

**United States Department of Labor
Employees' Compensation Appeals Board**

<p>R.V., Appellant</p> <p>and</p> <p>U.S. POSTAL SERVICE, NORTH TEXAS PROCESSING AND DISTRIBUTION CENTER, Coppell, TX, Employer</p>	<p>)))))))</p>	<p>Docket No. 25-0592</p> <p>Issued: July 10, 2025</p>
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Appearances:
Appellant, pro se
Office of Solicitor, for the Director

Case Submitted on the Record

DECISION AND ORDER

Before:
PATRICIA H. FITZGERALD, Deputy Chief Judge
JANICE B. ASKIN, Judge
VALERIE D. EVANS-HARRELL, Alternate Judge

JURISDICTION

On June 2, 2025, appellant filed a timely appeal from a March 27, 2025 merit decision of the Office of Workers' Compensation Programs (OWCP). Pursuant to the Federal Employees' Compensation Act¹ (FECA) and 20 C.F.R. §§ 501.2(c) and 501.3, the Board has jurisdiction over the merits of this case.²

ISSUE

The issue is whether OWCP properly terminated appellant's compensation, effective July 22, 2024, finding that she forfeited her entitlement to compensation, pursuant to 5 U.S.C. § 8148(a).

¹ 5 U.S.C. § 8101 *et seq.*

² The Board notes that, following the March 27, 2025 decision, OWCP received additional evidence. The Board's *Rules of Procedure* provides: "The Board's review of a case is limited to the evidence in the case record that was before OWCP at the time of its final decision. Evidence not before OWCP will not be considered by the Board for the first time on appeal." 20 C.F.R. § 501.2(c)(1). Thus, the Board is precluded from reviewing this additional evidence for the first time on appeal. *Id.*

FACTUAL HISTORY

On May 21, 2020, appellant, then a 26-year-old rural carrier, filed a traumatic injury claim (Form CA-1) alleging that on May 18, 2020 she injured her left knee and back when she slipped and fell while in the performance of duty. She stopped work on May 19, 2020. OWCP accepted the claim for bilateral shoulder effusion, bilateral rotator cuff strains, right shoulder impingement, left shoulder bursitis, lumbar disc displacement, left hip sprain, left hip effusion, left knee effusion, and anterior cruciate ligament sprain. It paid appellant wage-loss compensation on the supplemental rolls effective July 6, 2020, and on the periodic rolls effective August 16, 2020.

Appellant submitted a signed and completed financial disclosure statement (Form EN-1032) dated March 28, 2023 covering the preceding 15-month period, in which she responded “No” to the questions of whether she had worked for any employer, whether she was self-employed in any business enterprise, and whether she performed any volunteer work, including volunteer work for which any kind of compensation was received. She also indicated that she was unemployed during the prior 15 months, and that she was married and her spouse lived with her.

On April 22, 2023, appellant received a FECA wage-loss compensation payment *via* electronic funds transfer (EFT) in the amount of \$1,602.00 for disability from work during the period March 26 through April 22, 2023. The payment reflected an augmented rate of 75 percent (or 3/4) of appellant’s weekly pay rate.

Appellant submitted a signed and completed Form EN-1032 dated November 19, 2023 covering the preceding 15-month period, in which she responded “No” to the questions of whether she worked for any employer, and whether she performed any volunteer work, including volunteer work for which any kind of compensation was received. She responded “Yes” to whether she was self-employed in any business enterprise, noting that as of December 2022 she and her mother ran a catering business where her mother did the cooking and she handled the finances, social media, telephone calls, *etc.* Appellant reported that she earned \$6,892.37. She also indicated that she was not married.

On November 25, 2024, OWCP received a November 18, 2024 report from the employing establishment’s Office of Inspector General (OIG), which indicated that on July 22, 2024 appellant pled guilty in the United States District Court, Eastern District of Texas, Sherman Division, to one count of violating 18 U.S.C. § 1920 for the commission of fraud in the receipt of federal workers’ compensation under FECA. Enclosed therein was a series of documents including the February 28, 2024 Grand Jury Indictment, which charged appellant with one count of violating 18 U.S.C. § 1920. The charge was based upon her denial of self-employment or involvement in a business enterprise, and her claim to be married and living with her spouse on a signed Form EN-1032 dated March 28, 2023. Also enclosed was a Factual Basis signed by appellant and her then-counsel dated May 30, 2024, by which she stipulated that her statements on the signed March 28, 2023 Form EN-1032 were false and fraudulent; that she knew when she made the statements that they were false and fraudulent; that the statements were material to her receipt of disability payments under FECA; and that she had had an opportunity to consult with an attorney and was satisfied with the advice her then-counsel provided to her. The accompanying documentation indicated that on July 22, 2024 she entered a plea of guilty to count one of the February 28, 2024 Indictment (violation of 18 U.S.C. § 1920), which was accepted by the United States District Court, Eastern District of Texas, Sherman Division on July 22, 2024.

By decision dated November 27, 2024, OWCP terminated appellant's compensation benefits, effective July 22, 2024, finding that she forfeited her entitlement to compensation, pursuant to 5 U.S.C. § 8148(a), as appellant was convicted on July 22, 2024 of violating 18 U.S.C. § 1920 by committing fraud in the receipt of federal workers' compensation under FECA.

On December 11, 2024, appellant requested an oral hearing before a representative of OWCP's Branch of Hearings and Review. A hearing was held on February 25, 2025.

OWCP received a copy of the Plea Agreement signed by appellant and her then-counsel on May 30, 2024, and signed by the Assistant United States Attorney on June 6, 2024, which was filed with the United States District Court for the Eastern District of Texas, Sherman Division.

Appellant also submitted copies of text messages pertaining to her catering business and text messages between herself and her then-counsel relating to her guilty plea. She also submitted a divorce decree dated August 13, 2021.

By decision dated March 27, 2025, OWCP's hearing representative affirmed the November 27, 2024 decision.

LEGAL PRECEDENT

Public Law No. 103-333, enacted on September 30, 1994, amended FECA by adding 5 U.S.C. § 8148, which provides for the termination of benefits payable to beneficiaries who have been convicted of defrauding the FECA program. Section 8148(a) specifically provides that an individual convicted of a violation of 18 U.S.C. § 1920 or any other federal or state criminal statute relating to fraud in the application for or receipt of a benefit under FECA, shall forfeit as of the date of such conviction, entitlement to any benefit to which such individual would otherwise be entitled under FECA for an injury occurring on or before the date of such conviction. Such forfeiture shall be in addition to any action the Secretary may take under section 8106³ (forfeiture) or section 8129⁴ (recovery of overpayments) of FECA.⁵

OWCP's procedures provide that, in support of termination or suspension of compensation, the record must contain a copy of the Grand Jury Indictment and a copy of the signed Plea Agreement, with an indication that it was accepted by the court, or a copy of the guilty verdict.⁶ The termination is effective on the date of the verdict or on the date the guilty plea is accepted and guilt adjudicated.⁷ Because of the criminal basis for the termination, no pretermination notice is required before a final decision is issued.⁸

³ 5 U.S.C. § 8106.

⁴ *Id.* at § 8129.

⁵ *Id.* at § 8148; *see F.C.*, 59 ECAB 666 (2007).

⁶ Federal(FECA) Procedure Manual, Part 2 -- Claims, *Disallowances*, Chapter 2.1400.17c (September 2020).

⁷ *Id.* at Chapter 2.1400.17d (September 2020).

⁸ *Id.* at Chapter 2.1400.4a(6) (February 2013).

ANALYSIS

The Board finds that OWCP properly terminated appellant's compensation, effective July 22, 2024, finding that she forfeited her entitlement to compensation, pursuant to 5 U.S.C. § 8148(a).

On February 28, 2024, a grand jury for the United States District Court, Eastern District of Texas, Sherman Division indicted appellant for making fraudulent representations on a Form EN-1032 in order to receive FECA compensation to which she was not entitled, in violation of 18 U.S.C. § 1920. The case record reflects that, on July 22, 2024, appellant pled guilty to defrauding the FECA program by providing false statements and omissions of fact, which resulted in an overpayment of wage-loss compensation. On that same date, the court accepted her guilty plea.

As noted, under section 8148(a) of FECA, a claimant who is convicted of fraud in obtaining compensation benefits under 18 U.S.C. § 1920 or any other federal or state criminal statute relating to fraud in the application for or receipt of a benefit under FECA is permanently barred from receiving compensation under FECA.⁹

The case record contains a copy of the Indictment and the signed Plea Agreement, which the United States District Court for the Eastern District of Texas, Sherman Division, accepted. The Board finds that the evidence establishes that appellant was in fact convicted of defrauding the FECA program. Accordingly, OWCP properly terminated appellant's FECA compensation benefits, effective July 22, 2024, the date of her conviction.¹⁰

CONCLUSION

The Board finds that OWCP properly terminated appellant's compensation, effective July 22, 2024, finding that she forfeited her entitlement to compensation, pursuant to 5 U.S.C. § 8148(a).

⁹ 5 U.S.C. § 8148(a); 20 C.F.R. § 10.17; *K.V.*, Docket No. 19-1947 (issued May 28, 2020); *R.R.*, Docket No. 18-0804 (issued October 8, 2019); *R.M.*, Docket No. 17-0141 (issued March 28, 2018).

¹⁰ See *T.N.*, Docket No. 20-0805 (issued June 1, 2022); *K.V.*, *id.*; *L.C.*, Docket No. 19-1094 (issued February 25, 2020); *D.S.*, Docket No. 18-1173 (issued June 13, 2019).

ORDER

IT IS HEREBY ORDERED THAT the March 27, 2025 decision of the Office of Workers' Compensation Programs is affirmed.

Issued: July 10, 2025
Washington, DC

Patricia H. Fitzgerald, Deputy Chief Judge
Employees' Compensation Appeals Board

Janice B. Askin, Judge
Employees' Compensation Appeals Board

Valerie D. Evans-Harrell, Alternate Judge
Employees' Compensation Appeals Board