STATE IMPROPER PAYMENTS REPORT (ACF-404)

Part I. Program Assurances and Certifications

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

1. The data collection process, including sample selection and case record reviews, adhered to all requirements of the instructions and regulations for *Error Rate Reporting* at 45 CFR 98 Subpart K.

2. The reviews were not conducted by persons who make or approve eligibility determinations or who are under the supervision of persons responsible for eligibility determinations.

3. All reviewers have been trained to ensure that the review process is consistent with state policies and that there is consistency within the state in interpretation of what is an error.

4. The state agrees to retain *Record Review Worksheets*, the *State Improper Payments Report* and any revisions, and any other records pertinent to the case reviews and submission of error rate reports for five years from the date of submission of the *State Improper Payments Report* or final revision submitted, whichever date is later.

5. The state understands that this information, including the sampled case records and calculations are subject to federal review.

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

Part II. Error Measures Reporting

Item #	N/A	N/A
1.	Number of cases sampled	N/A
2.	Total number of cases with an error	N/A
3.	Percentage of cases with an error	N/A
4.	Total number of cases with an improper payment	N/A
5.	Percentage of cases with an improper payment	N/A
6.	Total number of cases with an improper payment error due to missing or insufficient documentation (MID)	N/A
7A.	Total number of MID errors with identified potential improper payments	N/A
7B.	Total dollar amount of potential improper payments resulting from the MID errors. Apply the state's pooling factor if pooled funds were used.	N/A

Item #	N/A	N/A
8A.	Total number of MID potential improper payment errors that was mitigated using an additional inquiry (AI)	N/A
8B.	Total dollar amount of MID potential improper payments that was mitigated using an AI. Apply the state's pooling factor if pooled funds were used.	N/A
9A.	Total number of MID improper payment errors that, after an AI was considered and possibly used, still resulted in an improper payment	N/A
9B.	Total dollar amount of MID improper payments that resulted even after an AI was considered and possibly used.	N/A
10.	Total amount of payments for the sampled cases. Apply the state's pooling factor if pooled funds were used.	N/A
11.	Total amount of improper payments for review period (gross amount of underpayments and overpayments)	N/A
11A.	Total amount of underpayments for review period. Apply the state's pooling factor if pooled funds were used.	N/A
11B.	Total amount of overpayments for review period. Apply the state's pooling factor if pooled funds were used.	N/A
12.	Percentage of the total amount of payments for the sampled cases that are improper payments	N/A
13.	Average amount of improper payments	N/A
14A.	Total annual amount of CCDF subsidy payments	N/A
14B.	Estimated annual amount of improper payments	N/A

15.	Check the appropriate response based on whether the state combines or pools funds, and conducted its reviews based on a sample drawn from a universe of cases served by these pooled funds. Check one of the following:
	
	a. the review was not based on a sample drawn from pooled funds.
	
	b. the review was based on a sample drawn from pooled funds, and the state applied pooling factor from the relevant ACF-800 reporting form.
	
	    b-i. indicate the number of sampled cases that used pooled funds.
	
	    b-ii. indicate the percentage of sampled cases that used pooled funds.
	
	c. the review was based on a sample drawn from pooled funds, but the state did not apply the pooling factor found on the relevant ACF-800 reporting form.
	
	    c-i. provide the pooling factor.
	
	    c-ii. explain the derivation of this pooling factor.
	
	    c-iii. indicate the number of sampled cases that used pooled funds.
	
	    c-iv. indicate the percentage of sampled cases that used pooled funds.
	
	      a.	

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

Month	Reason(s) for Replacement Cases (please list)	# Times Reason Used
October	1. 2. 3.	1. 2. 3.

Month	Reason(s) for Replacement Cases (please list)	# Times Reason Used
November	1. 2. 3.	1. 2. 3.
December	1. 2. 3.	1. 2. 3.
January	1. 2. 3.	1. 2. 3.
February	1. 2. 3.	1. 2. 3.
March	1. 2. 3.	1. 2. 3.
April	1. 2. 3.	1. 2. 3.
May	1. 2. 3.	1. 2. 3.
June	1. 2. 3.	1. 2. 3.
July	1. 2. 3.	1. 2. 3.
August	1. 2. 3.	1. 2. 3.
September	1. 2. 3.	1. 2. 3.

If there are more than three replacement cases in a single month, and there are more than three reasons, place an asterisk after the name of the month and include the additional information below the table.

Part III. State Response to Error-Measures Findings

Item #	N/A
17.	Describe lessons learned or improvements made in implementation of the review process during the current review cycle.

Item #	N/A
18.	For each potential improper payment error due to missing or insufficient documentation, enter the following: a. *the Element number of the RRW where the error was identified;* b. *a description of what documentation was missing or insufficient;* c. *the dollar amount of the potential improper payment;* d. *a description of the AI that was done or an explanation of why there was no appropriate AI;* e. *(if an AI was used) the dollar amount (if any) that was able to be mitigated;* f. *(if an AI was used) how the state determined whether or not the potential improper payment could be mitigated.*

a)Element #	b) What was the MID?	c) Dollar amount of potential IP	d) AI used? Describe why or why not	e) How much mitigated?	f) Explain how state determined whether or not the potential IP could be mitigated
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

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

Cause	# Cases	Example	MID? (Y/N)
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

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

Error	Cause of Error	Action Steps	Timeline	Progress Measurement
1.	N/A	N/A	N/A	N/A
2.	N/A	N/A	N/A	N/A
3.	N/A	N/A	N/A	N/A
4.	N/A	N/A	N/A	N/A

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

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

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

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

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

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

Item #	N/A
25.	List the causes of improper payment errors identified in the previous cycle (item 17 in the 2015 ACF-404 or item 20 in the 2018 ACF-404) and for each cause, describe the action steps that were taken, (including dates), to correct the cause, whether the action steps reduced the identified errors, and how any progress was measured. Discuss any barriers to the effectiveness of the action steps to reduce improper payments.

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

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

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