

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	<b>CLASSIFICATION</b> Unemployment Insurance
	<b>CORRESPONDENCE SYMBOL</b> OUI/DPM
	<b>DATE</b> April 1, 2016

**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 13-16**

**TO: STATE WORKFORCE AGENCIES**

**FROM: PORTIA WU /s/  
Assistant Secretary**

**SUBJECT: Procedures for the Completion and Publication of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Data for Improper Payment Information Act (IPIA) Reporting Year 2016**

1. **Purpose.** To provide State Workforce Agencies (SWAs) guidelines and key dates for the completion of IPIA 2016 UI BAM paid and denied claims sample cases and the publication of IPIA 2016 BAM data.

2. **References.**

- Improper Payments Information Act of 2002, Pub. L. No. 107-300, as amended by the Improper Payments Elimination and Recovery Improvement Act of 2012, Pub. L. 112-248, 31 U.S.C. § 3321 note;
- 31 U.S.C. § 3515 [Financial statements of agencies];
- 20 C.F.R. Part 602, Quality Control in the Federal-State Unemployment Insurance System;
- ET [Employment and Training] Handbook No. 395, 5th Edition, *Benefit Accuracy Measurement* (November 2009);
- Unemployment Insurance Program Letter (UIPL) No. 19-96, *Procedures for Release of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) (formerly Benefits Quality Control(BQC)) Data for Calendar Year (CY) 1995 (April 30, 1997)*; and
- UIPL No. 11-15, *Procedures for the Completion and Publication of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Data for Improper Payment Information Act (IPIA) Reporting Year 2015 (Feb. 26, 2015)*.

3. **Background.** Under 20 CFR § 602.21(g), the U.S. Department of Labor's Employment Training Administration (ETA) releases the BAM program calendar year results each year. The ETA's National Office will continue the release of annual results on its Web site: [www.dol.gov/dol/maps/map-ipia.htm](http://www.dol.gov/dol/maps/map-ipia.htm) and the associated data page [www.dol.gov/dol/maps/data.htm](http://www.dol.gov/dol/maps/data.htm).

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> March 31, 2017
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Historically, the BAM calendar year release has included an analytical report or a detailed analysis of the calendar year results. As part of this process, ETA announces the publication cycle with the issuance of a UIPL, which provides dates for case completion, verification of data contained in the national database, and an explanation of data footnotes. This UIPL continues that practice. With this issuance, ETA continues publication according to its newly established analytical report year to align it with the annual financial reporting requirement found in the IPIA.

- 4. Completion of IPIA 2016 BAM Cases.** Federal law requires that by no later than March 1st of every year, the head of each covered executive Federal agency prepare and submit to the Congress and the Director of the Office of Management and Budget an audited financial statement for the preceding fiscal year, covering all accounts and associated activities of each office, bureau, and activity of the agency (31 U.S.C. § 3515). Consistent with the reporting provisions of the IPIA, the ETA's National Office includes improper payment estimates for the unemployment compensation program with the materials accompanying the ETA's National Office annual audited financial statement (31 U.S.C. § 3321 note).

To accomplish this mandate and provide a detailed explanation of improper payments, ETA establishes the IPIA reporting year for the BAM program, which includes payment accuracy estimates for the period beginning in July and continuing through June of the following year (batch range YYYY27 through (YYYY+1) 26).

For IPIA 2016 reporting purposes, the end of the year is June 30, 2016. Therefore, all published BAM data will be based on IPIA 2016 BAM paid and denied claims cases on which the BAM supervisor has signed off by the date of record, which is the close of business (COB) on the date 120 days after the end of the reporting year, i.e., October 28, 2016. IPIA 2016 will include batch range 201527 through 201626, which covers the period beginning June 28, 2015 through June 25, 2016.

Changes to the SWA's databases after the date of record can result in inconsistencies with the ETA's National Office database. SWAs must not reopen any IPIA 2016 BAM cases after October 28, 2016, until they have reviewed the BAM data transmitted to them by the ETA's National Office and have confirmed that these data agree with the BAM paid claims accuracy (PCA) and denied claims accuracy (DCA) data produced by the SWA's databases.

- 5. Transmittal of Data and Comment Period.** The ETA's National Office will produce and transmit to each SWA by November 18, 2016, paid and denied claims accuracy data for that SWA, based on the IPIA 2016 BAM cases as of October 28, 2016. Before publication, SWAs are encouraged to run the BAM Paid Claims Annual Report, Denied Claims Error Rates Report, and Improper Denials Rates Report software and to compare the results with the rates and report footnotes the ETA's National Office transmits to them for comment.

Before October 28, 2016, the ETA's National Office will transmit a footnote lookup table for the IPIA 2016 BAM Paid Claims Annual Report, Denied Claims Error Rates Report, and Improper Denials Rates Report. Samples of these reports, report definitions, and report

footnotes are available in Attachments 1 and 2. By December 2, 2016, SWAs should report any discrepancies or submit questions concerning the BAM paid and denied claims data and footnotes to ETA's National Office, with a copy to the appropriate ETA Regional Administrator. Please send comments to Ross Miller by e-mail: [Miller.Ross@dol.gov](mailto:Miller.Ross@dol.gov), fax: (202) 693-3975, or mail:

Mr. Ross Miller  
U. S. Department of Labor  
ETA / Office of Unemployment Insurance  
200 Constitution Avenue, NW, Room S-4519  
Washington, D.C. 20210

ETA's National Office and Regional Office staff will address and reconcile issues raised by the SWAs by December 9, 2016.

- 6. Federal Publication of BAM Data.** The ETA's National Office will publish the IPIA 2016 BAM analytical report on the ETA Web site: <http://oui.doleta.gov/unemploy/index.asp>.

If the SWA fails to follow the BAM methodology for sample selection, data collection, or case completion timeliness, as prescribed in ET Handbook No. 395, to such an extent that the data are not reliable, the ETA's National Office will publish an explanation of the major deficiencies, in lieu of BAM data, for that SWA. SWAs will be required to address these deficiencies through the State Quality Service Plan process.

Although UIPL No. 19-96 announced the elimination of the requirement in 20 CFR § 602.21(g) that states release BAM data publicly, states may choose to release their BAM data to the public independent of the Federal release.

- 7. Key Dates.** The following key dates are the latest dates for completing the task or action:

06/30/16 - This date represents the end of the IPIA reporting year and includes batches 201527 through 201626. By this date, SWAs must have selected the minimum number of valid cases to meet annual sample allocation requirements (*i.e.*, 480 or 360 paid claim cases and 150 of each of the three types of denied claims). SWAs must complete at least 98 percent of the valid sample cases sampled in IPIA 2016 within 120 days of this date (*i.e.*, October 28, 2016).

10/14/16 - SWAs submit requests for waivers of BAM paid and denied claims timeliness requirements, along with supporting documentation, to the appropriate ETA Regional Administrator. Generally, waivers are only granted for catastrophic events (*i.e.*, occurrence by natural causes that could not have been prevented by the exercise of foresight or caution).

- 10/21/16 - ETA's National Office electronically transmits the footnote lookup table for the BAM paid and denied claims software to each SWA's Unemployment Insurance Database System (Sun Server).
- 10/28/16 - Regional Offices respond to SWAs on the disposition of SWA requests for waivers of BAM timeliness requirements.
- 10/28/16 - Each SWA checks its UI database to ensure that: 1) the BAM supervisor has signed off all BAM paid and denied claims cases that investigators have completed; and 2) reopened cases have been updated and data errors corrected by this date. Cases closed by supervisors after COB on October 28, 2016, will not be included in the Paid Claims Accuracy IPIA Report or the Denied Claim Accuracy Error Rates and Improper Denials Rates Reports. SWAs must not reopen any IPIA 2016 cases after October 28, 2016, until they have reviewed the BAM data transmitted by the National Office and verified the data against their SWA database or reconciled any differences with the ETA National Office.
- 11/15/16 - ETA's National Office and Regional Offices transmit the IPIA 2016 BAM data to the SWAs' BAM Supervisors.
- 12/02/16 - SWAs review BAM paid and denied claims accuracy data and footnotes, and report any discrepancies or submit questions about the BAM data or footnotes to the ETA's National Office (to the attention of Mr. Ross Miller, as discussed in Section 5 of this guidance), with copies to the appropriate ETA Regional Administrator.
- 12/09/16 - ETA's National and Regional Offices staff address issues raised by the SWAs and reconcile any differences between SWA and ETA's National Office BAM data.
- 12/16/16 - SWAs provide the name, address, telephone number, and e-mail address of the contact person(s) for public inquiries about BAM paid and denied claims data. SWAs should send this information to the attention of Mr. Ross Miller at the address, e-mail address, or fax listed in Section 5 of this guidance, with copies to the appropriate ETA Regional Administrator.
- 3/31/17 - The ETA's National Office publishes the IPIA 2016 BAM data on the ETA Web site: <http://oui.doleta.gov/unemploy/index.asp>.

- 8. Action Requested.** The ETA's National Office requests that SWA Administrators:
- A. Provide copies of these guidelines to the appropriate staff;
  - B. Send any request for a waiver of BAM timeliness requirements to the appropriate ETA Regional Administrator by COB October 14, 2016; and
  - C. Ensure that the ETA's National Office (attention: Mr. Ross Miller, as provided in Section 5 of this guidance) and the appropriate ETA Regional Administrator are:

1. Notified, by December 2, 2016, of any issues that require the reconciliation of differences between the SWA's and the ETA's National Office BAM data; and
2. Provided, by December 16, 2016, the name, address, telephone number, and e-mail address of the person(s) whom interested parties may contact with questions or inquiries about the SWA's BAM data.

**9. Inquiries.** Please direct questions to the appropriate Regional Office.

**10. Attachments.**

- Attachment 1 - Benefit Accuracy Measurement (BAM) Paid Claims Annual Report, Report Definitions, and Report Footnotes
- Attachment 2 - Denied Claims Accuracy (DCA) Error Rates Report and Improper Denials Rates Report, Report Definitions, and Report Footnotes