Payment Integrity Scorecard

Program or Activity	Reporting Period
Federal Crop Insurance Corporation	Q4 2021

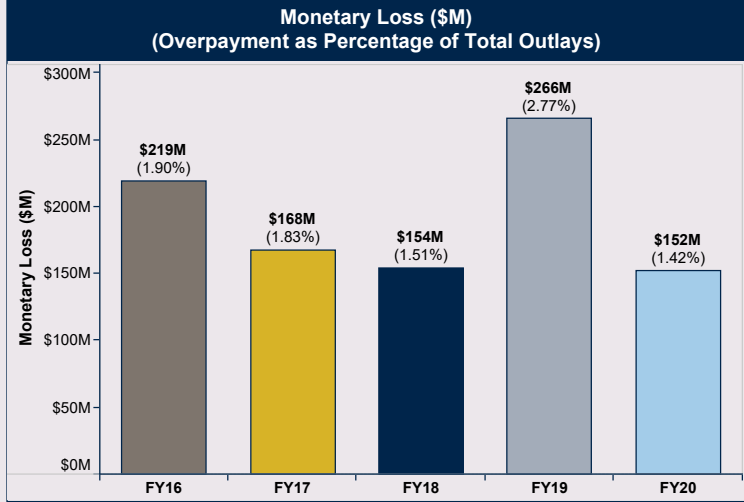**Change from Previous FY ($M)** **-$114M** ⬇

USDA
Federal Crop Insurance Corporation

Brief Program Description:
RMA administers the Federal Crop Insurance Program to provide crop insurance to farmers and ranchers. Approved Insurance Providers (AIPs) sell and service the policies through a partnership with RMA, and share in the risk associated with losses.

Monetary Loss ($M)
(Overpayment as Percentage of Total Outlays)

FY16	FY17	FY18	FY19	FY20
$219M (1.90%)	$168M (1.83%)	$154M (1.51%)	$266M (2.77%)	$152M (1.42%)

Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	Completed	Jun-20
2	Evaluate the ROI of the mitigation strategy	Completed	Jun-20
3	Determine which strategies have the best ROI to prevent cash loss	Completed	Jun-20
4	Implement new mitigation strategies to prevent cash loss	Completed	May-20
5	Analyze results of implementing new strategies	Completed	Jun-21
6	Achieved compliance with PIIA	On-Track	Jun-22
7	Identified any data needs for mitigation	On-Track	Jun-22

Goals towards Reducing Monetary Loss			Status	ECD
1	Q4 2021	Conduct a comparative analysis of improper payments focusing on Actual Production History (APH) certification and unit structure support.	Completed	May-21
2	Q4 2021	Issue updates to the apple policy as a result of RMA's review.	On-Track	Dec-22

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	Recovery Audit	AIPs are notified of any overpayments through RMA's Compliance Activities and Results System (CARS) in accordance with the Standard Reinsurance Agreement requirements. They are then tracked, collected, and verified through RMA's accounting system.	AIPs are notified of any overpayments through RMA's Compliance Activities and Results System (CARS) in accordance with the Standard Reinsurance Agreement requirements. They are then tracked, collected, and verified through RMA's accounting system.
2	Recovery Activity	AIPs are notified of any overpayments through RMA's Compliance Activities and Results System (CARS) in accordance with the Standard Reinsurance Agreement requirements. They are then tracked, collected, and verified through RMA's accounting system.	AIPs are notified of any overpayments through RMA's Compliance Activities and Results System (CARS) in accordance with the Standard Reinsurance Agreement requirements. They are then tracked, collected, and verified through RMA's accounting system.

Accomplishments in Reducing Monetary Loss		Date
1	Presented FY2021 Improper Payment results and corrective action plan to RMA's Senior Leadership.	May-21
2	RMA's Evaluation Audits and Recovery Division conducted Actual Production History (APH) training to each of the six Regional Compliance Offices.	Jun-21
3	Attending RMA Town Hall meeting that addressed current issues including Improper Payment accomplishments.	Sep-21

Amt($)	Root Cause of Monetary Loss	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
$127M	Inability to authenticate eligibility: inability to access data	A majority of these errors resulted from the policyholder's inability to support Actual Production History (APH) certifications. More specifically, the inability to support unit structure at the level to which they certified.	Audit or Internal Controls	RMA issued Information Memorandum (IM): COM-20-005 which addressed the importance of certifying production at a unit level that can be supported. The anticipated impact of the IM is in improve the accuracy of production certifications.
$25M	Administrative or process errors made by: others (participating lender, health care provider, or other organization administering Federal dollars)	To address Actual Production History (APH) concern specific to the Apple program, RMA entered into a contract to assess the program, address program vulnerabilities, and provide proposed program changes.	Cross Enterprise Sharing	RMA is in the process of developing guidelines for production reporting to include identifying the types of records and required entries on records for reporting apple production. The anticipated impact is accuracy of production certification.

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