



Preventing Improper Payments and Collecting Debts Using the Do Not Pay System

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Goals

- Know the laws that allow & require prevention of improper payments
- Understand the steps that identified \$1.9 billion in ineligible loans
- Consider how Federal and State agencies can use Do Not Pay to prevent improper payments and collect debts



Know the Laws

Debt Collection Improvement Act of 1996

Maximize collection of delinquent debts owed to the Government

- Screen Borrowers
- Aggressive Monitoring
- Share Information





Know the Laws

Improper Payments Information Act of 2002

- Identify Susceptible Programs and Activities
- Estimate Improper Payments

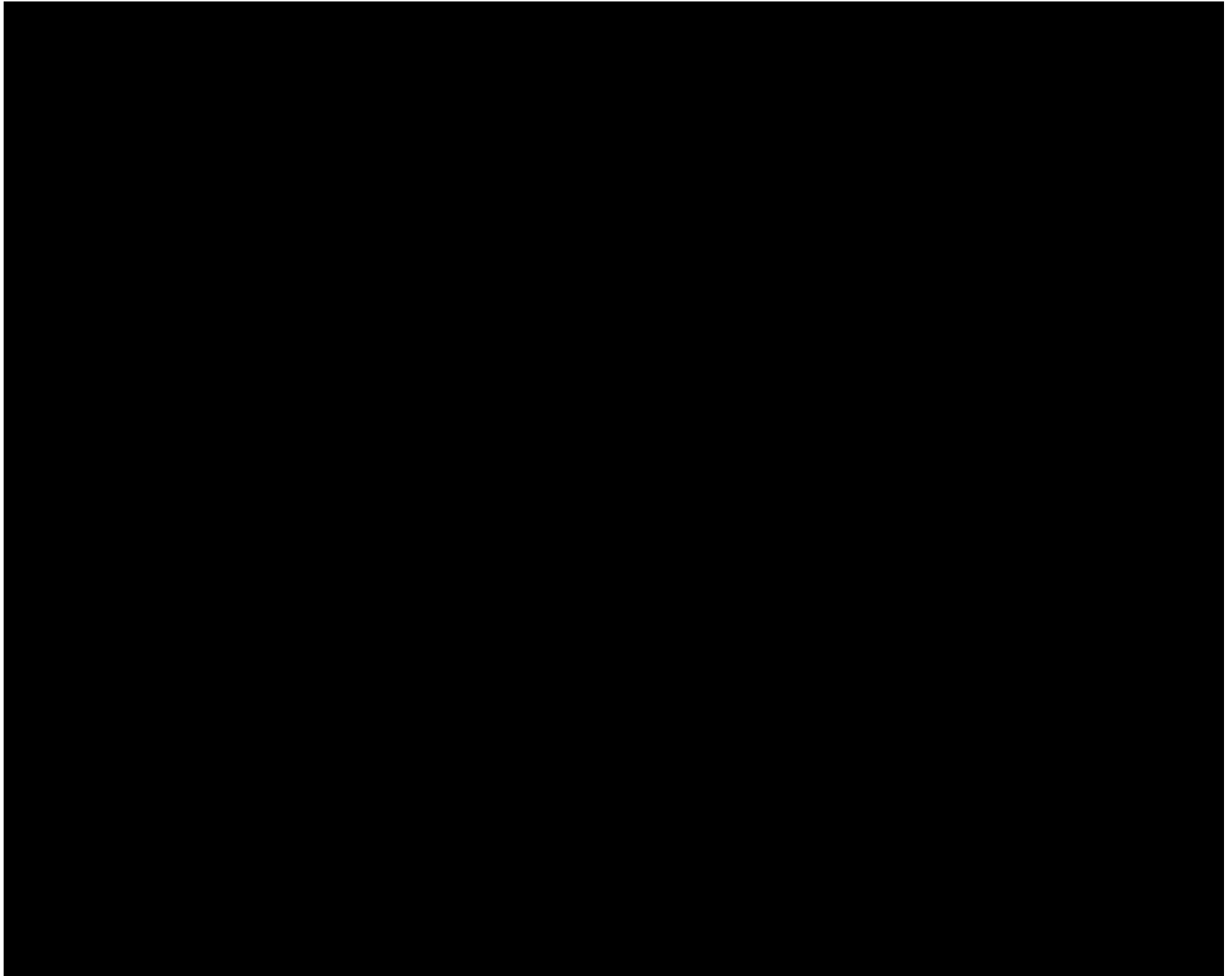


Know the Laws

Improper Payments Elimination and Recovery Act of 2010

- Report actions the agency is taking and to reduce improper payments
- Introduces the Do Not Pay system





Know the Laws

Improper Payments Elimination and Recovery Improvement Act of 2012

Each agency will have access to Do Not Pay

Complete Minimum Checks

- Death Master File
- GSA Excluded Parties
- TOP Debt Check
- CAIVRS
- HHS-OIG Excluded Parties





Know the Laws

Federal Improper Payments Coordination Act of 2015

States shall have access to Do Not Pay to verify
payment or award eligibility



Audit Steps

Identify a Potential Match

DNP will not provide a list of people that should not be paid

- 1.8 Million FHA borrowers from HUD
- CAIVRS and TOP Debt Check from DNP





Audit Steps

Gain System Access

1. Enrollment
2. Data Exchange Agreement





Audit Steps

Matching Process

1. Transfer Data
2. 13,927 Matches



Audit Steps

Statistical Sampling

1. Select Sample
2. File Review
3. Contact Reporting Agencies – States, DOE, SBA
4. Project Results





Audit Steps

Conclusion

FHA insured an estimated 9,507 loans which were not eligible for insurance worth

\$1.9 billion



Audit Steps

Response

HUD agreed with the findings and recommendations

They are eager to fully integrate the Do Not Pay portal



Consider Using DNP

1. Review the DNP website
2. Determine information for possible match
3. Contact DNP
4. Enroll to allow single search capability



Contact Information

Do Not Pay

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HUD-OIG

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Sources

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2. https://www.fiscal.treasury.gov/fsprograms/fs_donotpaybc.htm
3. <https://donotpay.treas.gov/FAQs.htm>

