

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION
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ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 20-14

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 2014

1. **Purpose.** To provide State Workforce Agencies (SWAs) guidelines and key dates for the completion of IPIA 2014 UI BAM paid and denied claims sample cases and the publication of IPIA 2014 BAM data.

2. **References.**

- 31 U.S.C. 3515 - Financial statements of agencies;
- Improper Payments Information Act of 2002 (31 U.S.C. 3321 note);
- 20 CFR Part 602;
- ET [Employment and Training] Handbook No. 395, 5th Edition, *Revisions to the State Operations Handbook for the Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Program* (BAM State Operations Handbook);
- Unemployment Insurance Program Letter (UIPL) No. 19-96, *Procedures for Release of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) (formerly Benefits Quality Control Data for Calendar Year (CY) 1995 (BQC))*; and
- UIPL No. 25-13, *Procedures for the Completion and Publication of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Data for Improper Payment Information Act (IPIA) Reporting Year 2013*.

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

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 announced the publication

RESCISSIONS	EXPIRATION DATE
None	December 31, 2014

cycle with the issuance of a UIPL, which provided dates for case completion, verification of data contained in the national database, and an explanation of data footnotes. This UIPL continues that practice. However, with this issuance, ETA establishes a new analytical report year to align it with the annual financial reporting requirement found in the IPIA.

- 4. Completion of IPIA 2014 BAM Cases.** The IPIA 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). The IPIA requires the materials accompanying the annual financial statement to include improper payment estimates for the unemployment compensation program (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 July through June of the following year (batch range YYYY27 through (YYYY+1) 26).

For IPIA 2014 reporting purposes, the end of the year is June 30, 2014. Therefore, all published BAM data will be based on IPIA 2014 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) October 28, 2014. IPIA 2014 will include batch range 201327 through 201426, which covers the period June 30, 2013, through June 28, 2014.

Changes to the state's database after the date of record can result in inconsistencies with the Department's database. SWAs must not reopen any IPIA 2014 BAM cases after October 28, 2014, until they have reviewed the BAM data transmitted to them by the Department and have confirmed that these data agree with the BAM paid and DCA data produced by the state's database.

- 5. Transmittal of Data and Comment Period.** The ETA National Office will produce and transmit to each state by November 11, 2014, paid and denied claims accuracy data for that state, based on the IPIA 2014 BAM cases as of October 28, 2014. 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 Department transmits to them for comment before publication. IPIA 2014 will include batch range 201327 through 201426.

Before October 28, 2014, the Department will transmit a footnote lookup table for the IPIA 2014 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 November 25, 2014, 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, 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

National Office and Regional Office staff will address and reconcile issues raised by the states by December 9, 2014.

In December 2014, the Department will present an informational webinar on the IPIA 2014 BAM Annual Report. The webinar will examine the BAM procedures, process, various estimates derived from the data, and performance measures. The Department will distribute the webinar invitation by e-mail.

- 6. Federal Publication of BAM Data.** The Department will publish the IPIA 2014 BAM analytical report on the ETA Web site: <http://oui.doleta.gov/unemploy/index.asp>.

If a 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 Department will publish an explanation of the major deficiencies, in lieu of BAM data, for that state. 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:

06/30/14 - This date represents the end of the IPIA reporting year and includes batches 201327 through 201426. By this date, states 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). States must complete at least 98 percent of the valid sample cases sampled in IPIA 2014 within 120 days of this date (*i.e.*, October 28, 2014).

10/14/14 - SWAs submit requests for waivers of BAM paid and denied claims timeliness requirements, along with supporting documentation, to the appropriate ETA Regional Administrator.

10/21/14 - Regional offices respond to states on the disposition of state requests for waivers of BAM timeliness requirements.

- 10/22/14 - The National Office electronically transmits the footnote lookup table for the BAM paid and denied claims software to each state's Unemployment Insurance Database System (Sun Server).
- 10/28/14 - Each SWA checks its UI database to ensure that: 1) the BAM supervisor has signed off all BAM paid and denied claims cases, which investigators have completed; and 2) reopened cases have been updated and data errors are corrected by this date. Cases closed by supervisors after October 28, 2014, will not be included in the Paid Claims Accuracy Annual Report or the Denied Claim Accuracy Error Rates and Improper Denials Rates Reports. SWAs must not reopen any IPIA 2014 cases after October 28, 2014, until they have reviewed the BAM data transmitted by the National Office and verified the data against their state database or reconciled any differences with the Department.
- 11/11/14 - The National Office transmits the IPIA 2014 BAM data to the State Administrators.
- 11/25/14 - 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 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.
- 12/09/14 - National and Regional Office staff address issues raised by the states and reconcile any differences between state and Department's BAM data.
- 12/19/14 - 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. SWA's should send this information to the attention of Mr. Ross Miller at the address, e-mail address, or fax provided in Section 5 of this guidance, with copies to the appropriate ETA Regional Administrator.
- 12/20/14 - During the month of December, the Department will present an informational webinar. The webinar will examine the BAM procedures, processes, various estimates derived from the data, and performance measures. The Department will distribute the webinar invitation by e-mail. The Department will repeat the webinar several times to accommodate participants' schedules.
- 3/31/15 - The Department publishes the IPIA 2014 BAM data on the ETA Web site: <http://oui.doleta.gov/unemploy/index.asp>.

8. Action Requested. The Department requests that State 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, 2014; and

C. Ensure that the National Office (attention: Mr. Ross Miller, as discussed in Section 5 of this guidance) and the appropriate ETA Regional Administrator are:

1. Notified by November 25, 2014, of any issues that require the reconciliation of differences between the state's and the Department's BAM data; and
2. Provided by December 19, 2014, with the name, address, telephone number, and e-mail address of the person(s) whom interested parties may contact with questions or inquiries about the state's BAM data.

10. Inquiries. Please direct questions to the appropriate Regional Office.

11. 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