



Memorandum from the Office of the Inspector General

September 24, 2018

William G. Cronin, BR 4D-C
Christopher L. Hinton, WT 8D-K

REQUEST FOR FINAL ACTION – EVALUATION 2017-15512 – HEARING LOSS CLAIMS

Attached is the subject final report for your review and final action. Your written comments, which addressed your management decision and actions planned or taken, have been included in the report. Please notify us when final action is complete. In accordance with the Inspector General Act of 1978, as amended, the Office of the Inspector General is required to report to Congress semiannually regarding evaluations that remain unresolved after 6 months from the date of report issuance.

If you have any questions or wish to discuss our findings, please contact Kristin S. Leach, Senior Auditor, at (423) 785-4818 or E. David Willis, Director, Evaluation, at (865) 633-7376. We appreciate the courtesy and cooperation received from your staff during the evaluation.

David P. Wheeler
Assistant Inspector General
(Audits and Evaluations)
WT 2C-K

KSL:FAJ
Attachment
cc (Attachment):

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OIG File No. 2017-15512



Office of the Inspector General

Evaluation Report

To the Director, Safety and
Aviation Services and
the Vice President,
Compensation and Benefits

HEARING LOSS CLAIMS

Evaluation Team
Kristin S. Leach
J. Lauren Pionke

Evaluation 2017-15512
September 24, 2018

ABBREVIATIONS

DOL	U.S. Department of Labor
FECA	Federal Employee's Compensation Act
HCP	Hearing Conservation Program
HR	Human Resources
IH	Industrial Hygiene
NPG	Nuclear Power Group
OSHA	Occupational Safety and Health Administration
OWCP	Office of Workers' Compensation Programs
STS	Standard Threshold Shifts
TSP	Technical Safety Procedure
TVA	Tennessee Valley Authority

TABLE OF CONTENTS

EXECUTIVE SUMMARY i

BACKGROUND..... 1

OBJECTIVE, SCOPE, AND METHODOLOGY 2

FINDINGS 3

 SOME HCP REQUIREMENTS WERE NOT MET 4

 OPPORTUNITIES FOR IMPROVEMENT RELATED TO THE
 HEARING LOSS CLAIMS PROCESS..... 6

 TVA DOES NOT VERIFY THE ACCURACY OF AMOUNTS
 BILLED BY DOL..... 8

RECOMMENDATIONS 8

APPENDIX

MEMORANDUM DATED SEPTEMBER 13, 2018, FROM CHRISTOPHER L.
HINTON AND WILLIAM G. CRONIN TO DAVID P. WHEELER



Evaluation 2017-15512 – Hearing Loss Claims

EXECUTIVE SUMMARY

Why the OIG Did This Evaluation

In 1983, the Tennessee Valley Authority (TVA) established a Hearing Conservation Program (HCP) based on Occupational Safety and Health Administration Standard 1910.95, *Occupational Noise Exposure*, which included noise monitoring, audiometric testing,ⁱ and training for employees with workplace noise exposures. The HCP is an Occupational Safety and Health Administration mandated medical surveillance program for employees who work in noise levels at or above 85 decibelsⁱⁱ averaged over a workday. According to TVA's Technical Safety Procedure 18.908, *Hearing Conservation*, the HCP was established to "prevent employee hearing loss from occupational exposure." Furthermore, TVA employees injured in work-related incidents, including hearing loss, can file claims through the U.S. Department of Labor's (DOL) Office of Workers' Compensation Programs. Due to concerns with the number of hearing loss claims filed by TVA employees, we scheduled an evaluation of actions taken to minimize TVA's financial exposure for hearing loss claims.

What the OIG Found

We determined some HCP requirements were not met, including: (1) personal noise monitoring and noise surveys in nuclear and (2) annual audiograms and training. Additionally, our review of documentation associated with a sample of 29 approved/awarded hearing loss claims filed during chargeback yearsⁱⁱⁱ 2015 and 2016 found TVA could have provided better documentation to DOL in 18 of the claims. Specifically, we identified opportunities for improvement related to (1) hearing loss claims documentation provided to DOL, (2) management statements provided to DOL, and (3) documentation of disciplinary actions for hearing protection violations. In addition, we determined that TVA did not verify the accuracy of the amounts billed by DOL.

ⁱ Audiometric testing monitors an employee's hearing over time.

ⁱⁱ Sound pressure is measured in decibels. With extended exposure, noises that reach a decibel level of 85 can cause permanent hearing loss.

ⁱⁱⁱ On an annual basis, DOL sends an invoice to TVA for the direct dollar costs of compensation and medical benefits claims paid throughout the July 1–June 30 chargeback period.



Evaluation 2017-15512 – Hearing Loss Claims

EXECUTIVE SUMMARY

What the OIG Recommends

We recommend the Director, Safety and Aviation Services, reinforce requirements of the HCP and define appropriate intervals related to conducting personal noise monitoring and noise surveys.

We recommend the Vice President, Compensation and Benefits, address opportunities for improvement related to the hearing loss claims process.

Our detailed recommendations are listed in the body of this report.

TVA Management's Comments

In response to our draft report, TVA management agreed with and provided planned actions for our recommendations except for one regarding the effectiveness of TVA's disciplinary process around hearing protection. See the Appendix for TVA's complete response.

Auditor's Response

We generally concurred with management's planned actions for the detailed recommendations included with this report. However, with regard to management's comments about TVA's disciplinary process around hearing protection, TVA's current process does not appear to be effective given the high number of at-risk behaviors related to hearing loss identified during our audit period.

BACKGROUND

In 1983, the Tennessee Valley Authority (TVA) established a Hearing Conservation Program (HCP) based on Occupational Safety and Health Administration (OSHA) Standard 1910.95, *Occupational Noise Exposure*, which included noise monitoring, audiometric testing,¹ and training for employees with workplace noise exposures. The HCP is an OSHA mandated medical surveillance program for employees who work in noise levels at or above 85 decibels² averaged over a workday. According to TVA's Technical Safety Procedure (TSP) 18.908, *Hearing Conservation*, the HCP was established to "prevent employee hearing loss from occupational exposure." The HCP consists of five major components: (1) noise monitoring and identification of employees who should be included in the program, (2) baseline and annual hearing testing for employees in the HCP, (3) audiologist's³ review of hearing test results with recommendations for follow-up when indicated, (4) providing hearing protection devices (earplugs or earmuffs), and (5) employee education.

TVA employees injured in work-related incidents, including hearing loss, are covered by the workers' compensation program for federal employees administered through the U.S. Department of Labor's (DOL) Office of Workers' Compensation Programs (OWCP) in accordance with the provisions of the Federal Employee's Compensation Act (FECA).⁴ TVA's Workers' Compensation program is designed to assist employees with claim-filing processes, prevent unnecessary time away from work, and meet requirements of applicable federal laws and regulations. TVA's Workers' Compensation program acts as a liaison between TVA and DOL, which makes final decisions on claim approvals and/or denials. Federal agencies reimburse the Employee's Compensation Fund⁵ for the amounts paid to its employees in workers' compensation benefits through a "chargeback" method employed by OWCP.⁶

When an employee requests to file a hearing loss claim, they are provided OWCP forms to complete. TVA's management official in charge completes the supervisor's portion of the employee's claim form. In addition, management must review the information and include comments on the following: (1) a description of all work-related exposures to hazardous noise; (2) hazardous noise locations of job site(s); (3) nature of exposure, hours per day, days per week; (4) site training provided; (5) annual training provided; (6) personal protective equipment provided and/or worn; and (7) personal knowledge of the employee's hobbies that may have impacted their hearing. If management is aware the employee

¹ Audiometric testing monitors an employee's hearing over time.

² Sound pressure is measured in decibels. With extended exposure, noises that reach a decibel level of 85 can cause permanent hearing loss.

³ An audiologist is a health care professional who is trained to evaluate hearing loss and related disorders.

⁴ FECA provides compensation and medical benefits to federal employees for permanent or temporary disabilities due to employment-related injuries or diseases.

⁵ FECA is financed by the Employees' Compensation Fund that consists of monies appropriated by Congress or contributed by certain agencies from operating revenues.

⁶ On an annual basis, DOL sends an invoice to TVA for the direct dollar costs of compensation and medical benefits claims paid throughout the July 1–June 30 chargeback period.

has not been exposed to any hazardous noise, this information should be included as well.

In addition, TVA has a contract audiologist that reviews hearing loss claims at the request of Workers' Compensation or as time permits. Documentation for audiologist review may include: prior hearing loss claim history, copy of a doctor's second opinion, the OWCP notice of decision, employee's medical chart, medical case manager's review, noise data, employment history, job description, and physical capabilities. If an audiologist review is conducted, a statement is provided to DOL that encompasses TVA's challenge of the hearing loss claim, report of exposure, and summary of the audiologist's medical opinion on whether or not the employee's claim for work-related hearing loss meets federal requirements.

During DOL chargeback years 2013–2017, TVA paid approximately \$15.35 million in total compensation for hearing loss claims. There were 420 new hearing loss claims filed within those years.

Due to concerns with the number of hearing loss claims filed by TVA employees, we initiated an evaluation of actions taken to minimize TVA's financial exposure for hearing loss claims.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of our evaluation was to determine if TVA is taking actions to minimize TVA's financial exposure for hearing loss claims. The scope of our evaluation included 142 hearing loss claims filed in DOL chargeback years 2015 and 2016. The 142 claims included 66 that were subsequently approved for about \$1.9 million,⁷ 75 that were denied, and 1 that had not been adjudicated at the time of our evaluation.

To achieve our objective, we:

- Reviewed TVA-TSP-18.908, *Hearing Conservation*, to gain an understanding of the program.
- Reviewed federal OSHA Standard 1910.95 to verify all requirements were included in TVA-TSP-18.908.
- Reviewed documentation related to hearing loss claims and interviewed personnel from Human Resources (HR), Safety and Aviation Services, and TVA Nuclear Safety to gain an understanding of the HCP and hearing loss claims process, including the roles of the employee, TVA's Workers' Compensation department, and the management official in charge.⁸

⁷ This amount does not include any medical costs (e.g., exams, surgeries, hearing aids) associated with these claims. In addition, the \$1.9 million is an estimate because TVA was not able to provide compensation documentation for one of the claim files.

⁸ Each site is assigned a management official in charge to review claims data.

- Interviewed plant manager(s), safety consultant(s), and nurse practitioner(s) at three judgmentally selected sites to determine if the HCP program is being consistently implemented across the sites in accordance with TVA-TSP-18.908 and to gain an understanding of the sites' hearing loss claim process.⁹ We selected Paradise Fossil Plant because it had the highest number of hearing loss claims¹⁰ and Bull Run Fossil Plant because it had the lowest number of hearing loss claims filed at TVA fossil plants during the chargeback period 2015–2016. We selected Sequoyah Nuclear Plant because it had the highest number of hearing loss claims filed at TVA's nuclear plants during the chargeback period 2015–2016.
- Statistically selected 29 of 66 claims filed during DOL chargeback years 2015–2016 that were subsequently approved. We selected the claims using rate of occurrence sampling with a 90-percent confidence level to determine (1) completeness of the claim files in accordance with the hearing loss claims process and (2) compliance with selected requirements of TVA-TSP-18.908 for employees in the HCP during the testing period of 2014 to 2016.¹¹ Selected requirements tested were annual audiograms,¹² annual training, and standard threshold shifts (STS)¹³ recorded on the OSHA Log 300.¹⁴ Since this was a statistical sample, the results of the 29 sampled claims can be projected to the population of 66.

This evaluation was performed in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

FINDINGS

We determined some HCP requirements were not met, including: (1) personal noise monitoring and noise surveys in nuclear and (2) annual audiograms and training. Additionally, our review of documentation associated with a sample of 29 approved/awarded hearing loss claims filed during chargeback years 2015 and 2016 found TVA could have provided better documentation to DOL in 18 of the claims. Specifically, we identified opportunities for improvement related to (1) hearing loss claims documentation provided to DOL, (2) management statements provided to DOL, and (3) documentation of disciplinary actions for

⁹ We focused on fossil and nuclear since the majority of the hearing loss claims were filed by employees within those organizations.

¹⁰ We excluded Widows Creek Fossil Plant due to plant closure.

¹¹ Since chargeback year 2015 included a portion of 2014, we reviewed a 3-year period.

¹² There are two types of audiograms required as part of audiometric testing: baseline and annual. An annual audiogram is a test to identify deterioration in an employee's hearing.

¹³ An STS is an average shift in either ear of 10 decibels or more at 2,000, 3,000, and 4,000 hertz. Hertz is a measure of frequency. People with normal hearing can typically hear from about 50 hertz to about 20,000 hertz.

¹⁴ OSHA 1970 requires certain employers to prepare and maintain records of work-related injuries and illnesses. The *Log of Work-Related Injuries and Illnesses* (Form 300) is used to classify work-related injuries and illnesses and to note the extent and severity of each case. An employee's hearing test (audiogram) must be recorded if the employee has experienced an STS in hearing in one or both ears.

hearing protection violations. In addition, we determined that TVA did not verify the accuracy of the amounts billed by DOL.

SOME HCP REQUIREMENTS WERE NOT MET

TVA's HCP was established to "prevent employee hearing loss from occupational exposure." As discussed in the background section of this report, the HCP consists of five major components: (1) noise monitoring and identification of employees who should be included in the program, (2) baseline and annual hearing testing for employees in the HCP, (3) audiologist's review of hearing test results with recommendations for follow-up when indicated, (4) providing hearing protection devices, and (5) employee education. Following the requirements of the HCP reduces the risk of employee hearing loss and, as a result, helps TVA control future costs related to hearing loss claims. However, we found TVA was not meeting the HCP requirements for: (1) personal noise monitoring and noise surveys in nuclear and (2) annual audiograms and (3) training.

Nuclear Sites Did Not Complete Personal Noise Monitoring and Noise Surveys as Required

According to TVA-TSP-18.908, *Hearing Conservation*, each plant facility manager shall "establish a HCP at their facility and ensure that the requirements of this procedure are implemented." In addition, the TSP states the role of TVA Safety Professionals/Industrial Hygiene (IH) Professionals is to "ensure noise surveys and noise dosimetry measurements are conducted at appropriate intervals to evaluate noise exposures to all employees who are covered by this procedure." IH personnel defined appropriate intervals as 1 to 2 years for personal noise dosimetry testing and 3 to 5 years for noise surveys. However, TVA's Nuclear Power Group (NPG) did not conduct any personal noise monitoring in several years prior to limited testing in 2017 and not all TVA nuclear sites completed noise surveys within the last 3 to 5 years.

Personal Noise Monitoring – We determined personal noise monitoring had not been conducted at nuclear sites in several years prior to limited testing conducted at Sequoyah, Browns Ferry Nuclear Plant and Watts Bar Nuclear Plant in 2017. According to two plant safety consultants, personal noise monitoring was not conducted because funding had not been provided in the past to execute the annual IH plans that included recommendations for personal noise dosimetry testing. The IH plans indicate plant management is responsible for supporting the execution of the annual IH plans, which would include funding. IH personnel stated annual testing should be conducted at each site until a baseline is obtained for nuclear employees.

In 2017, some limited dosimetry testing was conducted in the diesel generator areas by TVA's Nuclear Industrial Safety organization and results from the study indicated that "personnel associated with routine and non-routine diesel test evolutions will exceed federal regulatory and TVA administrative exposure limits

for noise, without consideration for hearing protection”.¹⁵ This study was sent to all nuclear site plant managers and included recommendations to the fleet “to address TVA Nuclear’s regulatory obligations based on noise monitoring data collected on workers from Sequoyah, Browns Ferry and Watts Bar.” Based on this report, TVA Nuclear commissioned AVEC, Inc.¹⁶ to evaluate the noise profile for a typical TVA Nuclear emergency diesel generator at Sequoyah. The personal noise monitoring data collected by AVEC, Inc. validated noise monitoring results collected by Nuclear Industrial Safety.

As a result of the report, engineering controls were recommended to achieve noise reduction. Also, the report stated a condition report should be prepared by each TVA nuclear plant to address the recommendations. We were informed Browns Ferry and Sequoyah had initiated condition reports based on this report, but completed actions are not known at this time. Watts Bar personnel stated a condition report was not warranted. During this evaluation, we were also informed that Sequoyah developed a Nuclear Pilot Hearing Conservation Program Draft they plan to initiate in the next few months that addresses routine personal noise monitoring.

Noise Surveys – We determined not all TVA nuclear sites completed noise surveys within the last 3 to 5 years as recommended by IH. The last noise survey conducted at Sequoyah was in 2008, Browns Ferry in 2006 (after the Unit 1 restart), and Watts Bar Unit 1 in 2008. There had not been a noise survey at Watts Bar Unit 2 since it began operation in 2016. Some NPG safety personnel stated unless there is an update or change in equipment at a site, a new noise survey is not necessary. Since this evaluation was initiated, Watts Bar contracted and conducted an updated noise survey to include Unit 2.

Not only are periodic noise dosimetry measurements and noise surveys requirements of the HCP, but the data could also be used to identify areas where additional hearing protection and/or administrative and engineering controls are needed to prevent work-related hearing loss.

Employees Did Not Always Complete Annual Audiograms and Training as Required

Two of the five major components of the HCP include the requirement for participants to (1) have an annual audiogram and (2) complete an annual online Hearing Conservation training course. We reviewed 15 claims, which involved employees in the HCP during our testing period of 2014 to 2016,¹⁷ and found these requirements were not always completed.

¹⁵ According to Title 29 of the Code of Federal Regulations 1910.95, when employees are subjected to sound exceeding 90 decibels as an 8-hour time-weighted average feasible administrative or engineering controls shall be utilized.

¹⁶ AVEC, Inc. provides expert technical assistance in the field of analysis and control of noise and vibration of mechanical systems.

¹⁷ Of the 29 statistically selected claims, only 15 employees were in the HCP during the testing period.

Annual Audiograms – Of the 15 claim files, five claimants (approximately 33 percent) were missing one annual audiogram during the 3-year testing period. We found most of the audiograms that were missing were exit audiograms.¹⁸ TVA-TSP-18.908, *Hearing Conservation*, states that each employee included in the HCP receive an audiogram upon termination/retirement. Without these exit audiograms, TVA does not have documentation to show if there was or was not TVA work-related hearing loss for these employees when they left TVA.

Annual Training – Of the 15 claim files, three claimants (20 percent) did not complete annual online training for 1 year during the 3-year testing period. TVA-TSP-18.908 requires each employee included in the HCP to receive Hearing Conservation training annually. The objective of the annual training is to increase the participant’s knowledge of hearing loss, steps TVA takes to prevent hearing loss, and steps individuals can take to protect their hearing.

OPPORTUNITIES FOR IMPROVEMENT RELATED TO THE HEARING LOSS CLAIMS PROCESS

We identified potential opportunities for improvement related to the hearing loss claims process, including: (1) claims documentation provided to DOL, (2) management statements provided to DOL, and (3) documentation of disciplinary actions for hearing protection violations. Addressing these opportunities for improvement would help DOL make better informed decisions which in turn could minimize TVA’s financial exposure.

Hearing Loss Claims Documentation Was Not Consistently Provided to DOL

Based on our review of 29 approved/awarded claims, we determined certain hearing loss claims documentation was not provided to DOL’s OWCP in 18 of the claims. Since DOL makes the final decision on employee claim approvals and/or denials, TVA should supply as much documentation regarding the employee and their noise exposures as possible.

We reviewed the sample of 29 approved/awarded claims files from chargeback years 2015–2016, for completeness in accordance with the hearing loss claims process. Specifically, we looked to determine if hearing loss claims documentation such as management statements, noise monitoring data, and any audiograms was provided to DOL. We found 12 files were missing various documentation. Specifically:

- Five claim files did not include a management statement.
- Ten claim files did not contain noise monitoring data.
- One claim file did not contain any of the claimant’s audiograms.

¹⁸ Annual audiograms during the employees’ last year of employment.

Based on the sample results, we are 90-percent confident the number of claims that were not completed in accordance with the hearing loss claims process is between 19 and 36 of the sampled population of 66.

In addition, while not required, 13 claim files did not contain an audiologist review. TVA's hearing loss claims process states Workers' Compensation determines if a review by the audiologist is needed.

Insufficient Management Statements

HR personnel indicated that more detailed responses from TVA management as part of the management statements in an employee's claim file could help controvert claims. They stated, in some cases, management does not specifically address the claim filed, but just provides general information about the employee's position and noise exposures. In addition, HR personnel referred to past management statements as "boilerplate" or lacking direct responses. HR personnel stated it would be helpful if management reviewed the employee's statement rather than just concurring. Management officials in charge noted there is no formal training for management related to the management statement. In addition, a management official in charge noted it is difficult to answer questions about some employees if they retired a number of years ago since historical data is not always available. We observed during our review of claim files documentation that historical data was not always available and in a few instances management statements were general and did not specifically address the hearing loss claim.

Disciplinary Actions Were Not Documented in Claim Files

During interviews with personnel in HR and Safety and Aviation Services, concerns were expressed about the lack of documented employee discipline for not wearing proper hearing protection. HR employees stated they had not seen documentation in any hearing loss claim file to indicate an employee was coached or disciplinary actions were taken for not wearing hearing protection. We requested from HR a report of disciplinary actions related to hearing for Nuclear, Power Operations, and Transmission for 2014 to 2016 and no results were found. We were informed during interviews with Fossil Power Group and NPG personnel that observations regarding employees not wearing hearing protection are often logged in the TVA's Observation Program.¹⁹ Observation data obtained for fiscal year 2017 showed over 700 at-risk/unacceptable behavior observations related to hearing protection were made; however, observations were not specific (i.e., no names were listed).

¹⁹ TVA's Observation Program is the single point repository for collecting observation data. Observation data is categorized by TVA Observation Standards that include: Industrial Safety, Safety Intervention, Cardinal Five, Focus on Five, and Clearance Audit. The program was rolled out to business units beginning in 2015 and extending into 2016.

TVA DOES NOT VERIFY THE ACCURACY OF AMOUNTS BILLED BY DOL

During our evaluation, we determined that TVA does not have a process in place to verify the amounts billed to TVA for payments to claimants agree with the amounts that were awarded by DOL.²⁰ According to TVA, there is a safeguard in place to ensure hearing loss claims billed by DOL are for cases regarding TVA claimants; however, TVA does not verify the accuracy of the amounts billed by DOL. Without a process in place to verify the accuracy of amounts paid to claimants, TVA's risk of making improper/over payments to claimants is increased.

RECOMMENDATIONS

We recommend the Director, Safety and Aviation Services:

- Reinforce management's role to ensure employees included in the HCP (1) have audiograms annually including exit audiograms at the end of employment and (2) complete annual Hearing Conservation training.

TVA Management's Comments – TVA management agreed and stated they will: (1) discuss with the appropriate executive leaders an action of reinforcing to line management the expectations that the annual audiogram and annual Hearing Conservation training must be completed in a timely fashion and (2) update the TVA Employee Check-Out Sheet (FORM 40157A) and applicable 40157 Instructions.

Auditor's Response – We concur with management's planned actions.

- Define "appropriate intervals" related to conducting noise surveys and noise dosimetry measurements as stated in TVA-TSP-18.908.

TVA Management's Comments – TVA management stated appropriate intervals are based on multiple factors and described the current testing intervals for coal, hydro, and gas. In addition, management proposed annual sampling in Nuclear, but they did not indicate plans to include any of the requirements in TVA-TSP-18.908.

Auditor's Response – We agree that appropriate intervals are based on multiple factors; however, defining the appropriate intervals in the TSP could help ensure organizations perform noise surveys and noise dosimetry measurements as required.

²⁰ We plan to initiate a follow-up evaluation regarding the accuracy of payments made to DOL for all workers' compensation benefits.

- In conjunction with NPG plant management, conduct noise surveys and personal dosimetry testing for the nuclear fleet.

TVA Management's Comments – TVA management agrees and is currently working with the nuclear organization to fund the appropriate testing as defined in Nuclear's Industrial Hygiene plan.

Auditor's Response – While we concur with management's planned actions, if TVA Nuclear does not provide necessary funding, additional options need to be considered to ensure that surveys and testing are completed.

We recommend the Vice President, Compensation and Benefits:

- Implement a process to review files for completeness prior to submission of hearing loss claim files to DOL.

TVA Management's Comments – TVA management agreed and stated that beginning October 1, 2018, the audiologist and/or Workers' Compensation claim representative will review the file for completeness using a reviewer checklist, document reason for lack of supporting information, sign, and maintain as an electronic document.

Auditor's Response – We concur with management's planned actions.

- Require management to provide comments on work-related noise exposures as part of an employee's exit process that could later be used in a management statement.

TVA Management's Comments – TVA management agreed and stated that in collaboration with IH and TVA-contracted audiologist, Employee Health will create a management questionnaire that will be sent to management allowing specific data to be captured about the employee's work environment, equipment and work-related noise exposures.

Auditor's Response – We concur with management's planned actions.

- Consider having an audiologist review completed for all hearing loss claims.

TVA Management's Comments – TVA management stated that since March 2018, a claim representative has collaborated with the audiologist on a weekly basis reviewing all hearing loss claims prior to submitting to the DOL.

Auditor's Response – We concur with management's actions and will verify completion prior to closing the recommendation.

- Work with Vice President, HR, to determine the effectiveness of the disciplinary process around hearing protection and revise the process as needed.

TVA Management's Comments – TVA management stated they have appropriate policies and processes, training programs, behavioral observation programs, and consultants to support an effective hearing conservation program. Additionally, they stated that continued education and workplace discussions acknowledging good and bad behavior will occur in the future.

Auditor's Response – As stated above, we did not identify any disciplinary actions for FYs 2014–2016 that resulted from employees or contractors not wearing hearing protection even though there were over 700 at-risk behaviors related to hearing protection identified. With the number of concerns identified, it seems an evaluation of the disciplinary process related to hearing loss is warranted.

- Develop a process to verify payments made for hearing loss claims agree with the actual amounts awarded by DOL.

TVA Management's Comments – TVA management agreed and stated that they have had a discussion to reemphasize with the Workers' Compensation program manager the importance of executing the payment verification process. They stated this process will also include a second-level review as well.

Auditor's Response – We concur with management's planned actions.

See the Appendix for TVA management's complete response.

September 13, 2018

David P. Wheeler, ET 3C-K

RESPONSE TO REQUEST FOR COMMENTS – DRAFT EVALUATION 2017-15512 – HEARING LOSS CLAIMS

Thank you for the opportunity to review and respond to the subject draft report provided August 8, 2018. Safety and Aviation Services and Employee Health have reviewed the report and are providing the following responses to each recommendation.

Responses noted below are broken into three parts:

IG Recommendations (Reference page 8 Hearing Loss Claim Draft Evaluation 2017-15512)

- Response 1 is a collaboration from the Director of Safety and Aviation Services (SAS) and the Vice President, Compensation and Benefits
- Responses 2 and 3 are from the Director of Safety and Aviation Services (SAS)
- Responses 4 through 8 are from the Vice President, Compensation and Benefits

1. Reinforce management's role to ensure employees included in the HCP (1) have audiograms annually including exit audiograms at the end of employment and (2) complete annual Hearing Conservation training.

Response: Through a collaborative effort, Safety and Aviation Services and Employee Health will achieve the above recommendation by taking the following actions:

The Senior Vice President of R&RM and Vice President of Compensation and Benefits will discuss with the appropriate executive leaders an action of reinforcing to line management the expectations that the annual audiogram and annual Hearing Conservation training must be completed in a timely fashion.

For end of employment exit audiograms, Employee Health and HR Support will update the TVA Employee Check-Out Sheet (FORM 40157A) and applicable 40157 Instructions, indicating prior to exiting the company, the employee and or supervising manager must contact a site Nurse Practitioner or other Employee Health entity to determine if employee is or is not in the Hearing Conservation Program. Individuals found to be in the HCP program will be required to complete an exit audiogram before departing TVA.

2. Define "appropriate intervals" related to conducting noise surveys and noise dosimetry measurements as stated in TVA-TSP-18.908.

Response: Appropriate intervals to conduct noise surveys and noise dosimetry measurements is based on multiple factors, such as, change in production, process, equipment, or controls change noise exposures. Noise surveys are conducted approximately every three to five years at generating plants to capture changes in equipment. Noise dosimetry is conducted yearly in Coal, every two years in Hydro, and every two to three years in Gas. Safety proposes annual sampling in Nuclear. This

David P. Wheeler
Page 2
September 13, 2018

information is currently captured in annual Industrial Hygiene (IH) Plans created by the Safety and Aviation Services industrial hygienist.

3. *In conjunction with NPG plant management, conduct noise surveys and personal dosimetry testing for the nuclear fleet.*

Response: Safety and Aviation Services require noise surveys and personal noise dosimetry measurements across the agency which is captured in annual Industrial Hygiene plans. These plans are shared with Generation sites annually. Safety and Aviation Services is currently working with the nuclear organization to fund the appropriate testing as defined in Nuclear's Industrial Hygiene plan.

4. *Implement a process to review files for completeness prior to submission of hearing loss claim files to DOL.*

Response: A process to review files for completeness is identified through the use of the department's audiometric reviewer checklist. Beginning October 1, 2018, the audiologist and/or Workers' Compensation Claim Representative will review the file for completeness using a reviewer checklist, document reason for lack of supporting information, sign, and maintain as an electronic document.

5. *Require management to provide comments on work-related noise exposures as part of an employee's exit process that could later be used in a management statement.*

Response: In collaboration with Industrial Hygiene and TVA-contracted Audiologist, Employee Health will create a management questionnaire. As employees exit and obtain a hearing exit exam, the questionnaire will be sent to management allowing specific data to be captured about the employee's work environment, equipment and work-related noise exposures. Management will return the questionnaire to the site Nurse Practitioner. Information will be stored electronically within the employee's medical file for future needs.

6. *Consider having an audiologist review completed for all hearing loss claims.*

Response: Since March 2018, a claim representative collaborates with the audiologist on a weekly basis reviewing all hearing loss claims prior to submitting to the Department of Labor.

7. *Work with Vice President, HR, to determine the effectiveness of the disciplinary process around hearing protection and revise the process as needed.*

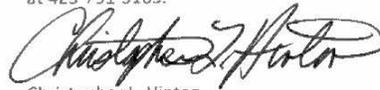
Response: TVA has appropriate policies and processes, training programs, behavioral observation programs, and consultants to support an effective hearing conservation program. Continued education and workplace discussions acknowledging good and bad behavior will occur in the future.

David P. Wheeler
Page 3
September 13, 2018

8. Develop a process to verify payments made for hearing loss claims agree with the actual amounts awarded by DOL.

Response: We have had a discussion to re-emphasize with the Workers' Compensation Program Manager (WCPM) the importance of executing the payment verification process. The WCPM is responsible for conducting quarterly reviews of all scheduled awards, to ensure accuracy of amounts awarded and paid out. This process will also include a second level review as well.

If you have any questions, please feel free to contact Chris Hinton at 865-632-2152 or William Cronin at 423-751-3165.



Christopher L. Hinton
Vice President
Compensation and Benefits
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William G. Cronin
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