

Payment Integrity Scorecard

Program or Activity

Administration for Children and Families (ACF) - Child Care and Development Fund

Reporting Period

Q1 2025

FY 2024 Overpayment Amount (\$M)*

\$776

*Estimate based a sampling time frame starting 10/2022 and ending 9/2023



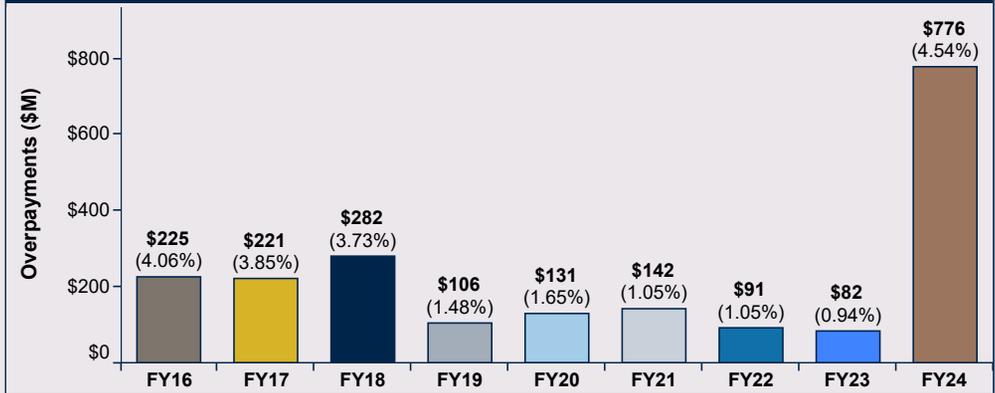
Health and Human Services

Administration for Children and Families (ACF) - Child Care and Development Fund

Brief Program Description & summary of overpayment causes and barriers to prevention:

The Child Care and Development Fund program is a federally funded, state-administered block grant program with each state having maximum flexibility in developing the Child Care and Development Fund programs and policies that best suit the needs of children and families within that state. States tailor their review of errors to reflect the policies and procedures unique to their state and therefore, states have varying requirements for establishing and verifying a client's eligibility.

Historical Payment Rate and Amount (\$M) (Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

Provide targeted technical assistance to states and territories on program integrity and accountability, including supporting states with an improper payment rate above the established threshold to implement corrective action plans.

Accomplishments in Reducing Overpayment

		Date
1	Conducted Child Care and Development Fund program integrity and error rate training for states.	Dec-24
2	Delivered technical assistance to states to help them implement the error rate review methodology and address root causes of errors.	Dec-24
3	Worked with states with an improper payment rate above the established threshold to implement corrective action plans to address root causes of errors.	Dec-24

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Goals towards Reducing Overpayments	Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 Establish a baseline and set a reduction target that is less than the estimated future Improper Payment and Unknown Payment rate.	On-Track	Sep-25	1 Recovery Activity	For overpayments identified through the error rate statistical sampling process, states will work to recover payments resulting from fraud and to the extent recoverable, those that were not the result of fraud.	States are working to recover overpayments resulting from fraud and to the extent recoverable, those that were not the result of fraud. HHS will follow up with states on the status of recovery efforts.
2 Provide targeted technical assistance for the reported specific causes of errors for the states through receipt and review specific root causes of errors and associated corrective actions identified by each reporting state under the policies unique to the state.	On-Track	Sep-25	2 Recovery Activity	Review Single Audit and HHS Office of Inspector General Audit reports to identify expenditures not made in accordance with CCDF regulations.	For overpayments identified in Single Audit and HHS Office of Inspector General Audit reports for which disallowances for expenditures not made in accordance with CCDF regulation were sustained, the disallowances will be recovered via offset or repayment.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$776M	Overpayments outside the agency control that occurred because of a Failure to Access Data/Information Needed.	Specific eligibility criteria varies by state. States have maximum flexibility within federal guidelines over key policy levers in developing programs and policies that best suit the needs of their children and families. Therefore, root causes vary by state.	Training teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Improve prevention of Improper Payments by providing technical assistance that targets the root causes of Improper Payments reported by the individual states.

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