MGR-19-021: Agriculture Risk Protection Act (ARPA) List Review Standards

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Date

July 16, 2019

To

All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

From

Martin R. Barbre, Administrator /s/ Martin R. Barbre

Subject

Agriculture Risk Protection Act (ARPA) List Review Standards

Background

Annually, the Risk Management Agency (RMA) develops a list of crop insurance agents and loss adjusters with anomalous claims experience relative to their peers in the geographic area. This list, known as the Agriculture Risk Protection Act (ARPA) List, is mandated by section 515(f)(1) of the Federal Crop Insurance Act (Act). Section 515(f)(1) directs RMA to establish procedures to review agents and loss adjusters with disparate performance and to take appropriate remedial action for potential fraud, waste, or abuse uncovered during the reviews. Being on the ARPA List does not mean the agents and loss adjusters have committed or facilitated fraudulent or abusive acts. Rather, it means RMA believes a higher level of scrutiny is warranted to assure program integrity is not being compromised, given their loss experience is not consistent with that of peers in the area.

Since 2001, RMA has used data mining to identify agents and loss adjusters whose performance warrants additional scrutiny. Data mining is used to evaluate certain scenarios associated with loss experience anomalies.

Action

RMA is issuing review guidance (attached) to provide clear expectations of what actions AIPs are to perform regarding the ARPA List data mining reviews. This includes the specific actions AIPs are to take with respect to agents and adjusters identified on ARPA Lists and how those actions, along with the results of those actions, are reported to RMA.

ATTACHMENT: ARPA List Review Standards

DISPOSAL DATE:
July 1, 2025