

## BCT-FY09

This infobase contains a numerical index of all FECA and OWCP Bulletins, Circulars and Transmittals issued in FY 2007, as well as the text of these issuances.

The BCTINDEX infobase contains a subject index of all FECA and OWCP Bulletins, Circulars and Transmittals issued since FY 1986.

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## FECA BULLETIN

FB 09-01 Compensation Pay: Compensation Rate Changes Effective January 2009.  
FB 09-02 Compensation Pay - Consumer Price Index (CPI) Cost-of-Living Adjustments for March 1, 2009.  
FB 09-03 Permanent Impairment/Schedule Awards: Sixth Edition of the AMA Guides to the Evaluation of Permanent Impairment  
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FB 09-02 COST-OF-LIVING ADJUSTMENTS  
FB 09-03 AMA Guides to the Evaluation of Permanent Impairment, Sixth Edition

## FECA BULLETIN--Text

## FECA BULLETIN NO. 09-01

Issue Date: February 15, 2009

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Expiration Date: January 1, 2010

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Subject: Compensation Pay: Compensation Rate Changes Effective January 2009.

Background: On December 18, 2008, the President signed Executive Order 13483 implementing a salary increase of 2.90 percent in the General Schedule basic pay. The applicability under 5 U.S.C. 8112 only includes the 2.90 percent increase in the basic General Schedule. Any additional increase for locality-based pay is excluded. The adjustment became effective at the start of the first full pay period after January 1, 2009.

Purpose: To inform the appropriate personnel of the increased minimum/maximum rates of compensation and the adjustment procedures for affected cases on the periodic disability and death payrolls.

The new rates were effective with the first compensation payroll period beginning on or after January 1, 2009. Thus, for daily roll supplemental payments January 10, 2009 is the specific effective date of the increase. The effective date for the increase of periodic and death roll payments will be January 18, 2009. The new maximum compensation rate payable is based on the scheduled salary of a GS-15, step 10, which is now \$127,604 per annum. The basis for the minimum compensation rate is the salary of a GS-2, Step 1 which is \$19,721 per annum.

The minimum increase specified in this Bulletin is applicable to employees of the U.S. Postal Service.

The effect on 5 U.S.C. 8112 is to increase the payment of compensation for disability claims to:

| <u>Effective January 10, 2009</u> | <u>Minimum</u> | <u>Maximum</u> |
|-----------------------------------|----------------|----------------|
| Weekly                            | \$284.44       | \$1,840.44     |
| Daily (5-day week)                | 56.89          | 360.09         |
| <u>Effective January 18, 2009</u> | <u>Minimum</u> | <u>Maximum</u> |
| 28-Day Cycle                      | \$1,137.75     | \$7,361.77     |

The effect on 5 U.S.C. 8133(e) is to increase the monthly pay on which compensation for death is computed to:

| <u>Effective January 18, 2009</u> | <u>Minimum</u> | <u>Maximum</u> |
|-----------------------------------|----------------|----------------|
| Monthly                           | \$1,643.42     | \$7,975.25     |

Applicability: Appropriate National and District Office personnel

Reference: Memorandum for Executive Heads of Departments and Agencies dated December 18, 2008; and the attachment for the 2009 General Schedule.

Action: The Integrated Federal Employees' Compensation System (iFECS) will update the

periodic disability and death payrolls. It should be noted that this adjustment process re-calculates EVERY compensation record from its very beginning to current date. Thus, it may be that minor changes in the gross compensation are noted; this is not necessarily incorrect.

Any cases keyed as "Gross Overrides without CPI" in iFECS will not have a supplemental record or make a separate calculation of additional entitlement. Thus, these gross override cases must be reviewed to determine if adjustments are necessary. If adjustment is necessary, a manual calculation will be required and the case record documented. A notice should be sent to the payee by the District Office, detailing the change in the rate of compensation. All cases keyed as "Gross Overrides with CPI" will be adjusted in the usual manner.

1. Adjustments Dates.
  - a. As the effective date of the adjustment was January 18, 2009 for the periodic disability and death rolls, there was no supplemental payroll needed. The February 14, 2009 death and disability payments will include any necessary minimum/maximum compensation adjustments.
  - b. The new minimum/maximum compensation rates were available in iFECS on February 2, 2009.
2. Adjustment of Daily Roll Payments. The salary adjustments are not retroactive, so it is assumed that all Federal agencies have ample time to receive and report the new pay rates on claims for compensation filed on or after January 1, 2009. Therefore, it is not necessary to review any of these payments.

However, if an inquiry is received then verification of the pay rate must be secured from the employing agency, and the necessary adjustment applied.

Disposition: This bulletin is to be retained in Part 5, Benefit Payments, Federal (FECA) Procedure Manual, until the indicated expiration date.

DOUGLAS C. FITZGERALD  
Director for  
Federal Employees' Compensation

Distribution: List No. 2 – Folioviews Groups A, B and D (Claims Examiners, All Supervisors, District Medical Advisors, Fiscal Personnel, Systems Managers, Technical Assistants, Rehabilitation Specialists and Staff Nurses)

## **FECA BULLETIN NO. 09 – 02**

Issue Date: March 1, 2009

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Expiration Date: February 28, 2010

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Subject: Compensation Pay - Consumer Price Index (CPI) Cost-of-Living Adjustments for March 1, 2009.

Purpose: To furnish information on the CPI adjustment process for March 1, 2009.

The cost of living adjustments granted to a compensation recipient under the FECA are based on the "Consumer Price Index for Urban Wage Earners and Clerical Workers" (CPI-W) figures published by the Bureau of Labor Statistics (BLS). The annual cost of living increase is calculated by comparing the base month from the prior year to the base month of the current year, with the percentage of increase adjusted to the nearest one-tenth of 1 percent, determining the amount of the CPI increase granted to claimants. 5 U.S.C. § 8146a establishes the base month as December.

December 2007 had a CPI-W level of 205.777 per BLS. The CPI-W level for December 2008 was reported as 204.813 by BLS, which is in fact a decrease of 0.5% from the December 2007 level. As a result of this decline in the CPI-W level, there will not be a cost of living increase for FECA recipients in 2009.

1. Despite the lack of an increase, the new base month is December 2008.
2. The maximum compensation rates, which must not be exceeded, are at the following rates:

\$ 7,975.25 per month  
7,361.77 each four weeks  
1,840.44 per week  
360.09 per day (for a 5 day week)

Applicability: Appropriate National Office and District Office personnel.

Reference: FECA Consumer Price Index (CPI) Amendment, dated January 6, 1981; Bureau of Labor Statistics Consumer Price Index Publication for December 2008 (USDL-09-0035)

Action: Since there is no change this year there is no action required by the National Office Production staff to re-calculate or adjust compensation.

1. CPI Minimum and Maximum Adjustments Listings. Form CA-841, Cost-of-Living Adjustments; Form CA-842, Minimum Compensation Rates; and Form CA-843, Maximum Compensation Rates, should be updated to indicate that there will not be an increase in 2009. Attached to this directive is a complete list of all the CPI increases and effective dates since October 1, 1966, through March 1, 2009, for reference.
2. Forms.
  - a. All claimants will be provided a notice with their Benefit Statement, indicating that there will not be a CPI increase this year. The Treasury will include this notice as a "stuffer card" with every Benefit Statement issued for the March 14, 2009 rolls.
  - b. If claimants write or call for verification of the amount of compensation

paid (possibly for mortgage verification; insurance verification; loan application; etc.), please continue to provide this data in letter form from the district office. Many times a Benefit Statement may not reach the addressee, and regeneration of the form is not possible. A letter indicating the amount of compensation paid every four weeks will be an adequate substitute for this purpose.

Disposition: This Bulletin is to be retained in Part 5, Benefit Payments, Federal (FECA) Procedure Manual, until further notice or the indicated expiration date.

DOUGLAS C. FITZGERALD  
 Director for  
 Federal Employees' Compensation

**Attachment**

Distribution: List No. 2 --Folioviews Groups A, B and D (Claims Examiners, All Supervisors, District Medical Advisors, Fiscal Personnel, Systems Managers, Technical Assistants, and Rehabilitation Specialists)

COST-OF-LIVING ADJUSTMENTS  
 Under 5 USC 8146(a)

| <u>EFFECTIVE DATE</u> | <u>RATE</u> | <u>EFFECTIVE DATE</u> | <u>RATE</u> |
|-----------------------|-------------|-----------------------|-------------|
| 10/01/66              | 12.5%       | 03/01/87              | 0.7%        |
| 01/01/68              | 3.7%        | 03/01/88              | 4.5%        |
| 12/01/68              | 4.0%        | 03/01/89              | 4.4%        |
| 09/01/69              | 4.4%        | 03/01/90              | 4.5%        |
| 06/01/70              | 4.4%        | 03/01/91              | 6.1%        |
| 03/01/71              | 4.0%        | 03/01/92              | 2.8%        |
| 05/01/72              | 3.9%        | 03/01/93              | 2.9%        |
| 06/01/73              | 4.8%        | 03/01/94              | 2.5%        |
| 01/01/74              | 5.2%        | 03/01/94              | 2.5%        |
| 07/01/74              | 5.3%        | 03/01/95              | 2.7%        |
| 11/01/74              | 6.3%        | 03/01/96              | 2.5%        |
| 06/01/75              | 4.1%        | 03/01/97              | 3.3%        |
| 01/01/76              | 4.4%        | 03/01/98              | 1.5%        |
| 11/01/76              | 4.2%        | 03/01/99              | 1.6%        |
| 07/01/77              | 4.9%        | 03/01/00              | 2.8%        |
| 05/01/78              | 5.3%        | 03/01/01              | 3.3%        |
| 11/01/78              | 4.9%        | 03/01/02              | 1.3%        |
| 05/01/79              | 5.5%        | 03/01/03              | 2.4%        |
| 10/01/79              | 5.6%        | 03/01/04              | 1.6%        |
| 04/01/80              | 7.2%        | 03/01/05              | 3.4%        |

|          |      |          |      |
|----------|------|----------|------|
| 09/01/80 | 4.0% | 03/01/06 | 3.5% |
| 03/01/81 | 3.6% | 03/01/07 | 2.4% |
| 03/01/82 | 8.7% | 03/01/08 | 4.3% |
| 03/01/83 | 3.9% | 03/01/09 | 0.0% |
| 03/01/84 | 3.3% |          |      |
| 03/01/85 | 3.5% |          |      |
| 03/01/86 | N/A  |          |      |

Prior to September 7, 1974, the new compensation after adding the CPI is rounded to the nearest \$1.00 on a monthly basis or the nearest multiple of \$.23 on a weekly basis (\$.23, \$.46, \$.69, or \$.92). After September 7, 1974, the new compensation after adding the CPI is rounded to the nearest \$1.00 on a monthly basis or the nearest \$.25 on a weekly basis (\$.25, \$.50, \$.75, or \$1.00).

|                   |               |               |                |
|-------------------|---------------|---------------|----------------|
| Prior to 09/07/74 | .08-.34 = .23 | Eff. 11/01/74 | .13-.37 = .25  |
|                   | .35-.57 = .46 |               | .38-.62 = .50  |
|                   | .58-.80 = .69 |               | .63-.87 = .75  |
|                   | .81-.07 = .92 |               | .88-.12 = 1.00 |

ATTACHMENT TO FECA CIRCULAR NO. 09-02

### **FECA BULLETIN NO. 09-03**

Issue Date: March 15, 2009

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Expiration Date: May 1, 2010

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**Subject:** Permanent Impairment/Schedule Awards: Sixth Edition of the AMA Guides to the Evaluation of Permanent Impairment

**Background:** The schedule award provisions of the Federal Employees' Compensation Act (FECA) at 5 U.S.C. 8107 and its implementing regulations at 20 C.F.R. 10.404 establish the compensation payable to employees sustaining permanent impairment. For consistent results and to ensure equal justice under the law to all claimants, good administrative practice necessitates the use of a single set of tables with uniform standards applicable to all claimants. The American Medical Association's (AMA) Guides to the Evaluation of Permanent Impairment has been adopted by the Office of Workers' Compensation Programs Division of Federal Employees' Compensation (DFEC) as the appropriate standard for evaluating schedule losses. In January 2008, the AMA published the Sixth Edition of the Guides, noting that the Guides are revised periodically to incorporate current scientific clinical knowledge and judgment. This Edition implements substantial reforms to the methodology of calculating permanent impairment. In accordance with its long established practice, the DFEC is moving forward to the most recent version of the Guides and generally utilizes the Sixth Edition in evaluating permanent impairment under the Guides.

The Sixth Edition substantially revises the evaluation methods used in previous Editions, characterizing the new methodology's objectives as: to be consistent, to enhance relevancy, to promote precision and to standardize the rating process. The AMA describes the Sixth Edition of the Guides as implementing a major paradigm shift in the way impairment evaluations are conducted based on five axioms: (1) Adopting terminology and the conceptual framework of disablement outlined by the World Health Organization's (WHO's) International Classification of Functioning, Disability, and Health (ICF); (2) Becoming more diagnosis-based and basing the diagnoses in evidence; (3) Optimizing rater reliability through simplicity, ease of application and following precedent; (4) Rating percentages are functionally based to the fullest extent possible; (5) Stressing conceptual methodological congruity within and between organ rating systems.

The attachment describes the major changes in the Guides applicable to FECA as well as those areas where other criteria apply.

Purpose: To provide information about the use of the Sixth Edition of the AMA Guides and changes found in the new version.

Applicability: Claims Examiners, Senior Claims Examiners, Hearing Representatives, All Supervisors, District Medical Directors and Advisers, Technical Assistants, Rehabilitation Specialists and Staff Nurses.

Action:

**1. EFFECTIVE DATE OF MAY 1, 2009.** All Claims Examiners should begin using the Sixth Edition of the AMA Guides effective May 1, 2009. Correspondence with treating physicians, consultants and second opinion specialists should reflect the use of the new Edition for decisions issued after May 1, 2009, and form letters that refer to the AMA Guides are revised to reflect this change. All schedule award decisions issued on or after May 1, 2009, should be based on the Sixth Edition of the A.M.A. Guides with the exceptions (such as statutory criteria) as noted.

**2. RECALCULATIONS RESULTING FROM HEARINGS, REVIEW OF THE WRITTEN RECORD OR RECONSIDERATIONS.** Any recalculations of previous awards which result from hearings or reconsideration decisions issued on or after May 1, 2009, should be based on the Sixth Edition of the Guides. However, if the percentage of the award is affirmed but the case is remanded for further development of some other issue, i.e. pay rate, recalculation of the percentage of the award under the Sixth Edition is not required.

**3. REQUESTS FOR INCREASED SCHEDULE AWARD WHERE PRIOR AWARD WAS MADE UNDER AN EARLIER EDITION OF AMA GUIDES** In accordance with DFEC's established practice when moving to an updated version of the AMA Guides, awards made prior to May 1, 2009, are not and should not be recalculated merely because a new Edition of the Guides is in use. A claimant who has received a schedule award calculated under a previous Edition and who claims an increased award, will receive a calculation according to the Sixth Edition for any decision issued on or after May 1, 2009. Should the later calculation result in a percentage impairment lower than the original award (as sometimes occurs), the Claims Examiner or Hearing Representative should make the finding that the claimant has no more than the percentage of impairment originally awarded, that the evidence does not establish an increased impairment and that therefore the Office has no basis for declaring an overpayment.

Disposition: Retain until the indicated expiration date.

DOUGLAS C. FITZGERALD  
Director for  
Federal Employees' Compensation

Distribution: List No. 1  
(Claims Examiners, All Supervisors, District Medical Advisers, Systems Managers, Technical Assistants, Rehabilitation Specialists, and Staff Nurses)

**ATTACHMENT 09-03**  
**AMA Guides to the Evaluation of Permanent Impairment,**  
**Sixth Edition**

The Sixth Edition of the American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment differs significantly from previous Editions. There are extensive changes affecting the calculations of schedule awards for FECA claimants. The latest Edition represents both a paradigm shift as well as the continued evolution in creating a uniform and consistent method for measuring impairment. The Sixth Edition of the AMA Guides consists of seventeen chapters, one less than the Fifth Edition. (Two cardiovascular chapters in the Fifth Edition have been consolidated into one chapter in the Sixth.)

The biggest alteration from previous Editions involves the rating of permanent impairment based on a specific diagnosis rather than the extremity or organ system. In previous Editions, an impairment rating may have included multiple diagnoses within an organ or extremity. Under the Sixth Edition most ratings will consider only the diagnosis with the most impact on the rated body region, i.e. digits/hand, wrist, elbow and shoulder are the regions defined for the upper extremity. However, once a rating is established for a specific region, the ratings for various regions within an extremity will be combined, just as in the Fifth Edition. For instance, a rating may be established separately for an entrapment neuropathy at the wrist, another at the elbow and a third rating for a shoulder impingement. Those three ratings would then be combined using the Combined Values Chart to establish the impairment rating for the upper extremity. In the Fifth Edition of the Guides, impairment ratings relied heavily on loss of range of motion and strength in comparison to a paired extremity. The Sixth Edition primarily incorporates these findings only insofar as they relate to the specific diagnosis evaluated.

Key changes affecting the calculation of schedule awards for FECA claimants are highlighted below. Also summarized are circumstances where calculations are done under criteria that vary from the Sixth Edition:

1. **DIAGNOSIS BASED GRID:** The foundation of the new methodology is the diagnosis-based grid used for each organ system and chapter. Evaluators will rate impairment according to the diagnosis representing the source of the most impairment in the given body region. If there is more than one ratable diagnosis in an affected extremity, the rater should combine all regional impairments for a final impairment at the extremity level. This combining of impairment ratings does not represent a change from prior Editions.

Each diagnosis grid is divided into five classes of impairment severity, ranked from '0' (no impairment) to '4' (very severe). Within each class are five severity grades categorized 'A' through 'E' (default 'C') with corresponding impairment percentages.

Raters distinguish the level of severity using criteria separated into key factors and non-key factors. These criteria consist of: (1) history of clinical presentation; (2) physical findings; (3) clinical studies or objective test results; (4) functional history. In most organ systems or disease processes, clinical history is the key factor which will determine the impairment class. However, physical findings or objective test results may serve as the key factor in select organ system evaluations. The evaluator will adjust the severity grade based on the results of the remaining criteria. For instance, if the claimant has an accepted condition of right shoulder impingement syndrome, the evaluator would use Table 15-5 to locate that diagnosis. The history of clinical presentation (key factor) would be used to determine whether the severity of the condition would be a Class 0 (no impairment) or a Class 1. Tables 15-7, 15-8 and 15-9 would then be consulted to determine where, within Class 1, the impairment would fall based on functional history, physical examination and clinical studies (non-key factors). These adjustments cannot exceed the percentage of impairment within the range specified by the designated class.

2. **MUSCULOSKELETAL:** Musculoskeletal regions in the Sixth Edition of the Guides consist of the upper extremities (Chapter 15), lower extremities (Chapter 16) and the spine and pelvis (Chapter 17). The upper extremity is divided into four separate zones, including digits/hand, wrist, elbow and shoulder. The lower extremity is divided into three zones consisting of foot/ankle, knee and hip. The spine and pelvis is divided into four zones, including cervical, thoracic, lumbar, and the pelvis (consisting of the ilium, ischium, pubis, sacrum and coccyx). Diagnosis classes for the upper and lower extremities are broken into the following categories: Soft tissue, muscle and tendon, ligament, and bone and joint. If impairment percentages are calculated in whole person ratings, they must be adjusted to individual extremity or organ system percentages using conversion charts or rates.

3. **PAIN:** The chapter on impairments due to pain (Chapter 3) has been updated. As with the Fifth Edition, the Sixth Edition allows for a maximum 3% impairment rating for non-specific pain that cannot be attributed to a condition addressed elsewhere in the Guides. However, **in no circumstances should the pain-related impairment developed under Chapter 3 be considered as an add-on to impairment determinations based on the criteria listed in Chapters 4 – 17.** While the Guides permit a presumptive percentage for pain when it is not accompanied by objective findings, if the pain accompanies objective findings, the rating is made using the applicable chapter.

4. **CARPAL TUNNEL:** Entrapment neuropathy of the upper extremities (e.g. carpal tunnel, cubital tunnel, etc.) (Section 15.4f) must be documented with nerve conduction velocity (NCV) testing in order to consider ratable impairment under the section on entrapment neuropathy. If testing was not conducted or does not meet the criteria outlined by the Guides, no ratable entrapment neuropathy impairment may be considered and any impairment must be calculated using a different section. Table 15-23 is used to determine entrapment/compression neuropathy impairments. Additionally, the preoperative electrodiagnostic test should be used in the impairment rating unless postoperative studies were done for a clinical indication of failure to improve with surgery and the postoperative study is clearly worse than the preoperative electrodiagnostic study. When evaluating multiple simultaneous neuropathies, the first (or most impairing) is rated at 100%, the second is rated at 50%, and the third is rated at 0% of the impairment listed in Table 15-23. The impairments are then combined. Multiple simultaneous neuropathies of the

same region should occur very rarely.

5. **MAXIMUM MEDICAL IMPROVEMENT:** The Guides stipulate only permanent impairment may be rated, and only after the claimant has reached a point of "maximum medical improvement" (MMI). The Guides do not afford a rating for possible future impairment. Impairment should not be rated permanent until sufficient time has passed for healing and recovery, which may vary substantially depending on the condition and the claimant's profile. The clinical findings must indicate the medical condition has stabilized for the claimant to have reached MMI. This approach is consistent with program history, case law and long established practice. See *Franklin L. Armfiela*, 28 ECAB 445 (1977).

In cases where a claimant declines surgical intervention or other therapeutic treatment, an MMI determination may still be reached as long as the physician indicates that the individual is at MMI in lieu of additional treatment. MMI is determined to be a point where no further improvement is anticipated and symptoms are expected to remain stable or managed with palliative care.

6. **BACK CONDITION:** As FECA does not allow a schedule award for impairment of the back (see 5 U.S.C. 8101 (19), a diagnosed injury or medical condition originating in the back or spine may **only** be considered to the extent that it results in permanent impairment of the extremities. There is no separate impairment for radiculopathy unless specified in the regional grid in Chapter 17. Even then, radiculopathy is used as a grade modified rather than defining an impairment class. However, the peripheral nerve impairment charts in the upper and lower extremity chapters may be used. Rating impairment to peripheral nerves in the lower extremities is explained in Section 16.4c and Table 16-12. Likewise, upper extremity peripheral nerve impairment is explained in Section 15.4 and Tables 15-20 and 15-21.

7. Under the Sixth Edition of the Guides, an impairment rating may not be allowed simply because there was a surgical intervention. For instance, Table 16-3 under cruciate or collateral ligament injury specifically states that surgery is not a rating factor. However, impairment based on a total knee replacement is provided in Table 16-3.

8. **SPECIAL DETERMINATIONS AFFECTING USE OF SIXTH EDITION** See FECA PM 3-700.4)

a. **Loss of digits/statutory criteria.** While the percentage of impairment is generally computed in accordance with the AMA Guides, special computations may be required. Loss of more than one digit of a hand or foot should be computed in terms of impairment to the whole hand or foot unless the impairment computed for loss of two or more digits exceeds the percentage for the hand or foot. In such instances, the award should reflect the computation most favorable to the claimant. The FECA itself addresses compensation for loss of more than one phalanx as being the same as loss for the entire digit and loss of the first phalanx is one-half the compensation for loss of the entire digit. See 5 U.S.C. 8107 (15). Calculations of amputation at the wrist or ankle are considered the same as a total loss of that member. See 5 U.S.C. 8107 (16).

b. **Loss of hearing.** There continue to be special requirements for hearing loss testing. Special calculation requirements are contained in Program Memoranda 162, 181 and 217. In accordance with 5 U.S.C. 8107 (19), loss is determined without regard to correction.

c. **Loss of vision.** The percentage of impairment continues to be based on best **uncorrected** vision. See 5 U.S.C. 8107 (19). Loss of binocular vision or for loss of 80 percent or more is the same as for loss of the eye. See 8107 (14).

d. **Loss/loss of function of organs.**

1) Where there is total loss of a single paired organ such as one kidney, lung, breast, testicle, or ovary) the schedule award rating is generally based on loss of one organ rather than loss of function of the pair. Under FECA, it is immaterial for purposes of a schedule award evaluation whether the remaining organ of the pair compensates for the loss.

2) Awards for respiratory impairment are based on the loss of use of both lungs and the impairment percentage is multiplied by twice the award for a single lung. However, for anatomical loss by injury or surgery of an entire lung, the award will be for 100% of one lung. Similarly, for loss of less than an entire lung, the impairment percentage will be based on loss of lung tissue by weight or volume and calculated based on the schedule for a single lung. The claimant is entitled to the higher of the impairment based on anatomical loss vs. loss of use calculation.

4) While the AMA Guides express the impairment of certain organs in terms of the whole person, schedule awards under the FECA are based on the percentage of impairment of the particular organ/schedule member. See FECA PM 3-700-4 (c).

**FECA BULLETIN NO. 09-04**

Issue Date: April 10, 2008

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Expiration Date: December 31, 2009

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Subject: Bill Pay - Revision in the Reimbursement Rates Payable for the Use of Privately Owned Automobiles Necessary to Secure Medical Examination and Treatment.

Background: Effective January 1, 2009, the mileage rate for reimbursement to Federal employees traveling by privately-owned automobile (POV) was *reduced* to 55 cents per mile by the General Services Administration (GSA). No restriction is made as to the number of miles that can be traveled. As in the past, this rate will also apply to disabled Federal Employees' Compensation Act (FECA) beneficiaries traveling to secure necessary medical examination and treatment.

Applicability: Appropriate National Office and District Office personnel.

Reference: Federal (FECA) Procedure Manual Part 5, Benefit Payments, Chapter 204, Principles of Bill Adjudication and 5 U.S.C. § 8103.

Action: The Central Bill Processing (CBP) facility has updated their system to reflect the new rates. Since there is no action required at the District Office level, the rates are being provided for informational purposes only.

The following is a list of the historical mileage rates used to reimburse claimant travel expense:

|                |                         |                         |      |
|----------------|-------------------------|-------------------------|------|
|                | 01/01/1995 – 06/06/1996 | 30.0 cents per mile     |      |
|                | 06/07/1996 – 09/07/1998 | 31.0 cents per mile     |      |
|                | 09/08/1998 – 03/31/1999 | 32.5 cents per mile     |      |
|                | 04/01/1999 – 01/13/2000 | 31.0 cents per mile     |      |
|                | 01/14/2000 – 01/21/2001 | 32.5 cents per mile     |      |
|                | 01/22/2001 – 01/20/2002 | 34.5 cents per mile     |      |
|                | 01/21/2002 – 12/31/2002 | 36.5 cents per mile     |      |
|                | 01/01/2003 – 12/31/2003 | 36.0 cents per mile     |      |
|                | 01/01/2004 – 02/03/2005 | 37.5 cents per mile     |      |
|                | 02/04/2005 – 08/31/2005 | 40.5 cents per mile     |      |
|                | 09/01/2005 – 12/31/2005 | 48.5 cents per mile     |      |
|                | 01/01/2006 – 01/31/2007 | 44.5 cents per mile     |      |
|                | 02/01/2007 – 03/18/2008 | 48.5 cents per mile     |      |
|                |                         | 03/19/2008 – 07/31/2008 | 50.5 |
| cents per mile |                         |                         |      |
|                | 08/01/2008 – 12/31/2008 | 58.5 cents per mile     |      |
|                | 01/01/2009 – Current    | 55.0 cents per mile     |      |

Disposition: This Bulletin should be retained in Chapter 5-0204, Principles of Bill Adjudication, Federal (FECA) Procedure Manual.

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Distribution: List No. 2 -- Folioviews Groups A, B and D  
(Claims Examiners, All Supervisors, District Medical Advisors, Technical Assistants, Staff Nurses, Rehabilitation Specialists and Fiscal Personnel).

## FECA CIRCULARS

FC 09-01 Current Interest Rates for Prompt Payment Bills and Debt Collect  
FC 09-02 Dual Benefits - FERS Cost of Living Adjustments

### **Attachments**

FC 09-01 Prompt Payment Interest Rates

## FECA CIRCULARS--text

SUBJECT: Current Interest Rates for Prompt Payment Bills and Debt Collection

The interest rate to be assessed for the prompt payment bills is 5.625 percent for the period of January 1, 2009 through June 30, 2009. This new rate has been updated in the Central Bill Payment system tables.

The rate for assessing interest charges on debts due the government has not changed. The interest rate for assessing interest charges on debts due the government remains at 3.0 percent for the period of January 1, 2009 through December 31, 2009.

Ordinarily, the rate of interest charged on debts due the U.S. Government is only changed in January, and is effective for the entire year. However, the rate may be changed in July if there is a difference in the Current Value of Funds (CVF) interest rate of more than two percent. The rate will be reviewed on July 1, 2009 to determine if the Treasury has changed the rate.

Attached to this Circular is an updated listing of both the Prompt Payment and Debt Management interest rates from January 1, 1985 through the current date.

DOUGLAS C. FITZGERALD  
 Director for  
 Federal Employees' Compensation

**Attachments**

Distribution: List No. 2--Foliovviews Groups A, B, and D (Claims Examiners, All Supervisors, District Medical Advisors, Technical Assistants, Rehabilitation Specialists, Staff Nurses and Fiscal Personnel)

**PROMPT PAYMENT INTEREST RATES**

|                   |      |                   |      |
|-------------------|------|-------------------|------|
| 1/1/09 – 12/31/09 | 5 %  | 7/1/99 - 12/31/99 | 6½%  |
| 7/1/08 – 12/31/08 | 5    | 1/1/99 - 6/30/99  | 5.0% |
| 1/1/08 – 6/30/08  | 4¾%  | 7/1/98 - 12/31/98 | 6.0% |
| 7/1/07 – 12/31/07 | 5¾%  | 1/1/98 - 6/30/98  | 6¼%  |
| 1/1/07 – 6/30/07  | 5¼%  | 7/1/97 - 12/31/97 | 6¾%  |
| 7/1/06 – 12/31/06 | 5¾%  | 1/1/97 - 6/30/97  | 6%   |
| 1/1/06 – 6/30/06  | 5%   | 7/1/96 - 12/31/96 | 7.0% |
| 7/1/05 – 12/31/05 | 4½%  | 1/1/96 - 6/30/96  | 5%   |
| 1/1/05 – 6/30/05  | 4¼%  | 7/1/95 - 12/31/95 | 6%   |
| 7/1/04 – 12/31/04 | 4½%  | 1/1/95 - 6/30/95  | 8%   |
| 1/1/04 – 6/30/04  | 4.0% | 7/1/94 - 12/31/94 | 7.0% |
| 7/1/03 – 12/31/03 | 3%   | 1/1/94 - 6/30/94  | 5½%  |
| 1/1/03 – 6/30/03  | 4¼%  | 7/1/93 - 12/31/93 | 5%   |
| 7/1/02 – 12/31/02 | 5¼%  | 1/1/93 - 6/30/93  | 6½%  |
|                   |      | 7/1/92 - 12/31/92 | 7.0% |

|                   |     |                   |      |
|-------------------|-----|-------------------|------|
| 1/1/02 - 6/30/02  | 5½% | 1/1/92 - 6/30/92  | 6%   |
| 7/1/01 - 12/31/01 | 5%  | 7/1/91 - 12/31/91 | 8½%  |
| 1/1/01 - 6/30/01  | 6%  | 1/1/91 - 6/30/91  | 8%   |
| 7/1/00 - 12/31/00 | 7¼% | 7/1/90 - 12/31/90 | 9.0% |
| 1/1/00 - 6/30/00  | 6¾% | 1/1/90 - 6/30/90  | 8½%  |

7/1/89 - 12/31/89 9%  
 1/1/89 - 6/30/89 9¾%  
 7/1/88 - 12/31/88 9¼%  
 1/1/88 - 6/30/88 9%  
 7/1/87 - 12/31/87 8%  
 1/1/87 - 6/30/87 7%  
 7/1/86 - 12/31/86 8½%  
 1/1/86 - 6/30/86 9¾%  
 7/1/85 - 12/31/85 10%  
 1/1/85 - 6/30/85 12%

ATTACHMENT TO FECA CIRCULAR NO. 09 – 01

**DEBT MANAGEMENT INTEREST RATES**

1/1/09 – 12/31/09 3%  
 7/1/08 – 12/31/08 3%  
 1/1/08 – 6/30/08 5%  
 1/1/07 – 12/31/07 4%  
 7/1/06 – 12/31/06 4%  
 1/1/06 – 6/30/06 2%  
 1/1/05 – 12/31/05 1%

1/1/04 – 12/31/04 1%  
 1/1/03 – 12/31/03 2%  
 7/1/02 – 12/31/02 3%  
 1/1/02 – 6/30/02 5%  
 1/1/01 - 12/31/01 6%  
 1/1/00 - 12/31/00 5%

1/1/99 - 12/31/99 5%  
 1/1/98 - 12/31/98 5%  
 1/1/97 - 12/31/97 5%  
 1/1/96 - 12/31/96 5%  
 7/1/95 - 12/31/95 5%  
 1/1/95 - 6/30/95 3%

1/1/94 - 12/31/94 3%  
 1/1/93 - 12/31/93 4%  
 1/1/92 - 12/31/92 6%  
 1/1/91 - 12/31/91 8%  
 1/1/90 - 12/31/90 9%

1/1/89 - 12/31/89 7%  
 1/1/88 - 12/31/88 6%

1/1/87 - 12/31/87 7%  
1/1/86 - 12/31/86 8%  
1/1/85 - 12/31/85 9%

Prior to 01/01/84 Not Applicable

**FECA CIRCULAR NO. 09 - 2**

**February 15, 2009**

SUBJECT: Dual Benefits - FERS Cost of Living Adjustments

Effective December 1, 2008, benefits issued by the Social Security Administration (SSA) will be increased by 5.8%. This requires the amount of the Federal Employees' Retirement System (FERS) Dual Benefits deduction to be increased by the same amount, to ensure the dollar-for-dollar offset remains current.

This adjustment will be made from the National Office for all cases that were correctly entered into the iFECs Compensation program. The adjustment will be effective with the periodic roll cycle beginning December 21, 2008. There will be no adjustment or overpayment declared for the period of December 1, 2008 through December 20, 2008.

The historical SSA cost of living adjustments are as follows:

12/01/2008 - 11/30/2009 5.8%  
12/01/2007 - 11/30/2008 2.3%  
12/01/2006 - 11/30/2007 3.3%  
12/01/2005 - 11/30/2006 4.1%  
12/01/2004 - 11/30/2005 2.7%  
12/01/2003 - 11/30/2004 2.1%  
12/01/2002 - 11/30/2003 1.4%  
12/01/2001 - 11/30/2002 2.6%  
12/01/2000 - 11/30/2001 3.5%  
12/01/1999 - 11/30/2000 2.4%  
12/01/1998 - 11/30/1999 1.3%  
12/01/1997 - 11/30/1998 2.1%  
12/01/1996 - 11/30/1997 2.9%  
12/01/1995 - 11/30/1996 2.6%  
12/01/1994 - 11/30/1995 2.8%

DOUGLAS C. FITZGERALD  
Director for  
Federal Employees' Compensation

Distribution: List No. 1 – FolioViews Groups A, B and D (Claims Examiners, All Supervisors, District Medical Advisors, Systems Managers, Technical Assistants, Rehabilitation Specialists, Staff Nurses and Fiscal Personnel)

## TRANSMITTALS

FT 09-01 modifies Part 0, Chapter 0100  
FT 09-02 modifies Part 1, Chapter 0200

## FECA TRANSMITTALS (FT)--TEXT

### **FECA TRANSMITTAL NO. 09-01** **December 1, 2008**

RELEASE - REVISION TO CHAPTER 0-0100, INTRODUCTION TO FECA AND DFEC, PART 0 - OVERVIEW, FEDERAL (FECA) PROCEDURE MANUAL  
EXPLANATION OF MATERIAL TRANSMITTED:

Exhibit 1, Jurisdiction of District Offices has been updated to reflect all changes in jurisdiction including moving most of the Special Jurisdiction claims to the Cleveland district office, moving a part of the Maryland claims to the Philadelphia district office and, most recently, moving Arkansas claims to the Kansas City district office.

DOUGLAS C. FITZGERALD  
Director for  
Federal Employees' Compensation

#### Remove Old Pages

#### Insert New Pages

| Part | Chapter | Pages | Part | Chapter | Pages |
|------|---------|-------|------|---------|-------|
| 0    | 0-0100  | i     | 0    | 0-0100  | i     |
| 0    | 0-0100  | ex. 1 | 0    | 0-0100  | ex.1  |

File this transmittal sheet behind the checklist in front of the Federal (FECA) Procedure Manual.

Distribution: List No. 2 - Folioviews Groups A, B, and D (Claims Examiners, All Supervisors, District Medical Advisers, Fiscal Personnel, Systems Managers, Technical Assistants, Rehabilitation Specialists, and Staff Nurses)

### **FECA TRANSMITTAL NO. 09-02** **December 1, 2008**

RELEASE - REVISION TO CHAPTER 1-0200, GENERAL JURISDICTION, PART 1 - MAIL AND FILES, FEDERAL (FECA) PROCEDURE MANUAL

EXPLANATION OF MATERIAL TRANSMITTED:

Chapter 1-0200 has been revised to reflect the change in jurisdiction for cases originating in Arkansas. The responsibility for these cases moved from the Dallas district office to the Kansas City district office effective October 1, 2008.

DOUGLAS C. FITZGERALD  
Director for  
Federal Employees' Compensation

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| Part | Chapter | Pages |
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| 1    | 1-0200  | i     |
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OWCP BULLETINS

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