

Payment Integrity Scorecard

Program or Activity
Federal Retirement Services

Reporting Period
Q3 2024

FY 2023 Overpayment Amount (\$M)* **\$224**

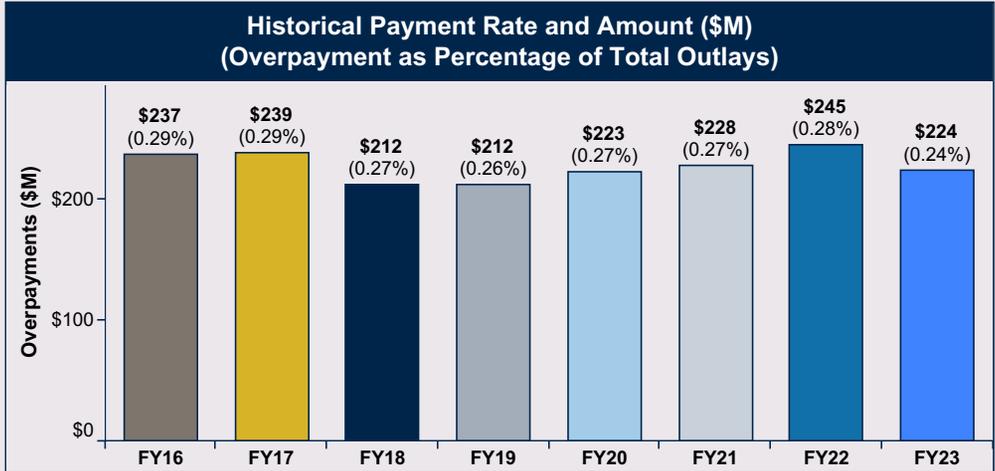
*Estimate based a sampling time frame starting 10/2022 and ending 9/2023



Office of Personnel Management
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.



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

RS continuously responds to inquiries of alleged fraud and data integrity breaches in order to prevent improper payments, to include overpayments. This includes the Do Not Pay (DNP) project. RS conducted a monthly data pull of nationally reported deaths of annuitants through the DNP portal, providing reported annuitant deaths from the Department of State, Department of Defense, American Infocource - Probate, American Infocource-Obituary, and the full Death Master File (DMF). The results of the comparison were then verified through open and closed source investigative tools. Once a reported death was verified, the account was dropped for death, preventing further improper payments to the account that would result in an overpayment. RS plans to continue this project in the next quarter.

Accomplishments in Reducing Overpayment		Date
1	RS reviewed about 1K accounts of annuitants over the age of 100 to verify their living status for continued annuity payments. Of those reviewed, over 200 accounts were dropped, preventing further improper payments with savings over \$400K.	Jun-24
2	RS reviewed approximately 12K reported deaths in the DNP portal using 5 different death data sources which identified over 500 annuitant accounts needing to be dropped for death. All accounts were dropped, preventing further improper payments and saving over \$3M.	Jun-24
3	RS reviewed approximately 3 accounts for chargebacks, identifying the status of the original check and replacement check. All 3 (approximately \$7K) were put into collection to reclaim an overpayment where both the original and replacement checks were negotiated.	Jun-24

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Goals towards Reducing Overpayments	Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 RS will continue to run reports within the Do Not Pay (DNP) 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 Treasury, Fiscal Services' Death Record Confidence Scoring Tool (DRCST).	On-Track	Aug-24	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 Recovery Activity	Retirement Services will continue to perform the existing actions which is to collect on-roll debts by withholding a portion of the debtors monthly benefits until their entire debt is collected.	Overpayments were collected from debtors on the annuity roll by withholding a portion of the debtors monthly benefits until the entire debt is paid;
2 RS Inspections Branch is continuing to analyze the Disability Earnings Match results to ensure that cases over the 80% threshold continue to meet the eligibility requirements for a disability retirement benefit.	On-Track	Sep-24	3 Recovery Activity	Retirement Services will continue to perform the existing actions which is to recoup improper payments from an annuitants financial institution. We also plan to utilize the U.S. Department of Treasurys reclamation process.	Continue to perform reclamations which are recovery actions to recoup improper payments from an annuitants financial institution. OPM utilizes the U.S. Department of Treasurys reclamation process.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$224M	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.
		RS needs to audit individuals under the age of 60 who are in receipt of a disability annuity and whose earnings have been identified as near or exceeding the allowing 80 percent earnings limit.	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 the Disability Earnings Match to identify annuitants under age 60 that are not entitled to their disability retirement due to exceeding their 80% earnings threshold. If a person meets the threshold, the disability annuity is terminated.
		System limitations preventing OPM from expanding reporting in the root causes categories in OMB's A-136. 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 of death.	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 conduct corrective actions aimed at reducing customers receiving payments after death. RS conducts matches to identify discrepancies that may exist between the annuity roll, SSA pay system and DNP. Collection actions are initiated for overpayments.