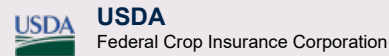


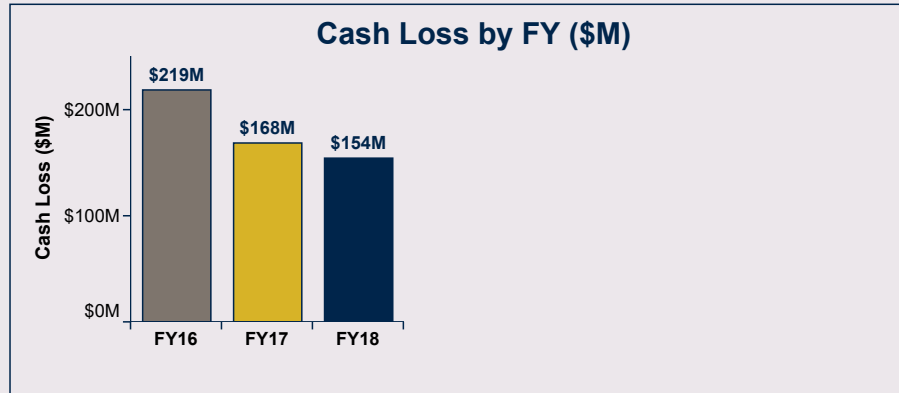
Goal: Getting Payments Right

Change from Previous FY (\$M)

-\$14M



Brief Program Description:
RMA manages the FCIC to provide crop insurance to farmers and ranchers. Approved insurance providers sell and service the policies through a partnership with RMA, who shares the risks associated with losses. FCIC is a self-certification program.



Key Milestones	Status	ECD
1 Finalize estimated cash loss estimation methodology	Completed	May-19
2 Identify estimated cash loss amount for FY 2018	On-Track	Jun-19
3 Identify true root causes of cash loss	On-Track	Jun-19
4 Develop mitigation strategies to get the payment right the first time	On-Track	Jun-19
5 Evaluate the ROI of the mitigation strategy	On-Track	Jun-22
6 Determine which strategies have the best ROI to prevent cash loss	On-Track	Jul-22

Quarterly Progress Goals	Status	Notes	ECD
1 Q2 2019 Make revisions to Crop Insurance Handbook.	Completed	N/A as optional	Nov-18
2 Q2 2019 Synthesize and analyze the detailed error data from the IPERIA reviews in preparation for 2019 presentation to Approved Insurance Providers (AIPs).	Completed	N/A as optional	Feb-19

Recent Accomplishments	Date
1 Issued bulletin regarding Defined Beginning Farmers and Ranchers requirements	Mar-19
2 Issued bulletin to approved insurance providers regarding review procedures.	Mar-19
3 RMA's six RCOs completed the review of the 405 case policies in the Fiscal Year 2019 IPERIA sample.	Apr-19

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 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 conducted 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),	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.

Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.