

COM-20-001

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Date

May 6, 2020

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Heather Manzano, Deputy Administrator for Compliance /s/ Heather Manzano

Subject

Risk Management Agency Improper Payments Reviews

Background

The Department of Agriculture (USDA), Risk Management Agency (RMA) is required annually, in accordance with Appendix C of the Office of Management and Budget (OMB) Circular No. A-123, Requirements for Effective Estimation and Remediation of Improper Payments dated October 20, 2014, to estimate and report an improper payment rate using a statistically selected, statistically valid sample of policies for the Federal crop insurance program.

The agency is now initiating its review of policies for the 2021 reporting period.

Action

To comply with the above mandate for the 2021 reporting period, RMA has statistically selected a valid sample of policies from across the program for review from the 2019 reinsurance year. The policies, 330 in all, were selected with regard to the Approved Insurance Provider (AIP) that serviced the policy and will be reviewed to estimate an improper payment rate for the program.

Notifications will be transmitted on or about May 8, 2020, through the Compliance Activities Results System (CARS) SharePoint to each AIP servicing the selected policies. Regional Compliance Offices (RCO) will send notification letters to selected policyholders on or about May 15, 2020. AIPs will provide all applicable policyholder and AIP documentation to RMA through the CARS SharePoint by July 8, 2020.

DISPOSAL:

Effective until superseded or rescinded.