COM-25-001: Risk Management Agency Improper Payment Reviews

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Date

April 4, 2025

To

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

From

Francie Tolle, Deputy Administrator for Compliance /s/ Francie Tolle

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 2026 reporting period.

Action

To comply with the above mandate for the 2026 reporting period, RMA has selected a statistically valid sample of policies for review from the 2024 reinsurance year. A total of 356 policies were selected with regard to the Approved Insurance Provider

(AIP) that serviced the policy. These policies will be reviewed to estimate an improper payment rate for the program.

Notifications will be transmitted on or about May 1, 2025, through the Compliance Activities Results System (CARS) to each AIP servicing the selected policies. AIPs will provide all applicable policyholder and AIP documentation to RMA through CARS by July 8, 2025.

DISPOSAL:
Effective until superseded or rescinded.