



NATIONAL CENTER ON
Subsidy Innovation and Accountability



Error Rate Training for Year 3 States

Successfully Completing Reviews and the ACF-404 Report

April 24, 2019 – 4:00PM EST

Introductions

National Center on Subsidy Innovation and Accountability



Katie Watts
Error Rate Lead



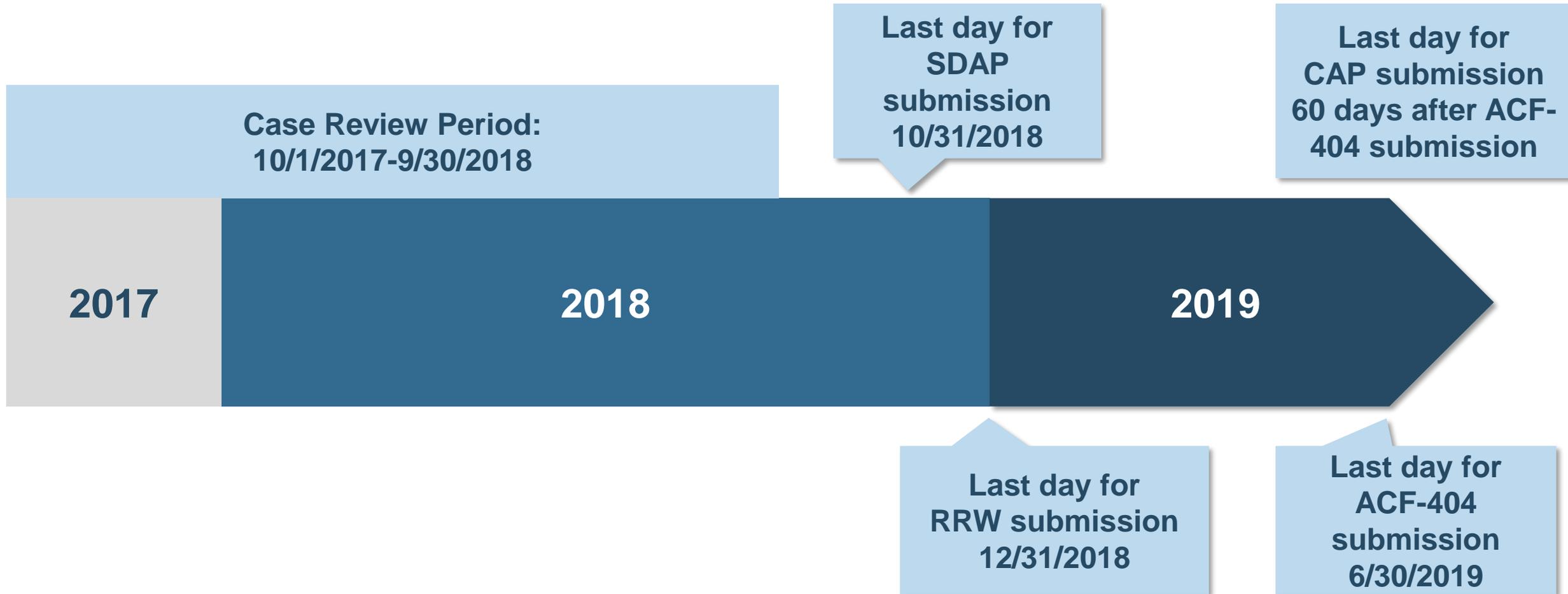
Leigh Ann Bryan
Program Integrity Manager

Agenda



- MID Table Review
- Getting Started with the OLDC
- Completing the ACF-404 Report
- Questions and Next Steps

Year Three States 4th Cycle Timeline



Year Three States 4th Cycle Timeline

- Case review period: **10/1/2017 – 9/30/2018**
- Last day to submit the *Sampling Decisions, Assurances, and Fieldwork Preparation Plan*: **10/31/2018**
- Last day to submit the customized *Record Review Worksheet* (RRW; ACF-403): **12/31/2018**
- Last day to submit the *State Improper Payments Report* (ACF-404): **6/30/2019**
- Last day to submit *Corrective Action Plan* (ACF-405), if applicable (error rate at or above 10 percent): **60 days after ACF-404 submission**



MID Table Review

Year 3 Call

MID Table Basics

- Part of the RRW – one table is used for each worksheet in which there is an error (or errors) that may result in an improper payment
- MID Table must be completed for **all** MID errors that may result in an improper payment, regardless of whether the Additional Inquiry (AI) was used
- Reviewers complete:
 - Columns 2-4 of the table for each MID error that may result in an improper payment
 - Column 5 only if an AI was not conducted
 - Columns 6-9 only if an AI was conducted

1	2	3	4	5	6	7	8	9
Element	Describe documentation that was missing or insufficient	Dollar amount of potential improper payment	Is there an additional inquiry that can be made to mitigate the potential improper payment error? 0=No 1=Yes	If No, describe why not <i>(Note: After responding, go to Element 500 if there are no other Elements requiring the MID Table)</i>	If Yes, describe the additional inquiry	Was the improper payment mitigated using the additional inquiry? 0=No 1=Yes	Enter dollar amount that was mitigated	Describe how the state determined whether or not the potential improper payment could be mitigated. <i>(Note: Please respond to this whether the potential improper payment was mitigated or not mitigated)</i>
100								
200								
300								
310								
320								
330								
340								
350								
400								
Total								

Complete columns 2-4 for each MID error that may result in an improper payment

Complete column 5 only if an AI **was not** conducted

Complete columns 6-9 only if the AI **was** conducted

“Totals” Row

- The Totals Row is completed for columns 3, 4, 7, and 8
- If MID Table only has one error, the Totals Row should equal the what was entered in the element row (example on next slide)

1	2	3	4	5	6	7	8	9
Element	Describe documentation that was missing or insufficient	Dollar amount of potential improper payment	Is there an additional inquiry that can be made to mitigate the potential improper payment? 0=No 1=Yes	If No, describe why not	If Yes, describe the additional inquiry	Was the improper payment mitigated using the additional inquiry? 0=No 1=Yes	Enter dollar amount that was mitigated	Describe how the state determined whether or not the potential improper payment could be mitigated
330	Child citizenship verification	\$510	1		Contacted vital records to locate missing birth certificate	1	\$510	Vital records provided the birth certificate, which verified that child is a citizen
Totals		\$510	1			1	\$510	

“Totals” Row

- The Totals Row is completed for columns 3, 4, 7, and 8
- If MID Table only has one error, the Totals Row should equal the what was entered in the element row (example on next slide)
- If MID Table has multiple errors:
 - Total columns 4 and 7
 - Amounts entered in columns 3 and 8 should reflect case **as a whole**
 - Consider whether **same dollars** were in error and/or mitigated

1	2	3	4	5	6	7	8	9
Element	Describe documentation that was missing or insufficient	Dollar amount of potential improper payment	Is there an additional inquiry that can be made to mitigate the potential improper payment? 0=No 1=Yes	If No, describe why not	If Yes, describe the additional inquiry	Was the improper payment mitigated using the additional inquiry? 0=No 1=Yes	Enter dollar amount that was mitigated	Describe how the state determined whether or not the potential improper payment could be mitigated
////////////////////////////////////								
330	Child citizenship verification	\$510	1		Contacted vital records to locate missing birth certificate	1	\$510	Vital records provided the birth certificate, which verified that child is a citizen
////////////////////////////////////								
400	Parent income information	\$510	1		Contacted Medicaid to locate income information	1	\$510	Medicaid provided income information, which matched income given on application.
////////////////////////////////////								
Totals		\$510	2			2	\$510	

Both elements had a potential improper payment, but since they were the **same dollars**, the column should not be totaled. This amount should represent the case as a whole

Columns 4 and 7 should each be totaled, as we want to know the number of individual errors

Both elements were mitigated, but since they were the **same dollars**, the column should not be totaled. This amount should represent the case as a whole

1	2	3	4	5	6	7	8	9
Element	Describe documentation that was missing or insufficient	Dollar amount of potential improper payment	Is there an additional inquiry that can be made to mitigate the potential improper payment? 0=No 1=Yes	If No, describe why not	If Yes, describe the additional inquiry	Was the improper payment mitigated using the additional inquiry? 0=No 1=Yes	Enter dollar amount that was mitigated	Describe how the state determined whether or not the potential improper payment could be mitigated
////////////////////////////////////								
330	Child citizenship verification	\$510	1		Contacted vital records to locate missing birth certificate	0	\$0	Vital records was unable to provide the missing information
////////////////////////////////////								
400	Parent income information	\$510	1		Contacted Medicaid to locate income information	1	\$510	Medicaid provided income information, which matched income given on application.
////////////////////////////////////								
Totals		\$510	2			1	\$0	

Both elements had a potential improper payment, but since they were the **same dollars**, the column should not be totaled. This amount should represent the case as a whole

Columns 4 and 7 should each be totaled, as we want to know the number of individual errors

Although one potential improper payment was mitigated, the error in 310 still existed, and would cause the case to have an improper payment. The total must represent the case as a whole; thus, the **total mitigated for the case** was zero

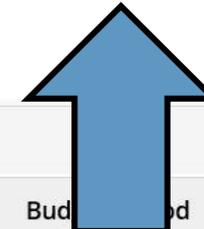
Getting Started With the OLDC

Year 3 Call

Logging into OLDC

- Before you can log in, users will need OLDC access
 - Contact ACF Regional Office for access form
 - At least **one** user that can certify/submit the final report
 - Additional accounts may be requested for data entry or viewing only
- To access OLDC, navigate to:
<https://home.grantsolutions.gov/home> (Internet Explorer is recommended)
- Two-factor authentication **may** be required
- For login assistance (technical questions), email app_support@acf.hhs.gov

Application Launch



TASK LIST ?

<input type="checkbox"/>	Task Description	Task Status	Module	Grant Number	Application #	Bud	Reporting Period
<p> You currently do not have any tasks assigned. </p>							

REPORTS ?

OLDC Home Page

This screenshot shows the 'Enhanced' version of the OLDC Home Page. The header includes the 'On-Line Data Collection' logo, the Department of Health & Human Services logo, and the Administration for Children & Families logo. The user's name is 'Katie Watts' and her last login is '04/17/2019 10:53:57 AM'. Navigation links include 'Help / FAQ' and 'End OLDC'. The main content area features a sidebar with links: 'Report Form Entry', 'User / System Settings', 'End OLDC', 'Privacy', 'Accessibility', 'Help / FAQ', and 'News & Tips'. The main content area has the 'On-Line Data Collection' logo and a paragraph: 'For most users, this is the first step in the process of locating and working with your specific reports. The following screens present a series of questions to help you select the appropriate report form. This same process is used to check the status of any current or submitted report.' At the bottom, there are links for 'Web Accessibility', 'Privacy and Security Notice', 'Freedom of Information Act', 'Disclaimers', and 'Feedback', along with the text 'HHS | ACF 6.12.2 04/08/2019'. A 'Switch Home Page (Enhanced)' link is in the top right corner.

This screenshot shows the 'Regular' version of the OLDC Home Page. The header is identical to the 'Enhanced' version. The main content area features a sidebar with links: 'Report Form Entry', 'User / System Settings', 'End OLDC', 'Privacy', 'Accessibility', 'Help / FAQ', and 'News & Tips'. The main content area has a 'Switch Home Page (Regular)' link in the top right corner. Below the header, there are three tabs: 'Activity Report', 'Report Due', and 'My Recent Activity'. The 'Activity Report' tab is active. Below the tabs, there are two dropdown menus: 'Program : Child Care and Development Fund Mandatory & Matching' and 'Grantee : Select Grantee'. An 'Enter' button is located below the dropdowns. A 'Page Help' link is in the top right corner. Below the dropdowns, the text 'No items to display' is shown.

Choose from one of two home pages: Regular or Enhanced (no difference in features or functionality)

Create or Edit ACF-404 Report

Click "Report Form Entry"



The Form Selection Page will open

On-Line Data Collection Administration for Children & Families
Name: Katie Watts Last Login: 04/17/2019 11:31:51 AM Help / FAQ End OLDC

OLDC Home Form Selection

Form Selection

Program Name:

Grantee Name:

Report Name:

[Page Help](#)

Create or Edit ACF-404 Report (Continued)

1: Select program (Child Care and Development Fund Mandatory & Matching)

Program Name: Child Care and Development Fund Mandatory & Matching
Grantee Name:
Report Name: Child Care and Development Fund Mandatory & Matching

2: Select grantee

Program Name: Child Care and Development Fund Mandatory & Matching
Grantee Name: Select a Grantee Name
Report Name:

- Select a Grantee Name
- AL [1 636000619 A6] (1996-2020) Alabama - No. 01
- AK [1 926001185 A5] (2001-2009) ALASKA - No. 01
- AK [1 926001185 A7] (1996-2020) Alaska - No. 01
- AZ [1 866004791 A9] (1996-2020) Arizona - No. 01
- AR [1 716007389 A2] (1996-2020) Arkansas - No. 01
- CA [1 946001347 A1] (1996-2015) California - No. 01

3: Select report (Program Performance Form ACF-404)

Program Name: Child Care and Development Fund Mandatory & Matching
Grantee Name: CT [1 066000798 E4] (1996-2016) CONNECTICUT - No. 01
Report Name:

- Select a Report Name
- Corrective Action Plan (ACF-405)
- Program Performance Form (ACF-404)

Create or Edit ACF-404 Report (Continued)

Reporting Period ▾	Type ▾	Report Status ▾	Actions ▾
10/01/2017 - 09/30/2018	Annual		+
10/01/2016 - 09/30/2017	Annual		+
10/01/2015 - 09/30/2016	Annual		+
10/01/2014 - 09/30/2015	Annual	Submission Accepted by CO	   
10/01/2013 - 09/30/2014	Annual		+
10/01/2012 - 09/30/2013	Annual		+
10/01/2011 - 09/30/2012	Annual	Submission Accepted by CO	   

4: To start the report, click the Plus Sign for the correct reporting period (10/01/2017-09/30/2018)

OLDC Tips

- SAVE your work – save early and often!
- Copy and paste *should* work...
- If changes are needed after submission, designee will need to uncertify/unsubmit
- Warnings versus errors: Report can be submitted with warnings, but cannot be submitted with errors

Completing the ACF-404 Report

Year 3 Call

ACF-404 *State Improper Payments Report*

The ACF-404 consists of three parts –

- Part I: Program Assurances and Certifications
- Part II: Error Measures
- Part III: Narrative Responses

ACF-404 Part I: Assurances and Certifications



ACF-404 Part I: Assurances and Certifications

Part I. Program Assurances and Certifications

The Lead Agency, named below, assures and certifies the following:

1. The data collection process, including sample selection and case record reviews, adhered to all requirements of the instructions and regulations for *Error Rate Reporting* at 45 CFR 98 Subpart K.
2. The reviews were not conducted by persons who make or approve eligibility determinations or who are under the supervision of persons responsible for eligibility determinations.
3. All reviewers have been trained to ensure that the review process is consistent with state policies and that there is consistency within the state in interpretation of what is an error.
4. The state agrees to retain *Record Review Worksheets*, the *State Improper Payments Report* and any revisions, and any other records pertinent to the case reviews and submission of error rate reports for five years from the date of submission of the *State Improper Payments Report* or final revision submitted, whichever date is later.
5. The state understands that this information, including the sampled case records and calculations are subject to federal review.

Submission Date:
Name:
Signature:
Title:
State:
State Agency:
Phone Number:
E-mail:
Fiscal Year:

ACF-404 Part II: Error Measures



Record Review Worksheet Element 500

The figures entered in RRWs – element 410 (old template) or 500 (new template) form the basis for many of the error measures in Part II

FINDINGS (1)	RESULTS (2)
500 CASE SUMMARY	500 RESULTS <ol style="list-style-type: none"> 1. No Error / Error 2. Missing / Insufficient Documentation <ul style="list-style-type: none"> 2A: Number of MID potential improper payment errors identified 2B: Total amount of MID potential improper payment errors 2C: Number of times an additional inquiry was used 2D: Number of times the additional inquiry mitigated the potential improper payment error 2E: Total amount of improper payments mitigated 3. Overpayment / Underpayment 4. Total Amount of Improper Payment 5. Total Payment Amount for Sample Month

ACF-404 Items 1-3

1.	Number of cases sampled	276
2.	Total number of cases with an error	45
3.	Percentage of cases with an error	16.30%

1. Set at 276
2. Total number of cases with a “1” in [Element 410 column 4 **OR** Element 500 column 2], #1 of RRWs
3. $(\text{Item 2}/\text{Item 1}) \times 100$

ACF-404 Items 4-6

4.	Total number of cases with an improper payment	20
5.	Percentage of cases with an improper payment	7.25%
6.	Total number of cases with an improper payment error due to missing or insufficient documentation (MID)	8

4. Total number of cases with a “1” in [Element 410 column 4 **OR** Element 500 column 2], #1 of RRWs and a number other than zero in #4
5. (Item 4/Item 1) x 100
6. Total number of cases with a “Y” in [Element 410 column 4 **OR** Element 500 column 2] #2 of RRWs and a number other than zero in #4

ACF-404 Item 7

7A.	Total number of MID errors with identified potential improper payments	13
7B.	Total dollar amount of potential improper payments resulting from the MID errors	\$3,440

7A. Sum of the number of MID errors recorded in Element 500, column 2, #2A

OR number of rows completed in MID tables

7B. Sum of the MID potential improper payments recorded in Element 500, column 2, #2B.

OR sum of Totals Rows in MID tables, column 3

Apply pooling factor if pooled funds were used

ACF-404 Item 8

8A.	Total number of MID potential improper payment errors that were mitigated using an additional inquiry (AI)	5
8B.	Total dollar amount of MID potential improper payment errors that was mitigated using AI	\$1,320

8A. Sum of the times an AI mitigated the improper payment recorded in Element 500, column 2, #2D
OR sum of Totals Rows in MID tables, column 7

8B. Sum of the dollar amount of improper payments mitigated recorded in Element 500, column 2, #2E.
OR sum of Totals Rows in MID tables, column 8
Apply pooling factor if pooled funds were used

ACF-404 Item 9

9A.	Total number of MID errors that, after an AI was considered and possibly used, still resulted in an improper payment	8
9B.	Total dollar amount of MID improper payments that resulted even after an AI was considered and possibly used	\$2,120

9A. Sum of the number of “0” responses to column 7 of the MID Tables or Item 7A minus Item 8A

9B. Sum of the differences between column 3 and columns 8 of the MID tables (apply pooling factor)
OR Item 7B minus Item 8B (do not apply pooling factor)

ACF-404 Items 10-11

10.	Total amount of payments for the sampled cases	\$124,850
11.	Total amount of improper payments for the review period (gross amount of underpayments and overpayments)	\$5,300
11A.	Total amount of underpayments for the review period	\$710
11B.	Total amount of overpayments for the review period	\$4,590

10. Sum of amounts in [Element 410 column 4 **OR** Element 500 column 2] #5 of RRWs. Apply pooling factor if pooled funds were used.
11. Sum of amounts in [Element 410 column 4 **OR** Element 500 column 2] #4 of RRWs.
- 11A. Sum of amounts in [Element 410 column 4 **OR** Element 500 column 2] #4 of RRWs that have a “U” in [Element 410 column 4 **OR** Element 500 column 2] #3. Apply pooling factor if pooled funds were used.
- 11B. Sum of amounts in [Element 410 column 4 **OR** Element 500 column 2] #4 of RRWs that have a “O” in [Element 410 column 4 **OR** Element 500 column 2] #3. Apply pooling factor if pooled funds were used.

ACF-404 Items 12-14

12.	Percentage of the total amount of payments for the sampled cases that are improper payments	4.25%
13.	Average amount of improper payments	\$265
14A.	Total annual amount of CCDF subsidy payments	\$54,250,320
14B.	Estimated annual amount of improper payments	\$2,305,638

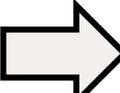
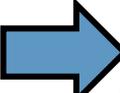
12. $(\text{Item 11} / \text{Item 10}) \times 100$

13. $(\text{Item 11} / \text{Item 4})$

14A. Total amount of subsidy payments made using CCDF funds

14B. $\text{Item 12} \times \text{Item 14A}$

ACF-404 Item 15

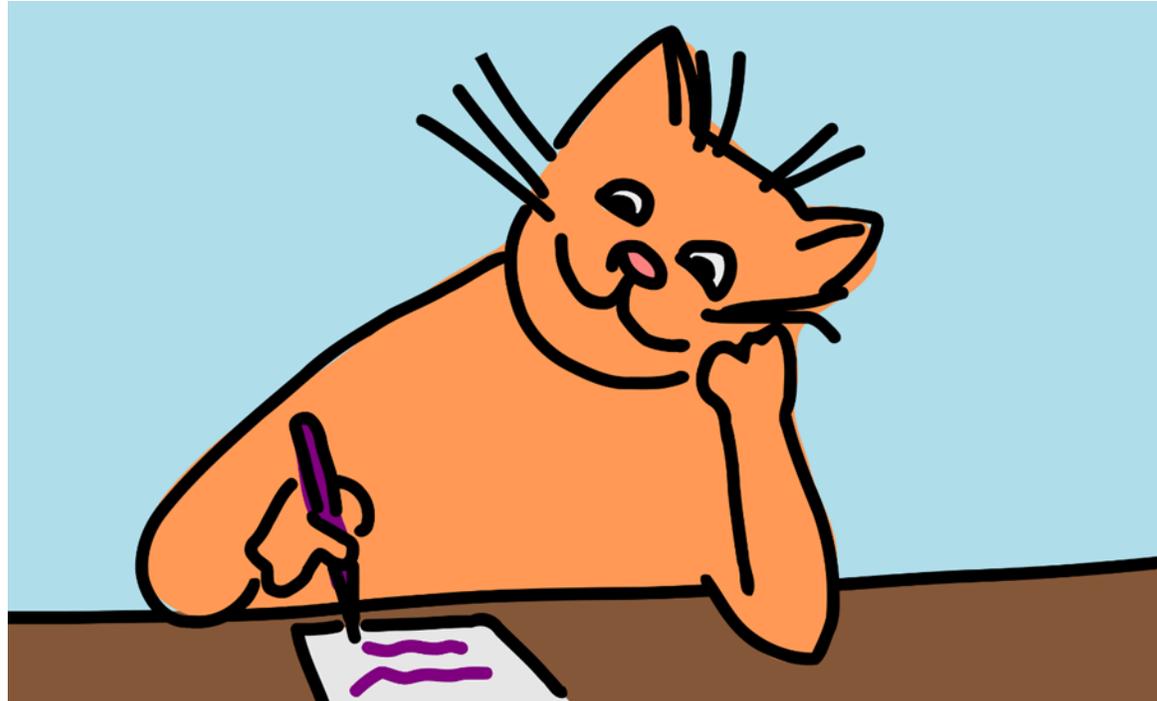
15.	<p>Check the appropriate response based on whether the state combines or pools funds, and conducted its reviews based on a sample drawn from a universe of cases served by these pooled funds. Check one of the following:</p> <p>a.  <input checked="" type="checkbox"/> The review was not based on a sample drawn from pooled funds.</p> <p>b.  <input checked="" type="checkbox"/> The review was based on a sample drawn from pooled funds, and the state applied pooling factor from the most recent ACF-800 reporting form.</p> <p> b-i. <input type="checkbox"/> Indicate the number of sampled cases that used pooled funds.</p> <p> b-ii. <input type="checkbox"/> Indicate the percentage of sampled cases that used pooled funds.</p> <p>c.  <input checked="" type="checkbox"/> The review was based on a sample drawn from pooled funds, but the state did not apply the pooling factor found on the most recent ACF-800 reporting form.</p> <p> c-i. <input type="checkbox"/> Provide the pooling factor.</p> <p> c-ii. <input type="checkbox"/> Explain the derivation of this pooling factor.</p> <p>c-iii. <input type="checkbox"/> Indicate the number of sampled cases that used pooled funds.</p> <p>c-iv. <input type="checkbox"/> Indicate the percentage of sampled cases that used pooled funds.</p>
-----	--

ACF-404 Item 16

16. Number of replacement cases used each month of the 12-month review period and reason for each replacement

Month	Reason(s) for Replacement Cases (please list)	# Times Reason Used
October	No payment made in sample month	2
November		

ACF-404 Part III: Narrative Responses



ACF-404 Item 17

17. Describe lessons learned or improvements made in implementation of the review process during the current review cycle.

ACF-404 Item 18

18. For each potential improper payment error due to missing or insufficient documentation, enter the following:

a. Element #	b. What was the MID?	c. Dollar amount of potential IP	d. AI used? Describe why or why not	e. How much mitigated? (if AI was used)	f. Explain how state determined whether or not the potential IP could be mitigated (if AI was used)
330	Child citizenship verification	\$510	Yes – contacted vital records	\$510	Vital records provided birth certificate, which verified child is a citizen
400	Parent income information	\$130	No – parent does not participate in any other programs		

ACF-404 Item 19

19. Identify all causes of improper payments (see Item 4 above). List each cause, the number of cases with an error due to this cause, an example of an error, and whether this cause involved missing or insufficient documentation.

Cause	# Cases	Example	MID (Y/N)
Payment calculation	12	All sources of income were not included	N
Income verification	8	Paystubs missing from casefile	Y
Need for care	7	Work verification missing from casefile	Y

ACF-404 Item 20

20. List the causes of improper payment errors identified in Item 19. For each cause, describe the action steps planned in between review cycles in order to reach the targeted reductions identified in item 23, the timeline for implementing the action steps, and method(s) that will be used to measure progress and the impact of the action steps.

Error	Cause of Error	Action Steps	Timeline	Progress Measurement
1	Payment calculation			
2				
3				

ACF-404 Item 21

21A. State the amount of improper payments the state expects to recover as a result of the review. If the amount is less than the total amount of overpayments (see Item 11B above), provide a summary of the reasons limiting the collections.

21B. State the amount of improper payments the state recovered as a result of the previous review. If the amount is less than the total amount expected to have been recovered according to the previous report, describe the reasons.

ACF-404 Item 22

22. Describe the information systems and other infrastructure that assist the state in identifying and reducing improper payments. If the Lead Agency does not have these tools, describe actions to be taken to acquire the necessary information systems and other infrastructure.

ACF-404 Item 23

23. Provide the findings for the current cycle, data and targets for the prior and current cycle, and targets for the next cycle for percentage of cases with an error, percentage of cases with an improper payment, percentage of improper payments, average amount of improper payments, and estimated annual amount of improper payments

Error Measures	Prior Cycle Data	Prior Cycle Target	Current Cycle Data	Current Cycle Target	Target for Next Cycle
Percentage of cases with an error					
Percentage of cases with an improper payment					
Percentage of total amount of payments for the sample that are improper payments					
Average amount of improper payments					
Estimated annual amount of improper payments					

ACF-404 Item 24

24. If any targets were not met, provide an explanation of why the state did not meet these targets and describe how the actions outlined in Item 20 will address these areas.

ACF-404 Item 25

25. List the causes of improper payment errors identified in the previous cycle (item 17 in the 2015 ACF-404) and for each cause, describe the action steps that were taken (including dates) to correct the cause, whether the action steps reduced the identified errors, and how any progress was measured. Discuss any barriers to the effectiveness of the action steps to reduce improper payments.

Improper Payment Error	Action steps and dates when taken	Did the action steps reduce the identified errors?	How did you measure your progress in reducing the identified errors?	Barriers to reducing error

Questions and Next Steps



TA Support

- OLDC “Just in Time” training
 - One-on-one TA session to discuss the ACF-404 and using the OLDC
 - Report does NOT have to be ready to enter (although it can be) – can have this training at any time (or multiple times!)
- Review of ACF-404 draft
- Reach out to your ACF Regional Office to request TA

Next Steps for Year Three States and Contacts

- Request OLDC logins from Regional Office
- Set up Just In Time Training, if desired
- Submit ACF-404 by June 30, 2018

- NCSIA Error Rate Specialists:
 - Region I: Leigh Ann Bryan (lbryan@wrma.com)
 - Region VII: Jenna Broadway (jbroadway@wrma.com)
 - Other Regions: Katie Watts (kwatts@wrma.com)





NATIONAL CENTER ON

Subsidy Innovation and Accountability



Thank you!