

CHAPTER 2-1100, PROCESSING OF TRUST FUND ENTITLEMENTS

TABLE OF CONTENTS

1.	Purpose and Scope.....	1
2.	Authority.....	1
3.	Policy.....	1
4.	References.....	1
5.	Definitions.....	1
6.	Responsibilities.....	2
7.	Trust Fund Liability.....	2
8.	Schedule for Submission of Additional Evidence (SSAE).....	3
9.	Creation and Approval of Initial Finding Summary - Form CM-885.....	3
10.	Preparing the Award of Benefits.....	3
11.	Signing and Issuing the Award.....	4
12.	Application for Representative's Fee.....	4
13.	Amended Awards.....	4
14.	Supplemental Awards.....	4
15.	Appeal Timeframes.....	5
16.	Modification of Awards.....	5
17.	Automated Recording of TF Awards.....	5

---

Part 2 - Claims

---

1. Purpose and Scope.

This Procedure Manual (PM) chapter describes procedures for assigning liability to the Black Lung Disability Trust Fund (TF) and ordering payment to eligible claimants under the Black Lung Benefits Act (BLBA), administered by the Division of Coal Mine Workers' Compensation (DCMWC).

2. Authority.

[Section 424 of the BLBA](#); [20 CFR 725.411](#) and [Subpart H](#).

3. Policy.

In any case where the claimant is initially found entitled to benefits, and no operator can be held liable for payment, a Proposed Decision and Order (PDO) Awarding Benefits from the TF is issued.

4. References.

[20 CFR 725.411](#), [.418](#), [.419](#), [.501](#), [.502](#), [.514](#), [.701](#) and [.704](#).

5. Definitions.

a. Automated Correspondence System (CORS). System which contains templates to generate documents needed for claims development and adjudication.

b. Black Lung Disability Trust Fund (TF). The Black Lung Disability Trust Fund pays benefits, under the Program, when no operator can be identified as liable for the payment of any due benefits. The TF also pays benefits on an interim basis in awarded claims in which the responsible operator has failed or refused to pay them while the claim is being litigated.

c. Claimant and Payment Subsystem (CAPS). System designed to provide the Federal Black Lung Program an easy-to-use online claimant and payment system. This includes a means to view, enter, and update information related to black lung claimants, beneficiaries, benefits, and claim adjudication; online medical bill history information and ability to enter limited medical information; online accounting capability that enables users to view, enter and update information related to accounts receivable, general ledger, and special check processing activities; and online capability to archive, purge, and restore reported data.

d. OWCP Imaging System (OIS). OIS is a software program that enables DCMWC staff to view electronic images of paper case file materials.

Part 2 - Claims

---

e. Proposed Decision and Order (PDO). A PDO is a document issued by the district director (DD) after the evidentiary development of the claim is completed and all contested issues, if any, are identified. The PDO purports to resolve a claim based on the evidence submitted to or obtained by the DD. A PDO shall be considered a final adjudication of a claim only as provided in 20 CFR 725.419. See PM Chapter 2-1105.

f. Responsible Operator. Responsible operator means an operator that meets the requirements set forth in [20 CFR 725.494](#) and .495 and therefore is liable for the payment of benefits. See PM Chapter 2-800.

g. Schedule for Submission of Additional Evidence (SSAE). The SSAE is a document issued by the DD to notify the parties of the DD's preliminary determination on the claimant's entitlement to benefits and the liable party. The DD issues an SSAE following the development of the Department's Complete Pulmonary Evaluation and the receipt of liability evidence from notified potentially liable operators. The SSAE contains the DD's designation of responsible operator or TF liability for the payment of benefits. The SSAE notifies the parties of the DD's preliminary evaluation of the evidence regarding the miner's or claimant's eligibility but does not require a formal response regarding eligibility from any party.

6. Responsibilities.

a. District Director. It is the responsibility of the district director (DD), or his/her designee, to develop evidence necessary to evaluate all claim issues, to make determinations regarding those issues, and to issue the appropriate notices, schedules, or decisional documents. See PM Chapter 5-600.

7. Trust Fund Liability.

The Trust Fund is liable to pay benefits, to all eligible miners or their survivors in cases in which:

a. Pre-1970. The miner's last coal mine employment (CME) was prior to January 1, 1970; or

b. Post-1969. The miner's last coal mine employment was subsequent to December 31, 1969, but no responsible operator can be designated as liable.

The Trust Fund also makes interim benefit payments in claims where the miner's last CME was subsequent to December 31, 1969, and the identified responsible operator has failed or refused to begin benefit payments while an

Part 2 - Claims

---

awarded claim is in litigation. This type of payment is termed Interim Pay. (See PM Chapter 2-1101.)

8. Schedule for Submission of Additional Evidence (SSAE).

Generally speaking, if the initial development in a claim with TF liability establishes that the claimant is entitled to benefits, an SSAE will not be issued. The claims examiner should proceed with the PDO awarding benefits. In a TF liability claim, with a finding of non-entitlement, an SSAE will be issued. See PM Chapter 2-1103.

9. Creation and Approval of Initial Finding Summary - Form CM-885.

If sufficient evidence is obtained to make an initial finding of entitlement with Trust Fund liability, the claims examiner (CE) should complete the Initial Finding Summary (Form CM-885). All evidence in the claim should be summarized on this form including all medical evidence indicative of the miner's overall physical condition. The "Rationale" section should include the CE's evaluation of the evidence of record and summary findings for recommending approval of the claim with the specific references in the Act or the Regulations supporting approval. The completed Form CM-885 should be referred to the DD or his/her designee for approval of the finding of entitlement. If the DD agrees with the finding, he/she should initial the Form CM-885 and return the record to the CE for Award preparation.

10. Preparing the Award of Benefits.

a. Creating PDO Documents. The claims examiner should use the automated correspondence system (CORS) to generate the PDO awarding benefits and attachments.

b. Requirement for Additional Items. Certain situations may require that items be added to the Findings of Fact and the Award sections of the award document. These include:

(1) Representative Payee. Designating and appointing a representative payee by name.

(2) Augmentee. Authorizing separate payment for an augmentee upon request.

(3) Electronic Funds Transfer. Directing payment of benefits to an institution.

(4) Attorney Fees. Paying an authorized representative's fees; and

Part 2 - Claims

---

(5) Other Factors. All other findings of fact or conclusions of law which are pertinent to the claimant's entitlement, or the amount of benefits awarded.

11. Signing and Issuing the Award.

When all award documents are complete and proofed for accuracy, the file is given to the DD for signature. Include a copy of all evidence used to determine entitlement. The DD must review, sign and date the initial finding summary (Form CM-885) and the DCMWC Benefit Payment Input Form (Form CM-1261). See PM 2-1402 for detailed guidance on preparation of CM-1261.

- a. Distribution. Distribute to all parties by certified mail.
- b. Upload to the Imaged Record. Scan the award package, the signed Initial Finding Summary (Form CM 885) and DCMWC Benefit Payment Input Form (Form CM 1261) into the OIS.
- c. Data System. Update the Claimant and Payment subsystem (CAPS). See PM 2-302 and PM 2-303 for specific guidance.

12. Application for Representative's Fee.

If the claimant was represented by an attorney, the attorney should be contacted using Form Letter CM 972a and advised to submit an application for Approval of Representative's Fee (Form [CM 972](#)). There is no need to wait for receipt of the fee application prior to writing the claimant's benefit award if it appears that waiting would delay the payment of benefits to the claimant. A lien, in an appropriate amount, will be placed against accrued benefits pending approval of the application if liability for payment rests with the claimant. Further explanation of attorney's fees is made in PM Chapter 2-1404.

13. Amended Awards.

Amended Awards are issued in cases in which it is necessary to change the stated terms of the Award. Errors in "Findings of Fact and Conclusions of Law" must be corrected by Amended Awards. The automated correspondence system has templates for amended awards.

14. Supplemental Awards.

Supplemental Awards are issued in cases in which it is necessary to elaborate upon or add on to an Award. Supplemental Awards do not change the initial Award or an Amended Award. They are issued for points of clarification and final disposition. As an example, an attorney fee can be approved by a Supplemental Award if a finding of representation and responsibility for the

Part 2 - Claims

---

fee was included in the initial Award. Claims examiners may use the templates for supplemental awards in the automated correspondence system.

If a finding of representation was not included in the initial Award and liability falls to the claimant, an Amended Award must be issued as the benefits will be affected and the initial Award will be modified.

15. Appeal Timeframes.

All parties to the claim have 30 days from the date of the issuance of the PDO Awarding benefits to contest any finding or Award provision. If such a response is received, the issue should be brought to the attention of the DD. Benefit payments should not be interrupted.

16. Modification of Awards.

An award may be modified at any time before one year has expired from the date of the last payment. (See PM Chapter 2-1302)

17. Automated Recording of TF Awards.

a. DIARY Screen. Review the record to ensure that all required diary action codes related to the claim development have been entered. See PM 2-303, DIAR Screen Data Entry.

b. Claim Master Screen - PDO Adjudication Data Set. Refer to field-by-field data entry instructions in PM 2-302, Claim Master Screen Data Entry.

Record in this data set codes regarding the award.

(1) DO Code: Select the District Office code for the office issuing the award.

(2) RMO Basis Code: See PM Resource Book - Exhibit 615, for available codes.

(3) Determination Basis Code: Enter the "200-series" code (award) which aligns with the award. (See PM Resource Book - Exhibit 616, for available codes.)

(4) Action Date: MMDDYYYY - date of the PDO Awarding benefits.