

For: Alabama, Florida, Louisiana, Mississippi, North Carolina, and Texas State and County Offices

Hurricane Indemnity Program (HIP) Final Download

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

HIP downloads were suspended while OIG conducted an audit on HIP. During the audit reinsurance companies were requested to review the causes of loss already submitted on HIP downloads. In some cases, the audit resulted in the cause of loss being changed to a cause of loss that is **not** eligible for payment under HIP provisions. As a result, producers and crops that were previously eligible are no longer eligible for payment. It is also possible that because of the change in the cause of loss, that producers or crops may now be eligible that were **not** eligible before the OIG audit. RMA has prepared a final download of all producers who are eligible for HIP. This final download will be transmitted to County Offices on or about Monday, May 18, 2009.

Software for processing HIP applications, payments, and overpayments **must** be disabled; however, it **cannot** be closed out until the National Office is certain that **all** changes from the final download have been received and processed in County Offices.

B Purpose

This notice notifies State and County Offices in the affected States of the following:

- the final RMA download for HIP will be transmitted on or about Monday, May 18, 2009
- County Offices **must** reconcile HIP applications to match final RMA download data
- payment and overpayment processing should be completed within 30 calendar days of the date of this notice
- documentation **must** be submitted to the National Office for situations where a HIP payment was earned by the producer, but **not** issued **before** County Release No. 670 disabled the payment processing software.

Disposal Date	Distribution
August 1, 2009	Above State Offices; State Offices relay to County Offices

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2 HIP Final Download

A RMA Download Report

The final HIP download will be transmitted on or about Monday, May 18, 2009. At start-of-day on the day following receipt of the final HIP download, County Offices may receive 1 or 2 download reports. Separate reports will be printed for the following producers:

- active in SCIMS with a legacy link to the county that received the RMA download
- **not** active in SCIMS with a legacy link to the county that received the RMA download; the County Office **must** load the producer in SCIMS, if applicable, and add a legacy link to the county that received the RMA download.

These reports will contain only producers who have:

- never been on a HIP RMA download
- had changes since the previous HIP RMA download.

To access applications for the producers listed on the reports, County Offices shall follow 5-DAP (Rev. 1), and take appropriate action according to subparagraph 829 D.

Note: Payments for producers who were **not** on a previous download and are **not** on the final HIP download, but who contacted the County Office by COB September 29, 2006, and completed a manual application according to Notice DAP-249 provisions, will be processed **after** HIP application and payment software is closed. See paragraph 3 for more information on how payments will be handled for these producers.

B Deleted Downloads

At start-of-day on the day following receipt of the final HIP download, the HIP RMA Deleted Download Report may be printed. The HIP RMA Deleted Download Report will contain data that was on a previous download, but was **not** on the final download. All payments issued based on the deleted download data are considered overpayments. County Offices shall:

- follow procedure in 5-DAP (Rev. 1), subparagraph 829 D to ensure that the appropriate action is taken on the producer's application
- compute and transfer overpayments immediately.

C Changed RMA Data

5-DAP (Rev. 1), subparagraph 829 D provides information on handling new, changed, and deleted RMA indemnity data. Follow subparagraph 829 D to ensure that each producer's HIP application is updated correctly.

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2 HIP Final Download (Continued)

D Discrepancies

5-DAP (Rev. 1), paragraph 838 provides instructions for using the HIP Discrepancy Report. County Offices shall follow paragraph 838 to print the HIP Discrepancy Report, after the final RMA download is received, and ensure that all discrepancies are resolved.

E Excel Spreadsheets

Three Excel spreadsheets are being provided for informational purposes. County Offices may find the spreadsheets helpful for determining producer applications that need to be updated.

To obtain the spreadsheets, go to <http://dc.ffasintranet.usda.gov/farmbill/ccc/default.htm>. Under “HIP”, click any of the following 3 reports:

- “Producers Not on Previous Downloads”, contains a list of all producers who are on the final RMA download, but do **not** have an existing automated HIP application
- “Complete RMA Download”, contains a complete list of all final RMA download data
- “Indemnity Differences Between RMA Download and HIP Application”, contains producers with indemnity differences between the final RMA download and what is on the HIP application.

3 HIP Payment and Overpayment Processing

A Processing HIP Payments and Overpayments

Payment and overpayment processing should be completed:

- as soon as the download and reconciliation are completed
- within 30 calendar days of the date of this notice.

B Disabled Software

Once payment processing software is disabled in County Release No. 670, County Offices shall complete the actions in subparagraph 4 A to request payment authorization for HIP payments that were **not** issued **before** the payment software was disabled.

Note: If an appeal to NAD results in a determination in the producer’s favor, County Offices shall ensure that **all** documentation is reviewed and acted on by FSA representative **before** requesting payment authorization from the National Office.

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4 State and County Office Action

A State Office Action

State Offices shall:

- ensure that County Offices:
 - are immediately informed of the contents of this notice
 - have issued all outstanding HIP payments once the download and reconciliation are complete
 - compute and transfer all overpayments to CRS
- for payments **not** issued by County Offices **before** payment software was disabled, forward authorization request documentation to PECD, CPB, using either of the following methods:
 - FAX to Sandy Bryant at 202-720-0051
 - overnight mail to:

USDA, FSA, PECD, CPB
Attn: Sandy Bryant
STOP 0517
1400 Independence Ave SW
Room 5172, South Building
Washington, DC 20250-1021.

Note: Requests **must** be accompanied by a statement from CED explaining why the County Office was unable to process HIP **before** the software was disabled.

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4 State and County Office Action (Continued)

B County Office Action

County Offices shall:

- ensure that all HIP applications are corrected within 30 calendar days of the receipt of the final HIP download
- ensure that producers who are on the HIP RMA Deleted Download Report are handled according to subparagraph 2 B
- ensure that all application data is loaded into System 36, including applications that are in appeal status
- follow procedure in 5-DAP (Rev. 1), paragraph 838, to print the HIP Discrepancy Report and resolve any discrepancies on HIP applications because of changes to the HIP RMA download
- issue payments to **all eligible** producers within 30 calendar days of the date of this notice
- compute and transfer overpayments immediately according to 5-DAP (Rev. 1), paragraph 892

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4 State and County Office Action (Continued)

B County Office Action (Continued)

- submit the following HIP documentation to the State Office for any payment that was **not** issued **before** installing County Release No. 670:
 - explanation about why the HIP payment was **not** issued before installing County Release No. 670
 - CCC-573
 - CCC-573E, if applicable
 - producer payment history (PPH) for each of the following:
 - producer
 - affected member of the joint operation
 - combined producer

Reminders: If the producer is a joint operation, PPH **must** be submitted for each member of the joint operation.

PPH **must** be submitted for each combined producer, if applicable.

The option to print PPH will still be available on the Payment Reports Menu after installing County Release No. 670.

Note: PPH shall be printed by selecting the applicable menu options from the enabled HIP payment menus. An accounting history print or transaction statement will **not** be accepted in place of PPH from the HIP processing menus.

- current MABDIG for each:
 - producer
 - member, if the producer is a joint operation
- excerpt about the case from the COC minutes, if applicable.