August 2023

Do Not Pay Initiative

Stephanie Weakley
August 30, 2023

The Future of Payment Integrity

Vision: Strengthen trust in government by promoting payment integrity in federal programs.

GOALS

Focus on prevention by promoting greater access and use of data and analytics.

Promote best practices and share information so federal agencies and states are equipped with the information and tools to prevent improper payments and fraud.

Strengthen partnerships between federal agencies, federally funded state administered programs, and other key stakeholders.

Right person. Right amount. Right time.

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Office of Payment Integrity Mission, Vision & Goals

Our Mission

Provide governmentwide partnership, guidance, and solutions through well-messaged, integrated, and cost-efficient payment integrity services. Our services are easily adapted to existing or newly authorized programs to assist federal and state agencies in making informed decisions to support the identification, prevention, and recovery of improper payments and fraud.

Our Vision

Be a trusted partner of federal and federally funded state administered programs issuing federal funds by providing actionable business insights and solutions that transform how agencies approach identification, prevention, and recovery of improper payments and fraud.

The **Office of Payment Integrity (OPI)** represents the consolidation of the Do Not Pay® (DNP) and the Payment Integrity Center of Excellence (PICOE) programs to provide comprehensive governmentwide payment integrity services to its stakeholders.

Our Goals

1. Maximize the use of quality, complete data available to federal agencies and FFSA programs to prevent improper payments.
2. Promote partnerships across federal agencies and FFSA programs to establish OPI as a trusted source for payment integrity solutions.
3. Address improper payment challenges by offering solutions driven by data and expertise that allow our customers to maintain their mission and strategic focus.
4. Identify opportunities to strengthen Governmentwide policy, guidance, and legislation to increase the public's trust in Government payments.
5. Develop expertise and insight to advance governmentwide improper payments and fraud prevention efforts.

Learning Objectives

❑ Do Not Pay Initiative (DNP)

❑ Data Designation & Pilots

❑ Account Verification Service (AVS)

❑ Cross Government Payment Information

❑ Death Record Confidence Scoring Tool (DRCST)

❑ Agency Customer Experience Guest Speakers

- ▪ Federal Emergency Management Agency

- ▪ Department of Energy

❑ Portal Experience Round Table

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The Do Not Pay Initiative Overview

In April 2012, OMB released a memorandum describing the efforts of OMB and the Department of the Treasury to establish the Do Not Pay (DNP) Initiative. An overview of the initiative is outlined below:

Resources

The DNP Initiative includes multiple resources across the Federal Government designed to help agencies determine eligibility to confirm that the right recipient obtains the right payment amount.
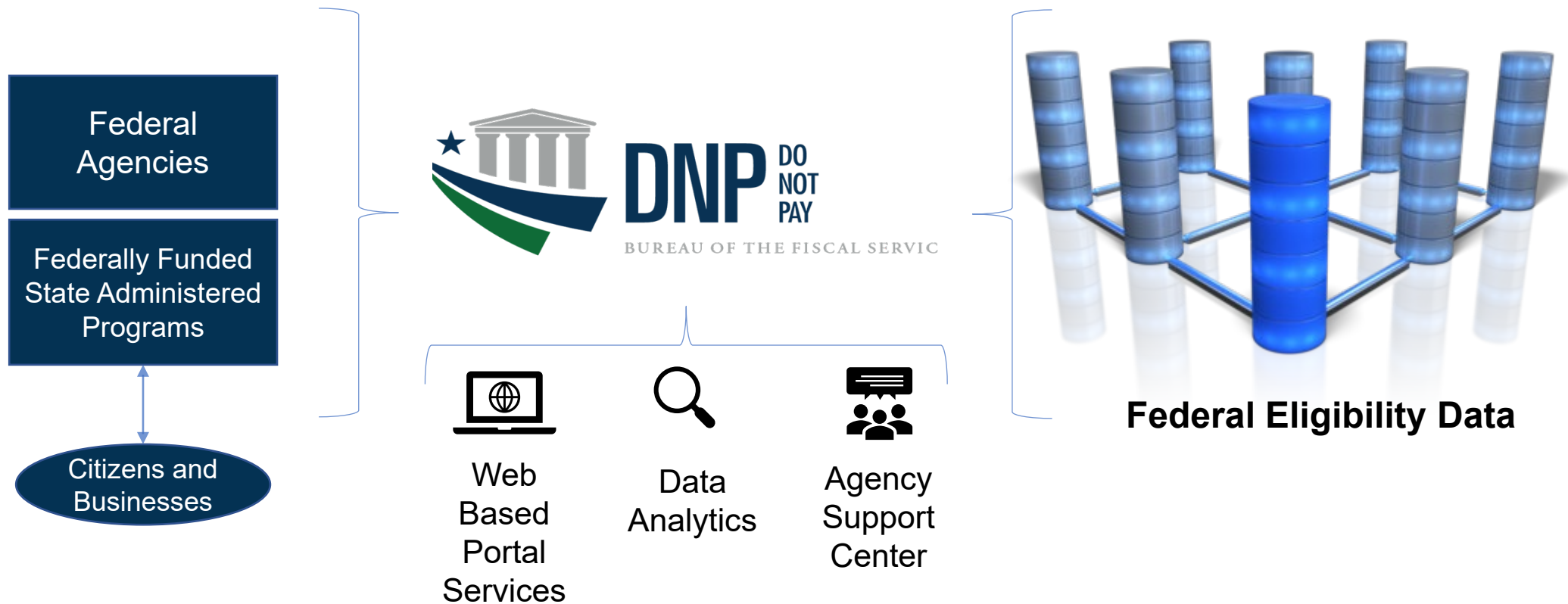
Responsibility

Each State or Federal program, and any contractor, subcontractor, or agent of a State, including a State auditor or State program are responsible for reducing IPs and UPs of a Federally funded State-administered program shall have access to, and use of, the Initiative for the purpose for verifying payment eligibility.

Databases

Each agency shall thoroughly review prepayment and pre-award procedures to ensure available databases with relevant information are checked to determine eligibility and prevent IPs and UPs before the release of Federal funds.

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What is the Do Not Pay Business Center?

The Do Not Pay Business Center (DNP) is a resource that offers **centralized** access to relevant data sources for **verifying** payment or award **eligibility**. DNP offers customized data analysis to help agencies detect fraud, waste, and abuse and strengthen internal controls. DNP provides agencies improper payment consultation and ongoing support.

Federal Agencies

Federally Funded State Administered Programs

Citizens and Businesses

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Web Based Portal Services

Data Analytics

Agency Support Center

Federal Eligibility Data

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Who Do We Support?

43 Federal Agencies
205 Programs

3,252 Stakeholders

9 States
12 Programs

15 OIGs
27 Teams

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How Does DNP Work and When to Use?

The Working System can help mitigate various unintentional errors while simultaneously providing benefits to an agency. Additionally, there are 5 primary ways agencies can leverage the DNP Working System.

UNINTENTIONAL ERRORS DNP MITIGATES

✓ Wrong Recipient

✓ Right Recipient, Wrong Amount of $

✓ No Documentation

✓ Misuse of Funds

BENEFITS TO AGENCY

✓ Verify Eligibility

✓ Save Time

✓ Save Money

✓ Reduce Errors

WAYS TO USE DNP

✓ Online Search

✓ Batch Matching

✓ Continuous Monitoring

✓ Web Service/API

✓ Payment Integration

Agencies use a secure online interface to check various data sources to verify eligibility of a vendor, grantee, loan recipient, or beneficiary to receive federal payments. All agencies are required to use the Working System to support their payment process.

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Current Data Sources and Services

Death Data

- Death Master File (DMF) Social Security Administration (SSA) - Public
- American InfoSource (AIS) Obituary and Probate Records - Commercial
- Department of Defense (DOD) Death
- Department of State (DOS) Death
- Electronic Verification of Vital Events Fact of Death (EVVE FOD) - Commercial

Debarment Data

- List of Excluded Individuals and Entities (LEIE) - Health & Human Services (HHS OIG) - Public & Restricted
- System for Award Management (SAM) Exclusion Records - General Services Administration (GSA) - Public & Restricted

Debarred Foreign Entities

- Office of Foreign Assets Control (OFAC) Department of the Treasury (Treasury) - Public

Registered Entities

- SAM Entity Registration Records - Restricted (GSA) - Restricted

Non-Profit

- Internal Revenue Service (IRS) Tax Exemption Lists: - Public
  – Automatic Revocation of Exemption List (ARL)
  – Form 990-N (e-Postcard)
  – Publication 78 (Pub 78)

Delinquent Debtors

- Credit Alert System (CAIVRS) with input from DOJ, HUD, SBA, USDA & VA - Restricted
- Treasury Offset Program (TOP) Debt Check - Treasury - Restricted

Additional Data Services/Sources

- Data Analytics
- Account Verification Service (AVS)
- Cross Government Payment Information
- Identity Verification

Data can be made available via a combination of Online Search, Batch Match, Continuous Monitoring, API, and analytics projects.

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Newly Designated Data Sources

Multi-Use	Debarment Data	Incarceration	Eligibility Data
• DNP Adjudication Data - Fiscal Service • Payments, Claims, and Enhanced Reconciliations (PACER) - Fiscal Service	• National Disqualified List - Department of Agriculture	• Bureau of Prisons Data - Federal Bureau of Prisons	• National Plan and Provider Enumeration System (NPPES) - HHS

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Data Designation and Pilots

Derek Pachla
August 30, 2023

Data Designation

- A process to evaluate data and notify the public that:
    - Treasury will be using information collected on individuals to make eligibility determinations;
    - That information will benefit the taxpayer by strengthening Payment Integrity;
    - Treasury is permitted to use the data and has considered the privacy and/or legal risks;
    - Any other considerations such as cost and expected ROI

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Identifying and Designating Data

Identify

Databases are identified through:

- AFR Review
- Agency Feedback
- Industry Standard
- Leadership recommendation
- Independent Research

Evaluate

DBs undergo research and evaluation for:

- Use cases and opportunities
- Key data elements
- Legal and Privacy concerns
- Technical limitations and feasibility
- Potential ROI

Propose

DNP Leadership determines course:

- Propose for Designation
- Request more research
- Pilot
- Reject

Designate

Federal Register Notice is issued with evaluation of:

- Limits on use
- Privacy Risks
- PI Benefits
- Centralized Benefits
- Costs
- ROI and other issues

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The Pilot Process

Customer Agency
- Generates a data file
- Reviews results
- Provides feedback

Partnership

Do Not Pay
- Holds Contract
- Performs matching
- Analyzes Results
- Creates a report

Contract

Data Owner
- Provides data and/or services

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Previous and Upcoming Pilots

Piloted and Implemented

- American InfoSource (Death Data)

- Electronic Verification of Vital Events (Death Data)

Piloted and awaiting Designation

- TheWorkNumber (Income Verification)

Pilot in Progress

- Accurint (comparison to Account Verification Service (AVS))

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Account Verification Service (AVS) & Cross Government Payment Information

Jessica C. Taylor
Jack Harbour
August 30, 2023

Payments Overview

- **Fiscal Service securely disbursed 1.4 billion payments totaling more than $5.3 trillion in FY 2022:**

  - These payments went to 100+ million people and entities, with 92% disbursed electronically for agencies such as SSA, SSI, VA, Office of Personnel Management (OPM) and IRS.

  - Provided mission critical support to the IRS through disbursing 108 million Advanced Child Tax Credit (ACTC) payments totaling $47.2 billion dollars and 1.8 million Economic Impact Payments (EIP) totaling $3.8 billion.

- **Of the 1.4 billion payments, approximately <u>0.8%</u> resulted in a "post-payment exception," including IRS EIPs and ACTC**

  Payments:

  - **10.6 million claims and cancellations** including:

    - ✓ **6.4** million returned payments

    - ✓ **3.3** million stale dated checks that were not cashed within one year

    - ✓ **274** thousand payee claims of non-receipt

    - ✓ **351** thousand agency claims of non-entitlement (e.g., deceased payees)

    - ✓ *Resulting in $35.5 billion returned to Agencies in FY 2022.*

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Common Identity, Payee and Payment Integrity Questions

How can we partner to solve Payment Integrity issues?

Topics of Interest
Payments to the Deceased
Inter-Agency Benefit Eligibility
Payee Validation (Banking Info, Address)
High Risk Financial Institutions
Compromised Payees and Accounts
Payee Characteristics (DOD, Incarcerated, etc.)
Updates to 31 CFR Part 210

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Cross-Government Solutions

COMMON CROSS-GOVERNMENT CHALLENGES

Payee Eligibility
(Are they entitled to the payment?)

- Payments to the Deceased
- Inter-Agency Benefit Eligibility

Identity Validation
(Is the payment going to the right payee?)

- Payee Account Validation
- Risk-Based Evaluations
- Central Source of Compromised Payees & Accounts

1.5 Billion payments

150 Million individuals

10.6 Million payment exceptions

External Data Sources

Payment Integrity Cross Government Data Analytics

Use comprehensive data sources to answer practical business questions
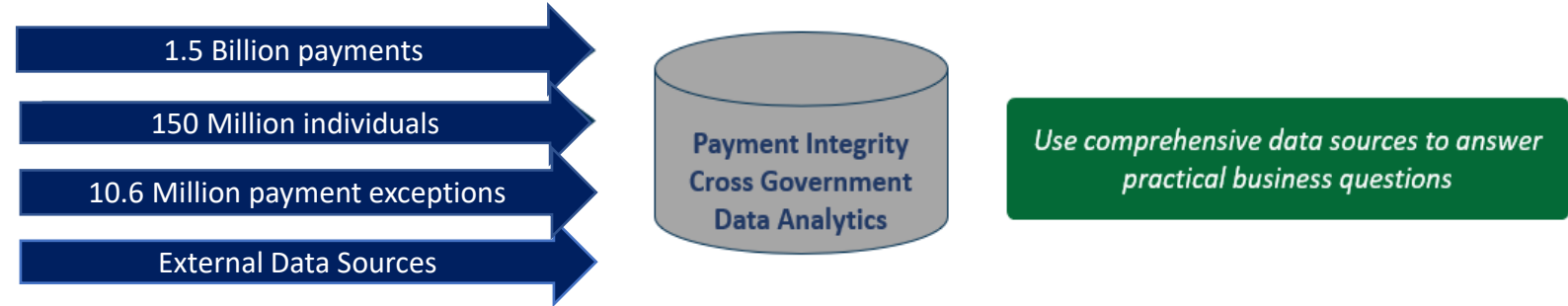
Payee View
Questions Fiscal Service can answer about a payee:

- What Agencies make payments to them?
- Do they have a bank account? With which banks?
- How are they paid (ACH, Check, Wire, Debit Card)?
- What is their mailing address?
- What types of payments do they receive?
- Are they deceased?
- Have they been victims of identity theft or fraud?
- When is the last time they were paid?
- Payee history and sequence of events
- Reinforced with external identity and decedent validation services

Account/Address View
Questions Fiscal Service can answer about an account and/or address:

- What payees receive payments to the account?
- Have payments been returned from the account?
- Why were payments returned?
  Administrative, Death, Fraud, Other reasons
- When was the last payment received?
- Account payment history and sequence of events
- Has the account been compromised?
- Who is the account owner?
- Who was the last withdrawer?
- Reinforced with external account and address validation services

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Payment Integrity Solutions

When combined with our government payment records, these tools provide cross-government solutions.

Account Verification Service

Authentication of bank accounts and evaluation of payee eligibility prior to submitting payments reduces fraudulent activity

*Identify service (another capability of AVS)

Electronic Verification of Vital Events

Death status knowledge can deter suspicious individuals from committing identity theft and claiming payments of the deceased.

INFO APPS

A comprehensive, historical agency-specific picture of data to help identify and resolve iimproper payments.

Compromised Accounts

Agency provided compromised bank accounts data, when combined with cross government data and AVS, enhances the ability to identify and prevent improper payments.

Investigative Solutions

Support investigative community in an ad-hoc capacity to assist with fraud deterrence using various approaches and tools.

Innovative tools that continuously monitor & provide real-time insight to enable faster detection of potential fraud rings, trends, & improper payments across government payment records.

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Bank Matching and Ownership Verification (AVS)

1 OPI calls AVS service with payee and account info. Can be done anywhere in the payment lifecycle.

2 AVS responds with EWS Verify and Authenticate functions Or Customer ID for Non-Participating Banks

Input data
RTN
Account #
Payee SSN
Payee Name

Website API File

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Early Warning®

Verify		Result
✓	Pass	Account is open and valid
✗	Decline	Account closed or risk factor reported
?	No Data	No information, bank may not participate

EWS Participating Banks

What we've learned so far...
AVS generally has 80% RTN coverage
AVS is only as good as the info banks provide
Need outreach to non-participating banks
Need more situational testing to understand results
Need to work with agencies for operational concept

Authenticate		Result
✓	Pass	SSN and Name match with Acct Owner
✗	Decline	Neither SSN nor Name match with Acct Owner
?	Risk 1	SSN matches but name does not
?	Risk 2	Name matches but SSN does not

EWS Contributing Banks

3
- OPI integrates AVS response with other cross government post-payment data
- Provide response to agency, and agency determines appropriate next steps or outcomes

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Bank Matching to Validate New Payees & Existing Account Changes

1 Paying agency provides Payee information to OPI, prepayment or at time of payment

Paying Agency → **Fiscal Service**

Payee Info (SSN, Name, RTN, Account)

Payment File, Ad-hoc file

2 * OPI verifies payee & account with Cross-Govt data

- Has this payee been paid before?
- Has payee been paid to this account before?
- When was the date of the last payment?
- Has this acct. been compromised?
- Has this acct. been previously closed?
- Does the payee have a history of claims?

Cross Gov't Post Pay Data

Fiscal Service OPI Process Flow:

1. Paying agency provides payee info. To OPI
2. *OPI takes additional action to verify payee and account with Cross Govt data
3. Verify account and account owner with AVS
4. Complete results and return to paying agency

Post-process: Paying agency evaluates results and determines to pay or research further

3 Validate acct. with financial institution/AVS

- Is the account valid and open?
- Does the account owner match the payee?
- Pass/risk/decline response codes

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Early Warning

4 Consolidate results, assemble file, return responses to Agency

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FEMA's Funeral Relief (AVS & EVVE FOD Use Case)

① FEMA provide Payee, Account, and Decedent information to OPI

FEMA Funeral Assistance

Decedent Info (SSN, Name, DOD)
Applicant Info (SSN, Name, RTN, Account)

Fiscal Service

② Verify decedent and applicant with Cross-Govt data

- *Is Fiscal aware of death?*
- *How and when was death reported?*
- *Has payee been paid to this account before?*
- *Has payee received other funeral assistance?*
- *Has this account been compromised?*
- *Has this account been previously closed?*

Cross-Govt Post Pay Data

Pre-Process: FEMA evaluate eligibility criteria using FEMA data and services

Fiscal Service OPI Process Flow:

1. FEMA provide decedent and applicant info to OPI
2. Verify decedent and payee with Cross-Gov't data
3. Verify account and account owner with AVS
4. Verify decedent info with EVVE
5. Compile results and return to FEMA

③ Validate Account with Financial Institution / AVS

- *Is the account valid and open?*
- *Does the account owner match the payee?*
- *Pass / Risk / Decline response codes*

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Early Warning

Post-Process: FEMA evaluate results and determine to pay or research further

④ Validate decedent information with NAPHSIS / EVVE

- *Was the death reported?*
- *What is the date of death?*
- *What jurisdiction was the death reported?*

⑤ Consolidate results, assemble file, return responses to FEMA

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AVS Use Cases- FY21 - FY22 Impacts

IRS EIP3 & ACTC Portals
- Taxpayers updating banking information
- 2.7 million accounts screened
- **$130 million improper payments prevented**

FEMA Individuals and Households Program
- Screening Critical Needs Assistance applications
- 2.5 million accounts screened
- **$92 million prevented**

IRS Taxpayer Protection Program (Tax Refund)
- IRS identifies suspected ID theft returns
- Uses AVS to identify and expedite resolution of false ID theft selections
  - 9 million tax returns, $42 billion screened
  - 2 million tax returns, **$13 billion validated eligible for expedited release**

AVS prevented $222 million in potentially fraudulent and/or improper payments between Fiscal Years 2021 and 2022

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Address & Email Social Intelligence Service (Identify)

IDENTIFY/CONSUMER *Pilot

INQUIRY/INPUTS

- **First & Last Name (required)**
- **Address, City, State & Zip (required)**
- Phone Number
- Date of Birth
- Social Security Number
- Unique ID
- Driver's License Number & State

Provides insight regarding address, email, and social media accounts
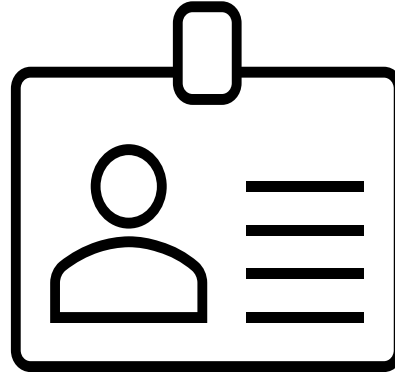
RESPONSE/OUTPUTS

- Verification Response
- Customer Response Code
- Customer Alert Message(s)
- Matched Person Data Record

EMAIL/SOCIAL INTELLIGENCE (ESI)

- Email Address
- IP Address
- Name
- Unique ID
- Address, City, State, Zip

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Compromised Accounts

- Conducted through Interagency Data Sharing of accounts used to commit payment redirect fraud.
- In conversations with Fraud Analytics teams at VA & SSA
- Data sharing agreement approvals in process
- Partner agencies submit lists of daily direct deposit changes, OPI matches those against accounts previously used in fraud schemes, and responds with results

Leverage cross government data analytics to prevent future payments to accounts compromised by fraud

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Do Not Pay Analytics
Death Record Confidence Scoring Tool

Brian Hewitt
August 30, 2023

Business Problem Overview

- Sources of death data have varying degrees of reliability and data quality.

- Death records referencing the same entity may differ or disagree on key attributes.

- Agencies have limited time and resources to act, and need to identify the most impactful and most urgent cases.

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Disagreeing Death Records
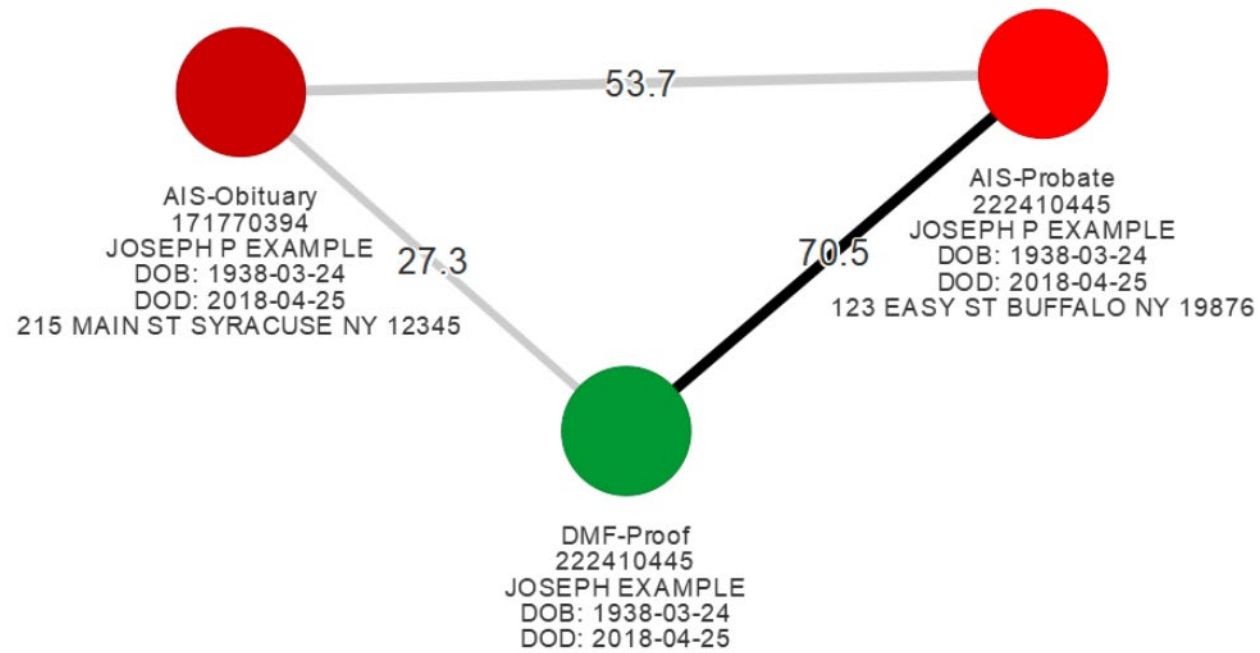
The data provided here is fictitious and is for illustrative purposes only

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Death Record Confidence Scoring Tool (DRCST)

What is the DRCST?

- DNP Analytics solution that helps customers optimize improper payment research
  - Enables accurate identification of deceased individuals
  - Identifies at risk improper payments
  - Increases confidence in payment integrity and internal controls

How does the DRC Scoring Tool Work?

| Analyzes all death data available to DNP | Converts analysis into a confidence score | Incorporates payment information to identify the improper payments with the highest risk | Provides results in a file format that is easily analyzed by the customer |

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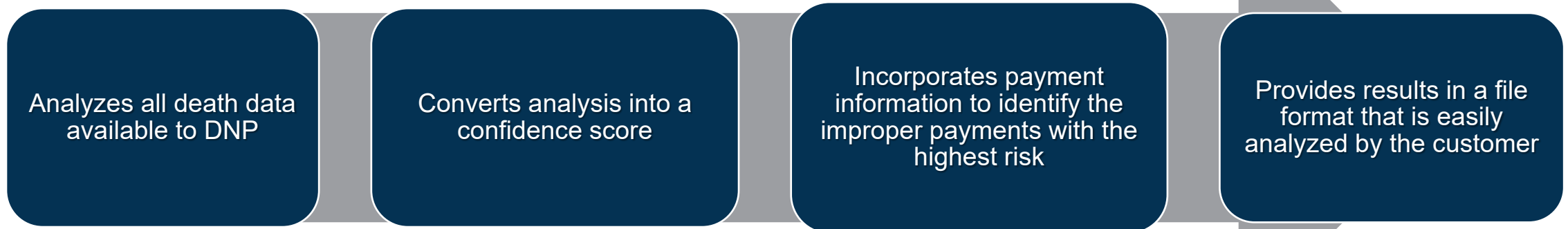
DRCST Data Sources

- **DRCST utilizes a wide range of data sources available to DNP into its algorithm:**

  - Death Master File – Public

  - American InfoSource – Probate and Obituary

  - Electronic Verification of Vital Events: Fact of Death

  - Department of State Death Data

  - Department of Defense Death Data

  - DNP Portal Adjudication Data

  - Treasury Payment Data

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DRCST Networking Process

#1: Initial loose network created
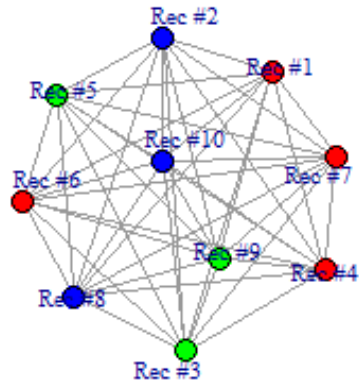
#2: All pairs are scored
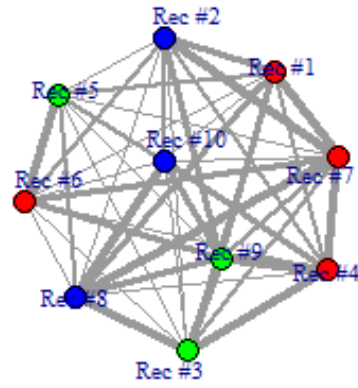
#3: Poor links are eliminated
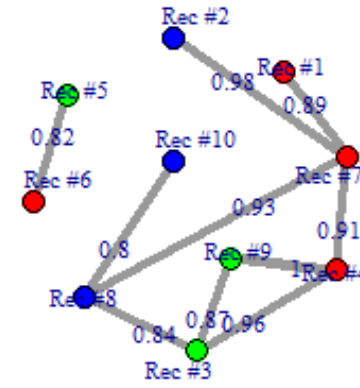
#4: Final groupings formed
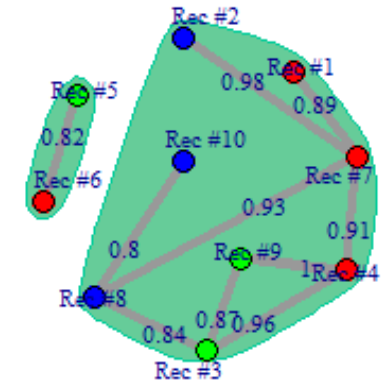
DRCST Benefits

Benefits to customers that use the DRCST

- Agencies' data is matched to more data sources than what's currently available in the Portal which helps uncover more decedents.

- Customer agencies have a higher degree of certainty about which payees are truly deceased and can prioritize their research efforts to the most impactful cases.

- DRCST can use data from Payment Automation Manager, reducing the level of effort required of customers to use this solution.

- Results are provided to customers in a user-friendly file on a regular basis to help monitor their payment integrity risks over time

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Death Record Confidence Scoring Tool Upcoming Enhancements

Upcoming Enhancements
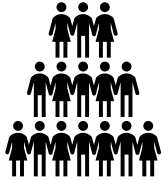
Coverage

- Increasing the number of data sources the DRCST utilizes (e.g., full Death Master File) to expand the overall coverage of the tool.

Accuracy

- Implementation advanced TIN, name, and date matching algorithms to maximize the strength of data matching.

- Enhancements to the confidence and priority scoring logic to provide the most accurate and impactful results to customers.

Deliverables

- Partnering with customer to create agency-specific deliverables that can be integrated into an agency's current payment and adjudication systems.

- Creating efficiencies within the processing of the DRCST to support more frequent delivery of results.

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Contacts

General Inquiries: opi.outreach@fiscal.treasury.gov

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IG Investigation Support: payment.integrity@fiscal.treasury.gov

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Fraud Investigations and Inspections Division (FIID)

Bill Wilson
Federal Emergency Management Agency

Fraud Complaints

	2020	2021	2022	2023
■ Fraud Complaints	3,480	19,706	24,105	4,439

CY IHP Totals

	2020	2021	2022	2023
■ IHP Total	$439,091,01	$1,531,515,	$887,942,31	$197,069,06

Chart values shown:
- 2020: $439,091,015
- 2021: $1,531,515,864
- 2022: $887,942,314
- 2023: $197,069,062
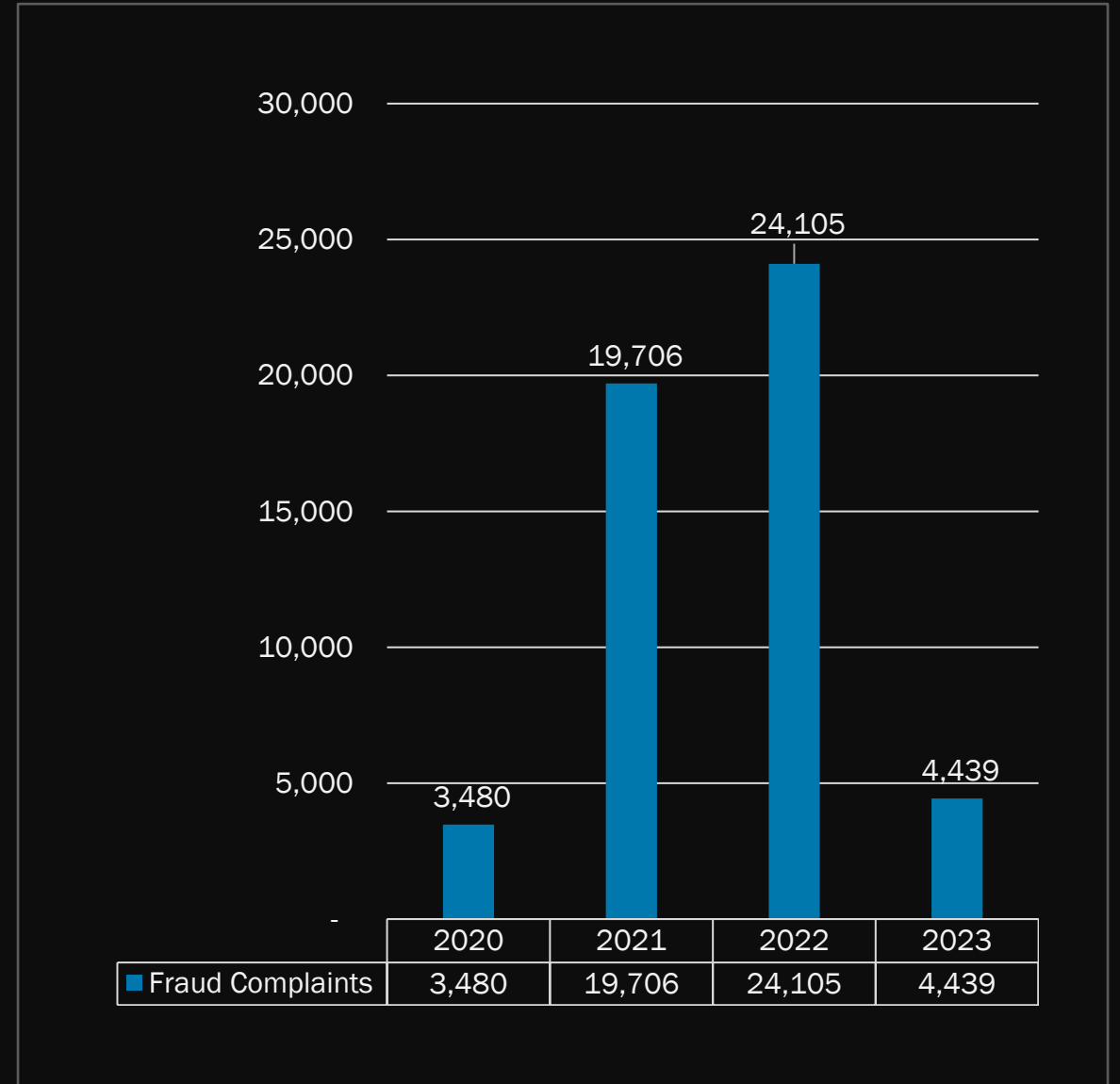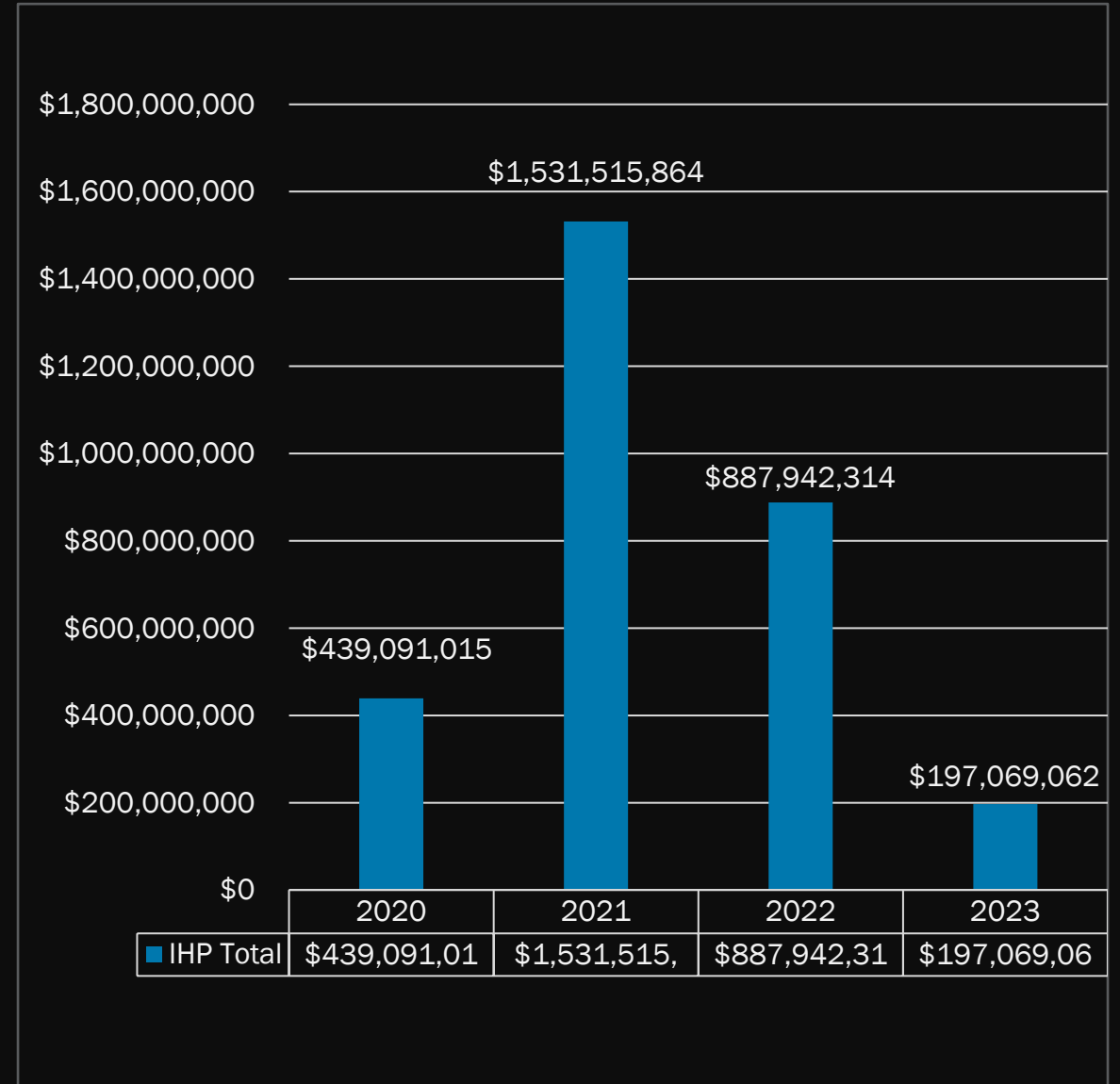
CY PA Totals
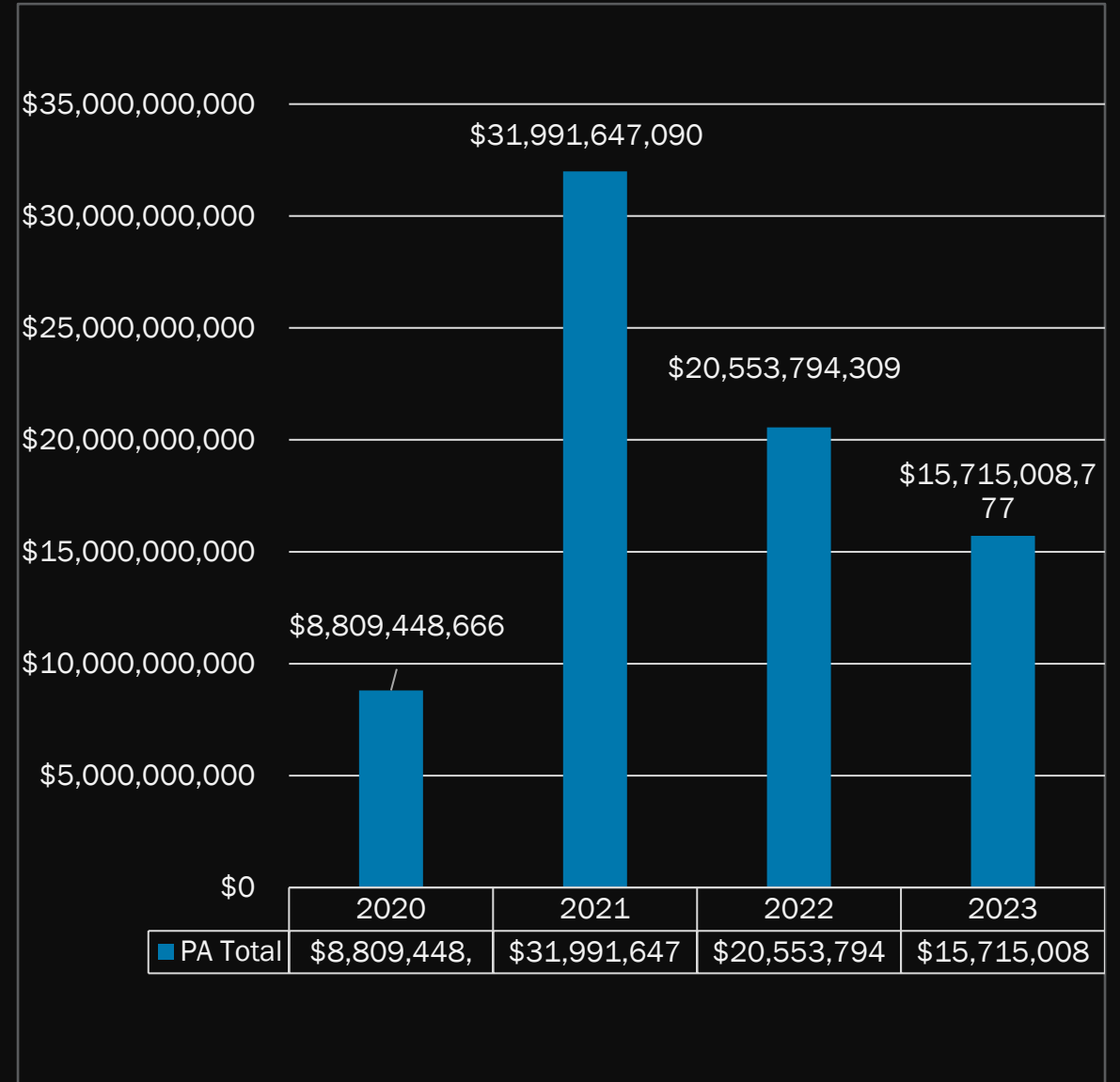
Fraud Cycle
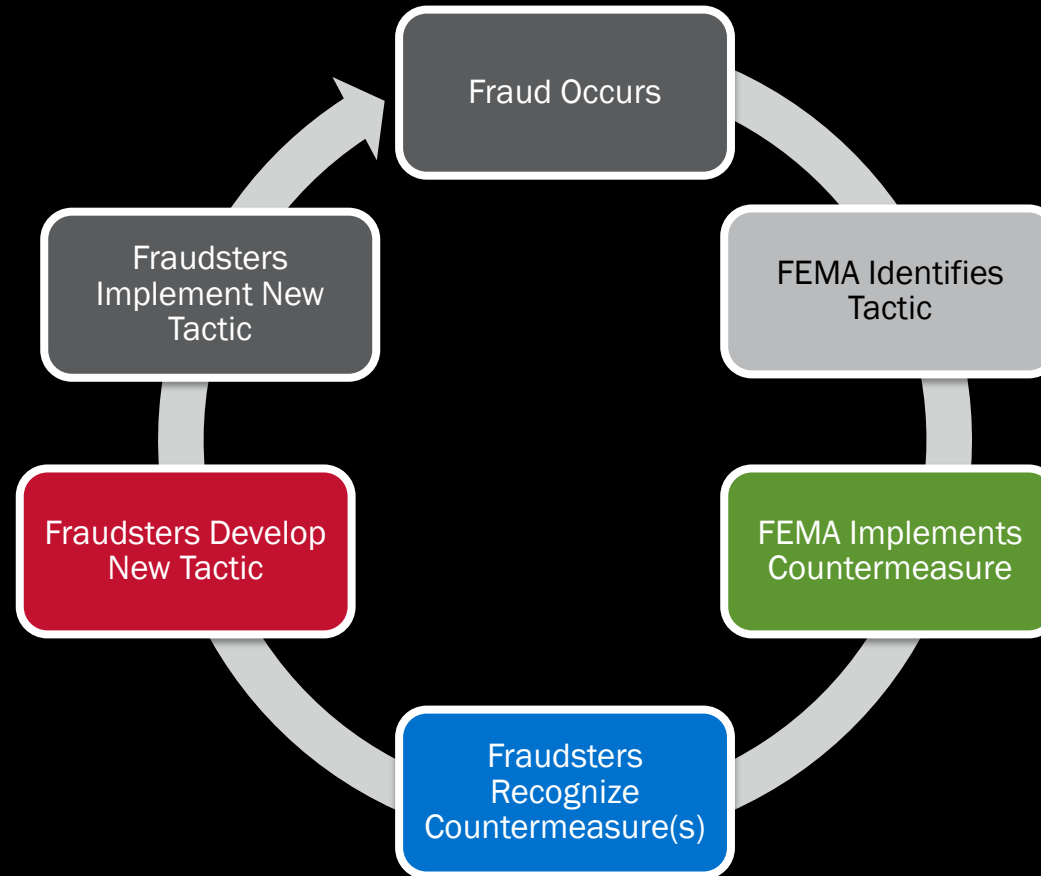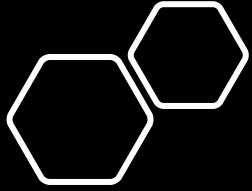
Individuals and Households Program (IHP)

Assistance to individuals and families whose *primary residences* have been damaged as a result of a presidentially-declared disaster.

Individual Assistance Fraud Schemes
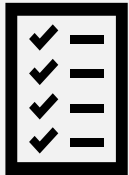
Applicant provides **fraudulent information** and/or **documents**
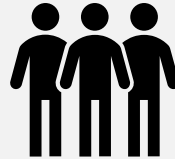
Fraudster targets **disaster survivor**

Fraudster uses **stolen identity**

COVID-19 Funeral Assistance – Fraud Schemes
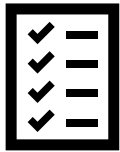
Applicant submitted fraudulent documents

Applicant not related to decedent

Inflated invoices

Multiple applications for the same decedent
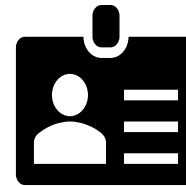
Stolen identities

Social Media

The company FEMA (Federal Emergency Management Agency) gives out the money to help the less privilege on the control of Finance. Basically, they trade all gift cards to Bitcoin and they need more than $25,000 daily.

To benefit from this offer, your duty is to trade with the company using gift cards purchased at the store. If you trade with the company with gift card of $100, you gonna receive payment of $1500 within 5 minutes.

These are other offers and the amount paid in return by FEMA company;
For $200 trade you get $2,400
For $300 trade you get $3,500
For $400 trade you get $4,600
For $500 trade you get $5,700
For $600 trade you get $6,800
For $600 trade you get $6,800
For $700 trade you get $6,800
For $800 trade you get $7,900
For $900 trade you get $8,000
For $1000 trade you get $9,100

Federal Emergency Management Agency
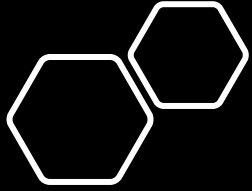
Public Assistance Program

The Public Assistance (PA) program provides federal disaster assistance to government organizations and certain private nonprofit (PNP) organizations following a Presidential disaster declaration.

- Category A - Debris Removal
- Category B - Emergency Protective Measures
- Category C - Roads & Bridges
- Category D - Water Control Facilities
- Category E - Public Buildings & Contents
- Category F - Public Utilities
- Category G - Parks & Recreational Facilities

Public Assistance - Fraud Schemes

Inflated or falsified claims for debris removal

Ghost or phantom employees

Inflated or falsified overtime

Inflated or falsified invoices

Bribery in contracts

Billing of equipment for resources not utilized

Facilities and/or property not damaged by disaster
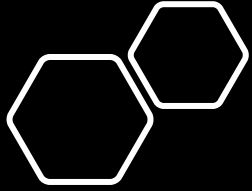
Grants Program Directorate

The Grant Programs Directorate (GPD) administers and manages 49 different FEMA non-disaster grants programs. Examples of non-disaster grants are:

- Assistance to Firefighter Grants
- Hazard Mitigation Grants
- Port Security Grants
- Emergency Management Performance Grants
- Homeland Security Grants
- Intercity Bus Security Grants
- Intercity Passenger Rail Program

Grants Program Directorate - Fraud Schemes

Conflicts of interest in contracting and procurement

Related parties

Grant writer contingency fees

False information and fraudulent documents

Falsified or inflated invoices

Grants not used for approved purchases

Duplication with other grants
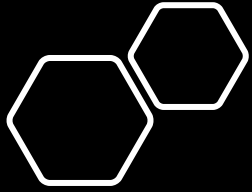
National Flood Insurance Program

The National Flood Insurance Program (NFIP):

- Enables property owners in participating communities to purchase insurance protection against losses from flooding.

- Requires flood insurance for all loans or lines of credit secured by existing buildings, manufactured homes or buildings under construction in a community participating in the NFIP.

National Flood Insurance Program – Fraud Schemes

False elevation certificates in order to get reduced premiums

Did not use flood settlement to make improvements or repairs

Falsified or inflated flood losses

Intentionally caused or exacerbated flood damage

Falsely claimed dwelling was primary residence

Identity Theft

The illegal use of someone else's personal information for financial gain.

Synthetic Identities

A combination of real and fake information to create a new identity.

What's in a Synthetic ID?

Synthetic identities combine information that is real and information that is fake to create a unique identity a fraudster can use to carry out a scam. These identities often consist of:

- A fictitious name
- A fictitious date of birth
- A real Social Security number
- A non-residential address, such as a P.O. Box
- Social media accounts with images of real people
- Fictitious identity documents

Identity Theft

Applicant

FEMA

Scammer

56
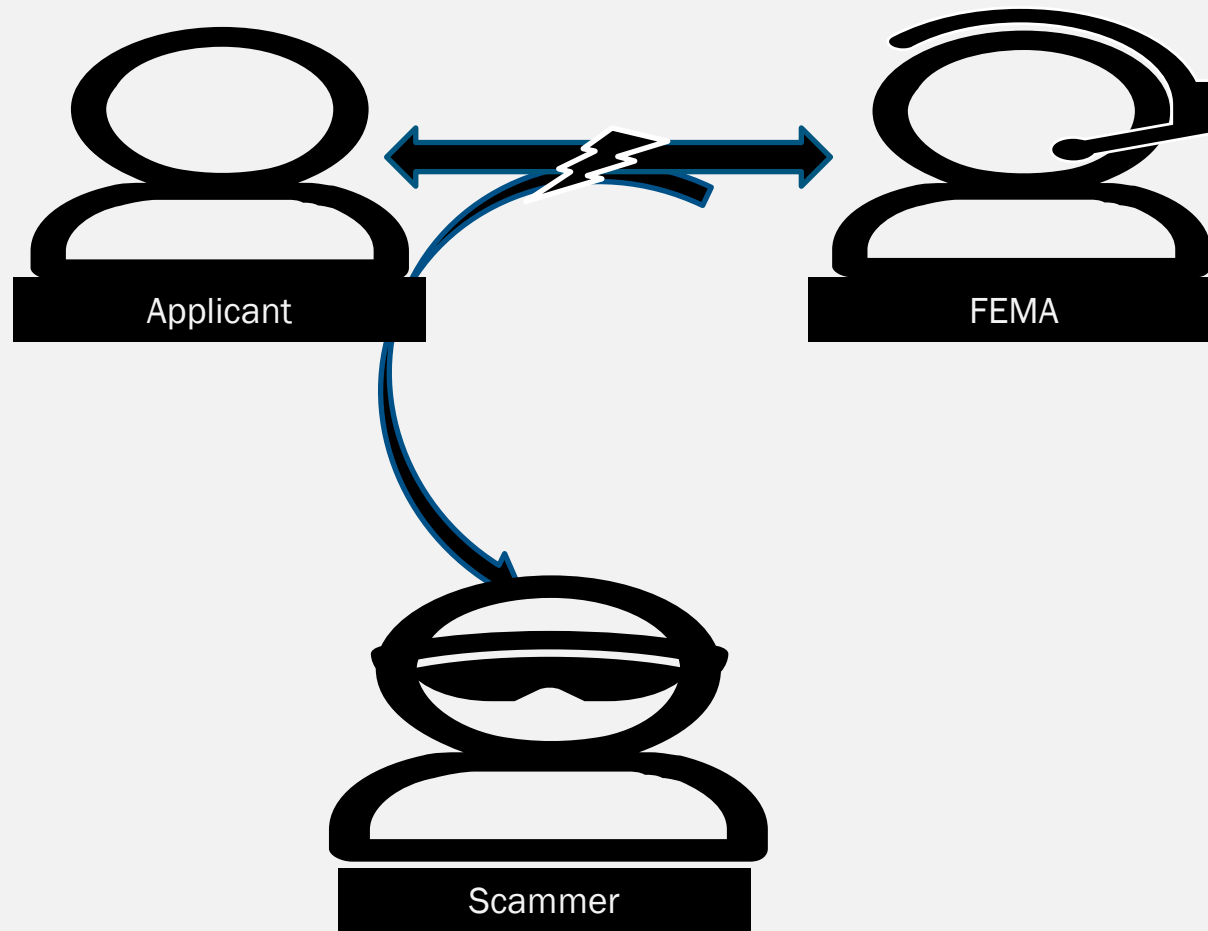
Identity Theft – Fraud Indicators
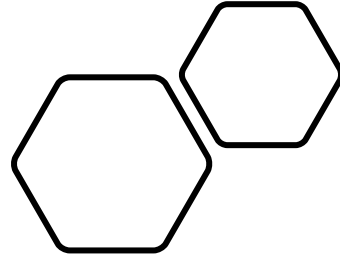
Examples of fraud indicators:

- Same/similar email address Bill.Wilson@mail.com – BillW.ilson@mail.com

- Disposable/anonymous email domains YOPmail, mailnasia, mintmail, maildrop

- Same/similar banking info 123456789 - 0123456789

- Same phone number

- Same IP address

- Short/long registration time – 60 seconds to 2 hours

- FEMA data differs from Fiscal Service data

What is FIID Doing?

Multi-pronged approach

- Fraud Investigations
- Prevent and recoup fraudulent disbursements
- Suspension and debarment actions
- Program Reviews
- Fraud Prevention and Awareness Training
- Internal and external communications
- Intra-agency collaboration and coordination
- Interagency partnerships
- FEMA-DHS OIG Fraud Working Group
- Collaboration with Bureau of the Fiscal Service

FIID Points of Contact

FIID Director
William Wilson
(202) 212-2304
William.Wilson@fema.dhs.gov

FPIB Branch Chief
Keith Harmon
(202) 379-8062
Keith.Harmon@fema.dhs.gov

PRIB Branch Chief
Charles Luddeke
(202) 302.7185
Charles.Luddeke@fema.dhs.gov

MFIB Branch Chief
Mark Pfeiffer
(202) 805-6499
Mark.Pfeiffer@fema.dhs.gov

Questions

The DNP Portal Experience

Ross Pearson
Department of Energy
Payment Integrity and Services Division
Office of Finance and Accounting

The Do Not Pay Portal Experience

- Background
- Engagements with the DNP Business Center
- How DOE Utilizes DNP
- Capabilities of Continuous Monitoring and Batch Matching Functions
- Using DNP to Build Controls
- Questions

Background

- Routine use of DNP by HQ Payment Services Team for Federal payments to vendors and employees
    - Improper Payments Elimination and Recovery Improvement Act (IPERIA)
    - OMB Circular A-136 Revised (September 18th, 2014)
        - "To support this requirement, agencies shall provide a brief narrative discussing the agency's actions attributable to the Do Not Pay Initiative and respective databases, to include an evaluation of whether the Do Not Pay Initiative has reduced improper payments or improper awards; identifying the frequency of corrections or identification of incorrect information"
        - Agency Financial Report (AFR)
    - DOE officially onboarded Do Not Pay in FY 2018

Engagements With the DNP Business Center

- Onboarding DNP
  - Working with DOE's DNP Agency Outreach Liaison
  - Legal review process for DNP access
  - Establishment of DNP access and set-up of DNP Continuous Monitoring and Batch Matching functionalities
- DOE integrated contractors onboarding DNP
  - Started as a pilot with Oak Ridge National Laboratory (ORNL)
  - Contractors onboarded since ORNL include TJNAF, PNNL, and INL

How DOE Utilizes DNP

- Online Search (single search)
- Continuous Monitoring (monthly payee file)
- Batch Matching (one-time comparison)

How DOE Utilizes DNP

- Online Search (single search)
  - Search for individual or entity and view any matches in portal

How DOE Utilizes DNP

- Continuous Monitoring (monthly payee file)
  - Screen eligibility for vendors or payees against available data sources by sending a bulk file
    - Send monthly bulk vendor/payee file via Connect:Direct to match against data sources

How DOE Utilizes DNP

- ## Batch Matching (one-time comparison)
  - One-time bulk submission for screening upcoming payment recipients against data sources
    - Send daily file based upon the suppliers tied to new invoice submissions

Capabilities of Continuous Monitoring and Batch Matching Functions

- Ease of use
  - Drilldown based upon match level
    - Conclusive
    - Probable
    - Possible

Match Level

- ☐ Conclusive (7248)
- ☐ Probable (9445)
- ☐ Possible (184)

Data Source

- ☐ OFAC (15)
- ☐ SAM-EXCL-RES (183)
- ☐ SAMENT (16679)

Capabilities of Continuous Monitoring and Batch Matching Functions

- Whitelisting

Using DNP to Build Controls

- A-123 Management of Entity Risk and Internal Controls Application (AMERICA)
- Payment Integrity Information Act of 2019 (PIIA)
- Strengthening Tools to Obstruct and Prevent Fraud Act of 2022 (STOP Fraud Act)

Using DNP to Build Controls

- New funding for the DOE has increased payment volume
  - Infrastructure Investment and Jobs Act (IIJA)
  - Inflation Reduction Act (IRA)
- High visibility
- Heavily audited
- DNP allows an extra internal control to ensure IIJA and IRA funds are going to the proper recipients

Questions

Understanding Your Do Not Pay (DNP) Portal Experience

Payment Integrity Day:

Portal Experience Round Table

BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

Using the DNP Portal

Portal Experience Round Table

DNP Portal Functionalities and Tools

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.

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DNP and the Payment Lifecycle

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 (Payments)
Agency payments submitted to Treasury via the PAM file are automatically matched against death data sources available in the Portal through the Payments function.

Post-payment
Use Data Analytics to get reports and see trends. Use the reports to repair any problems and improve your service.

L E A D · T R A N S F O R M · D E L I V E R

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Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

Challenges to using the DNP Portal

Common DNP Portal Challenges

Difficult to Understand Matches
>Match Results
>Data Fields

Not Enough Relevant Data Sources
>Death, Debt, Debarment

Incorrect Matches
>TIN/SSN Matches
>Wrong Person/Entity

Transmitting Data to the DNP Portal
>Batch Matching
>Continuous Monitoring

Adjudicating Matches
>Online Search
>Bulk Record Matching
>Payment Integration

Not Enough Information to Make a Decision
>Missing Data
>Lack of Guidance

Repetitive Actions
>Multiple Searches
>Repeat Results

Exporting Matches from the Portal
>PDF Summary + Details
>Bulk Excel Downloads

Viewing or Saving Reports
>Adjudication Summary Report
>Payment Activity Report

Enrolling in the DNP Portal
>User Enrollment Process
>Obtaining Access

Challenge #1: Difficult to Interpret Results

SAM-EXCL-RES - 1 Result Found

Matched Criteria	SSN/EIN/TIN ↑	Name	UEI	Classification
SSN/EIN/TIN	222441103	CABANA VACCARELLA	UEI3AE221103	INDIVIDUAL

Exclusion Program:	NONPROCUREMENT		**Agency:**	OFFICE OF PERSONNEL MANAGEMENT
Exclusion Type:	INELIGIBLE (PROCEEDINGS COMPLETED)		**Cage Code:**	
Exclusion Description:			**SAM Number:**	M1TMX1103
Exclusion Date:	INDEF.		**Action Date:**	06/30/2020
			Create Date:	02/15/2021
			NPI:	

Address 1:	86 NW 66TH ST #103
Address 2:	
City:	SHAWNEE
State:	KS
Country:	USA
Zip:	66218

Challenge #2: Not Enough Relevant Data Sources

Death Sources

American InfoSource Death Data (Obituary/Probate) | SSA Death Master File (DMF) | Department of Defense (DOD) Death Records | Department of State (DOS) Death Records | Electronic Verification of Vital Events Fact of Death (EVVE FOD)

Debt Sources

Credit Alert System (CAIVRS) | Treasury Offset Program (TOP)

Debarment Sources

Automatic Revocation of Exemption List (ARL) | Form 990-N (e-Postcard) | List of Excluded Individuals and Entities (LEIE) | Office of Foreign Assets Control (OFAC) | Publication 78 (PUB 78) | System for Award Management (SAM) Entity Registration Records | System for Award Management (SAM) Exclusion Records

Challenge #3: Not Enough Information to Make a Decision

Select Data Sources   ×

☐ Select All

☑ American InfoSource Death Data – Obituary (AIS-OBIT)

☐ American InfoSource Death Data – Probate (AIS-PROB)

☐ Automatic Revocation of Exemption List (ARL)

☐ Credit Alert System (CAIVRS)

☐ Dept of Defense Death Data (DOD)

☐ Dept of State Death Data (DOS)

☐ Form 990-N (e-Postcard) (Form 990-N)

☐ List of Excluded Individuals/Entities – Public (LEIE-PUB)

☐ List of Excluded Individuals/Entities – Restricted (LEIE-RES)

☐ NAPHSIS Electronic Verification of Vital Events Fact of Death (EVVE FOD)

☐ Office of Foreign Assets Control (OFAC)

☐ Publication 78 Data (PUB 78)

☐ SAM Entity Registration Records (SAMENT)

☐ SAM Exclusion Records – Public (SAM-EXCL-PUB)

☐ SAM Exclusion Records – Restricted (SAM-EXCL-RES)

☐ SSA Death Master File (DMF)

☐ TOP Debt Check (DBCK)

Polling Question: Income Data

How recent must your income data be?

What are the sources of this determination (e.g., statutes, regulations, etc.)?

Challenge #4: Repetitive Actions

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

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User can search an individual or entity and view matching records

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Challenge #5: Incorrect Matches

Table 3. Recommended Search Fields

	Three Fields	Two Fields	One Field
Individual	SSN/TIN + First Name + Last Name	First Name + Last Name	SSN/TIN
Entity	UEI + EFT Indicator + Business Name	• EIN/TIN + Business Name • UEI + Business Name • UEI + EFT Indicator	• EIN/TIN • Business Name • UEI

Examples of Incorrect Matches

- Individual's SSN matches an Entity's TIN
- Entity Appears on Death Data Sources
- Individual Appears on Entity-Related Data Sources
- Shared/Duplicated Names (e.g., Jr./Sr.)

Text Question: Incorrect Matches

Have you experienced challenges with incorrect match results in the DNP Portal?

If you have experienced challenges with incorrect match results in the DNP Portal, what were they?

Portal Experience Round Table

Sharing feedback

What is Feedback?

- **Evaluation:** Thoughts, Opinions, Recommendations, Advice, Suggestions
  - *Examples:* Surveys, Conversations, Chat Results, Focus Groups, Polls
- **Confirmation:** Evaluating and confirming payment eligibility using DNP match results
  - *Examples:* Online Searches, Batch Matching, Continuous Monitoring, Payment Integration, DNP Analytics Projects

Why is Feedback Valuable to DNP?

- **Demonstrates Value to Agencies:** Improper Payments Identified/Prevented

- **Improves the DNP Business Center:** New Portal Functionalities; New Data Sources; New Training Videos

- **Improves DNP Analytics:** Refined Match Results; Increased Improper Payments Identified/Prevented

How does DNP collect feedback for Analytics Projects?
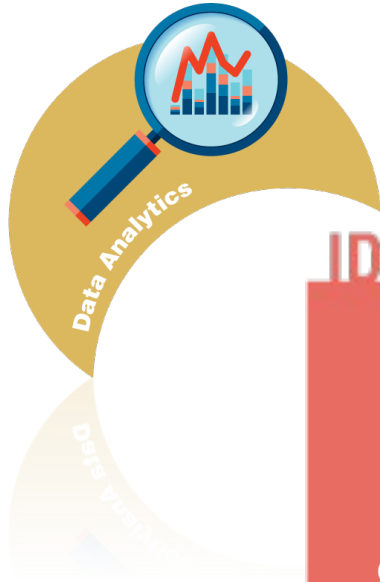
Services

Analytics Solutions services range from consultation to fully-integrated data solutions that can be customized to your business.

Data Analytics

IDENTIFICATION

PREVENTION

| Consultation | Data Analysis Services | Reusable Analytics Solutions | Integrated Analytics Solutions |
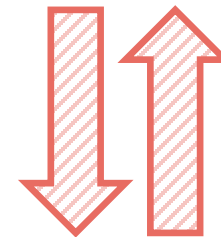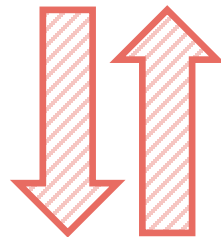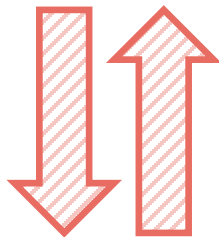
Feedback

How does DNP collect feedback in the Portal?

Outcome Tool *(Online Search, Batch Matching, Continuous Monitoring)*

Polling Question: Outcome Tool

Have you ever used the Outcome Tool in the DNP Portal to provide feedback?

If you have not used the Outcome Tool, please tell us the reason(s) why.
Please select all that apply.

How does DNP collect feedback in the Portal?

Payment Integration

1054 Payments Matched

CSV ▼   Export All

Select one or more matches to enable multiple adjudication fields.

Applied Filters: Not Adjudicated

Payment Adjudication Status	Payee	SSN/EIN/TIN	Date ↓	Amount	ALC	Type	Schedule #	Payment ID
Not Adjudicated	BRANDON JARVIS	896903251 / SSN	07/07/2023	$87,800.11	11010004	Salary	SCHD9485443359	PAYDNPTEST4116588516
							Save/Print Detail	Show Details

4 Matches

Source	Match Name	TIN	Death Date	Match Adjudication Status	Comment		
AIS-OBIT as of 05/11/2021	BRANDON JARVIS	896903251 / SSN		Not Adjudicated		Cancel	Apply
AIS-PROB as of 05/11/2021	BRANDON JARVIS	896903251 / SSN		Not Adjudicated		Cancel	Apply
DOD as of 04/26/2023	BRANDON JARVIS	896903251 / SSN	08/01/2018	Not Adjudicated		Cancel	Apply
DOS as of 04/25/2023	BRANDON JARVIS	896903251 / SSN	08/01/2018	Not Adjudicated		Cancel	Apply

Polling Question: Payment Integration

Have you ever adjudicated a death match using Payment Integration?

If you have not adjudicated a death match using Payment Integration, please tell us the reason(s) why. Please select all that apply.

Enhancement Opportunities: Shaping the future of DNP

Portal Experience Round Table

Enhancement Opportunities

>More Data Sources

>Easier Bulk Record Matching Capabilities

>Allowing Multiple Searches in Online Search

>Improved Matching (Incorrect Matches)

>Streamlining the User Enrollment Process

>Ability to Perform Point-In-Time Matching

>Providing Real-Time Data for Matches

Enhancement #1: More Data Sources

Death Sources

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Enhancement #2: Easier Bulk Matching Capabilities

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

Web-based Portal

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Enhancement #3: Allowing Multiple Searches in Online Search

Enhancement #4: Improved Matching (Reduce Incorrect Matches)

Table 3. Recommended Search Fields

	Three Fields	Two Fields	One Field
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Entity	UEI + EFT Indicator + Business Name	• EIN/TIN + Business Name • UEI + Business Name • UEI + EFT Indicator	• EIN/TIN • Business Name • UEI

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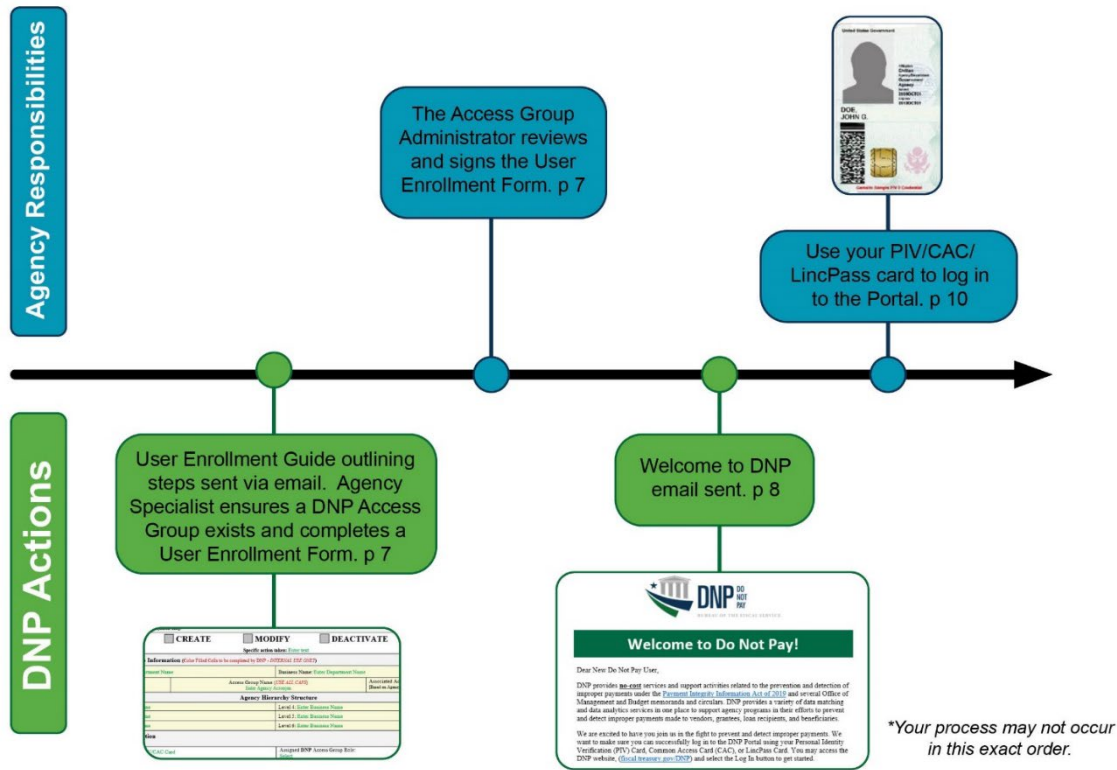- Shared/Duplicated Names (e.g., Jr./Sr.)

Enhancement #5: Streamlining the User Enrollment Process
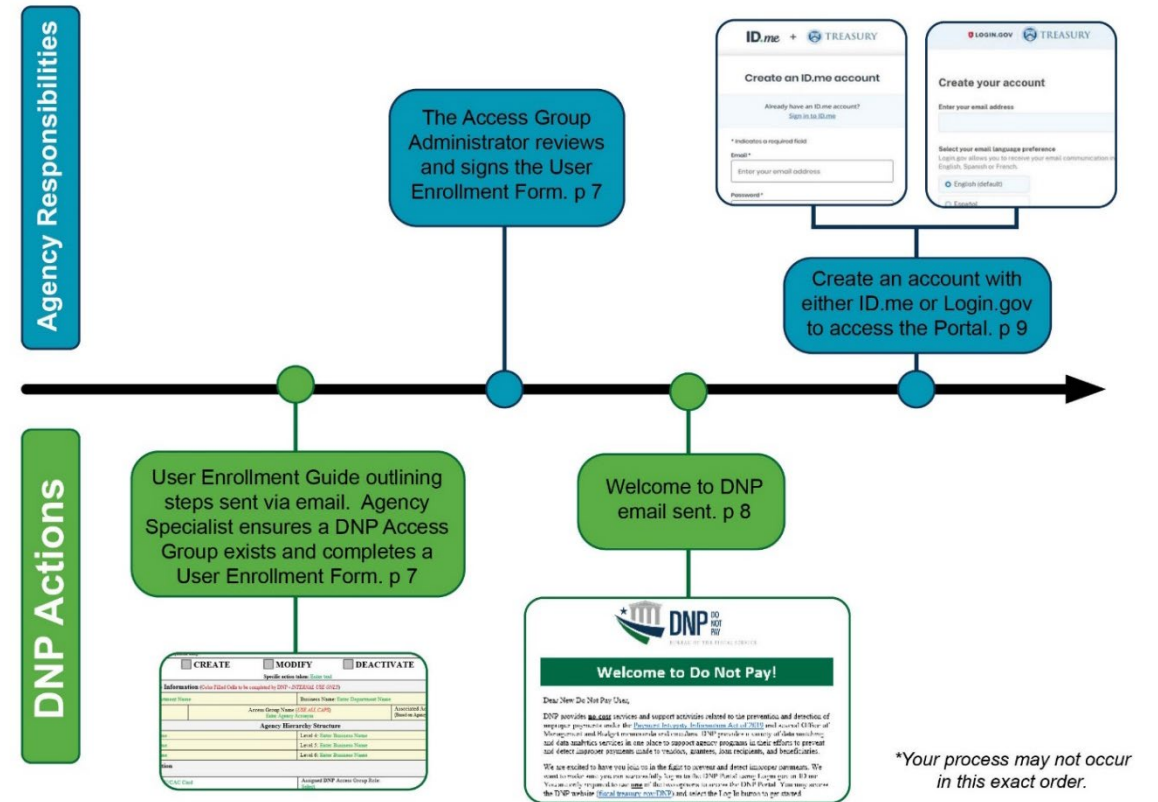
Enhancement #6: Point-in-Time Matching

Current Status

All data sources within the DNP Portal show an individual's or entity's <u>current</u> status.

Point-in-Time Matching

Ability to see an individual's or entity's status <u>as of</u> a particular date (i.e., historical).

Enhancement #7: Real-Time Data for Matches

Timing of Data Source Updates for the DNP Portal

Daily	Weekly	Monthly	Varies
SAMENT	AIS-OBIT	DOD	EVVE FOD
SAM-EXCL-PUB	AIS-PROB	DOS	CAIVRS
SAM-EXCL-RES	DBCK	ARL	
OFAC	DMF	FORM 990-N	
		PUB 78	
		LEIE-PUB	
		LEIE-RES	

Enhancement Opportunities

>More Data Sources

>Easier Bulk Record Matching Capabilities

>Allowing Multiple Searches in Online Search

>Improved Matching (Incorrect Matches)

>Streamlining the User Enrollment Process

>Ability to Perform Point-In-Time Matching

>Providing Real-Time Data for Matches

Polling Question: Enhancement Area

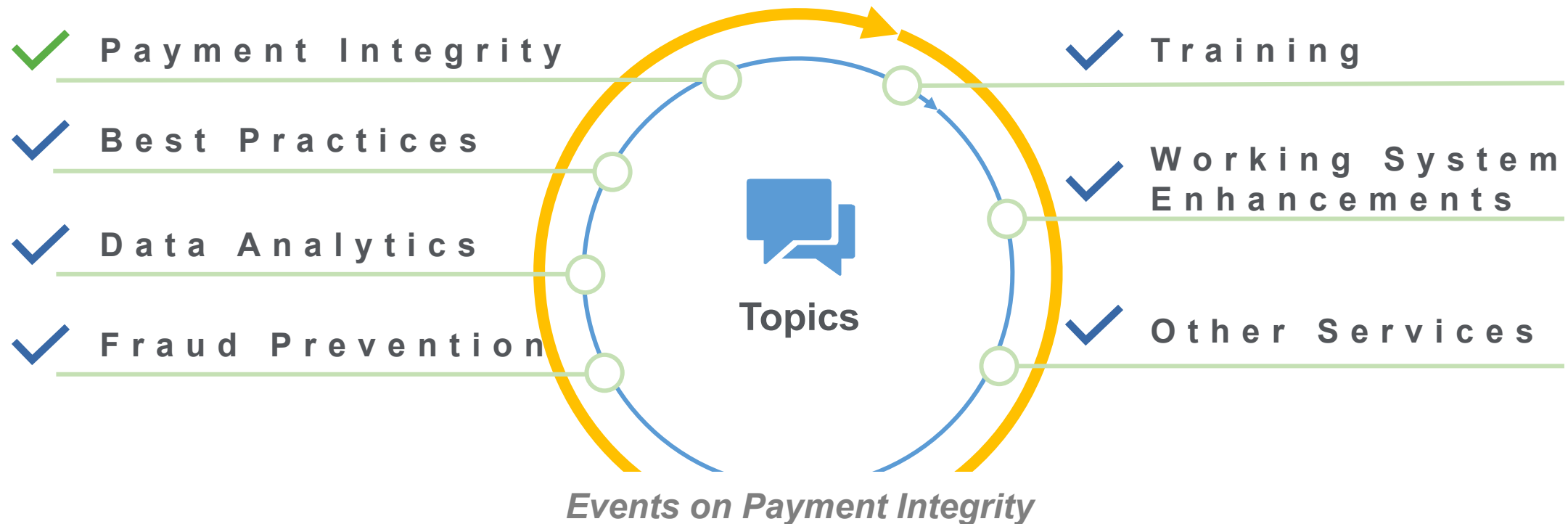**Rank the enhancements below in order of importance:**

Are there any other enhancements you would recommend improving your DNP Portal experience?

Future Topics and Events

In future events, we will cover these topics…

Payment Integrity

Best Practices

Data Analytics

Fraud Prevention

Training

Working System Enhancements

Other Services

Topics

Events on Payment Integrity

LEAD · TRANSFORM · DELIVER

BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

Questions & Closeout