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**Testimony of the Honorable David Mader  
Controller, Office of Management and Budget, Executive Office of the President**

**House Oversight and Government Reform Committee  
Subcommittee on Government Operations**

**September 22, 2016**

**Introduction**

Thank you Chairman Meadows and Ranking Member Connolly, and distinguished members of the Committee, for inviting me here today to discuss the Administration's efforts to reduce improper payments. I appreciate the opportunity to provide an update on this important topic. Our ongoing interactions with the Congress and consultation with the Government Accountability Office (GAO) and the Inspector General (IG) community over the years has been critical to addressing improper payments.

It is important to keep in mind that not all improper payments are fraudulent or represent a loss to the Government. When an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation, this payment must also be considered an improper payment even though eventually it may be determined to be proper. In the interest of ensuring that the Federal Government improper payment estimate was conservative, the Office of Management and Budget (OMB) actually included "documentation errors" as part of the improper payments definition back in 2006, even though current statutes do not require this particular categorization. While not all improper payments represent a monetary loss to the Government, all improper payments do undermine taxpayers' confidence in program delivery.

Addressing improper payments has been a central component of the Administration's overall efforts to eliminate waste, fraud, and abuse. When the President took office in 2009, the improper payment error rate was 5.42 percent, an all-time high. Since then, the Administration, working together with the Congress and the IGs, has made progress by strengthening accountability and transparency through annual reviews by agency IGs, and has expanded review requirements for high-priority programs. In FY 2015 the Government-wide improper payment rate was 4.39 percent, which corresponds to an improper payment dollar amount of \$136.9 billion. Notably, agencies recovered almost \$20 billion in overpayments through the payment recapture audits and other methods in FY 2015, but this recovery amount is not factored into the calculation of the FY 2015 improper payment rate or amount.

**Improper Payments Results Overview**

Between FY 2014 and FY 2015 almost half of the programs reporting improper payment rates in both FY 2014 and FY 2015 experienced improper payment rate increases. The Department of Veterans Affairs (VA) Purchased Long Term Services and Support program improper payment

rate increased from roughly 9 percent in FY 2014 to 59 percent in FY 2015 and the VA Community Care program increased from just over 9 percent in FY 2014 to 55 percent in FY 2015. Both of these programs experienced improper payment rate increases due to an OIG recommendation to change the way that these programs defined improper payments. In addition, there were other programs that experienced large improper payment dollar amount increases between FY 2014 and FY 2015. For instance, the Department of Health and Human Services (HHS) Medicaid program improper payment dollar amount increased by over \$10 billion. This increase is largely due to states needing further time to bring systems into compliance with new program requirements, as is often the case when new requirements take effect.

As background to a better understanding of the improper payment rate, the HHS Medicare Fee-for-Service (FFS) program continues to account for the largest portion of the Government-wide total in FY 2015, whereas the Internal Revenue Service (IRS) Earned Income Tax Credit (EITC) and Medicaid, combined, account for over a third of the Government-wide total. In other words, these three programs alone account for nearly two thirds of the government-wide total in FY 2015. During the period reflected in FY 2015 Agency Financial Reports (AFRs), the improper payment rate decreased in several major programs including EITC, Medicare FFS, and Unemployment Insurance (UI).

#### Success Stories

Two notable success stories of major Government programs that experienced significant decreases were the UI program and the Medicare FFS program. The Department of Labor's (DOL) UI program decreased its improper payment error amount by over \$2 billion between the FY 2014 and FY 2015 reporting period, decreasing their rate by almost a percentage point. The UI program was able to achieve this reduction in part because of their decreased workloads resulting from the improving economy (the total program outlays decreased by roughly \$15.5 billion) and also by using a number of successful techniques such as implementing an enhanced National Directory of New Hires (NDNH) cross-match and providing enhanced monitoring and assistance to States with persistently high UI improper payment rates. The HHS Medicare FFS improper payment estimate also decreased by over \$2 billion between FY 2014 and FY 2015 by reducing improper payments for inpatient hospital and durable medical equipment, prosthetic, orthotics, and supplies (DMEPOS) claims through a combination of activities such as the expansion of prior authorization, new regulatory provisions, and changes in the agency's provider education strategy.

#### Challenges

During the period reflected in FY 2015 AFRs, the improper payment rate increased in several major programs, including Medicaid. The Medicaid improper payment rate increased from 6.7 percent in FY 2014 to 9.78 percent in FY 2015, which equated to the improper payment dollar estimate increasing by over \$10 billion. This increase was largely due to States needing additional time to bring their systems into compliance with new requirements for: (1) all referring/ordering providers to be enrolled in Medicaid; (2) screening providers under a risk-based screening process prior to enrollment; and (3) the inclusion of the National Provider Identifier (NPI) of the attending provider on all electronically filed institutional claims. While these requirements will ultimately strengthen Medicaid's integrity, it is not unusual to see increases in improper payment rates following the implementation of new requirements because

it takes time for states to implement systems changes required for compliance. The Medicaid program measures improper payments using a 17-State rotational approach for the 50 States and the District of Columbia over a three-year period. As a result, each State is measured once every three years. The Medicaid improper payment rate reported each year includes findings from the most recent three measurements cycles.

## Key Administration Efforts in FY 2015 and FY 2016

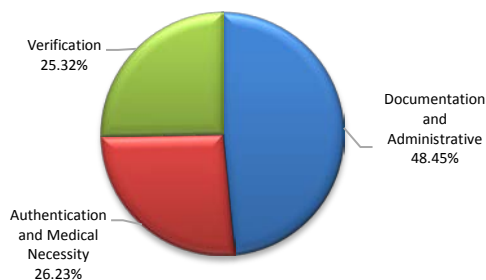
### *New Root Cause Category Matrix*

Prior to FY 2015 reporting, agencies were required to categorize their improper payment estimates into three categories: (1) documentation and administrative errors; (2) authentication and medical necessity errors; and (3) verification errors. However, those categories proved to be of limited value in determining the root causes of improper payments in most programs. Therefore, OMB—in consultation with agencies—developed new improper payment categories that expanded on the existing categories and created a more meaningful and useful way to break out root causes for each agency. These new categories: (1) prove more pertinent to the vast array of programs across the Federal landscape; (2) help agencies better present the different categories of improper payments in their programs and the percentage of the total improper payment estimate that each category represents; and (3) provide more granularity for improper payment estimates—leading to more effective corrective actions at the program level and more focused strategies for reducing improper payments at both the individual agency as well as the Government-wide level. OMB provided 13 pre-defined categories for agencies, with the additional option of allowing an agency to create their own category if the 13 pre-defined categories did not suit their needs. These new categories were released on October 20, 2014 and agencies were encouraged to implement these new categories immediately in their FY 2014 reporting. FY 2015 marked the first year that the new OMB root causes reporting was required.

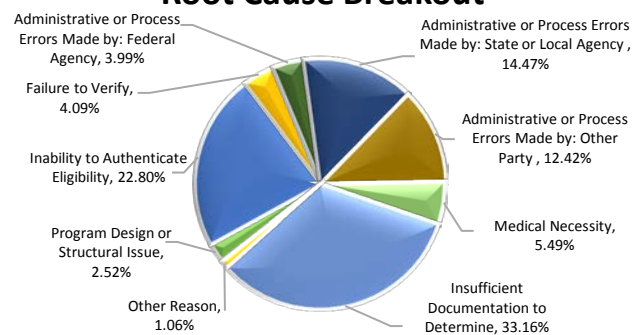
### *Root Cause Category Matrix Results*

In looking at the total agency response, the two categories that contribute the largest incidents were: (1) “insufficient documentation to determine” (\$45.4B, 33.2 percent) and (2) “inability to authenticate eligibility” (\$31.2B, 22.8 percent).

**FY 2014 Improper Payment Root Cause Breakout**



**FY 2015 Improper Payment Root Cause Breakout**



Roughly \$45 billion of the Government-wide improper payments in FY 2015 were caused by insufficient documentation. A lack of supporting documentation could be a situation where missing information is necessary to verify the accuracy of a payment, such as the lack of documentation to support a beneficiary's eligibility for a benefit.

Roughly \$31 billion of the Government-wide improper payments in FY 2015 were caused by the inability to authenticate eligibility. The inability to authenticate eligibility is a situation in which an improper payment is made because the agency is unable to authenticate eligibility criteria. This could be because no database or other resource exist to help the agency make a determination of eligibility. For example, in the EITC program, IRS does not have a way to verify how long a child has been residing with one parent versus another parent when both parents do not reside in the same residence, a key measure of whether the taxpayer can claim that child under EITC. The inability to authenticate eligibility can also happen when statutory constraints exist preventing a program from being able to access the information that would help prevent the improper payment. For instance, not being able to confirm a recipient's benefit eligibility status due to statutory limitations that prevent data sharing across agencies.

#### Corrective Action Plans

Beginning in FY 2015 with the issuance of OMB Circular A-136, *Financial Reporting Requirements*, OMB began to address a disconnect between agencies corrective action plans and root causes. OMB plans to issue guidance later this month that will further refine FY 2016 corrective action plan reporting, providing an even larger focus on corrective actions that focus on the root causes for those programs reporting above the IPERA statutory thresholds. OMB regularly engages one on one with all agencies throughout the year to discuss improvements that can be made in areas such as corrective action plans, sampling and estimation plans, reporting, and internal controls around payment accuracy. As well as agency and IG town hall meetings for the past two years. Continued agency engagement and guidance is critical to reducing the government wide improper payment error rate.

#### Corrective Action Plan Analysis

OMB is currently conducting a corrective action plan (CAP) analysis and review based on the CAPs that agencies submitted in FY 2015. Our analysis is covering all programs that reported improper payment above the statutory thresholds in FY 2015. Once the analysis is complete we will be contacting agencies that have been identified as those needing to improve their CAP. This effort is intended to ensure that agencies are developing CAPs that will directly impact the root causes identified and also to ensure that agencies are prioritizing their efforts to focus on CAPs that will have the greatest impact on improper payments.

#### MITRE Study

In FY 2015, MITRE, a Federally Funded Research and Development Center (FFRDC), conducted an independent research project that focused on Government-wide payment integrity and improper payments. MITRE's work focused on assessing improper payment trends and more importantly analyzing improper payment root causes and best practices available to improve program integrity.

### Technical Advice on Legislation

OMB appreciated the opportunity to work with the Congress to achieve passage and enactment of S. 614, the “Federal Improper Payments Coordination Act of 2015.” The Administration looks forward to continued partnership with the Congress on efforts to reduce improper payments, and OMB is working with agencies to issue guidance on implementation of the recently enacted authorizations of the Do Not Pay Initiative (the Initiative) for the legislative and judicial branches of the Federal government, and for states, to improve federally funded program integrity, to ensure protection of individual privacy, and to achieve greater payment accuracy across the Government using improved data sources and data analytics.

We also appreciate the opportunity to work with Congress on S. 2133 the “Fraud Reduction and Data Analytics Act of 2015.” This legislation will bring important focus to the importance of Data Analytics and anti-fraud technique sharing for reducing improper payments in the Federal Government. OMB issued Circular A-123, *Management’s Responsibility for Enterprise Risk Management and Internal Control* in July of 2016, which provided guidance and addressed fraud and data analytics and highlighted the implementation of this very important piece of legislation.

As requested in the FY 2015 and FY 2016 Budgets, the FY 2017 Budget re-proposes to amend the Social Security Act to provide Treasury's Do Not Pay system and the agencies that use it access to the full death data from states to prevent improper payments to the deceased. S. 1073, the “Stopping Improper Payments to Deceased People’s Act,” and the corresponding bill in the House, H.R. 2003, include the necessary proposals to amend the Social Security Act to provide agencies access to the full death data at the Social Security Administration (SSA), and we appreciate the continued collaboration with you to provide the more complete data to reduce improper payments to the deceased. Additionally, the FY 2017 Budget proposes to allow additional programs and agencies to access the HHS National Directory of New Hires (NDNH) data through the Do Not Pay system at Treasury to improve the efficiency and effectiveness of data matching and overall program integrity.

### OMB Actions to address IPERA Compliance

OMB discussed the FY 2015 IPERA compliance results with specific agencies during our annual FedStat meetings. I also met with numerous IGs over the past two years to discuss the IPERA compliance reports and also discuss other observations that the IGs had for their particular agency. In addition, OMB held two separate town hall events for IGs at the end of FY 2015 to outline the IPERA compliance requirements, how they linked with OMB guidance, and share observed best practices from various IG reports to help them get ready for their FY 2015 IPERA compliance reports. The meetings with agency IGs and the town hall events helped solidify the importance of the OIG role in reducing the Government-wide improper payment rate. OMB held an additional IPERA compliance town hall for the IG community on September 20, 2016 to discuss additional areas where improvement could be made as well as highlight some best practices observed among the FY 2015 OIG IPERA compliance reports. The agency IPERA compliance reports are a critical tool that can help the agencies identify areas for improvement around reducing their improper payments.

*The Do Not Pay Initiative and Improving Payment Integrity Research and Analytic Capabilities Across the Government*

The President signed the Improper Payments and Elimination and Recovery Improvement Act of 2012 (IPERIA) into law on January 10th, 2013, to reinforce the Administration's efforts to prevent improper payments and to codify actions initiated on November 20, 2009, under Executive Order 13520, *Reducing Improper Payments and Eliminating Waste in Federal Programs*, and the June 18th, 2010, Presidential Memorandum, *Enhancing Payment Accuracy Through a "Do Not Pay List."*

Since the enactment of IPERIA, OMB has:

- developed, in consultation with agencies, a phased plan for database integration into the Do Not Pay system;
- issued Memorandum M-13-20, *Protecting Privacy while Reducing Improper Payments with the Do Not Pay Initiative*;
- worked with agencies to integrate, into existing business practices, reviews of all payments and awards before and after payment processing, as appropriate;
- implemented agencies reporting progress on payments reviewed, by establishing requirements in OMB Circular A-136, *Financial Reporting Requirements*;
- developed with agencies payment integrity centers with analytical payment reviews;
- provided the Congress a report on the initial results of over \$2 billion stopped; and
- offered additional legislative proposals to improve payment accuracy in each of the President's Budgets for FY 2013 through FY 2017.

Specifically, on December 4th, 2015, OMB submitted to Congress the first report on the Initiative as required by section 5 of IPERIA. The report outlined the multiple components of our phased strategy for screening payments. The Initiative includes designated data sources and analytics to support agencies as they verify entity eligibility for an award or payment. The Initiative is enhanced by tools such as the centralized data portal at Treasury, and agency-specific initiatives that effect particular program operational improvements. The Initiative has been a catalyst for agencies to review the full life cycles of their payment operations and provided a path to reduce improper payments through available data.

The Treasury Do Not Pay Business Center offers agencies a single-point of entry to access data and matching services to help detect, prevent, and recover improper payments during the award or payment lifecycle. Increased access to data sources including commercial data sets will increase the accuracy of matching results and allow agencies to make better informed decisions regarding awards and payments. Upon request Treasury now offers agencies data quality assessments, data pattern analysis, and anomaly detection and analysis. These analyses allow agencies and programs the opportunity to identify areas for further exploration and help to strengthen the pre-award and pre-payment process. Furthermore, the Do Not Pay Business Center has begun analyzing data across agencies to identify potential duplicative benefit payments in programs with related goals and beneficiaries.

In addition to Treasury, agency payment integrity tools include the Center for Medicare & Medicaid Services (CMS) Center for Program Integrity (which has implemented CMS' Fraud

Prevention System [FPS]); the Department of Defense Business Activity Monitoring tool; and the Department of Labor's Unemployment Insurance (UI) Integrity Center of Excellence, a federal-state partnership that helps prevent, detect, and reduce improper payments in state run programs. The SSA has a process to intercept payments to beneficiaries who have died or been incarcerated, and has established an Analytics Center of Excellence which works on capturing real-time data and building more meaningful metrics, thereby allowing SSA to focus efforts on those projects or initiatives that yield the most promise.

As a result of the Initiative, agencies cumulatively identified and stopped over \$5.7 billion of improper payments as of the end of FY 2015. The Initiative continues to be a significant opportunity for the Federal Government to reduce improper payments, as agencies learn to implement additional analytic tools and techniques that prevent and identify improper payments or awards. While these results are important, there is more work that can be done to improve payment accuracy across the Government. To realize the full potential of the Initiative, agencies need access to the most relevant data and to refine their business processes, which will require additional legislative actions.

Opportunities to improve payment matching and reviews continue to develop as more agencies implement the advanced tools of the Treasury Do Not Pay Business Center. Noteworthy success includes synchronized payment access to the System for Award Management (SAM) Exclusions restricted database via Treasury's Payment Integration capabilities, which led to a 99.7 percent reduction in "false positive" matches when compared to the public version of information.

## **The Budget**

There is compelling evidence that investments in administrative resources can significantly decrease the rate of improper payments and recoup many times their initial investment. That is why this Administration has always proposed in each Budget to make significant investments in activities to ensure that taxpayer dollars are spent correctly. While a few proposals in the FY 2016 budget have been enacted, there are still several program integrity proposals await Congressional action. Below, I have highlighted a small number of the program integrity proposals that were proposed in the FY 2016 and the FY 2017 Budgets to help reduce improper payments. It is important to note that many of these proposals do not require additional funding but are legislative changes that are necessary to help our Government run more efficiently.

### **Program Integrity Proposals Proposed in FY 2016 and Re-Proposed in FY 2017**

- *Improve Collection of Pension Information and Transition to an Alternative Approach based on Years of Non-Covered Earnings after 10 Years.* The FY 2017 Budget re-proposes legislation that 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 the SSA could enforce the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO). The proposal would require State and local governments to provide information on their non-covered pension payments to SSA so that the agency can apply the WEP and GPO adjustments. Under current law, the WEP and GPO adjustments are dependent on self-reported pension data and cannot be independently verified. This proposal will help SSA tackle one of their largest root causes for improper

payments which is the inability to authenticate eligibility (estimated savings: \$8 billion over 10 years).

- *Hold Fraud Facilitators Liable for Overpayments.* The FY 2017 Budget re-proposes to hold 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 (estimated savings: \$8 million over 10 years).
- *Government Wide Use of Custom and Border Patrol (CBP) Entry/Exit Data to Prevent Improper Payments.* The FY 2017 Budget re-proposes to provide for the use of CBP Entry/Exit data to prevent improper OASDI and SSI payments. An SSI beneficiary who is outside the United States for 30 consecutive days is not eligible for benefits for that month. For the OASDI program, U.S. citizens can generally receive benefits regardless of residence, but non-citizens may be subject to additional residency requirements depending on the country of residence and benefit type. This data also has the potential to be useful across government to prevent improper payments, helping programs reduce the improper payments caused by the inability to authenticate eligibility (estimated savings: \$177 million over 10 years).
- *Allow the Secretary of HHS to Require Prior Authorization of all Medicare Fee-For-Service Items and Services.* The FY 2017 Budget re-proposes to allow the Secretary to require prior authorization for specified Medicare FFS items and services. This would provide authority to allow the Secretary to require prior authorization for items and services that are at the highest risk for improper payment. By allowing prior authorization on additional items and services, CMS can make sure in advance that the correct payment goes to the right provider for the appropriate service, and prevent future audits on those payments (estimated savings \$75 million in savings to Medicare over 10 years).
- *Suspend Coverage and Payment for Questionable Part D Prescriptions and Incomplete Clinical Information.* The FY 2017 Budget re-proposes to give the Secretary authority to suspend coverage and payment for drugs when those prescriptions present an imminent risk to patients or when they are prescribed by providers who have been engaged in misprescribing or overprescribing drugs with abuse potential. It also provides the Secretary authority to require additional clinical information on certain Part D prescriptions (estimated savings \$650 million over 10 years).
- *Allow Civil Monetary Penalties for Providers and Suppliers Who Fail to Update Enrollment Records.* The FY 2017 Budget re-proposes to allow civil monetary penalties for providers and suppliers who fail to update enrollment records. Currently, providers and suppliers are required to update enrollment records to remain in compliance with the Medicare program. Unreported changes in provider enrollment information leave room for fraud to take place. This proposal would increase CMS' authority to enforce appropriate reporting of changes in provider enrollment information through civil monetary penalties or other intermediate sanctions to mitigate associated risk (estimated \$32 million collected over 10 years).
- *Retain a Portion of Medicare Recovery Audit Contractor (RAC) Recoveries to Implement Actions that Prevent Fraud and Abuse.* While the Medicare Access and CHIP Reauthorization Act of 2015 did allow for HHS to retain up to 15 percent of RAC recoveries for certain purposes related to addressing improper payments, the FY 2017 Budget re-proposes to allow CMS to use up to 25 percent of RAC recoveries to implement additional



corrective actions to prevent improper payments and fraud. (estimated savings \$800 million over 10 years).

- *Extend Funding for the Medicaid Integrity Program.* The FY 2017 Budget re-proposes an increase in funding for the Medicaid Integrity Program (MIP) by \$580 million over 10 years above the current funding level. The additional investment starts with an additional \$25 million in FY 2017 and increase gradually to an additional \$100 million in FY 2026. Thereafter, the total would be annually adjusted by the Consumer Price Index. The funding would be used to expand the Medicaid Financial management program reviews and address other program integrity vulnerabilities (estimated savings \$1.3 billion over 10 years).
- *Allow Medicaid Fraud Control Units (MFCUs) to receive Federal matching funds for investigation and prosecution in additional care settings.* The FY 2017 Budget re-proposes to allow MFCUs to receive Federal matching funds for investigation and prosecution in additional care settings. MFCUs currently receive Federal funding to investigate and prosecute allegations of abuse or neglect against Medicaid beneficiaries occurring in institutional settings. This proposal would expand MFCU authority to include non-institutional settings such as the beneficiary's home, day care facilities, and transportation to a health facility (estimated savings \$72 million over 10 years).
- *Track High Prescribers and Utilizers of Prescription Drugs in Medicaid.* The FY 2017 Budget re-proposes to require states to monitor high risk billing activity to identify and remediate prescribing and utilization patterns that may indicate abuse or excessive utilization of certain prescription drugs in the Medicaid program (estimated savings \$770 million over 10 years).
- *Permit Exclusion from Federal Health Care Programs if Affiliated with Sanctioned Entities:* The FY 2017 Budget re-proposes to expand the current authority to exclude individuals and entities from federal health programs if they are affiliated with a sanctioned entity by: eliminating the loophole in current law that allows an officer, managing employee, or owner of a sanctioned entity to evade exclusion by resigning his or her position or divesting his or her ownership; and extending the exclusion authority to entities affiliated with a sanctioned entity (estimated savings \$70 million over 10 years).

### **New FY 2017 Program Integrity Proposals**

- *Allow SSA to Use Commercial Databases to Verify Real Property Data in the SSI Program.* The FY 2017 Budget proposes to reduce improper payments and lessen recipients' reporting burden by authorizing SSA to use private commercial databases to check for ownership of real property (i.e. land and buildings). The data will reduce improper payments by allowing SSA access to better data on potentially countable assets. The inability to verify eligibility is the largest root causes for improper payments in the SSI program and this proposal would help. Consent to allow SSA to access these databases would be a condition of benefit receipt for new beneficiaries. All other current due process and appeal rights would be preserved (estimated savings: \$559 million over 10 years).
- *Increase Overpayment Collection Threshold for SSA's Old Age Survivors and Disability Insurance.* The FY 2017 Budget proposes to increase the Minimum Monthly OASDI Overpayment Collection from \$10 a Month to 10 percent of monthly benefit payable. 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 their stewardship obligations to the combined Social Security Trust Funds. The SSI program already utilizes the 10 percent rule (estimated savings: \$848 million over 10 years).

- *Authorize SSA to Use All Collection Tools to Recover Funds in Certain Scenarios.* The FY 2017 Budget proposes to allow SSA a broader range of collection tools when someone improperly cashes a beneficiary's check. Payment in excess of the amount due or paid after death are considered overpayments. In the case of a joint account and a deceased worker, if the joint account holder is entitled on the deceased worker's record, any payment in excess of amount due or paid after death is deemed an overpayment. The Budget proposes to deem both as overpayments and subject them to the broader range of collection procedures (estimated savings: \$35 million over 10 years).
- *Allow the Secretary to Reject Claims for New Providers and Suppliers Located Outside Moratorium Areas.* The FY 2017 Budget proposes to permit the Secretary of HHS to reject claims for services or items provided by newly enrolled providers or suppliers in geographic areas not subject to temporary moratoria when the services or items are provided to beneficiaries living in areas where a temporary enrollment moratorium has been established. Some providers and suppliers are circumventing enrollment moratoria by setting up businesses right outside the moratorium areas and providing services to beneficiaries living in the moratorium area (estimated savings of \$50 million to Medicare over 10 years).

As I mentioned above, investments in administrative resources can significantly decrease the rate of improper payments and recoup many times their initial investment. That is why this Administration continues to propose significant investments in activities to ensure that taxpayer dollars are spent correctly.

## **Conclusion**

Combating improper payments within the Federal Government is a top priority for the Administration and we will continue to explore new and innovative ways to address the problem. Prior success reducing improper payments was achieved by working with Agencies, the IG community, and the Congress. This approach continues to have merit, and the Administration will remain focused on actions like: (1) annual reviews by agency IGs; (2) improving corrective action plans so that they focus on the main root causes of improper payments; (3) working with the Congress to move forward critical program integrity initiatives, that have been proposed year after year and yet languish in the Congress and (4) using cutting-edge technology to identify and prevent improper payments.

Although progress has been made, through clarified guidance, enacted budget proposals, and focused corrective action plans to name a few, much remains to be done. We look forward to working with the Congress to pass the provisions within the President's FY 2017 Budget I have mentioned today. We are confident our strategy will yield results for the taxpayer. I appreciate the attention this Committee and the Congress dedicates to preventing improper payments, along with the efforts of the GAO, the IG community, and agencies. I remain committed to achieving our mutual objective of achieving payment accuracy and integrity in Federal programs.

Thank you again for inviting me to testify today. I look forward to answering your questions.