United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, Committee on Government Reform House of Representatives

For Release on Delivery at 10:00 a.m. EDT on Thursday May 9, 2002

U.S. POSTAL SERVICE

Workers' Compensation Benefits for Postal Employees

Statement of Bernard L. Ungar, Director Physical Infrastructure Issues



Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to testify on the Department of Labor's (DOL) Office of Workers' Compensation Program's (OWCP) administration of the Federal Workers' Compensation Program (WCP) as it pertains to Postal Service employees. In fiscal year 2000, Postal Service employees accounted for about one-third of both the federal civilian workforce and the \$2.1 billion in total WCP costs. Postal Service employees also submitted about one-half, or about 85,000, of the claims during that year to OWCP for new work-related injuries. Because U.S. Postal Service employees account for such a large portion of the WCP, you asked us to determine whether Postal Service employees were receiving the benefits to which they were entitled in a timely manner. We provided an initial response to your request on December 21, 2001.

Among other things, we reported that about 7 percent of the Postal Service's approximately 901,000 total employee workforce filed an annual average of 82,594 WCP claims during the period we reviewed. Of these claims, about 88 percent were approved and about 12 percent were denied annually. We also reported that the automated file records indicated a wide variance in the time between the date of injury and (1) the date of OWCP's decision regarding the claimant's entitlement to benefits² and (2) the date of OWCP's first compensation or schedule award payment.³ However, the automated records we reviewed did not contain the specific information we needed to identify how long it took the injured employees, Postal Service supervisors, and OWCP claims examiners to make and process WCP claims; nor did the records indicate the amount of time, if any, during which injured employees were without income while waiting for decisions regarding their claims.

Page 1 GAO-02-729T

¹ U.S. General Accounting Office, *Administration of the Workers' Compensation Program* by the Postal Service and the Department of Labor, (Washington, D.C.; December 21, 2001).

² WCP provides for payment of several types of benefits, including compensation for wage loss, schedule awards, medical and related benefits, and vocational rehabilitation services for conditions resulting from injuries sustained or occupational disease or illness contacted in performance of duty while in the service of the United States. WCP also provides for payment of monetary compensation to specified survivors of an employee whose death results from work-related injury or disease and for payment of certain burial expenses.

³ An injured employee can claim compensation as a (1) wage replacement benefit for lost wages, (2) schedule award if the employee has a permanent impairment to a member or function of the body, or (3) both.

For our current review, we agreed to

- determine the extent to which Postal Service employees provided all of the evidence required by OWCP regulations for establishing the claimants' entitlement to WCP benefits; and
- identify the length of time taken by the claimant, Postal Service, and OWCP, where applicable, to perform the step-by-step process to (1) establish the claimant's entitlement to benefits; and (2) subsequently apply for, approve, and make the first payments for compensation or schedule awards. Where applicable, we also compared these times to program requirements or performance standards.

We have not completed our analyses, but we are able to provide for this testimony some preliminary data on compensation for wage loss and schedule awards for injuries or diseases that occurred or were recognized as job-related during the 12-month period beginning July 1, 1997. Because our review is still in process, the data we are presenting should be viewed as preliminary. We plan to complete our data analyses, discuss the results with Postal Service and OWCP officials, and provide a final report to you later this summer.

Results in Brief

The preliminary results of our work so far indicate that the Postal Service employees covered by our review who had job-related traumatic injuries or occupational diseases almost always provided to OWCP the evidence required to make a determination on their entitlement to benefits. In about 2 percent of the cases, OWCP found that evidence was missing for one or more of the elements required by OWCP regulations. However, the length of time taken to process claims to determine a claimant's entitlement to WCP benefits or to approve or deny claims for compensation varied widely even though all of the cases are subject to the same OWCP processing standards. Because of this variance, we are using the median time to report the results of our analyses to compensate for the

Page 2 GAO-02-729T

⁴ WCP allows for two types of work-related injuries for which benefits and services can be claimed: "traumatic injury" and "occupational disease or illness." Traumatic injury means a condition of the body caused by a specific event or incident, or series of events or incidents, within a single day or work shift. Such condition must be caused by an external force, including stress or strain, that is identifiable as to time and place of occurrence and member or function of the body affected. Occupational disease or illness is a condition produced by the work environment over a period longer than a single day or work shift.

⁵ Unless stated otherwise, calendar days are used throughout this statement.

extreme cases. The median time means that 50 percent of the cases were processed at the median time or less and 50 percent of the cases were processed in more time than the median time during the period covered by our review. Accordingly, 50 percent of the cases greater than the median time may or may not have met OWCP program requirements or processing standards.

The preliminary data indicated the following regarding the median time to process (1) claims establishing entitlement to WCP benefits and (2) claims for compensation for wage loss and schedule awards.

Specifically, for median claims processing times for establishing entitlement to WCP benefits:

- Postal Service employees and Postal Service supervisors met the applicable time frames set forth by OWCP regulations to process these claim forms for both traumatic injuries and occupational diseases.
- OWCP claims examiners took 59 days to process traumatic injury claims after receiving the notice of injury claim forms from the Postal Service. OWCP's annual operational plan's performance standards state that this process should take 45 days for all but the most complex cases. However, our data may include "administratively closed" cases, which could mean that the overall processing time for these cases is overstated. Prior to this hearing, we did not have time to consider what portion, if any, of our traumatic injury claims were administratively closed for any period of time, but we plan to do so when we complete our data analysis. For occupational disease claims, our analysis showed that OWCP processed these forms within the 6- to 12-month time limit for simple to complex occupational disease cases set by OWCP's performance standards.

Regarding the median time to process compensation claims for wage loss or schedule award:

Page 3 GAO-02-729T

⁶ OWCP officials told us that OWCP permits certain, uncontested types of injury claims—those having medical bills totaling less than \$1,500, no claims for compensation, and no potential third-party liability after payment of any outstanding medical bills—to be closed without formal adjudication to establish a claimant's entitlement to WCP benefits. If any of these factors change, then formal adjudication begins. Thus, processing time for such cases may prolong the overall processing time because of the "down time" experienced before the claim for compensation is received by OWCP.

- The case files did not contain the information that would enable us to determine whether the claims for compensation were prepared and filed by the employees within the time frame set forth by OWCP regulations.
- Once a traumatic injury or occupational disease claim form for compensation was prepared and submitted to the Postal Service supervisor, the supervisor completed the agency portion of the forms and transmitted them to OWCP within the time limit set forth by OWCP regulations.
- OWCP claims examiners took 23 days to process traumatic injury compensation claims for wage loss and schedule awards. OWCP's performance standard for these claims, excluding schedule awards, state that all payable claims should be processed within 14 days, as measured from the date of receipt to date payment is entered into OWCP's automated compensation payment system. Prior to this hearing, we did not have the time to consider what portion of our cases were claims for schedule awards nor their impact, if any, on the claims processing times. We plan to do so when we complete our analysis. For occupational disease claims, our analysis showed that upon receipt, OWCP claims examiners took 22 days to make the initial payment for the approved claims. OWCP did not establish an administrative performance standard for occupational disease claims.

Finally, the preliminary results of our case file review indicate that during the time between the date of injury or recognition of the disease as jobrelated to the date of the first compensation payment, injured employees often (1) continued working in a light-duty capacity, (2) received continuation of pay (COP)⁷, while absent from work for up to 45 days, or (3) went on paid annual or sick leave until the point at which they actually missed work and their pay stopped. We have not had time to determine prior to this hearing how many, if any, employees went without income while waiting for their first compensation payment or whether annual or sick leave was restored after compensation was approved.

Scope and Methodology

Before presenting additional preliminary results, I would like to provide some information on our scope and methodology. Specifically, we are interviewing key OWCP and Postal Service officials in Washington, D.C., to discuss and collect pertinent information regarding the employees'

Page 4 GAO-02-729T

⁷ COP is a WCP benefit that is intended to provide workers income while their claims for WCP benefits are being processed by OWCP. COP is not considered WCP compensation.

claims for WCP eligibility and for compensation for lost wages and schedule awards. Additionally, we collected and reviewed a total of 483 Postal Service employee WCP case files located at the 12 OWCP district offices throughout the country. For the 12-month period beginning July 1, 1997, we randomly selected the claims and obtained case file records for injuries that occurred or were recognized as job-related during this period on the basis of the type of injury involved: traumatic or occupational; and on the basis of their approval or nonapproval for WCP benefits and compensation or schedule award payments. We chose this period of time because we believed it was current enough to reflect ongoing operations, yet historical enough for most, if not all, of the claims to have been decided upon. Also, in discussing the preliminary results, we generally present our analyses of claim processing times in terms of the "median" time to process cases covered by our review. This means that 50 percent of the cases were processed in the median time or less, and 50 percent of the cases were processed in more time than the median.

We did our work from January to May 2002 in accordance with generally accepted government auditing standards. We have not had enough time to fully analyze all of the data we collected, including analyzing the total percentage of claims processed within specified processing standards, or to fully discuss the data with Postal Service or OWCP officials. Accordingly, we are limiting our discussion to median time intervals between the major steps in the WCP claims process up until the time of the decision on the claim and initial compensation payment. Among other things, prior to this hearing, we did not have the time to (1) pinpoint and evaluate specific problems that may have affected the time to process the cases we reviewed, (2) address issues OWCP raised on how the claims processing times might be affected by "administrative closures" or schedule awards, or (3) evaluate numerous other factors that may have affected overall claims processing. Our work has not included an analysis of any time involved in the appeal process of any claim we reviewed, nor did we evaluate the appropriateness of OWCP's decisions on approving or denying the claims. More detail about our sampling plan is presented in appendix I.

Page 5 GAO-02-729T

Background: Employing Agencies Partner With OWCP to Administer WCP

Although OWCP is charged with implementing the WCP, there is a federal partnership between OWCP and the employing federal agencies for administering the WCP. In this partnership, federal agencies, including the Postal Service, provide the avenue through which injured federal employees prepare and submit their notice of injury forms and claims for WCP benefits and services to OWCP. Additionally, employing agencies are responsible for paying normal salary and benefits to those employees who miss work for up to 45 calendar days, during a 1-year period, due to a work-related traumatic injury for which they have applied for WCP benefits. After receiving the claim forms from the employing agencies, OWCP district office claims examiners review the forms and supporting evidence to decide on the claimant's entitlement to WCP benefits or the need for additional information or evidence, determine the benefits and services to be awarded, approve or disapprove payment of benefits and services, and manage and maintain WCP employee case file records. If additional information or other evidence is needed before entitlement to WCP benefits can be determined, OWCP generally corresponds directly with the claimant or the WCP contact at the applicable Postal Service locations.

Evidence Required by OWCP Regulations to Determine Entitlement to WCP Benefits Is Nearly Always Provided

OWCP regulations require that evidence needed to determine a claimant's entitlement to WCP benefits meet five requirements. These requirements are as follows:

- 1. The claim was filed within the time limits specified by law.
- 2. The injured or deceased person was, at the time of injury or death, an employee of the United States.
- The injury, disease, or death did, in fact, occur.
- 4. The injury, disease, or death occurred while the employee was in the performance of duty.
- 5. The medical condition for which compensation or medical benefits is claimed is causally related to the claimed job-related injury, disease, or death.⁸

Page 6 GAO-02-729T

 $^{^{8}}$ For wage loss benefits, the claimant must also submit medical evidence showing that the condition claimed is disabling.

Such evidence, among other things, must be reliable and substantial as determined by OWCP claims examiners. If the claimant submits factual evidence, medical evidence, or both, but OWCP determines the evidence is not sufficient to meet the five requirements, OWCP is required to inform the claimant of the additional evidence needed. The claimant then has at least 30 days to submit the evidence requested. Additionally, if the employer—in this case, the Postal Service—has reason to disagree with any aspect of the claimant's report, it can submit a statement to OWCP that specifically describes the factual allegation or argument with which it disagrees and provide evidence or arguments to support its position.

According to the files we reviewed, about 99 percent of the Postal Service employees' traumatic injury claims contained evidence related to the five requirements set by OWCP regulations. About 1 percent of the traumatic injury claims were not approved, according to the case files we reviewed, because evidence was not provided for one or more of the requirements. About 97 percent of the claims filed by Postal Service employees for occupational disease claims contained evidence related to the five requirements. The remaining claims, or about 3 percent, did not include all of the required evidence. Generally, the evidence not provided for both types of claims pertained to either (1) the employee's status as a Postal Service employee or (2) whether the claim was filed within the time limits specified by law. We did not evaluate OWCP's decisions regarding the sufficiency of the information provided.

Median Processing Time to Determine Entitlement to WCP Benefits

During the period covered by our review, OWCP regulations required an employee who sustained a work-related traumatic injury to give notice of the injury in writing to OWCP using Form CA-1, "Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/ Compensation," in order to claim WCP benefits. To claim benefits for a disease or illness that the employee believed to be work-related, he or she was also required to give notice of the condition in writing to OWCP using Form CA-2, "Notice of Occupational Disease and Claim for Compensation." Both notices, according to OWCP regulations, should be filed with the Postal Service supervisor within 30 days of the injury or the date the employee realized the disease was job-related. Upon receipt, Postal Service officials were supposed to complete the agency portion of

Page 7 GAO-02-729T

⁹ Generally, the employee has up to 3 years from the date of the injury to establish his or her entitlement to OWCP benefits.

the form and submit it to OWCP within 10 working days if the injury or disease was likely to result in (1) a medical charge against OWCP, (2) disability for work beyond the day or shift of injury, (3) the need for more than two appointments for medical examination/or treatment on separate days leading to time lost from work, (4) future disability, (5) permanent impairment, or (6) COP.¹⁰

OWCP regulations, during the period covered by our review, did not provide time frames for OWCP claims examiners to process these claims. Instead, OWCP's operational plan for this period specified performance standards for processing certain types of WCP cases within certain time frames. Specifically, the performance standard for processing traumatic injuries specified that a decision should be made within 45 days of its receipt in all but the most complex cases. The performance standards for decisions on occupational disease claims specified that decisions should be made within 6 to 12 months, depending on the complexity of the case.

The case files we reviewed indicated that the length of time taken to process a claim–from the date of traumatic injury or the date an occupational disease was recognized as job-related to the date the claimant's entitlement to benefits was determined–varied widely. For example, we estimate that 25 percent of the claims were processed in up to 48 days for traumatic injury and in up to 78 days for occupational disease. We estimate that 90 percent of the claims were processed in up to 307 days for traumatic injury and in up to 579 days for occupational disease. Finally, we estimate that 50 percent of the claims were processed in up to 84 days for traumatic injuries and in up to 136 days for occupational disease. Specifically, Postal Service employee claims for injuries or diseases covered by our review took the median times shown in table 1 to complete.

Page 8 GAO-02-729T

¹⁰ If none of these conditions exist, the employer is supposed to retain the CA-1 and CA-2 as a permanent record in the Employee Medical Folder in accordance with Office of Personnel Management guidelines.

Table 1: Median Length of Time to Process Claims to Determine Entitlement to WCP Benefits for Injuries or Diseases Recognized as Job-Related During the Period July 1, 1997, through June 30, 1998

Points in time during the process to apply for and determine entitlement to WCP benefits	OWCP regulations or performance standards	Estimated median time to complete steps
Traumatic injury		
Date of traumatic injury to date injured Postal Service employee prepared notice of injury form	_ 30 days	1 day
Date Postal Service employee prepared notice of injury form to date Postal Service supervisor signed form		1 day
Date Postal Service supervisor signed notice of injury form to date OWCP received form	10 working days	9 calendar days
Date OWCP received notice of injury form to date of notice that entitlement to benefits has been established	45 days	59 daysa
Occupational disease		
Date of occupational disease recognized as job-related to date Postal Service employee signed notice of occupational disease form	_ 30 days	23 days
Date Postal Service employee signed notice of occupational disease form to date Postal Service supervisor received notice of occupational disease form		3 days
Date Postal Service supervisor signed notice of occupational disease form to date OWCP received form	10 working days	11 calendar days
Date OWCP received notice of occupational disease form to date of notice that entitlement to benefits has been established	6 to 12 months	63 days

^aMedian processing time includes time to process both claims for wage loss and claims for schedule awards.

Source: GAO analysis of OWCP data

The median elapsed time taken by Postal Service employees and Postal Service supervisors met the applicable time frames set forth in OWCP regulations. As shown in table 1, the median time taken by Postal Service employees to prepare and submit the claim forms needed to make a determination on their entitlement to WCP benefits for traumatic injuries to the Postal Service supervisor was 2 days from the date of the injury, well within the 30-day time frame set by OWCP regulations. For occupational disease, Postal Service employees signed and submitted the notice of disease form to the Postal Service supervisor in a median time of 26 days from the date the disease was recognized as job-related, or 4 days less than the 30-day time frame set by OWCP regulations. Upon receipt, the Postal Service supervisor then took up to a median time of 11 calendar days—also within the time limit of 10 working days set forth in the regulations—to complete the form and transmit it to OWCP.

Also as shown in table 1, once OWCP received the form from the Postal Service, our preliminary analysis showed that OWCP claims examiners processed these notice of injury forms for traumatic injuries in a median

Page 9 GAO-02-729T

time of 59 days to determine a claimant's entitlement to WCP benefits. As mention earlier, the performance standard for these types of cases was 45 days, or 14 days less than the median time taken. According to OWCP officials, the 59-day median processing time inappropriately included the time during which certain types of claims were "administratively closed," then reopened later when a claim for compensation was received. We plan to determine the effect to which these types of claims may have affected the processing times as we complete our review. For occupational disease claims, the data showed that OWCP processed these forms at the median time of 63 days, which was within the 6 to 12-month time frame for simple to complex occupational disease cases specified by OWCP's performance standards.

Median Processing Time to Approve and Make First Compensation Payments

During the period covered by our review, OWCP regulations stated that when an employee was disabled by a work-related injury and lost pay for more than 3 calendar days, or had a permanent impairment, the employer is supposed to furnish the employee with Form CA-7, "Claim for Compensation Due to Traumatic Injury or Occupational Disease." This form was used to claim compensation for periods of disability not covered by COP as well as for schedule awards. The employee was supposed to complete the form upon termination of wage loss—the period of wage loss was less than 10 days or at the expiration of 10 days from the date pay stopped if the period of wage loss was 10 days or more—and submit it to the employing agency. Upon receipt of the compensation claim form from the employee, the employer was required to complete the agency portion of the form and as soon as possible, but not more than 5 working days, transmit the form and any accompanying medical reports to OWCP.

For the period covered by our review, OWCP regulations did not provide time limits for OWCP claims examiners to process these claims. Instead, OWCP's annual operational plan for the period of our review specified a performance standard for processing wage loss claims. Specifically, the performance standard stated that all payable claims for traumatic injuries–excluding schedule awards–should be processed within 14 days. This time frame was to be measured from the date OWCP received the claim form from the employing agency to the date the payment was entered into the automated compensation payment system. No performance standard was specified for occupational disease compensation claims.

The case file data showed that the processing time—from the date the claim for compensation was prepared to the date the first payment was made–varied widely. For example, we estimate that to process 25 percent

Page 10 GAO-02-729T

of the claims, it took up to 28 days for traumatic injuries and up to 32 days for occupational diseases. To process 90 percent of the claims, it took up to 323 days for traumatic injuries and up to 356 days for occupational diseases. To process 50 percent of the claims, it took up to 49 days for the traumatic injuries and up to 56 days for the occupational diseases. Specifically, the median times to process the claims for compensation for the traumatic injury and occupational disease claims covered by our review are shown in table 2.

Table 2: Median Length of Time to Process Claims, Step by Step, for Compensation for Injuries and Diseases, Recognized as Job-Related During the Period July 1, 1997, through June 30, 1998

Points in time to apply, review, and approve first compensation payment	OWCP regulations or performance standards	Estimated median time for steps to be completed
Traumatic injury	•	
Date of traumatic injury to date Postal Service employee signed claim for compensation	a	135 days
Date Postal Service employee signed claim for compensation to date Postal Service supervisor signed claim		7 days
Date Postal Service supervisor signed claim to date OWCP received claim	5 working days	4 calendar days
Date OWCP received claim for compensation to date of first compensation payment made	14 days	23 days
Occupational disease		
Date occupational disease was recognized as job-related to date Postal Service employee signed claim for compensation form	_	320 days
Date Postal Service employee signed the claim for compensation to date Postal Service supervisor signed the claim	a	11 days
Date Postal Service supervisor signed claim to date OWCP received claim	5 working days	7 calendar days
Date OWCP received compensation claim to date payment entered into automated compensation payment system	Standard not provided	22 days

^aData were not available for us to determine whether claimants filed for compensation within the time frame set forth in OWCP regulations. Specifically, the regulations provide that once entitlement to WCP benefits is established, the claimant should submit a claim for compensation up to 10 days from the day pay stops. Prior to this hearing, we were not able to obtain the information regarding the time the claimant's pay stopped. We plan to do so and perform the analysis in our final report.

Source: GAO analysis of OWCP data.

The case files we reviewed did not contain the information that would have enabled us to determine whether the claims for compensation were prepared and filed by the employees within the time frame set forth by OWCP regulations. However, as shown in table 2, once a claim was prepared, at the median time, we found that after receipt of a claim for compensation for a traumatic injury, the Postal Service supervisor completed the agency portion of the form and transmitted it to OWCP in 4 calendar days, which was less than the 5 working days required by OWCP

Page 11 GAO-02-729T

regulations. For occupational disease compensation claims, we found that upon receipt of the claim form from the employee, the Postal Service supervisor took 7 calendar days, which was also within the 5 working day requirement imposed by OWCP regulations, to transmit the claims to OWCP.

As also, as shown in table 2, once OWCP received a traumatic injury compensation claim form, the median time for OWCP claims examiners to process the claim was 23 days, which was longer than the 14 days specified by OWCP's performance standard–excluding schedule awards. However, our data included claims for schedule awards. As mentioned earlier, prior to this hearing we did not have time to evaluate the effect that schedule awards might have had on the median processing time. We plan to do so in our analysis for the final report. For occupational disease claims, our analysis showed that upon receipt, OWCP claims examiners, at the median processing time, took 22 days to make the initial payment for the approved claims. OWCP did not specify a performance standard for occupational disease claims.

Finally, our preliminary analysis of case file data showed that during the time between the date of injury or recognition of a disease as job-related, injured employees often (1) continued working in a light-duty capacity, (2) received COP while absent from work, or (3) went on paid annual or sick leave until the time they actually missed work and their pay stopped. In fact, the data showed that the median elapsed time from the date the injury occurred or the disease was recognized as job-related to the beginning date of the compensation period was 98 days for traumatic injuries and 243 days for occupational disease claims.

Mr. Chairman, this concludes my prepared statement. I will be pleased to answer any questions you or other Members of the Subcommittee may have.

Contacts and Acknowledgments

For further information regarding this testimony, please contact Bernard Ungar, Director, or Sherrill Johnson, Assistant Director, Physical Infrastructure Issues, at (202) 512-4232 and (214) 777-5699, respectively. In addition to those named above, Michael Rives, Frederick Lyles, Melvin Horne, John Vocino, Scott Zuchorsky, Maria Edelstein, Lisa Wright-Solomon, Brandon Haller, Jerome Sandau, Jill Sayre, Sidney Schwartz, and Donna Leiss made key contributions to this statement.

Page 12 GAO-02-729T

Appendix I: Sample Plan

The population from which we selected our sample reflects Postal Service employees who, as of June 30, 2001, submitted claims for compensation for lost wages or schedule awards (Form CA-7) for injuries that occurred, or were recognized as job-related, during the 12-month period beginning July 1, 1997. In order to report results for traumatic injury and occupational disease claims, and to report results on claims of both types whether compensation was paid or not, we stratified our population into the following four strata on the basis of information from the sample frame:

- 1. The employee filed a "Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation (Form CA-1) and received payment for compensation of lost wages or a schedule award.
- 2. The employee filed a "Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation (Form CA-1) and did not receive payment for compensation of lost wages or a schedule award.
- 3. The employee filed a "Notice of Occupational Disease and Claim for Compensation (Form CA-2), and received payment for compensation.
- 4. The employee filed a "Notice of Occupational Disease and Claim for Compensation (Form CA-2), and did not receive payment for compensation.

The size of the population in each of these four strata was 3,872; 1,232; 2967; and 873, respectively. The number of usable sample cases obtained from each of the four strata was 198, 106, 143, and 96, respectively. We initially selected somewhat higher numbers of sample cases. If we were not able to obtain the file for a particular sample case, we substituted cases from the additional randomly sampled cases.

We followed a probability procedure to obtain the 483 usable claim files in total from the four strata. Of the 543 claims files, 483 were usable (173, 97, 127, and 86 in each strata, respectively. The 95 percent confidence interval for proportion estimates of the total population was no greater than plus or minus 5 percentage points. The 95 percent confidence interval for proportion estimates applied to individual strata was no greater than plus or minus 10 percentage points. Confidence levels for other types of estimates, such as averages, medians, and totals, depended on the variability of the sample values. We used SAS and SUDAAN software to make population projections.

(543019) Page 13 GAO-02-729T