



The Library of Congress
Office of the Inspector General



Integrated Support Services

*The Library's Federal Employees'
Compensation Act Program:
Generally Well Managed, but
Some Improvements Are Needed*

Audit Report No. 2008-PA-102
September 2008



UNITED STATES GOVERNMENT

LIBRARY OF CONGRESS

Memorandum

Office of the Inspector General

TO: James H. Billington
Librarian of Congress

September 22, 2008

FROM: Karl W. Schornagel
Inspector General

SUBJECT: *The Library's Federal Employees' Compensation Act Program:
Generally Well Managed, but Some Improvements Are Needed*

Audit Report No. 2008-PA-102

This transmits our final audit report on the Library's Federal Employees' Compensation Act Program. The Executive Summary begins on page *i*, and complete findings and recommendations appear on pages 4 to 11.

The Director of Integrated Support Services provided written comments to our draft report. The response is briefly summarized in the Executive Summary and after individual recommendations appearing in the body of the report. The complete response is included as an appendix to the report.

Based on the written comments to the draft report, we consider all of the recommendations resolved. Please provide within 30 calendar days an action plan addressing implementation of the recommendations, including implementation dates, in accordance with LCR 211-6, Section 11.A.

We appreciate the cooperation and courtesies extended by the Chief Medical Officer, the Workers' Compensation Manager, and the Health Services Office staff during this audit.

cc Chief Operating Officer
Assistant Chief Operating Officer for Support Services
Director, Integrated Support Services
Chief, Health Services Office

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▶▶ EXECUTIVE SUMMARY

This report presents the results of our audit of the Library's Federal Employees' Compensation Act (FECA) Program. The FECA provides workers' compensation coverage to Federal and Postal workers for employment-related injuries and occupational diseases. Our audit objectives were to 1) assess the timeliness and accuracy of claims processing, 2) evaluate the effectiveness of the program's organizational structure, policies, and procedures, and 3) determine whether the internal controls are adequate and effective.

The United States Department of Labor (DOL) administers this government-wide program. The Library's FECA program is managed by a Workers' Compensation Manager (WCM) within Integrated Support Services.

While the FECA program is primarily administered by the DOL, the Library does perform a limited set of enabling tasks. We found those responsibilities performed in general compliance with DOL policies and procedures. Overall, the Library has a relatively low number of FECA claims (50 or fewer annually) and these claims are effectively processed and managed. Nonetheless, our audit of the WCM's operations found some areas for improvement, as follows:

Claims Are Not Timely Filed – The WCM is not filing the completed claim forms within 10 workdays as expected by the DOL. Similarly, the Library is not achieving DOL's goal of increasing the timely filing of injury and illness notices by at least 5 percent per year. According to the DOL's official website, during FY 2007 the Library filed only one quarter of its 32 claim forms within the 10-day requirement. The effect is that the adjudication of employees' claims by the DOL is unnecessarily delayed, resulting in late payments to medical providers and wage loss compensation payments to the claimant. This is partly due to employees and supervisors not being responsive to the WCM. We recommend that the WCP continue offering FECA training to staff and supervisors and improve its monitoring of the claims process.

An Automated System Should be Explored – The WCM uses the Groupwise® e-mail program to keep track of upcoming deadlines. We concluded that using Groupwise® appears adequate for the task given that there are 50 or fewer claims per year. Because Health Services recently implemented an automated system for their medical records, we believe this may be an opportune time to automate the FECA process. We recommend that the Chief Medical Officer investigate the cost-effectiveness of the workers' compensation module which accompanies the medical records system.

Human Resources Data Is Insufficient – The WCM can not verify if employees listed on the Library's chargeback report from DOL are separated because HRS' report does not contain this crucial information. Consequently, the Library is being charged compensation expenses for at least one employee who may not be entitled to receive such payments. We recommend that the Chief Medical Officer (CMO) meet with HRS about the data requirements needed on separated employees.

The Library's FECA Regulation Is Out of Date – LCR 2018-5 has not been updated since its issue date, December 29, 1976. This LCR provides employees and supervisors with guidance on the Workers' Compensation Program, but excludes important information. The CMO is aware that the LCR needs updating, but has not completed the task. We recommend that the CMO revise LCR 2018-5 as soon as possible.

Management concurred with our findings and recommendations.

▶▶ BACKGROUND

The Federal Employees' Compensation Act (FECA)¹ provides workers' compensation coverage to Federal and Postal workers for employment-related injuries and occupational diseases. Benefits under the program include wage replacement, payment for medical care, and where necessary, medical and vocational rehabilitation assistance in returning to work. The Department of Labor's (DOL) Office of Workers' Compensation Programs (OWCP) administers the FECA Program government-wide by, among other things, adjudicating new claims for benefits, managing ongoing cases, paying medical expenses and compensation benefits to injured employees and survivors, and assisting injured employees' return to work.

The Library of Congress is explicitly subject to FECA as stated in LCR 2018-5, *Benefits under Federal Employees' Compensation Act*, issued December 29, 1976. DOL encourages Federal departments to actively manage their FECA operations. The Library's FECA program is managed by a Workers' Compensation Manager (WCM) under the direction of the Chief Medical Officer (CMO) in the Library's Health Services Office (HSO) within Integrated Support Services. The WCM is primarily responsible for submitting claim forms, retaining records supporting the claims accepted, and annually accounting for claim costs charged back to the department by the DOL. Additionally, the WCM performs quality case management (i.e. returning employees to work, placing employees in light duty positions, and providing guidance and advice).

LCR 2018-5 requires employees to report all injuries sustained in the performance of duties, no matter how minor, to the HSO within 30 days. Employees are also required to give their supervisor written notice of injury on Form CA-1 "*Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation*" to report a traumatic injury, or Form CA-2, "*Notice of Occupational*

¹ The Federal Employees' Compensation Act is contained in 5 U.S.C Chapter 81—Compensation for Work Injuries.

Disease and Claim for Compensation," to report an occupational disease. The HSO provides employees with all of the necessary forms for obtaining FECA benefits. Claims for benefits must be made within three years of the injury.

The supervisor is responsible for investigating the circumstances of the injury and completing LW 6/70 "Supervisor's Report of Accident" and Form CA-1 or 2. LCR 2018-5 requires supervisors to forward the completed forms to the HSO within two working days after receipt of the form from the employee. DOL expects agencies to submit the completed forms within 10 workdays. Claims for compensation must establish that the injury or illness is work-connected and must be supported by competent medical evidence. The burden of proof in such instances rests upon the employee, or someone acting in his or her behalf, or in the case of death, the eligible claimant. DOL makes the final determination of eligibility. Appendix I details the FECA process.

FECA payments commence after wage loss begins and the medical evidence shows that the employee cannot perform the duties of his or her regular job. DOL determines the acceptance of a claim for compensation and not the WCM. For a disability that appears will last beyond 45 days, the employee and the Library complete a claim for compensation (Form CA-7).

The OWCP provides the Library with quarterly preliminary billing records called "chargeback reports" to verify the monetary obligations that the Library will have to reimburse the DOL at the end of the year. The chargeback report is a billing which covers all compensation, medical payments and disbursement transactions during the chargeback fiscal year, (July 1st – June 30th). The Library generally has fewer than 50 claims per year. Its total medical and compensation costs have been fairly consistent (\$646,757 in FY 2007) and comparable to other similarly sized agencies.

►► OBJECTIVES, SCOPE, AND METHODOLOGY

We conducted an audit of the Library's FECA operation to assess its effectiveness and conformance to DOL and Library requirements and regulations. More specifically, we 1) assessed the timeliness and accuracy of claims processing, 2) evaluated the effectiveness of the program's organizational structure, policies, and procedures, and 3) determined whether the internal controls were adequate and effective. Our scope was claims filed during fiscal years 2003 to 2007 and pre-2003 chargeback claims.

To assess the claims processing, we reviewed the Library's workers compensation files, checked DOL's quarterly chargeback reports to the Library, and interviewed program stakeholders. We tested a random sample of claims for employees' and supervisors' signatures and timeliness.² For criteria, we used the DOL's FECA regulations, policies, and procedures and the President's Safety, Health and Return-to-Employment (SHARE) initiative enacted January 9, 2004.

To evaluate the Library's FECA operation and controls, we reviewed DOL publications and consulted with DOL officials. We also interviewed the Library's Workers' Compensation Manager.

We performed our fieldwork from May 5, 2008 to June 19, 2008. We conducted our work in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States (the "Yellow Book"). We also followed guidance in Library of Congress Regulation (LCR) 211-6, *Functions, Authority, and Responsibility of the Inspector General*.

² Our sample consisted of 40 cases from a universe of 180 cases filed during fiscal years 2003 to 2007. The error rate for this sample was 5 percent.

►► FINDINGS AND RECOMMENDATIONS

While the FECA program is primarily administered by the DOL, we found the Library's limited responsibilities have been performed in general compliance with DOL policies and procedures. Overall, the Library has a relatively low number of FECA claims (50 or fewer per year) and these claims are effectively processed and managed. We found that the WCM:

- contacts employees, the supervisors, and the DOL to move the process along;
- maintains sufficient records and regularly visits DOL to review documents that are not online, but necessary for clarifying the medical status of employees; and
- verifies for accuracy and propriety the preliminary quarterly chargeback billings, and takes action to resolve any discrepancies.

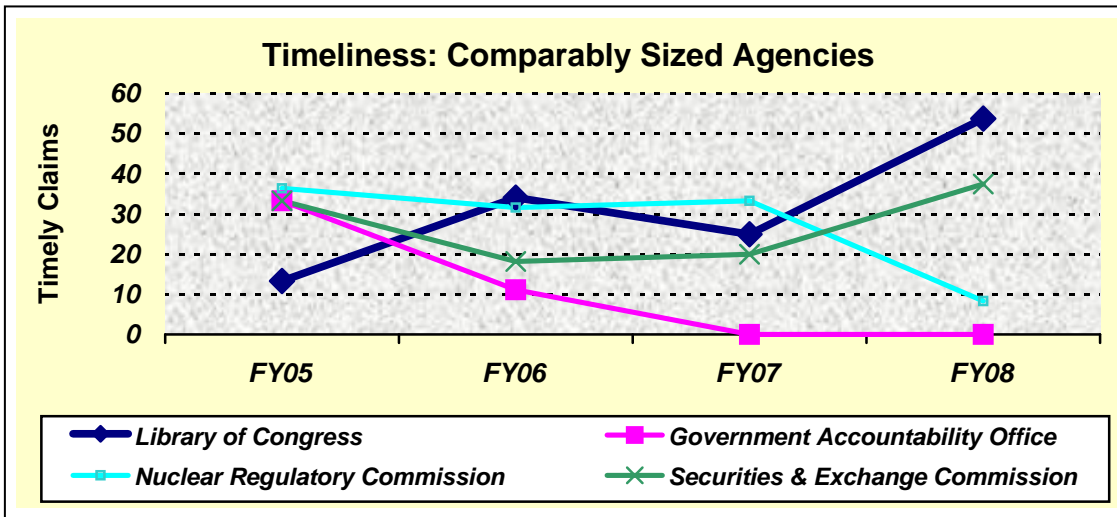
Nonetheless, we determined that there are opportunities for improvement in the timeliness, dissemination of information, and in keeping compensation costs to a minimum. The following sections provide details on the significant findings of our review and recommendations to improve the Library's FECA operations.

I. Claims Are Not Timely Filed

The WCM is not timely filing the completed Form CA-1 or 2 within 10 workdays as expected by the DOL. Similarly, the Library is not meeting the President's Safety, Health and Return-to-Employment (SHARE) initiative (enacted January 9, 2004 and extended through FY 2009) goal of increasing timely filing of injury and illness notices by at least 5 percent per year. These delays are attributable to the claimant, the supervisor, and the WCM. The effect is that the adjudication of employees' claims by the DOL is unnecessarily late, thus delaying payments to medical providers and wage loss compensation payments to the claimant. Recently, however, the Library has made significant progress in improving its timeliness.

Using FY 2003 as a baseline, DOL set the Library's on-time target at 50 percent for FY 2007 and 55 percent for FY 2008. For FY 2007, the Library submitted only 25 percent of its

CA-1 and 2 forms on time (8 of the 32 claims filed). However, for FY 2008 (through the 2nd quarter), the Library’s on-time rate is 53.8 percent (for 13 claims submitted); just slightly less than the 55 percent SHARE target. Notwithstanding the fact that the Library has not met its SHARE target, the Library’s on-time rate is better than other legislative branch agencies and other similarly sized agencies (see Appendix II).



The WCM maintains that legislative branch agencies are exempt from SHARE compliance. Whether or not the Library is exempt, we believe the 5 percent

improvement goal represents a best practice that the Library should strive toward. Moreover, the DOL includes the Library’s timeliness metrics on its official web site. Therefore, the Library’s performance is subject to criticism regardless of whether the Library is exempt from the SHARE goals.

Supervisors appear to be the main cause for the delays. Our sample testing found that in 55 percent of the cases the supervisor did not complete the claim form within the LCR 2018-5 two-day deadline. In one case, the supervisor took over three months to sign the form. On the other hand, our testing found that employee claimants generally submitted claims on time (86 percent on-time rate). We recognize that it takes time for the supervisor to review the claim filed for completeness and accuracy and work with the employee on discrepancies found. However, meeting the LCR timeframe for forwarding the completed form to HSO is important because without supervisory approval of the form, the claim is unable to be adjudicated. The WCM told us that she felt that she lacked authority to enforce the LCR 2018-5 requirement. We believe that the WCM needs to be more aggressive in informing the

supervisor of the LCR's time requirements and referring any incident of delayed filing to the Office of the General Counsel. LCR 2018-5, Section 8, *Penalties*, states:

“Any person charged with the responsibility for making reports in connection with an injury who ...; induces, compels, or directs an injured employee to forego filing a claim; or willfully retains any notice, report, or paper required in connection with an injury, is subject to a fine of no more than \$500 or imprisonment for no more than one year or both.” (18 U.S.C. 1922)

We found that delays were also due to supervisors and staff not fully understanding the FECA process. For example, we found cases in which supervisors refused to sign the FECA form because they did not witness the injury or did not believe the employee. However, DOL's Federal Employees' Compensation Act Procedure Manual, Part Two, states that the supervisor can complete the form even though he/she does not have first hand knowledge of, or witnessed the accident.

“Knowledge by the immediate superior, another official at the employing agency, or any agency physician or dispensary that an employee has sustained an injury, alleges that an injury has been sustained, or alleges that some factor of the employment has resulted in a physical condition constitutes actual knowledge. Such knowledge does not have to be firsthand or acquired as an eyewitness to the accident.”

This indicates to us that the WCM has not effectively explained the FECA process to supervisors and staff. The WCM must continue offering periodic supervisory courses to ensure supervisors and staff fully understand the FECA process. The Library should ensure that all supervisors are fully trained in the FECA process.

Recommendations

We recommend that:

- 1) The Chief Medical Officer refer to the General Counsel supervisors who compromise the effectiveness and efficiency of the program by not

signing claim forms or interfere with employees submitting claims.

- 2) The Workers' Compensation Manager continues offering supervisory training so that supervisors gain an understanding of their role in the process.
- 3) The Workers' Compensation Manager fully explains the workers' compensation program and its process to employees, inclusive of the importance of returning properly filled and complete claim forms expeditiously, and reporting any uncooperative supervisors.

Management Response

Management concurred with our recommendations.

II. An Automated Workers Compensation Module is Needed

Effective case management requires the WCM to track claims, keep up with deadlines, write memoranda, and review claimants' case files. We found that the WCM maintains pertinent records in the case file and requests missing information from the OWCP to enable it to manage its workers' compensation cases. Given the relatively small case load, the WCM relies on the Library Groupwise® e-mail program to alert her of impending deadlines (with the CMO and the WCM's assistant having proxy access to the system). Considering the relatively low number of annual claims (fewer than 50 per year), we concluded that tracking claims and keeping up with deadlines by using Groupwise® appears adequate. However, since Health Services is exploring automating its overall health services process, we believe the Chief Medical Officer should consider incorporating the FECA process in this automation effort, if such a system would be cost effective.

The automated system should include the date the WCM receives the completed CA-1's or 2's. During our review of the case files, we noted that the WCM did not always record the date received on the CA-1 or 2. Consequently, it was difficult for us to determine the amount of time between the date the employee signed the form and the date submitted. We also could not easily determine the

time lapse between receipt of the claim and submission to the DOL. Recently, the WCM has begun to stamp the date received on the forms.

As part of our assessment of FECA processing, we noted three other areas in which the WCM was proactively taking steps to improve efficiency or reduce costs to the Library. First, in the past year the WCM began faxing the claims to the DOL. This may be a factor in the improved timeliness shown in 2008. We encourage the WCM to make more frequent use of various e-Gov initiatives including e-mails, faxes, and overnight delivery to expedite the filing of claims with DOL. Second, HSO is maintaining a log of workplace injuries and illnesses for trend analyses, and sharing this information with the Library's Safety Services Office. This illustrates to us that HSO is taking some responsibility to reduce actual and potentially unnecessary cost to the U.S. Government and opportunities to assist the Library's accident abatement efforts. Third, we found that the WCM is notifying the supervisor and the time keeper to monitor the "continuation of pay" benefits³ and ensure they do not continue beyond the 45 calendar days. As with tracking claims, we believe an automated system will be helpful in developing trend analysis and monitoring payment periods.

As guidance, the CMO should consider the General Accountability Office's *Standards for Internal Control in the Federal Government* (November 1999), which advocates "...effective information technology management is critical to achieving useful, reliable, and continuous recording and communication of information."

Recommendation

We recommend that the Chief Medical Officer consider implementing an automated system that includes components for tracking FECA claims and alerting the WCM of upcoming reporting deadlines.

³ In accordance with FECA and at the request of the employee, the Library continues an employees regular pay, without a charge to sick or annual leave, for a period of up to 45 calendar days after an employee suffers a traumatic injury.

Management Response

Management concurred with our recommendation.

III. Human Resources Data Is Insufficient

The WCM can not effectively verify if employees listed on the Library’s chargeback report from DOL are active or separated employees because HRS’s data does not indicate this crucial information. Consequently, the Library could potentially be charged compensation expenses for non-Library employees, as well as paying benefits to ineligible beneficiaries.

Chargeback Costs	2005	2006	2007	TOTAL
Medical Costs	\$163,371	\$174,697	\$107,616	\$445,684
Compensation (Non-Fatal) Costs	565,344	623,060	539,140	1,727,544
Compensation (Fatal) Costs	0	0	0	0
TOTAL	\$728,715	\$797,756	\$646,757	\$2,173,228

Source: DOL (totals may not add due to rounding)

The Library is responsible for reimbursing the DOL’s Division of Federal Employees’ Compensation (DFEC) for its

employees’ FECA expenses. This reimbursement occurs once a year. For fiscal chargeback years 2005 to 2007, the Library had total charges of \$2,173,228. No charges involved work related fatalities. Some of the non-fatal injury costs represent claims from the 1970s.

To minimize program costs, the WCM is tasked with reviewing quarterly “chargeback” reports from DOL. Appendix III provides a copy of the Library’s “chargeback” report and compares it to other comparably sized government organizations. To ensure that charges are correct, the WCM must verify that all names listed on the report are Library employees, check their status — active or separated⁴ and compensation received, and determine the reasonableness of medical costs. If there is a discrepancy or questionable costs, the WCM must request a change within 90 days of receipt of the report to the DFEC. If an adjustment to the yearly chargeback bill is desired, then the WCM must contact the OWCP’s National Office.

⁴Employees who resign from the Library or who have outside social security earnings are not entitled to compensation payments.

We found that the WCM lacked official data on separated Library employees needed to effectively verify the chargeback report. In May 2008, HRS granted the WCM access to the National Finance Center (NFC) official data. However, this does not include separation data that the WCM needs. To illustrate the need to have real time reports on the status of Library staff, the WCM showed us a chargeback report that listed an employee who had separated from the Library three years ago. Because an employee does not have to provide the WCM with documentation supporting work status, the WCM cannot verify pertinent separation data without the assistance of the HRS.

The HRS Director suggested that the CMO discuss with the HRS Security Officer the required data. We believe this will assist the WCM in fulfilling her duties. The General Accountability Office's *Standards for Internal Control in the Federal Government* (November 1999) that stipulate that "[i]nformation should be recorded and communicated to management and others within the entity who need it and in a form and within a time frame that enables them to carry out their internal control and other responsibilities."

Recommendation

We recommend that the Chief Medical Officer discuss with HRS the data needed on separated employees.

Management Response

Management concurred with our recommendation.

IV. The Library's FECA Regulation is Out of Date

The FECA was amended in 1989. However, the Library's FECA program regulation, LCR 2018-5, has not been revised since its issue date, December 29, 1976. The FECA and its regulations provide the framework which employees and supervisors use to understand the authority, eligibility, statutory time requirements, the FECA benefits, administration and responsibilities, and penalties. The Library's regulation is at minimum, a decade behind the last federal changes.

Without a current regulation, management cannot provide reasonable assurance that the objectives of the agency are being achieved in compliance with applicable laws and regulations. This is the converse of the General Accountability Office's *Standards for Internal Control in the Federal Government* (November 1999).

During our entrance conference, the CMO admitted that the LCR was outdated and stated that it was being revised. However, the Office of the General Counsel does not have LCR 2018-5 on its calendar for revision. The CMO needs to contact the Office of the General Counsel and revise LCR 2018-5 as a priority. This revision should include more detail on death benefits. Although the Library has not had any work related fatalities during FY 2005 to 2007, the LCR should specify the death benefits payable to a decedent's spouse and the eligibility requirements under Title 5.

Recommendation

We recommend that the Chief Medical Officer contacts the Office of the General Counsel and revise LCR 2018-5 as a priority.

Management Response

Management concurred with our recommendation.

» CONCLUSION

Our preliminary testing indicated that the Library's FECA program is adequate. It provides employees and supervisors with guidance for starting the claims process for work related injuries and diseases caused by employment.

We concluded that the program can be strengthened by improving the work flow process – keeping track of deadlines, contacts, and issues, receiving detailed information on separated employees, and revising LCR 2018-5. We commend the Workers' Compensation Manager for providing supervisors with training, keeping and evaluating program metrics, and tenaciously reviewing the chargeback reports.

Major Contributors to This Report:

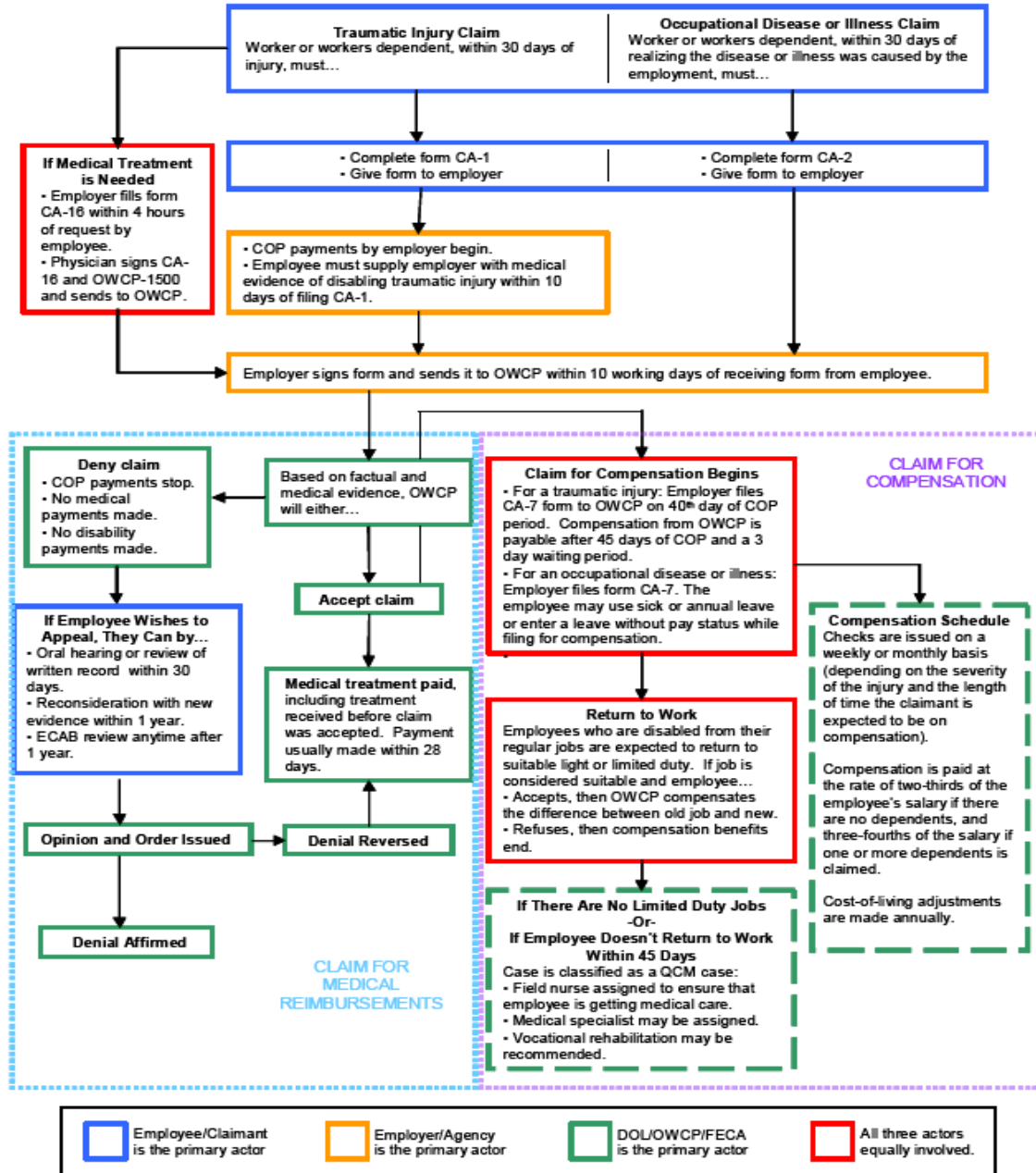
Nicholas G. Christopher, Assistant Inspector General for Audits
Patrick J. Cunningham, Senior Auditor
Cornelia E. Jones, Auditor

APPENDIX I: DOL'S WAGE LOSS COMPENSATION PROCESS

Chapter 2: Background

FECA Program Effectiveness Study

Exhibit 2.4: Wage Loss Compensation Process



Source: Department of Labor Website

►► APPENDIX II: DOL’S REPORT ON TIMELINESS

Legislative Branch Timeliness for Submitting CA-1/CA-2 for 2 nd Quarter FY 2008 with Comparison to the FY 2008 SHARE Performance Target					
Legislative Branch Agencies	FY2008 Target	2nd Qtr Claims	2nd Qtr Timeliness	FY2008 Cumulative Timeliness	Cumulative Timeliness vs. 2008 Target
Architect of the Capitol	55.0%	17	47.1%	46.3%	-15.7%
Congressional Budget Office	55.0%	0	No Claims	0.0%	-100.0%
Government Accountability Office	55.0%	1	0.0%	0.0%	-100.0%
Government Printing Office	55.0%	21	23.8%	22.5%	-59.1%
House of Representatives	55.0%	7	28.6%	15.4%	-72.0%
Library of Congress	55.0%	8	87.5%	53.8%	-2.1%
Senate	59.5%	8	75.0%	66.7%	12.1%
Tax Court of the United States	55.0%	0	No Claims	100.0%	81.8%
United States Botanic Garden	95.0%	2	50.0%	50.0%	-47.4%
Source: Department of Labor web site: http://www.dol.gov/esa/owcp/dfec/share/ca12/FY20082ndQtr/Legislative.htm					
The timeliness percentage indicates the number of CA-1 and CA-2 forms submitted within 14 calendar days (10 work days) of first receipt by the employer compared to all CA-1 and CA-2 forms submitted during the quarter.					
Cumulative variance against SHARE target is calculated as follows: [(All FY 2008 timely claims / All FY 2008 claims) - FY2008 Target] / FY2008 Target.					
The Library in Comparison to Other Similar Sized Agencies for CA-1/2 Timeliness (FY 2005 to 2nd Quarter FY 2008)					
AGENCY	FY 2005	FY 2006	FY 2007	FY 2008*	
Library of Congress	13.3%	34.1%	25.0%	53.8%	
Government Accountability Office	33.3%	11.1%	0.0%	0.0%	
Nuclear Regulatory Commission	36.4%	31.6%	33.3%	8.3%	
Securities & Exchange Commission	33.3%	18.2%	20.0%	37.5%	
Source: Department of Labor web site: http://www.dol.gov/esa/owcp/dfec/share/ca12/FY20082ndQtr/Legislative.htm					
The timeliness percentage indicates the number of CA-1 and CA-2 forms submitted within 14 calendar days (10 work days) of first receipt by the employer compared to all CA-1 and CA-2 forms submitted during the quarter.					
Cumulative variance against SHARE target is calculated as follows: [(All FY 2008 timely claims / All FY 2008 claims) - FY2008 Target] / FY2008 Target.					

►► **APPENDIX III: DOL’S REPORT ON CHARGEBACK COSTS⁵**

AGENCY	Chargeback (CB) Costs (CBFY 2005 to 3 rd Quarter CBFY 2008)			
	FY05	FY06	FY07	FY08
LIBRARY OF CONGRESS	\$728,715	\$797,756	\$646,757	\$523,789
Medical Costs	\$163,371	\$174,697	\$107,616	\$107,742
Compensation (Non-Fatal) Costs	\$565,344	\$623,060	\$539,140	\$416,047
Compensation (Fatal) Costs	\$0	\$0	\$0	\$0
GOVERNMENT ACCOUNTABILITY OFFICE	\$965,507	\$1,057,493	\$1,010,107	\$901,372
Medical Costs	\$163,593	\$201,169	\$126,443	\$126,926
Compensation (Non-Fatal) Costs	\$632,259	\$680,654	\$702,147	\$632,227
Compensation (Fatal) Costs	\$169,655	\$175,670	\$181,517	\$142,220
NUCLEAR REGULATORY COMMISSION	\$893,296	\$715,426	\$729,629	\$557,429
Medical Costs	\$176,019	-\$6,411	\$72,096	\$56,843
Compensation (Non-Fatal) Costs	\$461,421	\$465,524	\$393,177	\$293,734
Compensation (Fatal) Costs	\$255,855	\$256,313	\$264,356	\$206,852
SECURITIES & EXCHANGE COMMISSION	\$459,898	\$383,929	\$546,709	\$485,814
Medical Costs	\$117,612	\$84,152	\$105,462	\$117,742
Compensation (Non-Fatal) Costs	\$342,286	\$299,777	\$388,934	\$329,241
Compensation (Fatal) Costs	\$0	\$0	\$52,313	\$38,8310
Source: Branch Chief, Technical Assistance for the Division of Federal Employees Compensation, DOL				

⁵ The chargeback report is a billing which covers all compensation, medical payments, and disbursement transactions during the chargeback fiscal year (CBFY), (July 1st – June 30th).

▶▶ APPENDIX IV: ACRONYMS USED IN THIS REPORT

CBFY	Chargeback Fiscal Year
CMO	Chief Medical Officer
DFEC	Division of Federal Employees' Compensation
DOL	Department of Labor
FECA	Federal Employees' Compensation Act
HSO	Health Services Office
LCR	Library of Congress Regulation
NFC	National Finance Center
OWCP	Office of Workers' Compensation Program
SHARE	Safety, Health and Return-to-Employment
WCM	Workers' Compensation Manager

▶▶ APPENDIX V: MANAGEMENT RESPONSE

UNITED STATES GOVERNMENT

LIBRARY OF CONGRESS

Memorandum

Integrated Support Services

TO: Karl Schornagel
Inspector General

DATE: September 15, 2008 (rev.)

FROM: Mary Levering
Director, Integrated Support Services

SUBJECT: ISS Comments on Draft Audit Report No. 2008-PA-102, "Federal Employees' Compensation Act Program"

This is in response to your email of August 26, 2008, requesting comments from Integrated Support Services on the Draft Audit Report No. 2008-PA-102, dated August 25, 2008, on "Federal Employees' Compensation Act Program."

Attached are the ISS Directorate and Health Services Office comments on this draft report. ISS agrees with the IG recommendations and HSO has already taken steps to implement these.

Thank you for giving ISS the opportunity to review and comment on this draft report before it is issued in final.

Attachment: ISS Response to Draft IG Report

cc w/copy of attachment:

JoAnn Jenkins, COO
Lucy Suddreth, LIBN
Dr. Sandra Charles, HSOFile: ISS Audits - HSO #2008-PA-102
Net: I:\director\admin\audits\2008-PA-102 HSO memo rev.wpd

**Integrated Support Services/Health Services Office Response
To Draft Audit Report No. 2008-PA-102
August 25, 2008**

1. IG Recommendation I: Page 7. Claims are not timely filed.

IG Recommendation #1-1: The Chief Medical Officer [should] refer to the General Counsel supervisors who compromise the effectiveness and efficiency of the program by not signing claim forms or interfere with employees submitting claims.

HSO response: Agree. The Health Services Office (HSO) will continue its written notification practice; however, HSO will also include the following legal citation, “Any person charged with the responsibility for making reports in connection with an injury who . . . ; induces, compels, or directs an injured employee to forego filing a claim; or willfully retains any notice, report, or paper required in connection with an injury, is subject to a fine of no more than \$500 or imprisonment for no more than one year or both.” (18 U.S.C. 1922)”. The additional measure will be implemented to assure timely receipt of claims (within 10 workdays) by DOL. To maintain an effective and efficient program, HSO will develop an automated alert system within the Workers’ Compensation Manager’s (WCM) GroupWise to provide notification to official supervisors of the 2-day claims completion limit. If an official supervisor has not completed and returned the notice within 3 working days, the Workers’ Compensation Manager will send a follow-up written notice to the supervisor. If the supervisor does not respond within 2 working days to the reminder, HSO will refer the claim (with a reminder of the mandatory response time) to the Service/Support Unit’s Chief Operating Officer or Director (with a cc to the OGC) for their immediate assistance to help assure timely receipt of claims by DOL (within 10 workdays).

IG Recommendation #1-2: The Workers’ Compensation Manager continues offering supervisory training so that supervisors gain an understanding of their role in the process.

HSO response: Agree. The WCM will also meet with a representative from the Center for Learning and Development On-Line Training Center to develop a mandatory FECA training course to assist supervisors with their roles and responsibilities of injured and ill employees. The on-line training workshop will be a valuable asset to help supervisors understand each party’s roles and responsibilities in the Workers’ Compensation Program process. HSO will continue offering our current power point presentations on Compensation to groups of supervisors and managers and distribute a list of FAQs (Frequently Asked Questions) about FECA prepared by HSO.

IG Recommendation #1-3: The Workers’ Compensation Manager fully explains the workers’ compensation program and its process to employees, inclusive of the importance of returning properly filled and complete claim forms expeditious, and reporting any uncooperative supervisors.

HSO response: Agree. HSO understands the Library’s commitment to comply with OWCP regulations. HSO also understands that the completion of claims forms and gathering the necessary evidence requires substantial effort. To maintain successful results of the Program, the WCM will thoroughly explain the OWCP process, provide checklists to all injured or ill employees, provide notification to their official supervisors, and emphasize the necessity of cooperation of all parties involved. This policy will help

assure timely receipt of claims and forms, the employee's and/or supervisor's statements in response to the checklist, and a medical report from the treating physician, and will emphasize that these should be provided to the WCM at the same time. HSO will also notify supervisors to return the checklist with the statements. HSO will instruct all parties to check off each item as it is completed or inform the WCM when to expect the information. The WCM will maintain open communications with all parties involved for timely submission of all required documentation. The WCM will compile the additional required information and forward a complete and organized package to DOL/OWCP within established timeframes.

2. IG Recommendation II: Page 9. An automated workers compensation module is needed.

IG Recommendation: We recommend that the Chief Medical Officer consider implementing an automated system that includes components for tracking FECA claims and alerting the WCM of upcoming reporting deadlines.

HSO response: Agree. HSO has acquired and implemented an automated medical information management system (MIMS). This is an automated medical records and patient management system that assists in HSO's day-to-day processes and enhances HSO's capacity to capture, organize and track employee health data and manage cases. The Chief Medical Officer is exploring the availability of resources to purchase the workers' compensation module for the system for implementation after the newly implemented MIMS system has stabilized and ISS can ensure HSO is able to handle the workload involved in implementing another system module within HSO.

3. IG Recommendation III: Page 10. Human Resources Data is Insufficient.

IG Recommendation: We recommend that the Chief Medical Officer discuss with HRS the data needed on separated employees.

HSO response: Agree. The HSO Chief Medical Officer will request data from HRS through the Director of ISS to be provided on a regular basis for employees who have separated, retired, or transferred from the Library.

4. IG Recommendation IV: Page 11. The Library's FECA Regulation is Out of Date.

IG Recommendation: We recommend that the Chief Medical Officer contact the Office of the General counsel and revise LCR 2018-5 as a priority.

HSO response: Agree. The Chief Medical Officer has already revised LCR 2018-5 and provided this draft revision to the Office of the General Counsel some months ago, before the audit began. Dr. Charles met with the OGC on the revised draft a few times and processing of the draft is still pending in the OGC.

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