

U.S. DEPARTMENT OF LABOR

Office of Inspector General
Office of Audit

BRIEFLY...

Highlights of Report Number: 04-09-002-04-437, *Energy Employees Occupational Illness Compensation Program – Changes Needed to Further Improve Claimant Services and Timeliness*, to the Assistant Secretary for Employment Standards, dated November 12, 2008.

WHY READ THE REPORT

Congress passed the Energy Employees Occupational Illness Compensation Program Act (Energy Employees Act) to provide timely, uniform, and adequate compensation to civilian men and women suffering from cancer and other illnesses incurred as a result of their work in the nuclear weapons production and testing programs of the Department of Energy (DOE) and its predecessor agencies. In passing the Energy Employees Act, Congress recognized that many of these employees were unknowingly exposed to and inadequately protected from radiation, beryllium, silica, and other toxic materials at DOE facilities.

Since the program began in 2001, through September 2, 2008, the Department of Labor (DOL) reported that it had received 167,498 claims, approved slightly more than 39 percent of those claims, and paid nearly \$3.9 billion in compensation.

WHY OIG CONDUCTED THE EVALUATION

In response to inquiries from several members of Congress and the public, we conducted an evaluation to: (a) determine if DOL issued claim decisions that complied with applicable law and regulation and (b) assess whether DOL ensures that claims are adjudicated as promptly as possible and that claimants are kept informed. We also assessed the validity of allegations from a former claims examiner that claims examiners had been directed to inappropriately deny claims.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2009/04-09-002-04-437.pdf>

November 2008

WHAT OIG FOUND

DOL's decisions to accept or deny claims reviewed in our sample complied with applicable Federal law and regulations. The decisions were based on the evidence provided by or attained on the behalf of claimants and followed a deliberative process with several layers of review to ensure that claims were substantiated or properly denied. The allegations raised by a former claims examiner that claims examiners had been directed to inappropriately deny claims were not corroborated. However, while decisions reviewed were well documented, we found that DOL could more effectively use its Resource Centers by having the Centers work with claimants at the time the application is taken to obtain medical and employment documentation required to substantiate their claim and to explain survivor eligibility criteria.

We also found that DOL has made strides in reducing the processing time of claims for the portion of the process controlled by DOL. Nonetheless, we noted several areas where DOL could improve its procedures to further reduce processing time, including the use of new methods to obtain claimant information and developing more detailed interagency agreements with other agencies involved in the process.

Finally, the timeliness of adjudicating claims from the viewpoint of the claimant – how long it takes from the time they apply for benefits to reaching a final decision – needs to be measured and reported to show how well the Energy program is serving claimants, rather than solely measuring how long a claim is at DOL.

WHAT OIG RECOMMENDED

We made six recommendations to the Assistant Secretary for Employment Standards designed to: further reduce the time required to process claims, better utilize Resource Centers, and increase contact with claimants to keep them informed of the status of their claim.

ESA disagreed with our conclusions regarding the timeliness of the program in adjudicating claims, but did concur with most of the recommendations and, in some cases, already has efforts underway.