



**Evaluation of Early
Nurse Visitation Program**

**Boston Regional Office of Workers'
Compensation Programs**

U.S. Department of Labor
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Office of Evaluations and Inspections

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I. EXECUTIVE SUMMARY

At the request of the Office of Workers' Compensation Programs (OWCP), the Office of Inspector General performed an evaluation of the Boston Region's Early Nurse Visitation Program (ENVP). The objective of our review was to evaluate the cost effectiveness of the ENVP in achieving the pilot's goals of earlier and more stable returns to work in order to assist OWCP management with decisions regarding future directions for early nurse intervention initiatives.

The impact of the ENVP pilot could not be definitively measured as a result of judgmental criteria, inconsistent with the pilot's protocols, adopted by the major employing agency to screen the cases of injured workers prior to referral for ENVP participation. However, the results of our evaluation support the continuing efforts by OWCP to pilot and improve nurse intervention and management early in periods of disability following a workplace injury.

We identified several non-quantifiable indicators of the positive outcomes of the ENVP. Most significantly, the Boston Region's early nurse intervention initiatives enjoy a high level of support among all key stakeholder groups, including employing agency representatives, union officials, claimants, claims examiners, contract nurses and OWCP Regional management. The most enthusiastic support for the Region's early nurse intervention efforts was voiced by the United States Postal Service (USPS) officials responsible for adopting the unauthorized selection criteria. Consistent with the selection criteria they had implemented, USPS Boston Injury Compensation officials considered OWCP's early intervention most critical in particularly complex or problematic cases, while expressing confidence in USPS' procedures for the management of more routine injuries. The absence of statistically significant differences in performance measures, such as return to work timeframes and injury recurrence rates, between the most complex or problematic cases referred for ENVP participation and a randomly selected group of non-ENVP cases may, in fact, be indicative of the benefits of the pilot in addressing particularly difficult cases. While the implemented program differed significantly from the planned pilot, OWCP and USPS may have achieved an approach which integrates effective procedures available at the local level to both agencies for the early management of work related disability.

Our review also identified several opportunities for improving early nurse intervention, the overall workers' compensation program and future pilot projects. Specifically, a comparison with USPS' fitness for duty examination process indicated the potential for reducing timeframes for OWCP's second medical opinions by approximately 28 days for claimants with identified work capacity and concurrently increasing the confidence of USPS officials in referring more routine cases to OWCP for early intervention. We also noted opportunities, consistent with OWCP National Office guidance, for more active involvement by the nurses in the management of the claimants' medical care and improved targeting of nurse resources towards case intervention points of greatest potential impact. Lastly, we provided recommendations to OWCP to improve the potential that future pilot projects which require the cooperation of employing agencies

are implemented as intended.

The Employment Standards Administration (ESA)'s response, dated May 9, 1997, to our draft report concurred with the general direction and intent of our recommendations, although not with the specifics of every recommendation. In particular, significant actions are in process with respect to reducing the timeframes for second medical opinions and ensuring more active management of medical care by OWCP's field nurses. ESA's detailed response to each recommendation is included in the text of the report and a complete copy of the response can be found in the Appendix.

II. INTRODUCTION

At the request of the Office of Workers' Compensation Programs (OWCP), the Office of Evaluations and Inspections (OEI), Office of Inspector General (OIG), performed an evaluation of the Boston Region's Early Nurse Visitation Program (ENVP). The objective of our review was to evaluate the operations, performance and cost effectiveness of the ENVP in achieving the pilot's goals of earlier and more stable returns to work in order to assist OWCP management with decisions regarding future directions for early nurse intervention initiatives.

We provided an interim report on this evaluation to the Office of Workers' Compensation Programs on October 2, 1995, and this report summarizes all evaluation work conducted on the ENYP pilot.

III. BACKGROUND

The ENVP project was intended to produce more timely and stable returns to work, at a lower cost to the Government, by involving nurses earlier following an injury identified as involving the potential for long term disability. The premise of the ENVP was that effective medical management early in the case would reduce the duration of the claimant's disability. Traditionally, OWCP has not assigned nurses until after claimants filed for compensation benefits, generally more than 45 days following a traumatic injury. However, under the ENVP project, following a claimant's disability of 14 consecutive days, the employing agency agreed to refer all traumatic injury cases to OWCP for early nurse intervention. To facilitate the expedited referral of information concerning workplace injuries, OWCP arranged for the installation of a dedicated electronic mail connection with the ENVP pilot locations.

To implement the ENVP pilot, the Boston OWCP office contracted directly with nurses who had previous case management experience. After acceptance of the case by an OWCP claims examiner, the nurse was notified of the assignment by electronic mail. Upon receipt of the referral from OWCP, the nurse was expected to immediately assess the claimant's medical situation and contact the injured worker in person to discuss her role and the medical treatment plan. The injured worker's participation in the program was on a voluntary basis.

Under the ENVP, the nurse's role included a wide range of responsibilities with emphasis upon medical management and liaison between the claimant, employing agency representatives, physician and OWCP officials. The nurse was expected to contact the treating physician to discuss the current and future medical treatment plans and continue to monitor the progress of treatment, accompanying the claimant to medical appointments, when necessary. The nurse assisted the claimant in completing forms and securing information from OWCP and the employing agency. As the case progressed, the nurse might be required to monitor the claimant's cooperation with the treatment plan, such as attendance at recommended physical therapy sessions. When work capability was evidenced, the nurse was instructed to communicate directly with the physician concerning the claimant's progress and to obtain concrete work limitations. Once work potential was confirmed, the nurse's role was to contact the employing agency and assist in developing an appropriate light duty position. When the claimant returned to work, the nurse accompanied his/her to the facility on the first day for a return to work conference with the claimant, the supervisor and the injury compensation specialist to confirm an understanding of any physical limitations or modifications.

The ENVP was piloted in five designated United States Postal Service (USPS) offices: Hartford and Stamford, Connecticut; Boston, Massachusetts; Portland, Maine; and Manchester, New Hampshire as well as a Department of Veterans Affairs (VA) facility in Brockton, Massachusetts. In addition, cases from three Department of Defense agencies were identified by OWCP Regional officials as candidates for early intervention and referred to the field nurses during the period of the ENVP. The table below summarizes the number of participants by employing agency during our evaluation period.

Number of Claimants Serviced by the ENVP Program 9/1/93 - 7/31/95

USPS	90
Veterans Administration	2
Department of the Army	1
Department of the Navy	1
Department of the Air Force	<u>1</u>
Total	95

The Regional Director, Office of Workers' Compensation Programs in Boston conducted an analysis of the program at the completion of the pilot's first year and provided the results to the OWCP National Office in a report dated December 7, 1994. Our evaluation expanded upon the Region's review in an effort to extend the quantitative analysis and incorporate qualitative factors not addressed previously.

Subsequent to the end of the pilot, the Boston OWCP office has experimented with other approaches to early nurse intervention. The most significant experiment after ENVP was the Very Early Nurse Visitation Program (VENVP) which accelerated intervention to three days after disability, piloted nurse management by telephone rather than visitation and included procedures to increase OWCP's assistance to USPS in facilitating the

progress of claimants in a light and/or limited duty status towards resumption of all pre-injury duties on a full-time schedule.

IV. METHODOLOGY

Our review of OWCP's ENVP pilot project relied upon a variety of evaluation techniques, including literature review, interviews, quantitative analysis and a case study. A total of 95 cases were accepted for participation in the ENVP pilot during the review period we selected, as shown in the table in the Background section above. In view of the significantly larger number of participants from USPS offices, we limited the scope of our review to cases from this employing agency.

In preparation for our evaluation of the ENVP, we reviewed an earlier study of the pilot conducted by the Regional Director of OWCP's Boston office as well as a review of a similar project, the State of West Virginia's Workers' Compensation Fund's Very Early Intervention Project, and the Management Report on the Claimant Advocate Project conducted by the OWCP New York district office. Our literature research was conducted to expand our knowledge of workers' compensation intervention practices, to obtain information about the impacts of these projects and to identify issues which might have an effect on the ENVP pilot. The West Virginia program provided early nurse intervention to underground coal miners who had suffered back injuries and been disabled for a week or more. The study concluded that the West Virginia project was not cost effective because the intervention had been offered too early in the disability period and did not adequately distinguish those who could benefit from the service from those likely to return to work in a timely manner without the intervention; the issues raised in that report were taken into consideration in our assessment of the ENVP. The Claimant Advocate Project (CAP) pilot provided intervention by telephone to claimants disabled for at least 45 days as a result of work related back injuries. Due to the significant differences between the CAP and the ENVP with respect to intervention timeframes and techniques, we did not use results from this study in planning our evaluation.

Our evaluation entailed interviews with senior management staff in the Boston OWCP regional office, claims examiners, contract nurses, injury compensation officials from both the USPS and Department of Veterans' Affairs, officials of the American Postal Workers Union and the National Postal Mail Handlers Union and two claimants who had participated in the ENVP. In addition to individual interviews with three OWCP claims examiners and three nurses, we organized and moderated two focus group discussions regarding the ENVP pilot, the first with four nurses and the second with four claims examiners.

Our quantitative analysis utilized a quasi-experimental design to compare the ENVP participants to a control group of 440 non-ENVP participants selected from the pilot USPS sites and from other USPS locations similar in size to the pilot sites. We further reduced the ENVP pilot group to 77 and the control group to 202 by excluding from our analysis part-time employees, those who continued to work following an injury, employees who returned to work a few days after injury but later stopped working and

employees whose injuries occurred after February 1995. The injury cut-off date was selected to allow sufficient time for observable program activity prior to the August 1, 1995 end date of our evaluation period. To ensure the comparability of the two groups, we reviewed basic data for all cases including: (1) demographic data such as age, sex, job title and income; (2) operational data such as lead time from the date of injury to assignment of a nurse; (3) outcome data, such as the number of days the claimant remained out of work following an injury; and (4) type of injury. We then conducted a quantitative analysis of the ENVP and non-ENVP participants in order to assess statistically significant differences in performance criteria including the total length of disability, the time from nurse assignment to return to work, and the rate of injury recurrence. We utilized several methods of quantitative analysis, including T-test and regression analysis, to determine statistical inferences in the ENVP and non-ENVP cases. When our initial quantitative analyses identified statistically insignificant differences between the ENVP and non-ENVP cases, we discussed the results with employing agency and OWCP officials and were advised by personnel of the Boston USPS office that they had instituted judgmental criteria for screening cases referred for ENVP participation which had biased the results of our quantitative analysis.

After concluding that further quantitative analysis would yield irrelevant results regarding the cost effectiveness of the pilot, we proceeded to a case study approach to qualitatively assess the program, including the impact of the nurses' intervention, the issues cited by USPS officials for withholding referrals and other opportunities for program improvement. We selected nine ENVP cases and seven non-ENVP cases from USPS' Boston General Mail Facility for study, matching the cases on the following criteria: age, sex, job classification, income, and type of injury. We used ICD-9 codes, an internationally accepted system of classifying medical conditions and diseases, as a basis for ensuring the similarity of injuries. In addition to detailed review and analysis of both OWCP and USPS case files, we conducted additional interviews with OWCP claims examiners and management staff as well as staff and management of the USPS Boston office.

Our evaluation was conducted in accordance with the Quality Standards for Inspections (March 1993), published by the President's Council on Integrity and Efficiency.

V. EVALUATION RESULTS

Although our evaluation was not able to conclusively determine whether the Boston Early Nurse Visitation Program (ENVP) reduced the costs of the Federal workers' compensation program through earlier and more stable returns to the workplace, our review highlighted implementation issues warranting consideration for future OWCP pilot projects, confirmed the support of key stakeholders for early intervention by OWCP contract nurses in the management of disabilities and identified several areas for potential program improvement.

A. Implementation of the ENVP

The ENVP pilot was not implemented in a manner fully consistent with the original design and intent of the program, particularly with respect to the referral by USPS Injury Compensation Units (ICUs) of all traumatic injury cases after the fourteenth consecutive day of disability. In this regard, only 28 percent of the eligible USPS employees participated in the program and the referrals were received an average of 31 days after the date of injury. A proportion of the eligible cases were delayed or not referred due to inadvertent administrative problems. However, our review also determined that ICU officials of the largest pilot site, without consulting with or informing OWCP program managers, had developed and applied judgmental criteria to select or withhold an indeterminate number of cases from participation in the pilot. While the biased selection criteria prevented a definitive measurement of the cost effectiveness of the program, we have included in this section a discussion of ENVP practices contributing to efficient service delivery as well as issues warranting consideration for their potential impacts on the efficacy of OWCP’s early nurse intervention program and future pilot projects.

The referral rates and time frames were a topic of concern throughout the pilot and OWCP officials initiated actions in an effort to improve adherence to the pilot’s protocols. Boston ICU personnel, in particular, attributed the low referrals to frequent staff turnover and the resulting inability to keep ICU Specialists properly trained regarding the ENVP program. Delayed receipt of injury notifications from employees’ supervisors was also cited by the Boston ICU officials as a contributing factor in the late submission of ENVP referrals. In response to the USPS officials’ explanations and as a means to expand participation in the ENVP program, OWCP staff screened the regular mail deliveries to identify cases eligible for ENVP participation which had been overlooked by the ICU Specialists.

The chart below illustrates the low referral rates and the delays in submission of ENVP eligible cases from USPS offices where the program was piloted.

ENVP REFERRALS

	<u>Total Cases Eligible for ENVP</u>	<u>ENVP Referrals</u>	<u>Percentage Referrals</u>	<u>Average days from injury to RN assignment</u>
Stanford	14	1	7%	3
Hartford	36	4	11%	24.3
Boston	181	63	35%	30
Manchester	34	8	24%	46
Portland	<u>14</u>	<u>1</u>	<u>7%</u>	<u>15</u>
Totals	279	77	28%	30.8

Despite evidence that the program was not fully implemented as designed with respect to the extent and timeliness of referrals, we undertook a quasi-experimental evaluation to determine the cost effectiveness of the pilot by comparing ENVP participants to nonENVP participants with similar injuries, occupations and demographic characteristics. Our evaluation design was premised on the understanding that delayed referrals and qualifying cases not referred were predominately the result of random oversight by employing agency personnel. We, therefore, expected our evaluation design to provide a fair portrayal of the comparative impact of the ENVP pilot on claimants whose disability extended beyond 14 calendar days.

Our quantitative analysis of ENVP and non-ENVP cases did not identify statistically significant differences in evaluated case performance criteria. Measurable differences between the ENVP pilot participants and the control group on evaluative criteria, such as the total length of disability, the time from nurse assignment to return to work or the rate of injury recurrence, were limited and statistical analysis using T-tests and regression analysis confirmed that the differences were not statistically significant.

During a meeting with USPS-ICU personnel to discuss our preliminary data analysis and their perspectives concerning the lack of positive, measurable ENVP impacts, the Boston ICU officials disclosed for the first time that they had applied judgmental criteria in referring cases for participation in the pilot. Specifically, the Boston ICU officials had concluded that USPS would realize the maximum benefits from the ENVP by referring for early nurse intervention only those cases they expected to be more difficult and complex to manage, and had adopted referral criteria which included:

- confirmation of a lengthy disability prognosis by USPS Fitness for Duty examination;
- injuries too severe to warrant a Fitness for Duty examination;
- claimants whose attending physicians have reputations for supporting prolonged disability periods; and
- claimants with a history of extended disability periods following prior injuries.

The Boston ICU officials also reconfirmed that the previously disclosed administrative problems had accounted for other cases not referred or referred late for ENVP participation, but could not identify or estimate the number of cases withheld from participation by intent versus by oversight. Since the largest number of ENVP pilot cases were referred by the Boston ICU and represented in their assessment the most complex cases, the Boston ICU officials advised that they would not have expected the program to demonstrate superior outcomes in

comparison with cases not referred to the ENVP. In view of the biasing effect of the judgmental criteria applied by USPS, the results of our comparative analysis cannot be considered to fairly represent measurable outcomes or impacts of the ENVP and we are, therefore, not including the statistical data in this report.

Two factors in addition to the complexity of the ENVP cases were cited by the Boston ICU officials as potential explanations for the similar outcome measurements for the pilot and comparison groups. First, the USPS personnel offered the opinion that the nurses' assistance, when requested, in preparing injury compensation forms and facilitating claim processing might have eased the workers' compensation program's administrative burdens with the unintended consequence of encouraging some claimants to extend their absences from work. While the nurses addressed administrative inquiries, their primary responsibilities entailed ensuring quality medical management with the goal of returning injured workers at the earliest possible time to a safe work environment meeting any injury related restrictions. Our in-depth case study of a limited number of ENVP participants and non-ENVP claimants did not provide direct evidence that the workers' compensation program's administrative requirements influenced the lengths of disability and it is, therefore, our opinion that the potential impact of this issue was not sufficient to affect our statistical analysis.

The second factor suggested by USPS officials as expediting the return to work of the control group claimants was the shorter timeframe required to obtain medical reports using USPS' fitness for duty examinations rather than OWCP's second medical opinion process. A participant in the ENVP pilot would have been referred for a second medical opinion if questions arose concerning the reports of the claimant's attending physician, while a non-ENVP claimant would generally have been scheduled for a fitness for duty examination with a USPS contract physician, especially during the early stages of disability. A discussion of these procedures and the timeframes required is included under the Potential Program Improvements section of this report.

Although the selective implementation of the pilot did not permit a conclusive assessment of the ENVP, we noted a significant factor in this early nurse intervention program's design which would favorably influence its cost effectiveness in comparison with a study of early nurse intervention in the workers' compensation cases of West Virginia coal miners.¹ The West Virginia Workers' Compensation Fund piloted their initiative to provide early nurse intervention to coal miners who experienced back injuries during the period July 1, 1986 through May 30, 1987 and published the results of a study of the pilot in June 1988. The West Virginia study concluded that this pilot project was not cost effective, noting the most probable immediate reason was that the intervention was performed too early. However, in contrast to the Boston ENVP project which was characterized by case specific evaluations of claimant needs and medical management tailored to each participant's circumstances, the West Virginia program provided identical medical attention and services to all injured workers

accepted into the program. Consequently, the evaluators of the West Virginia pilot concluded that the program's services and costs were expended on some coal miners who would have returned to work within the same timeframes without the nurses' intervention.

In summary, the ENVP was designed with the intent of providing an efficient early nurse intervention program to achieve more timely and stable reemployment of injured workers, and with the expectation that the cost effectiveness of the pilot would be measurable through standard evaluation techniques to support objective and informed decisions for the program's future. Although the modifications initiated by the Boston USPS office may have enhanced the pilot from the employing agency's viewpoint, the introduction of subjective criteria for referring participants precluded any definitive measurement of the pilot's impact. Future OWCP pilot projects which rely for success upon employing agency adherence to agreed upon procedures should include provisions for systematic on-site monitoring or evaluation of compliance with critical implementation guidance early in the course of the program. Such implementation reviews would facilitate the early identification of modifications adopted by the employing agency and, if modifications are positive, permit timely redesign of the pilot project. If an outcome or impact evaluation is planned, involving the evaluators during the design phase and incorporating a reference to the outcome or impact evaluation in the pilot project agreement, as in the case of the later Boston Very Early Nurse Visitation Program, may also encourage more consistent implementation of pilot procedures or earlier communication regarding potential adaptations under consideration by the employing agency.

B. Stakeholders' Assessments of ENVP

Numerous and extensive interviews with all parties involved in the ENVP program indicated a high level of customer/stakeholder satisfaction and support of the ENVP program. As part of our review, we interviewed relevant parties associated with the ENVP program, including employing agency representatives, OWCP management staff and claims examiners, nurses, union officials, and claimants. While overall satisfaction with the ENVP program was prevalent, the parties interviewed varied in their reasons for supporting the ENVP program.

ENVP claimants expressed their support for the program and were especially appreciative of the nurses' assistance with OWCP's and their employing agency's injury and compensation related paperwork. One claimant praised the nurse and the program for help in ensuring that she had a safe return to work experience in a limited duty assignment that accommodated her medical restrictions.

- Our interviews with several contract nurses participating in the ENVP found support for the program's reliance upon their professional training as nurses to fashion an appropriate case management approach and the flexibility to manage cases within the confines of their own schedules.

- Union officials cited the appreciation of many of their members for the nurses' assistance in completing OWCP paperwork and answering questions regarding compensation problems. However, the union officials expressed some concerns that the voluntary nature of the ENVP program was not sufficiently emphasized to injured workers.
- OWCP claims examiners considered the ENVP to be very effective and advised that the pilot should be expanded. Many claims examiners commented that the actions of the nurses on ENVP cases provide welcome assistance in easing their workload. However, claims examiners also mentioned the need to set aside other management priorities in order to address ENVP case related issues within limited timeframes.
- The employing agency officials we contacted fully supported the program in theory and in practice. Officials of both USPS and the VA expressed the opinion that the initial increase in their chargeback medical costs for the services of the contract nurses is more than offset by later savings through decreased total compensation and medical costs. In a letter of commendation regarding one nurse's performance, a USPS management official stated, "[cost savings to the U.S. Postal Service resulting from the nurse's intervention] could be clearly seen each accounting period on the charge back report from your office, and on the Postal Service's Rehab Periodic Roll Report." The employing agency officials advised that, even in cases where injured workers could be expected to return to work unassisted, the ENVP resulted in earlier and more stable returns to the workplace. In addition, both agencies referred to the positive impact of the nurse's role and acceptance as an impartial third party who is more apt to gain the cooperation and confidence of injured workers, medical professionals, and agency supervisors.

While both the USPS and the VA had agreed to participate in the ENVP program, the USPS' actions as well as the type and level of participation set the tone for how the program developed and evolved. USPS personnel acknowledged that, while they are overwhelmingly supportive of the ENVP program, they disregarded agreements with OWCP to refer all cases in which injured workers have been out of work for 14 calendar days as a result of a traumatic injury. Rather, they adopted a policy of selectively referring cases to the ENVP program. In explanation, USPS officials advised that they have the means and capacity to effectively manage and achieve successful returns to work for many of their injured workers during the earliest stages of disability citing, in particular, their ability to obtain quality fitness for duty examinations performed by Board certified physicians under contract with USPS in a very timely manner. It was the USPS officials' opinion that the EN VP program is better suited for managing more difficult cases which meet their criteria explained in detail earlier in the report. It is important to recall that USPS managers who participated directly in

the ENVP program from its inception expressed confidence in the program and enthusiastically supported the program's continuation as an effective means of managing more difficult cases. Similarly, VA officials preferred to rely upon their agency's medical personnel for the majority of cases, but considered the availability of the ENVP reassuring and beneficial.

C. Potential Program Improvements

Several opportunities for program improvements which could enhance both early nurse intervention projects and the overall Federal workers' compensation program came to our attention during the course of this review. In this regard, a comparison with USPS' fitness for duty examination process indicated the potential for reducing timeframes for OWCP's second medical opinions. An accelerated second opinion process could expedite the return to work of claimants determined to have work capacity by approximately 28 days and increase the confidence of USPS officials in referring more routine cases to OWCP for early intervention. We also noted opportunities, consistent with OWCP National Office guidance, for more active involvement by the nurses in the management of the claimants' medical care and improved targeting of nurse resources toward case intervention points of greatest potential impact.

In order to gain a comprehensive understanding of early nurse intervention services and to more fully assess the performance of the ENVP, we conducted an in-depth case study of 16 individually matched cases from the main Boston General Mail Facility. This qualitative analysis compared nine cases managed under the ENVP program with seven cases of similar characteristics and circumstances which had not been referred for early nurse intervention. The focus of this phase of our evaluation was potential areas for program improvement, including the issue of the timeliness of second medical opinions cited by USPS officials.

1. Second Medical Opinion Timeframes

A comparison of the timeframes from notifying an injured worker of an examination to receipt of medical reports for the cases in our study indicated that OWCP's second medical opinions required approximately 47 days while USPS' fitness for duty examinations were completed in an average of 19 days. While we recognize that the purposes of these medical examinations are not identical, we analyzed the processes involved in detail to determine whether any USPS procedures could be adapted to expedite OWCP's second medical opinions. We concluded that reducing the notification period to the claimant prior to the medical appointment and requesting the return by facsimile of a Work Restriction Evaluation which supports work potential could reduce the timeframes in such cases by an estimated 28 days.

Although OWCP's second opinion and USPS' fitness for duty examinations are similar, certain key differences in the purposes of these procedures contribute to the length of time required to obtain a second medical opinion. Second opinion examinations are often used by OWCP when an attending physician's reports do not reflect anticipated progress towards return to work, lack sufficient explanation of complications and/or propose a treatment program inconsistent with general practices to expedite recovery. According to USPS injury compensation officials, fitness for duty examinations serve a more narrow purpose and are used primarily to determine whether injured workers are capable of returning to work at any level of performance. While both agencies provide information concerning the claimant's medical history to the physician contracted to perform reviews, OWCP's detailed questions relative to medical condition and treatment frequently require a more comprehensive medical report which contributes to the extended timeframe to complete the second medical opinion process.

Our analysis of the differences between the USPS' fitness for duty and OWCP's second opinion examinations focused on the preparatory processes involved for the two types of examinations and on the time required to obtain reports of the examinations. We found little deviation in the procedures used by the agencies in initiating, scheduling, or advising injured workers of their appointments with the contract physicians. However, an appreciable difference was noted in the number of days advance notification of the scheduled appointment provided by the agencies. In our three sample cases where a fitness for duty examination was conducted, USPS advised the claimant from 6 to 13 days prior to the appointment, with an average notification period of 10 days. For the two sampled cases subjected to second opinion examinations, the period between OWCP's issuance of a notification letter and the examination averaged 19 days. While OWCP's procedure manual states that a medical examination should be scheduled no later than 60 days in the future, we did not identify a required minimum number of days warning to an injured worker. However, interviews with the responsible Boston OWCP staff member indicated that she generally schedules medical appointments for one month after the date she is informed of the need for an examination.

With respect to the processes and time periods entailed in obtaining the results of medical examinations, we noted significant variations between fitness for duty and second medical opinion examinations. In this regard, medical reports for our three sampled cases with fitness for duty examinations were received by USPS an average of nine days after the date of the examination. In contrast, OWCP received the results of second opinion evaluations in the sampled cases an average of 28 days following the medical examinations. Furthermore, it is USPS' policy to request that the examining physician provide his/her report to the agency by facsimile

(FAX) upon completion. USPS officials advised that examining physicians usually report results to them on the day of the examination, advising the agency of their work tolerance assessments. In instances of more lengthy medical status reports, USPS' contract physicians have taken upwards of two weeks to submit a written report.

We recognize that the more comprehensive medical reports generally required to address OWCP's request for a second medical opinion can be expected to require a longer period to complete. However, the extended reporting period to OWCP can delay return to work for those claimants whose work capacity is confirmed by the second medical opinion, since information concerning both medical matters and work capacity are generally forwarded by the physician at the same time. OWCP officials advised that nurses accompany some claimants to second opinion examinations to immediately obtain and discuss the physician's conclusions and the agency is gradually moving toward procuring "broker" or physician network services with explicit contractual arrangements and tight timeframes for providing second opinions. We concur with these approaches as well as the consideration of other procedures which would expedite the receipt of information concerning work capacity identified through a second medical opinion examination and permit an appropriate job offer to be developed and discussed with the claimant while the full medical report is pending.

2. Medical Management by Nurses

While our case study provided evidence that ENVP nurses effectively relied upon their medical training to counsel injured workers and to assist workers and employing agency officials in implementing appropriate light duty assignments, opportunities existed to increase the involvement of the nurses in the medical care provided to the claimants. In particular, direct contacts with physicians to discuss treatment plans and the employees' progress towards recovery and return to work were limited, according to information in the files we reviewed, although OWCP's guidance to all field nurses supports and encourages such active medical management to minimize disability periods.

We conducted a thorough analysis of nurse activities in cases referred to the ENVP program to assess the nurses' contributions towards attaining the goals of the ENVP program and to determine whether modifications to the nurses' procedures could improve the effectiveness of the program. Our evaluation included, but was not limited to, assessing nurses' actions to monitor medical treatment, to facilitate injured workers' return to work, and to advance claimants in light or limited duty assignments to increasing levels of work tolerance. Our analysis also included a comparison of nurse interventions documented in the case records with guidance provided by

OWCP in the Training Resource Book for Contract Field Nurses, issued in June 1994. Although this publication was printed subsequent to the initiation of the ENVP pilot, OWCP officials advised that it represented a compilation of guidance for nurse intervention previously issued in a series of separate bulletins and was applicable to the ENVP.

The Training Resource Book for Contract Field Nurses provides comprehensive guidance regarding OWCP's expectations for nurses under contract to the Federal workers' compensation program. According to the Resource Book, the goals of nurse intervention include, "...[working] with the claimant, physician, employing agency, and the claims examiner to ensure that the injured worker receives appropriate medical care, and to facilitate the return to work." Among the responsibilities discussed in the Resource Book, nurses are expected to quickly initiate contact with the injured worker, treating physician and employing agency personnel in face to face meetings. Nurse intervention and actions immediately following case assignment are described as particularly valuable and important in establishing constructive relationships and rapport between the injured worker, medical providers, employing agency and claims examiner. The Resource Book also provides that nurses should obtain and review medical treatment plans and discuss with the physician the projected length of an employee's disability to ensure that the expected time absent from work is commensurate with the injured employee's condition.

Our review of nurse activity reports concerning the ENVP participants in our case study indicated that the nurses were less actively involved in the medical management of these cases than contemplated by the Resource Book. In particular, the case files, did not reflect the anticipated extent of in person contacts with the physicians nor did we find copies of treatment plans for ENVP participants. Furthermore, we did note instances where more intensive medical management, including meetings with the attending physician, may have expedited the return to work of ENVP participants. For example, in the case of a USPS employee diagnosed with a back strain who was disabled from work for a total of 157 days, the nurse's contacts with the physician were limited to written correspondence requesting copies of medical records, including the claimant's magnetic resonance imaging (MRI) results, and the completion of Work Restriction Evaluations (Form OWCP-5). The file reflected no direct contacts by the field nurse either in person or by telephone with the attending physician, despite questions raised by both the Regional Nurse and the Regional Director since the MRI, obtained approximately one month after the injury, did not appear to support prolonged total disability on the basis of the workplace injury.

On the other hand, we found that nurses often used their medical training effectively to counsel injured workers and to assist employees and

employing agency officials in the successful implementation of light or limited duty assignments. Nurse participation was often essential to ensure the proper modification of job duties to fit the restrictions of claimants returning to work in a limited duty status. ENVP nurses accompanied claimants to return to work meetings where they explained the limited duty restrictions and expectations to both the claimants and employing agency supervisors, examined conditions at the employees' work stations to ensure a safe environment for the returning claimants and discussed their role in assisting all parties with future problems during the course of the limited duty assignment. For example, in one case we reviewed, the injured worker reported a high level of stress and anxiety about returning to work and the nurse maintained frequent contact with the employee until he was well adjusted to the job situation. In another case, the nurse counseled a claimant on steps to alleviate the back fatigue he experienced upon return to limited duty and continued to follow the case until the injured worker had resumed all pre-injury duties on a full time schedule.

OWCP officials concurred with our conclusion that more active medical management with emphasis on direct communication with physicians, consistent with the guidance presented in the Training Resource Book for Contract Field Nurses, could foster more timely and stable returns to work. Officials of the Boston OWCP Region advised that physician contacts and more extensive nurse involvement in medical management have increased since the completion of our fieldwork on the ENVP pilot, as the Region has gained additional experience in more effectively using the services of nurses in the workers' compensation program.

3. Targeting of Nurse Resources

Full implementation of OWCP guidance issued subsequent to the completion of the ENVP pilot would facilitate improved targeting of nurse intervention to the points during the claimant's recovery process when our case study indicated this service was of greatest benefit. OWCP guidance in effect during the ENVP to promote efficient use of nurse resources may have constricted the availability of nurses for rehabilitation assistance to some claimants requiring extended recovery periods prior to work readiness. The results of our case study support the importance of OWCP Regions taking full advantage of the flexibility established in more recent guidance to suspend nurse services during prolonged recoveries in order to ensure critical assistance will be available both early in the disability period and during the rehabilitation phase.

Nurses in the ENVP pilot were initially assigned to a case for 120 days in accordance with OWCP guidance in effect during the program, with the potential for a 60 day extension to monitor an injured worker's return to work. More recently, OWCP has adopted policies to allow for a nurse's

assignment to be suspended under certain circumstances to maximize both the effective targeting and the efficient use of the nurse's services. These policies are incorporated in FECA Bulletin No. 96-6, issued January 29, 1996 and OWCP Bulletin No. 97-3, issued February 24, 1997.

During the course of our review, we observed that the nurse's initial 120 day assignment period was sometimes not sufficient to target nurse services to the most critical intervention points in a case. Specifically, under OWCP's guidelines, nurses play an essential role upon assignment to a case in coordinating initial activity and ensuring appropriate medical attention. Nurse intervention can also be vital in coordinating efforts related to an injured worker's return to work and assisting with subsequent concerns arising from light or limited duty assignments. Significant time periods elapsed in some ENVP cases, such as those requiring surgery, between initial management actions and the claimant's reentry into the workplace. Thus, the nurse's ability to effectively intervene both early in the disability and through the rehabilitation period within the authorized 120 to 180 calendar day timeframe was limited.

The results of our case study, therefore, confirm OWCP's decision to establish a nurse interrupt status, and new areas of employing agency emphasis since the completion of the ENVP increase the importance of a full implementation of this procedure. In particular, USPS officials are requesting more extensive assistance from OWCP in their efforts to progress as many light or limited duty employees as possible to their maximum work capacity, a role well suited to the nurses who have facilitated the claimants' return to work. Although the Boston OWCP Region is actively responding to the USPS' requests for this extended assistance, Regional officials have expressed some reluctance to fully utilize the recently authorized suspense status without further clarification of the circumstances for which it is appropriate. In our opinion, the interest by employing agencies in extending nurse intervention through the completion of light or limited duty assignments increases the need for Regional officials to fully implement OWCP procedures to ensure nurse resources are available for both early intervention and rehabilitation assistance.

Both early nurse intervention initiatives and the overall workers' compensation program could be improved by addressing the program issues which we identified in the course of this evaluation. Decreasing the time required to obtain the results of second medical opinions establishing work capacity would permit earlier reemployment of the affected claimants, reduce related compensation costs and encourage USPS officials to refer cases to OWCP for management more promptly following workplace injuries. Ensuring that OWCP guidance regarding the active involvement of nurses in the management of medical care and effective resource targeting is consistently and fully implemented by Regional offices could further

enhance the effectiveness of the field nurse intervention program.

VI. CONCLUSIONS

Although we were not able to definitively measure the impact of the ENVP, continuing efforts by OWCP to pilot and improve nurse intervention and management early in periods of disability following a workplace injury are warranted, in our opinion, by the results of our evaluation and other research on this subject. In this regard, the conclusion of the West Virginia Workers' Compensation Fund's Very Early Intervention Project report, while recommending the exercise of caution in adopting early intervention policies, noted:

*"Early intervention in work-related disability has been widely accepted as the disability management strategy of choice by rehabilitation providers and has been endorsed by both professional organizations and national policy setting bodies... Our firm belief is that augmented disability management can contribute to controlling costs as well as increasing the abilities and the well being of workers, but continuous scrutiny of outcomes is imperative to maintain a balance between costs and benefits."*²

Our evaluation identified several non-quantifiable indicators of the positive outcomes of the ENVP pilot. Most significantly, the Boston OWCP Region's early nurse intervention initiatives enjoy a high level of support among all key stakeholder groups. Officials of the Boston USPS facility, in particular, emphasized the benefits of referring complex cases for OWCP management in an expedited manner and requested that their procedural modifications which prevented measuring the pilot's impact not result in a recommendation to terminate early nurse intervention. In fact, the absence of statistically significant differences in performance measures, such as return to work timeframes and injury recurrence rates, between the most complex or problematic cases referred for ENVP participation and a randomly selected group of non-ENVP cases may be indicative of the benefits of early nurse intervention in addressing particularly difficult workers' compensation cases. While the implemented program differed significantly from the planned pilot, OWCP and USPS may have achieved an approach which integrates effective methods available at the local level to both agencies for the early management of work related disability. We would, therefore, encourage OWCP to continue to experiment with and evaluate early intervention approaches. Addressing the opportunities for program improvement noted during our evaluation, including reducing the timeframes required to obtain second medical opinions and ensuring active medical management and resource targeting, could further increase the confidence of employing agencies in relying upon OWCP for earlier management of workers' compensation cases.

VII. RECOMMENDATIONS

We recommend that the Director, Office of Workers' Compensation Programs:

1. Ensure that future pilot projects which involve employing agencies include provisions for systematic on-site monitoring or evaluation of compliance with critical implementation guidance early in the course of the program.

ESA Response

“This is clearly the preferred approach, and one which the OWCP National Office, when designing such pilots, makes a strong effort to fulfill. We have learned from repeated experience that it is difficult to enforce experimental protocols carried out by production units, such as OWCP district offices and Federal agency injury compensation units, and difficult to maintain the level of oversight needed to guarantee that the experimental design is carried out. Nevertheless, the OIG experience in evaluating this locally-designed pilot is a useful cautionary tale, reminding us of the need to “trust but verify”

In the case of early intervention, however, we think that agencies cannot be relied on to refer all cases according to an agreed-upon timetable, for various reasons. Although the OIG thinks that the United States Postal Service used its available tools to good effect, we think that an early intervention selection process which is driven by agency decisions is not in keeping with OWCP’s role. OWCP is encouraging agencies to submit all claims within the regulatory time requirements, which would permit early intervention wherever warranted by the medical facts of the case.”

OIG’s Conclusion

We concur with OWCP’s efforts to encourage employing agencies to submit claim forms in accordance with regulatory requirements and appreciate the difficulties involved in securing consistent adherence by employing agencies to either regulatory or agreed-upon timetables for case referrals. We have, therefore, resolved and closed this recommendation. However, in view of the positive findings of our study, we would advocate that OWCP continue to pilot early nurse intervention initiatives with interested employing agencies since a significant number of cases may benefit from OWCP management prior to the regulatory time requirements. We also encourage OWCP to continue to work with all employing agencies to expedite case referrals in order to extend the advantages of early nurse intervention to increasing numbers of injured employees and their employers.

2. Revise agency procedures to expedite the second medical opinion process and the receipt of resulting work capacity information, in order to improve the timeliness of returns to work for applicable claimants. In particular:
 - a. Provide instructions which reduce the timeframes for scheduling second medical opinion examinations and notifying the claimants of the appointments.
 - b. Instruct District Offices to develop and implement appropriate procedures, based upon local circumstances, to accelerate the receipt of work capacity information and development of job offers. Options which could be considered include:
 - provisions in “broker” or physician network service contracts

requiring prompt notification to OWCP of identified work capacity;

- nurses accompanying claimants to second medical opinion examinations and discussing the results, including work capacity and restrictions, with the physician;
- telephone contacts by nurses with the physician on the day of a second medical examination to determine whether work capacity was identified and, if so, applicable restrictions; and
- requesting contract physicians to FAX to the District Office a Work Restriction Evaluation (Form OWCP-5) immediately following a second opinion examination for any claimant with identified work capacity.

ESA Response

The timeliness of second opinion evaluations is of considerable concern to us, since it impacts not only returns to work but also the timeliness of decisions rendered to injured workers. There are several problems which make finding a solution complicated. First, the second opinion specialists we use are under informal agreements rather than binding contracts as with the Postal Service. This increases the number and quality of specialists available to us, but decreases the degree of control over compliance.

Employee unions are very sensitive to the degree of oversight OWCP exercises in second opinion examinations, and have frequently questioned the appearance of using employer-oriented physicians over and over, or of seeming to influence the outcome by having the nurse present at the physician 's office. Although the second opinion evaluation is not subject to all the constraints of a referee opinion, we must avoid any appearance of undue influence.

Two FECA district offices have procured the services of medical brokers who contract to arrange medical evaluations with appropriate specialists within a specific timeframe and provide timely opinions which meet our specifications. Two more district offices have begun the contracting process, and we expect more to do so. Under these contracts, the broker must arrange the appointment within a certain timeframe and have an adequate report within an additional time period. These contracts are enforceable and have shortened the time needed to complete an evaluation (as well as reduced the cost) to approximately 35 days. Since OWCP must fulfill certain due process requirements, and does not wish to contract directly with physicians, we may never reach the level of timeliness enjoyed by the Postal Service but we believe we can improve significantly by using alternatives discussed above.

We do not believe that physicians will be willing to forward the Work Restriction Evaluation (Form OWCP-5) separately without the full narrative report of the medical

examination, and in fact it should be viewed in context and not independently.”

OIG's Conclusion

OWCP's initiative to reduce the time required to obtain a second medical opinion to 35 days through contracting with medical brokers is commendable. However, continuing attention should be directed towards identifying expedited approaches to verify work capacity both for district offices contracting with brokers and those presently relying upon informal agreements for second opinions. While OWCP's response cites legitimate concerns with some of the options we posed for consideration, we remain confident that appropriate alternatives exist which would permit OWCP to obtain sufficient medical information prior to the receipt of the full narrative examination report to more timely initiate the development of light duty jobs for work ready claimants. For example, consistent with OWCP's increasing emphasis upon direct communications with physicians, field nurses could contact the physician immediately following the second opinion examination to determine whether work capacity was identified and, if so, discuss all medical factors relevant to promptly and safely returning the claimant to the workplace. We would, therefore, appreciate a reassessment of this issue by OWCP with the expectation that suitable alternatives for expediting work capacity information can be identified and we have suspended resolution of this recommendation pending your further response.

3. Ensure that nurses actively participate in the medical management of injured workers' cases, including meeting with attending physicians and reviewing treatment plans, as provided in the Training Resource Book for Contract Field Nurses.

ESA Response

“We have recently recertified field nurses in workshops all over the country, and have stressed to them the level of active intervention in case management that is the heart of Quality Case Management. Staff nurses have been provided with evaluation criteria and are instructed to base their option year decisions on such qualitative criteria. We expect them to meet with attending physicians and to review treatment plans in the majority of cases. We review district office practices in this area biannually in the accountability review process, and nurse activities are evaluate⁴ locally by management in the off years.”

OIG's Conclusion

We concur with the actions taken by OWCP to assure that field nurses actively participate in the medical management of injured workers' cases. Accordingly, we consider this recommendation resolved and closed.

4. Ensure that OWCP guidance providing for a nurse interrupt status is fully implemented by District Offices in order to effectively target nurse resources to

intervention points of greatest impact.

ESA Response

“OWCP Bulletin 97-3 has been issued implementing additional codes needed to interrupt nurse case management, with accompanying revisions to the Nurse Rehabilitation Tracking System and Federal Employees’ Compensation System.”

OIG’s Conclusion

We concur with the actions taken by OWCP and have resolved and closed the recommendation in this section.

Appendix

U.S. Department of Labor

Employment Standards Administration
Washington, D.C. 20210
Reply to the Attention of



May 9, 1997

MEMORANDUM FOR VERONICA CAMPBELL
 Director, Office of
 Evaluations and Inspections OIG

FROM: DONNA G. COPSON
 Director, Office of Management,
 Administration and Planning

SUBJECT: Evaluation of Early Nurse Visitation Program
 Boston Regional Office, OWCP
 Draft Report No. 1O-OEI-97-OWCP

This is in response to your March 31, 1997 memorandum requesting comments on the subject report.

We have reviewed the report and are pleased that the report supports the Office of Workers' Compensation Programs' efforts at early intervention in disability at least from a public relations standpoint, although we naturally share the disappointment that the Postal Service's implementation of the agreement prevented a real quantitative analysis of cost-effectiveness. Our response to the specific recommendations is attached. Should you have any questions, please contact Rose Broadwater of my staff at 219-5714 or Diane Svenonius of OWCP at 219-7491.

Attachment

EMPLOYMENT STANDARDS ADMINISTRATION COMMENTS on
OIG DRAFT AUDIT REPORT NO. 10-OEI-97-OWCP: EVALUATION OF
THE EARLY NURSE VISITATION PROGRAM

Recommendation 1. “Ensure that future pilot projects which involve employing agencies include provisions for systematic on-site monitoring or evaluation of compliance with critical implementation guidance early in the course of the program.”

Response: This is clearly the preferred approach, and one which the OWCP National Office, when designing such pilots, makes a strong effort to fulfill. We have learned from repeated experience that it is difficult to enforce experimental protocols carried out by production units, such as OWCP district offices and Federal agency injury compensation units, and difficult to maintain the level of oversight needed to guarantee that the experimental design is carried out. Nevertheless, the OIG experience in evaluating this locally-designed pilot is a useful cautionary tale, reminding us of the need to “trust but verify”.

In the case of early intervention, however, we think that agencies cannot be relied on to refer all cases according to an agreed-upon timetable, for various reasons. Although the OIG thinks that the United States Postal Service used its available tools to good effect, we think that an early intervention selection process which is driven by agency decisions is not in keeping with OWCP’s role. OWCP is encouraging agencies to submit all claims within the regulatory time requirements, which would permit early intervention wherever warranted by the medical facts of the case.

Recommendation 2. Revise agency procedures to expedite the second medical opinion process and the receipt of resulting work capacity information in order to improve the timeliness of returns to work for applicable claimants (several alternative recommendations for improvement follow).

Response: The timeliness of second opinion evaluations is of considerable concern to us, since it impacts not only returns to work but also the timeliness of decisions rendered to injured workers. There are several problems which make finding a solution complicated. First, the second opinion specialists we use are under informal agreements rather than binding contracts as with the Postal Service. This increases the number and quality of specialists available to us, but decreases the degree of control over compliance.

Employee unions are very sensitive to the degree of oversight OWCP exercises in second opinion examinations, and have frequently questioned the appearance of using employer-oriented physicians over and over, or of seeming to influence the outcome by having the nurse present at the physician’s office. Although the second opinion evaluation is not subject to all the constraints of a referee opinion, because it can constitute the weight of medical opinion, we must avoid any appearance of undue influence.

Two FECA district offices have procured the services of medical brokers who contract to arrange

medical evaluations with appropriate specialists within a specific timeframe and provide timely opinions which meet our specifications. Two more district offices have begun the contracting process, and we expect more to do so. Under these contracts, the broker must arrange the appointment within a certain time-frame and have an adequate report within an additional time period. These contracts are enforceable and have shortened the time needed to complete an evaluation (as well as reduced the cost) to approximately 35 days. Since OWCP must fulfill certain due process requirements, and does not wish to contract directly with physicians, we may never reach the level of timeliness enjoyed by the Postal Service but we believe we can improve significantly by using alternatives discussed above.

We do not believe that physicians will be willing to forward the Work Restriction Evaluation (Form OWCP-5) separately without the full narrative report of the medical examination, and in fact it should be viewed in context and not independently.

Recommendation 3. Ensure that nurses actively participate in the medical management of injured workers' cases, including meeting with attending physicians and reviewing treatment plans, as provided in the Training Resource Book for Contract Field Nurses.

Response: We have recently recertified field nurses in workshops all over the country, and have stressed to them the level of active intervention in case management that is the heart of Quality Case Management. Staff nurses have been provided with evaluation criteria and are instructed to base their option year decisions on such qualitative criteria. We expect them to meet with attending physicians and to review treatment plans in the majority of cases. We review district office practices in this area biannually in the accountability review process, and nurse activities are evaluated locally by management in the off years.

Recommendation 4. Ensure that OWCP guidance providing for a nurse interrupt status is fully implemented by District Offices in order to effectively target nurse resources to intervention points of greatest impact.

Response: OWCP Bulletin 97-3 has been issued implementing additional codes needed to interrupt nurse case management, with accompanying revisions to the Nurse Rehabilitation Tracking System and Federal Employees' Compensation System.

Employing agency officials is critical. Our Office of Evaluations and Inspections staff would be pleased to consult with your agency during the design phase of future pilot projects to assist in developing pilot procedures.

Please do not hesitate to address any questions concerning this report to Veronica Campbell, Director, Office of Evaluations and Inspections at 219-8446, ext. 143.

cc: J. Griffin Crump

¹ State of West Virginia, Worker's Compensation Fund, Very Early Intervention Project Management Report II, June 1988.

² State of West Virginia, Worker's Compensation Fund, Very Early Intervention Project Management Report II, June 1988. Pg. 18-19.