

INFORMATIONAL MEMORANDUM: COM–23-001

DATE April 03, 2023

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
4/3/2023

SUBJECT: Risk Management Agency Improper Payment 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, and the Payment Integrity Information Act of 2019, 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 2024 reporting period.

Action

To comply with the above mandate for the 2024 reporting period, RMA has selected a statistically valid sample of policies from across the program for review from the 2022 reinsurance year. The sample, 326 policies in all, was 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 April 19, 2023, through the Compliance Activities Results System (CARS) to each AIP servicing the selected policies. The Deputy Administrator for Compliance will send notification letters to selected policyholders on or about April 26, 2023. AIPs will provide all applicable policyholder and AIP documentation to RMA through CARS by June 29, 2023.

DISPOSAL: Effective until superseded or rescinded.