SUPPORTING STATEMENT
CERTIFICATE OF MEDICAL NECESSITY (CM-893)
OMB No. 1215-0113

A. JUSTIFICATION:

1. The enabling regulations of the Black Lung Benefits Act, at 20 CFR 725.701, establish miner eligibility for medical services and supplies for the length of time required by the miner's condition and disability. 20 CFR 725.706 stipulates there must be prior approval before ordering an apparatus where the purchase price exceeds $300.00. 20 CFR 725.707 provides for the ongoing supervision of the miner's medical care, including the necessity, character and sufficiency of care to be furnished; gives the authority to request medical reports and indicates the right to refuse payment for failing to submit any report required. Because of the above legislation and regulations, it was necessary to devise a form to collect the required information. The form is the CM-893, Certificate of Medical Necessity (CMN).

2. The claims examiner (CE) uses the information on the CMN to determine if the patient is eligible for black lung medical benefits if a recent hospitalization needs to be taken into account, if the medical condition is covered by the program, the length of time the item will be needed, and what durable medical equipment (DME) or outpatient service the doctor is prescribing. The CMN contains the requirements for original or certified copies of the objective test results and permits the physician to enter certain required information on the form if the information is not contained in the test report itself. The CE uses each of these items to determine if the CMN request can be approved. The DOL reimbursement standards appear on the second page of the form. The second page is also used for the doctor's signature indicating the doctor's approval and certification of the information on the CMN and shows the doctor's clinical relationship to the patient. Also, there is an area for additional medical information the doctor may wish to present in order for the CMN to be approved.

The CMN is considered a medical prescription which requires pre-authorization.

3. The CMN data is part of the program's benefit information system. The CMN screen shows what action was taken on a requested item. By entering this data into the computer system, it allows DOL to quickly identify duplicate requests and allows the provider's bill to be processed in a consistent and timely manner. This system prevents reimbursement of unauthorized services.

   The CM-893 is available for on-screen filling and/or downloading on the DCMWC web site, as mandated by the Government Paperwork Elimination Act (GPEA). The form is available at http://www.dol.gov/esa/owcp/regs/compliance/cm-893.pdf.

   The CM-893 is not available for online submission because it must be accompanied by original medical test results signed by the examining physician or laboratory technician.

4. We reviewed all other information collections in DCMWC and consulted other ESA programs. There is no duplication within the Program. Other ESA programs have no similar requirements. This form is only used for black lung medical benefits and is unique to DCMWC.

5. Small businesses are involved because a physician is responsible for submitting the information on the CMN. We are constantly in contact with our district offices, the provider community, and our medical consultants to find ways to improve the form in order to minimize the burden. All current medical providers were notified by mail of changes in the billing process required by the February 2005 move to a new medical bill contractor, and DCMWC took this opportunity to enable physicians and medical service providers to check online for patient eligibility for specific services prior to completing the form.

   Burden on physicians and medical suppliers has also been reduced by requiring the CMN only once at the beginning of each prescription for oxygen instead of annually, and by no longer requiring a CMN for certain durable medical equipment. Recertifications of the same oxygen prescription require only a letter from the physician, not a new form and test results. Thus, while the reporting burden per form has not decreased, the number of forms

required over the patient’s lifetime of care has been substantially reduced.

6. If the information on the CMN were not gathered, there would be no way of determining if the prescribed item or service would be appropriate in the care of the miner's pulmonary condition. Without this information and pre-authorization, the program would be subject to abuse.

   For durable medical equipment, home nursing care, and pulmonary rehabilitation, the information is collected at the time a new prescription is written. In OMB clearances until 2005, we required that the information for some equipment be collected annually. This is no longer required. We have determined that our policy of requiring less burdensome reporting for recertification of previously-approved equipment has not affected the patient’s receipt of necessary medical treatment or the over prescribing of unnecessary services.

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

8. Consultation has taken place with medical consultants to DCMWC and medical staff of OWCP in an effort to simplify the form and keep the amount of required information to a minimum. A Federal Register Notice inviting public comment was published on June 4, 2008 in Federal Register Vol. 73, No. 108 Page 31890. No comments were received.

9. Respondents do not receive gifts or payment to furnish the requested information other than remuneration for expenses and services rendered.

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

11. There are no questions of a sensitive nature on this form.

12. The estimated burden of this information collection is approximately 1,253 hours. This burden is based on the average number of 3,200 submissions. Approximately 480 responses involve a pulmonary function study which requires about 30 minutes to administer and calculate the results. Reading,

completing and mailing the form takes another ten minutes for a total of 40 minutes (2/3 hour.)

2/3 x 480 = 320 hrs.

Approximately 2,560 responses involve an arterial blood gas study which takes about 10 minutes to administer and calculate the results. Reading, completing and mailing the form takes another 10 minutes for a total of 20 minutes (1/3 hours.)

1/3 x 2,560 = 853 hours.

The remainder of the responses, 160, involves submission of existing treatment records, requiring 20 minutes to copy and collate. Reading, completing and mailing the form takes another 10 minutes for a total of 30 minutes (1/2 hour.)

1/2 x 160 = 80 hours.

Thus, the total burden is 1,253 hours.

Any estimated annualized cost to respondents for providing the requested information is offset by direct payment by the Program to the respondent for the usual and customary cost for the medical tests and reports. This includes mail and handling charges.

13. There are no operational and maintenance costs associated with the collection of this information. All such costs are reimbursed.

14. The estimated total cost to the Federal Government for development, printing, mailing and processing 3,200 forms and for reimbursement to the respondents for providing the information is approximately $203,476. The cost is computed as follows:

-	Printing		$ 180.00
-	Mailing	3,200 x .45 =	$ 1,440.00
-	Processing		$ 54,336.00

A GS-12/6 spends an average of 30 minutes evaluating and processing each form, and contract staff reimbursed at $17/hour spends an average of 3 minutes on clerical duties associated with each form. (The

Salary Table for FY 08-GS was used to calculate the GS-12/6 salary.)

1,600 hours x $ 32.26 = $ 51,616.00
160 hours x $ 17.00 = $ 2,720.00

- Respondent Reimbursement $147,520.00

The estimated cost to the government for reimbursement to physicians is calculated by the following (costs are derived from the maximum fee payable by DCMWC for each service):

ABG	$46.00	x 2,560	= $117,760.00
PFS	$52.00	x 480	= $ 24,960.00
Records	$30.00	x 160	= $ 4,800.00
Total reimbursement			= $147,520.00

Grand total cost to government = $ 203,476.00

The estimated annualized cost to the respondents for the burden hours for the collection of information including postage and envelopes at $0.45 is reimbursed to the parties by the Program. We did not include the physician's cost with the estimate of the annualized cost to respondents for the burden hours, because any burden-hour cost to CM-893 respondents (physicians) is offset by direct payment by DCMWC to the physicians for the usual and customary cost for the necessary testing, medical records, and completing and returning the form. Physician's office staff costs are overhead costs and are reimbursed as part of the physician's fee.

15. The total burden hours have decreased from 1,567 to 1,253 for a total difference of 314 burden hours. This decrease is an adjustment due to a decrease in the number of miner beneficiaries who are eligible for medical benefits.

1,567 hours in current inventory
- 1,253 requested burden hours
314 total decrease

16. There are no plans to publish this collection of information.

17. This ICR does not seek a waiver from the requirement to

display the expiration date.

18. There are no exceptions to the certification statement.