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

October 1, 2024 - March 31, 2025

U.S. Office of Personnel Management

MAY 2025

Message from the Director

As Acting Director of the U.S. Office of Personnel Management (OPM), I am honored to present the Agency's Response to the OPM Office of Inspector General's (OIG) Semiannual Report (SAR) to Congress for October 1, 2024, to March 31, 2025.

Acting Inspector General Norbert Vint and I enjoy a collaborative, productive relationship. The OIG plays a critical role in promoting accountability and risk assessment for OPM. OIG's mission to provide independent, objective oversight of services and programs of OPM by conducting audits, investigations, and evaluations is consistent with this administration's commitment to transparency.

I'm proud of the work OIG does for OPM. It's a critical tool in our toolkit to go after fraud, waste, and abuse. OPM is committed to continuing and strengthening this dynamic.

As the OIG reports, audits and investigations yielded significant results in this period, through recovering funds and holding fraudulent Federal Employment Health Benefits Program (FEHBP) participating health care providers accountable. Through audits, OIG recovered $29 million to the OPM trust fund, and through investigative efforts, $3 million. FEHBP investigations comprise the largest share of the OIG's investigative portfolio. In this reporting period, the OIG suspended or debarred 520 health care providers who violated their agreements with FEHBP and its enrollees.

I routinely meet with the Acting IG and his team about how we can improve our collaboration, efficiency, and implementation of OIG recommendations. I extend my gratitude to the OIG team for their dedication and professionalism in conducting this vital work. Their efforts not only protect OPM's programs but also uphold the trust of Congress, federal employees, and the American taxpayer we serve.

OPM remains committed to partnering with the OIG to implement recommendations, enhance operations, and deliver results for the federal workforce and the American people.

Charles Ezell
Acting Director
U.S. Office of Personnel Management

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

May 2025

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Table 1: Actions Taken on Reports with Disallowed Costs for Insurance Programs[1] October 1, 2024 to March 31, 2025

Subject	Number of Audit Reports	Disallowed Costs	Recoveries or Adjustments
Reports for which final action not taken by beginning of reporting period	13		
Reports on which management decisions made during the period	3	36,707,207	
Reports for which final action taken during period:	1		
1. Recoveries and Adjustments		36,707,207	
a. Collections and offsets			36,551,902
b. Property			
c. Other (adjustments)			155,305
2. Write-offs			
Reports pending final action at end of period	15		

[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, 2024 to March 31, 2025

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	0	$0

[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, 2024 to March 31, 2025

Subject	Number of Reports
Reports for which final action not taken by beginning of reporting period	62
Reports for which final action taken during period:	
Health Insurance Carrier Audit Reports	3
Information Systems Audit Reports	8
Internal Audit Reports	4
Special Review Reports	1
Reports without monetary findings issued by OIG during period	7
Reports without monetary findings pending final action at end of period	55

Table 4: Summary of Reports More than 12 Months Old Pending Final Action as of March 31, 2025

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CF-00-08-025	The U.S. Office of Personnel Management's Fiscal Year 2008 Consolidated Financial Statements	11/14/2008			5 of 6 recommendations are closed. Corrective actions are in progress to address the remaining recommendation.
4A-CF- 00-09-037	The U.S. Office of Personnel Management's Fiscal Year 2009 Consolidated Financial Statements	11/13/2009			4 of 5 recommendations are closed. Corrective actions are in progress to address the remaining recommendation.
4A-CF-00-10-015	The U.S. Office of Personnel Management's Fiscal Year 2010 Consolidated Financial Statements	11/10/2010			5 of 7 recommendations are closed. Corrective actions are in progress to address the remaining recommendations.
4A-CF-00-11-050	The U.S. Office of Personnel Management's Fiscal Year 2011 Consolidated Financial Statements	11/14/2011			6 of 7 recommendations are closed. Corrective actions are in progress to address the remaining recommendation.
4A-CF-00-12-039	The U.S. Office of Personnel Management's Fiscal Year 2012 Consolidated Financial Statements	11/15/2012			2 of 3 recommendations are closed. Corrective actions are in progress to address the remaining recommendation.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CF-00-13-034	The U.S. Office of Personnel Management's Fiscal Year 2013 Consolidated Financial Statements	12/13/2013			0 of 1 recommendation is closed. Corrective actions are in progress to address the recommendation.
4A-CF-00-14-039	The U.S. Office of Personnel Management's Fiscal Year 2014 Consolidated Financial Statements	11/10/2014			2 of 4 recommendations is closed. One recommendation closed during this reporting period. Corrective actions are in progress to address the remaining recommendations.
4A-CF-00-15-027	The U.S. Office of Personnel Management's Fiscal Year 2015 Consolidated Financial Statements	11/13/2015			3 of 5 recommendations are closed. One recommendation closed during this reporting period. Corrective actions are in progress to address the remaining recommendations.
4A-CF-00-16-030	The U.S. Office of Personnel Management's Fiscal Year 2016 Consolidated Financial Statements	11/14/2016			12 of 19 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions are in progress to address the remaining recommendations.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CF-00-17-028	The U.S. Office of Personnel Management's Fiscal Year 2017 Consolidated Financial Statements	11/13/2017			9 of 18 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions are in progress to address the remaining recommendations.
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			0 of 3 recommendations are closed. Still in the litigation process so action cannot be taken until this process is complete.
4A-CF-00-18-012	The U.S. Office of Personnel Management's Fiscal Year 2017 Improper Payments Reporting	05/10/2018			1 of 2 recommendations is closed. Corrective actions to address the remaining recommendation are in progress.
4A-CF-00-18-024	The U.S. Office of Personnel Management's Fiscal Year 2018 Consolidated Financial Statements	11/15/2018			14 of 23 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions are in progress to address the

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
					remaining 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			4 of 5 recommendations are closed. Corrective actions are in progress to address the remaining recommendation.
4A-CF-00-19-012	The U.S. Office of Personnel Management's Fiscal Year 2018 Improper Payments	06/03/2019			3 of 4 recommendations are closed. Corrective actions to address the remaining recommendation are in progress.
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			20 of 23 recommendations are closed. OPM is re-evaluating technology options. OPM does not have a target date to complete the evaluation.
4A-CF-00-19-022	Office of Personnel Management's Fiscal Year 2019 Consolidated Financial Statements	11/18/2019			11 of 20 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions are in progress to address the

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
					remaining recommendations.
1H-01-00-18-039	Management Advisory Report related to Prescription Drug Costs in the Federal Employees Health Benefits Program	2/27/2020			2 of 2 recommendations are resolved. Corrective actions to address the recommendations are in progress.
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			5 of 12 recommendations are closed and four of the recommendations are resolved. Corrective actions to address the remaining recommendations are in progress.
4A-CF-00-20-014	U.S Office of Personnel Management's Fiscal Year 2019 Improper Payments Reporting	5/14/2020			2 of 3 recommendations are closed. Corrective actions to address the remaining recommendation are in progress.
1H-07-00-19-017	CareFirst Blue Choice's Federal Employees Health Benefits Program Pharmacy Operations as Administered	7/20/2020	$0		5 of 8 recommendations are closed. Corrective actions to address the remaining recommendations are being considered.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
	by CVS Caremark for Contract Years 2014 through 2017				
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			18 of 24 recommendations are closed and one of the open recommendations is resolved. Corrective actions to address the remaining recommendations are being considered.
4A-RS-00-19-038	U.S Office of Personnel Management's Retirement Services' Disability Reconsideration Appeals Process	10/30/2020			3 of 8 recommendations are closed and five of the open recommendations are resolved. Actions to address the remaining recommendations are in progress.
4A-CF-00-20-024	U.S Office of Personnel Management's Fiscal Year 2020 Consolidated Financial Statements	11/13/2020			12 of 21 recommendations are closed. Two recommendations closed during this reporting period. Actions to address the remaining recommendations are in progress.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
1C-GG-00-20-026	Information Systems General Controls at Geisinger Health Plan in Danville, Pennsylvania	03/09/2021			1 of 2 recommendations are closed. The remaining recommendation is resolved. One recommendation is pending closure review.
4A-HI-00-18-026	Management Advisory Report - FEHB Program Integrity Risks Due to Contractual Vulnerabilities in Washington, D.C.	04/1/2021			0 of 11 recommendations are closed. Corrective actions to address the recommendations are being considered.
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			3 of 4 recommendations are closed. Actions to address the remaining recommendation are in progress.
1C-8W-00-20-017	UPMC Health Plan, Inc. in Pittsburgh, Pennsylvania	06/28/2021			13 of 17 recommendations are closed. Corrective actions to address the remaining recommendations are being considered.
1H-99-00-20-016	Reasonableness of Selected FEHBP Carriers' Pharmacy Benefit	07/29/2021			0 of 3 recommendations are closed. Corrective actions to address the recommendations

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
	Contracts in Washington, D.C.				are being considered.
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			11 of 20 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions are in progress to address the remaining 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		14 of 18 recommendations are closed. Four recommendations are resolved. Corrective actions to address the remaining recommendations are being considered.
2022-IAG-002	The U.S. Office of Personnel Management's Compliance with the Payment Integrity Information Act of 2019	06/23/2022			5 of 6 recommendations are closed. Actions to address the remaining recommendation are in progress.
1C-59-00-20-043	Kaiser Foundation Health Plan, Inc	08/16/2022			15 of 16 recommendations are closed. Corrective actions to address the remaining recommendation are being considered.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
1A-10-15-21-023	BlueCross BlueShield of Tennessee in Chattanooga, Tennessee	08/23/2022	$309,703		10 of 11 recommendations are closed. Corrective actions to address the remaining recommendation are being considered.
2022-IAG-003	The U.S. Office of Personnel Management's Fiscal Year 2022 Consolidated Financial Statements in Washington, D.C.	11/14/2022			6 of 15 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions are in progress to address the remaining recommendations.
2022-CRAG-004	MercyCare Health Plans in Janesville, Wisconsin	2/2/2023			2 of 4 recommendations are closed. Corrective actions to address the remaining recommendations are being considered.
2022-CRAG-0010	The Federal Employees Health Benefits Program Termination Process at Health Plan of Nevada, Inc. in Las Vegas, Nevada	2/15/2023			15 of 20 recommendations are closed and two of the recommendations are resolved. Corrective actions to address the remaining recommendations are being considered.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
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 through 2019 in St. Louis, Missouri	2/16/2023			2 of 12 recommendations are closed. Corrective actions to address the remaining recommendations are being considered.
2022-CAAG-0023	Claims Processing and Payment Operations at Blue Cross and Blue Shield of North Carolina for Contract Years 2018 through 2020 in North Carolina	3/3/2023	$203,989		4 of 5 recommendations are closed. One recommendation closed during this reporting period. Actions to address the remaining recommendation are in progress.
2022-CAAG-0014	Evaluation of COVID-19's Impact on FEHBP Telehealth Services and Utilization in Washington, D.C.	3/6/2023	$71,236		0 of 5 recommendations are closed. Corrective actions to address the recommendations are being considered.
2023-IAG-002	The U.S. Office of Personnel Management's Compliance with the Payment	5/22/2023			1 of 2 recommendations is closed. Corrective actions to address the remaining

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	Integrity Information Act of 2019 in Washington, D.C				recommendation are in progress.
2022-IAG-0019	The U.S. Office of Personnel Management's Retirement Services' Settlement Process in Washington, D.C.	6/15/2023			2 of 5 recommendations is closed and three of the recommendations are resolved. One recommendation closed during this reporting period. Corrective actions to address the remaining recommendations are in progress.
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 through 2021 in Washington, D.C.	6/27/2023	$65,749,265		2 of 11 recommendations are closed. Two recommendations closed during this reporting period. Corrective actions to address the remaining recommendation are in progress.
2022-ISAG-036	Information Systems General and Application Controls at Health Alliance Medical Plans,	7/13/2023			11 of 17 recommendations are closed and six of the recommendations are resolved. Four recommendations

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
	Inc. in Champaign, Illinois				closed during this reporting period. Actions to address the remaining recommendations are in progress.
2022-CRAG-037	UnitedHealthcare Insurance Company, Inc. in Minnetonka, Minnesota	10/30/2023			14 of 17 recommendations are closed. Eight recommendations closed during this reporting period. Two recommendations are pending closure review. Actions to address the remaining recommendations are in progress.
2023-CAAG-001	Claims Processing and Payment Operations at Select Anthem Blue Cross and Blue Shield Plan Sites for Contract Years 2019 through 2021 in Washington, D.C.	11/7/2023	$1,181,145		5 of 7 recommendations are closed and two of the recommendations are resolved. Actions to address the remaining recommendations are in progress.
2023-IAG-017	The U.S. Office of Personnel Management's Fiscal Year 2023 Consolidated Financial Statements in Washington, D.C.	11/13/2023			7 of 15 recommendations are closed. Seven recommendations closed during this reporting period. Corrective actions are in progress to address the

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
					remaining 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			2 of 5 recommendations are closed. One recommendation closed during this reporting period. Actions to address the remaining recommendations are in progress.
2022-CAAG-001	The Office of Personnel Management's Disputed Claims Process for years 2018 through 2020 in Washington, D.C.	12/20/2023			0 of 15 recommendations are closed. Corrective actions to address the recommendations are being considered.
2023-CAAG-009	Claims Processing and Payment Operations at all Blue Cross and Blue Shield Plans as Related to Provider Network Status for Contract Years 2019 through 2021 in Washington, D.C.	2/15/2024	$771,585		1 of 3 recommendations are closed. One recommendation was resolved this reporting period. Actions to address the remaining recommendations are in progress.
2023-CAAG-020	FEHBP Claims Processing and Payment Operations as Administered	2/20/2024			2 of 3 recommendations are resolved. Corrective actions are planned and in

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
	by Regence for Contract Years 2019 through 2021 in Tacoma, Washington				progress but are not yet fully complete.
2023-ERAG-005	Blue Cross Blue Shield of North Carolina in Durham, North Carolina	2/26/2024	$542,830		7 of 8 recommendations are closed and one recommendation is resolved. Actions to address the remaining recommendation are in progress.
2023-CAAG-022	Claims Processing and Payment Operations as Administered by Blue Cross and Blue Shield of Florida for Contract Years 2020 through 2022 in Jacksonville, Florida	3/6/2024	$59,875		0 of 2 recommendations are closed, one recommendation is resolved. Actions to address the remaining recommendations are in progress.
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, Maryland	3/29/2024	$17,640,226		5 of 17 recommendations are closed and four recommendations are resolved. One recommendation is pending closure review. Actions to address the remaining recommendations are being considered.

U.S. Office of Personnel Management

Merit System Accountability & Compliance (MSAC)
1900 E Street NW, Washington DC 20415

OPM.gov

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Fiscal Year 2025

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