

Payment Integrity Scorecard

Program or Activity
RMA Federal Crop Insurance Corporation (FCIC)

Reporting Period
Q1 2022

Change from Previous FY (\$M)

\$1M

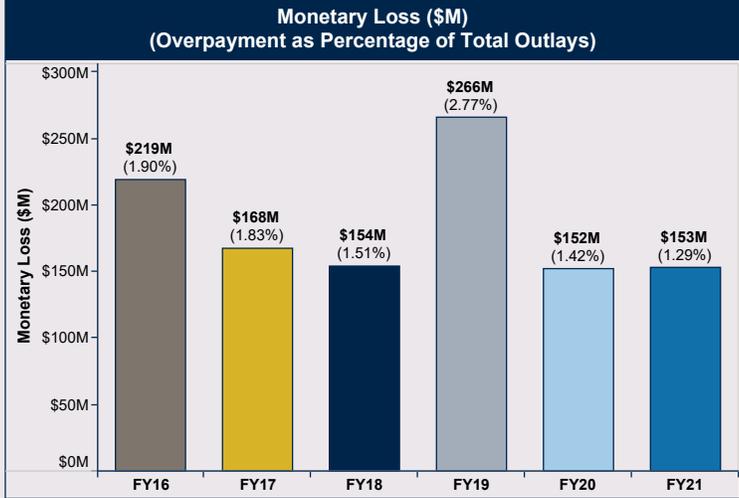


USDA
RMA Federal Crop Insurance Corporation (FCIC)

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.

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 Q1 2022 RMA, in collaboration with the Center for Agribusiness Excellence (CAE), has identified policies with potential certification errors in which reviews are being conducted to verify the accuracy of the acreage certification.	On-Track	Dec-21
2 Q1 2022 RMA is conducting a Program Review addressing production to count calculations. The policies have been identified and the reviews are in the process of being completed. Once completed, Approved Insurance Providers will be notified of the results.	On-Track	Jun-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 Attended OCFO AGA CEAR (Certificate of Excellence in Accountability Reporting) meeting.	Sep-21
2 Attended FY22 Payment Integrity Kick Off Meeting	Nov-21
3 Attended USDA's Compliance with Improper Payment Requirements	Dec-21

Amt(\$)	Root Cause of Monetary Loss	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$110M	Overpayments within agency control that occurred because of an Inability to Access the Data/Information Needed.	Most of these errors result from policyholders mis-certifying information at the time of production and/or acreage reporting.	Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	Increase certification accuracy, resulting in less improper payments.
\$43M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	These errors occurred when the data/information needed existed, was obtained, and was used in the payment calculation; however, an administrative or calculation error caused the proper payment to become improper.	Behavioral/Psych Influence - uses principles from the behavioral sciences such as psychology, neuroscience, and behavioral economics to understand how individuals absorb, process, and react to information and applies this to design practical policies and interventions.	Improved processes by Approved Insurance Providers (AIPs) will result in fewer improper payments.

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