Do Not Pay Day - Webinar

Introduction to DNP

Angélique Bridges
DNP Agency Lead
April 14, 2020
Do Not Pay Authorities

• The Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA)
  – Established the Do Not Pay (DNP) Initiative
  – The Office of Management and Budget (OMB) designated the Department of the Treasury to host a working system to assist agencies in identifying and preventing potential improper payments.
  – The Bureau of the Fiscal Service (Fiscal Service) operates the DNP Business Center

• OMB Provides Direction:
  – OMB issues guidance for the DNP program but retains program authority
  – OMB must designate additional databases for use in DNP
• The Federal Improper Payments Coordination Act of 2015 (FIPCA) expanded the IPERIA authority for the legislative and judicial branches, as well as states and other entities of the U.S. to use the Do Not Pay Initiative, including the Business Center, for the purpose of verifying payment or award eligibility for payments.
  – States can access the DNP Initiative for purpose of verifying improper payments after OMB determines that DNP “is appropriately established” for that state (per FIPCA)

• Payment Integrity Information Act of 2019
Pre-award
Before you start to pay, search DNP to make sure it’s okay to pay this person or company.

Pre-payment
Check again throughout the time this person or company is getting payments, or set up to monitor their eligibility. You can also research matches.

At Time of Payment (Payment Integration)
Agency payments submitted to Treasury via the PAM file are automatically matched against available death data sources through Payment Integration.

Post-payment
Use Data Analytics to get reports and see trends. Use the reports to fix any problems and improve your service.
### Areas Where DNP Can Help

<table>
<thead>
<tr>
<th>Area</th>
<th>Federal Cost</th>
<th>State Cost</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to Verify Data:</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1. Death Data</td>
<td>$3.3B</td>
<td>$0.3B</td>
<td>Matching to eligibility sources in the Portal.</td>
</tr>
<tr>
<td>2. Financial Data</td>
<td></td>
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<tr>
<td>3. Excluded Party Data</td>
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<td>4. Prisoner Data</td>
<td></td>
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<tr>
<td>5. Other Data</td>
<td></td>
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<tr>
<td>Administrative Process Errors</td>
<td></td>
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</tr>
<tr>
<td>1. Made by Federal</td>
<td>$22.0B</td>
<td>$26.8B</td>
<td>Internal controls testing and integrity checks regarding administrative payments such as travel pay and vendor invoices.</td>
</tr>
<tr>
<td>2. Made by State</td>
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<tr>
<td>3. Made by Other</td>
<td></td>
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<tr>
<td>Insufficient Documentation to Determine</td>
<td>$41.1B</td>
<td>$2.5B</td>
<td></td>
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<tr>
<td>Program Design or Structural Issue</td>
<td>$5.3B</td>
<td>$0.0B</td>
<td></td>
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<tr>
<td>Medical Necessity</td>
<td>$8.2B</td>
<td>$0.0B</td>
<td></td>
</tr>
<tr>
<td>Inability to Authenticate Eligibility</td>
<td>$20.4B</td>
<td>$14.0B</td>
<td>Detecting duplicate and overlapping payments across government programs such as disability pay provided by several agencies.</td>
</tr>
<tr>
<td>Other</td>
<td>$0.4B</td>
<td>$0.2B</td>
<td>Detecting fraud risk indicators in payment data.</td>
</tr>
</tbody>
</table>
What is the DNP Business Center?

- A resource for federal agencies and federally funded state administered programs at no-cost to the agencies

- Centralized access to relevant data sources for verifying payment or award eligibility

- Customized data analysis to help agencies detect fraud, waste and abuse and strengthen internal controls
DNP Business Center Components

DNP Business Center

Data Analytics

Web-Based Portal

Agency Support Center
Do Not Pay Portal

Free web-based Portal and central location for improper payment related data needs

Online Search
User can search an individual or entity and view matching records

Batch Matching
One time bulk submission for screening grants or loan payments against specified data sources

Continuous Monitoring
Continuous screening for eligibility verification against specified data sources using a grantee or loan recipient listing
Available Data Sources

American InfoSource Death Data - Commercial
- Commercial data source which contains information on deceased individuals obtained from more than 3,000 funeral homes and thousands of newspapers, as well as county-level probate records

Department of Defense Death Records - Public
- Contains records of individuals in active or reserve military duty, including whether an individual is deceased

Department of State Death Records - Public
- Contains records of American Citizens who are deceased or presumed deceased in foreign countries, as reported by U.S. embassies or consulates upon its receipt of a foreign death certificate or finding of death by a local competent authority

Death Master File (DMF) - Public (SSA)
- Administered by the National Technical Information Services (NTIS). Contains records of deceased individuals as reported by family members, funeral homes, hospitals, federal agencies, postal authorities, and financial institutions. Public version does not include state-reported deaths

Credit Alert System (CAIVRS) - Restricted (DOJ, HUD, SBA, USDA, & VA)
- Contains records of individuals with federal debt in delinquent or default.
- Verify whether an individual is a delinquent federal borrower
Available Data Sources

Treasury Offset Program (TOP) Debt Check - Restricted (Treasury)
• Contains records of individuals whose debt has been referred to Debt Management Services for collection.
• Verify whether a payee owes delinquent non-tax debts to federal government (and participating states)

List of Excluded Individuals and Entities (LEIE) (HHS) – Public & Restricted
• Verify whether payments are to individuals and entities currently excluded from participating in federal health care programs

Office of Foreign Assets Control (OFAC) - Public (Treasury)
• Contains records of individuals, groups, and entities which are under sanction by the federal government and therefore ineligible for payment

System for Award Management (SAM) Entity Registration Records - Restricted (GSA)
• Contains records of individuals and businesses authorized to enter into contracts with the federal government
• Verify whether payments are to debarred individuals

SAM Exclusion Records – Public & Restricted - (GSA)
• Contains records of individuals and businesses currently debarred from entering into contracts with the Federal Government under specific exclusions or registered to conduct business with the federal government
• Verify that a vendor seeking to do business with the federal government has registered, in accordance with the Federal Acquisition Regulation (FAR)
In addition to data sources available in the Portal, Analytics also has access to:

**Internal Revenue Service’s Tax-Exemption Lists**

- Contains records of organizations eligible and ineligible to receive tax-deductible charitable contributions and grants targeting tax-exempt entities.
  - 990-N (e-Postcard) – Authorized organizations with under $50,000 in contributions
  - Publication 78 – Authorized organizations with over $50,000 in contributions
  - Automatic Revocation of Exemption List – Organizations whose tax-exempt status has been revoked
# Available Data Sources

<table>
<thead>
<tr>
<th>Payment Type</th>
<th>DNP Usage</th>
<th>AIS</th>
<th>DMF</th>
<th>DOD</th>
<th>DOS</th>
<th>CAIVRS</th>
<th>LEIE</th>
<th>OFAC</th>
<th>SAM Entity</th>
<th>SAM Exclusion</th>
<th>TOP Debt Check</th>
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<tbody>
<tr>
<td>Grant and/or Loan Payments</td>
<td>Online Search</td>
<td>✓</td>
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<td>Continuous Monitoring</td>
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<td>Batch Matching</td>
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<td>Beneficiary Payments</td>
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<tr>
<td>Vendor and/or Contractor Payments</td>
<td>Online Search</td>
<td>✓</td>
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<tr>
<td></td>
<td>Continuous Monitoring</td>
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</table>

✓ Indicates data sources that may require a Computer Matching Agreement (CMA)
Onboarding Process

DNP Overview
Scheduled

Submit Initial Questions
Document for Review and Approval by Fiscal Service Legal

Build Hierarchy and Access Groups

Identify Users and User Levels

Enroll in Portal and Attend Training
DNP Agency Support

• Provides customized Outreach and Business Process solutions based upon agency needs:
  – Onboarding to Do Not Pay Portal
  – Training
  – Business Process Mapping
  – Focus Groups
  – User Community Events
    • Best Practices Forum
    • Grants Management Forum
    • Do Not Pay Day
  – Help Desk Support
# DNP Agency Assignments

<table>
<thead>
<tr>
<th>Agency</th>
<th>Treasury Agency Lead</th>
<th>FRB STL Agency Specialist</th>
<th>STL Onboarding Specialist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Agriculture (USDA)</td>
<td>Angélique</td>
<td>Drew</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Commerce (Commerce)</td>
<td>Jon</td>
<td>Shannon</td>
<td>Marva</td>
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<tr>
<td>Department of Defense (DoD)</td>
<td>Angélique</td>
<td>Kristofer</td>
<td>Marva</td>
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<tr>
<td>Department of Education (ED)</td>
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<td>Kristofer</td>
<td>Marva</td>
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<tr>
<td>Department of Energy (DOE)</td>
<td>Jon</td>
<td>Kristofer</td>
<td>Marva</td>
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<tr>
<td>Department of Health and Human Services (HHS)</td>
<td>Angélique</td>
<td>Josh</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Homeland Security (DHS)</td>
<td>Angélique</td>
<td>Shannon</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Housing and Urban Development (HUD)</td>
<td>Angélique</td>
<td>Josh</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Justice (Justice)</td>
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<td>Kristofer</td>
<td>Marva</td>
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<tr>
<td>Department of Labor (DOL)</td>
<td>Angélique</td>
<td>Shannon</td>
<td>Marva</td>
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<tr>
<td>Department of State (State)</td>
<td>Lori</td>
<td>Shannon</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of the Interior (DOI)</td>
<td>Jon</td>
<td>Kristofer</td>
<td>Marva</td>
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<tr>
<td>Department of the Treasury (Treasury)</td>
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<td>Josh</td>
<td>Marva</td>
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<td>Department of Transportation (DOT)</td>
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<td>Drew</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Veterans' Affairs (VA)</td>
<td>Angélique</td>
<td>Shannon</td>
<td>Marva</td>
</tr>
<tr>
<td>Environmental Protection Agency (EPA)</td>
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<td>Kristofer</td>
<td>Marva</td>
</tr>
<tr>
<td>General Services Administration (GSA)</td>
<td>Jon</td>
<td>Drew</td>
<td>Marva</td>
</tr>
<tr>
<td>National Aeronautics and Space Administration (NASA)</td>
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<td>Kristofer</td>
<td>Marva</td>
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<td>National Science Foundation (NSF)</td>
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<td>Shannon</td>
<td>Marva</td>
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<tr>
<td>Nuclear Regulatory Commission (NRC)</td>
<td>Jon</td>
<td>Kristofer</td>
<td>Marva</td>
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<tr>
<td>Office of Personnel Management (OPM)</td>
<td>Lori</td>
<td>Drew</td>
<td>Marva</td>
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<tr>
<td>Small Business Administration (SBA)</td>
<td>Lori</td>
<td>Shannon</td>
<td>Marva</td>
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<tr>
<td>Social Security Administration (SSA)</td>
<td>Lori</td>
<td>Josh</td>
<td>Marva</td>
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<tr>
<td>U.S. Agency for International Development (USAID)</td>
<td>Lori</td>
<td>Shannon</td>
<td>Marva</td>
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</tbody>
</table>
What is a CMA?

- Written agreement between originating or source agency and recipient agency
  - Describes the purposes and procedures of the matching program
  - Establishes protections for matching records involving personally identifiable information maintained in a system of records
  - Regulated by provisions of the Computer Matching and Privacy Protection Act of 1988
What is a System of Records?

• A “System of Records”
  – is a group of any records under the control of an agency, from which information is retrieved by the name of an individual or by some identifying number, symbol, or other identifier assigned to the individual.
What is a SORN?

A System of Records Notice (SORN) is a notice published in the Federal Register that–

- Identifies:
  - the purpose of a system of records
  - The individuals are covered by information in a system of records.
  - the categories of records that are maintained about the individuals.
  - how the information is shared by the agency (routine uses).

- Informs the public of the existence of records

- Provides notice to the public of their rights and procedures under the Privacy Act for accessing and correcting information maintained by the agency on an individual.
CMA Process without DNP SORN

Computer Matching Agreements

- GSA
- Treasury
- HHS

External Data Sources

- SAM
- TOP
- LEIE
Benefits of the DNP SORN

DNP – Treasury’s Working System (SORN #.023)

DNP Initiative

DNP Customer Agency

DNP CMA

DNP MOU

TOP

SAM

DMF

AIS

OFAC

LEIE

IRS

CAIVRS

Other Data Sources
### Why is it Important?

<table>
<thead>
<tr>
<th></th>
<th>January XXXX</th>
<th>February XXXX</th>
<th></th>
<th>January XXXX</th>
<th>February XXXX</th>
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<tbody>
<tr>
<td><strong>Total Payments</strong></td>
<td>$191,225,037,880</td>
<td>$155,985,536,614</td>
<td><strong>Total Payments</strong></td>
<td>$191,225,037,880</td>
<td>$155,985,536,614</td>
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<tr>
<td><strong>SAM Exclusions-Public</strong></td>
<td>$876,707,274</td>
<td>$840,440,999</td>
<td><strong>SAM Exclusions-Private</strong></td>
<td>$1,593,129</td>
<td>$2,638,512</td>
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<tr>
<td><strong>SAM Exclusions-Private Improper</strong></td>
<td>$3,838</td>
<td>$2,698</td>
<td><strong>SAM Exclusions-Private Improper</strong></td>
<td>0.001%</td>
<td>0.002%</td>
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<tr>
<td><strong>Matches as % of Payments</strong></td>
<td>0.4585%</td>
<td>0.5388%</td>
<td><strong>Improper as % of Matches</strong></td>
<td>0.0004%</td>
<td>0.0003%</td>
</tr>
</tbody>
</table>

#### Reduction in Matches 99.75%

![PACER Table]

**SAM Exclusions Public**
- John A. Smith - AL
- John B. Smith - AZ
- John C. Smith - AR
- John D. Smith - DE
- John E. Smith - HI
- John F. Smith - IL
- John G. Smith - IA
- John H. Smith - IN
- John I. Smith - MO
- John J. Smith - OH
- John K. Smith - UT
- John L. Smith - ID
- John M. Smith - TN
- John N. Smith - KY
- John O. Smith - FL
- John P. Smith - GA
- John Q. Smith - RI
- John R. Smith - VT
- John S. Smith - MA
- John T. Smith - PA

**SAM Exclusions Private**
- John A. Smith - 012345678 - AL
- John B. Smith - 012345678 - AZ
- John C. Smith - 012345678 - AR
- John D. Smith - 012345678 - DE
- John E. Smith - 012345678 - HI
- John F. Smith - 012345678 - IL
- John G. Smith - 012345678 - IA
- John H. Smith - 012345678 - IN
- John I. Smith - 012345678 - MO
- John J. Smith - 012345678 - OH
- John K. Smith - 123456789 - UT
- John L. Smith - 123456789 - ID
- John M. Smith - 123456789 - TN
- John N. Smith - 123456789 - KY
- John O. Smith - 123456789 - FL
- John P. Smith - 123456789 - GA
- John Q. Smith - 123456789 - RI
- John R. Smith - 123456789 - VT
- John S. Smith - 123456789 - MA
- John T. Smith - 123456789 - PA

**Total Payments**
- PACER
- John Smith - 123456789 - CA - $100.00
- PACER
- John Smith - 123456789 - CA - $100.00
What are Some CMA Triggers?

U.S. Citizen ✓

Deceased ☒
CMA Triggers

Matching to provide cash or in-kind assistance for Federal benefit programs

Matching to make procurement decisions
CMA Triggers

Matching files each of which is aligned to a SORN

Matching a file that is aligned to a SORN to another file not covered by a SORN
CMAs are NOT Required for…

- Online searches in the DNP Portal
- Statistical matches
- Matching program between public data sources or those not aligned to a system of records
- Matching programs that do not involve verifying eligibility in a Federal benefit program
  - Example: When the purpose of the match is to make procurement decisions
- Payment Integration (Treasury handles this for you in the payment stream)
DNP and CMAs

Two Very Important Documents

Office of Management and Budget
OMB M-18-20 Requirements for Payment Integrity Improvement

Do Not Pay Verification Records
System of Records Notice (SORN #.023) JAN 2014
Enables DNP to derive data, retain records, and enter into CMAs
CMA Process - Documentation

Recipient Agency = DNP Customers
Source Agency = Treasury’s DNP

CMA = Computer Matching Agreement
DIB = Data Integrity Board
OMB = Office of Management and Budget
FR = Federal Register

Source: GAO analysis of Privacy Act requirements and agency documentation.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Excerpt</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMA Lifespan</td>
<td>Matching programs have a termination date of less than three years. Agencies may renew these CMAs for a maximum of three years.</td>
</tr>
<tr>
<td>Review Period</td>
<td>Data Integrity Boards (DIBs) have a 60-day deadline for review of a CMA. If circumstances do not permit the DIB to approve or disapprove the DNP matching program within 60 days, the DIB shall provide a brief memorandum to the head of the agency (or to the Inspector General in cases where the Inspector General proposed the matching program) describing the necessity for the delay.</td>
</tr>
<tr>
<td>Cost Benefit Analysis</td>
<td>Agencies' cost-benefit analyses for a DNP matching program need not contain a specific estimate of any savings.</td>
</tr>
<tr>
<td>Multilateral CMAs</td>
<td>A computer matching agreement that involves more than two agencies</td>
</tr>
</tbody>
</table>
Do Not Pay Business Center
Analytics Services

Shannon Alkhalaf
DNP Agency Specialist
April 14, 2020
Who We Are

The **DNP Analytic Solutions Team** is dedicated to delivering *analytical insights* and *innovative data solutions* that help you improve your *payment integrity* and meet your mission.
Agency Partnership

You can utilize DNP **analytic services** to address:

Eligibility risk and payment integrity issues related to:

- Beneficiaries
- Vendors
- Travel Pay
- Payroll
- Service Providers
- Loans
- Grants
- Disaster Funds
- Loss Guarantee/Insurance
Our Techniques

We employ advanced data analysis techniques.

Data Matching

Data Modeling

Risk Assessment

Advanced Algorithms
Our Services

Analytic Solutions Team services range from consultation to fully-integrated data solutions that can be customized to your business.
Our Experience

Ensure Payment Integrity

<table>
<thead>
<tr>
<th>Data Quality</th>
<th>Eligible Recipients</th>
<th>Accurate Payments</th>
<th>Risk Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• TIN</td>
<td>• Program Eligibility Requirements</td>
<td>• Non-Duplicative</td>
<td>• Valid Internal Controls</td>
</tr>
<tr>
<td>• Name</td>
<td>• Valid Identity</td>
<td>• Correct Amount</td>
<td>• Strong Business Processes</td>
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<tr>
<td>• Address</td>
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</table>

The right payment to the right recipient at the right time for the right purpose.
DNP Success Stories

• Integrity Checks – Travel Pay Program
  — DNP performed integrity checks customized to the program’s business requirements and processes

• Results
  — Identified $31,000 in duplicate travel payments that had not been identified or recovered by the program

• Feedback
  — “DNP’s findings helped to strengthen FINCEN’s [U.S. Coast Guard Finance Center] internal policies and procedures and provided a better understanding of data integrity controls.”
DNP Success Stories

• Third Party Lender Training Prioritization
  — DNP developed an interactive, risk-based prioritization tool, allowing the program to identify its highest-risk lenders

• Results
  — The program was able to focus resources on training lenders that pose the highest risk, which allowed it to be most effective in carrying out its mission

• Feedback
  — “Our experience with the DNP Analytics Team has been awesome. We all want to do more analytics, but we don’t have the time or resources to do that. Using DNP analytics was like augmenting our staff. We got the very best analytics possible for free.”
Do Not Pay Business Center
State Engagement

Jon Ortiz
DNP State Project Lead
April 14, 2020
Contents

• State Engagement Dashboard
• Working Together
• Success Story
• OMB Designation
• State Analytics
• FY2020 State Analytic Project Plan
Current State Engagement

Designated States
1. Oregon (Medicaid, SNAP TANF)
2. Tennessee (Medicaid, CHIP, Grants)
3. Washington (Medicaid)

Engaged States
1. Arizona
2. California (Medicaid)
3. Connecticut (Social Services)
4. DC (Court)
5. Florida (Grants)
6. Iowa (Medicaid)
7. Kentucky (Medicaid)
8. Massachusetts (Medicaid)
9. Minnesota (Medicaid)
10. New York
11. North Carolina (SNAP)
12. Ohio (Medicaid)
13. Oklahoma (SNAP)
14. Puerto Rico (Grants)
15. Texas (Medicaid)
Working Together

Stakeholder Needs
- DNP adapts to state customers specific needs based on their customer type

Providing Value Pre-Designation
- Assess state’s existing controls
  - Identification of Risky TINs
  - Fraud Detection
  - Data Quality
- Identifies the risk of overpayments associated with duplicate beneficiaries or providers

Developing a Reusable Solution
- Program Eligibility and Verification
- Dual Enrollment
  - Across Multiple States
  - Within a State
- Administrative Errors
  - Duplication
The Oregon Healthcare Authority developed a white paper indicating DNP Services would not be beneficial. (FY 2018)

DNP conducted analysis of Oregon’s Medicaid, SNAP and TANF programs. (FY 2019)

$780K in cost avoidance/recovery as result of DNP Analysis. (FY 2020)

Oregon Office of Payment Accuracy and Recovery (centralized program that oversees Medicaid payments across Oregon) is taking steps to onboard to use DNP. (FY 2020)

DNP worked with Oregon Audit Division to prove DNP benefits. (FY 2019)

“Working with Do Not Pay was a great experience! The detailed analytics DNP provided, at no charge, helped our state identify numerous improper payments. We look forward to opportunities to work together again.”

Ian Green
Principal Auditor, Oregon Audits Division
State of Oregon
Current Path: Designate a State for all Programs
Execute projects that demonstrate value of DNP to the State
1. Designate North Carolina (all programs)
2. Designate Oklahoma (all program)
3. Designate Puerto Rico (all programs)

Proposed Path: Designate a Program for all States
Execute similar projects that demonstrate the value DNP could provide to a program in every state
1. Designate Medicaid (for all states)
2. Designate SNAP (for all states)
Path to OMB Designation

North Carolina 38%
Oklahoma 38%
Oregon 100%
Puerto Rico 63%
Tennessee 100%
Washington 100%

North Carolina
Initial Overview → Analytics Discussion → Intake and Scoping → Governance and Legal Review → Data Received → Analytics Project Initiation → Results and Feedback → Proof of Concept → State Designation

Oklahoma
Initial Overview → Analytics Discussion → Intake and Scoping → Governance and Legal Review → Data Received → Analytics Project Initiation → Results and Feedback → Proof of Concept → State Designation

Puerto Rico
Initial Overview → Analytics Discussion → Intake and Scoping → Governance and Legal Review → Data Received → Analytics Project Initiation → Results and Feedback → Proof of Concept → State Designation
# Current State Project Plan

<table>
<thead>
<tr>
<th>State</th>
<th>North Carolina</th>
<th>Oklahoma</th>
<th>Puerto Rico</th>
<th>Tennessee</th>
<th>Washington</th>
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<tbody>
<tr>
<td>Program</td>
<td>Office of State Auditor</td>
<td>Agency Audit Division</td>
<td>Department of Housing</td>
<td>TennCare</td>
<td>Healthcare Authority</td>
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<tr>
<td>Project</td>
<td>SNAP Designation Tool – Participants</td>
<td>SNAP Beneficiary Eligibility Verification</td>
<td>HUD Contractor Eligibility</td>
<td>Medicaid Vendor Consolidation &amp; Integrity Assessment</td>
<td>Medicaid – TBD</td>
</tr>
<tr>
<td>Status</td>
<td>DNP Governance</td>
<td>DNP Governance</td>
<td>In Execution</td>
<td>DNP Governance</td>
<td>Initial Discussions</td>
</tr>
<tr>
<td>Next Step</td>
<td>Awaiting governance feedback from customer</td>
<td>Awaiting governance feedback from customer</td>
<td>Execution began 1/29/2020. Complete deliverable and provide to customer</td>
<td>Awaiting governance feedback from customer</td>
<td>Reschedule call – customer to send new times</td>
</tr>
<tr>
<td>Action Plan</td>
<td>Use results from proof of concept to designate state. Use results to designate SNAP program.</td>
<td>Use results from proof of concept to designate state. Use results to designate SNAP program.</td>
<td>Quantify value of DNP’s ability to perform bulk matches to SAM, to include in PR designation letter to OMB.</td>
<td>Use results from designate Medicaid program and develop Medicaid solution package.</td>
<td>Use results from designate Medicaid program and develop Medicaid solution package.</td>
</tr>
</tbody>
</table>
DNP Success Stories

• Audit Support – Federal Funded State Program
  — Do Not Pay conducted matches against more than 1 million Medicaid recipients both inside and outside Oregon.

• Results
  — Identified more than $790,000 in improper payments, generating an ROI of approximately $286 in savings for each $1 spent in researching data matches.

• Feedback
  — “I am encouraged to see the Department of Human Services and Oregon Health Authority working to gain access to these important tools that will help our state save money and resources. In programs like Medicaid, every penny counts, and I am glad that Do Not Pay has helped identify these savings.”
Lunch
Do Not Pay Business Center
Portal Enhancements

Joshua Stegemann
DNP Agency Specialist
April 14, 2020
DNP Release Roadmap

- Online Search: August 2019
- Batch Matching: December 2019
- Continuous Monitoring: February 2020
- Reports: July 2020
- Payment Integration: December 2020
- Remaining Components and Legacy Discontinued: 2021
DNP Release 6.2 Enhancements

• New File Indicator
• File Selection Screen Improvements
• Match Outcome (Feedback)
## File Selection Screen Improvements

![File Selection Screen](image-url)

### Continuous Monitoring

#### File Selection

<table>
<thead>
<tr>
<th>File Name</th>
<th>Conclusive</th>
<th>Probable</th>
<th>Possible</th>
<th>Total Records in File</th>
<th>Received Date/Time</th>
<th>Through Date</th>
<th>Match Date/Time</th>
<th>Export All</th>
<th>View Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>QA TEST PAYEE - CON MON - TRACIE V.</td>
<td>280</td>
<td>1229</td>
<td>154</td>
<td>841</td>
<td>09/30/2019 04:40 PM</td>
<td>10/11/2019</td>
<td>11/27/2019 11:30 AM</td>
<td>Export All</td>
<td>View Results</td>
</tr>
</tbody>
</table>

*Note: The screen includes a star symbol indicating important features or changes.*
Export Format and Match Strength

Image of a screenshot from the DNP Portal showing the Continuous Monitoring section with options for Export Format and Match Strength.
Large Number of Matches Indicators

200,000 Matches

50,000 Matches

Export Limit Exceeded
Total results exceed the **200,000 record limit** for self-service exporting.

Choose any of the active available options below to export.

If you need further assistance, please contact your Do Not Pay Agency Lead, email donotpayservice@fiscal.treas.gov, or call 1-855-837-4301.
Match Outcome (Feedback)

- Did this information prevent an improper payment? [Yes] [No]
- Comment: [Blank]
- Payment Category: [List]

[SAM-EXCL-RES (as of 04/25/2019)]
[SAMENT (as of 01/31/2019)]
Reports Selection Screen

Adjudication Summary Report
High-level summary of access group adjudication statuses by month.

Payment Activity Report
Summary of access group PAM payments, matches and adjudication statuses by ALC.
## New Adjudication Summary Report

**Department of the Treasury**

**December 2019 (FY 2020)**

**Agency Location Codes (ALCs):** 00000006, 00000007, 00000008, 00000009, 00000010, 00000011, 00000012, 00000013, 00000014, 00000015, 00000016, 00000017, 00000018, 00000019, 00000020, 00000022

### Total Payments - Count (#): 2,835,872  Amount ($): $10,915,991,315.38

<table>
<thead>
<tr>
<th>Payments</th>
<th>Count (#)</th>
<th>Amount ($)</th>
<th>Count (#)</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matched</td>
<td>4,640</td>
<td>$8,910,327.12</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Stopped</td>
<td>4,026</td>
<td>$7,956,230.29</td>
<td>0</td>
<td>$0.00</td>
</tr>
<tr>
<td>Deemed to represent Proper</td>
<td>0</td>
<td>$0.00</td>
<td>5</td>
<td>$11,197.34</td>
</tr>
<tr>
<td>Deemed to represent Improper</td>
<td>0</td>
<td>$0.00</td>
<td>572</td>
<td>$851,670.80</td>
</tr>
<tr>
<td>Adjudication Not Required</td>
<td>0</td>
<td>$0.00</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Unresolved</td>
<td>N/A</td>
<td>N/A</td>
<td>31,871</td>
<td>$60,759,320.00</td>
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<tr>
<td>Not Adjudicated</td>
<td>2,703</td>
<td>$5,130,306.76</td>
<td>31,294</td>
<td>$59,896,451.86</td>
</tr>
</tbody>
</table>

**Remaining Not Adjudicated for Prior Plus Current: Count (#) 33,997  Amount ($) $65,026,758.62**

**Submitted 01/30/2020 by Jack Sprat (JSPRAT01)**

**Submission Comments:** Review completed on January 14, 2020. Identified several items in need of Stopped Payments. Continued investigation and acted accordingly.
# Redesigned Payment Activity Report PDF – Summary Page

**Do Not Pay Payment Activity Report**

**Department of the Treasury**

**October 2018 - November 2019**

**Agency Location Codes (ALCs):** 00000006, 00000007, 00000008, 00000009, 00000010, 00000011, 00000012, 00000013, 00000014, 00000015, 00000016, 00000017, 00000018, 00000019, 00000020, 00000022

<table>
<thead>
<tr>
<th>Payments</th>
<th>Count (#)</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matched</td>
<td>192</td>
<td>$951,744.00</td>
</tr>
<tr>
<td>Not Adjudicated</td>
<td>32</td>
<td>$175,824.00</td>
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<tr>
<td>Proper</td>
<td>64</td>
<td>$287,040.00</td>
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<tr>
<td>Improper</td>
<td>96</td>
<td>$488,880.00</td>
</tr>
<tr>
<td>Unmatchable</td>
<td>0</td>
<td>$0.00</td>
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<tr>
<td>Stopped</td>
<td>48</td>
<td>$92,192.00</td>
</tr>
</tbody>
</table>

**Total Payments - Count (#): 48  Amount ($)**: $237,936.00

<table>
<thead>
<tr>
<th>Source</th>
<th>Count (#)</th>
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<tbody>
<tr>
<td>AIS-Obit</td>
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<tr>
<td>AIS-ProB</td>
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</tr>
<tr>
<td>DMF</td>
<td>112</td>
</tr>
<tr>
<td>DOD</td>
<td>0</td>
</tr>
<tr>
<td>DOS</td>
<td>0</td>
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</tbody>
</table>
### Do Not Pay Payment Activity Report

**Department of the Treasury**

**October 2018 - November 2019**

**Agency Location Codes (ALCs):** 00000006, 00000007, 00000008, 00000009, 00000010, 00000011, 00000012, 00000013, 00000014, 00000015, 00000016, 00000017, 00000018, 00000019, 00000020, 00000022

<table>
<thead>
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<th>Source</th>
<th>Count (#)</th>
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<tbody>
<tr>
<td>Payments</td>
<td>Count (#)</td>
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<td></td>
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<tr>
<td>Matched</td>
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<td>$59,484.00</td>
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<td></td>
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<tr>
<td>Not Adjudicated</td>
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<td>$10,989.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proper</td>
<td>4</td>
<td>$17,940.00</td>
<td></td>
<td></td>
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<tr>
<td>Improper</td>
<td>6</td>
<td>$30,555.00</td>
<td></td>
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</tr>
<tr>
<td>Unmatchable</td>
<td>0</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stopped</td>
<td>3</td>
<td>$5,762.00</td>
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</table>

<table>
<thead>
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<th>Count (#)</th>
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<tr>
<td>Payments</td>
<td>Count (#)</td>
<td>Amount ($)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Matched</td>
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<td>$59,484.00</td>
<td></td>
<td></td>
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<tr>
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<td></td>
<td></td>
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<td>0</td>
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<td></td>
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<tr>
<td>Stopped</td>
<td>3</td>
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<td>Count (#)</td>
<td>Amount ($)</td>
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<tr>
<td>Matched</td>
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<td>$59,484.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Adjudicated</td>
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<td>$10,989.00</td>
<td></td>
<td></td>
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<tr>
<td>Proper</td>
<td>4</td>
<td>$17,940.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improper</td>
<td>6</td>
<td>$30,555.00</td>
<td></td>
<td></td>
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<tr>
<td>Unmatchable</td>
<td>0</td>
<td>$0.00</td>
<td></td>
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<tr>
<td>Stopped</td>
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<td>$5,762.00</td>
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<td>Count (#)</td>
<td>Amount ($)</td>
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<td></td>
</tr>
<tr>
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<td></td>
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</tr>
<tr>
<td>Not Adjudicated</td>
<td>2</td>
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</tr>
<tr>
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</tr>
<tr>
<td>Stopped</td>
<td>0</td>
<td>$5,762.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Additional 6.3 Enhancements

• PAR Report can be generated by non-Level 1 users
• Online Search full details available in exports
Do Not Pay Business Center
Portal Demonstration

Kristofer Klette
DNP Agency Specialist
April 14, 2020
Payment Integrity Center of Excellence: Overview

Tammie S. Johnson
Program & Management Analyst
April 14, 2020
Objectives

• Show the alignment with CAP Goal 9
• Provide an overview of Payment Integrity Center of Excellence (PICOE)
• PICOE’s next steps
Getting Payments Right

President’s Management Agenda (CAP Goal 9)
- Reduce the amount of cash lost to the taxpayer
- Clarify and streamline reporting and compliance requirements
- Partner with states to address improper payments

Treasury’s 10-Year Financial Management Vision
Reduce government-wide improper payments by expanding data analytic and other services to agencies so they can identify and combat improper payments

Payment Integrity Center of Excellence
Provide Governmentwide partnership, guidance, and solutions that aid in the prevention of improper payments and fraud, waste, and abuse.

*Payment integrity* characterizes the various systems and processes that exist in the flow of funds throughout the Government, to ensure payments are made to the right recipient, for the precise amount, for the correct reason, and at the correct time.
Payment Integrity Services Provided by Fiscal Service

Fiscal Service currently provides agencies a number of services aimed at safeguarding the integrity of payments.

- **Do Not Pay** provides agencies a variety of centralized data sources to support the detection of ineligible awardees and payees and also offers data analytics.
- Reconciles **post payment activities** where the payment did not go to the right recipient, for the precise amount, correct reason, and at the correct time.
- Collects **spend data (USASpending.gov)** from more than 100 Federal agencies’ financial systems and data pulled or derived from other systems, such as the Federal Procurement Data System Next Generation (FPDS-NG) and the Federal Assistance Broker Submission System (FABS).
- Receives and utilizes **other data** related to citizens and others who transact with the Federal government (e.g., data associated with incoming payments, vendor data).
- Developed the “**Program Integrity: Antifraud Playbook**” in partnership with the CFO Council and close agency collaboration.

---

As the Government’s financial steward, Fiscal Service, in partnership with OMB, is uniquely positioned to drive the Governmentwide payment integrity and related fraud risk mitigation efforts.
Payment Integrity Center of Excellence

VISION

to be a trusted **Governmentwide partner to provide actionable business insights and solutions** that transform how Government agencies approach identification, prevention, stopping, and recovery of improper payments and related fraudulent activity.

MISSION

to provide **Governmentwide partnership, guidance, and solutions** that aid in the prevention of improper payments and fraud, waste and abuse.

GOALS

**Improve the integrity of Government-wide financial transactions** by providing business insight and solutions that assist Government agencies in identifying, preventing, and recovering improper payments.
Payment Integrity Stakeholders & Services

- Payment and Post Payment Operations
  - Check, ACH, Wire
  - Cancellations, Claims, Accounting
- Payment Integrity / Recovery Requests
- Pre-Payment Screening & Monitoring
- Systems Support
- Training
- Data Analytics
- Antifraud Playbook

- Investigative Analysis Support
- Case Referrals
- Expert Witness Testimony
- Prosecution Support
- Training

- Non-Receipt Claims
- Reclamations
- Misdirected Payments
- Automated Enrollments
- NACHA training

- Payment and Post Payment Analysis
- Data discovery
- Manage Check Forgery Insurance Fund
- Support check to ACH conversion
Payment Integrity Throughout the Payment Lifecycle

1. **Identify Improper Payments**
   Identify the payment or payee that should not be paid

2. **Prevent (Pre-Award, Pre-Payment)**
   Prevent the award or payment before sending to Treasury

3. **Recall (At time of Payment)**
   Hold for further analysis or cancel payment before disbursement

4. **Recover (Post-Payment)**
   Request recovery of funds from the Financial Institution

5. **Investigate**
   Refer for investigation if criminal activity is determined

6. **Share**
   Share outcomes and discoveries with stakeholder community

*Identify people who shouldn’t be paid & payments that should not have been made*
Payment Exceptions Background

• Within the over 1.2 billion payments valued at $3.7 trillion disbursed annually:
  • Less than ½% (nearly 6.3 million transactions) require a “second touch”, most common examples include:
    ▪ **Returns** occur when a Automated Clearinghouse (ACH) or U.S. Treasury check is sent back to U.S. Treasury (i.e. deceased, bad account number/address).
    ▪ **Agency initiated claims** occur when an agency determines a recipient is deceased but has received Federal benefit (i.e. SSA, SSI) payments after death and funds need to be recovered from the receiving financial institution.
    ▪ **Payee non-receipt claims** occur when a recipient alleges they did not receive their ACH or U.S. Treasury check payment.
    ▪ **Stale dated checks** occur when a U.S. Treasury check goes uncashed for more than 12 months.
    ▪ ** Forgery claim adjudication** describes the process followed to determine whether a U.S. Treasury check was forged and if the recipient needs to receive a settlement payment.
    ▪ **U.S. Treasury check discrepancies** occur when a U.S. Treasury check is misread, amount and/or payee is altered or counterfeited.
    ▪ **Fraud referrals** occur when a pattern / trend is identified as potentially suspicious activity (could result from any of the above scenarios) and is referred to law enforcement for assessment.
Payment Integrity Info-Apps In Action

Agencies and IGs have Payment Integrity Questions…

- **Problem:** Zip Codes identified as “at risk” for theft
  - **Solution:** Zip Code / Check Number View

- **Problem:** SSN identified as victim of identity theft
  - **Solution:** Payee View

- **Problem:** Apartment building identified as “suspect”
  - **Solution:** Address View

- **Problem:** Increased fraud suspected on a given RTN
  - **Solution:** Bank View

- **Problem:** Hurricane requiring monitoring of a geographic region
  - **Solution:** Agency Geographic View

*Info-Apps have answers!*
Payment Integrity Info-Apps in Action

Users supply parameters such as date range, agency, and event to monitor.

Info-App provides post payment monitoring and alerts for disaster event.

Alerts identify payment integrity risks (e.g., many payees at one address, possible forgeries).

User can drill down for a list of payees with uncashed or returned checks.
The Antifraud Playbook Contents

16 Antifraud Plays Organized into Four Phases

1. How Exposed Are You?
2. Know Where You Are and Where You Want to Be
3. Fraud Is Not a Four-Letter Word
4. Create the Antifraud Dream Team

PHASE 1 | CREATE A CULTURE

PHASE 2 | IDENTIFY AND ASSESS

5. Think Like a Fraudster
6. Discover What You Don’t Know

Program Integrity:
The Antifraud Playbook Phased Approach

7. Build on What You Have
8. Look for Quick Wins When Starting Fraud Analytics
9. Stay a Step Ahead
10. Train Your People
11. Know Thyself (and Thy Agency)
12. Sharing is Caring
13. Take What is theirs and Make it Yours!
14. Establish a Feedback Loop with Your IG

PHASE 3 | PREVENT AND DETECT

PHASE 4 | INSIGHT INTO ACTION

https://cfo.gov/fraudprevention
# Common Challenges

How can we partner to solve Payment Integrity issues?

## Seven Topics of Common Interest

<table>
<thead>
<tr>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to the Deceased</td>
</tr>
<tr>
<td>Inter-Agency Benefit Eligibility</td>
</tr>
<tr>
<td>Payee Validation (Banking Info, Address)</td>
</tr>
<tr>
<td>High Risk Financial Institutions</td>
</tr>
<tr>
<td>Compromised Payees and Accounts</td>
</tr>
<tr>
<td>Payee Characteristics (DOB, DOD, Incarcerated, etc.)</td>
</tr>
<tr>
<td>Updates to 31 CFR Part 210</td>
</tr>
</tbody>
</table>
What’s Next?

Agency Partnership Engagement
- Quarterly Meetings
- Review cross government initiatives
- Solicit agency requirements
- Share best practices

Implement Customer Solutions
- Initiate Customer Driven Projects
- Apply repeatable Payment Integrity Solution Lifecycle
- Utilize core competencies to execute solutions
- Demonstrate tangible value through prevention and recovery

OMB Workgroups
- Participate in CAP Goal 9 Workgroups
  - Strategic Data Use
  - Monetary Loss – Root Causes
- Provide subject matter expertise

Add Additional Fiscal Service Capabilities
- Convene work group meetings
- Review FS led initiatives
- Understand available data
- Share best practices

L E A D ∙ T R A N S F O R M ∙ D E L I V E R
Contact Information for PICOE

Tammie Johnson
Management and Program Analyst
tammie.johnson@fiscal.treasury.gov

FS Post Payment Call Center – Identifying a Payment or Reclamation Debit:
(855) 868-0151, option 1
PFC.CustomerEngagementCenter@fiscal.treasury.gov

ACH Non-Receipt – Recovery Related Inquiries:
PFC.Teletrace@fiscal.treasury.gov

Payment Integrity – Suspicious/Potentially Fraudulent Activity:
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