

Goal: Getting Payments Right

Program or Activity
Federal Crop Insurance Corporation

Reporting Period
Q3 2020

Change from Previous FY (\$M)

\$112M

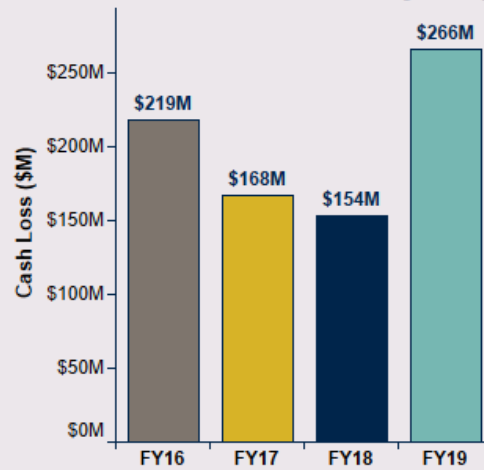


Federal Crop Insurance Corporation

Brief Program Description:

RMA manages the Federal Crop Insurance Program (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.

Cash Loss by FY (\$M)



Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	Completed	Jun-19
2	Evaluate the ROI of the mitigation strategy	On-Track	Jun-19
3	Determine which strategies have the best ROI to prevent cash loss	On-Track	Jun-22
4	Implement new mitigation strategies to prevent cash loss	Completed	May-19
5	Analyze results of implementing new strategies	Completed	May-19

Quarterly Progress Goals			Status	Notes	ECD
1	Q3 2020	Issue revised Crop Insurance Handbook and discuss with AIPs to ensure understanding of the revision.	Completed	N/A	Jul-19
2	Q3 2020	Synthesize and analyze the detailed error data from the IPERIA reviews in preparation for 2019 presentation to Approved Insurance Providers (AIPs).	Completed	N/A	Jan-20

Recent Accomplishments					Date
1	Attended High Risk Program Payment Integrity Meeting covering USDA IPIA Corrective Action Plan Guidance and Accountability Infrastructure and Barriers Reporting Guidance.				Mar-20
2	Attended OIG Audit of Improper Payments Entrance Conference.				Apr-20
3	Attended payment Integrity Workgroup Meeting covering the AFR 2020 timeline and payment Integrity Information Act of 2019				Apr-20

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$178M	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.	Cross Enterprise Sharing	There is no change to the FY2019 CAP as originally reported by RMA. We continue to monitor the progress of the CAP. As results and data become available RMA will conduct analysis and verify improvements based on the reported mitigation strategy.
\$88M	Inability to authenticate eligibility: data needed does not exist	Inability to authenticate errors were due to acreage reporting errors and were related to actual production history, which includes the unacceptability of production record and the inaccuracy of production certification.	Audit or Internal Controls	There is no change to the FY2019 CAP as originally reported by RMA. We continue to monitor the progress of the CAP. As results and data become available RMA will conduct analysis and verify improvements based on the reported mitigation strategy.

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