Purpose and Definition

• The purpose of today’s webinar is to provide additional guidance on submitting “healthy” retirement application packages to OPM for adjudication.

• A “healthy” retirement package is a complete and accurate package that does not have to be developed for missing, inaccurate or incomplete information.
Retirement Application Audit

• Audit of agency retirement application packages started in 2009
  • Annual audits based on six week period
  • Cases first processed by LAS reviewed and results recorded in a database
  • Agencies were provided with their results

• Audit now performed monthly
  • Performed in RDS based on the development checklist
  • Agency results provided monthly
## Retirement Application Audit Results FY 2009 - 2014

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Error Rate</th>
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<tbody>
<tr>
<td>FY 2009</td>
<td>31.5%</td>
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<tr>
<td>FY 2010</td>
<td>22.8%</td>
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<tr>
<td>FY 2011</td>
<td>18.2%</td>
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<td>FY 2012*</td>
<td>15.1%</td>
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<td>FY 2013</td>
<td>8.4%</td>
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<td>FY 2014**</td>
<td>18.0%</td>
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* Change to monthly audits
** New error definitions
CSRS and FERS Development Checklist and Log

- April 2012 - CSRS and FERS Development Checklists and Logs
  - Systematically screen incoming cases
  - Document healthy and unhealthy cases, and
  - Document development actions taken

- Data from checklists used for the Retirement Application Audit

- Checklist and audit definitions shared in BAL 12-103
CSRS and FERS Development Checklist and Log

- October 2013 - Checklist and Error Definitions revised
  - Error definitions expanded to more adequately reflect conditions that delay adjudication
  - New definitions provided in Listserv message and with Audit Reports for October 2014 and November 2014

- Data from revised checklists now used for the Retirement Application Audit
Error Definitions Added by the Revised Checklists

- In this section we will cover error definitions that were added by the new checklist
Revised Error Definitions - Miscellaneous

- Name, SSN, DoB do not match documents in File (HR)
- Air Traffic Controllers – Retirement SF 50 required for FERS cases (HR)
Revised Error Definitions - Service

• Earnings Required for USPS non-deduction service (HR)
  • CSRS > 5 years of service
  • FERS > 3 months of service
  • Any WAE/Intermittent
    • Sub Rural Carriers

• Schedule D missing (HR)
Revised Error Definitions - FEHB

- FEHB Suspended; documentation not on file (HR)
  - Medicare Advantage Health Plan – requires documentation reflecting effective date of coverage in approved Medicare Advantage Health Plan
  - TRICARE – copy of uniformed services ID card; and if over 65, copy of Medicare card showing Parts A and B coverage
  - CHAMPVA – copy of CHAMPVA A Card
  - Medicaid – enrollment card or letter of eligibility
Revised Error Definitions - FEHB

• FEHB Cancelled; documentation not on file (HR)
  • Prior to Retirement – documentation of prior coverage and 2809 cancelling coverage
  • At Retirement - documentation of prior coverage and 2809 cancelling coverage; and, if cancelling to be covered under spouse’s enrollment, copy of 2809 showing change to Family coverage
Revised Error Definitions - FEHB

- Incorrect HB code on HB label (Payroll)
  - Must match FEHB code on transferred enrollment

- Incorrect HB code on IRR (Payroll)
  - Must match FEHB code on transferred enrollment
Revised Error Definitions - FEGLI

- LI coverage waived/cancelled after previous enrollment (HR)
  - Need 2817s for prior coverage and the 2817 waiving coverage

- SF 2819 not signed (if included) (HR)

- Incorrect Alpha on IRR (Payroll)
  - Must match code/coverage on 2821

- Incorrect Alpha on 2821 (Payroll)
  - Must match coverage/code on IRR
Revised Error Definitions – Retirement Application

• Annuitant did not make survivor election (HR)
  • Unmarried applicants must make election

• Question #2 not answered (former spouse) (HR)
  • CSRS – Sect E, FERS – Section C
  • Applies to ALL applicants

• Spousal information not included (HR)
  • Must be provided for ALL married applicants, including separated
Revised Error Definitions – Retirement Application

• Proof of Common Law Marriage not included (HR)
  • State certificate, order, or judgment; or
  • Sworn Affidavits from applicant and 2 other individuals with knowledge, 1 related to spouse, 1 unrelated; and copies of:
  • Naturalization certificates, immigration records, deeds, insurance policies, passports, child’s birth certificates, joint bank accounts, joint tax returns, church or other records
Revised Error Definitions – Retirement Application

- Spousal Consent not notarized (HR)
- Notary’s commission has expired (HR)
- Spousal Consent has unacceptable corrections (HR)
Revised Error Definitions – Retirement Application

• Acceptable white-outs/corrections are:
  • Applicant’s name, DoB and SSN,
  • CSRS – Part 1a or 1c corrected to a greater amount
  • CSRS – Part 1b to 1c
  • FERS – Part 1a corrected to a greater amount
  • FERS – Part 1b to 1c, 1d, 1e or 1f

• Corrections/white-outs should be initialed and must correspond with election on application
Revised Error Definitions – Military Service

- DD 214 or Military Orders do not note character of service (HR)
  - Member – 4 copy

- Post-56 IRR: Dates and lost time do not match DD 214 or orders (Payroll)

- Post-56 IRR is not marked Paid in Full (if submitted with application) (Payroll)
Most Common Errors Identified by the Audit

- In this section we will cover the most common errors identified by the Audit
Most Common Errors – Documentation of 5 Years FEHB

• Would like documentation of coverage for employee’s entire career, but must have documentation of 5 years required to continue coverage (HR)

• Acceptable proof of coverage includes:
  • SF 2809/2810
  • History reports and/or screen shots from on-line enrollment systems
    • Must show old plan, new plan and effective dates
Documentation of 5 Years FEHB

• Evidence of coverage as family member under another’s FEHB enrollment
  • SF 2809 showing coverage as dependent
• Evidence of TRICARE/CHAMPVA enrollment (including as a family member)
  • TRICARE – copy of uniformed services ID card
  • CHAMPVA - copy of CHAMPVA A Card
• Signed memo from agency detailing 5 years continuous coverage
  • Documentation of 5 years of payroll deductions should also be submitted; or
Documentation of 5 Years FEHB

• BAL 14-103 – Documenting a Retiring Employee’s Eligibility to Continue FEHB Enrollment into Retirement
  • Details acceptable proof of coverage
  • Provides a template for a memo to be used to document 5 years coverage when full documentation is unavailable and certify eligibility to continue coverage
## Documentation of 5 Years FEHB

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<tr>
<th>New Plan</th>
<th>Old Plan</th>
<th>Effective Date</th>
<th>Source of Documentation (SF 2809, Employee Express, etc.)</th>
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Most Common Errors – Retirement Application

- Former Spouse Question not answered (HR)
  - CSRS – Section E
  - FERS – Section C
  - Applies to all applicants, even those who were never married or married only once
Most Common Errors – Retirement Application

• Spousal Consent Form Errors – SF 2801-2 or SF 3107-2 (HR)
  • Not signed
  • Not Notarized, or
    • Notary commission expired
    • Not notarized on same date spouse signed
  • Unacceptable Corrections
Most Common Errors – Retirement Application

• Acceptable white-outs/corrections are:
  • Applicant’s name, DoB and SSN,
  • CSRS – Part 1a or 1c corrected to a greater amount
  • CSRS – Part 1b to 1c
  • FERS – Part 1a corrected to a greater amount
  • FERS – Part 1b to 1c, 1d, 1e or 1f

• Corrections/white-outs should be initialed and must correspond with election on application
Most Common Errors – FEGLI

- Proof of 5 years coverage
  - SF 2817/176s are generally required to document 5 years of coverage for basic and/or optional insurance
  - In lieu of SF 2817/176
    - SF 50s documenting 5 years can be used as appropriate
    - Sufficient payroll records to document 5 years

United States Office of Personnel Management
Most Common Errors – FEGLI

- SF 2821
  - Missing (HR)
  - Not signed by HR or Payroll
  - Box 5 completed and SF 2823 not attached (HR)
  - Box 9 date doesn’t match date on 2819
    - Box 9 is not completed (HR)
  - Coverage doesn’t match most recent 2817 or SF 50 (HR)
- Alpha Code doesn’t match IRR and coverage (Payroll)
Most Common Errors – FEGLI

• SF 2818
  • Missing (HR)
  • Not signed (HR or Payroll)
  • Elected coverage exceeds permitted coverage (HR)
    • Example: Eligible to continue 3 multiples of Option B, elected 4
Most Common Errors – Military Service

- DD 214 or other documentation
  - Missing (HR)
  - Character of Service not noted (HR)
    - Member Copy - 4
  - Post 56 IRR not marked paid in full (if submitted with application package) (Payroll)
Questions