

# BRIEFLY...

Highlights of Report Number: 03-03-002-04-001, a report to the Assistant Secretary, Employment Standards Administration (ESA). December 20, 2002.

## WHY READ THE REPORT

The Employment Standards Administration's (ESA's) Office of Workers' Compensation programs (OWCP) administers the Federal Employees Compensation Act (FECA) program. FECA provides certain workers who have work-related injuries or occupational disease with compensation, medical treatment, vocational rehabilitation, and other benefits. Dependents of these workers may also be eligible for benefits.

Like other Federal benefit programs, FECA uses Social Security numbers (SSNs) in reviewing and awarding claims. As concerns over identity theft grow, Congress and Federal agencies want adequate controls over access to and use of SSNs by contractors and other entities.

## WHY OIG CONDUCTED THE AUDIT

OIG audited OWCP's management controls over SSNs as part of a government-wide initiative led by the President's Council on Integrity and Efficiency (PCIE), comprised of Presidentially appointed Inspectors General. Our audit assessed access to, and the disclosure and use of, SSN information by third parties. We conducted the audit from February to August 2002.

## READ THE FULL REPORT

<http://www.oig.dol.gov/public/reports/oa/2003/03-03-002-04-001.pdf>

To view the report, including the scope, methodology, and full agency response, click on the link above.

DECEMBER 2002

## FECA'S CONTROL OVER SOCIAL SECURITY NUMBERS CAN BE IMPROVED

### WHAT OIG FOUND

Overall, our audit found that adequate controls exist over the access and use of SSNs by contractors and other entities. However, we identified several areas where OWCP can improve these controls. We found:

- When a person signs the standard FECA claim form, there is no acknowledgement of the Privacy Act Disclosure Statement.
- OWCP does limited onsite monitoring of contractors and other entities that have access to claimant files containing SSNs.
- OWCP does not provide some physicians, including those that provide second opinions, with adequate notification of Privacy Act requirements.

### WHAT OIG RECOMMENDED

We recommended that OWCP:

- Revise standard FECA claim forms so that claimants acknowledge the Privacy Act.
- Implement a more cost-effective, onsite-monitoring program to ensure compliance with the requirements for safeguarding the access and use of FECA claimants' SSNs.
- Provide second opinion and Independent Medical Examiner (IME) physicians a cover letter notifying them of Privacy Act requirements.
- Explore the extent and cause of losses of claimant files or documents by IME physicians and take any necessary corrective action.