



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

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Workers' Compensation Data Systems

Report Number HR-AR-13-001

BACKGROUND:

Employees who sustain injuries or contract a disease as a result of their employment receive workers' compensation under the Federal Employees' Compensation Act, which is administered by the Department of Labor. In fiscal year (FY) 2011, the U.S. Postal Service paid \$1.3 billion in workers' compensation costs. Since FY 2006, workers' compensation costs have increased 29 percent. Effective and efficient management of workers' compensation claims is critical to the Postal Service's ability to manage costs.

In addition to hard copy case files, the Postal Service primarily uses two systems to help manage workers' compensation claims: the Employee Health and Safety (EHS) system to create and help manage accident and injury claims and the Injury Compensation Performance Analysis System (ICPAS) to provide workers' compensation data for analysis.

Our objectives were to determine whether the EHS system provides accurate and reliable data and how the use of workers' compensation data in ICPAS can be improved.

WHAT THE OIG FOUND:

The EHS system does not always provide accurate and reliable information because employees entering data into the system do not always receive adequate training or comply with workers' compensation policies and procedures. We also determined that ICPAS does not provide the reports needed to effectively measure performance, identify trends, and make improvements in the workers' compensation program due to system limitations. As a result, management does not always have accurate and reliable information to make critical decisions related to workers' compensation, including cost containment, compliance, and case management.

WHAT THE OIG RECOMMENDED:

We recommended that management provide additional training for personnel responsible for entering EHS data, issue supplemental guidance, and enhance internal controls to ensure that responsible officials consistently adhere to claims management procedures. We also recommended management assess options to enhance and integrate the reporting capabilities of ICPAS to provide the data necessary for effective analysis and decision making.