The new High Priority Model consists of four data inputs that will be considered in determining if a state will be designated as "High Priority." The data inputs are: 1) Benefits/Appeals and Data Validations Results Module; 2) Program Integrity and Data Validations Results Module; 3) State Self- Assessment Results Module; and 4) Regional/National Office Input. A graphic depicting the "High Priority Model" process is displayed below. The methodology used to compute the scores for each module is outlined in the different sections below.

High Priority Model
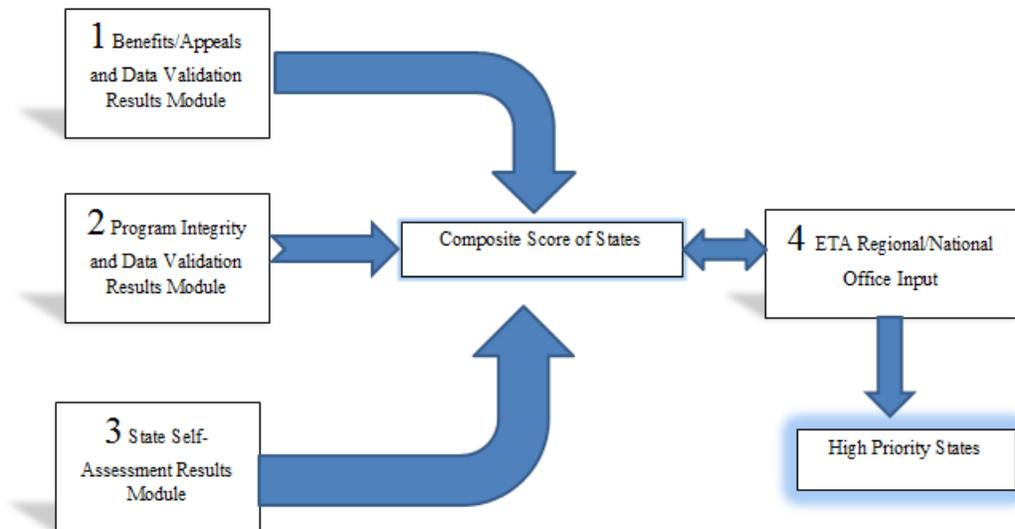
A. The Benefits/Appeals and Data Validation Results Module and the Program Integrity and Data Validation Results Module will be used to generate a combined score to be incorporated with the State Self-Assessment Results to determine the overall data-based state composite score.

All the measures in the Benefits/Appeals Measures and Data Validation Results Module, and the Program Integrity and Data Validation Results Module, with the exception of the Overpayment Detection Rate measure, will be evaluated for each one-year period that ends March 31st for each of the three years used. The Overpayment Detection Rate evaluation period will cover the prior 36-month period ending March 31st of each of the three measurement periods used in the measure.

For each individual measure, the three measurement periods are combined using a weighted average, with the most recent year receiving the most weight, and the second and third years receiving the least weight. The weight factor for these measures will be 50 percent for the

most recent year, 30 percent for the second most recent year, and 20 percent for the third most recent year.

The measures used for the overpayment detection rate, overpayment recovery rate, first payment timeliness, nonmonetary determination timeliness, nonseparation determination quality score and separation determination quality score are all based on a scale out of 100 where higher scores are better and therefore are not changed to any other variable. The improper payment rate, operational rate and average age of lower authority appeals measures all use formats where a lower value is desirable and are therefore transformed via a normalization formula to comparable scores. Data validation scores are entered as binary 1/0 for pass/fail results for each underlying population area with the average of a given year's pass/fail results applying to each 12-month period ending March 31st.

The Benefits/Appeals and Data Validation Results Module integrates the five benefits and appeals performance measures using a straight average across the measures, again with each measure receiving an equal weight. After this value is computed, it is then combined with the benefits/appeals data validation score based on a weighted formula. The weighted formula is applied so that the final performance module score is made up of 75% of the direct benefits and appeals performance measures and 25% of the data validation scores. The 25% weight for the data validation results is used to adjust potentially unreliable state performance measures data for issues identified through the data validation process for those data populations.

The Program Integrity and Data Validation Results Module compiles three integrity measures and the operational rate as described in this UIPL (UIPL No. 17-16). The same annual weighting factors as described above are applied to the three years of program integrity data to produce the program integrity module score. A straight average is used so that each component receives equal weight. After this value is computed, it is then combined with the integrity portion of the data validation score based on a weighted formula. The weighted formula is applied so that the final program integrity module score is made up of 75% of the direct program integrity measures and 25% of the data validation scores. The 25% weight for the data validation results is used to adjust potentially unreliable state integrity measures data for issues identified through the data validation process for those data populations.

B. State Self-Assessment Results Module. As explained in this UIPL (UIPL No. 17-16), the exact process by which the state's self-assessment results will be scored is still in development. The state's self-assessment is a comprehensive review of the state's UI benefits operations covering fifteen functional areas. The state will be responsible for ensuring that each functional area is reviewed and the self-assessment tool for each functional area is completed annually on a schedule and in a format to be provided by ETA once the tool has received clearance pursuant to the Paperwork Reduction Act.

C. High Priority Composite Score. The High Priority composite score is computed using a straight average of the Benefits/Appeals and Data Validation Results module score and the Program Integrity and Data Validation Results module score, such that each receives equal

weight. The final overall High Priority composite scores are ranked from lowest to highest where the lowest scores are those falling in the high priority range. The lowest scores are selected for final review. The "High Priority" states are selected from this group of lowest scoring states, using the model outputs, the underlying performance data, other relevant performance data and additional ETA staff input (ETA Regional/National Office Input). The weighting factors may be refined in future years based on model performance and results.