

**AUDIT REPORT
REPORT NUMBER 13-13**

**Audit of GPO's Federal Employees' Compensation Act
Case Management**

September 23, 2013

Date

September 23, 2013

To

Chief Human Capital Officer

From

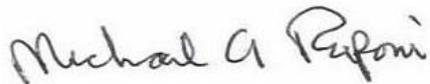
Inspector General

Subject

Final Report–Audit of GPO’s Federal Employees’ Compensation Act Case Management Report Number 13-13

Enclosed please find the subject final report. Please refer to the “Results in Brief” for the overall audit results. Our evaluation of your response has been incorporated into the body of the report and the response is included in its entirety at Appendix B. We consider management’s comments responsive to all of the recommendations. The recommendations are resolved and will remain open pending our verification of the completion of the agreed upon actions.

We appreciate the courtesies extended to the audit staff during our review. If you have any questions or comments about this report, please do not hesitate to contact Mr. Jeffrey C. Womack, Assistant Inspector General for Audits and Inspections at (202) 512-2009 or me at (202) 512-0039.



MICHAEL A. RAPONI
Inspector General

Enclosure

cc:

Public Printer

Deputy Public Printer

General Counsel

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Office of Inspector General

Report Number 13-13

September 23, 2013

Audit of GPO's Federal Employees' Compensation Act Case Management

Introduction

The Federal Employees' Compensation Act (FECA) program provides workers' compensation coverage to approximately 193 GPO employees for work-related injuries and illnesses. Benefits include wage-loss benefits, medical benefits, vocational-rehabilitation benefits, and survivors' benefits. In fiscal year (FY) 2012, the FECA program at GPO paid approximately \$7 million in wage-loss compensation to claimants. The figure does not include payments made for the first 45 days when a claimant is in a Continuation of Pay status.

The program, which the Department of Labor (DOL) administers, provides benefits to Federal employees who sustained injuries or illnesses while performing their Federal duties. For approved claims, GPO reimburses DOL for payments made to employees, while DOL bears most of the program's administrative costs. Within GPO, the Worker's Compensation Services administers the FECA program.

The FECA program affects the budget of GPO. The DOL Office of Workers' Compensation Programs (OWCP) estimated that future actuarial liabilities for GPO FECA compensation payments to those receiving benefits as of FY 2012 could total more than \$70 million (the amount does not include costs for any workers added to FECA rolls in future years).

OIG conducted this audit to determine whether GPO could enhance its case management efforts and reduce overall FECA costs.

To determine case management efforts, we reviewed Federal laws and regulations, DOL publications, previous OIG and Government Accountability Office (GAO) audits, and GPO policies and procedures governing FECA operations. We evaluated processes and procedures used to manage claims by obtaining relevant documentation, such as employee compensation forms and medical examination reports. We examined GPO's 193 case files to determine whether specialists obtained and updated medical evidence. During the review, we looked for job offering and acceptance documents and looked for evidence of continued eligibility. We used the DOL chargeback report as of September 2012 because that report was the most recent report available. The 193 case files constitute 100 percent of the

FECA claims. We interviewed GPO officials to discuss individual case management matters.

Our work was not designed to identify all instances of fraudulent, improper, and abusive activity or estimate the full extent. Therefore, we did not determine and make no representations regarding the overall extent of fraudulent, improper, and abusive transactions in the GPO FECA Program.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that will provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our objective, scope, methodology, and criteria are detailed in Appendix A.

Results in Brief

GPO has made progress in its Workers' Compensation Program demonstrated by the recent implementation and use of the Employees' Compensation Operations and Management Portal Web-based computer application sponsored by the DOL. Through the portal, GPO and its employees may: (1) electronically file various workers' compensation forms, (2) track the exact status of any form or document submitted electronically, and (3) electronically upload and submit documents to existing case files.

Even as GPO continues its efforts to improve FECA operations and management of individual claims, enhanced management of case files could reduce costs as well as risks of abuse and fraud. Management of the FECA program could be affected by limited and necessary data.

Of the 193 case files, 38 (19 percent) were missing initial medical evidence. Initial medical evidence is necessary to establish a causal relationship for a claim. Sufficient medical evidence to establish a causal relationship should include: (1) medical examination and treatment dates, (2) medical history provided by the employee, (3) diagnosis and course of treatment, (4) treating physician's medical opinion, and (4) prognosis for recovery. Insufficient initial medical evidence should result in GPO disputing the validity of a claim. Between July 2011 and September 2012, employees received about \$1.9 million in compensation.

We noted that of 159 case files where medical updates were required, 132 (83 percent) lacked updated medical reports. The lack of medical reports hampered a specialist's ability to return medically able employees to work. Between July 2011 and September 2012, employees received approximately \$5.4 million in compensation.

Our review disclosed that of 105 case files, 104 (99 percent) requiring “Latest Earnings and Dependency Information” forms (Form CA-1032) did not include the proper form. The CA-1032 identifies whether a claimant is receiving additional income, potentially identifying whether work capacity exists, and changes in dependency information. Although GPO does not require that workers’ compensation specialists obtain updated CA-1032s, adopting such a practice could aid specialists in returning beneficiaries to work, and therefore reduce costs. Payments made to the 104 employees totaled approximately \$5.9 million in compensation Between July 2011 and September 2012.

While difficult to demonstrate that a claimant is ready to return to full duty, it is easier to prove that claimants are capable of returning to limited/light duty assignments. Of the 193 cases, 44 claimants were either on permanent or daily rolls, without continued efforts for assigning the employees to limited duty consistent with the claimant’s medically defined work limitation. Payments made to the 44 employees totaled approximately \$2.4 million in Between July 2011 and September 2012.

We attribute these conditions to current operational practices not fully addressing program requirements. Until GPO ensures that case files are complete, with sufficient initial medical evidence to substantiate claims, obtains medical updates when required, obtains updated CA-1032s, and assigns employees to limited duty consistent with the claimant’s medically defined work limitation, GPO runs the risk of paying questionable costs for benefits. Based on case review, of the 193 claims, 150 made up \$6.4 million in annual compensation payments—funds that could have been put to better use due to missing or insufficient documentation. If not checked, we estimate payments for these claims over the next 5 years could reach as high as \$32 million.

Recommendations

We recommend the Chief Human Capital Officer further strengthen FECA case management by: (1) Ensuring GPO case files are complete, with sufficient initial medical evidence that will substantiate claims, obtains medical updates when required, obtains updated CA-1032s, and assigns employees to limited duty consistent with the claimant’s medically defined work limitation, and (2) Once the required claim information is obtained, implement aggressive case management as identified in GPO Directive 665.5B, “GPO Workers’ Compensation Program,” dated September 3, 2008.

Management’s Response

GPO management concurred with the recommendations. We consider management’s planned action responsive. The recommendations are resolved and will remain open until planned action is complete

BACKGROUND

OWCP in DOL administers employee compensation programs for Federal agencies. FECA provides benefits to employees who suffer job-related injuries or disabilities. Benefits include:

- Continuation of regular pay for periods of disability as a result of a traumatic job related injury.
- Compensation for wages lost as a result of job-related injury.
- Medical care for injury or disability that is job related.
- Vocational rehabilitation.

Management of the FECA program at GPO is the responsibility of the Office of Workers' Compensation Services. The Chief Human Capital Officer has broad responsibility for policy development and oversight. Workers' compensation specialists execute the policy by initiating claims and managing cases from the time of employee injury up to the point of claims adjudication by OWCP. Upon claims decisions, the specialists maintain case files, assess medical evidence, and make job offers to return employees to work when possible.

Policies and Procedures

GPO Directive 665.5B, "GPO Workers' Compensation Program," dated September 3, 2008, outlines authorities, establishes policies, and describes responsibilities for the administering and managing of the GPO's FECA Program. The Workers' Compensation Office maintains a responsive and efficient processing operation that includes aggressive case management. Aggressive case management, in part, includes:

- Timely submission of all claims.
- Reviewing claims for compensation and challenging questionable claims.
- Processing medical evidence, bills for payment, and other claims-related documents.
- Tracking all outstanding claims issues, including ongoing disability.
- Verifying eligibility, and authorizing payment, as appropriate. In evaluating claims:
 - Employees must be advised of a requirement to submit medical evidence to support partial or total disability.

- Medical evidence will be reviewed by the Workers' Compensation Office staff to ensure that the employee is disabled because of the claimed work-related condition.
- Medical evidence must correspond directly to time lost from work.
- Employees will be afforded the opportunity to submit evidence.
- Supervisors will be notified of the dates the employee is entitled to sick/injured/administrative, including any period the supervisor had already authorized.
- Accommodating partially recovered injured employees by affording limited duty, as warranted by the medical evidence. In affording limited duty:
 - Medical evidence will be reviewed to ensure that the employee is able to perform a light-duty assignment.
 - Appropriate light-duty assignments will be identified.
 - The employee will be evaluated to determine if he or she has the skills necessary to perform the duties of the position.
 - The employee will be provided with a formal light-duty offer.
- Aggressively managing all claims by proactively requesting Nurse Intervention, Second Opinion referrals, and/or rulings on light-duty offers.
- Leave Buy-Back – processing claims for the repurchase of earned and advanced sick and annual leave, which includes the submission and processing of applications.

DOL Guidelines

According to the DOL Agency Handbook,¹ FECA responsibilities for employing agencies include: (1) notifying employees of their rights and obligations under FECA; (2) questioning or disputing claims to OWCP; (3) monitoring the medical status of injured employees; (4) providing options for light or modified work duties, when appropriate; and (5) ensuring that employees return to work as soon as they are able.⁵ In addition, agencies should establish a record keeping system that will enable components to maintain copies of claim forms, medical reports, correspondence with OWCP, and

¹ OWCP Publication CA-810, "Injury Compensation for Federal Employees" (January 1999) is referred to as DOL Agency Handbook in this report. This publication is used by Federal agencies and serves as a handbook for the administration of FECA.

other materials related to each claim.

Claim Processing

GPO employs three dedicated, full-time FECA program staff. Claims initiation begins when an employee reports an injury sustained during the performance of duty to either a supervisor or a workers' compensation specialist.

DOL claims examiners review and assess the GPO claims for key elements. The elements include evidence that the claim was filed within FECA statutory time requirements; that the employee was, at the time of injury, disease, or death, an employee of the Federal Government; that the employee was injured while on duty; and that the condition resulted from the work-related injury. If the key elements are in place, OWCP approves a claim and begins processing bills for medical costs.

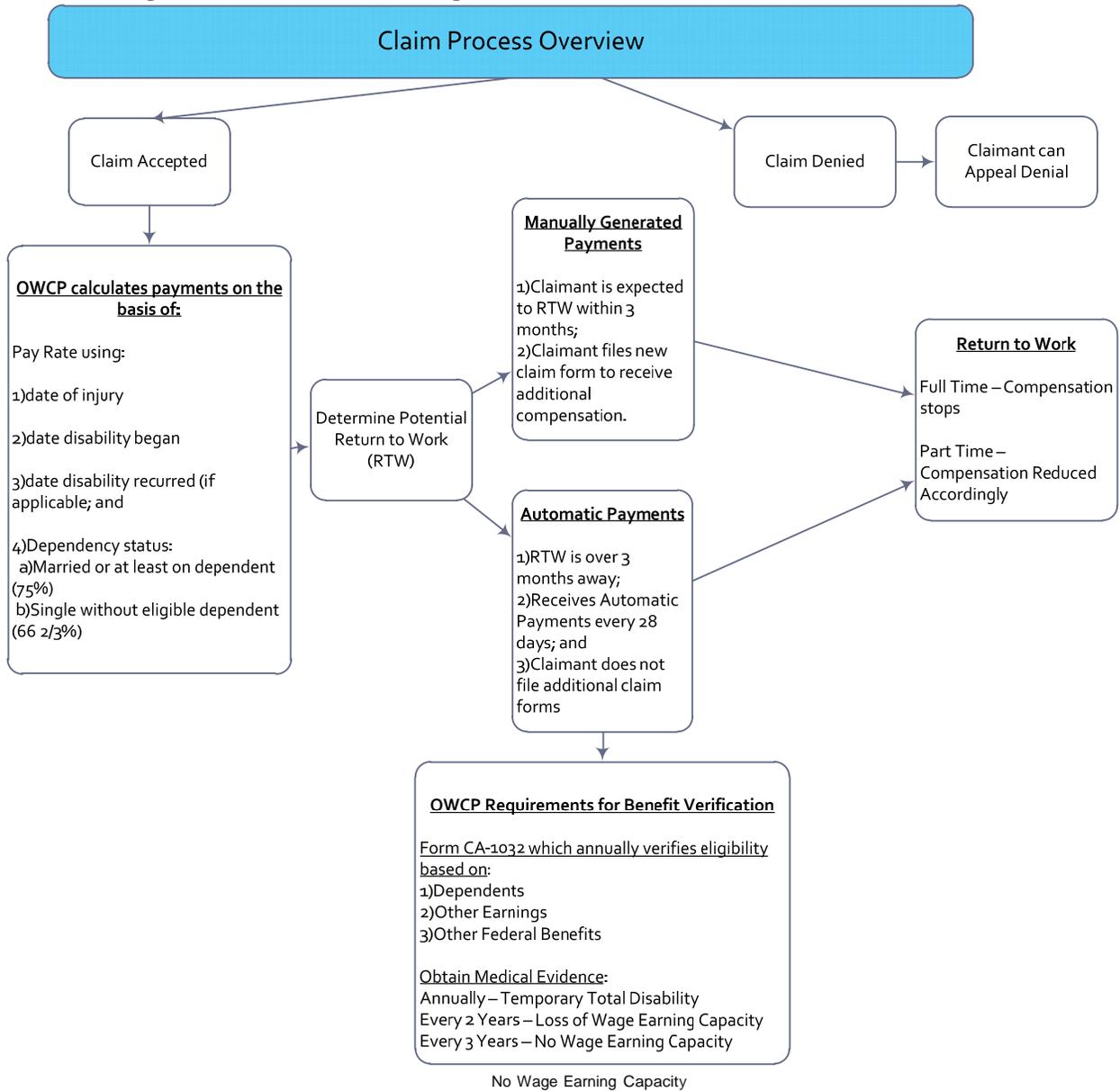
After claims are approved, reviewers conduct additional reviews while a claim remains active to determine whether the claimant can continue to receive wage-loss compensation. Once approved, payments are sent directly to the claimant or a provider. An employee can continue to receive compensation for as long as medical evidence shows that the employee is totally or partially disabled and that the disability is related to the accepted injury or condition. Specifically, a medical review is required annually for employees receiving temporary total-disability payments, every 2 years for claimants earning loss of wage earning capacity payments, and every 3 years for claimants on the periodic rolls who have been determined to not have any WEC².

DOL sends an annual invoice to GPO for the workers' compensation claims it paid, processed, and credited. Each 12-month period is known as a chargeback year, ending on June 30. GPO compensates DOL for claims paid. OWCP uses its Employees' Compensation Fund to pay benefits.

² Employees on the periodic rolls have total disabilities or injuries that have lasted or are expected to last for prolonged periods. Employees receiving compensation for partial or total disability must advise OWCP immediately if they return to work, either part-time or full-time.

Agencies must manage the cases listed on chargeback reports and reimburse OWCP.

Exhibit 1 depicts an abbreviated claim process overview.



Prior Audit Coverage

In one prior audit, OIG identified opportunities³ where additional action could strengthen the monitoring of FECA operations. OIG recommended that monitoring FECA should include: (1) updating the current marital status of claimants, (2) evaluation of the continued eligibility of the claimants dependents, (3) seeking opportunities to bring claimants back on a modified, limited, or light duty assignment, (4) receiving medical updates on a regular basis, (5) obtaining second medical opinions where the record indicates the claimant has some potential of eventually returning to work, (6) responding to requests for vocational training, and (7) requesting employees be included in OWCP's Assisted Reemployment program. While GPO may perform many of these duties on an ad hoc basis, it could not demonstrate it monitors FECA on a program-wide basis. GPO could also strengthen business unit supervisor understanding of responsibilities under FECA and expand its use of information technology to administer the program.

In September 2009⁴, OIG evaluated the adequacy of controls over GPO's FECA Program. OIG reported no indication that the program was not being operated in accordance with appropriate Federal guidelines, regulations, and directives. Although employee claims for benefits were generally supported with the required documentation, there were several areas where procedural and policy improvements could be made to further enhance and strengthen the GPO's FECA Program.

³ OIG Report Number 13-01, Management Oversight: "Federal Employees' Compensation Act Operations," dated January 15, 2013.

⁴ OIG Report Number 09-14, "GPO's Workers' Compensation Program," dated September 30, 2009.

Results and Recommendations

While GPO continues its efforts to improve FECA operations and management of individual claims, an effective case management program could help mitigate potential abuse and fraud. Of 193 cases reviewed, constituting \$6.4 million in compensation payments between July 2011 and September 2012, GPO could not demonstrate that 150 cases of FECA claimants were effectively managed. Although the number of claims may be declining, if not checked, we estimate payments for those claims over the next 5 years could reach \$32 million.

Specifically, of 193 case files, 38 (19 percent) were missing initial medical evidence and of 159 (83 percent), 132 medical updates were either required or lacked updated medical reports. Our review also disclosed that 104 of 105 (99 percent) case files requiring an up-to-date Form CA-1032 did not have one. In addition, of the 193 case files, 44 of claimants on permanent or daily rolls included continued efforts had not been made toward assigning the employees to limited duty consistent with the claimant's medically defined work limitation.

We believe that the conditions are the result of operational practices not fully addressing program requirements.

Medical Documentation Supporting Initial Claim

Of 193 claims, 38 (19 percent, totaling \$1.9 million) were missing initial medical evidence. The current Personnel Specialists responsible for managing case files were not on board at the time these claims were filed, and were not aware as to why the files lacked initial medical evidence to substantiate that claimants warranted benefits for injuries sustained in the performance of duty. Some claims involved accidents that took place in the 1970s and 1980s, with one as far back as 1963—50 years—and even a few in the 1990's. GPO's policy provides guidelines for administering the program found in DOL publication CA-810, "Injury Compensation for Federal Employees, A Handbook for Employing Agency Personnel."

Maintaining a complete case file with initial medical evidence is critical in helping workers' compensation specialists identify inconsistencies between initial and updated medical evidence over the life of a claim and determine whether to continue an employee's benefit. The following case is an example of a claimant without initial medical documentation:

- On March 31, 1987, an employee (Case # 250302333) filed a claim due to an injury resulting from crawling under a piece of equipment. The employee sustained a lower back injury (lumbar). No medical evidence was in the file for more than 26 years to support a causal relationship.

- On September 17, 1987, an employee (Case #250311845) reportedly sprained the lumbar region of the back. In addition to the original medical documentation not being in the file, neither is the original CA-1, reporting their injury and how it occurred. As of February 2013, the employee is still listed on the Periodic Roll, requiring annual medical updates. The most current noted in the file was dated November 2011.

These injuries have resulted in long-term payments, yet there is nothing to support the fact that the injury was so extensive in nature. The table below depicts the case files missing original medical documentation.

Table 1. Missing Initial Medical Documentation

	Case No.	Date of Injury	Total Payments
1	250084611	1/15/1976	50,605.98
2	250144162	9/25/1978	43,435.29
3	250035051	8/31/1973	60,969.29
4	250421422	2/17/1993	31,303.35
5	250009683	10/12/1971	32,220.19
6	250135665	5/9/1978	37,988.07
7	250325001	6/7/1988	77,873.00
8	250077371	9/5/1975	45,192.00
9	250311845	9/17/1987	27,924.77
10	250092233	6/8/1976	69,925.43
11	250302333	3/31/1987	67,715.64
12	250027106	3/29/1972	113,111.63
13	250073412	6/24/1975	33,656.04
14	250070565	5/23/1975	33,861.54
15	250095017	3/30/1976	79,560.86
16	250118598	7/13/1977	54,689.14
17	250237015	7/27/1983	1,019.91
18	250298474	1/5/1987	48,050.07
19	250038955	10/24/1973	53,240.34
20	250105151	12/14/1976	45,396.00
21	250142337	8/22/1978	38,347.36
22	x1501351	1/29/1970	67,459.14
23	250090070	5/12/1976	19,253.86
24	250128901	9/8/1977	73,767.93
25	250161467	7/26/1979	66,685.29
26	250021223	10/16/1972	84,408.60
27	020324974	5/23/1975	17,571.50
28	250089204	3/19/1976	40,463.56
29	020495072	5/11/1982	57,661.48
30	250073801	6/16/1975	74,387.29
31	250048113	2/1/1973	18,764.50
32	250026843	3/1/1973	58,856.93
33	250106215	11/26/1976	31,619.82
34	250018303	8/17/1972	46,076.79
35	250010721	11/15/1971	63,279.32
36	130188981	7/23/1963	28,007.57
37	250096262	7/21/1976	68,271.36
38	X1496223	7/3/1969	<u>58,584.93</u>
	Total		<u>\$1,921,205.77</u>

A lack of sufficient medical evidence in the medical reports of treating physicians does not support causal relationships and should have resulted in GPO disputing the validity of a claim.

Updated Medical Status of Claimants

Of 159 cases reviewed, workers' compensation specialists did not obtain updated medical reports in 132 (83 percent) cases, totaling \$5.4 million, where medical updates were required. The lack of updated medical reports hampered specialists'

ability to return medically able employees to work. Appendix C provides a detailed list of the cases.

FECA requires medical documentation at various timeframes depending on the claimants' status. Medical documentation is used to determine if a light duty assignment can be offered to the claimant. To make a job offer, an agency must conduct active case file monitoring and obtain medical evidence describing an injured worker's medical restrictions. Up-to-date medical documentation is also used to justify the claimant's right to receive payments.

Medical documentation is supplied on intervals based on a claimant's status. The requirements for the main status codes are shown below:

Status Code	Medical Documentation Requirements
PR (Note 1)	Every year
PW (Note 2)	Every 2 years
PN (Note 3)	Every 3 years
MC (Note 4)	Every 6-8 months

Note 1: PR or periodic roll means that the recipient has been on the rolls for more than 90 days.

Note 2: PW status means that a claimant's compensation has already been reduced to reflect light or limited duty. Those individuals are currently working in light/limited duty positions, or if they declined a position, their compensation payments were reduced to reflect the fact that they could be working. They also could have had vocational training. If they cannot find work after vocational training, payments are automatically reduced.

Note 3: PN status means that the claimant was determined by OWCP to have no earnings potential.

Note 4: An MC status code means that only medical costs are being paid, no salary compensation.

The lack of updated medical reports may have hampered specialists' ability to return medically able employees to work.

- An employee filed a claim for an injured hand and back. The employee was a Plant Production Worker in the Records Room who injured their left hand and back while collecting papers on September 21, 2000 (Case #250568998). There was sufficient medical evidence supporting the initial claim. However, the case is still listed on the Periodic Roll and requires updated medical documentation every year. The last medical documentation in the file is from 2005. There are no notations about why the injury has kept the employee from performing light/limited duty.

- An employee filed a claim for an injured knee. The employee twisted their left knee walking to the press on July 1, 2000 (Case #250563982). There was sufficient medical evidence to support his initial claim. As of June 2013, the employee is on the Periodic Roll, which requires annual medical documentation to support the claim. However, the most recent medical documentation in the file is dated July 23, 2009. The OWCP apparently questioned the status of the injuries. Although a second opinion appointment was scheduled on September 22, 2012, the results were not in the file.
- An employee filed a claim for an injured hand. The employee currently has a PW status code and receives reduced compensation benefits (Case # 250102619). The description of the accident was that the employee injured their left hand on a box of paper. The last medical record was dated October 30, 1998. There is nothing to indicate that the injury was of such a nature to have lasted 37 years (the date of injury is May 12, 1976). The original medical documentation is not present in the file.
- An employee filed a claim for an injured neck, right arm, and hand. In 1976, an employee fell over a trunk and was caught by another employee (Case #250102619). The original medical is not in the file to support the claim and there is no medical since 1998. The case has a status code of PW, so the employee has been determined to have some wage-earning capacity; no documentation was available to justify the long-term injury.
- An employee filed a claim for an injured lower back. An employee claimed that they suffered a lower back injury on August 20, 1992 when the employee was bending and pushing boxes. The original medical documentation supports the claim. As of June 2013, the employee is listed on the Periodic Roll, which requires annual medical documentation. However, the most recent medical documentation is dated January 2004. There is no indication why the injury has caused them to be unavailable for light duty for more than 20 years.

Updated Earnings and Dependency Information

Of the 105 cases reviewed, 104, totaling approximately \$5.9 million, did not include an up-to-date form CA-1032. The dollar value of \$5.9 million includes values identified in cases with missing initial medical evidence and missing medical updates.

The CA-1032 identifies whether a claimant is receiving additional income, potentially identifying whether work capacity exists. FECA requires that each claimant submit this completed form to OWCP annually, and OWCP may suspend compensation payments for claimants who do not comply. Although GPO policy

does not require that specialists obtain updated CA-1032s, adopting such a practice could aid specialists in returning claimants to work, potentially reducing costs.

Light Duty Efforts

Of the 193 FECA cases, we identified 44 cases, totaling approximately \$2.4 million, for which claimants were not identified as being without employment capacity. With the exception of three of the cases, we found that an attempt was made to return the employees to work. Those attempts were, however, not successful. Below is a detailed list of the cases.

Table 2. Light Duty

	Case No.	DOI	Schedule Status	Total Payments
1	250364463	6/15/1990	PR	100,565.99
2	252061378	4/2/2006	PR	121,115.96
3	250415504	11/16/1992	PR	109,648.62
4	250289470	6/20/1986	PR	83,992.71
5	250555297	2/2/2000	PR	72,606.56
6	252016709	5/2/2002	PR	42,912.03
7	250568998	9/21/2000	PR	46,398.51
8	250296914	11/24/1986	PR	82,549.88
9	032112175	5/15/2012	DR	9,246.74
10	252098449	7/11/2010	DR	7,931.01
11	252100956	10/14/2010	DR	12,149.30
12	252114652	3/23/2012	PR	21,795.07
13	250421479	1/25/1993	PR	47,723.44
14	252017320	7/10/2002	PR	75,789.16
15	252044698	7/30/2004	PR	66,589.18
16	250311845	9/17/1987	PR	27,924.77
17	252051328	3/25/2005	DR	369.86
18	250302333	3/31/1987	PR	67,715.64
19	250405217	5/12/1992	PR	76,768.45
20	252109409	11/1/2011	DR	9,527.79
21	250563982	7/1/2000	PR	79,087.66
22	250565535	8/21/2000	PR	47,642.37
23	250391059	7/12/1991	PR	66,439.93
24	250565511	8/21/2000	PR	49,723.45
25	250118598	7/13/1977	PR	54,689.14
26	252024039	11/18/2002	PR	52,766.89
27	032033615	9/30/2004	PR	73,795.51
28	250298474	1/5/1987	PR	48,050.07
29	250564015	7/19/2000	PR	36,208.28
30	252105312	4/2/2010	PR	90,202.99
31	252112288	5/4/2012	DR	13,933.12
32	252021461	10/1/2002	PR	80,532.34
33	250408635	7/9/1992	PR	44,441.11
34	250309780	7/9/1987	PR	50,586.57
35	252024701	12/24/2002	DR	4,354.50
36	250355300	1/6/1990	PR	90,982.30
37	252078064	2/25/2008	PR	45,971.30
38	250365016	6/8/1990	DR	20,934.35
39	250411017	8/20/1992	PR	43,138.14
40	252077752	1/25/2008	PR	97,177.06
41	252087108	3/26/2009	PR	42,333.21
42	250443683	8/24/1993	PR	48,652.73
43	252068742	1/3/2007	PR	41,264.50
44	250423508	4/1/1993	PR	<u>83,719.94</u>
	Total			<u>\$2,413,895</u>

Case Referrals

Since January 1, 2011, OIG has received a total of three referrals from the Workers' Compensation Office at GPO. GPO Directive 665.5B, "GPO Workers' Compensation Program," dated September 3, 2008, outlines authorities, establishes policies, and

describes responsibilities for the administering and managing of the GPO's FECA Program. The directive requires aggressive case management that includes referring possible fraudulent claims to OIG.

Injury Case Rates

The total number of FECA injury cases may lessen the impact of some of the challenges in this area. According to statistics from the DOL's Occupational Safety and Health Administration (OSHA), GPO had a total injury and illness case rate of .42 per 100 employees in the first quarter of FY 2013. Our analysis of the data published by OSHA indicated that GPO had the third highest case rate average per employee for injuries and illnesses out of 8 legislative branch agencies listed in Table 3 below.

Table 3. Injury and Illness Case Rates (First Quarter, FY 2013)

Legislative Branch Agency	Employees	Total Cases	Total Case Rate (TCR)	Projected End of Year TCR
Architect of the Capitol (Incl. U.S. Botanic Gardens)	2,591	26	1	4.0
Congress	17,486	24	0.14	0.56
House of Representatives	10,456	15	0.14	0.56
Senate	7,030	9	0.13	0.52
Congressional Budget Office	243	0	0	0.00
Government Accountability Office	3,191	3	0.09	0.36
Government Printing Office	2,378	10	0.42	1.68
Library of Congress	3,871	8	0.21	0.84
U.S. Capitol Police	2,084	27	1.3	5.20

Source: OSHA, "Federal Injury and Illness Statistics,"

http://www.osha.gov/dep/fap/statistics/fedprgms_stats13_1st.html

We believe the reason GPO has a high ranking among some other legislative branch agencies is because of the nature of plant operations and the daily exposure to high risk situations.

Our analysis also disclosed, according to data reported by OSHA, that GPO's annual total number of cases has declined. Table 4 below depicts the decline.

Table 4. GPO's Historical Total Case

Year	Employees	Total Cases	TCR	LT Cases	LTCR	Fatalities
2012	2,378	70	2.94	63	2.65	0
2011	2,378	75	3.15	51	2.14	0
2010	2,294	80	3.49	55	2.4	0

Source: OSHA, "Federal Injury and Illness Statistics,"

http://www.osha.gov/dep/fap/statistics/fedprgms_stats10_final.html

RECOMMENDATIONS

We recommend the Chief Human Capital Officer further strengthen FECA case management by:

1. Ensuring GPO case files are complete, with sufficient initial medical evidence that will substantiate claims, obtains medical updates when required, obtains updated CA-1032s, and assigns employees to limited duty consistent with the claimant's medically defined work limitation.

Management's Response

GPO's management concurred with the recommendation. GPO's OWC Staff will ensure all GPO case files are complete, with sufficient initial medical evidence to substantiate claims. OWC Staff will review cases of employees on GPO's rolls monthly and obtain medical updates when required. OWC Staff will review cases of employees not on GPO's rolls quarterly and obtain medical updates when required. OWC Staff will obtain CA-1032s annually by using the E-Comp system. When employees are injured they receive a package from the medical section that includes a form CA-17. Duty Status Report which is pre-stamped Light Duty Available if requested by attending physician. This form is given to the supervisor to complete and then returned to the employee to take to his/her physician. Appropriate light-duty assignments will be identified by the OWC Staff. The employee will be evaluated to determine if he/she has the skills necessary to perform the duties of the position and the employee will be provided with a normal light-duty offer, if the assignment is outside his/her Division. This process will assure that employees are assigned to limited duty consistent with the claimant's medically defined work limitation.

2. Once the required information is obtained for each claim, implement aggressive case management in accordance with GPO Directive 665.5B, "GPO Workers' Compensation Program," dated September 3, 2008.

Management's Response

GPO's management concurred with the recommendation. The OWCP staff will follow established timelines and procedures for implementation of a more aggressive and transparent Workers' Compensation Program. This will include the full utilization of the E-Comp system through the Department of Labor. More oversight will also be provided by the Director of IIC Operations.

Evaluation of Managements Response

Management's planned actions are responsive to the recommendations. The recommendations are resolved and will remain open until planned action is complete.

Appendix A – Objectives, Scope, and Methodology

We performed fieldwork from December 2012 to June 2013 at the GPO Central Office in Washington, D.C. We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that will provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Objective

The objective of our audit was to determine whether GPO could enhance its case management efforts to reduce overall FECA costs.

Scope and Methodology

To accomplish our objective, we reviewed Federal laws and regulations; DOL publications; previous OIG and Government Accountability Office audits; and GPO policies and procedures governing FECA operations.

We evaluated processes and procedures used to manage claims by obtaining relevant documentation, such as employee compensation forms and medical examination reports.

We examined 193 case files to determine whether specialists obtained and updated medical evidence. We reviewed the files for job offering and acceptance documents and looked for evidence of continued eligibility. We used the DOL chargeback report as of September 2012. This was the most recent report available. The 193 case files constitute 100 percent of the FECA claims.

We interviewed GPO officials to discuss individual case management matters.

Our work was not designed to identify all instances of fraudulent, improper, and abusive activity or estimate the full extent. Therefore, we did not determine, and make no representations regarding, the overall extent of fraudulent, improper, and abusive transactions in the GPO FECA Program.

Management Controls Reviewed

We determined that the following internal controls were relevant to our audit objective:

Program Operations – Policies and procedures the GPO management implemented to reasonably ensure that processes met GPO’s objectives.

Validity and Reliability of Data – Policies and procedures management has implemented designed to reasonably ensure that valid and reliable data are obtained, maintained, and fairly disclosed in reports.

Compliance with Laws and Regulations – Policies and procedures management has implemented that reasonably ensures resource use is consistent with laws and regulations.

The details of our examination of management controls, the results of our examination, and noted management control deficiencies are contained in the report narrative. Implementing the recommendations in this report should improve those management control deficiencies.

Computer-generated Data

We did not rely on any computer-processed data from any GPO computer system.

Appendix B – Management’s Response



Memorandum

Date: September 18, 2013
From: Ginger T. Thomas, Chief Human Capital Officer
To: Michael A. Raponi, Inspector General
Subject: Management’s Response to the Draft IG Audit Report 13-13, Audit of GPO’s Federal Employees’ Compensation Act (FECA) Case Management

Thank you for the opportunity to respond to the draft IG Audit Report 13-13, dated August 16, 2013, Audit of GPO’s Federal Employees’ Compensation Act (FECA) Case Management. The following response is provided for your reference and addresses the recommendations that were contained in the report.

Recommendation 1: Chief Human Capital Officer further strengthen Federal Employees Compensation Act case management by:

Ensuring GPO case files are complete, with sufficient initial medical evidence that will substantiate claims, obtains medical updates when required, obtains updated CA-1032s, and assigns employees to limited duty consistent with the claimant’s medically defined work limitations – GPO management concur.

Describe how this will be done.

GPO’s OWC Staff will ensure all GPO case files are complete, with sufficient initial medical evidence to substantiate claims. OWC Staff will review cases of employees on GPO’s rolls monthly and obtain medical updates when required. OWC Staff will review cases of employees not on GPO’s rolls quarterly and obtain medical updates when required. OWC Staff will obtain CA-1032s annually by using the E-Comp system. When employees are injured they receive a package from the medical section that includes a form CA-17, Duty Status Report which is pre-stamped Light Duty Available if requested by attending physician. This form is given to the supervisor to complete and then returned to the employee to take to his/her physician. Appropriate light-duty assignments will be identified by the OWC Staff. The employee will be evaluated to determine if he/she has the skills necessary to perform the duties of the position and the employee will be provided with a formal light-duty offer, if the assignment is outside his/her Division. This process will assure that employees are assigned to limited duty consistent with the claimant’s medically defined work limitation.

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When you expect the task to be completed?

Once the OWC staff receives their ARI licenses from the Department of Labor, this can be fully implemented, however some of these processes will be accomplished immediately.

Recommendation 2: Once the required information is obtained for each claim, implement aggressive case management in accordance with GPO Directive 665.5B, "GPO Workers' Compensation Program," dated September 3, 2008 - GPO management concurs.

Describe how this will be done.

The OWCP staff will follow established timelines and procedures (indicated above) for implementation of a more aggressive and transparent Workers' Compensation Program. This will include the full utilization of the E-Comp system through the Department of Labor. More oversight will also be provided by the Director of HC Operations.

When you expect the task to be completed?

The OWC staff will continually improve processes and reduce chargeback costs to the agency.


GINGER T. THOMAS

Appendix C–Medical Documentation Not Current

	Case No.	Date of Injury	Schedule Status	Total Payments
1	250515419	1/1/1997	PN	52,686.26
2	250364463	6/15/1990	PR	100,565.99
3	252061378	4/2/2006	PR	121,115.96
4	250415504	11/16/1992	PR	109,648.62
5	250526931	6/24/1998	PW	28,451.19
6	252079080	4/10/2008	MC	5,241.65
7	250478055	10/27/1993	MC	17,469.42
8	252083663	9/24/2008	MC	3,465.85
9	252071853	5/16/2007	MC	5,960.94
10	252007826	8/2/1999	MC	7,990.00
11	250265247	2/20/1985	PN	55,510.08
12	250168164	10/19/1979	PW	15,819.36
13	252049422	1/25/2005	PW	17,015.40
14	250289470	6/20/1986	PR	83,992.71
15	250094187	7/14/1976	PN	100,091.91
16	250192666	1/27/1981	PW	71,416.96
17	250301441	3/17/1986	PN	45,038.90
18	252016709	5/2/2002	PR	42,912.03
19	252098188	7/14/2010	MC	8,699.29
20	250309723	8/25/1987	PN	89,732.83
21	250084611	1/15/1976	PN	50,605.98
22	252049859	3/16/2002	MC	357.93
23	252028538	3/20/2003	MC	2,895.81
24	250421422	2/17/1993	PW	31,303.35
25	250568998	9/21/2000	PR	46,398.51
26	250009683	10/12/1971	PN	32,220.19
27	252063344	6/7/2006	PW	10,993.14
28	250135665	5/9/1978	PN	37,988.07
29	250296914	11/24/1986	PR	82,549.88
30	252098573	7/22/2010	MC	2,402.33
31	250152409	2/14/1979	PN	64,219.13
32	252098449	7/11/2010	DR	7,931.01
33	250488662	5/29/1996	PN	41,883.86
34	252089138	6/16/2009	PW	34,811.64
35	252009912	2/13/2002	MC	785.80
36	252100956	10/14/2010	DR	12,149.30
37	252114652	3/23/2012	PR	21,795.07
38	250089220	5/10/1976	PW	33,374.17
39	250440151	1/24/1993	MC	3,622.31
40	250421479	1/25/1993	PR	47,723.44
41	250357593	3/3/1990	PW	29,252.97
42	250325001	6/7/1988	PN	77,873.00
43	252089563	7/1/2009	MC	1,238.46
44	252027484	2/14/2003	PW	29,745.68
45	252017320	7/10/2002	PR	75,789.16
46	252044698	7/30/2004	PR	66,589.18
47	250311845	9/17/1987	PR	27,924.77

	Case No.	Date of Injury	Schedule Status	Total Payments
48	250542956	5/25/1999	MC	72,496.78
49	250092233	6/8/1976	PN	69,925.43
50	250559540	4/11/2000	PW	18,041.27
51	252051328	3/25/2005	DR	369.86
52	250302333	3/31/1987	PR	67,715.64
53	250413412	9/30/1992	PN	90,476.76
54	250405217	5/12/1992	PR	76,768.45
55	250027106	3/29/1972	PN	113,111.63
56	252109409	11/1/2011	DR	9,527.79
57	250073412	6/24/1975	PN	33,656.04
58	250070565	5/23/1975	PN	33,861.54
59	252036402	11/04/22003	C5	3,006.60
60	250563982	7/1/2000	PR	79,087.66
61	250565535	8/21/2000	PR	47,642.37
62	250391059	7/12/1991	PR	66,439.93
63	250095017	3/30/1976	PN	79,560.86
64	250565511	8/21/2000	PR	49,723.45
65	250311181	9/23/1987	PN	49,933.21
66	252111493	4/11/2012	MC	1,368.58
67	250502904	2/21/1997	PN	46,230.72
68	250487914	4/9/1996	DR	1,102.99
69	252014326	12/21/2001	PW	52,422.64
70	250118598	7/13/1977	PR	54,689.14
71	252024039	11/18/2002	PR	52,766.89
72	250237015	7/27/1983	MC	1,019.91
73	250296659	11/6/1986	PN	52,922.09
74	032022386	5/1/1985	MC	23,538.07
75	250557798	3/21/2000	MC	1,778.54
76	252085421	1/8/2009	MC	61.62
77	252029199	3/18/2003	MC	6,197.36
78	250038955	10/24/1973	PW	53,240.34
79	250564015	7/19/2000	PR	36,208.28
80	252105312	4/2/2010	PR	90,202.99
81	250105151	12/14/1976	PN	45,396.00
82	032093943	7/26/2011	MC	5,769.29
83	250092320	6/4/1976	PN	55,480.79
84	250535459	8/7/1997	PN	73,386.57
85	250561095	12/13/1999	MC	10,799.06
86	250319215	3/9/1988	PW	23,074.55
87	252065486	8/10/2006	MC	20,521.86
88	032093887	7/21/2011	MC	2,753.40
89	x1501351	1/29/1970	PN	67,459.14
90	250090070	5/12/1976	PW	19,253.86
91	250478719	11/21/1995	MC	6,334.97
92	250498248	4/5/1982	MC	1,728.60
93	252100302	9/25/2010	MC	4,232.22
94	250486071	4/18/1996	MC	3,281.57
95	250359298	3/22/1990	PN	90,843.00
96	250128901	9/8/1977	PN	73,767.93

	Case No.	Date of Injury	Schedule Status	Total Payments
97	252021461	10/1/2002	PR	80,532.34
98	252104087	3/9/2011	MC	1,690.35
99	250408635	7/9/1992	PR	44,441.11
100	250467555	5/3/1995	MC	3,262.94
101	250021223	10/16/1972	PN	84,408.60
102	250102619	10/27/1976	PW	35,972.55
103	250309780	7/9/1987	PR	50,586.57
104	250031417	5/31/1973	PN	33,010.43
105	250089204	3/19/1976	PN	40,463.56
106	252102361	1/11/2011	MC	53,761.33
107	020495072	5/11/1982	PN	57,661.48
108	250355300	1/6/1990	PR	90,982.30
109	252029093	9/15/2002	MC	300.25
110	250073801	6/16/1975	PN	74,387.29
111	250343972	7/6/1989	PN	171,970.21
112	250048113	2/1/1973	PW	18,764.50
113	250026843	3/1/1973	PN	58,856.93
114	250106215	11/26/1976	PW	31,619.82
115	250365016	6/8/1990	DR	20,934.35
116	252084779	12/7/2008	MC	2,698.06
117	252504275	4/21/2012	MC	2,382.99
118	250411017	8/20/1992	PR	43,138.14
119	252110375	12/28/2011	MC	5,590.50
120	250545666	6/5/1993	PN	77,372.43
121	250109319	1/27/1977	PN	83,861.89
122	252087108	3/26/2009	PR	42,333.21
123	250443683	8/24/1993	PR	48,652.73
124	250446031	3/23/1994	PN	33,931.95
125	250565534	8/18/2000	MC	1,239.12
126	250010721	11/15/1971	PN	63,279.32
127	252035020	8/25/2003	PW	23,069.77
128	252068742	1/3/2007	PR	41,264.50
129	250423508	4/1/1993	PR	83,719.94
130	130188981	7/23/1963	PN	28,007.57
131	250096262	7/21/1976	PW	68,271.36
132	X1496223	7/3/1969	PN	58,584.93
Total				<u>\$5,457,433</u>

Appendix D - Status of Recommendations

Recommendation	Resolved	Unresolved	Open/ECD*	Closed
1	x		Undetermined	
2	x		Undetermined	

*Estimated Completion Date.

Appendix E - Report Distribution

Public Printer
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General Counsel

Major Contributors to the Report

Patricia M. Bach, Senior Auditor