

# WORKERS' COMPENSATION PROGRAM OVERVIEW

## BLUEPRINT FOR SUCCESS

"Perhaps the most significant finding in this study is that despite the inherent weaknesses in the program, it can be managed. The best example is Tobyhanna Army Depot. The commitment by the Commander, managers and line supervisors coupled with a dedicated personnel, safety and medical staff have shown excellent results. Their reemployment project, light duty program and intensive case management, collectively produce results that can be measured in lowered costs and improved productivity.

TOBYHANNA'S SUCCESS IS NOT BASED ON SOME MAGIC FORMULA, BUT RATHER ON CONSISTENT ATTENTION TO MANAGEMENT OF FECA BY ALL CONCERNED DESPITE THE PRESSURE OF OTHER BUSINESS."

*DEPUTY CHIEF OF STAFF FOR PERSONNEL,  
DALLAS FIELD OFFICE SPECIAL FECA STUDY  
SEPTEMBER 1987*



## COST OF WORKERS' COMPENSATION (MILLION \$)

	<u>1988</u>	<u>1998</u>
FEDERAL GOVERNMENT	\$ 1,144	\$1,834
DEPARTMENT OF DEFENSE	406	585
NAVY	182	247
ARMY	120	160
<b>Tobyhanna Army Depot</b>	<b>.792</b>	<b>.159</b>
AIR FORCE	89	117

## **DEPOT MISSION**

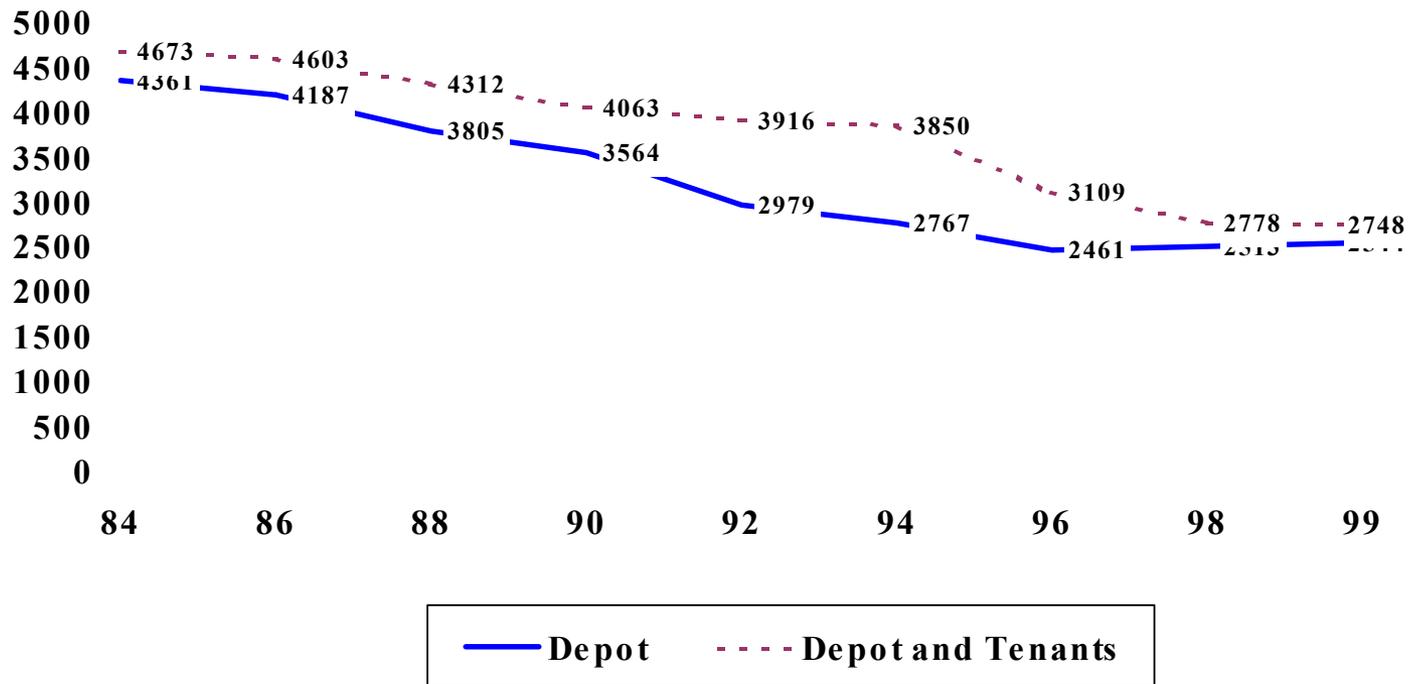
OVERHAUL, REPAIR, CONVERSION, DESIGN,  
MANUFACTURE, FABRICATION, INSPECTION, TEST  
AND MAINTENANCE OF COMMUNICATIONS  
ELECTRONICS EQUIPMENT

***TO BETTER SUPPORT THE SOLDIER  
IN THE FIELD***

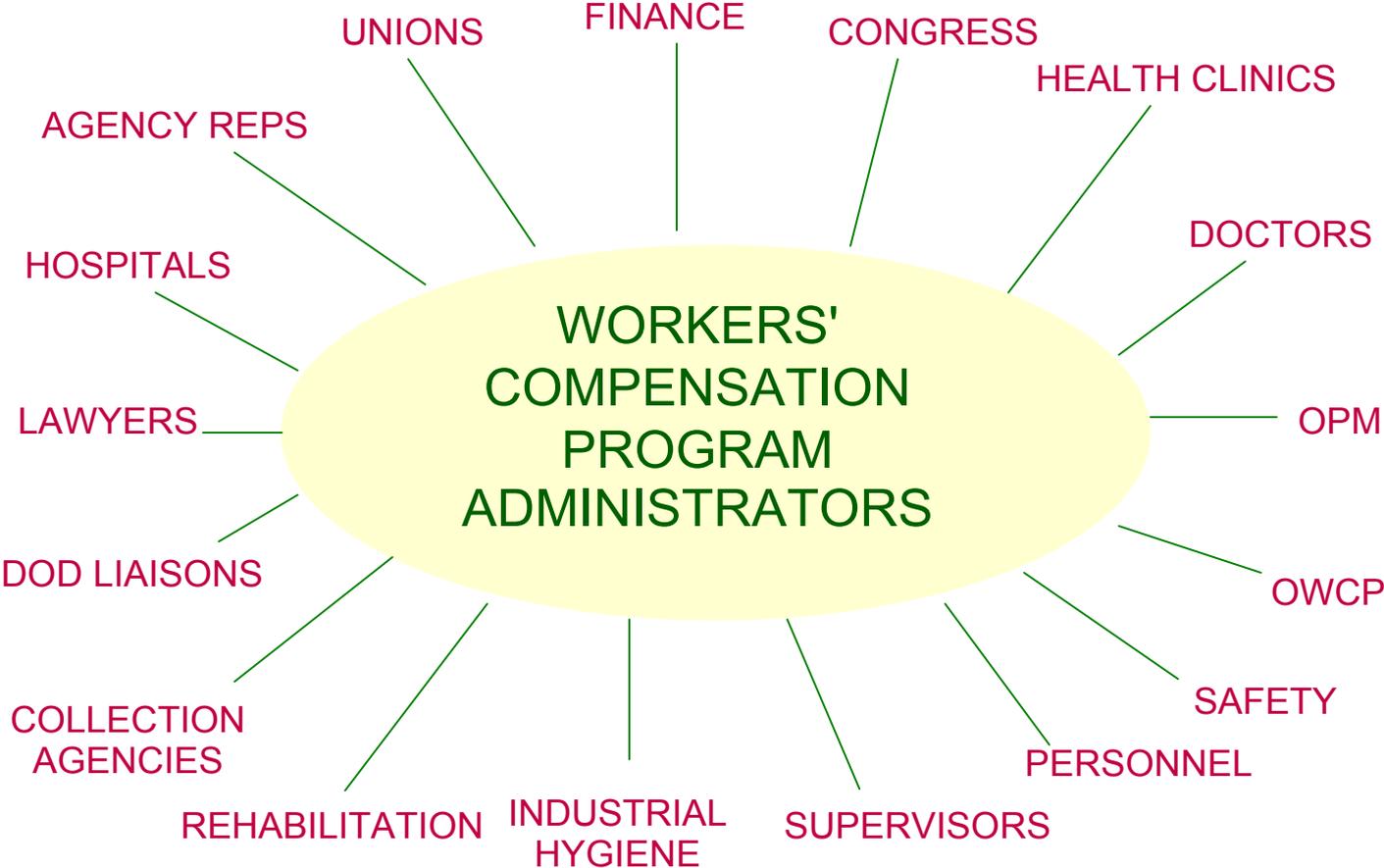
***OUR MISSION . . .***

***TO PROVIDE QUALITY AND  
EFFECTIVE PRODUCTS TO OUR  
SOLDIERS WHEN NEEDED AT THE  
LEAST POSSIBLE COST TO THE  
AMERICAN TAXPAYER***

## CIVILIAN POPULATION SERVICED BY FISCAL YEAR



**WORKERS'  
COMPENSATION  
PROGRAM  
ADMINISTRATORS**



## BLUEPRINT FOR SUCCESS ... FECA ADMINISTRATION

### BEFORE

NOT

REACTIVE

NO VISIBILITY

EXTRA DUTIES

NO FOLLOW-UP

45-DAY RIDE

IGNORANCE

WHO CARES

"OUT OF SIGHT, OUT OF MIND"

FREE RIDE

### AFTER

BUT

PRO-ACTIVE

HIGH PRIORITY

FULL STAFFING

INTENSIVE CASE MANAGEMENT

LIGHT DUTY

EDUCATION

SUPERVISORY TRAINING

INVESTIGATION, REEMPLOYMENT

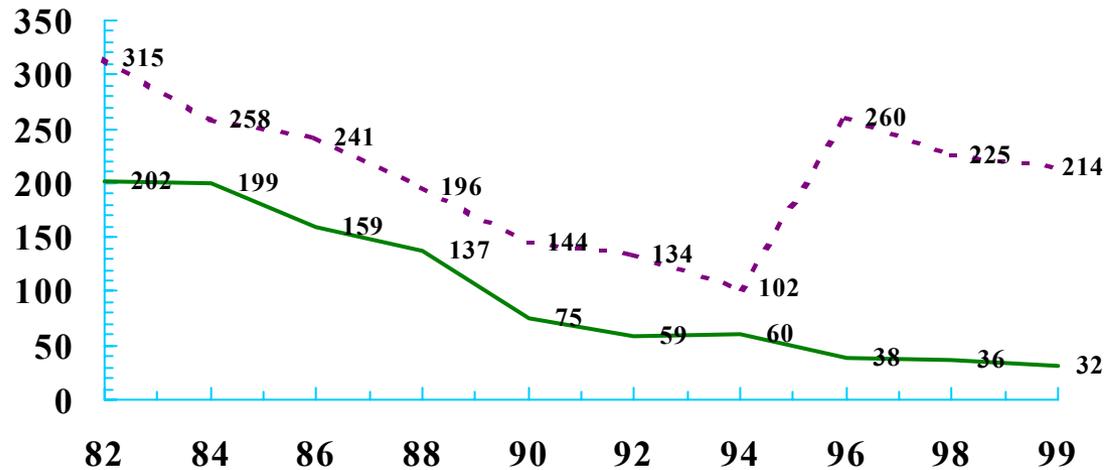
CONTROVERSION/DISCIPLINE

## VITAL INGREDIENTS . . .

- POSITIVE WORKING RELATIONSHIPS
  - DEPARTMENT OF LABOR
    - not the enemy
    - enforcing law
    - not the cause of agency failure
  - AGENCY
    - Department of Army
    - U.S. Army Materiel Command
    - Communication Electronic Command
    - Department of Defense Liaisons
  - INSTALLATION
    - Commander
    - Safety
    - Civilian Personnel Office
    - Health Clinic
    - FECA Administrator
    - Managers and Supervisors

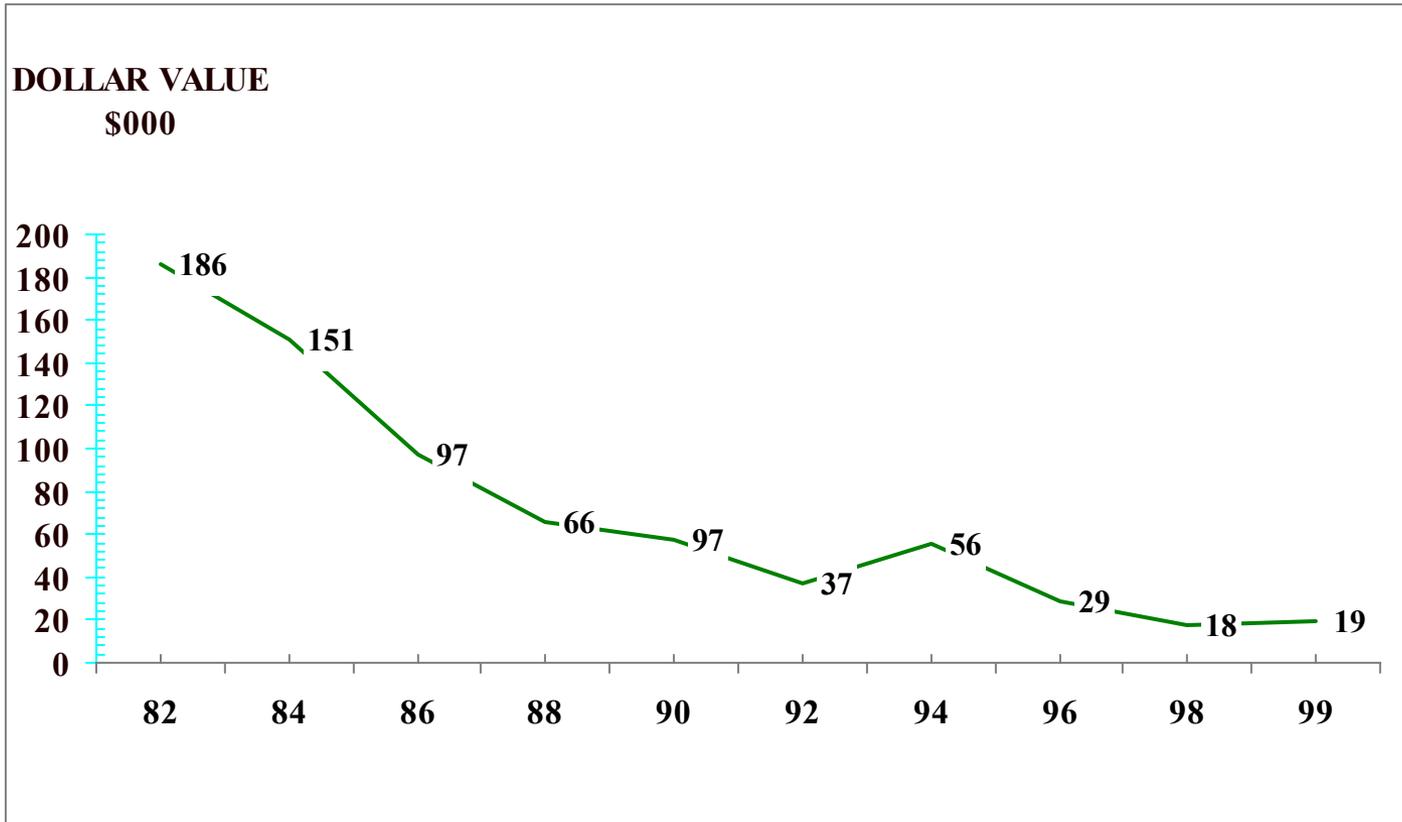
# TOTAL NUMBER OF CLAIMS WORKERS' COMP PROGRAM - COP/SICK LEAVE

# OF CLAIMS



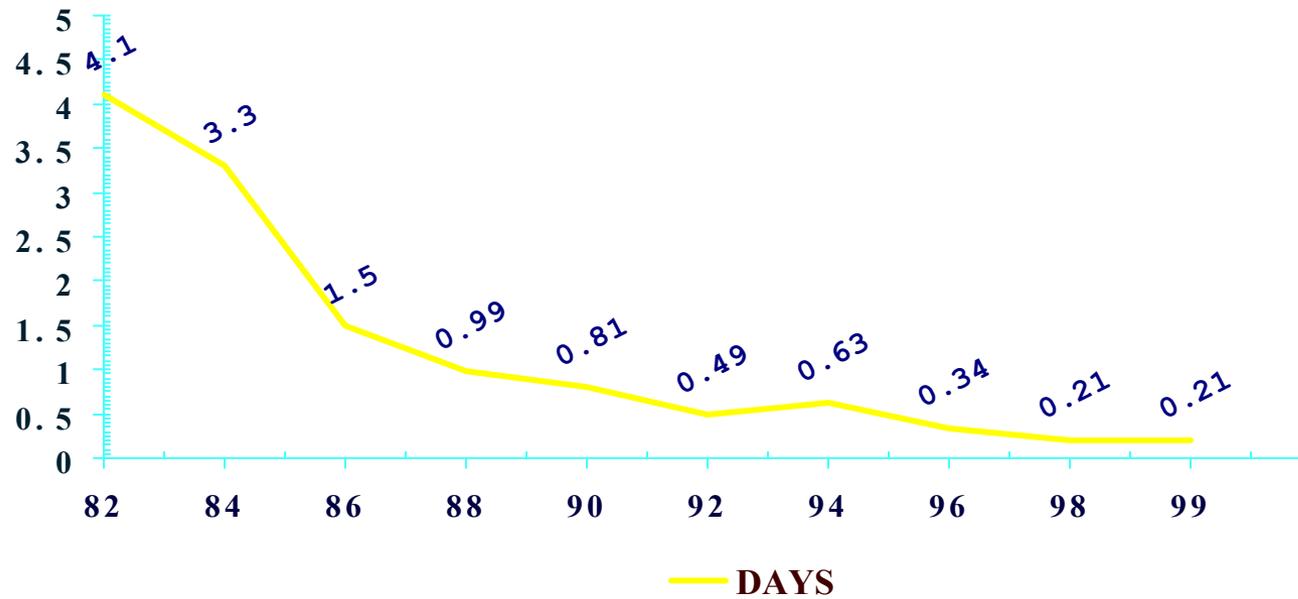
— LOST TIME - - - TOTAL CLAIMS

# ANNUAL COP COST



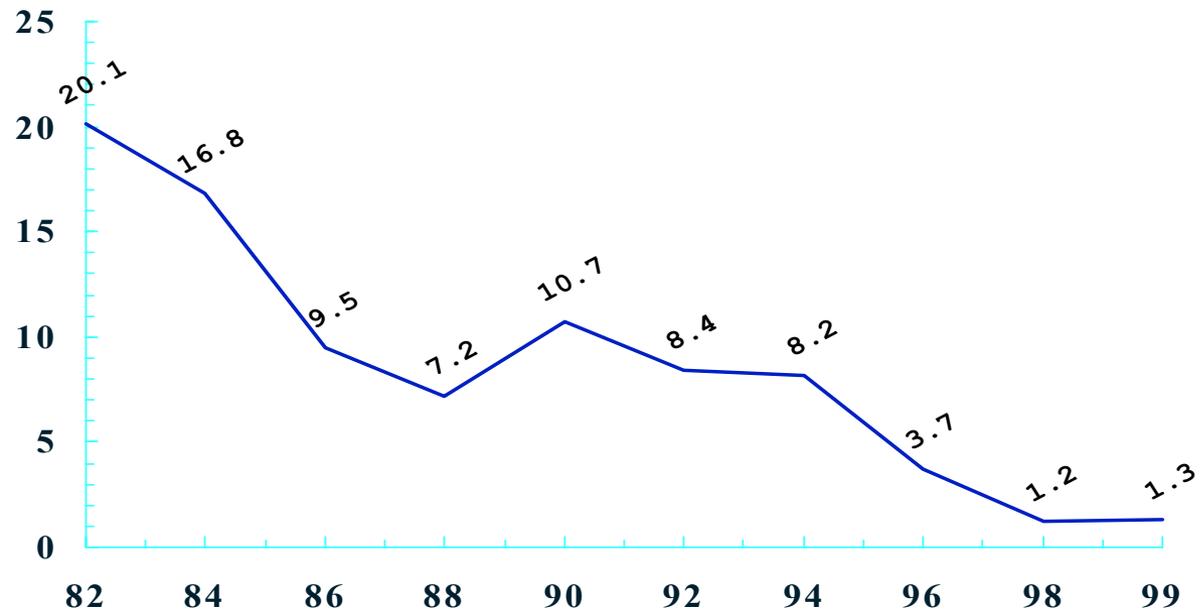
# ANNUAL COP DAYS

THOUSANDS



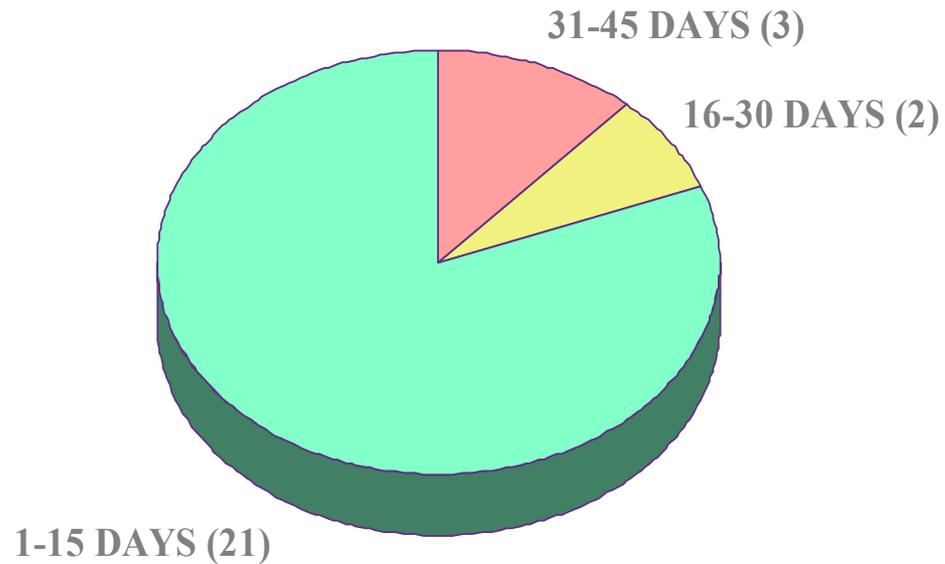
# AVERAGE COP DAYS PER CASE

AVERAGE  
DAYS

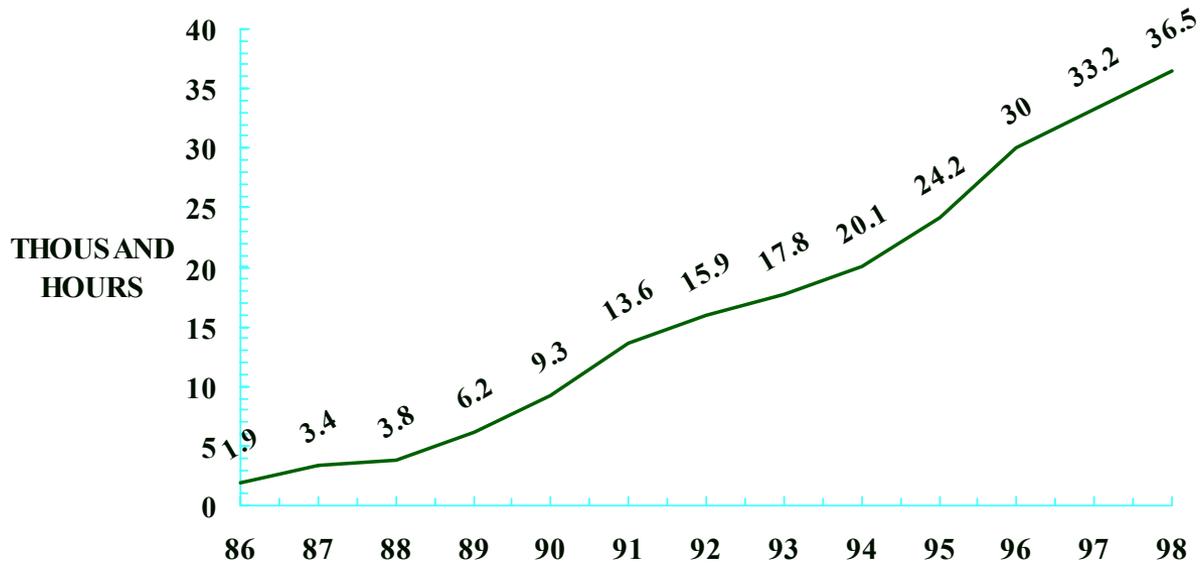


# LOST TIME-COP COMPENSATION CLAIMS FY99

26 LOST TIME CLAIMS



# LIGHT DUTY PROGRAM CUMULATIVE LIGHT DUTY HOURS EXPENDED



## REEMPLOYMENT MAKES SENSE . . . PROJECTED LIFETIME COMPENSATION COSTS

AGE WHEN BENEFITS BEGIN	NUMBER OF YEARS ON OWCP ROLLS	INITIAL SALARY USED TO COMPUTE COMPENSATION	
		\$ 20,000	\$ 30,000
60	12	\$ 212,880	\$ 319,321
50	22	\$ 458,052	\$ 687,078
40	32	\$ 787,542	\$ 1,181,313
30	42	\$ 1,230,349	\$ 1,845,523

BASED ON 75% OF CLAIMANTS LIVING TO AGE 72 AND RECEIVING COST OF  
LIVING INCREASES AT THE RATE OF 3% EACH YEAR

EXAMPLE - 20 LONG TERM EMPLOYEES, AVERAGE AGE 40  
AVERAGE INCOME \$20,000 = \$15,750,840

## RECOGNITION OF PROBLEM AREAS

- ◆ Lack of attention and little or no program administration
- ◆ Reactive type program - simply processing paper
- ◆ Lack of local regulation with any specificity
- ◆ Lack of investigation and follow up
- ◆ Little or no challenge/controversion of cases
- ◆ Poor records administration
- ◆ Little or no training of supervisors
- ◆ Lack of coordination with medical profession, Dept of Labor, etc.
- ◆ No formal light-duty program
- ◆ Lack of program emphasis
- ◆ Lack of formal disciplinary program for fraud/abuse
- ◆ Lack of adequate staffing to administer program
- ◆ No reemployment efforts
- ◆ Little or no use of criminal investigative agencies, U.S. Attorney's Office, Department of labor, Inspector General, etc.

## HOW TO GET WELL . . .

- RECOGNIZE PROBLEM
  - ◆ PROVIDE CONCERNED LEADERSHIP
    - Direction
    - Support
  - ◆ OFFER EFFECTIVE ADMINISTRATION
    - Records
    - Case Management
    - Light Duty
    - Reemployment
    - Controversion
    - Discipline
  - ◆ DEVELOP TRAINING AND EDUCATION
  - ◆ WORK ON STAFF COORDINATION
  - ◆ INSURE ADEQUATE RESOURCES

# GETTING WELL . . .

- ◆ CORRECTIVE ACTIONS NECESSARY
  - IMPROVED LEADERSHIP
    - Commander
    - Personnel Officer
    - Managers
    - Staff
  - STAFFING FECA OFFICE
  - INTENSIVE CASE MANAGEMENT
    - Records Administration
    - Continuous Follow Up
    - Light Duty Guarantee
    - Reemployment Commitment
    - No Long Term Cases
    - Controversion of Cases
    - Removal of Offenders
  - EDUCATE WORK FORCE
  - TRAIN SUPERVISORS
  - TOTAL STAFF COORDINATION
    - Department of Labor
  - COORDINATION WITH MEDICAL COMMUNITY

## **DEPOT ACTION IN RESPONSE TO RECOGNIZED PROBLEMS**

- Progressive and pro-active approach to program administration
- Intensive and personalized case management in response to every case filed
- Development and publication of all inclusive regulations/procedures
- Recruitment of qualified program administration staff
- Maximum involvement of Safety Office in total process
- Expanded accident investigation/use of "hot line"
- Constant follow-up in writing to physicians
- Unannounced visits to employees' homes
- Frequent controversion of suspicious claims
- Visits to Department of Labor regional office
- Active disciplinary program for identified fraud and abuse cases

## **DEPOT ACTION IN RESPONSE TO RECOGNIZED PROBLEMS**

- Involvement of Federal investigatory agencies and legal offices
- Broad-based education and publicity to include safety education program
- Establishment of intensive light-duty program/use of Health Clinic for certain treatments
- Establishment of reemployment program pilot study
- Initiation of contractual investigatory services in selected cases
- Increased use of third party medical opinions
- Significant improvement in records administration/case processing

## DOCUMENTING THE PROCESS . . .

- LOCAL REGULATIONS AND PROCEDURES
  - Goes beyond recommended requirements
  - Identified corrective measures such as written follow-up at specified times with employees, physicians, hospitals, etc.
  - Set up internal controls to verify cost
  - Established an orientation form for all claimants
  - Established a case log to track case management
  - Provided detailed handouts for claimants
  - Introduced light duty certification form
  - Tightened up internal/external controls
  - Provided detailed procedures with examples for supervisors
  - Established clear basis for disciplinary actions

## SOLICIT IDEAS . . .

### EXAMPLE OF LOCAL PROCEDURE TO REDUCE PROGRAM ABUSE

#### OUTSIDE EMPLOYMENT CERTIFICATION ACCEPTANCE OF LIGHT DUTY CERTIFICATION

I understand and agree to furnish the Tobyhanna Army Depot Compensation Office a description of any form of outside employment engaged in while on continuation of pay and/or compensation.

I also agree to notify the Compensation Office if I participate in National Guard or Reserve Component training or active duty.

I further understand that Tobyhanna Army Depot has light duty available for me to perform and I agree to return to such duty as soon as I am able to perform any type of light work. I agree to advise my physician of the availability of light duty and to actively seek return to such work.

\_\_\_\_\_  
DEPOT REPRESENTATIVE

\_\_\_\_\_  
EMPLOYEE SIGNATURE/DATE



# LIGHT DUTY PROGRAM

- **PLAYERS . . .**
  - Managers/Supervisors
  - FECA Staff
  - Safety Officials
  - Health Clinic Staff
  - Labor Relations Staff
  - Union Officials

# LIGHT DUTY PROGRAM

- **PROBLEMS/BARRIERS . . .**

- Reactive vs. Proactive
- Management Commitment
- Delays
- Poor Records
- Coordination/Cooperation/Support
- Free Ride
- Low Priority
- "Out of Sight, Out of Mind"
- Indifference

# LIGHT DUTY PROGRAM

- **WHAT IT TAKES . . .**

- Workers' Compensation Cases
- Structured Placement Approach
- Management Support
- Record Keeping
- Timeliness
- Medical Exams/Documentation
- Retrain

# SOLICIT IDEAS . . .

TOBYHANNA ARMY DEPOT

## HOTLINE

FOR

WORKERS' COMPENSATION FRAUD AND ABUSE

x5-7220 - x5-7222

IDENTITIES OF WRITERS AND CALLERS ARE FULLY PROTECTED

The Federal Employees Compensation Act provides Workers' Compensation Benefits to civilian employees for disabilities due to personal injury sustained while in the performance of duty or to employment related disease.

Unfortunately, as with any worthwhile program, there is the possibility for abuse.

Should any incident of abuse come to your attention, the numbers noted above are provided to report your findings. Or write: Personnel Directorate, Tobyhanna Army Depot, 11 Hap Arnold Boulevard, Tobyhanna, Pennsylvania 18466-5077

DON'T LET A PROGRAM MEANT FOR YOUR BENEFIT BE ABUSED BY OTHERS!!



## LOOKING AT INJURIES . . .

- INJURY INVESTIGATION/ANALYSIS

- Prompt referral to health clinic
- Notification to Safety and Workers' Compensation Offices
- Collective investigation of each accident by Safety and Workers' Compensation Offices
- Attention to forms completion and processing of claim
- Initiation of standard form letters as appropriate
- Corrective safety measures - lessons learned

## PROCESS CLAIMS CONSISTENTLY . . .

- EMPLOYEE MUST REPORT TO CLINIC FOR INITIAL TREATMENT
- NOTIFY WORKERS' COMPENSATION OFFICE UPON COMPLETION OF TREATMENT AT CLINIC
- COMPLETE FORMS/COUNSEL ON FECA SAME DAY
- DEVELOP LOG SHEET
- OUTSIDE MEDICAL REFERRAL, IF NECESSARY
- LETTER TO PHYSICIAN/LIGHT DUTY OFFER
- INVESTIGATE CLAIM AT INJURY SITE WHEN QUESTIONS ARISE
- FILE CLAIM WITH OFFICE OF WORKERS' COMPENSATION PROGRAM

## **PROCESS CLAIMS CONSISTENTLY . . .**

- BEGIN INTENSIVE CASE MANAGEMENT
- REVIEW MEDICAL REPORTS UPON RECEIPT
- CONTINUOUS FOLLOW-UP CONTACTS WITH EMPLOYEE (PERSONAL/HOME VISITS/PHONE) WHEN DISABLED
- INDEPENDENT MEDICAL EXAM WHEN NECESSARY
- PLACE ON LIGHT DUTY UPON RETURN TO DUTY
- RETURN TO REGULAR DUTY WHEN APPROPRIATE
- EVALUATE SUSPICIOUS CLAIMS (DISCUSS WITH MANAGEMENT EMPLOYEE RELATIONS DIVISION)
- CONTROVERT/REMOVE WHEN CIRCUMSTANCES WARRANT

## **THIRTEEN YEARS LATER . . . A LOOK FROM WITHIN**

- FECA STAFFS DEDICATED/INVOLVED/FRUSTRATED
- TOBYHANNA ARMY DEPOT PROGRAM CONTINUES TO BE COST EFFECTIVE
- ARMY/GOVERNMENT COSTS UP SIGNIFICANTLY
- VISIBILITY IMPROVED
- COSTS BECOMING CRITICAL

# TOBYHANNA ARMY DEPOT 2000 SUMMARY

SUCCESS CANNOT BE REGULATED

NO MAGIC FORMULA . . .

" . . . consistent attention to management of FECA by  
all concerned despite the press of other business."

BLUEPRINT TO SUCCESS IS SIMPLY . . .

***LEADERSHIP***