

Payment Integrity Scorecard

Program or Activity
Federal Retirement Services

Reporting Period
Q3 2023

FY 2022 Overpayment Amount (\$M)*

\$245

*Estimate based a sampling time frame starting 10/2021 and ending 9/2022

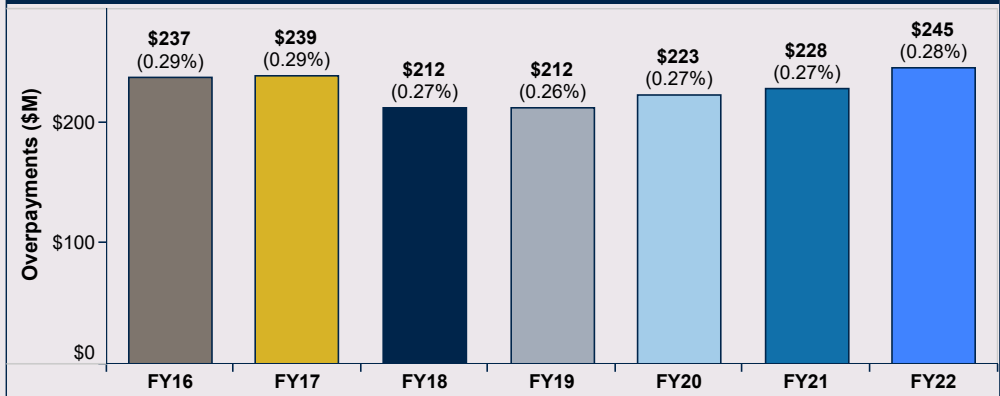


OPM
Federal Retirement Services

Brief Program Description & summary of overpayment causes and barriers to prevention:

Retirement Services (RS) provide Federal employees, retirees and their families with benefits that offer choice, value, and quality to be a competitive employer. Eligible retirees and survivors generally receive recurring monthly benefits. The status of an annuitant may periodically change and can result in a change to the benefits due. These changes may be due to a life event such as a death, marriage, termination of a marriage, child eligibility, or earnings limitations. A known barrier is RS's reliance on self-reporting by annuitants and on other sources to learn of some of these status changes. Delayed or the absence of reporting of the status changes by annuitants or other sources can result in improper payments.

**Historical Payment Rate and Amount (\$M)
(Overpayment as Percentage of Total Outlays)**



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

RS conducted a match each week to identify discrepancies that may exist between the OPM annuity roll and the Social Security Administration's (SSA) pay system. This match compared the SSA file with OPM's annuity roll to identify annuitants who are reported as deceased by the SSA. The Validated Agency Match System processes the death information to terminate Federal benefits and prevent subsequent overpayments. Collection actions were initiated for any overpayments that were discovered. RS plans to continue this match in the next quarter. RS also will conduct the annual data match between the annuity roll and the SSA Death Master File. This match will compare annuitant identifiers with current SSA death records. The annual match supplements the weekly match and help identify reported deaths that might have been missed in the weekly match due to timing differences.

Accomplishments in Reducing Overpayment

		Date
1	The RS Fraud Branch filed a report to the OIG identifying a scheme to defraud 25 annuitants using the same PNC bank account. Transaction Blocks were placed on all 25 accounts to prevent unauthorized changes. All of the misdirected payments were reclaimed and reissued.	Feb-23
2	The OPM Fraud Branch received 53 reports of misdirected payments and/or nonreceipt of payments. The 53 payments were investigated and of those reported payment discrepancies, 49 (or 93%) were closed out by either data correction, payments reclamation or reissuance.	Mar-23
3	The OPM Fraud Branch reviewed 7,092 reported deaths in the Do Not Pay (DNP) portal using 7 different data sources which identified 203 annuitant accounts needing to be dropped for death. All 203 accounts were dropped, preventing further improper payments.	Mar-23

Payment Integrity Scorecard

Program or Activity Federal Retirement Services	Reporting Period Q3 2023
---	------------------------------------

Goals towards Reducing Overpayments	Status	ECD	No	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 The RS Fraud Branch will continue to run reports within the Do Not Pay portal and adjudicate the reports within 60 days. We will also look to other tools in verifying reports of death such as the Department of the Treasury, Fiscal Services' Death Record Confidence Scoring Tool (DRCST)).	On-Track	Sep-23	1	Recovery Activity	Retirement Services will continue to perform the existing actions which is to collect off-roll debt when the debtor is not on the annuity roll or their entitlement is insufficient to recover the debt on a reasonable recovery schedule.	Off-roll debts were collected from debtors no longer on the annuity roll or their entitlement was insufficient to recover the debt on a reasonable recovery schedule.
2 We will continue to expand and improve the Fraud Database to help us identify trends that assisting us in preventing and/or mitigating fraud schemes. This expansion and improvement include requests to obtain more advanced data systems with built in artificial intelligence (AI) with the capability of collecting, reviewing and discerning patterns of fraudulent activity.	On-Track	Sep-23	2	Recovery Activity	Retirement Services will continue to perform the existing actions which is to collect on-roll debts by withholding a portion of the debtor's monthly benefits until their entire debt is collected.	Overpayments were collected from debtors on the annuity roll by withholding a portion of the debtor's monthly benefits until the entire debt is paid.
	On-Track	Sep-23	3	Recovery Activity	Retirement Services will continue to perform the existing actions which is to recoup improper payments from an annuitant's financial institution. We also plan to utilize the U.S. Department of Treasury's reclamation process.	Continue to perform reclamations which are recovery actions to recoup improper payments from an annuitant's financial institution. OPM utilizes the U.S. Department of Treasury's reclamation process.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$245M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	OPM did not detect unauthorized dual benefits or overlapping payments between benefit paying agencies timely.	Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	OPM will conduct a FERS Annuity Supplement match to identify annuitants who have not reported qualified excess income (as defined by the SSA) while in receipt of the FERS annuity supplement and have exceeded the minimum level of earnings (MLE) set by the SSA.
		Our IT system prevents RS from providing the needed level of specificity to align with OMB root cause categories. However, we believe this OMB category is the closest to the root cause. Overpayments exists when there is delayed reporting of death or sometimes no reporting.	Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	RS will continue to reduce the number of annuitants/survivors receiving payments erroneously after death by conducting surveys and computer matches. OPM conducts two matches to identify discrepancies that may exist between the OPM annuity roll & SSA & Treasury's DNP.
		Survivor annuities should be terminated if the surviving spouse was married to the employee for less than 30 years and remarries before age 55.	Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	RS will conduct a Marital survey to determine if surviving spouses under the age of 55 are still eligible for benefits.