



**U.S. OFFICE OF PERSONNEL MANAGEMENT
OFFICE OF THE INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS**

Quarterly Case Summaries

Investigative Activities

Fiscal Year 2021

Quarter 3

April 2021 – June 2021

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-- Caution --

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List of Acronyms

AKS	Anti-Kickback Statute
CSRS	Civil Service Retirement System
DOJ	Department of Justice
FBI	Federal Bureau of Investigation
FDA	Food and Drug Administration
FEDVIP	Federal Employees Dental and Vision Insurance Program
FEGLI	Federal Employees' Group Life Insurance
FEHBP	Federal Employees Health Benefits Program
FEI	The Federal Executive Institute
FERS	Federal Employee Retirement System
FFS	Fee-for-Service
FY	Fiscal Year
HHS	U.S. Department of Health and Human Services
HMO	Health Maintenance Organization
NBIB	National Background Investigations Bureau
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
OIG	Office of the Inspector General
OPM	U.S. Office of Personnel Management
OSC	U.S. Office of the Special Counsel
ROI	Report of Investigation

Overview of U.S. Office of Personnel Management (OPM) Programs and Activities

OPM-administered Federal Retirement Programs include two primary Federal defined-benefit retirement plans: the **Civil Service Retirement System (CSRS)**, which covers employees hired by the Federal Government between 1920 and 1986, and the **Federal Employees Retirement System (FERS)**, which covers employees hired after 1987. These plans provide monthly annuities based on a Federal Government retiree's service. Additionally, **OPM Disability Retirement** allows for FERS-eligible Federal employees who become disabled to collect benefits.

The Federal Employees Dental and Vision Insurance Program (FEDVIP) makes supplemental dental and vision insurance available to Federal employees and retirees who are eligible for Federal employment benefits. FEDVIP operates on an enrollee-pay-all basis and creates a group pool that allows for competitive premiums and no preexisting condition limitations.

The Federal Employees' Group Life Insurance (FEGLI) program is the largest group life insurance program in the world, covering over 4 million Federal employees and retirees, as

well as many of their family members. It provides a standard group term life insurance and elective coverage options.

The Federal Employees Health Benefits Program (FEHBP) provides health insurance to Federal employees, retirees, and their eligible dependents. It is the largest employer-sponsored health insurance program in the world and administers benefit payments within a universe of over 200 health plans, including health maintenance organizations (HMOs) and fee-for-service health plans from a number of private health insurance carriers.

The Federal Executive Institute (FEI) is part of OPM's Center for Leadership Development and training center offers learning and ongoing leadership development for Federal senior leaders through classes and programs to improve the performance of Government agencies.

The Combined Federal Campaign (CFC) is the world's largest and most successful annual workplace charity campaign. It raises millions of dollars each year through pledges made by Federal civilian and retiree, postal, and military donors during the campaign season. These pledges support eligible nonprofit organizations.

The National Background Investigations Bureau (NBIB), a former OPM bureau, conducted background investigations of Federal job applicants, employees, members of the armed services, and contractor personnel for suitability and security purposes. NBIB and its functions were transferred to the Department of Defense on October 1, 2019, and it is now the Defense Counterintelligence and Security Agency. Background investigators submitted their findings from interviews and other background work in **Reports of Investigation (ROIs)**.

The OPM Office of the Inspector General (OIG) Hotline is mandated by the Inspector General Act of 1978, as amended, and helps ensure the proper and efficient use of taxpayer dollars for the American people. Government employees, contractors, or members of the public can report criminal activity, fraud, waste, abuse, and mismanagement of OPM programs via the Hotline. The OIG Hotline staff review and process complaints, and complaints may result in an investigation, audit, or evaluation performed by the OIG. Reports to the OPM OIG Hotline can be submitted:

- ❖ By telephone (1-877-499-7295);
- ❖ By mail
U.S. Office of Personnel Management, Office of the Inspector General
Theodore Roosevelt Building
1900 E Street NW
Room 6400
Washington, DC 20015-1100; or
- ❖ Online (opm.gov/our-inspector-general/hotline-to-report-fraud-waste-or-abuse/complaint-form/).

At the end of this document, we include an additional glossary related to the types of investigations we conduct in our oversight mission to protect OPM programs from fraud, waste, abuse, and mismanagement.

Director's Report

In this report, the U.S. Office of Personnel Management (OPM) Office of the Inspector General (OIG) presents summaries of noteworthy cases investigated by the OPM OIG's Office of Investigations as we endeavor to curtail improper payments, stop patient harm, protect OPM programs, and provide independent and objective oversight of OPM operations. We have selected these cases to highlight the successes of our special agents and Investigative Support Operations group, as well as to describe the types of waste, fraud, abuse, and mismanagement that harm OPM, its programs, and Federal employees, retirees, and their dependents.

The cases below represent a period from April 1, 2021, through June 30, 2021.

This period continued to be affected by the ongoing novel coronavirus (COVID-19) pandemic throughout the Nation, which includes changing investigative priorities and impact to criminal investigators' ability to travel, conduct interviews, and interact with our law enforcement and Department of Justice (DOJ) partners whose offices closed or transitioned to socially distanced-only operations. Most OPM OIG Federal employees continue operating under a maximum telework posture. We continue to be part of the Pandemic Response Accountability Committee (PRAC), an independent committee under the Council of the Inspectors General on Integrity and Efficiency, created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. We are also part of the DOJ's Proactive Data Group as part of our work to investigate fraud, waste, abuse, and mismanagement related to the OPM-administered Federal Employees Health Benefits Program (FEHBP) and other OPM programs and operations.

Health Care Fraud Investigations

According to OPM, in Fiscal Year (FY) 2020, the FEHBP across all of its health insurance carriers paid \$25.18 million in improper payments. However, because of concerns regarding OPM's calculation of the improper payment rate, the OIG considers the improper payment amount to likely be substantially higher. These substantial, costly improper payments often derive from fraud, waste, or abuse throughout the FEHBP and negatively affect premium rates and the program as a whole. Moreover, fraudulent schemes that generate improper payments often also cause patient harm.

Anti-Kickback Statute

The Federal Anti-Kickback Statute (AKS) is one of the best-known Federal fraud and abuse statutes. The AKS is a criminal statute that prohibits transactions intended to induce or reward referrals for items or services reimbursed by Federal health care programs. It has a significant effect on business relationships in the health care, pharmaceutical, and medical device sectors.

The FEHBP continues to be excluded from the AKS. In some cases that are still successfully prosecuted by other means, court-ordered restitution may exclude losses that would otherwise be ordered repaid under the AKS.

We have previously discussed issues arising from this exclusion at length in several Semiannual Reports to Congress, and we will continue to work with Congress to address this exclusion.

- ❖ On January 21, 2021, we received a *qui tam* complaint filed in the U.S. District Court for the Middle District of Louisiana that alleged a provider group and related entities paid kickbacks to individuals who referred patients to the provider group in 2018. This would be a violation of the AKS. The complaint additionally alleged the provider group altered medical records and provided medically unnecessary services. The alleged violations focused on the AKS. We did not obtain the actual loss to the FEHBP since there was no nexus to investigate the allegations because of the FEHBP's exclusion from the AKS.

Conflict of Interest

- ❖ In July 2017, we received information from a law enforcement partner regarding a medical product provider who allegedly submitted false claims to the Government, including through the FEHBP. Our investigation found that the FEHBP's loss was \$27,222. We previously reported that an individual was indicted and pled guilty in the U.S. District Court for the District of Maryland in 2019 for conspiracy to commit healthcare fraud and prohibited conflicts of interest. A second individual also pled guilty in October 2020 to accepting gratuities by a public official. On April 28, 2021, a third individual was charged in the U.S. District Court for the District of Maryland for violating the statute related to gratuities paid to a public official. On May 14, 2021, that individual pled guilty to the charge. Further judicial action is anticipated in this case.

Laboratory Testing Fraud

- ❖ In October 2015, we received a *qui tam* complaint regarding a university laboratory billed for medically unnecessary testing and screening between January 2008 and December 2017. Additionally, a hospital submitted inflated claims related to laboratory testing. The FEHBP paid \$270,387. On May 11, 2021, the Government reached a settlement with the university laboratory. From that settlement, OPM will receive \$75,000.

Billing Fraud

- ❖ We received information from a law enforcement partner regarding a health care provider who allegedly billed numerous treatments (up to 2,000 hours) per day as part of a fraud scheme to bill for services not rendered. The FEHBP had paid the provider \$74,110. We previously reported that the provider was charged and pled guilty in the U.S. District Court for the Eastern District of Pennsylvania with submitting fraudulent claims for services not rendered. On May 20, 2021, the provider was sentenced to 6 months of home detention and 5 years of probation, as well as being ordered to pay \$99,037 in criminal monetary penalties. Of that, the FEHBP will recover \$3,082 in restitution.

Compounded Medications

- ❖ We received a referral from a law enforcement partner alleging that a provider was involved in a fraud and kickback scheme relating to compounded prescriptions. OPM had paid \$2.29 million to the provider between 2013 and 2015. We previously reported that in 2019 an individual was convicted in the U.S. District Court for the Central District of California of paying illegal remunerations. On June 3, 2021, this individual was sentenced to 3 years of probation. Further judicial action is anticipated.

Special Topic: The Opioid Epidemic

In his 2017 memorandum “Combating the National Drug and Opioid Crisis,” former President Donald J. Trump declared the opioid crisis a public health emergency and directed a multi-agency response to combat the nationwide issue. The FEHBP faces substantial negative impacts from the opioid epidemic, as Federal employees and their families have not been spared from addiction, treatment, and other ancillary harms and costs associated with the crisis. Recent statistics from the Centers for Disease Control and Prevention show that the number of opioid deaths nationwide is rising again. The number of opioid claims and the cost of those claims increased across almost all FEHBP carriers in 2020, during the COVID-19 pandemic. Addressing opioid-related issues remains a priority for our Office of Investigations.

Medications Fraud

- ❖ In October 2016, we received a referral from an FEHBP carrier alleging that a provider had suspicious billing activity related to high-dollar medications, including naloxone, which is used to treat acute opioid overdose. The FEHBP paid more than \$670,000 for the at-issue medications. We previously reported about indictments and guilty pleas in the U.S. District Court for the Eastern District of Virginia, as well as multiple sentencing. On April 16, 2021, two additional individuals were sentenced. One person was sentenced to 15 months of imprisonment and 3 years of supervised release, as well as ordered to pay \$150,511 in restitution. The second individual was sentenced to 24 months of imprisonment and 3 years of supervised release, as well as ordered to pay a forfeiture money judgment of \$21,510. The total restitution to OPM in this case is \$980,758. Further judicial action is anticipated in this case.

Opioid Manufacturers

- ❖ In a case related to an opioid drug manufacturer, five providers were alleged to be participating in a kickback and bribery scheme that paid sham educational programs in exchange for prescribing millions of dollars of a fentanyl-based opioid. The FEHBP only received exposure information from one carrier related to one provider, which totaled \$63,420.68. We previously reported multiple guilty pleas related to this case. On June 16, 2021, one individual was sentenced in the U.S. District Court for the Southern District of New York to 57 months of imprisonment and 2 years of supervised release, as well as ordered to forfeit \$196,600. Because this plea was related to a violation of the

AKS, OPM is unlikely to be included in restitution. Further judicial action is anticipated in this case.

Retirement Annuity Fraud Investigations

In FY 2020, OPM reported that it paid \$299.04 million in improper payments related to its retirement programs to retirees, survivors, representative payees, and families, largely from the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) retirement programs. However, because of concerns regarding OPM's calculation of the improper payment rate, the OIG considers the improper payment amount to likely be substantially higher. One of the most common causes of improper payments is failure to verify the deaths of annuitants, which sometimes allows improper payments to continue for years and costs tens of thousands of dollars. Fraud by forged documents, identity theft, and other schemes also highlight program vulnerabilities, and in some cases may stop Federal retirees or rightful annuitants from receiving their deserved benefits.

Annuity Theft

- ❖ In January 2020, we received a case referral from the OPM's Retirement Services program office alleging that someone fraudulently obtained CSRS annuity payments made to a deceased annuitant. The annuitant had died in September 2013, but payments continued until April 2019, resulting in \$50,950 of improper payments. OPM was able to recover \$7,763 through the U.S. Department of the Treasury (Treasury) reclamation process. On May 5, 2021, an individual was indicted in the U.S. District Court for the Middle District of Florida on two counts of theft of public money. Further judicial action is expected in this case.
- ❖ In April 2019, our Investigative Support Operations group identified an obituary showing that a survivor annuitant died in August 2012. OPM was still making payments to the annuitant. Post-death annuities paid to the annuitant were \$35,401, and health benefit premiums paid were \$52,950. The total loss to OPM was \$88,351. We previously reported that one individual was charged by information and pled guilty in the U.S. District Court for the Southern District of Ohio with two counts of theft of public money. On April 27, 2021, the individual was sentenced to 5 years of probation and ordered to pay restitution of \$35,401 to OPM.
- ❖ In April 2019, we received a referral from the Retirement Services program office alleging that a survivor annuitant's death was not reported to OPM and OPM continued to deposit monthly annuity payments that were then used by unentitled persons. This lasted from May 2000 until October 2018. The improper payment amount was \$105,761. OPM recovered \$19,401 through the Treasury reclamation process, leaving a total overpayment of \$86,359. We previously reported that one individual was charged and pled guilty in the U.S. District Court for the Eastern District of Virginia. On June 4, 2021, that individual was sentenced to 12 months and 1 day of incarceration and 36 months of supervised release for the theft of Government monies. The individual was also ordered to pay \$328,880 in restitution, of which \$86,359 will be returned to OPM.

- ❖ In October 2019, we received a referral from a law enforcement partner regarding a deceased annuitant whose May 2008 death was not reported. Payments had continued until we were notified October 2019, resulting in an overpayment of \$428,410. On June 23, 2021, two individuals were indicted in Maryland State Court for theft of Government property. Further judicial action is anticipated in this case.

Statute of Limitations

- ❖ A retired annuitant’s August 2003 death was not timely reported to OPM, and therefore the Retirement Services program office did not drop the case due to the annuitant’s death or attempt to initiate Treasury reclamation actions to recover post-death annuity payments. Between August 2003 and September 2009, the post-death annuitant payments were \$156,673. Furthermore, this annuitant also received \$50,926 in a survivor annuity. The total loss to OPM is \$207,599. We notified the Retirement Services program office in October 2020 of the need to drop the annuitant/survivor annuitant’s case for death and initiate Treasury reclamation actions, which it did. On June 3, 2021, we received a referral from the Retirement Services program office regarding the overpayments. However, because the Retirement Services program office had suspended payments on the annuity but had not referred the case to the OIG, the Federal statute of limitations has expired, so the OIG will not take further action. We referred the case back to the Retirement Services program office to continue its recovery efforts.

Administrative and Reclamation Actions Referred to OPM’s Retirement Services Program Office

OPM Program Loss	Date of Annuitant or Retirement Annuitant’s Death	Date the Retirement Services program office paid annuity payments	OIG Actions	Actions the Retirement Services program office took in response
\$5,594 (\$4,230 in annuity payments and \$1,364 in health benefits premiums)	May 2019	May 2019 to June 2019 (The Retirement Services program office had suspended the case in September 2019.)	On April 1, 2021, we notified the Retirement Services program office so it could take appropriate action.	On April 6, 2021, the Retirement Services program office initiated Treasury reclamation actions to recover the post-death annuity payments and health benefit premiums.

\$9,364 (\$7,780 in annuity payments and \$1,483 in health benefits premiums)	October 2019	November 2019 (The Retirement Services program office suspended the case in December 2019.)	On March 31, 2021, we notified the Retirement Services program office and requested it take appropriate action.	On April 5, 2021, the Retirement Services program office initiated Treasury reclamation actions to recover the postmortem payments and the case was dropped for death.
\$2,594	October 2019	November 2019 (The Retirement Services program office suspended the case in December 2019.)	On April 1, 2021, we notified the Retirement Services program office and requested it take appropriate action.	On April 5, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity payments.
\$3,564	October 2019	November 2019 (The Retirement Services program office suspended the case in December 2019.)	On April 5, 2021, we requested the Retirement Services program office take appropriate action.	On April 7, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity payments.
\$1,704	October 2019	November 2019 (The Retirement Services program office suspended the case in December 2019.)	On April 1, 2021, we requested the Retirement Services program office take appropriate action.	On April 5, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity payments.

\$0 While there were no post-death annuity payments, the annuitant had life insurance and an accrued annuity payable to their beneficiaries.	November 2019	-	On April 6, 2021, we provided a copy of the November 2019 death record to the Retirement Services program office.	The Retirement Services program office dropped the case for death on April 7, 2021.
\$4,597 (\$3,340 in post-death annuity payments and \$1,257 in paid health benefits premiums)	March 2020	April 30, 2020	On April 6, 2021, we provided a copy of the death record for the retired annuitant to the Retirement Services program office.	On April 9, 2021, the Retirement Services program office initiated Treasury reclamation actions to recover the improper payments.
\$6,085	May 2020	June 2020	On April 6, 2021, we provided a copy of the death record for the retired annuitant to the Retirement Services program office.	On April 15, 2021, the Retirement Services program office dropped the case for death. On April 16, 2021, it initiated Treasury reclamation actions to recover the post-death annuity payments and health benefit premiums.
\$1,697	October 2019	July 2020	On April 12, 2021, we provided a copy of the annuitant's October 2019 death record to the Retirement Services program office so it could take appropriate action.	On April 16, 2021, the Retirement Services program office dropped the case for death, and on April 20, 2021, initiated reclamation actions to recover the post-death annuity payments.

\$23,554 (\$19,476 in post-death annuity payments and \$4,078 in post-death health benefits premiums)	May 2016	October 2016	On April 2, 2021, we provided a copy of the death record to the Retirement Services program office so it could take appropriate action.	On April 6, 2021, the Retirement Services program office dropped the case for death, and on April 7, 2021, it initiated Treasury reclamation actions.
\$2,274 (\$1,121 in post-death annuity payments and \$1,153 in health benefits premiums)	July 2019	August 2019	On April 26, 2021, we notified the Retirement Services program office that when it suspended the survivor annuity payments, it had not dropped the case for death.	On April 30, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity payments and health benefit premiums.
\$2,533 (\$1,050 in post-death annuities and \$1,483 in post-death health benefit premiums)	October 2019	November 2019	On May 13, 2021, we provided a copy of the death record to the Retirement Services program office so it could take appropriate action.	On May 13, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity payments and health benefit premiums.
\$3,426	September 2019	November 2019	On May 13, 2021, we provided a copy of the death record to the Retirement Services program office so it could take appropriate action.	On May 13, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the improper payment.

\$3,679 (\$1,633 in post-death annuity payments and \$2,046 in health benefits premiums.)	September 2019	November 2019	On May 11, 2021, we provided the Retirement Services program office a copy of the death record so that the program office could take appropriate action.	On May 13, 2021, the Retirement Services program office dropped the case for death and initiated reclamation actions to recover the post-death annuity payments and health benefit premiums.
\$2,767	September 2019	November 2019	On May 14, 2021, we provided a copy of the death record to the Retirement Services program office.	On May 17, 2021, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity payments.
\$10,440 (\$8,317 in post-death annuity payments and \$2,123 in post-death health benefits premiums)	November 2019	January 2020	On June 1, 2021, our Investigations Support Operations group provided a copy of the death record for the survivor annuitant to the Retirement Services program office.	On June 4, 2021, based on our information, the Retirement Services program office initiated reclamation actions to recover the post-death annuity payments and health benefits premiums, and dropped the case for death.
\$255	August 2016	October 2016	On April 5, 2021, we provided a copy of the death record to the Retirement Services program office so it could take appropriate action.	On April 7, 2021, the Retirement Services program office dropped the case for death and initiated reclamation actions to recover the post-death annuity payments.

\$352,805	March 2003	December 2020	On April 20, 2021, we provided a copy of the death record to the Retirement Services program office so that it could take appropriate action.	On April 21, 2021, based on the information we provided, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions. On June 9, 2021, the OPM CFO posted a recovery of \$351,108, which was recovered from the deceased annuitant's bank account through the Treasury reclamation process. The outstanding balance of post-death annuity payments is \$1,696.
\$1,976 (\$1,254 in post-death annuity payments, \$722 in post-death health benefits premiums)	November 2020	November 2020	On June 7, 2021, we provided a copy of the death record to the Retirement Services program office.	The Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the overpayment.
\$192	September 2019	November 2019	On May 26, 2021, we provided a copy of the death record to the Retirement Services program office.	The Retirement Services program office dropped the case for death and initiated Treasury reclamation actions to recover the post-death annuity monies.

\$1,550	October 2019	November 2019	On May 18, 2021, we provided a copy of the death record for the survivor annuitant to the Retirement Services program office.	After receiving the information we provided, the Retirement Services program office dropped the case for death and initiated Treasury reclamation actions on May 18, 2021.
\$2,915	October 2019	November 2019	We provided a copy of the death record to the Retirement Services program office on May 18, 2021.	The Retirement Services program office dropped the case for death and initiated Treasury reclamation actions.

Integrity Investigations

In addition to conducting criminal and civil investigations, our office also conducts administrative investigations into fraud, waste, abuse, and mismanagement at OPM. We investigate cases involving OPM employees and contractors, including those referred through the OIG Hotline. Integrity investigations may involve whistleblowers and/or retaliation, and are an important part of the OIG’s mission of providing independent oversight and reducing program vulnerabilities.

We do not report any integrity-related investigations during this quarter.

Glossary

Improper Payments are disbursements that should not have been made or were made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. The reduction of improper payments is a President's Management Agenda goal across all Executive Branch agencies. In fiscal year 2018, OPM reported Retirement Programs and the FEHBP combined to make more than \$355.5 million in improper payments.

Healthcare and Insurance Programs

Carrier Letters are guidance that the OPM Healthcare & Insurance program office provides to health insurance carriers to specify how contracts with the FEHBP and other OPM-administered insurance programs are administered. Carrier letters are intended to be complied with in the same manner as carrier contracts, as they often serve as supplemental information to explain policy complexities.

Carriers are private insurance companies that contract with the FEHBP to provide health insurance benefits to Federal employees and retirees and their dependents. These insurance plans include HMO and fee-for-service health plans.

Compounded Medications are medications (often liquids or creams) made to fit the individual needs of a patient. The U.S. Food and Drug Administration (FDA) does not approve compounded drugs. A variety of health care fraud schemes involve compounded drugs: unscrupulous providers prescribing compounded medications without medical relationships with patients; prescribing medically unnecessary, ineffective, or exorbitantly priced compounded drugs; and prescribing compounded drugs in exchange for inducements or illegal compensation.

The False Claims Act allows for the Federal prosecution of any person who knowingly submits false claims to the Government, including making a false record or statement to cause a false claim to be paid, or acting improperly to avoid paying the Government. It includes civil penalties for each false claim. Additionally, the False Claims Act allows for *qui tam* lawsuits, wherein a member of the public files as a relator to sue on behalf of the Government. The relator may be compensated a percentage of the amount the Government recovers through the lawsuit.

Ineligible Dependents are persons who receive benefits from a Federal employee's benefits plan (most often from the FEHBP) but are not eligible to receive these benefits under statutory or regulatory guidelines. Former spouses, friends, self-sufficient children aged older than 26, and extended family (such as grandchildren) are common ineligible dependents. Any payment to an ineligible dependent is an improper payment.

Medically Unnecessary Services are items and services that are unreasonable or unnecessary for the diagnosis or treatment of an illness or injury. Medically unnecessary

services are often provided in exchange for inducements or as part of health care fraud schemes.

Pass-Through Billing Schemes involve unscrupulous providers paying a laboratory to perform tests but filing claims with an insurance company or Government program as if the provider or a related entity conducted the test. Pass-through billing schemes generate improper payments through inflated reimbursement or as part of an arrangement involving illegal inducements.

Services Not Rendered are procedures, tests, or appointments not performed by a provider but still billed as such, or billed inaccurately to misrepresent services as something eligible for a higher reimbursement than the services actually performed.

Telemedicine provides health care services to a patient by telecommunication, such as via webcam. While the practice increases convenience and care access, it is also vulnerable to a variety of fraud schemes, including those involving opioids and compounded medications.

The Travel Act provides for Federal-level criminalization of business activities that are illegal under certain State laws (e.g., bribery) if interstate commerce, travel, or mail was part of the illegal business activities. Recent use of the Travel Act is a pioneering enforcement strategy that allows us to pursue fraud schemes when relevant State laws have been broken.

Unbundling is a health care fraud scheme where a procedure or office visit is separated into multiple billing codes when the procedure or visit should be billed under a single “panel” or inclusive code. Unbundling creates improper payments through inflated reimbursement.

Special Topic: The Opioid Epidemic

Diversion is the practice of transferring legally prescribed medications from the individual for whom it was prescribed to another person for illicit use.

Opioids are a class of pain medication labeled as **Schedule II drugs**, i.e., “drugs with a high potential for abuse, with use potentially leading to severe psychological or physical dependence.” While largely safe when taken as prescribed by a doctor and according to medical best practices, opioids are often abused and can cause addiction, overdose, and death. Opioid drugs include **oxycodone**, one of the most common and most abused prescription drugs, and **fentanyl**, which has emerged as a dangerous additive to drugs such as heroin and can lead to overdoses in even small amounts.

Pill Mills are health care providers, facilities, or pharmacies that prescribe and/or dispense drugs without legitimate medical purpose.

Sober Homes aim to provide safe and drug-free residences for individuals suffering from addiction, but unscrupulous sober homes may submit patients to unnecessary, expensive, and excessive testing as part of a health care fraud scheme.

Retirement Annuity Programs

Address Verification Letters (AVLs) are sent to Federal retirees and survivor annuitants receiving CSRS/FERS benefits from OPM to verify whether annuitants are living and are living at the address currently on file with Retirement Services. It is one of the surveys that Retirement Services uses to confirm and census its annuitant population.

A Federal Annuitant is a retiree or spouse of a retiree who receives an annuity from OPM.

A Survivor Annuitant is a surviving spouse or child entitled to receive OPM-administered benefits after the death of a Government employee receiving an annuity.

Reclamation is the process by which the Retirement Services program office attempts to recover funds through the Department of the Treasury for money paid as an annuity to deceased Federal annuitants through a financial institution, such as a bank.

National Security

The National Background Investigations Bureau (NBIB) was previously a part of OPM that conducted background investigations of Federal job applicants, employees, members of the armed services, and contractor personnel for suitability and security purposes. Background investigators submit their findings from interviews and other work in **Reports of Investigation (ROIs)**.

Integrity

The U.S. Office of Special Counsel (OSC) investigates and prosecutes prohibited personnel practices, whistleblower retaliation, and other violations that harm the civil service. As an outcome of our integrity investigations involving OPM employees, we may refer cases to the OSC for further action.