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RELEASE – CHAPTER 4-0300, ACCOUNTABILITY REVIEWS, PART 4 – PLANNING AND EVALUATION; OWCP PROCEDURE MANUAL

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EXPLANATION OF MATERIALS SUBMITTED:

This release transmits a revision to Chapter 4-300 of the OWCP Procedure Manual. Chapter 4-300 describes the basic procedures for planning and conducting Accountability Reviews. Revisions include a more detailed description and logical flow of review procedures, as well as updates to ensure that the procedures are compatible with individual OWCP program requirements.

A handwritten signature in black ink, appearing to read "Gary A. Steinberg". The signature is stylized and somewhat cursive.

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FILING INSTRUCTIONS:

File this transmittal behind Part 4 in front of the OWCP Procedural Manual.

Distribution: List No. 3 (Regional Directors, District Directors, and National Office Staff)

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1. Purpose and Scope. This chapter describes procedures for conducting Accountability Reviews (AR) that the Office of Workers' Compensation Programs (OWCP) uses to monitor work quality, timeliness, administrative efficiency and quality control protocols in the four programs that it oversees: the Division of Federal Employees' Compensation (DFEC), the Division of Coal Mine Workers' Compensation (DCMWC), the Division of Longshore and Harbor Workers' Compensation (DLHWC) and the Division of Energy Employees Occupational Illness Compensation (DEEOIC). While this chapter provides general instructions and criteria applicable to ARs in all four OWCP Divisions, the implementation of ARs is program specific based on available resources and program priorities; therefore, each Division maintains program specific procedures to supplement this chapter.

2. Overview. Regular ARs provide OWCP national, regional, and district office management with an objective measurement of the quality of claims processing through a standard system that rates individual offices according to the same basic criteria. Standards of performance quality are usually tied to specific written procedures or described in the AR review criteria.

AR findings are combined with quantitative productivity and efficiency measurements obtained through the Quarterly Review & Analysis (QR&A) and other sources to provide management with an effective means to evaluate program performance and consider corrective action both program wide and in individual district offices. For external stakeholders, ARs also serve to demonstrate that OWCP is committed to program integrity and takes serious its responsibilities as a steward of taxpayer's money.

3. Review Criteria. Each program's National Office is responsible for the formulation of review criteria; however, when devising such criteria, the National Office should seek input from the District Offices under review. Each Division should define specific goals of the review and make every effort to provide clear instructions to District Offices regarding the review criteria. Formulation of the criteria also includes the threshold for an acceptable score for each item, which may vary from program to program and item to item. Once the AR criteria have been finalized, the review criteria should be shared with and available to District Offices, including the staff.

4. Universe and Case Selection. The methodology for formulating the universe, sample size and case criteria selection should be discussed with the District Offices to obtain input and address any concerns before a final decision is made by the National Office.

a. **Review Period.** The time period that the review covers usually consists of work performed within 12 months prior to the review such that the results provide a reasonably current assessment of the work being performed. This period may be shorter, however, if the Program wants to assess whether a corrective action stemming from the prior review has been effective or if there is a need to focus on a particular procedure or policy. It may also be longer if the Program performs bi-annual reviews.

b. **Sample Size.** Unless extenuating circumstances exist, the criteria outlined below should be used to produce the most credible and reliable results. Using such sample sizes provides the OWCP with an 85% confidence level and a precision rate for the scores of +/- 10%.

| <u>Universe Size</u> | <u>Sample Size</u> |
|----------------------|--------------------|
| 0-40 | same |
| 41-190 | 41 |
| 191 - 214 | 42 |
| 215 - 243 | 43 |
| 244 - 280 | 44 |
| 281 - 327 | 45 |
| 328 - 391 | 46 |
| 392 - 479 | 47 |
| 480 - 612 | 48 |
| 613 - 833 | 49 |
| 834 - 1275 | 50 |
| 1276 - 2601 | 51 |
| 2602 + | 52 |

c. Random Samples. Every effort should be made to create a random sample of a representational cross section of work performed by the District Offices. This is most often obtained by using a sequential sample of cases taken from the selected universe. For example if the universe consists of 900 cases sorted in alpha or numerical order, the sample size using the criteria above would be 50 cases. The universe is then divided by the sample size (900/50). The result, which is 18, means that a random sample can be obtained by choosing every 18th case in the list of cases in the universe.

5. Scheduling. A schedule of ARs for the upcoming fiscal year should be developed by each of the four National Office Divisions, and the proposed review schedule should be submitted to the OWCP by the end of the first quarter of each fiscal year. At that time, each of the District Offices being reviewed during that year should also be advised of the schedule with the understanding that locations and dates are subject to change.

a. ARs are usually scheduled in relation to an individual district office wherein all AR criteria are reviewed for a single office.

Alternatively, ARs may be scheduled based on groups of AR review items for all or some of the district offices at one time. This may be a viable option, for instance, when all cases being reviewed are imaged.

b. Each Division should try to review its District Offices at least once every 2 years unless there are mitigating factors that make doing so unreasonable or infeasible.

c. To promote credible and consistent reviews within statutory, regulatory and programmatic guidelines, the review team should make every attempt to meet in person (contingent on staff and funding availability) since greater consistency on complex program matters can be achieved through such in-person collaboration.

6. Team Selection. At the time the AR schedule is submitted to OWCP, each program should begin to consider selection of team members for each review for the upcoming year.

a. Team Leader. A Team Leader will be selected by the National Office. At the discretion of the Program Head, a field employee may be designated to assist the Team Leader.

b. Team Members. Ideally teams should be comprised of both National Office and District Office members, including those with prior experience as well as some new members who have not yet participated in such reviews. The most important criteria for selection however is demonstrated subject matter expertise, in conjunction with flexibility and the ability to work as a team member, as ARs are rigorous and require extensive procedural knowledge.

c. Pre-Review Preparation. Prior to the scheduled review date, the Team Leader should notify team members of their assignments, provide them copy of the appropriate AR standard(s) and other program specific documents (training materials, instructions, worksheets, etc.), and advise them to obtain and review both automated system data and program procedural directives that may relate to their review assignment. Also at this time, the Team Leader should provide team members with a schedule and all appropriate travel and work site information.

The Team Leader may also arrange for a pre-review conference call to provide additional information to the team and respond to any questions, especially for first-time review team members.

7. On-Site Reviews. The designated Team Leader is responsible for coordinating and managing the review.

a. Preparation. The Team Leader should make arrangements for work space with the hosting office.

(1) Work Space. AR team members require a designated work area, including computers, printers and other supplies as determined by the Team Leader.

(2) Paper Case Files. As close to the scheduled review date as possible, the Team Leader should notify the office in writing of any paper cases needed for the review. The Team Leader should coordinate file access and ensure that team members have access to case files as needed. This is typically

accomplished by placing all files in the work area separated according to the particular review standard for which they are selected.

(3) Data Collection. Depending on the review criteria, the Team Leader may collect historical information regarding prior performance. This information may include previous AR reports, corrective action reports, QR&A reports, and reports or results from other reviews and analysis of the office including special National Office reviews, Office of the Inspector General (OIG) reports and Government Accountability Office (GAO) reports.

(4) Timeframes. Arrangements for any on-site review and the necessary data collection should usually begin about sixty days prior to the review.

b. Communication during the Review.

(1) For individual on-site District Office reviews, the pace and structure of the review should promote a continual flow of information between the team and office management staff and an atmosphere in which the team members can accomplish their tasks in the most efficient way possible.

(2) For on-site ARs that review all offices simultaneously, the same kind of coordination is needed to promote an effective working environment for the team; however, there is no structured exchange of results with local management since that single office is not the sole focus of the AR.

c. Meetings and Calls. The Team Leader is responsible for coordination of any necessary meetings/calls during the review. These may include any of the following based on the structure of the particular review:

(1) Opening Conference. Shortly after arriving on site, the Team Leader may conduct a conference with office management and with team members. In this initial meeting, the Team Leader goes over the review schedule and agenda, reiterates the objectives of the review, explains any special issues, and meets regional or district office staff. The office may be asked to name one or two supervisors who will be available to review any problem cases.

(2) Team Meetings. On the first day, the Team Leader meets with all the team members to explain duties, review assignments and expectations, explain the lay-out of the cases for review, and make all necessary introductions to regional and district office staff. At this time, the Team Leader may also provide team members with any necessary documentation if it has not been shared beforehand. Other team meetings will be scheduled throughout the week and work assignments may be adjusted on the basis of these meetings.

(3) Close-out Conference. The Team Leader may conduct a close-out conference at the conclusion of the review and summarize the team's findings for the conference participants. The structure and content of the call may vary based on Program objectives.

At such time, the Team Leader usually provides preliminary findings and may recommend preliminary corrective actions. Team members may be asked to give a verbal overview of the findings for each standard. Any participants in the close out conference are encouraged to ask questions.

This close-out conference may occur via tele/web conference depending on the structure of the review.

(4) Post Close-Out Meetings. The Team Leader may meet or tele/web conference with the Regional and District Director(s) and National Office program head to define any unresolved differences and determine if any additional corrective actions are needed.

8. Off-Site Reviews. If the review does not take place in a District Office (and for example is performed centrally by the National Office), many of the criteria noted in the above paragraph do not apply.

a. Preparation. When this type of review is performed, the National Office will request shipment of the cases from the District Office, providing as much notice as possible. Depending on the review criteria, historical information regarding prior performance may be collected. This information may include previous AR reports, corrective action reports, QR&A reports, and reports or results from other reviews and analysis of the office including special National Office reviews, Office of the Inspector General (OIG) reports and Government Accountability Office (GAO) reports.

b. Communication during the Review. Tele/web conference calls may be held as necessary to exchange information, but the structure and timing of these calls will vary based on the items being reviewed.

9. Preliminary Findings. At the close-out conference or within 3 weeks of completion of the review, the National Office should transmit the detailed case specific preliminary findings to the Regional Director(s) and District Director(s). Whenever possible, findings of deficiencies should be accompanied by specific procedural citations as a reference. Proposed corrective actions for consideration may also be suggested at that time.

a. If there is disagreement regarding the preliminary review findings, the District Director(s) should submit a response within 2 weeks of the issuance of the preliminary findings.

b. The Program Head, or his or her designee, should provide a response within 30 days from the receipt of the rebuttal which clearly states the reasons for agreement or disagreement with the Program's position.

10. Corrective Action. Once the rebuttals have received a response, corrective action should be developed in conjunction with the National Office for any AR Item in which the District Office did not meet the threshold requirement for acceptable performance, unless otherwise directed by the Program Head. This should be a collaborative process in which the National Office and District Office(s) work together to formulate the most effective plan to improve performance.

- a. From a National Office perspective, a determination may be made that Program policies, procedures, or training/resources need to be updated to address specific areas of concern in a global manner. In cases where a trend of deficiencies has been identified in multiple offices, the National Office may consider designating a project lead to coordinate corrective actions for the District Offices.
- b. District Offices may need to craft strategies to convey necessary training, implement procedures and ensure compliance with existing or new policies in the individual office(s). These strategies will vary based on the review items and resources available.
- c. Once the corrective actions have been agreed upon, they should be documented. There is no required format as each Program has differing methods for oversight and tracking based on structure and available resources. Regardless of the method, the document must fully capture the requirements of the agreed upon corrective action(s) and outline target completion dates.
- d. A status report on incomplete items in a corrective action plan should be submitted quarterly to ensure completion; the report should be submitted in the Program specified format.

11. Final AR Report. Once a response to any rebuttals has been issued and scores adjusted if necessary, the final AR report (with both positive and negative findings) should be transmitted to the Regional Director(s) and District Director(s) by the individual Program Head, or his/her designee. The OWCP Director, or his/her designee(s), should also receive a copy of the final report.

- a. Timeframe. The AR should usually be finalized within 90 days of the review date unless extenuating circumstances exist.
- b. Method of Transmission. The Final Report is usually conveyed via email, though a paper copy of the full report should also be kept by each Program.
- c. Required Components. The Final Report includes the final case results with a brief written summary of the findings (including both strengths and weaknesses) and the corrective action plan, if necessary.
 - (1) Final Results. There is no required format for conveying the final results as each Program has differing methods for data collection based on structure and available resources. As long as the specific case findings and any responses to District Office rebuttals are clearly identified, the method of transmission is left to the individual programs.
 - (2) Summary of Findings. The summary should provide a brief analysis of the findings by AR item and District Office and identify specific trends, if applicable. The findings should distinguish whether the office has met the basic criteria for the elements reviewed and identify strengths or best practices identified. The summary should also note any significant improvement or decline as compared to past performance. Like the presentation of the final results, the format for the summary may vary.

(3) **Corrective Action Plans.** See paragraph 10 above. The final agreed upon corrective action plan should be transmitted and filed with the Final AR Report. Once all corrective actions have been completed, the final document (with completion dates) should be filed with the Final AR Report.

12. Follow Up Actions. Following completion of corrective actions, each Program may devise a plan with its District Offices for post review spot-audits to determine if the requisite improvement has been achieved or is progressing.
