
OFFICE OF INSPECTOR GENERAL

**U.S. DEPARTMENT OF LABOR
OFFICE OF AUDIT**

**Performance Audit of
Strategic Partnership Program
Occupational Safety and Health Administration
For the Period
January 1, 1995 through February 28, 2002**

**Report No. 05-02-007-10-001
Issued: September 30, 2002**



SEP 30 2002

MEMORANDUM FOR: JOHN HENSHAW
Assistant Secretary for
Occupational Safety and Health

FROM: *Elliot P. Lewis*
ELLIOT P. LEWIS
Deputy Inspector General
for Audit

SUBJECT: OSHA Strategic Partnership Program
Audit Report 05-02-007-10-001

Attached is our report resulting from our audit of the OSHA Strategic Partnership (OSP) Program. The report contains eight recommendations for improving the program's impact and operations.

Based on your response to the draft report, all eight recommendations are resolved. To close these recommendations, OSHA must provide documentation demonstrating that the agreed upon corrective actions have been implemented. Please notify me when documentation becomes available on any particular recommendation, so that we may review the documentation and make a decision on closing the audit recommendation.

If you have any questions concerning this report, please contact Preston Firmin, Regional Inspector General, in Chicago at (312) 353-2416

Attachment

cc: Robert Poogach

Table of Contents

SECTION	PAGE
ACRONYMS/ABBREVIATIONS	ii
EXECUTIVE SUMMARY	iii
BACKGROUND	1
PRINCIPAL CRITERIA	2
OBJECTIVES	2
SCOPE AND METHODOLOGY	2
FINDINGS AND RECOMMENDATIONS	
I. Although OSHA Has Succeeded in Increasing the Number of OSPs, Particularly in the Construction Industry, the Program Remains Small Overall, and Many Eligible Employers are Hesitant to Join	5
II. OSHA Must Ensure the Consistent Application of OSP Policies and Procedures, and Enforce Program Requirements	11
III. Corroborating Information Would Help Ensure the Integrity of Reported LWDI Data, and Additional Quality Control Procedures are Needed To Make Certain OSP Performance Data are Accurate	15
Exhibit A National Park Service Partnerships Lost Time Cases and LWDI Rates	20
Appendix I Agency Comments	21

Acronyms/Abbreviations

ABC	Associated Builders and Contractors
AGC	Associated General Contractors
CEA	Construction Employers Association
CPL	Compliance Directive
DOI	Department of Interior
EMR	Experience Modification Rate
FIRM	Field Inspection Reference Manual
FY	Fiscal Year
GGNRA	Golden Gate National Recreation Area
JEA	Jacksonville Electric Authority
LTCR	Lost Time Case Rate
LTIR	Lost Time Incident Rate
LWDI	Lost Work Day Injury
NPS	National Park Service
OIG	Office of Inspector General
OSHA	Occupational Safety and Health Administration
OSP	OSHA Strategic Partnership
OSPP	OSHA Strategic Partnership Program
OWCP	Office of Workers Compensation Programs
PSIP	Problem Solving Initiative Project
RIPPSH	Roofing Industry Partnership Program for Safety and Health
SESAC	Steel Erectors Safety Association of Colorado
TED	Training and Education Directive
VPP	Voluntary Protection Program

Executive Summary

The objectives of our audit were to determine how effective the Occupational Safety and Health Administration (OSHA) was in establishing OSHA Strategic Partnerships (OSPs) through its outreach efforts, and if OSPs were making an impact in improving safety and health conditions in the workplace.

In the mid 1990's, OSHA refocused its way of conducting business from traditional enforcement interventions, to more cooperative voluntary efforts between employers, workers, and OSHA. The OSP program was part of this shift in strategy to more cooperative assistance. Although OSPs have been encouraged, and have grown to a total of 159 in February 2002, they continue to represent a small portion of OSHA's total cooperative assistance program. Although we identified examples of partnership successes, we found that:

- Despite OSHA's outreach efforts, the OSP program is having a limited national impact because of the relatively few partnerships and participating employers.
- OSHA has been inconsistent in the application of OSP policies and procedures, data collection, and enforcement of the program requirements.
- OSHA has not obtained corroborating information that would help ensure the integrity of reported Lost Work Day Injury (LWDI) data.

In order to more fully realize the potential benefits of the OSP program, we recommend that the Assistant Secretary for OSHA:

- Refocus existing outreach efforts and develop specific strategies to enlist more employers so that OSPs can become a more prominent part of OSHA's cooperative program;
- Ensure partnership policies and procedures are effectively communicated to all area and field offices, and consistently applied in negotiating partnerships;
- Enforce requirement that program evaluation reports be completed yearly for all partnerships;
- Ensure verification inspections are performed as required;
- Share encouraging preliminary results of the OSP program with potential OSP participating employers;
- Explore procedures for obtaining information to corroborate LWDI information supplied by all partnerships as part of the program evaluation reports; and
- Correct and update the OSP log information, and transfer information to a database system.

OSHA generally concurred with our recommendations and agreed to implement them. However, OSHA did express concern about forcing the expansion of the OSP to gain a critical mass. Excerpts from OSHA's response have been incorporated into appropriate sections of the report, along with our comments. The response is also included in its entirety as Appendix I of the report.

BACKGROUND

OSHA's primary mission is to ensure safe and healthful working conditions for all workers, and its strategic goal for accomplishing this mission is to have fewer workplace hazards, injuries, illnesses, and fatalities. To achieve this goal, OSHA uses a variety of strategies including rule making, enforcement, compliance assistance, and outreach and training to address the most prevalent workplace hazards that the agency targets.

In recent years, the agency has continued efforts to expand its compliance assistance programs. In the mid 1990's, the Problem Solving Initiative was introduced as a disciplined technique for Area Offices to achieve measurable results in a short time frame, in terms of lives saved and injuries and illnesses averted. These Problem Solving Initiatives evolved into a formalized OSHA Strategic Partnership (OSP) for Worker Safety and Health in November 1998 with the issuance of Directive TED 8-0.2. OSHA reorganized Area Offices as a part of a new direction from one of adversarial and confrontational relationships with employers to one of cooperative efforts between employers, workers, and government.

Today, the Compliance Assistance Program includes the Consultation Program, Voluntary Protection Program (VPP), and cooperative programs such as OSHA Strategic Partnerships (OSPs). The Consultation Program provides onsite assistance to small employers. The VPP recognizes exemplary safety and health worksites. The OSPs encourage, assist, and recognize employers' commitment to improve worker safety and health.

There are two types of OSPs, comprehensive and limited. Comprehensive partnerships require each participating employer's commitment to implement an effective safety and health program. A comprehensive partnership must address in writing core elements of situation analysis, identification of partners, goals, measurement system, safety and health programs, worker involvement/rights, stakeholder involvement, OSHA incentives, verification procedures, OSHA inspections, program evaluation, leveraging, and termination language. Partnerships that successfully pass verification inspections will have their worksites removed from OSHA's programmed inspection list for 12 months. However, these worksites remain subject to OSHA inspections in cases of employee complaints, workplace injuries, or fatalities.

When a potential partnership is unable and/or unwilling to address in writing all the core elements required for a comprehensive partnership, the employers may agree to a limited partnership with fewer core elements. However, all limited partnerships must contain the core element of OSHA inspections. Limited partnerships must follow the *Proposal, Review and Approval* process and the *Information Collection and Time Reporting* instructions.

Verification inspections are performed by OSHA to ensure that partnering employers in a comprehensive OSP are meeting their obligations to provide safe and healthful working environments, develop and operate effective worksite safety and health programs, and comply with OSHA regulations. **Annual program evaluations** are performed by OSHA to determine if the partnership needs to be modified or discontinued, or has potential for national implementation. These annual evaluations describe the impact of the partnership in terms of

improvements to baseline measures, number of sites and employees affected, and other possible successes.

PRINCIPAL CRITERIA

- OSHA Strategic Plan, pages 1-8, and Appendix B, C, and D
- OSHA Directives, TED 8-0.2, OSHA Strategic Partnerships for Worker Safety and Health
- Guidance on Problem Solving Initiative
- OSHA Instruction CPL. 2.103, Field Inspection Reference Manual (FIRM)

OBJECTIVES

The objectives of our audit were to determine how effective OSHA was in establishing the OSPs through its outreach efforts, and if OSPs were making an impact in improving safety and health conditions in the workplace.

SCOPE AND METHODOLOGY

Our audit was conducted at the OSHA National Office, Regional Offices, and 10 Area Offices via onsite reviews, faxes, telephone communications, and emails. For our audit period, January 1, 1995 through February 28, 2002, 12 partnerships were selected using a judgmental sample from the universe of 159 partnerships. In selecting partnerships for onsite reviews, priority was given to partnerships that had received an evaluation, or were in operation for a sufficient period of time to warrant an evaluation review - typically 2 years or longer.

The following 12 partnerships were selected:

Strategic Partnership Program		
Partnership	OSHA	
	Regional Office	Area Office
RIPPSH *	National Office	-----
NPS Cape Cod National Seashore	Boston	South Boston
NPS National Capital Parks Central	Philadelphia	Baltimore/DC
Philadelphia TV Tower	Philadelphia	Philadelphia
JEA/OSHA	Atlanta	Jacksonville
CEA/Cleveland Building Trades	Chicago	Cleveland
San Antonio AGC SHARE	Dallas	Austin
PRIDE	Kansas City	St. Louis
SESAC *	Denver	Denver
Cripple Creek **	Denver	Englewood
NPS Golden Gate National Recreation Area	San Francisco	-----
Idaho Construction Targeting & Partnership Project*	Seattle	Boise

* Originally Problem Solving Initiative Project

** Limited Partnership

We interviewed OSHA officials at the National, Regional, and Area Offices to obtain operational information about the Partnership program, and to evaluate the effectiveness of OSHA’s ability to establish OSPs through outreach efforts. For a more detailed assessment, we divided the 159 partnerships among the industries OSHA identified as being most hazardous (construction, shipyard, food processing, nursing home, and logging). Since most partnerships were in construction, we also determined the percentage of the construction industry partnerships that only admitted employers who attained a strong safety program, and a Lost Workday Injury (LWDI) rate below the industry average.

We interviewed 40 employers to determine why they decided to participate in the OSP program and to determine if removal from programmed inspections was a factor in their decision to participate in the program. These 40 employers were selected on a judgmental basis from the universe of 140 employers in the 9 private sector partnerships that contained more than one employer participant. (The Federal National Park Service Partnerships were excluded from this sample.) The table below represents a breakout of the nine private sector partnerships and how many employers were interviewed from each partnership.

Strategic Partnership Program		
Partnership	Employers	Selected For Interview
RIPPSH	19	5
Philadelphia TV Tower	6	4
JEA	2	1
CEA Cleveland Building Trades	26	5
San Antonio AGC	7	5
PRIDE	5	5
SESAC	46	5
Cripple Creek Casino	7	5
Idaho Construction	22	5

We examined each comprehensive partnership agreement along with the respective verification inspection reports and annual program evaluation reports to determine if the requirements of OSHA Directive TED 8-0.2 were being met. All of the agreements we reviewed were comprehensive partnerships, except Cripple Creek Casino, which was a limited partnership agreement and therefore not required to meet all the core elements set forth in OSHA Directive TED 8-0.2.

We assessed OSHA’s overall management controls, and particularly those controls governing OSP program operations and validity and reliability of data to determine the nature and extent of testing needed to satisfy our audit objective, not to provide assurance on the internal controls; therefore, we do not provide any such assurances. OSP program operations are governed by policies and procedures contained in OSHA Directive TED 8-0.2, which served as our primary criteria. In addition, we relied on information supplied by OSHA National Office personnel to determine the number of partnerships, types, composition and number of employers, and other partnership characteristics as a basis for determining the scope of our testing. The results of our tests are contained in the Findings and Recommendations section of the report.

We reviewed annual program evaluation reports for each partnership to determine if the partnerships were having a positive impact. We compared reported injury rates before the partnerships began with reported injury rates in the first and second years (if data were available for the second year) after the partnerships began. Five partnerships had insufficient data for our analysis. One partnership (JEA) only had data for 25 of its 222 contractors. In another example (CEA Cleveland), OSHA officials informed us that a partnership completed its evaluation after the completion of our fieldwork. See Table 3 in Findings and Recommendations section of the report for the analysis of the four private industry partnerships that reported sufficient data.

We verified the accuracy of injury rates reported for the NPS partnerships by comparing these statistics against OWCP data. Currently OSHA has partnerships with the following National Parks:

Cape Cod	Sleeping Bear Dunes	NCP Central
Fire Island	Cape Hatteras	Rock Creek
Isle Royale	Golden Gate	Yosemite
Padre Island	Yellowstone	

Our audit was performed in accordance with the Government Auditing Standards issued by the Comptroller General of the United States.

Our fieldwork was conducted from June 2001 through April 2002.

FINDINGS AND RECOMMENDATIONS

The objectives of our audit were to determine how effective OSHA was in establishing OSHA Strategic Partnerships (OSPs) through its outreach efforts, and if OSPs were making an impact in improving safety and health conditions in the workplace. Although we identified examples of OSP successes, we concluded that:

- Despite OSHA's outreach efforts, the OSP program remains small overall, and many eligible employers are hesitant to join.
- OSHA has been inconsistent in the application of OSP policies and procedures, data collection, and enforcement of the program requirements.
- OSHA has not obtained corroborating information that would help ensure the integrity of reported LWDI data.

I. Although OSHA Has Succeeded in Increasing the Number of OSPs, Particularly in the Construction Industry, the Program Remains Small Overall, and Many Eligible Employers Are Hesitant to Join

With the passage of the Government Performance and Results Act of 1993, OSHA established three agencywide strategic goals related to improving workplace safety and health. The first goal, in particular, is to improve workplace safety and health for all workers as evidenced by fewer hazards, reduced exposures, and fewer illnesses, injuries, and fatalities. Under this strategic goal, OSHA's outcome goal is to reduce the number of worker injuries, illnesses, and fatalities by focusing nationwide attention and Agency resources on the most prevalent types of workplace injuries and illnesses, the most hazardous industries, and the most hazardous workplaces.

OSHA's FY 2001 Annual Plan identified five industries characterized by high hazard workplaces, namely, shipyard, food processing, nursing home, logging, and construction industries. OSHA established a goal of 15 percent reduction of injuries and illnesses for these selected industries.¹ One of the strategies developed by OSHA to achieve this goal was to develop partnerships and other cooperative efforts with the occupational safety and health community to identify and address significant workplace hazards in those industries targeted in OSHA's performance goals.

OSHA has steadily expanded its outreach and recruitment of employers for OSPs since the program's inception in November 1998.² As a result, the number of partnerships has increased from 66 in March 2000 to 111 in February 2001, and to 159 in February 2002. Although the percentage of growth in partnerships during the past 2 years is significant, the total number of employers participating in the partnerships is very small compared to the total number of potentially eligible employers nationwide. As a result, the direct benefits of reduced injury rates

¹ OSHA subsequently amended its goal to reduce injuries and illnesses by 7 percent in five high hazard industries.

² Problem Solving Initiative Projects, which started in 1995, are the forerunners of the OSP program and are subsequently governed by the OSP directives.

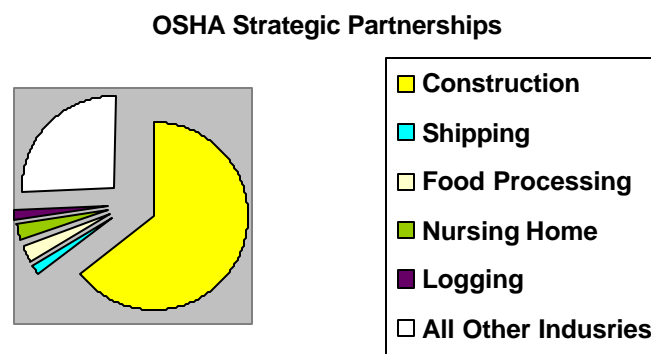
experienced by the partnerships shown in Tables 2 and 5 (pages 8 and 20, respectively) have been limited to the few participating employer worksites.

For example, 101 of the 159 partnerships are in the construction industry. According to the OSHA log maintained by the National Office, these partnerships cover 7,895 employers. However, Bureau of Labor Statistics data for calendar year 2000 shows there were approximately 755,000 construction employers nationwide, which indicates that partnership employers in this industry represent less than 2 percent of construction employers throughout the country. This small number of partnership employers indicates the OSPs can only have a limited direct impact on workplace safety and health nationwide, and the current rate of growth in the partnerships makes it unlikely this will change in the near term.

Although partnerships in the construction industry have been growing, OSHA has had less success in the other three hazardous industries shown below in Table 1. Excluding logging, which is no longer a target industry due to significant declines in the lost workday injury rate, there was a total of 14 partnerships in the other 3 hazard industries (shipyard, food processing, and nursing home). This represents less than 10 percent of the 159 partnerships in existence as of February 2002. OSHA established only 41 partnerships in all remaining industries.

Overall, the total number of partnerships indicates the OSP program cannot be considered a major factor in the national reduction of workplace injuries and illnesses. Large-scale benefits cannot be achieved through OSPs until OSHA is able to significantly increase the number of participating employers.

Industry	Number
Construction	101
Shipyard	3
Food Processing	6
Nursing Home	5
Logging	3
All Other Industries	41
Total *	159



* Based on the OSP Log of opened/inactive partnerships during our audit period.

OSHA's Partnership Outreach Efforts

OSP agreements can be developed at the National, Regional or Area Offices. However, most OSP agreements developed during our audit period were developed at the National and Area Offices. We contacted and gathered information at nine Regional Offices to determine their levels of involvement in the OSP program. We found that Regional Office involvement varies from almost no involvement in three regions, to limited involvement in six other regions. The National Office outreach effort has been focused on the National Trade Associations. Because

of this effort, OSP agreements have been formalized for organizations such as ABC (Associated Builders and Contractors, Inc.).

Local Area Offices promote OSP agreements during training seminars, safety council meetings, presentations and inspection closing conferences. The Area Offices also use National and Regional newsletters as well as the OSHA web site to promote the agreements. OSHA Region 3 contacts employers who have unsuccessfully applied for the Voluntary Protection Program and explains the benefits of the OSP program.

OSHA has also developed OSP agreements that recognize construction employers with good safety records. This maximizes OSHA's impact on workplace safety and health with minimum resources expended, and provides the agency with operational workplace safety information it otherwise would not obtain. OSHA forged partnerships with major construction trade associations linked by a national or regional network of local affiliates. These OSPs accept into their partnership only employers who attained the highest status for having a strong safety program, and a Lost Workday Injury (LWDI) rate below the industry average. JEA/OSHA, CEA/Cleveland Building Trades, and PRIDE are examples of this type of partnership. OSHA conducts verification inspections of a sample of partnership employers to confirm they are complying with the conditions of their safety and health program.

Some Partnership Successes, But More Complete Data are Needed

In order to gauge the effectiveness of OSPs in reducing the LWDI rate, we attempted to examine program evaluation reports for nine private sector industry partnerships chosen in our sample. However, we determined that insufficient information was available for five of these nine partnerships. For example, the reported data for the Philadelphia TV Tower partnership showed there were no injuries or fatalities for the year following the partnership, but failed to show data for the baseline period. In another example, the evaluation report for the JEA/OSHA partnership included loss time incidence rate (LTIR) data for only 25 of its 222 contractors. This incomplete data covered only 11 percent of partnership contractors. We considered the data in each of these cases inadequate for our evaluation purposes.

Where information was available, we noted successes. We determined the baseline period for the partnerships, and compared the LWDI rate in the baseline period with subsequent years. As shown in Table 2 on the next page, the LWDI rates dropped significantly for three of four partnerships after the first full year of operation. One partnership recorded a 1-year improvement of more than 47 percent, while two others improved more than 20 percent. The remaining partnership had an increase of 22.7 percent in its LWDI rate in the year following the baseline period.

TABLE 2: PRE- AND POST-PARTNERSHIP INJURY RATES

		Baseline		Partnership Year One			Partnership Year Two		
Partnership	Measurement	Period	Rate	Period	Rate	Improvement	Period	Rate	Improvement
SESAC *	LTCR	May 95 Apr 98	5.3	May 98 Apr 99	4.1	22.6%	May 99 Apr 00	4.1.	None
Cripple Creek	LWDI	Nov 98 Oct 99	5.3	Nov 99 Oct 00	4.2	20.7%	Nov 00 Oct 01	Not Avail.	
San Antonio AGC	LWDI	1998	3.8	Feb 00 Jan 01	2.0	47.4%	Feb 01 Jan 02	Not Avail.	
RIPPSH*	LWDI	Jan 96 Dec 96	7.5**	Jan 97 Dec 97	9.7**	-22.7%	Jan 98 Dec 98	Not Avail.	

* Originally a Problem Solving Initiative Project (PSIP)

** Average LWDI rate for member employers

Although limited, this information provides encouraging evidence of the value of the partnerships. It also points out the need for complete and accurate data, and timely evaluation reporting. Table 2 represents data reported by only four of the private industry partnerships selected for review, since the five remaining private industry partnerships did not have complete injury data available for a comparative analysis. Only one of the partnerships reported LWDI rate information in the second year of operation. We also excluded workplace injury and illness information for three park service partnerships because we question the accuracy of LWDI rate information included in two of three program evaluation reports (see Finding III).

Employer Perspective on OSP

Based on our interviews with OSHA Area and Regional Office staff, and Construction Trade Association Directors, potential partnership employers were concerned that there were too few advantages for joining partnerships. Depending on their size, and whether or not they joined a partnership, employers generally are subject to either a verification inspection or a targeted programmed inspection. For example, a Regional OSP Coordinator stated that smaller construction companies do not think it is an advantage to enter into a partnership agreement because, under normal conditions, there is little likelihood they will be chosen for a targeted inspection. However, as a member of a partnership, they greatly increase their chances for a verification inspection. In addition, other potential employers simply do not believe there are adequate incentives to join partnerships.

In addition to our interviews with OSHA staff, we interviewed 40 employers who were participants in the OSP program and asked them to give their main reasons for joining the Program. As shown in Table 3 on the next page, employers had various reasons for participating. The most common reasons given by participating employers were to have a safer working environment and establish a better working relationship with OSHA.

Table 3: OSHA Strategic Partnerships		
Employers' Reason for Participation		
Reason	Number of Employers	Percentage
Have a safer working environment	15	38
Establish a better working relationship with OSHA	9	22
Education in Safety Manners	6	15
Recognition	4	10
Company was approached by OSHA	3	8
Company wanted OSHA to visit less often	2	5
Validation of company safety record	1	2
Total	40	100 %

We followed up with these employers and asked if exemption from programmed inspections was a factor in their decisions to participate in the OSP program. Forty-five percent of these employers (18 of 40) cited the possibility of being removed from OSHA's programmed inspection list for 12 months following a successful verification inspection as a factor in their decisions to join.

We believe that although OSHA has been steadily expanding participation in the OSP since the program inception in November 1998, OSHA must do more if the program is to reach a critical mass necessary to make a significant impact on national workplace safety and health.

Conclusions

Partnerships offer advantages to OSHA by providing a more precise measure of its direct impact on specific employer groups/associations, more specific "before and after" baseline data to track performance, and more safety/health workplace related information. These are key advantages over some of its other intervention activities (such as high injury/illness notification letters), which offer less tangible direct evidence of OSHA's influence.

We found several examples of partnerships that showed improvements in the employers' safety and health programs. However, even with OSHA's increased efforts, the total number of partnerships remains small. Between March 2000 and February 2002, only 93 new partnerships were established. This rate of growth indicates that partnerships as an intervention tool will continue to have a relatively minor role in OSHA's total cooperative program. The data show that partnerships have a limited direct impact on achieving OSHA's national strategic goal of reducing injuries and illnesses.

Recommendations

In order to more fully realize the potential benefits of the OSP program, we recommend that the Assistant Secretary for OSHA:

- Refocus existing outreach efforts and develop specific strategies to enlist more employers so that OSPs can become a more prominent part of OSHA's cooperative program in line with its strategic goals; and
- Share encouraging preliminary results of the OSP program with potential participating employers.

Agency Response

- OSHA agrees with the OIG that Strategic Partnerships (OSP) provide great opportunities for success in reducing fatalities, injuries, and illnesses in the workplace. As OSHA redefines its strategic goals, OSHA will continue to actively solicit cooperative ventures with employers and explore new opportunities to expand program participation. However, OSHA never designed or intended the OSPP to be a program for all employers, but rather one option for employers willing to work cooperatively with OSHA. While OSHA will continue to seek opportunities to advertise the benefits of the OSPP program and expand employer participation, OSHA is reluctant to agree with the underlying premise of this OIG recommendation that OSHA must build a "critical mass" of OSPs for the program to make a significant impact on workplace safety and health.
- OSHA agrees with the OIG that it is important to increase awareness of the successes employers and industries achieve through participation in the OSPP as well as other cooperative programs. OSHA will continue to pursue every opportunity to highlight this program among employers who might join OSHA in a cooperative partnership.

OIG Conclusion

Clearly, the OSP program will have greater impact when more employers participate. We agree that the program is not suited for every employer, and OSHA must exercise its discretion in developing its strategic workplan.

Based on OSHA's agreement to actively solicit cooperative ventures with employers, explore new opportunities to expand OSP program participation, and to highlight the program with employers, we consider the above recommendations to be resolved. To close these recommendations, OSHA needs to provide us with the following:

- Followup information of OSHA's redefined strategic goals, the role of the OSP program and its level of success in meeting the targeted performance measures, and
- Documentation that OSHA is highlighting the positive preliminary results of the OSP program among employers who might join OSHA in a cooperative partnership.

II. OSHA Must Ensure the Consistent Application of OSP Policies and Procedures, and Enforce Program Requirements

OSHA has not fully complied with its established policies and procedures for the development, approval, and implementation of OSHA Strategic Partnerships. As a result, OSHA management is unable to accurately measure the success of the program because of flawed partnership agreements, incomplete performance data, and inconsistent annual program evaluations.

OSHA Directive TED 8-0.2 titled “OSHA Strategic Partnerships for Worker Safety and Health,” describes two classifications of partnerships: comprehensive and limited. This Directive contains 13 core elements that must be included in comprehensive OSPs and the Problem Solving Initiative Agreements that were still active after November 13, 1998. The 13 core elements are:

- Situation Analysis that determines if a particular situation lends itself to an OSP;
- Identification of partners;
- Clearly defined goal statement;
- Results-focused measurement system;
- Effective workplace safety and health programs;
- Employee involvement and employee rights;
- Stakeholder involvement of those whose input and participation are important to the program’s success;
- OSHA incentives;
- Verification inspections by OSHA to ensure that employers are upholding their responsibilities under the Partnership;
- OSHA inspections and investigations in accordance with agency procedures;
- Program evaluation to determine if the program needs to be modified or discontinued or has potential for national implementation;
- Leveraging component to be determined after an analysis of possible leveraging opportunities; and
- Termination conditions.

We reviewed 11 comprehensive OSP agreements to determine if they complied with the core requirements. We found that four agreements did not contain all the core elements, OSHA did not perform the required verification inspections for one partnership, and four partnership program evaluations were performed late, not performed at all, or failed to address the required items set forth in Appendix C of the OSHA Directive.

Four comprehensive partnership agreements lacked one of the required core elements. One agreement (JEA) lacked the core element requiring OSHA verification inspections. The remaining three agreements (Cape Cod Seashore, National Capital Parks Central, and Golden Gate National Recreation Area National Park Service) lacked the core element requiring an annual program evaluation.

Although the requirement was included in the agreement, OSHA did not perform verification inspections for the SESAC partnership. In this agreement, OSHA planned to perform approximately five verification inspections of SESAC contractors per year to validate whether employers were upholding their program responsibilities. SESAC contractors would be assessed against the 12 criteria set forth in the agreement during these inspections. Instead, OSHA performed several inspections resulting from complaints, referrals, accidents, and fatalities, but none of these qualified as a verification inspection. We reviewed 15 inspection reports prepared during the period May 1998 through April 2001 to determine if OSHA had assessed the contractor against the criteria set forth in the SESAC agreement. **None of these inspection reports addressed all 12 of the criteria set forth in the SESAC agreements**, and thus could not be considered a verification inspection. For example, five of the reports addressed one element, one report addressed two elements, and nine reports failed to cover any of the elements. We found no indication that any of the reports addressed such elements as: compliance with SESAC program guidelines, abatement activity, periodic self-inspections, supervisor training, employee orientation, fall protection, safety program reviews, and annual injury record analysis.

At the time of our visit to the OSHA area office, we also found that a verification inspection had not been completed for the Philadelphia TV Tower partnership agreement. Because of a miscommunication between the OSHA Area Office and the contractor, by the time OSHA arrived to perform the planned inspection, the contractor had already completed the work and left the site. Although OSHA amended the agreement to prevent a similar misunderstanding in the future, OSHA had not attempted to complete another verification inspection to meet the annual requirement at the time of our field visit.

In summary, we believe that nonconformance with OSP program requirements is due in part to the OSHA staff's lack of familiarity with the OSHA OSP Directive.

Program Requirements Should Be Enforced

The program evaluation reports for four partnerships (National Capital Parks Central, Construction Employers Association (CEA), San Antonio Associated General Contractors (AGC), and Golden Gate National Recreation Area) were either performed late, not performed at all, or failed to address the required items set forth in the OSHA OSP Directive.

OSHA requires that the program evaluations be performed normally at 1-year intervals. However, approximately 2½ years elapsed before OSHA completed the first program evaluation of the National Capital Parks Central partnership.

The CEA/Cleveland Building Partnership entity had not completed their first evaluation of the CEA partnership at the time of our field visit. The CEA partnership was formed in April 2000 and normally should have performed their first program evaluation in April 2001.

The initial program evaluation report of the San Antonio AGC partnership conducted by the OSHA Austin Area Office did not address some of the required items. The missing items included the LWDI averages for all partnership work sites, significant changes in the partnership over the past year, partnership challenges and concerns, plans to improve the partnership, and the

recommendation whether the partnership be continued or terminated. However, subsequent to our field visit, Area Office officials informed us that they submitted supplemental information addressing these missing elements.

OSHA performed two onsite evaluations of the Golden Gate National Park Service partnership to provide technical assistance to the partnership. However, these evaluations did not address all the required reporting elements for the annual program evaluation.

We believe that nonconformance with OSP program requirements is due in part to the OSHA staff's lack of familiarity with OSHA Directive TED 8-0.2. In our interviews at three Area Offices we found OSHA staff was not fully aware of this Directive, and in one case the staff was unable to distinguish between comprehensive and limited partnerships.

Conclusion

In summary, we believe that OSHA has not provided appropriate training to area and regional offices to ensure staffs are sufficiently knowledgeable and have a clear understanding of the requirements set forth in OPS Directive TED 8-0.2. Consequently, we found that OSHA did not uniformly enforce key provisions of the program, particularly those regarding annual program evaluation reports and verification inspections.

Recommendations

We recommend that the Assistant Secretary for OSHA:

- Provide appropriate training to Area and Regional Offices to ensure staffs understand the requirements set forth in OSP Directive TED 8-0.2;
- Ensure consistent application of the policies in negotiating partnership agreements;
- Enforce the requirement that program evaluation reports be completed yearly for all partnerships; and
- Ensure that verification inspections are performed as required.

Agency Comments

- OSHA believes that it has communicated the program requirements of the OSPP throughout the agency. While OSHA has questions about some of the implications in the audit report regarding program awareness in the agency, OSHA does acknowledge the need to further enhance program training for agency personnel. To that end, the agency is planning on holding an OSHA Strategic Partnership Conference in FY 2003.

- OSHA agrees with the OIG that it is important to consistently apply existing policies in negotiating partnership agreements and accepts this recommendation. OSHA is in the process of developing a comprehensive report covering the OSP evaluations received through September 2002. The report should be available by the third quarter of FY 2003.
- OSHA is currently in the process of tracking and reviewing partnership evaluation reports. This oversight activity includes a thorough review of each evaluation and the entry of evaluation results into a database for future feedback to OSP developers. A report summarizing OSPP results to-date will be generated and provided to the OIG when it is available.
- In FY 2003, OSHA intends to implement data collection procedures to track partnership verification inspections. To the extent that verification inspections are required under the OSPP, OSHA will ensure that they are carried out.

OIG Conclusion

Based on OSHA's ongoing and planned actions, we consider the above recommendations to be resolved. To close these recommendations, OSHA needs to provide us with the following:

- Documentation that appropriate training was provided during the FY 2003 OSHA Strategic Partnership Conference,
- Documentation that demonstrates the consistent application of the policies in negotiating partnership agreements,
- Copy of the report when completed, and
- Documentation that appropriate data collection procedures have been implemented.

III. Corroborating Information Would Help Ensure the Integrity of Reported LWDI Data, and Additional Quality Control Procedures Are Needed to Make Certain OSP Performance Data are Accurate

OSHA gathers injury data from partnership employers to demonstrate whether the partnerships are improving workplace safety and health for their workers as evidenced by fewer hazards, reduced exposures, and fewer illnesses, injuries, and fatalities. The injury data gathered must be accurate for OSHA to make informed decisions as to the level of success of each particular partnership, and the OSP program in general.

We found that supplemental information along with partnership program evaluation reports would help ensure the reliability of the LWDI rates and related workplace injury and illness data. Our audit also disclosed several instances of erroneous information that inaccurately reflected OSP program performance and needed correction. In addition, we determined that 20 percent (2 of 10) of the National Park Service (NPS) partnerships included in our examination reported questionable LWDI information. One NPS partnership did not report any LWDI information.

Corroborating Information Helps Data Validity

Program evaluation reports are a principal source of information used to measure the success of partnerships. These reports contain an assortment of information taken from employer records. The program evaluation reports include data covering the partnership employer's improvements to baseline measures, number of sites and employees effected, improvements in injury and illness and lost-workday average rates as well as any other data measurements being collected by the partnership. Since much of this information is internal to the employers, supplemental data from outside parties such as the employer's worker compensation insurance carrier, or the state worker compensation office, would provide an additional degree of reliability to the program evaluation reports. Several OSHA offices have required the submission of such supplemental information in the partnership agreements.

Our attempts to corroborate such injury data as the LWDI rate for private sector employer partnerships proved to be problematic. Prior to starting our fieldwork, we contacted state workers' compensation officials in several states where the selected employer partnerships were located to obtain information on the employer LWDI rates. The majority of the state officials replied that we would need to obtain written releases from each employer authorizing disclosure of the data. Furthermore, the officials informed us that they do not keep track of lost workday injuries for covered employees; instead, they only record the number of injuries. One state official suggested the best method to obtain lost workday information would be to contact the private sector employer's workers compensation carrier. As an alternative, we examined OSHA's approach to assure the accuracy of the injury and illness statistics supplied by partnership employers.

We found that three partnerships in our sample required partnership employers to submit their Experience Modification Rate (EMR) and LWDI rates from their respective workers compensation insurance carriers. However, we found evidence in only one of the partnership

files that this information was supplied. We believe the OSP agreements established by each OSHA Office should include provisions requiring such supplemental information

Incomplete OSP Log

We examined the OSP log maintained by the National Office, which purportedly lists all OSP partnerships and records the number of participating employers. Our examination showed the log was incomplete in many respects, and the information recorded contained numerous errors.

For example, by consolidating and verifying information between the National Office, Area Offices and Field Offices, we determined the existence of 101 construction partnerships. However, the OSHA log was incomplete and contained only 41 construction partnerships that listed the number of employers. We further tested 20 of these partnerships to determine the number of participating employers. The OSHA log listed 5,097 employers, yet our tabulation showed only 107 employers based on information gathered during our field visits and subsequent information from the National Office. In one case the OSHA log recorded 1,200 employers for a partnership, while there were only 12, and in several cases the log showed 300 employers when there were no employers participating in the partnership.

This information significantly misrepresents OSP coverage and provides management with a distorted representation of the program's accomplishments. Although we cannot adequately explain the reason for the data discrepancies, based on our review, it appears that estimates were initially recorded in the log in some instances, and in other cases, the log was not updated timely with current information. We believe a contributing factor is that the log is maintained on a PC based spreadsheet rather than a data base system with integrated quality control features and validity checks.

Questionable NPS Partnership Injury and Illness Data

We compared the number of lost time cases and LWDI rates reported by 10 of the National Parks Service partnerships against OWCP reports of lost time cases for each NPS partnership in FYs 1998 through 2000. We then computed the LWDI rate based on the OWCP reported cases. Although OSHA currently has partnership agreements with 11 of the National Parks, one park (Yellowstone National Park) did not report LWDI data, and thus was not included in our examination.

The reported lost workday cases that were reported by eight NPSs for most years closely matched the worker compensation information we obtained from OWCP. (See Exhibit A.) However, injury data reported by two of the NPS partnerships (National Capital Parks Central and Golden Gate National Recreation Area) are suspect, since the data significantly disagree with OWCP records for each of the 3 years we sampled. The variances in the number of cases were so notable that they cannot be explained simply by timing differences in reporting or categorizing injuries. In three successive years, these two parks reported between 20 percent and 72 percent fewer cases than recorded by OWCP. Table 4 on the next page lists these differences.

	FY	Lost Time Cases		Lost Workday Injury	
		Reported	Actual *	Reported	Actual **
Golden Gate	1998	19	69	9.97	36.22
	1999	16	43	8.66	23.27
	2000	31	63	15.84	32.20
NCP Central	1998	81	139	20.71	35.54
	1999	76	95	19.43	24.30
	2000	43	86	11.36	22.73

* Actual lost time cases based on OWCP data

** Actual LWDI computed using OWCP lost time cases

Golden Gate National Recreation Area reported 19 lost time injury cases in FY 1998 which translated into a lost time injury rate of 9.97. However, OWCP data showed there were 69 lost time injuries, which raised the injury rate to 36.22 percent - more than 3 times the rate originally reported.

The National Capital Parks Central reported 81 lost time injuries in FY 1998, which translated into a lost workday injury rate of 20.71. However, OWCP data showed 139 injuries, which is 70 percent more than the number of injuries reported by National Capital Parks Central. The corresponding LWDI based on OWCP data was 35.54.

Our further analysis showed that despite the questionable data submitted by the two NPS partnerships, the recomputed average LWDI rate based on lost time cases for the 10 NPS partnerships declined. Using the OWCP data, the recomputed LWDI rates for the 10 NPS partnerships as a whole decreased from 20.09 in FY 1998 to 13.78 in FY 2000.

Although we cannot be certain of the cause of these differences, we note annual evaluation reports for two of the NPS partnerships cited instances of accidents and/or injuries that were not reported, and the lack of timely submission of accident and injury information. One evaluation report completed for Cape Hatteras pointed out instances when supervisors did not designate cases as lost workday cases correctly in NPS' Safety Management Information System (SMIS). An Evaluation Report completed for Cape Cod cited missing injury information and late submissions of worker compensation CA-1 and CA-2 accident reports.

Conclusion

We believe OSP information can be improved and made more reliable. Partnership program evaluation reports contain useful data about employer workplace safety and health. The value of this data can be improved with supplemental information from independent sources that will help ensure the reasonableness and accuracy of this reported data. In the case of the National Park Service, we believe that OWCP records are a viable source to help ensure the accuracy of the LWDI rates reported by the parks. In addition, we found that effective internal controls were not established over OSP log information to ensure its accuracy and reliability.

Recommendations

We recommend that the Assistant Secretary for OSHA:

- Explore means for obtaining information to corroborate the LWDI information supplied by all partnerships as part of the program evaluation reports. For private sector employers, such information could include the EMR rates from employer worker compensation insurance carriers, and where possible and with the permission of the employer, the number of injuries from state worker compensation offices. For NPS partnerships, OWCP lost time cases for the parks can be obtained by OSHA, and should be compared to the number of cases reported by the parks.
- Correct and update the OSP log information currently maintained using a PC spreadsheet, and transfer the data to database management information system with proper quality control.

Agency Response

- OSHA acknowledges the intent of this OIG recommendation and shares its concern for improving the credibility of the OSPP through better data collection and data validation. However, OSHA does not believe that these specific recommendations are practical. Though OSHA does not agree with these specific OIG recommendations, the agency will continue to explore alternative means of securing information for use in program evaluation reports.
- Some of the data problems identified in the draft audit report reflect the fact that OSHA provided the OIG with the information requested, not the complete information tracked on the OSPP Log. Still, OSHA recognizes the need to expand its OSPP data reporting and tracking capabilities. OSHA has been working over the past 6 months to improve the existing log and believes the agency has made great strides in improving the nature and validity of the data collected. To the extent that funding is available, OSHA agrees to follow this OIG recommendation in upgrading its data tracking capabilities.

OIG Conclusion

OSHA's agreement to examine alternative means of obtaining information that will be useful in evaluating the performance of OSP program employers, and its agreement to upgrade its data tracking system satisfies the intent of our recommendation. However, OSHA must take reasonable measures to ensure the accuracy and validity of the critical information it obtains. This is particularly important concerning injuries, injury rates and LWDI rates.

Our recommendations are resolved, but remain open until we receive documentation supporting the actions taken.

Specifically, OSHA needs to provide us with the following:

- Documentation of the corroborative information used to improve the credibility of the program evaluation reports, and
- Documentation of the improvements implemented to ensure that effective quality controls have been established over the accuracy and reliability of the OSP log information.

**Strategic Partnership Program
Occupational Safety and Health Agency
National Park Service Partnerships Lost Time Cases and LWDI Rates**

Table 5	FY	Lost Time Cases		Lost Workday Injury	
		Reported	Actual *	Reported	Actual **
Cape Cod	1998	7	6	6.64	5.69
	1999	3	6	2.61	5.23
	2000	5	4	4.26	3.41
Cape Hatteras	1998	11	16	10.31	14.99
	1999	6	4	6.37	4.25
	2000	7	7	7.01	7.01
Fire Island	1998	5	4	10.38	8.30
	1999	3	3	5.99	5.99
	2000	2	0	3.7	0.00
Golden Gate	1998	19	69	9.97	36.22
	1999	16	43	8.66	23.27
	2000	31	63	15.84	32.20
Isle Royale	1998	2	3	3.39	5.09
	1999	3	4	5.16	6.88
	2000	0	4	0	6.85
Nat'l Capitol Park Central	1998	81	139	20.71	35.54
	1999	76	95	19.43	24.30
	2000	43	86	11.36	22.73
Padre Island	1998	9	5	3.88	2.15
	1999	7	3	3.07	1.31
	2000	7	3	3.15	1.35
Rock Creek	1998	21	23	24.49	26.82
	1999	17	19	18.75	20.96
	2000	15	9	19.01	11.41
Sleeping Bear Dunes	1998	5	9	7.62	13.72
	1999	2	4	2.75	5.50
	2000	3	3	4.36	4.36
Yosemite	1998	92	94	16.81	17.17
	1999	104	109	18.25	19.13
	2000	57	74	10.12	13.14
Total	1998	252	368	13.76	20.09
	1999	237	290	12.78	15.64
	2000	170	253	9.26	13.78

* Actual lost time cases based on OWCP data


** Actual LWDI computed using OWCP lost time cases

AGENCY COMMENTS



SEP 30 2002

MEMORANDUM FOR: ELLIOT P. LEWIS
Deputy Inspector General for Audit



FROM: JOHN L. HENSHAW
Assistant Secretary

SUBJECT: Response to OIG's Draft Audit Report
No. 05-02-007-10-001
"OSHA Strategic Partnership Program"

This memorandum is in response to your August 30, 2002, memorandum transmitting the Office of the Inspector General (OIG) draft Audit Report Number 05-02-007-10-001, "OSHA Strategic Partnership Program." OSHA appreciates the effort that went into this audit and the opportunity this affords us to help improve and strengthen this program.

Before addressing the specific conclusions and recommendations in the draft audit report, we note that the OSHA Strategic Partnership Program (OSPP) audited by the OIG is a relatively new program that has evolved out of prior partnership experiences in OSHA. The OSPP has been undergoing material changes and refinements over the last 15 months during the period in which the OIG has been conducting its audit. As the agency has gained additional experience in the management of the OSPP, program changes have been implemented to strengthen the accountability of participants and the effectiveness and impact of the partnerships. We expect that these changes, many of which address concerns identified in the current draft audit report, will enable the agency to improve the OSPP consistent with the tenor of the OIG findings and recommendations. Specifically, OSHA has:

- Enhanced data collection and improved its accuracy.

- Initiated a comprehensive analysis of individual OSHA Strategic Partnership (OSP) evaluations received through FY 2002.
- Increased coordination among OSHA's National, Regional and Area Offices.
- Made significant progress in performing annual evaluations for OSPs.
- Drafted a revised OSPP directive to clarify program requirements (including the elimination of the categories of Comprehensive and Limited).
- Initiated efforts to enhance OSPP tools available to OSHA staff and the public.

In addition, OSHA is planning an internal OSPP conference in FY 2003 to share best practices in OSP design, development, implementation, and management. This meeting will provide the agency with a further opportunity to consider issues and concerns raised by the OIG in this audit.

OSHA employs a number of strategies through both compliance assistance and enforcement to carry out its mandate. The OSPP is but one of these. We believe these partnerships have great direct and indirect potential to impact large numbers of employers and employees. Growth in the OSPP has been substantial -- the program has gone from 29 partnerships in 1998 to the current number of 160 open partnerships at the end of FY 2002. Changes in worker injury and illness rates and other indices of partnership successes necessarily take place over a more extended period of time than would typically have been captured by the OIG audit. We are greatly encouraged by the potential of cooperative relationships between employers and OSHA in general and Strategic Partnerships in particular. Still, we think it prudent to reserve specific judgment on the OSPP until the program has a chance to perform and produce results for a few years. Consequently, we believe it is somewhat premature for the OIG to predict that the agency's use of partnerships in the future will have a "relatively minor role in OSHA's total cooperative program."

In specific response to your memorandum, the following agency comments conform to the format of the Findings and Recommendations in the Draft Audit Report.

I. Although OSHA has Succeeded in Increasing the Number of OSP's, Particularly in the Construction Industry, the Program Remains Small Overall, and Many Eligible Employers are Hesitant to Join

Recommendations:

- **Refocus existing outreach efforts and develop specific strategies to enlist more employers so that OSPs can become a more prominent part of OSHA's cooperative program in line with its strategic goals.**

OSHA agrees with the OIG that Strategic Partnerships (OSP) provide great opportunities for success in reducing fatalities, injuries, and illnesses in the workplace. As we redefine our strategic goals, we will continue to actively solicit cooperative ventures with employers and explore new opportunities to expand program participation. However, OSHA never designed or intended the OSPP to be a program for all employers, but rather one option for employers willing to work cooperatively with OSHA.

The agency has come to recognize that there is no one approach that will succeed or appeal to all employers. Any number of factors -- the industry, geographic location, size, injury and illness rates, past experience with OSHA -- influence whether an employer will be interested or inclined to work with OSHA in addressing safety and health in their workplace and whether that relationship will result in a Strategic Partnership. OSHA's approach is to offer employers a variety of tools based on employer needs. The OSPP is but one cooperative strategy employed by the agency. OSHA believes that the OSPP has an impact beyond the number of specific partnering sites included in the program. As participants demonstrate the value of safety and health management systems and share "lessons learned" with their counterparts, additional employers and trade associations can be expected to undertake, with or without OSHA participation, systematic approaches to their work environments. While we will continue to seek opportunities to advertise the benefits of the OSPP program and expand employer participation, we are reluctant to agree with the underlying premise of this OIG recommendation that we must build a "critical mass" of OSPs for the program to make a significant impact on workplace safety and health.

- **Share encouraging preliminary results of the OSP program with potential participating employers**

OSHA agrees with the OIG that it is important to increase awareness of the successes employers and industries achieve through participation in the OSPP as well as other cooperative programs. We will continue to pursue every opportunity to highlight this program among employers who might join OSHA in a cooperative partnership.

II. OSHA Must Ensure the Consistent Application of OSP Policies and Procedures, and Enforce Program Requirements

Recommendations:

- **Provide appropriate training to Area and Regional Offices to ensure staff understand the requirements set forth in OSP Directive TED 8-0.2**

OSHA believes that it has communicated the program requirements of the OSPP throughout the agency. The agency has partnership coordinators in each Region who are charged with the responsibility of assisting Area Offices to promote, develop, review, and manage partnerships to impact as broad a range of participants as possible while directly addressing hazards and issues of local concern. Regional OSPP coordinators participate in monthly conference calls with their counterparts and the National Office and in ad hoc discussions on a variety of program-related issues. These discussions are designed to ensure that OSPP requirements are understood and met and consistently implemented throughout the agency. While OSHA has questions about some of the implications in the audit report regarding program awareness in the agency, we do acknowledge the need to further enhance program training for agency personnel. To that end, the agency is planning on holding an OSHA Strategic Partnership Conference in FY 2003. The conference will serve four purposes:

1. Provide training for field staff on successful techniques to develop, implement, and manage partnerships;
2. Provide training on appropriate measures to gauge partnership success;
3. Provide opportunities for OSHA's partners to offer feedback to OSHA on their partnership experiences; and
4. Develop an OSPP Action Plan for FY 2003.

The agency will share the results of this conference with the OIG.

- **Ensure consistent application of the policies in negotiating partnership agreements.**

OSHA agrees with the OIG that it is important to consistently apply existing policies in negotiating partnership agreements and accepts this recommendation. At the same time, we recognize that it is important to review those same policies to ensure that they are designed to further the

value of the program. As part of our efforts to enhance program oversight activities, OSHA will continue to evaluate the various program criteria.

OSHA is in the process of developing a comprehensive report covering the OSP evaluations received through September 2002. The report should be available by the third quarter of FY 2003.

- **Enforce requirement that program evaluation reports be completed yearly for all partnerships.**

OSHA is currently in the process of tracking and reviewing partnership evaluation reports. This oversight activity includes a thorough review of each evaluation and the entry of evaluation results into a database for future feedback to OSP developers. A report summarizing OSPP results-to-date will be generated and provided to the OIG when it is available.

- **Ensure that verification inspections are performed as required.**

In FY 2003, OSHA intends to implement data collection procedures to track partnership verification inspections. To the extent that verification inspections are required under the OSPP, OSHA will ensure that they are carried out.

III. Corroborating Information Would Help Ensure the Integrity of Reported LWDI Data, and Additional Quality Control Procedures are Needed to Make Certain OSP Performance Data is Accurate

Recommendations:

- **Explore means for obtaining information to corroborate the LWDI information supplied by all partnerships as part of the program evaluation reports. For private sector employers, such information could include the EMR rates from employer worker compensation insurance carriers, and where possible and with the permission of the employer, the number of injuries from state worker compensation offices. For NPS partnerships, OWCP lost work time cases for the parks can be obtained by OSHA, and should be compared to the number of cases reported by the parks.**

OSHA acknowledges the intent of this OIG recommendation and shares its concern for improving the credibility of the OSPP through better data collection and data validation. However, we do not believe that these specific recommendations are practical.

A requirement for OSHA to collect and analyze corroborating worker compensation illness and injury data would be problematic. OSHA's recordkeeping audit program is designed to assess the reliability of injury and illness information recorded and provided by employers. To go beyond that mechanism and require employers seeking cooperative partnerships with OSHA to corroborate their information through workers compensation data would tend to undermine the expansion of the OSPP recommended in this report. Moreover, workers compensation data would not necessarily be useful for this purpose. Definitions used by private insurance carriers or states would not be comparable from carrier to carrier or state to state nor are they required to conform to Federal OSHA injury and illness recordkeeping regulations. No state collects data on the full set of OSHA recordable injuries and illnesses. States vary widely with respect to the types of injuries for which they collect data. Finally, state workers compensation systems vary widely in the scope of firms they cover. Some states make reporting voluntary, others do not require reports from self-insured firms.

OSHA also does not agree with the OIG's finding concerning the National Park Service (NPS) partnership. Office of Worker Compensation Programs (OWCP) data was used by the NPS in its selection of the parks to be included in this agreement. NPS uses actual hours worked to calculate the LWDI rate rather than FTEs. Because OSHA does not have access to site-by-site data on FTEs or hours worked, that data would have to be provided by NPS for OSHA to do a check -- a transmittal of data that might undermine the OIG's intent. There are always going to be differences between agency site logs and OWCP data. These differences result from such things as data maturity and the way in which data is reported. For example, OWCP charges a claim against an agency in the year in which the claim is filed; an agency site log would reflect the incident in the year in which it occurred.

Though OSHA does not agree with these specific OIG recommendations, the agency will continue to explore alternative means of securing information for use in program evaluation reports.

- **Correct and update the OSP log information currently maintained using a PC spreadsheet, and transfer the data to database management information system with proper quality control.**

Some of the data problems identified in the draft audit report reflect the fact that OSHA provided the OIG with the information requested, not the complete information tracked on the OSPP Log. Still, OSHA recognizes

the need to expand its OSPP data reporting and tracking capabilities. OSHA has been working over the past six months to improve the existing log and believe we have made great strides in improving the nature and validity of the data collected. To the extent that funding is available, OSHA agrees to follow this OIG recommendation in upgrading its data tracking capabilities.

We appreciate the opportunity to comment on the draft audit report and hope that our concerns will be incorporated into the final OIG audit document. If you have any questions about this response, please coordinate them through Robert Poogach at (202) 693-2407.