

February 29, 2000

JON M. STEELE
VICE PRESIDENT, NORTHEAST AREA OPERATIONS

PAUL W. LANZI
MANAGER, MIDDLESEX CENTRAL DISTRICT

SUBJECT: Allegation Concerning the Middlesex Central
District Use of Injury Claim Form CA-1
(Report Number HC-MA-00-001)

This report presents the results of our review of the Middlesex Central District's process for requesting employees' medical information from health care providers (Project Number 00RR011HC000). We initiated this review based on a complaint submitted to the Office of Inspector General Hotline. The complainant alleged that the Middlesex Central District's Injury Compensation Control Office (Middlesex Control Office) staff was misusing injury claim Form CA-1, Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation, to request employees' medical information from health care providers.

Results in Brief

We determined that from mid-1994 until May 13, 1999, the Middlesex Control Office staff inappropriately used the injury claim Form CA-1 to request and obtain employees' medical information from health care providers. In addition, this practice did not comply with the Department of Labor, Office of Workers' Compensation Programs (OWCP) and Postal Service policies. The inappropriate use of injury claim Form CA-1 occurred because the Middlesex Control Office staff misinterpreted the authorization statement on injury claim Form CA-1 for the release of medical information to the OWCP, as also being applicable to the Postal Service.

Further, the Middlesex Control Office staff was unaware of the directive issued on March 19, 1999,¹ by the OWCP, advising the Postal Service to cease using injury claim Form CA-1 as an authorization to request employees' medical information. Consequently, the Postal Service violated injured employees' privacy and misrepresented the claimants' authorization to release medical records to the OWCP. However, since May 13, 1999, the Postal Service has complied with OWCP and postal policy by using the appropriate forms to request employees' medical information.

We offered management three suggestions for: ensuring the inappropriate use of injury claim Form CA-1 is not prevalent and widespread throughout the Postal Service; avoiding the misinterpretation of language on OWCP forms; and ensuring the timely dissemination of Health and Resource Management instructions to all Northeast Area district offices.

In response to our discussion with Postal Service management concerning the issues in this report, management took immediate action to prevent the inappropriate use of Form CA-1 by issuing a letter, on January 11, 2000, to all Postal Service Area Operations Human Resources personnel instructing them to direct their appropriate district offices not to use injury claim Form CA-1 as an authorization to request employees' medical information. In addition, management indicated agreement with the other two suggestions and has taken corrective actions, which are responsive. Management's comments, in their entirety, are included in Appendix C.

Background

The OWCP has sole responsibility for administering the Federal Employees' Compensation Act. The Code of Federal Regulations, Title 20, Part 10, April 1, 1999, establishes the rules for claiming benefits under the Federal Employees' Compensation Act. Specifically, Section 10.100 (a) states that an employee who sustains a work related traumatic injury must give notice of the injury in writing on injury claim Form CA-1 and forward this notice to the employer. In addition, the Postal Service Employee and

¹ In Appendix A, we included the full text of the March 19, 1999, letter from the director, Division of Federal Employees' Compensation.

Labor Relations Manual, Chapter 540, *Injury Compensation Program*, Subchapter 544.211, states that injury claim Form CA-1 should be used to provide a written report to the employee's official supervisor when an employee suffers a disabling, job-related, traumatic injury.

Furthermore, the Code of Federal Regulations addresses the process and forms employers should use when requesting medical information from the attending physician concerning the duty status of an employee with a disabling work related injury. Section 10.331(b) states that "the employer should use Form CA-17 [Duty Status Report] to obtain interim reports concerning the duty status of an employee with a disabling injury."

**Objective, Scope, and
Methodology**

Our primary objective was to determine the validity of the complaint concerning the inappropriate use of injury claim Form CA-1 to obtain employees' medical information from healthcare providers. In addition, we evaluated whether the Middlesex Control Office's use of injury claim Form CA-1 for requesting employees' medical information was in compliance with OWCP and Postal Service policies.

To accomplish our objectives, we interviewed Postal Service and OWCP officials, and the complainant regarding the allegation. In addition, we judgmentally selected 34 injury claims processed during the period March 1999 through September 1999 from the Postal Service Human Resources Information System. We reviewed those 34 injury claim files to determine whether the hotline allegation examples were isolated instances, and whether the Middlesex Control Office staff discontinued using injury claim Form CA-1 as an authorization to request employees' medical information.

This review was conducted from October 29, 1999, through February 14, 2000, in accordance with the President's Council on Integrity and Efficiency, Quality Standards for Inspections. We discussed our conclusions and observations with appropriate management officials and included their comments, where appropriate.

**Use of Injury Claim
Form CA-1 as an
Authorization for
Requesting the
Release of Medical
Information**

Our review determined that since mid-1994 the Middlesex Control Office staff had inappropriately used injury claim Form CA-1 as an authorization to request employees' medical information from health care providers. In addition, this practice did not comply with the OWCP and Postal Service policies. This practice occurred because the Middlesex Control Office staff misinterpreted the authorization statement on injury claim Form CA-1 for the release of medical information to the OWCP, as also being applicable to the Postal Service. In addition, the Middlesex Control Office staff was unaware of the directive issued on March 19, 1999, by the director, Division of Federal Employees' Compensation advising the Postal Service to cease using injury claim Form CA-1 as an authorization to request employees' medical information. Consequently, the Postal Service violated injured employees' privacy and misrepresented the claimants' authorization to release medical records to the OWCP. The Middlesex Control Office staff continued using injury claim Form CA-1 as an authorization for requesting employees' medical information until May 13, 1999.

**Interpretation of
Authorization
Statement**

In September 1993, the OWCP revised injury claim Form CA-1 to include an authorization statement for the release of employees' medical information. The authorization statement for the release of employees' medical information to the OWCP was inserted in the employee signature section of the injury claim forms and stipulates the following.

I hereby authorize any physician or hospital (or any other person, institution, corporation, or government agency) to furnish any desired information to the U.S. Department of Labor, Office of Workers' Compensation Programs (or its official representative). This authorization also permits any official representative of the Office to examine and to copy any records concerning me.

Subsequently, the Middlesex Control Office staff misinterpreted the phrase, "or its official representative," in the authorization statement to include the Postal Service. As a result, from mid-1994

until May 13, 1999, the staff routinely used the authorization statement on injury claim Form CA-1 to request the release of employees' medical information. Specifically, the Middlesex Control Office staff prepared a form letter,² attached a copy of injury claim Form CA-1 signed by the employee and submitted the request to the employee's health care provider to release the specified medical information to the Postal Service. We realize that on occasion OWCP forms may contain ambiguous language, which can be misinterpreted by Postal Service injury compensation program personnel. In the future, to help avoid misinterpretation of language on OWCP forms, the Middlesex Control Office staff should obtain clarification from their respective OWCP district office.

**Awareness of Directive
by Middlesex Control
Office Staff**

The Middlesex Control Office staff's practice of using injury claim Form CA-1 for requesting employees' medical information did not become an issue until March 1999, when the complainant informed the OWCP, District Office 1-Boston. As a result, on March 19, 1999, the director, Division of Federal Employees' Compensation, issued a directive to the Postal Service manager, Health and Resource Management³ instructing the Postal Service injury compensation program personnel to cease using injury claim Form CA-1 as an authorization to request employees' medical information. However, the Middlesex Control Office staff was unaware of the directive.

On April 16, 1999, the Postal Service Headquarters, Health and Resource Management office personnel faxed a copy of the March 1999 directive to the Northeast Area Operations, acting human resources analyst. According to Health and Resource Management office personnel, written instructions were also provided, directing the acting human resources analyst to advise the Middlesex Control Office staff to cease using injury claim Form CA-1 to request employees' medical information. In addition, because of the sensitive nature of the issue, the Health and Resource Management office personnel also contacted the Northeast Area Operations, detailed human resources analyst and

²The form letter stated that the attached injury claim Form CA-1 signed by the employee authorized the Postal Service to request copies for any and all examinations and treatments, including surgical notes, provided for treatment relating to an injury.

³ Formerly known as Safety and Workplace Assistance office.

instructed the analyst to monitor the resolution of this issue. Despite these actions, the Northeast Area Operations, Human Resources office personnel did not forward a copy of the March 1999 directive to the Middlesex Control Office staff.

Because the Northeast Area Operations, Human Resources office personnel did not forward the March 19, 1999, directive, the acting manager, Middlesex Control Office was unaware of the directive until May 13, 1999, when the acting manager received an inquiry from the Middlesex Central District's Labor Relations office. As a result, the acting manager issued an e-mail on May 13, 1999, to the Middlesex Control Office staff instructing them to cease using injury claim Form CA-1 as an authorization for requesting the release of employees' medical information to the Postal Service.

**Current Practice to
Request Employees'
Medical Information**

Our review of 34 injury claim files revealed that the Middlesex Control Office staff has not used injury claim Form CA-1 to request employees' medical information since the acting manager's, May 13, 1999, direction to cease the practice. We found that the Middlesex Control Office staff is currently using the OWCP Form CA-17, "Duty Status Report," or Postal Service Form 2488, "Authorization for Medical Report," to request employees' medical information. We determined that the use of these forms to request employees' medical information is in compliance with the OWCP and Postal Service policies.

Management Action

On December 23, 1999, we verbally reported the results of our review to Postal Service Headquarters, Health and Resource Management office personnel. We emphasized that, while the Middlesex Control Office staff was no longer inappropriately using the injury claim Form CA-1, Postal Service officials should take a proactive step to ensure that this practice was not occurring at other Postal Service locations. We suggested that the manager, Health and Resource Management issue a policy letter instructing all injury compensation program personnel not to use injury claim Form CA-1 as an authorization for the release of employees' medical information. Accordingly, the manager,

Health and Resource Management issued a policy letter on January 11, 2000, implementing our suggestion (see Appendix B). As a result, we did not include this suggestion in this report.

Suggestion	<p>We suggest the manager, Middlesex Central District:</p> <ol style="list-style-type: none">1. Emphasize to the staff the importance of requesting assistance from the OWCP District Office 1-Boston, as needed, to avoid misunderstanding language contained on OWCP forms.
Management's Comments	<p>Management agreed with the observation and suggestion and has implemented the suggestion by instructing their staff to seek clarification from OWCP on its regulations when questions arise.</p>
Evaluation of Management's Comments	<p>Management's comments were responsive, and their actions taken should correct the condition identified in this report.</p>
Suggestion	<p>We suggest that the vice president, Northeast Area Operations, direct:</p> <ol style="list-style-type: none">2. The manager, Human Resources to ensure that the January 11, 2000, letter and any subsequent instructions received from Postal Service Headquarters, Health and Resource Management office are disseminated timely to all Northeast Area district offices.
Management's Comments	<p>Management indicated agreement with the observation and suggestion and stated that the policy letter issued by the Postal Service Headquarters was immediately disseminated to all Northeast Area district offices. They also stated that the instruction will be discussed at the next Injury Compensation Managers Meeting. Further, management stated that all policy statements or instructions issued from Postal Service Headquarters will continue to be timely disseminated.</p>

**Evaluation of
Management's
Comments**

Management's comments were responsive, and their actions taken should correct the conditions identified in this report.

We appreciated the cooperation and courtesies provided by your staff during the review. If you have any questions, please contact me at (703) 248-2300.

//Signed//

Sylvia L. Owens
Assistant Inspector General
for Revenue/Cost Containment

cc: Yvonne D. Maguire
Larry B. Anderson
Kathleen A. Dial
David J. Couture
John R. Gunnels

APPENDIX A.

U.S. Department of Labor

Employment Standards Administration
Office of Workers' Compensation Programs
Division of Federal Employees' Compensation
Washington, D.C. 20210



MAR 19 1999

File Number:

Mr. Larry Anderson
Manager, Safety and Risk Management
U.S. Postal Service
475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-4232

Dear Mr. Anderson:

I am writing in reference to the enclosed letter of January 19, 1999, from Joyce Geiman to Dr. James Gottscholl, which was received in our Boston District Office.

In the January 19 letter, Ms. Geiman states that a CA-1 authorizes the release of medical records to the Postal Service. This statement is not correct and is misleading. The authorization, which a claimant signs on Form CA-1, allows a physician or hospital to provide information to OWCP only. It does not provide for release of records to the Postal Service.

As has been the subject of much prior correspondence, within the context of the Federal Employees' Compensation Act (FECA) agency has the authority to request information regarding fitness for duty from an injured employee's attending physician. The agency does not have the authority within the context of the FECA to request x-ray results or medical records of an injured employees' treatment.

Ms. Geiman's letter represents a violation of the injured employee's privacy, and a misrepresentation of the claimant's authorization to release medical records

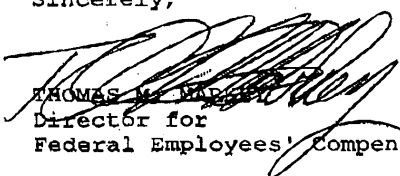
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to OWCP. Please ensure that Ms. Geiman and all Postal personnel cease misusing the authorization for release of medical information to OWCP (provided on the CA-1), and that they cease making requests for medical records of an injured worker.

Your assistance in resolving this, and advising me of your resolution at your earliest convenience is appreciated.

Sincerely,



THOMAS W. MADDEN
Director for
Federal Employees' Compensation

Enclosure

APPENDIX B.

HEALTH AND RESOURCE MANAGEMENT



January 11, 2000

MANAGER, HUMAN RESOURCES (ALL AREAS)
AREA ANALYSTS (INJURY COMPENSATION)

SUBJECT: Use of Form CA-1 to Obtain Medical Information.

An exit conference was recently held between the United States Postal Service, Office of the Inspector General and the Postal Service on an issue pertaining to a district's use of Form CA-1 as medical authorization to obtain medical reports from employees' medical providers.

Because the written instruction on the Form CA-1 can be misconstrued by other Injury Compensation offices, we want to ensure that districts within your area are not using the Form CA-1 for this purpose.

The Office of Workers' Compensation Programs has stated that the authorization, which an injured employee signs on Form CA-1, allows a physician or hospital to provide medical information to OWCP only. It cannot be used as the basis for the release of records to the Postal Service. Please ensure that districts within your area are not using Form CA-1 for this purpose.

Form CA-17 "Duty Status Report" is generally used to obtain medical information concerning an injured employee's job-related medical condition and work restrictions. If a medical provider will not release the Form CA-17, without a medical release, PS Form 2488 "Authorization for Medical Report" may be used to secure the release of the form. Further, Form PS-2488 may be used as a medical release to obtain medical information from the employee's medical provider concerning an employee's job-related medical condition when Form CA-17 is not appropriate. Completion of PS Form 2488 by the injured employee is voluntary, and only medical information pertinent to the employee's job related medical condition and other medical conditions which may have an impact on the injured employee's ability to work, can be requested. While completion of PS Form 2488 is voluntary, OWCP regulations require submission of medical documentation to the employing agency within 10 calendar days of filing for COP.

If you have any questions regarding this memorandum, please call Richard Bauer on 202 268-3678.

A handwritten signature in cursive script, appearing to read "Larry B. Anderson".

Larry B. Anderson
Manager
Health and Resource Management

cc: Yvonne D. Maguire
Stephen A. Leavey

APPENDIX C.

NORTHEAST AREA OFFICE



February 28, 2000

Sylvia L. Owens
United States Postal Service
Office of Inspector General
1735 N. Lynn Street
Arlington, VA 22209-2020

SUBJECT: Draft Management Advisory Report – Allegation Concerning the Middlesex
Central District's Use of Injury Claim Form CA-1 (Report Number HC-MA-OO-Draft)

I have been asked to respond to your memorandum dated February 14, 2000 requesting comments on the draft management advisory report. The allegation pertained to the inappropriate use of Form CA-1 to request employees' medical information from their physicians. While we agree for the most part with your observations, we present the following comments:

Neither the Department of Labor, Office of Workers' Compensation, nor Postal Headquarters had issued a policy statement concerning this issue prior to March 19, 1999 even though OWCP was aware of a possible misinterpretation.

The Northeast Area did not receive notice of the March 19, 1999 directive from OWCP Headquarters until April 16, 1999. However, we were already addressing the issue with our Middlesex Central District Office and the Boston OWCP District Office as documented via earlier communications with them. We feel the issue was handled in a timely manner once clarification was received.

The Middlesex Central District has taken the necessary steps suggested in your report as outlined on Mr. Paul Lanzi's attached response. The Northeast Area Office canvassed all other district offices and found them to be in compliance with OWCP's directive.

The policy letter issued by Postal Headquarters dated January 11, 2000 was immediately disseminated to all Northeast Area District Offices. The instruction will again be discussed at the next Injury Compensation Managers Meeting on March 8-9, 2000 as a follow-up. All policy statements/instructions issued from Postal Headquarters will continue to be timely disseminated.

A handwritten signature in dark ink, appearing to read "Kathleen Dial".

Kathleen Dial
Manager, Human Resources

Attachment

cc: Jon Steele
Paul Lanzi
Larry Anderson
Edward Koops

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6 GRIFFIN ROAD N
WINDSOR CT 06096-7000

MIDDLESEX-CENTRAL CUSTOMER SERVICE AND SALES DISTRICT



February 28, 2000

MEMORANDUM FOR SYLVIA L. OWENS
ASSISTANT INSPECTOR GENERAL
FOR REVENUE/COST CONTAINMENT

SUBJECT: Report Number HC-MA-00-DRAFT

The following is in response to your memorandum of February 14.

The observations cited in the draft report are accurate as stated and previously discussed with the audit team. The steps as recommended have been taken as mentioned in the report. The Middlesex-Central District ceased using the CA-1 as a release of medical information in May of 1999. The current staff has been instructed on the proper use of OWCP forms. The staff has further been instructed that if there is anything that is felt to be ambiguous or if there is question on procedure dealing with OWCP regulation, then the Injury Compensation Manager will get clarification from the OWCP District Office to ensure correctness.

It is the intent and purpose of the Injury Compensation Unit at the Middlesex-Central District to expeditiously and correctly process all claims filed in the district. The staff makes every effort to follow all regulations both Postal and OWCP in the development and management of claims.

A handwritten signature in black ink, appearing to read "Paul W. Lanzi".

Paul W. Lanzi
District Manager

**Major Contributors to
The Report:**

Riccardo R. Buglisi
Ronald D. Blake
Cheryl C. Henderson
Katherine K. Johnson
Richard S. Lewis
Sheila Zimmerman