Do Not Pay Day
A Virtual Guide to the First Steps in Preventing Improper Payments

Do Not Pay Business Center
08/25/2020
The Payment Integrity Information Act of 2019 repealed the following legislation related to improper payments:

- Fraud Reduction and Data Analytics Act of 2015 (FRDAA)
- Improper Payments Elimination and Recovery improvement Act of 2012 (IPERIA)
- Improper Payments Elimination and Recovery Act of 2010 (IPERA)
- Improper Payments Information Act of 2002 (IPIA)
Do Not Pay Authorities

• PIIA stipulates:

§3354. Do Not Pay Initiative

“(a) PREPAYMENT AND PREAWARD PROCEDURES.

(1) IN GENERAL.—Each executive agency shall review prepayment and pre-award procedures and ensure that a thorough review of available databases with relevant information on eligibility occurs to determine program or award eligibility and prevent improper payments before the release of any Federal funds.”
Do Not Pay Authorities

- PIIA clarifies access for Other Entities in ¶ (C):
  “Each State and any contractor, subcontractor, or agent of a State, including a State auditor or State program responsible for reducing improper payments of a federally funded State-administered program, and the judicial and legislative branches of the United States, as defined in paragraphs (2) and (3), respectively, of section 202(e) of title 18, shall have access to, and use of, the Do Not Pay Initiative for the purpose of verifying payment or award eligibility for payments.”
Do Not Pay Authorities

- OMB issues guidance for the DNP program but retains program authority
- OMB designates databases for use in DNP
- OMB determines state access
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

- **Web-Based Portal**
- **Agency Support Center**
- **Data Analytics**

DNP Business Center
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.
Pre-Award / Pre-Payment Support

**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

**Web Service/API**
A Web Service or Application Programming Interface (API) creates a connection with agency payment systems and the DNP Portal. This integrates the functionalities of the Portal within agency internal systems.
The DNP Initiative

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
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)
## DNP Data Source Recommendations

<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>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td></td>
<td>Continuous Monitoring</td>
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<tr>
<td></td>
<td>Batch Matching</td>
<td>✓</td>
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<td></td>
<td>Continuous Monitoring</td>
<td>✓</td>
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<td></td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Vendor and/or Contractor Payments</td>
<td>Online Search</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td></td>
<td>Batch Matching</td>
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<td>✓</td>
</tr>
</tbody>
</table>

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

*All data sources are available in API*
First Contact - Agency Consultation

**Outreach Actions**

- **Understand** the challenges present in payment processes.

- **Educate** about available services and resources for agency use.

- **Facilitate** discussions to identify solutions to business problems.

**Agency Benefits**

- Identify **opportunities** to strengthen internal controls to prevent potential improper payments.

- Understand **how** DNP services can address many improper payment challenges.

- Implement DNP to improve **eligibility verification** at pre-award/pre-payment phase of payment lifecycle.
DNP Onboarding Process

1. DNP Overview Scheduled
2. Submit Initial Questions Document for Review and Approval by Fiscal Service Legal
3. Build Hierarchy and Access Groups
4. Identify Users and User Levels
5. Enroll in Portal and Attend Training
Agency Support

• Provides customized Outreach and Business Process solutions based upon agency needs:
  – Onboarding to DNP 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>
</tr>
<tr>
<td>Department of Defense (DoD)</td>
<td>Angélique</td>
<td>Kristofer</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Education (ED)</td>
<td>Jon</td>
<td>Kristofer</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Energy (DOE)</td>
<td>Jon</td>
<td>Kristofer</td>
<td>Marva</td>
</tr>
<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>
<td>Lori</td>
<td>Kristofer</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Labor (DOL)</td>
<td>Angélique</td>
<td>Shannon</td>
<td>Marva</td>
</tr>
<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>
<td>Angélique</td>
<td>Josh</td>
<td>Marva</td>
</tr>
<tr>
<td>Department of Transportation (DOT)</td>
<td>Lori</td>
<td>Drew</td>
<td>Marva</td>
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<tr>
<td>Department of Veterans' Affairs (VA)</td>
<td>Angélique</td>
<td>Shannon</td>
<td>Marva</td>
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<tr>
<td>Environmental Protection Agency (EPA)</td>
<td>Jon</td>
<td>Kristofer</td>
<td>Marva</td>
</tr>
<tr>
<td>General Services Administration (GSA)</td>
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<td>Drew</td>
<td>Marva</td>
</tr>
<tr>
<td>National Aeronautics and Space Administration (NASA)</td>
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<td>Kristofer</td>
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<td>National Science Foundation (NSF)</td>
<td>Angélique</td>
<td>Shannon</td>
<td>Marva</td>
</tr>
<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>
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<td>Marva</td>
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<td>Social Security Administration (SSA)</td>
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<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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</table>
Data Designation Process and Newly Proposed Databases

Do Not Pay Business Center

08/25/2020
Data Designation Process

**Database Identification and Research**
- DNP receives feedback regarding a potential database;
- A dedicated Data Acquisition Team (DAT) researches the database for viability;
- For Commercial Databases, a pilot is performed;

**Recommendation to Leadership**
- The DAT presents its findings to the Director of Treasury’s Working System;
- The Director decides whether the database will be recommended to the Office of Management and Budget (OMB);

**Draft Data Designation Recommendation**
- A formal recommendation is drafted for the Director of OMB;

**OMB Review and Approval**
- The recommendation is formally submitted through Legislative and Public Affairs to the Director of OMB;
- The Director of OMB and the Office of Information and Regulatory Affairs (OIRA) determine whether the database will be designated.
# Newest DNP Data Designation

<table>
<thead>
<tr>
<th>Multi-Use</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Database</strong></td>
<td><strong>Owner</strong></td>
<td><strong>Description</strong></td>
</tr>
<tr>
<td>DNP Adjudication Data</td>
<td>Fiscal Service</td>
<td>Payment records within DNP indicating whether an agency has found a payment to be improper.</td>
</tr>
<tr>
<td>Payments, Claims, and Enhanced Reconciliations (PACER)</td>
<td>Fiscal Service</td>
<td>Post-Payment data includes action that has taken place after a payment has been made, including offset, debt referral and reclamation from a bank.</td>
</tr>
<tr>
<td>Beneficiary Identification Record Locator Service (BIRLS)</td>
<td>VA</td>
<td>Master list of VA beneficiaries, including address, death indicator, whether the individual is active/reserve and other information.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Eligibility/Debarment</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Database</strong></td>
<td><strong>Owner</strong></td>
<td><strong>Description</strong></td>
</tr>
<tr>
<td>National Plan and Provider Enumeration List (NPPES)</td>
<td>CMS</td>
<td>Contains information on approved health care providers and plans.</td>
</tr>
<tr>
<td>National Disqualified List</td>
<td>VA</td>
<td>Contains information on providers that are ineligible to receive federal funding for a meals program.</td>
</tr>
</tbody>
</table>
## Newest DNP Data Designation

### Death

<table>
<thead>
<tr>
<th>Database</th>
<th>Owner</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>DNP Adjudication Data</td>
<td>Fiscal Service</td>
<td>Currently, all adjudicated improper matches were death matches.</td>
</tr>
<tr>
<td>Payments, Claims, and Enhanced Reconciliations (PACER)</td>
<td>Fiscal Service</td>
<td>Post-Payment data includes reclamation data from banks, which may indicate the account belongs to a deceased individual</td>
</tr>
<tr>
<td>OPM Holds List</td>
<td>OPM</td>
<td>OPM sends a list of payments to be held from disbursement due to new information gleaned before payment – most often a report of death.</td>
</tr>
<tr>
<td>Beneficiary Identification Record Locator Service (BIRLS)</td>
<td>VA</td>
<td>BIRLS includes deceased individuals</td>
</tr>
</tbody>
</table>

### Incarceration

<table>
<thead>
<tr>
<th>Database</th>
<th>Owner</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau of Prisons Data</td>
<td>BOP</td>
<td>Contains information on incarcerated individuals under the jurisdiction of the US Attorney General.</td>
</tr>
</tbody>
</table>
# Newest DNP Data Designation

## Employment

<table>
<thead>
<tr>
<th>Database</th>
<th>Owner</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPM Federal Register*</td>
<td>OPM</td>
<td>Contains information on Federal Employees, including income, employment status, disability, duty station, etc.</td>
</tr>
</tbody>
</table>

## Aggregated (summary) – Analytics Only

<table>
<thead>
<tr>
<th>Database</th>
<th>Owner</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Audit Clearinghouse</td>
<td>Census</td>
<td>Audit Results and information on open findings.</td>
</tr>
<tr>
<td>Digital Accountability and Transparency Act</td>
<td>Fiscal Service</td>
<td>Granular detail into contractors, subcontractors, and all individuals and entities receiving federal funds.</td>
</tr>
</tbody>
</table>
| American Communities Survey*                     | Census      | Self-reported household characteristics such as income, veterans’ status, and employment status.  

| Statistics of Income*                            | IRS         | Data embedded in tax filings from individuals, corporations, tax exempt entities, and estates.                                                                     |
| SEC Company Filings                              | SEC         | Information from public company filings regarding financial information and operations.                                                                            |
| Delivery Sequence File                           | USPS        | Information regarding US Postal Addresses.                                                                                                                        |

*DNP would not use any data involving protected status, nor any elements that do not pertain to Improper Payments
What’s in it for You?

**Additional Death Data Coverage**
High-quality death data will allow additional death data to be found.

**Secondary Matching**
Matching across databases allows agencies to focus efforts on payments that have more than one hit.

**New Types of Data**
For the first time, agencies will have access to incarceration and employment databases.

**More Robust Analytics**
DNP Analytics will have a more robust arsenal of databases to give a full and comprehensive view of your agency’s payments.

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**Increased Program Integrity Across the Board**
Do Not Pay Webpage

Do Not Pay Business Center
08/25/2020
Providing Solutions Through Data Analytics

Do Not Pay Business Center
08/25/2020
What is Data Analytics?

**Data Analytics** is examining raw data to draw conclusions. It involves the assessment, evaluation, interpretation, and communication of meaningful information and utilizing that information for effective decision making.
Why Data Analytics?

Leverage your data to address business problems

Eligibility risks and payment/payee integrity issues related to:
- Beneficiaries
- Vendors
- Travel Pay
- Payroll
- Service Providers
- Loans
- Grants
- Disaster Funds
- Loss
- Guarantee/Insurance

Common challenge our partners face:

Business Problem:
Your organization disburses a high volume of payments, which makes it difficult to devote enough staff time to scrutinize every payment before issuance.

Solution:
Consult with DNP Analytic Solutions Team to utilize analytic techniques that identify hard-to-detect payment errors and fraud risk so that you can focus resources based on risk.

Benefits:
Supplement your resources with our staff and expertise, independently establish point-in-time check of current controls, and identify a targeted approach to reviewing payments based on risk.
Who Are We?

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.
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 Capabilities

<table>
<thead>
<tr>
<th>Capability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligibility Verification:</strong></td>
<td>Confirm payee eligibility by matching to data sources</td>
</tr>
<tr>
<td><strong>Payee Consolidation:</strong></td>
<td>Identify duplicate, high-risk, or ineligible payees</td>
</tr>
<tr>
<td><strong>Integrity Checks:</strong></td>
<td>Identify hard-to-detect errors, anomalies, and fraud risk in payees, payments, or invoices</td>
</tr>
<tr>
<td><strong>Preventative Controls Assessment:</strong></td>
<td>Demonstrate if internal controls are effectively preventing improper payments</td>
</tr>
<tr>
<td><strong>Custom Analysis:</strong></td>
<td>Provide insight into specific research questions (e.g., existence of cross-state overlap)</td>
</tr>
</tbody>
</table>

### Results allow partners to:
- Establish point-in-time verification of current processes & risk level of improper payments
- Identify high-risk records to further evaluate based on risk and/or impact
- Develop additional process controls & strengthen existing controls to reduce risk of errors
- Maximize resources via a prioritized recommendations to implement changes
Travel Payment Example

Business problem: Partner knew there were integrity issues within its travel payment systems which have caused improper payments. The partner needed a way to identify system errors or vulnerabilities that lead to improper payments that should result in recovery activities.

Solution:

Integrity Checks:
- Identify hard-to-detect errors, anomalies, and fraud risk in payees, payments, or invoices

- Duplicate payments
- High risk overlapping trips
- Shifted decimal analysis
- Outlier detection
  - Same invoice amount
  - Invoices exceeding thresholds
  - Excessive trips per fiscal year
- Vendor segment analysis
- Unliquidated advances
Example Output: Duplicate Payments

<table>
<thead>
<tr>
<th>Risk Level</th>
<th>Vendor Attributes in Common: Vendor ID +</th>
<th>Invoice Attributes in Common</th>
<th>Duplicated Invoices (#)</th>
<th>Duplicated Invoices ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Invoice Total, Doc Type, Doc ID, Line Amount, Invoice ID, Invoice Total, Invoice Number Part 1, Check Date</td>
<td>Begin Travel, End Travel, Doc Number</td>
<td>244</td>
<td>$221K</td>
</tr>
</tbody>
</table>

Results:
• Partner confirmed 42 duplicate payments totaling $44K
• 29 were not previously identified through existing processes resulting in $23K in cash loss avoided through partnership with DNP
Example Output: Overlapping trips

Partially Overlapping Trips

- Overlapping trips as a function of overlapping days.
- Fully Overlapping Trips:
  - Trip 1: Begin Travel, End Travel
  - Trip 2: Begin Travel, End Travel
  - Overlap

- Partly Overlapping Trips:
  - Trip 1: Begin Travel, End Travel
  - Trip 2: Begin Travel, End Travel
  - Overlap

<table>
<thead>
<tr>
<th>Vendors</th>
<th>Number of Overlapping Trips</th>
<th>Number of Vendors</th>
<th>Overlapping Trips ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>263</td>
<td>1</td>
<td>$849,604</td>
</tr>
<tr>
<td>2</td>
<td>15</td>
<td>2</td>
<td>$71,905</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>3</td>
<td>$7,350</td>
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<tr>
<td>4</td>
<td>1</td>
<td>4</td>
<td>$5,168</td>
</tr>
<tr>
<td>Total</td>
<td>282</td>
<td></td>
<td>$934,028</td>
</tr>
</tbody>
</table>

*May not sum to total due to rounding
Delegated Lender Example

**Business problem:** Partner needed to retrain lenders on due-diligence processes, but faced resource constraints and therefore needed to prioritize lenders to train based on risk

**Solution:**

- **Preventative Controls Assessment:** Demonstrate if internal controls are effectively preventing improper payments

  - Test due-diligence processes
    - TIN quality & risk assessment
    - Eligibility verification

  - Synthesize results to prioritize lenders based on portfolio risk level
    - Borrower- & principal-level view
**Business problem:** Partner needed to proactively identify which of its payees who are concurrently dually enrolled in other similar programs to prevent improper payments stemming from dual-collection.

**Solution:**

Custom Analysis: Provide insight into specific research questions (e.g., identification of cross-program overlap)

DNP identified & returned overlapping payees

DNP will continually identify and return overlapping payees with relevant detail for agency to conduct case development.

<table>
<thead>
<tr>
<th>Payee TIN</th>
<th>Payee Name</th>
<th>Benefit Month</th>
<th># of Overlapping Payments</th>
<th>Total Payment Amount - Partner</th>
<th>Total Payment Amount - Agency A</th>
<th>Net Payment Overlap</th>
</tr>
</thead>
<tbody>
<tr>
<td>-----------</td>
<td>------------</td>
<td>---------------</td>
<td>----------------------------</td>
<td>--------------------------------</td>
<td>--------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>John Smith</td>
<td>Jan-20</td>
<td>5</td>
<td>$100</td>
<td>$1,000</td>
<td>$100</td>
<td></td>
</tr>
<tr>
<td>Jane Doe</td>
<td>Jan-20</td>
<td>3</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td></td>
</tr>
<tr>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>
**Beneficiary Eligibility Example**

**Business problem:** Partner uses a third-party obituary death source that does not provide TINs as part of its death data checks. Can DNP death data sources do a better job? For free?

**Solution:**

<table>
<thead>
<tr>
<th>Description of Match</th>
<th>3rd Party Matches</th>
<th>Matches to Both DNP &amp; 3rd Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death previously confirmed</td>
<td>28</td>
<td>99</td>
</tr>
<tr>
<td>Partner determined match was inconclusive</td>
<td>149</td>
<td>18</td>
</tr>
<tr>
<td>Partner determined match is possible, but not conclusive enough to stop payments</td>
<td>73</td>
<td>9</td>
</tr>
<tr>
<td>Partner determined match was conclusive</td>
<td>40</td>
<td>133</td>
</tr>
<tr>
<td>Total</td>
<td>290</td>
<td>259</td>
</tr>
</tbody>
</table>

**Eligibility Verification:** Confirm payee eligibility by matching to data sources

**Custom Analysis:** Provide insight into specific research questions (e.g., identification of cross-program overlap)

**More Value**

**Less Junk!**
Feedback from Partners

Here’s what our partners are saying about us...

• “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.” – Jim Bates, Director of Program Accounting, U.S. Small Business Administration

• “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.” – United States Coast Guard, 2019 Winter edition of the Quarterly Armed Forces Comptroller Journal
Expanding DNP Services - to State Programs

Do Not Pay Business Center
08/25/2020
Contents

• State Engagement Dashboard
• Cap Goal 9
• Working Together
• State Program Approach
• Improper Payment Origins
• Eligibility and Dual Enrollment Tools
• Success Story
Engaged States
1. Alaska
2. Arizona
3. California
4. Connecticut
5. District of Columbia
6. Florida
7. Iowa
8. Kentucky
9. Massachusetts
10. Michigan
11. Minnesota
12. North Carolina
13. New Mexico
14. New York
15. Ohio
16. Oklahoma
17. Oregon
18. Pennsylvania
19. Puerto Rico
20. Tennessee
21. Texas
22. Virginia
23. Washington
Current Program Engagement

State Engagement 2017 - 2020

- Remaining States: 33
- Engaged States: 23

50 States, including: District of Columbia and five U.S. Territories.

DNP Engagement 2017 - 2020

- Analytics Project: 10
- Portal Enrollment: 5

Fiscal Year State Engagement

- Projected: FY18 = 3, FY19 = 8, FY20 = 10
- Actual: FY18 = 4, FY19 = 14, FY20 = 17
Alignment with CAP Goal 9

Getting Payments Right through supporting strategy 5: Strengthen Partnerships with States

— Identify opportunities to partner with states to improve improper payment detection and prevention capabilities in federally funded state-administered programs.

DNP State Initiative focuses on

— Partnering with states to develop solutions to assist in identifying & preventing improper payments
— Support state programs with the identification of dual enrollments
Working Together

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

**Providing Value**
- 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
State Program Approach

Target outreach efforts to source projects that enable developing “products” that resolve improper payment origins, for example dual enrollment

- SNAP
- Medicaid

DNP is developing these solutions by

- Leveraging existing partners
- Targeting new partners based on magnitude of expected impact through data-driven approach
SNAP & Medicaid Improper Payment Origins

DNP building analytics solutions to help resolve improper payments stemming from:

• Program Eligibility
  – SNAP (Recipients & Merchants) $371M
  – Medicaid (Providers & Clients) $2.3B
• Misuse of SNAP Funds (Recipients & Merchants) $887M
• Medicaid Claim/Billing Errors & Fraud (Providers & Clients) $11.0 B
• Dual Enrollment
  – SNAP (Recipients) $116M
  – Medicaid (Clients) $5.5B
Eligibility Verification Tool

What does it do?

– Identifies if your applicants/payees are listed on eligibility sources (death, debarred providers, registered providers, & delinquent debtors)
– Identifies the extent that data quality is impacting your ability to effectively screen payees

What will it tell me?

– Determines if payees meet/fail eligibility requirements
– Tests how well current data quality & eligibility procedures are preventing improper payments
– Pinpoints potential opportunity areas to improve
Duplicate Enrollment Tool

What will it do?

– Use analytic techniques to identify and prioritize cases of duplicate enrollment across states
– Use standardization procedures to account for formatting differences across states’ systems

What will it tell me?

– Provides prioritized list of duplicate enrollment cases on monthly basis
– Provides insight into relevant details necessary for adjudication such as likely state of current residency & coverage dates
OR State Audits Division recommends improved efforts to detect and prevent improper Medicaid payments (FY 2017)

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

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)

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

“No

Yes

“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, M.Econ, CGAP, CFE, CISA
Audit Manager – Data Analytics,
Secretary of State Oregon Audits Division
Oregon Analytics Project Results & Impact

Results

• DNP identified 98 additional cases of deceased participants/providers
• DNP identified 2 records with a typo in end coverage date “2108”
  – OR estimated this error had the potential to result in $6M in improper payments over 89 years

Impact

• DNP identified more than $790,000 in improper payment recovery, and cost avoidance
  – Out-of-state & In-state death matching
  – Data quality assessments
• Use of Do Not Pay generated a return on investment of \( \approx \$286 \text{ in savings for every } \$1 \text{ spent} \) – Secretary of State Oregon Audits Division Audit Report 2020-05 (p.6)
  – Other data matching efforts report $36 in savings for every $1 spent

Break
10 Minutes
Portal Enhancements - A Sneak Peek!

Do Not Pay Business Center
08/25/2020
DNP Release Roadmap

- Online Search: August 2019
- Batch Matching: December 2019
- Continuous Monitoring: February 2020
- Reports: July 2020
- Payment Integration: Late 2020
- Remaining Components and Legacy Discontinued: 2021
DNP Release 6.4 Enhancements

• Redesigned “Look and Feel” of Payments
   – Limits number of clicks and screens to navigate

• Adjudicate Multiple Payments Enhanced Functionality
   – Single and Multiple Adjudication occurs on same page
   – Added payments with multiple matches to adjudicate en masse
### Payments Selection Screen

#### Payments

**Payment Adjudication Status**
- Not Adjudicated

**Payment Results**

**From Date**
- [ ]

**Through Date**
- [ ]

**Agency Location Code**
- [ ]

**Data Source**
- [ ]

**Show Advanced Filters**

#### 200 Payments Matched

**CSV**
- [ ]

**Show All**

**Applied Filters:** Not Adjudicated

<table>
<thead>
<tr>
<th>Payment Adjudication Status</th>
<th>Payment To</th>
<th>SSN/TIN/EIN</th>
<th>Date</th>
<th>Amount</th>
<th>Agency (ALC)</th>
<th>Type</th>
<th>Schedule #</th>
<th>Payment ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Adjudicated</td>
<td>Peter Pan</td>
<td>212462961 / SSN</td>
<td>02/23/2020</td>
<td>$5,511.00</td>
<td>20650000</td>
<td>Salary</td>
<td>SCHD6270768267</td>
<td>GDPMT1D561649</td>
</tr>
<tr>
<td>Not Adjudicated</td>
<td>Lucy Steele</td>
<td>444566777 / SSN</td>
<td>02/28/2020</td>
<td>$5,511.00</td>
<td>20650000</td>
<td>Salary</td>
<td>SCHD6270768287</td>
<td>GDPMT1D561649</td>
</tr>
</tbody>
</table>

**Apply Adjudication Status to 5 selected matches:**

<table>
<thead>
<tr>
<th>Match Adjudication Status</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Adjudicated</td>
<td></td>
</tr>
</tbody>
</table>

**Select**
- [ ]

**Source**
- [ ]

**Match Name**
- [ ]

**TIN**
- [ ]

**Date of Death**
- [ ]

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**

**Show Details**

**Save/Print Detail**
Single Match Adjudication

<table>
<thead>
<tr>
<th>Payment Adjudication Status</th>
<th>Payment To</th>
<th>SSN/TIN/EIN</th>
<th>Date</th>
<th>Amount</th>
<th>Agency (ALC)</th>
<th>Type</th>
<th>Schedule #</th>
<th>Payment ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Adjudicated (Pending)</td>
<td>Salish Basammanarasimhamurthy</td>
<td>212462961 / SSN</td>
<td>02/28/2020</td>
<td>$5,511.00</td>
<td>20050000</td>
<td>Salary</td>
<td>SCHD6270708267</td>
<td>GDPMTID561049</td>
</tr>
</tbody>
</table>

Select one or more matches to activate Multiple Adjudication fields.

<table>
<thead>
<tr>
<th>Select</th>
<th>Source</th>
<th>Match Name</th>
<th>TIN</th>
<th>Date of Death</th>
<th>Match Adjudication Status</th>
<th>Comment</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DMF as of 12/12/2019</td>
<td>Satish Basammanarasimhamurthy</td>
<td>212462961 / SSN</td>
<td>08/30/2019</td>
<td>Not Adjudicated</td>
<td></td>
<td>Apply</td>
</tr>
<tr>
<td></td>
<td>DoD as of 12/10/2019</td>
<td>Satish Basammanarasimhamurthy</td>
<td>212462961 / SSN</td>
<td>08/30/2019</td>
<td>Not Adjudicated</td>
<td></td>
<td>Apply</td>
</tr>
</tbody>
</table>
## Multiple Payments Adjudication

### 200 Payments Matched

<table>
<thead>
<tr>
<th>Payment Adjudication Status</th>
<th>Payment To</th>
<th>SSN/TIN/EIN</th>
<th>Date</th>
<th>Amount</th>
<th>Agency (ALG)</th>
<th>Type</th>
<th>Schedule #</th>
<th>Payment ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Adjudicated</td>
<td>Satish Basammanarasimhamurthy</td>
<td>212462961 / SSN</td>
<td>02/28/2020</td>
<td>$5,511.00</td>
<td>20059000</td>
<td>Salary</td>
<td>SCHD6270708267</td>
<td>GDPMTID661049</td>
</tr>
<tr>
<td>Improper</td>
<td>Lucy Steele</td>
<td>444556677 / SSN</td>
<td>02/28/2020</td>
<td>$5,511.00</td>
<td>20058000</td>
<td>Salary</td>
<td>SCHD6270708267</td>
<td>GDPMTID661049</td>
</tr>
<tr>
<td>Proper</td>
<td>Frederick Wentworth</td>
<td>555121212 / SSN</td>
<td>02/28/2020</td>
<td>$5,511.00</td>
<td>20058000</td>
<td>Salary</td>
<td>SCHD6270708267</td>
<td>GDPMTID661049</td>
</tr>
</tbody>
</table>

**Apply Adjudication Status to 2 selected matches:**

- **Match Adjudication Status:**
  - Not Adjudicated
  - Improper
  - Proper

- **Comment:**
  - Does not meet agency requirements
  - Meets agency requirements
# Payments Expand Details

<table>
<thead>
<tr>
<th>Payment Adjudication Status</th>
<th>Payment To</th>
<th>SSN/TIN/EIN</th>
<th>Date</th>
<th>Amount</th>
<th>Agency (ALC)</th>
<th>Type</th>
<th>Schedule #</th>
<th>Payment ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Adjudicated</td>
<td>Peter Pan</td>
<td>212462961 / SSN</td>
<td>02/28/2020</td>
<td>$5,511.00</td>
<td>20050000</td>
<td>Salary</td>
<td>SCHD6720708267</td>
<td>G0DPM1D661049</td>
</tr>
</tbody>
</table>

**2 Matches**

<table>
<thead>
<tr>
<th>PAM Payment Status</th>
<th>Payment ID Code</th>
<th>Estimated Payment Date</th>
<th>Agency Account ID</th>
<th>Stop Payment Rules Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued</td>
<td>123ABC</td>
<td>01/28/2020</td>
<td>10020039999ABCD</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note: Estimated Payment Date is calculated as the date the file was received plus one (1) business day. This date will also be used to apply Business Rules and Stop Payment Rules.*

<table>
<thead>
<tr>
<th>Select</th>
<th>Source</th>
<th>Match Name</th>
<th>TIN</th>
<th>Date of Death</th>
<th>Match Adjudication Status</th>
<th>Comment</th>
<th>Whitelist Reason</th>
<th>Matched Date/Time</th>
<th>Verify or Proof</th>
<th>DOB</th>
<th><strong>DOD to Payment Date Difference</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DMF as of 12/12/2019</td>
<td>Peter Pan</td>
<td>212462961 / SSN</td>
<td>08/30/2019</td>
<td>Not Adjudicated</td>
<td></td>
<td>None</td>
<td>02/21/2020 at 10:32 AM</td>
<td>Proof</td>
<td>01/01/1966</td>
<td>57</td>
</tr>
</tbody>
</table>

**DOD to Payment Date Difference** is the number of days that have elapsed between the date of death and payment date.

<table>
<thead>
<tr>
<th>Address 1</th>
<th>125 S ESTES DR</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>CHAPEL HILL</td>
</tr>
<tr>
<td>State</td>
<td>NC</td>
</tr>
<tr>
<td>Country</td>
<td>US</td>
</tr>
<tr>
<td>ZIP</td>
<td>27514</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address 2</th>
<th>1B1B1B1B1B1B1B1B1B1B1B1B1B1B</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>CHAPEL HILL</td>
</tr>
<tr>
<td>State</td>
<td>NC</td>
</tr>
<tr>
<td>Country</td>
<td>US</td>
</tr>
<tr>
<td>ZIP</td>
<td>27514</td>
</tr>
</tbody>
</table>

| DOS as of 12/12/2019 | Peter Pan  | 212462961 / SSN | 08/30/2019 | Not Adjudicated |         | None | 02/21/2020 at 10:32 AM | Proof | 01/01/1966 | 57 |

**DOD to Payment Date Difference** is the number of days that have elapsed between the date of death and payment date.
Navigating the DNP Portal

Do Not Pay Business Center
08/25/2020
DNP Business Center Says