

EMPLOYMENT STANDARDS ADMINISTRATION

Energy Employees Occupational Illness Compensation Program Act

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GENERAL STATEMENT

Introduction

The Energy Employees Occupational Illness Compensation Program Act (EEOICPA) was enacted in October 2000. EEOICPA provides benefits under Part B to covered employees or survivors of employees of the Department of Energy (DOE), and private companies under contract with DOE, who have been diagnosed with a radiation-related cancer, beryllium-related disease, or chronic silicosis as a result of their work in producing or testing nuclear weapons. Benefits for uranium workers covered by the Radiation Exposure Compensation Act (RECA) are also provided.

In October 2004, Congress amended the EEOICPA to abolish Part D, wherein the DOE provided assistance to DOE contractor employees or their survivors who were found to have work-related occupational illnesses due to exposure to a toxic substance at a DOE facility. Responsibility for coverage for these contract employees was transferred to the Department of Labor (DOL) under the newly created Part E of the EEOICPA. Claims previously filed with DOE were transferred to DOL. Benefit payments under Part E began in December 2004 and full implementation was accomplished with the issuance of regulations on May 26, 2005. The Division of Energy Employees Occupational Illness Compensation (DEEOIC) operates 11 resource centers to provide assistance to claimants in completing benefit applications for both Part B and E of EEOICPA.

DOL is the lead agency responsible for administering Part B and Part E of the EEOICPA through the Division of Energy Employees Occupational Illness Compensation (DEEOIC). In support of the Part B claims adjudication, the Department of Health and Human Services (HHS), through the National Institute for Occupational Safety and Health (NIOSH), estimates occupational radiation exposure for certain cancer cases and takes action on petitions for adding classes of workers to the Special Exposure Cohort. DOE assists DOL and HHS/NIOSH by providing access to pertinent information on worker exposures, including access to classified data and records necessary to verify covered employment.

Lump-sum compensation payments of up to \$150,000 to covered employees (or qualified survivors) of the DOE, its predecessor agencies (the Manhattan Project and the Atomic Energy Commission) and certain of its vendors, contractors and subcontractors are provided under Part B of EEOICPA. In addition, individuals (or qualified survivors) already found eligible for benefits for illnesses covered under Section 5 of the RECA are eligible for supplemental payments up to \$50,000.

Payment of wage loss compensation and compensation based on whole-person impairment to DOE contractor employees are provided under Part E of the EEOICPA. Part E also provides lump sum compensation payments in the amounts of \$125,000, \$150,000, or \$175,000 to eligible survivors. Part E benefits are also extended to individuals and survivors who worked at RECA Section 5 facilities. Under the amendment, DOJ is authorized to make payments from the EEOICPA Compensation Fund for benefits DOJ awards under Section 5 of the RECA.

DOL has received over 78,500 claims and has made more than 61,200 recommended decisions and 56,300 final decisions in Part B claims since program inception. In addition, nearly 23,000 cases have been reviewed and referred to HHS/NIOSH for dose reconstruction. DEEOIC has made payments in over 21,800 Part B claims, totaling more than \$1,750,000,000. Under Part E, DEEOIC received jurisdiction for more than 25,000 cases previously filed with DOE and has received an additional 17,500 new cases. DOL has delivered more than \$525,000,000 in Part E benefits to more than 4,300 claimants.

The funding request for Part B administration for FY 2008 is \$104,745,000, with \$49,387,000 for DOL activities and \$55,358,000 for HHS activities. The Part B request for DOL will fund 275 FTE primarily for claims adjudication, case management, outreach, and legal, financial, and human resources support; as well as contracts for medical bill processing and employment verification.

The HHS/NIOSH portion of the FY 2008 Part B budget request (\$55,358,000) will support the review of Special Exposure Cohort (SEC) petitions (including the hiring of additional staff for the SEC Team); development, review, and implementation of program evaluation recommendations; worker outreach through the Office of Compensation Analysis and Support; scientific review of NIOSH products; Advisory Board on Radiation and Worker Health expenditures; and Centers for Disease Control and Prevention (CDC) overhead costs.

For FY 2008, projected expenditures from indefinite budget authority for Part E are \$56,885,000 supporting 189 FTE. These resources support timely and accurate processing of claims, accurate benefit payment processing, improved and focused customer support service, and program management.

Issues, Outcomes and Strategies

In FY 2006, Part E received a total of 13,159 claims, an average of more than 200 new claims per week. In addition, many Part E claims will require multiple decisions for increased impairment and additional wage loss. With this notable increase in workload, and the anticipated continued receipt of a significant number of additional Part E claims, DEEOIC must hire and train additional staff, many under term appointments, to ensure that the program resolves the inherited backlog and keeps pace with the incoming new workload.

Adjudication of the backlog of 25,000 aged cases transferred from DOE with the enactment of Part E has been a high priority for DEEOIC. In FY 2006, DEEOIC completed initial decisions for 85% of the total available backlog, exceeding the target of 75%. In FY 2007, DEEOIC will complete initial decisions for 100% of the total available backlog.

DEEOIC continues to challenge itself to improve program management and more efficiently serve its customers within prescribed resources. As part of this challenge, DEEOIC revised the initial claims goal to include a measure of the average days required to process initial claims. In FY 2007, DEEOIC will establish a baseline for this measure as part of its strategic plan goals and will reduce the average processing time achieved by 5% in FY 2008. DEEOIC continues its ambitious pursuit of performance improvement by strategically planning to reduce the FY 2009

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through FY 2011 average processing time by 2% each year below the prior year's goal. The performance goal for processing final decisions will increase to 85% within standard timeframes for FY 2007 and 87% for FY 2008. For FY 2009 through FY 2011, the final decisions performance goal will be increased by 1% for each year.

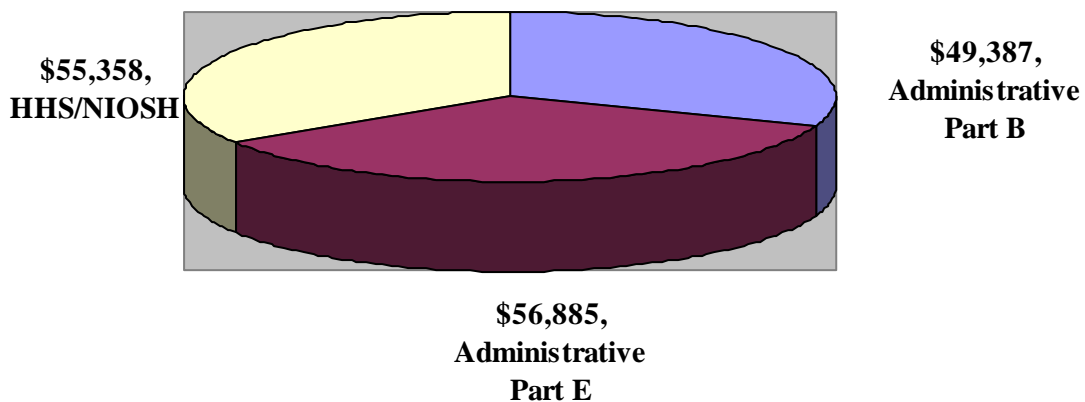
DEEOIC will continue its outreach to potential beneficiaries and will explore how to more effectively use its Resource Centers to aid in this effort. Outreach activities are used to assist potential beneficiaries in how to file claims, and to answer any eligibility questions. The program will continue to respond efficiently to changes in dose reconstruction parameters, and to the addition of Special Exposure Cohorts. DEEOIC expects to use the results and recommendations of the program evaluation study scheduled to be completed in FY 2007 to review the effectiveness of operating procedures and program implementation and to examine the contribution of programs to social outcomes through impact analyses.

DEEOIC will also continue to: (1) build to the automated data processing tools working towards establishing a unified system for Part B and Part E [ESA - OWCP-Energy IT System](#); (2) improve the quality and timeliness of DEEOIC decisions, benefit delivery and case management, and to provide information to partner agencies and the public; (3) develop and implement methodologies for making contact with additional claimant populations and; (4) develop and implement a case file imaging system.

Cost Model

The FY 2008 request for Part B is \$104,745,000, providing \$49,387,000 for DOL and \$55,358,000 for HHS/NIOSH. The FY 2008 projected funding need for Part E is \$56,885,000.

**FY 2008 Budget Request by
Energy Employees Occupational Illness Compensation Program
Total Budget Request DEEOIC - \$161,630
(Dollars in Thousands)**



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**ADMINISTRATIVE EXPENSES, ENERGY EMPLOYEES
OCCUPATIONAL ILLNESS COMPENSATION FUND**

APPROPRIATION LANGUAGE

(Including Transfer of Funds)

For necessary expenses to administer the Energy Employees Occupational Illness Compensation Act, \$104,745,000, to remain available until expended: Provided, That the Secretary of Labor is authorized to transfer to any Executive agency with authority under the Energy Employees Occupational Illness Compensation Act, including within the Department of Labor, such sums as may be necessary in fiscal year 2008 to carry out those authorities: Provided further, That the Secretary may require that any person filing a claim for benefits under the Act provide as part of such claim, such identifying information (including Social Security account number) as may be prescribed.

Note—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

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AMOUNTS AVAILABLE for OBLIGATIONS

(Dollars in Thousands)

	FY 2006 Enacted		FY 2007 C.R. ^{2/}		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A.	Appropriation (Amount shown in Appropriation Language)					
	275	\$40,313	275	\$49,971	275	\$49,387
		\$55,768		\$52,336		\$55,358
	275	\$96,081	275	\$102,307	275	\$104,745
		0		0		0
				0		0
	275	\$96,081	275	\$102,307	275	\$104,745
	275	\$96,081	275	\$102,307	275	\$104,745
	189	\$59,950	189	\$59,531	189	\$56,885
		\$15,012		\$6,934		\$0
		\$12,776		\$8,872		\$0
		\$9		\$0		\$0
		\$87,747		\$75,337		\$56,885
B.	Gross Budget Authority [sum of A.1 and A.2]					
	464	\$183,828	464	\$177,644	464	\$161,630
		-\$15,012		-\$6,934		0
		-\$12,776		-\$8,872		0
	-189	-\$59,950	-189	-\$59,531	-189	-\$56,885
		-\$9		0		0
		-\$87,747		-\$75,337		-\$56,885
C.	Budget Authority [sum of B. and B.1]					
	275	\$96,081	275	\$102,307	275	\$104,745
		\$15,012		\$6,934		0
		\$12,776		\$8,872		0
		\$6,934		0		0
		\$8,872		0		0
	189	\$59,950	189	\$59,531	189	\$56,885
		\$9		0		
		\$103,553		\$75,337		\$56,885
D.	Total Budgetary Resources (Appropriated and Indefinite)					
	464	\$199,634	464	\$177,644	464	\$161,630
E.	Total, Estimated Obligations^{1/}					
		\$199,634		\$177,644		\$161,630

^{1/} FY 2006 Enacted and FY 2007 C.R. amounts include unobligated balances.

^{2/} The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

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Summary of Changes

(Dollars in Thousands)

	FY 2007 C.R.	FY 2008 Request	Net Change
Budget Authority			
General Funds Administrative Accounts			
a) Department of Labor (DOL)	\$49,971	\$49,387	-\$584
b) Department of Health and Human Services	<u>52,336</u>	<u>55,358</u>	<u>3,022</u>
Total	\$102,307	\$104,745	\$2,438
Full –Time Equivalent:			
Administrative Expenses (DOL)	275	275	0
Explanation of Change:			
	FTE	Base Amount	FTE
			Change Amount
Increases:			
A. Built-In:			
To provide for:			
Costs of pay adjustments			\$395
Personnel Benefits			61
Employee health benefits			33
Two More Days of Pay			172
Travel			9
Transportation of Things			1
GSA Space Rental			83
All Other Rental			1
Communications, utilities, miscellaneous charges			8
Printing and Reproduction			2
Other Services			188
Working Capital Fund			0
Purchase of goods and services from other Government accounts			526
Operation and Maintenance of Equipment			940
Supplies and Materials			9
Equipment			8
Subtotal	0	0	2,436
B. Program:			
To increase resources for Department of Health and Human			
Services/NIOSH activities	0	52,336	0
Program Subtotal	0	102,307	3,022
Total, Increases	0	102,307	5,458
Decreases:			
A. Built-In:			
Reduction due to a decline in workload			
Program Subtotal	0	0	-3,020
Total Decreases	0	0	-3,020
Total Changes	0	\$102,307	0
			+\$2,438

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SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY

	FY 2006 Enacted		FY 2007 C.R. ^{2/}		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Budget Authority Applied to Administrative Expenses Account						
Administrative Expense						
Energy Employees Occupational Illness Compensation Act						
Part B						
Department of Labor	275	\$40,313	275	\$49,971	275	\$49,387
Department of Health and Human Services	0	55,768	0	52,336	0	55,358
Total Part B	275	\$96,081	275	\$102,307	275	\$104,745
Part E	189	\$59,950	189	\$59,531	189	\$56,885
Total Budget Authority ^{1/}	464	\$156,031	464	\$161,838	464	\$161,630

^{1/} FY 2006 Enacted and FY 2007 C.R. amounts do not include unobligated balances.

^{2/} FY 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

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PART B

BUDGET AUTHORITY by OBJECT CLASS					
(Dollars in Thousands)					
		FY 2006 Enacted	FY 2007 C.R.	FY 2008 Request	08 Request/ NTE Curr. Rate
Total Number of Full Time Permanent Positions		275	275	275	0
Full-Time Equivalent		275	275	275	0
Full-Time Permanent		275	275	275	0
Total		275	275	275	0
Average ES Salary		\$154,756	\$157,125	\$160,633	3,508
Average GM/GS Grade		11.7	12.2	12.5	0.3
Average GM/GS Salary		\$65,129	\$67,216	\$73,720	6,504
Average Salary of Ungraded Positions					
11.1	Full-Time Permanent	\$16,285	\$22,395	\$22,920	+525
11.5	Other Personnel Compensation	259	271	279	+8
11.9	Total Personnel Compensation	\$16,544	\$22,666	\$23,199	+533
12.1	Civilian Personnel Benefits	3,542	4,557	4,685	+128
21.0	Travel and Trans. Of Persons	632	445	354	-91
22.0	Transportation of Things	64	65	66	+1
23.1	Rental Payments to GSA	2,438	2,765	2,848	+83
23.2	Rental Payments to Others	61	63	64	+1
23.3	Comm., Utilities & Misc.	720	374	382	+8
24.0	Printing and Reproduction	100	102	104	+2
25.2	Other Services	1,770	5,702	5,140	-562
25.3	Purchases of Goods and Services From Other Government Accounts ^{1/}	64,974	58,337	61,885	+3,548
25.5	Research and development contracts	0	0	0	0
25.7	Oper. And Maint. Of Equip.	4,562	6,473	5,829	-644
26.0	Supplies and Materials	372	382	141	-241
31.0	Equipment	302	376	48	-328
42.0	Insurance Claims & Indemnities				
	Total	\$96,081	\$102,307	\$104,745	+2,438

^{1/} Other Purchases of Goods and Services From Other Government Accounts

Working Capital Fund	1,500	5,055	5,055	0
HHS/NIOSH for dose reconstruction	55,768	52,336	55,358	+3,022
Department of Homeland Services/Federal Protective Services (building security)	0	186	195	+9

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**APPROPRIATION HISTORY
ADMINISTRATIVE EXPENSES, ENERGY EMPLOYEES OCCUPATIONAL
ILLNESS COMPENSATION PROGRAM ACT****(Dollars in Thousands)**

	Budget Estimates to <u>Congress</u>	House <u>Allowance</u>	Senate <u>Allowance</u>	<u>Appropriation</u>	<u>FTE</u>
2001.....	0	0	0	50,328 ^{1/}	25
2002.....	136,000	136,000	136,000	130,665 ^{2/}	191
2003.....	104,867	104,867	104,867	104,867	380
2004.....	55,074	55,074	55,074	51,651 ^{3/}	300
2005.....	40,821	40,821	40,821	40,321 ^{4/}	380
2006.....	96,081 ^{5/}	96,081	96,081 ^{6/}	96,081 ^{6/}	275
2007.....	102,307 ^{7/}				
2008.....	104,745 ^{8/}				

^{1/} Reflects the reduction of \$72,000 pursuant to P.L. 106-554 and the transfer of \$10,000,000 to the Department of Health and Human Services.

^{2/} Reflects a reduction of \$335,000 pursuant to P.L. 107-116 and a reduction of \$5,000,000 pursuant to P.L. 107-206.

^{3/} Reflects \$3,423,000 rescission.

^{4/} Reflects \$500 thousand rescission.

^{5/} Reflects (Part B DOL - \$40,313,000 and 275 FTE, and HHS - \$55,768,000).

^{6/} Includes \$4,500,000 transferred to NIOSH for use by the Advisory Board on Radiation and Worker Health.

^{7/} Reflects (Part B DOL - \$49,971,000 and 275 FTE, and HHS \$52,336,000).

^{8/} Reflects (Part B DOL - \$49,387,000 and 275 FTE, and HHS \$55,358,000).

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Energy Employees Occupational Illness Compensation Program

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C.R.	FY 2007 Estimate	Diff FY 06 Enact./ FY 07 C.R.	FY 2008 Request	Diff FY 07 C.R./FY 08 Request
Activity Appropriation: Part B	\$96,081 ^{1/}	\$102,307 ^{2/}	\$102,307 ^{2/}	+6,226	\$104,745 ^{3/}	+2,438
Other Appropriation Part E^{4/}	\$59,950	\$59,531	\$59,531	-\$419	\$56,885	-\$2,646
Total Resources	\$156,031	\$161,838	\$161,838	+5,807	\$161,630	-\$208
Part B FTE	275	275	275	0	275	0
Part E FTE	189	189	189	0	189	0
Total FTE Allocation	464	464	464	0	464	0

1/ Funding for DOL and HHS activities -- \$40,313,000 for DOL and \$55,768,000 for HHS.

2/ Funding for DOL and HHS activities -- \$49,971,000 for DOL and \$52,336,000 for HHS.

3/ Funding for DOL and HHS activities -- \$49,387,000 for DOL and \$55,358,000 for HHS.

4/ The authorizing legislation established an indefinite appropriation for Part E administrative costs.

Introduction

The Division of Energy Employees Occupational Illness Compensation's (DEEOIC) core mission is to adjudicate and pay benefits for claims filed under the Energy Employees Occupational Illness Compensation Program Act (EEOICPA). EEOICPA's budget activity supports the DOL Performance Goal 4B, to Reduce the consequences of work-related injuries through the DEEOIC's performance goals of average number of days to process initial claims, and percent of final decisions processed within 180 days (hearing cases) or 75 days (all other cases). Part B of the EEOICPA provides a lump sum payment of \$150,000 and medical benefits to covered employees or their survivors and/or a supplemental lump-sum payment of up to \$50,000 to individuals or their survivors found eligible for benefits for illnesses covered under Section 5 of the Radiation Exposure Compensation Program Act (RECA). Part E of the

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EEOICPA provides for the payment of wage loss compensation and compensation based on whole-person impairment for covered employees and for lump sum payments to eligible survivors.

Five-Year Budget Activity History

Fiscal Year	Funding for Part B	FTE for Part B	Funding for Part E	FTE for Part E
2003	\$104,867,000	380		
2004	\$51,651,000	300		
2005	\$40,321,000	275	\$49,975,000	105
2006	\$96,081,000	275	\$59,950,000	189
2007	\$102,307,000	275	\$59,531,000	189

FY 2008

The funding request for Part B is \$104,745,000. Of this amount, \$49,387,000 supporting 275 FTE is for DOL activities and \$55,358,000 for HHS/NIOSH activities. DEEOIC estimates receiving approximately 19,000 new claims, issuing 26,000 final decisions, and making benefit payments of \$860,730,000. The President's Management Agenda, and program GPRA and strategic goals, such as quality case management and benefit delivery, program management, claims processing, outreach activities, and customer support services will continue as well as legal support and analysis in the Solicitor of Labor's office; human resource, financial and other ESA and Department-level administrative support.

With the requested funding, NIOSH anticipates completing 3,000 dose reconstructions in FY 2008. The current contract for the production of dose reconstructions ends near the end of FY 2007. The contract transition may affect dose reconstruction production rates. NIOSH anticipates receiving 40 Special Exposure Cohort (SEC) petitions in FY 2008. The majority will likely involve fewer active cases than some that have already been evaluated (Y-12, Iowa, the Nevada Test Site [NTS], e.g.). Two factors that contribute to an increased number of SEC petitions are the success of petitioners in achieving the addition of classes of employees to the SEC through the standard petitioning process and NIOSH identifying cases for which data are not available to complete dose reconstruction with sufficient accuracy. Once these cases are identified, NIOSH then works with the petitioner to obtain an SEC petition.

For Part E, indefinite budget authority estimated at \$56,885,000 will support DOL's responsibilities for efficient and effective claims processing, benefit payment, customer support services, and program management.

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FY 2007

For FY 2007, the request for Part B funding is \$102,307,000 (\$49,971,000 supporting 275 FTE for DOL activities and \$52,336,000 for HHS/NIOSH activities). DEEOIC will continue to efficiently and effectively process initial claims, and benefit payments in a timely manner. DEEOIC's initial claims goal was revised to measure average days to process an initial claim, to capture the timeliness for processing all initial claims. The baseline will be established in FY 2007. The performance goal for processing final decisions was increased to 85% for FY 2007. Performance against this goal requires prompt handling of uncontested cases (including payment of approved cases), as well as timely issuance of appeal decisions. DEEOIC estimates receiving approximately 20,000 new claims and issuing 30,540 final decisions in FY 2007. A third goal specific to the backlog of claims transferred to DOL under Part E is to complete initial decisions on 100% of the total available backlog by the end of the fiscal year. DEEOIC will continue to monitor and assess its workload to ensure it has established appropriate and challenging performance standards for the program.

The major strategies of DEEOIC are to maintain and improve its high level of customer service and claims processing quality through data quality and accountability reviews, reduce the time for processing claims, and continue its outreach efforts to ensure that potential claimants receive the necessary information about the program and application process. By the end of FY 2007, DEEOIC will have the results of the study initiated in FY 2006, which will evaluate the timeliness, effectiveness, and outcomes of its adjudication process compared to state workers' compensation programs and the Veteran's Affairs (VA) handling of similar cancer cases. The study will review the effectiveness of operating procedures and program implementations and examine the contribution of programs to social outcomes through impact analyses.

For FY 2007, with the requested funding of \$52,336,000, HHS/NIOSH anticipates completing 6,000 dose reconstructions. The Office of Compensation and Analysis (OCAS) will continue with an on-going communication plan by communicating directly with each claimant on a periodic basis determined by the stages the claim attains. Approximately 2,000 claimant calls are handled by staff each month. The current contract with Oak Ridge Associated Universities will expire in September 2007. OCAS anticipates that the need to augment Federal staff with contracts to support its dose reconstruction efforts will continue. Steady state (no claim over 1 year old in the dose reconstruction process) should be attained by 3rd Quarter FY 2007.

As the dose reconstruction program matures and additional audits of finalized dose reconstructions are completed, there will be an increasing need to complete Program Evaluation Reports (PERs) to assess the effect of these changes on claims that are pending or have been completed, and revise finalized dose reconstruction if warranted.

NIOSH anticipates receiving 30 additional SEC submissions from claimants in FY 2007 for which NIOSH will need to prepare petition evaluations for review by the Advisory Board on Radiation and Worker Health (ABRWH). The Board will review the NIOSH evaluation recommendation and advise the Secretary, HHS as to whether the class should be included in the Special Exposure Cohort.

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The Report on Residual Radioactive and Beryllium Contamination at Atomic Weapons Employer Facilities and Beryllium Vendor Facilities was revised as required by the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 and was submitted to Congress by December 31, 2006.

FY 2006

For FY 2006, the enacted funding level for Part B was \$96,081,000 (\$40,313,000 and 275 FTE for DOL activities and \$55,768,000 for HHS/NIOSH activities). DEEOIC received a total of 20,930 claims and issued 33,695 final decisions. The performance goals for FY 2006 were to process 50% of initial claims for benefits and 80% of final decisions within standard timeframes. DEEOIC exceeded both goals with the results of 72% and 89%, respectively. DEEOIC actively monitors its performance on a quarterly basis to ensure that its performance indicator targets are being met and are suitable. DEEOIC continued its outreach effort to potential beneficiaries. DEEOIC completed the requirements analysis and contracting phase to begin development of unified automated data processing tools to serve both Part B and Part E. The unified system will assist in improving the quality and timeliness of DEEOIC decisions, benefit delivery and case management. The program actively responds efficiently to litigation, changes in dose reconstruction parameters, and additions to the Special Exposure Cohort.

With the amendment to EEOICPA creating Part E, DEEOIC developed a third performance goal for FY 2006 of completing initial decisions on 75% of the total available Part E backlog by the end of the fiscal year. DEEOIC exceeded this performance goal with a result of 85%, completing 17,836 of the claims backlog.

In FY 2006, NIOSH completed an average of 110 dose reconstructions each week. While the overall production in FY 2006 was an average of 110 dose reconstructions per week, production over the last six months of the year was relatively steady at 500 dose reconstructions a month. This production rate will continue in FY 2007 and it is anticipated that NIOSH will reach steady state in the completion of dose reconstructions in the summer of 2007.

- 2,176 cases were forwarded to NIOSH for dose reconstruction (total to date is 22,388);
- 5,304 dose reconstructions were completed and forwarded to DOL for final adjudication (total to date is 15,359); and
- 4,148 dose reconstructions are currently in progress.

In December 2005, HHS published an interim final rule amending the Special Exposure Cohort rule to implement amendments to EEOICPA, as part of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005.

- Classes of employees at six sites covered under EEOICPA were added to the Special Exposure Cohort (SEC) during FY 2006. As a result, 695 cases have been returned to DOL for determination of class eligibility.
- Eight submissions have provided sufficient information to qualify for evaluation as an SEC petition. NIOSH will complete an evaluation report for each of these petitions for presentation to the petitioner(s) and the ABRWH.

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- NIOSH is providing assistance to 13 applicants that have submitted materials in support of adding classes of employees to the SEC. It is not known which, if any, of these submissions will ultimately qualify for evaluation as an SEC petition.
- To date, five submissions have failed to qualify for evaluation as SEC petitions.

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WORKLOAD SUMMARY			
	FY 2006 Actual	FY 2007 Target	FY 2008 Target
Part B			
Workload A Initial Claims Received	7,771	7,500	7,000
Workload B Final Decisions Issued	13,276	11,540	7,000
Workload C Payments Issued	4,598	3,140	2,000
Part E			
Workload C Initial Claims Received	13,159	12,500	12,000
Workload D Final Decisions Issued	20,419	19,000	19,000
Workload E Payments Issued	2,304	3,576	3,576
Budget Activity Total	\$155,674,000	\$161,838,000	\$161,630,000

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PART B

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes

Built-ins:

To provide for:

Costs of pay adjustments	395
Personnel Benefits	61
Employee Health Benefits	33
Two More Days of Pay	172
Federal Employees Compensation Act (FECA)	0
Travel	9
Transportation of Things	1
GSA Space Rental	83
Rental Payments to Others	1
Communications, utilities, and miscellaneous charges	8
Printing and reproduction	2
Advisory and assistive services	0
Other services	188
Working Capital Fund	0
Purchases of goods and services from other government	526
Operation and Maintenance of equipment	940
Supplies and materials	9
Equipment	8
Reduced program overhead	-3,020
Total Built-in	-584

Net Program **+3,022**
Direct FTE

	Estimate	FTE
Base:	\$102,307	275
Program Increase for HHS for projected growth in program and dose reconstructions	+3,022	

**U.S. Department of Labor
Energy Employees Occupational Illness Compensation Program (Part B)
Performance Budget Issue Paper**

EEOICPA Program Increase for HHS/NIOSH

Applicable Performance Goal:

This request supports DOL's Performance Goal 4B: Reduce the consequences of work-related injuries.

Requested Resources:

The Energy Employees Occupational Illness Compensation Program requests \$55,358,000 for HHS/NIOSH activities. Funding for HHS/NIOSH activities will be increased by \$3,022,000 from the FY 2007 estimate to reflect the projected growth in specific areas of the program and the need to maintain the current production rate of dose reconstruction.

Rationale/Strategy and Impact Related to Resource Increase:

Over the past 12 months, NIOSH has increased the number of dose reconstructions completed when compared to the number being referred by DOL. These production numbers indicate that NIOSH is making progress in reducing the backlog. Even with this progress, the backlog will not be eliminated before FY 2008. It is possible that the rate at which dose reconstructions are completed will slow because the remaining cases will be more difficult. Planning and implementing a transition plan to continue operations past the end of the current contract period with Oak Ridge Associated Universities, may also affect dose reconstruction production rates. Current indications support the conclusion that the current level of dose reconstruction effort will need to continue through FY 2008.

The addition of new classes of employees to the Special Exposure Cohort (SEC) will require the use of additional NIOSH resources which makes it difficult to positively state that a significant number of cases currently requiring dose reconstruction will be removed from the current backlog given this resource shift. The majority of SEC petitions that qualify in the future will likely involve fewer active cases than some that have already moved through the system (Y-12, Iowa, the Nevada Test Site (NTS), e.g.). NIOSH expects to receive many SEC petitions, requiring significant resources to evaluate, but relatively little reduction of the dose reconstruction backlog. NIOSH anticipates that in FY 2008 the number of petitions for additions to the SEC will continue to increase substantially beyond the total of 60 such petitions received since the SEC rule was promulgated in May 2004. To prepare for this increase, NIOSH requests \$1,022,000 and plans to reassign and add staff to qualify and evaluate SEC petitions. NIOSH is increasing the permanent technical staff for the SEC Team by hiring two additional health physicists. NIOSH also plans to add a public health advisor to the SEC Team as a contractor employee to assist with developing, maintaining, and updating the SEC project plan and procedures, and providing necessary administrative support.

ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM

As the dose reconstruction program matures and additional audits of completed dose reconstructions are completed, and as changes are made to NIOSH Interactive RadioEpidemiological Program (IREP) based on new scientific findings, there will be an increasing need to complete Program Evaluation Reports (PERs) to assess the effect of these changes on claims that are pending or have been completed, and make changes in the dose reconstructions if warranted. Contractor staff (six research health scientists) will be added to develop, review, finalize, and implement these PERs.

This budget request also includes \$2,000,000 to cover the Center for Disease Control and Prevention (CDC) Indirect Cost Rate which it charges to all receivable agreements. This Indirect Cost Rate of 9 percent covers expenses related to CDC administration. The support services areas include contract and grants administration, financial management, information technology, office automation assistance, human resources, utilities, facility costs, telecommunications, postage and physical security. CDC's methodology (which has been reviewed by outside auditors) is under constant review to ensure assessments are fair and equitable among its program components and the financial management policies and practices are improved to produce cost savings and increase efficiency, thereby lowering support services costs.

Base Level Funding:

At base level funding of \$52,336,000 for HHS/NIOSH activities, HHS/NIOSH's ability to review SEC petitions and complete dose reconstructions would be severely impacted, creating delays for claimants.

Base:

Estimate: \$52,336,000

FTE: 0

Program Performance at the Request Level:

The \$55,358,000 funding request for HHS/NIOSH, which is an increase of \$3,022,000, will directly support full staffing, including six new research health scientists for development, review, and implementation of Program Evaluation Reports, two additional health physicists and a public health advisor for the SEC Team, as well as CDC overhead costs. With the requested funding of \$55,358,000, HHS/NIOSH will complete its planned 3,000 dose reconstructions for FY 2008. HHS/NIOSH would also be able to support the anticipated increase in SEC petitions.

Program Increase:

Estimate: \$3,022,000

FTE: 0

ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM

Object Class (\$ in thousands):

	Object Class	FY 2008 Request
11.9	Full-Time Permanent	
12.0	Civilian Personnel Benefits	
21.0	Travel/Transportation of Persons	
22.0	Transportation of Things	
23.1	Space Rental	
23.2	Other Rental	
23.3	Communications/Utilities & Misc.	
24.0	Printing & Reproduction	
25.2	Other Services	
25.3	Purchases of Goods and Services From Other Government Accounts	\$3,022
25.7	Operation and Maintenance of Equipment	
26.0	Supplies and Materials	
31.0	Equipment	
TOTAL		\$3,022