COM-21-003: Quality Control Review Type Codes

View PDF

Date
July 23, 2021

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
Quality Control Review Type Codes

Background

Appendix IV, section III(b)(1) of the Standard Reinsurance Agreement (SRA) and the Livestock Price Reinsurance Agreement (LPRA) requires Approved Insurance Providers (AIPs) to conduct data mining reviews.

This is clarification on the required Quality Control (QC) Type Codes that shall be submitted by review type.

Action

AIPs shall conduct reviews and submit the appropriate Quality Control Reporting (P57) record and Quality Control Review Correction (P57A) record for the following Review Types. The Overarching QC Type Codes are required as applicable. Multiple overarching QC Type codes may be reported on one P57 and P57A records or on separate P57 and P57A records when the policy is subject to multiple review types. An example of multiple overarching QC Type codes would be when a policy is on the Spot Check List (SCL) and Conflict of Interest (COI). In this case, QC type codes SC

and CI should be submitted. Previously submitted P57/P57A records will not be required to be updated with the required overarching QC type code.

Additional optional codes and additional conditional optional codes are included for AIPs with IT systems that are currently programmed to transmit these QC type codes. Additional conditional optional codes may be used to transmit the conditional optional codes for approved production history (APH) and Livestock reviews. The intent is not to reprogram IT systems, but to accommodate what is currently in place.

Livestock excluding Livestock Risk Protection and Livestock Gross Margin is included for any situation not covered under another Overarching QC Type Code. Rainfall Index is included to cover the 3% random sample required by the SRA, not for situations covered under another Overarching QC Type Code.

Table 1. Quality Control Review Type Codes

Review Type	Overarching QC Type Code	Additional Optional Codes	Additional Conditional Optional Codes	Conditional Notes
200K Review	TK	DM, IP, OP, QC, RR	AP, LS	AP – If reviewing APH; LS – If reviewing Livestock Policy.
ARPA List	DM	IP, QC, RR	AP, LS	AP – If reviewing APH; LS – If reviewing Livestock Policy.
Conflict of Interest	CI	DM, IP, OP, QC, RR	AP, LS	AP – If reviewing APH; LS – If reviewing Livestock Policy.
Conflict of Interest – Conflict No Longer Exists	CR	DM, IP, OP, QC, RR		
Consecutive Loss Adjuster	CA	DM, IP, OP, QC, RR	AP	AP – If reviewing APH.

Review Type	Overarching QC Type Code	Additional Optional Codes	Additional Conditional Optional Codes	Conditional Notes
Excessive Yields	DM	AP, IP, QC, RR		
Spot Check List	SC	DM, IP, QC, RR	AP, LS	AP – If reviewing APH; LS – If reviewing Livestock Policy.
APH Review	AP	IP, OP, QC, RR		
Quality Control Reviews	QC	IP, OP, RR	AP, LS	AP – If reviewing APH; LS if reviewing Livestock Policy.
Fraud, Waste, and Abuse Review	FM	IP, OP, QC, RR	AP, LS	AP – If reviewing APH; LS if reviewing Livestock Policy.
Individual Policy Review	IP	OP, QC, RR	AP, LS	AP – If reviewing APH; LS if reviewing Livestock Policy.
Livestock Review[1]	LS	IP, OP, QC, RR		
Operational Review[1]	OP	IP, QC, RR	AP, LS	AP – If reviewing APH; LS if reviewing Livestock Policy.
Rainfall Index[2]	RV	IP, OP		
RMA Required Reviews[1]	RR	DM, IP, OP, QC	AP, LS	AP – If reviewing APH; LS if reviewing Livestock Policy.

[1] Applicable when no other Overarching QC Type Code applies

[2] Used for the 3% random sample when no other Overarching QC Type Code applies

DISPOSAL DATE:

Effective until superseded or rescinded.