



**U.S. DEPARTMENT OF LABOR**



**FY 2016 Operating Plan**

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## Introduction

The Office of Workers' Compensation Programs' (OWCP) FY 2016 Operating Plan presents the resources, activities and strategies that the agency will employ to achieve key outcome goals and links them to the measures and milestones used to assess progress during the year. The plan is based on the FY 2015 enacted spending levels and supports the Department of Labor (DOL) and OWCP Strategic Plans.

### Alignment

The agency directly supports the Secretary's vision of *Promoting and Protecting Opportunity* through the following DOL strategic goal and objective:

*DOL Strategic Goal 4*: Secure retirement, health, and other employee benefits and, for those not working, provide income security.

*DOL Strategic Objective 4.1*: Provide income support when work is impossible or unavailable and facilitate return to work.

The OWCP Strategic Plan outlines how we will contribute to the achievement of the DOL Strategic Objective 4.1 through a set of agency-specific goals and objectives centered on our work, our customers and our employees. This Operating Plan includes the activities and strategies we will focus on in FY 2016 to implement the OWCP Strategic Plan and help the department achieve the Secretary's vision. It also serves as the framework for the agency's FY 2016 Operational Plan and is directly aligned to four OWCP goals:

- ✓ Goal 1: Provide timely and accurate claims processing and benefit payments.
- ✓ Goal 2: Provide recovery, rehabilitation and employment services.
- ✓ Goal 3: Promote collaboration and outreach with stakeholders and customer groups.
- ✓ Goal 4: Create and sustain a high performing workforce.

### Mission-Driven

Every day, OWCP employees touch the lives of thousands of injured or ill workers and their families by providing or overseeing the delivery of workers' compensation benefits. OWCP's mission is:

*To protect the interests of workers who are injured or become ill on the job, their families and employers, by making timely and accurate decisions on claims, paying benefits promptly, and providing opportunities for injured workers return to gainful work as early as feasible.*

Workers come to OWCP during what may be one of the most difficult times in their lives – when they have suffered an injury or become ill on the job. They are often concerned about their health, their income, their job status, their ability to recover and return to work, and how they will support their families.

Over the next five years, nearly one million workers or their survivors will rely on us to provide benefits for work-related injury or illness, including compensation, medical treatment, and assistance in returning to work, through the administration of four major disability compensation programs. We serve workers who perform a variety of work and incur a variety of injuries and illnesses – the FBI agent injured in the line of duty; the federal office worker who slips in the office on a rainy day; the nurse who gets a back injury lifting a patient at a VA hospital; the longshoreman injured while unloading a shipping container; the government contractor working overseas who falls down stairs on the base; coal miners working in both underground and surface mines who develop black lung disease; nuclear engineers, physicists, uranium miners, millers, and transporters who contract specific cancers as result of working in nuclear weapons facilities; among many others.

OWCP's principal role is to ensure that these injured workers and their families receive the benefits to which they are entitled. Our vision is to be:

*An innovative leader in the delivery of benefits and a responsible steward of the resources entrusted to us, respected and relied upon by those who depend on us for their health and economic well-being.*

We strive to be as efficient, cost effective and timely as possible in adjudicating claims and delivering benefits, without sacrificing quality and customer service.

Like all organizations, OWCP's success depends on its workforce – the people who make the mission real. Our staff is the agency's most important asset. We could not help injured and ill workers without the dedication and expertise of nearly 1,700 federal employees (claims examiners and hearing representatives, customer service representatives, workers' compensation assistants, medical and billing specialists, physicians, program and management analysts, budget analysts, accountants, and others) assisted by several thousand contract workers (nurses and rehabilitation counselors, doctors, medical bill processors, information technology experts, etc.). OWCP employees are passionate about helping others. They work hard to accomplish the mission, often under challenging circumstances. Every day they perform a variety of functions that make a real difference in the lives of the people we serve.

## **OWCP Programs and Organizational Support**

Operating from offices across the country, including a headquarters in Washington, DC, six regional offices, and 33 district offices, OWCP accomplishes its mission through the administration of four programs:

**Federal Employees' Compensation Act Program:** Federal employees are injured every day while serving the American people in various capacities and these workers rely on workers' compensation benefits under the Federal Employees' Compensation Act (FECA). For 100 years, the FECA program, administered by the Division of Federal Employee Compensation (DFEC) and executed in district offices across the country, has continuously evolved to meet its commitment to provide high quality service, while minimizing the financial, social, and human costs of work-related injuries. FECA is the exclusive remedy by which federal employees may obtain disability, medical, and/or survivor benefits for workplace injuries.

Today, FECA provides workers' compensation coverage to more than 2.5 million federal employees and postal workers around the world, for employment-related injuries and occupational diseases. It also covers Peace Corps and VISTA volunteers, federal petit and grand jurors, volunteer members of the Civil Air Patrol, Reserve Officer Training Corps Cadets, Job Corps, Youth Conservation Corps enrollees, and non-federal law enforcement officers when injured under certain circumstances involving crimes against the United States. In 2014, FECA provided approximately \$2.9 billion in compensation and medical benefits to 278,000 claimants with a return-to-work rate of over 91 percent for injured and ill employees of non-Postal agencies who are unable to return to work on their own.

**Longshore and Harbor Workers' Compensation Act Program:** OWCP's Division of Longshore and Harbor Workers' Compensation (DLHWC) administers the Longshore and Harbor Workers' Compensation Act and its extensions through its district offices. The program offers workers' compensation protection to employees engaged in maritime work or in maritime occupation on the navigable waters of the United States or adjoining areas. It covers longshoremen and harbor workers, including a ship-repairman, ship-builder and ship-breaker, as well as federal government contractors outside the United States and employees of private industry conducting certain operations on the Outer Continental Shelf.

Except in very limited cases, the Longshore program does not directly pay benefits to injured claimants. Rather, it oversees the delivery of wage replacement compensation, medical treatment, and vocational rehabilitation benefits to injured private sector workers, as well as death benefits to their eligible survivors in the event of work-related death. It also provides information, technical and compliance assistance, support, and informal dispute resolution services to workers, employers, and insurers. The Longshore program authorizes private employers to self-insure, and insurance carriers to provide coverage for benefits provided under the Act. Over the past five years, the program has facilitated the delivery of wage replacement compensation, medical treatment, and vocational rehabilitation benefits to nearly 73,000 injured private sector workers. In FY 2014 alone, the Longshore program created over 27,000 new injury claims and oversaw the payment of \$1.48 billion in benefits to nearly 56,000 claimants.

**Black Lung Benefits Act Program:** Coal mine employees, whether underground or surface miners or construction or transportation workers, are regularly exposed to respirable coal mine dust which can cause chronic lung diseases such as coal workers pneumoconiosis

(CWP), silicosis, massive pulmonary fibrosis, and other chronic restrictive or obstructive pulmonary disease or impairment – known, collectively, as black lung disease or pneumoconiosis. OWCP's Division of Coal Mine Workers' Compensation (DCMWC) is responsible for administering the Black Lung Benefits Act, through a network of district offices. The program provides compensation to coal miners who are totally disabled by black lung disease arising out of coal mine employment, and to the miners' eligible survivors. It provides two types of benefits: monthly wage replacement and medical services. A standard monthly benefit (income replacement) is paid to coal miners who are totally disabled by pneumoconiosis, and to survivors of coal miners whose deaths are attributable to the disease. The Act also provides eligible miners with medical coverage for the treatment of lung diseases related to pneumoconiosis.

In FY 2014, the Black Lung program issued over 5,200 Proposed Decision Orders (PDO) and paid nearly \$313 million in monthly compensation and medical benefits to 34,000 miners or their families. In addition, the program monitored benefit payments and medical treatment provided by self-insured coal mine operators or their insurance carriers to an additional 4,800 beneficiaries.

**Energy Employees Occupational Illness Compensation Program Act Program:** During and following World War II, through the Cold War and today, tens of thousands of Americans have worked for the Department of Energy (DOE), as employees, contractors and subcontractors, to help secure America by building and safeguarding our nuclear weapons. In performing their jobs, these workers may have been exposed to radiation or other toxic substances. In 2000, Congress passed the Energy Employees Occupational Illness Compensation Program Act (EEOICPA), to provide benefits to workers who have been diagnosed with cancer, beryllium disease, silicosis, or other illnesses resulting from workplace exposures in the nuclear weapons industry.

The Energy program is administered by the Division of Energy Employees Occupational Illness Compensation (DEEOIC) through four district offices. Since its establishment in 2001, it has awarded \$11.1 billion: \$2.2 billion in medical benefits, \$5.6 billion in compensation under Part B; and since 2005, \$3.3 billion in compensation under Part E. In FY 2014 alone, 12,950 cases received \$410.6 million in medical expenses, 3,941 claimants received \$366 million in compensation under Part B, and 3,660 claimants received \$267.2 million in compensation under Part E.

In addition to its four principal programs, two divisions, located in National Office, provide administrative, financial, and analytical support to the agency. They work directly with the programs and regions to ensure that OWCP has the resources needed to successfully perform its mission. While these functions can be considered "behind the scene," they are critical to the agency's success in meeting its customers' needs and fulfilling its mission.

**Division of Administration and Operations (DAO):** DAO provides administrative support for OWCP, including the development of policies, procedures and standards. The division is

responsible for ensuring that the agency remains in compliance with federal and departmental guidelines in such areas as human capital, travel management, procurement and contract administration, records management and the Paperwork Reduction Act. It also oversees space planning, personal property management, interagency agreements, communication with internal and external stakeholders and management of special projects. DAO ensures that OWCP obtains the information technology (IT) services and business solutions needed to achieve the agency's mission in an efficient and customer-focused manner. It also establishes OWCP medical and rehabilitation policy, maintains the OWCP treatment suites and fee schedule, and is responsible for the day-to-day medical bill processing operations that support the provision of medical benefits.

**Division of Financial Administration (DFA):** DFA provides budgetary, accounting, strategic and operational planning, performance, policy, and analytic support to OWCP. The division is responsible for budget formulation and justification for all OWCP funding sources and budget execution and financial planning for all administrative funding. DFA ensures the accurate accounting of all OWCP funding streams and that there are sufficient balances to make benefit payments and reconcile fund balances with the Treasury General Ledger. It also provides audit liaison support. DFA leads the development and monitors the implementation of OWCP's strategic plan, facilitates the DOL performance management process for OWCP programs, assesses Congressional interest in OWCP's activities, and coordinates policy clearance. In addition, DFA provides analytical support to a broad range of OWCP initiatives and program efforts.

## OWCP Activities

DOL defines *activities* as actions that a federal program and/or agency undertakes to accomplish its mission and *strategies* as the manner and methods used to carry out the activities. If an activity is the what, the strategy is determining the when, who and especially how of an activity.

OWCP has identified three principal activities in support of four of the agency's strategic plan goals and a set of strategies for each activity. Output and outcome measures are aligned with the activities and strategies. In addition, this year OWCP has included several performance indicators (indices) describing the health of the agency and its programs in the area of employee engagement. Indicators are composed of sets of related metrics and are designed to help us focus on accomplishing our mission as effectively as possible. They allow us to balance a variety of criteria including quality, processing time, volume, and capacity in assessing organizational performance. The individual measures composing the indicators will be used by OWCP leadership, the programs, and the regions to identify current and potential challenges and to channel attention towards resolving issues before they lead to deterioration in performance. We will continue to explore the use of indices to assess organizational performance in FY 2016.

OWCP's activities are described below – they focus on mission, customers, and employees. Strategies, performance measures/indicators, the resources or inputs required to accomplish our mission, and milestones for initiatives are presented in the sections that follow.

### Activity 1: Mission Focus – Claims Processing and Benefits Delivery

Aligns with OWCP Strategic Goals:

- ✓ 1: Provide timely and accurate claims processing and benefit payments.
- ✓ 2: Provide recovery, rehabilitation and employment services.

Claims adjudication and benefit delivery: Providing timely and accurate claims processing and benefit payments is at the heart of our mission. OWCP is responsible for adjudicating hundreds of thousands of claims and ensuring the payment of billions of dollars. Each year we receive new claims from injured or ill federal workers, longshore and harbor workers, contractors who work for the U.S. government overseas, coal miners, and current and former nuclear weapons industry workers. Each day our claims examiners across the country evaluate claims to determine whether or not a worker is entitled to receive wage replacement and/or medical benefits. If the answer is yes, benefits are paid to the claimant, a family member, or medical provider. In FY 2016, OWCP programs will continue to focus on strengthening the claims adjudication and the benefits delivery processes, building on FY 2015 accomplishments in areas such as process improvement and IT modernization, program integrity, accountability reviews,

and others. Each program has identified one or two principal initiatives which are discussed below in the Strategies section of the plan.

Rehabilitation and Return to Work: One of the benefits provided by two of OWCP's programs – the Federal Employees' Compensation Act and the Longshore and Harbor Workers' Compensation Act programs – focuses on helping injured and ill employees return to work so that they can continue to lead productive lives. While most injured and ill workers return to work on their own, some require assistance because of the severity or nature of their injuries or illnesses. OWCP's proactive disability management provides medical treatment and vocational rehabilitation including assessments, transferable skills analysis and training, and technical assistance to federal agencies on the job placement process, which helps thousands of workers a year return to the workforce. While the Executive Order establishing POWER (Protecting Our Workers and Ensuring Re-employment initiative) sunsetted in 2014, the FECA program remains committed to working with federal departments and agencies on return-to-work initiatives. For federal workers, the new Labor for America initiative will provide additional opportunities for those unable to return to their previous positions. And, although participating in return-to-work activities under the Longshore and Harbor Workers' Compensation Act and its extensions is purely voluntary, the Longshore program continues to make claimants aware of this important benefit.

## **Activity 2: Customer Focus – Customer Service and Stakeholder Engagement**

Aligns with OWCP Strategic Goal:

✓ 3: Promote collaboration and outreach with stakeholder and customer groups.

OWCP firmly believes that communication, collaboration and outreach with claimant communities and other stakeholders are essential to the successful accomplishment of our mission. We have long recognized the importance of high quality customer service and have focused on improvements in this area for the past several years. In FY 2015, we implemented a new Interactive Voice Response (IVR) customer service survey (which measures a caller's satisfaction with the telephone conversation he/she just had with a claims examiner or customer service representative). In FY 2016, OWCP may include several program specific survey questions and will continue to analyze the survey results at the agency, program, and, where there are sufficient responses, district office levels.

OWCP will continue to build and strengthen its partnerships with our many stakeholders. Outreach has been a focus of our programs over the past several years and FY 2016 will be no different. We recognize that to successfully perform our mission we must fully engage – that is, educate, listen to, and work with – employers (federal agencies and private sector companies), providers (physicians, hospitals, home health care companies), insurance carriers, advocates, the legal community, and others.

### Activity 3: Employee Focus – Workforce Engagement

Aligns with OWCP Strategic Goal:

✓ 4: Create and sustain a high performing workforce.

Our employees are responsible for carrying out the agency’s mission-critical adjudication, benefit delivery, and return to work activities. Without a strong, high performing, and engaged workforce OWCP could not be successful. To this end, OWCP is committed to engaging its workforce in all facets of the work. In FY 2015, we focused on recruiting to fill a long list of vacancies and to acquire new skills, particularly in data analytics. We invested in training and development opportunities for our current employees and used the *Repository of Opportunities, Assignments and Details (ROAD)* program to leverage talent across the department. We sent potential leaders to various executive development courses, conducted leadership training for OWCP managers, and participated in DOL supervisory training activities. We significantly expanded telework opportunities as our programs implemented a remote electronic case file access capability. And, we replaced many desktop computers with laptops and other mobile devices to better enable our employees to work anywhere.

In FY 2016, OWCP will expand its emphasis on human capital through several strategies discussed in the next section. Through these and other efforts, we hope to empower our workforce to achieve, adapt and accomplish our mission through innovation and a customer focused perspective.

## OWCP FY 2016 Strategies

OWCP has identified a set of strategies for each of its three activities. Some strategies are program-specific while others are designed to improve the overall operations of the agency. While the strategies identified below do not cover all of OWCP's FY 2016 initiatives, they are the principal areas we will focus on as we work towards achieving optimal performance.

### Activity 1: Mission Focus – Claims Processing and Benefits Delivery

**FECA Program:** In FY 2016, OWCP will continue to improve the FECA program performance by building on progress made during FY 2015 in the areas of analytics and program integrity. Additionally, the program will continue its focus on returning employees to work, whenever feasible.

- ✓ Use data analytics to improve program performance: OWCP's data analytics for the FECA program is currently developing approaches to identify, understand, and validate data elements that can serve as reliable indications of potential program integrity issues, such as improper payments or fraud, leading to opportunities for process improvements. Applying the new data analytics tools to the FECA dataset allows the program to see trends, patterns, and correlational relationships that are not otherwise apparent. During FY 2016, OWCP will continue maturing this capability and expand use of analytics across other aspects of the FECA program.
- ✓ Restore emphasis on return to work: OWCP anticipates a new Presidential initiative which will restore the emphasis on return-to-work across the federal government (replacing the POWER initiative which expired in 2014). In addition, the FECA program will continue its full-scale implementation of the "Labor for America" initiative by integrating vocational rehabilitation and regional contracts in two regions. The "Labor for America" candidate portal was piloted and began roll-out in FY 2015. Candidates listed in the portal include FECA claimants who are participating in vocational rehabilitation and willing to accept job placement in either the private or public sector. Private sector employers who select candidates for jobs will receive a wage-subsidy for up to three years.
- ✓ Focus on US Postal Service (USPS) return to work performance: The FECA program will initiate discussions with USPS in early FY 2016 to explore the joint development of a set of unique return to work and periodic roll management performance measures that will be deployed and baselined in late FY 2016 or by October 1, 2016.

**Longshore Program:** The Longshore Program has made significant strides over the past several years creating a 21<sup>st</sup> century work environment which leverages technology to facilitate claims submission and correspondence management. In FY 2016, Longshore will continue its efforts with two important initiatives focused on process improvement and cost savings.

- Improve claims processing: For FY 2016, OWCP's principal strategy for the Longshore program is to develop a means for the electronic submission of new claims. In FY 2015, 100 percent of new Longshore claims were received in paper format; contractors manually entered the claims into the system and created new cases. The program plans to pursue technology that will allow for the electronic receipt of new claims by partnering with industry carriers/ employers and mutuals<sup>1</sup>. This would allow their private claims systems to connect to OWCP's system, and thereby eliminate the need to manually create cases. The program's goal is to receive at least 30 percent of all new claims in digital format by the end of FY 2016 (barring any legal barriers).
- Save costs: The Longshore program will continue to partner with industry stakeholders to increase electronic document submissions to reduce the receipt of paper correspondence and forms used in the later life of a claim. In 2014, the Longshore program received 100 percent of its correspondence and forms on paper via U.S. mail. In 2015, over 30 percent of all correspondence and forms were received in digital format through data exchanges or document portals. The program's goal is to receive at least 50 percent of its documents in digital format by the end of FY 2016.

**Black Lung Program:** For FY 2016, the Black Lung program's principal strategies focus on: 1) strengthening the quality and timeliness of medical examinations; and 2) taking a more sophisticated and analytic approach to understanding and measuring performance.

- Improve medical examinations: OWCP will further strengthen the initial 413(b) medical examination in terms of both quality and timeliness. Building on the strategies it implemented in FY 2015, the Black Lung program will continue its pre-decisional quality control reviews for Byrd Amendment awards as well as its pre-release spot audits for all other proposed decision orders (PDO).

In addition, physician recruitment efforts will leverage the additional opportunities created by digital x-ray implementation to increase the pool of qualified medical providers and improve the quality of the medical evidence used to make claims decisions. OWCP will also use a variety of strategies to expand the 413(b) physician pool available to perform medical examinations to ascertain the presence of black lung disease. Strategies will include:

- ✓ Targeted recruitment in underserved communities;
- ✓ Provision of accredited online training;
- ✓ Development of a follow-up and follow through methodology for unenrolled physicians; and
- ✓ Identifying and sharing best practices across the stakeholder community.

- Use data analytics to improve performance: In its effort to better understand how various factors affect performance, OWCP is taking a more comprehensive and sophisticated

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<sup>1</sup> A mutual is an insurance company owned entirely by its policyholders.

approach in FY 2016 in the way it measures and evaluates PDO performance. The Black Lung program will move away from aggregate averages and towards a more granular set of measures that will represent the full range of performance. This change is consistent with the approach already applied to Energy program measures and will allow the Black Lung program to maintain its focus on quality improvement while keeping pace with performance on its most complicated workload.

PDO processing time will be measured and reported for all merit claims which represent roughly 60 percent of the total decisions issued and 85 percent of the claims appealed. The Black Lung program will continue to capture and report the aggregate average number of days to process all PDOs as a contextual measure. In addition, the program will bi-furcate the measurement of medical evidence development for pilot and non-pilot cases. As the program continues to develop its workload and performance model, we will look for additional ways to assess organizational performance, identify opportunities for process improvement, and better understand the relationship between performance, workload and resources.

**Energy Program:** In FY 2016, the Energy program's principal strategies focus on: 1) enhancing alignment of performance measures with procedural and regulatory timeframes; 2) improving the management of home health care benefits; and 3) expanding use of the Energy Document Portal.

- Align performance with procedural and regulatory timeframes: OWCP will revise the targets for its end-to-end measures for FY 2016. These measures account for the various actions a case may require, including employment verification, dose reconstruction or oral hearing. Due to procedural and regulatory timelines, certain targets (particularly EE 4d) have become unattainable. The program is reviewing timeframes for all included steps in the life of a case to determine targets that fall in line with those.
- Strengthen home health care benefits management: As part of the Energy program benefit structure, OWCP provides home health care services, where medically necessary, to severely ill, covered employees. The volume of these requests continues to increase due to the elderly claimant population and the aggressiveness of the home health care companies. Given the high possibility of fraud in the home health care sector, it is important for the program to focus on the quality aspect of the workload to verify the services provided. OWCP will improve the management of the Energy program's home health care benefits by creating a special unit, directed out of the national office, of claims staff that will review all requests for home health care, issue decisions, and evaluate bills and reports for any signs of fraud. The program also will continue posting regular monthly or quarterly newsletters containing new initiatives or ongoing activities related to medical services in general.
- Expand access to imaged files: In FY 2015, OWCP developed the Energy Document Portal, which allows the Energy program claimants to upload documents directly into their case files. In FY 2016, it plans to further expand access to case files by extending access to the

actual case files in the OWCP Imaging System (OIS) to the Resource Centers. This will allow Resource Center staff to view case activity, which will aid in providing claimants with case status information. The ultimate long-term goal will be to allow claimants to view their case files in OIS as well, through a secure portal.

## **Activity 2: Customer Focus – Customer Service and Stakeholder Engagement**

**Customer Service Strategies:** OWCP strives to provide each worker with excellent customer service and the assistance needed for his or her unique situation. Our mission attracts employees who are caring, compassionate and committed to helping others. However, given the circumstances under which we operate (resource constraints, heavy workloads, and the nature of the work itself), it can be very challenging to provide high quality customer service all of the time.

In recognition of these challenges, OWCP is focusing on two principal strategies in FY 2016 designed to: 1) better understand how our customers perceive their interactions with us; and 2) equip and empower employees to deal with the human side of their daily interactions with varying claimant populations.

- Strengthen data collection and analysis: In FY 2016, OWCP will continue to collect customer feedback using the IVR customer service survey. We will determine if there is a need to redesign the survey to capture program specific questions or to use the existing format. Information gathered through this process will help identify opportunities for improvement in how we serve our varied stakeholders. In addition to the customer service survey results, OWCP would like to regularly review the feedback it receives from customers and stakeholders through conversations with Congressional representatives and correspondence from their offices. As this feedback comes into OWCP at the national, regional and district levels, we will explore whether or not it is feasible to collect and analyze this information across the agency. If so, we hope to use this feedback to identify potential issues and trends and to consider process and other improvements that would strengthen customer service.
- Conduct difficult conversations training: When claimants come to OWCP for assistance, they are often in pain, concerned about their own well-being and the well-being of their families. The people we speak with may be in shock, upset or confused. Hearing their stories, responding to their questions, understanding to their concerns, and listening to their complaints can be uncomfortable, and often is not easy. In some cases, OWCP claims examiners, customer service representatives and others talk with family members whose husbands, wives, fathers, mothers or children have passed away from work related injuries and illnesses. These conversations are often heart-rending and always difficult. In FY 2016, OWCP will provide employees with tools and training to help them deal with these situations. While we consider this training to be a customer service strategy, our primary

focus is to help our employees feel better prepared when they find themselves having these difficult conversations.

- Redesign call distribution system: FECA will redesign its automated call distribution system used in all district offices. The first phase, planned for FY 2016, is to develop the design at the conceptual level. Once this is complete, detailed designs will be developed and implemented across the program.
- Develop on-line training for customers: The FECA program will develop a set of self-paced, on-line training courses for federal agency injury compensation specialists. This is in response to the unavailability of training funds in some agencies.

**Stakeholder Engagement Strategies:** In addition to our claimants, OWCP's other stakeholders are partners in accomplishing our mission. Building and leveraging stakeholder relationships will continue to be a vital part of agency and program strategies to improve the quality of decisions and of the overall adjudication and benefit delivery process.

- Improve outcomes through data exchange: Collecting, providing and sharing data with other federal agencies, academia, advisory boards and others is essential to claims adjudication and management. In FY 2016, OWCP will continue to work on facilitating the exchange of data. Specifically, we will:
  - ✓ Continue to work with the Social Security Administration to streamline and improve the SSA-581 process through digital data exchange. – *Black Lung program*
  - ✓ Take a leadership role in guiding our partners, the Office of the Administrative Law Judge (OALJ) and the Benefits Review Board (BRB), through implementation of the OWCP Imaging System (OIS) and associated processes to facilitate electronic black lung claims review. – *Black Lung program*
  - ✓ Continue to partner with the University of Illinois on a variety of data analytics including assessing the impact of quality improvements (e.g., the 413(b) pilot) on the decision-making process. – *Black Lung program*
  - ✓ Provide the statutorily mandated Advisory Board for Toxic Substances and Worker Health with any and all information necessary to its serving in its advisory capacity. This may include involvement with public meetings, responding to requests for information, and discussing recommendations. – *Energy program*
- Educate the public: The Energy program will continue to work with the Joint Outreach Task Group (JOTG), comprised of leadership from the Department of Energy, the Department of Health and Human Services, and the DOL and the National Institute for Occupational Safety and Health (NIOSH) Ombudsman offices to educate the public about the program, provide updates regarding new Special Exposure Cohort (SEC) classes, and other new initiatives.

Outreach will also include continued public meetings for claimants, medical providers and physicians regarding pertinent issues related to the program's medical benefits. Further outreach will include more frequent interaction with the advocate community, including regular calls or in-person meetings, to discuss any ongoing issues they may have. – *Energy program*

In addition, each OWCP program will engage at least one customer/stakeholder group in FY 2016. This may take the form of meetings (including town hall meetings), participation in industry conferences, and other outreach activities. The purpose of this engagement is to both provide updates on program activities and improvements and collect direct feedback regarding services. OWCP will consider this information in strengthening our services as well as service delivery.

### **Activity 3: Employee Focus – Workforce Engagement**

The OWCP workforce engagement strategies presented below are several of the many human capital initiatives the agency has underway or plans to take over the next several years. They are meant to complement and reinforce current and planned employee engagement efforts. The first strategy – to create an OWCP Strategic Human Capital Management Plan – will provide a framework to integrate, consolidate and leverage OWCP's many employee focused initiatives. It will help ensure that we are making sound investments in human capital and achieving the desired results. The second strategy builds on our work to create and sustain a strong management and leadership team and our commitment to diversity. The third is designed to improve performance plans by providing a set of common critical elements which could be used to assemble FECA claims examiners' performance plans. And, the fourth strategy is focused on fostering innovation. Each strategy is described in greater detail below.

- Implement OWCP Strategic Human Capital Management Plan initiative: Over the past several years, OWCP's leaders have used the results of the Federal Employee Viewpoint Survey (FEVS) as well as employee feedback (provided at OWCP national, regional and district town hall meetings, at DOL listening sessions, through suggestion boxes and IdeaMill, and in meetings with union representatives) to shape the agency's human capital policies and investments. In response to employee requests and concerns, the agency has identified a variety of initiatives focused on improving employee engagement via a FEVS action plan. While some have been completed, others are underway and still others are planned.

In FY 2016, to ensure that we derive the maximum benefit from these initiatives, OWCP plans to begin a multi-year project to develop a Strategic Human Capital Management Plan (including workforce and succession plans). The plan will build upon and complement the ongoing work of OWCP Strategic Goal Team 4, the FEVS Action Plan, the OWCP Diversity and Inclusion Plan, DOL's prototype standards initiative, agency skills assessments and training and development activities, and a commitment to improving our work environment

and promoting telework. If resources are available, two major steps in the planning process are planned for FY 2016:

- ✓ *Establish an executive steering committee:* The executive steering committee will guide the development of the Strategic Human Capital Management Plan. Specifically, the committee will set the direction and oversee the work of a project team (including experts in project management, strategic human capital planning, various human resources specialties, and the agency's operations) which will be responsible for the development of the Strategic Human Capital Management Plan. When the plan is completed, the committee will monitor its implementation and the results. In FY 2016 the steering committee will establish a charter, define a human capital vision and identify goals that will help OWCP achieve the vision, establish the project team and identify a project director. It will also oversee the environmental assessment described below. – OWCP
- ✓ *Conduct a human capital environmental assessment:* To be useful, a strategic human capital plan must take into consideration the environment in which the organization operates. As a first step, the planning team will conduct an environmental assessment, analyzing both internal (e.g., demographic analysis of the current workforce) and external environments (e.g., a labor market analysis for mission critical occupations). This assessment, together with the vision and goals mentioned above, will serve as the basis for developing strategies in the areas of talent management (recruitment, retention, and training and development), performance management (performance planning and rewards and recognition), leadership (succession planning, expectations and development), and diversity and inclusion. – OWCP
- Assess feasibility of uniform performance sub-elements: While the Energy program worked closely with its unions to establish prototype performance standards for its employees in the Final Adjudication Branch in FY 2014 and FY 2015, the concept of common performance elements and sub-elements has not been fully explored and analyzed across all programs. In FY 2016, OWCP is committed to conducting an analysis of the feasibility of developing uniform sub-elements that can be used across claims examiners' performance plans. The analysis will take into consideration the differences in claims examiner duties across programs and regions. OWCP has established a milestone to this effect for FY 2016.
- Implement diversity and inclusion strategy: As part of its human capital environment assessment OWCP will conduct a diversity analysis. OWCP will assess demographic and labor market data to better understand the mosaic of the organization and how regional and economic variance impact workforce diversity and inclusion efforts.
- Encourage innovation: OWCP will build upon its July 2015 accomplishment of providing management responses to employee ideas submitted through IdeaMill. In FY 2016, we will provide quarterly updates to employees via the Director's Corner page on the OWCP Intranet regarding employee suggestions submitted to IdeaMill. Specifically, management

will notify employees when ideas will be implemented and when ideas require further review to determine if they can be implemented. In cases where ideas cannot be implemented, explanations will be provided.

- Expand workplace flexibilities: OWCP will expand its centralized print/mail pilot beyond the Longshore and Energy programs to include the FECA program. Through a pilot for FECA, OWCP will study the feasibility of allowing claims examiners to send claimant correspondence to print and prep for mail submission remotely, thus allowing greater flexibility in the program's telework operations. This is first and foremost an employee engagement strategy that will address employee workplace flexibility and innovation requests and will also result in improved operational performance and customer service.

## OWCP FY 2016 Performance Measures

### Activity 1: Mission Focus – Claims Processing and Benefits Delivery

Federal Employees Compensation Act	FY 2015 Target	FY 2015 YTD Result (Q3)	FY 2016 Target <sup>2</sup>
<b>FEC 1a:</b> Percent of wage-loss claims timely processed within 14 days; claims not requiring further development	90%	91.2%	90%
<b>FEC 1b:</b> Percent of wage-loss claims timely processed within 90 days; all claims	90%	94.3%	90%
<b>FEC 4:</b> Percent of PERS that are closed within 180 days – all claims	95%	92.6%	95%
<b>FEC 5a:</b> Percentage of Notice of Injury filings by non-Postal agencies within ten (10) work days	93%	89.4%	91.42% <sup>3</sup>
<b>FEC 5b:</b> Percentage of wage-loss claims filed by non-Postal federal employers within five (05) work days	80.2%	84.7%	85.35% <sup>3</sup>
<b>FEC 5aP:</b> Percentage of Notice of Injury filings by - Postal Service within ten (10) work days (contextual)	Contextual	95.1%	Contextual <sup>3,4</sup>
<b>FEC 5bP:</b> Percentage of wage-loss claims filed by Postal Service within five (05) work days. (contextual)	Contextual	93.1%	Contextual <sup>3,4</sup>
<b>FEC 7a:</b> Percent of CA-1/2 (non-postal) claims eligible to be filed in compliance with the electronic filing regulation	95%	Annual	TBD <sup>3,4</sup>
<b>FEC 7b:</b> Percent of CA-7 (non-postal) claims eligible to be filed in compliance with the electronic filing regulation	87%	Annual	TBD <sup>3,4</sup>
<b>FEC Qa:</b> Percent of sampled FECA compensation payments (stemming from a FECA form CA-7) rated as accurate	76%	Annual	80.0%

<sup>2</sup> Quarterly and regional targets are the same as annual targets.

<sup>3</sup> Target for these measures are tentative pending a new Presidential return-to-work initiative (PEER).

<sup>4</sup> See also Milestone OWCP 1.2 to develop joint measures with USPS.

<b>Federal Employees Compensation Act</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target<sup>2</sup></b>
<b>FEC Qb:</b> Percent of sampled PER review cases with ongoing compensation benefit payments rated as accurate	83%	Annual	80.0%
<b>FEC RTW1:</b> Percent of federal employees with work-related injuries or illnesses coming under FECA's Disability Management that are re-employed within two years.	92%	89.5%	92.54% <sup>3</sup>
<b>FEC RTW1P:</b> Percent of Postal Service employees with work-related injuries or illnesses coming under FECA's Disability Management that are re-employed within two years.	Contextual	87.4%	Contextual <sup>3,4</sup>
<b>FEC RTW2:</b> Government-wide lost production day (LPD) rate in non-postal agencies (contextual)	Contextual	28.4	31.5 <sup>3</sup>
<b>FEC RTW2P:</b> Postal Service lost production day (LPD) rate (contextual)	Contextual	224.0	TBD <sup>3,4</sup>

<b>Longshore and Harbor Worker's Compensation</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target</b>
<b>LS 1:</b> Percent of First Report of Injury filed within 30 days for Defense Base cases	85%	89%	88%
<b>LS 2:</b> Percent of First Payment of Compensation issued within 30 days for Defense Base Act cases	65%	69%	65%
<b>LS 3:</b> Percent of First Report of Injury filed within 30 days for non-DBA cases	85%	88%	87%
<b>LS 4:</b> Percent of First Payment of Compensation issued within 30 days for non-Defense Base Act cases	85%	88%	86%
<b>LS 5c:</b> Average number of days to resolve disputed issues at district offices – All Acts	120	89	96
<b>LS 5d:</b> Average number of days to resolve disputed issues at district office – DBA cases only	130	101	110
<b>LS Qa:</b> Percent of informal conference actions sampled for quality are rated as correct	92%	Annual	89%

<b>Longshore and Harbor Worker's Compensation</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target</b>
<b>LS Qb:</b> Percent deviation between reported resolution days and properly coded/tracked resolution days.	Baseline	Annual	+/- 5%

<b>Black Lung – Coal Mine Workers' Compensation</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target</b>
<b>CM 1:</b> Average number of days to process Black Lung Claims	235	279	Contextual
<b>CM 1a:</b> Average number of days to process PDO for RO Merit cases	N/A	N/A	315
<b>CM 1b:</b> Percentage of Pilot Project PDO issued within 440 days	N/A	N/A	85%
<b>CM 3a: Initial Medical Evidence Development -</b> Percent of initial 413(b) requests completed within 90 days	N/A	N/A	85%
<b>CM 5a: Pilot Case Medical Evidence Development -</b> Percent of 413(b) supplemental medical evidence development completed within 60 days	N/A	N/A	85%
<b>CM Qb:</b> Spot Audit pre-PDO error rate	Baseline	Quarterly	5% error rate
<b>CM Qc:</b> Reduce the number of requests for hearings post PDO award.	Baseline	Annual	5% decrease

<b>Energy Employees Occupational Illness Compensation</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target</b>
<b>EE 4a:</b> Average number of days between filing date and final decision for cases sent to NIOSH when a hearing is held (contextual)	Contextual	489	Contextual

<b>Energy Employees Occupational Illness Compensation</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target</b>
<b>EE 4b:</b> Average number of days between filing date and final decision for cases sent to NIOSH when a hearing is not held (contextual)	Contextual	356	Contextual
<b>EE 4c:</b> Average number of days between filing date and final decision for cases not sent to NIOSH when a hearing is held	333	323	315
<b>EE 4d:</b> Average number of days between filing date and final decision for cases not sent to NIOSH when a hearing is not held	160	164	175
<b>EE 8:</b> Average annual cost of Home Health Care services (contextual)	Contextual	Annual	Contextual
<b>EE 9:</b> Issue final hearing decisions in formal hearings within 175 days of the hearing request (NEW)	N/A	97%	90%
<b>EE Qa:</b> Percent of sampled Part B and Part E initial claims rated as being accurate	90%	Annual	90%
<b>EE Qb:</b> Percent of sampled Part B and Part E claims with final decisions rated as being accurate	90%	Annual	90%
<b>EE Qc:</b> Percent of sampled recommended decisions approved as a result of a new SEC rated as being accurate	90%	Annual	90%
<b>EE Qd:</b> Percent of sampled Part B and Part E home health care authorizations rated as being accurate	90%	Annual	90%

## Activity 2: Customer Focus – Customer Service and Stakeholder Engagement

<b>Customer Service</b>	<b>FY 2015 Target</b>	<b>FY 2015 YTD Result (Q3)</b>	<b>FY 2016 Target</b>
<b>CM 6:</b> Increase the pool of 413 (b) physicians	Baseline	N/A	10% increase
<b>EE 5:</b> Percent of telephone inquiries responded to within 1 work day	93%	97%	93%

### Activity 3: Employee Focus – Workforce Engagement

OWCP will use the measures identified in the OWCP Federal Employee View Point Survey (FEVS) action plan and from the agency’s Diversity and Inclusion Plan to assess workforce engagement.

<b>Federal Employee Viewpoint Survey</b>	<b>FY 2015 Target</b>	<b>FY 2014<sup>5</sup> Results</b>	<b>FY 2016<sup>6</sup> Target</b>
<b>OWCP 1:</b> OWCP Engagement Index	Baseline	59%	62%
<b>OWCP 2:</b> OWCP Global Satisfaction Index	Baseline	56%	59%
<b>OWCP 3:</b> OWCP Leadership Index	Baseline	52%	55%
<b>OWCP 4:</b> OWCP Training Index	Baseline	50%	53%
<b>OWCP 5:</b> OWCP Innovation Index	Baseline	44%	46%

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<sup>5</sup> FY 2015 results not yet available.

<sup>6</sup> FY 2016 targets are 5% higher (rounded to the nearest whole number) than the FY 2014 results.

**OWCP FY 2016 Inputs**

**FECA**

<b>FY 2016 Operating Plan Level</b>	<b>1<sup>st</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>	<b>Total</b>
Salaries & Expenses Account Funding (\$)	24,574,000	24,574,000	24,574,000	24,574,000	98,296,000
Salaries & Expenses Account FTE	181	181	181	182	725
Special Benefits Fair Share Account Funding (\$)	15,083,500	15,083,500	15,083,500	15,083,500	60,334,000
Special Benefits Fair Share Account FTE	27	27	28	28	110
<b>Total Funding (\$)</b>	<b>39,648,500</b>	<b>39,648,500</b>	<b>39,648,500</b>	<b>39,648,500</b>	<b>158,630,000</b>
<b>Total FTE</b>	<b>208</b>	<b>208</b>	<b>209</b>	<b>210</b>	<b>835</b>

**Longshore**

<b>FY 2016 Operating Plan Level</b>	<b>1<sup>st</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>	<b>Total</b>
Salaries & Expenses Account Funding (\$)	3,131,750	3,131,750	3,131,750	3,131,750	12,527,000
Salaries & Expenses Account FTE	21	21	22	22	86
Longshore Trust Account Funding (\$)	544,250	544,250	544,250	544,250	2,177,000
Longshore Trust Account FTE	2	2	2	3	9
<b>Total Funding (\$)</b>	<b>3,676,000</b>	<b>3,676,000</b>	<b>3,676,000</b>	<b>3,676,000</b>	<b>14,704,000</b>
<b>Total FTE</b>	<b>23</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>95</b>

**Black Lung**

<b>FY 2016 Operating Plan Level</b>	<b>1<sup>st</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>	<b>Total</b>
Black Lung Part C Funding (\$)	7,722,250	7,722,250	7,722,250	7,722,250	30,889,000
Black Lung Part C FTE	40	41	41	41	163
Black Lung Part B Funding (\$)	1,219,500	1,219,500	1,219,500	1,219,500	4,878,000

<b>FY 2016 Operating Plan Level</b>	<b>1<sup>st</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>	<b>Total</b>
Black Lung Part B FTE	4	4	4	4	16
Total Funding (\$)	8,941,750	8,941,750	8,941,750	8,941,750	35,767,000
Total FTE	44	45	45	45	179

### Energy

<b>FY 2016 Operating Plan Level</b>	<b>1<sup>st</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>	<b>Total</b>
Part B Funding (\$)	12,896,500	12,896,500	12,896,500	12,896,500	51,586,000
Part B FTE	64	65	65	65	259
Part E Funding (\$)	16,678,500	16,678,500	16,678,500	16,678,500	66,714,000
Part E FTE	58	58	59	59	234
Total Funding (\$)	29,575,000	29,575,000	29,575,000	29,575,000	118,300,000
Total FTE	122	123	124	124	493

Assumes FY 2015 enacted funding level

Source: FY 2016 Budget Submission – Congressional Justification

## Milestones

Milestone ID	Activity 1: Mission Focus – Claims Processing and Benefits Delivery	Due Date
OWCP 1.1 <i>FECA</i>	Continue “Labor for America” roll-out to all FECA District Offices by integrating vocational rehabilitation and early nurse intervention in regional contracts in two regions.	09/30/2016
OWCP 1.2 <i>FECA</i>	With USPS, explore the joint development of a set of unique return-to-work and periodic roll management performance measures for USPS; deploy and baseline by late FY 2016 or by October 1, 2016.	09/30/2016
OWCP 1.3 <i>Black Lung</i>	Complete the development of the Black Lung workload and performance model.	03/31/2016
OWCP 1.4 <i>Energy</i>	Extend access to the actual case files in the OWCP Imaging System (OIS) to the Energy program Resource Centers.	06/30/2016
OWCP 1.5 <i>Longshore</i>	Receive at least 30 percent of all new claims in digital format.	09/30/2016
OWCP 1.6 <i>Longshore</i>	Receive at least 50 percent of all claim related documents in digital format.	09/30/2016
OWCP 1.7	Develop OWCS (OWCP’s new case management and data system) strategy including tool selection and Acquisition Plan.	06/30/2016

Milestone ID	Activity 2: Customer Focus – Customer Service and Stakeholder Outreach	Due Date
OWCP 2.1	Determine the feasibility of developing an OWCP-wide telephone call timeliness standard.	09/30/2016
OWCP 2.2	Develop a customer service satisfaction index.	09/30/2016
OWCP 2.3	Redesign FECA automated call distribution flow diagram.	09/30/2016
OWCP 2.4	Develop online, self-paced FECA training for injury compensation specialists at other federal agencies.	09/30/2016

<b>Milestone ID</b>	<b>Activity 3: Employee Focus – Workforce Engagement</b>	<b>Due Date</b>
OWCP 3.1	Establish an executive steering committee and assemble a cross-functional team to establish an objective for OWCP's 21 <sup>st</sup> century workforce.	03/31/2016
OWCP 3.2	Complete human capital environmental assessment including OWCP diversity analysis.	09/30/2016
OWCP 3.3	Complete an OWCP-wide analysis of the feasibility of developing uniform performance sub-elements that can be used across CE performance plans.	09/30/2016
OWCP 3.4	Communicate, on a quarterly basis, OWCP management actions re: employee IdeaMill ideas/recommendations.	12/31/2015 03/31/2016 06/30/2016 09/30/2016
OWCP 3.5	Evaluate feasibility of a centralized print/ mail function for FECA claim examiners to improve workplace flexibility/ telework.	06/30/2016

<b>Milestone ID</b>	<b>OWCP Performance Management</b>	<b>Due Date</b>
OWCP P1	Partner with PMC and the DEBS team to develop an Operating Plan performance measurement reporting methodology for OWCP using OURS.	09/30/2016
OWCP P2	Continue development and expansion of proven approaches for Accountability Reviews (AR) as developed and validated by the cross-program OWCP AR Team.	09/30/2016

## Other Operating Plan Requirements

### **Customer Service – See:**

- Activity 2: *Customer Focus – Customer Service and Stakeholder Engagement* (p. 9)
- Strategies, Activity 2 (pp. 14-16):
  - Strengthen data collection and analysis
  - Conduct difficult conversations training
  - Redesign call distribution system
  - Develop on-line training for customers
  - Improve outcomes through data exchange
  - Educate the public

### **Prototype Standards – See:**

- ✓ Strategies, Activity 3 – *Uniform Performance Sub-Elements Initiative* (p. 17)
- ✓ Milestones, Milestone OWCP 3.3 (p. 27)

### **Diversity and Inclusion – See:**

- Strategies, Activity 3 – *Diversity and Inclusion Strategy* (p. 17)
- Milestones , Milestone OWCP 3.2 (p. 26)