# EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210

CLASSIFICATION
Unemployment Insurance
CORRESPONDENCE SYMBOL
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DATE
December 2, 2025

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 01-26

**TO:** STATE WORKFORCE AGENCIES

**FROM:** LORI FRAZIER BEARDEN /s/

**Acting Assistant Secretary** 

**SUBJECT:** Payment Integrity Information Act (PIIA) of 2019 Reporting Year 2025

Procedures for the Completion of Unemployment Insurance (UI) Benefit

Accuracy Measurement (BAM) Data

- 1. <u>Purpose</u>. To provide State Workforce Agencies (SWAs) guidelines and key dates for the completion of the 2025 UI BAM paid and denied claims sample cases.
- **2.** <u>Action Requested.</u> The U.S. Department of Labor (Department) Employment and Training Administration (ETA) requests that SWA Administrators:
  - a. Provide copies of these guidelines to the appropriate staff.
  - b. Ensure that ETA Regional Office are:
    - 1) Notified by November 24, 2025, of any issues that require the reconciliation of the SWA's and ETA's BAM data; and
    - 2) Provided the point of contact information for the SWA's BAM published data by January 12, 2026.

### 3. Summary and Background.

- a. Summary This Unemployment Insurance Program Letter (UIPL) provides guidelines and key dates for the completion of the 2025 representative sample cases of UI payments and denials and the publication of 2025 BAM data. ETA issues these annual guidelines as set out in Employment and Training (ET) Handbook No. 395, 5<sup>th</sup> Edition (Office of Management and Budget (OMB) approval number 1205-0245).
- b. Background The BAM program is a tool for assessing the accuracy of a sample 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 and denied claims to determine whether UI benefits were properly paid or properly denied. The data gathered through

RESCISSIONS	EXPIRATION DATE
None	June 30, 2026

the BAM program is used to assess the accuracy of UI payments and estimate the UI Improper Payment Rate as required by Federal Law. This information is also critical in assisting states to develop and implement plans to improve accurate administration of state law, rules, and procedures.

Each year, ETA publishes a UIPL that provides dates for annual case completion, verification of data contained in the national database, and an explanation of data footnotes for the current reporting year.

#### 4. Guidelines and Key Dates.

a. Completion of PIIA 2025 BAM Cases. The PIIA requires ETA 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 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.

## b. Transmittal of PIIA 2025 Data.

For PIIA 2025, the reporting period is from July 1, 2024, to June 30, 2025 (batches 202427 through 202526). The published BAM data will be based on PIIA 2025 BAM sampled paid and denied claims cases that the state BAM supervisor has closed and submitted to the Department by the date of record for PIIA 2025 of COB November 21, 2025).

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 2025 BAM cases after November 21, 2025, until the SWA has confirmed that the BAM paid claims and denied claims data produced by its databases are accurate.

By December 1, 2025, ETA will produce and transmit to each SWA, paid and denied claims accuracy data using the BAM Paid Claims Annual Report, Denied Claims Error Rates Report, and Improper Denials Rates Report based on the PIIA 2025 BAM cases that were submitted by the SWA as of COB November 21, 2025. SWAs are also required to run their own BAM Paid Claims Annual Report, Denied Claims Error Rates

<sup>1</sup> Payment Integrity Information Act of 2019 (PIIA), Pub. L. 116-117

<sup>2</sup> 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; page VI-11

Report, and Improper Denials Rates Report software so the results can be compared with ETA's rates and report footnotes.

By December 12, 2025, 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 <u>UI-BAM@dol.gov</u> 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 19, 2025.

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

6/30/2025

This date represents the end of the PIIA 2025 reporting year and is comprised of batches 202427 through 202526. By this date, SWAs must have selected the minimum number of valid cases to meet annual sample allocation requirements (i.e., 360 or 480 paid claim cases and 150 of each of the three types of denied claims)<sup>3</sup>. SWAs must complete at least 98 percent of the valid cases sampled in PIIA 2025 by November 21, 2025.

11/21/2025

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 November 21, 2025, 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 2025 cases after November 21, 2025, until they review the BAM data transmitted by ETA and verify the data against their SWA database to reconcile any differences with ETA. For BAM paid claims data, BAM should compare the highlighted BAM sample and dollars paid in Attachment I.

12/3/2025

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).

<sup>&</sup>lt;sup>3</sup> Annual BAM paid claims sample sizes have been set at 360 cases in the ten smallest states and 480 in all other states. State size is based on the average Unemployment Insurance (UI) weeks compensated during the five most recent years.

12/3/2025	ETA transmits the PIIA 2025 BAM data to the SWAs' BAM supervisors.
12/12/2025	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 <a href="UI-BAM@dol.gov">UI-BAM@dol.gov</a> with a copy to the appropriate ETA Regional Office.
12/19/2025	ETA staff members address issues raised by the SWAs and reconcile any differences between SWA and ETA BAM data.
1/12/2026	SWAs provide the point of contact information for the person(s) responsible for public inquiries about BAM paid and denied claims data. SWAs should send this information electronically to <u>UI-BAM@dol.gov</u> , with a copy to the appropriate ETA Regional Office.

**6. Inquiries.** Please direct inquiries to the appropriate ETA Regional Office.

#### 7. 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, 2015,

https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-09-13-change-1;

- UIPL No. 16-24, Additional Planning Guidance for the Fiscal Year (FY) 2025 Unemployment Insurance (UI) State Quality Service Plan (SQSP), issued on July 22, 2024, https://www.dol.gov/agencies/eta/advisories/uipl-no-16-24;
- UIPL No. 11-24, Procedures for the Completion and Publication of Unemployment Insurance (UI) Benefit Accuracy Measurement (BAM) Data for Payment Integrity Information Act (PIIA) Reporting Year 2024, issued on May 3, 2024, <a href="https://www.dol.gov/agencies/eta/advisories/uipl-11-24">https://www.dol.gov/agencies/eta/advisories/uipl-11-24</a>;
- Employment and Training (ET) Handbook No. 395, 5<sup>th</sup> Edition, *Benefit Accuracy Measurement State Operations Handbook* (November 2009),
   <a href="https://www.dol.gov/sites/dolgov/files/ETA/handbooks/2009/ETHandbook\_395\_Ch5\_acc.pdf">https://www.dol.gov/sites/dolgov/files/ETA/handbooks/2009/ETHandbook\_395\_Ch5\_acc.pdf</a>; and
- Office of Management and Budget (OMB) Circular No. A-123, Appendix C, Requirements for Payment Integrity Improvement (March 5, 2021).
   <a href="https://fiscal.treasury.gov/files/dnp/OMB">https://fiscal.treasury.gov/files/dnp/OMB</a> M-15-02.pdf

# 8. Attachments.

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