



RELEASE - PART 2-1400 WAGE-LOSS DETERMINATIONS, FEDERAL
(EEOICPA) PROCEDURE MANUAL

EEOICPA TRANSMITTAL NO. 09-05

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EXPLANATION OF MATERIAL TRANSMITTED:

This material is issued as procedural guidance to update, revise and replace the text of EEOICPA Part E Procedure Manual (PM) E-800 Wage-Loss Determinations. This material is to be placed in the new Unified PM binder and is intended to stand as policy guidance for both Parts of the EEOICPA.

- This material streamlines the wage-loss determination process by conferring authority to obtain Social Security wage and earning data from the Social Security Administration to the District Offices.
- This material explains the role of the Resource Centers in educating and soliciting wage-loss claims from claimants.
- This material provides new letters for use by Claims Examiners (CEs) in developing wage-loss claims. It also simplifies the Wage-Loss Worksheets in calculating the Average Annual Wage and determining the percentage of wage-loss and award amount.
- This material explains the Wage-Loss Calculator in ECMS and its preferred role in calculating wage-loss benefits.

A handwritten signature in cursive script that reads "Rachel P. Leiton".

Rachel P. Leiton
Director, Division of
Energy Employees Occupational Illness Compensation

FILING INSTRUCTIONS:

File this transmittal behind Part 1 in the front of the new Unified Federal (EEOICPA) Procedure Manual.

Distribution: List No. 3: All DEEOIC Employees
List No. 6: Regional Directors, District Directors, Assistant District Directors, National Office Staff, and Resource Center Staff.

a. Adjustment of Wages for Inflation. Wages must be adjusted for inflation for each calendar year that wage-loss is claimed. The wages are adjusted for inflation to reflect the value (buy power/worth) during the calendar year in which the covered Part E employee first experienced wage-loss due to a covered illness. The CE can perform this calculation by using the CPI Inflation Calculator on the Bureau of Labor Statistics' website http://www.bls.gov/data/inflation_calculator.htm

Example: The employee claims wage-loss first commencing in 1993 and ending in 2002 when the employee reaches normal Social Security retirement age. The CE must adjust the yearly wages for inflation to reflect the value of the wages for the calendar year in which the wage-loss first occurred (which in this example is 1993). If the employee earned \$38,000 in 1995, this wage is adjusted for inflation using the CPI Inflation Calculator to \$36,030.20 to reflect the value in 1993 dollars. (See Exhibit 8 for Wage-Loss Worksheet #2, Adjust Wage for Each Year of Claimed Wage-Loss)

b. Comparison with the AAW. The CE compares the AAW of the covered Part E employee with his or her adjusted wages in later calendar years to ascertain the wage-loss percentage for each claimed year of wage-loss. For example, \$36,030.20 (Adjusted Wage) ÷ \$46,000 (AAW) = 78% (Wage-Loss Percentage). (See Exhibit 9 for Wage-Loss Worksheet #3, Determine Percentage of Wage-Loss and Award Amount).

11. Employee Wage-Loss Compensation. The CE uses the wage-loss percentage to determine the amount of the employee's wage-loss compensation.

If the employee's adjusted wages during a claimed calendar year is greater than 75% ($X > 75\%$) of his or her AAW, then the employee is not considered to have wage-loss for that calendar year and the employee is not awarded wage-loss benefits for that calendar year.

Example #1:	AAW	= \$46,000
	Adjusted wages	= \$36,030.20
	Percentage of AAW	= 78%

