

FY 2020

CONGRESSIONAL BUDGET JUSTIFICATION

SPECIAL BENEFITS

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SPECIAL BENEFITS

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SPECIAL BENEFITS

APPROPRIATION LANGUAGE

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by 5 U.S.C. 81; continuation of benefits as provided for under the heading "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; section 5(f) of the War Claims Act (50 U.S.C. App. 2012); obligations incurred under the War Hazards Compensation Act (42 U.S.C. 1701 et seq.); and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, [\$230,000,000] \$234,600,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year, for deposit into and to assume the attributes of the Employees' Compensation Fund established under 5 U.S.C. 8147(a): *Provided*, That amounts appropriated may be used under 5 U.S.C. 8104 by the Secretary to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a re-employed, disabled beneficiary: *Provided further*, That balances of reimbursements unobligated on September 30, [2018] 2019, shall remain available until expended for the payment of compensation, benefits, and expenses: *Provided further*, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under 5 U.S.C. 8147(c) to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, [2019] 2020: *Provided further*, That of those funds transferred to this account from the fair share entities to pay the cost of administration of the Federal Employees' Compensation Act, \$74,777,000 shall be made available to the Secretary as follows:

- (1) For enhancement and maintenance of automated data processing systems operations and telecommunications systems, \$24,540,000;
- (2) For automated workload processing operations, including document imaging, centralized mail intake, and medical bill processing, \$22,968,000;
- (3) For periodic roll disability management and medical review, \$25,535,000;
- (4) For program integrity, \$1,734,000; and
- (5) The remaining funds shall be paid into the Treasury as miscellaneous receipts:

Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under 5 U.S.C. 81, or the Longshore and Harbor Workers' Compensation Act, provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

(Department of Labor Appropriations Act, 2019.)

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2018 Enacted		FY 2019 Enacted		FY 2020 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$220,000	0	\$230,000	0	\$234,600
Offsetting Collections From:						
Benefits	0	\$2,787,893	0	\$2,787,589	0	\$2,621,857
Fair Share	128	\$71,188	158	\$74,777	158	\$74,777
Unobligated Balance Carried Forward from Prior Year	0	\$1,612,837	0	\$1,682,595	0	\$1,712,846
B. Gross Budget Authority	128	\$4,691,918	158	\$4,774,961	158	\$4,644,080
Total Collections	0	-\$2,859,081	0	-\$2,862,366	0	-\$2,696,634
Unobligated Balance Carried Forward from Prior Year	0	-\$1,612,837	0	-\$1,682,595	0	-\$1,712,846
C. Budget Authority	128	\$220,000	158	\$230,000	158	\$234,600
Total Collections	0	\$2,859,081	0	\$2,862,366	0	\$2,696,634
Unobligated Balance Carried Forward from Prior Year	0	\$1,612,837	0	\$1,682,595	0	\$1,712,846
D. Total Budgetary Resources	128	\$4,691,918	158	\$4,774,961	158	\$4,644,080
Unobligated Balances	-6	-\$1,682,595	0	-\$1,712,846	0	-\$1,528,871
E. Total, Estimated Obligations	122	\$3,009,323	158	\$3,062,115	158	\$3,115,209

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2019 Enacted	FY 2020 Request	Net Change
Budget Authority			
General Funds	\$3,092,366	\$2,931,234	-\$161,132
Total	\$3,092,366	\$2,931,234	-\$161,132
Full Time Equivalents			
General Funds	158	158	0
Total	158	158	0

Explanation of Change	FY 2020 Change							
	FY 2019 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	158	\$16,324	0	\$0	0	\$0	0	\$0
Personnel benefits	0	\$5,134	0	\$0	0	\$0	0	\$0
Employee health benefits	0	\$0	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
One day more of pay	0	\$0	0	\$0	0	\$82	0	\$82
Federal Employees' Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$128	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$1,804	0	\$0	0	\$245	0	\$245
Rental payments to others	0	\$0	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$285	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$0	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$22,822	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$6,985	0	\$0	0	\$13	0	\$13
Other Federal sources (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$0	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$181	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$0	0	\$0	0	\$0	0	\$0

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FY 2020 Change

Explanation of Change	FY 2019 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operation and maintenance of equipment	0	\$0	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$21	0	\$0	0	\$0	0	\$0
Equipment	0	\$173	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$3,017,589	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	158	+\$3,071,446	0	\$0	0	+\$340	0	+\$340
B. Programs:								
FECA Benefits Appropriation for FY 2020	0	\$0	0	\$0	0	\$5,600	0	\$5,600
Programs Subtotal			0	\$0	0	+\$5,600	0	+\$5,600
Total Increase	158	+\$3,071,446	0	\$0	0	+\$5,940	0	+\$5,940
Decreases:								
A. Built-Ins:								
To Provide For:								
Federal Employees' Compensation Act (FECA)	0	\$1,217	0	\$0	0	-\$77	0	-\$77
Operation and maintenance of equipment	0	\$19,703	0	\$0	0	-\$263	0	-\$263
Built-Ins Subtotal	0	+\$20,920	0	\$0	0	-\$340	0	-\$340
B. Programs:								
Offsetting Benefits Collections for FY 2020	0	\$0	0	\$0	0	-\$165,732	0	-\$165,732
Programs Subtotal			0	\$0	0	-\$165,732	0	-\$165,732
Total Decrease	0	+\$20,920	0	\$0	0	-\$166,072	0	-\$166,072
Total Change	158	+\$3,092,366	0	\$0	0	-\$160,132	0	-\$160,132

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2018 Enacted		FY 2019 Enacted		FY 2020 Request		Diff. FY20 Request / FY19 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Federal Employees' Compensation Act Benefits	0	2,787,893	0	2,787,589	0	2,621,857	0	-165,732
Offsetting Benefits Collections	0	2,787,893	0	2,787,589	0	2,621,857	0	-165,732
FECA Fair Share	122	71,188	158	74,777	158	74,777	0	0
General Funds	122	71,188	158	74,777	158	74,777	0	0
Federal Employees' Compensation Act Appropriation	0	217,000	0	227,000	0	232,600	0	5,600
General Funds	0	217,000	0	227,000	0	232,600	0	5,600
Longshore and Harbor Workers' Compensation Benefits	0	3,000	0	3,000	0	2,000	0	-1,000
General Funds	0	3,000	0	3,000	0	2,000	0	-1,000
Total	122	3,079,081	158	3,092,366	158	2,931,234	0	-161,132
General Funds	122	291,188	158	304,777	158	309,377	0	4,600
Offsetting Benefits Collections	0	2,787,893	0	2,787,589	0	2,621,857	0	-165,732

NOTE: 2018 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2018 Enacted	FY 2019 Enacted	FY 2020 Request	Diff. FY20 Request / FY19 Enacted
	Full-Time Equivalent				
	Full-time Permanent	128	158	158	0
	Total	128	158	158	0
	Average ES Salary	\$179,962	\$179,962	\$179,962	\$0
	Average GM/GS Grade	13/1	13/1	13/1	0
	Average GM/GS Salary	\$94,970	\$94,970	\$94,970	\$0
11.1	Full-time permanent	12,511	16,164	16,226	62
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	209	160	160	0
11.9	Total personnel compensation	12,720	16,324	16,386	62
12.1	Civilian personnel benefits	5,223	6,351	6,294	-57
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	91	128	128	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	133	1,804	2,049	245
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	361	285	285	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	21,721	22,822	22,822	0
25.3	Other goods and services from Federal sources 1/	10,026	7,166	7,179	13
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	20,078	19,703	19,440	-263
26.0	Supplies and materials	459	21	21	0
31.0	Equipment	376	173	173	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	3,007,893	3,017,589	2,856,457	-161,132
51.1	Benefits	0	0	0	0
	Total	3,079,081	3,092,366	2,931,234	-161,132
	1/Other goods and services from Federal sources				
	Working Capital Fund	8,834	6,985	6,998	13
	Services by DOL Agencies	1,192	181	181	0

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AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	Expiration Date
P.L. No. 267, 39 Stat. 742	Federal Employees' Compensation Act approved September 7, 1916	5 U.S.C. 8101 et seq.	N/A
P.L. 77-784	War Hazards Compensation Act of 1942	42 U.S.C. 1701	N/A
P.L. 80-896	War Claims Act of 1948	50 U.S.C. 2001-30013	N/A
P.L. 69-803	Longshore and Harbor Workers' Compensation Act, approved March 4, 1927, section 44(a) and 44(j)	33 U.S.C. 901	N/A

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APPROPRIATION HISTORY (Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2010					
Base Appropriation	\$187,000	\$3,000	\$3,000	\$245,120	127
2011					
Base Appropriation	\$183,000	\$3,000	\$3,000	\$241,364	113
2012					
Base Appropriation	\$350,000		\$3,000	\$409,488	109
2013					
Base Appropriation	\$396,000			\$409,488	116
2014					
Base Appropriation	\$396,000			\$456,017	114
2015					
Base Appropriation	\$210,000			\$270,334	110
2016					
Base Appropriation	\$210,000	\$210,000	\$210,000	\$272,170	110
2017					
Base Appropriation	\$220,000			\$286,675	104
2018					
Base Appropriation	\$220,000	\$220,000		\$291,188	128
2019					
Base Appropriation...1/	\$230,000		\$230,000	\$304,777	158
2020					
Base Appropriation	\$234,600				158

1/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

SPECIAL BENEFITS

OVERVIEW

The Special Benefits fund, administered by the Office of Workers' Compensation Programs (OWCP), comprises two accounts representing obligations for benefits under the Federal Employees' Compensation Act (FECA), as amended, with extensions, and the Longshore and Harbor Workers' Compensation Act (LHWCA), as amended, with extensions. The requested funding provides resources necessary to meet required payments for compensation, medical costs, vocational rehabilitation, and other benefits made to eligible claimants or their survivors as mandated by each of the Acts. Under extensions of FECA, the program pays benefits to certain groups such as War Hazards Compensation Act claimants, non-Federal law enforcement officers, Job Corps enrollees, and certain Federally supported volunteers.

Spending authority is also provided for FECA program administration out of annual "Fair Share" collections. Fair Share assessments are mandated under Section 8147(c) of the FECA for 23 non-appropriated agencies, including the United States Postal Service, with each paying a pro rata share of OWCP's cost to administer FECA claims filed by their employees.

Section 10(h) of the amended LHWCA authorized annual adjustments in compensation to beneficiaries in cases of permanent total disability or death occurring on or prior to October 27, 1972, with the Federal Government paying half the costs of the annual increase for compensation of those cases. A direct appropriation provides the necessary resources to meet the required annual increase in benefits for the Federal share of the costs for compensation and related benefits for the pre-1972 cases. Private insurance companies and/or employers pay the remaining 50 percent of the compensation.

FECA Reform

The FY 2020 Budget incorporates longstanding Government Accountability Office, Congressional Budget Office, and Labor Inspector General recommendations to improve and update the FECA. The last major amendments to FECA were made in 1974. OWCP proposes changes that will generate cost savings by simplifying FECA benefit rates, introducing controls to prevent fraud and limit improper payments, and modernizing benefit administration.

The proposal would reform the FECA program prospectively to:

- (1) simplify benefits to provide a single compensation rate at 66 2/3 percent of injured workers' pay;
- (2) reduce benefit levels at full Social Security Administration retirement age;
- (3) prevent retroactive selection of FECA benefits after claimants have declined them in favor of Federal retirement benefits;
- (4) apply a consistent waiting period for compensation for all covered employees;
- (5) increase benefits for funeral expenses and severe disfigurement;

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(6) suspend payments to indicted medical providers; and

(7) make other changes to improve program integrity and reduce improper payments.

These reforms would produce 10-year government-wide savings of more than \$730 million, and approximately \$220 million in net savings.

FEDERAL EMPLOYEES' COMPENSATION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Request	Diff. FY20 Request / FY19 Enacted
Activity Appropriation	71,188	74,777	74,777	0
FTE	122	158	158	0

NOTE: FY 2018 reflects actual FTE. Authorized FTE for FY 2018 was 128.

Introduction

The principal costs of the FECA program are compensation benefits for disability, death, and medical expenses. The Special Benefits account also provides for the administration of the FECA program using “Fair Share” funds collected pursuant to FECA Section 8147(c). This funding supports program operations, including Periodic Roll Management, Disability Management, medical bill review and processing, the review and processing of prior authorization forms for opioid and compounded medications, and other program integrity efforts.

OWCP is already improving the safety and quality of care through prior authorization requirements and reimbursement controls for prescription drugs. In response to a dramatic increase in the number of claimants, prescriptions, and expenditures for compounded drugs from FY 2011 to FY 2016, OWCP instituted controls for compounded medication such as two-tiered pricing structure and a prior authorization process by requiring the submission of a Letter of Medical Necessity by the claimant’s physician prior to authorization of any compounded medication. These controls have significantly reduced compounded medication expenditures from an average of \$23.1 million per month during the first half of 2016 to under \$250,000 per month in the second half of 2018.

OWCP also faces the challenge of the nationwide opioid drug epidemic. The FECA program paid for approximately 16,000 new opioid prescriptions in FY 2017, and had a population of approximately 27,000 injured workers receiving opioid medications prior to implementing its new entrant policy in August 2017. These issues represent continuing risks to claimant safety and health, including addiction, overuse, and overdose. The program designed separate policies to deal with new entrants and longer-term and high dosage opioid users. The FECA program implemented the first phase in August 2017 and the second phase of the program’s policy, aimed at placing some needed guidelines around legacy users, in June 2018. The policies support the President’s strategic drug control initiatives, the Secretary’s initiative on combatting the opioid epidemic, and the Office of National Drug Control Policy priority, “Addressing the Nation’s Opioid Use Crisis and Overdose Epidemic.”

FEDERAL EMPLOYEES' COMPENSATION

Five-Year Budget Activity History

(Dollars in Thousands)

Fiscal Year	Appropriation	Fair Share Funding	FTE
2015	\$210,000	\$60,334	110
2016	\$210,000	\$62,170	110
2017	\$220,000	\$66,675	104
2018	\$220,000	\$71,188	128
2019	\$230,000	\$74,777	158

FY 2020

Total new budget authority requested in FY 2020 is \$2,931,234,000. This amount includes \$232,600,000 in direct appropriations for FECA and \$2,000,000 for LHWCA benefits as authorized under Section 10(h) of the amended LHWCA. OWCP estimates total offsetting collections in FY 2020 to be \$2,621,857,000 in FECA benefits and War Hazard payments, and \$74,777,000 and 158 FTE for FECA Fair Share program administration.

FY 2020 Fair Share funding will provide for recent initiatives including the Prescription Management Unit, Program Integrity Unit, Fraud Prevention Unit, and Pharmacy Benefit Management (PBM) services. It will also provide for ongoing program integrity efforts through data analytics, payment audits, and improper payment reporting which support the President's Management Agenda (PMA) priority of improving access and use of data by providing high quality and timely information to inform evidence-based decision-making and the Secretary's initiative to reduce improper payments.

FY 2019

The total budget authority at the FY 2019 Enacted level is \$3,092,366,000. This amount includes \$227,000,000 in direct appropriations for FECA and \$3,000,000 for LHWCA benefits as authorized under Section 10(h) of the amended LHWCA. OWCP estimates total offsetting collections in FY 2019 to be \$2,787,589,000 in FECA benefits and War Hazard payments, and \$74,777,000 and 158 FTE for FECA Fair Share program administration. The Fair Share amount includes increases of \$2,615,000 and 26 FTE for the FECA Prescription Management Unit, and \$974,000 and 5 FTE for acquisition of PBM services.

Prescription Management Unit

The \$2,615,000 and 26 FTE provided in FY 2019 will help address the growth in opioid use nationwide and enhance the integrity of the FECA program. The FECA program will continue to make staffing decisions to improve monitoring of opioid drug use among injured workers receiving benefits under the FECA. This unit will monitor and approve opioid prescriptions so that injured workers only receive opioids that are medically necessary, and have the chance to appropriately reduce high dosages that carry risk of overdose or create dependence. Additionally, this effort supports the President's strategic drug control initiatives, the Secretary's initiative on combatting the opioid epidemic, and the Office of National Drug Control Policy priority, "Addressing the Nation's Opioid Use Crisis and Overdose Epidemic."

FEDERAL EMPLOYEES' COMPENSATION

PBM services

The \$974,000 and 5 FTE provided in FY 2019 will be used to manage the acquisition and use of PBM services. PBM services will implement drug controls that will improve the safety, quality, and cost-effectiveness of prescription care provided to claimants across the four agency programs. Additionally, the drug controls offered by a PBM will reduce the costs of treatment to all federal agencies covered by the FECA, and for other OWCP programs as well. This initiative supports the PMA priority of sharing quality services.

This initiative will enable the program to approve medically appropriate use of opioid medication and provide beneficiaries assistance in transitioning to alternative treatments as appropriate. Decreasing opioid use will assist in return-to-work efforts for instances where medication usage limits activity, leading to greater savings on wage-loss compensation payments. It will also assist the program in certifying the necessity of payments made for medical treatment under the FECA.

FY 2019 Fair Share funding will also support:

- Program integrity efforts through data analytics, payment audits, and improper payment reporting; and
- Maintenance of the web-based application Employees' Compensation Operations and Management Portal that enables Federal employers and claimants to submit claim forms electronically and the interactive voice response system that provides claimants with greater access to OWCP claims staff to answer questions and offers self-help features that provide timely case status information.

FY 2018

Total budget authority at the FY 2018 Enacted level for the FECA program was \$3,079,081,000. This amount included \$217,000,000 in direct appropriations for FECA and \$3,000,000 for LHWCA benefits as authorized under Section 10(h) of the amended LHWCA, total offsetting collections of \$2,787,893,000 in FECA benefits and War Hazard payments, and \$71,188,000 and 128 FTE for FECA Fair Share program administration. In FY 2018, the FECA program focused many of its efforts on the monitoring and management of pharmaceutical costs. This included addressing the challenge of the nationwide opioid epidemic by monitoring the opioid drug use among injured workers receiving benefits under the FECA. Additionally, the FECA program continued the core activities of its mission, including the operations and maintenance of data processing and communications systems to provide essential support for FECA claims, case management, and fiscal operations.

FEDERAL EMPLOYEES' COMPENSATION

WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2018 Enacted		FY 2019 Enacted	FY 2020 Request
		Target	Result	Target	Target
FECA Fair Share					
Strategic Goal 3 - Administer Strong Workers' Compensation and Benefits Programs					
Strategic Objective OWCP 3.1 - Provide workers' compensation benefits for workers who are injured or become ill on the job.					
FEC 6	Percentage decrease in initial opioid prescriptions and duration of new opioid prescriptions for federal employees with work-related injuries	4%	56%[e]	10%	TBD
Workload					
FEC WL 4	Periodic Roll Cases - Long-term Disability	40,000[p]	38,551	39,400[p]	39,400[p]
FEC WL 8	Number of Letters of Medical Necessity processed for opioid medications	[base]	1,125	[base]	TBD

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

FEDERAL EMPLOYEES' COMPENSATION

Workload Summary

Periodic Roll Management

Management of long-term disability cases under Periodic Roll Management is a performance priority for the FECA program. These injured Federal workers have typically sustained more severe injuries with longer recovery periods and have permanent impairments that require long-term monitoring. The FECA program expects approximately 39,400 workers to receive compensation for long-term disability in FY 2020.

Monitoring and Management of Pharmaceutical Costs

The FECA program continued its efforts to reduce the potential for opioid misuse and addiction among injured federal workers in FY 2018. The program used data to implement new policies and institute targeted controls and tailored treatment.

In FY 2018, the FECA program systematized the receipt of necessary detailed pharmacy files that the program had not previously received and developed a methodology to calculate the Morphine Equivalent Dose (MED) of opioids prescribed so that the program can effectively monitor opioid use. Additionally, the FECA program hired staff for the Prescription Management Unit to monitor and approve new opioid prescriptions so that injured workers only receive opioids that a physician verifies as medically necessary, and to work with injured workers and physicians to appropriately reduce high dosages that carry the risk of overdose or create dependence.

In June 2018, the FECA program implemented a policy regarding long-term and high-dose opioid use and began in-depth case reviews of injured federal workers prescribed high MED levels, which resulted in nurse assignments to provide assistance and education on opioid risk, to coordinate alternative treatment, and to arrange second opinion medical examinations where appropriate. Building upon this effort, the FECA program published a policy in August 2018 to encourage alternative pain management, minimize barriers to treatment, and increase access to treatment for claimants facing challenges related to opioid use.

The FECA program continues to assess the number of Letters of Medical Necessity for opioid medications it expects to process in FY 2020 as it implements its new policy requirements. The FECA program began reporting the percent decrease of initial opioid prescriptions and duration of new opioid prescriptions for federal employees with work-related injuries in FY 2018. Preliminary results for FY 2018 show that OWCP reduced initial opioid prescriptions with durations over 29 days for federal employees with work-related injuries by 56 percent from the FY 2016 baseline. The management of opioid prescriptions continues to be an Agency priority.

FEDERAL EMPLOYEES' COMPENSATION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2018 Enacted	FY 2019 Enacted	FY 2020 Request	Diff. FY20 Request / FY19 Enacted
11.1	Full-time permanent	12,511	16,164	16,226	62
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	209	160	160	0
11.9	Total personnel compensation	12,720	16,324	16,386	62
12.1	Civilian personnel benefits	5,223	6,351	6,294	-57
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	91	128	128	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	133	1,804	2,049	245
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	361	285	285	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	21,721	22,822	22,822	0
25.3	Other goods and services from Federal sources 1/	10,026	7,166	7,179	13
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	20,078	19,703	19,440	-263
26.0	Supplies and materials	459	21	21	0
31.0	Equipment	376	173	173	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
51.1	Benefits	0	0	0	0
	Total	71,188	74,777	74,777	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	8,834	6,985	6,998	13
	Services by DOL Agencies	1,192	181	181	0

FEDERAL EMPLOYEES' COMPENSATION

CHANGES IN FY 2020

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
Employee health benefits	0
Moving allowance	0
One day more of pay	82
Federal Employees' Compensation Act (FECA)	-77
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	245
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	13
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	-263
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$0**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$74,777	158
Program Increase	\$0	0
Program Decrease	\$0	0