Justification

No material/Non-substantive Change Request

*“Authorization request form and Certification/Letter of Medical Necessity for Compounded Drugs”*

(CA-26)

The Office of Workers’ Compensation Programs (OWCP) is the primary agency responsible for the administration of the Federal Employees’ Compensation Act (FECA) and the Energy Employees Occupational Illness Compensation Program Act of 2000, as amended (EEOICPA). Both the FECA and EEOICPA statutes mandate OWCP provide medically necessary supplies and services to treat work related injuries and give OWCP broad discretionary authority to determine the medical necessity of supplies and services used to treat work related injuries or illnesses. 5 U.S.C. § 8145; 42 U.S.C. § 7384t.

In recent years, the FECA program has seen a dramatic reduction in the number of compounded drug prescriptions being submitted for payment in workers’ compensation claims since the initiation of the CA-26 form, whereas the EEOICPA program has seen a steady increase without the ability to utilize the CA-26 form. A greater number of EEOCIPA claimants are receiving these medications and are receiving them more frequently, increasing concern about the efficacy and safety of these prescriptions. These major health care issues have encroached upon the OWCP with escalation in program costs and with the use of compounded medications. The Department of Labor thus deems it necessary to more closely review the medical necessity of these medications in EEOICPA claims.

OWCP’s request is to allow physicians prescribing compounded drugs for claimants covered under the EEOICPA the opportunity to request prior authorization. Specifically, OWCP asks to expand application of the FECA program’s CA-26 form to the EEOICPA program.[[1]](#footnote-2) This request does not increase the prior burden assessment previously submitted for the CA-26 form. [[2]](#footnote-3)

OWCP also requests the following changes to the CA-26 form which do not affect respondent time burden:

Page 1: “Division of Federal Employees’ Compensation” to be deleted.

* This change would indicate that the form is not exclusively for the FECA program.

Page 3: Under number 2: “9-digit number” to be deleted.

* This change in the instructions would reduce confusion as the EEOICPA program does not have a 9-digit case number.

Page 3: Under number 20: “14,400” to be changed to “68,000”.

* This change in the instructions updates the number of International Statistical Classification of Diseases and Related Health Problems 10th Revision (ICD-10) codes currently in use in the medical field today.

Page 4: Room “S3524” to be changed to “S3229”.

* This change in the instructions updates the room number location under the public burden statement.

Page 4: The privacy act statement to be updated to include the EEOICPA program.

* This change in the instructions would indicate that the form is not exclusively for the FECA program.

Page 5: “DFEC” to be deleted in three areas under the notice statement.

* This change in the instructions would indicate that the form is not exclusively for the FECA program.
1. We note the information collected by the CA-26 in the EEOICPA program will be maintained in the program claim files, which are fully protected under the Privacy Act, and the form contains a Privacy Act statement detailing the uses of the information a responded provides when information might be disclosed to others. The applicable Privacy Act system of records is: <https://www.dol.gov/agencies/sol/privacy/owcp-11> [↑](#footnote-ref-2)
2. Although we seek to implement the CA-26 form within the EEOICPA program (while maintaining its use in the FECA program), we previously estimated there would be 500 CA-26 responses annually within FECA. However, in FY-2023, the FECA program received only 7 CA-26 forms. Further, we anticipate receiving only 476 CA-26 forms in our EEOICPA program given the prescription data from calendar year 2023. Thus, we anticipate 483 responses total between both programs (7 + 476 = 483). [↑](#footnote-ref-3)