

payments (see [512.923](#)). The control office is responsible for informing employee, in writing, that:

- a. The buy-back must be initiated within 1 year of the return to duty, or within 1 year of the date OWCP approved the claim, whichever is later.
- b. Employees who are being separated because of disability or other reasons cannot buy back leave after they are off the rolls of the Postal Service.

545.9 **Managing Extended Leave Cases**

545.91 **General**

An employee who suffers job-related injury or illness for which OWCP compensation is being received should be granted leave without pay because of injury on duty (LWOP/IOD) for an initial period of up to 1 year from the date OWCP compensation begins.

545.92 **Deciding Appropriate Action**

In considering the action to take in matters involving extended leave, the control office or control point evaluates the information contained in the employee's injury compensation file and does one of the following:

- a. Authorizes a fitness-for-duty examination as provided in [545.6](#).
- b. Extends LWOP/IOD for an additional period, at the end of which an additional determination must be made. If the employee is unable to return to work at the end of the 1-year period on LWOP/IOD, the LWOP/IOD may be extended for successive additional periods of up to 6 months. Extensions are granted only if it appears that the employee is likely to return to work within the period of the extension.
- c. If it is not likely that the employee will be able to return to work at the end of 1 year of LWOP/IOD or during the authorized extended period, the employee may be separated. Before any employee who is on the rolls of OWCP can be separated, the requesting official must submit a comprehensive report to the manager of Health and Resource Management at Headquarters through the area human resources analyst for injury compensation with appropriate recommendations and documentation. The employee must be retained on the rolls of the Postal Service pending approval from Headquarters.

545.93 **Separation – Disability**

After receiving permission from the Health and Resource Management manager at Headquarters, the requesting official initiates the separation action in accordance with [365](#).

546 **Reassignment or Reemployment of Employees Injured on Duty**

546.1 **Law**

546.11 **General**

The Postal Service has legal responsibilities to employees with job-related disabilities under 5 U.S.C. 8151 and the OPM regulations as outlined below.

546.12 Disability Fully Overcome Within One Year**546.121 Obligation**

A current or former career employee who fully recovers from an injury or disability within 1 year of initial or recurrent compensation must be given the right to resume employment in the former or equivalent position.

546.122 Rights and Benefits

Upon reemployment, all rights and benefits that would have been acquired in the former position must be restored.

546.13 Disability Fully Overcome After More Than One Year**546.131 Obligation**

When a current or former employee fully overcomes the injury or disability more than 1 year after compensation begins, the Postal Service must give the current or former employee priority consideration for reassignment or reemployment into the former position or an equivalent one. The names of all former employees who fully recover from their compensable disabilities more than 1 year after compensation begins must be entered on a reemployment list in two groups:

- a. Group one includes all those former employees who are entitled to 10-point veteran preference. They must be considered for employment before persons in group two.
- b. Group two includes all other former employees who fully recover from their compensable disabilities in more than 1 year. They must be considered before other sources of recruitment, such as transfers from other agencies, reinstatements, or appointments from hiring registers.

546.132 Rights and Benefits

Rights and benefits are the same as those outlined in [546.122](#).

546.14 Disability Partially Overcome**546.141 General**

The procedures for current employees cover both limited duty and rehabilitation assignments. Limited duty assignments are provided to employees during the recovery process when the effects of the injury are considered temporary. A rehabilitation assignment is provided when the effects of the injury are considered permanent and/or the employee has reached maximum medical improvement. Persons in permanent rehabilitation positions have the same rights to pursue promotional and advancement opportunities as other employees.

546.142 Obligation

When an employee has partially overcome the injury or disability, the Postal Service has the following obligation:

- a. *Current Employees.* When an employee has partially overcome a compensable disability, the Postal Service must make every effort toward assigning the employee to limited duty consistent with the employee's medically defined work limitation tolerance (see [546.611](#)). In assigning such limited duty, the Postal Service should minimize any adverse or disruptive impact on the employee. The following

considerations must be made in effecting such limited duty assignments:

- (1) To the extent that there is adequate work available within the employee's work limitation tolerances, within the employee's craft, in the work facility to which the employee is regularly assigned, and during the hours when the employee regularly works, that work constitutes the limited duty to which the employee is assigned.
 - (2) If adequate duties are not available within the employee's work limitation tolerances in the craft and work facility to which the employee is regularly assigned within the employee's regular hours of duty, other work may be assigned within that facility.
 - (3) If adequate work is not available at the facility within the employee's regular hours of duty, work outside the employee's regular schedule may be assigned as limited duty. However, all reasonable efforts must be made to assign the employee to limited duty within the employee's craft and to keep the hours of limited duty as close as possible to the employee's regular schedule.
 - (4) An employee may be assigned limited duty outside of the work facility to which the employee is normally assigned only if there is not adequate work available within the employee's work limitation tolerances at the employee's facility. In such instances, every effort must be made to assign the employee to work within the employee's craft within the employee's regular schedule and as near as possible to the regular work facility to which the employee is normally assigned.
- b. *Former Employees.* When a former employee has partially recovered from a compensable injury or disability, the Postal Service must make every effort toward reemployment consistent with medically defined work limitation tolerances. Such an employee may be returned to any position for which he or she is qualified, including a lower grade position than that which the employee held when compensation began.

Note: Placement priority for rehabilitation assignment is the same as for limited duty.

546.143 **Rights and Benefits Upon Partial Recovery**

When a current or former employee has partially overcome the injury or disability, he or she has the following rights and benefits upon reassignment or reemployment:

- a. *Seniority.* Former employees who are reemployed into bargaining unit positions or current career employees who are reassigned into such positions are credited with seniority in accordance with the collective bargaining agreements covering the position to which they are assigned.
- b. *Probationary Period.* Reemployed individuals who have completed their probationary periods, or would have completed their probationary periods but for their compensable injuries, are not required to serve a new probationary period.

- c. *Leave Credit.* For purposes of computing leave rate accrual, former employees who were eligible to accrue leave under [510](#) are credited upon reemployment with the total time compensation was received from OWCP.
- d. *Retirement.* Former employees (not reemployed annuitants) who were covered by the Civil Service Retirement Act (see [560](#)) or Federal Employees Retirement System (see [580](#)) are credited with the time spent on OWCP compensation in computing retirement credit. Annuitants who are reemployed after a period of separation during which they received OWCP benefits in lieu of an annuity receive credit for the separation only after they have qualified for a redetermination of the annuity. (For additional information on retirement considerations see the federal *CSRS/FERS Handbook*, Chapter 102.
- e. *Salary Determination.* The following salary restoration criteria must be met for both reemployment and reassignment actions:
 - (1) *Reassignment or Reemployment to the Former Grade or Step in the Same Salary Schedule.* Those individuals who are reemployed into a position with the same grade or step as held at the time of injury or disability receive the current salary for that grade and the step that they would have acquired if there had been no injury or disability.
 - (2) *Reassignment or Reemployment to a Higher Grade Step in the Same Salary Schedule.* Those individuals who are reemployed to a position with a grade higher than that of the position held at the time of injury or disability are placed in the higher grade at the current salary for the grade or step that they would have acquired if there had been no injury or disability. If that salary is between steps in the higher grade, their salary is increased to the next higher step.
 - (3) *Reassignment or Reemployment to a Lower Grade or Step in the Same Salary Schedule:*
 - (a) *Salary Below Maximum of Lower Grade.* The individual is placed in any higher step in the lower grade that is less than one full step above the current salary for the grade or step that he or she would have acquired if there had been no injury or disability.
 - (b) *Salary Above Maximum of Lower Grade.* In those cases where the current salary for the grade that the individual would have acquired if there had been no injury or disability exceeds the maximum salary of the lower grade position, he or she is afforded a saved rate at the higher grade or step salary. These saved-rate provisions apply for an indefinite period and are subject to the rules of the salary schedule to which assigned for the following employees:
 - (i) Current career employees who have accepted a permanent rehabilitation job offer and are reassigned to a lower grade due to a job-related injury.

- (ii) Former career employees who are being reemployed under [546.142b](#).
 - (iii) Limited duty career employees.
- (4) *Reassignment or Reemployment to a Position in a Different Salary Schedule.* When an individual is reemployed or reassigned to a position in a salary schedule that is different from the schedule under which he or she was paid at the time of injury or disability, he or she is treated under the rules applicable to the salary schedule to which reemployed or reassigned:
 - (a) The individual is reemployed or reassigned at the grade appropriate for the position to which reemployed or reassigned.
 - (b) The individual is placed in any higher step in the new grade that is less than one full step above the current salary for the grade or step that he or she would have acquired if there had been no injury or disability.
 - (c) If reemployment or reassignment is in a nonstep schedule, the individual is placed at a salary plus any salary increases the he or she would have acquired if there had been no injury or disability. Bargaining unit merit salary increases are based on the most recent performance rating prior to the injury or disability.
 - (d) If the current salary for the grade that the individual would have acquired if there had been no injury or disability exceeds the maximum salary of the new grade, he or she is given a saved rate. These saved-rate provisions apply for an indefinite period and are subject to the rules of the salary schedule to which assigned.
- (5) *Reassignment or Reemployment to a Former Position Under Different Salary Schedule.* If the position held at the time of injury or disability is no longer under the same salary schedule, the current salary for the former grade or step is determined by:
 - (a) The manager of Corporate Personnel Management for Headquarters and Headquarters field unit positions.
 - (b) The area Human Resources manager for area positions.
 - (c) The district Human Resources manager for other field positions.
- (6) *Step Increases.* Upon reemployment or reassignment, the partially recovered and permanently partially disabled individuals are assigned a new waiting period for step or merit increases. The date assigned is based on the effective date for the most recent step, merit, or equivalent increase the individual would have acquired if there had been no injury or disability.

546.144 **Relocation Consideration**

Factors considered when relocation of a former employee is proposed include the following:

- a. *Scope.* Every effort must be made to reemploy the individual at a postal facility within the area of his or her present place of residence. Any offer to reemploy in a different location can be considered only after all reasonable attempts have been made to rehire within the area of the employee's present place of residence.
- b. *Expenses.* If an individual accepts a reemployment offer but will incur relocation expenses as a result of this acceptance, any expenses that OWCP determines reasonable and necessary may be paid by OWCP from the Employees' Compensation Fund.

546.2 **Collective Bargaining Agreements**546.21 **Compliance**

Reassignment or reemployment under this section must be in compliance with applicable collective bargaining agreements. Individuals so reassigned or reemployed must receive all appropriate rights and protection under the newly applicable collective bargaining agreement.

546.22 **Contractual Considerations**546.221 **Scope**

Collective bargaining agreement provisions for filling job vacancies and giving promotions and provisions relating to retreat rights due to reassignment must be complied with before an offer of reassignment or reemployment is made to a current or former postal employee on OWCP rolls for more than 1 year.

546.222 **Reassignment or Reemployment**

A partially recovered current or former employee reassigned or reemployed to a different craft to provide appropriate work must be assigned to accommodate the employee's job-related medical restrictions. Such assignment may be to a residual vacancy or to a position uniquely created to fit those restrictions; however, such assignment must not impair seniority rights of PTF employees. Minimum qualification requirements, including written examinations, may be waived in individual cases for former or current employees injured on duty and being considered for reemployment or reassignment. When there is evidence (including that submitted by the postal physician or occupational health nurse administrator) that the employee can be expected to perform satisfactorily in the position within 90 days after assignment, a waiver may be granted by one of the following:

- a. The vice president of Employee Resource Management for Headquarters and Headquarters field unit positions.
- b. An area Human Resources manager for area positions.
- c. A district Human Resources manager for other field positions.

546.23 Types of Appointments

Types of appointments available include the following:

- a. A current full-time career employee may be reassigned to a full-time career position if his or her job-related medical condition permits.
- b. A current or former part-time flexible career employee may be reassigned or reemployed to a part-time flexible career position.
- c. A current or former noncareer employee may be reassigned or reemployed to the position held previously or, upon satisfactory demonstration of the ability to meet the job requirements and in accordance with the appropriate collective bargaining agreement, may be reassigned or reemployed to another noncareer position or noncompetitively converted to a career position (NOA 501). Approval for conversion actions from noncareer to career must be approved by the manager of Health and Resource Management at Headquarters prior to any PS Form 50 action.

546.3 Restoration Rights

OPM is responsible for implementing the regulations contained in 5 U.S.C. 8151. These regulations are codified in 5 CFR 353. In accordance with 5 U.S.C. 8151(a), an individual injured or disabled on duty who resumes employment with the Postal Service is to be credited with the time during which compensation was received for purposes of certain rights and benefits based upon length of service.

546.4 Employee Appeal Rights

Current or former employees who believe they did not receive the proper consideration for restoration, or were improperly restored, may appeal to the Merit Systems Protection Board under the entitlements set forth in 5 CFR 353.

546.5 Retirement Considerations

Reemployment of retired annuitants requires special retirement considerations that must be addressed. Injury Compensation control office personnel should coordinate the reemployment of annuitants with the appropriate appointing official.

546.6 Reassignment and Reemployment Procedures**546.61 OWCP Referrals**

OWCP makes referrals of current and former postal employees to the Postal Service for reassignment or reemployment consideration.

546.611 Work Limitation Tolerances

The work limitations are established by the employee's treating physician or a physician selected by OWCP and afforded weight of medical evidence.

546.612 OWCP Vocational Rehabilitation Services

OWCP may provide vocational rehabilitation services that include assistance from registered nurses. The nurses may visit the worksite to ensure that the duties of an offered position do not exceed the medical limitations as represented by the weight of medical evidence established by OWCP and

address any problems the employee may have in adjusting to the work setting. Other vocational rehabilitation services include evaluation, testing, training, and placement services with either the Postal Service or a new employer. These services may include functional capacity evaluations, which help to tailor individual rehabilitation programs to employee's physical reconditioning and behavioral modification needs and to help employees to meet the demands of current or potential jobs.

546.62 **Postal Service Medical Review**

546.621 **Physical Examination**

Provisions applicable to physical examinations are as follows:

- a. The postal physician or occupational health nurse administrator evaluates fully all medical records referred to the Postal Service from OWCP district offices.
- b. A complete physical examination paid for by the Postal Service is required for former employees. A physical examination for current employees is not mandatory. The result of the physical examination is documented on PS Form 2485, *Medical Examination and Assessment*, and on PS Form 2489, *Identification of Physical/Mental Disability*.
- c. The postal physician or occupational health nurse administrator makes a statement of concurrence with OWCP-documented medical limitations or further restricts the current or former employee's work limitation tolerances. The postal physician or occupational health nurse administrator can in no way liberalize the medical limitations tendered by OWCP district offices.

546.622 **Special Considerations**

Special considerations are as follows:

- a. An individual who is referred for reassignment or reemployment consideration by OWCP may have some degree of concurrent disability that is not caused by or related to the original job injury or disability. The postal physician or occupational health nurse administrator should review medical documentation for any concurrent medical condition that might prevent the individual from performing the duties of the position for which the individual is being considered.
- b. The postal physician or occupational health nurse administrator should carefully evaluate all concurrent disabilities and include their potential impact in the recommendation for reassignment or reemployment sent to the appointing official.
- c. Current and former employees now permanently and partially disabled may have some type of residual handicap. The postal physician or occupational health nurse administrator who reviews the physical examination and/or medical documentation is responsible for assigning the correct handicap code as defined in Handbook EL-301, *Guidelines for Processing Personnel Actions*.

546.63 Offer of Appointment**546.631 Evaluation**

Upon receipt and evaluation of OWCP referral containing documented medical limitations and evaluation of the postal physician's or occupational health nurse administrator's recommendations, the appointing official determines if a reassignment or reemployment offer can be made.

546.632 Interview

During the return to work interview, the appointing official must ensure that the individual receives the following information:

- a. In-depth analysis of medical limitations and the individual's responsibility to work within the prescribed work limitation tolerances.
- b. If applicable, the status of injury compensation and disability retirement benefits and future eligibility.
- c. A full explanation of all restoration rights and benefits (see [546.143](#) and [546.3](#)).
- d. Full particulars regarding the position including title, duties, grade, salary, location of work assignment, and all other information required in a return to work interview.
- e. Instructions for completion and submission of any required employment forms.

546.633 Processing Personnel Actions

The appointing official is responsible for processing the reassignment or reemployment action in accordance with Handbook EL-301, *Guidelines for Processing Personnel Actions*.

546.64 Employee's Refusal of Job Offer

When a current or former employee is offered suitable employment or reemployment by the Postal Service (i.e., employment or reemployment that OWCP has deemed suitable), that individual is obligated to return to such employment (see [545.3](#)). However, if the current or former employee refuses an offer of suitable employment or reemployment, the control office or control point must:

- a. Offer the individual an opportunity to sign a declination of employment.
- b. Advise the individual that the effect of such a refusal may result in the termination or reduction of compensation benefits by the Department of Labor.
- c. Notify OWCP district office by telephone, fax or, e-mail of the declination and the reasons given.
- d. Within 2 working days, forward a full written summary of the current or former employee's interview, including the signed declination and medical evaluations or other pertinent information, to OWCP district office. OWCP is responsible for notifying the Office of Personnel Management if the individual's disability retirement status is to be evaluated.

546.65 Management's Refusal to Reemploy

The appointing official may not be able to accommodate the former employee for medical reasons or other considerations. If the former employee will not be reemployed, the appointing officer must:

- a. Notify the district manager or postmaster with written justification stating specific reasons for refusal to reemploy. If the district manager or postmaster agrees with the appointing officer's refusal to reemploy, then he or she must seek final concurrence from the manager of Health and Resource Management at Headquarters through the area human resources analyst for injury compensation.
- b. With the final concurrence, notify the employee in writing of the refusal to employ, including a paragraph informing the individual of the right to appeal to the Merit Systems Protection Board, and send a copy to OWCP.

547 Third Party Liability**547.1 Purpose**

This section instructs control office or control point personnel on how to collect damages from a third party who is responsible for causing an injury to a postal employee who receives benefits under the FECA, 5 U.S.C. 8101-50, as a result of that injury.

547.2 Background**547.21 Requirement to Take Action**

FECA provides that if the injury or death (which is compensable under the Act) is caused by a third party, the claimant can be required to take action against that third party. The Office of the Solicitor of Labor (SOL) is delegated authority to administer the subrogation aspects of certain FECA claims for OWCP. Either OWCP or SOL can require an employee receiving benefits under FECA to do one of the following:

- a. Assign to the United States any right of action he or she may have to force the third party to pay damages or assign any right the employee may have to share in money received in satisfaction of a liability claim.
- b. Prosecute the action in his or her own name.

547.22 Penalty for Refusal

Any employee who refuses to assign right of action to the United States or to prosecute an action in his or her own name when required to do so by the secretary of the Department of Labor (DOL) may be denied compensation by DOL.

547.23 Postal Service Administrative Pursuit

The agreement between the director of OWCP and the Postal Service provides that to more efficiently and effectively accomplish the stated purpose of FECA, OWCP agrees that the Postal Service may administratively pursue collection of damages from the third party who is responsible for the injury sustained by a Postal Service employee in all cases of traumatic injury except in any of the following cases:

- a. When the injury results in the death of the employee.
- b. When the injury occurs outside of the United States or Canada.