



BRIEFLY...

COVID-19: PANDEMIC CAUSES DELAYS IN FECA CLAIMS ADJUDICATION

September 23, 2021

WHY OIG CONDUCTED THE AUDIT

The Federal Employees' Compensation Act (Act) is administered by the Office of Workers' Compensation (OWCP) and provides workers' compensation coverage to over 2.6 million federal and postal workers. Less than 5 months after the declaration of a nationwide public health emergency in response to the COVID-19 pandemic, OWCP had received 2,866 COVID-19 claims, including 48 death claims, filed under the Federal Employees' Compensation Act.

As a result of this influx, OWCP's Federal Employees' Compensation Program (FECA) anticipated a potential strain on resources and claims processing delays. As part of its response, FECA developed a contingency plan, which included reallocating resources from opioid management to COVID-19 claims adjudication.

WHAT OIG DID

We conducted a performance audit to answer the following questions:

1. To what extent has the COVID-19 pandemic impacted FECA's ability to timely adjudicate claims?
2. Have the changes FECA made to opioid management in response to the pandemic impacted opioid use among claimants?

To answer these questions, we analyzed case management and medical bill data from December 2018 to March 2021, to identify trends; interviewed FECA officials; and reviewed the Federal Employees' Compensation Act, regulations, policies, and procedures, as well as related guidance issued in response to the pandemic.

WHAT OIG FOUND

We found the COVID-19 pandemic has had a negative impact on FECA's ability to timely adjudicate claims. Specifically, FECA's timeliness of adjudicating claims declined by 15 percent during the audit period. The decline was primarily driven by COVID-19 claims, which took longer to adjudicate than other claims. According to FECA officials, the COVID-19 adjudication delays occurred because it afforded extended opportunities to claimants for submission of supporting evidence. While FECA was able to improve the timeliness of adjudicating COVID-19 claims throughout the audit period, 46 percent of COVID-19 claims remained open as of March 31, 2021.

We also found that changes FECA made to opioid management in response to the pandemic have not negatively impacted opioid use among claimants; overall, opioid use continued to decline. For example, we found the numbers of claimants receiving opioid prescriptions and claimant morphine-equivalent dose levels both continued the downward trends throughout the audit period.

WHAT OIG RECOMMENDED

We made one recommendation to help ensure claims are adjudicated as promptly as possible, lessening any additional hardship on claimants.

OWCP agreed with our recommendation.

READ THE FULL REPORT

<https://www.oig.dol.gov/public/reports/oa/2021/19-21-007-04-431.pdf>