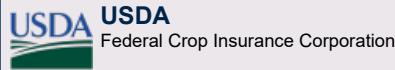


Goal: Getting Payments Right



Brief Program Description:

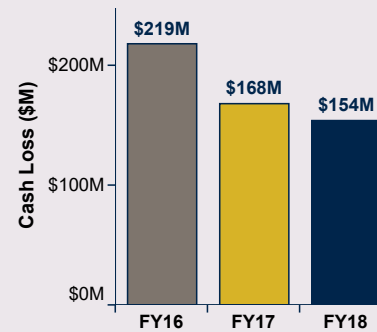
RMA manages the FCIP to provide crop insurance to farmers and ranchers. Approved Insurance Providers (AIPs) sell and service the policies through a partnership with RMA, who shares the risks associated with losses. FCIP a self-certification program.

Change from Previous FY (\$M)

-\$14M



Cash Loss by FY (\$M)



| Key Milestones | Status | ECD |
|---|-----------|--------|
| 1 Finalize cash loss estimation methodology | Completed | Oct-18 |
| 2 Identify cash loss amount for FY 2018 | Completed | Oct-18 |
| 3 Identify true root causes of cash loss | Completed | Oct-18 |
| 4 Develop mitigation strategies to get the payment right the first time | Completed | Oct-18 |
| 5 Evaluate the ROI of the mitigation strategy | On-Track | Jun-20 |
| 6 Determine which strategies have the best ROI to prevent cash loss | On-Track | Jul-20 |

| Quarterly Progress Goals | Status | Notes | ECD |
|---|-----------|-------|--------|
| 1 Q4 2018 Make revisions to Crop Insurance Handbook. | Completed | N/A | Nov-18 |
| 2 Q4 2018 Synthesize and analyze the detailed error data from the IPERIA reviews in preparation for 2019 presentation to Approved Insurance Providers (AIPs). | On-Track | N/A | Dec-18 |

| Recent Accomplishments | Date |
|---|--------|
| 1 RMA conducted updated IPERIA review training for compliance investigation staff at its six regional compliance offices (RCOs). The training incorporated new policies and reporting requirements. | Jun-18 |
| 2 RMA reduced the improper payment rate for the FCIP from 1.96% in Fiscal Year 2017 to 1.81% in Fiscal Year 2018. | Jun-18 |
| 3 RMA's six RCOs completed the initial review of the 402 case policies in the Fiscal Year 2019 IPERIA sample. | Nov-18 |

| FY18 Amt(\$) | Root Cause | Root Cause Description | Mitigation Strategy | Anticipated Impact of Mitigation |
|--------------|--|---|---|---|
| \$108M | Inability to authenticate eligibility: data needed does not exist | Inability to Authenticate errors were due to acreage reporting errors and were related to audit of production history, which includes the unacceptability of production records and the inaccuracy of production certification. | 2018 Crop Insurance Handbook outlines exceptions to assigned yield procedures and edited the production evidence language for the 2019 Crop Insurance Handbook. A compliance office will be conducting a long-term acreage validation program review. | The updates to the Crop Insurance Handbook are anticipated to provide increased clarity and minimize burdensome reporting requirements for acceptable records. The anticipated impact of the program review is improving accuracy of acreage reporting. |
| \$46M | Administrative or process errors made by: others (participating lender, health care provider, or other organization administering Federal dollars) | Administrative or process errors reflect a diverse array of errors representing different aspects of the crop insurance policy lifecycle, such as acreage reporting, Actual Production History (APH), applications, and claims. | Each year, RMA provides a brief overview to the AIPs, the private-sector partners, of the types of errors identified during the IPERIA review process. To address the diverse types of errors RMA will provide a more detailed analysis to the AIPs. | Providing more detailed information to the AIPs about specific types of administrative or process errors is anticipated to assist the AIPs in better identifying and controlling the specific types of problems contributing to the errors. |