6. PAYMENT INTEGRITY

The Administration has made protecting taxpayer money a top priority, which includes making sure the money is serving its intended purpose. This chapter describes proposals aimed at bolstering Federal payment integrity and public trust in Government by reducing improper payments that result in a monetary loss. The strategic vision of the Administration is to get payments right by taking appropriate actions at the front end to prevent improper payments from being made.

The proposals in this chapter are intended to significantly reduce Government-wide improper payments through increased data access, additional legal and regulatory authorities, increased use of analytic tools and shared solutions, improved pre-payment reviews, and simplification of eligibility determination requirements. If adopted, these proposals will improve the effectiveness of Federal programs while providing better stewardship of taxpayer resources.

Maintaining integrity of Federal programs is essential to sustaining public trust in Government. Accordingly, the Administration supports a number of legislative and administrative reforms to help prevent improper payments with priority given to the prevention of improper payments that result in a monetary loss. Specifically, the Budget includes concrete payment integrity proposals to save $182 billion over 10 years (see Table 6–1).

I. IMPROPER PAYMENT PREVENTION

The proposals detailed in this chapter include significant reforms to ensure that taxpayer dollars are spent correctly by expanding oversight and enforcement activities in the largest Federal benefit programs such as Child Nutrition, Earned Income Tax Credit (EITC), Federal Employees' Compensation Act (FECA), Medicaid, Medicare, Pell Grants, Social Security, Supplemental Nutrition Assistance Program (SNAP), and Unemployment Insurance (UI). These proposals seek to maximize savings to the Government, while also considering and balancing costs, risks, and program performance in establishing a tolerable level of improper payments.

In addition, the Administration will continue to identify areas where it can work with the Congress to further enhance efforts to detect, prevent, and recover improper payments, to include identifying ways to improve the Federal Government's capacity to validate individual and entity identities and to improve entitlement verification methods.

Monetary Loss Prevention

While Government and other reports about improper payments in Federal programs can erode citizens' trust in Government, not all reported improper payments result from fraud and some of the payments reported as improper do actually represent payments that should have been made. The term "improper payment" consists of two main components (1) improper payments resulting in a monetary loss to the Government and (2) improper payments that do not result in a monetary loss to the Government. Monetary loss occurs when payments are made to the wrong recipient and/or in the wrong amount. Improper payments that do not result in a monetary loss include underpayments and payments made to the right recipient for the right amount, but the payment was not made in strict accordance with statute or regulation.

Although working to reduce all improper payments is an important goal, the Administration has made the prevention of improper payments resulting in a monetary loss its highest priority. The Office of Management and Budget (OMB) released the Getting Payments Right[1] Cross Agency Priority (CAP) goal as part of the President's Management Agenda in March 2018. This CAP goal is focused on reducing monetary loss by making payments correctly the first time. Establishment of this CAP goal led to exceptional collaboration across the Federal Government by sharpening the focus of the Government efforts to prevent improper payments resulting in monetary loss. During 2019, this CAP goal improved the prevention of improper payments through five main strategies: (1) clarifying and streamlining requirements, (2) identifying true root causes of the monetary loss, (3) strategic data use for pre-payment eligibility validation, (4) scaling successful mitigation strategies, and (5) strengthening partnerships with States. Notable accomplishments include improving the transparency of payment integrity data on paymentaccuracy.gov, identifying 160 new data sets currently being used by Federal Programs for precheck of payment eligibility, identification of root causes of monetary losses across 57 programs, and identification of eight mitigation strategies with the potential for broad impact across multiple programs.

[1] https://www.performance.gov/CAP/CAP_goal_9.html

II. PROPOSALS FOR GOVERNMENT-WIDE PAYMENT INTEGRITY IMPROVEMENT

Historically, and for a variety of reasons, the Federal Government addressed improper payments broadly, placing similar efforts toward addressing process errors that do not result in a payment to the wrong recipient or in the wrong amount as those payments that result in a monetary loss. Agencies responded to numerous improper payment requirements – often to comply with prescriptive laws and regulations or in response to audit reports and other questions about reported improper payments. In some cases, agencies spent more time complying with low-value activities than researching the underlying causes of improper payments and building the capacity to help prevent future improper payments. The Getting Payments Right CAP goal is geared toward improving payment integrity by preventing improper payments that result in monetary loss. Proposals that impact the prevention of improper payments across multiple agencies are a critical part of the 2021 Budget. Implementation of these proposals will significantly improve agency capacity to prevent improper payments and thus bolster the integrity of Federal programs.

Reducing improper payment reporting burden through changes to the Improper Payments Information Act of 2002 (IPIA), as amended.— Focusing on the prevention of monetary loss, using compliance criteria to drive desired behaviors and outcomes, and improving transparency and reporting will reduce improper payments and improve payment integrity in the Federal Government. The 2021 Budget proposes making explicit changes to existing improper payment laws intended to have agencies re-direct resources from complying with low-value activities to activities that will prevent improper payments resulting in monetary loss. Through the reinvestment of resources available as a result of the risk-based approach for burden reduction, agencies will strategically focus on implementing measures that directly address the prevention of improper payments resulting in monetary loss. Examples of changes that will improve burden reduction and allow agencies to redirect resources to improving prevention of improper payments resulting in monetary loss include:

- ***Target risk assessment resources for highest risk programs.*** Specifically, under the Improper Payments Elimination and Recovery Act of 2010 (IPERA) Section 2, reduce the burden for low risk programs by including a threshold for the periodic review of all programs and activities. Currently agencies expend too many resources assessing payments that have a minimal impact on enhancing payment integrity. Revising the threshold for improper payments review to any program or activity with an annual outlay over $100 million would reduce the number of risk assessments Government-wide by 60 percent and yet only reduce the dollar amount of payments assessed by one percent. This proposal is estimated to save $121 million over 10 years.

- ***Clarify the definition of improper payments.*** The Budget proposes isolating the items with documentation or procedural errors as control deficiencies and including a provision addressing program statutes that cause otherwise proper payment to be classified as improper. Agencies are currently required to place too much emphasis and effort on reporting improper payments that do not result in a monetary loss, such as payments that simply lacked complete documentation but would have been made regardless of those errors. In addition, an improper payment should not include any overpayment that is the result of a statutory requirement to pay benefits or to continue to pay benefits by a specified period when all necessary information has not been received due to statutory barriers. This would give agencies the ability to wait to count a payment as proper or improper until after the statutory due process specified in the program has occurred. This proposal is estimated to save $978 million over 10 years.

- ***Streamline reporting requirements to reduce burden.*** Specifically, the Budget proposes changes to the IPERA Section 2 to change an annual November 1 report so that the information can be included in an Agency Annual Financial Report or Performance and Accountability Report (which is typically November 15) to eliminate the need for agencies to produce two separate reports. This proposal is estimated to save $14 million over 10 years.

- ***Remove reporting of aging and disposition of recaptured amounts.*** Under IPERA Section 2, the Budget proposes removing the requirement for agencies to report an aging schedule of the amount of identified improper payments outstanding and a summary of how the recovered amounts have been disposed of. Reporting this information is burdensome and does not drive the prevention of improper payments. This proposal is estimated to save $88 million over 10 years.

- ***Remove requirement to set recovery audit targets.*** Under IPERA Section 2, the Budget proposes removing the requirement for reporting targets for recovered amounts as the reported information does not drive the prevention of improper payments and is a burdensome requirement that is often outside of the immediate agency control. This proposal is estimated to save $5 million over 10 years.

- ***Allow reporting to adapt to needs of Government and the public.*** Under IPERA Section 2, allow for reporting of payment integrity information to adapt to the changing needs of the Government and public for reporting transparency by removing the specific mandate that the information must be reported in the annual financial statement. This allows agencies to eliminate duplicative reporting requirements and ensure that the information is reported in a manner that provides the most transparency and easy accessibility. This proposal is estimated to save $249 million over 10 years.

- ***Clarify compliance requirements for IPERA to improve improper payment prevention and reduction.*** Specifically, the Budget proposes to remove burdensome compliance criteria under IPERA Section 3 that do not drive the appropriate behavior for prevention of improper payments resulting in monetary loss such as the compliance criteria to; publish an annual financial statement, conduct a risk assessments , and reported an estimate below an arbitrary number of 10 percent. Under IPERA Section 3, we propose the criteria to set and meet a reduction target should be modified so that that the program will be considered compliant if it is demonstrating improvement. This moves the requirement away from an estimation exercise and toward driving for improved improper payment rates. This proposal is estimated to save $63 million over 10 years.

- ***Reduce risk assessment burden by clarifying assessment method type.*** Specifying under IPIA Section 2 clarifying that the risk factors are only for programs and activities performing a qualitative risk assessments. This is an important distinction as the programs and activities that perform a quantitative risk assessment will be developing an improper payment estimate to determine whether the program is susceptible to significant improper payments under statute (which is the main goal of the risk assessment). Requiring programs and activities to also consider and document the other numerous factors is burdensome and unnecessary. This proposal is estimated to save $53 million over 10 years.

- ***Specify which programs should be assessed for compliance annually by the Office of Inspectors General (OIG) and the compliance review frequency.*** The Budget proposes changing IPERA Section 3 to require OIGs to evaluate only programs and activities that are susceptible to significant improper payments by statute for compliance with the law. This will reduce burden for both OIGs and agencies. The rationale is that programs and activities below the statutory threshold for susceptibility to significant improper payments are not required to be reporting improper payments estimates, therefore finding a program non-compliant because they missed a reduction target when they are already below the acceptable threshold established under statute is counterproductive and creates extra burden for the OIG and the agency. This will ensure agencies and OIGs are focusing resources on the areas that have the highest risk to the Government. Additionally, under IPERA Section 3, the Budget proposes allowing the OIGs to evaluate for compliance on an every other fiscal year basis for programs that have been compliant with the law requirements for two consecutive years. This will allow resources to be directed to improving the compliance of non-compliant programs rather than spending resources to annually review programs that are at low risk for improper payments. This proposal is estimated to save $87 million over 10 years.

- ***Increase interagency collaboration and reduce burden of duplicate working groups.*** The Budget proposes replacing requirements for narrowly focused working groups such as that required in the Fraud Reduction and Data Analytics Act of 2015 with a requirement for an interagency payment integrity working group. This change allows for sharing and collaborating about payment integrity rather than narrowly focusing on fraud or other topics from a narrow perspective. This change will allow for statutorily required working groups to modify their focus and structure so that they are better equipped to strengthen overall payment integrity and take a more holistic view of improper payments and fraud. Creating narrowly defined working groups legislatively, while well intended, increases burden and prohibits agencies from taking a more risk based approach to the problem and adapting the strategy to address emerging areas needing attention. This proposal is estimated to save $19 million over 10 years.

- ***Increase the threshold of significant improper payments.*** Giving the Office of Management and Budget the authority to adjust the dollar threshold of "significant" every five years for inflation to ensure that the threshold remains relevant. This proposal is estimated to save $408 million over 10 years.

- ***Reduce the burden of Recovery Audit Assessments***. Under IPERA Section 2, the Budget proposes to increase the recovery audit threshold from $1 million to $100 million or more if conducting the audits would be cost effective. This increase will reduce the amount of time and resources programs are currently spending on documenting that the recovery audits with programs below this threshold are not cost-effective. This proposal is estimated to save $25 million over 10 years.

- ***Direct improper payment recoveries to prevention activities***. Under IPERA Section 2, the Budget proposes to strike the current disposition of recaptured funds allocation requirements and replace them with a requirement to use improper payment recoveries to specifically improve the prevention of improper payments resulting in monetary loss. It is most cost effective for the law to be structured so that agencies will prioritize the prevention of improper overpayments rather than providing incentives for recovering overpayments. This proposal is estimated to save $2 billion over 10 years.

- ***Improve accountability and transparency for material programs.*** To improve accountability and transparency in programs, the Budget proposes adding a requirement for managers of high-priority Federal programs to meet with the Director of the Office of Management and Budget at least once a year to discuss actions taken or planned to prevent improper payments within their programs.

Improve access to data for the Do Not Pay (DNP) Business Center.—Government-wide efforts to improve payment accuracy include increased access to data and better matching services to help detect, prevent, and recover improper payments. Agencies making Federal payments currently do not have the same capacity or access to information needed to prevent, identify, and recover improper payments due to the fragmented nature of Federal mission support functions. The Administration continues to pursue opportunities to reduce improper payments through improving information sharing among agencies and by developing or enhancing policy guidance, ensuring privacy protection, and developing legislative proposals to leverage available information and technology to help validate recipient identity and benefit eligibility. The Budget proposes legislation to enhance the Government's capacity to identify, detect, and prevent fraud and improper payments across all Federal programs and activities. Collectively the DNP proposals below will identify an estimated $21.06 billion of improper payments over 10 years. Examples of efforts that will improve data analytics for payment integrity improvement include:

- ***Provide the DNP Business Center the authority to include publicly available data sources for review.*** The Budget proposes providing the DNP initiative the authority under the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) Section 5, to expedite designating publicly available data sources for the purposes of identifying, preventing, and reducing improper payments. This would shorten the timeframe between a request for designation and the acquisition of publicly available data sources and increase the identification and prevention of improper payments across the initiative. This proposal is estimated to increase the improper payments identified by $35 million over 10 years.
- ***Eliminate constraints on the DNP Business Center to work with States on improper payments.*** This effort would allow the DNP Business Center to work with Federally funded State administered programs, State auditors, or other State entities that play a role in preventing and detecting improper payments in these programs. This proposal is estimated to increase the improper payments identified by $21 billion over 10 years.
- ***Allow the DNP Business Center full access to the Social Security Administration (SSA) full death file***. This proposal would include the Department of the Treasury (Treasury) and the SSA working together to determine the most efficient manner to make full death information available for use in preventing improper payment and fraud. Outcomes of this work could range from obtaining authority for Treasury to serve as a central repository for such information to crafting the required legislative language to ensure the SSA can share its full file of death information—including State-reported death data—with Federal law enforcement agencies, and with Treasury's DNP Business Center. This proposal is estimated to increase the improper payments identified by $25.3 million over 10 years.

III. PROPOSALS FOR PROGRAM-SPECIFIC PAYMENT INTEGRITY IMPROVEMENT

In addition to including proposals that will reach across the Government-wide enterprise to tackle the improper payment problem, it is also critical to pursue program specific proposals aimed at preventing improper payments.

Department of Agriculture

The 2021 Budget demonstrates the Administration's commitment to reducing payment error and ensuring the Department of Agriculture's (USDA) nutrition assistance benefits go to the intended recipients. The Budget proposes increasing and improving verification of information reported on household applications for benefits, and strengthening use of technology to prevent improper payments in the SNAP and Child Nutrition Programs. Administrative application processing errors and errors in household reporting are the most common causes of improper payments in these programs. The proposals would result in more than $1.5 billion in savings over 10 years.

Supplemental Nutrition Assistance Program.—

- ***Improve income verification.*** The Budget is requesting an additional $380 million in administrative funding to implement a nationwide contract for electronic income verification in SNAP. This proposal builds upon the 2020 Budget request to evaluate and implement best practices related to electronic data matching through existing data sources, such as the Work Number. The Budget requests administrative funds to implement the contract at the Federal level in order to achieve standardized pricing and economies of scale, however the proposal overall is expected to reduce improper payments and lead to a reduction in mandatory outlays of $787 million, resulting in a net savings of $407 million over 10 years.
- ***Implement National Accuracy Clearinghouse nationwide.*** In order to prevent duplicate participation in SNAP, the Budget requests $23 million to implement an interstate data system known as the National Accuracy Clearinghouse (NAC). Building upon the success of the 5-State NAC pilot as well as the support included in the 2020 appropriations, this nationwide system would allow for real-time data matching of SNAP applicant and participant information in order to prevent the issuance of benefits in more than one State simultaneously. This proposal is estimated to have a net savings of $658 million over 10 years due to the anticipated reduc-

tion in improper payments associated with use of the Clearinghouse.

Child Nutrition Programs.—

- ***Increase school meal verification to eight percent.*** The Budget proposes increasing the number of household applications for free and reduced price meal benefits that schools participating in the National School Lunch and School Breakfast Programs must annually verify. Currently, the Richard B. Russell National School Lunch Act limits verification to a maximum of three percent of all applications or 3,000 "error prone" applications. This limit restricts the ability of USDA, States, and LEAs to identify and reduce payment error. This proposal would increase the verification limit to eight percent of applications with reduced requirements for high performing schools. This proposal saves $464 million over 10 years.

Department of Education

The 2021 Budget supports ongoing efforts and builds on recent legislative success to identify and prevent improper payments in the Pell Grant program. The President recently signed the Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act, which will help ensure the accuracy of income information used for determining Pell Grant eligibility. One of the primary causes of improper payments in the Pell Grant program is failure to accurately verify financial data. The FUTURE Act provides an exception to the Department of Education from restrictions of Section 6103 of the Internal Revenue Code to allow the Department to more easily receive income tax data from the IRS, thereby simplifying and improving the accuracy of Free Application for Federal Student Aid filing by prepopulating certain fields. This exception will also allow borrowers to more easily recertify their income to stay enrolled in Income Driven Repayment plans. The FUTURE Act closely reflects the proposal to reduce improper payments put forth in the 2020 Budget.

The Department of Education will also continue to utilize sophisticated statistical techniques to more efficiently target student aid recipients for verification of eligibility for aid as well as target its program compliance reviews at schools with the greatest risks of improper payments. Pell Grant improper payments that result in monetary loss are most frequently the result of administrative errors by schools, including distribution of funds to ineligible students or in incorrect amounts based on a students' eligibility. In addition to the ongoing administrative actions Education is taking, the Budget proposes to:

- ***Improve Pell fraud prevention.*** The Budget proposes to bar someone from receiving another Pell Grant if they have been awarded three consecutive Pell Grants without earning any credits. This will prevent the fraudulent practice of people going from school to school, enrolling long enough to receive a reimbursement but not pursuing any credits. This proposal would reduce discretionary program costs by $164 million and mandatory outlays by $38 million over 10 years.

Department of Health and Human Services

The Budget includes a robust package of Medicare, Medicaid, Children's Health Insurance Program (CHIP), and Child Care Development Fund payment integrity proposals to help prevent fraud and abuse before they occur; detect fraud and abuse as early as possible; provide greater flexibility to the Secretary of Health and Human Services to implement program integrity activities that allow for efficient use of resources and achieve high return on investment; and promote integrity in Federal-State financing. For example, the Budget includes several proposals aimed at strengthening the authorities and tools that the Centers for Medicare & Medicaid Services (CMS) has to ensure that the Medicare program only pays those providers and suppliers who are eligible and who furnish items and services that are medically necessary to the care of beneficiaries. The package of payment integrity proposals will help prevent inappropriate payments, eliminate wasteful Federal and State spending, protect beneficiaries, and reduce time-consuming and expensive "pay and chase" activities. Together, the CMS payment integrity legislative and administrative proposals would net approximately $48.6 billion in savings over 10 years. Finally, the Budget proposes to continue investments in Health Care Fraud and Abuse Control (HCFAC) program, which will provide CMS with the resources and tools to combat waste, fraud, and abuse and promote high-quality and efficient healthcare. Additional information can be found in the Budget Process chapter in this volume.

Medicare Fee for Service Program.—

- ***Expand prior authorization to additional Medicare fee-for-service items at high risk of fraud, waste, and abuse.*** The Budget proposes expanding the Medicare program's authority to conduct prior authorization on certain items or services that are prone to high improper payments, such as inpatient rehabilitation services. The proposal would reduce improper payments and save taxpayer dollars from paying for Medicare services that are not medically necessary by ensuring that the right payment goes to the right provider for the appropriate service. This proposal saves $13.7 billion over 10 years.

- ***Prevent fraud by applying penalties on providers and suppliers who fail to update enrollment records.*** The Budget proposes increasing CMS' authority to enforce appropriate reporting of changes in provider enrollment information through civil monetary penalties or other intermediate sanctions to mitigate the associated risk. This proposal will ensure CMS has the most up-to-date data as it continues to monitor for fraud and abuse. This proposal saves $32 million over 10 years.

- ***Require reporting on clearinghouses and billing agents when Medicare providers and suppliers enroll in the program.*** This proposal would provide CMS with the necessary organizational information to remove providers or suppliers from the Medicare program if clearinghouses and billing agents, acting on behalf of the provider or supplier, engage in abusive or potentially fraudulent billing practices.

- ***Assess a penalty on physicians and practitioners who order services or supplies without proper documentation.*** This proposal allows the Secretary to assess an administrative penalty on providers for claims that have not been properly documented for high risk and high cost items and services.

- ***Address improper payments of chiropractic services through targeted medical review.*** Under this administrative proposal, CMS will test whether prior authorization review is an effective tool at addressing improper payments in chiropractic services.

- ***Address excessive billing for durable medical equipment (DME) that requires refills on serial claims.*** Under this administrative proposal, CMS would test whether creating a DME benefits manager for serial claims, such as for non-emergency oxygen supplies, results in more appropriate utilization and lower improper payments. The benefits manager would be responsible for ensuring beneficiaries receive the correct quantity of supplies or services for the appropriate time period by contacting the ordering physician directly to obtain documentation.

Medicare Advantage Program (Medicare Part C) and Medicare Prescription Drugs Program (Medicare Part D).—

- ***Implement targeted risk-adjustment pre-payment review in Medicare Advantage.*** The Budget proposes requiring MA plans to submit medical record documentation to support the risk-adjustment diagnosis for plans, diagnoses, beneficiaries, or other indicators that pose an elevated risk of improper payments.

- ***Require providers and suppliers to produce Part B records to support Part D investigations or audits.*** The Budget proposes requiring Part B providers and suppliers to submit Part B records to CMS in support of a Part D investigation or audit. This proposal would provide CMS with additional patient information not available in Part B records, enhancing CMS' ability to investigate and determine abusive prescribing patterns.

- ***Improve efficiency and strengthen program integrity efforts in Medicare Parts C and D.*** The Budget proposes removing the requirement that the Secretary enter into contracts with Parts C and D recovery audit contractors (RACs) and replace it with the flexibility to enter into contracts with RACs. The Secretary has never entered into a contract with a Part C RAC because the contingency payment arrangement is unfavorable to RACs, and the Part D RAC has had a low return on investment. The Budget also proposes to expand on Section 6063 of the SUPPORT Act to require the submission of data on incidents of fraud and abuse related to the inappropriate prescribing of prescription drugs and to give the Secretary discretion on the platform Part D plans would use to report potential fraudulent or abusive prescribing.

Medicaid and the Children's Health Insurance Program.—

- ***Address Medicaid payments to States for ineligible beneficiaries and strengthen CMS's ability to recoup Medicaid improper payments.*** Through both statutory and regulatory changes, the Budget proposes strengthening CMS's ability to partner with States to address improper payments and ensure Federal recovery of incorrect eligibility determinations, an area of concern identified by the HHS OIG. These proposals save $5.6 billion over 10 years.

- ***Strengthen Medicaid eligibility process program integrity.*** The Budget proposes to allow States flexibility to more frequently assess beneficiary eligibility, while clarifying data matching requirements to ensure taxpayer resources are not supporting ineligible beneficiaries. This administrative proposal saves $17.1 billion over 10 years.

- ***Strengthen and clarify State provider screening, enrollment, and termination requirements***. Noncompliance with provider screening, enrollment, revalidation, and National Provider Identifier requirements are the largest drivers of Medicaid improper payments; however, there are no penalties for States that do not comply with current law. The Budget proposes to enact financial penalties for States not complying with current laws and regulations related to provider screening and enrollment. The Budget also proposes CMS conduct all eligibility screenings for Medicaid and CHIP providers, as it does for Medicare.

- ***Improve processes for recovering Federal and State overpayments***. The Budget offers new flexibilities to help States recover Federal and State Medicaid overpayments and to target resources to activities that are most effective in returning funds to the taxpayer. States will have the option to partner with the Department of the Treasury to recover debts owed to Medicaid and CHIP. State participation in the Medicaid recovery audit contractor program will also be optional. This proposal saves $988 million over 10 years.

- ***Implement pre-payment controls to prevent inappropriate personal care services (PCS) payments.*** The Budget proposes to require States to implement claims edits to automatically deny unusual PCS payments such as duplicative services, services provided by unqualified providers, or services provided to those no longer eligible for Medicaid, as recommended by the HHS OIG. This proposal saves $11.1 billion over 10 years.

Medicare and Medicaid programs (crosscutting proposals).—

- ***Expand the provisional period of enhanced oversight statutory authority for new providers and suppliers to further stem fraud, waste, and abuse.*** The Budget proposes to give the Secretary more flexibility in using his oversight to ensure that bad actors are not able to abuse CMS programs. This would also permit the Secretary to target oversight actions on providers that may be more risky to the program, thus reducing the burden on providers and suppliers complying with Medicare and Medicaid policies.

- ***Improve Open Payments Reporting and strengthen the Healthcare Fraud Prevention Partnership (HFPP).*** The Budget includes several proposals to clarify the authority of the HFPP, require reporting of physician-owned distributorships in Open Payments Reporting, and to extend flexibility in the deadline for Open Payments Reporting. This will improve information available to address waste, fraud, and abuse in health programs.

- ***Require annual certification of National Provider Identifier.*** The Budget includes proposals to expand the Secretary's discretion for enhanced oversight of new providers and would require annual certification of the National Provider Identifier. The provisional period of enhanced oversight statutory authority for new providers and suppliers to further stem fraud, waste, and abuse. This will enable the Secretary to target resources on higher-risk providers.

Child Care Development Fund.—

- ***Mandatory set-aside and incentive structure for monitoring and improper payments activities***. This proposal includes a set-aside for monitoring and improper payment activities, as well as incentives for states to recoup improper payments to be used for improving management and administration of the Child Care Development Fund program through error and fraud prevention, identification, and recovery.

Department of Labor

The 2021 Budget includes proposals aimed at improving integrity in the Department of Labor's UI program. The proposals would result in approximately $500 million in savings subject to the Pay-As-You-Go Act of 2010 (PAYGO) over 10 years, and would result in more than $1.9 billion in non-PAYGO savings. The PAYGO and non-PAYGO savings include a reduction in State unemployment taxes, which would reduce revenues for State accounts within the Unemployment Insurance Fund. The Department of Labor has also established an Agency Priority Goal to focus its implementation efforts, committing to decrease unemployment insurance improper payments to under 10 percent by September 30, 2021.

Unemployment Insurance Program.—

- ***Expand State use of the Separation Information Data Exchange System.*** This proposal improves program integrity by allowing States and employers to exchange information on reasons for a claimant's separation from employment and thereby helping States to determine UI eligibility.

- ***Mandate the use of the National Directory of New Hires to conduct cross-matches for program integrity purposes.*** This proposal would require State UI agencies to use the National Directory of New Hires to better identify individuals continuing to claim unemployment compensation after returning to work, which is one of the leading root causes of UI improper payments.

- ***Allow the Secretary to set corrective action measures for poor State performance.*** This proposal would allow the Secretary of Labor to require States to implement corrective action measures for poor State performance in the UI program, helping to reduce improper payments in States with the higher improper payment rates.

- ***Require States to cross-match claimants against the Prisoner Update Processing System (PUPS).*** Under current law, State UI agencies' use of this cross-match is permissible and the Social Security Administration's PUPS is currently only used by some States for UI verification. Requiring States to cross-match claims against the PUPS or other repositories of prisoner information will help identify those individuals ineligible for benefits due to incarceration and reduce improper payments.

- ***Allow States to retain five percent of overpayment and tax investigation recoveries to fund program integrity activities.*** This proposal would allow States to retain up to five percent of overpayment recoveries to fund additional program integrity activities in each State's UI program. This provides an incentive to States to increase detection and recovery of improper payments and provides necessary resources to carry out staff-intensive work to validate cross-match hits as required by law.

- ***Require States to implement the UI integrity center of excellence's integrated data hub.*** This proposal would require States to implement the Integrated Data Hub as a program integrity tool, allowing them to identify fraud schemes and conduct cross-matches that will help them reduce improper payments.
- ***Implement Reemployment Services and Eligibility Assessments (RESEA) cap adjustment.*** The Budget also includes $200 million in discretionary funding for RESEA, including $117 million in base funding and $83 million in program integrity cap adjustment funding, as authorized in the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Bipartisan Budget Act of 2018). Research, including a random-assignment evaluation, shows that a combination of eligibility reviews and reemployment services reduces the time on UI, increases earnings, and reduces improper payments to claimants who are not eligible for benefits. Additional detail about the cap adjustment can be found in the Budget Process chapter in this volume.

Federal Employees' Compensation Act program.—

- ***Reform Federal Employees' Compensation Act (FECA).***—The Budget incorporates longstanding Government Accountability Office, Congressional Budget Office, and Labor OIG recommendations to improve and update the FECA. The reform package includes changes that generate cost savings by simplifying FECA benefit rates, introducing controls to prevent fraud and limit improper payments, and modernizing benefit administration. The provisions would prevent retroactive selection of FECA benefits after claimants have declined them in favor of Federal retirement benefits; apply a consistent waiting period for compensation for all covered employees; suspend payments to indicted medical providers; and make other changes to improve program integrity and reduce improper payments. This proposal saves an estimated $212 million over 10 years.

Department of the Treasury

The Department of the Treasury and the Internal Revenue Service (IRS) proposals will save an estimated $86 billion over 10 years by increasing IRS enforcement efforts, increasing the accuracy of tax returns filed by paid preparers, providing IRS additional authority to correct errors on a taxpayer's tax return, ensure that only those eligible for refundable tax credits receive them, improving wage and information reporting, and increasing the recovery of unclaimed assets and collection of non-tax debts.

Tax Administration.—

- ***Increase oversight of paid tax return preparers.*** This proposal would give the IRS the statutory authority to increase its oversight of paid tax return preparers. Paid tax return preparers have an important role in tax administration because they assist taxpayers in complying with their obligations under the tax laws. Increasing the quality of paid preparers lessens the need for after-the-fact enforcement of tax laws and increases the amount of revenue that the IRS can collect. This proposal saves $479 million over 10 years.
- ***Provide more flexible authority for the Internal Revenue Service to address correctable errors.*** The Budget proposes giving the IRS expanded authority to correct errors on taxpayer returns. Current law only allows the IRS to correct errors on returns in certain limited instances, such as basic math errors or the failure to include the appropriate Social Security Number or Taxpayer Identification Number. This proposal would expand the instances in which the IRS could correct a taxpayer's return. For example, with this new authority, the IRS could deny a tax credit that a taxpayer had claimed on a tax return if the taxpayer did not include the required paperwork, where Government databases showed that the taxpayer-provided information was incorrect, where the taxpayer had exceeded the lifetime limit for claiming a deduction or credit, or where the taxpayer had failed to include with the tax return documentation that was required to be included or attached to the return. This proposal saves $17 billion over 10 years.
- ***Improve clarity in worker classification and information reporting requirements.*** The Budget would require that Form 1099-K be filed by January 31 and would expand electronic wage reporting. Under current law, the Form 1099-K must be furnished to the recipient by January 31 and filed with IRS by March 31. The proposal would change the filing requirement to January 31. The IRS would also eliminate the regulations that allow for an automatic 30-day filing extension. This would allow IRS to receive information about some sources of self-employment income earlier in the filing season. This proposal costs $9 million over 10 years and includes an existing proposal to improve clarity in worker classification and information reporting requirements.
- ***Implement tax enforcement program integrity cap adjustment.*** The Budget proposes to establish and fund a new adjustment to the discretionary caps for program integrity activities related to IRS program integrity operations starting in 2020. The IRS base appropriation funds current tax administration activities, including all tax enforcement and compliance program activities, in the Enforcement and Operations Support accounts. The additional $400 million cap adjustment in 2021 funds new and

continuing investments in expanding and improving the effectiveness and efficiency of the IRS's tax enforcement program. The activities are estimated to generate $79 billion in additional revenue over 10 years and cost approximately $15 billion resulting in an estimated net savings of $64 billion. Once the new enforcement staff are trained and become fully operational these initiatives are expected to generate roughly $5 in additional revenue for every $1 in IRS expenses. Notably, the return on investment is likely understated because it only includes amounts received; it does not reflect the effect enhanced enforcement has on deterring noncompliance. This indirect deterrence helps to ensure the continued payment of $3.6 trillion in taxes paid each year without direct enforcement measures. Additional detail about the cap adjustment can be found in the Budget Process chapter in this volume.

- ***Require a Social Security Number (SSN) that is valid for employment to claim the EITC.*** As part of a broader proposal, the Budget includes a proposal to require an SSN that is valid for employment in order to claim the EITC. While this is already current law for the EITC, the proposal fixes an administrative gap to strengthen enforcement of this provision. This proposal ensures that only individuals who are authorized to work in the United States are able to claim this credit. This proposal saves roughly $3 billion over 10 years.

- ***Increase and streamline recovery of unclaimed assets.*** This proposal would increase and streamline recovery of unclaimed assets owed to the United States by authorizing Treasury to locate and recover these assets and to retain a portion of amounts collected to pay for the costs of recovery. States and other entities hold assets in the name of the United States or in the name of departments, agencies, and other subdivisions of the Federal Government. Many agencies are not recovering these assets due to lack of expertise and funding. While unclaimed Federal assets are generally not considered to be delinquent debts, Treasury's debt collection operations personnel have the skills and training to recover these assets. This proposal saves $62 million over 10 years.

- ***Expand the Treasury Offset Program to increase debt collections.*** This proposal would allow the offset of Federal tax refund payments to collect State debts to encourage State participation in the State Reciprocal program (SRP) and increase Federal debt collections. Currently, under the SRP, States can collect their debts through the offset of Federal non-tax payments in exchange for Treasury to collect Federal non-tax debts through the offset of State payments. For States participating in the SRP, State payments subject to levy under this proposal could include State tax refunds, vendor payments, and payments to Medicaid service providers. This proposal has estimated recoveries between $960 million over 10 years.

Office of Personnel Management

The 2021 Budget demonstrates the Office of Personnel Management's (OPM) commitment to improving the identification and prevention of improper payments in the Federal Employees Health Benefits Program (FEHB). In particular, through increasing the resources devoted to investigating and preventing potential fraud committed against the FEHB program.

Federal Employees Health Benefits.—

- ***Provide additional investigative resources to the OIG for improper payment prevention.*** The Budget would allow the OIG to increase focusing on conducting comprehensive audits on activities where its actions most effectively reduce Government waste, fraud, and abuse. The Budget will allow the OPM OIG to improve its oversight of opioid-related fraud and improve its audit function of fraud against the FEHB. The OIG estimates that for every $1 in funding provided, it is able to recover $4 through its audits. The audit findings improve future controls which in turn prevent the fraud from occurring.

Social Security Administration

Overall, the Budget proposes legislation and administrative approaches that would avert close to $23.6 billion in improper payments in Social Security over 10 years. Much of this savings is considered off-budget and would be non-PAYGO, and includes administrative actions to reduce improper payments that would result in $11 billion in outlay savings over 10 years. The Budget proposes to continue investments in Social Security Administration (SSA) dedicated program integrity funding, as well as continuing an Agency Priority Goal to focus efforts on improving the Agency's Supplemental Security Income (SSI) payment accuracy rates. SSA uses this funding to conduct continuing disability reviews and SSI redeterminations to confirm that participants remain eligible to receive benefits. These funds also support anti-fraud cooperative disability investigation units and special attorneys for fraud prosecutions. Additional information can be found in the Budget Process chapter in this volume.

Old-Age, Survivors Disability Insurance (OASDI) and Supplemental Security Income.—

- ***Reduce improper payments caused by barriers for beneficiaries to report income and assets.*** The Budget proposes to reduce improper payments in disability programs by targeting administrative resources to the development of a uniform system of reporting in mySocialSecurity. This is in addition to instituting a holistic view that provides all beneficiaries' data, including income and assets, in one electronic location, while simultaneously developing a network of automated processes across other IT platforms for work-related benefit payment adjustments, work continuing disability reviews, redeterminations, and payments to Ticket to Work providers. In addition, future related legislative changes to address the root causes of these improper payments could include requiring suspension of benefits when beneficiaries neglect to report wages and resources, and instituting mandatory training for beneficiaries on reporting requirements prior to receipt of their first benefit checks. These administrative actions would result in $11 billion in outlay savings over 10 years.

- ***Hold fraud facilitators liable for overpayments.*** The Budget proposes holding fraud facilitators liable for overpayments by allowing SSA to recover the overpayment from a third party if the third party was responsible for making fraudulent statements or providing false evidence that allowed the beneficiary to receive payments that should not have been paid. This proposal results in an estimated $10 million in savings over 10 years.

- ***Allow Government-wide use of Custom and Border Protection (CBP) Entry/Exit data to prevent improper payments.*** The Budget proposes the use of CBP Entry/Exit data to prevent improper OASDI and SSI payments. Generally, U.S. citizens can receive benefits regardless of residence. Non-citizens may be subject to additional residence requirements depending on the country of residence and benefit type. However, an SSI beneficiary who is outside the United States for 30 consecutive days is not eligible for benefits for that month. These data have the potential to be useful across the Government to prevent improper payments. This proposal results in an estimated $29 million in savings over 10 years.

- ***Increase the overpayment collection threshold for OASDI.*** The Budget would change the minimum monthly withholding amount for recovery of Social Security benefit overpayments to reflect the increase in the average monthly benefit since SSA established the current minimum of $10 in 1960. By changing this amount from $10 to 10 percent of the monthly benefit payable, SSA would recover overpayments more quickly and better fulfill its stewardship obligations to the combined Social Security Trust Funds. The SSI program already utilizes the 10 percent rule. Debtors could still pay less if the negotiated amount would allow for repayment of the debt in 36 months. If the beneficiary cannot afford to have his or her full benefit payment withheld because he or she cannot meet ordinary and necessary living expenses, the beneficiary may request partial withholding. To determine a proper partial withholding amount, SSA negotiates (as well as re-negotiates at the overpaid beneficiary's request) a partial withholding rate. This proposal saves almost $1.7 billion over 10 years.

- ***Authorize SSA to use all collection tools to recover funds in certain scenarios.*** The Budget proposes allowing SSA a broader range of collection tools when someone improperly receives a benefit after the beneficiary has died. Currently, if a spouse cashes a benefit payment (or does not return a directly deposited benefit) for an individual who has died and the spouse is also not receiving benefits on that individual's record, SSA has more limited collection tools available than would be the case if the spouse also receives benefits on the deceased individual's earning record. The Budget proposal would end this disparate treatment of similar types of improper payments and results in an estimated $50 million in savings over 10 years.

- ***Simplify administration of the SSI program.*** The Budget proposes changes to simplify the SSI program by incentivizing support from recipients' family and friends, reducing SSA's administrative burden, and streamlining requirements for applicants. SSI benefits are reduced by the amount of food and shelter, or in-kind support and maintenance, a beneficiary receives. The policy is burdensome to administer and is a leading source of SSI improper payments. The Budget proposes to replace the complex calculation of in-kind support and maintenance with a flat rate reduction for adults living with other adults to capture economies of scale. The Budget also proposes to eliminate dedicated accounts for past due benefits and to eliminate the administratively burdensome consideration whether a couple is holding themselves out as married. This proposal costs $13 million over 10 years.

- ***Improve collection of pension information from States and localities.*** The Budget proposes a data collection approach designed to provide seed money to the States for them to develop systems that will enable them to report pension payment information to SSA. The proposal would improve reporting for non-covered pensions by including up to $70 million for administrative expenses, $50 million of which would be available to the States, to develop a mechanism so that SSA can enforce the current law offsets for the Windfall Elimination Provision and Government Pension Offset, which are a major source of improper payments. This proposal saves $10.5 billion over 10 years.

- ***Provide additional debt collection authority for SSA civil monetary penalties (CMP) and assessments.*** This proposal would assist SSA with ensuring the integrity of its programs and increase SSA recoveries by establishing statutory authority for the SSA to use the same debt collection tools available for recovery of delinquent overpayments toward recovery of delinquent CMP and assessments.

- ***Exclude SSA debts from discharge in bankruptcy.*** Debts due to an overpayment of Social Security benefits are generally dischargeable in bankruptcy. The Budget includes a proposal to exclude such debts from discharge in bankruptcy, except when it would result in an undue hardship. This proposal would help ensure program integrity by increasing the amount of overpayments SSA recovers and would save $283 million over 10 years.

Table 6–1. PAYMENT INTEGRITY PROPOSALS

(Deficit increases (+) or decreases (–) in millions of dollars)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	10-year total
Government Wide:											
Target risk assessment resources for highest risk programs	–7	–8	–10	–11	–12	–13	–13	–15	–15	–17	–121
Clarify the definition of improper payments	–59	–68	–78	–88	–98	–103	–108	–117	–122	–137	–978
Streamline reporting requirements to reduce burden	–1	–1	–1	–1	–1	–1	–1	–2	–2	–2	–14
Remove reporting of aging and disposition of recaptured amounts	–5	–6	–7	–8	–9	–9	–10	–11	–11	–12	–88
Remove requirement to set recovery audit targets	–0	–0	–0	–0	–1	–1	–1	–1	–1	–1	–5
Allow reporting to adapt to needs of government and the public	–15	–17	–20	–22	–25	–26	–27	–30	–31	–35	–249
Clarify complliance requirements for IPERA to improve improper payment prevention and reduction	–4	–4	–5	–6	–6	–7	–7	–8	–8	–9	–63
Reduce risk assessment burden by clarifying assessment method type	–3	–4	–4	–5	–5	–6	–6	–6	–7	–7	–53
Specify which programs should be assessed for compliance annually by the OIG and the compliance review frequency	–5	–6	–7	–8	–9	–9	–10	–10	–11	–12	–87
Increase interagency collaboration and reduce burden of duplicate working groups	–1	–1	–1	–2	–2	–2	–2	–2	–2	–3	–19
Increase the threshold of significant improper payments	–24	–29	–33	–37	–41	–43	–45	–49	–51	–57	–408
Reduce the burden of Recovery Audit Assessments	–2	–2	–2	–2	–3	–3	–3	–3	–3	–4	–25
Direct Improper Payment Recoveries to Prevention Activities	–126	–147	–169	–190	–211	–221	–232	–253	–263	–295	–2,107
Improve accountability and transparency for material programs	....	....	....	....	....	....	....	....	....	....	....
Improve access to data for the DNP Business Center	....	....	....	....	....	....	....	....	....	....	....
Total, Government-Wide	–253	–295	–337	–379	–422	–443	–464	–506	–527	–590	–4,216
Agriculture:											
Supplemental Nutrition Assistance Program											
Improve income verification	38	–49	–49	–49	–49	–49	–49	–49	–49	–49	–407
Implement National Accuracy Clearinghouse nationwide	1	–20	–34	–53	–68	–90	–91	–98	–101	–103	–658
Child Nutrition Programs											
Increase school meal verification to 8%	0	0	–27	–57	–59	–61	–63	–64	–66	–68	–464
Total, Agriculture	39	–70	–110	–159	–177	–200	–203	–212	–217	–220	–1,529
Education:											
Pell Grants[1]											
Improve Pell fraud prevention	–2	–4	–4	–4	–4	–4	–4	–4	–4	–4	–38
Total, Education	–2	–4	–4	–4	–4	–4	–4	–4	–4	–4	–38
Health and Human Services:											
Medicare Fee for Service											
Expand prior authorization to additional Medicare fee-for-service items at high risk of fraud, waste, and abuse	–730	–870	–780	–790	–820	–1,650	–1,850	–1,960	–2,050	–2,160	–13,660
Prevent fraud by applying penalties on providers and suppliers who fail to update enrollment records	–2	–2	–3	–3	–3	–3	–4	–4	–4	–4	–32
Require reporting on clearinghouses and billing agents when Medicare providers and suppliers enroll in the program	....	....	....	....	....	....	....	....	....	....	....
Assess a penalty on physicians and practitioners who order services or supplies without proper documentation	....	....	....	....	....	....	....	....	....	....	....
Address improper payments of chiropractic services through targeted medical review	....	....	....	....	....	....	....	....	....	....	....
Address excessive billing for durable medical equipment that requires refills on serial claims	....	....	....	....	....	....	....	....	....	....	....
Medicare Parts C (Medicare Advantage) and D (Prescription Drugs)											
Implement targeted risk-adjustment pre-payment review in Medicare Advantage	....	....	....	....	....	....	....	....	....	....	....

Table 6–1. PAYMENT INTEGRITY PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	10-year total
Require providers and suppliers to produce Part B records to support Part D investigations or audits	....	....	....	....	....	....	....	....	....	....	....
Improve efficiency and strengthen program integrity efforts in Medicare Parts C and D	....	....	....	....	....	....	....	....	....	....	....
Medicaid and Children's Health Insurance Program											
Strengthen CMS's ability to recoup Medicaid improper payments	....	–470	–500	–530	–560	–590	–630	–670	–710	–750	–5,410
Address Medicaid payments to States for ineligible beneficiaries [2]	....	–20	–20	–20	–20	–20	–30	–30	–30	–30	–220
Strengthen Medicaid eligibility process program integrity [2]	–500	–1,000	–1,600	–1,700	–1,800	–1,900	–2,000	–2,100	–2,200	–2,300	–17,100
Strengthen and clarify State provider screening, enrollment, and termination requirements	....	....	....	....	....	....	....	....	....	....	....
Improve processes for recovering Federal and State overpayments	–75	–79	–85	–90	–95	–100	–106	–113	–119	–126	–988
Implement pre-payment controls to prevent inappropriate personal care services payments	–900	–940	–980	–1,030	–1,080	–1,130	–1,180	–1,240	–1,300	–1,360	–11,140
Medicare and Medicaid programs (crosscutting proposals)											
Expand the provisional period of enhanced oversight statutory authority for new providers and suppliers to further stem fraud, waste, and abuse	....	....	....	....	....	....	....	....	....	....	....
Improve Open Payments Reporting and strengthen the Healthcare Fraud Prevention Partnership	....	....	....	....	....	....	....	....	....	....	....
Require annual certification of National Provider Identifier	....	....	....	....	....	....	....	....	....	....	....
Child Care Development Fund											
Mandatory set-aside and incentive structure for monitoring and improper payments activities	....	....	....	....	....	....	....	....	....	....	....
Total, Health and Human Services	–2,207	–3,381	–3,968	–4,163	–4,378	–5,393	–5,800	–6,117	–6,413	–6,730	–48,550
Labor:											
Unemployment Insurance											
Improve UI program integrity	–111	–234	–268	–269	–277	–317	–277	–235	–310	–238	–2,536
Federal Employees' Compensation Act											
Reform the Federal Employees' Compensation Act	–31	–24	–28	–16	–17	–17	–19	–19	–21	–20	–212
Total, Labor	–142	–258	–296	–285	–294	–334	–296	–254	–331	–258	–2,748
Treasury:											
Tax administration											
Increase oversight of paid tax return preparers	–5	–23	–39	–43	–48	–53	–58	–63	–70	–77	–479
Provide more flexible authority for the Internal Revenue Service to address correctable errors	–1,048	–1,551	–1,599	–1,657	–1,709	–1,763	–1,830	–1,902	–1,979	–2,073	–17,111
Improve clarity in worker classification and information reporting requirements	29	37	10	–3	–8	–6	–4	–8	–10	–28	9
Implement tax enforcement program integrity cap adjustment	–264	–542	–3,106	–5,158	–7,356	–9,682	–12,005	–12,974	–13,813	–14,495	–79,395
Increase discretionary outlays from tax enforcement program integrity cap adjustment	*353*	*757*	*1,110*	*1,459*	*1,810*	*1,948*	*1,971*	*1,983*	*1,992*	*2,002*	*15,385*
Require a Social Security Number that is valid for work in order to claim the Earned Income Tax Credit	0	–324	–327	–322	–319	–327	–328	–329	–337	–338	–2,951
Other payment integrity proposals											
Increase and streamline recovery of unclaimed assets	–6	–6	–6	–6	–6	–6	–6	–6	–7	–7	–62
Expand the Treasury Offset Program to increase debt collections	–96	–96	–96	–96	–96	–96	–96	–96	–96	–96	–960
Total, Treasury	–1,390	–2,505	–5,163	–7,285	–9,542	–11,933	–14,327	–15,378	–16,312	–17,114	–100,949
Office of Personnel Management:											
Federal Employees' Health Benefits											
Provide additional investigative resources to the OIG for improper payment prevention	2	....	....	....	....	....	....	....	....	....	2
Total, Office of Personnel Management	2	....	....	....	....	....	....	....	....	....	2
Social Security Administration:											
Old -Age, Survivors Disability Insurance and Supplemental Security Income											

Table 6–1. PAYMENT INTEGRITY PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	10-year total
Reduce improper payments caused by barriers for beneficiaries to report income and assets[2]	....	–500	–800	–1,100	–1,100	–1,500	–1,500	–1,500	–1,500	–1,500	–11,000
Hold fraud facilitators liable for overpayments	....	....	....	–2	–2	....	....	–1	–2	–3	–10
Allow Government-wide use of custom and Border Protection entry/exit data to prevent improper payments	....	....	–1	–2	–3	–3	–4	–5	–5	–6	–29
Increase overpayment collection threshold for Old Age, Survivors, and Disability Insurance	–13	–84	–109	–120	–148	–175	–198	–259	–277	–275	–1,658
Authorize Social Security Administration to use all collection tools to recover funds in certain scenarios	....	–2	–3	–4	–6	–6	–6	–7	–7	–9	–50
Simplify administration of the Supplemental Security Income program	....	–335	–20	4	25	40	54	74	76	95	13
Improve collection of pension information from States and localities	18	28	24	–521	–1,246	–1,843	–1,910	–1,811	–1,702	–1,572	–10,535
Provide additional debt collection authority for SSA civil monetary penalties and assessments	....	....	....	....	....	....	....	....	....	....	....
Exclude Social Security Administration debts from discharge in bankruptcy	–4	–13	–20	–26	–30	–34	–36	–38	–40	–42	–283
Total, Social Security	1	–906	–929	–1,771	–2,510	–3,521	–3,600	–3,547	–3,457	–3,312	–23,552
Total, Payment Integrity	**–3,952**	**–7,419**	**–10,808**	**–14,046**	**–17,326**	**–21,828**	**–24,694**	**–26,018**	**–27,261**	**–28,229**	**–181,580**

[1] In addition to the mandatory savings shown here, the Pell Grant payment integrity proposals also reduce discretionary program costs. Over 10 years, Improve Pell fraud prevention reduces these costs by $164 million (discretionary estimates from the 2021 Budget).

[2] Represents baseline outlay savings resulting from administrative actions to reduce improper payments.