



United States
Department of
Agriculture

Federal Crop
Insurance
Corporation

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February 15, 2017

TO: Board of Directors
Federal Crop Insurance Corporation

FROM: Heather Manzano */signed/*
Acting Manager

SUBJECT: Manager's Report
Exhibit No. 4393

This is the Manager's Report to the Federal Crop Insurance Corporation (FCIC) Board of Directors meeting on February 15, 2017.

Research, Contracts, Studies, and Workgroups

Acres and Crop Reporting Streamlining Initiative (ACRSI): For Spring 2017, ACRSI data standards have been updated to support the addition of a new crop, sunflowers, to be reported through ACRSI. This brings the number of crops that can be reported through the common reporting system to 16 crops for all 50 states. The 16 crops that can be reported for ACRSI purposes are: alfalfa, barley, corn, cotton, grass, oats, peanuts, rapeseed/canola, rice, rye, sorghum, soybeans, sunflowers, and wheat, along with Conservation Reserve Program acres and fallow acres.

Flooding, Hurricanes, and Wild Fires

2016 Louisiana Flooding: As of January 9, 2017, the total amount in flood, excess moisture, or cold/wet claims submitted in the state of Louisiana was approximately \$17.6 million.

Hurricane Matthew: As of January 9, 2017, the total amount of indemnity for Hurricane Matthew related claims submitted in the state of North Carolina was approximately \$12.4 million.

Outreach/Collaborate Media

Intertribal AG Council 2016 Membership Conference: December 5-8, 2016, Insurance Services presented at the annual conference and reached underserved and Native American farmers. Topics included Risk Management Education programs, Federal crop insurance, specifically Whole-Farm Revenue Protection, Pasture Rangeland and Forage and Livestock Risk Protection.

Program Issues

60 Day Extension of RO Determined Yields for Category C Crops: On January 12 and 13, 2017, respectively, Insurance Services issued guidance modifying the 2017 Crop Insurance Handbook for Approved Insurance Providers (AIPs) in the Spokane and Raleigh regions. The memorandum extended the final date for the insured to sign, and for the AIP to submit a determined yield request for a Category C Crop from January 17, 2017, to March 16, 2017.

Monitoring Program for Organic Crops – Texas: Insurance Services and Compliance will develop and implement a monitoring program for organic crops in the Wharton County, Texas area to address potential fraud and/or other program vulnerabilities. The monitoring program will begin in April 2017.

Compliance

RMA Compliance has issued final findings to reinsured companies for the period of November through January:

- Premium overstatements of \$92,945;
- Indemnity overpayments of \$420,554;
- Premium understatements of \$23,512; and
- Indemnity underpayments of \$78,137.

Improper Payment Review

Compliance has closed out 600 of the 680 policies selected for the 2017 improper payments review and is waiting for the AIPs to respond to the remaining initial findings which were submitted to the AIPs. Responses are due by mid-February.

Compliance Process Re-design Initiative

Compliance is piloting its AIP Performance Reviews (APRs) at three AIPs, using the revised APR Handbook. The Regional Compliance Offices have completed their fieldwork and are in the report writing stage of the review. Expected completion is end of May.

Personnel Announcements

During the transition, several people were designated to serve in acting capacities they are, Jason Hafemeister, Acting Deputy Under Secretary for Farm and Foreign Agricultural Services (FFAS), Michael Alston, FFAS, Heather Manzano, Acting Administrator, RMA, and Robert Ibarra, Acting Associate Administrator, RMA.

Chandra Mason is the new Chief for the Policy Administration Branch, Product Administration and Standards Division of Product Management.