PRESIDENT'S MANAGEMENT AGENDA

CAP Goal Action Plan

Getting Payments Right

Goal Leaders

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Getting Payments Right : Abbreviations

Abbreviations used in this slide deck:

AFR:	Annual Financial Report
CAP	Cross Agency Priority
DNP:	Do Not Pay
FFSA:	Federally funded State administered
IG:	Inspector General
IP:	Improper Payments
OMB:	Office of Management and Budget
PAR:	Performance and Accountability Report
PICOE:	Payment Integrity Center of Excellence
PIIA:	Payment Integrity Information Act
PRAC:	Pandemic Response Accountability Committee

Getting Payments Right: Goals

To demonstrate stewardship of taxpayer dollars by focusing on getting government payments right the first time they are made and by preventing monetary loss.

To build trust in government by better understanding the nature of improper payments and their relationship to payment integrity.

Getting Payments Right: CAP Areas of Focus

CAP 9 Focus Areas

CAP Goal 9 activities were re-baselined last quarter to reflect priorities that demonstrate and scale impact and focus on results.

Strategic Data Use

Laser focus on rapid identification and incorporation of data sets into Treasury's DNP.

Why? So that agencies can better pre-check eligibility requirements before making a payment to beneficiaries. We should share data across the Federal enterprise to the fullest extent possible and practical to detect and reduce IPs.

Monetary Loss

Focus on collaborating, partnering, and engaging with: the PRAC, Agency IGs, Agency programs with high monetary loss, the States.

Why? Reducing monetary loss is not a series of activities that should be conducted in silos. We come up with better solutions when we work together, and not separately.

Non-data Mitigation Strategies

Focus on pilots and scaling best practices.

Why? There comes a point when enough information is collected about a problem to call for action. For example, the CAP 9 Mitigation working group had identified Behavioral Sciences as an underutilized mitigation strategy. Now it is time to apply this strategy and determine its scalability and impact.

Getting Payments Right : The Strategies

Strategy 1: Clarify and Streamline Requirements and Sharing Best Practices

Reduce agency reporting burden. Focus program resources on preventing IPs that result in monetary loss. Share best practices across the government enterprise.

Strategy 2: Identify Monetary Loss Root Causes

Address in logical order of progression programs with greatest cash loss and determine true root cause of IPs. Identify point(s) in the payment process where IPs occur.

Strategy 3: Strategic Data Use

Identify data sets and analysis techniques to detect and prevent IPs. Improve data quality and collection to enhance application of data analytics.

Strategy 4: Mitigation Strategies

Identify non-data related mitigation strategies to prevent monetary loss from IPs.

Strategy 5: Strengthen Partnership with States

Identify opportunities to partner with States to improve IP detection and prevention capabilities in FFSA programs.

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Strategy 1: Clarify & Streamline Requirements and Sharing Best Practices

Reduce agency reporting burden. Focus program resources on preventing IPs that result in monetary loss. Share best practices across the government enterprise.

Completed Milestones

- Provided guidance to agencies on risk-based approach to dealing with IPs due to COVID spending
- Updated key areas of OMB Circular A-123 Appendix C and solicited feedback from agencies
- Launched efforts to standardize data collection of supplemental information to agency AFRs/PARs
- Launched behavioral sciences playbook/diagnostic toolkit project
- Launched IP Q&A platform

Looking Beyond

- Share best practices on detecting and preventing IPs
- Update OMB A-123, Appendix C and modernize the annual payment integrity data collection
- Engage public and private sector entities to present new and emerging technologies that have the potential to lower IPs and reduce fraud

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Strategy 1: Clarify & Streamline Requirements and Sharing Best Practices Road Map

Goals: (1) Revise OMB A-123, including updates to OMB IP Root Cause categories; (2) Develop best practices playbook for Federal agencies on the application of behavior sciences non-data mitigation strategies.

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Lead
Launch of behavioral sciences playbook/diagnostic toolkit project	Q4 FY 2020	**Complete**	Project was initiated	GSA
Recommended updates to OMB root cause reporting categories	Q4 FY 2020	**Complete**	Working group delivered draft guidance recommendation	CAP 9 Root Cause Working Group
Completed agency review of draft OMB Appendix C guidance	Q1 FY 2021	**Complete**	Agency review period ended in November	OMB
Behavioral sciences playbook/diagnostic toolkit prototype	Q2 FY 2021	**On Track**	Obtaining agency feedback on prototype design	GSA
Revised OMB Appendix C guidance	Q2 FY 2021	**On Track**	Draft revisions are being made as a result of agency feedback	OMB
Completed behavioral sciences playbook/diagnostic toolkit	Q4 FY 2021	**On Track**	None	GSA

Strategy 2: Identify Monetary Loss Root Causes

Address in logical order of progression, programs with greatest cash loss and determine true root cause of IPs. Identify point(s) in the payment process where IPs occur.

Completed Milestones

- Identified IP risk factors associated with pandemic spending
- Identified common IP pandemic mitigation
- Revised OMB root cause matrix categories for IPs and obtained feedback from agencies
- Launched efforts to create an IP data repository and improve data quality
- Began IP outreach with agencies, as required by PIIA

Looking Beyond

- Focus efforts on programs driving the highest amount of cash loss.
- Engage with PRAC and IGs to identify areas of highest risk associated with COVID-19 spending.
- Improve data collection and reporting on paymentaccuracy.gov and perform data analytics
- Develop Federal risk profile for the COVID-19 pandemic and develop IP risk playbook for future

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Strategy 2: Identify Monetary Loss Root Causes Road Map

Goals: (1) Collaborate with agencies having the highest monetary loss through IPs; (2) Continue risk management activities associated with the COVID-19 pandemic; (3) Build an IP data repository and modernize data collection efforts to improve quality of IP data for data analytics applications.

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Lead
Standardize data collection of accompanying materials in agency AFR or PAR	Q4 FY 2020	Complete	A Supplemental Data Call was created to standardize the collection of agency data	GSA
Direct engagement with agencies contributing to highest monetary loss	Q4 FY 2020	Complete	Meetings with HHS, USDA, Treasury, and SSA were held	OMB
Revised pandemic risk profile based on input from CFOC agencies	Q1 FY 2021	On Track	No Change	OMB
Launch of data analytics and data repository project	Q1 FY 2021	Complete	Efforts are underway to construct a new improper payments data repository	OMB/GSA/Treasury
Payment Integrity Program Toolkit for agencies to establish or enhance their payment integrity programs	Q1 FY 2021	Revised	Milestone was updated	OMB
Budget proposals to reduce improper payments for programs with highest monetary loss	Q2 FY 2020	Revised	Milestone and Milestone Due Date was changed	OMB

Strategy 3: Strategic Data Use

Identify data sets and analysis techniques to detect and prevent IPs.
Improve data quality and collection to enhance application of data analytics.

Completed Milestones

- Identified private and public data sets that could be used to perform eligibility pre-checks
- Identified data sets currently used to perform pre-checks and analysis aimed at preventing monetary loss
- Using targeted interviews/engagements with program SME, identified which eligibility criteria are linked to high priority programs
- Applied weighted average and rank ordered the identified data sources for use by DNP Analytics and the DNP Portal

Looking Beyond

- Combine capabilities and resources of the CAP 9 community, PICOE and DNP to expand availability of data
- Initiate specific projects to address IP challenges such as payments after death and compromised bank accounts
- Establish methods for programs to access/incorporate 'new' data sets into eligibility pre-checks
- Perform analytics assessment of data sets to determine potential benefit for use and potential return on investment for use
- Future utilization of new data sets by DNP program

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Strategy 3: Strategic Data Use Road Map

Goals: (1) Identify data sets to integrate into Treasury's DNP system; (2) Identify which eligibility criteria are linked to the largest monetary loss root causes & prioritize data sources by greatest impact to prevention of monetary loss.

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Lead
Identify and evaluate new data sets for DNP	Q4 FY 2020	Complete/ Revised	14 new data sets were recommended for incorporation into DNP	OMB/Treasury
Identification of agency programs that could benefit from shared data from programs with successful eligibility verification methods	Q2 FY 2021	On Track/ Revised	Milestone Lead was revised	CAP 9 Data Working Group
Development of DNP agency outreach strategy with updated prioritization	Q2 FY 2021	On Track/ Revised	Milestone was revised	Treasury
New data sets approved, packaged and submitted for posting to the Federal Register	Q3 FY 2021	Revised	Milestone was revised	OMB
Evaluation of agency Computer Matching Agreements needs	Q3 FY 2021	Revised	Milestone Due Date was revised	OMB
Development of government-wide program eligibility database, including list of agencies and sub-agency view with related data sources and elements	Q3 FY 2021	Revised	Milestone and Milestone Due Date was revised	CAP 9 Data Working Group/GSA/Treasury
Identification of high priority data sets for use agency eligibility pre-checks	Q4 FY 2021	Revised	Milestone Due Date was revised	Treasury

Strategy 4: Non-data Mitigation Strategies

Identify non-data related mitigation strategies to prevent monetary loss from IPs.

Completed Milestones

- Identified non-data strategies that have been proven successful at individual agencies
- Identified Behavioral Insights as an underutilized non-data mitigation strategy to prevent IPs
- Educated Payment Integrity community on the potential of Behavioral Insights in a March 2020 Town Hall
- Identified most promising programs for first cohort of pilots applying the behavioral insights strategy

Looking Beyond

- Identify additional opportunities to scale non-data mitigation strategies
- Share successful mitigation strategies and potential return on investment identified through data analysis
- Develop behavior sciences playbook for use by agency CFOs to determine viability of its application within their own programs

Strategy 4: Non-data Mitigation Strategy Road Map

Goal: Conduct pilot studies to reduce IPs through a non-data mitigation strategy involving the application of behavioral sciences.

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Lead
Development of Project Initiation Documents	Q3 FY 2020	**Complete**	Project summary and scope documents were prepared	GSA
IRS Behavioral Insights Pilot #1 Project Design Documents	Q1 FY 2021	**Complete/ Revised**	Agency partner was identified	GSA
IRS Behavioral Insights Pilot #1 Launch	Q1 FY 2021	**On Track/ Revised**	Agency partner and program identified	GSA/IRS
IRS Behavioral Insights Pilot #2 Project Design Documents	Q1 FY 2021	**New**	Second pilot opportunity identified	GSA
IRS Behavioral Insights Pilot #2 Launch	Q2 FY 2021	**New**	Second pilot opportunity identified	GSA/IRS

Strategy 5: Strengthen Partnership with States

Identify opportunities to partner with States to improve IP detection and prevention capabilities in Federally funded State-administered programs

Completed Milestones

- Completed PMF Project to identify State POCs and document best practices and IP mitigation strategies in FFSA programs
- Initiated discussions with payment integrity officials across 10 states on best ways to lower IPs in FFSA programs

Looking Beyond

- Develop and pilot a standard application for a FFSA program and test with states to measure its impact towards reducing data errors affecting IPs and to assist with cross-state data sharing challenges
- Develop novel ways to help FFSA programs determine if a beneficiary should be receiving benefits. Pilot solutions to help agencies make those determinations, thereby reducing the workload in performing data matches

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Strategy 5: Strengthen Partnership with States Road Map

Goal(s): Develop a plan containing tangible solutions to prevent and reduce IPs and a plan for State agencies to work with Federal agencies to regularly review lists of beneficiaries of State-managed Federal programs for duplicate enrollment between States.

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Lead
Develop and execute eligibility tool for streamlined eligibility verification	Q4 FY2020	**Complete**	Eligibility tool delivered July 2020	Treasury
Develop methodology to estimate impact of duplicate enrollment program	Q4 FY 2020	**Complete**	Completed	CAP 9 States Working Group
Develop report to Congress on solution to regularly review FFSA beneficiary lists for duplicate enrollment	Q1 FY 2021	**Complete**	Report sent to Congress in October	OMB/Treasury
Identify State partners to participate in duplicate enrollment study	Q2 FY 2021	**Revised**	Revised Milestone approach	CAP 9 States Working Group
Interview and survey state partners and existing duplicate enrollment prevention measures	Q2 FY 2021	**Revised**	Revised Milestone approach	CAP 9 States Working Group
Develop operational tool to combat duplicate enrollments based on survey results.	Q3 FY 2021	**On track**	Approach was revised, will analyze feedback from survey results	Treasury
Identify common data elements and develop application standardization pilot	Q3 FY2021	**New**	New	CAP 9 States Working Group

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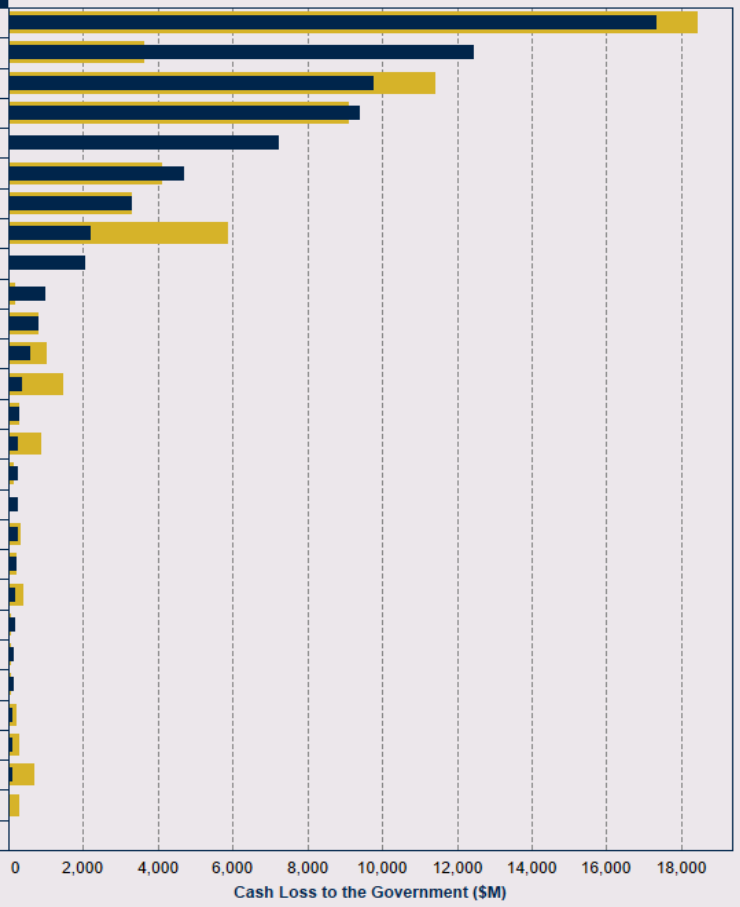
Annual Key Performance Indicator: Amount of Monetary Loss and Change in Monetary Loss

Cash Loss to the Government (FY18 - FY19)

Agency	Program or Activity	Change ($M)	Indicator
Treasury	Earned Income Tax Credit	-$1,092M	↓
HHS	Medicaid	$8,840M	↑
HHS	Medicare Fee For Service	-$1,678M	↓
HHS	Medicare Part C	$307M	↑
Treasury	Additional Chid Tax Credit	N/A	
SSA	Supplemental Security Income	$565M	↑
USDA	Supplemental Nutrition Assistance Program	$5M	↑
SSA	Old-Age, Survivors, and Disability Insurance	-$3,648M	↓
Treasury	American Opportunity Tax Credit	N/A	
HHS	Children's Health Insurance Program	$824M	↑
USDA	National School Lunch	$12M	↑
VA	Community Care	-$417M	↓
ED	Pell Grant	-$1,095M	↓
USDA	School Breakfast	-$2M	↓
DOT	Federal Highway Administration Highway Planning and Construction	-$619M	↓
USDA	Federal Crop Insurance Corporation	$112M	↑
USDA	FSA Agriculture Risk and Price Loss Coverage (ARC/PLC)	N/A	
VA	Pension	-$81M	↓
OPM	Total Program Retirement	$0M	↓
ED	Direct Loan	-$206M	↓
DoD	Military Health Benefits	$116M	↑
DoD	Military Retirement	$66M	↑
FCC	Universal Services Fund - Schools & Libraries	$72M	↑
FCC	Universal Service Funds - Lifeline	-$118M	↓
HHS	Child Care	-$176M	↓
HHS	Medicare Part D	-$581M	↓
DoD	Military Pay	-$245M	↓
VA	Purchased Long Term Services and Support	-$9M	↓



Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.

**Amounts were reported in millions of dollars*

** Includes high priority programs and programs that have a $100 million or more in cash loss.*

** Additional Chid Tax Credit, American Opportunity Tax Credit, and FSA Agriculture Risk and Price Loss Coverage (ARC/PLC) did not report FY18 data.*

Indicator Key

↑ Increase from Previous FY

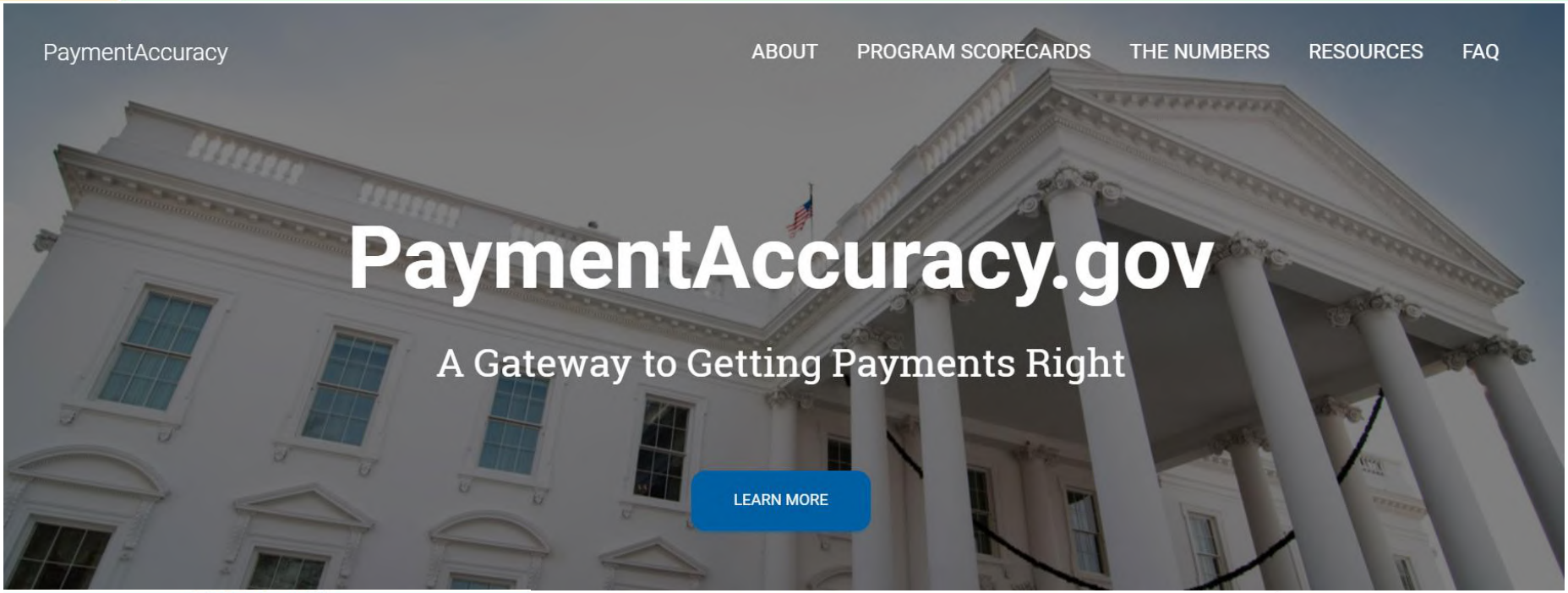
↓ Decrease from Previous FY

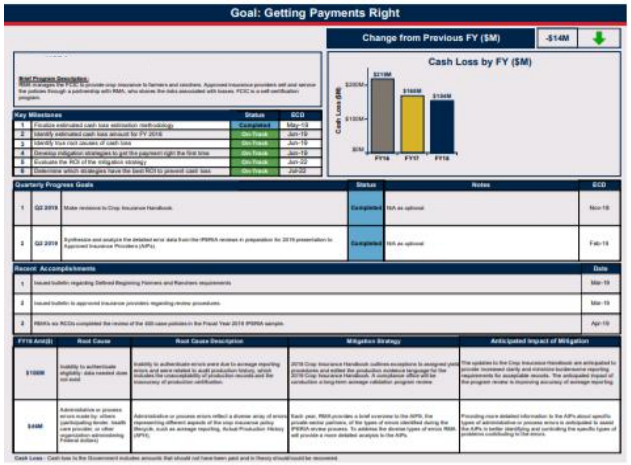
Fiscal Year Key

FY19

FY18

Quarterly Key Performance Indicator: Program Scorecards





High-Priority Programs and Programs over $100M in Monetary Loss

The government can achieve the greatest return on investment for the taxpayer by ensuring that improper payments are eliminated in the highest-risk programs, otherwise known as **high-priority programs**. These programs have improper payments estimates that exceed $2 billion annually.

High-priority programs are designated by the Office of Management and Budget (OMB) and agencies with high-priority programs have additional reporting requirements.

To reduce the monetary loss to the tax payers by issuing payments correctly the first time, in FY 2018 High Priority Programs will be combined with programs that have over a $100 Million or more in monetary loss. This is an opportunity to improve the efficiency of government programs by focusing on reducing incorrect payment that result in monetary loss.

Determination criteria and reporting requirements for high-priority programs are found in OMB Guidance Circular A-123, Appendix C

Select a program from the list below to view program details: