

OFFICE OF PERSONNEL MANAGEMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, **[\$94,095,000;] \$99,036,000, of which \$3,200,000 shall remain available until expended for the cost of the governmentwide human resources data network project; and in addition [\$101,986,000] \$115,928,000** for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which **[\$10,500,000] \$21,777,000** shall remain available until expended for the cost of automating the retirement record-keeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), [and 8909(g)] *8909(g)*, and *9004(f)(1)(A) and (2)(A)* of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year **[2001] 2002**, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission. (*Independent Agencies Appropriations Act, 2001, as enacted by section 1(a)(3) of P.L. 106-554.*)

Program and Financing (in millions of dollars)

Identification code 24-0100-0-1-805	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
Direct program:			
00.01 Merit systems oversight and effectiveness	21	21	22
00.02 Employment service	24	26	27
00.03 Retirement and insurance service	101	125	150
00.04 Workforce compensation and performance service	8	8	8
00.05 Investigations service	3	3	3
00.06 Workforce relations	5	5	5
00.07 Executive resources	2	2	2
00.08 Administrative services	26	27	30
00.09 Executive and other services	12	14	14
09.01 Reimbursable program	9	24	24
10.00 Total new obligations	211	255	285
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	8	14	.....
22.00 New budget authority (gross)	211	255	285
22.10 Resources available from recoveries of prior year obligations	12	.....	.....
23.90 Total budgetary resources available for obligation	231	269	285
23.95 Total new obligations	-211	-255	-285
23.98 Unobligated balance expiring or withdrawn	-7	-14	.....

24.40 Unobligated balance carried forward, end of year	14	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	91	94	99
40.76 Reduction pursuant to P.L. 106-113	-1	.....	.....
43.00 Appropriation (total discretionary)	90	94	99
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	109	161	186
68.10 Change in uncollected customer payments from Federal sources	12	.....	.....
68.90 Spending authority from offsetting collections (total discretionary)	121	161	186
70.00 Total new budget authority (gross)	211	255	285
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	52	47	47
72.95 Uncollected customer payments from Federal sources, start of year	-59	-71	-71
72.99 Obligated balance, start of year	-7	-24	-24
73.10 Total new obligations	211	255	285
73.20 Total outlays (gross)	-211	-255	-280
73.40 Adjustments in expired accounts (net)	7	.....	.....
73.45 Recoveries of prior year obligations	-12	.....	.....
74.00 Change in uncollected customer payments from Federal sources	-12	.....	-5
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	47	47	47
74.95 Uncollected customer payments from Federal sources, end of year	-71	-71	-71
74.99 Obligated balance, end of year	-24	-24	-24
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	199	243	272
86.93 Outlays from discretionary balances	12	12	8
87.00 Total outlays (gross)	211	255	280
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-109	-161	-186
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources	-12	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	90	94	99
90.00 Outlays	102	94	94

The Office of Personnel Management (OPM) is responsible for personnel management functions which include the following activities:

Merit systems oversight and effectiveness.—This activity includes: (a) evaluating human resources management (HRM) in Federal agencies through various methods, including on-site reviews and special studies; (b) administering classification appeals, Fair Labor Standards Act, and Intergovernmental Personnel programs to ensure that agencies adhere to the statutory requirements; (c) helping agencies develop merit-based HRM accountability systems to support mission accomplishment; (d) assessing the effectiveness of Governmentwide HRM policies and programs and serving as a clearinghouse for best practices; (e) testing and evaluating innovative HRM practices and systems, including demonstration projects under 5 U.S.C. Chapter 47; (f) providing readily accessible statistics on the Federal workforce; and (g) administering parts of the Voting Rights Act of 1965.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

Program performance.—The activity's performance measures are designed to assess the value-added outcomes which oversight reviews, accountability and demonstration projects, and workforce information have on the Federal HRM community and employees. Client feedback is solicited on each review, product, and service. For example, clients rate the overall value of the oversight work as 4 on a 5-point scale. The quality of data that is provided to clients is regularly assessed, and is used in reviews, studies, and projects. Of each agency's records entered into the Central Personnel Data File, at least 97 percent are correct on all core elements. The *Merit System Principles Questionnaire*, used to collect employee perceptions of the merit system principles, is content valid and reliable. OPM conducts 15 to 16 nationwide agency oversight reviews each year to ensure compliance with Federal Civil Service merit principles.

Employment service.—The Employment Service performs core human resources employment functions that are essential to attracting, hiring, and retaining a high-quality, diverse Federal workforce. These functions include providing guidance and assistance on: implementation of laws and Presidential directives; recruitment, selection and promotion; delegated examining; training; workforce planning and restructuring; Federal employment information; and veterans' employment issues. The Service performs additional functions that are funded through a mix of direct appropriations and reimbursable funds (e.g., USAJOBS, the Presidential Management Intern program, the selection and assignment of all Federal Administrative Law Judges). In 2001 and 2002, the Service will continue to emphasize improving Federal employment opportunities for adults with disabilities and Hispanic Americans, and to enhance the Government's ability to recruit, develop, and retain computer security professionals.

Program performance.—The Employment Service establishes annual performance goals and objectives designed to accomplish long-term goals identified in OPM's Strategic Plan. Progress is monitored through a mix of outcome and output measures, including results of oversight reviews, qualitative feedback on the usefulness of policies and information processes, customer satisfaction with services, cost-comparison analyses, workload accomplishment data, and quality and timeliness of information.

The Employment service provided employment information to over 16.5 million people in 2000 through a nationwide system available 24 hours a day, 7 days a week, by telephone, fax, internet, and touch screen kiosks. USAJOBS averages more than 45,000 visits daily and future growth is anticipated.

The Employment Service conducts a recertification and training program for all agency Delegated Examining Units to ensure that agencies are carrying out their delegated responsibilities in accordance with law and regulation, and accomplished all scheduled recertifications.

In 2000, the Employment Service issued regulations and extensive guidance on implementing new laws, such as the Veterans Millennium Health Care and Benefits Act (Public Law 106-117), and changes in voluntary early retirement authority. It also implemented Presidential initiatives, such as increasing the opportunities for persons with disabilities to be employed in the Federal workforce, recruiting and retaining a high quality diverse workforce, and eliminating redundant excepted appointment authorities. In 2000, the Service developed a Workforce Planning Model to help agencies construct plans that address their future workforce needs. In 2002, the Service will implement a fully-functional, on-line workforce planning system to help Federal agencies align

human resources with accomplishment of agency mission and objectives and meet the President's goal to flatten the Federal hierarchy.

Retirement and Insurance.— This Activity encompasses administration of Earned Employee Benefits—the retirement and insurance programs—for Federal employees, retired Federal employees, and their families. These programs include the Civil Service Retirement System, the Federal Employees' Retirement System, the Federal Employees' Group Life Insurance Program, and the Federal Employees and Retired Employees Health Benefits Programs. The Long-Term Care Security Act (P.L. 106-265) authorizes OPM to offer group long term care insurance for Federal employees and retirees, their spouses, parents, and parents-in-law. In addition, this Activity includes OPM's efforts designed to stay abreast of, and respond to, developments in non-Federal fringe benefits practices.

Program performance.—2002 will be a pivotal year for the Retirement Systems Modernization (RSM) Project, OPM's central strategy to meet its long term customer service, financial management and business goals for the Retirement Program. The project is an on-going effort with phased implementation plans. In 2002, acquisition and implementation will begin for three major components. The Project will begin developing the capability to capture data electronically that historically has been available only on paper. Also, OPM will begin development of software that will be integrated with program-wide data to ensure employees are placed in the correct retirement system. Finally, planning will begin for development of a full function benefits calculator. This calculator will be available for use across all federal agencies and will be available for self-service by employees and annuitants to provide accurate estimates and projections of expected benefit payments. The RSM effort will result in changes to current processes and systems so that claims processing, record keeping, benefits counseling, and financial management functions are performed more efficiently and effectively.

Customer satisfaction with the delivery of retirement program services to annuitants remains high, as 93 percent of customers reported they were generally to very satisfied with OPM's overall retirement services. This continues a five-year trend of satisfaction levels in the 90 percent range.

OPM continues to improve its telecommunication services. Toll-free telephone access is provided to all call centers, interactive features are available through the telephone system, and hours of operation have been extended until 8:00 PM. In addition, to better serve customers, we have enhanced our ability to meet their needs by adding on-line features for our Spanish-speaking customers and translating often-used benefits material into Spanish. The volume of telephone inquiries handled increased by seven percent during 2000 and has nearly doubled since 1994. Customer satisfaction levels regarding the courtesy, clarity, and timeliness of telephone services remain high at 90 percent.

The volume of new annuity claims remained steady. OPM has received and processed an average of 170,000 Civil Service and Federal Employees' Retirement Systems annuity and survivor claims annually over the past five years. The average processing time in 2000 for interim annuity payments was five days, and more than 30 percent of them were within one day. The time needed to calculate and begin paying retirees their final annuity spiked upward in 2000. However, OPM increased its claims processing capacity and efficiency through the use of a new technical platform for FERS processing. By 2002 this enhancement is expected to reduce claims processing times back to levels near those in existence prior to 2000. Customer satisfaction with the timeliness of the first annuity payment has remained at or near 80 percent since 1997 and is much improved over the 73 percent observed in 1995.

OPM also maintained its leadership in the direct deposit program, an efficient means of ensuring that customers receive their annuity payment each month. Customer satisfaction levels with receipt of annuity checks are at 97 percent, continuing another long-standing trend. During 1998, OPM implemented a direct mail campaign to inform annuitants and survivors of the convenience and desirability of direct deposit. As a result, participation rose from 79 percent at the start of 1998 to nearly 93 percent today.

In the health insurance program, the 2001 FEHB Program benefit structure provides for parity in the provision of mental health and substance abuse benefits with medical benefits. In addition, OPM addressed patient safety, collaborating with others in the health care industry to develop the "Five Steps to Patient Safety." These "Steps" have been widely adopted both in and out of Government. OPM asked participating health plans to report patient safety initiatives already adopted by them and to work with participating providers to articulate and disseminate information about the safety initiatives they have put in practice. Health plans were asked to update provider directories, where appropriate, to inform their membership of important safety measures. These initiatives include such practices as the use of automated entry systems for prescription drugs, referring patients to recognized Centers of Excellence, and staffing appropriately for Intensive Care Units. Other consumer protections and quality initiatives now provided by FEHBP plans include, but are not limited to: transitional care for those with chronic or disabling conditions; the right to review medical records and to correct inaccurate ones; and direct access to women's health care providers.

To strengthen its leadership role in the health insurance industry, OPM continues to build and maintain strong relationships with the National Committee for Quality Assurance (NCQA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the National Quality Forum, the Quality Interagency Coordination (QuIC) Taskforce, the Washington Business Group on Health, the Leapfrog Group, the Health Care Financing Administration and other components of the Department of Health and Human Services. These partnerships have been instrumental in promoting the use of health care quality outcome measures by the Federal Government and health care purchasers and providers throughout the Nation. During 2001, OPM also gathered Health Employees Data Information Sets (HEDIS) from participating FEHBP Health Maintenance Organizations and selected Preferred Provider Organizations.

The Long-Term Care Security Act of 2000 authorizes OPM to offer long-term care insurance to approximately 20 million people by October 2002. OPM plans to offer a flexible long-term care product, including provisions for nursing home care, assisted living, home health care, and adult day care. Insurance will be offered to civil service, postal, and military personnel, and government retirees and specified relatives, including spouses, parents, parents-in-law, and stepparents. OPM estimates that 300,000 to 600,000 individuals will enroll during the first sign-up period in 2003. Enrollees will pay the full cost of insurance premiums at group rates that are expected to be 15 to 20 percent lower than rates for comparable coverage sold privately on an individual basis. Beginning in late 2001, OPM will issue regulations for the new program and will oversee an education campaign to explain long-term care options to employees and retirees. OPM will assure that consumer materials and guidance are readily accessible (through mailings, the Internet, and toll free advice and assistance phone lines), to help individuals make informed choices about purchasing the long-term care product(s).

In late 2000, legislation was enacted to provide relief to employees who were placed in the wrong retirement system.

The Federal Erroneous Retirement Coverage Corrections Act (FERCCA) allows most of these employees a choice in retirement plans. In 2001, OPM issued regulations and guidance to implement the law, developed a web-based database of individuals who may be eligible for relief under FERCCA, developed a projection model to allow employees to simulate benefits under the plans available to them, and entered into a contract that will make it possible for each affected employee to receive one-on-one counseling and projections of benefits upon which to base an election decision. This counseling activity will continue through 2002, along with the actions necessary to effectuate eligible individuals' decisions.

Workforce compensation and performance.—This activity includes: (a) developing and implementing pay and leave administration policy and evaluating the effectiveness of alternative compensation systems; (b) developing classification policies and systems and designing flexible alternatives to current systems; and (c) developing Governmentwide policy concerning performance management.

Program performance.—The workforce compensation and performance program area uses a variety of measures to identify its level of success. Overall customer service is measured through OPM's Customer Satisfaction Survey, surveys of attendees at conferences, workshops, and/or seminars, and feedback from users of our website and email. The 2000 HR Directors' Customer Satisfaction Survey showed that the percentage of human resources directors who were satisfied with policy leadership in WCPS program areas were as follows: 87 percent in pay and leave administration, 78 percent in performance management, 68 percent in position classification and position management, and 62 percent in the Federal Wage System. In 2000 the organization staged the second Strategic Compensation Conference. On a five-point scale, the average overall rating of the Conference was 4.23, an increase from 4.14 for the 1999 Conference. The overall improvement in perception of outcomes in WCPS program areas is demonstrated by the increase in positive responses in the National Performance Review survey of more than 20,000 Federal employees. Favorable responses increased in one year from 26 percent to 31 percent on the question "are you clear about how good performance is defined in your organization?" On the issue "recognition and rewards are based on merit," positive responses increased from 30 percent to 34 percent.

Investigations.—This activity focuses on assuring applicant and appointee fitness and suitability, and oversight of the investigative contract company.

Workforce relations.—This activity includes: (a) developing governmentwide policies, issuing guidance, and providing assistance to agencies on employee relations issues, including actions based on misconduct and unacceptable performance, as well as alternative dispute resolution; (b) promoting and supporting Federal work/life and wellness programs; (c) providing leadership and policy guidance in support of agency human resource development programs and training initiatives; and (d) providing guidance, information, and assistance to agencies on collective bargaining and labor-management relations to help them develop effective labor relations programs.

Program performance.—OPM's workforce relations performance measures are designed to determine the value added by OPM's policy leadership and guidance on employee and labor-management relations issues, work/life programs, and human resource development programs. The Office of Workforce Relations (OWR) uses a variety of measures to identify its level of success. For instance, surveys at regular intervals assess the extent to which our customers feel that their needs are met by OWR products and services such as printed and electronic materials, conferences, seminars, and workshops, as well as by legislative and regulatory proposals coming from OWR.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

Executive resources.—This activity provides Government-wide program leadership, policy direction and technical assistance on all aspects of the Senior Executive Service personnel system and comparable executive systems.

Administrative services.—This activity includes: OPM personnel and equal employment opportunity, security, facilities, telecommunications, publishing, acquisitions, and information resources management to support all OPM programs.

Executive and other services.—This activity includes: executive direction, policy development, legal advice and representation, public affairs, legislative activities, financial management, and the operating expenses of the President's Commission on White House Fellows.

Reimbursable programs.—OPM performs reimbursable work at the request of other agencies. OPM also provides administrative, information resources management, and executive services to other OPM accounts on a reimbursable basis.

Object Classification (in millions of dollars)

Identification code 24-0100-0-1-805	2000 actual	2001 est.	2002 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	99	106	109
11.3 Other than full-time permanent	5	5	5
11.5 Other personnel compensation	4	4	4
11.9 Total personnel compensation	108	115	118
12.1 Civilian personnel benefits	23	26	27
21.0 Travel and transportation of persons	2	3	3
23.1 Rental payments to GSA	17	17	17
23.3 Communications, utilities, and miscellaneous charges	9	10	10
24.0 Printing and reproduction	2	2	2
25.2 Other services	33	50	76
26.0 Supplies and materials	3	3	3
31.0 Equipment	5	5	5
99.0 Subtotal, direct obligations	202	231	261
99.0 Reimbursable obligations	9	24	24
99.9 Total new obligations	211	255	285

Personnel Summary

Identification code 24-0100-0-1-805	2000 actual	2001 est.	2002 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	1,965	2,063	2,063
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	80	141	141

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, **[\$1,360,000] \$1,398,000**; and in addition, not to exceed **[\$9,745,000] \$10,016,000** for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere. (*Independent Agencies Appropriations Act, 2001, as enacted by section 1(a)(3) of P.L. 106-554.*)

Program and Financing (in millions of dollars)

Identification code 24-0400-0-1-805	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
10.00 Total new obligations	11	11	11
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	12	11	11
23.95 Total new obligations	-11	-11	-11
23.98 Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1	1	1
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	11	10	10
70.00 Total new budget authority (gross)	12	11	11
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year			
72.95 Uncollected customer payments from Federal sources, start of year	-2	-2	
72.99 Obligated balance, start of year	-2	-2	
73.10 Total new obligations	11	11	11
73.20 Total outlays (gross)	-12	-11	-11
73.40 Adjustments in expired accounts (net)	3		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year			
74.95 Uncollected customer payments from Federal sources, end of year	-2		
74.99 Obligated balance, end of year	-2		
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	11	11	11
86.93 Outlays from discretionary balances	1		
87.00 Total outlays (gross)	12	11	11
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-11	-10	-10
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays	3	1	1

This appropriation provides agency-wide audit, investigative, evaluation, inspection, and administrative sanction functions to identify management and administrative deficiencies that may create conditions for fraud, waste, and mismanagement. The audits function provides internal agency audit, insurance audit, and contract audit services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. Internal agency audits review and evaluate all facets of agency operations, including financial statements. Insurance audits review the operations of health and life insurance carriers, health care providers, and insurance subscribers. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. Administrative sanctions debar from participation in the health insurance program those health care providers whose conduct may pose a threat to the financial integrity of the program itself or to the well-being of insurance program enrollees. These Inspector General activities resulted in positive financial impacts of approximately \$105 million, 15 criminal convictions, and 2,706 administrative sanctions in 2000.

Object Classification (in millions of dollars)

Identification code 24-0400-0-1-805	2000 actual	2001 est.	2002 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6

12.1	Civilian personnel benefits	2	2	2
23.1	Rental payments to GSA	1	1	1
25.2	Other services	1	1	1
99.0	Subtotal, direct obligations	10	10	10
99.5	Below reporting threshold	1	1	1
99.9	Total new obligations	11	11	11

Personnel Summary

Identification code 24-0400-0-1-805	2000 actual	2001 est.	2002 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	98	111	111
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment		1	1

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary. (*Independent Agencies Appropriations Act, 2001, as enacted by section 1(a)(3) of P.L. 106-554.*)

Program and Financing (in millions of dollars)

Identification code 24-0206-0-1-551	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
00.01 Government contribution for annuitants benefits (1959 Act)	5,046	5,569	6,100
00.02 Government contribution for annuitants benefits (1960 Act)	3	3	2
10.00 Total new obligations (object class 13.0)	5,049	5,572	6,102
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	5,049	5,572	6,102
23.95 Total new obligations	-5,049	-5,572	-6,102
New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)	5,049	5,572	6,102
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	391	437	472
72.99 Obligated balance, start of year	391	437	472
73.10 Total new obligations	5,049	5,572	6,102
73.20 Total outlays (gross)	-5,003	-5,538	-6,077
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	437	472	496
74.99 Obligated balance, end of year	437	472	496
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	4,612	5,100	5,606
86.98 Outlays from mandatory balances	391	437	472
87.00 Total outlays (gross)	5,003	5,538	6,077
Net budget authority and outlays:			
89.00 Budget authority	5,049	5,572	6,102
90.00 Outlays	5,003	5,538	6,077

This appropriation covers: (1) the Government's share of the cost of health insurance for annuitants as defined in sections 8901 and 8906 of title 5, United States Code; (2) the Government's share of the cost of health insurance for annuitants (who were retired when the Federal employees health benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and (3) the Government's contribution for payment of administra-

tive expenses incurred by the Office of Personnel Management in administration of the Act.

The budget authority for this account recognizes the amounts being remitted by the U.S. Postal Service (USPS) to finance a portion of its post-1971 annuitants' health benefit costs.

	2000 actual	2001 est.	2002 est.
Annuitants:			
FEHB	1,864,019	1,882,000	1,899,000
(USPS non-add)	424,813	412,000	406,000
REHB	4,565	3,800	3,150
Total, annuitants	1,868,584	1,885,800	1,902,150

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary. (*Independent Agencies Appropriations Act, 2001, as enacted by section 1(a)(3) of P.L. 106-554.*)

Program and Financing (in millions of dollars)

Identification code 24-0500-0-1-602	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
10.00 Total new obligations (object class 25.2)	27	32	33
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	27	32	33
23.95 Total new obligations	-27	-32	-33
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	27	32	33
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	3	3	3
72.99 Obligated balance, start of year	3	3	3
73.10 Total new obligations	27	32	33
73.20 Total outlays (gross)	-27	-32	-33
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	3	3	3
74.99 Obligated balance, end of year	3	3	3
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	24	29	30
86.98 Outlays from mandatory balances	3	3	3
87.00 Total outlays (gross)	27	32	33
Net budget authority and outlays:			
89.00 Budget authority	27	32	33
90.00 Outlays	27	32	33

This appropriation finances the Government's share of premiums, which is one-third the cost, for Basic life insurance for annuitants retiring after December 31, 1989, and who are less than 65 years old.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (*Independent Agencies Appropriations Act, 2001, as enacted by section 1(a)(3) of P.L. 106-554.*)

General and special funds—Continued

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued

Program and Financing (in millions of dollars)

Identification code 24-0200-0-1-805	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
00.02 Payment of Government share of retirement costs	9,055	9,102	9,171
00.03 Transfers for interest on unfunded liability and payment of military service annuities	12,439	12,642	13,236
00.05 Spouse equity payment	63	60	58
10.00 Total new obligations	21,557	21,804	22,465
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	21,557	21,804	22,465
23.95 Total new obligations	-21,557	-21,804	-22,465
New budget authority (gross), detail:			
Mandatory:			
Appropriation (indefinite):			
60.05 Appropriation (indefinite)	12,439	12,642	13,236
60.05 Appropriation (indefinite)	9,118	9,162	9,229
62.50 Appropriation (total mandatory)	21,557	21,804	22,465
Change in unpaid obligations:			
73.10 Total new obligations	21,557	21,804	22,465
73.20 Total outlays (gross)	-21,557	-21,804	-22,465
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	21,557	21,804	22,465
Net budget authority and outlays:			
89.00 Budget authority	21,557	21,804	22,465
90.00 Outlays	21,557	21,804	22,465

Payment of Government share of retirement costs.—This payment amortizes increases in the static unfunded liability created since October 20, 1969 by any statute which authorizes new or liberalized benefits, an extension of retirement coverage, or pay increases.

Transfers for interest on static unfunded liability and payment of military service annuities.—This transfer covers interest on the static unfunded liability and annuity disbursements attributable to military service.

Payments for spouse equity.—This payment provides survivor annuities to eligible former spouses of annuitants who died between September 1978 and May 1986 and who did not elect survivor coverage.

Object Classification (in millions of dollars)

Identification code 24-0200-0-1-805	2000 actual	2001 est.	2002 est.
12.1 Civilian personnel benefits	9,118	9,162	9,229
13.0 Benefits for former personnel	12,439	12,642	13,236
99.9 Total new obligations	21,557	21,804	22,465

Intragovernmental funds:

REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 24-4571-0-4-805	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
09.01 DOD testing	7	8	8
09.02 Employment service	32	38	36
09.03 Investigations	135	189	187
09.04 Workforce relations	32	37	39
09.05 Executive resources	22	30	30
10.00 Total new obligations	228	302	300
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	20	48	48

22.00 New budget authority (gross)	256	302	300
23.90 Total budgetary resources available for obligation	276	350	348
23.95 Total new obligations	-228	-302	-300
24.40 Unobligated balance carried forward, end of year	48	48	48

New budget authority (gross), detail:

Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	304	302	300
68.10 Change in uncollected customer payments from Federal sources	-48		
68.90 Spending authority from offsetting collections (total discretionary)	256	302	300

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	193	107	107
72.95 Uncollected customer payments from Federal sources, start of year	-142	-94	-94
72.99 Obligated balance, start of year	51	13	13
73.10 Total new obligations	228	302	300
73.20 Total outlays (gross)	-315	-302	-300
74.00 Change in uncollected customer payments from Federal sources	48		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	107	107	107
74.95 Uncollected customer payments from Federal sources, end of year	-94	-94	-94
74.99 Obligated balance, end of year	13	13	13

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	353	302	300
86.93 Outlays from discretionary balances	-38		
87.00 Total outlays (gross)	315	302	300

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-303	-301	-299
88.40 Non-Federal sources	-1	-1	-1
88.90 Total, offsetting collections (cash)	-304	-302	-300
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources	48		

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	11		

DOD testing.—OPM conducts military entrance exams for the Department of Defense (DOD) as a cost-effective and reliable provider. The Employment Service continued to provide testing for the Department of Defense, conducting approximately 15,954 student test sessions and 23,364 enlistment sessions.

Employment Service.—OPM delivers employment information, examining services, automated staffing, and related human resource management services to Federal agencies nationwide. In 2000, we maintained contracts for a wide array of human resource products and services with the Executive, Legislative, and Judicial branches as well as state and municipal agencies.

Investigations.—Through a contract with a private company, OPM conducts National Agency Check and Inquiry cases and background security investigations for Federal agencies on a reimbursable basis. To the extent that OPM is required to pay a fee to the Federal Bureau of Investigation for name and fingerprint checks, agencies are required to reimburse OPM for such fees through the revolving fund.

Workforce relations.—Through the Training and Management Assistance (TMA) program, OPM provides assistance to government agencies in managing the development of training and human resources management solutions that meet their specific short-term and long-range objectives. This

is accomplished through an expedited contracting process, which is managed by an experienced team of HR and contracting professionals.

Program performance.—The TMA performance indicators are designed to measure the financial stability of the program and customer satisfaction. The financial indicator measures whether program costs are met. The customer satisfaction indicator assures that TMA services are meeting the needs and objectives of client agencies.

Executive resources.—OPM conducts residential and non-residential programs for Federal executives and managers to improve the effectiveness and efficiency of Federal programs.

WORKLOAD COUNT

	2000 actual	2001 est.	2002 est.
Participant training days	87,890	92,403	93,538
Background security investigations processed	56,181	62,000	60,500
National and special agency check and inquiry cases	415,983	715,000	715,000

Object Classification (in millions of dollars)

Identification code 24-4571-0-4-805	2000 actual	2001 est.	2002 est.
Personnel compensation:			
11.1 Full-time permanent	22	24	24
11.3 Other than full-time permanent	6	5	5
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	30	31	31
12.1 Civilian personnel benefits	7	8	8
21.0 Travel and transportation of persons	4	3	3
23.1 Rental payments to GSA	7	7	7
23.3 Communications, utilities, and miscellaneous charges	6	5	5
24.0 Printing and reproduction	1	2	1
25.2 Other services	168	238	237
26.0 Supplies and materials	2	4	4
31.0 Equipment	3	4	4
99.9 Total new obligations	228	302	300

Personnel Summary

Identification code 24-4571-0-4-805	2000 actual	2001 est.	2002 est.
2001 Total compensable workyears: Full-time equivalent employment	691	668	668

Trust Funds

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Unavailable Collections (in millions of dollars)

Identification code 24-8135-0-7-602	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year	477,477	508,104	539,035
Receipts:			
02.00 Employee contributions	4,506	4,339	4,074
02.01 District of Columbia contributions	70	68	62
02.02 Employee deposits, redeposits and other contributions	131	132	134
02.40 Agency contributions	9,611	10,316	10,679
02.41 Postal Service agency contributions	2,863	2,980	2,974
02.42 Postal Service supplemental contributions	3,582	3,788	3,880
02.43 Federal Financing Bank interest	1,365	1,372	1,368
02.44 Treasury interest	32,243	33,736	35,163
02.45 General fund payment to the Civil Service Retirement and Disability fund	21,557	21,804	22,465
02.46 Re-employed annuitants salary offset	39	24	25
02.99 Total receipts and collections	75,967	78,559	80,824
04.00 Total: Balances and collections	553,444	586,663	619,859
Appropriations:			
05.00 Civil service retirement and disability fund	-45,340	-47,628	-49,831
05.99 Total appropriations	-45,340	-47,628	-49,831
07.99 Balance, end of year	508,104	539,035	570,028

Program and Financing (in millions of dollars)

Identification code 24-8135-0-7-602	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
00.01 Annuities	44,893	47,169	49,356
00.02 Refunds and death claims	346	341	344
00.03 OPM Administration	103	116	128
00.04 Transfer to MSPB	2	2	3
10.00 Total new obligations	45,344	47,628	49,831
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	45,340	47,628	49,831
22.10 Resources available from recoveries of prior year obligations	4		
23.90 Total budgetary resources available for obligation	45,344	47,628	49,831
23.95 Total new obligations	-45,344	-47,628	-49,831
New budget authority (gross), detail:			
Discretionary:			
40.26 Appropriation (trust fund, definite)	83	90	103
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	75,880	78,469	80,721
60.45 Portion precluded from obligation	-30,623	-30,931	-30,993
62.50 Appropriation (total mandatory)	45,257	47,538	49,728
70.00 Total new budget authority (gross)	45,340	47,628	49,831
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	3,796	3,942	4,153
Unpaid obligations, end of year:			
72.99 Obligated balance, start of year	3,796	3,942	4,153
73.10 Total new obligations	45,344	47,628	49,831
73.20 Total outlays (gross)	-45,194	-47,417	-49,640
73.45 Recoveries of prior year obligations	-4		
74.40 Unpaid obligations, end of year	3,942	4,153	4,344
74.99 Obligated balance, end of year	3,942	4,153	4,344
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	83	90	103
86.97 Outlays from new mandatory authority	41,315	43,385	45,384
86.98 Outlays from mandatory balances	3,796	3,942	4,153
87.00 Total outlays (gross)	45,194	47,417	49,640
Net budget authority and outlays:			
89.00 Budget authority	45,340	47,628	49,831
90.00 Outlays	45,194	47,417	49,640
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities:			
Par value	481,274	512,037	543,184
92.02 Total investments, end of year: Federal securities:			
Par value	512,037	543,184	574,368

This fund: (1) pays annuities to retired employees or their survivors; (2) makes refunds to separated employees for amounts withheld and to beneficiaries of employees who died before retirement or before annuities equaled the amount withheld; and (3) pays expenses of the Office of Personnel Management and the Merit Systems Protection Board for administering the program. The fund covers two Federal civilian retirement systems: the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS).

CSRS is basically a defined benefit plan, covering Federal employees hired prior to 1984. CSRS participants do not participate in the Social Security system. FERS is a three-tiered pension program that uses Social Security as a base, provides an additional basic benefit, and includes a thrift savings plan. FERS covers employees hired after 1983 and formerly CSRS-covered employees who elected to join FERS.

	2000 actual	2001 est.	2002 est.
Active employees	2,763,851	2,754,850	2,703,900
Annuitants:			
Employees	1,743,196	1,758,653	1,775,209

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued

	2000 actual	2001 est.	2002 est.
Survivors	633,308	639,143	643,923
Total, annuitants	2,376,504	2,397,796	2,419,132

Status of Funds (in millions of dollars)

Identification code 24-8135-0-7-602	2000 actual	2001 est.	2002 est.
Unexpended balance, start of year:			
0100 Treasury balance	3	11	8
U.S. Securities:			
0101 Par value	481,274	512,037	543,184
0102 Unrealized discounts	-4	-3	-4
0199 Total balance, start of year	481,273	512,046	543,188
Cash income during the year:			
Current law:			
Receipts:			
1200 Employee contributions, Civil Service Retirement and Disability Fund	4,506	4,339	4,074
1201 District of Columbia contributions	70	68	62
1202 Employee deposits, redeposits, and voluntary contributions	131	132	134
Offsetting receipts (intragovernmental):			
1240 Agency contributions, Civil Service Retirement and Disability Fund	9,611	10,316	10,679
1241 Postal Service agency contributions, Civil Service Retirement and Disability Fund	2,863	2,980	2,974
1242 Postal Service supplemental contributions, Civil Service Retirement and Disability Fund	3,582	3,788	3,880
1243 Federal Financing Bank interest, Civil Service Retirement and Disability Fund	1,365	1,372	1,368
1244 Treasury interest, Civil Service Retirement and Disability Fund	32,243	33,736	35,163
1245 General fund payment to the Civil Service Retirement and Disability Fund	21,557	21,804	22,465
1246 Re-employed annuitant salary offset, Civil Service Retirement and Disability Fund	39	24	25
1299 Income under present law	75,967	78,559	80,824
Cash outgo during year:			
Current law:			
Cash outgo during the year (-):			
4500 Payment of claims to retired employees	-37,541	-39,475	-41,562
4500 Payment of alternative annuity refunds	-6	-4	-2
4500 Payment of claims to survivor annuitants	-7,210	-7,480	-7,601
4500 Lump sum payments to estates or beneficiaries of deceased annuitants and employees	-137	-164	-186
4500 Refunds to living separated employees	-195	-176	-158
4500 Administration	-105	-118	-131
4599 Outgo under current law (-)	-45,194	-47,417	-49,640
Unexpended balance, end of year:			
8700 Uninvested balance	11	8	8
Federal securities:			
8701 Par value	512,037	543,184	574,368
8702 Unrealized discounts	-3	-4	-4
8799 Total balance, end of year	512,046	543,188	574,372

Object Classification (in millions of dollars)

Identification code 24-8135-0-7-602	2000 actual	2001 est.	2002 est.
25.2 Other services	105	118	131
42.0 Insurance claims and indemnities	44,893	47,169	49,356
44.0 Refunds and death claims	346	341	344
99.9 Total new obligations	45,344	47,628	49,831

CIVIL SERVICE RETIREMENT AND DISABILITY FUND

(Legislative proposal, not subject to PAYGO)

The Administration will propose legislation to make permanent the higher agency contributions to the retirement fund mandated by the Balanced Budget Act of 1997, which under current law is scheduled to expire in 2003.

EMPLOYEES LIFE INSURANCE FUND

Unavailable Collections (in millions of dollars)

Identification code 24-8424-0-8-602	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year			
Receipts:			
02.80 Employees life insurance fund, offsetting collections	3,254	3,312	3,446
Appropriations:			
05.00 Employees life insurance fund	-3,254	-3,312	-3,446
05.99 Total appropriations	-3,254	-3,312	-3,446
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 24-8424-0-8-602	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
09.01 Regular program premiums	1,129	1,273	1,295
09.02 Optional program premiums	753	827	863
09.03 Beneficial program premiums	2	2	2
09.04 Administration	2	2	2
09.05 Long Term Care Administration		3	20
10.00 Total new obligations (object class 25.2)	1,886	2,107	2,182

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	20,446	21,834	23,079
22.00 New budget authority (gross)	3,272	3,350	3,458
23.90 Total budgetary resources available for obligation	23,718	25,184	26,537
23.95 Total new obligations	-1,886	-2,107	-2,182
24.40 Unobligated balance carried forward, end of year	21,834	23,079	24,355

New budget authority (gross), detail:

Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	2	2	2
Mandatory:			
69.00 Offsetting collections (cash)	3,252	3,310	3,444
69.10 Change in uncollected customer payments from Federal sources	18	38	12
69.90 Spending authority from offsetting collections (total mandatory)	3,270	3,348	3,456
70.00 Total new budget authority (gross)	3,272	3,350	3,458

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	409	516	637
72.95 Uncollected customer payments from Federal sources, start of year	-369	-387	-425
72.99 Obligated balance, start of year	40	129	212
73.10 Total new obligations	1,886	2,107	2,182
73.20 Total outlays (gross)	-1,778	-1,986	-2,149
74.00 Change in uncollected customer payments from Federal sources	-18	-38	-12
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	516	637	670
74.95 Uncollected customer payments from Federal sources, end of year	-387	-425	-437
74.99 Obligated balance, end of year	129	212	233

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	2	2	2
86.97 Outlays from new mandatory authority	1,776	1,984	2,147
87.00 Total outlays (gross)	1,778	1,986	2,149

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Agency contributions	-398	-429	-446
88.20 Interest on Federal securities	-1,425	-1,422	-1,462
Non-Federal sources:			
88.40 Regular program	-618	-647	-676
88.40 Optional program	-813	-814	-862
88.90 Total, offsetting collections (cash)	-3,254	-3,312	-3,446

Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources	-18	-38	-12
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-1,476	-1,326	-1,297
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	20,755	22,372	23,698
92.02	Total investments, end of year: Federal securities: Par value	22,372	23,698	24,995

This fund finances payments to private insurance companies for Federal employees' group life insurance and expenses of the Office of Personnel Management in administering the program.

Budget program.—The status of the basic (regular and optional) life insurance program on September 30 is as follows:

	2000 actual	2001 est.	2002 est.
Life insurance in force (in billions of dollars):			
On active employees	506	516	526
On retired employees	50	52	54
Total	556	568	580
Number of participants (in thousands):			
Active employees	2,334	2,311	2,288
Annuity holders	1,607	1,611	1,614
Total	3,941	3,922	3,902

Financing.—Non-Postal Service employees and all retirees under 65 pay two-thirds of the premium costs for Basic coverage; agencies pay the remaining third. Optional and certain post-retirement Basic coverages are paid entirely by enrollees. The status of the reserves at the end of the year is as follows:

Status of Reserves	2000 actual	2001 est.	2002 est.
Held in reserve (in millions of dollars):			
Contingency reserve	65	65	65
Beneficial association program reserve	1	1	1
U.S. Treasury reserve	22,372	23,698	24,995
Total reserves	22,438	23,764	25,061

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

Unavailable Collections (in millions of dollars)

Identification code 24-9981-0-8-551	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year			
Receipts:			
02.80 Employees and retired employees health benefits fund, offsetting collections	19,737	21,911	24,174
Appropriations:			
05.00 Employees and retired employees health benefits fund	-19,737	-21,911	-24,174
05.99 Total appropriations	-19,737	-21,911	-24,174
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 24-9981-0-8-551	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
09.01 Benefit payments	19,543	21,048	22,826
09.02 Payments from OPM contingency reserve	95	230	240
09.03 Government payment for annuitants (1960 Act)	3	3	2
09.04 Administration	22	23	24
10.00 Total new obligations (object class 25.6)	19,662	21,304	23,092
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	4,142	4,173	4,876
22.00 New budget authority (gross)	19,691	22,007	24,272
23.90 Total budgetary resources available for obligation	23,833	26,180	29,148

23.95 Total new obligations	-19,662	-21,304	-23,092
24.40 Unobligated balance carried forward, end of year	4,173	4,876	6,056

New budget authority (gross), detail:

Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	22	23	24
Mandatory:			
69.00 Offsetting collections (cash)	19,715	21,888	24,150
69.10 Change in uncollected customer payments from Federal sources	-46	96	98
69.90 Spending authority from offsetting collections (total mandatory)	19,669	21,984	24,249
70.00 Total new budget authority (gross)	19,691	22,007	24,272

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	2,567	2,655	2,799
72.95 Uncollected customer payments from Federal sources, start of year	-896	-850	-946
72.99 Obligated balance, start of year	1,671	1,805	1,853
73.10 Total new obligations	19,662	21,304	23,092
73.20 Total outlays (gross)	-19,575	-21,159	-23,001
74.00 Change in uncollected customer payments from Federal sources	46	-96	-98
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	2,655	2,799	2,891
74.95 Uncollected customer payments from Federal sources, end of year	-850	-946	-1,044
74.99 Obligated balance, end of year	1,805	1,853	1,847

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	22	23	24
86.97 Outlays from new mandatory authority	18,656	20,286	22,031
86.98 Outlays from mandatory balances	896	849	946
87.00 Total outlays (gross)	19,575	21,159	23,001

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Federal sources:			
88.00 Agency contributions	-8,291	-9,379	-10,357
88.00 Government contributions for annuitants	-5,745	-6,307	-6,913
88.20 Interest on Federal securities	-369	-351	-412
Non-Federal sources:			
88.40 Employee salary withholdings	-2,773	-3,056	-3,355
88.40 Annuity withholdings	-2,491	-2,761	-3,081
88.40 Contributions from D.C. Government	-68	-57	-56
88.90 Total, offsetting collections (cash)	-19,737	-21,911	-24,174
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources	46	-96	-98

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	-165	-752	-1,173

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities: Par value	5,835	5,989	6,748
92.02 Total investments, end of year: Federal securities: Par value	5,989	6,748	7,919

Status of Funds (in millions of dollars)

Identification code 24-9981-0-8-551	2000 actual	2001 est.	2002 est.
Unexpended balance, start of year:			
0100 Treasury balance	1	12	5
U.S. Securities:			
0101 Par value	5,835	5,989	6,748
0102 Unrealized discounts	-23	-24	-23
0199 Total balance, start of year	5,813	5,978	6,729
Cash income during the year:			
Current law:			
Offsetting collections:			
Offsetting governmental receipts:			
1280 Contributions from Employing Agencies	5,114	5,683	6,106
1280 Contributions from Postal Service for Active Employees	3,176	3,696	4,252

EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS—
Continued

Status of Funds (in millions of dollars)—Continued

Identification code 24-9981-0-8-551	2000 actual	2001 est.	2002 est.
1280 Contributions from Postal Service for Annu- itants	742	769	835
1280 Government Payment for Annuitant Health Benefits	5,003	5,538	6,077
1280 Interest Earned	369	352	412
1280 Contributions from DC Government	68	57	56
1280 Contributions from Active Employees	2,773	3,056	3,355
1280 Contributions from Annuitants	2,491	2,761	3,081
1299 Income under present law	19,737	21,911	24,174
Cash outgo during year:			
Current law:			
Cash outgo during the year (-):			
4500 Benefit Payments (-)	-19,457	-20,906	-22,737
4500 Payments to Carriers from OPM Contingency Re- serves (-)	-95	-230	-240
4500 Administration (-)	-21	-23	-24
4599 Outgo under current law (-)	-19,575	-21,159	-23,001
Unexpended balance, end of year:			
8700 Uninvested balance	12	5	5
Federal securities:			
8701 Par value	5,989	6,748	7,919
8702 Unrealized discounts	-24	-23	-23
8799 Total balance, end of year	5,978	6,729	7,903

This display combines the Federal Employees Health Benefits (FEHB) fund and the Retired Employees Health Benefits (REHB) fund.

The FEHB fund provides for the cost of health benefits for: (1) active employees; (2) employees who retired after June 1960, or their survivors; (3) those annuitants transferred from the REHB program as authorized by Public Law 93-246; and (4) the related expenses of the Office of Personnel Management (OPM) in administering the program.

The REHB fund, created by the Retired Federal Employees Health Benefits Act of 1960, provides for: (1) the cost of health benefits for retired employees and survivors who enroll in a Government-sponsored uniform health benefits plan; (2) the contribution to retired employees and survivors who retain or purchase private health insurance; and (3) expenses of OPM in administering the program.

Budget program.—The balance of the FEHB fund is available for payments without fiscal year limitation. Numbers of participants at the end of each fiscal year are as follows:

	2000 actual	2001 est.	2002 est.
Active employees	2,220,000	2,348,000	2,305,000
Annuitants	1,864,000	1,882,000	1,889,000
Total	4,084,000	4,230,000	4,194,000

In determining a biweekly subscription rate to cover program costs, one percent is added for administrative expenses and three percent is added for a contingency reserve held by OPM for each carrier. OPM is authorized to transfer unused administrative reserve funds to the contingency reserve.

The REHB fund is available without fiscal year limitation. The amounts contributed by the Government are paid into the fund from annual appropriations. The number of participants at the end of each fiscal year are as follows:

	2000 actual	2001 est.	2002 est.
Uniform plan	1,081	900	750
Private plans	3,484	2,900	2,400
Total	4,565	3,800	3,150

Financing.—The funds are financed by: (1) withholdings from active employees and annuitants; (2) agency contributions for active employees; (3) Government contributions for annuitants appropriated to OPM; and (4) contributions made by the United States Postal Service in accordance with the provisions of Public Law 101-508 and Public Law 103-66.

Operating results.—Funds made available to carriers but not used to pay claims in the current period are carried forward as special reserves for use in subsequent periods.

OPM maintains a contingency reserve, funded by employee and Government contributions, that may be used to defray future cost increases or provide increased benefits. OPM makes payments to carriers from this reserve whenever carrier-held reserves fall below levels prescribed by OPM regulations or when carriers can demonstrate good cause such as unexpected claims experience or variations from expected community rates.