

# Requesting OWCP health benefit refunds



**Kevin  
Card**

**W**hen an injured letter carrier is on wage-loss compensation, the Office of Workers' Compensation Programs (OWCP) assumes responsibility for deducting premiums for health benefits and FEGLI group life insurance from each payment. For the first year of compensable disability of a Postal Service employee, OWCP deducts health benefit premiums at the postal rate.

However, at the end of one year, OWCP automatically begins deducting health benefit premiums at the federal rate, which is normally higher than the postal rate. This results in overpayments to the Postal Service by injured postal employees. When that happens, the Postal Service is required to refund the difference to the employee on a quarterly basis.

To be eligible for the refund, employees must meet the following criteria:

- Employees must be in an LWOP/injured-on-duty status. (Employees who are separated from the Postal Service are not eligible.)
- Employees must be in receipt of OWCP compensation payments with health benefit premiums deducted at the OPM rate.
- A period of a least one year must have elapsed since the employee was initially placed on OWCP compensation.

Postal Service regulations regarding the health benefit refund are found in the *Employee and Labor Relations Manual (ELM)* 525.132 and *USPS Handbook EL* 505 Sections 4.24, 4.25 and 13.20. Those regulations establish that the Postal Service is obligated to make the quarterly reimbursements. It is not discretionary.

The regulations require the Postal Service, on a quarterly basis, to calculate the amount of the refund to be paid, complete PS Form 202, verify eligibility and calculations using the Injury Compensation Performance Analysis System (ICPAS), submit the PS Form 202 along with PS Form 2551 for payment, and send a copy of the PS Form 202 to the employee.

From July 1, 2013, through Oct. 20, 2014, Postal Service access to individual claim files was restricted. The Postal Service used this information restriction to deny the quarterly health benefits refunds, claiming the restricted access prevented them from properly calculating the refund amount.

On Oct. 20, 2014, OWCP reached an agreement to allow the Postal Service to access OWCP claim files. With that agreement, the Postal Service now has access to the infor-

mation needed to process health benefit refunds. Injured letter carriers entitled to health benefit refunds should make a written request for the health benefit refunds immediately.

**While OWCP decisions are not grievable, Postal Service** violations of its own handbooks and manuals are. To grieve the Postal Service's failure to provide health benefit refunds, shop stewards and injured workers should assemble the data needed to calculate the refund amount.

OWCP sends compensably injured workers an Explanation of Benefits (EOB) for wage-loss compensation payments. These EOBs list gross deductions that contain both HBI premiums and FEGLI life insurance premiums. The EOBs by themselves are not enough to calculate the HBI refund.

To calculate the correct amount of the health benefit refund, injured workers should first request a detailed report from OWCP of individual deductions for each compensation payment corresponding to the quarter(s) they are grieving.

All requests should be made in writing. When writing OWCP, always write the OWCP file number at the top of every page, and be sure to sign and date the request. Claimants can either mail the request to their claims examiner at the London, KY, address or upload it to ECOMP, OWCP's web portal.

ECOMP is by far the easiest and fastest way to submit the request to OWCP. For more information on how to use ECOMP, see the "Tools for Managing your OWCP Claim" section on the [nalc.org](http://nalc.org) web page "Injured on the Job."

If the Postal Service has not refunded health benefit overpayments for an individual claimant for July 1, 2013, through Oct. 20, 2014, claimants will need to request the data for that period. For injured workers who meet the qualifications for an HBI refund and have never received one, the time period could be longer.

Once the claimant has received the detailed HBI deduction data, they will need to calculate the difference between the non-postal premiums deducted by OWCP from the postal premiums they should have been paying. As each plan in the Federal Employees Health Benefit (FEHB) system has different premiums, claimants and their representatives need to find the right rate information before calculating the refund. FEHB rate information can be accessed on the OPM website at [opm.gov/healthcare-insurance/healthcare/plan-information/premiums](http://opm.gov/healthcare-insurance/healthcare/plan-information/premiums).

Note: In 2014, postal employees had differing rates, depending upon the date they were hired. The chart indicating those rates can be found at: [opm.gov/healthcare-insurance/healthcare/plan-information/guide/2014-guides/70-2a.pdf](http://opm.gov/healthcare-insurance/healthcare/plan-information/guide/2014-guides/70-2a.pdf)

**If the Postal Service fails to refund health benefits on** request, injured workers should contact their shop steward, branch OWCP specialists or national business agent's office for assistance.