## FECA OVERVIEW



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- History
- Purpose
- OWCP Structure
- Financing/Chargeback
- Exclusiveness of Remedy
- Regulatory Rights

### Historical Overview

- The Federal Employees'
   Compensation Act, or FECA (5
   U.S.C. §8101 et seq.) was enacted
   in 1916
- The last revision to the FECA statute occurred in 1974
- The most recent regulatory changes were finalized in 2011



### Historical Overview

- The essential purpose of the Act is to provide benefits to Federal civilian employees who are injured on the job.
- Benefits include:
  - Medical benefits likely to cure, give relief, reduce the period of disability, or aid in lessening the amount of compensation
  - Compensation benefits for disability, loss of wage earning capacity, and permanent impairment
  - Vocational Rehabilitation assistance

# Purpose

The FECA provides benefits for civilian employees of the United States for work-related injuries/death. Benefits include:

- Payment of medical expenses for injury-related care and compensation for wage loss
- Payment of benefits to survivors of employees (spouse and dependents) if a work-related injury or disease causes an employee's death
- Payment of burial expenses to qualified survivors of a Federal employee in cases of employmentrelated death

## Purpose

- Division of Federal Employees', Longshore and Harbor Workers' Compensation (DFELHWC) provides workers' compensation coverage to approximately three million Federal and Postal workers around the world for employmentrelated injuries and occupational diseases.
- Federal civilian employees are covered by virtue of their employment status. The costs incurred in the provision of medical and compensation benefits are paid from the Employees' Compensation Fund, which OWCP administers.

# Is OWCP a retirement program?

The FECA does not provide retirement benefits. Employees who fully or partially recover from their injuries are expected to return to work.

However, the FECA provides rehabilitation services to partially disabled employees for the purpose of assisting them in their return to work in a suitable position.



### **OWCP Structure**

#### There are 3 Divisions of OWCP:

- Division of Federal Employees', Longshore and Harbor Workers' Compensation (DFELHWC)
- 2. Division of Coal Mine Workers' Compensation (DCMWC)
- 3. Division of Energy Employees Occupational Illness Compensation (DEEOIC)

### **DFELHWC Structure**

#### 1. FECA Claims Administration:

- Director
  - National Administrator of Field Operations (NAFO): oversees 14 Offices
- Deputy Director, Operations and FECA Claims Management
  - Branch of Hearings and Review
  - Branch of Policy, Regulations, and Procedures
  - Branch of Technical Assistance
- Deputy Director, Program and System Integrity
  - Branch of Fiscal Operations
  - Branch of Information Technology
  - Branch of Program integrity, Fraud Prevention, Prescription Management
- 2. Longshore Harbor Workers' Compensation Act (LHWCA) Claims Administration

### **FECA Claims Administration**

- Within the DFELHWC, the NAFO oversees the FECA Claims Operations administered by 14 Offices.
- FECA claims from all states are assigned to all 14 Offices.
- Quality Assurance and Mentoring examiner (QAM)
  Office adjudicates reconsideration requests.
- Branch of Hearings and Review handles cases involving security considerations (CIA, NSA, etc.).
- Branch of Fiscal Operations processes overpayments.

# Financing of FECA Benefits - Chargeback

- The chargeback system is the mechanism by which the costs of compensation for work-related injuries and deaths are assigned to employing agencies.
- A compensation claim is identified as belonging to a particular agency based on the agency code that is entered into the OWCP data processing system when the case is created.
- Federal employers reimburse the fund for the amounts paid to its employees in workers' compensation benefits through the chargeback system.

# Financing/Chargeback

- The agencies include these amounts in their budget requests to Congress. The sums appropriated or obtained from operating revenues are deposited in this fund.
- Each year, OWCP furnishes each agency with a statement of payments made from the fund on account of injuries to its employees.
- An annual report is made at the end of the fiscal accounting period which runs from July to June for this purpose.

# Chargeback Report

- Each agency receives a quarterly report which provides a breakdown of cases and charges.
- The report can be used to identify and correct errors before an agency is billed for them. The agency should review their quarterly report for incorrect entries.
- Requests for changes/corrections should be sent to <u>OWCP-Fiscal-DFEC@dol.gov</u> within 90 days of receipt of the quarterly report.



# Exclusiveness of Remedy

- Benefits provided under the FECA constitute the sole legal remedy available to a civil employee against the United States for workrelated injury or death.
- A Federal employee or surviving dependent is not entitled to sue the United States or recover damages for such injury or death under any other law for an accepted work injury.



### Regulations – Rights of the Injured Employee

- The regulations set forth in 20 CFR §10.15
  address waiver of compensation. No employer
  or other person may require an employee or
  other claimant to enter into any agreement,
  either before or after an injury or death, to
  waive his or her right to claim compensation
  under the FECA.
- No waiver of compensation shall be valid.

### Rights of the Injured Employee

- Individual cases are protected under the Privacy Act.
  - only the employee, his/her representative and agency personnel may routinely have access to information concerning the compensation claim. The documents that make up the claim file are covered under a system of records (DOL/GOVT-1). DOL owns all records created in connection with the claim including the ones maintained by the employer.
- HIPAA does not apply to OWCP or employing agencies as it relates to information concerning the compensation claim.

The Federal Employees' Compensation Act provides benefits to Federal civilian employees who are injured on the job. Included in those benefits are:

- a) Compensation benefits for disability
- b) Vocational Rehabilitation assistance
- c) Payment of benefits to survivors of employees if a work-related injury or disease causes an employee's death
- d) Medical benefits likely to cure, give relief, or reduce the period of disability.
- e) All of the above

If you are injured while performing your Federal employment duties, you can retire on workers' compensation benefits.

- a) True
- b) False

When an employee receives medical or wage-loss compensation from the Office of Workers' Compensation, the costs associated are assigned to:

- a) The Office of Workers' Compensation Programs
- b) The agency the employee was working for at the time of injury
- c) Congress

An injured Federal employee has the right to sue the United States government for a work-related injury or death.

- a) True
- b) False

### Take Away Tips

- 1) The Federal Employees' Compensation Act (FECA) provides benefits to Federal civilian employees who are injured on the job.
- 2) Division of Federal Employees', Longshore and Harbor Workers' Compensation (DFELHWC) provides workers' compensation coverage to Federal and Postal workers around the world for employmentrelated injuries and occupational diseases.
- 3) Within the DFELHWC, the NAFO oversees the FECA Claims Operations administered by 14 Offices.
- 4) The chargeback system is the mechanism by which the costs of compensation for work-related injuries and deaths are assigned to employing agencies.

## Take Away Tips

- 5) Benefits provided under the FECA constitute the sole legal remedy available to a civil employee against the United States for work-related injury or death.
- 6) No employer or other person may require an employee or other claimant to enter into any agreement, either before or after an injury or death, to waive his or her right to claim compensation under the FECA.
- 7) Individual cases are protected under the Privacy Act.