

BRIEFLY...

Highlights of Report Number 04-09-004-04-431, to the Assistant Secretary for Employment Standards

WHY READ THE REPORT

The Federal Employees' Compensation Act (FECA) program provides wage loss compensation and payments for medical treatment to Federal employees who are injured in the performance of their duties. The Office of Workers' Compensation Programs (OWCP) refers to claimants who receive automatic monthly payments as being on the "periodic roll." Claims examiners in twelve District Offices are responsible for (1) proactively managing cases on the periodic roll until the claimant either returns to work, is found to be entitled to reduced compensation, or it is determined the claimant has no re-employment potential for an indefinite future, and (2) complying with requirements to refer claimants for other services, such as nursing or vocational rehabilitation services.

During fiscal year 2007, OWCP made nearly \$1.8 billion in wage-loss compensation payment to injured Federal employees. At the end of fiscal year 2007, 51,125 claimants were receiving regular monthly wage-loss compensation payments from OWCP.

WHY OIG DID THE AUDIT

The OIG conducted the audit to determine if OWCP provided adequate oversight of claimants whose reemployment status had not yet been determined.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2009/04-09-004-04-431.pdf>

September 2009

OWCP's Jacksonville and New York District Offices Need to Improve Monitoring of Reemployment Status of Claimants

WHAT OIG FOUND

OWCP needs to improve its process for monitoring claimants in the "reemployment status not yet determined" category on the FECA program periodic roll. In 13 (11 percent) of the 119 cases OIG reviewed, Jacksonville and New York claims examiners did not perform critical required activities such as referring claimants for nursing and vocational rehabilitation services to determine if claimants could return to work in some capacity. We also noted other indications that OWCP was not performing adequate monitoring in 54 (45 percent) of the 119 cases reviewed. Specifically, claims examiners did not take necessary actions, such as referrals for medical examinations and/or did not act on examinations that had already occurred. Of these 54 cases, 40 (74 percent) claimants were not provided a significant intervention action for 6 months or longer.

Furthermore, we noted 20,236 (or 37 percent) of 54,674 claimants as of June 30, 2008, were on the periodic roll and their re-employment status had not yet been determined, including 2,860 claimants (14 percent) who had been on the periodic roll for 15 years or longer.

We attribute the ineffective and untimely case management to insufficient district office supervisory oversight and supervisors not requiring claims examiners to use the OWCP integrated Federal Employees Compensation System (iFECS) Reminder Feature.

WHAT OIG RECOMMENDED

We made two recommendations to the Assistant Secretary for Employment Standards to improve case management for FECA claimants in the reemployment status not yet determined category. The Acting Assistant Secretary for Employment Standards stated that the agency plans to take actions to enhance claims examiners' ability to manage cases in a timely manner.