

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

# Annual Evaluation Plan

## Fiscal Year 2023



# Evaluation and Evidence Building

---

## **FY 23 Annual Evaluation Plan**

Pursuant to the *Foundations for Evidence-Based Policymaking Act of 2018*, the Office of Personnel Management (OPM) developed its FY 2023 Annual Evaluation Plan, which describes significant evaluation activities that the agency will undertake. For the FY 2023 Annual Evaluation Plan, any currently planned evaluation included in the FY 2022-2026 Learning Agenda is considered significant and will be included in the Plan. As OPM executes its Learning Agenda, the agency may plan additional evaluations to supplement the evaluations described here.

The evaluations included in the FY 2023 plan are: an evaluation of the effect of the Federal Employee Paid Leave Act on Federal employees' use of leave, retention, career advancement, and performance; an evaluation of the effect of improvements to Federal Employees Health Benefits decision support tools on use, understanding of health plans, and plan selections; and a formative evaluation of agency retirement readiness approaches and the effect of educational programs on Federal employees' retirement knowledge and savings behaviors.

# OPM Annual Evaluation Plan – Federal Employee Paid Leave Act

## Program background

The Federal Employee Paid Leave Act (FEPLA) provides 12 weeks of paid parental leave to certain Federal employees in connection with the birth of an employee’s child or placement of a child with an employee for adoption or foster care. The law was passed on December 20, 2019, and went into effect on October 1, 2020.

Anticipated benefits of the law include increased time for bonding between parent and child, improved health of the birth mother and child, preservation of annual and sick leave balances for future family needs, increased retention and engagement of the Federal workforce, and a positive impact to the U.S. economy by addressing women’s declining labor force participation<sup>1</sup>. The Congressional Budget Office estimated that implementing FEPLA would cost \$3.3 billion from 2021-2024<sup>2</sup>.

OPM is partnering with the Department of Labor (DOL) to evaluate these claims and to better understand how paid leave affects Federal employees and agencies.

## Questions to be answered

OPM and DOL will collaborate to answer questions surrounding the effects of FEPLA. For FY 2023, the questions will focus on short-term uptake and effects of the law and will be dependent on data availability. Future evaluation questions may be proposed in the ongoing partnership.

Potential key questions for the evaluation include:

- What are FEPLA leave taking patterns, and do those vary by employee demographics? Are leave taking patterns equitable across demographic groups?
- What is the effect of FEPLA on the number of days of leave taken, by leave type (for example, FEPLA, Family and Medical Leave Act, sick leave, annual leave)?
- What is the effect of FEPLA on short-term retention of employees following paid parental leave?
- What is the effect of FEPLA on employees’ career advancement, including promotions, salary, and performance awards?

## Methods to be used

OPM and DOL will analyze secondary administrative personnel data that OPM maintains in its Enterprise Human Resources Integration (EHRI) and Electronic Official Personnel Folder (eOPF) databases, conducting descriptive analyses and comparisons of outcomes prior to and following implementation of FEPLA.

---

<sup>1</sup> Paid Parental Leave, 85 Fed. Reg. 154 (August 10, 2020) (to be codified at 5 C.F.R. pt. 630)

<sup>2</sup> Congressional Budget Office Cost Estimate, H.R. 626 (Au

## **Information needed for the evaluation**

OPM and DOL will leverage existing data including payroll data (use of leaves and use of paid parental leave by type of qualifying event), employee personnel status data (for example, retention status and base pay), employee performance data (for example, award hours and award pay), and employee demographic data (for example, gender, race and ethnicity, age, work schedule, and agency).

## **Anticipated challenges**

There are two main challenges for the FEPLA evaluation:

1. **Data quality and completeness.** At the time FEPLA was implemented, there were no existing payroll codes for those using paid parental leave; this data only started being reported with routine codes in April 2021. There are also data quality issues within the payroll data, as agencies use differing payroll systems and approaches that may or may not have accurate recording of leaves. To address this, OPM is proactively reviewing and cleaning FEPLA and leave data, while also working to improve the overall quality of payroll data. OPM may also limit the evaluation to payroll systems with sufficient data quality and completeness or change the scope of the questions to respond to data issues.
2. **Selecting the appropriate time period for comparison.** For comparisons of before and after implementation of FEPLA, there are complicating factors regarding time periods for comparison, including the lack of payroll codes and the COVID-19 pandemic, which is anticipated to affect childbearing and leave taking patterns. As such, OPM and DOL will carefully consider the appropriate time periods for both before and after comparison and will interpret findings with caution.

## **Dissemination**

OPM and DOL will share results with leadership at their respective agencies and other key stakeholders through reports and presentations. Findings will also be shared externally in OPM or DOL communications, publications, or websites.

Due to concerns related to employee privacy, no public use file will be created.

# **OPM Annual Evaluation Plan – Federal Employees Health Benefits Decision Support Tool**

## **Program background**

As the administrator of the country's largest employer-sponsored healthcare program – the Federal Employees Health Benefits (FEHB) Program – OPM has a unique and important role in advancing health equity through health literacy. As part of OPM's Equity Assessment under President Biden's Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, OPM is focusing on improving health plan selection.

The FEHB Program is market-based, and most Federal employees and annuitants enjoy a wide selection of health plan choices. For the 2021 plan year there are 276 nationwide and regional plan choices across the entire program. The plan choices include nationwide plans, regional plans, and specialized plans for specific employee groups. There are different plan types available, including fee for service plans, health maintenance organization plans, high deductible health plans, and consumer driven health plans, which offer different coverage structures.

The primary tool that OPM makes available to employees and annuitants for learning about and comparing FEHB plans is its Plan Comparison Tool, originally developed in 2002. The tool gets more than 2.4 million-page views with more than 1.6 million unique users and 571,000 sessions in a year, and it is the most used tool on the OPM website. Although the tool allows users to input some basic information about their individual health needs, it does not offer information about many other factors that may be relevant to plan choice.

OPM will conduct research to identify gaps in the current tool. Dependent on funding, OPM will then develop and pilot an improved decision support tool with more specialized features to assist employees in educating themselves about plan options and selecting a plan.

OPM will evaluate the effect of improvements to the decision support tool on use, user satisfaction, plan knowledge, and plan selection. OPM will further refine the specific outcomes evaluated to align with the new tool's features.

## **Questions to be answered**

The evaluation seeks to understand whether changes to the tool improve the user experience, understanding of health plans, and ability to select a plan that meets employee and annuitant needs.

Potential key questions for the evaluation include:

- How many individuals are accessing OPM's decision support tools, before and after the improvements to the tool? To what extent do users engage with new tool features, including specific search capabilities?
- How satisfied are users with the current tool? How satisfied are they with the improved tool?

- Do tool users report increased comprehension of FEHB options? Increased confidence to select a plan? Does comprehension and confidence vary by user demographics?
- What are trends in FEHB plan selections, by demographic? Are more Federal employees enrolled in affordable plans?

### **Methods to be used**

OPM will potentially employ several different methods to assess the improved tool. This includes analysis of administrative data, including comparing differences in tool website use and plan enrollment data before and after the launch of the new tool. OPM may also leverage its website customer experience surveys and the Federal Employee Health Benefits Survey to ask questions related to use of and satisfaction with the tool, as well as knowledge and confidence related to plan selection. Further, OPM may collect qualitative data from users through in-depth interviews and/or focus group discussions as OPM develops and pilots the tool improvements and features to understand user needs and feedback on the experience. This evaluation design is observational, as use of the decision support tool cannot be linked directly to changes in plan choices or differences in health outcomes given the nature of the data.

### **Information needed for the evaluation**

OPM will use existing website data to review trends in website user views and tool site engagement. OPM may also use employee personnel data to assess FEHB plan enrollment, plan selections, and employee demographic data (for example, gender, race and ethnicity, and age). Through surveys and qualitative data, OPM may additionally capture employees' and annuitants' self-reported experiences with the tool, their satisfaction with its features, their health plan literacy, and their confidence in selecting a health plan.

### **Anticipated challenges**

There are several challenges for the tool evaluation:

1. **Resource availability.** OPM is intending to reimagine the plan comparison tool to a true decision support tool, but the implementation of changes is dependent on funding and staff capacity. OPM is seeking support and funding for this initiative through the Technology Modernization Fund. If this project does not receive funding, this evaluation will not proceed.
2. **Non-response/participation bias.** None of the proposed data collection methods provide an exhaustive view of Federal employees' and annuitants' perceptions and behavior related to plan selection. Not all Federal employees and annuitants are eligible for FEHB or elect to enroll, and those perspectives may not be captured. Likewise, those who elect to respond to surveys or recruitment for qualitative research may differ from the average Federal employee or annuitant. To address this, OPM will seek to triangulate several data sources and reach out to different Federal employee groups to gain a fuller picture of tool perceptions and behaviors.
3. **Ability to link changes in the tool to plan selections.** The goal of the tool is to improve Federal employees' and annuitants' ability to select a plan that meets their needs. However, as this evaluation is not proposing an experimental design due to feasibility constraints, it will be

difficult to definitively link use of the tool to actual plan selection behavior. This evaluation may examine trends in plan selection but will appropriately describe the limitations of its approach in determining any causality.

### **Dissemination**

OPM will share results with Healthcare & Insurance program staff and agency leadership. Reports may also be shared with benefits officers, Chief Human Capital Officers, and the Federal community, as appropriate. Findings will also be shared externally in OPM communications, publications, or its website, but no public use file will be created.

# OPM Annual Evaluation Plan – Retirement Readiness Initiatives

## Program background

OPM's Retirement Services is responsible for the Government-wide administration of retirement benefits and services for Federal employees, retirees, and their families, serving approximately 2.7 million retirees and survivors. The Thrift Savings Plan (TSP) Open Elections Act of 2004 (Public Law 108-469) and 5 U.S.C. 8350 gave OPM the responsibility to work with agencies across Government to educate Federal employees on the need for retirement savings and provide information to help them meet their retirement goals.

Retirement Services implements the mandates described in 5 U.S.C. 8350 by working with benefits officers within each agency to encourage retirement readiness over a Federal employee's career. With the release of Executive Order 13985: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Retirement Services has begun a new undertaking to look at how agency benefit officer programs can better meet the retirement readiness goals of employees in underserved communities.

While Federal employees have a robust set of options in building wealth and planning for retirement through both defined benefit and defined contribution programs, Federal employees still face gaps in retirement readiness. OPM believes that there is an opportunity to identify and enact targeted retirement readiness programs through benefits officers across Government during key career milestones with the goal of improving Federal employee retirement readiness. Given the importance of EO 13985, a new and targeted emphasis will be focused on potential barriers that members of underserved communities face in achieving retirement readiness.

OPM's Retirement Services has requested resources in the FY 2023 budget to implement a formative evaluation of existing retirement readiness programs, working with agency benefits officers, key stakeholders, subject matter experts within government, and external researchers. OPM and agency partners will use the findings of the formative evaluation to identify promising agency retirement readiness practices and to develop evidence-based education about retirement savings. This formative evaluation may also inform subsequent outcome evaluations of these retirement readiness education efforts.

## Questions to be answered

The formative evaluation seeks to review current retirement readiness programs to assess the feasibility of implementing future retirement readiness efforts.

- What is the status of agency retirement readiness plans?
- Do retirement readiness plans account for the characteristics of their agency such as mission, size, resources, geographic distribution? Do agency plans address retirement readiness in underserved communities?
- Do agency retirement readiness plans include programs that promote informed retirement decisions? What are the resources associated with these programs?

- What information is provided by agency retirement readiness education? What information is provided about retirement savings and investments?
- What evaluations of agency retirement readiness programs have been conducted? What outcomes were measured?
- What retirement readiness programs have showed improvements in key outcomes such as financial literacy and savings behaviors?

### **Methods to be used**

If funding is approved, OPM will conduct literature reviews of retirement readiness programs, reviews of agency retirement readiness plans, interviews with agency benefits officers and other key stakeholders, and reviews of evaluations of existing interventions. This data would be used to analyze current retirement readiness efforts to define the most fruitful areas to target to improve retirement readiness.

### **Anticipated challenges**

There are several challenges associated with this formative evaluation:

1. **Resource availability.** OPM is requesting resources for this initiative, and the implementation of this formative evaluation is dependent on funding and staff capacity.
2. **Data availability.** Some agencies may not have detailed retirement readiness plans or well-documented educational efforts. They may also not have conducted evaluations or maintained evaluation results.
3. **Capturing retirement readiness outcomes.** Agencies may not have conducted robust evaluations of their retirement readiness efforts, and literature suggests that retirement readiness intervention effect sizes can be small, which may make changes difficult to detect. Additionally, even a large-scale and successful intervention would take many years to yield significant effects on Federal employee retirement readiness outcomes.

### **Dissemination**

Retirement Services will share results with agency leadership through reports, presentations, and external publications. Results may also be shared with participating agency benefits officers and the Federal community, as appropriate. Findings may be shared in OPM communications or its website, but no public use file will be created.



**U.S. Office of Personnel Management**

Office of the Chief Financial Officer

1900 E Street, NW, Washington, DC 20415

**OPM.GOV**