Workers’ Compensation Overview and Updates

DOL’s Office of Workers’ Compensation Programs

Division of Longshore & Harbor Workers’ Compensation

Douglas Fitzgerald, Director
Division of Longshore and Harbor Workers’ Compensation
fitzgerald.douglas@dol.gov
202-343-5844
Overview of Division of Longshore and Harbor Workers Compensation Program
Claims Management

• In-take of Reports of Injury (LS 202) from E\C.
• Creation of Cases.
• Conduct Informal Dispute Resolution Conferences.
• Evaluate and issue decisions on Special fund 8 (f) and 18 (b) applications, stipulations, attorney fees, and 8(i) settlement applications.
• Monitor Medical and Compensation Payments
• Assess penalties for non-timely filing of notices of injury and final compensation payments.
• Manage Vocational Rehabilitation Services and Return to Work.
• Engage in stakeholder outreach to improve first report of injury and first payment performance.
Insurance Authorization, Compliance Oversight and Special Fund Management

- Authorize carriers to write insurance coverage under the LHWCA and its extensions.
- Authorize employers to become self-insured under the LHWCA and its extensions.
- Monitor compensation and medical expenditures through annual LS513 and LS274 reporting.
- Annually conduct risk assessment and require E\Cs to securitize risk through bonds, LOC, cash and other securities.
- Monitor\Manage\Report Special Fund activity.
- Make payment and collect penalties under the Special Fund.
- Annually assess needs of the Special Fund.
- Issues and collects annual industry assessments on each E\C based on 8(f) utilization and SF needs.
- Conducts E/C audits to ensure proper reporting of claims expenditures.
- Collects assessments on identified under-reported claims expenditures.
Outline

• Claims Trends & Program Performance
• Operational Efficiencies through IT Modernization
• Areas of Focus in the Near Term
Carrier/Self-Insured Payments by Company Year

- CY2012: $1,228,111,685
- CY2013: $1,344,028,672
- CY2014: $1,387,938,630
- CY2015: $1,312,061,365
- CY2016: $1,292,407,902

Legend:
- LHWCA
- DBA
- NAFIA
- OCSLA
Claims Trends
New Claims Reported
FY 2010 – FY 2017

Longshore Injuries Reported
Claims Trends
New Claims Reported
FY 2010 – FY 2017

DBA Injuries Reported
Claims Trends
New Claims Reported
FY 2017 Claim Types

- Occupational - Hearing: 131
- Occupational - All Other: 1,310
- Traumatic: 1,724
- Traumatic Fatal: 23,968

Total: 23,968
Claims Trends

- Number of Disputes
- Average Days

Bar chart showing claims trends for different categories:
- Medical Treatment: 759
- Temporary Disability: 440
- Permanent Disability: 445
- Injury AOE / COE: 141
- Average Weekly Wage: 227
- Attorney Fees: 194
- Last Responsible Employer: 78
- Jurisdiction (Coverage): 23
Focus on Improving Quality and Timeliness of Reports of Injury and Initial Payments of Compensation

**First Reports of Injury** – Percentage of First Reports of Injuries filed within 30 days of date of knowledge

<table>
<thead>
<tr>
<th>Act</th>
<th>Target</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Longshore</td>
<td>89%</td>
<td>94%</td>
</tr>
<tr>
<td>DBA</td>
<td>88%</td>
<td>94%</td>
</tr>
</tbody>
</table>

**First Payments** – Percentage of First Payments of Compensation made within 30 days of date disability began

<table>
<thead>
<tr>
<th>Act</th>
<th>Target</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Longshore</td>
<td>86%</td>
<td>88%</td>
</tr>
<tr>
<td>DBA</td>
<td>67%</td>
<td>71%</td>
</tr>
</tbody>
</table>
Efficiencies through IT Modernization

- Create ALL new claims in paperless format using OWCP’s Imaging System (OIS)
- Centralized Mail Room Activities and Case-Create Functions (FY 2014)
- Piloted Electronically Transfer of Medical Records (FY 2014)
- Deployed the Secure Electronic Access Portal (SEAPortal) (FY 2015)
- New Regulations Finalized (801-802) for waiving rights to certified mail in lieu of electronic service (FY 2015)
- Piloted Electronic Transferring LS-202, Report of Injury, for case create (FY 2016)
Efficiencies through IT Modernization

Until FY 2014, 100% of Incoming Correspondence Arrived Via the USPS.
In FY 2015 34% of Incoming Correspondence Was Received Electronically.

FY 2015

- FTP: 20%
- Paper Mail: 14%
- SEA Portal: 66%
Efficiencies through IT Modernization

In FY 2016 58% of Incoming Correspondence Was Received Electronically.

FY 2016

- Paper Mail: 42%
- FTP: 22%
- SEA Portal: 36%
Efficiencies through IT Modernization

In FY 2017 70% of Incoming Correspondence Was Received Electronically.
Efficiencies through IT Modernization

DLHWC is Now Receiving Nearly 40% of All New Claims Electronically

- May 2016 – Signal
- December 2016 - CCSI
- May 2017 - ALMA
Area of Focus in the Near Term?

- Deploy new case management system in 2019.
- New consolidated forms to achieve efficiencies in document submission and customer service – Ex. Combine 206 and 208 into one “notice of payment” form to report initial, interim or final payments, 8(f) applications, etc.
- Institute process for monitoring opioid prescription usage for claims paid by the Special Fund.
- Create digital fax capability for LS202 submission.
- Institute the concept of the “Intervention” to support more effective dispute resolution outcomes.
- Expand program integrity efforts and reporting compliance audits to protect the Special Fund.
- Position the program to meet the challenges of proposed major infrastructure investment and shipbuilding expansion.