

# OWCPC

## Annual Report to the Congress

**FISCAL YEARS 2016, 2017 and 2018**

Submitted to the Congress 2019



**OFFICE OF WORKERS' COMPENSATION PROGRAMS**  
UNITED STATES DEPARTMENT OF LABOR



**U.S. Department of Labor** Office of Workers' Compensation Programs



THE HONORABLE PRESIDENT OF THE SENATE

THE HONORABLE SPEAKER OF THE HOUSE OF REPRESENTATIVES

I have enclosed the Department of Labor's Annual Report to Congress on the FY 2016, FY 2017, and FY 2018 operations of the Office of Workers' Compensation Programs. The report covers administration of the Federal Employees' Compensation Act as required by Section 8152 of that Act, the Black Lung Benefits Act as required by Section 426(b) of that Act, the Longshore and Harbor Workers' Compensation Act as required by Section 42 of that Act, and the Energy Employees Occupational Illness Compensation Program Act, for the period October 1, 2015, through September 30, 2018.

Separate enclosures contain the annual audit reports for the FY 2016, FY 2017, and FY 2018 financial statements of the Longshore and Harbor Workers' Compensation Act Special Fund and the District of Columbia Workmen's Compensation Act Special Fund accounts (as required by Sections 42 and 44(j)).

This report both fulfills the requirements of the respective laws and provides a comprehensive source of information on the administration and operation of federal workers' compensation programs.

A handwritten signature in blue ink, appearing to read "Julia K. Hearthway".

**Julia K. Hearthway**  
**Director, Office of Workers' Compensation Programs**

Enclosures



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I am pleased to submit the Department of Labor's Office of Workers' Compensation Programs (OWCP) Annual Report to Congress for fiscal years 2016, 2017, and 2018. This report provides an overview of OWCP's activities for all four of its programs.

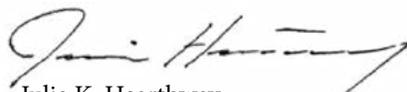
Each of OWCP's four divisions administers a program serving a different set of workers.

- **The Division of Federal Employees' Compensation (FECA program)** serves injured or ill federal employees. Beneficiaries of the FECA program, which has been in place for 100 years, are Federal Bureau of Investigation agents, postal workers, office workers, emergency responders, forest rangers, air traffic controllers, and many others.
- **The Division of Longshore and Harbor Workers' Compensation (Longshore program)** serves those engaged in maritime work, such as dockworkers, longshore workers, shipbuilders, as well as government contractors outside of the United States and certain employees working on the Outer Continental Shelf.
- **The Division of Coal Mine Workers' Compensation (Black Lung program)** supports coal miners, construction workers, and transportation workers who are regularly exposed to respirable coal mine dust and who have pneumoconiosis, more commonly known as black lung disease.
- **The Division of Energy Employees Occupational Illness Compensation (Energy program)** serves current and former nuclear weapons workers who have been exposed to radiation or toxic chemicals at covered Department of Energy facilities, such as nuclear physicists, uranium miners and millers, and the plumbers, electricians, office workers, janitors and others who maintained the facilities.

OWCP strives to provide each worker with timely and accurate decisions on claims, prompt payment of benefits, and, where appropriate, opportunities for returning to work. The success of OWCP flows from the effectiveness of our staff of approximately 1,460 federal employees and several hundred contractors.

We continue to improve benefit delivery by strengthening program integrity, improving information technology solutions, and modernizing policy. Our efforts, particularly in the past year, have shown some promising results. The FECA program has focused on the national opioid crisis, updating its policies to implement controls aimed at decreasing the over-prescribing of opioids. The program's policies have led to a dramatic decrease in opioid use among the approximately 200,000 federal employees who receive FECA benefits each year. The Energy program created a new Branch of Medical Benefits to improve the accuracy, effectiveness, and efficiency of medical claims adjudication and payment, which is particularly important given a significant rise in home health care payments. The Longshore program has partnered with industry to provide electronic form and document submission, which has resulted in increased timely submission of first reports of injury while reducing the costs associated with mailing and manual processing. The Black Lung program published a Final Rule adopting industry-standard payment formulas for medical treatment expenses; the formulas are similar to those used by the other OWCP programs and should result in significant cost savings.

Our mission is an important one, and we remain committed to serving our claimants, beneficiaries, and their families.



Julia K. Hearthway,  
Director, OWCP

# FEDERAL EMPLOYEES' COMPENSATION ACT (FECA)

## Introduction

In 1916, President Woodrow Wilson signed the first comprehensive law protecting federal workers from the effects of work injuries. Amended several times, with the most recent substantive changes made in 1974, the Federal Employees' Compensation Act (FECA) now provides workers' compensation coverage to approximately 2.6 million federal employees.

The Act provides the following benefits:

- Wage-replacement payments at 66⅔% of the employee's salary or 75% if there is a dependent.
- Payments for reasonable and necessary medical treatment related to the injury.
- Vocational rehabilitation training and job-placement assistance to help disabled workers return to gainful employment.
- Compensation for permanent impairment of limbs and other parts of the body.
- Compensation for survivors of employees due to a work-related death.

The FECA also provides coverage to Peace Corps and AmeriCorps Volunteers in Service to America; federal petit and grand jurors; volunteer members of the Civil Air Patrol, Reserve Officer Training Corps Cadets, Job Corps, and Youth Conservation Corps enrollees; and non-federal law enforcement officers when injured under certain circumstances involving crimes against the United States.

For over a century, the FECA program has continuously evolved to meet its commitment to federal employees and agencies, while minimizing the human, social, and financial costs of work-related injuries. This report highlights the FECA program's activities and accomplishments in fiscal years 2016, 2017, and 2018.

## Benefits and Services

The primary goal of the FECA program is to assist federal employees who have sustained work-related injuries or disease by providing financial and medical benefits, as well as assistance with returning to work. In traumatic injury claims where the evidence establishes disability, the Act requires a Continuation of Pay of the injured worker's salary for up to 45 days if the disability extends through that period. If the disability continues after 45 days, or where the evidence establishes disability in cases of occupational disease, the injured worker must file a claim for compensation and the FECA program will process that claim. Compensation for wage loss is paid at 66⅔% of the employee's salary if there are no dependents or at 75% if there is at least one dependent. The program compensates injured workers for permanent impairment of limbs and other parts of the body, and it provides benefits to survivors in the event of work-related death. FECA benefits also include payment for services and medications that are likely to cure, give relief, reduce the degree or the period of disability, or aid in lessening the amount of monthly compensation.

The FECA program is the exclusive remedy by which federal employees may obtain disability, medical, and survivor benefits from the federal government for workplace injuries or illnesses. Twelve district offices and four prescription management units around the country carry out program activities, including claims adjudication, disability management, and return-to-work support. The claims adjudication process involves receipt and review of the claim, development of the facts including medical documentation where appropriate, and a formal adjudication decision. Individuals who disagree with a formal decision may exercise their appeal rights by requesting:

# FEDERAL EMPLOYEES' COMPENSATION ACT

1. A reconsideration by a claims examiner not previously associated with the case; or
2. An oral hearing or a review of the written record by the Branch of Hearings and Review in the FECA National Office. Decisions for or against the payment of benefits may also be appealed to the Employees' Compensation Appeals Board, an independent entity in the Department of Labor (DOL).

If a case is accepted and disability is involved, the program auto-assigns a Continuation of Pay Nurse who makes a three-point contact: the nurse communicates with the injured worker, the attending physician, and the employer to determine if the disability will persist. If so, the staff makes a referral to a full-time nurse to assist with medical appointments and facilitate certain treatment.

If it appears that the injured worker will not return to work within a reasonable timeframe, or can work in a limited capacity but the employer cannot accommodate his or her restrictions, the nurse works with the claims examiner to refer the case to vocational rehabilitation. Vocational rehabilitation counselors perform labor skills assessments and assist the worker in finding new positions in the labor market.

For long-term disability cases, the FECA program dedicates resources to thoroughly review the medical evidence and question the physician on the claimant's wage-earning capacity. As part of that review, the FECA program can arrange for second opinion medical examinations to assess any changes in the injured worker's medical condition and fitness for work. The goal of the FECA program staff is to return every worker to gainful employment or accurately determine any loss of wage-earning capacity.

## Funding

OWCP pays FECA benefits from the Employees' Compensation Fund. OWCP bills agencies each August for benefits paid for their employees from the Fund, and most agencies, other than the U.S. Postal Service (USPS) and other non-appropriated fund agencies, include those chargeback costs in their next annual appropriation request to Congress. Agencies do not make remittances to the Fund until the first month of the subsequent fiscal year (or later, when Congress enacts an agency's full-year appropriation after the subsequent fiscal year begins). The annual DOL appropriation, affected by federal wage increases and medical cost inflation, makes up any difference between prior year remittances and current year need.

FECA Table 1 highlights chargeback costs billed in Chargeback Year 2016, 2017, and 2018, which also decreased slightly. FECA Table 2 provides a comparison of OWCP enacted funding, which increased over fiscal year 2016 through 2018.

**FECA Table 1**  
FECA Benefits Paid and Charged to Employing Agencies, Chargeback Years 2016 – 2018<sup>1</sup>

Agency	2016	2017	2018
<b>USPS</b>	\$1,411 million	\$1,282 million	\$1,304 million
<b>Department of Defense</b>	\$530 million	\$498 million	\$483 million
<b>Department of Veterans Affairs</b>	\$219 million	\$197 million	\$200 million
<b>Department of Homeland Security</b>	\$216 million	\$206 million	\$215 million
<b>Department of Justice</b>	\$124 million	\$120 million	\$122 million
<b>Department of Transportation</b>	\$86 million	\$81 million	\$79 million
<b>Department of Agriculture</b>	\$71 million	\$66 million	\$61 million
<b>All Others</b>	\$344 million	\$330 million	\$318 million
<b>Total</b>	<b>\$3,001 million</b>	<b>\$2,780 million</b>	<b>\$2,781 million</b>

<sup>1</sup>The figures in the chart are rounded.

# FEDERAL EMPLOYEES' COMPENSATION ACT

**FECA Table 2**  
OWCP Enacted Funding for  
Administering/Operating  
the Program, Fiscal Years  
2016 – 2018

Enacted Funding	2016	2017	2018
Number of Employees (Full-time Equivalent (FTE) staffing used) <sup>1</sup>	778	759	742
Salaries and Expenses	\$100.5 million	\$102.3 million	\$102.7 million
“Fair Share” (FECA Special Benefits Account) – for the development/operation of automated data management and operations support systems, periodic roll case management, and program integrity	\$62.2 million	\$66.7 million	\$71.2 million
<b>Total Enacted Funding<sup>2</sup></b>	<b>\$162.7 million</b>	<b>\$169 million</b>	<b>\$173.9 million</b>

<sup>1</sup>The FTE totals include FECA Salaries and Expenses and FECA Fair Share.

<sup>2</sup>Support costs for legal, investigative, and other kinds of services from Employees' Compensation Appeals Board, the Office of the Solicitor, the Office of Inspector General, and the U.S. Treasury are not included.

DOL's Agency Financial Reports provide additional information on the FECA program's finances:

- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/Sec/2016annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2016annualreport.pdf)
- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/Sec/2017annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2017annualreport.pdf)
- <https://www.dol.gov/sites/dolgov/files/OPA/reports/2018annualreport.pdf>

## Accomplishments and Performance

FECA's key performance measures revolve around three fundamental tenets of workers' compensation:

1. Learn about the injury as soon as possible;
2. Provide timely access to treatment; and
3. Return the injured worker to pre-injury status both economically and medically.

### Rapid Intake of Forms

Shortening the duration of time between when the injury occurs and when the FECA program learns of it will improve the speed with which the program can authorize benefits when needed. The FECA program, therefore, tracks how long it takes the employer to send DOL the notice of injury and the use of electronic claims filing systems, such as the Employees' Compensation Operations and Management Portal (ECOMP).

### Faster Delivery of Benefits

The FECA program's focus on delivering benefits faster is what drives the workforce. To measure performance, the FECA program looks at how promptly staff adjudicates benefit claims. The prompt adjudication of claims filed for wage-loss compensation is of particular importance to help ensure that the worker does not undergo unnecessary financial hardship.

# FEDERAL EMPLOYEES' COMPENSATION ACT

FECA Table 3 presents claims, benefit payment, and medical bill processing totals for fiscal years 2016, 2017, and 2018, which declined slightly over the three years. The timeliness of authorization for medical treatment and medical bill processing is also represented.

**FECA Table 3**  
Claims Intake, Benefits Paid, and Medical Bill Processing, Fiscal Years 2016 – 2018<sup>1</sup>

Claims, Benefits Paid, and Medical Bill Processing		2016	2017	2018
<b>Claims</b>	<b>New claims from injured/ill federal workers or their survivors</b>	109,249	108,406	106,956
	<b>Wage-loss claims received</b>	16,934	16,801	16,762
<b>Benefits</b>	<b>Number of beneficiaries</b>	222,150	222,616	216,581
<b>Benefit payment outlays</b>	<b>Compensation payments</b>	\$1.896 billion	\$1.852 billion	\$1.935 billion
	<b>Medical and rehabilitation services benefit payments</b>	\$1.129 billion	\$937 million	\$947 million
	<b>Death benefit payments to surviving dependents</b>	\$197 million	\$157 million	\$166 million
	<b>Total compensation and benefit payments</b>	\$3.221 billion	\$2.946 billion	\$3.047 billion
<b>Medical Bill Processing</b>	<b>Number of medical bills processed</b>	2.9 million	3.1 million	3.1 million
	<b>Number of enrolled providers – new</b>	680	1,059	1,881
	<b>Number of total enrolled providers (end of fiscal year)</b>	214,696	215,066	218,513
	<b>Average number of workdays to authorize medical treatment</b>	2 days	3 days	2 days
	<b>Percent of medical bills processed within 28 days</b>	96.0%	99.3%	98.8%

<sup>1</sup>The table presents claims and medical bill processing information by fiscal year and benefits payment outlays by chargeback year. Benefit payment outlays include both payments billed to employing agencies and payments not billed to employing agencies.

## Return-to-Work

The FECA program is committed to helping disabled workers return to gainful employment as soon as possible. To measure performance, the FECA program measures the percentage of injured workers that are re-employed within two years and incentivizes active agency management through performance management and enhancements to ECOMP that accelerate communication involving return-to-work efforts.

## One Approach for All Federal Employers

Historically, the USPS was not included in the FECA program's performance measures because it is a quasi-federal agency and is not an appropriated agency. However, all of its employees are covered under the FECA, and their benefits are governed by DOL regulations. Therefore, in fiscal year 2018, the program added USPS to the FECA program's performance measures, and USPS began to be included in all initiatives. For example, in 2018, USPS began expanding its pilot use of DOL's ECOMP system.

# FEDERAL EMPLOYEES' COMPENSATION ACT

FECA Table 4 measures the FECA program's performance on form intake, timely delivery of compensation benefits, and return-to-work for all agencies.

**FECA Table 4**  
Performance Measure  
Results – Fiscal Years  
2016 – 2018

Performance Measures	2016 Target	2016 Result	2017 Target	2017 Result	2018 Target	2018 Result
Percent of traumatic injury cases adjudicated within 45 days	90.0%	97.0%	90.0%	96.9%	90.0%	97.0%
Percent of basic non-traumatic injury cases adjudicated within 90 days	85.0%	93.4%	85.0%	93.0%	85.0%	94.0%
Percent of extended non-traumatic injury cases adjudicated within 180 days	75.0%	86.0%	75.0%	87.7%	75.0%	87.2%
Percent of extended non-traumatic injury cases adjudicated within 365 days	98.0%	98.5%	98.0%	98.8%	98.0%	98.3%
Percent of wage-loss claims adjudicated within 14 days (claims not requiring further development)	90.0%	91.8%	90.0%	91.9%	90.0%	92.4%
Percent of wage-loss claims adjudicated within 90 days (all claims)	90.0%	94.8%	90.0%	94.5%	90.0%	94.6%
Percent of Notices of Initial Injury filed by employer within 10 working days <sup>1</sup>	91.4%	90.9%	91.4%	92.2%	92.0%	94.7%
Percent of wage-loss claims filed by employer within five working days <sup>1</sup>	85.4%	86.0%	85.4%	86.9%	90.0%	93.8%
Percent of federal employees with work-related injuries or illnesses that are employed within two years <sup>1</sup>	92.5%	89.5%	92.0%	88.0%	88.0%	90.1%

<sup>1</sup>USPS is not included in the 2016 and 2017 targets/results but is included in the 2018 targets/results.

## Leveraging Information Technology (IT) Systems to Accelerate Return-to-Work

The FECA program is using IT to improve the process for claimants and accelerate return-to-work. By leveraging ECOMP, the FECA program is facilitating expedited, near real-time communications between the employer, the injured worker, and DOL staff. In fiscal year 2018, the program deployed the Disability Management Interface (DMI) into ECOMP to facilitate collaborative case management and empower all parties of a workers' compensation claim in return-to-work efforts. DMI allows an agency user to engage the DOL claims examiner in same-day transactions involving the identification, review, and submission of medical evidence and job offers, all designed to accelerate transactions involving Disability Management. Since the program attributes

approximately two-thirds of the \$3 billion annual benefits costs to disability payments, the long-term impact of DMI and collaborative case management will benefit the taxpayer by shortening the periods of disability, once return-to-work opportunities are identified.

## Program Management and Integrity

### Implementing Controls on Compounded Medication

The FECA program has seen an increase in costly compounded medication prescriptions. Beginning in 2016, OWCP introduced several policy changes that have resulted in a substantial decrease in compounded drug costs. In July 2016, the FECA program implemented a tiered reimbursement rate for compounded drugs. Subsequently, in October 2016, the agency implemented a prior-authorization for compounded medications, and in March 2017, introduced restrictions on herbal supplements. These efforts significantly reduced compounded medication expenditures from an average of \$23.1 million per month during the first half of 2016 to approximately \$2 million per month beginning in November 2016, and to under \$250,000 per month in the second half of 2018. The FECA program also placed all compounded medications containing opioids under a prior authorization process in June of 2017.

### Aggressive Fraud Detection

The FECA program processes \$3 billion in payments annually; reducing fraud and improper payments is a high priority for the FECA program. The Program Integrity Unit (PIU) was established and funded in the fiscal year 2014 appropriations bill. The PIU focused primarily on improper payments by establishing the internal processes necessary to complete the annual review mandated by the Improper Payment Elimination and Recovery Improvement Act of 2012. The DOL Office of Inspector General (OIG) has recommended for a number of years that the methodology used by the FECA program to estimate the improper payment rate should include two areas of payments which were not included: initial 90-day payments and payments on non-imaged cases for older claims that originated before the FECA program implemented its electronic case management system. In fiscal year 2018, the FECA program worked with the Office of the Chief Financial Officer to update the methodology used to estimate the improper payment rate to include these two areas to further solidify reported results.

In late fiscal year 2017, the PIU's focus expanded to include the early detection of fraud. The program also began utilizing data analytics to develop approaches to identify, understand, and validate data elements that can serve as reliable indicators of improper payments or fraud. Specifically, the FECA program developed a robust analytics platform to detect problematic trends and anomalous billing patterns from medical providers. The FECA program worked in tandem with DOL OIG agents to develop new procedures to improve fraud detection and to support prosecution efforts through collaboration with the Inspectors General government-wide. This led to the publication of two bulletins, a FECA circular, and the first-ever FECA anti-fraud conference. In fiscal year 2018, the FECA program received funding for three additional full-time equivalent (FTE) staff members for a Fraud Investigations Unit.

With the new unit in place and the added resources dedicated to identifying fraud trends, the program detected new and emerging fraud schemes. Keeping pace with these nefarious providers, the FECA program issued two circulars in fiscal year 2018 implementing exception-based policies after monitoring rapid increases in spending on often unnecessary and overpriced "convenience

kits” and physician-dispensed medications. These policy changes led to approximately \$5 million per month average savings in overall pharmaceutical spending. These savings are on top of the \$19 million per month average savings in overall pharmaceutical spending realized in fiscal year 2017 from addressing compounded drugs.

These collective controls and investments have yielded the following:

- The improper payment rate decreased from 3.54% in fiscal year 2016 to 2.44% in 2018
- Overall chargeback costs dropped over \$200 million from 2016 to 2017 and remained level in 2018
- An increase in referrals of suspected fraud sent by the FECA program to the OIG from only three in fiscal year 2016 to 27 in 2017 and 62 in 2018 (encompassing more than 100 individual providers)

## **Combatting the Opioid Epidemic**

Fiscal year 2018 brought another issue to the program's focus – opioids. Before fiscal year 2017, OWCP had taken little action to combat the opioid epidemic. A few limited controls were in place, but none considered whether the opioids were medically necessary or monitored the specific durations and dose levels being utilized. In late fiscal year 2017 and fiscal year 2018, the FECA program engaged in a focused effort to reduce the potential for opioid misuse and addiction among injured federal workers. The program used data to drive policy, instituting targeted controls, tailored treatment, and meaningful communications.

To discourage instances of new opioid use from becoming long-term, the FECA program implemented a control in August 2017 for determining medical necessity. For injured federal workers without a recent history of opioid use, in order for a provider to prescribe opioids for more than 60 days they must now answer a series of commonsense but critical questions regarding the need for continued opioids, their evaluation of alternatives, and whether they have appropriately advised the patient and evaluated the potential benefit against the risks. The FECA program issues targeted communications to help ensure the success of this control and increase the probability that new opioid use will not become long-term opioid use. The FECA program issues letters to each injured federal worker after their first opioid prescription, reminding them:

1. Of the risks of opioid use; and
2. The requirement that a physician determines medical necessity for any use after a 60-day period.

In addition, the FECA program issues a letter to the prescriber of the new opioid prescription, with a copy to the injured federal worker that outlines opioid prescribing guidelines established by the Centers for Disease Control and Prevention.

To be able to accurately identify and effectively monitor opioid use among federal injured workers, the FECA program had to implement a few critical initial steps involving the duration and dose level of opioid prescriptions. In October 2017, the FECA program mandated point-of-sale pharmacy billing, which enabled pinpointing the exact date a pharmacy filled an opioid prescription and more accurately tracking the duration of opioid use. By March 2018, the FECA program had systematized the receipt of necessary detailed pharmacy files that the program had not previously received, and had developed a methodology to calculate the Morphine Equivalent Dose (MED) of opioids prescribed so that the program could effectively monitor opioid use. Additionally, in fiscal year

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2018, the FECA program received 37 additional FTE staff for Prescription Management Units. These units monitor and approve new opioid prescriptions so that injured workers only receive opioids that a physician verifies as medically necessary, and work with injured workers and physicians to appropriately reduce high dosages that carry the risk of overdose or create dependence.

With the ability to more accurately and effectively monitor opioid prescriptions secured and the added resources dedicated to monitoring opioid prescriptions, the FECA program began addressing longer-term and high-dose opioid use among injured federal workers. The FECA program first issued targeted communications to all prescribers with a patient on a MED level of 90 or more, and to all injured workers who had been receiving opioids for at least six months or more, urging a discussion and evaluation of their treatment options. 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. This included tailored letters requesting more detailed information on the injured worker's specific medical condition and the implementation of treatment plans aimed at reducing opioid levels. The policy has 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. The FECA program then 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 results of the FECA program's opioid reduction efforts thus far are dramatic:

- Comparing data from January 2017 to March 2018 and the same period in 2015 to 2016, there has been a:
  - » 22% decline in cases with new opioid prescriptions; and
  - » 43% decline in cases with new opioid prescriptions lasting more than 30 days.
- From January 2017 to October 2018, there has been a:
  - » 45% decline in cases of injured workers with a MED of 500 or more; and
  - » 18% decline in those with a MED of 90 or more.

# LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT (LONGSHORE)

## Introduction

Enacted in 1927, the Longshore and Harbor Workers' Compensation Act (LHWCA) provides compensation for lost wages, medical benefits, and rehabilitation services to longshore, harbor, and other maritime workers who are injured during their employment or who contract an occupational disease related to employment. The Act also provides survivor benefits if the work-related injury or disease causes the employee's death. An authorized self-insured employer or an authorized insurance carrier directly pays these benefits in most cases; in particular circumstances, the industry-financed Longshore Special Fund pays these benefits.

The original law, entitled the Longshoremen's and Harbor Workers' Compensation Act, was enacted to provide coverage to certain maritime employees injured while working over navigable waters who had been excluded from state workers' compensation coverage by the Supreme Court (*Southern Pacific Co. v. Jensen*, 244 U.S. 205 (1917)). Over the years, there have been extensions to the Act granting coverage to certain additional employees including:

- The Defense Base Act (DBA) of August 16, 1941, extended benefits to employees working outside the continental United States. This primarily covers all private employment on U.S. military bases overseas, land used for military purposes in U.S. territories and possessions, and U.S. Government contracts overseas.
- The Nonappropriated Fund Instrumentalities Act of June 19, 1952, extended benefits to civilian employees in Armed Forces post exchanges, service clubs, etc.
- The Outer Continental Shelf Lands Act of August 7, 1953, extended benefits to employees of firms working on the outer continental shelf of the United States, such as offshore drilling enterprises engaged in the exploration for and development of natural resources.
- The District of Columbia Workmen's Compensation Act (DCCA), passed by Congress on May 17, 1928, extended coverage to private employment in the District of Columbia. As the District passed its own workers' compensation act effective July 26, 1982, the Office of Workers' Compensation (OWCP) handles claims only for injuries before that date.

## Benefits and Services

Except in a small percentage of cases, the Longshore program does not pay benefits directly; rather, self-insured employers and insurance carriers pay compensation and medical benefits. The program is responsible for overseeing the private administration of claims and implementing the plans, policies, regulations, and procedures necessary for the authorization and monitoring of the approximately 640 insurance carriers and self-insured employers that provide workers' compensation liability protection. This includes oversight of over \$2.9 billion held in security deposits and two carrier/employer-funded trust funds with approximately \$120 million in annual assessments and disbursements and 3,800 recurring benefit recipients. Longshore Table 1A highlights the increasing lost-time injuries over fiscal years 2016 through 2018; Longshore Table 1B highlights the decreasing benefit payments for calendar years 2016, 2017, and 2018.

**Longshore Table 1A**  
Lost-Time, Fiscal Years  
2016 – 2018

Lost-Time Injuries	2016	2017	2018
Lost-time injuries reported	24,333	27,237	28,208
Number of cases of injury and death reported under DBA	6,089	6,622	6,694

# LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

**Longshore Table 1B**  
Benefit Payments,  
2016 – 2018

Benefits Payments	2016 <sup>2</sup>	2017	2018
Number of maritime and other workers in compensation payment status	12,890	12,064	11,411
Total compensation paid <sup>1</sup>	\$1,295 million	\$1,271 million	Not Applicable (N/A)
Wage-loss and survivor benefits <sup>1</sup>	\$961 million	\$950 million	N/A
Medical benefits <sup>1</sup>	\$337 million	\$321 million	N/A
Payments by Sources of Compensation	2016 <sup>2</sup>	2017	2018
Insurance companies <sup>1</sup>	\$880 million	\$865 million	N/A
Self-insured employers <sup>1</sup>	\$416 million	\$407 million	N/A
LHWCA Special Fund	\$110 million	\$108 million	\$101 million
DCCA Special Fund	\$7 million	\$6 million	\$7 million
Department of Labor (DOL) Appropriation	\$1 million	\$1 million	\$1 million

<sup>1</sup>Figures are for calendar years 2016 through 2018, respectively, which do not correspond to federal fiscal years.

<sup>2</sup>During fiscal year 2016, OWCP identified an error in a defaulted carrier's security deposit that was seized in fiscal year 2014. The entire security deposit was incorrectly deposited in a DOL fiduciary fund even though the security deposit has to be shared with another fiduciary fund. These errors were rectified in the Financial Statements issued for fiscal year 2016, which includes comparative Financial Statements for fiscal year 2015.

**Note:** Total compensation paid does not equal the sum of the sources of compensation due to the different periods (calendar year vs. fiscal year) by which the various data are reported. For the Longshore Special Fund assessment billing purposes, as required by Section 44 of the LHWCA, insurance carriers and self-insured employers report compensation payments made under the Acts to DOL by June for the previous calendar year. Insurance carriers and self-insured employers report compensation and medical benefit payments for the DCCA Special Fund.

## Funding

OWCP administers two funds for the Longshore program: the Longshore Special Fund, which was established in the Treasury under Section 44 of the LHWCA; and a separate fund applying only to cases arising under the DCCA. The proceeds of the Longshore Special Fund cover:

- Annual adjustments in compensation for permanent total disability or death that occurred before the effective date of the 1972 amendments (Section 10(h));
- Second injury claims (Section 8(f));
- Cases involving employer insolvency (Section 18(b));
- Cases compensated from redeemed securities (Section 32(a));
- Rehabilitation assistance (Sections 39(c) and 8(g)); and
- The cost of independent medical examinations (Section 7(e)).

# LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

The Longshore Special Fund is financed through a variety of sources:

1. Fines and penalties;
2. \$5,000 payments by employers for each instance in which a covered worker dies and there are no survivors eligible for benefits;
3. Interest payments on Fund investments; and
4. An annual assessment of authorized insurance carriers and self-insurers, which is the largest source.

Longshore Tables 2A and 2B highlight Longshore and DCCA Special Fund Expenditures for fiscal years 2016 – 2018. Longshore Special Fund expenditures have decreased slightly, and DCCA Special Fund expenditures have remained steady.

**Longshore Table 2A**  
Longshore Special Fund  
Expenditures, Fiscal  
Years 2016 – 2018

Longshore Special Fund	2016	2017	2018
<b>Total benefits paid</b>	\$110 million	\$108 million	\$101 million
<b>Second injury claim (section 8(f)) payments</b>	\$99 million	\$92 million	\$89 million

**Longshore Table 2B**  
DCCA Special Fund  
Expenditures, Fiscal  
Years 2016 – 2018

DCCA Special Fund	2016	2017	2018
<b>Total benefits paid</b>	\$7 million	\$6 million	\$7 million
<b>Second injury claim (section 8(f)) payments</b>	\$6 million	\$6 million	\$6 million

Enacted funding covers the salaries and expenses of the approximately 100 Longshore program employees in 10 district offices and the National Office. Longshore Table 3 provides a comparison of OWCP enacted funding in FY 2016, FY 2017, and FY 2018.

**Longshore Table 3**  
OWCP Enacted  
Funding, Fiscal Years  
2016 – 2018

Enacted Funding	2016	2017	2018
<b>Number of employees (Full-time equivalent staff)</b>	89	88	82
<b>Longshore General Salaries and Expenses</b>	\$12.8 million	\$13.1 million	\$12.8 million
<b>Longshore Special Fund Salaries and Expenses</b>	\$2.2 million	\$2.2 million	\$2.2 million
<b>Total OWCP enacted funding<sup>1</sup></b>	\$15.0 million	\$15.3 million	\$14.9 million

<sup>1</sup>Support costs for legal, investigative, and other kinds of services from the Office of Administrative Law Judges, Benefits Review Board, the Office of the Solicitor, and the Office of the Inspector General are not included.

# LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

DOL's Agency Financial Reports provide additional information on the Longshore program's finances:

- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/Sec/2016annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2016annualreport.pdf)
- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/Sec/2017annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2017annualreport.pdf)
- <https://www.dol.gov/sites/dolgov/files/OPA/reports/2018annualreport.pdf>

## Accomplishments and Performance

The Longshore program continues to improve the efficiency of its processes by leveraging technology, improve the speed at which it assists in dispute resolution, and exceed its goals concerning the timeliness of each step in its process.

### **Oversight and Tracking of First Report of Injury and First Payment of Compensation**

The Longshore program utilizes a set of measures to help ensure the oversight of the private administration of claims. The First Report of Injury measure tracks the time from the date of injury or death, or the date of the employer's knowledge of the injury and the onset of the disability, to the date the written notice of injury was received by a Longshore district office. The First Payment of Compensation measure tracks the time it takes the employer or insurance carrier to issue the first payment after the worker becomes disabled or after death. While the Longshore program can influence these measures through outreach and technical assistance, the work associated with the measures is the responsibility of insurance carriers and self-insured employers.

A major initiative for the program was leveraging technology to facilitate claims submission, and this improved the timeliness of the First Report of Injury. This initiative, which started in fiscal year 2016, allows employers' or insurance carriers' private claims systems to connect to the Longshore program's system, and thereby eliminate the need for Longshore to manually create cases. The program will continue to work with willing partners moving forward to expand electronic submission.

### **Dispute Resolution**

A principal function of the Longshore program is to resolve disputes between claimants and self-insured employers or insurance carriers. District offices conducted informal conferences for 3,879 claims in fiscal year 2016, 2,681 claims in fiscal year 2017, and 2,586 claims in fiscal year 2018.<sup>1</sup> The Longshore program uses the informal conference to establish the facts in each case, define the disputed issues and the positions of the parties concerning those issues, and encourage voluntary resolution by means of agreement and/or compromise. The Longshore program continued to work to improve the speed of its process to assist injured workers and employers/carriers to resolve disputed claim issues. The program also provided training for its employees so that they have the tools and techniques necessary to resolve disputes.

Longshore Table 4 presents the first report of injury, the first payment of compensation and dispute resolution targets and results for the three years, showing targets were exceeded.

<sup>1</sup> In fiscal year 2017, the program revised and refined these measures. As a result, canceled conferences were no longer captured, which reduced the overall number of conferences counted by 25-30% from the previous year.

# LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

**Longshore Table 4**  
Performance  
Results, Fiscal Years  
2016 – 2018

Performance Measures	2016 Target	2016 Result	2017 Target	2017 Result	2018 Target	2018 Result
<b>First Report of Injury and First Payment of Compensation</b>						
Percent of First Report of Injury filed within 30 days for DBA cases	88%	92%	88%	94%	88%	94%
Percent of First Payment of Compensation issued within 30 days for DBA cases	65%	70%	67%	71%	68%	78%
Percent of First Report of Injury filed within 30 days for non-DBA cases	87%	93%	89%	94%	89%	95%
Percent of First Payment of Compensation issued within 30 days for non-DBA cases	86%	89%	86%	88%	87%	88%
<b>Dispute Resolution (# of days)</b>						
Average number of days to resolve disputed issues in district offices (all cases)	96	76	88	77	88	75
Average number of days to resolve disputed issues in district offices (DBA cases only)	110	88	102	77	102	75

## Stakeholder Engagement and Outreach

The Longshore program continued to expand its outreach activities in the area of compliance assistance. To improve the timeliness of First Payment of Compensation and First Reports of Injury, the Longshore program continues to assign policy examiners to review cases and hold quarterly meetings with industry representatives to identify improvement opportunities. The stakeholders received this effort well as it helped them to understand where gains in performance are possible.

The Longshore program invited major stakeholders, including insurance companies, to meetings throughout the year to discuss and resolve DBA challenges, such as timely payment of benefits to foreign workers and their families in areas with cultural differences, communications obstacles, limited banking and infrastructure, and lack of available medical care. The discussions also focused on timely reporting of injuries, timely payment of benefits, and sharing best practices. The Longshore program staff, at both the national and district office levels, participated in educational programs directed toward stakeholders for purposes of increasing awareness and technical skills across the community. The program also continued to generate monthly reports to facilitate the review of performance results with industry executives and share DBA carrier results with its larger customers. Sharing this information resulted in greater compliance with established performance standards, such as reporting of injuries within 30 days and percent of timely first payment, between fiscal year 2016 and 2018, as seen in Longshore Table 4.

## Program Management and Integrity

The Longshore program continued to focus on assuring Special Fund obligations under the statute, making significant improvements in the area of technology improvement for electronic claims submission and electronic document submission. This makes claims easier to file and oversee.

## **Insurance Authorization, Risk Securitization, and Management of the LHWCA and DCCA Special Funds**

The Longshore program authorizes private employers to self-insure and insurance carriers to provide coverage for benefits provided under the law while overseeing proper collateralization to ensure the continuing provision of benefits for covered workers in case of insolvency. Further, the Longshore program administers, provides oversight, and protects the solvency and financial strength of the Longshore and DCCA Special Funds through annual industry assessments authorized under the LHWCA.

## **Information Technology Modernization**

The Longshore program continued to focus on leveraging technology to facilitate claims submission and document management.

**Electronic Claims Submission:** Previously, the Longshore program received new Longshore claims in paper format, which staff entered manually to create new cases. In fiscal year 2016, the Longshore program conducted a pilot project to receive claims electronically. In fiscal years 2017 and 2018, the program continued to partner with industry carriers/employers and self-insurance groups on this initiative. This initiative allows private claims tracking systems to connect to the Longshore program system, and thereby eliminate the need to manually create cases. By accelerating the delivery of documents to the Longshore staff, the claims examiners may intervene sooner to assist with the resolution of outstanding issues and to facilitate more timely delivery of benefits.

**Electronic Document Submission:** The Longshore program continued partnering with its larger stakeholders to reduce the time and cost associated with mailing and processing paper correspondence and forms used in the later life of a claim. For stakeholders that already stored their documents in digital format, the program offered to accept documents electronically through a direct network connection. This significantly reduced mail time and eliminated the expense and burden of processing paper. The program received 52% of correspondence and forms in digital format in fiscal year 2016. By fiscal year 2017, the program received 62% of correspondence and forms in digital format through data exchanges or document portals. In fiscal year 2018, the Longshore program increased the percentage to 67%. The Longshore program will continue establishing these connections with any stakeholder that wishes to participate in this process.

## **Regulatory Initiatives**

In April 2018, OWCP published a new rule implementing the LHWCA's provisions on maximum and minimum amounts of compensation payable. The final rule:

- Incorporates decisions of the U.S. Supreme Court and two U.S. Court of Appeals interpreting the LHWCA's maximum compensation provisions;
- Implements the LHWCA's related minimum compensation provisions; and
- Outlines the relationship between the maximum and minimum compensation rates and the LHWCA's annual adjustment provision.

Before this final rule, the governing regulations offered little guidance to employers and injured workers on applying the maximum and minimum compensation rate and annual adjustment provisions based on the annual change in the national average weekly wage. The final rule clarifies the Department's interpretation of the relevant statutory provision and provides concrete directions on how to apply the provisions in an individual case.

This regulation is available on OWCP's website at <https://www.dol.gov/owcp/dlhwc/lslaws.htm>.

## Introduction

OWCP's Black Lung program has administered Part C of the Black Lung Benefits Act (BLBA) for more than 40 years. The initial program, contained in Part B, was enacted as part of the Coal Mine Health and Safety Act of 1969 (the Act). This law created a system to compensate victims of dust exposure in coal mines with public funds. Initially, the law was administered by the Social Security Administration (SSA), and it has been amended several times over the years to shift responsibility to the Department of Labor (DOL) and update eligibility requirements and funding mechanisms.

- The Black Lung Benefits Act of 1972 simplified eligibility criteria for all claims filed with the SSA under Part B, and transferred the processing of new claims to DOL in 1973 under Part C.
- The Black Lung Benefits Reform Act of 1977 (Public Law 95-239) mandated that all pending and denied Part C claims be reopened and reviewed using less stringent interim medical criteria.
- The Black Lung Benefits Revenue Act of 1977 (Public Law 95-227) created the Black Lung Disability Trust Fund, financed by an excise tax on coal mined and sold in the United States. It also permitted miners approved under Part B to apply for medical benefits available under Part C. These amendments made the federal program permanent; however, state benefits continued to offset federal benefits, where they were available.
- The 1981 Amendments to the Act tightened eligibility standards, eliminated certain burden of proof presumptions, and temporarily increased the excise tax on coal to address the problem of mounting insolvency of the Trust Fund.
- The Black Lung Consolidation of Administrative Responsibilities Act of 2002 placed the administration of both Parts B and C with DOL. This made permanent an arrangement between SSA and DOL in a 1997 memorandum of understanding that transferred responsibility for managing Part B claims to DOL.
- The Affordable Care Act of 2010 amended the BLBA by restoring two provisions that had been eliminated by the 1981 Amendments. It reinstated the provision that dependent survivors are automatically entitled to benefits if the miners were entitled to benefits at the time of their deaths. It also restored a rebuttable presumption that a miner's total disability or death was due to pneumoconiosis upon proof that the miner worked at least 15 years in qualifying coal mine employment and suffered from a totally disabling respiratory or pulmonary impairment.

The Black Lung program now administers both Parts B and C of the BLBA. Part B provides income replacement compensation to beneficiaries who filed claims on or before July 1, 1973. Part C covers all other beneficiaries and provides both monthly wage replacement and medical services.

## Benefits and Services

Each year, the Black Lung program receives thousands of applications for benefits from coal mine workers and their survivors. The majority of the applications are either new claims by a miner (the first time the claimant has filed) or refiled miner claims (the claimant has filed at least once before). In addition, approximately 1,000 successor claims and survivor conversions are submitted each year.<sup>2</sup>

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<sup>2</sup> A successor claim is a survivor's claim filed on a miner's record by another person; a conversion occurs when a dependent survivor is automatically entitled to benefits.

Federal black lung claims – which are often contested by coal mine operators – are only approved when the evidence establishes that the miner is totally disabled by pneumoconiosis arising out of coal mine employment or, in the case of a survivor claim, that the miner’s death was attributable to the disease. The approval rate for Black Lung claims was 29.38% in fiscal year 2016; 28.52% in 2017; and 33.61% in 2018. In fiscal year 2016, Part B beneficiaries decreased by 12.7% and benefit payments decreased 17%. In fiscal year 2017, the Part B beneficiary population declined by an additional 13.4% and benefit payments decreased another 11%. In fiscal year 2018, Part B beneficiaries again declined by 12.7% and benefit payments decreased by 12.2%. Part C beneficiaries decreased by 3.2% in fiscal year 2016; benefit payments dropped by 2%. In fiscal year 2017, beneficiaries declined by 2.8% and benefits increased 4%. Part C beneficiaries declined by 2% in fiscal year 2018 and benefit payments decreased by 4%.

In calculating benefits, the Black Lung program must consider whether or not the beneficiary receives other compensation. If a miner receives state workers’ compensation for pneumoconiosis (black lung), any federal Black Lung benefit received for that disease is offset or reduced by the amount of the state benefit on a dollar-for-dollar basis. In addition, claims may be offset due to other federal benefits or earnings offsets. Black Lung Table 1 reflects the total number of beneficiaries for Part B and Part C and benefit payment amounts for the three years. In fiscal year 2016, 975 claims were either partially or fully offset; 93.1% of these offsets were due to concurrent state benefits. In fiscal year 2017, 985 claims were offset, with 92.5% due to concurrent state benefits. In fiscal year 2018, 1,006 claims were offset, and 93.8% were due to concurrent state benefits.

**Black Lung Table 1**  
Benefits, Parts B and C,  
Fiscal Years 2016 – 2018

Benefits	Part B			Part C		
	2016	2017	2018	2016 <sup>3</sup>	2017	2018
<b>Total number of beneficiaries</b>	12,290	10,630	9,260	25,798	25,679	25,625
<b>Benefit payments</b>						
<b>Compensation benefit payments</b>	\$98.7 million	\$86.9 million	\$74.6 million	\$140.7 million	\$140.7 million	\$131.0 million
<b>Medical benefit payments<sup>4</sup></b>	N/A	N/A	N/A	\$36.6 million	\$43.1 million	\$45.6 million
<b>Total compensation and medical benefit payments</b>	\$98.7 million	\$86.9 million	\$74.6 million	\$177.3 million	\$183.8 million	\$176.6 million

<sup>3</sup> Includes primary beneficiaries and dependents as funding includes both.

<sup>4</sup> Part C medical benefit payments include payments made for cases accepted under both Part B and Part C.

## Funding

Black Lung benefits are paid for with general revenues from the U.S. Treasury (Part B claims) or by responsible mine operators or the Black Lung Disability Trust Fund (Part C claims). Black Lung Table 2 reflects Part B and Part C enacted funding and expenditures, showing a decrease in Part B and an increase in Part C over the three years.

**Black Lung Table 2**  
Enacted Funding and  
Expenditures, Fiscal Years  
2016 – 2018

Enacted Funding and Expenditures			2016	2017	2018
<b>Part B – General Revenue Enacted Funding and Expenditures</b>	<b>Office of Workers' Compensation Programs (OWCP) Enacted Funding</b>	Number of Employees (Full-time Equivalent (FTE) staff)	16	16	16
		OWCP Administrative Funding	\$4.9 million	\$4.9 million	\$4.9 million
	<b>Benefits – Compensation</b>		\$96.0 million	\$84.69 million	\$73.3 million
	<b>Total</b>		\$100.9 million	\$89.5 million	\$78.2 million
<b>Part C – Trust Fund Enacted Funding and Expenditures</b>	<b>OWCP Enacted Funding and Expenditures</b>	Number of Employees (FTE staff)	158	159	152
		OWCP Administrative Funding	\$32.8 million	\$35.6 million	\$35.7 million
		Other Administrative Expenditures <sup>1</sup>	\$29.1 million	\$30.6 million	\$30.5 million
		<b>Total</b>	\$61.9 million	\$66.2 million	\$66.2 million
	<b>Trust Fund – Payments to the Treasury</b>	1-year obligation payments to Treasury (for advances and interest)	\$587.0 million	\$915.4 million	\$1,301.8 million
		Bond payments	\$517.5 million	\$540.5 million	\$560.6 million
		<b>Total Payments to the Treasury</b>	\$1,104.4 million	\$1,455.9 million	\$1,862.4 million
	<b>Benefits – Compensation and Medical Benefits<sup>2</sup></b>		\$177.3 million	\$183.8 million	\$176.6 million
	<b>Total</b>		\$1,343.6 million	\$1,705.9 million	\$2,105.2 million

<sup>1</sup> Other administrative expenses include legal, financial, and investigative support provided by the Office of the Solicitor, the Office of Administrative Law Judges, the Benefits Review Board, the Office of the Inspector General, and the Department of the Treasury. These amounts are transferred to the appropriate agencies.

<sup>2</sup> Includes only Trust Fund compensation and benefits (excluding collections from responsible coal mine operators for benefits paid by the Trust Fund on an interim basis, refunds for OWCP administrative costs paid, and other miscellaneous reimbursements). Excluded are self-insured mine operator and insurance carrier payments. Part C medical benefit payments include payments made for cases accepted under both Part B and Part C.

## Part B – General Revenues

Part B expenditures decreased between fiscal years 2016 and 2018. In fiscal year 2016, Part B expenditures, paid for with general revenues from the U.S. Treasury, came to \$98.7 million, down 13.3% from the previous year. In fiscal years 2017 and 2018, Part B expenditures decreased by another 12% and 14%, to \$86.9 million and then to \$74.6 million, respectively. Over each year, approximately 95% of these expenditures were used to pay benefits and the remaining 5% covered administrative expenses.

## Part C – Black Lung Disability Trust Fund

Created by the Black Lung Benefits Revenue Act of 1977, the Black Lung Disability Trust Fund pays Part C benefits in cases where no responsible mine operator can be identified or where the liable operator does not meet its payment obligations. It also covers claims filed with DOL based on pre-1970 employment. It is administered jointly by the Secretaries of Labor, Treasury, and Health and Human Services.

Trust Fund revenues are generated from several sources including:

1. An excise tax on mined coal that is sold or used by producers in the United States (the principal source of revenue);
2. Funds collected from responsible mine operators for monies they owe the Trust Fund including payments of various fines, penalties, and interest;
3. Refunds collected from claimants and beneficiaries due to an overpayment; and
4. Repayable advances obtained from Treasury’s general fund when Trust Fund expenses exceed revenues.

Black Lung Table 3 contains a breakdown of Trust Fund revenues, which showed an increase over the three-year period.

**Black Lung Table 3**  
Trust Fund Revenues,  
Fiscal Years  
2016 – 2018

Revenues	2016	2017	2018
<b>Excise Tax Collections</b>	\$439.6 million	\$428.7 million	\$384.4 million
<b>Other Responsible Mine Operator (RMO) Collections – interim benefits, fines, penalties, interest</b>	\$49.9 million	\$21.1 million	\$34.5 million
<b>Repayable Advances from Treasury</b>	\$910 million	\$1,285.0 million	\$1,900.0 million
<b>Total Revenues</b>	<b>\$1,399.5 million</b>	<b>\$1,734.8 million</b>	<b>\$2,318.9 million</b>

Trust Fund revenues increased by 24% between fiscal years 2016 and 2017 and by another 34% between 2017 and 2018. Excise tax collections decreased by 2.4% between fiscal years 2016 and 2017 and again by 10.3% between 2017 and 2018. Other RMO collections decreased by \$28.8 million between fiscal years 2016 and 2017 and increased by \$13.3 million in 2018. Excise taxes generated sufficient Trust Fund income to cover benefits and administrative expenses. The increase in total revenues is attributable to the costs of repaying the principal and interest on Trust Fund debt.

DOL’s Agency Financial Reports provide additional financial information on the Black Lung Disability Trust Fund.

- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/ Sec/2016annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2016annualreport.pdf)
- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/ Sec/2017annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2017annualreport.pdf)
- <https://www.dol.gov/sites/dolgov/files/OPA/reports/2018annualreport.pdf>

## Accomplishments and Performance

Over the last three years, the Black Lung program implemented strategic operational initiatives designed to enhance overall productivity, boost program efficiency, and improve decision quality. These initiatives – which included streamlining and centralization of key operational processes, standardization of performance management, and focused claims inventory management – are discussed below.

### The Operational Environment

After receiving approximately 5,400 claims in fiscal year 2012,<sup>5</sup> the program began to experience a marked increase in the number of incoming claims, receiving nearly 6,900 claims on average over the next three years. Incoming claims then reached 7,448 in fiscal year 2016 and held relatively steady at 7,386 in 2017 before declining moderately to 6,673 in 2018. As noted in Black Lung Table 4, the average incoming claims volume remains high and averaged 7,169 claims from fiscal years 2016 through 2018.

**Black Lung Table 4**  
Three-Year Average –  
Incoming Claims, Fiscal Years  
2010 – 2018

Incoming Claims	Three-Year Average
2010 - 2012	6,157
2013 - 2015	6,877
2016 - 2018	7,169

In addition, shortly after the incoming claims volumes began to rise in fiscal years 2013 economic factors resulted in eight coal company bankruptcies, which increased the number of claims accepted and handled by the Trust Fund for four of these companies. Bankruptcies are especially challenging for the Black Lung program because the claims must be handled timely and appropriately so that there are no disruptions to benefit payments expected by the beneficiaries.

As a result of increased incoming claims volumes and the transfer of some claims to the Trust Fund following coal company bankruptcies, the program's overall workload expanded. To keep pace with the increasing workload, the program implemented key strategic operational initiatives designed to enhance overall productivity and boost program efficiency.

### Prototype Performance Standards

In fiscal year 2016, the program began to develop prototype performance standards for claims examiners which were implemented in 2017. The prototype standards created consistent, uniform expectations and methods of evaluation across the program's district offices, placing all employees on an equal playing field, leveraging best practices, and promoting efficient program operations through the implementation of uniform policies, procedures, and information technology (IT) initiatives. The program also introduced a production standard to give employees formal credit and recognition for their sustained, increased productivity in issuing decisions and to promote consistent claims inventory management. In fiscal year 2018, the program extended the prototype concept to all workers' compensation assistants. The impact was noteworthy. After issuing 6,346 decisions in

<sup>5</sup> Fiscal year 2012 is the baseline year for five years of comparative data for 2016, the first year of this report. The data baseline will change to 2014 to align with five-year data reporting in the Annual Financial and Annual Performance Reports.

fiscal year 2016, the program issued 7,059 decisions in 2017 – the most in the modern history of the program – and 6,676 decisions in 2018.

## Claims Inventory Management

The increased workload coupled with the loss of experienced staff resulted in a large inventory of pending claims. While the majority were handled in the normal course of business, there was a moderately-sized group of aged claims. The program used its overall focus on inventory management to effectively reduce the number of claims pending each year, as noted in Black Lung Table 5, with a 15% decline in the number of claims pending a decision from fiscal year 2016 to 2018.

**Black Lung Table 5**  
End-of-Fiscal-Year  
Pending Claims Inventory,  
Fiscal Years 2016 – 2018

Date	Claims Pending
10/30/2016	6,244
10/30/2017	5,691
10/30/2018	5,281

Initially, in fiscal year 2016, the program dedicated additional resources to claims pending more than 240 days, issuing proposed decisions and orders (PDOs) on 81% of the targeted claims. In FY 2017, the program focused on claims pending for more than 700 days, introducing the Backlog Elimination Project. Over six months, the project team resolved nearly 600 claims and reduced the total number of claims pending for more than 365 days by 21%. In fiscal year 2018, the program worked with Departmental leadership to develop a new DOL Strategic Plan Goal that created a five-year plan to address pending claims inventory management as a key strategic objective. In response to the goal outlined in the FY 2018-2022 DOL Strategic Plan under Strategic Objective 3.1, the program sought to reduce the number of claims pending for more than 365 days as a percentage of the total pending claims inventory to 18% in fiscal year 2018. To achieve this objective, the program initiated the Aged Case Elimination project. The effort was an overwhelming success. The program's claims inventory that was 365 days or older was reduced from 20.3% to 15.2%.

As noted in Black Lung Table 6, the program was able to keep the timeliness of adjudication of claims consistent despite the focused emphasis on the resolution of aged cases.

**Black Lung Table 6**  
Performance Measures –  
Adjudication  
Fiscal Years 2016 – 2018

Performance Measures – Adjudication	2016 Target	2016 Result	2017 Target	2017 Result	2018 Target	2018 Result
Average number of days to process Black Lung claims/render a PDO	265 days	334 days	350 days	332 days	336 days	335 days

### **Streamlining, Centralization, and Data Analytics**

In fiscal year 2016, the program began a pilot of the Outgoing Correspondence Center (OCC), which centralizes printing and mailing functions with contract staff. By fiscal year 2018, the program expanded the OCC's coverage to include both telework and in-office printing for all eight district offices. The OCC furthers the program's efforts to maximize and prioritize the time claims examiners spend on their primary mission of adjudicating claims and issuing decisions. In addition, the OCC has facilitated the expansion of telework and enhanced telework efficiency by making printing/mailing services available to claims examiners while teleworking.

In fiscal year 2017, the program implemented Central Case Create and Assignment (CCCA) to promote uniformity, consistency, and standardization across all district offices through equity in case distribution. With CCCA, the program updated its case assignment protocol from a purely geographical model to a system that assigns an equitable number of claims to each claim examiner based on his or her grade level.

Additionally, in fiscal year 2016, OWCP used data analytics to adjust staffing and workload assignments using current FTE allocations. In fiscal year 2017, the program created more district office claims examiner positions, leveraged OWCP modernization innovations used in other programs to maximize outputs, and used the time saved for claims adjudication. Centralized case creation also helped to balance workloads across district offices and to more efficiently use resources. OWCP explored partnering with the Mine Safety and Health Administration to identify mutually beneficial opportunities to leverage staffing resources. These efforts were focused on creating more time for claims staff to devote to issuing PDOs. In fiscal year 2018, the program implemented a centralized, virtual, national phone answering group to improve overall efficiency. Program analysis and review identified additional staff training and development opportunities and lead to process improvements.

### **Stakeholder Engagement**

The Black Lung program is committed to providing a high-quality customer experience – for its claimants and beneficiaries as well as its many stakeholders, including: medical providers; responsible mine operators and insurance carriers; federal partners (SSA, the Department of Health and Human Services' National Institute for Occupational Safety and Health (NIOSH), and the Health Resources and Services Administration (HRSA)); and internal DOL organizations (Mine Safety and Health Administration, the Office of the Administrative Law Judges (OALJ), and the Benefits Review Board (BRB)). Over the three years, the Black Lung program has continued outreach to these groups.

Medical providers are a key component of the Black Lung program – both in providing medical data to determine whether the miner has compensable totally-disabling pneumoconiosis and in providing medical services to approved beneficiaries. Section 413(b) of the BLBA requires OWCP to provide each miner who files a claim with the opportunity to undergo a complete pulmonary evaluation at no cost to the miner. The Black Lung program continued to work with the medical community and program stakeholders to improve the quality of these medical evaluations and reports. The program worked with HRSA to encourage the inclusion of medical scheduling timeliness standards in the awarding of grants to clinics partially funded by HRSA. The program also continued to update the list of approved diagnostic physicians by requesting accurate certification and specialty information to help ensure that highly-qualified doctors are available to perform medical evaluations.

## Program Management and Integrity

In fiscal year 2018, the program revised procedures for providing pulmonary rehabilitation services to eligible miners whose benefits are paid by the Black Lung Disability Trust Fund. The program eliminated the pre-certification requirement for pulmonary rehabilitation services and updated and streamlined procedures related to pulmonary rehabilitation services provided at a health care facility.

The Black Lung program implemented changes to strengthen program management and program integrity. These changes focused on four general areas: quality assurance, IT, medical bill processing, and improper payments.

### Quality Assurance

The program continues to work on strengthening the integrity of its adjudication process by reviewing claims for quality before the release of the PDO obtaining supplemental medical evidence when warranted, and conducting annual reviews for quality assessments across all district offices.

**Spot Audits:** The Black Lung program continued to use spot audits as a precursor to the annual accountability review process and to provide an additional means of monitoring decision quality on a regular basis. Under this program, approximately 5% of decisions are randomly selected by district office managers for review before issuance of a PDO. In addition, all decisions involving a diagnosis of complicated pneumoconiosis are reviewed as part of the spot audit initiative.

**Section 413(b) Pilot Initiative:** The Black Lung program continues to use a supplemental medical evidence review process, first piloted in fiscal year 2014, to strengthen the complete pulmonary evaluations given to miners by developing additional medical evidence for claims in which the miner worked at least 15 years in coal mine employment and the initial medical evaluation supports an award of benefits. In these cases, any additional evidence received from the RMO or claimant is referred to the examining physician who is asked to provide a supplemental report based on the full body of evidence, which the district director then factors into the decision-making process.

**Annual Accountability Review:** As part of its quality assurance improvement the program piloted a virtual accountability review process for four of its district offices in fiscal year 2016. Before the pilot, the annual accountability review process covered half of the offices each year.

In fiscal year 2017, the annual accountability review was revised to simultaneously have virtual teams review work from all district offices. The annual accountability review addresses the quality of case processing, financial and management controls and administrative functions. Annualizing the review of all district offices with a one-year review period allows the program to identify areas for correction, training, and process improvement and to implement uniform, programwide solutions. The annual accountability review did not require any travel, saving time and money, and consolidating the review resulted in one robust document for the Black Lung program to use as a learning tool.

In fiscal year 2018, the program expanded the size of its virtual team, which allowed for a more comprehensive review and representation across all program offices. The program also analyzed remands from OALJ and BRB and the impact on the Trust Fund. The program continues to use quarterly spot audits as its primary means of monitoring decision quality, yielding real-time quarterly and annual aggregate performance data.

**Efforts to Address Improper Payments and Payment Accuracy**

The Black Lung program continued to match its beneficiary file to the SSA Death Master File weekly, reducing the incidence of improper payments. The program also continued to maintain the accuracy of payments by updating beneficiary information annually and conducting Annual Benefit Evaluations to minimize erroneous payments. In addition, the program continued to carefully evaluate the appointment of representative payees (appointed when a beneficiary requires assistance with his or her finances) and related expenditure reports to verify that benefits are used in the beneficiaries’ best interest.

The program is responsible for ensuring that all benefits are provided accurately and on time. As part of its benefits management program, the Black Lung program conducts Annual Benefit Evaluations to assess whether or not beneficiaries are receiving the appropriate benefits. The program tracks the extent to which it is accurately delivering benefits and meeting established standards. The annual evaluation of beneficiaries allows for early detection of fraud and safeguards against the overpayment of benefits. In fiscal year 2018, as part of the prototype standards initiative, the threshold for measurement of annual benefit evaluations completed was changed from 30 days, as reported in 2016 and 2017, to 60 days in 2018. These changes are reflected in the data reported in Black Lung Table 7.

**Black Lung Table 7**  
Performance Measures –  
Benefits Management,  
Fiscal Years 2016 – 2018

Benefits Management Performance Measures	2016 Target	2016 Result	2017 Target	2017 Result	2018 Target	2018 Result
Percent of Annual Benefit Evaluations completed within 30 days	90%	98%	88%	93% <sup>1</sup>	—	—
Percent of Annual Benefit Evaluations completed within 60 days	—	—	—	—	85%	98%

<sup>1</sup>Annual Accountability Review implemented across all district offices.

**Responsible Mine Operator Oversight**

Coal mine operators must self-insure or purchase commercial insurance, or they are subject to civil money penalties (specified in 20 C.F.R. 726.302) for each day of noncompliance. Under the Act, the Secretary of Labor can authorize a coal mine operator to self-insure after an analysis of the company’s application and supporting documents.

The program evaluates whether or not a responsible mine operator (RMO) should be authorized to self-insure, monitors insurance policy coverage, and oversees RMO’s timely payment of benefits as required. The program continued its Memorandum of Understanding with the National Council on Compensation Insurance, enabling the program to receive insurance policy data on individual operators for states that mandate such reporting. Having access to this information, outlined in Black Lung Table 8, helps ensure that the program is using the most current industry information available to appropriately monitor RMOs.

**Black Lung Table 8**  
Responsible Mine Operators  
Fiscal Years, 2016 – 2018

Responsible Mine Operators (RMO)	2016	2017	2018
Number of active RMOs Authorized to Self-Insure (at year-end) <sup>1</sup>	19	19	22
Number of Commercial Insurance Policies w/a Federal Black Lung endorsement attached	1,446	1,212	1,280
Number of Covered Chief Beneficiaries paid by RMOs (does not include eligible dependents)	4,675	4,965	5,289

<sup>1</sup>RMOs or parent companies who are actively mining

## Information Technology

During fiscal year 2016, the program launched electronic document submission and modernized its medical diagnoses and inpatient hospital coding. In fiscal year 2017, the program expanded electronic document submission to include some medical bills and fully implemented the electronic transfer of digital files to the OALJ. These IT improvements are more fully described below. The program:

- Enhanced the Claimant Online Access Link (C.O.A.L.) Mine Electronic Document Submission Portal to allow for the submission of pre-coded diagnostic bills from Black Lung Clinics and 413(b) medical providers. In fiscal year 2017, in response to stakeholder feedback, increased the maximum file size for uploads to 5MB.
- Transitioned from International Classification of Diseases 9th edition (ICD-9) to the 10th edition (ICD-10) coding for medical diagnoses and inpatient hospital procedures.
- Following successful completion of a pilot initiative with the OALJ, fully implemented an electronic hearing referral protocol for fully-digital filings of living miner or survivor claims. Pilot initiatives for electronic referral of claims to the BRB and SOL also began.
- In fiscal year 2018, updated OWCP Imaging System (OIS) electronic hearing referrals to include referral of subsequently-filed claims.
- Increased C.O.A.L. Mine portal maximum file size from 5MB to 50MB to make it easier for stakeholders to upload necessary documents in fiscal year 2018.

## Medical Bill Processing

Timely and accurate medical bill processing is a critical element in the administration of the Black Lung program. In fiscal year 2016, the program (through the Central Bill Processing contract) processed 77,924 Black Lung medical bills (99.68% were processed within 28 days) and avoided \$1,500,000 in medical costs by further defining the automated edits in the bill processing system. In fiscal year 2017, the program processed 87,358 medical bills (99.18% were processed within 28 days) and avoided \$2,100,000 in medical costs. In fiscal year 2018, the program processed 82,913 medical bills (98.58% were processed within 28 days) and avoided \$1,300,000 in medical costs.

## Regulatory Initiatives

### Exchange of Medical Information

In April 2016, OWCP issued a final rule on several procedural issues that have arisen in administering and adjudicating claims under the BLBA. The final rule:

- Requires all parties to exchange any medical information about the miner that they develop in connection with a claim, even if the party does not intend to submit the information into evidence, and allows for sanctions for failure to comply;
- Clarifies RMO's obligation to pay effective benefits awards during post-award modification proceedings;
- Clarifies that a physician's supplemental report is a continuation of the physician's earlier report for purposes of the evidence-limiting rules; and
- Allows the Department to fully participate in claims adjudications after the RMO stops participating because of adverse financial developments, such as bankruptcy or insolvency.

### Black Lung Disability Trust Fund Medical Benefits

In June 2018, OWCP published a final rule governing payments for covered medical services and treatments provided to miners entitled to BLBA benefits when paid by the Black Lung Disability Trust. The final rule:

- Adopts modern payment formulas for physicians, hospitals and other providers that are derived from the formulas used in the Medicare program. These formulas are also similar to those used by other OWCP programs (e.g., Federal Employees' Compensation and Energy Employees Occupational Illness Compensation programs);
- Codifies the Black Lung program's current practices for the payment of prescription drugs and the submission of medical bills for payment;
- Provides greater clarity about fees paid to providers, which should speed processing and payment of benefits as well as make it easier for the Trust Fund to obtain reimbursement from coal companies;
- Prohibits providers from seeking additional payments from miners for covered services that have been paid by the Trust Fund; and
- Applies to medical equipment, prescription drugs, and inpatient medical services provided or rendered after that date. The rules governing payment of professional medical services and outpatient medical services have a delayed application date and will apply to services rendered after November 30, 2019.

Miners will not see any change in the medical care they receive to treat their black lung disease.

The above regulations are available on the OWCP website at <https://www.dol.gov/owcp/dcmwc>.

# ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION ACT (ENERGY)

## Introduction

The Energy Employees Occupational Illness Compensation Program Act (EEOICPA) was enacted in October 2000. The Department of Labor (DOL) began providing benefits under Part B of the EEOICPA on July 31, 2001. Part B compensates current or former employees (or their eligible survivors) of the Department of Energy (DOE), its predecessor agencies, and certain vendors, contractors, and subcontractors, who were diagnosed with a radiogenic cancer, chronic beryllium disease, beryllium sensitivity, or chronic silicosis as a result of exposure to radiation, beryllium, or silica while employed at covered nuclear weapons facilities. The law also provides compensation to individuals (or their eligible survivors) awarded by the Department of Justice (DOJ) under Section 5 of the Radiation Exposure Compensation Act (RECA). Part E of the EEOICPA, enacted on October 28, 2004, compensates DOE contractor/subcontractor employees (or their eligible survivors) and uranium miners, millers, and ore transporters for occupational illnesses that are linked to toxic exposures at covered DOE facilities.

Implementation of the EEOICPA involves the coordinated efforts of four federal agencies:

- DOL, through the OWCP, has primary responsibility for the adjudication of claims for compensation, payment of benefits for conditions covered by Part B and Part E, and determining covered DOE facilities.
- DOE's role is to designate Atomic Weapons Employer facilities, provide information to identify covered facilities, and provide DOL and the Department of Health and Human Services (HHS) with verification of covered employment and relevant information on exposures.
- DOJ notifies beneficiaries who have received an award of benefits under RECA Section 5 of their possible EEOICPA eligibility and provides RECA claimants with the information required by DOL to complete the claim development process.
- HHS, through NIOSH, establishes procedures for estimating radiation doses and designating new Special Exposure Cohort (SEC) classes; develops guidelines to determine the probability that cancer was caused by workplace exposure to radiation; and carries out dose reconstruction for cases referred by DOL. HHS also provides administrative services and other necessary support to the Advisory Board on Radiation and Worker Health (ABRWH). The ABRWH advises HHS on the scientific validity and quality of dose reconstruction efforts, and receives and provides recommendations on petitions requesting additional classes of employees for inclusion as members of the SEC.

## Benefits and Services

To determine whether an individual is eligible for benefits under the EEOICPA, the Division of Energy Employees Occupational Illness Compensation (DEEOIC) program staff must analyze both the employee's employment history and medical evidence.

A covered employee who qualifies for benefits under Part B may receive a one-time lump-sum payment of \$150,000, plus medical expenses related to an accepted, covered condition. Survivors of these workers may also be eligible for a lump-sum compensation payment. Part B also provides for payment of \$50,000 to uranium workers (or their eligible survivors) who received an award from DOJ under Section 5 of RECA.

In some Part B cases, NIOSH must estimate an individual's radiation dose so the Energy program staff can determine whether it is "at least as likely as not" that the individual contracted cancer because of exposure to radiation at a covered facility. In other cases, claimants may qualify for benefits as part of a class of employees in the SEC. Congress established the SEC in the EEOICPA legislation to allow for the compensation of eligible cancer claims without the completion of a

# ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT

radiation dose reconstruction. To qualify for compensation under the SEC, a covered employee must have at least one of 22 specified cancers and have worked for a certain period of time at a facility designated in the statute or as a class within the SEC.

Part E provides benefits to employees of DOE contractors and subcontractors (or their eligible survivors) for illnesses determined to have resulted from exposure to toxic substances at a covered DOE facility. Uranium miners, millers, and ore transporters may also be eligible to receive Part E benefits. Benefits are provided for any illness if it can be determined that it was “at least as likely as not” that work-related exposure to a toxic substance was a significant factor in causing, contributing to, or aggravating the illness or death of an employee. In addition, the EEOICPA provides that any determination made under Part B to award benefits (including RECA Section 5 claims) is an automatic acceptance under Part E for causation of the illness, if the employee also met the employment criteria. Under Part E, a covered employee may be eligible to receive compensation for the percentage of impairment that is related to a covered illness, as well as any illness, injury, impairment, or disease shown by medical evidence to be a consequence of an accepted Part E illness. Eligible employees receive \$2,500 for each percentage point of impairment related to the accepted condition(s). Also, covered employees may be eligible to receive wage-loss benefits of \$15,000 for any year in which they made less than 50% of their baseline wage, as a result of a covered illness, and \$10,000 for any year in which they made more than 50% but less than 75% of that baseline wage. The maximum payable compensation under Part E is \$250,000 for all claims relating to any individual employee. Workers who are covered by both parts can receive a total of \$400,000 in compensation (\$150,000 for Part B and \$250,000 for Part E). In addition to monetary compensation, the program pays medical benefits for covered illnesses.

Part E survivor benefits include a basic lump sum of \$125,000. Survivors may receive \$25,000 in additional benefits if the deceased employee had, at normal retirement age under the Social Security Act, at least 10 aggregate calendar years of wage loss of at least 50% of his or her baseline wage. If an employee had 20 or more such years, the additional amount paid to eligible survivors may increase to \$50,000. The maximum Part E compensation benefit for survivors is \$175,000.

## **Claims and Benefits**

From its inception to the end of fiscal year 2018, the Energy program awarded approximately 121,000 claimants compensation and medical benefits totaling over \$15.6 billion. This included \$11.1 billion in compensation and just over \$4.4 billion in medical expenses. Part B compensation accounts for approximately \$6.6 billion (since 2001) of the \$11.1 billion, and Part E accounts for approximately \$4.5 billion (since October 28, 2004). In fiscal year 2016 and 2017, the program provided benefits to 16,286 and 16,301 individual claimants, respectively (including lump sum, impairment, wage-loss, or medical benefits). In fiscal year 2018, the Energy program provided benefits to 16,491 individual claimants (including lump sum, impairment, wage loss, or medical benefits).

While the program is experiencing a general downward trend in the number of new claims, as shown in Energy Table 1, the overall caseload is not decreasing. A substantial number of prior claims now require additional or ongoing review based on new information, although the Energy program does not count them as new claims. For instance:

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1. New policies or procedures and changes to the NIOSH dose reconstruction methods result in coverage to individuals who may have previously been denied;
2. The addition of new classes of employees to the SEC can result in the need for re-review of old claims; and
3. There have been more requests for claim reopening, which can be requested at any time after a final decision.

These instances result in a re-review of existing or previous cases and often newly recommended and final decisions, in effect extending the period of time over which the Energy program staff actively works such claims. Energy Table 1 displays information on the number of claims and/or decisions received and approved in fiscal year 2016 through 2018.

**Energy Table 1**  
Claims, Decisions, and  
Approvals, Fiscal Years  
2016 – 2018

Claims, Decisions, and Approvals	Part B			Part E		
	2016	2017	2018	2016	2017	2018
<b>Number of new claims</b>	5,709	5,460	4,885	4,965	4,877	4,882
<b>Number of Recommended Decisions</b>	8,199	8,230	7,153	12,382	14,170	14,136
<b>Number of claims that received Final Decisions</b>	7,254	7,254	6,466	9,720	10,683	11,009
<b>Number of claims approved (Final)</b>	3,426	3,373	2,858	5,131	5,916	6,117
<b>Percent of claims approved (of those issued a Final Decision each year)</b>	47%	47%	44%	53%	55%	56%
<b>Number of claimants who received compensation during the year</b>	3,089	3,103	2,540	3,920	4,406	4,684

In addition to the growing number of prior claims requiring additional or ongoing review, the annually increasing cumulative number of approved claims increases the workload related to ongoing case management. This increasing workload primarily consists of:

1. Consequential condition claims, which are additional medical conditions claimed as a result of previously accepted medical conditions but are not counted as new claims; and
2. Medical authorizations granting approval of medical benefit requests for accepted medical conditions (e.g., home health care, durable medical equipment, and other treatments) that require review, determination, and oversight.

The number of consequential condition claims (Part B and E combined) for fiscal year 2016 to 2018 is as follows: 6,887, 6,502, and 7,642, respectively. Energy Table 2 shows the resulting increase in total benefit payments due to the recent significant increases in medical benefit payments.

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**Energy Table 2**  
Benefit Payments,  
Fiscal Years 2016 – 2018

Benefit Payments	Part B			Part E		
	2016	2017	2018	2016	2017	2018
Lump sum compensation benefit payments <sup>1</sup>	\$288.7 million	\$301.3 million	\$264.5 million	\$265.7 million	\$318.8 million	\$341.5 million
Medical benefit payments <sup>2</sup>	\$484.7 million	\$548.1 million	\$657.4 million	\$56.5 million	\$67.8 million	\$87.4 million
<b>Total compensation and medical benefit payments</b>	<b>\$773.4 million</b>	<b>\$849.4 million</b>	<b>\$921.8 million</b>	<b>\$322.2 million</b>	<b>\$386.6 million</b>	<b>\$428.9 million</b>

<sup>1</sup>Excludes payments made by DOL for DOJ RECA Section 5 claims. DOL serves as a pass-through and utilizes the compensation fund established under the EEOICPA for DOJ's payments of \$100,000 to qualifying RECA Section 5 claimants as provided for in 42 U.S.C. § 7384u(d). These payments totaled \$14.6 million in fiscal year 2016, \$12.5 million in 2017, and \$13.7 million in 2018.

<sup>2</sup>Part B medical payments represent payments made for cases accepted under both Part B and Part E. Part E medical payments represent payments made for Part E only.

## Funding

The EEOICPA account funds both Energy program benefits and administrative costs. Administrative expenditures cover the Washington, D.C., headquarters; five Final Adjudication Branch (FAB) offices; four district offices; and 11 Resource Centers nationwide that are operated by a contractor. Energy Table 3 provides a comparison of OWCP administrative expenditures over the three years.

**Energy Table 3**  
OWCP Administrative  
Expenditures, Fiscal Years  
2016 – 2018

Administrative Expenditures	2016	2017	2018
<b>Part B</b>			
Number of employees (Full-time Equivalent (FTE) staff)	241	241	225
Part B administrative expenditures <sup>1</sup>	\$53.0 million	\$54.4 million	\$54.5 million
<b>Part E<sup>2</sup></b>			
Number of employees (FTE staff)	238	232	216
Part E administrative expenditures <sup>1</sup>	\$68.4 million	\$69.8 million	\$72.0 million
<b>Total</b>			
Number of Employees (FTE staff)	479	473	441
Total OWCP administrative expenditures <sup>3</sup>	\$121.4 million	\$124.2 million	\$126.5 million

<sup>1</sup>Funding for HHS responsibilities under the EEOICPA is provided for in that agency's appropriation. Expenditures include Ombudsman B and E.

<sup>2</sup>Part E funding includes funding for the Energy Advisory Board.

<sup>3</sup>Funding totals are post-sequestration.

DOL's Agency Financial Reports provide additional information on the Energy program's finances:

- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/Sec/2016annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2016annualreport.pdf)
- [https://www.dol.gov/sites/dolgov/files/legacy-files/media\\_0/Sec/2017annualreport.pdf](https://www.dol.gov/sites/dolgov/files/legacy-files/media_0/Sec/2017annualreport.pdf)
- <https://www.dol.gov/sites/dolgov/files/OPA/reports/2018annualreport.pdf>

# ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT

## Accomplishment and Performance

During fiscal year 2016 through 2018, the Energy program continued to make significant improvements in the areas of claims adjudication, medical bill processing, and provision of medical benefits and home health care benefits.

### Adjudication

One of the major functions of the Energy program is to determine whether an individual qualifies for Part B and/or Part E benefits. For claims filed under Part B, the district office staff collects, develops, and evaluates employment and illness data following the EEOICPA criteria and relevant regulations and procedures. The district offices then issue recommended decisions to claimants. Claims may also be filed under Part B for the \$50,000 RECA supplement.

The Energy program can act relatively quickly on claims involving “specified cancers” at SEC facilities because EEOICPA provides a presumption that any of the 22 listed specified cancers incurred by an SEC worker was caused by radiation exposure at the SEC facility. As of September 30, 2018, the SEC covered 123 classes of employees at 79 facilities.

During fiscal year 2016, NIOSH added five classes of employees to the SEC, for the following facilities:

- Argonne National Laboratories-West Site in Scoville, Idaho
- Battelle Laboratories at the King Avenue Site in Columbus, Ohio
- Hooker Electrochemical Corporation in Niagara Falls, New York
- Idaho National Laboratory in Scoville, Idaho
- Lawrence Livermore National Laboratory in Livermore, California

During fiscal year 2017, NIOSH added four classes of employees to the SEC, for the following facilities:

- Ames Laboratory in Ames, Iowa
- Idaho National Laboratory in Scoville, Idaho
- Pantex Plant in Amarillo, Texas
- Santa Susana Field Laboratory – Area IV in Ventura County, California

During fiscal year 2018, NIOSH added two classes of employees to the SEC, for the following facilities:

- Ames Laboratory in Ames, Iowa
- Idaho National Laboratory in Scoville, Idaho

When NIOSH adds a new class of employees to the SEC, DOL reviews all potentially affected cases and determines whether the employee in question meets the criteria for inclusion in the new class. DOL reopens any previously denied claim meeting the new SEC class definition for additional development.

For cases involving claimed cancers that are not covered by SEC provisions under Part B (including cancers incurred at a non-SEC facility, a non-specified cancer incurred at an SEC facility, or an employee who did not have sufficient employment duration to qualify for the SEC designation), there is an intervening step to determine causation called “dose reconstruction.” In these instances,

# ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT

once DOL determines that a worker was a covered employee and that he/she had a diagnosis of cancer, DOL refers the case to NIOSH so that NIOSH can estimate the individual's radiation dose. After NIOSH calculates a dose estimate for the worker, DOL takes this estimate and applies the methodology promulgated in the HHS probability of causation regulation to determine if the dose estimate met the statutory causality test. The standard is met if the cancer was "at least as likely as not" related to covered employment, as indicated by a determination of at least 50% probability.

## Recommended and Final Decisions

The district offices issue a recommended decision to approve or deny a specific claim. The FAB must review each recommended decision. Individuals who disagree with the recommended decision on a claim may object by requesting an oral hearing or a review of the written record from the FAB. The FAB issues a final decision on each claim either awarding or denying benefits. The FAB may also remand a decision to the district office if further development of the case is necessary. A claimant may challenge the FAB's final decision by requesting reconsideration or reopening of the claim, or may file a petition for review of a final decision with the appropriate U.S. District Court.

Of the claims on which the FAB issued final decisions in fiscal year 2016, DOL approved benefits for 47.2% of Part B claims and 52.8% of Part E claims. In fiscal year 2017, DOL approved benefits for 46.5% of Part B claims and 55.4% of Part E claims. In fiscal year 2018, DOL approved benefits for 44.2% of Part B claims and 55.6% of Part E claims. Energy Table 4 provides the number of reviews, hearings, and decisions by type for fiscal year 2016, 2017, and 2018.

**Energy Table 4**  
Reviews, Hearings, and  
Decisions, Fiscal Years  
2016 – 2018

Parts B and E	2016	2017	2018
<b>Number of Recommended Decisions – District Offices</b>	20,581	22,400	21,289
<b>Number of Reviews of the Written Record – FAB</b>	696	786	753
<b>Number of oral hearings conducted – FAB</b>	343	382	223
<b>Number of claims that received Final Decisions – FAB</b>	16,974	17,937	17,475

The Energy program continued its strong record of performance, focusing on both timeliness and quality standards for the claims adjudication and decision-making processes in both the district offices and the FAB. Energy Table 5 presents performance targets and results for claims adjudication measures for the three years.

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**Energy Table 5**  
Performance Results  
- Adjudication, Fiscal  
Years 2016 – 2018

Performance Measures	2016 Target	2016 Result	2017 Target	2017 Result	2018 Target	2018 Result
Average number of days between filing date and final decision for cases sent to NIOSH when a hearing is held - Parts B and E <sup>1</sup>	Contextual	501	Contextual	489	Contextual	508
Average number of days between filing date and final decision for cases sent to NIOSH when a hearing is not held - Parts B and E <sup>1</sup>	Contextual	358	Contextual	340	Contextual	345
Average number of days between filing date and final decision for cases not sent to NIOSH when a hearing is held - Parts B and E	315	324	315	322	315	316
Average number of days between filing date and final decision for cases not sent to NIOSH when a hearing is not held - Parts B and E	175	167	170	169	170	163
Average number of days to process initial claims - Parts B and E	100	101	100	96	100	93
Percent of sampled Part B and Part E initial claims rated as being accurate	90%	94%	90%	94%	90%	94%
Percent of sampled Part B and Part E initial claims with final decisions rated as being accurate	90%	93%	90%	97%	90%	95%

<sup>1</sup>While the timeliness data for claims that go to NIOSH is informative, it is not useful for judging agency performance; the Energy program made the performance targets related to NIOSH contextual in fiscal year 2015.

## Medical Bill Processing

In addition to adjudicating claims, the Energy program is responsible for seeing that beneficiaries receive the appropriate benefits – in terms of both compensation and medical benefits. As part of the Energy program benefit structure, OWCP provides home health care services to severely ill covered employees where medically necessary. The volume of these requests continues to increase due to the aging claimant population and their physical needs. Seeing that beneficiaries receive prompt authorization for medical treatment, and that OWCP pays providers quickly and correctly is critical to the administration of EEOICPA. Energy Table 6 presents medical bill processing information, showing increased timeliness, number of enrolled providers, and cost avoidance over the three years.

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**Energy Table 6**  
Medical Bill Processing  
Activity, Fiscal Years  
2016 – 2018

Volume	2016	2017	2018
Average number of workdays to process medical authorizations	1 day	1 day	1 day
Number of medical bills processed	630,519	471,686	538,076
Percent of medical bills processed within 28 days	82%	99%	99%
Number of newly enrolled providers	160	179	364
Number of total enrolled providers (end of year)	152,264	155,333	160,248
Cost avoidance due to improvements in medical bill processing	\$25.2 million	\$29 million	\$32 million

## Medical Benefits and Home Health Care Management

The volume of requests for medical benefits continues to increase due to the growing home health care industry and the program's elderly claimant population. Given instances of fraud previously seen in the home health care and medical bill sectors, it is important that the program verify the services provided to claimants.

Consequently, the Energy program centralized the processes in the Branch of Medical Benefits in the National Office. Staff is comprised of bill payment and coding analysts, medical benefit examiners, and program integrity analysts for audits and data analysis. The staff specializes in supporting medical benefits billing, adjudicating home health care requests, and analyzing data to reduce potential waste, fraud, and abuse. Energy Table 7 displays performance results and targets for the management of home health care benefits for fiscal year 2016 through 2018.

**Energy Table 7**  
Performance Results  
– Home Health Care  
Benefits Management,  
Fiscal Years  
2016 – 2018

Performance Measures	2016 Target	2016 Result	2017 Target	2017 Result	2018 Target	2018 Result
Average annual cost of home health care payments	Contextual	\$86,400	Contextual	\$83,518	Contextual	\$87,328
Percent of sampled Part B and Part E home health care authorizations rated as being accurate <sup>1</sup>	90%	94%	N/A	N/A	N/A	N/A

<sup>1</sup>The Energy program did not measure this in fiscal year 2017 and 2018 because the program developed a new centralized unit, in which more standardized approaches and new methods of development were just starting. The Energy program does plan to measure this in the future.

## Stakeholder Engagement and Outreach

The Energy program continues to focus its outreach on both nuclear weapons workers and health care providers. The purpose of the outreach is to:

1. Educate potential claimants and current beneficiaries about the program, assist with filing claims, and provide an understanding of the adjudication process; and
2. Inform health care providers (including physicians and home health care organizations) about EEOICPA benefits as well as their responsibilities in prescribing care and providing services.

The program also posts information and technical assistance on its website.

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Over the three years, the program conducted a series of face-to-face outreach events across the country with nuclear weapons workers and their families, to make qualified workers and their survivors aware of the program and discuss how to complete and submit claims. Energy Table 8 presents details on the face-to-face and telephonic outreach events sponsored by the Energy program.

**Energy Table 8**  
Energy Program  
Sponsored Outreach,  
Fiscal Years  
2016 – 2018

2016 Energy Program Sponsored Outreach			
Location	Principal Audience	Number of Participants	Purpose
Niagara Falls, NY	Hooker Electrochemical employees and their families	45	Share information on Hooker Electrochemical SEC.
Grand Junction, CO Bridgeton, MO Farmington, NM Grants, NM Albany, OR Moab, UT	Nuclear weapons workers and their families	322	Share information regarding the mission of the EEOICPA and the medical benefits available to approved claimants, including how to request payment for medical treatment and home health care services as well as travel expense reimbursement.
Conference Call Dates	Principal Audience	Number of Participants	Purpose
April 5 and 6, 2016 September 7 and 8, 2016	Physicians and home health care providers	145	Share information on EEOICPA benefits and how to better serve claimants.
2017 Energy Program Sponsored Outreach			
Location	Principal Audience	Number of Participants	Purpose
Metropolis, IL Shiprock, NM Monticello, UT Huntington, WV	Nuclear weapons workers and their families	196	Share information regarding the mission of the EEOICPA and the medical benefits available to approved claimants, including how to request payment for medical treatment and home health care services as well as travel expense reimbursement.
Conference Call Dates	Principal Audience	Number of Participants	Purpose
February 7 and 8, 2017 May 23 and 24, 2017 September 19 and 20, 2017	Physicians and home health care providers	196	Share information on EEOICPA benefits and how to better serve claimants.
2018 Energy Program Sponsored Outreach			
Location	Principal Audience	Number of Participants	Purpose
Grand Junction, CO Ames, IA Bridgeton, MO Shiprock, NM New Kensington, PA Moab, UT	Nuclear weapons workers and their families	371	Share information regarding the mission of the EEOICPA and the medical benefits available to approved claimants, including how to request payment for medical treatment and home health care services as well as travel expense reimbursement.
Conference Call Dates	Principal Audience	Number of Participants	Purpose
February 6 and 7, 2018 June 12 and 13, 2018 September 11 and 12, 2018	Medical Providers	258	Share information on EEOICPA benefits and how to better serve claimants.

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## Resource Centers

The Energy program's network of resource centers near major DOE sites provides an initial point-of-contact for workers interested in the program and to individuals filing claims under the EEOICPA. As of fiscal year 2018, approximately 61 resource center contract employees at 11 sites are available to assist claimants in completing necessary claim forms and gathering documentation that can support their claims. The staff assists with initial claim filing and Part E occupational history development, forwards all claims and associated documentation to the appropriate district office, and supports town hall meetings, traveling resource centers, and Joint Outreach Task Group (JOTG) events. Energy Table 9 presents the resource centers technical assistance accomplishments for the three years.

**Energy Table 9**  
Resource Center  
Accomplishments,  
Fiscal Years 2016 – 2018

Activity	2016	2017	2018
Claims filed	9,595	9,541	8,825
Telephone calls received	34,699	31,152	28,969 <sup>1</sup>
Follow-up actions with claimants conducted	114,088	112,698	118,999
Occupational history interviews conducted	4,605	4,538	4,071

<sup>1</sup>The telephone calls received at the Resource Centers were not Interactive Voice Response system related.

## Joint Outreach Task Group

The JOTG consists of representatives from the DOL's Energy program, DOL's Office of the Ombudsman for EEOICPA, NIOSH, and the Ombudsman to NIOSH for the EEOICPA – Part B, DOE, and DOE's Former Worker Program. Over the three years, the JOTG sponsored several town hall meetings and open houses to provide information regarding the EEOICPA to nuclear weapons workers and their families. In fiscal year 2018, the program initiated and hosted an outreach event for authorized representatives. Energy Table 10 displays many JOTG sponsored outreach activities.

**Energy Table 10**  
Resource Center  
Accomplishments,  
Fiscal Years  
2016 – 2018

2016 JOTG Sponsored Outreach Events			
Location	Principal Audience	Number of Participants	Purpose
Altamonte Springs, FL Tampa, FL Ames, IA Burlington, IA Idaho Falls, ID Pocatello, ID	Nuclear weapons workers and their families	468	Share EEOICPA information and clarification.
2017 JOTG Sponsored Outreach Events			
Location	Principal Audience	Number of Participants	Purpose
San Bernardino, CA Sim Valley, CA Pasco, WA	Nuclear weapons workers and their families	186	Share EEOICPA information and clarification.
2018 JOTG Sponsored Outreach Events			
Location	Principal Audience	Number of Participants	Purpose
Jacksonville, FL Santa Fe, NM Kennewick, WA	Nuclear weapons workers and their families	169	Share EEOICPA information and clarification.

# ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT

## Program Management and Integrity

### Information Technology and Program Enhancements

The Energy program made significant strides in expanding and enhancing its use of IT to improve program performance and better meet customer needs. Accomplishments include:

**Energy Document Portal and Central Mail Room:** The Energy Document Portal (EDP) allows the Energy program claimants to upload documents directly into their imaged case files. Electronically submitted documents are available to claims staff immediately after the document upload is complete, thus eliminating the delays of mailing. The program uses Central Mail Room (CMR) to process incoming correspondence and transmit it to OWCP Imaging System (OIS) for electronic access. Energy Table 11 shows the continued increase in documents submitted through EDP and the corresponding decrease in documents submitted through the CMR.

**Energy Table 11**  
EDP and CMR Activity,  
Fiscal Years 2016 – 2018

Activity	2016	2017	2018
EDP documents received	72,358	81,544	87,313
CMR documents transmitted to OIS	70,372	46,274	47,721

**Correspondence Creation and Tracking System:** Correspondence Creation and Tracking System (CCAT) is a tool that pulls case-specific information from the Energy Compensation System and places it within correspondence issued to various stakeholders, leading to a reduction in errors and faster correspondence creation time. The first release of CCAT occurred in September 2016. In fiscal year 2017, over 19,000 documents were created using CCAT. The number of documents created using CCAT has since steadily increased; in 2018 over 35,000 documents were created using CCAT. The Energy program plans to work with OWCP to continue the development of the tool for a broader library of correspondence document types.

**Secure Access Management Service:** The Energy program fully implemented the Secure Access Management Service (SAMS) portal, a method that allows for the sharing of documents to and from NIOSH electronically, with the anticipation that the use of the technology will continue to help bring down end-to-end claims adjudication time when NIOSH referrals occur.

**Center for Construction Research and Training:** Formerly called the Center to Protect Workers' Rights, Center for Construction Research and Training (CPWR) has continued its work under contract with the Energy program. The program tasked the CPWR with electronically tracking all evidence collected/received in support of a contractor or subcontractor relationship with the DOE. The web-accessible database identifies and confirms the existence of contractual relationships between contractor and subcontractor employers and certain covered facilities and is available to claims examiners for use in the adjudication of claims. CPWR updated the database with 2,356 subcontractors in fiscal year 2016 and 2,400 subcontractors in 2017. In 2018, the Energy program shifted priorities from adding subcontractors to the database to finding additional documentation to strengthen the evidence showing contractual relationships between contractor and subcontractor employers and certain covered facilities.

**Site Exposure Matrices Database:** The Energy program continued to enhance its Site Exposure Matrices (SEM) database, which is a relational database that contains information regarding the toxic substances linked to job categories at particular DOE facilities. The Energy program built the SEM with the intent of easing claimants' evidentiary burdens and expediting

# ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT

the claims process. The publicly viewable Internet Accessible SEM (IAS) website contains the same information on each DOE and RECA site that DEEOIC used, delayed by approximately six months for classification reviews by DOE.

In fiscal year 2016, 2017, and 2018, the Energy program continued to enhance the SEM database by adding profiles for three decontaminated and decommissioned DOE sites (Rocky Flats Plant, Mound Plant, and Feed Materials Production Center). These are the first sites to have SEM profiles prepared for closure activities. The Energy program updated the public IAS twice each year (during November and May). As of September 30, 2018, the SEM housed information on more than 16,400 toxic substances/chemicals used at 128 DOE sites and approximately 4,000 additional RECA sites (including uranium mines, mills, ore buying stations, and ore transporters covered under the EEOICPA). The Energy program consolidated many trade name substances into 70 generic classes to simplify the use of SEM information for these substances.

## Ombudsman

The Defense Authorization Act for FY 2005 (Public Law 108-375) created an Office of the Ombudsman at DOL for a period of three years to provide information to claimants, potential claimants, and other interested parties on the benefits available under Part E of the EEOICPA. Subsequent Defense Authorization Acts extended the term of the Ombudsman's office through October 28, 2019. The National Defense Authorization Act of 2009 expanded the authority of the Office to also include Part B.

The Office of the Ombudsman is within DOL, but independent from OWCP. It reports annually to Congress on complaints, grievances, and requests for assistance. The Energy program continues to work directly with the Ombudsman's office to promptly resolve any issues and concerns stemming from the Ombudsman's findings.

## Advisory Board on Toxic Substances and Worker Health

The National Defense Authorization Act of 2015 (Public Law 113-291), as amended, modified the EEOICPA to include Section 3687, creating the Advisory Board on Toxic Substances and Worker Health to advise the Secretary of Labor (as delegated by Executive Order 13699) concerning technical aspects of the EEOICPA program. The Advisory Board is charged with advising the Secretary on four statutorily-specified technical issues related to EEOICPA: DOL's SEM; medical guidance for claims examiners with respect to the weighing of medical evidence of claimants; evidentiary requirements for claims under subtitle B related to lung disease; and the work of industrial hygienists, staff physicians, and consulting physicians to ensure quality, objectivity, and consistency. In 2017, legislation extended the Advisory Board's sunset date to December 19, 2024 (Public Law 115-91).

The Advisory Board Chair forwarded three sets of recommendations to the Secretary during fiscal year 2016 and 2017, and one set of revised recommendations in 2018. The initial members' two-year terms expired in 2018; in July 2018, the Secretary appointed 12 members to two-year terms. For more information, see the Advisory Board's website at <https://www.dol.gov/owcp/energy/regs/compliance/AdvisoryBoard.htm>.

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## Appendix A: Federal Employees' Compensation Act (FECA) Program Tables

**Table A1** Federal Employees' Compensation Rolls, Fiscal Years 2009 – 2018 (Cases at End-of-Year)

Type	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Total Periodic Roll</b>	49,672	49,517	49,488	49,436	47,511	46,415	45,412	43,656	42,577	41,417
<b>Long-Term Disability</b>	45,162	45,263	45,382	45,490	43,726	42,762	42,128	40,524	39,572	38,551
<b>Death</b>	4,510	4,254	4,106	3,946	3,785	3,653	3,284	3,132	3,005	2,866

**Table A2** Federal Employees' Compensation Program Summary of Claims Activity, Fiscal Years 2009 – 2018

Incoming Cases	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Cases Created</b>	129,690	127,526	121,290	115,697	113,880	114,316	112,332	109,249	108,406	106,956
<b>Traumatic</b>	112,640	111,121	105,688	99,832	98,203	100,124	98,974	96,750	95,962	94,811
<b>Occupational Disease</b>	16,951	16,300	15,501	15,757	15,579	14,488	13,549	13,084	12,402	12,146
<b>Fatal Cases</b>	99	105	101	108	98	93	103	128	120	91
<b>Wage-Loss Claims Initiated</b>	18,808	19,861	20,239	19,806	18,703	18,895	17,988	16,934	16,801	16,762

**Table A3** Federal Employees' Compensation Program Expenditures and Enacted Funding, Fiscal Years 2009 – 2018 (\$ thousands)

Category	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Total Expenditures</b>	\$2,874,754	\$3,015,333	\$3,137,372	\$3,184,480	\$3,106,876	\$3,103,626	\$3,173,085	\$3,264,535	\$2,995,372	\$3,164,346
<b>Total Benefits</b>	2,732,577	2,857,806	2,983,866	3,024,890	2,949,366	2,944,428	3,013,578	3,202,966	2,940,947	3,110,035
<b>Compensation Benefits</b>	1,747,650	1,807,450	1,931,505	1,955,968	1,904,397	1,854,931	1,943,121	1,930,729	1,879,237	2,000,724
<b>Medical Benefits</b>	847,373	912,796	913,141	928,957	911,618	959,403	951,308	1,106,487	908,927	949,490
<b>Survivor Benefits</b>	137,554	137,560	139,220	139,965	133,351	130,094	167,899	165,751	152,784	159,822
<b>Total Enacted Funding</b>	142,177	157,527	153,506	159,590	157,510	159,198	158,517	162,689	169,005	173,858
<b>Salaries and Expenses</b>	90,049	98,116	98,085	97,442	98,308	97,242	98,447	100,519	102,330	102,670
<b>Fair Share</b>	52,128	59,411	55,421	62,148	59,202	61,956	60,070	62,170	66,675	71,188

**Table A4** Federal Employees' Compensation Program Chargeback Costs, by Major Federal Agency, Chargeback Years<sup>1</sup> 2009 – 2018 (\$ thousands)

Agency	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Total Costs</b>	\$2,669,115	\$2,697,107	\$2,875,430	\$3,005,857	\$2,927,296	\$2,894,429	\$2,987,192	\$3,001,244	\$2,780,096	\$2,780,902
<b>U.S. Postal Service</b>	1,055,221	1,101,200	1,240,014	1,320,011	1,305,073	1,306,840	1,382,944	1,410,617	1,282,076	1,303,681
<b>Department of the Navy</b>	240,004	234,251	236,471	239,855	222,803	213,717	206,012	196,612	189,311	180,078
<b>Department of Veterans Affairs</b>	179,922	182,212	186,254	200,569	199,368	202,300	213,914	219,188	196,957	200,125
<b>Department of Homeland Security</b>	164,611	160,502	166,514	178,037	183,968	181,225	196,190	216,461	206,142	215,095
<b>Department of the Army</b>	181,775	177,236	176,941	178,289	166,731	162,699	164,437	158,791	148,834	146,479
<b>Department of the Air Force</b>	131,301	129,323	135,596	133,305	126,470	120,541	118,230	112,217	102,811	99,690
<b>Department of Justice</b>	104,772	104,573	109,850	117,253	115,768	119,872	124,399	123,960	119,900	121,820
<b>Department of Transportation</b>	99,251	97,687	97,457	102,258	93,652	89,411	88,862	85,767	81,207	78,613
<b>Department of Agriculture</b>	73,670	72,876	72,621	73,875	72,365	70,725	69,234	70,621	65,645	61,012
<b>Department of Defense</b>	63,051	63,581	65,331	69,788	66,517	64,820	63,719	62,359	56,809	56,337
<b>All Other Agencies</b>	375,537	373,666	388,381	392,617	374,581	362,280	359,252	344,650	330,405	317,972

<sup>1</sup> A year for chargeback purposes is from July 1 through June 30.

## Longshore Program Tables

**Table B1** Lost Time Injuries, Fiscal Years 2009 – 2018

Lost-Time Injuries	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Lost-time injuries reported	29,952	31,628	29,169	29,287	28,145	27,212	23,939	24,333	27,237	28,208
Number of cases of injury and death reported under the Defense Base Act	12,162	14,562	11,443	12,122	11,549	7,876	5,867	6,089	6,622	6,694

**Table B2** Total Industry Compensation and Benefit Payments under the Longshore and Harbor Workers' Compensation Act (LHWCA)', 2008 – 2017<sup>2</sup> (\$ thousands)

Year	Payments By Self-Insured Employers	Payments By Insurance Carrier	Total Payments
2008	\$340,336	\$504,348	\$844,684
2009	\$388,088	\$551,716	\$939,804
2010	\$408,534	\$589,387	\$997,921
2011	\$425,581	\$710,330	\$1,135,912
2012	\$430,853	\$801,902	\$1,232,755
2013	\$417,776	\$927,417	\$1,345,193
2014	\$429,307	\$961,542	\$1,390,849
2015	\$420,839	\$892,886	\$1,313,724
2016	\$415,506	\$879,868	\$1,295,374
2017	\$406,737	\$865,076	\$1,271,813

<sup>1</sup> Includes disability compensation payments under the LHWCA and all other extensions to the Act, except the District of Columbia Workmen's Compensation Act (DCCA), which includes both disability compensation and medical benefit payments.

<sup>2</sup> The industry reports payments to the Department of Labor (DOL) on a calendar year basis.

**Table B3** National Average Weekly Wage (NAWW) and Corresponding Maximum and Minimum Compensation Rates and Annual Adjustments Under Sections 6(b), 9(e), and 10(f) of LHWCA, Fiscal Years 2010 – 2019

Year	NAWW	Maximum Payable <sup>1</sup>	Minimum Payable	Annual Adjustment (% Increase in NAWW) <sup>2</sup>
2010	\$612.33	\$1,224.66	\$306.17	2.00%
2011	\$628.42	\$1,256.84	\$314.21	2.63%
2012	\$647.60	\$1,295.20	\$323.30	3.05%
2013	\$662.59	\$1,325.18	\$331.30	2.31%
2014	\$673.34	\$1,346.68	\$336.67	1.62%
2015	\$688.51	\$1,377.02	\$344.26	2.25%
2016	\$703.00	\$1,406.00	\$351.50	2.10%
2017	\$718.24	\$1,436.48	\$359.12	2.17%
2018	\$735.89	\$1,471.78	\$367.94	2.46%
2019	\$755.38	\$1,510.76	\$377.69	2.65%

<sup>1</sup> Maximum became applicable in death cases (for any death after September 28, 1984) under the LHWCA Amendments of 1984. See 33 U.S.C. § 906(b)(1). Section 9 (e)(1) provides that the total weekly death benefits shall not exceed the lesser of the average weekly wages of the deceased or the benefits that the deceased would have been eligible to receive under section 6(b)(1). Maximum in death cases not applicable to DCCA cases (Keener v. Washington Metropolitan Area Transit Authority, 800 F.2d 1173 (D.C. Cir. (1986))).

<sup>2</sup> 5% statutory maximum increase applicable in fiscal year 1985 under section 10(f) of LHWCA, as amended. The maximum increase does not apply to DCCA cases (see note 1, above).

**Table B4** LHWCA Special Funds' Expenditures, Fiscal Years 2009 – 2018 (\$ thousands)<sup>1</sup>

Year	Total	Second Injury Cases <sup>2</sup>	Pre Amend. Cases <sup>3</sup>	Rehab. <sup>4</sup>	Other <sup>5</sup>	Number of Second Injury Cases
2009	\$132,688	\$121,203	\$1,656	\$2,832	\$6,996	4,378
2010	\$128,110	\$116,703	\$1,484	\$3,183	\$6,740	4,201
2011	\$125,329	\$112,876	\$1,389	\$2,821	\$8,243	4,089
2012	\$122,667	\$111,143	\$1,341	\$2,323	\$7,861	3,946
2013	\$120,532	\$109,501	\$1,245	\$2,066	\$7,719	3,842
2014	\$118,802	\$109,286	\$1,172	\$1,689	\$6,656	3,643
2015	\$113,865	\$104,695	\$1,048	\$1,543	\$6,579	3,639
2016	\$110,114	\$99,483	\$962	\$1,083	\$6,577	3,547
2017	\$108,229	\$91,995	\$1,025	\$748	\$1,845	3,340
2018	\$101,843	\$89,137	\$1,725	\$751	\$9,959	3,116

**Table B5** DCCA Special Funds' Expenditures, Fiscal Years 2009 – 2018 (\$ thousands)<sup>1</sup>

Year	Total	Second Injury Cases <sup>2</sup>	Pre Amend. Cases <sup>3</sup>	Rehab. <sup>4</sup>	Other <sup>5</sup>	Number of Second Injury Cases
2009	\$10,094	\$9,197	\$590	\$0	\$306	550
2010	\$9,388	\$8,598	\$548	\$0	\$241	516
2011	\$9,528	\$8,265	\$504	\$4	\$755	497
2012	\$8,726	\$8,005	\$475	\$1	\$245	473
2013	\$8,444	\$7,736	\$441	\$0	\$266	455
2014	\$8,200	\$7,487	\$412	\$6	\$296	437
2015	\$8,371	\$7,154	\$389	\$0	\$828	429
2016	\$7,200	\$6,445	\$360	\$0	\$93	420
2017	\$5,825	\$5,759	\$361	\$0	\$459	405
2018	\$7,005	\$5,468	\$575	\$0	\$960	370

<sup>1</sup> DOL reports Special Fund expenditures shown in this table on a cash basis, i.e., expenses are recognized when paid.

<sup>2</sup> Section 8(f) payments to employees who sustain second injuries that, superimposed on a pre-existing disability, result in a greater degree of permanent disability or death.

<sup>3</sup> Section 10(h) of the Act requires that compensation payments in permanent total disability and death cases, when injury or death is caused by an employment event that occurred before the enactment of the 1972 amendments, be adjusted to conform with the weekly wage computation methods and compensation rates put into effect by the 1972 amendments. The Special Fund pays 50% of any additional compensation or death benefit paid because of these adjustments.

<sup>4</sup> In cases where vocational or medical rehabilitation services for permanently disabled employees are not available otherwise, and for maintenance allowances for employees undergoing vocational rehabilitation, sections 39(c) and 8(g) of the Act authorize the cost of these services to be paid by the Special Fund.

<sup>5</sup> For cases where DOL ordered impartial medical exams or reviews (section 7(e) of Act) and where the otherwise liable private payer cannot pay a compensation award due to default (section 18(b)), the expenses or payments resulting from these actions may be covered by the Special Fund. Also included as "Other" expenditures of the Funds are disbursements under section 44(d) to refund assessment overpayments in fiscal years 2003 – 2006. The program excluded disbursements from proceeds of employer securities redeemed under section 32 of the Act. These monies are exclusively for payment of compensation and medical benefits to employees of companies in default.

**Note:** Special Fund expenditure totals for some years, as shown above, may differ from those reported to Congress in the Appendix to the President's Budget. The figures here are from year-end Status of Funds reports while the President's Budget reflects total outlays as reported to the Department of Treasury and may include technical adjustments made by Treasury or the Office of Management and Budget.

**Table B6** LHWCA Special Funds' Assessments, 2008 - 2017 (\$ thousands)<sup>1</sup>

Year	Total Industry Assessments <sup>2</sup>	Preceding Year Total Industry Payments <sup>3</sup>	Assessment Base Yr.
2008	\$124,000	\$495,148	2007
2009	\$125,000	\$564,798	2008
2010	\$124,000	\$621,671	2009
2011	\$123,000	\$666,985	2010
2012	\$124,000	\$770,364	2011
2013	\$123,000	\$857,003	2012
2014	\$118,000	\$946,294	2013
2015	\$110,000	\$908,059	2014
2016	\$110,000	\$953,833	2015
2017	\$114,000	\$961,033	2016

**Table B7** DCCA Special Funds' Assessments, 2008 - 2017 (\$ thousands)<sup>1</sup>

Year	Total Industry Assessments <sup>2</sup>	Preceding Year Total Industry Payments <sup>3</sup>	Assessment Base Yr.
2008	\$8,500	\$4,758	2007
2009	\$11,500	\$3,598	2008
2010	\$7,500	\$3,437	2009
2011	\$8,000	\$3,540	2010
2012	\$8,000	\$3,085	2011
2013	\$9,000	\$4,775	2012
2014	\$5,000	\$3,404	2013
2015	\$8,000	\$2,910	2014
2016	\$6,000	\$2,338	2015
2017	\$6,000	\$2,269	2016

<sup>1</sup> Annual assessments of employers and insurance carriers are the largest single source of receipts to the Special Funds. Other receipts to the Funds include fines and penalties, payments for death cases where there is no person entitled under the Act to the benefit payments, interest earned on Fund investments, overpayment and third party recoveries, and monies received from redemption of securities under section 32 of the Act to pay compensation due employees of companies in default. These payments constitute a small portion of the total receipts of the Special Funds.

<sup>2</sup> Assessments, as shown here, are not receipts to the Fund that were received during a given calendar year, but total assessments that are receivable from employers and insurance carriers based on the Special Fund assessment formula as prescribed under section 44(c) of the Act.

<sup>3</sup> The program based annual industry assessments before calendar year 1985 on each employer's or insurance carrier's total disability compensation and medical benefit payments under the Act during the preceding year. The LHWCA Amendments of 1984 revised the method for computing assessments in two ways. Effective in calendar year 1985, the program applied the revised method for calculating industry assessments and based assessments on disability compensation payments only, thereby excluding medical benefits from the computation. Also, the program added a factor for section 8(f) payments attributable to each employer/carrier to the assessment base.

## Black Lung Program Tables

**Table C1** Part C Black Lung Claim Decisions at the District Director Level, Fiscal Years 2009 – 2018

Year	Total Approvals <sup>TF</sup>	Total Approvals <sup>RO</sup>	Total Approvals <sup>1</sup>	Merit Denials <sup>2,4</sup>	Non-merit Denials <sup>TF3,4</sup>	Non-merit Denials <sup>RO3,4</sup>	Total Denials	Total Decisions	Approval Rate <sup>5</sup>
2009	95	397	492	2,086	113	910	3,109	3,601	13.66%
2010	77	432	509	2,096	126	978	3,200	3,709	13.72%
2011	110	645	755	3,298	167	1,961	5,426	6,181	12.21%
2012	97	632	729	2,565	229	1,780	4,574	5,303	13.75%
2013	87	566	653	2,361	184	1,573	4,118	4,771	21.67%
2014	92	518	610	2,664	224	1,719	4,607	5,217	18.63%
2015	157	728	885	2,222	240	2,037	4,499	5,384	28.48%
2016	249	877	1,126	2,706	364	2,150	5,220	6,346	29.38%
2017	343	915	1,258	3,153	594	2,054	5,801	7,059	28.52%
2018	285	1,113	1,398	2,761	542	1,975	5,278	6,676	33.61%

<sup>TF</sup> Black Lung Disability Trust Fund liability

<sup>RO</sup> Responsible coal mine operator liability

<sup>1</sup> Approvals do not include conversions of miner to survivor benefits under 422(l) of the Act.

<sup>2</sup> Merit denials: claims that received a Proposed Decision and Order (PDO) after all evidence is considered.

<sup>3</sup> Non-merit denials: claims that are abandoned or withdrawn before a PDO.

<sup>4</sup> Merit/non-merit categories were not quantified until fiscal year 2008.

<sup>5</sup> Effective fiscal year 2015, approval rates are calculated using approved and denied claims and do not include withdrawn and abandoned claims (non-merit decisions). This change was applied retroactively to approval rate calculations for fiscal years 2013, 2014, and 2015.

**Table C2** Part C Number of Beneficiaries, Fiscal Years 2009 –2018<sup>1</sup>

Class of Beneficiary		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Part C Primary Beneficiaries <sup>2</sup>	Miners	7,699	6,967	6,633	6,375	6,083	5,917	5,974	6,363	6,792	7,262
	Widows	21,913	20,495	19,014	17,553	16,137	14,801	13,558	12,510	11,554	10,661
	Others	1,214	1,209	1,182	1,178	1,158	1,142	1,123	1,108	1,084	1,039
	<b>Total Primary Beneficiaries</b>	<b>30,826</b>	<b>28,671</b>	<b>26,829</b>	<b>25,106</b>	<b>23,378</b>	<b>21,860</b>	<b>20,655</b>	<b>19,981</b>	<b>19,430</b>	<b>18,962</b>
Dependents of Primary Beneficiaries	Dependents of Miners	5,726	5,202	5,028	4,939	4,746	4,703	4,871	5,237	5,700	6,147
	Dependents of Widows	723	681	647	593	564	510	483	483	459	435
	Dependents of Others	122	113	110	106	101	101	102	97	90	81
	<b>Total Dependents</b>	<b>6,571</b>	<b>5,996</b>	<b>5,785</b>	<b>5,638</b>	<b>5,411</b>	<b>5,314</b>	<b>5,456</b>	<b>5,817</b>	<b>6,249</b>	<b>6,663</b>
<b>Total, Part C Beneficiaries</b>		<b>37,397</b>	<b>34,667</b>	<b>32,614</b>	<b>30,744</b>	<b>28,789</b>	<b>27,174</b>	<b>26,111</b>	<b>25,798</b>	<b>25,679</b>	<b>25,625</b>

<sup>1</sup> As of the end of the fiscal year on September 30.

<sup>2</sup> Active claims, including those paid by a RMO, cases paid by the Trust Fund, cases in interim pay status, cases that are being offset due to concurrent Federal or state benefits, and cases that have been temporarily suspended. Does not include MBO beneficiaries.

**Table C3** Part B Number of Beneficiaries, Fiscal Years 2009 –2018<sup>1</sup>

Class of Beneficiary		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Part B Primary Beneficiaries	Miners				1,424	1,163	957	784	622	509	408
	Widows				14,906	12,765	11,015	9,382	8,012	6,784	5,790
	Others	N/A	N/A	N/A	3,349	3,216	3,075	2,898	2,774	2,590	2,433
	<b>Total Primary Beneficiaries</b>				19,679	17,144	15,047	13,064	11,408	9,883	8,631
Dependents of Primary Beneficiaries	Dependents of Miners				881	713	582	467	358	283	214
	Dependents of Widows				544	470	421	366	303	257	222
	Dependents of Others				301	272	254	227	221	207	193
	<b>Total Dependents</b>	N/A	N/A	N/A	1,726	1,455	1,257	1,060	882	747	629
	<b>Total, Part B Beneficiaries</b>	N/A	N/A	N/A	21,405	18,599	16,304	14,124	12,290	10,630	9,260
<b>Total, All Beneficiaries (Part B and Part C)</b>	N/A	N/A	N/A	52,149	47,388	43,478	40,235	38,088	36,309	34,885	

<sup>1</sup> As of the end of the fiscal year on September 30.

**Table C4** Claims filed under Part C of the Black Lung Benefits Act, Fiscal Years 2009 – 2018

Year	New Claims	Refiled Claims <sup>1</sup>	Successor Claim <sup>2</sup>	Survivor Conversions <sup>3</sup>	Total
2009	1,597	1,807	506	444	4,354
2010	2,683	3,088	636	637	7,044
2011	2,410	2,383	635	631	6,059
2012	2,176	2,140	494	559	5,369
2013	2,544	2,655	624	597	6,420
2014	2,877	3,458	589	470	7,394
2015	2,860	2,879	601	478	6,818
2016	3,334	3,114	573	427	7,448
2017	3,021	3,287	600	478	7,386
2018	2,588	3,345	317	423	6,673

<sup>1</sup> Refiled Claim: the claimant has filed at least once before.

<sup>2</sup> Successor Claim: a subsequent claim filed on a miner's record by another person.

<sup>3</sup> Conversion: some dependent survivors are automatically entitled to benefits.

## Energy Program Tables

**Table D1** Part B Status of All Energy Employees Occupational Illness Compensation Program Act (EEOICPA) Applications at the End of Fiscal Years 2016 – 2018<sup>1</sup>

Case Status/Claims Activity	Case <sup>2</sup>			Claim <sup>3</sup>		
	2016	2017	2018	2016	2017	2018
<b>Total Received-Program Inception Applications</b>	<b>99,572</b>	<b>103,041</b>	<b>106,208</b>	<b>156,987</b>	<b>162,629</b>	<b>167,564</b>
<b>Final Decisions Completed by the Final Adjudication Branch (FAB)<sup>4</sup></b>	<b>93,620</b>	<b>97,168</b>	<b>100,462</b>	<b>142,184</b>	<b>147,747</b>	<b>152,787</b>
Final Approved	48,848	50,986	52,887	76,289	79,536	82,324
Final Denied	44,772	46,182	47,575	65,895	68,211	70,463
<b>Recommended Decisions by District Offices<sup>5</sup></b>	<b>1,306</b>	<b>1,301</b>	<b>1,194</b>	<b>2,811</b>	<b>2,928</b>	<b>2,752</b>
Recommended Decision to Approve	247	237	231	732	776	747
Recommended Decision to Deny	1,059	1,064	963	2,079	2,152	2,005
<b>Completed Initial Processing - Referred to National Institute for Occupational Safety and Health (NIOSH)<sup>6</sup></b>	<b>1,672</b>	<b>1,615</b>	<b>1,557</b>	<b>6,790</b>	<b>6,965</b>	<b>6,913</b>
<b>Pending Initial Processing In District Office<sup>7</sup></b>	<b>2,974</b>	<b>2,957</b>	<b>3,018</b>	<b>5,202</b>	<b>4,989</b>	<b>5,263</b>
<b>Lump Sum Compensations</b>	<b>45,896</b>	<b>48,014</b>	<b>49,866</b>	<b>71,574</b>	<b>74,625</b>	<b>77,119</b>
<b>Total Payment Amounts</b>				<b>\$6,059,216,056</b>	<b>\$6,360,651,197</b>	<b>\$6,625,104,769</b>

<sup>1</sup> Statistics show the status of all applications filed from program inception.

<sup>2</sup> "Case" counts are numbers of employees (or survivors of employees) whose work and illness or death are the basis for a "claim." (One case may have multiple survivor claims).

<sup>3</sup> "Claim" counts are greater than case counts because they include numbers of employees and all survivors of employees who filed for benefits.

<sup>4</sup> Each case or claim also received a recommended decision by a district office.

<sup>5</sup> Each case or claim still pending a final decision by the FAB.

<sup>6</sup> Counts only the first trip to NIOSH.

<sup>7</sup> Includes remanded cases now in development and closed cases.

**Table D2** Part B Processing Activity on All EEOICPA Cases/Claims Received Since Program Inception, Fiscal Years 2016 – 2018<sup>1</sup>

Processing Activity	Case <sup>2</sup>			Claim <sup>3</sup>		
	2016	2017	2018	2016	2017	2018
<b>Total Cases/Claims Received</b>	<b>4,194</b>	<b>4,149</b>	<b>3,795</b>	<b>5,709</b>	<b>5,460</b>	<b>4,885</b>
<b>Final Decisions by FAB Offices<sup>4</sup></b>	<b>5,281</b>	<b>5,444</b>	<b>5,073</b>	<b>7,254</b>	<b>7,254</b>	<b>6,466</b>
Final Approved	2,318	2,370	2,127	3,426	3,373	2,858
Final Denied	2,963	3,074	2,946	3,828	3,881	3,608
<b>Modification Orders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recommended Decisions by District Offices</b>	<b>6,125</b>	<b>6,267</b>	<b>5,751</b>	<b>8,199</b>	<b>8,230</b>	<b>7,153</b>
Recommended Decision Only, to Approve	2,453	2,499	2,226	3,645	3,619	2,984
Recommended Decision Only, to Deny	3,672	3,768	3,525	4,554	4,611	4,169
<b>Referrals to NIOSH</b>	<b>992</b>	<b>973</b>	<b>846</b>	<b>1,474</b>	<b>1,502</b>	<b>1,238</b>
<b>Lump Sum Compensation Payments</b>	<b>2,035</b>	<b>2,151</b>	<b>1,897</b>	<b>3,089</b>	<b>3,103</b>	<b>2,540</b>
<b>Remands</b>	<b>403</b>	<b>390</b>	<b>392</b>	<b>595</b>	<b>550</b>	<b>526</b>

<sup>1</sup> Activity statistics capture actions made during fiscal year 2016 through 2018 only, therefore the number of activities reported do not add up to the total number of cases/claims received during fiscal years 2016, 2017, and 2018. (Many activities recorded occurred on cases/claims received before 2016).

<sup>2</sup> “Case” counts are numbers of employees (or survivors of employees) whose work and illness or death are the basis for a “claim.” (One case may have multiple survivor claims).

<sup>3</sup> “Claim” counts are greater than case counts because they include numbers of employees and all survivors of employees who filed for benefits.

<sup>4</sup> Total includes cases with recommended decisions in fiscal years 2016, 2017, and 2018.

**Note:** Recommended Decisions are standalone counts and are not influenced by the Final Decision.

**Table D3** Part B EEOICPA Cases with Approved Decisions and Payments by Category, Through September 30, 2018

Category	Number of Approved Cases <sup>1</sup>	Percentage of Total Final Approvals	Number of Paid Claimants <sup>1</sup>	Total Compensation Paid <sup>2</sup> (\$ thousands)	Percentage of Total Compensation Paid
Radiation Exposure Comp. Act (RECA) <sup>3</sup>	8,235	15.6%	12,380	\$420,401.27	6.3%
Special Exposure Cohort Cancer (CN)	26,667	50.4%	43,651	\$3,980,753.36	60.1%
Dose Reconstructed Cancer (CN)	11,766	22.2%	14,934	\$1,580,021.71	23.8%
Beryllium Disease (CBD) <sup>4</sup>	2,356	4.5%	3,054	\$350,211.35	5.3%
Beryllium Sensitivity-Only (BS)	2,026	3.8%	N/A	N/A	N/A
Silicosis (CS)	403	0.8%	467	\$48,793.75	0.7%
Multiple Conditions <sup>5</sup>	1,434	2.7%	2,633	\$244,923.33	3.7%
<b>Total</b>	<b>52,887</b>	<b>100.0%</b>	<b>77,119</b>	<b>\$6,625,104.77</b>	<b>100.0%</b>

<sup>1</sup> There is not a direct correlation between the number of approved cases and the number of paid claimants for two reasons: (1) more than one claimant can receive payment on a single approved case, and (2) the program approved some cases before September 30, 2018, but the program did not issue payments.

<sup>2</sup> Represents total lump sum compensation payments from EEOIC program inception to September 30, 2018.

<sup>3</sup> RECA cases are not counted in any other category of this table.

<sup>4</sup> Cases approved for both CBD and BS are counted in the CBD category, only.

<sup>5</sup> Cases counted in the Multiple Conditions category were approved for CN and CBD, or CN and CS, or CBD and CS, or CN and BS, or CS and BS.

**Table D4** Part B EEOICPA Cases with Final Decision to Deny Since Program Inception, Fiscal Years 2016 - 2018

Reason for Denial	Number of Cases		
	2016	2017	2018
Employee Did Not Work at a Covered Department of Energy (DOE) Facility and/or Did Not Work During Covered Time Period, or the Employee Worked for an Atomic Weapons Employer (AWE) or Beryllium Vendor <sup>1</sup>	6,565	6,827	7,035
Alleged Survivor Not an Eligible Beneficiary	2,107	2,175	2,210
Claimed Condition Not Covered Under Part B of EEOICPA	6,672	6,650	6,606
Dose Reconstruction Reveals the Probability That the Cancer is Related to Employment is Less Than 50%	20,103	21,003	22,040
Medical Evidence is Insufficient to Establish Entitlement	7,650	7,875	8,076
Causation other than Probability of Causation (POC)	1,675	1,652	1,608
<b>Total<sup>2</sup></b>	<b>44,772</b>	<b>46,182</b>	<b>47,575</b>

<sup>1</sup> Part E of the EEOICPA does not cover DOE federal employees, AWE, and Beryllium Vendors.

<sup>2</sup> A case may have more than one final decision. (For example, a request for modification may result in a second final decision on a case). Therefore, the total number shown does not represent the number of cases with final decisions to deny.

**Table D5** Part B Most Prevalent Non-Covered Medical Conditions Since Program Inception, Fiscal Years 2016 – 2018

Non-Covered Medical Condition	Percentage of All Denials For This Condition <sup>1</sup>		
	2016	2017	2018
Other Lung Conditions	18%	18%	17%
Heart Condition/Failure/Attack/Hypertension	11%	10%	10%
Chronic Obstructive Pulmonary Disease & Emphysema	10%	10%	10%
Asbestosis	7%	7%	7%
Renal Condition or Disorder (Kidney Failure, Kidney Stones)	6%	5%	5%
Hearing Loss	5%	6%	6%
Benign Tumors, Polyps, Skin Spots	3%	2%	3%
Diabetes	3%	3%	3%
Neurological Disorder	2%	3%	3%
Thyroid Conditions (e.g., Hypothyroidism)	2%	2%	2%
Anemia	1%	1%	1%
Back or Neck Problems	1%	1%	1%
Parkinson's Disease	1%	1%	1%
Psychological Conditions	1%	1%	1%
All Other Non-Covered Conditions (Each Less Than 1%) Or "Other (Not Listed)"	24%	25%	26%
No Condition Reported on Claim Form or Blank Condition Type	5%	5%	6%

<sup>1</sup> Based on cases that were denied because the claimed condition was not covered under Part B of EEOICPA. This figure excludes cases that have a "covered" condition whereas Table D4 includes these cases.

**Table D6** Part E Status of All EEOICPA Applications at the End of Fiscal Years 2016 – 2018<sup>1</sup>

Case Status/Claims Activity	Case <sup>2</sup>			Claim <sup>3</sup>		
	2016	2017	2018	2016	2017	2018
<b>Total Received-Program Inception Applications</b>	<b>89,787</b>	<b>93,434</b>	<b>96,991</b>	<b>127,081</b>	<b>132,002</b>	<b>136,879</b>
<b>Final Decisions Completed by the FAB<sup>4</sup></b>	<b>81,936</b>	<b>85,705</b>	<b>89,376</b>	<b>112,345</b>	<b>117,273</b>	<b>122,099</b>
Approved	41,223	43,417	45,513	49,847	52,679	55,349
Denied	40,713	42,288	43,863	62,498	64,594	66,750
<b>Recommended Decisions by District Offices<sup>5</sup></b>	<b>1,662</b>	<b>1,826</b>	<b>1,665</b>	<b>2,897</b>	<b>3,108</b>	<b>3,004</b>
Recommended Decision to Approve	349	372	353	731	769	791
Recommended Decision to Deny	1,313	1,454	1,312	2,166	2,339	2,213
<b>Completed Initial Processing<sup>6</sup></b>	<b>1,302</b>	<b>1,247</b>	<b>1,234</b>	<b>4,781</b>	<b>4,800</b>	<b>4,842</b>
<b>Pending Initial Processing In District Office<sup>7</sup></b>	<b>4,887</b>	<b>4,716</b>	<b>4,778</b>	<b>7,058</b>	<b>7,243</b>	<b>7,395</b>
<b>Compensation Payments (Unique Cases &amp; Claims)</b>	<b>31,515</b>	<b>33,477</b>	<b>35,518</b>	<b>34,949</b>	<b>37,359</b>	<b>39,826</b>
Total Compensation Payment Amounts				<b>\$3,838,354,152</b>	<b>\$4,157,135,251</b>	<b>\$4,498,693,715</b>
<b>Lump Sum Allocations (Unique Cases &amp; Claims)</b>	<b>16,709</b>	<b>17,589</b>	<b>18,337</b>	<b>18,033</b>	<b>18,987</b>	<b>19,797</b>
Total Lump Sum Payment Amounts				<b>\$1,963,157,113</b>	<b>\$2,055,929,072</b>	<b>\$2,132,115,902</b>
<b>Wage-loss Allocations (Unique Cases &amp; Claims)</b>	<b>3,305</b>	<b>3,398</b>	<b>3,511</b>	<b>3,987</b>	<b>4,093</b>	<b>4,225</b>
Total Wage-loss Payment Amounts				<b>\$163,235,657</b>	<b>\$167,990,174</b>	<b>\$175,392,674</b>
<b>Impairment Allocations (Unique Cases &amp; Claims)</b>	<b>16,912</b>	<b>18,380</b>	<b>20,034</b>	<b>16,931</b>	<b>18,412</b>	<b>20,082</b>
Total Impairment Payment Amounts				<b>\$1,711,961,382</b>	<b>\$1,933,216,005</b>	<b>\$2,191,002,705</b>

<sup>1</sup> Statistics show the status of all applications filed from program inception.

<sup>2</sup> "Case" counts are numbers of employees (or survivors of employees) whose work and illness or death are the basis for a "claim." (One case may have multiple survivor claims).

<sup>3</sup> "Claim" counts are greater than case counts because they include numbers of employees and all survivors of employees who filed for benefits.

<sup>4</sup> Each case or claim also received a recommended decision by a district office.

<sup>5</sup> Each case or claim still pending a final decision by the FAB.

<sup>6</sup> Completed Initial Processing refers to cases sent to NIOSH, and cases with Recommended Decision, Final Decision, or cases closed.

<sup>7</sup> Includes remanded cases now in development and closed cases.

**Table D7** Part E Processing Activity on All EEOICPA Cases/Claims Received Since Program Inception, Fiscal Years 2016 – 2018<sup>1</sup>

Processing Activity	Case <sup>2</sup>			Claim <sup>3</sup>		
	2016	2017	2018	2016	2017	2018
<b>Total Cases/Claims Received</b>	3,335	3,345	3,245	4,965	4,877	4,822
<b>Final Decisions by FAB Offices<sup>4</sup></b>	9,223	10,078	10,452	9,720	10,683	11,009
Approved	4,997	5,748	5,978	5,131	5,916	6,117
Denied	4,226	4,330	4,474	4,589	4,767	4,892
<b>Modification Orders</b>	0	0	0	0	0	0
<b>Recommended Decisions by District Offices</b>	11,973	13,644	13,690	12,382	14,170	14,136
Recommended Decision to Approve	6,160	7,287	7,503	6,268	7,401	7,581
Recommended Decision to Deny	5,813	6,377	6,187	6,114	6,769	6,555
<b>Referrals to NIOSH<sup>5</sup></b>	751	673	627	938	905	795
<b>Compensation Payments (Unique Cases &amp; Claims)</b>	3,841	4,333	4,615	3,920	4,406	4,684
Total Compensation Payment Amount				\$265,685,610	\$318,781,098	\$341,335,965
<b>Lump Sum Allocations (Unique Cases &amp; Claims)</b>	798	911	776	851	970	826
Total Lump Sum Payment Amount				\$77,655,931	\$92,749,458	\$76,219,265
<b>Wage-loss Allocations (Unique Cases &amp; Claims)</b>	215	180	208	240	193	226
Total Wage-Loss Payment Amount				\$6,787,280	\$4,729,517	\$7,402,500
<b>Impairment Allocations (Unique Cases &amp; Claims)</b>	2,828	3,242	3,631	2,829	3,243	3,632
Total Impairment Payment Amount				\$181,242,400	\$221,302,124	\$257,714,199
<b>Manual Payments</b>				\$0	\$0	\$0
<b>Remands</b>	<b>803</b>	<b>887</b>	<b>983</b>	<b>902</b>	<b>960</b>	<b>1,051</b>

<sup>1</sup> Activity statistics capture actions made during the fiscal year only, therefore the number of activities reported do not add up to the total number of cases/claims received during the fiscal year. (Many activities recorded occurred on cases/claims received before the end of the fiscal year).

<sup>2</sup> “Case” counts are numbers of employees (or survivors of employees) whose work and illness or death are the basis for a “claim.” (One case may have multiple survivor claims).

<sup>3</sup> “Claim” counts are greater than case counts because they include numbers of employees and all survivors of employees who filed for benefits.

<sup>4</sup> Total includes cases with recommended decisions in fiscal years 2016, 2017, and 2018.

<sup>5</sup> Part E claims awaiting Part B NIOSH Return for further evidence.

**Note:** Recommended Decisions are standalone counts and are not influenced by the Final Decision.

**Table D8** Part E EEOICPA Cases with Final Decision to Deny Since Program Inception, Fiscal Years 2016 - 2018

Reason for Denial	Number of Cases		
	2016	2017	2018
<b>Employee Did Not Work at a Covered DOE Facility and/or Did Not Work During Covered Time Period, or the Employee Worked for an AWE or Beryllium Vendor<sup>1</sup></b>	4,921	5,200	5,456
<b>Alleged Survivor Not an Eligible Beneficiary</b>	5,876	5,925	5,975
<b>Claimed Condition Not Covered Under Part B of EEOICPA</b>	0	0	0
<b>Medical Evidence is Insufficient to Establish Entitlement</b>	9,573	9,844	10,125
<b>Other Denied</b>	20,343	21,319	22,307
<b>Total<sup>2</sup></b>	<b>40,713</b>	<b>42,288</b>	<b>43,863</b>

<sup>1</sup> DOE federal employees, AWE, and Beryllium Vendors are not covered under Part E of the EEOICPA

<sup>2</sup> A case may have more than one final decision. (For example, a request for modification may result in a second final decision on a case). Therefore, the total number shown does not represent the number of cases with final decisions to deny.

<b>Appendix B: Acronyms</b>	<b>ABRWH</b>	Advisory Board on Radiation and Worker Health
	<b>AWE</b>	Atomic Weapons Employer
	<b>BRB</b>	Benefits Review Board
	<b>CBD</b>	Beryllium Disease
	<b>CS</b>	Silicosis
	<b>BS</b>	Beryllium Sensitivity-Only
	<b>BLBA</b>	Black Lung Benefits Act of 1972
	<b>CPWR</b>	Center for Construction Research and Training, formerly called the Center to Protect Workers' Rights
	<b>CMR</b>	Central Mail Room
	<b>CCCA</b>	Central Case Create and Assignment
	<b>C.O.A.L.</b>	Claimant Online Access Link
	<b>CCAT</b>	Correspondence Creation and Tracking System
	<b>DBA</b>	Defense Base Act
	<b>DMI</b>	Disability Management Interface
	<b>DOE</b>	Department of Energy
	<b>HHS</b>	Department of Health and Human Services
	<b>DOJ</b>	Department of Justice
	<b>DOL</b>	Department of Labor
	<b>DCCA</b>	District of Columbia Workmen's Compensation Act
	<b>DEEOIC</b>	Division of Energy Employees Occupational Illness Compensation
<b>CN</b>	Dose Reconstructed Cancer	
<b>ECOMP</b>	Employees' Compensation Operations and Management Portal	
<b>EDP</b>	Energy Document Portal	
<b>EEOICPA</b>	Energy Employees Occupational Illness Compensation Program Act	
<b>FECA</b>	Federal Employees' Compensation Act	
<b>FAB</b>	Final Adjudication Branch	

<b>FY</b>	Fiscal Year
<b>FTE</b>	Full-time Equivalent
<b>HRSA</b>	Health Resources and Services Administration
<b>ICD</b>	International Classification of Diseases
<b>IT</b>	Information Technology
<b>IAS</b>	Internet Accessible SEM
<b>JOTG</b>	Joint Outreach Task Group
<b>LHWCA</b>	Longshore and Harbor Workers' Compensation Act
<b>MED</b>	Morphine Equivalent Dose
<b>NAWW</b>	National Average Weekly Wage
<b>NIOSH</b>	National Institute for Occupational Safety and Health
<b>N/A</b>	Not Applicable
<b>OALJ</b>	Office of the Administrative Law Judges
<b>OIG</b>	Office of Inspector General
<b>OWCP</b>	Office of Workers' Compensation Programs
<b>OIS</b>	OWCP Imaging System
<b>OCC</b>	Outgoing Correspondence Center
<b>POC</b>	Probability of Causation
<b>PIU</b>	Program Integrity Unit
<b>PDO</b>	Proposed Decision and Order
<b>RECA</b>	Radiation Exposure Compensation Act
<b>RMO</b>	Responsible Mine Operator
<b>SAMS</b>	Secure Access Management Service
<b>SEM</b>	Site Exposure Matrices
<b>SSA</b>	Social Security Administration
<b>SEC</b>	Special Exposure Cohort
<b>USPS</b>	U.S. Postal Service

## **Appendix C: District Offices List**

### **FECA Program: Twelve District Offices**

San Francisco, California  
Denver, Colorado  
Washington, D.C.  
Jacksonville, Florida  
Chicago, Illinois  
Boston, Massachusetts  
Kansas City, Missouri  
New York, New York  
Cleveland, Ohio  
Philadelphia, Pennsylvania  
Dallas, Texas  
Seattle, Washington

### **Longshore Program: Eleven District Offices**

Long Beach, California  
San Francisco, California  
Washington, D.C.  
Jacksonville, Florida  
Honolulu, Hawaii  
New Orleans, Louisiana  
Boston, Massachusetts  
New York, New York  
Houston, Texas  
Norfolk, Virginia  
Seattle, Washington

### **Black Lung Program: Eight District Offices**

Denver, Colorado

Pikeville, Kentucky

Mount Sterling, Kentucky

Columbus, Ohio

Greensburg, Pennsylvania

Johnstown, Pennsylvania

Charleston, West Virginia

Parkersburg, West Virginia

### **Energy Program: Four District Offices**

Denver, Colorado

Jacksonville, Florida

Cleveland, Ohio

Seattle, Washington



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