Payment Integrity Scorecard

Program or Activity
Office of Workers' Compensation - Federal Employees' Compensation Act

Reporting Period
Q4 2026

FY 2025 Overpayment Amount ($M)* **$100**

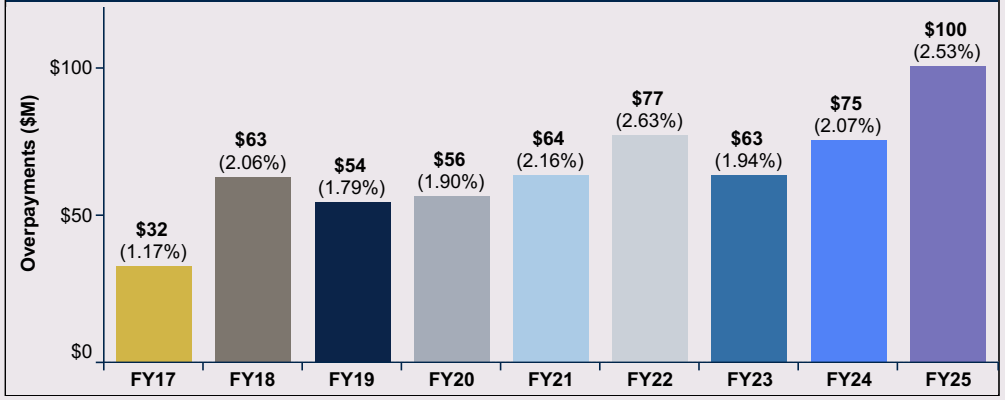
*Estimate based a sampling time frame starting 7/2024 and ending 6/2025

DOL
Office of Workers' Compensation - Federal Employees' Compensation Act

Brief Program Description & summary of overpayment causes and barriers to prevention:

The Office of Workers' Compensation (OWCP) - Federal Employees' Compensation Act(FECA) program provides workers' compensation coverage to more than 2.5 million Federal and postal workers around the world for employment-related injuries and occupational diseases. The program's improper and unknown payments are broken down into three categories; medical payments, compensation payments, and rolling 3-yearaverage of adjudicated fraud. Overpayments are caused by a lack of data to validate medical bill submissions, support augmented compensation, and an inability to access payrate information for employees. Known barriers to prevention are a lack of data sharing agreements across federal payroll providers and databases not in existence.

Historical Payment Rate and Amount ($M)
(Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

• Utilizing continuous monitoring program offered by Treasury's Do Not Pay Program. • Payment Sampling completed by Branch of Technical Procedures staff on claims work with follow-up guidance and training provided by supervisors. • Monthly payment auditing of the medical bill pay system by program staff. • Case review by the Branch of Program Integrity with referral to the Office of the Inspector General, when appropriate.

	Accomplishments in Reducing Overpayment	Date
1	Completed internal accountability reviews on compensation payments and periodic entitlement reviews.	May-26
2	Signed agreement with SSA to start computer matching program in FY 2027.	Sep-26
3	Instituted new medical provider overpayment review process.	Jul-26

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	Goals towards Reducing Overpayments	Status	ECD
1	FECA completed the initial process and signed a Computer Matching Agreement with the SSA, which upon implementation will reduce instances of improper dual benefits.	On-Track	Mar-27
2	FECA fully implemented debt servicing through Treasury Centralized Receivables program.	Completed	Jul-26

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	**Recovery Activity**	Recoup overpayments from future payments to medical providers.	Continue recoupment procedures and offer guidance to medical providers on FECA's expectations for submitting claims.
2	**Recovery Activity**	Continue to work with the Department's Solicitor's office to identify and collect funds from the estates of deceased debtors.	Continue to work with the Department's Solicitor's office to identify and collect funds from the estates of deceased debtors.
3	**Recovery Activity**	Conduct review of finalized debt records for possible offset collection from other benefit programs.	FECA is sending benefit inquiry letters to the Office of Personnel Management to confirm payments. When appropriate, SF-2805 forms for collection are sent to OPM.

Amt($)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
$89M	Overpayments that occurred because the Data/Information Needed Does Not Exist.	Adjudicated fraud as awarded by the courts resulting from prosecutions and/or settlements for improper billing and/or fraudulent behavior.	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Utilize Program Integrity and Medical Treatment Adjudicators to identify potential fraud and concerning trends in medical billing. Continue training staff to assist in efforts, which will lead to referrals to the OIG for possible investigation and prosecution.
$8M	Overpayments that occurred because of an Inability to Access the Data/Information Needed.	The program relies on employee pay rate and benefit information that is provided by employing agencies s. The information submitted may be incomplete or inaccurate.	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Afford employing agencies with information and training opportunities to assist in accurate and complete reporting of employee pay rate and benefit information.
$2M	Overpayments that occurred because of a Failure to Access Data/Information Needed.	Payment information may be available in employee case files but can be misidentified and/or incorrectly entered into payment system by claim staff.	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Continue internal review and supervisory sampling initiatives to identify trends and provide training on a as needed basis to claim staff.