a claimant's records.

11. CM-623, CM-623S & CM-787

There are no questions of a sensitive nature on these forms.

12. CM-623

An average of 900 CM-623 forms will be sent annually to representative payees who are not family members residing with beneficiaries. It takes these representative payees approximately one and 1/2 hours to complete the form and mail it. This results in 1,350 burden hours.

CM-623S

An average of 100 CM-623S forms will be sent annually to representative payees who are family members of, and who live with, beneficiaries. It takes these representative payees approximately 10 minutes to complete the form and mail it. This results in 17 burden hours.

CM-787

An average of 1,100 CM-787 forms are sent annually to physicians. It takes the physician approximately 15 minutes to complete the form and mail it. This results in 275 burden_ hours.

Total burden hours for the CM-623, CM-623S and CM-787 are:

CM-623	1,350
CM-623S	17
CM-787	<u>275</u>
Total	1,642 burden hours

We estimate the annualized cost for the burden hours to 90% of the CM-623 and CM-623S respondents, individuals and family members, by applying the minimum wage per hour of \$5.85 on the Department of Labor home webpage at: <http://www.dol.gov/esa/minwage/q-a.htm>.

We estimate the annualized cost to 10% of the CM-623 respondents by applying the hourly wage of \$15.76 for bookkeeping and accounting clerks taken from the May 2007 National Occupational Employment and Wage Estimates, published by the Bureau of Labor Statistics at <http://www.bls.gov/oes/current/oes433031.htm>.

We estimate the annualized cost to the CM-787 respondents by applying the hourly wage for physicians, taken from the May

2007 National Occupational Employment and Wage Estimates,
published by the Bureau of Labor Statistics at
<http://www.bls.gov/oes/current/oes291069.htm>.

CM-623	1,215 hours	x	\$5.85	=	\$7,107.75
CM-623	135 hours	x	\$15.76	=	\$2,127.60
CM-623S	17 hours	x	\$5.85	=	\$ 99.45
CM-787	275 hours	x	\$68.38	=	\$18,804.50

The total annualized burden cost for respondents is
\$28,139.30.

13. There are no operation and maintenance costs associated with the collection of the three forms. Return postage is provided.
14. The total Federal cost estimate for the three forms is estimated at \$24,367.50.

CM-623

The Federal cost estimate of \$14,580.00 was determined for an average annual usage of 900 forms as follows:

- o printing 900 x \$.08 per form = \$ 72.00
- o mailing 900 x \$.45 per form = \$ 405.00
 \$.42 postage plus \$.03 envelope
- o processing

A GS-12/5 (\$31.34 per hour) spends 30 minutes processing each form.

900 forms x 1/2 hour = 450 hours

450 hours x \$31.34 = \$14,103.00

CM-623S

The Federal cost estimate of \$586.00 was determined for an average annual usage of 100 forms as follows:

- o printing 100 x \$.08 per form = \$ 8.00

o mailing 100 x \$.45 per form = \$ 45.00
 \$.42 postage plus \$.03 envelope

o processing

A GS-12/5 (\$31.34 per hour) spends 10 minutes processing each form.

100 forms x 1/6 hour = 17 hours

17 hours x \$31.34 = \$ 533.00

CM-787

The Federal cost estimate of \$9,201.50 was determined for an average annual usage of 1,100 forms as follows:

o printing 1,100 x \$.08 per form = \$ 88.00

o mailing 1,100 x \$.45 per form = \$ 495.00
 \$.42 postage plus \$.03 envelope

o processing

A GS-12/5 (\$31.34 per hour) spends 15 minutes processing each form.

1,100 forms x 15 minutes = 275 hours

275 hours x \$31.34 = \$8,618.50

15. The decreases in respondents from 5,339 to 2,100 and the burden hours from 5,430 to 1,642 are due to a Program decision to reduce the usage of the CM-623 and CM-623s. The CM-623 and 623s will be used only in those claims which require such accounting as a final accounting after the death of a beneficiary, after a change of representative payee, or after the reinstatement of a beneficiary as his/her own payee.

The small increase in the use of the CM-787 form (980 to 1,100) is due to the increased number of decisions that DCMWC physicians have to make concerning a determination of the

beneficiary's ability to manage his/her financial affairs. began administering payment of benefits to Part B Black Lung beneficiaries in 1997, under a Memorandum of Understanding with the Social Security Administration. And, in FY 2004, DCMWC initiated a biannual mailing of the CM-929, Report of Changes That May Affect Your Benefits, to all Part B beneficiaries. This ongoing mailing has enabled DCMWC claims examiners to discover many cases in which it appears that the beneficiary requires a representative payee. If the need for a payee has not already been established by SSA, the CM-787 is then sent to the beneficiary's physician.

16. There are no plans for publishing statistical data based on this information collection.
17. This request does not seek a waiver from the requirement to display the expiration date.
18. There are no exceptions to the certification statement.