

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

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

October 1, 2021 to March 31, 2022



Message from the Director

As Director of the U.S. Office of Personnel Management, it is my pleasure to present the OPM Office of Inspector General's (OIG) Semiannual Report (SAR) (October 1, 2021 – March 31, 2022) to Congress.

The OIG plays an essential role assessing risk and promoting accountability, integrity, and transparency within OPM. They provide critical guidance on where OPM can improve effectiveness in our missions as the strategic human capital partner for the federal government. These insights allow us to better serve the federal workforce and the American people, which is why a productive partnership with OIG is a top priority for me as OPM Director.

OIG identifies two issues in particular in this SAR: the ongoing impact of COVID-19 on the Federal Employees Health Benefits Program (FEHBP), and open audit recommendations.

OPM appreciates OIG's focus over the past three SARs on the impacts COVID-19 has had on the FEHBP, and we take concerns over preventative care utilization seriously. OIG reported on health claims data using a subset of the FEHBP population which included approximately 69 percent of enrolled members through January 2022. The data OIG analyzed is solely from fee-for-service FEHBP plans. The HMO plans provide more managed care and thus the data reviewed by OIG would not be fully representative of the FEHBP. The OIG continues to express concerns that while the utilization of preventive care services has increased, it does not appear to have yet reached pre-pandemic levels and the apparent increased utilization does not offset decreases in utilization that were observed during the height of the lockdowns. OIG's analysis of the limited claims data, while interesting, only highlights the initiatives OPM and the FEHBP Carriers have taken to encourage FEHBP members to receive preventive services including, reminding enrolled members of the importance of receiving timely preventive care services and encouraging them to do so.

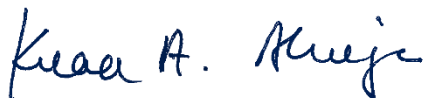
Throughout the continuing national emergency, OPM and FEHBP Carriers worked together to ensure access to needed care. OPM continues to work closely with the FEHBP Carriers to monitor the use of preventive services and ensure members have equitable access to all services including diagnostic tests, therapeutics, and vaccines important to prevent, detect, and treat Covid 19. OPM has encouraged expansion of medically appropriate telehealth services to FEHBP members since 2016. During the ongoing pandemic, FEHBP Carriers have leveraged telehealth care while educating members regarding the availability of these services. FEHBP Carriers have indicated telehealth utilization has risen by an enormous amount, and has greatly assisted in providing safe access to needed services, including preventive services, primary care, mental health and behavioral health services.

OPM will continue to engage FEHB Program carriers to develop new and creative strategies and solutions to ensure members' healthcare needs are met.

Lastly, we recognize the importance of audit recommendations, and believe deeply in the importance of taking time to understand them thoroughly, and work to implement them when appropriate. OPM responds to audit activities from numerous initiators, including OIG, the Government Accountability Office (GAO), the Internal Revenue Service (IRS) and the National Archives and Records Administration (NARA). OPM will continue to work with program offices to close recommendations as expeditiously as possible.

As Deputy Inspector General Vint notes in his opening message, OPM actively takes steps to affirm our good faith engagement with OIG. For instance, I was pleased to release an agencywide message on March 11, 2022, on the continued cooperation and reporting to OIG. We recognize that those good faith efforts are met mutually by OIG.

I thank OIG for its diligence and professionalism. Their work – and our work together – allows OPM to better deliver for our customers, the federal workforce, and serve as the indispensable strategic partner for human capital for the federal government. OPM is proud to serve the federal workforce and the American people, and OIG fulfills a vital role in ensuring our work meets the highest of standards.



Kiran Ahuja
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 2022

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Table 1**Actions Taken on Reports with Disallowed Costs for Insurance Programs¹
October 1, 2021 to March 31, 2022**

Subject	Number of Audit Reports	Disallowed Costs	Recoveries or Adjustments
Reports for which final action not taken by beginning of reporting period	3		
Reports on which management decisions made during the period	4	\$6,631,150	
Reports for which final action taken during period:	4	\$6,631,150	
1. Recoveries and Adjustments			
a. Collections and offsets			\$6,404,514
b. Property			
c. Other (adjustments)			\$226,636
2. Write-offs			
Reports pending final action at end of period	3		

¹This table was updated to reflect corrections made after the end of the last reporting period .

Table 2**Actions Taken on Audits with Recommendations for Better Use of Funds
October 1, 2021 to March 31, 2022**

Subject	Number of Audit Reports	Better Use of Funds
Reports for which final action not taken by beginning of reporting period	2	\$114,354,689
Reports on which management decisions made during period		
Reports for which final action taken during period:		
a) Recommendations completed		
b) Recommendations on which management concluded should not or could not be implemented or completed		
Reports pending final action at end of period	3	\$114,775,729

Table 3**Actions Taken on Reports without Monetary Findings
October 1, 2021 to March 31, 2022**

Subject	Number of Reports
Reports for which final action not taken by beginning of reporting period	83
Reports for which final action taken during period:	
a. Health Insurance Carrier Audit Reports	
b. Information Systems Audit Reports	7
c. Internal Audit Reports	3
d. Special Review Reports	
Reports without monetary findings issued by OIG during period	10
Reports without monetary findings pending final action at end of period	83

Table 4**Summary of Reports More than 12 Months Old Pending Final Action as of March 31, 2022**

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CI-00-08-022	Federal Information Security Management Act for Fiscal Year 2008	9/23/2008			18 of 19 recommendations are closed. OCIO is coordinating across multiple program offices to execute the remaining recommendation.
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. The remaining recommendation will be reviewed with the current financial statement auditor to determine path for closure.
4A-CI-00-09-031	Federal Information Security Management Act for Fiscal Year 2009	11/5/2009			29 of 30 recommendations are closed. OCIO is coordinating across multiple program offices to execute 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. OCIO is coordinating across multiple program offices to execute 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			4 of 7 recommendations are closed. Corrective actions are in progress but not yet fully implemented.
4A-CI-00-10-019	Federal Information Security Management Act for Fiscal Year 2010	11/10/2010			40 of 41 recommendations are closed. OCIO is coordinating across multiple program offices to execute the remaining recommendation.
1K-RS-00-11-068	Stopping Improper Payments to Deceased Annuitant	9/14/2011			12 of 14 recommendations are closed. Corrective actions are planned and in progress but not yet fully complete.
4A-CI-00-11-009	Federal Information Security Management Act for Fiscal Year 2011	11/9/2011			28 of 29 recommendations are closed. OCIO is coordinating across multiple program offices to execute the remaining recommendation.
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 for the remaining recommendation are in progress.
4A-CI-00-12-016	Federal Information Security Management Act for Fiscal Year 2012	11/5/2012			17 of 18 recommendations are closed. OCIO is coordinating across multiple program offices to execute the remaining recommendation.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
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.
4A-CI-00-13-021	Federal Information Security Management Act for Fiscal Year 2013	11/21/2013			15 of 16 recommendations are closed. OCIO is coordinating across multiple program offices to execute the remaining recommendation.
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. In FY22, OCIO provided closure artifacts at the finding level to support recommendation remediation.
4A-CF-00-14-039	The U.S. Office of Personnel Management's Fiscal Year 2014 Consolidated Financial Statements	11/10/2014			1 of 4 recommendations is closed. Corrective actions are in progress. In FY22, OCIO provided closure artifacts at to support remediation of recommendations.
4A-CI-00-14-016	Federal Information Security Management Act for Fiscal Year 2014	11/12/2014			26 of 29 recommendations are closed. OPM is coordinating corrective actions across multiple program offices.
4K-RS-00-14-076	The Review of the U.S. Office of Personnel Management's Compliance with the Freedom of Information Act	3/23/2015			1 of 3 recommendation is closed. Corrective actions to address the remaining recommendations have commenced.
4A-RI-00-15-019	Information Technology Security Controls of the U.S. Office of Personnel Management's Annuitant Health Benefits Open Season System	7/29/2015			5 of 7 recommendations are closed. Actions to address the remaining recommendations are under consideration.
4A-CI-00-15-011	Federal Information Security Modernization Act for Fiscal Year 2015	11/10/2015			24 of 27 recommendations are closed. Corrective actions are in progress for 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			1 of 5 recommendations are closed. Corrective actions are in progress.
4A-CA-00-15-041	The U.S. Office of Personnel Management's Office of Procurement Operations' Contract Management Process	7/8/2016	\$35,761,169	\$1,269,235	2 of 6 recommendations are closed. During this reporting period, evidence to address the remaining recommendations was submitted to OIG.
4A-CI-00-16-061	Web Application Security Review	10/13/2016			0 of 4 recommendations are closed. OPM continues to implement corrective actions across multiple program offices to address the recommendations.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CI-00-16-039	Federal Information Security Modernization Act for Fiscal Year 2016	11/9/2016			21 of 26 recommendations are closed. OCIO has completed two of the requisite plans of action and milestones (POA&M), Corrective action plans to address the remaining recommendations have commenced.
4A-CF-00-16-030	The U.S. Office of Personnel Management's Fiscal Year 2016 Consolidated Financial Statements	11/14/2016			7 of 19 recommendations are closed. During the period two recommendations closed. Corrective actions are in progress; significant work is required to address the remaining recommendations.
4A-CI-00-17-014	The U.S. Office of Personnel Management's Security Assessment and Authorization Methodology	6/20/2017			1 of 4 recommendations are closed. Corrected actions are in progress but not yet fully completed.
1C-GA-00-17-010	Information Systems General and Application Controls at MVP Health Care	6/30/2017			14 of 15 recommendations are closed. The remaining open recommendation is resolved, and corrective actions continue but are not yet fully complete.
4A-CI-00-17-030	Information Technology Security Controls of the U.S. Office of Personnel Management's SharePoint Implementation	9/29/2017			1 of 8 recommendations are closed. Corrective actions are in process for the remaining recommendations.
4A-CI-00-17-020	Federal Information Security Modernization Act Audit Fiscal Year 2017	10/27/2017			25 of 39 recommendations are closed. OCIO has completed the requisite plans of action and milestones (POA&M) for 9 of the recommendations and will continue implementing the remaining corrective actions.
4A-CF-00-17-028	The U.S. Office of Personnel Management's Fiscal Year 2017 Consolidated Financial Statements	11/13/2017			4 of 18 recommendations are closed. During the period, two recommendations closed. Corrective actions are in progress. In FY22, OCIO provided closure artifacts to support remediation of the recommendations.
4A-CF-00-15-049	The U.S. Office of Personnel Management's Travel Card Program	01/16/2018			2 of 21 recommendations are closed. Corrective actions are in progress.
4A-CI-00-18-022	Management Advisory Report - the U.S. Office of Personnel Management's Fiscal Year 2017 IT Modernization Expenditure Plan	02/15/2018			2 of 4 recommendations are closed. Regarding the remaining two recommendations, Corrective actions to address the remaining recommendations have commenced.
4A-CF-00-16-055	The U.S. Office of Personnel Management's Common Services	03/29/2018			0 of 5 recommendations are closed. Corrective actions are planned and in progress but not yet fully completed.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
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 are closed. Corrective actions are in progress for the remaining recommendation.
4A-HR-00-18-013	Information Technology Security Controls of the U.S. Office of Personnel Management's USA Staffing System	05/10/2018			2 of 4 recommendations are closed. Corrective actions are in progress.
4A-CI-00-18-044	Management Advisory Report - U.S. Office of Personnel Management's Fiscal Year 2018 IT Modernization Expenditure Plan	06/20/2018			0 of 2 recommendations are closed. Corrective actions to address the recommendations are in progress.
4A-CI-00-18-038	Federal Information Security Modernization Act Audit Fiscal Year 2018	10/30/2018			31 of 52 recommendations are closed. OCIO is continues to implementing the remaining corrective actions.
4A-CF-00-18-024	The U.S. Office of Personnel Management's Fiscal Year 2018 Consolidated Financial Statements	11/15/2018			7 of 23 recommendations are closed. During the period four recommendations closed. Corrective actions are in progress. One recommendation is pending closure.
4K-CI-00-18-009	The U.S. Office of Personnel Management's Preservation of Electronic Records	12/21/2018			2 of 3 recommendations are closed. Actions to address the remaining recommendation are in progress.
1C-8W-00-18-036	Information Systems General Controls at University of Pittsburgh Medical Center Health Plan	3/1/2019			4 of 5 recommendations are closed. The remaining recommendation is resolved, and corrective actions continue but not yet fully complete.
1C-LE-00-18-034	Information Systems General and Application Controls at Priority Health Plan	3/5/2019			9 of 10 recommendations are closed. The remaining recommendation is resolved, and corrective actions continue but not yet fully complete.
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			0 of 5 recommendations are closed. Corrective actions continue as planned.
4A-CF-00-19-012	The U.S. Office of Personnel Management's Fiscal Year 2018 Improper Payments	06/03/2019			3 of 4 recommendation is closed. During the period, two recommendations closed. Corrective actions are in progress for the remaining open recommendation.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-HR-00-19-034	Independent Certified Public Accountants on the U.S. Office of Personnel Management Human Resources Solutions' Schedule of Assets and Liabilities	06/06/2019			0 of 4 recommendations are closed. Additional discussions with the OIG are required concerning follow-up, tracking, and closure of these recommendations
4A-IS-00-19-035	Independent Certified Public Accountants on the U.S. Office of Personnel Management National Background Investigations Bureau's Details of Analysis and Assumptions Schedule	06/06/2019			0 of 5 recommendations are closed. Additional discussions with the OIG are required concerning follow-up, tracking, and closure of these recommendations
4A-CI-00-19-006	Information Technology Security Controls of the U.S. Office of Personnel Management's Enterprise Human Resource Integration Data Warehouse	06/17/2019			11 of 13 recommendations are closed. During the period, one recommendation closed. Corrective actions to address the remaining recommendations are in progress.
4K-ES-00-18-041	Evaluation of the U.S. Office of Personnel Management's Employee Services' Senior Executive Service and Performance Management Office	07/01/2019			2 of 6 recommendations are closed. Corrective actions to address the remaining recommendations are in progress but not yet fully complete.
1C-59-00-19-005	Information Systems General and Application Controls at Kaiser Foundation Health Plan, Inc., Northern and Southern California Regions	7/23/2019			0 of 2 recommendations are closed. Corrective actions to address these recommendations are in progress.
4A-CF-00-19-026	Data Act IT Security Controls of Consolidated Business Information Systems – FY 2019	10/3/2019			4 of 7 recommendations are closed. Corrective actions 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			10 of 23 recommendations are closed. Corrective actions are in progress.
4A-CI-00-19-029	Federal Information Security Modernization Act Audit Fiscal Year 2019 (FISMA)	10/29/2019			24 of 47 recommendations are closed. OCIO is coordinating corrective actions for the remaining recommendations across multiple program offices.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
4A-CF-00-19-022	Office of Personnel Management's Fiscal Year 2019 Consolidated Financial Statements	11/18/2019			2 of 20 recommendations are closed. During the period two recommendations closed. Corrective actions for the remaining recommendations are in progress. In FY22, OCIO provided closure artifacts to support remediation of the recommendations.
4K-ES-00-19-032	Evaluation of the Presidential Rank Awards Program	1/17/2020			0 of 4 recommendations are closed. Corrective actions are in progress but not yet fully complete.
1H-01-00-18-039	Management Advisory Report related to Prescription Drug Costs in the Federal Employees Health Benefits Program	2/27/2020			0 of 2 recommendations are closed. Corrective actions to address the recommendations are being considered.
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			0 of 12 are recommendations closed. 8 of the open recommendations are resolved. Corrective actions are planned, in progress but not yet fully complete for the remaining 4.
1A-10-85-17-049	Claims Processing and Payment Operations at CareFirst Blue Cross Blue Shield	4/15/2020			9 of 10 recommendations are closed. The remaining recommendation is resolved, and corrective actions are planned and in progress, but not yet fully complete.
4A-CF-00-20-014	U.S Office of Personnel Management's Fiscal Year 2019 Improper Payments Reporting	5/14/2020			1 of 3 recommendations are closed. During the period one recommendation closed. The shared recommendation between OPM Programs on the audit recovery program is resolved. OPM is currently finalizing closure evidence to submit to OIG.
4A-CI-00-20-007	Information Technology Security Controls of the U.S Office of Personnel Management's Electronic Official Personnel Folder System Report	6/30/2020			1 of 3 recommendations are closed. OPM is coordinating corrective actions across multiple program offices.
1H-07-00-19-017	CareFirst BlueChoice's Federal Employees Health Benefits Program Pharmacy Operations as Administered by CVS Caremark for Contract Years 2014 through 2017	7/20/2020			3 of 8 recommendations are closed. OPM is addressing feedback from the OIG and gathering additional evidence to close the audit.
4A-DO-00-20-041	Management Advisory Report – Delegation of Authority to Operate and Maintain the Theodore Roosevelt Federal Building and the Federal Executive Institute	8/5/2020			1 of 4 recommendations are closed. Corrective actions are in progress. Request for Delegated Authority submitted to GSA January 11, 2022. OPM awaits the GSA Administrators decision.

Report Number	Subject	Date Issued	Disallowed Costs	Current Receivable	Status
1B-32-00-20-004	Information Systems General and Application Controls at the National Association of Letter Carriers Health Benefit Plan	9/9/2020			17 of 19 recommendations have been closed. The two remaining recommendations are resolved, and corrective actions are in progress.
4A-CI-00-20-009	U.S Office of Personnel Management's Security Assessment and Authorization Methodology	9/18/2020			0 of 11 recommendations have closed. OCIO will continue implementing corrective actions.
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			11 of 24 recommendations are closed and one of the open recommendations is resolved. Corrective actions for the remaining recommendations are in progress.
4A-RS-00-19-038	U.S Office of Personnel Management's Retirement Services' Disability Reconsideration Appeals Process	10/30/2020			0 of 8 recommendations are closed. 8 recommendations are resolved. Corrective actions are planned and in progress but not yet fully complete.
4A-CI-00-20-010	Federal Information Security Modernization Act (FISMA) Audit Fiscal Year 2020	10/30/2020			21 of 45 recommendations are closed. During the period 21 recommendations have closed. Corrective actions for the remaining recommendations are in progress.
4A-CI-00-20-008	U.S Office of Personnel Management's Common Security Controls FY2020	10/30/2020			0 of 4 recommendation are closed. Corrective actions are in progress.
4A-CF-00-20-024	U.S Office of Personnel Management's Fiscal Year 2020 Consolidated Financial Statements	11/13/2020			2 of 21 recommendations have closed. During the period two recommendations closed. Corrective actions for the remaining recommendations are in progress.
1C-52-00-20-011	Information Systems General and Application Controls at Health Alliance Plan of Michigan in Troy, Michigan	11/30/2020			12 of 14 recommendations have closed. The remaining two recommendations are resolved, and corrective actions are planned but not fully complete.
1C-A8-00-20-019	Information Systems General Controls at Baylor Scott and White Health Plan in Dallas, Texas	12/14/2020			5 of 12 recommendations have closed. The remaining recommendations are resolved, and corrective actions are planned and in progress but not yet fully complete.
1A-99-00-19-002	Duplicate Claim Payments at All Blue Cross Blue Shield Plans for the period July 1, 2016 through July 31, 2019	02/12/2021			6 of 8 recommendations have closed. The remaining two recommendations are resolved, and corrective actions are planned and in progress but not yet fully complete.
1C-GG-00-20-026	Information Systems General Controls at Geisinger Health Plan in Danville, Pennsylvania	03/09/2021			1 of 2 recommendations have closed. The remaining recommendation is resolved, and corrective actions continue but not yet fully complete.



U.S. Office of Personnel Management

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