



United States
Department of
Agriculture

BULLETIN NO.: MGR-05-022

Risk
Management
Agency

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

1400 Independence
Avenue, SW
Stop 0801
Washington, DC
20250-0801

FROM: Eldon Gould /s/ *Eldon Gould* 11/16/2005
Administrator

SUBJECT: Correction of Identification Numbers

BACKGROUND:

The 2005 Common Crop Insurance Policy Basic Provisions (Basic Provisions) provide in section 2(b)(2) that incorrect identification (I.D.) numbers must be corrected by the acreage reporting date (ARD). R&D Bulletin-05-028 response 1.A. states that “if the incorrect I.D. number is the result of an Approved Insurance Provider (AIP) error (e.g., a processing or keying error), and the person with the incorrect I.D. number is otherwise eligible, the approved insurance provider should correct the error. Other errors not corrected by acreage reporting date (by the insured) will result in reduced or no coverage in accordance with the Basic Provisions section 2(b)(2)(i) or (ii), whichever is applicable.”

Federal Crop Insurance Corporation (FCIC) 18010 (6-05), Crop Insurance Handbook (CIH) provides in exhibit 32, paragraph 1 that “correction of the insured’s identification number may be made after the Sales Closing Date (SCD) but must be made on or before the ARD and requires the insured’s signature. If the policyholder does not correct his/her identification number by the ARD, the policy is void. AIPs may correct errors on identification numbers after the ARD, if the incorrect identification number is the result of an AIP error (e.g. a processing or keying error) and the person with the incorrect I.D. number is otherwise eligible; however, the AIP may incur a penalty.”



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

An Equal Opportunity Employer

The Risk Management Agency (RMA) has been notified that many insureds may not have had a reasonable opportunity to verify or correct identification numbers due to identification number masking or other security measures implemented by the AIP to deter against the potential for identify theft. As a result, incorrect identification numbers identified after the ARD may result in the voidance of policies for eligible insureds.

ACTION:

For the 2005 and 2006 crop years only, RMA will allow AIPs to correct identification numbers caused by policyholder misreporting after the acreage reporting date if the person with the incorrect identification number is eligible to participate in programs administered under the Federal Crop Insurance Act, and the person is not identified as ineligible in the Ineligible Tracking System. AIPs must verify identification numbers prior to claim payment and must implement measures to provide insureds a reasonable opportunity to verify the primary and substantial beneficial interest holder(s) identification number(s). AIPs may consider methods such as identification number verification through the Social Security Administration as provided on their website at <http://www.ssa.gov/employer/ssnv.htm>.

Identification number corrections may result in a late sales reduction (LSR) or additional LSR to the AIPs. Any LSR or additional LSR incurred by the AIP as a result of the identification number correction in accordance with this bulletin may be waived by RMA. Any LSR due to late submissions or other circumstances that existed prior to the identification number correction as authorized by this bulletin will not be considered for waiver. AIP request for LSR modification should be transmitted to the RMA Reinsurance Services Division.

DISPOSAL DATE:

This bulletin will remain in effect for the 2005 and 2006 crop years only and expires on February 28, 2007.