

FY 2021

CONGRESSIONAL BUDGET JUSTIFICATION

SPECIAL BENEFITS

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SPECIAL BENEFITS

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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, [\$234,600,000] \$239,000,000, 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, [2019] 2020, 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, [2020] 2021: *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] \$80,257,000 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] \$27,220,000;

(2) For automated workload processing operations, including document imaging, centralized mail intake, and medical bill processing, [\$22,968,000] \$25,647,000;

(3) For periodic roll disability management and medical review, [\$25,535,000] \$25,648,000;

(4) For program integrity, [\$1,734,000] \$1,742,000; 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, 2020.)

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$230,000	0	\$234,600	0	\$239,000
Offsetting Collections From:						
Benefits	0	\$2,799,230	0	\$2,833,718	0	\$2,863,140
Fair Share	158	\$74,777	158	\$74,777	154	\$80,257
Unobligated Balance Carried Forward from Prior Year	0	\$1,523,505	0	\$1,752,458	0	\$1,985,766
B. Gross Budget Authority	158	\$4,627,512	158	\$4,895,553	154	\$5,168,163
Total Collections	0	-\$2,874,007	0	-\$2,908,495	0	-\$2,943,397
Unobligated Balance Carried Forward from Prior Year	0	-\$1,523,505	0	-\$1,752,458	0	-\$1,985,766
Shared Services Realignment	-4	\$0	-4	\$0	0	\$0
C. Budget Authority	154	\$230,000	154	\$234,600	154	\$239,000
Total Collections	0	\$2,874,007	0	\$2,908,495	0	\$2,943,397
Unobligated Balance Carried Forward from Prior Year	0	\$1,523,505	0	\$1,752,458	0	\$1,985,766
D. Total Budgetary Resources	154	\$4,627,512	154	\$4,895,553	154	\$5,168,163
Unobligated Balances	-7	-\$1,752,458	0	-\$1,985,766	0	-\$2,223,766
Shared Services Realignment	4	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	151	\$2,875,054	154	\$2,909,787	154	\$2,944,397

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2020 Enacted	FY 2021 Request	Net Change
Budget Authority			
General Funds	\$3,143,095	\$3,182,397	+\$39,302
Total	\$3,143,095	\$3,182,397	+\$39,302
 Full Time Equivalents			
General Funds	154	154	0
Total	154	154	0

FY 2021 Change

Explanation of Change	FY 2020 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	154	\$16,312	0	\$0	0	\$144	0	\$144
Personnel benefits	0	\$5,678	0	\$0	0	\$61	0	\$61
Employee health benefits	0	\$0	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
One day less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$1,140	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	\$2,049	0	\$0	0	\$0	0	\$0
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	\$20,072	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$10,515	0	\$0	0	\$0	0	\$0
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 2021 Change

Explanation of Change	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operation and maintenance of equipment	0	\$18,223	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	\$3,068,318	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	154	+\$3,143,095	0	\$0	0	+\$205	0	+\$205
B. Programs:								
Offsetting Benefits Collections for FY 2021	0	\$0	0	\$0	0	\$29,422	0	\$29,422
FECA Employees Compensation Operations and Management Portal (ECOMP) Initiative	0	\$0	0	\$0	0	\$5,359	0	\$5,359
FECA Benefits Appropriation for FY 2021	0	\$0	0	\$0	0	\$4,400	0	\$4,400
Programs Subtotal			0	\$0	0	+\$39,181	0	+\$39,181
Total Increase	154	+\$3,143,095	0	\$0	0	+\$39,386	0	+\$39,386
Decreases:								
A. Built-Ins:								
To Provide For:								
One day less of Pay	0	\$0	0	\$0	0	-\$84	0	-\$84
Built-Ins Subtotal	0	\$0	0	\$0	0	-\$84	0	-\$84
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	\$0	0	\$0	0	-\$84	0	-\$84
Total Change	154	+\$3,143,095	0	\$0	0	+\$39,302	0	+\$39,302

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)								
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request		Diff. FY21 Request / FY20 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Federal Employees' Compensation Act Benefits	0	2,799,230	0	2,833,718	0	2,863,140	0	29,422
Offsetting Benefits Collections	0	2,799,230	0	2,833,718	0	2,863,140	0	29,422
FECA Fair Share	147	74,777	154	74,777	154	80,257	0	5,480
General Funds	147	74,777	154	74,777	154	80,257	0	5,480
Federal Employees' Compensation Act Appropriation	0	227,000	0	232,600	0	237,000	0	4,400
General Funds	0	227,000	0	232,600	0	237,000	0	4,400
Longshore and Harbor Workers' Compensation Benefits	0	3,000	0	2,000	0	2,000	0	0
General Funds	0	3,000	0	2,000	0	2,000	0	0
Total	147	3,104,007	154	3,143,095	154	3,182,397	0	39,302
General Funds	147	304,777	154	309,377	154	319,257	0	9,880
Offsetting Benefits Collections	0	2,799,230	0	2,833,718	0	2,863,140	0	29,422

NOTES: 2019 reflects actual FTE. FTE for all years reflect the Shared Services Realignment.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
	Full-Time Equivalent				
	Full-time Permanent	154	154	154	0
	Total	154	154	154	0
	Average ES Salary	\$179,962	\$185,541	\$187,396	\$1,855
	Average GM/GS Grade	13/1	13/1	13/1	0
	Average GM/GS Salary	\$94,970	\$97,914	\$98,893	\$979
11.1	Full-time permanent	15,582	16,152	16,237	85
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	160	160	324	164
11.9	Total personnel compensation	15,742	16,312	16,561	249
12.1	Civilian personnel benefits	6,166	6,818	6,854	36
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	128	128	128	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,804	2,049	2,049	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	285	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	22,822	20,072	19,908	-164
25.3	Other goods and services from Federal sources 1/	7,933	10,696	10,696	0
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	19,703	18,223	23,582	5,359
26.0	Supplies and materials	21	21	21	0
31.0	Equipment	173	173	173	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	3,029,230	3,068,318	3,102,140	33,822
51.1	Benefits	0	0	0	0
	Total	3,104,007	3,143,095	3,182,397	39,302
	1/Other goods and services from Federal sources				
	Working Capital Fund	7,752	10,515	10,515	0
	Services by DOL Agencies	181	181	181	0

NOTE: FTE for all years reflect the Shared Services Realignment.

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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
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...2/ 3/	\$234,600	\$234,600		\$309,377	154
2021					
Base Appropriation...3/	\$239,000				154

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.

2/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

3/ FTE for FY 2020 and FY 2021 reflect the Shared Services Realignment.

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 2021 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 \$700,000,000 and approximately \$212,000,000 in net savings.

FEDERAL EMPLOYEES' COMPENSATION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Activity Appropriation	74,777	74,777	80,257	5,480
FTE	147	154	154	0

NOTE: FTE for all years reflect the Shared Services Realignment.

NOTE: FY 2019 reflects actual FTE. Authorized FTE for FY 2019 was 158.

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, review and processing of prior authorization forms for opioid and compounded medications, and other program integrity efforts.

Five-Year Budget Activity History

(Dollars in Thousands)

Fiscal Year	Appropriation	Fair Share Funding	FTE
2016	\$210,000	\$62,170	110
2017	\$220,000	\$66,675	104
2018	\$220,000	\$71,188	128
2019	\$230,000	\$74,777	158
2020	\$234,600	\$74,777	154

FY 2021

Total new budget authority requested in FY 2021 is \$3,182,397,000. This amount includes \$237,000,000 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 2021 to be \$2,863,140,000 in FECA benefits and War Hazard payments, and \$80,257,000 and 154 FTE for FECA Fair Share program administration. The Fair Share amount includes an increase of \$5,359,000 for modernizing OWCP’s Employees’ Compensation Operations and Management Portal (ECOMP).

The FECA Program, this year joined by the Division of Energy Employees Occupational Illness Compensation Program (DEEOIC), is requesting funding for FY 2021 to modernize OWCP’s ECOMP and related systems. This will allow OWCP to meet growing customer demand and provide additional services that will marry federal safety and health reporting with FECA, and improve DEEOIC workers’ compensation case management, making DOL’s ECOMP the federal-wide service provider through a one-stop portal. Under the Protecting Employees, Enabling Reemployment (PEER) Initiative, all government entities will be required to use ECOMP for filing Federal workers’ compensation claims.

FEDERAL EMPLOYEES' COMPENSATION

For DEEOIC, electronic access to claimant files is expected to increase customer satisfaction and reduce labor and expenses needed to provide copies of the claim file by 20 percent. Currently, DEEOIC has to mail copies on CD's of over 2,280,000 documents each year to fulfill requests for claims files. Virtually all of these documents contain personally identifiable information (PII), so the reduction in risk of a PII breach is significant.

For FECA, this investment will further reduce improper payments; provide claimant and representative access to case files and information on providers; improve return to work outcomes; provide for electronic bill submission for national FECA Nurse and Rehabilitation Contracts; and provide on-demand chargeback reporting to FECA customer agencies.

ECOMP will also integrate all legacy OWCP portals under the ECOMP umbrella to prepare them for integration into the OWCP Workers' Compensation System platform-of-the-future for all OWCP programs. This initiative supports the President's Management Agenda (PMA) initiative for Information Technology modernization and will also address the department's priority of reducing improper payments.

The Prescription Management Unit will continue to address the growth in opioid use nationwide and enhance the integrity of the FECA program. This enables the program to approve medically-appropriate use of opioid medication and provide beneficiaries assistance in transitioning to alternative treatments as appropriate. Decreasing opioid use assists in return-to-work efforts for instances where medication usage limits activity, leading to greater savings on wage-loss compensation payments. It also assists the program in certifying the necessity of payments made for medical treatment under the FECA.

OWCP has implemented a four-point strategic plan to appropriately reduce new opioid use as well as long-term and high-dose opioid use: 1) effective controls; 2) tailored treatment; 3) impactful communications with employees and providers; and 4) aggressive fraud detection.

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."

OWCP will continue to improve the safety and quality of care through prior authorization requirements and reimbursement controls for prescription drugs. As new drugs enter the market and as questionable prescribing and billing practices evolve to circumvent controls, the program will need new controls to address the changing environment. The program will perform ongoing program integrity efforts through data analytics, payment audits, and improper payment reporting which support the 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.

The FECA program will continue to implement Pharmacy Benefit Management (PBM) services, which will improve the safety, quality, and cost-effectiveness of prescription care provided to claimants. The FECA program will implement this cost-sharing service for use by all Federal Departments and Agencies, as the FECA is the exclusive remedy by which federal employees may obtain disability, medical, and/or survivor benefits for workplace injuries.

FEDERAL EMPLOYEES' COMPENSATION

FY 2020

The total budget authority at the FY 2020 Enacted level is \$3,143,095,000. 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 \$2,833,718,000 in FECA benefits and War Hazard payments, and \$74,777,000 and 154 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 services. In FY 2020, OWCP will continue to work with medical providers and injured workers to provide opioid treatment where needed, reduce the opioid risk level, and assist in securing the benefits needed for pain management.

FECA will continue its ongoing program integrity efforts through data analytics, payment audits, and improper payment reporting which support the 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. Funding will also support maintenance of the ECOMP, which is key to strengthening customer experience and stakeholder engagement.

FY 2019

The total budget authority at the FY 2019 Enacted level was \$3,104,007,000. This amount included \$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, total offsetting collections in FY 2019 of \$2,799,230,000 in FECA benefits and War Hazard payments, and \$74,777,000 and 158 FTE for FECA Fair Share program administration. The Fair Share amount included 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.

In FY 2019, the FECA program focused its efforts on acquiring PBM services, monitoring and managing prescription pharmaceuticals, and continuing 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. OWCP awarded a contract for PBM services on November 19, 2018. OWCP's PBM contract award was protested, followed by an automatic stay of performance which continues pending completion of agency corrective action. A partial override of the stay was approved for limited work to provide the necessary PBM services to the approximately 3,000 claimants receiving 90 Morphine Equivalent Dose (MED) or higher of prescribed opioids. Additionally, the FECA program has implemented a strategic plan to appropriately reduce new opioid use as well as long-term and high-dose opioid use. These efforts have led to a series of successes including declines in overall, new and high opioid use.

FEDERAL EMPLOYEES' COMPENSATION

FEDERAL EMPLOYEES' COMPENSATION

WORKLOAD AND PERFORMANCE SUMMARY						
	FY 2019 Enacted		FY 2020 Enacted	FY 2021 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.						
Workload						
FEC WL 4	Periodic Roll Cases - Long-term Disability		39,400[p]	37,441	36,000[p]	35,000[p]
FEC WL 8	Number of Letters of Medical Necessity processed for opioid medications		--	1,736	2,200[p]	2,800[p]

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 35,000 workers to receive compensation for long-term disability in FY 2021.

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 2019. The program used data to implement new policies and institute targeted controls and tailored treatment that resulted in a series of successes when comparing January 2020 with January 2017:

- 40 percent decline in overall opioid use (measured as FECA claimants that have had an opioid prescription within the prior 180 days)
- 26 percent drop in new opioid prescriptions
- 57 percent decline in new opioid prescriptions lasting more than 30 days
- 75 percent drop in claimants with a Morphine Equivalent Dose (MED) of 500 or more
- 49 percent drop in users with an MED of 90 or more

In FY 2019, the Prescription Management Unit processed over 1,700 letters of medical necessity for new opioid users. The program expects submission of letters of medical necessity to increase due to changing the requirement of prior medical approval to 28 days from 60 days. The FECA program estimates to process 2,800 letters of medical necessity in FY 2021. In FY 2021, the FECA program will continue to work with medical providers and injured workers to provide opioid treatment where needed, reduce the opioid risk level, and assist in securing the benefits needed for pain management.

FEDERAL EMPLOYEES' COMPENSATION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
11.1	Full-time permanent	15,582	16,152	16,237	85
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	160	160	324	164
11.9	Total personnel compensation	15,742	16,312	16,561	249
12.1	Civilian personnel benefits	6,166	6,818	6,854	36
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	128	128	128	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,804	2,049	2,049	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	285	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	22,822	20,072	19,908	-164
25.3	Other goods and services from Federal sources 1/	7,933	10,696	10,696	0
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	19,703	18,223	23,582	5,359
26.0	Supplies and materials	21	21	21	0
31.0	Equipment	173	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	74,777	74,777	80,257	5,480
	1/Other goods and services from Federal sources				
	Working Capital Fund	7,752	10,515	10,515	0
	Services by DOL Agencies	181	181	181	0

FEDERAL EMPLOYEES' COMPENSATION

CHANGES IN FY 2021

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$144
Personnel benefits	61
Employee health benefits	0
Moving allowance	0
One day less of Pay	-84
Federal Employees' Compensation Act (FECA)	0
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
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	0
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	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$121**

Net Program **\$5,359**

Direct FTE **0**

	Estimate	FTE
Base	\$74,898	154
Program Increase	\$5,359	0
Program Decrease	\$0	0