

OWCP Annual Report to Congress FY 2001



Submitted to Congress 2002

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

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Submitted to Congress 2002

**U.S. Department of Labor
Elaine L. Chao, Secretary**

**Employment Standards Administration
Victoria A. Lipnic, Assistant Secretary**

**Office of Workers' Compensation Programs
Shelby Hallmark, Director**

SECRETARY OF LABOR
WASHINGTON

THE HONORABLE PRESIDENT OF THE SENATE
THE HONORABLE SPEAKER OF THE HOUSE OF REPRESENTATIVES

Gentlemen:

I have enclosed the Department of Labor's annual report to Congress on the FY 2001 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 (LHWCA) as required by Section 42 of that Act, and the Energy Employees Occupational Illness Compensation Program Act for the period October 1, 2000, through September 30, 2001.

Separate enclosures contain reports on annual audits 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 Section 44(j) of LHWCA.

I trust that this report both fulfills the requirements of the respective laws and is useful to Congress and other interested parties as a comprehensive source of information on the administration and operation of Federal workers' compensation programs.

Sincerely,

Elaine L. Chao

Enclosures

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ASSISTANT SECRETARY'S MESSAGE

I am very pleased to forward the Office of Workers' Compensation Programs' (OWCP) Annual Report for Fiscal Year (FY) 2001 to the Secretary, to be transmitted to the Congress.

In FY 2001, OWCP began administering a new compensation statute, the Energy Employees Occupational Illness Compensation Program Act (EEOICPA). This Act provides compensation and medical benefits for employees or survivors of employees of the Department of Energy (DOE) and its contractors who suffer from radiation-related cancer, beryllium-related disease, or chronic silicosis as a result of their work in producing or testing nuclear weapons.

During FY 2001, OWCP also completed the installation of the OWCP Automated System for Imaging Services in its Division of Federal Employees' Compensation offices, allowing every new claim created in the district offices to be managed and adjudicated in an electronic environment.

The Longshore program took major steps to improve its dispute resolution process, while the Black Lung program began preparing claims for final adjudication under its new revised regulations.

Despite the extraordinary amount of work required to establish a new program and the challenge of learning new skills, the OWCP staff has remained focused on providing high quality services to its customers.

Victoria A. Lipnic
Assistant Secretary for
Employment Standards

DIRECTOR'S MESSAGE

Fiscal Year (FY) 2001 was an extremely busy year for the Office of Workers' Compensation Programs (OWCP). The Office began administering a fourth compensation act, the Energy Employees Occupational Illness Compensation Program Act (EEOICPA). Signed into law on October 30, 2000, the Act provides compensation and medical benefits for employees or survivors of employees of the Department of Energy (DOE) and its contractors who suffer from radiation-related cancer, beryllium-related disease, or chronic silicosis as a result of their work in producing or testing nuclear weapons. Primary responsibility for administering the program was assigned to OWCP on December 7, 2000, with benefit provisions to become effective on July 31, 2001. Within this very short time frame, an OWCP-led task force published interim final regulations; established four district offices for processing claims; hired and trained over 135 employees; and drafted dozens of position descriptions, training materials, and a procedure manual. Because of the task force's remarkable efforts, OWCP began receiving and processing claims on July 31, 2001, and the first payments of compensation were made to eligible claimants shortly after the effective date.

During FY 2001, the Division of Federal Employees' Compensation (DFEC) completed installation of the Automated System for Imaging Services (OASIS). This modernization initiative uses document imaging technology to automate largely paper-based operations by converting that paper to electronic form. The "paperless" system allows DFEC to improve benefit delivery and customer service, and reduce costs. The Federal Employees' Compensation (FEC) program also continued to produce savings through its Periodic Roll Management project and medical cost containment initiatives. The communications initiative begun in FY 2000 made good progress in FY 2001 with the establishment of a toll-free call center and the addition in each FEC district office of a communications specialist to direct and coordinate the implementation of a plan to meet customer service needs. Also, FEC program rehabilitation counselors and contract nurses returned nearly 8,200 injured employees to work during FY 2001, an increase of seven percent from the previous year.

The revised Black Lung regulations became effective on January 19, 2001, but were immediately challenged in court. The revisions are intended to streamline, update and clarify the program regulations. On August 9, 2001, the United States District Court upheld the revised regulations and as a result of this action, adjudicatory activities in over 6,000 claims have been initiated. On June 14, 2002, the United States Court of Appeals, District of Columbia Circuit, issued a decision upholding all but one of the revised regulations. *National Mining Ass'n v. Chao*, 292 F.3d 849 (D.C. Cir. 2002). In addition, in their servicing of beneficiaries of disabled coal miners under Part B of the Act, Black Lung district offices performed admirably as recognized by the American Customer Satisfaction Index survey results that earned the highest rating of any organization tested in FY 2001.

In FY 2001, the Longshore program made major strides in establishing its Government Performance and Results Act goal of decreasing the time needed to resolve disputes and get claims back on track.

To streamline its field presence and increase operational efficiencies, OWCP's nine regions were consolidated into six during FY 2001. The new regional makeup conforms more closely to the administrative structure of other agencies in both the Employment Standards Administration and the Department and furthers the President's workforce restructuring initiative to make the Federal government more "citizen-centered."

OWCP's staff performed extremely well in FY 2001, taking steps to improve its current services, successfully creating an entirely new program, and adapting to a new automated environment for adjudicating claims. The

enthusiasm and commitment of OWCP's staff to serving its customers and stakeholders is reflected in this report.

During the final weeks of FY 2001 OWCP staff were again called upon to address the needs of Federal workers injured and killed as a result of terrorism. Building on its experience in dealing with the Oklahoma City bombing victims, OWCP staff took extraordinary steps to gather and process the claims of the victims of the Pentagon and World Trade Center attacks, and subsequently for the postal and other workers exposed to anthrax. The more than 2,000 Federal Employees' Compensation Act claims flowing from these terrible events have received special and expedited handling from the beginning.

It is particularly noteworthy that the staff of the OWCP Manhattan office - which is located just a few blocks north of the World Trade Center and was within the area closed off to the public - reported to work to start addressing their fellow Federal workers' claims on September 12, while the Trade Center continued to burn. These events exemplify OWCP employees' dedication and sense of purpose.

Shelby Hallmark
Director, Office of Workers'
Compensation Programs

OWCP Accomplishments in FY 2001

- On July 31, 2001, the Office of Workers' Compensation Programs (OWCP) began processing claims under the Energy Employees Occupational Illness Compensation Program Act. This brand new Act provides benefits for Department of Energy (DOE) employees, or the survivors of the employees, who suffer from radiation-related cancer, beryllium-related disease, or chronic silicosis as a result of their work in producing or testing nuclear weapons. The Act applies as well to employees of private companies that worked under contract to DOE. Primary responsibility for administering the program was assigned to OWCP on December 7, 2000. Within a remarkably short time OWCP: published implementing regulations; established district offices in Jacksonville, Cleveland, Denver, and Seattle; hired and trained over 135 employees; and drafted dozens of position descriptions, training materials, and a procedure manual. District offices were open for business in August and the first compensation payments were issued by the date mandated by Congress.
- The Federal Employees' Compensation (FEC) program rose to the challenges presented by the September 11 attack. OWCP staff ensured that Federal employees injured in the disasters in New York and at the Pentagon, and the survivors of those who died, received expedited benefits. The FEC program again responded to a unique crisis when the use of the postal system to distribute anthrax-laden envelopes hit United States Postal Service employees particularly hard. As with the earlier tragedies, OWCP made sure the affected employees promptly received needed benefits and medical care.
- Periodic Roll Management teams within the FEC program completed reevaluation of 6,018 long-term cases. In addition to making sure that the injured workers continue to receive appropriate medical care, the reviews resulted in compensation cost savings of \$31 million.
- Fee schedules for outpatient hospital and physician services reduced FECA medical costs by \$134.4 million in FY 2001. An additional \$13.3 million in savings was attributable to the Correct Coding Initiative (CCI) bill review. When combined with fee schedule savings for inpatient and pharmacy services, total medical savings from fee schedules and the CCI were \$189.8 million, or 24.1 percent of all medical charges in FY 2001.
- The FEC program completed implementation of the OWCP Automated System for Imaging Services. Using the latest in document imaging technology, the system allows claims to be decided and benefits paid much more efficiently than before.
- The revised Black Lung regulations became effective January 19, 2001. In August 2001 a legal challenge was defeated when the United States District Court upheld the new regulations. On June 14, 2002, the District of Columbia Circuit issued a decision upholding all but one of the revised regulations. *National Mining Ass'n v. Chao*, 292 F.3d 849 (D.C. Cir. 2002).
- The Division of Coal Mine Workers' Compensation implemented improved procedures for claimant diagnostic testing, including the development of a list of authorized/qualified providers, giving claimants a choice of physician and facility for the tests, and requiring consistency in the type of testing.

- With the support of the maritime industry, the Longshore program implemented an extensive outreach and educational initiative in the State of Florida to inform employers about their obligation to insure their workers and the consequences of neglecting to do so.
- The Longshore program took a major step toward achieving a Government Performance and Results Act goal. By implementing an automated system that measures improvements in the speed with which disputed issues are resolved, DLHWC has added yet another tool to its customer service toolbox.

FEDERAL EMPLOYEES' COMPENSATION ACT

Introduction

In 1916, President Wilson signed the first comprehensive law protecting Federal workers from the effects of work injuries. In the years following, the Federal Employees' Compensation (FEC) program has continually changed to meet its commitment to provide high quality service to employees and their employing agencies while also minimizing the human, social and financial costs of work-related injuries.

During Fiscal Year (FY) 2001, the program provided workers' compensation coverage for approximately 2.7 million Federal workers. Peace Corps and VISTA volunteers, Federal petit and grand jurors, volunteer members of the Civil Air Patrol, Reserve Officer Training Corps Cadets, Job Corps, Youth Conservation Corps enrollees, and non-Federal law enforcement officers when injured under certain circumstances involving crimes against the United States are also covered.

Benefits and Services

The primary goal of the FEC program is assisting Federal employees who have sustained work-related injuries or disease by providing both appropriate financial benefits and help in returning to work. Benefits provided to employees covered by the Federal Employees' Compensation Act (FECA) include payment for all reasonable and necessary medical treatment for work-related injury or disease. In timely filed traumatic injury claims, the FECA requires the employer to continue the injured worker's regular pay during the first 45 calendar days of disability. If the disability continues after 45 calendar days, or in cases of occupational disease, the FEC program will make payments to replace lost income. Compensation for wage loss is paid at two-thirds of the employee's salary if there are no dependents, or three-fourths if there is at least one dependent. The FEC program compensates injured workers for permanent impairment of limbs and other parts of the body. Benefits to survivors in the event of work-related death are also payable. The FECA provides training and job placement assistance to help injured workers return to gainful employment. Monetary benefits (with the exception of continuation of pay) are paid directly by the FEC program to injured employees, their dependents or survivors, and to service providers.

During FY 2001, 165,915 new cases were created and the FEC program provided nearly 280,000 workers almost \$2.2 billion in benefits for work-related injuries or illnesses. Of these benefit payments, nearly \$1.5 billion were for wage-loss compensation, \$617 million for medical and rehabilitation services, and \$128 million in death benefit payments to surviving dependents.

The FECA is the exclusive remedy by which Federal employees may obtain disability, medical, and/or survivor benefits from the United States for workplace injuries.

Funding

Benefit payments made by the program come from the Employees' Compensation Fund. Fund outlays are billed to employing agencies who each year replenish the Fund through a mechanism known as chargeback.

Subsequent to chargeback, most agencies, except the U.S. Postal Service and other non-appropriated fund agencies, include workers' compensation costs in their next annual appropriation requests to Congress. Remittances to the Employees' Compensation Fund are not made until the first month of the subsequent fiscal year. This means that there is at least 15 months between the date of the chargeback "bill" and when the payment to the fund is completed. Given cost-of-living increases in wage-loss benefits and inflation affecting medical costs, by the time remittance is made it is usually insufficient to cover current outlays. The annual Department of Labor (DOL) appropriation makes up any difference.

Expenses for a small number of cases are not charged back to employing agencies but are also covered by the DOL appropriation. For FY 2001, these non-chargeback expenses were approximately \$35 million. Most of these costs were for injuries that occurred before December 1, 1960, when the chargeback system was enacted.

For FY 2001, the costs of administering the FEC program totaled \$119.2 million, about 5.1 percent of total program costs. These costs are also covered from funds appropriated to DOL, and include \$79.0 million in direct costs to OWCP. Approximately \$9.9 million are for legal, investigative, and other support from the Employees' Compensation Appeals Board (ECAB), Office of the Solicitor, and the Office of the Inspector General. Another \$30.3 million are "fair share" funds used for OWCP capital investments for the design and development of automated management information support systems, periodic roll case management, and medical bill cost control.

Case Adjudication and Management

Timely Decision-Making

Nearly 166,000 injury claims were filed under FECA in FY 2001. Eighty-three percent were for traumatic injuries such as those caused by slips and falls. The rest of the injury claims involved more complex situations in which a medical condition arises because of long-term exposure or exertion. Disability extended beyond the 45-day continuation-of-pay period in 14 percent of all cases. The FEC program strives each year to meet a high standard of timeliness and accuracy in adjudication and payment of claims. In FY 2001, 83 percent of wage-loss claims were paid within 14 days of receipt and 95 percent within 60 days. For traumatic injury claims, 95 percent were adjudicated within 45 days of the day the OWCP received notice of the injury.

A high rate of timeliness also was achieved for deciding non-traumatic injury claims. When the case was relatively simple, 87 percent were adjudicated within 90 days. Seventy-two percent of the more complex non-traumatic cases were adjudicated within 180 days. The average time for adjudication of all occupational disease cases was 83 days.

Quality Case Management

Quality Case Management (QCM) was implemented in the FEC program in FY 1993 as another means of reducing the number of days an injured worker was out of work. Every injury case with a wage-loss claim filed and no return-to-work date is reviewed for assignment to an early intervention nurse contracted by the FEC program. From the very earliest stages after the injury the nurse meets with the injured worker and serves as the human face of

OWCP. Coordinating medical care and return-to-work issues, the nurse works not only with the injured employee but also the attending physician and the employing agency. If it seems that the injured worker will not return to work soon, the nurse coordinates the transfer of the case for vocational rehabilitation services and/or more aggressive medical intervention.

In FY 2001, nurses intervened in 15,113 lost time claims and 1,318 workers were referred for vocational rehabilitation services. Nearly 8,200 injured workers returned to work in FY 2001 with the assistance of contract nurses or rehabilitation counselors. Eighty-five percent of the cases with resolutions during FY 2001 were resolved within 30 months of the date disability began. The average length of disability during the year was 167 days.

During FY 2001, the FEC program conducted a nationwide field nurse certification. The certification process provides a standardized approach for procuring the services of contract field nurses and ensures high quality intervention on behalf of the injured worker. The process consists of soliciting, recruiting, selecting, and contracting with registered nurses to work with FECA claimants.

QCM has speeded returns-to-work, which has reduced the number of cases receiving long-term benefits. It is expected that this reduction of both cases entering the long-term compensation rolls and of the amount of time cases remain on the rolls will continue, which will provide both monetary savings and more positive, prompt outcomes for injured workers.

Telephonic Case Management

OWCP continues to explore ways to speed up decision-making and to deliver benefits faster. Telephonic Case Management (TCM) is one new approach. TCM is limited to 30 days of telephone nurse intervention in cases with an initial work stoppage date no more than 30 days prior to the date the case is received. TCM offers several features that enhance the FEC program's ability to provide prompt and appropriate intervention at the earliest possible juncture. It places an injured worker in contact with a medical professional who is also well versed in the compensation system. Workers in rural or isolated areas will sometimes not have access to a field nurse who can visit their home. TCM provides early intervention for these workers. It is a relatively low-cost form of intervention that reaches a wider population than OWCP has been able to previously. TCM nurses intervened in 17,238 cases during FY 2001.

Lost Production Days

In FY 2001, the FEC program continued to focus on its strategic goal of reducing lost production days. Efforts are focused both on cases during the COP period (with the TCM program) and during the QCM period. The process begins with the timely, complete, and accurate submission of injury notices and claims for wage loss by the employing agency. The FEC program continues to emphasize the importance of returning injured workers to employment as soon as possible. It is in everyone's interest for an employer to provide suitable work as soon as medically appropriate.

Lost production days (LPD) is a measure of the average number of workdays of paid compensation due to workplace injury and expressed as a rate per every 100 employees. The government-wide LPD in FY 2000 was 68.1 days and 74.3 days in FY 2001. Roughly half of the FECA wage-loss time is attributable to U.S. Postal Service (USPS) cases. USPS' average days lost rose more than 3 times the rate of all other agencies.

Periodic Roll Management Project

In addition to stressing early intervention, the FEC program dedicated resources to thoroughly reviewing long-term disability cases. The Periodic Roll Management (PRM) project serves to provide medical examinations, vocational

rehabilitation and placement assistance, with a view toward reemployment of injured workers. PRM has proved hugely successful, with outcomes exceeding OWCP's original estimates. In FY 2001, staff reduced compensation costs by \$31.1 million. Over 6,000 cases were screened, and benefits were adjusted or terminated in over 3,000 cases where beneficiaries' disability had either resolved or lessened to the point that return to work was possible.

Given the low administrative costs, PRM continues to be a most cost-effective means of reducing overall compensation costs and ensuring appropriate medical intervention for injured workers.

Hearings and Review

The Branch of Hearings and Review continued in FY 2001 to follow a plan to reduce the backlog of cases pending review and scheduling as well as to reduce the average time from request for either hearing or review of the written record to a decision. The backlog of cases pending assignment continued to be reduced, falling from 948 on October 1, 2000, to 918 on October 1, 2001.

The time a case is held in the Branch of Hearings and Review was further reduced. In FY 2000, it took 242 days from receipt of the case to a decision on a request for hearing. This was reduced to 241 days in FY 2001. The time lapse from receipt of case to remand/reversal before hearing met the standard of 100 days in FY 2001. The amount of time cases remained in the Branch from their receipt to issuance of a decision based upon a review of the written record was reduced from 128 days to 125.3 days in FY 2001.

OWCP Automated System for Imaging Services (OASIS)

The FEC program completed implementation of the OASIS imaging system in FY 2001. This system allows decisions to be made and benefits authorized without the need to chase paper through the system. Correspondence is scanned, indexed, and referred on-line to an examiner and available to all staff members. This eliminates problems with file contention, improves document control, and greatly increases the efficiency of an examiner's work.

Improvements to the Physicians Directory System

The automated Physicians Directory System (PDS) continues to be an important tool for maintaining an unbiased system for facilitating OWCP-arranged referee medical examinations. For this reason, the FEC program continued to focus on ways to improve its usefulness during FY 2001.

An enhanced version of the PDS (PDS32) was deployed in all of the FEC district offices. While the new version is substantially similar to the previous one in function, its operation is now Windows(TM)-based, allowing for the use of the mouse as well as keyboard commands. The enhancements of the PDS32 allow the user to print an appointment report at the time it is scheduled, and to produce a more detailed list of physicians in the next numerical zip code to the claimant's when a physician within the claimant's zip code can not be scheduled. These enhancements allow the user to schedule the closest possible appointment, while at the same time fostering strict adherence to a rotational system.

Correct Coding Initiative

The FEC program cost containment efforts initiated in 1999 continued to reduce medical costs in FY 2001. The Centers for Medicare and Medicaid Services of the Department of Health and Human Services developed the National Correct Coding Initiative to promote national correct coding methodologies and to control improper coding that leads to inappropriate payment for outpatient services. In addition to applying the Correct Coding Initiative (CCI), OWCP uses the Diagnostic Related Group methodology to reduce inpatient costs and a pharmacy fee schedule. The CCI produced \$13.3 million in savings against amounts billed in FY 2001. Combined with \$176.5

million saved from application of the fee schedule, total medical billings were reduced by 24.1 percent in FY 2001.

Services to Claimants and Beneficiaries

In FY 2001, the FEC program continued its focus on improving customer service and customer satisfaction with wholesale changes to the way we do business.

Communications Redesign Initiatives

OWCP continued to improve customer service by launching a comprehensive redesign of FEC communications, including new equipment, procedures, goals and measures, and new toll-free services. The Communications Steering Committee, created in FY 2000, was instrumental in facilitating systematic and measurable changes across the spectrum of communications and customer issues.

Recommendations by the Steering Committee resulted in the centralization and improvement in service of the Interactive Voice Response (IVR) system. The IVR system provides automated entitlement information to callers. Information obtained by the committee through a three-day survey of callers to the FEC district offices for purposes of identifying frequently asked questions was later used in designing the Toll-Free Call Center.

A new position of Communications Specialist was created to specifically address the problems identified by the Steering Committee and to work toward improving customer service. Each District office has a full-time communications specialist who will direct and coordinate all communications initiatives.

In FY 2001, procedures were devised for utilizing the automated telephone system in handling medical authorizations; a written communications module was added to the basic claims examining training course, and; telephone training was developed for newly hired claims examiners and experienced staff members.

In response to customer satisfaction surveys requesting more standardization in the way an office handled telephone calls, the committee developed two models, "phone bank" and "operator." With the purchase and installation of new Definity(TM) equipment, these templates were used to program the district offices in order to provide customers with similar options and levels of access in each office.

The Steering Committee finalized recommendations for more objective measures that could be used to support the goals of a customer bill of rights. The committee's recommendations will be used in setting standards of telephone service for FEC customers in the FY 2002 strategic and performance plans.

In summary, the efforts of the Communications Steering Committee will enable OWCP to implement for the first time a standard of telephone service that every FEC district office will have a plan to meet. The communications specialist will submit an office plan to meet the identified customer service goals on a quarterly basis and will include standards for access; availability of voice mail, and; courtesy and accuracy of response.

Form Letter Project

Another communications-related initiative underway during FY 2001 has been a project to update form letters used in the FEC program. To this end, a team of FEC program staff has been working on improving the correspondence used by claims examiners. The goal is to eliminate duplication, simplify language, and to develop more useful, efficient and customer-friendly communications.

The team revised the FEC publication CA-14 – *About Your Injury*, which replaced the post card notifications previously mailed to injured workers. Injured workers receive current information on how to contact OWCP via telephone (Call Center), the Internet (web site address), and in writing (district office mailing address), and information on case file review and adjudication, disability for work, and medical care. The work of the form letter group is ongoing and will likely continue until all automated form letters have been reviewed and updated.

Services to Employing Agencies

During FY 2001, the Federal Employees' Compensation (FEC) program continued to provide a variety of technical assistance and other services to employing agencies.

Timely Submission of Notices and Claims

In FY 2001, the FEC program continued to provide outreach programs to employers emphasizing the need for improvement for timely submission of notices of injury and occupational illness (Forms CA-1 and CA-2) and claims for wage loss (Form CA-7). As a result of this emphasis, the data shows continuing improvement in the timeliness of submissions of notices, rising from 56.1 percent in FY 2000 to 56.6 percent in FY 2001. The Federal government as a whole also continued to improve in timeliness of submission of claims for wage loss, rising from 40.2 percent in FY 2000 to 42.3 percent in FY 2001.

Employing agencies are required by the FEC program's regulations to submit a Notice of Injury (Form CA-1) or a Notice of Occupational Illness (Form CA-2) within 10 working days (or 14 calendar days) of receipt from an employee if lost time or medical expenses are claimed or expected. The regulations also require that the employer submit the initial wage-loss claim (Form CA-7) no more than five working days (or seven calendar days) after receipt from the employee.

The early submission of these forms is critical, as it directly affects OWCP's ability to act promptly on medical bills and prevent any interruption of income. OWCP has long emphasized to employing agencies the vital nature of timely submission, and in return promised even earlier interventions. This emphasis has resulted in continued improvement in timely filing by many employing agencies. Because of this improvement, the TCM program was implemented, allowing very prompt nurse intervention by OWCP.

The goals for timely submission of notices and lost production days are also a part of the Federal Employees' Safety and Injury Initiative. Both the DFEC national office and regional offices have continued to emphasize the need for improvement in timeliness and explain to employers the benefits that such timeliness will provide. The FEC program also continues to provide data on the performance of the largest Federal agencies on the OWCP/DFEC home page (www.dol.gov/dol/esa/public/regs/compliance/owcp/fecaca.htm).

Online Access and Electronic Data Interface

Use of the Agency Query System, a vital tool by which agencies can access benefit entitlement information to answer inquiries, continued to grow during FY 2001. The system is now being utilized by nearly 6,000 users in 107 Federal agencies and by 139 Congressional offices.

The FEC program's electronic receipt of pharmacy bills switched entirely to a "real-time" service that offers on-line adjudication of pharmacy bills. This provides a higher degree of customer service to both the pharmacy and the injured worker as the pharmacy knows immediately whether or not the program will pay for a service. Pharmacies are more likely to bill the program on behalf of the injured worker if they know that they will be reimbursed for the services provided. The program also implemented a real-time authorization system so pharmacies can get certain

prescriptions reviewed and approved over the telephone. The percentage of bills submitted electronically grew to approximately 60 percent of the total pharmacy bills received.

FEC continues to expand the use of Electronic Data Interchange to receive notices of injury and occupational illness (Forms CA-1 and CA-2) electronically in an effort to expedite entitlement determinations. One new agency was brought up into production and several additional agencies are in the final phase of testing and will be operational in early FY 2002.

The FEC program deployed a new centralized, toll-free Interactive Voice Response (IVR) system during FY 2001. The centralized IVR replaces individual systems previously installed in each district office. The centralized IVR provides answers to frequently asked questions in addition to allowing limited queries of the system. These queries include providing the status of a claim, the status of medical bills submitted for reimbursement, and the date and of the most recent compensation payment made to an injured worker. In the first three months of operation, the system processed over 40,000 calls that would have otherwise gone to the district offices.

Response to Terrorist Actions

The FEC program was presented with special challenges by the tragedies of September 11, 2001, and the anthrax mailings. Although located in lower Manhattan, the New York District Office opened the day after the attack to immediately address workers' compensation concerns for injured Federal employees and survivors. Staff members from the New York and Washington, D.C. offices met with multiple Federal agencies and employee groups to ensure that necessary information was disseminated. In the weeks that followed September 11, DFEC National Office staff volunteered at the Pentagon Crisis Center, providing daily coverage to ensure that victims' families were fully informed of OWCP's services. DFEC created a special number series for processing terrorist attack and anthrax related claims to ensure expeditious response and benefit approval. The timely and concerted response by OWCP staff was recognized by the Defense Department as contributing substantially to the overall recovery effort.

FEDERAL EMPLOYEES' COMPENSATION ACT

Number of Employees (FTE Staffing Used)	930
Administrative Budget.....	\$109.3 Million*
Cases Created	165,915
Wage-Loss Claims Initiated	23,386
Total Compensation and Benefit Payments (Actual Obligations)	\$2,199.3 Million**
Number of Medical Bills Processed	3,189,233

* OWCP expenditures; excludes DOL support costs, but includes \$30.3 million in “fair share” capital investments.

** Compensation, medical, and survivor benefits.

BLACK LUNG BENEFITS ACT

Introduction

In 2001, OWCP's Division of Coal Mine Workers' Compensation (DCMWC) completed its twenty-eighth year administering Part C of the Black Lung program. The initial Black Lung benefits program was enacted as part of the Coal Mine Health and Safety Act of 1969, the first comprehensive Federal legislation to regulate health and safety conditions in the coal industry. This law created a temporary system to compensate past victims of dust exposure in the mines with public funds administered by the Social Security Administration (SSA).

The number of claims filed in the early 1970's far exceeded pre-enactment estimates. The Act was amended by the Black Lung Benefits Act of 1972 (BLBA) to require the use of simplified interim eligibility criteria for all claims filed with SSA, and to transfer the receipt of new claims to the Department of Labor (DOL) in 1973. OWCP assumed responsibility for processing and paying new claims on July 1, 1973.

Most of the claims filed prior to that date remained until recently within the jurisdiction of SSA. As of September 30, 2001, approximately 67,000 beneficiaries were receiving total monthly cash benefits of \$39 million from SSA.

On September 26, 1997, officials from SSA and DOL signed a Memorandum of Understanding transferring responsibility for managing currently active SSA Black Lung claims to DOL. This change was aimed at ending confusion about which Federal agency handles the claims and enhancing customer service to all Black Lung beneficiaries. At present, DOL manages all Federal black lung claims. However, formal appeals on Part B claims are referred to SSA.

Early in 1978, Congress enacted two new statutes that further amended the Act. The Black Lung Benefits Reform Act of 1977 (Public Law 95-239) again mandated the use of interim criteria based on the use of presumptions to resolve old unapproved claims. Public Law 95-227, the Black Lung Benefits Revenue Act of 1977, created the Black Lung Disability Trust Fund (Trust Fund), financed by an excise tax on coal mined and sold in the United States. The law authorized the Trust Fund to pay benefits in cases where no responsible coal mine operator could be located and transferred liability for all claims filed with DOL based on employment in the coal industry before 1970 from individual employers to the Trust Fund. These amendments made the Federal program permanent, although state benefits would continue to offset Federal compensation wherever they were available.

Current administration of the Black Lung Part C program is governed by 1981 legislation: Title I is the Black Lung Benefits Revenue Act of 1981, and Title II is the Black Lung Benefits Amendments of 1981. The 1981 Amendments tightened eligibility standards, eliminated certain burden of proof presumptions, and temporarily increased the excise tax on coal to address the problem of a mounting insolvency of the Trust Fund, which was by then indebted to the U.S. Treasury by over \$1.5 billion.

The 1981 amendments slowed but did not stop the growth of the Trust Fund debt, which by the end of 1985 had surpassed \$2.8 billion. The Consolidated Omnibus Budget Reconciliation Act of 1985, enacted in 1986, increased the excise tax by an additional 10 percent through December 31, 1995, and put into effect a five-year moratorium on

the interest charges due the Treasury on the Trust Fund's accumulated debt. In late 1987, Public Law 100-203 extended the duration of the increased tax rates through December 31, 2013. These budget-related legislative actions made no further changes in the Act's eligibility criteria and adjudication procedures.

Benefits and Services

The Black Lung Part C program provides two types of benefits, monthly and medical. The program pays a standard monthly benefit (income replacement) to miners determined to be totally disabled from black lung disease, and to certain eligible survivors of deceased miners. The monthly rate of benefits is adjusted upward to provide additional compensation for up to three eligible dependents.

The program provides two types of medical services related to pneumoconiosis (black lung disease): diagnostic testing for all miner claimants to determine the presence or absence of black lung disease, and the degree of associated disability; and medical coverage for treatment of black lung disease and directly related conditions for miners entitled to monthly benefits.

Total DOL Black Lung program expenditures for these benefits in Fiscal Year (FY) 2001 were \$396.9 million, a decrease of \$25.8 million from FY 2000. In FY 2001, benefits were provided from the Trust Fund to approximately 50,000 beneficiaries each month. The Trust Fund had a balance of \$38.1 million at the end of FY 2001, with an outstanding debt to the Treasury of \$7.3 billion.

In FY 2001, the United Mine Workers of America (UMWA) Health and Retirement Funds were reimbursed \$4.9 million from the Trust Fund for black lung-related medical care provided by them to UMWA/DCMWC joint beneficiaries.

As an additional benefit to claimants, the law provides for payment of attorneys' fees and legal costs incurred in connection with approved benefit claims. The fees must be approved by adjudication officers. During the past year DCMWC processed 79 fee petitions and paid approximately \$0.6 million in attorneys' fees from the Trust Fund.

In FY 2001, 1,236 claims were forwarded for formal hearings before the Office of Administrative Law Judges (OALJ) and 553 claims were forwarded for appeals to the Benefits Review Board (BRB). At the end of FY 2001, the OALJ had 1,404 claims pending while 498 were pending before the BRB.

Medical Services

The Black Lung Part C program provides both diagnostic and medical treatment services. Diagnostic testing is provided for all miner claimants to determine the presence or absence of black lung disease, and the degree of associated disability. These tests include a chest x-ray, pulmonary function study (breathing test), arterial blood gas study, and a physical examination.

Medical coverage for treatment of black lung disease and directly related conditions is provided for miner beneficiaries. This coverage includes prescription drugs, office visits, and hospitalizations. Also provided, with specific approval, are items of durable medical equipment, like hospital beds, home oxygen, and nebulizers; outpatient pulmonary rehabilitation therapy; and home nursing visits.

Total medical expenditures under the Black Lung Part C program during FY 2001 were \$60.1 million. This includes payments of \$3.6 million for diagnostic services, \$51.6 million for medical treatment, and \$4.9 million in reimbursements to the UMWA Health and Retirement Funds for costs of treating Black Lung beneficiaries.

Approximately 423,000 bills were processed during the year.

Accomplishments

Customer Satisfaction Surveys and Service Plan

Since 1995, DCMWC has surveyed primary customers (claimants, beneficiaries, coal mine operators, Congressional offices, claimant attorneys, and medical providers) to measure the quality and delivery of program services.

In accordance with Executive Order No. 12862, DCMWC contracted with the University of Michigan to survey Part B Black Lung beneficiaries during FY 2001 using their American Customer Satisfaction Index methodology. Those conducting the survey telephoned a sample of 260 beneficiaries. The beneficiaries responded by telling the callers that they have substantial confidence in the services they receive from DCMWC regarding their Black Lung claims. Among the findings:

- The quality of services received exceeded anticipated quality by 11 percent (94 percent v. 83 percent).
- On a scale of 1 to 100, the process of receiving benefits and obtaining information from the Black Lung program showed scores of 91 percent and 88 percent, respectively.
- Overall, confidence in the Black Lung program was 96 percent. This is the highest rating ever achieved on the University of Michigan survey, exceeding the scores of every other public and private sector institution surveyed.

The results of the survey will be used by DCMWC to:

- Concentrate efforts on high impact areas where improvements can make a difference.
- Identify gaps between current initiatives and desired outcomes.
- Formulate a strategy for improving satisfaction results.

Publication and Implementation of New Program Regulations

In accordance with the provisions of Executive Order 12866, DOL developed a package of proposed Black Lung regulatory changes, which were sent to the Office of Management and Budget at the end of FY 1996. The new rules went through several stages of review and revision. They were published on December 20, 2000, and affect all new claims filed after January 19, 2001. With certain exceptions, the new rules also apply to claims that were pending on January 19, 2001.

On August 9, 2001, Judge Emmett Sullivan ruled against a challenge to the regulations filed by the National Mining Association and others. In upholding DOL's regulations, Judge Sullivan found in favor of the Government on every count. Judge Sullivan also lifted his partial stay order and the Black Lung program began issuing schedules for the submission of additional evidence. On June 14, 2002, the District of Columbia Circuit issued a decision upholding all but one of the revised regulations. *National Mining Ass'n v. Chao*, 292 F.3d 849 (D.C. Cir. 2002).

DCMWC believes that the new regulations will foster a more streamlined claims review process, and be fairer to miners and other claimants. As a result of the new rules, receipts of new claims during FY 2001 were 45.5 percent higher than in FY 2000 (up from 5,065 to 7,824). The approval rate at the first level of administrative review increased slightly from 8.2 percent to 8.7 percent.

Claimant Diagnostic Testing

When a miner files a black lung claim, one of the first actions is to schedule the claimant for a series of four diagnostic tests (chest x-ray, pulmonary function study, arterial blood gas study, and physical examination) at the expense of the Trust Fund. As required by the new program regulations effective after January 19, 2001, DCMWC implemented improved procedures for this testing:

- After conducting an extensive survey of pulmonary physicians during FY 2000, a list of authorized qualified providers was developed and published in the OWCP Program Manual. The list is updated on a quarterly basis and contains approximately 180 providers.
- A miner can choose the physician or facility which will provide the tests, but the choice must be from the list of qualified providers.
- The provider must practice within the miner's state of residence or a contiguous state.
- To prevent possible fraud or abuse, the miner may not choose any physician who has examined or treated him within one year prior to the date of filing, nor may he choose a physician who is a close relative.
- All pulmonary function studies must be done using a flow-volume loop, which ensures greater accuracy in recording the results of the maneuvers performed by the patient.

DCMWC believes that these revised procedures will improve the quality of the evidence submitted in Black Lung claims, making the entire claims review process fairer to all parties.

Improvements in Initial Claims Processing

The revised Black Lung program regulations became effective January 19, 2001, and pertain to claims filed after that date. With certain exceptions, the revised regulations also apply to claims that were pending on January 19, 2001. Representatives of the coal mine industry filed a suit in Federal court challenging these regulations shortly after they were published. The judge assigned to review the suit issued an injunction barring decisions based on the new regulations until after he had reviewed them.

In accordance with this injunction, DCMWC issued no decisions on claims filed on or after January 20, 2001, for the duration of this injunction. However, the program took all possible action up to the point where a decision would be made, such as developing medical and employment evidence, as well as continuing adjudication of claims filed prior to that date.

In August 2001, the judge issued a decision based on his review. He upheld the validity of the regulations, finding them fair and impartial. DCMWC resumed full claims processing activities after that decision.

A backlog of undecided claims resulted from the injunction. As of September 30, 2001, more than 5,000 claims were pending a decision at the initial level. Adjudicating these claims now is a top DCMWC priority. One of the division's long-established priorities is to make an initial decision on all claims within six months of receipt. Black Lung program records indicate that in the period leading up to the injunction, DCMWC was meeting that goal more than 95 percent of the time.

Operation and Maintenance of Automated Support Package

DCMWC's contract with Computer Science Corporation provides the resources to operate and maintain the Black Lung program's Automated Support Package (ASP). The ASP includes the client-server computer system, data processing operations, medical bill processing, telecommunications support, and certain administrative functions. During FY 2001, DCMWC has followed up automated data processing (ADP) enhancements of previous years with further advances:

- Successfully tested and implemented the production ASP client-server system architecture and transitioned users and data to that architecture from the previous mainframe system.
- Significantly improved the performance of the user interface, batch programs, and database of the production Black Lung client-server ASP.
- Conducted exhaustive reviews of ASP information system security for the Office of Management and Budget and other agencies.
- Installed and implemented Office of the Assistant Secretary for Administration and Management upgrades to the Automated Time and Attendance system.
- Continuously enhanced the DCMWC correspondence application, known as CORS.
- Developed and integrated the management information subsystem designed to assist DCMWC management in assigning and monitoring workloads under the new program regulations.
- Began the process of upgrading the ASP servers.
- Began a significant upgrade of the Black Lung WAN through installation of 100mbps ethernet switches.
- Established the Black Lung web site as a repository of system and policy manuals and documentation.
- Installed and implemented a powerful report-generating system called Crystal Reports. Key personnel have been trained and are creating production reports using this application.
- Facilitated the moves of several district offices.
- Replaced obsolete desktop personal computers with upgraded configurations.

Part B Implementation and Operations

A Memorandum of Understanding of September 26, 1997, between the Social Security Administration (SSA) and the Department of Labor (DOL), transferred the responsibility for managing Part B Black Lung claims from SSA to DOL. The transfer was aimed at ending confusion as to which Federal agency handles Part B claims and enhancing services provided to beneficiaries. The black lung claimant population now deals with a single agency. The payoff has been more efficient use of government resources.

While DCMWC has performed all required maintenance actions since the beginning of FY 1998, formal appeals, of which there are few, are still being handled by SSA. Preliminary planning and the diligence of DCMWC staff

resulted in a very smooth assimilation of the Part B workload. A joint DOL/SSA Office of the Inspector General audit report found that DCMWC had improved claims maintenance services and overall customer satisfaction. Significant accomplishments related to the Part B transition and operations during FY 2001 included:

- Completing approximately 12,000 maintenance actions, with an average completion time of four days from notification.
- Managing the expenditure of more than \$487 million in Part B benefits.

At the end of FY 2001, DCMWC offices were responsible for 73,585 active Part B cases.

Black Lung Disability Trust Fund

The Trust Fund is administered jointly by the Secretaries of Labor, Treasury, and Health and Human Services. The Trust Fund was established by the Black Lung Benefits Revenue Act of 1977, to shift the responsibility for the payment of black lung benefit claims from the Federal Government to the coal industry. Those claims approved by SSA, under Part B of the BLBA, continue to be paid from the Federal Government's general revenues.

Trust Fund revenues consist of monies collected from the coal mine industry, under the provisions of the Black Lung Benefits Revenue Act of 1977, as amended, in the form of an excise tax on mined coal that is sold or used by producers; funds collected from responsible mine operators (RMOs) for monies they owe the Trust Fund; payments from various fines, penalties, and interest; refunds collected from claimants and beneficiaries for overpayments; and repayable advances obtained from Treasury's general fund when Trust Fund expenses exceed revenues. Total receipts of the Trust Fund in FY 2001 were over \$1.0 billion.

The major source of revenue to the Trust Fund is an excise tax on mined coal sold or used by producers. The tax is collected by the Internal Revenue Service (IRS), U.S. Department of the Treasury, and transferred to the Trust Fund on a monthly basis. In 1981, as an amendment to the IRS Code of 1954, the Black Lung Benefits Revenue Provisions added a temporary special tax, increasing the previous excise tax to \$1.00 per ton for underground coal and \$0.50 per ton on surface mined coal, with a cap of four percent of sales price.

In 1986, Congress passed the Consolidated Omnibus Budget Reconciliation Act of 1985, which further increased excise tax rates by 10 percent and imposed a five-year moratorium on the accrual of interest on all repayable advances, which expired on September 30, 1990. The rates (per ton) for underground and surface mined coal were raised to \$1.10 and \$0.55 respectively, and the cap was increased to 4.4 percent of the sales price, for the period October 1, 1985, through December 31, 1995. In December 1987, Public Law 100-203 lengthened the duration of these increased tax rates to December 31, 2013, after which the rates will revert to their original levels of \$0.50 underground, \$0.25 surface, and a limit of two percent of sales price.

In FY 2001, the Trust Fund received a total of \$522.2 million in tax revenues. In comparison, the revenue levels in FY 2000 and FY 1999 were \$518.5 million and \$595.5 million, respectively.

An additional \$5.2 million was collected from RMOs in interim benefits, fines, penalties, and interest during FY 2001. These funds directly contribute to reducing the amount of repayable advances needed by the Trust Fund.

Trust Fund expenditures are made for:

- Monthly and medical benefits to eligible miners and/or their families for approved claims involving miners

whose mine employment ended before 1970, or for claims in which no operator liability can be determined.

- Administrative costs incurred in the operation of the Black Lung program.
- Accrued interest on repayable advances from the Treasury.

Repayable advances are obtained from the U.S. Treasury when Trust Fund resources are not sufficient to meet program obligations. These advances are to be repaid to Treasury's General Fund with interest. Growth in the Fund's debt (advances outstanding) slowed considerably during 1986-90 due to a legislated moratorium on the accrual of interest on advances and larger than expected increases in tax revenues. Interest payments resumed in 1991, and by the end of FY 2001, the Trust Fund's cumulative debt to the U.S. Treasury was \$7.254 billion. While tax receipts to the Trust Fund were sufficient to cover everyday operating costs and over \$60 million of interest charges, repayable advances from the Treasury in the amount of \$505 million were required to fund the remainder of the interest payments due on this debt for FY 2001.

Total Trust Fund disbursements during FY 2001 were \$1.0 billion. These expenditures included \$396.9 million for benefits (income benefits of \$336.8 million and medical benefits of \$60.1 million), \$567.8 million for interest payments, and \$52.3 million to administer the program (\$30.3 million in OWCP direct costs and \$22.0 million for legal adjudication and various financial management and investigative support provided by the Office of the Solicitor, Office of Administrative Law Judges, Benefits Review Board (BRB), Office of the Inspector General, and the Department of the Treasury).

Insurance/Self-Insurance

Section 423 of BLBA requires that each coal mine operator subject to the Act secure payment of any benefits liability by either qualifying as a self-insurer or insuring the risk with a stock or mutual company, an association, or a qualified fund or individual. Any coal mine operator failing to secure payment is subject to a civil penalty of up to \$1,000 for each day of noncompliance. State workers' compensation laws also require coal mine operators to obtain insurance or qualify as a self-insured employer to cover employee benefit liabilities incurred due to occupational diseases that are covered by state law. If state workers' compensation is paid for pneumoconiosis, any Federal black lung benefit received for that disease would be offset or reduced by the amount of the state benefit on a dollar-for-dollar basis. As of September 30, 2001, there were 2,088 Federal black lung claims being offset due to concurrent state benefits.

Regulation of insurance carriers and the premium rates they charge has been and continues to be the responsibility of the states where they operate. Twenty-six states set occupational disease premium rates for underground coal mine exposure. The rates vary on a state-by-state basis due to such factors as the population of miners in the state, the number of claims filed, and the cost of benefits.

According to FY 2001 estimates by DOL's Mine Safety and Health Administration (MSHA), there were 976 coal mine operators subject to the requirements of the Act. The Secretary of Labor authorized approximately 360 coal mine operators and subsidiaries and/or affiliates to self-insure their obligations under the Act.

MSHA has provided direct computer access to its database system that enables DCMWC to continuously check to ascertain that currently operating entities are meeting the insurance requirements for the Federal liability.

Litigation

District Court

On August 9, 2001, the U.S. District Court for the District of Columbia rejected the coal industry's sweeping challenge to the revised black lung regulations promulgated on December 20, 2000. *National Mining Ass'n v. Dep't of Labor*, 160 F.Supp.2d 47 (D.D.C. 2001). The court first ruled that it had jurisdiction, rejecting the Department's argument that it lacked jurisdiction because the Act contains an exclusive review scheme that does not include district courts. The court reasoned that the Act's scheme applies to the review of compensation orders but does not deprive district courts of jurisdiction over challenges to regulations.

Turning to the merits of the industry's challenge, the court ruled in the Department's favor as to every revised regulation, and upheld the Department's decision not to revise others. The more important regulations include: the limitations on the quantity of medical evidence each party to a claim may introduce; the definition of pneumoconiosis; the rules defining and governing proof of total disability and total disability due to pneumoconiosis; the treating physician rule; the procedures governing additional claims filed after the denial of a prior claim; and the rebuttable presumption that when an entitled miner receives medical treatment for a respiratory condition, the treatment is compensable.

On many of the issues, the court deferred to the Department's interpretation of the Act and regulations. It also deferred to the Department's judgment regarding choices it made in the revised rules, especially in matters of a scientific or technical nature. In addition, the court determined that its review of the regulations was confined to the record compiled before the Department, and that the Department permissibly relied on outside consultants to assist it in analyzing the comments and data received in the rulemaking process. Finally, the court dissolved its February preliminary injunction order, reported at 145 F.Supp.2d 1, which had prevented the Department from fully processing claims for benefits filed after the regulations became effective in January. The National Mining Association filed an appeal with the D.C. Circuit. On June 14, 2002, the court issued a decision upholding all but one of the revised regulations. *National Mining Ass'n v. Chao* 292 F.3d 849 (D.C. Cir. 2002).

Courts of Appeals

During FY 2001, the courts of appeals issued 92 decisions in cases arising under the Black Lung Benefits Act. In addition, 114 appeals were filed. The following summarizes the most significant appellate decisions.

Modification: 30 U.S.C. § 932(a) incorporating 33 U.S.C. § 922. In *King v. Jericol Mining*, 246 F.3d 822 (6th Cir. 2001), the Sixth Circuit rejected the claimant's argument that the Act's modification provision is unavailable to employers, holding that the provision is available to employers and employees alike. The court reasoned that nothing in the plain language of the statute or the implementing regulation, 20 C.F.R. § 725.310, supported the claimant's argument.

Weighing Medical Evidence: 20 C.F.R. § 718.202. In *Peabody Coal Co. v. McCandless*, 255 F.3d 465 (7th Cir. 2001), the Seventh Circuit vacated an award of benefits to the miner's widow, and remanded the case to the administrative law judge (ALJ) for reconsideration. The pathologist who performed the autopsy of the miner opined that the miner had pneumoconiosis. Other pathologists came to a contrary conclusion based upon slides of the miner's lung tissue prepared by the autopsy pathologist. The ALJ was persuaded by the opinion of the autopsy pathologist simply because he performed the autopsy. The court rejected the ALJ's automatic preference for the opinion of the autopsy pathologist, holding that the ALJ failed to supply any reason to believe that visual scrutiny of the miner's body is more reliable than microscopic examination of tissue samples as a way to diagnose pneumoconiosis.

Statute of Limitations: 30 U.S.C. § 932(f). In *Tennessee Consolidated Coal v. Kirk*, 264 F.3d 602 (6th Cir. 2001), the Sixth Circuit held that the miner's claim was timely because it was filed within three years of his being informed of a medical determination that he is totally disabled due to pneumoconiosis. In dicta, however, the court opined that once the statute of limitations begins to run, it is not stopped even if the medical determination that triggered it is found to be unreliable and the miner's claim is denied. In such a case, the court said, once the statute is triggered and three years expires, the miner will be unable to file subsequent claims against his employer even if he becomes totally disabled due to pneumoconiosis.

Benefits Review Board

During FY 2001, DOL filed over 980 pleadings with the Benefits Review Board. The Board issued several decisions that significantly affect the Secretary's administration of the benefits program.

Preliminary Injunction Order in National Mining Association v. Chao. On February 9, 2001, the district court adjudicating the National Mining Association's challenge to DOL's new black lung regulations issued a preliminary injunction order which required the Board to stay all pending black lung appeals except those in which it determined, after briefing by the parties, that the challenged regulations would not affect the outcome of the case. By the time the injunction was dissolved on August 9, 2001, DOL had filed over 445 supplemental briefs addressing the effect of the new regulations in cases in which formal briefing had been completed, and had also filed pleadings discussing the impact of the new regulations in numerous other cases during the regular briefing process. With only a few exceptions, the Director argued that the new regulations would not alter the outcome of the case, and that the Board therefore need not stay these appeals. The Board ordered a stay in only two cases.

Medical Opinions Hostile to the Act. A medical opinion is considered "hostile" to the Act and may be discounted if it is fundamentally at odds with any of the principles expressed in the statutory and regulatory scheme. Two of these principles are that even the earliest form of coal workers' pneumoconiosis, known as "simple" pneumoconiosis, may be totally disabling and that pneumoconiosis may cause an "obstructive" pulmonary impairment. In *Chester v. Hi-Top Coal Company*, __ Black Lung Rep. __ (July 31, 2001), the Board held that a physician's statements that it would be "highly unusual" for simple pneumoconiosis to be totally disabling and that the disease would cause a mixed obstructive and restrictive impairment did not evidence hostility to the Act because the doctor did not categorically rule out that simple pneumoconiosis could be disabling and recognized that pneumoconiosis could cause an obstructive impairment.

Pneumoconiosis. To prevail on a claim for benefits, a miner must establish that he suffers from pneumoconiosis which arose at least in part out of coal mine employment. The regulations recognize two forms of pneumoconiosis - "legal" and "clinical." Clinical pneumoconiosis is diagnosed by chest x-ray, autopsy or biopsy. A miner with 10 years of coal mine employment is entitled to a statutory presumption that his clinical pneumoconiosis arose out of that employment. Legal pneumoconiosis, in contrast, is established only if a physician credibly links a chronic lung disease to the miner's coal mine employment. In *Hapney v. Peabody Coal Company*, 22 Black Lung Rep. 1-104 (2001)(*en banc*), the Board agreed with the Director that a miner with 10 years of coal mine employment who is diagnosed with anthracosis by biopsy has established the existence of clinical pneumoconiosis which is presumed to be due to coal mine employment. The Board reasoned that the regulatory definition of pneumoconiosis identifies "anthracosis" as one of the clinical pneumoconioses - those diseases generally recognized by the medical community as characterized by a fibrotic reaction of the lungs to inhaled dust.

Attorney Fees. A claimant who prevails is entitled to an award of reasonable attorney fees under the Act. The fees are payable by the party opposing entitlement, which may choose to contest all or part of a fee request. Reaffirming its earlier decision in *Workman v. Director, OWCP*, 6 Black Lung Rep. 1-1281 (1984), the Board has again held that a claimant's attorney is also entitled to fees for work performed in the successful defense of his or her fee petition. *Hawker v. Zeigler Coal Company*, __ Black Lung Rep. __ (July 2, 2001)(Decision and Order on

reconsideration).

Enforcement

The Department has brought a civil money penalty proceeding against the Alabama Land and Mineral Corporation and its former officers. Although the company is now being liquidated under Chapter 7 of the Bankruptcy Code, it operated coal mines for over three years without securing its liability for black lung benefits. An operator may secure its liability by obtaining the Department's permission to self-insure or by purchasing commercial insurance. The Black Lung Benefits Act provides that an operator that operates a mine without appropriate security is liable,

along with its officers, for a civil money penalty of up to \$1,000 for each day of operation. The case was pending before the Office of Administrative Law Judges at the close of FY 2001.

BLACK LUNG BENEFITS ACT*

Number of Employees (FTE Staffing Used)	208
Administrative Budget.....	\$30.3 Million**
Total Compensation and Benefit Payments.....	\$396.9 Million***
Trust Fund Beneficiaries in Pay Status at End of Fiscal Year	
Monthly	48,342
Medical Benefits Only.....	7,976
Responsible Coal Mine Operator Beneficiaries in Pay Status at End of Fiscal Year	
Monthly	6,463
Medical Benefits Only.....	1,960

* Reflects expenditures for Part C claims only; Part B data is published in the Social Security Administration Bulletin.

** Direct administrative costs to OWCP only; excludes DOL support costs of \$22.0 million.

*** Excludes collections from responsible coal mine operators for benefits paid by Trust Fund on an interim basis, refunds for OWCP administrative costs paid, and other miscellaneous reimbursements.

LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

Introduction

Enacted in 1927, the Longshore and Harbor Workers' Compensation Act (LHWCA) compensates 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. Survivor benefits are also provided if the work-related injury or disease causes the employee's death. These benefits are paid directly by an authorized self-insured employer, through an authorized insurance carrier, or in particular circumstances, by an industry financed Special Fund.

In addition, LHWCA covers a variety of other employees through the following extensions to the Act:

- The Defense Base Act of August 16, 1941, provided the benefits of LHWCA to employees on overseas military, air, or naval bases or other areas under a public works contract performed by contractors with agencies of the United States Government.
- The Nonappropriated Fund Instrumentalities Act of June 19, 1952, covers civilian employees in post exchanges, service clubs, etc. of the Armed Forces.
- The Outer Continental Shelf Lands Act of August 7, 1953, extended Longshore benefits to employees of firms working on the outer continental shelf of the United States engaged in exploration for and development of natural resources, such as off-shore drilling enterprises.
- The District of Columbia Workmen's Compensation Act (DCCA), passed by Congress on May 17, 1928, extended the coverage provided by the Longshore Act to private employment in the District of Columbia. Since the District of Columbia passed its own workers' compensation act effective July 26, 1982, OWCP handles claims only for injuries prior to that date.

The original law, entitled the Longshoremen's and Harbor Workers' Compensation Act, provided coverage to certain maritime employees injured while working over navigable waters. These workers had been held excluded from state workers' compensation coverage by the Supreme Court (*Southern Pacific Co. v. Jensen*, 244 U.S. 205, 1917).

Disability compensation and medical benefits paid by insurers and self-insurers under LHWCA and its extensions totaled approximately \$528.6 million in Calendar Year (CY) 2000, a 2.3 percent increase compared to CY 1999.

Operations

In Fiscal Year (FY) 2001, total expenditures for program operations and the overall administration of LHWCA were \$25.0 million, of which \$9.8 million were the direct costs of OWCP. The remaining \$15.2 million were the costs of legal, audit, and investigative support provided by the Office of Administrative Law Judges (OALJ),

Benefits Review Board (BRB), Office of the Solicitor and the Office of the Inspector General.

At year's end, the Division of Longshore and Harbor Workers' Compensation (DLHWC) employed 106 people in the national office and 12 district offices.

During FY 2001, 23,480 lost-time injuries were reported under the Act by approximately 330 self-insured employers and 410 insurance carriers. At year's end, 14,830 maritime and other workers were in compensation payment status.

Conferences and Appeals

A major function of the Longshore claims examiner is the resolution of disputed issues which arise in claims. While not a judge or hearing officer, a claims examiner does function as a mediator in informal proceedings designed to help the parties involved reach amicable agreements and thereby avoid the time and expense involved in formal litigation. In FY 2001, the district offices conducted 3,028 informal conferences which were designed to establish the facts in each case, define the disputed issues and the positions of the parties in respect of those issues, and to encourage the voluntary resolution of those issues by means of agreement and/or compromise. At the conclusion of each informal conference, a recommendation for resolving the issues and disposing of the claim is made by the claims examiner. If either the claimant or the employer (or insurance carrier) does not agree with the recommendations made and requests a formal hearing, the case is referred by the Longshore district director to the OALJ. Decisions issued by administrative law judges are appealable to the BRB whose final decisions (except for those involving the Defense Base Act (DBA)) are then subject to review by the appropriate United States Court of Appeals. Initial review of BRB decisions involving the DBA should be filed in the appropriate United States District Court.

Constituent Services

DLHWC provides technical assistance to the maritime industry and the workers whom the law is designed to serve. Since the passage of the original Act, administrative personnel have helped claimants file and process injury reports and claims. DLHWC carries on this tradition with program staff helping covered workers and their dependents process claims and required reports and get information on medical and vocational rehabilitation. This aid is not a monetary benefit to the claimant, but it is a valuable asset to an injured worker attempting to seek compensation for an injury.

Longshore district offices also conduct seminars for union members and officials, and for organizations representing industry management. The offices regularly schedule several seminars each year to which employer and employee representatives are invited.

Numbered notices are used by the national office to disseminate information to 740 insurance carriers and self-insured employers.

Accomplishments

ADP Systems/Automation

In FY 2001, the Longshore program continued implementing enhancements to its automated Longshore Case Management System (LCMS) and Longshore Disbursement System by:

- Initiating the LCMS Centralization Project. The focus of this project is the consolidation of the 12 regional LCMS databases into one central database that is housed on a single database server in the National Office. When completed, the centralized database will improve efficiency of automated systems operations and provide significant cost savings with the advent of the Employment Standards Administration's (ESA) centralized Information Technology architecture. It also will provide added database security by allowing the Longshore program to take full advantage of ESA's "mirrored site" contingency/disaster recovery capability.
- Updating the publicly accessible Longshore internet site to include a listing of currently authorized insurance carriers and self-insured employers, Longshore program Industry Notices, and the Longshore (LHWCA) Procedure Manual, with a goal of improved customer service and enhanced information dissemination to the public.

Claims Management Initiatives

The DLHWC took two major steps to improve its dispute resolution process, the primary function of the program's district offices. First, an automated measurement system was successfully implemented to monitor improvements in the speed with which DLHWC resolves disputed claim issues. This Government Performance and Results Act goal focuses on decreasing the time needed to resolve disputes and get claims back on track. During FY 2001, DLHWC established a baseline, developed the automation system, and implemented the measure. The first results of this initiative will be reported in the spring of 2002. Secondly, DLHWC provided mediation training, focused specifically on workers' compensation issues, to all its claims examiners and district directors. The training provides the entire staff with important new tools that will assist in the dispute resolution work in each of the Longshore program's district offices.

Longshore Coverage Compliance Initiatives

Uninsured employers, who leave their workers at risk for the costs of work-related injuries, and place themselves at risk of ruinous tort suits in case of such claims, are a growing problem in some parts of the country. The causes of the problem are typically the relatively high premium cost, or a lack of knowledge about the risk. During FY 2001, DLHWC initiated a three-pronged outreach and education initiative to inform employers about the obligation to insure their workers and about the severe costs for not doing so. First, DLHWC conducted a series of public seminars for employers, insurance agents, and others in the State of Florida, where the problem is most prevalent. Speakers at these seminars included Longshore district office staff, Florida Workers' Compensation Division staff, the National Council on Compensation Insurance (the national premium rate setting organization), a leader in the maritime insurance agency industry, legal staff from DOL's Solicitor's Office, and the director of DLHWC. Second, DLHWC is working with the construction licensing agents of Florida's counties to assist them in applying requirements for proof of coverage prior to issuing new construction permits. Finally, DLHWC accompanied state enforcement agents on inspection visits to a number of suspected work sites to examine proof of insurance coverage. Through these compliance initiatives, DLHWC is monitoring the coverage requirements, providing compliance assistance, and making itself available to assist employers. All of these initiatives were very well received by the maritime industry.

Customer Survey Redesign

The DLHWC has used a mailed customer survey method to assess customer satisfaction with Longshore program services. Analysis of this methodology revealed inherent weaknesses in this approach, leading to an initiative to redesign DLHWC's process for surveying its customers. The mailed survey method resulted in statistically insignificant and unreliable response rates, conflicting responses, and sample bias. The approach being evaluated would utilize telephone surveys immediately following the provision of services, and will rely on questions carefully

designed to eliminate any bias. DLHWC plans to design and test this new methodology during FY 2002, and to establish a baseline from which future service quality improvements will be measured.

Rehabilitation Outcomes Study

Rehabilitating disabled workers is a key goal of the Longshore program. To this end, DLHWC undertook a study of its rehabilitation processes and systems in FY 2001 in order to collect information from participants, service providers, and case managers that will identify ways to increase participation and improve outcomes for future claimants. By the end of FY 2001, DLHWC had completed the surveys of on-staff rehabilitation specialists, and had developed the instruments for surveying injured workers and rehabilitation service providers. The goal is to complete the study by the end of calendar year 2001, and to analyze the results and develop a system enhancement plan during FY 2002. One specific goal of the improvements is the automation of the claimant referral process, using the LCMS to identify workers who may be ready for rehabilitation evaluation.

Longshore Regulations to Implement a Medical Fee Schedule

During FY 2001, DLHWC evaluated the costs and benefits of promulgating rules that would standardize the OWCP medical fee schedule for use in all Longshore claims. The regulatory initiative was abandoned as being an unnecessary burden. Rather than promulgating new rules, system participants are encouraged to use the prevailing community charges for similar services and the provider's customary charges; and the OWCP fee schedule, where appropriate, as the final reference when needed to resolve disputes.

Management of the Special Fund

The Special Fund under the Longshore Act was established in the Treasury of the United States pursuant to section 44 of the Act and is administered by the national office of DLHWC.

Proceeds of the fund are used for payments under section 10(h) of the Act for annual adjustments in compensation for permanent total disability or death which occurred prior to the effective date of the 1972 amendments, under section 8(f) for second injury claims, under section 18(b) for cases involving employer insolvency, under sections 39(c) and 8(g) for providing rehabilitation assistance to persons covered under the Act, and under section 7(e) to pay the cost of medical examinations.

The Special Fund is financed through fines and penalties levied under the Act; payment by employers of \$5,000 for each death case when it is determined that there are no survivors eligible for the benefits; interest payments on Fund investments; and payment of annual assessments by authorized insurance carriers and self-insurers. Fines, penalties, and death benefit levies constitute a small portion of the total amount paid into the Special Fund each year. The largest single source of money for the fund is the annual assessment.

Under section 44(c)(2) of the Act, the expenses of the fund are estimated at the beginning of each CY and each carrier and self-insurer makes prorated payments into the fund. Payments are based on a comparison of the total compensation payments each made on risks covered by the Act and the total of such payments made by all carriers and self-insurers under the Act in the prior year, and a comparison of payments under section 8(f) attributable to the carrier/self-insurer and the total of such payments during the preceding CY. There is a separate fund under the District of Columbia Workmen's Compensation Act which is also administered by OWCP. Payments to and from this fund apply only to the DCCA.

The LHWCA Fund paid \$133.4 million in benefits in FY 2001, of which \$120.0 million went for second injury (section 8(f)) claims. FY 2001 expenditures of the DCCA Special Fund totaled \$11.3 million, of which \$10.4

million went for second injury cases.

Litigation

The following summarizes the significant decisions issued in the Courts of Appeals during FY 2001 involving provisions of the LHWCA and its extensions.

Administrative Procedures: Authority of ALJ and Board to Consider Contractual and Insurance Issues Between Putative Employers. The Fifth Circuit, in *Temporary Employment Services v. Trinity Marine Group*, 261 F.3d 456 (5th Cir. 2001), held that LHWCA administrative tribunals are not authorized to consider contractual and insurance issues between labor-supply contractors and the customers to whom they lend employees. In dispute was whether contractual arrangements required TESI to bear liability under the Act for injuries sustained by the workers TESI supplied to Trinity in the course of Trinity's work and under its supervision. The Court agreed with the Director that the LHWCA proceedings should simply fix liability on the employer as a matter of LHWCA law and leave any extra-statutory reallocation of the liability, including any contractual or equitable basis for indemnification, for proceedings before a court of general jurisdiction.

Administrative Procedures: Board Jurisdiction. In a case arising under the now superceded District of Columbia extension of the LHWCA, the Court held that the Board lacked jurisdiction to review an OWCP district director's order determining that the claimant's employer underpaid its obligations under an earlier award when it reduced its ongoing periodic payments. *Snowden v. Director, OWCP*, 253 F.3d 725 (D.C. Cir. 2001). The court found that the district director's order, which determined the meaning and effect of the earlier order making the award, could only be characterized as a "supplementary" order issued under section 18(a) of the LHWCA. It was therefore reviewable only in summary judicial enforcement proceedings under that provision, instead of by appeal to the Board. The court did not reach the question whether the supplementary order correctly calculated annual cost of living adjustments under section 10(f) of the Act for the years between the occurrence of the claimant's injury and the date her disability was classified as permanent and total.

Administrative Procedures: Time to Seek Reconsideration of an ALJ Decision. How to compute the ten-day time limit for filing a motion for reconsideration of an administrative law judge (ALJ) decision was determined in *Ingalls Shipbuilding, Inc. v. Galle and Director, OWCP*, 246 F.3d 440 (5th Cir. 2001). The Fifth Circuit deferred to the Director's construction of the Secretary's regulation, 20 C.F.R. § 802.206(b)(1), and held that the computation of time rule in Federal Rules of Civil Procedure Rule 6(a) applies to the determination whether a motion for reconsideration of an ALJ order is timely. Thus, the time limit for filing a motion to reconsider an ALJ order is ten business days, exclusive of intermediate weekends and legal holidays. The Court rejected the employer's argument that the time computation should be governed by 29 C.F.R. § 18.4, which would include weekends and holidays in calculating time periods of more than seven days.

Attorney Fees. The Fifth Circuit granted panel rehearing of its decision regarding attorney fees under section 28(b) in *Staftex Staffing v. Director, OWCP (Loredo)*, 232 F.3d 431 (5th Cir. 2000). On rehearing, the Court reversed its initial holding that the claimant failed to submit the disputed issue of average weekly wage to the District Director at informal conference and thus did not obtain a recommendation for the employer to accept or reject. Recognizing that the claimant was satisfied with the wage rate employer was basing voluntary payments upon at the time, and the claimant therefore had no reason to raise this issue at the informal conference, the panel withdrew its original opinion, and affirmed the award of fees. *Staftex Staffing v. Director, OWCP (Loredo)*, 237 F.3d 409 (5th Cir. 2000).

Coverage: Status. In *American Stevedoring Ltd. v. Marinelli*, 248 F.3d 54 (2nd Cir. 2001), the Second Circuit agreed with the Director that a union representative, whose job consists primarily of enforcing work rules under a collective bargaining agreement, satisfies the maritime status requirement for coverage under the LHWCA. The

Court found the Supreme Court's decision in *Chesapeake & Ohio Ry Co. v. Schwalb*, 493 U.S. 40 (1989), controlling and that Marinelli's shop steward position was integral or essential to ASL's stevedoring operation.

Employer-Employee Relationship: Borrowed Employees. Earlier Fifth Circuit cases, decided in the context of the immunity against tort liability that the LHWCA grants to "the employer," have held that where a company "borrows" its employees from a labor-supply contractor, the "employer" is the company whose work is being performed, on whose premises it is performed, and under whose supervision it is performed. This conclusion is not altered by that company's attempt to avoid an employer-employee relationship through its contractual arrangement with the labor-supply contractor. In *Temporary Employment Services v. Trinity Marine Group*, 261 F.3d 456 (5th Cir. 2001), the Court agreed with the Director that those contractual arrangements, including any contractual or equitable basis for indemnification, need not be considered in making the employer-employee determination in the LHWCA proceedings.

Employer-Employee Relationship: Relative Nature of Work Test. In *Marinelli*, the Second Circuit also addressed the question whether the stevedoring company or the union was a union shop steward's employer. The court found the "right to control" test inappropriate and found that the inquiry should focus on the nature of the claimant's work and the relation of that work to the stevedoring company's regular business. Since Marinelli's shop steward duties were a regular part of the stevedoring work, the stevedore was his employer and liable for his work-related disability despite his allegiance to the union.

Last Employer Rule. In *Newport News Shipbuilding and Dry Dock Co. v. Stillely and Director, OWCP*, 243 F.3d 179 (4th Cir. 2001), the Court of Appeals for the Fourth Circuit deferred to the Director's construction of the LHWCA, and held that an employer of a worker who incurs a disabling and ultimately fatal lung disease due, in part, to exposure to asbestos fibers in the workplace may not evade liability on the ground that the worker's asbestos exposure in subsequent non-maritime employment also contributed to the disease. As a result, the Court held that the employer was fully liable for the workers benefits under the LHWCA despite his potential claim against a subsequent employer, the National Aeronautics & Space Administration, for the same asbestos-related disease under the Federal Employees' Compensation Act.

Modification: Section 22. In *Bath Iron Works Corp. v. Director, OWCP (Hutchins)*, 244 F.3d 222 (1st Cir. 2001), the court held that section 22, the Act's provision governing modification of a prior award, authorized an ALJ to consider whether a subsequent insurer, different from the insurer that was previously found liable under the LHWCA for medical expenses, should be responsible for disability compensation for which the claimant recently became eligible.

Nominal Awards. In *Newport News Shipbuilding and Dry Dock Co. v. Stallings*, 250 F.3d 868 (4th Cir. 2001), the Fourth Circuit found a worker who sustained an actual, but very small, loss of wage-earning capacity, but whose actual wages had increased since the occurrence of the injury due to additional overtime, to be partially disabled within the meaning of the LHWCA. The worker was a welder with metal fume fever, a work-related injury caused by the inhalation of welding fumes. On rainy days he lost wages because his medical restriction prevented him from working indoors. The ALJ held that his award of \$3.78 a week was a "nominal" award of the nature approved by the Supreme Court in *Metropolitan Stevedore Co. v. Rambo*, 521 U.S. 121 (1997). However, the Board and the Fourth Circuit concluded that the award was not a "nominal" one because it was based upon actual wage loss.

After an ALJ and the Board denied an injured worker's claim for a nominal award, the Third Circuit reversed and found him entitled to such a *de minimus* award in *Barbera v. Director, OWCP*, 245 F.3d 282 (3rd Cir. 2001) because he proved he had a present medical disability and a reasonable expectation of future loss of wage-earning capacity.

Special Fund Liability: Absolute Defense. In *Director, OWCP v. Newport News Shipbuilding and Dry Dock Co. (Dillard)*, 230 F.3d 126 (4th Cir. 2000), the Court considered whether the absolute defense of section 8(f)(3) applied where the employer amended its request for relief by adding a different medical condition as a basis for relief when

the case was before the ALJ. The Court followed its earlier decision in *Director, OWCP v. Newport News Shipbuilding and Dry Dock Co. (Elliot)*, 134 F.3d 1241 (4th Cir. 1998), holding that a factual determination was necessary on the question whether the employer could not have reasonably anticipated the liability of the special fund based on the evidence it possessed when the case was in front of the district director.

Special Fund Liability: Contribution to an Insubstantial Award. In *Newport News Shipbuilding and Dry Dock Co. v. Stallings*, 250 F.3d 868 (4th Cir. 2001), a case where the worker sustained an actual, although very small, loss of wage-earning capacity, the Court declined to apply the rationale of the Ninth Circuit and reversed a denial of section 8(f) relief. *Todd Shipyards Corp. v. Director (Porras)*, 792 F.2d 1489 (9th Cir. 1986) held that section 8(f) relief was not available as a matter of law where the injured worker was only entitled to compensation in the form of a “nominal” award. Here, the Board concluded that the award was not nominal but was nevertheless too “small in fact” to permit a finding that it was “substantially greater” than it would have been absent preexisting permanent partial disabilities. The Court recognized that the award itself was “insubstantial,” but held that the Act requires a factual finding that the award is not “materially and substantially greater” than it would have been and that a remand was necessary in this case because the ALJ denied 8(f) relief as a matter of law.

Special Fund Liability: Late Raising. In *Ceres Marine Terminal v. Hinton and Director, OWCP*, 243 F.3d 222 (5th Cir. 2001), the court held that an employer who seeks to transfer its liability for compensation payments to the special fund under section 8(f) must ordinarily raise that issue before the ALJ no later than the initial hearing on the compensation claim. The Court rejected the employer’s assertion that the 1984 amendments to the LHWCA and the implementing regulations, which expressly made an employer’s failure to raise the issue of section 8(f) relief during informal proceedings prior to an ALJ hearing an “absolute” affirmative defense, relieved the employer of the necessity of also subsequently raising the issue promptly before an ALJ. Thus, the employer waived its claim for section 8(f) relief when it failed to raise it until modification of the ALJ order awarding permanent disability compensation was sought.

Special Fund Liability: Waiver. In *Stallings*, the Fourth Circuit also held that the ALJ did not abuse his discretion by permitting the Director, after the ALJ’s decision issued, to withdraw his concession that section 8(f) relief was appropriate. At the outset of the ALJ hearing, the Director informed the ALJ by letter that if the ALJ awarded compensation the Director conceded the employer’s entitlement to section 8(f) relief. The Director’s concession letter was not conditioned on the entry of other than a nominal award. In allowing the Director to reverse his position because the ALJ awarded only a trifling amount of compensation, the Court noted that the Director had not been aware that he had a legal defense to section 8(f) relief until the award was made. In addition, in connection with its motion for reconsideration, the employer had sufficient opportunity to respond to the Director’s explanation for withdrawing his concession.

Suitable Alternate Employment. *Newport News Shipbuilding and Dry Dock Co. v. Riley*, 262 F.3d 227 (4th Cir. 2001), involved a worker who was discharged from her shipyard job for poor performance in an apprentice program some months after sustaining an employment-related injury. The Court found that *Norfolk Shipbuilding & Dry dock Corp. v. Hord*, 193 F.3d 797 (4th Cir. 1999) was applicable, rather than *Brooks v. Newport News Shipbuilding & Dry Dock Co.*, 2 F.3d 64 (4th Cir. 1993), and that *Hord* required the employer to establish that suitable alternate employment was available or pay total disability compensation for the period following the termination during which she showed that she was unable to perform her pre-injury work. This result obtained even though the employer was paying her a wage equal to her pre-injury wage at the time of the discharge and her injury played no part in the discharge.

LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

Number of Employees (FTE Staffing Used)	106
Administrative Budget.....	\$9.8 Million*
Lost-Time Injuries Reported	23,480
Total Compensation Paid.....	\$675.2 Million**
Wage-Loss and Survivor Benefits.....	\$511.1 Million**
Medical Benefits.....	\$164.0 Million**
Sources of Compensation Paid	
Insurance Companies.....	\$249.7 Million**
Self-Insured Employers.....	\$279.0 Million**
LHWCA Special Fund	\$133.4 Million
DCCA Special Fund	\$11.3 Million
DOL Appropriation	\$3.0 Million

*Direct administrative costs to OWCP only; excludes DOL support costs.

**Figures are for CY 2000. Note: Total compensation paid does not equal the sum of the sources of compensation due to the different time periods (CY v. FY) by which the various data are reported. For Special Fund assessment billing purposes as required by section 44 of LHWCA, compensation and medical benefit payments made by insurance carriers and self-insured employers under the Act are reported to DOL for the previous calendar year.

ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT

Introduction

Since World War II, Federal nuclear activities have been explicitly recognized under Federal law as activities that are ultra-hazardous. Nuclear weapons production and testing have involved unique dangers that private insurance carriers have not covered. Recurring exposures to radioactive substances and beryllium, even in small amounts, can cause medical harm. From the beginning of the nation's nuclear weapons program in 1942 with the Manhattan Project, through the Cold War effort, a large number of nuclear weapons workers were put at risk without their knowledge or consent. More than two dozen scientific findings indicate that these employees are experiencing increased risks of dying from cancer and non-malignant diseases. Several of these studies have also established a correlation between excess diseases and exposure to radiation and beryllium. Scientific evidence supports the conclusion that occupational exposure to dust particles or vapor of beryllium can cause beryllium sensitivity and chronic beryllium disease. Studies also indicated that 98 percent of radiation-induced cancers within the nuclear weapons complex have occurred at dose levels below existing maximum safe thresholds. Existing state workers' compensation programs did not provide a means of ensuring adequate compensation for the types of occupational illnesses and diseases sustained by employees at those sites.

The Energy Employees Occupational Illness Compensation Program Act of 2000, as amended (EEOICPA), 42 U.S.C. § 7384 *et seq.*, provides lump-sum payments and medical benefits to civilian workers who became seriously ill as a result of their exposure to radiation, beryllium or silica in the production or testing of nuclear weapons and, where applicable, survivors of such workers. The EEOICPA also provides for smaller lump-sum payments and medical benefits to individuals already found eligible for an award under section 5 of the Radiation Exposure Compensation Act (RECA) and, where applicable, their survivors.

The EEOICPA is administered by four Federal agencies. As the lead agency, the Department of Labor (DOL) administers the claims adjudication and compensation program. Executive Order 13179 mandated promulgation of regulations to support program administration by May 31, 2001, to accommodate implementation of the program on July 31, 2001. DOL formed a task force in February 2001 to develop regulations, policies and procedures, training, compensation program forms and an automated system for processing claims of Energy employees and their families. Interim final regulations were published on May 25, 2001, and DOL began accepting claims on July 31, 2001. The Department of Health and Human Services (HHS) is tasked with establishing methods for calculating radiation dose estimates and performing such calculations. HHS is also responsible for developing procedures to determine the probability that a given cancer was caused by exposure to radiation and for adding additional worker groups to the Special Exposure Cohort, as appropriate. The Department of Energy (DOE) is responsible for assisting DOL and HHS by providing access to relevant information on worker exposures, including access to restricted data, and providing records necessary to verify covered employment. In addition, DOE is responsible for establishing a program to assist DOE contractor employees in state workers' compensation proceedings for conditions caused by toxic exposure during their employment in a DOE facility. The Department of Justice (DOJ) notifies beneficiaries under section 5 of the RECA of their possible EEOICPA entitlements and provides specific information needed by DOL to complete the claim development and adjudication process for RECA claimants.

The EEOICPA provides for lump-sum compensation payments of up to \$150,000 to covered employees and qualified survivors of such employees of DOE, its predecessor agencies (the Manhattan Project and the Atomic Energy Commission) and certain of its vendors, contractors and subcontractors. The Act also provides supplemental lump-sum payments of up to \$50,000 to individuals already found eligible for benefits for illnesses covered under section 5 of the RECA and, where applicable, for their survivors. In addition, medical benefits are payable for treatment of covered conditions.

Diseases covered under EEOICPA include radiogenic cancers, beryllium sensitivity, chronic beryllium disease, chronic silicosis, and those diseases covered under section 5 of the RECA. Cancers are divided into two categories: Special Exposure Cohort cancers (SEC) and non-Special Exposure Cohort cancers (non-SEC). SEC cancers are specified cancers contracted by a covered employee who worked in a gaseous diffusion plant for an aggregate of at least 250 days at the following identified sites: Paducah, Kentucky; Portsmouth, Ohio; and Oak Ridge, Tennessee. The SEC also includes individuals exposed to radiation as a result of the Long Shot, Milrow, and Cannikan tests conducted on Amchitka Island, Alaska. Employees meeting the requirements for covered employees at an identified SEC site who are diagnosed with a specified cancer are afforded a presumption of causation between the employment and the diagnosed cancer. Covered employees with cancer at all other locations and covered employees who are included in the SEC but are diagnosed with a non-specified cancer fall into the non-SEC cancer category. This category requires dose reconstruction and use of the probability of causation algorithm developed by the National Institute for Occupational Safety and Health (NIOSH) to determine whether the cancer is at least as likely as not caused by the covered employment exposure.

Benefits and Services

The mission of the Division of Energy Employees Occupational Illness Compensation (DEEOIC) is to provide lump sum compensation and medical benefits to covered employees suffering from designated illnesses and also provide compensation to certain qualified survivors of these covered employees.

District offices issue recommended decisions on claims. If a claimant disagrees with a recommended decision, he or she may file objections to findings of fact and/or conclusions of law and request a hearing or review of the written record. All recommended decisions made by the district offices are forwarded to the Final Adjudication Branch (FAB). The FAB is responsible for conducting hearings or reviews of the written record and issuing final decisions on all claims.

Any recommended decision still pending a hearing or a review of the written record one year from the date of the recommended decision will be considered affirmed. Claimants may request reconsideration or reopening of any final decision issued by the FAB. After exhausting these administrative review opportunities through OWCP, a claimant may seek judicial review of any final decision.

Entitlement to benefits under the EEOICPA may be affected when tort suits are filed against beryllium vendors and atomic weapons employers. Any pending tort suit filed against either a beryllium vendor or an atomic weapons employer must be dismissed within specified time frames in order to receive benefits. Any award already received as a result of a civil action or settlement for a disease covered by the EEOICPA shall be offset from the payment made under EEOICPA.

Following an extensive two-month outreach program that covered audiences in 30 cities, 10,123 claims were received in the period from July through September 30, 2001. In the two-month period from the date of implementation to the end of Fiscal Year (FY) 2001, district offices issued 457 recommended decisions and the FAB issued 180 final decisions. Lump sum compensation payments totaling \$3.5 million were authorized for 35 claims. Medical bills paid totaled \$2,718 for three claims. The claims that were submitted covered the following

medical conditions: 416 chronic beryllium disease; 330 beryllium sensitivity; 1,390 SEC cancer; 4,813 non-SEC cancer; 213 renal disease; 282 silicosis; and 1,750 other claimed conditions. In addition, 1,852 RECA claims were submitted.

Program Operations

The National Office, consisting of a Director, Deputy Director and four Branch Managers, and their staffs, is responsible for program management and administration. The Branch of Policies, Regulations and Procedures is responsible for implementing policy and procedures in support of the regulations and statute. The Branch of Outreach and Technical Assistance provides public outreach, training and assistance. It also responds to public and congressional inquiries. The Branch of Automated Data Processing (ADP) Coordination and Control provides management information system support to facilitate the EEOICPA vision and mission and ensure that fundamental EEOICPA legislative program requirements are met. The FAB conducts reviews of the written record, holds hearings and issues final decisions on all claims. By the end of FY 2001, the National Office had 36 employees.

Four district offices located in Cleveland, Denver, Jacksonville and Seattle are responsible for adjudicating claims and administering benefits for claims falling within each jurisdiction. Staffing at the district offices totaled 108 employees at the end of FY 2001.

Ten Resource Centers, jointly sponsored by both DOL and DOE, were established and are strategically located near nuclear weapons production and testing facilities. These centers, staffed by contractor personnel, are designed to assist employees and survivors in applying for benefits under EEOICPA. Resource Centers accounted for approximately 40 percent of program initial claims activity through the end of FY 2001. Traveling Resource Centers provide claim-filing assistance to former and current employees or survivors in identified locations that do not have a permanent resource center.

Program information and assistance also is available to the public at the EEOICPA toll-free Call Center, (866) 888-3322, or the web site available at www.dol.gov/esa/regs/compliance/owcp/eoicp/main.htm. Since the inception of the Call Center in May 2001, more than 14,000 contacts have been made through September 30, 2001. Contacts included explanation of EEOICPA benefits and mailing of information packets containing all of the required forms and various fact sheets.

The web site contains a wide variety of information relevant to the EEOICPA. The home page includes the following: the Act; a listing of the SEC cancers; pertinent phone numbers; and various forms necessary to submit claims. The web site also provides links to other agencies' home pages relevant to the Act; this includes links to DOJ, DOE and NIOSH. Further, the web site contains up-to-date press releases, town hall meeting schedules and locations, and information regarding current outreach and resource center activities. The site also provides information regarding the details of how the EEOICPA operates and what the program does. In addition, the web site outlines the EEOICPA mission statement, provides district and national office information and contains on-line claim forms. The site is updated frequently and provides access to information regarding important regulatory information.

DOL received a FY 2001 appropriation of 250 full-time equivalent employees and \$60.3 million. Of the \$60.3 million, \$10 million was transferred to HHS to provide funding to fulfill its responsibility under EEOICPA. A total of \$20.4 million was apportioned for DOL's implementation activities during FY 2001. From this \$20.4 million, \$50,000 was transferred to DOJ for research to respond to DOL requests for verification of RECA awards necessary for the adjudication of EEOICPA claims and \$920,000 was transferred to DOE's Office of Worker Advocacy to defray DOL's share of the costs for establishment and operation of Resource Centers.

The DOL funding provides for operations and support in the Washington, D.C. National Office, four district offices and FAB offices; a toll-free call center; resource centers; IT support systems; medical bill processing; and on-going systems operations costs. A total of \$30 million was reserved for future use.

Case Adjudication and Management

An important aspect of case management since the law was first introduced has been interaction between departmental agencies. Executive Order 13179 delegates the administration of the Act to the Department of Labor. Several other agencies, however, have prominent roles in the processing of claims. These include DOE, DOJ, and NIOSH within HHS. DEEOIC staff have worked closely with all of these agencies to create procedures for smooth handling and processing of cases. DEEOIC holds weekly teleconference calls with all three agencies to coordinate ongoing efforts. The Program has been in constant communication with DOE regarding employment verification issues, with NIOSH regarding dose reconstruction and the transfer of cases for proper handling, and with DOJ concerning all claims that involve the RECA.

The DEEOIC has developed a specific system for case management. Claims are submitted to the district office having jurisdiction where the current or former employee last worked. When a claim is received, a case file is created and a new claim record is entered into the Energy Case Management System (ECMS). Claims are assigned to claims examiners in the district offices based on predetermined workload splits. Claims examiners are responsible for case development and making recommended decisions for acceptance or denial of benefits. Although the claimant has the burden of proof to demonstrate the existence of all criteria necessary to establish eligibility under the EEOICPA, claims examiners are tasked with assisting claimants in obtaining information to support a claim. The case development process may include requesting factual or medical evidence from the employee or survivor and obtaining employment verification or medical information from the DOE. In addition, certain cancer claims (cancer claims not covered under the Special Exposure Cohort provision of the Act) are sent to NIOSH for a dose reconstruction. The dose reconstruction by NIOSH estimates the radiation dose that the employee was exposed to based on individual dose records, the type of position held, the duration of the employment, and the facility history. The claims examiner will use the dose reconstruction information to determine the probability of causation (the likelihood that cancer is at least as likely as not related to the work exposure) based on guidelines established by NIOSH. When all case development activities are completed, the claims examiner issues a recommended decision to accept or deny the claim. The recommended decision will include a discussion of the case, findings of fact and conclusions of law. All recommended decisions issued by the district office are forwarded to the FAB and are reviewed by hearing representatives for accuracy and consistency with the regulations. If the claimant disagrees with the recommended decision, the claimant has the option to request an oral hearing or review of the written record by the FAB. Thereafter, the FAB issues a final decision. If a claimant disagrees with the final decision of the FAB, the claimant may file suit in a U.S. district court.

When a claim is accepted, in most cases, the claimant receives a lump sum compensation payment (cases approved for beryllium sensitivity receive medical monitoring). The covered employee is also entitled to receive all medical services, appliances or supplies that a qualified physician prescribes or recommends and DEEOIC considers necessary to treat the occupational illness. Payment for medical bills is retroactive to the date the employee filed a claim for benefits.

Accomplishments

- Congress passed the EEOICPA in October 2000. A task force of qualified specialists was formed and worked together to create regulations. Interim final regulations were published in the Federal Register on May 25, 2001.

- User-friendly forms were developed to obtain required program information.
- By July 31, 2001, the task force had established district offices, employed staff in each office, created a computer system, and the Program was ready to begin receiving claims.
- Training for claims examiners and resource center staff was developed and implemented.
- Sixty public town hall meetings were jointly conducted by the Departments of Energy and Labor in 30 locations throughout the nation to explain the EEOICPA and respond to questions.
- Resource Centers to assist claimants in filing claims were established in 10 locations between July and August, 2001.
- A web site to provide the public with EEOICPA information and forms was established on July 15, 2001.
- A toll-free Call Center to answer routine program questions and process requests for forms and informational brochures was established on May 25, 2001.
- The first lump sum payment of \$150,000 was made on August 9, 2001.
- By September 30, 2001, the DEEOIC had received 10,123 claims, issued 457 recommended decisions, and rendered final decisions on 180 cases.
- In the two months between the July 31, 2001, implementation and the end of the fiscal year, the DEEOIC had issued 35 lump sum payments to eligible individuals and three medical benefit payments.
- On July 31, 2001, the first release of an automated case management system was deployed.
- Requirements and design work were completed for cloning and customizing an existing OWCP Black Lung medical bill processing system.

Management Information Systems

The Branch of ADP Coordination and Control was staffed and organized to provide ADP support, to facilitate program vision and mission, and to ensure that fundamental EEOICPA legislative program requirements are met. The ADP group coordinated with the Employment Standards Administration to establish automated connectivity for a central office and four new district offices and a full system development lifecycle process for building an Energy Case Management System software application.

With two months to develop an ADP support solution for claims processing, DEEOIC adopted the philosophy of building the bones first – delivering the basic fundamentals, then incrementally building onto the claims, medical bill, and compensation processing software. By necessity, completion of these systems would be extended into FY 2002 after evaluating the needs of the user community. The short-term objectives were developing a centralized case management system to allow capture and update of claims data, cloning and customizing the Federal Black Lung program’s medical bill processing system, and using the Electronic Certification System (ECS) provided by the U.S. Treasury to create, verify and transmit compensation payment transactions on accepted claims.

On July 31, 2001, the first release of an automated case management system was deployed. This system provided claims processing staff in the DEEOIC district offices with rapid on-line entry, maintenance, and tracking of data on Energy worker claims submitted to the program. The system included an on-line case query that allows DEEOIC

staff to respond quickly to phone queries about the claim's status. Also, an ADP technical support group was established to respond to questions from district claims processing staff regarding claims processing software, user access and system operations. Both an e-mail group and a technical support phone number were set up for easy access to support staff. The majority of questions are answered within two hours. Members of the technical support

team also provide on-site training to new DEEOIC staff, develop job aids, and release notes to guide staff in the use of case management system operation.

By September 30, 2001, the system enabled the following on-line activities: staff was able to view, add and maintain information on employees, survivors, work sites, medical conditions, and Special Exposure Cohort ; search cases and claims by case identification number, name, and date of birth; and add and maintain security features for users and functions.

The case management system stores the claims data for all district offices on a centralized database in Washington, D.C. These data are then available for ad hoc query regarding the status of claims processing activities throughout the program, and across all district offices.

The DEEOIC used the ECS provided by the U.S. Treasury to issue compensation payments on claims that have been adjudicated and accepted. In FY 2002, a compensation processing component will be built into the ECMS.

To support timely payment of medical benefits on accepted employee claims, the DEEOIC negotiated a vendor agreement with Computer Sciences Corporation for development and testing of the bill processing system. It includes a dedicated front-end scanning/editing system and identifies processing requirements for each type of medical bill. On September 20, 2001, a final vendor agreement was negotiated for centralized medical bill processing operations.

**ENERGY EMPLOYEES OCCUPATIONAL ILLNESS
COMPENSATION PROGRAM ACT**

Number of Employees (as of end of FY 2001).....	144										
Administrative Budget.....	\$60.3 Million*										
Cases Created.....	10,123										
Recommended Decisions.....	457										
Final Decisions.....	180										
Number of Claims Approved for Compensation.....	35										
Number of Medical Payments.....	3										
Total Lump Sum Compensation Payments Authorized.....	\$3.5 Million										
Total Payments.....	<table border="0" style="width: 100%;"> <tr> <td style="width: 45%;"></td> <td style="width: 10%; text-align: center;">Medical</td> <td style="width: 40%;"></td> <td style="width: 5%;"></td> <td style="width: 10%; text-align: right;">Bill</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$2,718</td> <td></td> <td></td> </tr> </table>		Medical			Bill			\$2,718		
	Medical			Bill							
		\$2,718									

* Includes \$10 million transferred to the Department of Health and Human Services to assist in that agency's responsibilities under EEOICPA.

MEDICAL AND VOCATIONAL REHABILITATION PROGRAMS

Injured Employees Back to Work

Under the direction of OWCP staff nurses and rehabilitation specialists in Division of Federal Employees' Compensation (DFEC) and DLHWC district offices, private sector registered nurses and vocational rehabilitation counselors provide assistance to injured workers in their recovery and return-to-work process. During Fiscal Year (FY 2001, OWCP's medical and vocational rehabilitation program returned 8,440 injured employees to work, an increase of 7.2 percent over FY 2000. In large part this achievement was possible due to OWCP's ongoing emphasis on the reduction of lost production days, a key Government Performance and Results Act performance goal for FY 2001. Additionally, OWCP's commitment to enforce mandatory claimant participation and cooperation in the nurse intervention program and to expedite the submission of reports of injury and pertinent claim information to allow for earlier and more effective medical and/or vocational rehabilitation intervention has contributed to the continued increase in the number of injured employees going back to work.

Over 24,900 injured Federal and longshore employees received some form of medical or vocational rehabilitation service from OWCP during FY 2001. Nurses returned 7,439 employees to work under the Federal Employees' Compensation Act (FECA) while vocational rehabilitation counselors placed 736 Federal and 265 longshore workers. Costs for vocational rehabilitation service and maintenance allowances were \$9.6 million for FECA and \$5.1 million for Longshore, while FECA nurse services were \$20.4 million.

Medical Cost Oversight

Fee Schedules and Unbundling Medical Bills

The FECA regulations (63FR 65284-345) permit the application of fee schedules to three different types of medical services paid by the Federal Employees' Compensation (FEC) program on behalf of injured Federal workers.

During FY 2001, the total charges for medical services for the FEC program subject to the fee schedules were reduced by 24 percent, or \$176.5 million. The application of the professional fee schedule, which is based on the Centers for Medicare and Medicaid Services' (CMS), formerly the Health Care Financing Administration, relative value scale, resulted in savings of \$134.4 million, while the use of the inpatient fee schedule produced \$32.5 million in savings and savings of \$9.6 million were attributed to the pharmacy fee schedule.

The Correct Coding Initiative, a system of algorithms developed by CMS to detect incorrect billing practices that was implemented by OWCP in FY 2000, produced savings of \$13.3 million during FY 2001. Importantly, the medical coding specialists hired to carry out the resolution of bills failing the "unbundling" edits and other complex edits and appeals, have added a higher level of professional expertise to the DFEC district offices. They have contributed significantly to improve the coding of diagnoses and medical procedures, and the resolution of medical

bills, as well as to the quality and timeliness of our contacts with the provider community.

Establishment of Focus Reviews

In the FEC program, as in many other compensation systems, a significant portion of the volume and costs of medical services can be ascribed to a small number of treatments or services. Characteristically, these high-utilization services are prescribed as ongoing treatments in a large number of cases. At present, although the OWCP fee schedules and automated medical bill processing edits monitor overpricing and other improper billing practices, they do not address utilization or medical appropriateness issues. To verify and monitor the appropriateness and utilization of these services, the program has devised procedures whereby cases that reach pre-set activity and/or cost thresholds for certain services are earmarked for standardized focus reviews. The goal of these reviews is to improve the medical management of FECA cases and reduce expenses.

Since physical therapy is one of the major medical cost drivers in the FEC program, and because there is anecdotal information of cases with excessive or prolonged therapy, it was selected as the first group of services to be examined. In FY 2001, 89,459 claimants received physical therapy and the program paid \$79.5 million, or an average of \$1,145 per case. The above data serves as a baseline to measure improvements in this area in subsequent years.

Upper Extremity Disorders Study

In 1998, the Robert Wood Johnson Foundation, Workers Compensation Initiative, awarded a grant to Georgetown University for studying methods to improve the return-to-work outcomes in upper extremity injuries and diseases. The project, which Georgetown and OWCP designed jointly, seeks to improve the OWCP Nurse Intervention Program by training nurses on special ergonomic and problem-solving techniques and introducing these techniques to the medical management process. Recruitment of cases began in May 1998 and ended in mid-October 2000. More than 200 injured workers who met the selection criteria participated in the study. Analysis of the outcomes is in progress and a final report should be available May 2002. At present, anecdotal information and a partial assessment of the data indicate that nurses who received the ergonomic training are more likely to address ergonomic issues and to recommend simple, effective and inexpensive work site modifications to facilitate the return to work.

Contracts for Medical Second Opinion Services

Medical second opinions are an important component of the claims adjudication and management process, and they play a critical role in assuring that medical and wage-loss compensation benefits are paid appropriately. Medical second opinions help claims examiners to determine the causal relationship between work factors and the injury or disease, help them to assess the extent and duration of a physical impairment or disability, help to determine the appropriateness of therapy, and help to determine when recovery has occurred and a return to work is feasible.

During FY 2001, OWCP renewed contracts for the provision of medical second opinion services in support of DFEC operations at the District Offices in Boston, New York, Philadelphia, Jacksonville, Cleveland, Chicago, Kansas City, Denver, San Francisco, Seattle and Dallas. During the year, contractors provided more than 12,000 second opinions at an estimated saving to the program of \$2.4 million. The quality of reports provided by the contractors has been very good. Reports are clearly written, comprehensive, and responsive to claims examiners' questions, and the average time for delivery of reports continues to be significantly shorter compared to the period before these contracts were in place.

Appendix

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E. OWCP Rehabilitation Table E1	63

Note: Unless otherwise stated, the financial information in the appendix tables below may differ from what is reported in the Department of Labor’s Consolidated Financial Statement. These differences are due to accrual versus cash basis financial reporting requirements and adjustments made during statement compilation.

Table A-1
Federal Employees' Compensation Rolls, FY 1992 - FY 2001
(Cases at End-of-Year)

Roll Type	Fiscal Year									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total Periodic Roll	59,823	59,551	60,136	59,605	58,329	55,484	56,159	54,897	54,709	56,133
% change v. prior yr.	-	-0.5%	1.0%	-0.9%	-2.1%	-4.9%	1.2%	-2.2%	-0.3%	2.6%
<i>Long-Term Disability</i>	51,763	50,312	50,538	50,685	50,021	49,319	50,105	48,957	48,870	50,409
% change v. prior yr.	-	-2.8%	0.4%	0.3%	-1.3%	-1.4%	1.6%	-2.3%	-0.2%	3.1%
<i>Death</i>	6,721	6,623	6,589	6,537	6,353	6,165	6,054	5,940	5,839	5,724
<i>Short-Term 1/</i>	1,339	2,616	3,009	2,383	1,955	0	0	0	0	0

1/ Beginning in FY 1997, short-term periodic roll cases are no longer tracked separately.

**Table A-2
Federal Employees' Compensation Program
Summary of Claims Activity, FY 1992 - FY 2001**

Claim Activity	Fiscal Year									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
INCOMING CASES										
Cases Created	177,098	179,357	185,927	180,350	175,052	173,319	165,135	166,544	174,471	165,915
Traumatic	154,533	154,424	160,560	154,250	150,204	146,489	138,975	140,383	145,915	137,877
No Lost Time	78,449	71,987	71,999	74,602	75,829	78,642	75,321	83,472	91,620	86,402
Lost Time	76,084	82,437	88,561	79,648	74,375	67,847	63,654	56,911	54,295	51,475
Occupational Disease	22,374	24,730	25,161	25,835	24,689	26,680	25,954	25,999	28,406	27,869
Fatal Cases	191	203	206	265	159	150	206	162	150	169
Wage-Loss Claims Initiated	21,527	20,735	21,402	21,755	20,392	19,181	19,315	19,759	21,899	23,386
HEARINGS AND REVIEW 1										
Total Requests for Hearing	5,851	6,673	6,607	7,357	7,951	7,642	7,496	7,164	6,992	6,875
Total Hearing Dispositions	4,967	5,431	6,571	7,019	7,101	7,525	8,087	7,926	7,418	6,599
Pre-Hearing Remands	827	823	847	742	970	1,036	1,056	723	678	704
Dismissals	734	863	1,216	1,184	1,375	1,227	1,191	992	944	1,003
Affirmations	1,771	1,879	2,399	2,686	2,474	2,604	2,965	3,178	2,945	2,266
Post-Hearing Remands	692	696	807	906	876	958	910	958	1,068	944
Reviews of the Written Record	479	544	583	806	806	1,022	1,179	1,253	1,167	1,118
Withdrawals/No-Shows	464	626	719	695	600	678	786	822	616	564

1/ As a result of an internal audit conducted by DFEC, various hearings and review data were revised for the years 1992 - 1996. Management reports were compared with automated system data that began in 1992, and corrections were made to reconcile differences between the two sources

Table A-3
Federal Employees' Compensation Program Obligations, FY 1992 - FY 2001
(\$ thousands)

Type of Obligation	Fiscal Year									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total Obligations	\$1,809,395	\$1,884,094	\$1,922,707	\$1,953,952	#####	\$1,968,256	\$2,024,494	\$2,076,475	\$2,170,247	\$2,308,595
Total Benefits 1/	1,751,396	1,822,338	1,859,349	1,886,038	1,997,180 2/	1,900,953	1,955,287	2,008,908	2,099,613	2,229,624
Compensation Benefits	1,197,417	1,236,927	1,284,380	1,309,562	1,375,808	1,314,603	1,343,879	1,370,206	1,403,154	1,453,740
Medical Benefits	444,301	472,257	459,312	453,208	481,833	450,206	476,167	492,835	548,596	617,414
Survivor Benefits	109,678	113,154	115,657	117,984	126,568	122,554	124,213	126,009	126,965	128,122
Fair Share Capital Investmen	0	0	0	5,284	12,971	13,590	11,028	19,858	20,898	30,348
Administrative Costs 3/	57,999	61,756	63,358	67,914	65,145	67,303	69,207	67,567	70,634	78,971

1/ Total benefits and its components for FY 1992 - FY 1996 include "other" categories of benefits shown separately in the past. The actual amount of "fair share" capital investment is the only previous "other" obligation that is shown separately.

2/ Presentation of accrued liabilities was initiated in the FECA Special Benefits Fund in FY 1996. Implementation of this accounting adjustment requires an overstatement of benefit obligations compared with FY 1995 and prior years. The amount of the one-time (upward) adjustment is \$85,498,000.

3/ Direct administrative costs for FEC program salaries and expenses.

Table A-4
Federal Employees' Compensation Program Chargeback Costs, by Major Federal Agency
CBY 1992 - CBY 2001
(\$ thousands)

Federal Agency	Chargeback Year 1/									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total Costs	\$1,666,431	\$1,756,837	\$1,813,931	\$1,835,129	\$1,840,811	\$1,833,926	\$1,887,980	\$1,908,256	\$2,024,634	\$2,129,097
U.S. Postal Service	474,891	508,881	521,456	536,643	547,141	551,142	577,159	594,503	666,310	720,518
Department of the Navy	241,804	250,522	262,274	256,816	256,210	247,488	243,938	240,492	241,585	246,881
Department of the Army	161,632	164,179	168,350	165,461	163,986	159,781	162,152	163,127	166,989	169,219
Department of Veterans Affairs	133,381	142,486	145,471	143,047	140,729	136,607	140,118	137,865	143,221	145,909
Department of the Air Force	114,417	114,196	115,993	119,184	116,141	117,242	124,302	123,349	128,134	134,106
Department of Transportation	87,419	87,722	90,171	89,308	89,407	89,369	95,823	97,155	96,936	99,556
Department of Justice	43,107	47,332	51,605	55,757	58,136	63,878	67,875	76,319	83,873	91,197
Department of the Treasury	56,314	64,072	69,620	72,835	72,269	72,547	73,953	75,125	78,921	83,367
Department of Agriculture	55,095	59,220	60,085	59,332	58,926	59,230	60,348	59,851	64,882	66,750
Department of Defense	41,970	52,644	59,113	62,096	61,069	61,360	62,729	63,563	64,797	64,761
All Other Agencies	256,401	265,583	269,793	274,650	276,797	275,282	279,583	276,908	288,987	306,834

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

**Table B-1
Part C Black Lung Claims Adjudication at the Initial Level, FY 2001**

Type of Claim	First Initial Findings	Approval Rate	Reconsiderations	Approval Rate	All Initial Decisions	Approval Rate
TRUST FUND	626		211		837	
Approved	61	9.74%	19	9.00%	80	9.56%
Denied	565		192		757	
RESPONSIBLE OPERATOR	2,653		899		3,552	
Approved	223	8.41%	60	6.67%	283	7.97%
Denied	2,430		839		3,269	
TOTAL FINDINGS	3,279		1,110		4,389	
Total Approved	284	8.66%	79	7.12%	363	8.27%
Total Denied	2,995		1,031		4,026	

Note: Due to changes in DCMWC's automated support system, the format and data of Table B-1 has been revised for FY 2001.

Table B-2
Distribution of Part C Black Lung Claims and Disbursements, by State, FY 2001

State	Total Claims Received 1/	MBO Claims 2/	In Payment 3/	Total Benefits (\$ 000) 4/
Alabama	31,887	213	1,469	\$10,612
Alaska	149	0	13	94
Arizona	1,974	52	216	1,560
Arkansas	3,779	18	300	2,167
California	6,403	43	455	3,287
Colorado	6,888	58	661	4,775
Connecticut	988	7	120	867
Delaware	760	2	103	744
District of Columbia	286	10	25	179
Florida	11,555	200	1,232	8,900
Georgia	1,539	26	197	1,423
Hawaii	16	0	1	7
Idaho	235	2	20	144
Illinois	30,201	185	2,018	14,578
Indiana	17,349	110	1,142	8,250
Iowa	5,085	31	386	2,789
Kansas	2,160	5	123	889
Kentucky	85,054	1,785	6,052	45,722
Louisiana	336	3	29	209
Maine	43	0	7	50
Maryland	6,531	60	549	3,966
Massachusetts	227	3	30	217
Michigan	10,373	52	695	5,021
Minnesota	140	0	16	116
Mississippi	341	6	36	260
Missouri	4,576	8	340	2,456
Montana	845	6	63	455
Nebraska	119	0	10	72
Nevada	403	3	55	397
New Hampshire	24	0	4	29
New Jersey	4,242	31	458	3,309
New Mexico	2,295	13	178	1,286
New York	3,957	27	346	2,500
North Carolina	3,168	56	409	2,955
North Dakota	157	0	10	72
Ohio	52,278	369	4,290	30,992
Oklahoma	3,737	41	264	1,909
Oregon	618	5	60	433
Pennsylvania	133,602	2,139	15,551	112,343
Rhode Island	41	0	4	29
South Carolina	823	18	139	1,004
South Dakota	47	0	5	36
Tennessee	19,841	340	1,429	10,323
Texas	1,650	13	185	1,336
Utah	3,902	44	351	2,536
Vermont	44	0	6	43
Virginia	40,029	1,000	4,325	31,245
Washington	1,577	8	124	896
West Virginia	104,858	2,197	10,123	73,132
Wisconsin	432	3	43	311
Wyoming	2,491	7	243	1,757
All Other	444	2	34	246
TOTAL	608,499	9,201	54,944	\$396,928

1/ All filings since July 1, 1973, including terminated and nonapproved claim

2/ Active MBO claims as of 9/30/01

3/ Active claims currently in payment status, excluding MBO claims, as of 9/30/01

4/ Disbursements of income and medical benefits for all claims, including claims paid by the Trust Fund and claims interim pay status.

Table B-3
Black Lung Claims, by Class of Beneficiary, FY 1992 - FY 2001 1/

Class of Beneficiary	Number of Beneficiaries 2/									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Primary Beneficiaries:										
Miners	43,723	40,866	37,970	35,220	32,452	29,839	27,340	24,838	22,568	18,248
Widows	43,967	44,103	44,073	43,688	43,155	42,468	41,585	40,517	39,053	35,660
Others	1,225	1,280	1,332	1,362	1,393	1,444	1,476	1,508	1,497	1,467
TOTAL PRIMARY BENEFICIARIES	88,915	86,249	83,375	80,270	77,000	73,751	70,401	66,863	63,118	55,375
Dependents of Primary Beneficiaries:										
Dependents of Miners	37,592	34,758	32,013	29,377	26,845	24,599	22,158	19,953	17,978	13,924
Dependents of Widows	1,751	1,710	1,668	1,614	1,558	1,491	1,417	1,384	1,306	1,123
Dependents of Others	503	496	513	508	520	511	512	516	508	108
TOTAL DEPENDENTS	39,846	36,964	34,194	31,499	28,923	26,601	24,087	21,853	19,792	15,155
TOTAL, ALL BENEFICIARIES	128,761	123,213	117,569	111,769	105,923	100,352	94,488	88,716	82,910	70,530

1/ As of September 30 of each year.

2/ 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 B-4
Department of Labor Black Lung Benefits Program Obligations, FY 1992 - FY 2001
(\$ thousands)

Type of Obligation	Fiscal Year									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total Obligations	\$973,636	\$984,666	\$994,655	\$995,722	\$992,128	\$1,004,672	\$999,822	\$1,005,246	\$1,013,593	\$1,016,994
Total Benefits 1/	574,850	562,035	554,349	525,563	499,622	487,910	459,061	439,442	422,656	396,928
Income Benefits 2/	452,581	448,395	444,276	423,736	404,623	392,546	376,985	363,871	350,266	336,813
Medical Benefits 3/	122,269	113,640	110,073	101,827	95,000	95,363	82,076	75,571	72,390	60,116
Administrative Costs 4/	56,314	56,016	52,550	51,502	47,314	46,128	46,035	50,788	49,820	52,252
Interest Charges 5/	342,472	366,616	387,756	418,656	445,192	470,635	494,726	515,016	541,117	567,814
Repayable Advances 6/	340,329	343,000	413,925	375,100	373,500	375,000	370,000	402,000	490,000	505,000
Cumulative Debt 7/	\$3,606,032	\$3,949,032	\$4,362,957	\$4,738,057	\$5,111,557	\$5,486,557	\$5,856,557	\$6,258,557	\$6,748,557	\$7,253,557

1/ Excludes collections from responsible mine operators for benefits paid by Trust Fund on an interim basis, refunds for OWCP administrative costs paid, and other miscellaneous reimbursements.

2/ Monthly and retroactive benefit payments.

3/ Includes diagnostic and treatment costs, and reimbursements to the Health Care Financing Administration of the Department of Health and Human Services and the Health and Retirement Funds of the UMWA.

4/ Administrative expenses include reimbursements to SSA.

5/ Starting in 1979, the Trust Fund had to borrow funds from the Treasury Department to pay operating costs not covered by revenues. Interest charges reflect the cost to the Trust Fund for those advances from the Treasury.

6/ Reflects advances from the Treasury Department during the fiscal year.

7/ Shows the cumulative debt of the Trust Fund to the Treasury.

Note: Detail may not add to totals due to rounding.

Table B-5
Monthly Part C Black Lung Benefit Rates, 1973 - 2001

Period	Benefit Rates by Type of Beneficiary			
	Claimant	Claimant and 1 Dependent	Claimant and 2 Dependents	Claimant and 3 or More Dependents
7/1/73-9/30/73	\$169.80	\$254.70	\$297.10	\$339.50
10/1/73-9/30/74	177.60	266.40	310.80	355.20
10/1/74-9/30/75	187.40	281.10	328.00	374.80
10/1/75-9/30/76	196.80	295.20	344.40	393.50
10/1/76-9/30/77	205.40	308.10	359.50	410.80
10/1/77-9/30/78	219.90	329.80	384.80	439.70
10/1/78-9/30/79	232.00	348.00	405.90	463.90
10/1/79-9/30/80	254.00	381.00	444.50	508.00
10/1/80-9/30/81	279.80	419.60	489.60	559.50
10/1/81-9/30/82	293.20	439.80	513.10	586.40
10/1/82-12/31/83	304.90	457.30	533.60	609.80
1/1/84-12/31/84 1/	317.10	475.60	554.90	634.20
1/1/85-12/31/86	328.20	492.30	574.30	656.40
1/1/87-12/31/87	338.00	507.00	591.50	676.00
1/1/88-12/31/88	344.80	517.20	603.40	689.60
1/1/89-12/31/89	358.90	538.30	628.10	717.80
1/1/90-12/31/90	371.80	557.70	650.60	743.60
1/1/91-12/31/91	387.10	580.60	677.40	774.10
1/1/92-12/31/92	403.30	605.00	705.80	806.60
1/1/93-12/31/93	418.20	627.30	731.90	836.40
1/1/94-12/31/94	427.40	641.10	748.00	854.80
1/1/95-12/31/95	427.40	641.10	748.00	854.80
1/1/96-12/31/96	435.10	652.70	761.50	870.20
1/1/97-12/31/97	445.10	667.70	779.00	890.20
1/1/98-12/31/98	455.40	683.10	796.90	910.70
1/1/99-12/31/99	469.50	704.30	821.60	939.00
1/1/00-12/31/00	487.40	731.00	852.80	974.70
1/1/01-12/31/01	500.50	750.80	875.90	1,001.00

1/ These benefit rates include the additional one-half percent increase that was granted retroactive to January 1, 1984. The rates in effect prior to the retroactive payments (1/1/84 through 6/30/84) were: \$315.60 for a claimant only; \$473.30 for a claimant and 1 dependent; \$552.20 for a claimant and 2 dependents; and, \$631.10 for a claimant and 3 or more dependents.

Table B-6
Funding and Disbursements of the Black Lung Disability Trust Fund, FY 2001
(\$ thousands)

Month	Funding				Disbursements						
	Coal Excise Tax Revenue	Treasury Advances	Reimburse. 1/	Total	Income Benefits 2/	Medical Benefits Diagnostic	Medical Benefits Treatment 3/	Total Benefits	Admin. Costs	Interest on Advances	Total
October 2000	\$36,713	\$0	\$390	\$37,103	\$28,491	\$225	\$4,569	\$33,284	\$1,522	\$0	\$34,806
November 2000	49,037	0	441	49,478	28,413	312	5,196	33,922	2,935	0	36,857
December 2000	28,493	0	899	29,392	28,106	194	5,126	33,426	695	0	34,121
January 2001	49,206	0	466	49,672	27,849	285	5,632	33,766	5,461	0	39,227
February 2001	34,949	0	559	35,508	28,407	120	5,783	34,311	5,218	0	39,529
March 2001	35,405	0	383	35,788	28,150	229	5,092	33,471	5,216	0	38,687
April 2001	22,399	0	335	22,734	27,859	0	1,036	28,895	5,223	0	34,118
May 2001	48,987	0	672	49,659	27,949	349	6,541	34,839	5,216	0	40,055
June 2001	40,866	0	248	41,114	28,040	374	5,164	33,578	5,216	0	38,794
July 2001	38,285	0	356	38,641	27,736	386	3,760	31,883	5,215	0	37,098
August 2001	67,121	0	352	67,473	28,081	656	4,874	33,611	5,217	0	38,828
September 2001	70,736	505,000	356	576,092	27,732	452	3,761	31,944	5,118	567,814	604,876
TOTALS	\$522,197	\$505,000	\$5,457	\$1,032,654	\$336,813	\$3,583	\$56,533	\$396,928	\$52,252	\$567,814	\$1,016,994

1/ Reimbursements include collections from RMOs, fines, penalties, interest, and a refund of \$304,000 for departmental management salaries and other administrative expenses.

2/ Includes monthly and retroactive benefit payments.

3/ Treatment expenditures include reimbursements to the United Mine Workers' Health and Retirement Funds.

Table B-7
Comparison of Benefit Payments Under the Black Lung
Benefits Act (BLBA) Versus Payments for Permanent
Total Disability Under Selected State Workers'
Compensation Laws
(As of September 30, 2001)

Benefit Under:	Maximum Monthly Benefit (Miners Only)	Maximum Monthly Benefit (Incl. Dependents)	Minimum Monthly Benefit (Miners Only)
BLBA	\$ 500.50	\$1,001.00	\$ 500.50
Alabama	2,377.17	2,377.17	653.83 1/
Alaska	3,325.44	3,325.44	476.30 2/
Arizona	1,702.56	1,702.56	N/A
Arkansas	1,775.30	1,775.30	86.60
Colorado	2,796.79	2,796.79	N/A
Illinois	4,209.28	4,209.28	1,578.50
Indiana	2,199.64	2,199.64	216.50 1/
Iowa	4,628.77	4,628.77	809.71 1/
Kansas	1,805.61	1,805.61	108.25
Kentucky	2,295.20	2,295.20	459.02
Maryland	2,892.44	2,892.44	216.50 1/
Missouri	2,723.14	2,723.14	173.20
Montana	1,965.82	1,965.82	N/A
New Mexico	2,134.60	2,134.60	155.88 1/
North Dakota	2,234.28	2,234.28 3/	1,221.06 1/
Ohio	2,675.94	2,675.94	1,337.97 1/
Oklahoma	2,048.09	2,048.09	129.90 1/
Pennsylvania	2,788.52	2,788.52	1,549.19 1/
Tennessee	2,515.73	2,515.73	377.36
Texas	2,320.88	2,320.88	346.40
Utah	2,039.43	2,039.43 3/	194.85
Virginia	2,792.85	2,792.85	698.21 1/
Washington	3,688.90	3,688.90	228.10 4/
West Virginia	2,193.10	2,193.10	731.03
Wyoming	1,620.63	1,620.63	N/A

1/ Actual wage paid if less than monthly minimum.

2/ Minimum is \$476.30, or \$731.77 if employee shows proof of wages, or worker's spendable weekly wage if less.

3/ Additional weekly compensation is paid for each dependent, not to exceed the worker's net wage in North Dakota, and 85 percent of the state average weekly wage in Utah.

4/ Minimum compensation benefit ranges from \$228.10 to \$399.22, according to marital status and number of dependents.

N/A = Not Applicable

Table C-1
Total Industry Compensation and Benefit Payments Under LHWCA 1/
CY 1991 - CY 2000 2/
(\$ thousands)

Payments By:	Calendar Year									
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<i>Self-Insured Employers</i>	\$256,003	\$267,078	\$265,700	\$273,667	\$257,895	\$272,688	\$263,255	\$261,559	\$283,991	\$278,952
<i>Insurance Carriers</i>	243,120	235,251	240,449	247,157	238,474	226,592	219,352	238,464	232,778	249,671
Total Payments	\$499,123	\$502,329	\$506,149	\$520,824	\$496,369	\$499,280	\$482,607	\$500,023	\$516,769	\$528,623

1/ Includes disability compensation and medical benefit payments under LHWCA, DCCA, and all other extensions to the Act.

2/ Industry payments are reported to the Department of Labor on a calendar year basis.

**Table C-2
National Average Weekly Wage (NAWW) and Corresponding Maximum
and Minimum Compensation Rates and Annual Adjustments Pursuant
to Sections 6(b), 9(e), and 10(f) of LHWCA**

Period	NAWW	Maximum Payable	Minimum Payable	Annual Adjustment (% Increase in NAWW)
11/26/72-9/30/73	\$131.80	\$167.00	\$65.90	--
10/01/73-9/30/74	140.26	210.54	70.18	6.49
10/01/74-9/30/75	149.10	261.00	74.57	6.26
10/01/75-9/30/76	159.20	318.38	79.60	6.74
10/01/76-9/30/77	171.28	342.54	85.64	7.59
10/01/77-9/30/78	183.61	367.22	91.81	7.21
10/01/78-9/30/79	198.39	396.78	99.20	8.05
10/01/79-9/30/80	213.13	426.26	106.57	7.43
10/01/80-9/30/81	228.12	456.24	114.06	7.03
10/01/81-9/30/82	248.35	496.70	124.18	8.87
10/01/82-9/30/83	262.35	524.70	131.18	5.64
10/01/83-9/30/84	274.17	548.34 1/	137.09	4.51
10/01/84-9/30/85	289.83	579.66	144.92	5.71 2/
10/01/85-9/30/86	297.62	595.24	148.81	2.69
10/01/86-9/30/87	302.66	605.32	151.33	1.69
10/01/87-9/30/88	308.48	616.96	154.24	1.92
10/01/88-9/30/89	318.12	636.24	159.06	3.13
10/01/89-9/30/90	330.31	660.62	165.16	3.83
10/01/90-9/30/91	341.07	682.14	170.54	3.26
10/01/91-9/30/92	349.98	699.96	174.99	2.61
10/01/92-9/30/93	360.57	721.14	180.29	3.03
10/01/93-9/30/94	369.15	738.30	184.58	2.38
10/01/94-9/30/95	380.46	760.92	190.23	3.06
10/01/95-9/30/96	391.22	782.44	195.61	2.83
10/01/96-9/30/97	400.53	801.06	200.27	2.38
10/01/97-9/30/98	417.87	835.74	208.94	4.33
10/01/98-9/30/99	435.88	871.76	217.94	4.31
10/01/99-9/30/00	450.64	901.28	225.32	3.39
10/01/00-9/30/01	466.91	933.82	233.46	3.61

1/ Maximum became applicable in death cases (for any death after September 28, 1984) pursuant to LHWCA Amendments of 1984. 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 benefit which 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))

2/ Five percent statutory maximum increase applicable in FY 1985 under section 10(f) of LHWCA, as amended. Maximum increase in death cases not applicable to DCCA cases (see note 1/, above)

Table C-3
LHWCA and DCCA Special Funds' Expenditures 1/
FY 1992 - FY 2001
(\$ thousands)

FY	LHWCA Expenditures (\$)					Number of Second Injury Cases	DCCA Expenditures (\$)					Number of Second Injury Cases
	Total	Second Injury Cases 2/	Pre Amend. Cases 3/	Rehab. 4/	Other 5/		Total	Second Injury Cases 2/	Pre Amend. Cases 3/	Rehab. 4/	Other 5/	
1992	\$97,331	\$86,312	\$2,937	\$4,392	\$3,690	4,515	\$11,683	\$10,161	\$922	\$6	\$594	700
1993	103,321	90,860	2,887	4,804	4,770	4,652	11,330	9,984	903	6	437	698
1994	107,611	95,856	2,829	4,228	4,699	4,842	11,382	10,318	872	0	193	683
1995	116,656	104,317	2,738	4,328	5,272	5,023	11,435	10,284	845	0	305	641
1996	118,260	106,536	2,627	4,110	4,987	5,126	11,868	10,266	819	0	783	659
1997	123,772	111,732	2,570	4,170	5,300	5,209	11,548	10,375	807	1	366	651
1998	129,777	118,496	2,699	3,718	4,864	5,208	12,521	10,810	802	4	904	638
1999	131,152	117,574	2,439	4,888	6,251	5,145	11,879	10,748	747	6	377	617
2000	131,564	119,198	2,459	4,595	5,313	5,025	11,804	10,521	728	0	555	612
2001	133,374	119,952	2,295	5,121	6,006	4,953	11,341	10,368	708	0	265	601

1/ Special Fund expenditures shown in this table are reported on a cash basis, i.e., expenses are recognized when paid.

2/ Section 8(f) payments to employees who sustain second injuries which, superimposed on a pre-existing injury, results in the employee's permanent disability or death.

3/ Section 10(h) of the Act requires that compensation payments to permanent total disability and death cases, when the injury or death is caused by an employment event which occurred prior to 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. Fifty percent of any additional compensation or death benefit paid as a result of these adjustments are to be paid out of the Special Fund accounts.

4/ 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.

5/ For cases where impartial medical exams or reviews are ordered by the Department of Labor (section 7(e) of Act) and where a compensation award cannot be paid due to employer 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 FY 1991 - FY 1993, and FY 1995 - FY 2001. Excluded are 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 C-4
LHWCA and DCCA Special Funds' Assessments 1/
CY 1992 - CY 2001
(\$ thousands)

CY	LHWCA			DCCA		
	Total Industry Assessments 2/	Preceding Year Total Industry Payments 3/ 4/	Assessment Base Yr.	Total Industry Assessments 2/	Preceding Year Total Industry Payments	Assessment Base Yr.
1992	\$ 97,300	\$340,141	CY 1991	\$10,800	\$ 9,097	CY 1991
1993	102,500	336,379	CY 1992	11,500	7,665	CY 1992
1994	116,000	346,490	CY 1993	11,500	9,970	CY 1993
1995	118,000	360,566	CY 1994	12,000	6,787	CY 1994
1996	113,000	344,103	CY 1995	11,300	6,754	CY 1995
1997	110,000	350,711	CY 1996	11,300	6,361	CY 1996
1998	111,000	334,339	CY 1997	11,000	5,911	CY 1997
1999	130,000	343,146	CY 1998	11,300	6,232	CY 1998
2000	133,000	353,462	CY 1999	12,700	5,179	CY 1999
2001	133,000	361,549	CY 2000	12,000	5,103	CY 2000

1/ 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, pay 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 money 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 receipts of the Special Funds

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

3/ Assessments prior to CY 1985 were based on each employer's or insurance carrier's total disability compensation and medical benefit payments under the Act during the preceding calendar year. Beginning with CY 1985, the assessment base also includes a factor for section 8(f) payments attributable to each employer/carrier, as required by the 1984 amendment

4/ Starting with CY 1986, industry assessments are based on disability compensation payments only, i.e., medical benefits are no longer included in the payment base used in determining annual assessments

**Table C-5
Summary of Case Processing Activities Under LHWCA 1
FY 1992 - FY 2001**

Adjudication Level and Case Status	Fiscal Year									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
District Offices										
Pending Inventory of Cases	6,957	5,309	5,720	5,401	6,207	7,759	6,974	9,006	8,675	6,489
OALJ										
Carryover from Previous FY	3,571	4,040	7,197	3,957	4,141 7/	4,909	3,849 12/	3,862	3,668	3,562
New Cases	4,149	6,911 2/	3,878	3,324	4,107	3,520 10/	3,579	3,462	3,566	3,500
Total Docket	7,720	10,951	11,075	7,281	8,248	8,429	7,428	7,324	7,234	7,062
(Dispositions)	3,680	3,754	7,118	3,527	3,339	3,557	3,566	3,656	3,672	3,674
Pending Inventory	4,040	7,197	3,957	3,754	4,909	4,872	3,862 13/	3,668	3,562	3,388
BRB										
Carryover from Previous FY	1,667	1,786 3/	1,781	3,745	1,661 8/	399	348	318	326	295
New Cases	835	782	2,772 4/	885	481	457	419	421	423	317
Total Docket	2,502	2,568	4,553	4,630	2,142	856	767	739	749	612
(Dispositions)	742	683	800	1,397	1,721 8/	539	464	438	467	384
Pending Inventory	1,760	1,781	3,745 5/	3,250 6/	399 9/	348 11/	318 14/	326 15/	295 15/	248 15/

1/ Beginning in FY 1988, DCCA cases are excluded from DLHWC's District Offices' inventory as administration of these cases was delegated to the District of Columbia government effective July Case processing and adjudication activities at the OALJ and BRB levels continue to include both LHWCA and DCCA cases.

2/ Includes 3,093 cases received on the basis of the Supreme Court's decision in Estate of Cowart v. Nicklos Drilling Co., 112 S.Ct. 2589 (1992)

3/ The differences between the carryover in FY 1993 and pending inventory at the end of FY 1992 and between the sum of activity in FY 1993 and that year's pending inventory at year-end are due to data adjustments made by the BRB.

4/ Includes 2,066 appeals filed in the so-called Ingalls Shipbuilding, Inc. cases, and involve various issues arising under section 33 of LHWCA

5/ This figure, as adjusted by BRB, excludes eight cases previously classified as new appeals

6/ Data adjustments by the BRB account for the difference between the sum of activity in FY 1995 and that year's pending inventory at year-end.

7/ The difference between the carryover in FY 1996 and pending inventory at the end of FY 1995 is due to data adjustments made by the OALJ.

8/ 3,250 total appeals were carried over, but figures were adjusted by BRB to take into account 1,636 separate appeals which were consolidated and disposed of by 5 decisions.

9/ Number adjusted by BRB to account for misfiled, duplicate, or reinstated appeals.

10/ Excludes 116 new "33(g)" cases and 1,496 "33(g)" cases remanded from BRB being held in abeyance.

11/ Number adjusted by BRB to account for misfiled, duplicate, or reinstated appeals.

12/ The difference between the carryover in FY 1998 and pending inventory at the end of FY 1997 is due to data modifications and corrections made by the OALJ.

13/ The FY 1998 numbers do not include 2,877 section 33(g) cases that were pending at the beginning of the year, or the 30 dispositions that occurred in such cases.

14/ Data adjustments by the BRB account for the difference between the sum of activity in FY 1998 and that year's pending inventory at year-end.

15/ Data adjusted by BRB to account for misfiled, duplicate, or reinstated appeals.

Table D-1
Status of EEOICPA Cases for FY 2001 -- Claims Activity by District Office

Case Status/Claims Activity	District Office				TOTAL
	Jacksonville	Cleveland	Seattle	Denver	
<i>Total Claims Received</i>	3,107	2,013	1,560	3,443	10,123
<i>Claims Received Weekly</i>	225	90	110	149	574
<i>Claims Pending Creation</i>	0	10	0	6	16
<i>Recommended Decisions-Approved</i>	21	3	0	433	457
<i>Recommended Decisions-Denied</i>	0	0	0	0	0
<hr/>					
<i>Number of Lump-Sum Payments Issued 1/</i>					35
<i>Number of Medical Claims Approved</i>					113
<i>Medical Bills Paid 2/</i>					3
<hr/>					
<i>Final Decisions-Approved</i>					180
<i>Final Decisions-Denied</i>					0
<i>Final Decisions-Remanded</i>					18
<i>Total Final (FAB) Decisions</i>					180

1/ A total of \$3.5 million in lump-sum payments were authorized during FY 2001.

2/ Medical payments totaled \$2,718 for FY 2001.

Table D-2
Types of EEOICPA Cases for FY 2001 -- Claims Submitted by District Office 1/

Type of Case	District Office				Total
	Jacksonville	Cleveland	Seattle	Denver	
Radiation Exposure Comp. Act	137	176	34	1,505	1,852
Chronic Beryllium Disease	54	216	33	113	416
Beryllium Sensitivity	56	88	50	136	330
Total Cancers	2,308	1,284	1,125	1,486	6,203
Special Exposure Cohort Cancer	1,022	342	24	2	1,390
Non-Spec. Exp. Cohort Cancer	1,286	942	1,101	1,484	4,813
Renal Disease	34	72	45	62	213
Silicosis	9	40	45	188	282
Other	417	372	293	668	1,750

1/ "Claims" in this context refers to "claimed medical condition." Since claimants may allege multiple claimed medical conditions, the total for claims shown in this table exceeds the "Total Received" from Table D-1.

Table D-3

Energy Employees Occupational Illness Compensation Program Jurisdictions, by District Office

District Offices and Jurisdictions

Jacksonville Cleveland Seattle Denver

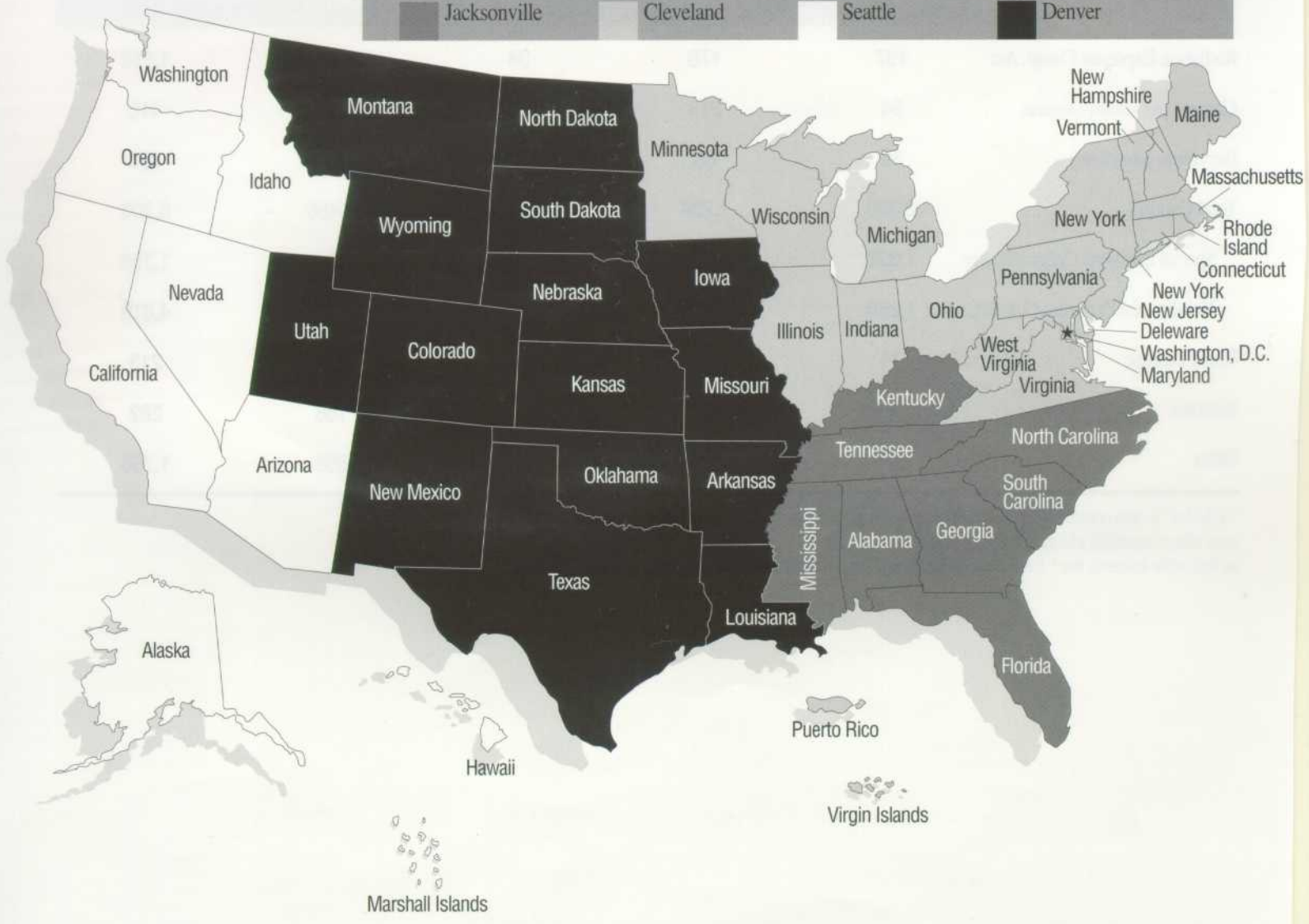


Table E-1
OWCP Reemployment and Rehabilitation
FY 1992 - FY 2001
(cost in \$ thousands)

FY	FECA NURSE			FECA REHABILITATION			LONGSHORE REHABILITATION		
	Cases 1/	Reemployments	Cost	Cases 1/	Rehabilitations	Cost	Cases 1/	Rehabilitations	Cost
1992	0	0	\$0	10,284	1,469	\$15,409	2,067	318	\$4,397
1993	9,883 2/	691	1,541	9,883 2/	1,000	14,662	2,201	364	4,810
1994	5,530	1,541	5,680	7,778	1,018	13,500	2,028	352	4,228
1995	10,574	3,275	10,136	6,465	893	13,163	1,815	408	4,328
1996	14,235	4,623	13,041	6,049	842	12,672	1,535	357	4,110
1997	15,515	5,735	14,484	5,628	888	11,827	1,606	309	4,171
1998	15,261	5,884	14,575	5,812	819	11,399	1,444	298	3,722
1999	16,304	6,449	14,783	5,441	907	11,814	1,464	273	4,895
2000	18,293	6,885	18,085 3/	4,835	747	10,119	1,469	245	4,595
2001	18,825	7,439	20,413	4,633	736	9,568	1,446	265	5,121

1/ Number of Federal and longshore cases that received counseling, placement assistance, and training services during the Fiscal Year.

2/ Total FECA cases for FY 1993; a breakdown by nurse and rehabilitation specialist, other than reemployments and rehabilitations that return to work, is not available.

3/ FY 2000 revised to include continuation-of-pay, costs of which are also included in all later years.

**U.S. Department of Labor
Office of Workers'
Compensation Programs
200 Constitution Avenue, NW.
Washington, DC 20210
202-693-0031
www.dol.gov/dol/esa/public/owcp_org.htm**

**Director, Office of Workers'
Compensation Programs**
Shelby Hallmark

**Deputy Director, Office of Workers'
Compensation Programs**
Diane Svenonius

**Director, Division of Planning,
Policy and Standards**
Cecily Rayburn

**Director for Federal Employees'
Compensation**
Deborah Sanford

**Deputy Director, Federal Employees'
Compensation**
Edward Duncan

**Director for Coal Mine
Workers' Compensation**
James L. DeMarce

**Deputy Director, Coal Mine
Workers' Compensation**
John DiSciullo

**Director for Longshore and Harbor
Workers' Compensation**
Michael Niss

**Director for Energy Employees Occupational
Illness Compensation**
Peter M. Turcic

**Deputy Director, Energy Employees
Occupational Illness Compensation**
Roberta Mosier

Region I/II -- Northeast

*(Connecticut, Maine, Massachusetts, New Hampshire, New Jersey,
New York, Puerto Rico, Rhode Island, Vermont, Virgin Islands)*

Regional Office (New York)

Kenneth D. Hamlett, Regional Director
U.S. Department of Labor, ESA/OWCP
201 Varick Street, Room 750
New York, NY 10014
646-264-3000

New York FECA District Office

Jonathan G. Lawrence, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
201 Varick Street, Room 750
New York, NY 10014-0566
646-264-3046

New York Longshore District Office

Richard V. Robilotti, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
201 Varick Street, Room 750
Post Office Box 249
New York, NY 10014-0249
646-264-3010

Sub-Regional Office (Boston)

Dorothy Reed, Deputy Regional Director
U.S. Department of Labor, ESA/OWCP
JFK Federal Building, Room E-260
Boston, MA 02203
617-624-6671

Boston FECA District Office

Michael Harvill, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
JFK Federal Building, Room E-260
Boston, MA 02203
617-624-6677

Boston Longshore District Office

Marcia Finn, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
JFK Federal Building, Room E-260
Boston, MA 02203
617-624-6767

Region III -- Philadelphia

*(Delaware, District of Columbia, Maryland, Pennsylvania,
Virginia, West Virginia)*

Regional Office

R. David Lotz, Regional Director
U.S. Department of Labor, ESA/OWCP
Curtis Center, Suite 780 West
170 S. Independence Mall West
Philadelphia, PA 19106-3313
215-861-5401

Philadelphia FECA District Office

William J. Staarman, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
Curtis Center, Suite 715 East
170 S. Independence Mall West
Philadelphia, PA 19106-3308
215-861-5408

Baltimore Longshore District Office

Emma Riley, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
The Federal Building, Room 410-B
31 Hopkins Plaza
Baltimore, MD 21201
410-962-3677

Norfolk Longshore District Office

Basil Voultsides, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
Federal Building, Room 212
200 Granby Mall
Norfolk, VA 23510
757-441-3071

Johnstown Black Lung District Office

Stuart Glassman, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
Penn Traffic Building
319 Washington Street
Johnstown, PA 15901
814-533-4323, Ext. 401 (Toll-Free 1-800-347-3754)

Wilkes-Barre Black Lung District Office

Maribeth Girton, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
100 N. Wilkes-Barre Blvd., Room 300 A
Wilkes-Barre, PA 18702
570-826-6457 (Toll-Free 1-800-347-3755)

Charleston Black Lung District Office

Robert Hardesty, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
Charleston Federal Center, Suite 110
500 Quarries Street
Charleston, WV 25301
304-347-7100 (Toll-Free 1-800-347-3749)

Greensburg Black Lung District Office

Colleen Smalley, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
Wellington Square, Suite 405
1225 South Main Street
Greensburg, PA 15601
724-836-7230 (Toll-Free 1-800-347-3753)

Parkersburg Black Lung Sub-District Office

Loretta Bird, Supervisory Claims Examiner
U.S. Department of Labor
ESA/OWCP/DCMWC
Federal Building, Suite 3116
425 Juliana Street
Parkersburg, WV 26101
304-420-6385 (Toll-Free 1-800-347-3751)

DCMWC Field Stations

U.S. Department of Labor
ESA/OWCP/DCMWC
Mine Safety & Health Academy, Rm. G-100
Airport Road
Beckley, WV 25802
304-255-6195

U.S. Department of Labor
ESA/OWCP/DCMWC
601 Federal Street
Bluefield, WV 24701
304-325-2164

U.S. Department of Labor
ESA/OWCP/DCMWC
Randolph Co. Senior Citizens' Center
Fifth and Railroad Avenue
Elkins, WV 26241
304-636-4747

U.S. Department of Labor
ESA/OWCP/DCMWC
513 Dingess Street
P.O. Box 1979
Logan, WV 25601
304-752-9514

U.S. Department of Labor
ESA/OWCP/DCMWC
Post Office Box 790
Uneeda, WV 25205
304-369-6050

U.S. Department of Labor
ESA/OWCP/DCMWC
Coal Mine Safety & Health District 3
5012 Mountaineer Road
Morgantown, WV 26505
304-291-4277

Region IV -- Jacksonville

(Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Office

Nancy L. Ricker, Regional Director
U.S. Department of Labor, ESA/OWCP
214 North Hogan Street, Room 1026
Jacksonville, FL 32202
904-357-4725

402 Campbell Way
Mt. Sterling, KY 40353
859-498-9700 (Toll-Free 1-800-366-4628)

Jacksonville FECA District Office

Richard A Brettell, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
214 North Hogan Street, Suite 1006
Jacksonville, FL 32202
904-357-4725

Jacksonville Longshore District Office

Charles Lee, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
Edward Ball Bldg., Suite 1040, 10th Floor
214 North Hogan Street
Jacksonville, FL 32202
904-357-4757

Jacksonville Energy District Office

William C. Franson, District Director
U.S. Department of Labor
ESA/OWCP/DEEOIC
214 North Hogan Street, Suite 910
Jacksonville, FL 32202
904-357-4705 (Toll-Free 1-877-336-4272)

EEOICPA Resource Center (Paducah Site)

Stewart Tolar, Office Manager
Barkely Center, Unit 125
125 Memorial Drive
Paducah, KY 42001
270-534-0599 (Toll-Free 1-866-534-0599)
Paducah.center@eh.doe.gov

EEOICPA Resource Center (Augusta Site)

James Kirr, Office Manager
1780 Bunting Drive
North Augusta, SC 29841
803-279-2728 (Toll-Free 1-866-666-4606)
srs.center@eh.doe.gov

EEOICPA Resource Center (Oak Ridge Site)

Shirley White, Office Manager
Jackson Plaza Office Complex
800 Oak Ridge Turnpike – Suite C 103
Oak Ridge, TN 37830
865-481-0411 (Toll-Free 1-866-481-0411)
or.center@eh.doe.gov

Pikeville Black Lung District Office

Harry Skidmore, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
164 Main Street, Suite 508
Pikeville, KY 41501
606-432-0116 (Toll-Free 1-800-366-4599)

Mt. Sterling Black Lung Sub-District Office

Brenda K. Jamison, Assistant District Director
U.S. Department of Labor
ESA/OWCP/DCMWC

Region V/VII -- Midwest

(Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, Wisconsin)

Regional Office (Chicago)

Nancy Jenson, Regional Director
U.S. Department of Labor, ESA/OWCP
230 South Dearborn Street, Room 800
Chicago, IL 60604
312-596-7131

Chicago FECA District Office

Joan Rosel, Acting District Director
U.S. Department of Labor
ESA/OWCP/DFEC
230 South Dearborn Street, Room 800
Chicago, IL 60604
312-596-7134

Chicago Longshore District Office

Thomas Hunter, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
230 South Dearborn Street, Room 872
Chicago, IL 60604
312-596-7153

Cleveland FECA District Office

Robert M. Sullivan, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
1240 East Ninth Street, Room 851
Cleveland, OH 44199
216-357-5390

Cleveland Energy District Office

Robert M. Sullivan, Acting District Director
U.S. Department of Labor
ESA/OWCP/DEEOIC
North Point Tower
1001 Lakeside Avenue, Suite 350
Cleveland, OH 44114
216-802-1300 (Toll-Free 1-888-859-7211)

EEOICPA Resource Center (Portsmouth Site)

Dan Charles, Office Manager
4320 Old Scioto Trail
Portsmouth, OH 45662
740-353-6993 (Toll-Free 1-866-363-6993)
Portsmouth.center@eh.doe.gov

Columbus Black Lung District Office

Don Dopps, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
1160 Dublin Road, Suite 300
Columbus, OH 43215
614-469-5227 (Toll-Free 1-800-347-3771)

Kansas City FECA District Office

Lois Maxwell, District Director

U.S. Department of Labor
ESA/OWCP/DFEC
City Center Square
1100 Main Street, Suite 750
Kansas City, MO 64105
816-502-0344

Region VI/VIII -- Southwest

(Arkansas, Colorado, Louisiana, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wyoming)

Regional Office (Dallas)

E. Martin Walker, Regional Director
U.S. Department of Labor, ESA/OWCP
525 South Griffin Street, Room 407
Dallas, TX 75202
972-850-2409

Dallas FECA District Office

Frances Memmolo, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
525 South Griffin Street, Room 100
Dallas, TX 75202
972-850-2330

Houston Longshore District Office

Chris Gleasman, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
8866 Gulf Freeway, Suite 140
Houston, TX 77017
713-943-1605

New Orleans Longshore District Office

Michael Brewer, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
701 Loyola Avenue, Room 13032
New Orleans, LA 70113
504-589-2671

Sub-Regional Office (Denver)

Robert Mansanares, Deputy Regional Director
U.S. Department of Labor, ESA/OWCP
1999 Broadway, Suite 600
P.O. Box 46550
Denver, CO 80201-6550
720-264-3160

Denver FECA District Office

Shirley Bridge, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
1999 Broadway, Suite 600
Denver, CO 80202-6550
720-264-3007

Denver Black Lung District Office

Anne Brown, District Director
U.S. Department of Labor
ESA/OWCP/DCMWC
1999 Broadway, Suite 690
P.O. Box 46550
Denver, CO 80202-6550
720-264-3100 (Toll-Free 1-800-366-4612)

Denver Energy District Office

Robert Mansanares, District Director
U.S. Department of Labor
ESA/OWCP/DEEOIC
1999 Broadway, Suite 1120
P.O. Box 46550
Denver, CO 80201-6550
720-264-3060 (Toll-Free 1-888-805-3389)

EEOICPA Resource Center (Rocky Flats Site)

Ray Malito, Office Manager
8758 Wolff Court
Suite 201
Westminster, CO 80030
720-540-4977 (Toll-Free 1-866-540-4977)
denver.center@eh.doe.gov

EEOICPA Resource Center (Española Site)

Floyd Archuleta, Office Manager
412 Paseo De Oñate, Suite D
Española, NM 87532
505-747-6766 (Toll-Free 1-866-272-3622)
Espanola.center@eh.doe.gov

Region IX/X -- Pacific

(Alaska, Arizona, California, Guam, Hawaii, Idaho, Nevada, Oregon, Washington)

Regional Office (San Francisco)

Edward Bounds, Regional Director
U.S. Department of Labor, ESA/OWCP
71 Stevenson Street, Room 1705
San Francisco, CA 94105
415-848-6880

San Francisco FECA District Office

Sharon Tyler, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
71 Stevenson Street, Room 305
San Francisco, CA 94105
415-848-6700

San Francisco Longshore District Office

Phil Williams, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
71 Stevenson Street, Room 1705
Post Office Box 193770
San Francisco, CA 94119-3770
415-848-6675

Long Beach Longshore District Office

Eric Richardson, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC

401 East Ocean Blvd., Suite 720
Long Beach, CA 90802
562-980-3577

Honolulu Longshore Sub-District Office

Phil Williams, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
300 Ala Moana Blvd., Room 5-135
Post Office Box 50209
Honolulu, HI 96850
808-541-1983

Sub-Regional Office (Seattle)

Edward Bounds, Deputy Regional Director
U.S. Department of Labor, ESA/OWCP
1111 Third Avenue, Suite 650
Seattle, WA 98101-3212
206-398-8201

Seattle FECA District Office

Doris Carender, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
1111 Third Avenue, Suite 615
Seattle, WA 98101-3212
206-398-8220

Seattle Longshore District Office

Karen Staats, District Director
U.S. Department of Labor
ESA/OWCP/DLHWC
1111 Third Avenue, Suite 620
Seattle, WA 98101-3212
206-398-8255

Seattle Energy District Office

Christy Long, District Director
U.S. Department of Labor
ESA/OWCP/DEEOIC
719 2nd Avenue, Suite 601
Seattle, WA 98104
206-373-6750 (Toll-Free 1-888-805-3401)

EEOICPA Resource Center (Alaska Site)

Colleen Ouzts, Office Manager
2501 Commercial Drive
Anchorage, AK 99501
907-258-4070 (Toll-Free 1-888-908-4070)
doecomp@acsalaska.net

EEOICPA Resource Center (Idaho Falls Site)

Larry Jones, Office Manager
1820 East 17th Street, Suite 375
Exchange Plaza
Idaho Falls, ID 83404
208-523-0158 (Toll-Free 1-800-861-8608)
Idaho.center@eh.doe.gov

EEOICPA Resource Center (Las Vegas Site)

Robert Agonia, Office Manager
Flamingo Executive Park
Suite W-156
1050 East Flamingo Road
Las Vegas, NV 89119
702-697-0841 (Toll-Free 1-866-697-0841)
Vegas.center@eh.doe.gov

EEOICPA Resource Center (Richland Site)

Eunice Godfrey, Office Manager
1029 N. Kellogg Street
Kennewick, WA 99336
509-783-1500 (Toll-Free 1-888-654-0014)
hanford.center@eh.doe.gov

National Operations Office

(District of Columbia, Maryland, Virginia, overseas cases)

Herman Cain, District Director
U.S. Department of Labor
ESA/OWCP/DFEC
National Operations Office
800 N. Capitol St., NW.
Room 800
Washington, DC 20211
202-513-6816