


SECRETARY OF LABOR
WASHINGTON, D.C. 20210

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MEMORANDUM FOR THE HEADS OF EXECUTIVE BRANCH
DEPARTMENTS AND AGENCIES

FROM:

HILDA L. SOLIS 
Secretary of Labor

SUBJECT:

The New Presidential POWER Initiative: Protecting Our Workers and
Ensuring Reemployment

The President, in establishing the Protecting Our Workers and Ensuring Reemployment (POWER) Initiative on July 19, 2010, has committed this Administration to improving workplace safety and the health of federal employees, while also reducing hardship, dislocation, and financial costs that often result from on-the-job accidents. I am pleased that President Obama has called on the Department of Labor to lead this major new government-wide initiative to help ensure federal employees are provided with safe and healthy work environments, as well as the support they need after experiencing a serious work-related injury or illness.

The POWER Initiative is a new, more challenging government-wide effort that succeeds the six-year Safety, Health, and Return-to-Employment (SHARE) Initiative which ended in fiscal year (FY) 2009. POWER expands on SHARE by revising its four goals in order to set more challenging performance targets and to establish FY 2009 as the baseline for the initiative. It also introduces three new measures that focus on improving the analysis of lost time injury and illness data, increasing the timely submission of wage-loss claims, and enhancing agencies' efforts to return injured employees to work as soon as possible.

Each year, tens of thousands of federal employees file claims for workers' compensation benefits due to workplace injuries or illnesses. In FY 2009, federal employees (excluding those employed by the U.S. Postal Service – (USPS)) filed more than 79,000 injury notices. Although the vast majority of claimants often report back to duty following only a brief disruption in employment, thousands take longer to recover and remain on the workers' compensation rolls for months, years, or in some cases permanently. Although the number of reported injuries has continued to decline in the federal government over the past several years, compensation for lost wages and medical benefits still represents a significant cost to American taxpayers. In Chargeback Year 2009, total costs were nearly \$1.6 billion alone (excluding the USPS). Recent studies in the field of occupational disability, workers' compensation, and vocational rehabilitation strongly endorse early intervention strategies to improve return-to-work outcomes. These strategies not only reduce costs, but also provide injured workers with a greater expectation for their successful return-to-work. In the absence of early intervention by trained disability personnel, injured workers tend to stay on the workers' compensation rolls longer and often lose hope of ever returning to regular employment.

The President has directed all federal Executive Branch departments and agencies (excluding the USPS) to participate in the POWER Initiative for four years beginning in FY 2011.

The Department of Labor will track agencies' progress in seven critical areas of emphasis, and will assist agencies in meeting each of their annual goals. The President asked that we set measurable goals that focus on the key areas of safety, health, and injury case management programs, in addition to one qualitative measure that focuses on analyzing data associated with the most frequent and severe injury cases. We believe that it is reasonable for the government as a whole (excluding the USPS) to achieve the following goals and that individual departments and agencies should use these minimum performance thresholds to establish their own more challenging targets:

- **Goal 1** - To reduce total injury and illness case rates by 4% per year below the FY 2009 baseline if an agency's rate is at or above the national target or by 1% per year if an agency's rate is below the national target.
- **Goal 2** - To reduce lost time injury and illness case rates by 4% per year below the FY 2009 baseline if an agency's rate is at or above the national target or by 1% per year if an agency's rate is below the national target.

These two goals now require agencies to continually reduce their injury and illness case rates. Under SHARE, some agencies achieved their future performance targets early in the initiative, but made no further improvements. Under POWER, an agency must have total and lost time injury rates at least 1% below the agency's prior year's actual rate in order to achieve its goals. One exception is if an agency has a rate of one injury or illness per 100 employees per year or less. Under these circumstances, no further reductions are required.

- **Goal 3** - To analyze lost time injury and illness data. While all agencies are encouraged to do so, only those agencies with a lost time case rate above the federal government's rate are required to submit, as part of the annual report to the Occupational Safety and Health Administration (OSHA), a summary of the measures taken to address the most frequent and severe cases.
- **Goal 4** - To increase the timely filing of workers' compensation notice of injury or illness forms (forms CA-1 and 2) by 3% per year above the FY 2009 baseline or meet the minimum filing percentage for the year, whichever is greater. Minimum performance thresholds start at 65% for FY 2011 and rise by 5% per year. However, no agency's annual goal will need to exceed 95%.
- **Goal 5** - To increase the timely filing of wage-loss claims (form CA-7) to meet or exceed minimum annual thresholds. In FY 2011, all agencies are required to achieve at least a 60% timely filing rate; in FY 2012, FY 2013, and FY 2014, the minimum thresholds will rise to 64%, 68%, and 70%, respectively.
- **Goal 6** - To reduce lost production day rates (days lost due to workplace injury or illness per 100 FTE) by 1% per year below the FY 2009 baseline or maintain a rate of 15 days or less.

- **Goal 7** - To increase return-to-work outcomes for those federal employees who sustain serious workplace injuries or illnesses. While all federal agencies are encouraged to improve their return-to-work percentages under the initiative, 14 agencies with the largest, statistically significant case volumes (an annual average of 45 or more new serious injury cases measured for the FY 2009 baseline) are expected to improve their return-to-work outcomes within a two-year period by 1 % in FY 2011 and by an additional 2% in each of the following three years over the FY 2009 baseline. This new goal will also support Executive Order 13548 requiring agencies to increase their employment of persons with disabilities, particularly the reemployment of federal employees injured on the job whenever possible.

Agencies and their major subordinate bureaus should review their operations and are strongly urged to consider setting more challenging targets for each of these goals. Department of Labor staff in our OSHA and the Office of Workers' Compensation Programs (OWCP) will contact your safety, health and injury compensation personnel to obtain those targets so that they may be published and tracked on the POWER Web page – <http://www.dol.gov/owcp/dfec/power>. To help you begin that process, we have attached a chart that provides POWER's government-wide targets as well as each agency's FY 2009 baseline performance and minimum annual targets for each goal. A more comprehensive list of baselines and minimum targets for all agencies will be available on the POWER Web page. For those agencies that would like assistance in establishing these more ambitious performance goals, OSHA and OWCP personnel stand ready to assist you to that end. In addition, they will work with you and members of your staff throughout the initiative to evaluate your program's performance data, develop and adopt strategies to meet your individual targets, and monitor and report your progress.

As your agencies continue efforts to ensure the safety and security of the American people, both at home and abroad, we must rededicate our efforts to ensuring the safety and health of federal employees who provide these critical services. We at the Department of Labor are inspired and energized by the President's commitment to protecting and preserving our valuable human resources. I look forward to working with each of you in achieving the initiative's goals.

Attachment

	FY 09 Performance	FY 11 Targets	FY 12 Targets	FY 13 Targets	FY 14 Targets
Department of Veterans Affairs					
Total Case Rate	3.70	3.55	TBD ³	TBD ³	TBD ³
Lost Time Case Rate	1.71	1.64	TBD ³	TBD ³	TBD ³
CA-1/CA-2 Timeliness	91.8%	94.6%	95.0%	95.0%	95.0%
CA-7 Timeliness	69.8%	69.8%	69.8%	69.8%	70.0%
Lost Production Days	42.6	42.2	41.8	41.3	40.9
Return to Work Rate	88.9%	89.8%	91.6%	93.4%	95.3%
Environmental Protection Agency					
Total Case Rate	0.62	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
Lost Time Case Rate	0.29	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
CA-1/CA-2 Timeliness	60.9%	65.0%	70.0%	75.0%	80.0%
CA-7 Timeliness	44.4%	60.0%	64.0%	68.0%	70.0%
Lost Production Days	7.8	15 or less	15 or less	15 or less	15 or less
General Services Administration					
Total Case Rate	1.06	1.05	TBD ³	TBD ³	TBD ³
Lost Time Case Rate	0.69	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
CA-1/CA-2 Timeliness	54.5%	65.0%	70.0%	75.0%	80.0%
CA-7 Timeliness	69.5%	69.5%	69.5%	69.5%	70.0%
Lost Production Days	22.2	22.0	21.8	21.5	21.3
National Aeronautics and Space Administration					
Total Case Rate	0.48	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
Lost Time Case Rate	0.17	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
CA-1/CA-2 Timeliness	62.5%	65.0%	70.0%	75.0%	80.0%
CA-7 Timeliness	70.7%	70.7%	70.7%	70.7%	70.7%
Lost Production Days	2.8	15 or less	15 or less	15 or less	15 or less
Social Security Administration					
Total Case Rate	1.27	1.26	TBD ³	TBD ³	TBD ³
Lost Time Case Rate	0.82	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
CA-1/CA-2 Timeliness	75.7%	78.0%	80.3%	82.7%	85.2%
CA-7 Timeliness	51.2%	60.0%	64.0%	68.0%	70.0%
Lost Production Days	23.4	23.2	22.9	22.7	22.5
Return to Work Rate	85.7%	86.6%	88.3%	90.1%	91.9%
Tennessee Valley Authority					
Total Case Rate	2.18	2.16	TBD ³	TBD ³	TBD ³
Lost Time Case Rate	0.2	1 or less ⁴	1 or less ⁴	1 or less ⁴	1 or less ⁴
CA-1/CA-2 Timeliness	89.7%	92.4%	95.0%	95.0%	95.0%
CA-7 Timeliness	34.5%	60.0%	64.0%	68.0%	70.0%
Lost Production Days	26.3	26.0	25.8	25.5	25.3

¹ The RTW rate for All Govt less USPS reflects the performance of the 14 agencies monitored under POWER Goal 7.

² The RTW Rate for DOD does not include the Departments of Army, Navy and Air Force, which are shown individually.

³ Goal 1 and 2 target rates for FY 2012 through 2014 will be published annually.

⁴ If agencies maintain a total or lost time case rate of one or less per year, no further reductions are required.