

Agency Response to the Office of the Inspector General's Semiannual Report to Congress

October 1, 2025 - March 1, 2026



Message from the Director

I am pleased to submit OPM's response to the Office of the Inspector General's Semiannual Report to Congress for the period October 1, 2025, through March 31, 2026.

OPM's mission is straightforward: build and support a federal workforce that performs at the highest level for the American people. That requires more than good intentions. It requires discipline, accountability, operational excellence, and a willingness to confront problems directly. The Inspector General plays an important role in that work. OIG's audits and investigations help us identify where programs are not performing as they should, where taxpayer dollars may be at risk, and where OPM must move faster to strengthen controls and improve execution.

When this reporting period began, OPM had 174 open OIG recommendations and historically has struggled to close recommendations. During this period, OPM took concrete steps to change that. We transferred day-to-day responsibility for the audit response program from the Merit System Accountability and Compliance office to the Office of the Director. We vested oversight authority in OPM's reorganized, executive-level Risk Management Council. We also issued comprehensive Audit Response Policies and Procedures requiring full cooperation with auditors, prompt resolution of recommendations, and timely implementation of corrective actions. These changes are already producing results. During this reporting period, OPM closed 24 OIG recommendations.

OPM is committed to reviewing OIG recommendations carefully and implementing corrective actions where feasible. In response to OIG's health care and insurance audits during this period, OPM:

- Pursued recovery or additional information from the affected carriers regarding the remaining \$13.4 million in questioned costs identified in OIG's audit of the American Postal Workers Union Health Plan, 2025-ERAG-005; the \$8.2 million in overcharges identified in OIG's audit of the National Association of Letter Carriers Health Benefit Plan's pharmacy operations administered by CVS Caremark, 2024-SAG-022; and the \$615 million in overcharges identified in OIG's audit of the Blue Cross Blue Shield Association Service Benefit Plan's pharmacy operations administered by CVS Caremark, 2024-SAG-013; and
- Worked with BlueCross BlueShield of Tennessee to resolve open recommendations from OIG's audit of BCBST's information systems and application controls, 2025-ISAG-009.

OPM is applying the same discipline to its internal operations. During this period, OPM concurred with and began implementing corrective actions for the eight recommendations in OIG's audit of OPM's Facilities, Security, and Emergency Management office, 2024-IAG-021; the 10 recommendations in OIG's audit of OPM's FY 2025 Consolidated Financial Statements, 2025-IAG-012; and nine recommendations in OIG's Federal Information Security Modernization Act Audit for Fiscal Year 2025, 2025-ISAG-008.

At the same time, accountability requires transparency when OPM does not concur with a recommendation. Nonconcurrency should not be routine, but it is appropriate when OPM determines that a recommendation is infeasible, for example, because it is inconsistent with existing contract language, exceeds available resources, or requires authority the agency does not possess.

During this reporting period, OPM did not concur with certain recommendations from OIG's audit on oversight of the Federal Employees Health Benefits Program's Contract Section 2.3(g), Erroneous Payments clause, 2025-CAAG-010, because OPM believes existing FEHB contract language already addresses the issues raised. OPM also did not concur with OIG's recommendation in the Postal Service Health Benefits Program Capstone Report, PSHB-090, that OPM develop a plan to collect eligibility documentation for all dependents enrolled in the Postal Service Health Benefits System, because OPM lacks the resources necessary to implement that recommendation effectively. In addition, OPM did not concur with certain recommendations from OIG's Audit of Tribal Participation in the Federal Employees Health Benefits Program from 2018 through 2023, 2025-SAG-006, because OPM lacks the necessary authority to implement them.

This response is required to include a table identifying audit reports more than 12 months old for which a management decision has been made but final action has not been taken. Historically, OPM has included both concurred and nonconcurred recommendations in that table. OPM believes that approach is inconsistent with the statute. For nonconcurred recommendations, final action occurs when OPM makes the decision not to concur. Accordingly, this response provides two separate tables:

- Table 4a identifies audit reports more than 12 months old for which final action on agreed-upon recommendations remains pending; and
- Table 4b identifies audit reports more than 12 months old that contain nonconcurred recommendations.

OPM is providing both tables in this response to allow direct comparison with prior submissions. OPM may discontinue Table 4b in future submissions.

The work ahead is clear. OPM will continue to partner with OIG, strengthen internal controls, reduce unresolved recommendations, and build the performance culture necessary to deliver better results across government. The American people deserve a federal workforce and a federal HR agency that are accountable, efficient, and focused on execution. That is the standard we intend to meet.



Scott Kupor

Director

Office of Personnel Management (OPM) Agency Response to the Office of
the Inspector General’s Semiannual Report to Congress

March 31, 2026

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**Table 1: Actions Taken on Reports with Disallowed Costs for Insurance Programs¹
October 1, 2025 to March 31, 2026**

Subject	Number of Audit Reports	Disallowed Costs	Recoveries or Adjustments
Reports for which final action not taken by beginning of reporting period	15		
Reports on which management decisions made during the period	1	\$26,239,022	
Reports for which final action taken during period:	4		
1. Recoveries and Adjustments		\$26,239,022	
a. Collections and offsets		\$25,426,191	
b. Property		\$0	
c. Other (adjustments)		\$812,831	
2. Write-offs			
Reports pending final action at end of period	12		

¹ Recommendations are implemented and completed means that the necessary action to address the recommendation has been conducted and the recommendation is now closed.

**Table 2: Actions Taken on Audits with Recommendations for Better Use of Funds
October 1, 2025 to March 31, 2026**

Subject	Number of Audit Reports	Better Use of Funds
Reports for which final action not taken by beginning of reporting period	0	\$0
Reports on which management decisions made during period	0	\$0
Reports for which final action taken during period:	0	\$0
Recommendations completed ²	0	\$0
Recommendations on which management concluded should not or could not be implemented or completed	0	\$0
Reports pending final action at end of period	1	\$ 15,971,300

² Recommendations are implemented and completed means that the necessary action to address the recommendation has been conducted and the recommendation is now closed.

Table 3: Actions Taken on Reports without Monetary Findings October 1, 2025 to March 31, 2026

Subject	Number of Reports
Reports for which final action not taken by beginning of reporting period	47
Reports for which final action taken during period:	8
Health Insurance Carrier Audit Reports	0
Information Systems Audit Reports	1
Internal Audit Reports	6
Special Review Reports	1
Reports without monetary findings issued by OIG during period	6
Reports without monetary findings pending final action at end of period	45

Table 4(a): Summary of Reports More than 12 Months Old Pending Final Action as of March 31, 2026

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CF-00-14-039	The U.S. Office of Personnel Management's Fiscal Year 2014 Consolidated Financial Statements	11/10/2014			Final actions are pending on two recommendations.
4A-CF-00-15-027	The U.S. Office of Personnel Management's Fiscal Year 2015 Consolidated Financial Statements	11/13/2015			Final actions are pending on two recommendations.
4A-CF-00-16-030	The U.S. Office of Personnel Management's Fiscal Year 2016 Consolidated Financial Statements	11/14/2016			Final actions are pending on seven recommendations.
4A-CF-00-17-028	The U.S. Office of Personnel Management's Fiscal Year 2017 Consolidated Financial Statements	11/13/2017			Final actions are pending on six recommendations.
4A-CF-00-18-012	The U.S. Office of Personnel Management's Fiscal Year 2017 Improper Payments Reporting	05/10/2018			Final action is pending on one recommendation.
4A-CF-00-18-024	The U.S. Office of Personnel Management's Fiscal Year 2018 Consolidated Financial Statements	11/15/2018			Final actions are pending on five recommendations.
4A-CI-00-18-037	The U.S. Office of Personnel Management's Compliance with the Federal Information Technology Acquisition Reform Act	04/25/2019			Final action is pending on one recommendation.
4A-CI-00-19-008	Audit of OPM's Compliance with the Federal Information Technology Acquisition Reform Act – DCOI, GSS – FY 2019	10/23/2019			Final actions are pending on three recommendations.

4A-CF-00-19-022	Office of Personnel Management's Fiscal Year 2019 Consolidated Financial Statements	11/18/2019			Final actions are pending on five recommendations.
1H-01-00-18-039	Management Advisory Report related to Prescription Drug Costs in the Federal Employees Health Benefits Program	2/27/2020			Final action is pending on one recommendation.
1H-07-00-19-017	CareFirst Blue Choice's Federal Employees Health Benefits Program Pharmacy Operations as Administered by CVS Caremark for Contract Years 2014 through 2017	7/20/2020	\$4,796,877		Final actions are pending on three recommendations.
4A-HI-00-19-007	Audit of the Federal Employee Insurance Operations (FEIO) as Administered by OPM's Healthcare and Insurance Program Office	10/30/2020			Final actions are pending on one recommendation.
4A-RS-00-19-038	U.S Office of Personnel Management's Retirement Services' Disability Reconsideration Appeals Process	10/30/2020			Final actions are pending on two recommendations.
4A-CF-00-20-024	U.S Office of Personnel Management's Fiscal Year 2020 Consolidated Financial Statements	11/13/2020			Final actions are pending on five recommendations.
4A-HI-00-18-026	Management Advisory Report - FEHB Program Integrity Risks Due to Contractual Vulnerabilities in Washington, D.C.	04/1/2021			Final actions are pending on two recommendations.
4A-CF-00-21-027	The U.S. Office of Personnel Management's Fiscal Year 2021 Consolidated Financial Statements in Washington, D.C.	11/12/2021			Final actions are pending on five recommendations.

1A-10-17-21-018	Health Care Service Corporation for Contract Years 2018 through 2020 in Chicago, Illinois	02/23/2022 Reissued 03/16/2022	\$927,149		Final actions are pending on four recommendations.
2022-IAG-002	The U.S. Office of Personnel Management's Compliance with the Payment Integrity Information Act of 2019	06/23/2022			Final action is pending on one recommendation.
2022-IAG-003	The U.S. Office of Personnel Management's Fiscal Year 2022 Consolidated Financial Statements in Washington, D.C.	11/14/2022			Final actions are pending on five recommendations.
2022-CRAG-0010	The Federal Employees Health Benefits Program Termination Process at Health Plan of Nevada, Inc. in Las Vegas, NV.	2/15/2023			Final action is pending on one recommendation.
1H-08-00-21-015	Group Health Incorporated's Federal Employees Health Benefits Program Pharmacy Operations as Administered by Express Scripts, Inc. for Contract Years 2015 - 2019 in St. Louis, MO	2/16/2023			Final actions are pending on ten recommendations.
2023-IAG-002	The U.S. Office of Personnel Management's Compliance with the Payment Integrity Act of 2019 in Washington, D.C.	5/22/2023			Final action is pending on one recommendation.
2022-IAG-0019	The U.S. Office of Personnel Management's Retirement Services' Settlement Process in Washington, D.C.	6/15/2023			Final actions are pending on two recommendations.
2022-CAAG-035	Claims Processed in Accordance with the Omnibus Budget Reconciliation Acts of 1990 and 1993 at All Blue Cross and Blue Shield Plans for Contract Years 2019 - 2021 in Washington, D.C.	6/27/2023	\$67,269,289		Final actions are pending on six recommendations.

2023-CAAG-001	Claims Processing and Payment Operations at Select Anthem Blue Cross and Blue Shield Plan Sites for Contract Years 2019-2021 in Washington, D.C.	11/6/2023	\$2,364,340		Final action is pending on one recommendation.
2023-IAG-017	The U.S. Office of Personnel Management's Fiscal Year 2023 Consolidated Financial Statements in Washington, D.C.	11/13/2023			Final actions are pending on four recommendations.
2023-OEI-001	Evaluation of the U.S. Office of Personnel Management's Processing of Initial Retirement Claim Applications in Washington, D.C.	11/15/2023			Final actions are pending on three recommendations.
2022-CAAG-001	The Office of Personnel Management's Disputed Claims Process for years 2018 through 2020 in Washington, D.C.	12/20/2023			Final actions are pending on nine recommendations.
2022-SAG-029	American Postal Workers Union Health Plan's Pharmacy Operations as Administered by Express Scripts, Inc. for Contract Years 2016 through 2021 in Glenn Burnie, MD	3/29/2024	\$17,741,672		Final actions are pending on seven recommendations.
2024-IAG-010	The U.S. Office of Personnel Management's Compliance with the Payment Integrity Information Act of 2019 in Washington, D.C.	5/29/2024			Final action is pending on one recommendation.
2024-CRAG-006	Final Audit Research Results: OPM's Subscription Income Process in Washington, D.C.	6/17/2024			Final actions are pending on three recommendations.
2023-OEI-002	Evaluation of the U.S. Office of Personnel Management's Property Management Process in Washington, D.C.	8/28/2024			Final actions are pending on three recommendations.

PSHB-088	The U.S. Office of Personnel Management's Implementation of the Postal Service Health Benefits Program: Collection of Members' Eligibility Documentation in Washington, D.C.	9/13/2024			Final actions are pending on three recommendations.
2023-SAG-019	Compass Rose Health Plan's Pharmacy Operations as Administered by Express Scripts, Inc. for Contract Years 2017 through 2022	11/14/24	\$10,452,125		Final actions are pending on nine recommendations.
2023-IAG-021	Audit of the U.S. Office of Personnel Management's Audit Resolution Process	11/26/24			Final actions are pending on seven recommendations.
2024-ERAG-004	HMO Missouri, Inc. Mason, Ohio	3/25/25	\$267,840		Final action is pending on one recommendation.
2024-ERAG-002	Florida Blue Jacksonville, Florida	1/8/2025	\$1,858,472		Final actions are pending on three recommendations.

Table 4(b): Summary of Reports More than 12 Months Old with Nonconcurrent Recommendations as of March 31, 2026.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
L-2018-1	Management Advisory Report-Review of the U.S. Office of Personnel Management's Non-Public Decision to Prospectively and Retroactively Re-Apportion Annuity Supplements	02/05/2018			Three recommendations have not been accepted. No additional actions are planned at this time.
4A-CF-00-19-012	The U.S. Office of Personnel Management's Fiscal Year 2018 Improper Payments	06/03/2019			One recommendation has not been accepted. No additional actions are planned currently.
4A-RS-00-18-035	U.S Office of Personnel Management's Federal Employees Health Benefits Program and Retirement Services Improper Payments Rate Methodologies	4/2/2020			Two recommendations have not been accepted. Both recommendations were implemented and closed in the current reporting period.
4A-CF-00-20-014	U.S Office of Personnel Management's Fiscal Year 2019 Improper Payments Reporting	5/14/2020			One recommendation has not been accepted. No additional actions are planned.
1C-59-00-20-043	Kaiser Foundation Health Plan, Inc	08/16/2022			One recommendation has not been accepted, however efforts to implement it are pending.

4A-HI-00-19-007	Audit of the Federal Employee Insurance Operations (FEIO) as Administered by OPM's Healthcare and Insurance Program Office	10/30/2020			Five recommendations have not been accepted. OPM is evaluating alternatives to resolve these recommendations.
4A-RS-00-19-038	U.S Office of Personnel Management's Retirement Services' Disability Reconsideration Appeals Process	10/30/2020			Three recommendations have not been accepted. No additional actions are planned at this time.
4A-HI-00-18-026	Management Advisory Report - FEHB Program Integrity Risks Due to Contractual Vulnerabilities in Washington, D.C.	04/1/2021			Eight recommendations have not been accepted; one recommendation implemented and closed.
4A-CF-00-21-008	The U.S. Office of Personnel Management's Fiscal Year 2020 Improper Payments Reporting in Washington, D.C.	05/17/2021			One recommendation has not been accepted. No additional actions are planned at this time.
1H-99-00-20-016	Reasonableness of Selected FEHBP Carriers' Pharmacy Benefit Contracts in Washington, D.C.	07/29/2021			Two recommendations have not been accepted. No additional actions are planned at this time.
2022-CRAG-0010	The Federal Employees Health Benefits Program Termination Process at Health Plan of Nevada, Inc. in Las Vegas, Nevada	2/15/2023			Three recommendations have not been accepted. No additional actions are planned at this time.

2022-CAAG-0014	Evaluation of COVID-19's Impact on FEHBP Telehealth Services and Utilization in Washington, D.C.	3/6/2023	\$71,236		Five recommendations have not been accepted. Final action is complete on two recommendations that were initially rejected.
2022-CAAG-001	The Office of Personnel Management's Disputed Claims Process for years 2018 through 2020 in Washington, D.C.	12/20/2023			Seven recommendations have not been accepted. OPM is evaluating alternatives to implement these recommendations.
2024-ISAG-009	Information Technology Security Controls of the U.S. Office of Personnel Management's White House Fellows System in Washington, D.C.	8/8/2024			One recommendation has not been accepted. No additional actions are planned at this time.
2023-IAG-021	Audit of the U.S. Office of Personnel Management's Audit Resolution Process	11/26/24			Two recommendations have not been accepted. OPM is evaluating alternatives to resolve these recommendations.



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