

FY 2025 Annual Evaluation Plan



FY 25 Annual Evaluation Plan

Pursuant to the *Foundations for Evidence-Based Policymaking Act of 2018*, the Office of Personnel Management (OPM) developed its FY 2025 Annual Evaluation Plan, which describes significant evaluation activities that the agency will undertake. The FY 2025 Annual Evaluation Plan extends the work of a significant evaluation included in the FY 2024 Annual Evaluation Plan and a new evaluation reflecting an OPM 2024-2025 Agency Priority Goal. As OPM executes its Learning Agenda, the agency may plan additional FY 2025 evaluations to supplement the evaluations described here.

The evaluations included in the FY 2025 plan are: an evaluation of the effect of the Federal Employee Paid Leave Act on Federal employees' use of leave, retention, career advancement, and performance and an implementation evaluation of the launch of the Postal Health Benefits Program.

OPM Annual Evaluation Plan – Federal Employee Paid Leave Act

Program background

The Federal Employee Paid Leave Act (FEPLA) provides up to 12 weeks of paid parental leave (PPL) to eligible Federal employees in connection with the birth of an employee's child or placement of a child with an employee for adoption or foster care. On August 10, 2022, the U.S. Office of Personnel Management (OPM) issued interim regulations to implement the PPL law, which went into effect on October 1, 2020.

Anticipated benefits of the law include increased time for bonding between parent and child, improved health of the birth mother and child, preservation of annual and sick leave balances for future family needs, increased retention and engagement of the Federal workforce, and a positive impact to the U.S. economy by addressing women's declining labor force participation¹. The Congressional Budget Office estimated that implementing FEPLA would cost \$3.3 billion from 2021-2024².

OPM is evaluating the initial uptake and anticipated benefits from PPL to better understand how PPL affects Federal employees and agencies.

Questions to be answered

OPM will answer questions surrounding the effects of PPL. The focus of the evaluation for FY 2024 is identifying short-term outcomes for Federal employees for which there is sufficient, good quality data. For FY 2025, the evaluation of short- and medium-term outcomes will continue as more robust, longitudinal data becomes available.

Potential key questions for the evaluation include:

- Do PPL leave taking patterns vary over time, and do those vary by employee demographics?
- What is the effect of PPL on the number of days of leave taken, by leave type (for example, leave taken under Family and Medical Leave Act, sick leave, annual leave)? Does this vary over time?
- What is the effect of taking PPL on short-term retention of employees following their leave?
- What is the effect of PPL on employees' career advancement, including promotions, salary, and performance awards?

¹ Paid Parental Leave, 85 Fed. Reg. 154 (August 10, 2020) (to be codified at 5 C.F.R. pt. 630)

² Congressional Budget Office Cost Estimate, H.R. 626

Methods to be used

OPM will analyze secondary administrative personnel data that OPM maintains in its Enterprise Human Resources Integration (EHRI) and Electronic Official Personnel Folder (eOPF) databases, conducting descriptive analyses and comparisons of outcomes between eligible Federal employees who take PPL and those who do not.

Information needed for the evaluation

OPM will leverage existing data including payroll data (use of leaves and use of PPL by type of qualifying event), employee personnel status data (for example, retention status and base pay), employee performance data (for example, award hours and award pay), and employee demographic data (for example, gender, race and ethnicity, age, work schedule, geographic location, and agency).

Anticipated challenges

There are two main challenges for the FEPLA evaluation:

1. **Data quality and completeness.** At the time FEPLA was implemented, there were no existing payroll codes for those using PPL; agencies only started reporting this data with routine codes in April 2021. There are also data quality issues within the payroll data, as agencies use differing payroll systems and approaches that may or may not have accurate recording of leaves. To address this, OPM is continuously reviewing and cleaning PPL and other leave data, while also working to improve the overall quality of payroll data. OPM may also limit the evaluation to payroll systems with sufficient data quality and completeness or change the scope of the questions to respond to data issues.
2. **Selecting the appropriate comparison.** For comparisons of before and after implementation of FEPLA, there are complicating factors regarding time periods for comparison, including the lack of payroll codes and the COVID-19 pandemic, which is anticipated to affect childbearing and leave taking patterns. For comparisons of PPL leave takers and non-leave takers, it is not possible to determine whether non-leave takers were eligible for leave. As such, OPM will carefully consider the appropriate comparison periods or groups and interpret findings cautiously.

Dissemination

OPM will share results with leadership at their respective agencies and other key stakeholders through reports and presentations. Findings will also be shared externally in OPM communications, publications, or websites.

Due to concerns related to employee privacy, OPM will not create a public use file.

OPM Annual Evaluation Plan – Postal Service Health Benefits Program

Program background

The Postal Service Reform Act of 2022 (PSRA, Pub. L. 117-108) requires OPM to establish and administer the Postal Service Health Benefits (PSHB) Program, a new health benefits program for 1.7 million United States Postal Service (USPS) employees, annuitants, and their eligible family members that will replace their Federal Employees Health Benefits (FEHB) Program coverage. Though situated within the broader FEHB Program, the PSHB Program is a separate health benefit, with separate carriers, plans, and enrollment prerequisites. The PSRA mandates that the PSHB Program begin coverage starting in January 2025.

To implement the PSHB Program, OPM will establish an advanced health insurance exchange, hold a USPS-specific open season in 2024 to enroll employees, annuitants, and their eligible family members in PSHB plans, and build a new Decision Support Tool (DST) to help individuals select the right plan for them.

In FY 2025, OPM will conduct an implementation evaluation to assess the rollout of the PSHB Program. The purpose of the implementation evaluation is to understand whether program aspects were implemented as expected and to identify areas of strength to build upon and areas for improvement as the program continues.

In the future, OPM may conduct further evaluations to assess achievement of the PSHB Program goals: robust participation by health plans offering innovative, affordable, high-quality benefits, accurate and efficient enrollment and payment processing that generates savings by reducing coverage and providing benefits for ineligible persons and other enrollment discrepancies, and superior enrollee satisfaction with the health benefits selection process and their chosen health plan.

Questions to be answered

- The evaluation seeks to assess the process of implementing the PSHB Program. Potential key questions for the evaluation include:
- Which aspects of establishing the health insurance exchange went according to the program plan? Where might further improvements be needed?
- How many USPS employees and annuitants use the first open season to make a health insurance selection? How many individuals were moved to the default plan? How many revise their selection during the grace period?
- What is the distribution of selection of healthcare plans? What are trends in plan selections, by demographic?
- How many times is OPM's DST accessed? To what extent do users engage with new tool features, including specific search capabilities?
- How satisfied are users with the DST? Do DST users report increased comprehension of PSHB options?

Methods to be used

OPM will potentially employ several different methods to conduct the implementation evaluation. This includes analysis of administrative and human resources data on plan enrollment, DST website traffic data, and other program implementation data, including program artifacts such as schedules and plans. Additionally, OPM may leverage embedded website customer experience surveys to ask questions related to use of and satisfaction with the DST. Further, OPM may collect additional qualitative or survey data as needed to assess operations and PSHB Program processes. This evaluation design is observational and intended to provide information about the early phases of PSHB Program implementation to strengthen continued support to the program.

Information needed for the evaluation

OPM will use DST engagement metrics to understand use of the tool over time. OPM may also use personnel data to assess PSHB plan enrollment, plan selections, and demographic data (for example, gender, race and ethnicity, and age). Through surveys, OPM may additionally capture employees' and annuitants' self-reported experiences with the DST.

Anticipated challenges

There are some challenges for the implementation evaluation:

1. **Non-response/participation bias.** None of the proposed data collection methods provide an exhaustive view of USPS employees' and annuitants' perceptions and behavior related to plan selection. Some may choose not to participate in the open enrollment season or to use the DST. Additionally, any surveys administered on OPM's DST website or otherwise are subject to response rate. To address this, OPM will seek to triangulate several data sources and, as relevant, seek input from USPS.
2. **Mandatory nature of the action.** Data collected may reflect USPS employees' dissatisfaction with having to engage with a re-enrollment process. USPS employees may fail to engage with the PSHB program rollout and/or may provide negative feedback about the process due to the administrative burden rather than the functioning of open season and the DST.
3. **Evolving needs and priorities.** The PSHB Program has a clear mandate, but the implementation of program activities may evolve in accordance with needs and priorities. Similarly, the implementation evaluation must be flexible in the questions answered and the approaches used to best assess the process.

Dissemination

OPM will use results internally with Healthcare and Insurance and agency leadership. Reports may also be shared with USPS and other key PSHB Program stakeholders.

Findings may also be shared externally in OPM communications, publications, or its website, but no public use file will be created.



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