

Payment Integrity Scorecard

Program or Activity
Military Retirement

Reporting Period
Q1 2021

Change from Previous FY (\$M)

\$44M

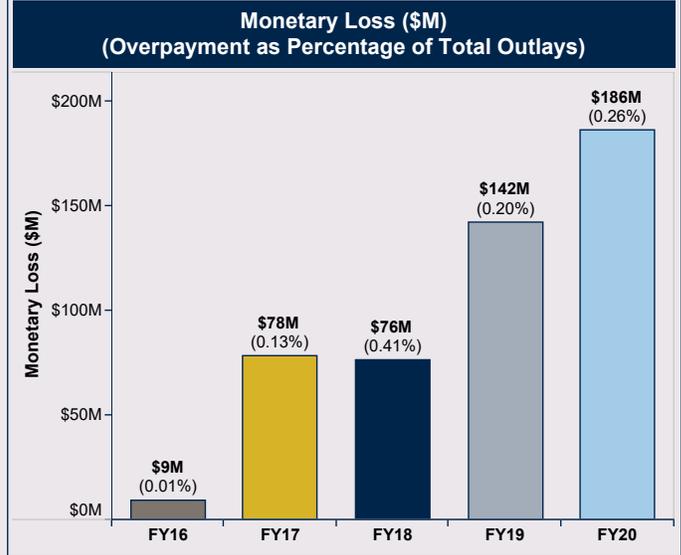


DOD
Military Retirement

Brief Program Description:

Retired and Annuitant Pay is responsible for payments of retired and annuity accounts, including account establishment, maintenance and termination.

Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	Completed	Nov-20
2	Evaluate the ROI of the mitigation strategy	Completed	Nov-20
3	Determine which strategies have the best ROI to prevent cash loss	On-Track	Oct-21
4	Implement new mitigation strategies to prevent cash loss	Completed	Nov-20
5	Analyze results of implementing new strategies	On-Track	Oct-21
6	Achieved compliance with PIIA	On-Track	May-22
7	Identified any data needs for mitigation	On-Track	May-22



Goals towards Reducing Monetary Loss		Status	ECD
1	Q1 2021 Began the SBP/DIC phase out January 2021. Continuing communication with all interested parties regarding changes, dates, and affects to current and future annuity accounts.	On-Track	Dec-21
2	Q1 2021 Ongoing evaluation and training efforts for those affected by this process change. Ensure compliance with new processing procedures for establishing new annuity accounts.	On-Track	Dec-21

Recovery Method	Brief Description of Plans to Recover Overpayments
1 Recovery Activity	DFAS has a well-established Risk Management framework called i-Control. Specifically, Military Retirement has 29 key internal controls and 26 unique controls to ensure proper execution and or ..
2 Recovery Activity	The death match run provides a method of notification for deceased payees and timely suspension of pay. Any payments made after the date of death are reclaimed.
3 Recovery Activity	The QPA review process allows to quickly identify erroneously processed overpayments. The post review process identifies errors after release, at which point the funds would be reclaimed. Most re..

Accomplishments in Reducing Monetary Loss		Date
1	Successfully began implementing Phase 1 of the SBP/DIC offset by communicating changes with annuity stakeholders, validating the new pay computation method, and leading discussions with OSD and OGC.	Jan-21

Amt(\$)	Root Cause of Monetary Loss	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$186M	Administrative or process errors made by: federal agency	DFAS processes a cost refund after DIC establishment on the annuity account which is a labor intensive process for Annuity Pay. In addition, SBP portion of accounts established incorrectly due to failure to update account based on DD2656 data.	Internal Process or Policy Change	The automation efforts will reduce the number of technician input errors and allow more focus on the research of the annuity account. Phase out of cost refund will decrease workload over time until none remain.

Monetary Loss - Monetary loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.