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

Summary of Investigative Activities

Quarterly Summary of Investigative Activities

July 1, 2025, to September 30, 2025

Executive Summary

Summary of Investigative Activities

In this report, the U.S. Office of Personnel Management (OPM) Office of the Inspector General (OIG) summarizes recent cases investigated by the OIG Office of Investigations as part of our mission to provide independent and objective oversight of OPM programs and operations.

These cases highlight the successes of our criminal investigators and investigative analysts; present challenges and risks to OPM programs and OIG oversight; and describe fraud, waste, abuse, and mismanagement that harms OPM, its programs and operations, and federal employees, retirees, and their eligible dependents.

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Assistant Inspector General for Investigations

About OPM OIG Investigations

The Office of Investigations investigates allegations of wrongdoing related to OPM employees and contractors and allegations of fraud, waste, abuse, or mismanagement involving or affecting OPM programs and operations, including the following:

- the Federal Employees Health Benefits Program (FEHBP), including the Postal Service Health Benefits Program (PSHBP);
- the Federal Employees Dental and Vision Insurance Program (FEDVIP);
- the Federal Employees' Group Life Insurance program (FEGLI);
- OPM retirement programs, including the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS);
- the Federal Long Term Care Insurance Program (FLTCIP);
- the Combined Federal Campaign (CFC); and
- other OPM programs and operations.

These investigations are essential to the OIG's oversight of OPM programs and operations and ensuring OPM maintains the trust of the public and the federal employees, annuitants, and eligible dependents whom the agency serves.

An indictment is merely an allegation. Defendants referenced in these case summaries who have not pleaded guilty or been convicted are presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

Abbreviations

CFC	**Combined Federal Campaign**
CFR	**Code of Federal Regulations**
CSRS	**Civil Service Retirement System**
FEDVIP	**Federal Employees Dental and Vision Insurance Program**
FEGLI	**Federal Employees' Group Life Insurance**
FEHBP	**Federal Employees Health Benefits Program**
FERS	**Federal Employees Retirement System**
FLTCIP	**Federal Long Term Care Insurance Program**
FSAFEDS	**Federal Flexible Spending Account Program**
OIG	**Office of the Inspector General**
OPM	**U.S. Office of Personnel Management**
PSHBP	**Postal Service Health Benefits Program**
U.S.C.	**U.S. Code**

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Quarterly Investigative Productivity

- **Dollars referred for judicial or administrative action.....$410,230,358**

  This is the amount the U.S. Office of Personnel Management (OPM) Office of the Inspector General (OIG) referred for judicial or administrative action based on the casework of the OIG Office of Investigations during this quarter. Our investigative activities identified that this money is associated with allegations of waste, fraud, or abuse and/or improper payments issued by the agency.

- **Restitution orders, settlements, and other recoveries.....$1,047,507**

  This is the amount of court-ordered or otherwise promised monetary recoveries through judicial orders (restitution or settlements) or administrative agreements during this quarter. This money may be returned in this quarter or future quarters based on settlement structures, payment plans, or other factors.

- **Actual dollars returned to the OPM trust funds.....$920,609**

  This is the amount of money OPM reported to the OIG as received and returned to the retirement or Federal Employees Health Benefits Program (FEHBP) trust funds during the quarter for actions associated with OIG investigative activities (e.g., settlements, restitution payments, or administrative payments). The payment may be based on case outcomes from earlier quarters.

- **FEHBP carrier notifications received.....411**

  The most common categories of allegations we received in these notifications were services not rendered, miscoding or upcoding, and false claims.

- **OIG Hotline contacts received.....847**

  This is the number of contacts that the OIG Hotline received during the quarter. The OIG Hotline is a statutorily mandated component of the OIG that receives allegations of fraud, waste, or abuse and whistleblower complaints.

  The OIG Hotline receives a number of customer service complaints related to OPM programs and operations, such as when callers cannot reach agency customer service representatives. This quarter, we received

  - FEHBP Customer Service Complaints 30
  - Retirement Services Customer Service Complaints 59

Health Care Investigations

About OPM OIG Health Care Investigations

The FEHBP pays tens of millions of dollars annually in improper payments caused in part by fraud, waste, and abuse. Common health care fraud allegations that the OIG investigates include medical providers overbilling, billing for services not covered or performed, falsifying diagnoses, and performing unnecessary tests or procedures. Ineligible members who receive health benefits also cause improper payments.

The OIG Office of Investigations prioritizes investigating allegations of patient harm, substantial monetary loss to OPM health care programs, program vulnerabilities, or cases that involve health care priorities such as the opioid epidemic.

In cases where fraud, waste, or abuse affects programs or entities beyond OPM programs, we work closely with our law enforcement partners in the U.S. Department of Justice, the U.S. Department of Health and Human Services OIG, and other federal and state law enforcement agencies.

Health Care Investigations Case Summaries

- In July 2022, we received two qui tam complaints filed against a laboratory that billed both the state of Illinois and patients' medical insurances for COVID-19 laboratory tests.[1] While in receivership, the laboratory agreed to refund the state. The lab still received payment from the medical insurances for services it did provide. FEHBP health insurance carriers paid $6,336 for services not rendered. We previously reported that the owner of the laboratory was indicted on multiple charges and pleaded guilty in April 2025 to one count of health care fraud and one count of wire fraud. On July 15, 2025, the owner was sentenced to 37 additional months of incarceration—since he is already in prison for non-healthcare offenses—and 36 months of probation. In lieu of monetary restitution, the owner was ordered to forfeit a luxury recreational vehicle valued at approximately $1 million.

- In November 2020, we received a case referral from a state law enforcement partner regarding an applied behavior analysis (ABA) clinic fraudulently billing for ABA treatment provided to children with autism, including as if a licensed ABA provider provided the service when they did not. FEHBP health insurance carriers had paid $66,851 for fraudulent claims. We previously reported that one individual was charged with one count of health care fraud and one count of making a false statement on a loan application. On August 11, 2025, this individual pleaded guilty to the charges.

[1] The False Claims Act allows private citizens to file suits on behalf of the United States against those who have defrauded the government. These suits are called "qui tam" suits. Private citizens who successfully bring qui tam actions may receive a portion of the government's recovery.

- In 2023, we received a case notification from an FEHBP carrier alleging that a member was billed for COVID-19 testing and laboratory services that they did not receive. Our investigation found a pattern of the laboratory allegedly billing for services not rendered or inaccurately billing services, engaging in pass-through billing schemes, using improper diagnosis codes, and engaging in fraud related to COVID-19 testing. FEHBP carriers had paid $1.2 million for claims associated with the allegations. On July 22, 2025, two individuals were indicted in the U.S. District Court for the Eastern District of Michigan on 58 counts of health care fraud and conspiracy to commit health care fraud. These individuals were arrested and search warrants were executed. Further judicial action is anticipated in this case.

- In March 2024, we received a referral from the U.S. Attorney's Office in the Northern District of California regarding a behavioral medicine provider that allegedly used improper add-on codes to increase billing. FEHBP health insurance carriers had paid $972,239 related to the add-on codes since 2015. On August 19, 2025, the behavioral medicine provider agreed to pay $2.75 million to resolve allegations that it submitted fraudulent claims and violated the False Claims Act. The FEHBP received $236,450 from the settlement.

OIG Investigations Involving the Postal Service Health Benefits Program

The Postal Service Health Benefits Program (PSHBP) is a separate health benefits program under the FEHBP. The PSHBP covers U.S. Postal Service employees, annuitants, and their eligible family members, with its first coverage year beginning on January 1, 2025. The OIG investigates health care fraud cases involving the PSHBP as part of our efforts to protect the FEHBP and OPM programs.

- We have had no reportable actions in PSHBP-related investigations during this quarter.

OIG Investigations Involving the Opioid Crisis

In 2017, the U.S. Department of Health and Human Services declared the opioid crisis a public health emergency. The OIG Office of Investigations continues to prioritize opioid-related investigations during this ongoing public health emergency. Opioid investigations by our office may involve the manufacturing or marketing of opioids; inappropriate or medically unnecessary prescribing practices; or fraud, waste, or abuse by sober homes and substance abuse recovery facilities.

Opioid-Related Case Summaries

- We previously reported that two doctors specializing in pain management were billing excessively and billing for services not rendered. Patients were billed for injections they did not receive. Patients also received "goody bags" that included prescription medications prescribed without medical need. The medical practice inappropriately dispensed opioids and other Schedule II controlled substances. The doctor who owned the practice was found guilty on three counts of health care fraud, one count of conspiracy to commit health care fraud, one count of money laundering, one count of unlawful monetary transactions, one count of conspiracy to distribute controlled

substances, and two counts of aiding and abetting. On September 23, 2025, the doctor was sentenced to 168 months of imprisonment and 3 years of supervised release. This case is now closed.

The FEHBP's Exclusion from the Anti-Kickback Statute: A Barrier to Recovering FEHBP Improper Payments

The Anti-Kickback Statute (title 42 U.S.C. sections 1320a–7b) makes it illegal for health care providers to knowingly and willfully accept bribes or other forms of remuneration in return for activities such as patient referrals. The FEHBP is excluded from pursuing cases under the Anti-Kickback Statute. Kickbacks can increase FEHBP costs and patients can suffer harm if health care providers profit from referrals for treatments or procedures that are not medically necessary.

The FEHBP's exclusion from the Anti-Kickback Statute has interfered with our ability to fully protect the FEHBP and its members from improper conduct that would constitute a federal crime when committed against any other federally funded health care program. Improperly paid FEHBP dollars can go unrecovered because of the program's exclusion.

Typically, our investigations are complicated by the FEHBP's Anti-Kickback Statute exclusion if one of the following findings occur:

1. Our investigation finds alleged wrongdoing by a medical provider that involves Anti-Kickback Statute violations as well as other wrongdoing. In these cases, we often continue our investigation. However, if there is a settlement or restitution, the FEHBP may be unable to recover losses considered Anti-Kickback Statute violations. The FEHBP may recover a smaller part of its improper payments compared to other federal programs.

2. Our investigation finds alleged wrongdoing by a medical provider that involves primarily or exclusively Anti-Kickback Statute violations. When the Department of Justice prosecutes these cases, other federal health care programs are identified as victims—but the FEHBP is not, regardless of dollars lost. We typically close these cases after a prosecutorial determination excludes the FEHBP.

Anti-Kickback Statute–Related Case Summaries

- In July 2016, we received a case referral from a federal law enforcement partner alleging that a pharmacy solicited medical professionals to write compounded prescriptions and refer other medical services to the pharmacy in exchange for kickbacks. FEHBP carriers paid $1.1 million related to the scheme. Because the case was related to the Anti-Kickback Statute, we closed our investigation in 2020. However, on August 21, 2025, OPM received $452 as part of a restitution order from a spinoff case involving a member of the scheme who paid restitution for actions not related to the Anti-Kickback Statute.

Retirement Investigations

About OIG Retirement Investigations

OPM reported $243.7 million in overpayments under the Retirement Services program in fiscal year 2024. These improper payments often are from fraud, waste, or abuse in the OPM-administered Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS).

The most common causes of improper payments are related to annuitant deaths that are unreported or unknown to OPM. These unreported deaths may allow payments to continue because of program vulnerabilities or intentional fraud on the part of bad actors. Sometimes, CSRS or FERS improper annuity payments continue for years and amount to tens of thousands of dollars before discovery.

Fraud by forged documents (such as OPM's Address Verification Letters to annuitants), identity theft, and other schemes are common harms that the OIG investigates. We also investigate allegations of financial elder abuse to OPM annuitants that may relate to OPM programs and mismanagement of funds by representative payees who violate their duty to act on behalf of an OPM annuitant or survivor annuitant.

As part of our investigative work, our Investigative Support Operations group performs proactive searches of death records and other data analysis to find annuitants and survivor annuitants who died but to whom OPM continues to send annuity payments. These proactive investigations are a vital process for finding and stopping improper payments. In some cases, our proactive analysis generates leads for criminal investigations. Information our investigative analysts and special agents refer to OPM can also help the agency recover improper payments through administrative actions such as payment agreements or the U.S. Department of the Treasury reclamation process.

Retirement Investigations Case Summaries

- We have had no reportable actions in retirement-related investigations during this quarter.

Integrity Investigations

About OIG Integrity Investigations

The Office of Investigations conducts investigations into allegations of fraud, waste, abuse, or mismanagement involving OPM employees and contractors. These integrity investigations may involve whistleblowers or allegations of retaliation.

Integrity investigations are essential to maintaining public confidence in OPM, which includes the trust of the current and retired civil servants and eligible family members who rely on OPM programs to operate efficiently and effectively.

Our efforts in these investigations are an important part of the OIG's mission to provide independent and objective oversight of OPM programs and operations.

Integrity Investigations Case Summaries

- We have taken no reportable actions in integrity-related investigations during this quarter.

About OPM Programs

- **Federal Employees Health Benefits Program (FEHBP):** The FEHBP is the largest employer-sponsored health insurance program in the world, covering millions of federal employees, annuitants, and eligible family members. The FEHBP provides quality, affordable, and comprehensive health benefits with national and local plan choices. It is a vital part of the federal government's benefits package.

  Postal Service Health Benefits Program (PSHBP): The PSHBP is a separate health benefits program under the FEHBP that covers U.S. Postal Service employees, annuitants, and their eligible family members. The PSHBP's first plan year began January 1, 2025.

- **Federal Employees Dental and Vision Insurance Program (FEDVIP):** FEDVIP makes supplemental dental and vision insurance available to federal employees and retirees and their eligible family members as well as certain TRICARE (a health care program of the U.S. Department of Defense Military Health System) members.

- **Federal Flexible Spending Account Program (FSAFEDS):** FSAFEDS allows eligible federal employees to save money for health care expenses with a Health Care or Limited Expense Health Care FSA. Money in an FSA is deducted automatically from an employee's paycheck before taxes are taken out. These pre-tax dollars can be used to pay for eligible health care or dependent care expenses.

- **OPM Retirement Programs, including the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS):** OPM Retirement Programs pay monthly annuities to retired civil servants and the eligible survivors of deceased OPM annuitants. OPM paid billions of dollars in defined benefits to retirees, survivors, representative payees, and eligible family members during the previous fiscal year.

- **Federal Employees' Group Life Insurance program (FEGLI):** FEGLI is the largest group life insurance program in the world, covering enrolled federal employees, retirees, and their eligible family members. It provides standard group term life insurance and elective coverage options. FEGLI disburses millions of dollars in benefits annually.

- **Federal Long Term Care Insurance Program (FLTCIP):** FLTCIP provides supplemental long term care insurance to help pay for costs of care when enrollees need help with daily activities or have severe cognitive impairment. The program is currently suspended for new applications until December 2026.

- **Combined Federal Campaign (CFC):** The CFC offers the federal community an opportunity to donate to thousands of eligible charities. As the largest and most successful annual workplace charity campaign in the world, the CFC raises millions of dollars each year through pledges made by civilian, postal, and military employees and retirees.

Report Fraud, Waste, Abuse, and Mismanagement

Fraud, waste, abuse, and mismanagement in government concerns everyone: Office of the Inspector General staff, agency employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and mismanagement related to OPM programs and operations. You can report allegations to us in several ways:

By Internet: https://oig.opm.gov/

By Phone: Toll Free Number: 877-499-7295

By Mail: Office of the Inspector General
U.S. Office of Personnel Management
1900 E Street NW
Room 6400
Washington, DC 20415-1100