

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U. S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL OWS/DPM
	DATE February 25, 2008

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 20-07

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS

FROM: DOUGLAS F. SMALL *Douglas F. Small*
Deputy Assistant Secretary

SUBJECT: Government Performance and Results Act (GPRA)
Unemployment Insurance (UI) Program Goals: Fiscal Year
(FY) 2007 Performance and Performance Targets for FY 2008
and FY 2009

1. **Purpose.** To summarize the UI program's GPRA performance for FY 2007 and announce the FY 2008 and FY 2009 GPRA goals and targets.
2. **References.** Training and Employment Guidance Letter (TEGL) No. 24-05, "Government Performance and Results Act (GPRA) Unemployment Insurance (UI) Program Goals: Fiscal Year (FY) 2005 Performance and FY 2006 Performance Targets"; TEGL No. 24-05, Change 1, "Baseline Value and the Fiscal Year (FY) 2007 Target for the Indicator Used for the Government Performance and Results Act (GPRA) Goal to Facilitate the Reemployment of Unemployment Insurance (UI) Beneficiaries"; TEGL No. 6-07, "Government Performance and Results Act (GPRA) Unemployment Insurance (UI) Program Goals: Fiscal Year (FY) 2006 Performance, and FY 2007 Performance Targets, and FY 2008 Performance Targets"; Unemployment Insurance Program Letter 20-07, "Call Memo for the Fiscal Year (FY) 2008 Unemployment Insurance (UI) State Quality Service Plan (SQSP)."
3. **Background.** The Employment and Training Administration (ETA) includes five performance goals for the UI program as part of its GPRA plan for FY 2008 and FY 2009. Four of these performance goals have been in place since FY 2003; the fifth, an efficiency measure, was introduced in FY 2005. Data were available to compute measured performance against all targets for the goals in FY 2007. Three performance targets were met: *Establish Tax Accounts Promptly; Facilitate*

REVISIONS None	EXPIRATION DATE February 25, 2009
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Reemployment; and *Efficiency*. Although the performance target for the *Payment Timeliness* goal was not met in FY 2007, performance improved between FY 2006 and FY 2007; however, performance declined for *Overpayment Detection*.

This directive addresses targets for four indicators. The *Efficiency* goal is not included because it is computed from U.S. aggregate data, and no state indicator exists. Reflecting a combination of experience and outlook, all performance targets for FY 2008 have been revised from those contained in TEGL 6-07. The targets for the goals of *establishing tax accounts promptly* and *facilitating reemployment* have been raised, reflecting FY 2007 performance. Based on recent experience, the expected economic environment and a measurement change during FY 2008, targets for *payment timeliness* and *overpayment detection* have been lowered from previous levels but exceed FY 2007 performance. All targets for FY 2009 exceed FY 2008 targets. The attachment provides information on state performance on the four indicators addressed.

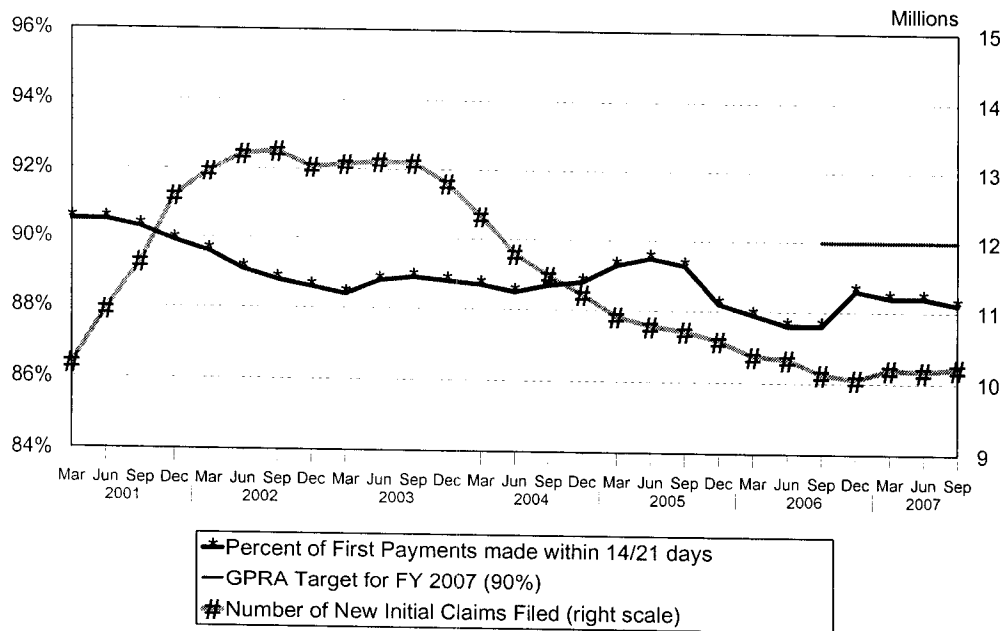
4. **FY 2007 Performance and Targets for FY 2008 and FY 2009.** The table below gives the goals and targets for FYs 2007 – 2009 and FY 2007 performance.

FY 2007 GPRA Targets and Performance and FY 2008 and FY 2009 Targets				
Goal and Indicator	FY 2007 Target	FY 2007 Actual	FY 2008 Target	FY 2009 Target
<i>Payment Timeliness: Percent of Intrastate First Payments Made Within 14/21 Days</i>	90.0	88.2	88.4	88.5
<i>Establish Tax Accounts Promptly: Percent of New Employer Liability Determinations made within 90 days of the end of the first quarter in which they become liable</i>	82.8	84.7	85.0	85.1
<i>Detect Overpayments: Establish for recovery a percent of the amount of estimated overpayments that states can detect and recover</i>	60.0	54.6	56.0	56.2
<i>Facilitate Reemployment: Percent of UI claimants who were reemployed by the end of the first quarter after the quarter in which they received their first payment.</i>	65.0	65.1	65.2	65.3

The goals and performance during FY 2007 were as follows:

- *Payment Timeliness.* FY 2007 Target: 90.0% of all intrastate first payments will be made within 14/21 days.
 - Actual performance for FY 2007: 88.2% were made within 14/21 days. States' first payment timeliness rebounded substantially from the FY 2006 level that was dominated by the effects of the Gulf hurricanes in 2005, but remained well below the 90.0% target as Louisiana performance remained low, and performance in some larger states drifted down. Because these effects are expected to persist, the target was lowered from its previous path.

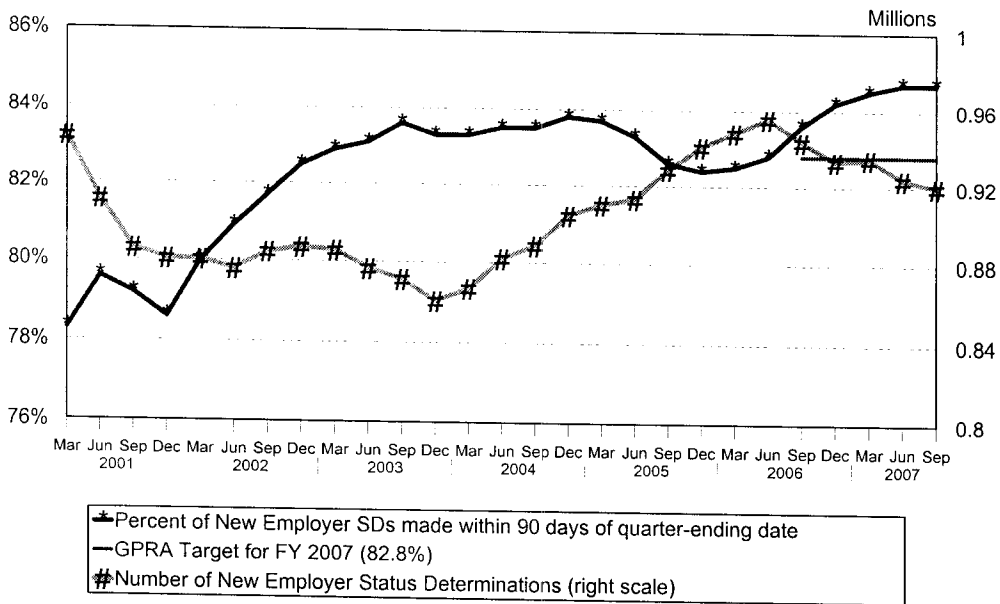
First Payment Timeliness



Each data point represents the one year period up to and including the given month.

- *Establish Tax Accounts Promptly.* FY 2007 Target: 82.8% of new-employer status determinations will be made within 90 days of the end of the quarter in which liability first occurred.
 - Actual performance for FY 2007: 84.7% were made within 90 days. This measure has been in upward trend since 1996. Targets for FY 2008 and beyond have been raised in expectation that this trend in performance is likely to continue.

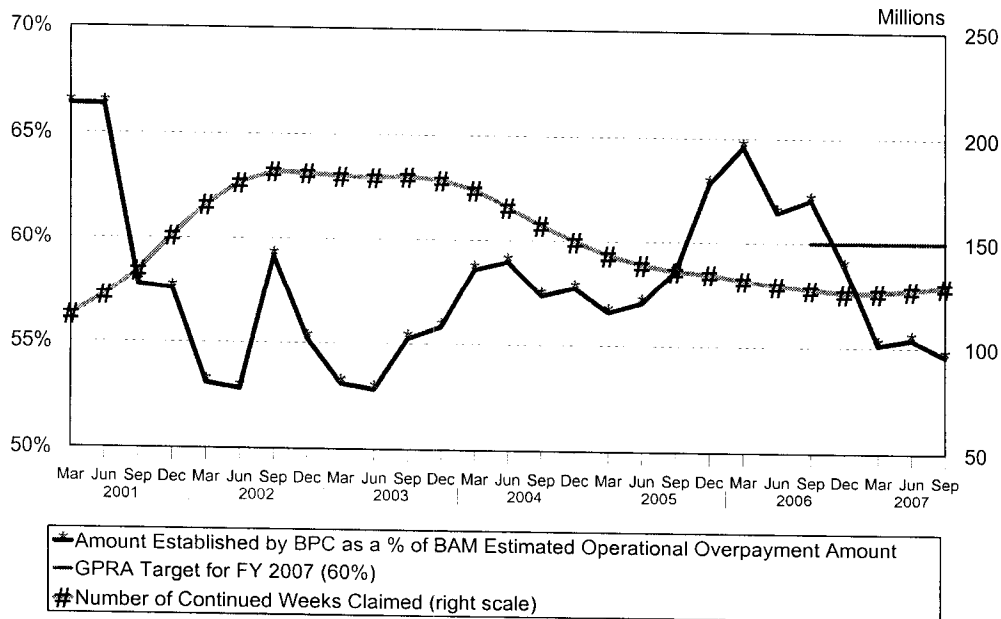
Timeliness of New Employer Status Determinations



Each data point represents the one year period up to and including the given month.

- *Detect Benefit Overpayments.* FY 2007 Target: Establish for recovery 60.0% of the Benefit Accuracy Measurement estimate of recoverable dollar overpayments most readily detected through state operations.
 - Actual performance for FY 2007: 54.6% were established. This sharp decline from FY 2006 performance occurred because estimated recoverable overpayments rose while actual overpayments established as a percent of payments were flat. Measured detections rose because of both residual effects of hurricanes on payment integrity and states' use of data from the National Directory of New Hires (NDNH) for Benefit Accuracy Measurement overpayment estimates. As a result of two countervailing forces, FY 2008 and FY 2009 performance is expected to remain near FY 2007 levels, and targets were set accordingly. The use of NDNH became a mandatory part of the BAM claims audit in January 2008, and is expected to reduce the detection of overpayment ratio by raising estimated recoverable overpayments. At the same time, the increased use of NDNH as an integrity tool will shorten overpayment spells and facilitate the detection and establishment of overpayments, which will tend to raise the detection of overpayments ratio.

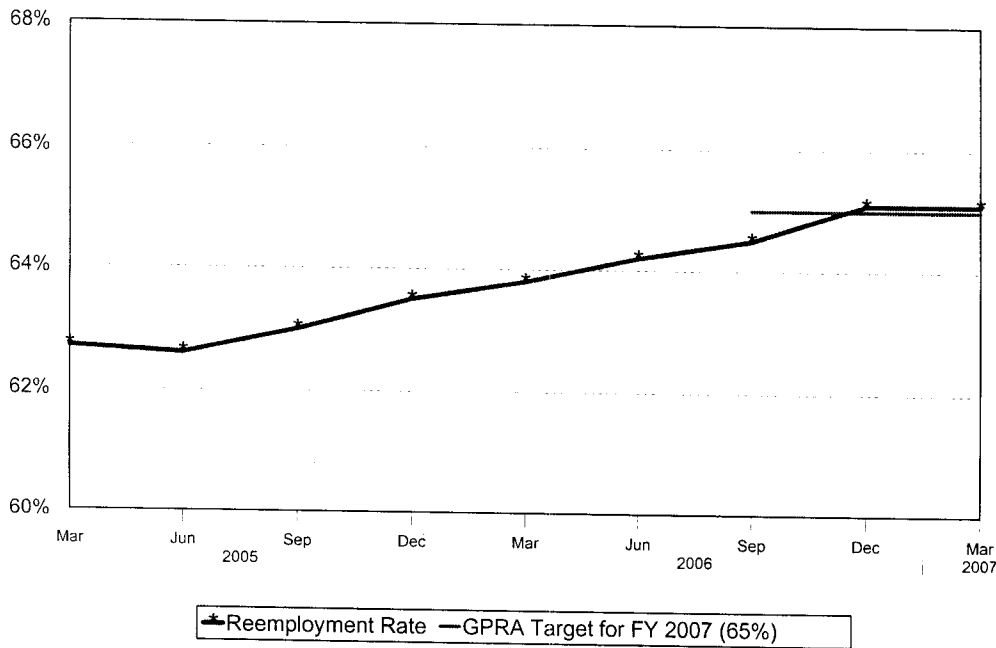
Detection of Overpayments



Each data point represents the one year period up to and including the given month

- *Facilitate Claimant Reemployment.* FY 2007 Target: Reemploy 65% of new UI beneficiaries by the end of the first quarter following the quarter in which they received a UI first payment.
 - Actual performance for FY 2007: 65.1% of new UI beneficiaries were reemployed in the year ending June 30, 2007 (latest data available). Based on projections from the few quarters of experience available, and in light of Administration assumptions that economic conditions will worsen between FY 2007 and FYs 2008-2009, targets have been set that anticipate very modest improvement.

Facilitation of Reemployment



Each data point represents the one year period up to and including the given month

5. **Actions.** State Workforce Agency administrators and liaisons are requested to:
 - a. Distribute this advisory to appropriate staff; and
 - b. Review state performance on each performance goal. Although the GPRA targets do not apply to individual states, every state's performance influences the overall system performance to which the targets do apply. Therefore, states are urged to at least maintain, and preferably improve, performance on these key performance indicators.
6. **Inquiries.** Direct questions to the appropriate Regional Office.
7. **Attachment:** Performance on GPRA Indicators by state, FY 2007.

Performance on GPRA Indicators by State, FY 2007

State	Intrastate First Payment Timeliness, 14/21 Days (Target: 90.0%)	New Status Timeliness, 90 Days (Target: 82.8%)	Detection of Overpayments (Target: 60.0%)	Facilitation of Reemployment* (Target: 65.0%)
AK	94.2%	91.8%	43.9%	63.8%
AL	95.4%	76.6%	62.6%	73.2%
AR	94.4%	84.3%	26.2%	71.0%
AZ	86.3%	72.1%	39.6%	65.0%
CA	79.8%	89.2%	59.5%	60.2%
CO	90.6%	85.4%	47.1%	61.3%
CT	90.0%	88.9%	45.6%	64.2%
DC	93.7%	82.7%	37.3%	57.5%
DE	94.8%	84.5%	49.7%	70.8%
FL	91.2%	89.8%	56.8%	57.8%
GA	87.9%	91.4%	97.9%	67.3%
HI	90.0%	89.1%	35.5%	68.4%
IA	91.1%	70.5%	59.5%	77.9%
ID	96.9%	89.1%	68.6%	92.4%
IL	89.2%	84.1%	55.1%	64.6%
IN	76.6%	85.5%	49.5%	64.4%
KS	88.5%	64.7%	65.2%	69.2%
KY	89.8%	89.2%	47.9%	74.9%
LA	65.6%	86.7%	137.6%	63.5%
MA	82.9%	86.1%	52.6%	58.5%
MD	94.2%	79.4%	90.9%	63.1%
ME	93.0%	77.1%	98.7%	64.2%
MI	89.6%	84.3%	32.3%	67.8%
MN	89.7%	81.3%	30.7%	68.2%
MO	89.7%	83.7%	41.7%	71.6%
MS	89.1%	79.6%	84.3%	65.4%
MT	93.8%	87.8%	46.2%	78.8%
NC	86.3%	78.1%	56.6%	60.0%
ND	98.3%	86.0%	103.4%	82.2%
NE	90.5%	83.9%	37.4%	68.3%
NH	87.9%	85.9%	49.7%	67.4%
NJ	90.9%	80.9%	55.2%	60.0%
NM	86.2%	87.9%	46.6%	50.6%
NV	84.8%	89.8%	26.6%	65.1%
NY	90.5%	83.8%	65.6%	61.0%
OH	96.5%	87.5%	64.3%	66.0%
OK	90.0%	86.5%	65.9%	61.2%
OR	91.6%	83.9%	32.4%	69.4%
PA	89.7%	75.3%	37.9%	68.7%

PR	89.8%	57.5%	23.9%	40.1%
RI	86.6%	96.9%	127.3%	61.1%
SC	88.6%	88.7%	38.3%	65.4%
SD	97.3%	87.5%	74.5%	76.6%
TN	91.9%	82.4%	101.4%	64.1%
TX	87.6%	84.4%	51.9%	64.3%
UT	95.0%	93.3%	89.7%	70.7%
VA	89.6%	83.9%	57.5%	68.8%
VI	80.1%	100.0%	INA	43.5%
VT	96.4%	66.6%	54.4%	68.7%
WA	88.3%	91.5%	224.5%	71.3%
WI	93.5%	73.7%	55.0%	81.7%
WV	93.1%	88.5%	80.1%	71.7%
WY	94.3%	81.9%	55.4%	75.3%
US	88.2%	84.7%	54.6%	65.1%

* Reemployment Rate is based on first payments made to claimants during the period 4/1/2006 to 3/31/2007 who were reemployed during the period 7/1/2006 to 6/30/2007.