ADVISORY: **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 12-23**

TO: STATE WORKFORCE AGENCIES

FROM: BRENT PARTON /s/
                Principal Deputy Assistant Secretary

SUBJECT: Procedures for the Completion and Publication of Unemployment Insurance
                Benefit Accuracy Measurement Data for Payment Integrity Information Act
                Reporting Year 2023.

1. **Purpose.** To provide State Workforce Agencies (SWAs) guidelines and key dates for the completion of the 2023 Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) paid and denied claims sample cases and the publication of 2023 BAM data.

2. **Action Requested.** The Employment and Training Administration (ETA) 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 Office by close of business (COB) October 06, 2023; and

   c. Ensure that ETA and the appropriate ETA Regional Office are:
      1) Notified, by November 24, 2023, of any issues that require the reconciliation of differences between the SWA's and the ETA's BAM data; and
      2) Provided, by January 12, 2024, the name, address, telephone number, and email address of the point of contact(s) for the SWA's BAM published data.

3. **Summary and Background.**

   a. Summary – This Unemployment Insurance Program Letter (UIPL) provides guidelines and key dates for the completion of the 2023 representative sample cases of UI payments and denials and the publication of 2023 BAM data. ETA issues these annual guidelines as set out in Employment and Training (ET) Handbook No. 395, 5th Edition (Office of Management and Budget (OMB) approval number 1205-0245). The BAM program is designed to determine the accuracy of paid and denied claims in three major UI programs: regular State UI, Unemployment Compensation for Federal Employees, and Unemployment Compensation for Ex-Servicemembers. SWAs select weekly random samples of paid and denied claims. Independent state BAM investigators audit these paid

RESCISSIONS	EXPIRATION DATE
None	March 31, 2024

and denied claims to determine whether the claimant was properly paid or properly denied benefits.

b. Background – Each year, ETA publishes BAM program reporting year results (BAM Annual Report) on its website under "Current Data" located at (https://oui.doleta.gov/unemploy/bqc.asp). U. S. Department of Labor (Department) also publishes BAM data on its website (https://www.dol.gov/agencies/eta/unemployment-insurance-payment-accuracy/data) each quarter. This quarterly data includes the most recent 12 months of data.

Historically, the BAM program reporting year release has included an analytical report or a detailed analysis of these 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. The present UIPL continues this practice. Additionally, this UIPL incorporates the annual financial reporting requirement found in the PIIA that Federal programs report an annual improper payment rate. The Payment Integrity Information Act (PIIA) repeals the Improper Payments Information Act of 2002 as amended by the Improper Payments Elimination and Recovery Improvement Act of 2012.

4. **Guidelines and Key Dates.**

a. **Completion of PIIA 2023 BAM Cases.** The PIIA states that ETA is to provide information on improper payments in the UI program, including the improper payment estimate, in the Department's Annual Financial Report to OMB. To accomplish this mandate, ETA establishes the PIIA 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 (BAM batch range YYYY27 through (YYYY+1)26). ETA has established standards that states complete a minimum 95 percent of sampled cases within 90 days of the week ending date of the batch and complete 98 percent of sampled cases within 120 days of the ending date of the above annual reporting period. This July-to-June reporting period provides the most recent BAM data available to meet the PIIA reporting schedule requirements for the fiscal year.

For PIIA 2023, the reporting period is from July 1, 2022, to June 30, 2023. PIIA 2023 will include batch range 202227 through 202326. Therefore, all published BAM data will be based on PIIA 2023 BAM paid and denied claims cases that the BAM supervisor has signed off by the date of record. The BAM supervisor must close and submit cases by the COB 120 days after the end of the reporting year or on COB October 30, 2023, whichever is later.

Changes to a SWA's database after the date of record can result in inconsistencies with the ETA database. A SWA **must not** close or reopen any PIIA 2023 BAM cases after October 30, 2023, until the SWA has reviewed the BAM data transmitted to it by ETA and has confirmed that the data agrees with the BAM paid claims accuracy and denied claims accuracy data produced by the SWA's databases.

b. **Transmittal of Data and Comment Period**. No later than October 20, 2023, ETA will electronically transmit a footnote lookup table for the PIIA 2023 BAM Paid Claims Annual Report, Denied Claims Error Rates Report, and Improper Denials Rates Report to each SWA's Unemployment Insurance Database Management System (UIDBMS) server.

ETA will produce and transmit to each SWA, by November 10, 2023, paid and denied claims accuracy data for that SWA based on the PIIA 2023 BAM cases as of COB October 30, 2023. SWAs are required 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 that were transmitted to them for comment.

By November 24, 2023, SWAs should report any discrepancies or submit questions concerning the BAM paid and denied claims data and footnotes to ETA. Please send comments electronically to UI-BAM@dol.gov with a copy to the appropriate ETA Regional Office. Samples of these reports, report definitions, and report footnotes are available in Attachments I and II.

ETA staff will address and reconcile issues raised by the SWAs by December 8, 2023.

Federal Publication of BAM Data. ETA will publish the PIIA 2023 BAM analytical report on the ETA website: https://oui.doleta.gov/unemploy/bqc.asp.

If a SWA fails to follow the BAM methodology for sample selection and completion requirements, ETA may not publish a state's data or portion thereof if the state failed to follow the BAM methodology as outlined in ET Handbook 395, 5th Edition (for example, methodologies regarding minimum sample sizes, population variances, case completion percentages, and quality of the BAM audits).

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

7/01/2023   This date represents the end of the PIIA reporting year and includes batches 202227 through 202326. 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 cases sampled in PIIA 2023 by October 30, 2023.

10/06/2023   SWAs submit requests for waivers of BAM paid and denied claims timeliness requirements, along with supporting documentation, to the appropriate ETA Regional Office. Generally, waivers are granted only for catastrophic events (i.e., occurrence by natural causes that could not have been prevented by the exercise of foresight or caution).

10/20/2023	ETA electronically transmits the footnote lookup table for the BAM paid and denied claims software to each SWA's UIDBMS server.
10/30/2023	Each SWA checks its UI database to ensure: 1) the BAM supervisor has signed off on 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 30, 2023, will not be included in the Paid Claims Accuracy PIIA Report or the Denied Claim Accuracy Error Rates and Improper Denials Rates Reports. SWAs must not reopen any PIIA 2023 cases after October 30, 2023, until they have reviewed the BAM data transmitted by ETA and verified the data against their SWA database or reconciled any differences with ETA.
11/03/2023	Regional offices respond to SWAs on the disposition of SWA requests for waivers of BAM timeliness requirements.
11/10/2023	ETA transmits the PIIA 2023 BAM data to the SWAs' BAM supervisors.
11/24/2023	SWAs review BAM paid and denied claims accuracy data and footnotes and report any discrepancies or submit questions about the BAM data or footnotes electronically to UI-BAM@dol.gov with a copy to the appropriate ETA Regional Office.
12/08/2023	ETA staff members address issues raised by the SWAs and reconcile any differences between SWA and ETA BAM data.
1/12/2024	SWAs provide the name, address, telephone number, and email address of the contact person(s) for public inquiries about BAM paid and denied claims data. SWAs should send this information electronically to UI-BAM@dol.gov, with a copy to the appropriate ETA Regional Office.

5. **Inquiries.** Please direct inquiries to the appropriate ETA regional office.

6. **References.**

- Payment Integrity Information Act of 2019 (PIIA*),* Pub. L. 116-117;
- 31 U.S.C. § 3515 [Financial statements of agencies];
- 20 C.F.R. Part 602, Quality Control in the Federal-State Unemployment Insurance System; UIPL No. 09-13, Change 1, *Integrity Performance Measure for Unemployment*, issued on January 27, 2015https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-09-13-change-1;
- UIPL No. 17-22, *Additional Planning Guidance for the Fiscal Year (FY) 2023 Unemployment Insurance (UI) State Quality Service Plan (SQSP)*, issued on July 22, 2022 https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-

letter-no-17-22;

- UIPL No. 18-21, *Procedures for the Completion and Publication of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Data for Payment Integrity Information Act (PIIA) Reporting Year 2021*, issued on May 3, 2021 https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-18-21;

- Employment and Training (ET) Handbook No. 395, 5th Edition, *Benefit Accuracy Measurement State Operations Handbook* (November 2009) https://www.dol.gov/sites/dolgov/files/ETA/handbooks/2009/ETHandbook_395_Ch5_acc.pdf; and

- Office of Management and Budget (OMB) Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement* (March 5, 2021).

7. **Attachments.**

   - Attachment I: Benefit Accuracy Measurement (BAM) Paid Claims Accuracy Annual Report, Report Definitions, and Report Footnotes (*Sample*)
   - Attachment II: Benefit Accuracy Measurement (BAM) Denied Claims Accuracy Error Rates Report and Improper Denials Rates Report, Report Definitions, and Report Footnotes (*Sample*)