

# #26, How HRM Programs Affect OWCP Claimants



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# IMPACT OF LWOP ON EMPLOYEE BENEFITS

- ◆ SCD
- ◆ LEAVE ACCRUAL
- ◆ RETIREMENT  
ELIGIBILITY
- ◆ HEALTH  
INSURANCE
- ◆ LIFE INSURANCE
- ◆ TSP
- ◆ WGI

# *Service Computation Date*

- ◆ **Typically periods of LWOP are credited to a maximum of six months per calendar year**
- ◆ **This limit does not apply to employees on LWOP because of workers compensation**
- ◆ **The employee SCD should not be adjusted if LWOP was due to a compensable injury**

# LEAVE ACCRUAL

- ◆ Periods of LWOP due to a compensable injury are fully creditable for leave accrual.



Don't Worry,  
I'll take care  
of it !

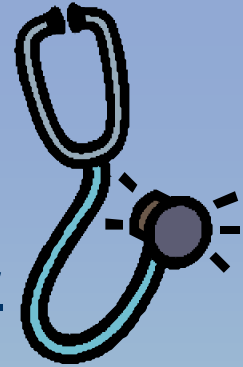
# RETIREMENT ELIGIBILITY

ARE YOU ELIGIBLE?

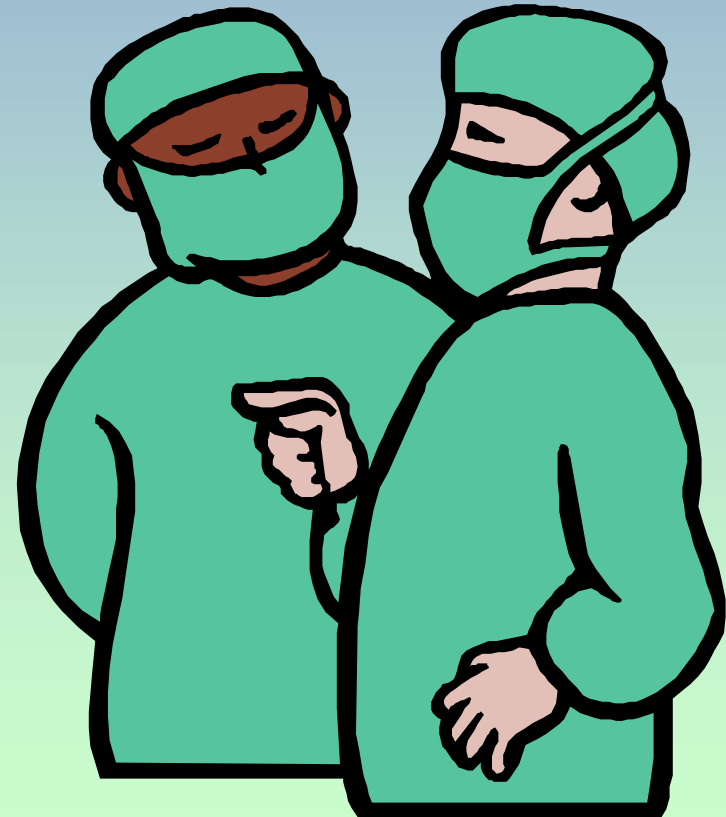
- ❖ An employee receiving worker compensation benefits receives full credit for time carried in a LWOP status



# HEALTH INSURANCE



- FEHB coverage continues during LWOP
- Agency must show on CA-7 whether the employee is enrolled and the enrollment code
- OWCP deducts premium from the compensation payments



# HEALTH INSURANCE

- Once an employee is removed from the agency's rolls and placed on Labor's rolls FEHB enrollment is transferred to OWCP and premiums are deducted from compensation payments
- When compensation ends and the employee returns to duty, OWCP will transfer the enrollment back to the employing agency
- The employing agency must complete an SF-2810 to transfer the enrollment in to the agency



## Health Benefits (TCC)

- ◆ If the former employee did not file a timely application for retirement benefits and workers compensation payments later stops, the employee is not eligible to receive TCC.



# WITHIN-GRADE INCREASES



- A period of LWOP is creditable when the employee is receiving injury compensation
- The period during which a separated employee is in receipt of injury compensation is creditable for successive WGI's when the employee is reemployed with the Federal Government
- 5 CFR 531.406 ( c )

# Life Insurance



- ◆ FEGLI coverage continues during LWOP
- ◆ OWCP makes withholdings from compensation
- ◆ Agency must notify OWCP on the CA-7 the type and amount of insurance
- ◆ If employee returns to duty, agency should inform OWCP of the beginning and ending dates of the pay period the employee returned to duty

# Thrift Savings Plan (TSP)

- ✓ Employee is not eligible to contribute to TSP while on LWOP. TSP contributions are based upon the basic pay the employee earned. An employee receiving OWCP benefits is not receiving basic pay.

# TSP

- ❖ *Placement in nonpay status does not affect eligibility to make TSP election*
- ❖ *Employees in nonpay status may terminate their TSP contributions at any time*

# Survivor Benefits

If retirement application not filed

## CSRS

- Survivor annuity benefits are not payable if cause of death not related to accepted condition.
- Lump Sum credit may be payable.

# Survivor Benefits

## ◆ FERS

- Survivor Annuity may be payable if employee dies and cause of death was not related to injury.
- Lump Sum Benefits