

BCT-FY08

This infobase contains a numerical index of all FECA and OWCP Bulletins, Circulars and Transmittals issued in FY 2007, as well as the text of these issuances.

The BCTINDEX infobase contains a subject index of all FECA and OWCP Bulletins, Circulars and Transmittals issued since FY 1986.

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FECA BULLETIN

FB 08-01 Compensation Pay - Compensation Rate Changes Effective January 2008.

FB 08-02 Compensation Pay - Consumer Price Index (CPI) Cost-of-Living Adjustments for March 1, 2008.

FB 08-03 Compensation Payment – Segregation of Duties for Change of Address in the Integrated Federal Employees' Compensation System (iFECS)

FB 08-04 Bill Pay - Revision in the Reimbursement Rates Payable for the Use of Privately Owned Automobiles Necessary to Secure Medical Examination and Treatment.

FECA BULLETIN--Text

FECA BULLETIN NO. 08-01

Issue Date: February 29, 2008

Expiration Date: January 1, 2009

Subject: Compensation Pay - Compensation Rate Changes Effective January 2008.

Background: On January 4, 2008, the President signed Executive Order 13454 implementing a salary increase of 2.50 percent in the General Schedule basic pay. The applicability under 5 U.S.C. 8112 only includes the 2.50 percent increase in the basic General Schedule. Any additional increase for locality-based pay is excluded. The adjustment becomes effective at the start of the first full pay period after January 1, 2008.

Purpose: To inform the appropriate personnel of the increased minimum/maximum rates of compensation, and the adjustment procedures for affected cases on the periodic disability and death payrolls.

The new rates were effective with the first compensation payroll period beginning on or after January 1, 2008. Thus, for daily roll supplemental payments, January 6, 2008, is the specific effective date of the increase. The effective date for the increase of periodic and death roll payments will be January 20, 2008. The new maximum compensation rate payable is based on the scheduled salary of a GS-15, step 10, which is now \$124,010 per annum. The basis for the minimum compensation rate is the salary of a GS-2, Step 1 which is \$19,165 per annum.

The minimum increase specified in this Bulletin is applicable to employees of the U.S. Postal Service.

The effect on 5 U.S.C. 8112 is to increase the payment of compensation for disability claims to:

| <u>Effective January 6, 2008</u> | <u>Minimum</u> | <u>Maximum</u> |
|----------------------------------|----------------|----------------|
| 28-Day Cycle | \$1,105.67 | \$7,154.42 |
| Weekly | 276.42 | 1,788.61 |
| Daily (5-day week) | 55.28 | 357.72 |

The effect on 5 U.S.C. 8133(e) is to increase the monthly pay on which compensation for death is computed to:

| <u>Effective January 6, 2008</u> | <u>Minimum</u> | <u>Maximum</u> |
|----------------------------------|----------------|----------------|
| Monthly | \$1,597.08 | \$7,750.62 |

Applicability: Appropriate National and District Office personnel

Reference: Memorandum for Executive Heads of Departments and Agencies dated January 4, 2008; and the attachment for the 2008 General Schedule.

Action: The Integrated Federal Employees' Compensation System (iFECS) will update the periodic disability and death payrolls. It should be noted that this adjustment process

re-calculates EVERY compensation record from its very beginning to the current date. Thus, it may be that minor changes in the gross compensation are noted; this is not necessarily incorrect.

Any cases keyed as "Gross Overrides without CPI" in iFECS will not have a supplemental record or make a separate calculation of additional entitlement. Thus, these gross override cases must be reviewed to determine if adjustments are necessary. If adjustment is necessary, a manual calculation will be required and the case record documented. A notice should be sent to the payee by the District Office, detailing the change in the rate of compensation. All cases keyed as "Gross Overrides with CPI" will be adjusted in the usual manner.

1. Adjustments Dates.
 - a. As the effective date of the adjustment was January 20, 2008, for the periodic disability and death rolls, there was no supplemental payroll needed. The February 16, 2007 death and disability payments will include any necessary minimum/maximum compensation adjustments.
 - b. The new minimum/maximum compensation rates were available in iFECS on February 4, 2008.
2. Adjustment of Daily Roll Payments. The salary adjustments are not retroactive, so it is assumed that all Federal agencies have ample time to receive and report the new pay rates on claims for compensation filed on or after January 1, 2008. Therefore, it is not necessary to review any of these payments.

However, if an inquiry is received, then verification of the pay rate must be secured from the employing agency and the necessary adjustment applied.

Disposition: This bulletin should be retained in Part 5, Benefit Payments, Federal (FECA) Procedure Manual, until the indicated expiration date.

DOUGLAS C. FITZGERALD
Director for
Federal Employees' Compensation

Distribution: List No. 2 – Folioviews Groups A, B and D (Claims Examiners, All Supervisors, District Medical Advisors, Fiscal Personnel, Systems Managers, Technical Assistants, Rehabilitation Specialists and Staff Nurses)

FECA BULLETIN NO. 08-02

Issue Date: March 1, 2008

Expiration Date: February 28, 2009

Subject: Compensation Pay - Consumer Price Index (CPI) Cost-of-Living Adjustments

for March 1, 2008.

Purpose: To furnish instructions on CPI adjustment implementation of March 1, 2008.

1. The new CPI increase, adjusted to the nearest one-tenth of one percent, is 4.3 percent.
2. The increase is effective March 1, 2008, and is applicable where disability or death occurred before March 1, 2007.
3. The new base month is December 2007.
4. The maximum compensation rates, which must not be exceeded, are the following:

\$ 7,750.62 per month
7,154.42 each four weeks
1,788.61 per week
357.72 per day (for a 5 day week)

Applicability: Appropriate National Office and District Office personnel.

Reference: FECA Consumer Price Index (CPI) Amendment, dated January 6, 1981.

Action: National Office Production staff will update the Integrated Federal Employees' Compensation System (iFECS) CPI tables, and have all payment records re-calculated, on or about April 3, 2008, when the iFECS system is not in use by District Office personnel. If there are any cases with fixed gross overrides there will be no supplemental record created. These cases must be reviewed to determine if CPI adjustments are necessary and, if so, a manual calculation will be required. If the gross override payment is, in fact, eligible for annual CPI increases, the payment plate should be adjusted in the iFECS system to pay as a "Gross Override *with* CPI".

1. Adjustment Dates.

- a. The effective date of the CPI is March 1, 2008, and the period of the first adjusted periodic and death payroll cycles is February 17, 2008 to March 15, 2008. As a result, there will be a supplemental record created for the period of March 1 through March 15, 2008 to account for the increases due after March 1. Payment of this supplemental record will be combined with the April 12, 2008 periodic and death payrolls. A separate payment will not be issued for the March 1 through March 15, 2008 increase amount. Effective May 10, 2008, the periodic and death payrolls will reflect the increased amount of the regular death and periodic payrolls.
- b. All tables in the iFECS system will be updated with the new CPI percentage. This update will be performed for all district offices by the iFECS Production staff in the National Office.

2. CPI, Minimum and Maximum Adjustments Listings. Form CA-841, Cost-of-Living Adjustments; Form CA-842, Minimum Compensation Rates; and Form CA-843, Maximum Compensation Rates, should be updated with the new information. Attached to this directive is a complete list of all the CPI

increases and effective dates from October 1, 1966 through March 1, 2008.

3. Forms.

a. All claimants will be provided a notice with the Benefit Statement dated April 14, 2007, indicating that a CPI of 4.3% will be applied to all eligible cases. The notice will also advise the claimant of upcoming increases in their compensation pay, including the supplemental CPI payment and the new periodic payment beginning on May 10, 2008. The Treasury will include this notice as a "stuffer card" with every Benefit Statement issued for the April 12, 2008 rolls.

b. Beginning with the compensation payment cycle that covers April 13, 2008 to May 10, 2008, the Office will issue an updated monthly Benefit Statement to each individual receiving benefits on the 28-day periodic roll cycle. This Benefit Statement will indicate the gross amount of compensation, period of compensation covered by the statement and the pertinent deductions made from the gross compensation. For compensation payments made via paper checks, the Benefit Statement will accompany the check. For compensation payments made through Electronic Fund Transfer (EFT), the Benefit Statement will be mailed separately.

c. If claimants write or call for verification of the amount of compensation paid (possibly for mortgage verification; insurance verification; loan application; etc.), please provide this data in letter form from the district office. Sometimes a Benefit Statement may not reach the addressee and regeneration of the form is not possible. A letter indicating the amount of compensation paid every four weeks will be an adequate substitute for this purpose.

Disposition: This Bulletin is to be retained in Part 5, Benefit Payments, Federal (FECA) Procedure Manual, until further notice or the indicated expiration date.

DOUGLAS C. FITZGERALD
Director for
Federal Employees' Compensation

Attachment

Distribution: List No. 2 - Folioviews Groups A, B and D (Claims Examiners, All Supervisors, District Medical Advisors, Fiscal Personnel, Systems Managers, Technical Assistants, Rehabilitation Specialists and Staff Nurses)

COST-OF-LIVING ADJUSTMENTS
Under 5 USC 8146(a)

| <u>EFFECTIVE DATE</u> | <u>RATE</u> | <u>EFFECTIVE DATE</u> | <u>RATE</u> |
|-----------------------|-------------|-----------------------|-------------|
| 10/01/66 | 12.5% | 03/01/87 | 0.7% |
| 01/01/68 | 3.7% | 03/01/88 | 4.5% |
| 12/01/68 | 4.0% | 03/01/89 | 4.4% |
| 09/01/69 | 4.4% | 03/01/90 | 4.5% |
| 06/01/70 | 4.4% | 03/01/91 | 6.1% |
| 03/01/71 | 4.0% | 03/01/92 | 2.8% |
| 05/01/72 | 3.9% | 03/01/93 | 2.9% |
| 06/01/73 | 4.8% | 03/01/94 | 2.5% |
| 01/01/74 | 5.2% | 03/01/94 | 2.5% |
| 07/01/74 | 5.3% | 03/01/95 | 2.7% |
| 11/01/74 | 6.3% | 03/01/96 | 2.5% |
| 06/01/75 | 4.1% | 03/01/97 | 3.3% |
| 01/01/76 | 4.4% | 03/01/98 | 1.5% |
| 11/01/76 | 4.2% | 03/01/99 | 1.6% |
| 07/01/77 | 4.9% | 03/01/00 | 2.8% |
| 05/01/78 | 5.3% | 03/01/01 | 3.3% |
| 11/01/78 | 4.9% | 03/01/02 | 1.3% |
| 05/01/79 | 5.5% | 03/01/03 | 2.4% |
| 10/01/79 | 5.6% | 03/01/04 | 1.6% |
| 04/01/80 | 7.2% | 03/01/05 | 3.4% |
| 09/01/80 | 4.0% | 03/01/06 | 3.5% |
| 03/01/81 | 3.6% | 03/01/07 | 2.4% |
| 03/01/82 | 8.7% | 03/01/08 | 4.3% |
| 03/01/83 | 3.9% | | |
| 03/01/84 | 3.3% | | |
| 03/01/85 | 3.5% | | |
| 03/01/86 | N/A | | |

Prior to September 7, 1974, the new compensation after adding the CPI is rounded to the nearest \$1.00 on a monthly basis or the nearest multiple of \$.23 on a weekly basis (\$.23, \$.46, \$.69, or \$.92). After September 7, 1974, the new compensation after adding the CPI is rounded to the nearest \$1.00 on a monthly basis or the nearest \$.25 on a weekly basis (\$.25, \$.50, \$.75, or \$1.00).

| | | | |
|-------------------|---------------|---------------|----------------|
| Prior to 09/07/74 | .08-.34 = .23 | Eff. 09/07/74 | .13-.37 = .25 |
| | .35-.57 = .46 | | .38-.62 = .50 |
| | .58-.80 = .69 | | .63-.87 = .75 |
| | .81-.07 = .92 | | .88-.12 = 1.00 |

FECA BULLETIN NO. 08-03

Issue Date: April 30, 2008

Expiration Date: April 29, 2009

Subject: Compensation Payment – Segregation of Duties for Change of Address in the Integrated Federal Employees’ Compensation System (iFECS)

Background: From its inception, security and access control have been an integral part of iFECS. A critical component of iFECS is its ability to ensure the proper segregation of staff duties, including the processing of claimant/payee changes of address. Such segregation of duties is necessary to ensure the integrity of system data and the security of all monies disbursed under the Federal Employees’ Compensation Act (FECA). [FECA Bulletin No. 00-14](#), issued on April 12, 2000, discussed the segregation of duties in the Automated Compensation Payment System (ACPS) and the Case Management File (CMF) subsystems of the Federal Employees’ Compensation System (FECS). However, while iFECS implements the proper segregation of duties functions, the necessary documentation detailing these processes has been missing. This bulletin updates the process for segregation of duties in the iFECS Case Management and Compensation Management subsystems.

Purpose: To provide procedural guidance for all Federal Employees’ Compensation (FEC) offices concerning segregation of duties for processing a change of address request.

Applicability: Regional Directors, District Directors, Fiscal Officers, Bill Payment Supervisors, Claims personnel, and appropriate National Office personnel.

Reference: FECA Bulletin No. 00-14 issued April 12, 2000.

Action: Satisfactory procedures for handling changes of address in the iFECS Case Management and Compensation Management subsystems include several elements described as follows:

1. Documentation. The action to change an address must be initiated by the claimant/payee or authorized representative in written form. A telephone contact is not sufficient for the Office of Workers’ Compensation Programs (OWCP) to change an address. The source document for the address change must be signed and dated by the claimant/payee or the authorized representative. A typical example of a source document would be a letter from the claimant/payee or representative. Another acceptable document for an address change is the SF-1199a used to elect receipt of compensation payments by electronic funds transfer (EFT). An existing EFT address (bank account number and routing number) should be changed in iFECS with a signed SF-1199a form or a similar form generated by the financial institution. While use of the SF-1199a is strongly encouraged, any bank documentation is acceptable so long as it is accompanied by the original signature of the claimant. Documentation should be retained electronically in the case record (Imaging).
2. Personnel. No person with access to the iFECS Compensation Management subsystem will be involved in the certification process of changing addresses for directing compensation payments. This includes address changes for checks and EFT account information. The person certifying the change of address will be non-claims personnel. That is, they are not to have access to any other claims payment options in the iFECS Compensation Management menu. This access level control is achieved through the use of secure logins, secure application programming interfaces, managed client applications and user role definitions—which ultimately restrict each iFECS user’s access level to only those functions authorized by his or her supervisor.

Each district office will designate appropriate staff person(s) who will be responsible for certifying changes of address, and the list of such persons will be maintained in the District Director's office. The District Director's list will be updated immediately as changes in this responsibility occur.

3. Process. The staff initiating the change of address will record the new information in the "Update Payee" screen of the Case Admin Tool within the iFECS Case Management subsystem. Once the address information is saved, iFECS will prompt the keyer to send a referral to an authorized certifier via the Case Referral screen. The new address will remain in a pending status until the referral is certified. In Case Referral, the keyer should select "Certify Data Changes" under the "Make Referral" tab, and then select the appropriate option under the "Referral Reason" drop-down box. The keyer should also reference the specific source document in the Referral Instructions text field so the certifier can quickly verify the information. When a certifier receives an address change referral, s/he should review the case file materials referenced and approve or deny the referral based on the accuracy of the updates keyed by the referrer. If the referral is denied, the referring staff should make the necessary corrections and re-refer the changes for certification. Once the new address is certified, the claims staff may continue processing compensation through normal channels.

For cases involving physical address changes only (as opposed to EFT updates) the responsible claims staff will also need to update the iFECS record for directing correspondence. These changes are made separately in the Case Maintenance screen within Case Management. Changes are completed by selecting the "Edit Case Information" option then completing the appropriate text fields in the Employee Data tab. Changes in correspondence address only do not require certification. However, if a claimant/payee is receiving compensation at the time of the address change request, changes to both the correspondence and compensation records should be made at the same time. If the correspondence and compensation addresses do not match when a compensation payment is processed, iFECS will display a pop-up notice advising the keyer of the mismatch. The keyer will need to review the file and decide if additional changes are necessary before proceeding with the payment.

4. Accountability. District office managers must ensure that all affected personnel are aware of this process and recognize its importance. Adherence to these procedures will be monitored biannually in the accountability review process and annually during the Office of Inspector General's (OIG) Consolidated Financial Statement Audit.

Disposition: Retain until incorporated in the FECA Procedure Manual or until further notice.

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Distribution: List No. 2 - Folioviews Groups A and D (Claims Examiners, All Supervisors, District Medical Advisors, Fiscal Personnel, Systems Managers, Technical Assistants, Systems Managers, Rehabilitation Specialists and Staff Nurses)

FECA BULLETIN NO. 08-04

Issue Date: April 30, 2008

Expiration Date: December 31, 2008

Subject: Bill Pay - Revision in the Reimbursement Rates Payable for the Use of Privately Owned Automobiles Necessary to Secure Medical Examination and Treatment.

Background: Effective March 19, 2008, the mileage rate for reimbursement to Federal employees traveling by privately-owned automobile (POV) was increased to 50.5 cents per mile by the General Services Administration (GSA). No restriction is made as to the number of miles that can be traveled. As in the past, this rate will also apply to disabled Federal Employees' Compensation Act (FECA) beneficiaries traveling to secure necessary medical examination and treatment.

Applicability: Appropriate National Office and District Office personnel.

Reference: Federal (FECA) Procedure Manual Part 5, Benefit Payments, Chapter 204, Principles of Bill Adjudication and 5 U.S.C. § 8103.

Action: The Central Bill Processing (CBP) facility has updated their system to reflect the new rates. Since there is no action required at the District Office level, the rates are being provided for informational purposes only.

The following is a list of the historical mileage rates used to reimburse claimant travel expense:

01/01/1995 – 06/06/1996 30.0 cents per mile
06/07/1996 – 09/07/1998 31.0 cents per mile
09/08/1998 – 03/31/1999 32.5 cents per mile
04/01/1999 – 01/13/2000 31.0 cents per mile

01/14/2000 – 01/21/2001 32.5 cents per mile
01/22/2001 – 01/20/2002 34.5 cents per mile
01/21/2002 – 12/31/2002 36.5 cents per mile

01/01/2003 – 12/31/2003 36.0 cents per mile
01/01/2004 – 02/03/2005 37.5 cents per mile
02/04/2005 – 08/31/2005 40.5 cents per mile
09/01/2005 – 12/31/2005 48.5 cents per mile

01/01/2006 – 01/31/2007 44.5 cents per mile
02/01/2007 – 03/18/2008 48.5 cents per mile
03/19/2008 – Current 50.5 cents per mile

Disposition: This Bulletin should be retained in Chapter 5-0204, Principles of Bill Adjudication, Federal (FECA) Procedure Manual.

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Federal Employees' Compensation

Distribution: List No. 2 -- Folioviews Groups A, B and D
(Claims Examiners, All Supervisors, District Medical Advisors, Technical Assistants, Staff Nurses, Rehabilitation Specialists and Fiscal Personnel).

FECA CIRCULARS

- FC 08-01 Debt Collection – Classification of Aged Delinquent Debts as Currently Not Collectable (CNC)**
- FC 08-02 Dual Benefits - FERS Cost of Living Adjustments**
- FC 08-03 Current Interest Rates for Prompt Payment Bills and Debt Collection**
- FC 08-04 DFEC Protocol Statement- OIG Audits, Evaluations, And Investigations**
- FC 08-05 Current Interest Rates for Prompt Payment Bills and Debt Collection**

FECA CIRCULARS (FC)--TEXT

FECA CIRCULAR NO. 08 – 01

December 15, 2007

SUBJECT: Debt Collection – Classification of Aged Delinquent Debts as Currently Not

Collectable (CNC)

Pursuant to Office of Management and Budget (OMB) Circular No. A-129, and recent policy released by the Department's Office of the Chief Financial Officer (OCFO), the iFECS Debt System will re-classify aged delinquent debts. Specifically, all debts which remain delinquent for two years or more, including those referred to the U.S. Treasury, will be re-classified as "Currently Not Collectable" or "CNC". While this re-classification will remove the debts from the active debt balance that the Program maintains, per OMB and OCFO guidance, the debts will remain eligible for recoupment.

It will be the responsibility of the DFEC National Office to re-classify these debts as they become eligible for CNC status. Debts in CNC status will continue to be reported in the Receivables Report, under a separately defined reporting category. In addition, these debts remain eligible for both Treasury offset and cross-servicing. Should funds be recovered by Treasury on a CNC debt, monies will be applied to the debt in the same manner as all delinquent debts.

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Federal Employees' Compensation

Distribution: List No. 2--Foliovviews Groups A, B, and D (Claims Examiners, All Supervisors, District Medical Advisors, Technical Assistants, Rehabilitation Specialists, and Fiscal Personnel)

FECA CIRCULAR NO. 08- 02

December 31, 2007

SUBJECT: Dual Benefits - FERS Cost of Living Adjustments

Effective December 1, 2007, benefits issued by the Social Security Administration (SSA) will be increased by 2.3%. This requires the amount of the Federal Employee Retirement System (FERS) Dual Benefits deduction to be increased by the same amount, to ensure the dollar-for-dollar offset remains current.

This adjustment will be made from the National Office for all cases that were correctly entered into the iFECS Compensation program. The adjustment will be effective with the periodic roll cycle beginning December 23, 2007. There will be no adjustment or overpayment declared for the period of December 1, 2007 through December 22, 2007.

The historical SSA cost of living adjustments are as follows:

| | |
|-------------------------|------|
| 12/01/2006 - 11/30/2007 | 3.3% |
| 12/01/2005 - 11/30/2006 | 4.1% |
| 12/01/2004 - 11/30/2005 | 2.7% |
| 12/01/2003 - 11/30/2004 | 2.1% |
| 12/01/2002 - 11/30/2003 | 1.4% |

| | |
|-------------------------|------|
| 12/01/2001 - 11/30/2002 | 2.6% |
| 12/01/2000 - 11/30/2001 | 3.5% |
| 12/01/1999 - 11/30/2000 | 2.4% |
| 12/01/1998 - 11/30/1999 | 1.3% |
| 12/01/1997 - 11/30/1998 | 2.1% |
| 12/01/1996 - 11/30/1997 | 2.9% |
| 12/01/1995 - 11/30/1996 | 2.6% |
| 12/01/1994 - 11/30/1995 | 2.8% |

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Distribution: List No. 1 - FolioViews Groups A and D (Claims Examiners, All Supervisors, District Medical Advisors, Systems Managers, Technical Assistants, Rehabilitation Specialists and Staff Nurses)

**FECA CIRCULAR NO. 08 – 03
2008**

January 31,

SUBJECT: Current Interest Rates for Prompt Payment Bills and Debt Collection

The interest rate to be assessed for the prompt payment bills is 4.75 percent for the period of January 1, 2008 through June 30, 2008. This new rate has already been updated in the Central Bill Payment tables.

The rate for assessing interest charges on debts due the government has also changed effective January 1, 2008. The interest rate for assessing interest charges on debts due the government is now 5.0 percent for the period of January 1, 2008 through December 31, 2008. The interest rate tables in the iFECs Debt System have been updated to reflect these changes.

Ordinarily, the rate of interest charged on debts due the government is only changed in January and is effective for the entire year. However, the rate may be changed in July if there is a difference in the Current Value of Funds (CVF) interest rate of more than two percent. The rates are reviewed each June and if the rate has changed another Circular will be published to advise all appropriate personnel of the new rate.

Attached to this Circular is an updated listing of both the Prompt Payment and Debt Management interest rates from January 1, 1985 through the current date.

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Director for

Federal Employees' Compensation

Attachments

Distribution: List No. 2--Folioviews Groups A, B, and D (Claims Examiners, All Supervisors, District Medical Advisors, Technical Assistants, Rehabilitation Specialists, Staff Nurses and Fiscal Personnel)

PROMPT PAYMENT INTEREST RATES

| | |
|-------------------|------|
| 7/1/07 - 12/31/07 | 5¾% |
| 1/1/07 - 6/30/07 | 5¼% |
| 7/1/06 - 12/31/06 | 5¾% |
| 1/1/06 - 6/30/06 | 5% |
| 7/1/05 - 12/31/05 | 4½% |
| 1/1/05 - 6/30/05 | 4¼% |
| 7/1/04 - 12/31/04 | 4½% |
| 1/1/04 - 6/30/04 | 4.0% |
| 7/1/03 - 12/31/03 | 3% |
| 1/1/03 - 6/30/03 | 4¼% |
| 7/1/02 - 12/31/02 | 5¼% |
| 1/1/02 - 6/30/02 | 5½% |
| 7/1/01 - 12/31/01 | 5% |
| 1/1/01 - 6/30/01 | 6% |
| 7/1/00 - 12/31/00 | 7¼% |
| 1/1/00 - 6/30/00 | 6¾% |
| 7/1/99 - 12/31/99 | 6½% |
| 1/1/99 - 6/30/99 | 5.0% |
| 7/1/98 - 12/31/98 | 6.0% |
| 1/1/98 - 6/30/98 | 6¼% |
| 7/1/97 - 12/31/97 | 6¾% |
| 1/1/97 - 6/30/97 | 6% |
| 7/1/96 - 12/31/96 | 7.0% |
| 1/1/96 - 6/30/96 | 5% |
| 7/1/95 - 12/31/95 | 6% |
| 1/1/95 - 6/30/95 | 8% |
| 7/1/94 - 12/31/94 | 7.0% |
| 1/1/94 - 6/30/94 | 5½% |
| 7/1/93 - 12/31/93 | 5% |
| 1/1/93 - 6/30/93 | 6½% |
| 7/1/92 - 12/31/92 | 7.0% |
| 1/1/92 - 6/30/92 | 6% |
| 7/1/91 - 12/31/91 | 8½% |
| 1/1/91 - 6/30/91 | 8% |
| 7/1/90 - 12/31/90 | 9.0% |
| 1/1/90 - 6/30/90 | 8½% |
| 7/1/89 - 12/31/89 | 9% |

| | |
|-------------------|-----|
| 1/1/89 - 6/30/89 | 9¾% |
| 7/1/88 - 12/31/88 | 9¼% |
| 1/1/88 - 6/30/88 | 9% |
| 7/1/87 - 12/31/87 | 8% |
| 1/1/87 - 6/30/87 | 7% |
| 7/1/86 - 12/31/86 | 8½% |
| 1/1/86 - 6/30/86 | 9¾% |
| 7/1/85 - 12/31/85 | 10% |
| 1/1/85 - 6/30/85 | 12% |

DEBT MANAGEMENT INTEREST RATES

1/1/07 – 12/31/07 4%
7/1/06 – 12/31/06 4%
1/1/06 – 6/30/06 2%
1/1/05 – 12/31/05 1%

1/1/04 – 12/31/04 1%
1/1/03 – 12/31/03 2%
7/1/02 – 12/31/02 3%
1/1/02 – 06/30/02 5%
1/1/01 - 12/31/01 6%
1/1/00 - 12/31/00 5%

1/1/99 - 12/31/99 5%
1/1/98 - 12/31/98 5%
1/1/97 - 12/31/97 5%
1/1/96 - 12/31/96 5%
7/1/95 - 12/31/95 5%
1/1/95 - 06/30/95 3%

1/1/94 - 12/31/94 3%
1/1/93 - 12/31/93 4%
1/1/92 - 12/31/92 6%
1/1/91 - 12/31/91 8%
1/1/90 - 12/31/90 9%

1/1/89 - 12/31/89 7%
1/1/88 - 12/31/88 6%
1/1/87 - 12/31/87 7%
1/1/86 - 12/31/86 8%
1/1/85 - 12/31/85 9%

Prior to 01/01/84 Not Applicable

SUBJECT: DFEC PROTOCOL STATEMENT – OIG AUDITS, EVALUATIONS AND INVESTIGATIONS

Federal agencies' increased awareness of the monies spent on workplace injuries under the Federal Employees' Compensation Act (FECA) has prompted agencies and their respective Office of Inspectors General (OIG) to look for ways to reduce costs, return more people to work and increase identification and prevention of fraud in the program. Consequently the Division of Federal Employees' Compensation (DFEC) is receiving an increasing number of requests for information from the OIG community as they perform audits, evaluations, inspections and investigations. While, as a program, we want to be fully cooperative with the OIGs, OIG projects must be coordinated in a way that does not interfere with our ability to perform our mission. It is important that DFEC approach these requests with a consistent and coherent process that ensures that DFEC coordinates, cooperates and supports these requests in a manner that preserves program resources and avoids duplication of effort.

Each district office will designate a point of contact (POC) for all OIG requests. The designee should be easily accessible and readily available to the OIG representative. These names will be provided to the OIG community for use solely for this purpose.

It is important to differentiate between types of IG requests such as:

- 1) **Investigations of a single case or medical provider.**
Such investigations are normally directed toward a single case or a single medical provider where a potential violation of law is under investigation. Agency IG investigate fraud cases involving their own agency employees/former employees and may also investigate related medical provider fraud in such cases.
- 2) **Audits and evaluations**
Audits and evaluations tend to review a specific process or processes. Data mining is an audit function. An IG is permitted to audit only its own agency's processes. The only data that could be made available would pertain solely to the requesting agency's cases; the primary focus of such an evaluation is the agency's part in the FECA process. (The Department of Labor Office of Inspector General has overall audit responsibility for the FECA program, as FECA is a DOL administered program.)

Single case investigations

The OIG should provide advance notice to the district's POC when coming into the office to review cases. The necessary lead time will be dependent on local usage of the viewing kiosk and may be as much as three weeks for a non-emergency review. Case records may also be supplied on encrypted CD-ROM if the case is fully imaged. When an employing agency IG investigator requests to view a case record, he/she will be required to sign a brief statement prior to gaining access to the file to the effect that access to the file is being requested based on an investigation into a potential violation of law. These statements will not be placed in the individual case records but should be maintained by the district's POC in a separate file.

Investigative memoranda (IM) and supporting documentation should not be placed in the DFEC case record **until the investigation is completed**. However, a decision **cannot** be rendered that considers evidence in an IM until the IM and any supporting documentation is included in the case record. Our longstanding policy, as set forth in the OWCP Procedure

Manual, Part 1-0400.7(a)(1)(b), states that "Most documents that originate with an investigative agency and are given to OWCP with the expectation that OWCP act on them, become releasable as a part of the case file. The only exception would be for witness statements that would jeopardize the privacy of the witness." As the Privacy Act requires that a FECA claimant is entitled to a copy of his/her case record upon request, it follows that a claimant is entitled to receive the investigative materials (including videotapes) that are part of the case file.

Of course, not all investigations will lead to criminal prosecution. When IMs are referred to the district office, a designated individual should review each IM to determine if the investigation establishes inconsistencies or calls into question the validity of the medical evidence, the severity of the employment injury or the reported work restrictions or whether it establishes unreported work activity. Such documentation of misrepresentation of physical disability does not result in immediate termination of compensation. However, it will be placed in the file and used for future case management actions such as an amendment to the Statement of Accepted Facts or second opinion medical examination. (See [FECA PM 2-0402.6.](#)) The Employees' Compensation Appeals Board now requires that a claimant be notified if a videotape is being provided to a doctor performing an OWCP-directed medical examination. See J.M., ECAB Docket No. 2006-0661 (April 25, 2007) (OWCP "has the responsibility to make the claimant aware that it is providing videotape evidence to a medical expert.")

OIGs may be asked to differentiate between questionable physical disability and unreported work activity. Memoranda reflecting possible questionable physical disability will be considered a Report of Investigation rather than an IM. IMs will be specifically assigned and tracked in each district office. However, Reports of Investigation will not be tracked, although the district office may expect the OIG to confirm with the POC that the Report of Investigation was fully reviewed for possible claims action. Physical evidence of investigations submitted to DFEC should be in an easily viewable format; currently Windows Media Player compatible. DFEC will maintain the security of the physical evidence.

Should the claims examiner discover actual or suspected abuse or fraud in FECA claims, an OWCP referral to OIG will be made based on instructions contained in the [FECA Procedure Manual at PM 2-0402.7](#) and [PM 2-0402.8](#).

Audit and evaluation processes

An IG is permitted to audit its own agency's processes. Much of the information necessary for official investigative purposes should be contained in the weekly, monthly and quarterly extracts provided to each agency's compensation management office. The weekly extracts contain case management, bill payment and compensation payment detail data; monthly extracts contain new case-create data; quarterly extracts contain agency chargeback data. We will not duplicate our efforts to reproduce these data runs. The OIG should be referred to their agency's injury compensation management program coordinator. However, if the audit requires data that is not routinely sent by OWCP to the employer, the agency OIG should schedule a meeting with the DFEC Deputy Director to discuss the request. The discussion will cover the project's objectives, clarify the types of data needed and identify the format for receiving them. This initial meeting is intended to pinpoint data needs and availability, thereby reducing additional data requests to OWCP and preserving program resources while supporting these requests. The OIG should also notify DOL OIG Assistant Inspector General for Audit (AIGA) of the planned work.

Any single case investigation requests received by the district office's POC that cross district

office jurisdictional lines must be forwarded to the DFEC Deputy Director for review in order to avoid repetition of data runs and to pinpoint the OIG needs. Additionally, any data requests for audit or evaluation purposes should be forwarded to the DFEC Deputy Director for review and response. This allows DFEC to track these requests closely and to explain fully to the various OIG offices what information is available in the system and what the information means.

All OWCP records relating to claims for benefits, including copies of such records maintained by an employer, are considered confidential and may not be released, inspected, copied or otherwise disclosed except as provided in the Freedom of Information Act (5 U.S.C. § 552) and the Privacy Act of 1974 (5 U.S.C. § 552a). OWCP information is available to be used by employing agencies only for purposes consistent with the routine uses in OWCP's system of records for FECA information, DOL/GOVT-1. Requests from an agency for materials in a case file should include the specific reason for requesting the information.

DOUGLAS C. FITZGERALD
Director for
Federal Employees' Compensation

Distribution: List No. 1 – FolioViews Groups A and D (Claims Examiners, All Supervisors, District Medical Advisers, Systems Managers, Technical Assistants, Rehabilitation Specialists, and Staff Nurses)

FECA CIRCULAR NO. 08 – 05

August 15, 2008

SUBJECT: Current Interest Rates for Prompt Payment Bills and Debt Collection

The interest rate to be assessed for the prompt payment bills is 5.125 percent for the period of July 1, 2008 through December 31, 2008. This new rate has already been updated in the Central Bill Payment tables.

The rate for assessing interest charges on debts due the government has also changed effective July 1, 2008. The interest rate for assessing interest charges on debts due the government is now 3.0 percent for the period of July 1, 2008 through December 31, 2008. The interest rate tables in the iFECS Debt System have been updated to reflect these changes.

Attached to this Circular is an updated listing of both the Prompt Payment and Debt Management interest rates from January 1, 1985 through the current date.

DOUGLAS C. FITZGERALD
Director for
Federal Employees' Compensation

Attachments

Distribution: List No. 2--Folioviews Groups A, B, and D (Claims Examiners, All Supervisors, District Medical Advisors, Technical Assistants, Rehabilitation Specialists, Staff Nurses and Fiscal Personnel)

PROMPT PAYMENT INTEREST RATES

7/1/08 – 12/31/08 5%
1/1/08 – 6/30/08 4¾%
7/1/07 – 12/31/07 5¾%
1/1/07 – 6/30/07 5¼%
7/1/06 – 12/31/06 5¾%
1/1/06 – 6/30/06 5%
7/1/05 – 12/31/05 4½%
1/1/05 – 6/30/05 4¼%
7/1/04 – 12/31/04 ½%
1/1/04 – 6/30/04 4.00%
7/1/03 – 12/31/03 3%
1/1/03 – 6/30/03 4¼%
7/1/02 – 12/31/02 5¼%
1/1/02 - 6/30/02 5½%
7/1/01 – 12/31/01 5%
1/1/01 - 6/30/01 6%
7/1/00 - 12/31/00 7¼%
1/1/00 - 6/30/00 6¾%

7/1/99 - 2/31/99 6½%
1/1/99 - 6/30/99 5.00%
7/1/98 - 12/31/98 6.00%
1/1/98 - 6/30/98 6¼%
7/1/97 - 12/31/97 6¾%
1/1/97 - 6/30/97 6%
7/1/96 - 12/31/96 7.00%
1/1/96 - 6/30/96 5%
7/1/95 - 12/31/95 6%
1/1/95 - 6/30/95 8%
7/1/94 - 12/31/94 7.00%
1/1/94 - 6/30/94 5½%
7/1/93 - 12/31/93 5%
1/1/93 - /30/93 6½%
7/1/92 - 2/31/92 7.00%
1/1/92 - 6/30/92 6%
7/1/91 - 2/31/91 8½%
1/1/91 - 6/30/91 8%
7/1/90 - 12/31/90 9.00%
1/1/90 -6/30/90 8½%

7/1/89 - 12/31/89 9%
1/1/89 - 6/30/89 9¾%

7/1/88 - 12/31/88 9¼%
1/1/88 - 6/30/88 9%
7/1/87 - 12/31/87 8%
1/1/87 - 6/30/87 7%
7/1/86 - 12/31/86 8½%
1/1/86 - 6/30/86 9¾%
7/1/85 - 12/31/85 10%
1/1/85 - 6/30/85 12%

ATTACHMENT TO FECA CIRCULAR NO. 08 – 05
DEBT MANAGEMENT INTEREST RATES

7/1/08 – 12/31/08 3%
1/1/08 – 6/30/08 5%
1/1/07 – 12/31/07 4%
7/1/06 – 12/31/06 4%
1/1/06 – 6/30/06 2%
1/1/05 – 12/31/05 1%

1/1/04 – 12/31/04 1%
1/1/03 – 12/31/03 2%
7/1/02 – 12/31/02 3%
1/1/02 – 6/30/02 5%
1/1/01 - 12/31/01 6%
1/1/00 - 12/31/00 5%

1/1/99 - 12/31/99 5%
1/1/98 - 12/31/98 5%
1/1/97 - 12/31/97 5%
1/1/96 - 12/31/96 5%
7/1/95 - 12/31/95 5%
1/1/95 - 6/30/95 3%

1/1/94 - 12/31/94 3%
1/1/93 - 12/31/93 4%
1/1/92 - 12/31/92 6%
1/1/91 - 12/31/91 8%
1/1/90 - 12/31/90 9%

1/1/89 - 12/31/89 7%
1/1/88 - 12/31/88 6%
1/1/87 - 12/31/87 7%
1/1/86 - 12/31/86 8%
1/1/85 - 12/31/85 9%

Prior to 01/01/84 Not Applicable

ATTACHMENT TO FECA CIRCULAR NO. 08 - 05

FECA TRANSMITTALS

FECA TRANSMITTALS (FT)--TEXT

OWCP BULLETINS

08-01 Privacy Act - Personally Identifiable Information (PII)

08-02 Case-specific email transactions

OWCP BULLETINS (OB)--TEXT

OWCP BULLETIN NO. 08-01

Issue Date: January 23, 2008

Expiration Date: Until Further Notice

Subject: Privacy Act - Personally Identifiable Information (PII)

Background: The Office of Workers' Compensation Programs (OWCP) is responsible for the maintenance of workers' compensation claim files and related reports and documents. These files constitute a system of records under the Privacy Act and must be treated accordingly.

These records contain personally identifiable information (PII). This refers to information that can be used to distinguish or trace an individual's identity such as a person's name, social security number or biometric records. These identifiers can either stand alone or, when combined with other PII data, identify a specific individual. An example would be a document that does not contain a name or social security number but does contain a place of birth and mother's maiden name which, when taken together, may identify a specific individual.

The amount of paperwork collected, maintained and shared in the management of workers' compensation files creates certain vulnerabilities in the integrity of the privacy of the

records maintained by OWCP. As a result, procedures must be put in place to mitigate the risk of improper disclosure.

Purpose: To implement uniform procedures designed to minimize the risk of improper release of personally identifiable information and to set forth the steps to be taken when a breach of release protocol occurs.

Applicability: All National Office and District Office personnel.

Action:

1. OWCP is creating a customized on-line PII protection awareness training program and all OWCP employees and contractors with protection responsibilities will be required to complete this training.
2. A new iFECS feature is being developed which will make it easier for Claims Examiners in the Division of Federal Employees' Compensation to identify claim numbers and claimant names during document indexing and file review. This will help minimize errant filings of electronic documents which increase the likelihood of an improper disclosure.
3. The Division of Energy Employees Occupational Illness Compensation will issue detailed procedures addressing how potentially sensitive PII received from the Department of Energy or NIOSH, especially on CD-ROM files, should be handled in managing EEOICPA case files.
4. When the improper release of PII information occurs as a result of the inadvertent mailing of a case record copy to an incorrect individual, or the release pursuant to a Privacy Act request of a case record that contains incorrectly filed documents or documents with other individuals' PII that has not been redacted, the OWCP employee will:
 - a. Begin the document recapture process by asking the individual to return the document in question (either via telephone or registered mail) and offering a self-addressed, stamped envelope for return of the material directly to the district office for re-filing or destruction.
 - b. Notify the District Director who will in turn notify the Regional Director, who will comply with established Departmental reporting requirements documenting the type of PII disclosure, the circumstances surrounding the disclosure and how it was discovered, the appropriate actions taken to recover the PII documents in question and the disposition of that recovery effort.
 - c. Each PII recapture request must be tracked within the regional office. If the recapture of the PII document(s) is successful, the incident will be closed with the incident record filed and maintained in OWCP.
 - d. If the third party in possession of errant PII document(s) refuses to return the document(s), this situation must be reported to the National Office, through the Regional Director, who will provide guidance on determining what actions should be taken.

Disposition: The bulletin is to be retained until further notice.

CECILY RAYBURN
Director, Division of
Planning, Policy, and Standards

Distribution: List No. 1 (All OWCP Employees)

OWCP BULLETIN NO. 08-02

Issue Date: May 9, 2008

Expiration Date: Until Further notice (Replace previous OWCP
Bulletin04-01)

Subject: Case-specific email transactions

Background: With the increased emphasis on securing Privacy Act information, it is critical that the office maintain policies that guard against any possible privacy violations in E-Mail communication, while still being responsive to inquiries.

The Department defines Protected PII (Personally Identifiable Information) as information:

"whose disclosure could result in harm to the individual whose name or identity is linked to that information. Examples include, but are not limited to, social security number; credit card number; bank account number; residential address; residential or personal telephone; biometric identifier (image, fingerprint, iris, etc.); date of birth; place of birth; mother's maiden name; criminal records; medical records; and financial records. The conjunction of one data element with one or more additional elements, increases the level of sensitivity and/or propensity to cause harm in the event of compromise."

Purpose: To establish clear guidance on when and how email is to be used for communication regarding a specific case file.

Applicability: All OWCP staff, contractor staff, District Medical Advisers, Telephonic and Field Nurses, Rehabilitation Counselors, Second Opinion Examination Contractors.

Action: Employees and contractors will comply with the following guidance when communicating claimant and case information via email:

Email *within* the DOL network:

1. Email sent from one OWCP employee to another DOL employee through the ESA wide-area network (WAN) is considered secure. Email to and from contractors who use the ESA network (ESA owned and properly configured equipment,

including remote laptops that access the ESA WAN) is also considered secure. As such, reference to the employee's name and case number may be used in the message. However, no reference to the employee's name or Protected-PII (see definition above) should be made in the subject portion of the email.

Central Bill Process (CBP) "threads", provided through ACS's secured website conform to this policy, as they are secured within an accredited network.

2. Any internal email that is forwarded to outside parties becomes non-secure, and PII must be deleted as explained below in *Email outside the DOL Network*.

Email *outside* the DOL network:

3. Email between OWCP employees and outside parties is outside the ESA network, and therefore does not guarantee security. As such, no reference to the claimant's complete SSN, name or other Protected PII should be made in any part of the email message.
 - A person's claim number may be referenced if that claim number is *not* the claimant's SSN.
 - The last four digits of a person's SSN may be referenced along with the last name only, as long as the remainder of the SSN, full name, or other PII is not used anywhere in the E-Mail message or in attachments that are not password protected or encrypted.
 - Attachments that are encrypted with Point Sec may contain the full SSN and name. (See instructions for sending encrypted documents to non-Point Sec users:
http://esa/omap/Pointsec%20Encryption/Quick_Reference_Guide.pdf)
 - **FOR DFEC EMPLOYEES AND CONTRACTORS ONLY:** DFEC has been granted approval by the Department to transmit Protected-PII via MS Office password-protected files sent as attachments to email messages. Protected-PII is only to be included in the password-protected file (not the email message itself), and the password must be sent to the recipient in a separate email message.

NOTE: OWCP staff is reminded that substantive email responses to outside parties who are not OWCP contractors and not a party to the case are strictly prohibited. An acknowledgement email may be sent, but reference to any personal identifiers must be removed, and we never confirm existence of cases for specific claimants to members of the public who are not a party to the case.

4. When Black Lung and Energy employees exchange *email* messages with ACS concerning claimants, the communications should reference the claimant's CBP Member ID (from the CBP claimant eligibility file). FECA employees may use case number as FECA case numbers are not the same as SSN. Claimant names should not be included in the same email message as these Member IDs or case

numbers, unless they are provided in an encrypted attachment.

5. Attachments and email message chains must be reviewed, and if necessary altered to remove reference to the claimant's name, SSN or other protected PII if that email trail is being forwarded outside of DOL. If it is not possible to alter or redact the document or email, or if it is important that the attachment or email include both the claimant's name and case number or SSN, it must be sent as an encrypted attachment, faxed, or be sent via USPS or courier to the appropriate party. Packages containing extracts of multiple Protected PII records sent via mail or courier must be tracked (E.g. Registered Mail, Return Receipt, Fed Ex, etc.). Please refer to Working with Personally Identifiable Information (PII) POL-O-007 <http://esa/owcp/ITPolicies/OWCP/PII.doc>.

6. If a case-specific email message is received from an outside party containing Protected PII, the message should be printed or bronzed for inclusion in the case file.

If an OWCP response containing Protected PII is required, the response should be made in accordance with the above guidance. If an OWCP response does not require Protected PII, the response may be made via a reply email message, but the Protected PII from the originating email request must be deleted or redacted. The response should also include a statement encouraging the party to write or call with future requests that include Protected PII.

7. OWCP does not handle claims communications with our claimants over email. OWCP staff should always encourage claimants to communicate with us via telephone or letter if they have specific questions regarding their individual claims, as email cannot be considered secure.
8. Staff may respond to inquiries and communications regarding *deceased* claimants without protecting the decedent's information, as the right to privacy ends upon death. Staff members are cautioned, however, that living beneficiaries' information must continue to be protected.

This email policy addresses claimant- and case-specific email containing Protected PII. Any information sent via email continues to be subject to the provisions of the Privacy Act and should be released only if appropriate to do so.

Disposition: The bulletin is to be retained until further notice.

CECILY RAYBURN
Director, Division of
Planning, Policy and Standards
Distribution: List No. 1 – (All OWCP Employees, Contractors)

