



# BRIEFLY...

## OWCP COULD IMPROVE ITS EXISTING GUIDELINES FOR PROCESSING DEEOIC CLAIMS

### WHY WE DID THE AUDIT

The Division of Energy Employees Occupational Illness Compensation (DEEOIC) within the U.S. Department of Labor’s Office of Workers’ Compensation Programs (OWCP) is responsible for compensating individuals. These individuals include current or former employees (or their survivors) of the Department of Energy who developed illnesses as a result of toxic exposure while employed at covered facilities or a mining work environment. Coverage also includes individuals at its predecessor agencies and certain vendors, contractors, and subcontractors. From 2017 to 2019, we received hotline complaints alleging DEEOIC was taking too long to issue claims decisions. In response to these allegations, we conducted this audit to answer the following question:

To what extent did OWCP’s DEEOIC ensure claims followed appropriate guidelines?

We analyzed claim decision data and relevant documentation; reviewed related statutes, policies, and procedures; and interviewed DEEOIC staff. We focused on general hotline complaint allegations that claims were not processed timely.

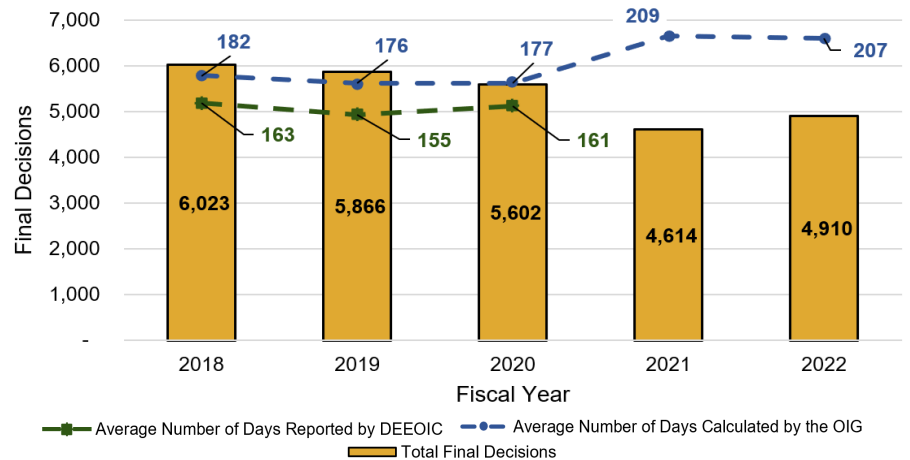
### READ THE FULL REPORT

For more information, go to: <https://www.oig.dol.gov/public/reports/oa/2024/09-24-001-04-437.pdf>.

## WHAT WE FOUND

Our work identified opportunities where DEEOIC could improve its existing guidelines for processing claims. We found DEEOIC did not use complete information to measure and publicly report how long it took to make claims decisions, from start to finish, which distorted the perception of how long claimants waited for decisions. DEEOIC set a target of 170-average days to make claims decisions needed for claimants to receive compensation and medical expense coverage. However, our analysis showed DEEOIC took an average of 182 days to make 6,023 final decisions in FY 2018, compared to 207 days for 4,910 final decisions in FY 2022. Wait times increased while the volume of final decisions dropped.

Figure: Average Number of Days to Issue Final Decisions



Source: OIG analysis of DEEOIC claims adjudication data and DEEOIC’s reported results in its Congressional Budget Justifications

We also found gaps in DEEOIC’s oversight of its decision-making processes that increased the risk of errors. For example, review results were not documented consistently or aggregated to identify trends or systemic problems, and error corrections were not documented and may not have been completed. These gaps occurred because DEEOIC did not place sufficient management emphasis on its quality controls over the claims process.

The lack of transparency in the claims process distorted the perception of how long claimants actually waited for claims decisions. In addition, processing errors may not have been identified and corrected, which could have resulted in delayed or incorrect claims decisions. These issues raised concerns that workers who were injured or became ill on the job, or their survivors, may not be receiving timely and accurate decisions on claims and prompt compensation and medical expense coverage.

## WHAT WE RECOMMENDED

We made five recommendations to OWCP to improve timeliness performance metrics, oversight, and the standardization of the claims adjudication process. OWCP agreed with our recommendations.