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ADVISORY : UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 14-05

TO : STATE WORKFORCE AGENCIES

**FROM : CHERYL ATKINSON s/s
 Administrator
 Office of Workforce Security**

SUBJECT : Changes to UI Performs

- Purpose.** To inform State Workforce Agencies (SWAs) of changes made to the unemployment insurance (UI) performance management system "UI Performs" as a result of a five-year review; to convey a summary of the comments received in response to the Federal Register Notice (FRN) containing Unemployment Insurance Program Letter (UIPL) 21-04 "Proposed Changes to UI Performs"; and to provide effective dates for implementing changes.
- References.** Federal Unemployment Tax Act; Title III of the Social Security Act; 20 Code of Federal Regulations (CFR) parts 640 (Standard for Benefit Payment Promptness) and 650 (Standard for Appeals Promptness); 69 Fed. Reg. 33669 (2004); [Employment and Training \(ET\) Handbook No. 336, 17th Edition](#), "Unemployment Insurance State Quality Service Plan Planning and Reporting Guidelines" (June 18, 2002); [ET Handbook No. 401, 3rd Edition](#), "Unemployment Insurance Reports Handbook" and subsequent changes; [Unemployment Insurance Program Letter \(UIPL\) 41-95](#), "Draft Narrative Describing the System for Enhancing Unemployment Insurance (UI) Performance: The 'UI Performs' System" (August 24, 1995); [UIPL 37-99](#), "UI Performs Tier I and Tier II Performance Measures, and Minimum Performance Criteria for Tier I Measures" (July 31, 1999); [UIPL 06-03](#), "Review of UI Performs" (November 25, 2002); [UIPL No. 21-04](#), "Proposed Changes to UI Performs" (May 18, 2004); and [UIPL 29-04](#), "Study of the Measure of Nonmonetary Determination Quality" (July 20, 2004).
- Background.** In December 2002, the Employment and Training Administration (ETA) of the U.S. Department of Labor (DOL) began a review of UI Performs, the performance management system for the UI program. The review addressed: (a) the performance measures; (b) the criteria used to gauge success against the measures; and (c) the administration of UI Performs. The review included substantial consultation directly with SWAs and indirectly through the National Association of State Workforce Agencies' (NASWA) Subcommittee for UI Performs. Mathematica Policy Research, Inc., provided data analyses.

Two overarching themes emerged during the review: (1) the large number of measures to which the SWAs are held accountable diffuses management attention and (2) the administration of UI Performs is too complex and burdensome on the SWAs. The review resulted in a DOL proposal to streamline UI Performs in three ways:

- Reduce the number of measures for which performance goals are set to a few "core" measures.*
- Recognize remaining measures as management information for which no performance goals will be set.*

c) *Streamline the State Quality Service Plan (SQSP) narrative.*

The proposed changes were issued for state comment in UIPL No. 21-04, "Proposed Changes to UI Performs," and in 69 Fed. Reg. 33669 (2004), which published the UIPL for public comment.

4. **Highlights of Comments.** The American Federation of Labor - Congress of Industrial Organizations (AFL-CIO), the National Employment Law Project (NELP) and 34 SWAs responded to DOL's request for comments to the proposed changes to UI Performs. Both the AFL-CIO and NELP expressed general concern that the proposed changes would adversely affect unemployed workers and provided comments on specific changes. Although comments from all commentators about specific areas of the proposed changes were mixed, SWA comments were generally favorable to the overall proposed streamlining efforts.

The proposed changes that generated the most comments are discussed briefly below along with DOL's responses to them. See Attachment D, Parts 1 and 2, for specific comments and DOL's responses. All comments were taken into account in making the final changes to UI Performs.

Number of Measures. Comments from SWAs were very favorable regarding the proposal to reduce the number of measures to which they would be held accountable. NELP and the AFL-CIO, on the other hand, expressed concern that the changes would erode the "safety net" that UI provides to unemployed workers.

DOL Response: DOL believes that reducing the number of measures to Core Measures will promote the SWAs' focus on the most critical program areas. All performance measures not designated as "core" will be available to State and Federal partners as management information and will continue to be monitored as a means to alert both Federal and State staff of potential problems.

Administration of Measures.

Compliance. In its comments, NELP expressed concern that the changes in the timeliness measures will not help resolve the problem of noncompliance that has been demonstrated by some SWAs. NELP points out that regulations at 20 CFR Section 640.8 outline a number of steps that can be taken by DOL to address performance issues.

DOL Response: DOL follows these steps as appropriate and constantly monitors SWAs' performance.

Effective Dates. Several SWAs asked that the changes not be put into effect when their performance year is already underway because they felt that could reduce their ability to perform to new standards. The SQSP for the 2005 fiscal year has been submitted, and the performance year for 2005-2006 has already begun.

DOL Response: DOL agrees that the cycle of the UI Performs management system requires planning ahead, and the implementation of the changes in the measures should be done in a systematic way so that the state partners know in advance what will be expected of them. Therefore, although the data used in the first payment aggregate measure and the new tax quality measure are currently available, SWAs will not be expected to prepare Corrective Action Plans (CAPs) in the fiscal year (FY) 2006 SQSP for failure to meet the Acceptable Levels of Performance (ALPs). Rather, SWAs must assure DOL that they acknowledge the need to meet the ALPs during the next SQSP period. See Section 8 of this UIPL for effective dates for implementing changes.

Tax Measures. The Tax Performance System (TPS) has been operating as a series of 13 sample measures performed annually, and combining the sample reviews into a single Core Measure is a new concept. All of the TPS measures except two, New Employer Status Determinations Timeliness and Quality, have been operating as "Tier II" measures. Consequently, comments were mixed—about half of the comments were supportive and the others expressed varying concerns. Several of the comments centered on concerns about the stringency of the measure.

DOL Response: DOL considers the new measure a good indicator of overall tax quality. There was a strong feeling among some of the NASWA Subcommittee members that the Tier 1 measure of new employer status determination alone was not a sufficient measure of overall tax quality. As a result, a workgroup of NASWA UI

Performs Subcommittee members and DOL staff recommended the new tax quality measure, which consists of the combined results of all the TPS sample reviews. To meet the acceptable level of performance for tax quality, a state can have no more than 3 failures out of the 13 tax functions reviewed under TPS in a year nor any single tax function failing the TPS review for three consecutive years. This level of stringency, as one state pointed out, equates to about a 75% passing rate. SWAs that do not meet this minimum level of performance will be expected to submit CAPs for improvement. The criterion for New Employer Status Determinations Timeliness will be raised from 60% to 70% completed within 90 days of the quarter ending date.

SWAs that do not meet the ALP in calendar year 2004 will acknowledge the need for improvement in the 2006 SQSP narrative.

Benefits Measures.

First Payment Timeliness. Comments from SWAs were generally supportive of the aggregate first payment timeliness measure; however, a few SWAs commented that the time required for processing interstate and federal military and civilian claims will cause them to have difficulty meeting the criterion. NELP and the AFL-CIO viewed the change as a weakening of the first payment standard because the SWAs would no longer be held accountable for performance at multiple intervals.

DOL Response: The Core Measure, which was formerly a Tier 1 measure, is a comprehensive measure that includes intrastate and interstate UI as well as UCFE and UCX for both full and partial weeks. Only Workshare programs, episodic claims such as Disaster Unemployment Assistance (DUA), Extended Benefits (EB), Trade Readjustment Allowances (TRA), and retroactive payments for a compensable waiting period are excluded from the measure.

The Core Measure for first payment criterion of 87% applies to the aggregate of all first payments including interstate, UCFE and UCX claims; the criterion of 87% for the current standard applies only to intrastate claims for regular UI. Even with the added claims types, advances in automation and much quicker access to wage data make it likely that SWAs will be able to meet or exceed the criterion.

DOL plans to issue a notice of proposed rulemaking that would amend the current regulations in 20 CFR part 640 to reflect the Core Measure; however, the current regulatory measures and criteria will remain in effect unless and until regulations are amended.

Nonmonetary Determinations Timeliness. Most SWAs and NELP expressed concerns about the proposed change to the nonmonetary determinations time lapse parameters from the issue detection date to the week-ending date of the first week affected by the determination. Most of the SWA comments indicated that issue detection date is the better date because it marks the time at which the SWA has control of disposal of the issue. Comments also expressed concern that using the "first week affected" date could seemingly penalize SWAs that have liberal claims backdating policies.

DOL Response: DOL proposed changing the starting date of the measure to the weekending date of the first week affected because SWAs have consistently been unable to accurately report the issue detection date. Validation of both data points, accomplished through reviews of sampled nonmonetary determinations, indicate that SWAs generally have better success in reporting the "first week affected," also a pertinent date from the customer (UI claimants and employers) perspective. However, DOL agrees that issue detection date is a good measurement parameter from an administrative perspective and will defer the decision to change the reporting parameters until an analysis can be conducted to determine whether reporting of issue detection date can be substantially improved. DOL expects to conduct the analysis over the course of the next performance year, which begins April 1, 2005, and ends March 31, 2006. Until then, the existing measure remains in place.

Nonmonetary Determinations Quality. A number of SWAs commented about nonmonetary determination quality, particularly expressing concerns about the scoring system.

DOL Response: As part of the UI Performs five-year review, DOL convened a federal/state workgroup of

nonmonetary determination experts to study and recommend changes to the Benefits Timeliness and Quality (BTQ) Nonmonetary Determinations Quality Review. The workgroup reviewed the data collection instrument and the instructions used in the quality review of nonmonetary determinations, operational guidance that DOL gives the SWAs regarding claim determination requirements, and other matters concerning the adjudication process. Particular effort went toward exploring ways to refine the measurement instrument, how determinations are scored, and instructions to the reviewers to ensure consistent and accurate review results. The workgroup's recommendations were issued for comment in UIPL No. 29-04, "Study of the Measure of Nonmonetary Determination Quality." Comments about the scoring method received in response to UIPL No. 21-04 will be considered along with comments received in response to UIPL No. 29-04 in making decisions for changes to the BTQ Nonmonetary Determination Quality Review.

Overpayment Detection Measure. The AFL-CIO, NELP and SWAs commented on the proposed overpayment detection measure. The AFL-CIO and NELP generally think the focus on UI overpayments should be balanced with attention to UI underpayments and unpaid/underpaid employer taxes. SWA comments were mixed.

DOL Response: DOL believes that overpayment prevention and detection are central to good UI administration and has made reducing overpayments a priority. DOL is currently scrutinizing the measurement data - and, in some cases, methods used to create the data - to assure data quality. Because this is a new measure, DOL will assess the data for a year and explore possible adjustments to the measure before setting a performance level.

DOL agrees that payment accuracy is essential and tracks UI underpayments and denied payments through its Benefits Accuracy Measurement (BAM) quality control program. In addition, the integrity of wage reporting and proper tax payments is of great concern to DOL. Consequently, SWA employer audits are subject to review through TPS.

Appeals Measures. The proposal of a new timeliness Core Measure for Lower and Higher Authority Appeals was met with mixed reactions from SWAs; some commented that the proposed new measure would provide a better incentive for deciding appeals promptly and others saw no benefit to the change in measurement. Some SWAs, NELP, and the AFL-CIO were concerned that the current timeliness measures would no longer be available for use in making operational decisions.

DOL Response: The new Core Measure would be a different approach to timeliness measurement; however, it is one which NELP agreed would provide information relevant to the question of how many unresolved cases are pending in the state. Under the new measure, SWAs would review all of their unresolved appeals, adding up the number of days each has been pending. Then the total number of days would be divided by the number of unresolved cases, to yield an average case age. For example, if a state had 500 cases unresolved on the last day of this month, and 150 were five days old, 200 were 20 days old, 50 were 35 days old, and 100 were 210 days old, the sum of the number of days pending would be $750 + 4000 + 1750 + 21,000$ for a total of 27,500 days. $27,500/500 = 55$ days "average age."

The current timeliness measures (20 CFR part 650) lack such a simple way to evaluate the real condition of the pending cases in a state because as cases age, they simply fall off the end of the measurement scale (at, for example, "greater than 360 days") and are no longer seen in the performance measurement. Under this type of measure, a state can meet all standards of timeliness even though some appeals remain pending for an inordinately long period. Under the average age measure, it is to the advantage of a state to hear appeals as quickly as possible. The current timeliness measures will continue to be reported as management information. The new appeals timeliness measures are contingent upon Office of Management and Budget (OMB) approval to collect the data.

Reemployment Measure. SWAs generally commented that UI beneficiaries' reemployment is not a function of the UI program and is beyond the control of the UI system. The AFL-CIO and NELP expressed concerns that beneficiaries would be compelled to accept work that would be unsuitable.

DOL Response: The new measure is intended to establish the effectiveness of the UI program to facilitate the reemployment of UI beneficiaries. State UI agencies perform many functions designed to help beneficiaries become reemployed, including referral to employment services, benefits rights interviews that help beneficiaries understand their responsibilities in making job search contacts, and reviews of job search activities for appropriateness and methods being used. DOL feels that as a result of these activities, beneficiaries become reemployed more quickly than they would without such assistance. Further, because benefits rights are preserved in law, this measure will in no way diminish those rights by compelling beneficiaries to accept unsuitable work.

Acceptable performance levels will be deferred until data have been collected from all SWAs for four quarters. The measure is contingent upon OMB approval to collect the data, which includes a solicitation for public comment in the Federal Register. The comments received in response to UIPL No. 21-04 will be combined with the comments received in response to the Federal Register solicitation. All comments will be considered.

5. Revised UI Performs Measures and Criteria.

Measures.

The streamlined UI Performs will include two measurement categories: 1) Core Measures and 2) Management Information Measures. The Tier I and Tier II nomenclature will no longer be used.

- **Core Measures** are the 11 measures that replace the 19 Tier I measures. These measures are indicators of how well SWAs perform critical activities. Core Measures are comparable among SWAs and will be assigned ALP criteria. SWAs are expected to submit CAPs when their performance falls below acceptable levels. The Core Measures and performance criteria are:

Tax Measures	Acceptable Levels of Performance
<ul style="list-style-type: none"> • New Employer Status Determinations Timeliness 	70 percent within 90 days of quarter ending (Q/E) date.
<ul style="list-style-type: none"> • Measure of Tax Quality 	No more than three failures out of the 13 tax functions reviewed under TPS in a year nor any single function failing the TPS review for three consecutive years.

Benefits Measures	Acceptable Levels of Performance
<ul style="list-style-type: none"> • First Payment Promptness 	87 percent of all first payments made within 14/21 days (14 days if a waiting week is required and 21 days if no waiting week is required) after the compensable week.
<ul style="list-style-type: none"> • Nonmonetary Determination Time Lapse 	Issue detection date will continue to be the beginning parameter for timeliness for the next year while DOL evaluates the causes of errors in detection date reporting. If detection date reporting can be improved to pass measures of data validity, it will be retained.
<ul style="list-style-type: none"> • Nonmonetary Determination Quality: Nonseparation Issues 	75 percent of nonseparation determinations sampled will meet quality standards.
<ul style="list-style-type: none"> • Nonmonetary Determination Quality: Separation Issues 	75 percent of separation determinations sampled will meet quality standards.
<ul style="list-style-type: none"> • Detection of Overpayments 	Percent of detectable/recoverable overpayments established for recovery. ALP will be set after a review of the data over

one year.

Appeals Measures	Acceptable Levels of Performance
<ul style="list-style-type: none">• Average Age of Pending Lower Authority Appeals (Contingent upon OMB approval to collect the data)	ALP deferred until state performance using the new parameters has been recorded for four quarters.
<ul style="list-style-type: none">• Average Age of Pending Higher Authority Appeals (Contingent upon OMB approval to collect the data)	ALP deferred until state performance using the new parameters has been recorded for four quarters.
<ul style="list-style-type: none">• Lower Authority Appeals Quality	80 percent of lower authority appeals have quality scores of at least 85 percent of potential points.
Reemployment Measure	Acceptable Levels of Performance
<ul style="list-style-type: none">• Facilitate Reemployment (Contingent upon OMB approval to collect the data)	Percent of UI claimants who are reemployed within the quarter following their first UI payment. ALP deferred until data have been collected from all SWAs for four quarters.

- **Management Information Measures** consist of currently collected performance data that provide additional insight into UI program operations. Some Management Information Measures are subsets or components of data included in Core Measures, such as timeliness of UCX benefit payments, those claiming benefits on an interstate basis, or the individual TPS components of the tax quality measure. These data alert state and Federal managers to performance issues that could result in lower performance on Core Measure goals and are useful for performance analysis. DOL will continue to collect all of the Management Information with the exception of the TPS "turnover ratio" measure, which will be discontinued because the information is being captured in another report.

No performance criteria are assigned to Management Information Measures. However, several measures' criteria are currently in regulation and will remain in effect until the regulation is replaced.

Descriptions of the Management Information Measures can be reviewed in Handbook 401, 3rd Edition, Change 9. The Management Information Measures are listed in **Attachment B**.

Regulations. Secretary's Standards for benefit payment promptness and lower authority appeals promptness are found in 20 CFR Parts 640 and 650, respectively. Changes to the regulations will be proposed to reflect the measures and criteria noted above for first payment promptness and average age of pending appeals. Until the regulations are changed, the current measures and criteria will remain in force. Failure to meet criteria established in regulation will require corrective action.

Program Reviews and Reporting Requirements. SWAs perform a variety of reviews and submit required reports as part of the overall performance management system. For example, SWAs conduct tripartite reviews for nonmonetary determination quality and reviews of lower authority appeals quality. They also conduct Benefits Accuracy Measurement (BAM) investigations and meet the requirements for reviews under the Data Validation program and TPS. They administer Benefit Payment Control programs and Internal Security programs. SWAs will address failure to administer these programs in the SQSP narrative rather than in CAPs.

6. **Administering UI Performs.** The SQSP, which each state negotiates annually with the Federal partner, will

continue to be central to the administration of UI Performs. The SQSP will include narratives and CAPs.

- **Narratives.** Unlike the current SQSP format that requires a "Summary" narrative and "Focus" narratives, SWAs will describe in a single narrative:
 - State performance in comparison to the Government Performance Results Act (GPRA) goals;
 - Results of customer satisfaction surveys (optional);
 - Actions planned to correct deficiencies regarding program reviews and reporting requirements described in Section 5.

SWAs will no longer be required to address environmental factors, such as economic conditions, political climate, labor/business relationships, or state legislative issues in the SQSP. They may continue to provide this information to the degree they consider it important to explain performance and CAPs.

- **CAPs.** SWAs will be expected to submit CAPs as a part of the SQSP when their annual performance on Core Measures does not meet the ALPs. No CAPs will be required based on Management Information Measures. However, if a state's performance in one or more Management Information Measures is so conspicuously poor that a state's compliance with Federal law requirements is in question, DOL would require corrective action. SWAs will provide quarterly updates for each CAP. DOL will strive to attain uniform administration of CAP requirements among the SWAs and regions.
- **Continuous Improvement Plans (CIPs).** Under the current UI Performs structure, SWAs prepare CIPs to improve Tier II performance or Tier I performance that is above the established criteria. However, CIPs proved to be administratively burdensome without demonstrating improved performance. Therefore, SWAs will no longer be asked to develop CIPs under UI Performs.

7. **Publishing Data.** Three categories of performance data will be published each year:

- The GPRA goals and national aggregate data;
- Core Measures with state-specific data;
- Management Information will be published in a format that does not compare SWAs' performance.

8. **Effective Dates for Implementing Changes.** DOL will begin implementing the changes in UI Performs with the SQSP for FY 2006 that SWAs will prepare during the summer of 2005. UI Performs will use data from the Performance Year that extends from April 1, 2004, to March 31, 2005, for the FY 2006 SQSP with the exception of TPS, which will use data from the calendar year ending December 31, 2004. As previously mentioned, for the FY 2006 SQSP, CAPs will not be required for failure to meet the ALPs for the first payment aggregate measure and the Tax Quality measure. CAPs will be expected for failure to meet the ALPs for these measures in subsequent years. Implementation of the measures for which data are not currently available will be phased in upon approval from OMB to collect the data, the measures are finalized and the requisite programming is completed.

9. **Action.** Distribute this document to all appropriate SWA staff.

10. **Inquiries.** Direct inquiries to your regional office.

11. **Attachments.** [Attachment A: Comparison of Previous Tier 1 to Core Measures](#)
[Attachment B: Management Information Measures](#)
[Attachment C: Core Measures](#)
[Attachment D: Comments on FRN: Proposed Changes to UI Performs Part 1 \(Benefits\)](#) and [Part 2 \(Tax\)](#)

Comparison of Previous Tier I to Core Measures

Previous	Core Measures
<p>New Employer Status Determinations: % of new status determinations within 90/180 days of Q/E date.</p> <ul style="list-style-type: none"> • 60% within 90 days of Q/E date • 80% within 180 days of Q/E date 	<p>New Employer Status Determinations: % of new status determinations within 90 days of Q/E date.</p> <ul style="list-style-type: none"> • 70% within 90 days of Q/E date
<p>Acceptance Sample for Accuracy: 60 New Status Determinations--Pass with no more than 6 Failed Cases</p>	<p>Tax Quality: New measure using data currently collected under TPS as sample scores for the tax functions.</p> <ul style="list-style-type: none"> • No more than 3 failures out of the 13 tax functions reviewed under TPS in a year nor any single function failing the TPS review for 3 consecutive years.
<p>Timeliness of Transfer to the UTF: Ratio of the monthly average daily loanable balance to the average daily transfer to the Trust Fund divided by the number of days in the month. (No criterion set)</p>	
<p>Timeliness of deposit into state's clearing account:</p> <ul style="list-style-type: none"> • % of employer contributions deposited into the state's clearing account within three days of receipt. (Criterion not set) 	<p>(Included in the Tax Quality Core Measure above.)</p> <ul style="list-style-type: none"> • 90% of employer contributions deposited into the state's clearing account within 3 days.
<p>First Payment Timeliness: Number of days elapsed from week-ending date of the first compensable week in benefit year to date payment is made in person, mailed, or offset/intercept is applied on the claim.</p> <ul style="list-style-type: none"> • 87% of first payments within 14/21¹ days: Intrastate UI, full weeks ² 	<p>First Payment Timeliness: Number of days elapsed from week-ending date of the first compensable week in benefit year to date payment is made in person, mailed, or offset/intercept is applied on the claim.</p> <ul style="list-style-type: none"> • 87% of all first payments including Intra + Interstate UI, UCFE, UCX, full & partial weeks, made within 14/21¹ days. Excludes Workshare, episodic claims such as DUA, and retroactive payments for a compensable waiting period.
<ul style="list-style-type: none"> • 93% of 1st Payments within 35 days: Intrastate UI, full weeks² 	
<ul style="list-style-type: none"> • 70% of 1st Payments within 14/21¹ days: Interstate UI, full weeks ² 	
<ul style="list-style-type: none"> • 78% of 1st Payments within 35 days: Interstate UI, full weeks ² 	
<ul style="list-style-type: none"> • 90% of all first payments, including Intra + Interstate UI, UCFE, UCX, full & partial weeks, within 14/21 days 	
<ul style="list-style-type: none"> • 95% of all first payments, including Intra + Interstate UI, UCFE, UCX, full & partial weeks, within 35 days 	
<p>Nonmonetary Determinations Timeliness: Number of days elapsed from date of detection by the state of any nonmonetary issue that had the potential to affect the claimant's past, present or future benefit rights to the date on the determination.</p> <ul style="list-style-type: none"> • 80% of Separation Determinations within 21 	<p>Nonmonetary Determinations Timeliness: Number of days elapsed from date of detection by the state of any nonmonetary issue that had the potential to affect the claimant's past, present or future benefit rights to the date on the determination: a study of errors in reporting will be done this performance</p>

<p>days of Detection Date: Intra + Interstate UI, UCFE, UCX Programs, full + partial weeks</p>	<p>year to find whether SWAs can report detection date correctly within standards of validity.</p>
<p>80% of Nonseparation Determinations within 14 days of Detection Date: Intra + Interstate UI, UCFE, UCX Programs, full + partial weeks</p>	<ul style="list-style-type: none"> 80% of All Determinations within 21 days of Detection Date: Intra + Interstate UI, UCFE, UCX Programs, full + partial weeks
<p>Nonmonetary Determinations Quality: Evaluation results of quarterly samples of nonmonetary determinations selected from the universe of nonmonetary determinations reported by the 9052 report. Intra + Interstate UI, UCFE, UCX.</p> <ul style="list-style-type: none"> 75% of Separation and Nonseparation Determinations with Quality Scores >80 points: Score weighted by universe population size. 	<p>Nonmonetary Determinations Quality: Evaluation results of quarterly samples of nonmonetary determinations selected from the universe of nonmonetary determinations reported on the 9052 report. Intra + Interstate UI, UCFE, UCX.</p> <p>Separation and nonseparation samples must each meet the threshold criteria for case material found and issue validity without reference to the validity of the other. Results will be reported separately for separation and nonseparation issues. Scores weighted by universe population size for annual report only.</p> <ul style="list-style-type: none"> 75% of separations scoring >80 points. 75% of nonseparations scoring >80 points.
	<p>Detection of Overpayments: Overpayments (dollars) established for recovery as a percent of the overpaid amount estimated through BAM that the state can detect and recover. (Categories of overpayments that vary greatly from state to state or may be "technical" overpayments – failure to meet work search requirements and be registered with ES – are excluded from the measure.)</p> <ul style="list-style-type: none"> % of all detectable/recoverable overpayments established for recovery: ALP will be set after a 1-year review of the data.
<p>Lower Authority Appeals Timeliness: Number of days elapsed from the date the request for a lower authority appeals hearing is filed to the date of the decision.</p> <ul style="list-style-type: none"> 60% of Lower Authority Appeals Decided within 30 days of filing: Intra + Interstate UI, UCFE, UCX ² 	<p>Average Age of Pending Lower Authority Appeals: a count of all pending Lower Authority Appeals divided into the sum of their age in days. (Contingent upon OMB approval to collect the data.)</p> <ul style="list-style-type: none"> Performance goal deferred until state performance using the new parameters has been recorded for four quarters.
<ul style="list-style-type: none"> 80% of Lower Authority Appeals Decided within 45 days of filing: Intra + Interstate UI, UCFE, UCX ² 	
<ul style="list-style-type: none"> 95% of Lower Authority Appeals Decided within 90 days of filing: Intra + Interstate UI, UCFE, UCX (no criterion set) 	
<p>Higher Authority Appeals Timeliness: Number of days elapsed from the date a higher authority appeal is filed to date of the decision.</p> <ul style="list-style-type: none"> 50% of Higher Authority Appeals Decided within 45 Days of filing: Intra + Interstate UI, UCFE, UCX 	<p>Average Age of Pending Higher Authority Appeals: a count of all pending Higher Authority Appeals divided into the sum of their age in days. (Contingent upon OMB approval to collect the data.)</p> <ul style="list-style-type: none"> Performance goal deferred until state performance using the new parameters has been recorded for four quarters.
<ul style="list-style-type: none"> 80% of Higher Authority Appeals Decided within 75 Days of filing: Intra + Interstate UI, UCFE, UCX 	
<ul style="list-style-type: none"> 95% of Higher Authority Appeals Decided 	

within 150 Days of filing: Intra + Interstate UI, UCFE, UCX	
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<p>Lower Authority Appeals Quality: Evaluation results of quarterly samples of lower authority benefit appeals hearings selected and evaluated as instructed in ET Handbook #382 (2nd edition). Intra + Interstate UI, UCFE, UCX.</p> <ul style="list-style-type: none"> 80% of Lower Authority Appeals with quality scores at least 85% of potential points. 	<p>Lower Authority Appeals Quality: Evaluation results of quarterly samples of lower authority benefit appeals hearings selected and evaluated as instructed in ET Handbook #382 (2nd edition). Intra + Interstate UI, UCFE, UCX. (No change from Tier I measure.)</p> <ul style="list-style-type: none"> 80% of Lower Authority Appeals with quality scores at least 85% of potential points.
	<p>Facilitate Reemployment: The percent of UI claimants who become reemployed within the quarter following their first UI payment. (Contingent upon OMB approval to collect the data.)</p> <ul style="list-style-type: none"> Performance goal deferred until data have been collected from all SWAs for four quarters.

¹ "14/21" days: SWAs requiring a waiting week before the payment of a week of benefits must make the first payment within 14 days of the week-ending date of the first compensable week claimed. SWAs with no waiting week requirement must make the first payment within 21 days of the week-ending date of the first compensable week claimed.

² Current measurement for Secretary's Standards.

Management Information Measures

A. Secretary's Standards

1. First Payments Intrastate full weeks, within 14/21 days
2. First Payments Intrastate full weeks, within 35 days
3. First Payments Interstate full weeks, within 14/21 days
4. First Payments Interstate full weeks, within 35 days
5. Lower Authority Appeals Timeliness – 30 Days
6. Lower Authority Appeals Timeliness – 45 Days

B. Tax Measures

1. New Status Determination Timeliness (within 180 days of Quarter Ending Date)
2. Successor Status Determination Timeliness (within 90 days of Quarter Ending Date)
3. Successor Status Determination Timeliness (within 180 days of Quarter Ending Date)
4. Contributory Employer Report Filing Timeliness
5. Reimbursing Employer Report Filing Timeliness
6. Secured Delinquent Contributory Reports Timeliness
7. Secured Delinquent Reimbursing Reports Timeliness
8. Resolved Delinquent Contributory Reports Timeliness
9. Resolved Delinquent Reimbursing Reports Timeliness
10. Contributory Employer Payments Timeliness
11. Reimbursing Employer Payments Timeliness
12. Percent of Contributory Employer Tax Due Declared Uncollectible
13. Percent of Reimbursing Employer Receivables Due Declared Uncollectible
14. Percent of Contributory Employer Accounts Receivable At End of Report Period to Tax Due
15. Percent of Reimbursing Employer Accounts Receivable At End of Report Period to Tax Due
16. Percent of Change in Total Wages Resulting from Audit
17. Percent of Contributory Employers Audited
18. Percent of Total Wages Audited (Annualized)
19. Accuracy of New Status Determination
20. Accuracy of Successor Determination
21. Accuracy of Status Inactivations
22. Timeliness of Cashiering
23. Accurate Identification and Resolution of Report Delinquency
24. Accurate Identification and Resolution of Accounts Receivable
25. Audits to Meet ESM Requirements
26. Accuracy of Contribution Report Processing
27. Accuracy of Debits and Billings of Contributory Employers
28. Accuracy of Debits and Billings of Reimbursing Employers
29. Accuracy of Credits and Refunds
30. Accuracy of Benefit Charging
31. Accuracy of Experience Rating

C. Cash Management Measures

1. Average Days on Deposit
2. Timeliness of transfer from clearing account to Trust Fund

D. Benefits Measures

Timeliness of Payments and Nonmonetary Determinations

1. First Payments Intrastate full weeks

2. First Payments Interstate full weeks
3. First Payments Intrastate, all weeks
4. First Payments Interstate, all weeks
5. First Payments, partial weeks
6. First Payments, UCFE
7. First Payments, UCX
8. First Payments, workshare
9. Continued Weeks Payment, all weeks
10. Continued Weeks Payment, partial weeks
11. Continued Weeks Payments, workshare
12. Intrastate Separation Determinations
13. Intrastate Nonseparation Determinations
14. Interstate Separation Determinations
15. Interstate Nonseparation Determinations

Combined Wage Claims Timeliness Measures

1. Combined Wage Claim Wage Transfer
2. Combined Wage Claim Billing
3. Combined Wage Claim Reimbursements

Benefits Accuracy Measures

1. Paid Claim Accuracy
2. Denied Claim Accuracy
3. Operational Overpayment Rates

Benefit Payment Control Measures

1. Fraud Overpayment Recovery Rate
2. Nonfraud Overpayment Recovery Rate

E. Appeals Measures

Appeals Timeliness Measures and Case Aging Measures

1. Lower Authority Appeals Timeliness
2. Higher Authority Appeals Timeliness
3. Lower Authority Appeals, Case Aging
4. Higher Authority Appeals, Case Aging

Appeals Quality Measure

Lower Authority Appeals Quality - Due Process

F. Macroeconomic Stabilization Measures

1. Reciprocity Rates
2. Exhaustion Rates

Core Measures

1. New Employer Status Determinations

Measure:	Percentage of employer status determinations made within 90 days from the last day of the quarter in which the business first became liable (for newly established employers) or re-established liability (for previously terminated accounts) or was reactivated (for previously inactivated accounts).
Change:	Criterion
Data Source:	Quarterly ETA 581 Contributions Operations Report.
Computation and Criterion:	<p>The sum of Item 15 (number of determinations made within the 90 day period) from the ETA 581 for four consecutive report quarters divided by the sum of all new status determinations (Item 14) made during the same four quarters. The result is multiplied by 100 to convert the decimal to a percentage.</p> <p>Criterion goes up from 60% to 70%.</p>
Reporting Frequency:	Quarterly.

Core Measures

2. Tax Quality

Measure: Assessment of the accuracy and completeness of the tax program.

Change: This is a new measure.

Data Source: The annual TPS Review report including Acceptance Sample scores for the following tax functions:

- Status Determinations Accuracy
 - New Status Determinations
 - Successor Status Determinations
 - Inactivations/Terminations
- Cashiering
- Report Delinquency
- Collections
- Field Audit
- Contribution Report Processing
- Debits/Billings
 - Contributory Employers
 - Reimbursing Employers
- Credits/Refunds
- Benefit Charging
- Tax Rates (usually sampled once every four years unless the previous year's sample of Tax Rates, Contribution Report Processing or Benefit Charging failed review or there have been changes to the state's tax rating system that could impact tax rate accuracy)

Computation and Criterion: Each of the 13 Acceptance Samples is scored as pass/fail. For each of the samples (with the exception of Cashiering) 3 or more case failures will cause the sample to fail the TPS review.

For tax quality, if 4 or more of the 13 samples fail the annual TPS review, a CAP will be required.

Additionally, if any Acceptance Sample fails for three (3) consecutive years, a CAP will be required regardless of whether the state passes the Tax Quality measure.

Reporting Categories: Results for each of the Acceptance Samples will be reported: the format for the data entry screen will be programmed for the state SUN systems, and a table in UIDB will be designed to capture the reports.

Reporting Frequency: Annually.

Core Measures

3. First Payment Time Lapse

Measure:	<p>The number of days from the week ending date of the first compensable week in the benefit year to the date the payment is mailed, transferred electronically, or offset or intercept is applied on a claim. States determine “mail date” and provide DOL with the procedure used to derive it. When multiple weeks are paid at the same time, the earliest week should be reported as the first payment.</p> <ul style="list-style-type: none"> ➤ Includes intrastate and interstate total weeks, partial/part-total weeks and transitional payments. ➤ Includes UCFE and UCX claims. ➤ Includes Combined Wage Claim payments reported in the appropriate category determined by the nature of the base period wages. ➤ Includes offsets and intercepts. ➤ Excludes episodic claims such as EB, DUA and TRA. ➤ Excludes workshare claims. ➤ Excludes retroactive payment for compensable waiting period.
Change:	<p>The Core Measure of First Payment Time Lapse differs from the Secretary’s Standard in that it is all inclusive with the exceptions listed above. The Secretary’s Standard for First Payment Time Lapse applies to intrastate total weeks only. The Tier I measure definition is unchanged.</p>
Data Source:	<p>Universe of first payments currently reported on ETA 9050.</p>
Computation and Criterion:	<p>Start date: week ending date of first compensable week. End date: date check was mailed or electronic transfer made or offset or intercept applied.</p> <p>The criterion will be set at 87% of first payments made within 14 days for states requiring a waiting week and 21 days for states not requiring a waiting week.</p>
Reporting Frequency:	<p>Monthly.</p>

Core Measures

4. Nonmonetary Determinations Time Lapse

Measure:	<p>Number of days elapsed from date of detection by the state of any nonmonetary issue that had the potential to affect the claimant's past, present or future benefit rights to the date on the determination which resolves the issue.</p> <ul style="list-style-type: none"> ➤ Includes the universe of nonmonetary determinations made during the month. ➤ Includes BAM and BPC-generated nonmonetary determinations. ➤ Excludes episodic claims such as EB, DUA and TRA. ➤ Excludes BPC crossmatch and overpayment (monetary) notices.
Change:	<p>The criterion for both separations and nonseparations will be 80% within 21 days. Confidence in reporting of issue detection date will be studied for four quarters to determine causes of error.</p>
Data Source:	<p>Universe of nonmonetary determinations.</p> <p>Note: The population identified for this measure must be identical with the population from which the samples for nonmonetary determinations quality are drawn.</p>
Computation and Criterion:	<p>Start date: the date on which the agency detected an issue on a claim which could affect past, present, or future benefit rights. End date: the date on the determination which resolves the issue.</p> <p>Percent of separation and nonseparation nonmonetary determinations completed in 21 days.</p>
Reporting Categories:	<p>Report Management Information separately for:</p> <ul style="list-style-type: none"> ➤ Intrastate UI, UCFE, UCX – Seps and Nonseps. ➤ Interstate UI, UCFE, UCX – Seps and Nonseps.
Reporting Frequency:	<p>Monthly</p>

Core Measures

5. Nonmonetary Determinations Quality: Separation Issues

Measure:	Assessment of the quality of nonmonetary determinations dealing with separation issues.
Change:	Separation issue samples must meet the threshold criteria for “case material found” and issue validity to be considered valid. The separation issue sample must be able to pass the criteria on its own, without reference to the validity of the nonseparation issue sample, and the score will be reported separately.
Data Source:	Universe of nonmonetary determinations completed on separation issues within the calendar quarter being reviewed.
Computation and Criterion:	<p>Quarterly random sample of 30 or 50 separation determinations drawn from the universe. Sample size is determined by the number of nonmonetary determinations completed in the previous calendar year.</p> <p>75% of the cases must score more than 80 points. Invalid cases, those out of scope of the review, and those for which no documentation is found are not scored, and must not exceed set thresholds for scores to be considered representative of the quality of the state’s nonmonetary determinations.</p>
Reporting:	Scoring uses a data collection instrument; the elements are entered into the ETA 9056 report for each scored case. The ETA 9056 transmission report will automatically apply the sample validity tests and produce the unweighted quality score when the state transmits the sample results to the National Office. Annually, the National Office will report a quality score weighted by the numbers of separation and nonseparation determinations in the sample universe for each state.
Reporting Categories:	None.
Reporting Frequency:	Quarterly

Core Measures

6. Nonmonetary Determinations Quality: Nonseparation Issues

Measure:	Assessment of the quality of nonmonetary determinations dealing with nonseparation issues.
Change:	Nonseparation issue samples must meet the threshold criteria for “case material found” and issue validity to be considered valid samples. The nonseparation issue sample must be able to pass the criteria on its own, without reference to the validity of the separation issue sample, and the score will be reported separately.
Data Source:	Universe of nonmonetary determinations completed on nonseparation issues within the calendar quarter being reviewed.
Computation and Criterion:	<p>Quarterly random sample of 30 or 50 determinations drawn from the universe. Sample size is determined by the number of nonmonetary determinations completed in the previous calendar year.</p> <p>75% of the cases must score more than 80 points. Invalid cases, those out of scope of the review, and those for which no documentation is found are not scored, and must not exceed set thresholds for scores to be considered representative of the quality of the state’s nonmonetary determinations.</p>
Reporting:	Scoring uses a data collection instrument; the elements are entered into the ETA 9056 report for each scored case. The ETA 9056 transmission report will automatically apply the sample validity tests and produce the unweighted quality score when the state transmits the sample results to the National Office. Annually, the National Office will report a quality score weighted by the numbers of separation and nonseparation determinations in the sample universe for each state.
Reporting Categories:	None.
Reporting Frequency:	Quarterly.

Core Measures

7. Detection of Overpayments

Measure:	Percent of estimated detectable, recoverable overpayments (dollars) established for recovery.
Change:	This measure is new in UI Performs.
Data Source:	BAM and BPC reports.
Computation and Criterion:	<p>BAM reports of recoverable overpayments (dollars) divided by BPC reports of overpayments established for recovery. An interactive report will be available on the OWS web site for SWA and Regional Offices to use to find SWA performance.</p> <p>The criterion will be a percentage (to be determined after a year of data collection) of estimated detectable, recoverable overpayments (dollars) established for recovery.</p>
Reporting Categories:	None.
Reporting Frequency:	Quarterly.

Core Measures

8. Average Age of Pending Lower Authority Appeals

Measure:	A count of all pending Lower Authority Appeals divided into the sum of their actual age in days to produce an average age.
Change:	<p>This measure is new in UI Performs. It takes the age of all pending appeals into account and allows prediction of and planning for future performance.</p> <p>The measure is contingent upon OMB approval for the data collection.</p>
Data Source:	Universe of pending Lower Authority Appeals.
Computation and Criterion:	<p>At the close of business on the last day of each month, access the universe of pending Lower Authority Appeals.</p> <p>Determine actual age of each pending Appeal by counting days elapsed from the date of filing to the date of count.</p> <p>Sum actual age in days of all pending Lower Authority Appeals and divide by the total number of pending Lower Authority Appeals to arrive at the average age.</p> <p>The criterion will be determined when twelve months of data have been recorded.</p>
Reporting:	Report the dividend, divisor, and average age as determined by the computation.
Reporting Categories:	None.
Reporting Frequency:	Monthly

Core Measures

9. Average Age of Pending Higher Authority Appeals.

Measure:	A count of all pending Higher Authority Appeals divided into the sum of their actual age in days to produce an average age.
Change:	<p>This measure is new in UI Performs. It takes the age of all pending appeals into account and allows prediction of and planning for future performance.</p> <p>The measure is contingent upon OMB approval for the data collection.</p>
Data Source:	Universe of Higher Authority Appeals.
Computation and Criterion:	<p>At the close of business on the last day of each month, access the universe of pending Higher Authority Appeals.</p> <p>Determine actual age of each pending Appeal by counting days elapsed from the date of filing to the date of count.</p> <p>Sum actual age in days of all pending Higher Authority Appeals and divide by the total number of pending Higher Authority Appeals to arrive at the average age.</p> <p>The criterion will be determined when twelve months of data have been recorded.</p>
Reporting:	Report the dividend, divisor, and average age as determined by the computation.
Reporting Categories:	None.
Reporting Frequency:	Monthly

Core Measures

10. Lower Authority Appeals Quality

Measure: Assessment of the quality of Lower Authority Appeals by scoring a random sample of Lower Authority Appeals decisions completed in the calendar quarter being reviewed.

Change: None.

Data Source: Universe of Lower Authority Appeals.

Computation and Criterion: Scores recorded on the data collection instrument for each case will be entered into the UI data base using the ETA 9057.

The criterion is 80% of cases scoring 85% or more.

Reporting Intervals: None.

Reporting Categories: None.

Reporting Frequency: Quarterly.

Core Measures

11. Facilitate Reemployment

Measure: Percent of UI claimants who become reemployed within the quarter following their first UI payment.

Change: This is a new measure in UI Performs.

The measure is contingent upon OMB approval for the data collection.

Data Source: ETA 5159 and state UI wage records.

Computation and Criterion: State UI wage records will be accessed and a cross-match run against claimant benefits records for the previous calendar quarter to determine the percent of claimants who have been reemployed.

A performance goal will be deferred until data have been collected from all states for four quarters.

Reporting Intervals: None.

Reporting Categories: None.

Reporting Frequency: Quarterly.

Attachment D, Part 1

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
1	<p>Result of Changes</p> <p>Increased Focus</p> <p>Management Information</p> <p>Regarding GPRA</p> <p>SQSP</p> <p>CAPs</p>	<p>15 states commented on expected results of the 5-year review of performance measures, as did NELP & AFL/CIO.</p> <p>11 states approved of increased focus on critical measures.</p> <p>5 states were glad to see that Management Information would be collected for their use, although 1 suggested evaluating these reports to reduce their number. 1 state mentioned favoring consolidation of benefits payment time lapse. 1 state mentioned its approval of the 21 day time lapse for all nonmonetary determinations.</p> <p>Both NELP & AFL/CIO commented in opposition to the changes as detrimental to the jobless, and called attention to reductions in funding of state employment service operations since 2001. 2 states agreed that further reviews such as this one should be planned for the future.</p> <p>2 states said that the GPRA goals should not become performance measures for individual states, and another state questioned the logic of differing standards for Tier I versus GPRA.</p> <p>7 states favored the streamlining of the SQSP narrative; 4 states specifically stated that they disliked being required to describe prevailing economic or political conditions as a part of the SQSP.</p> <p>5 states and NELP addressed the subject of CAPs:</p>	<p><i>Core (formerly "Tier I") measures are assigned a criterion that is intended to be a floor below which performance must not fall, while GPRA measures set performance goals every state should try to achieve.</i></p> <p><i>DOL hopes to see the narratives in the SQSP as concentrated commentary on performance issues; however, states can choose to include information on other factors if they are contributing to performance problems.</i></p>

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
		<p>1 state commented that the cycle of UI Performs evaluation does not allow sufficient time for corrective action plans to work before they are changed or dropped;</p> <p>1 state asked “What efforts will USDOL make to enforce the correction of deficiencies regarding ALPs that are habitually covered in the SQSP narratives & by CAPs but remain below the required thresholds?”</p> <p>2 states were comfortable with the plan as outlined; 1 state suggested that other approaches to corrective action (including doing nothing) could be considered besides CAPs.</p> <p>NELP is concerned that DOL “only requires a ‘corrective action plan’ after the state has failed to meet the criteria and workers have lost out on benefits for a substantial period. . . DOL must do much more to fulfill its role in ensuring that workers receive benefits when due . . .”</p>	<p><i>CAPs are Corrective Action Plans – they should be written to produce effective and appropriate actions. DOL encourages states to do long-range (multi-year) planning and to include requests for technical assistance or analysis of operations in order to boost performance. Milestones can be redesigned annually to reflect changing performance. In many cases, a one-year cycle is not long enough for results to become apparent as either successful or unsatisfactory.</i></p> <p><i>The proposed changes in performance measures are in no way a lowering or lessening of standards, and in no way will be detrimental to jobless workers. To the contrary, the changes will allow states to better focus on the most critical program areas that will promote better customer service.</i></p> <p><i>DOL consistently monitors state performance and works cooperatively with the state agencies to help improve performance. DOL takes all the steps outlined in 20 CFR Section 640.8 as needed, and will continue to do so.</i></p>
2	<p>Nonmonetary Determinations Timeliness</p> <p>Issue Detection Date</p>	<p>23 states commented on the proposed change to the measure, as did NELP.</p> <p>16 states agreed that the beginning parameter of detection date makes a better measure of nonmonetary determinations timeliness than the week-ending date of the first affected week, largely because issue detection date marks the time at which the state has control of the disposal of the issue.</p> <p>SWAs also feel timeliness [using w/e date] would be adversely affected by backdating of claims and other issues.</p>	<p><i>DOL agrees that calculating time lapse from the date an issue is detected is the most valid measure of state operational efficiency. (For claimants and employers, the week-ending date of the first affected week is arguably more pertinent.)</i></p> <p><i>States have been reporting time lapse from issue detection date to determination date since January 1997, but errors in reporting the issue detection date remain unacceptably high, as verified through data validation carried out during the nonmonetary quality reviews.</i></p>

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
	Week-ending Date of First Affected Week	<p>10 states felt the change to w/e date of the first affected week would penalize states for not detecting issues over which they had no control.</p> <p>4 states felt they would need to know the new criterion before judging the measure.</p> <p>3 states support combining time lapse measures; 1 wishes to retain separate measures.</p> <p>2 states felt that w/e date could prove a disincentive to detecting potential issues.</p> <p>2 states cited concerns over Java.</p> <p>1 state said the proposed measure would be an improvement but would like “uncontrollably” undetected issues tracked separately under a different standard.</p> <p>1 state said it would be negatively impacted due to liberal backdating of claims.</p> <p>1 stated that, since w/e date requires programming changes and training, it would be costly to implement.*</p> <p>NELP said that, in view of the many states failing the current benchmark, the current standards should remain in place, and more demanding benchmarks should be adopted to ensure timely determinations of eligibility for benefits.</p>	<p><i>Because commenting states clearly prefer to retain the timeliness measure using detection date, DOL will extend the use of this measure for a period of one performance year.</i></p> <p><i>During that year DOL will examine the causes of the inaccurate reporting and determine whether reporting can be improved to an acceptable level.</i></p> <p><i>If issue detection date reporting accuracy cannot be improved, DOL will revisit the issue.</i></p> <p><i>*States currently report the week-ending date of the first affected week on the ETA 9053.</i></p>
3	Nonmonetary Determinations Quality On scoring separate samples for separations & nonseparations:	<p>3 states concur with the proposal of scoring the samples separately.</p> <p>2 states say the change will have no effect on them.</p> <p>2 states would prefer to continue using a single weighted score.</p> <p>1 state said the measure should match the time lapse measure, either combined or separate.</p>	<p><i>Scoring the samples separately and requiring that both samples independently pass validity tests will result in a clearer picture of the quality of nonmonetary determinations and help pinpoint areas that require additional attention.</i></p>

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
	<p>On quality scoring method:</p> <p>On cross-regional reviews:</p> <p>On ALPs:</p> <p>On automation:</p>	<p>10 states feel that change is needed in the scoring method; most of these states make the point that the current pass/fail system causes too many states to fail the quality measure because of over-emphasis on detail.</p> <p>1 state submitted a proposal for a revised scoring method, which DOL is reviewing.</p> <p>1 state felt that the Handbook on Nonmonetary Quality [HB 301] should be revised and that written clarifications should be provided to questions brought up during tripartite reviews.</p> <p>1 state does not see any need for cross-regional reviews to overcome localized bias; 1 state favors cross-regional reviews to develop national consistency in scoring.</p> <p>1 state proposed that the ALP for nonmonetary determination quality be adjusted annually to reflect funding levels.</p> <p>1 state proposed increased levels of automation in nonmonetary determinations.</p>	<p><i>As part of the UI Performs review, a state/federal nonmonetary determinations workgroup studied the quality review system, including the scoring system. The workgroup's recommendations were issued for comment in UIPL 29-04. Changes to the review and scoring systems will be issued separately.</i></p> <p><i>All comments received related to the quality review and scoring systems will be considered.</i></p>
4	<p>Lower & Higher Authority Appeals Timeliness</p> <p>Average age:</p> <p>Need for change:</p>	<p>20 states and NELP commented on the proposed measure.</p> <p>9 states commented that the new measure provides better incentive for deciding all appeals promptly, but 1 suggested the use of the <u>median</u> age rather than <u>average</u>, and 3 requested that multi-claimant appeals be removed from the time lapse universe.</p> <p>7 states felt there was no need for a change in the measure or felt the reasons for the change were not convincing.</p> <p>1 state did not wish to comment without knowing the new</p>	<p><i>The proposed measure of average age of pending appeals provides a more comprehensive view of states' appeals programs. The current time lapse measure provides information only on decisions that have been made but no information about the number of remaining appeals nor how old those cases may be.</i></p> <p><i>The measure of average age of pending cases would create a single measure for promptness performance and the age of the inventory of pending cases. While it is important to know the percent of cases decided within certain time intervals, in the interest of</i></p>

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
		<p>standard. 1 state felt that either the current or the new measure would be acceptable. AFL/CIO said that current standards that apply to appeals timeliness should be strengthened. NELP commented that using the age of pending decisions will provide information that is more relevant to the question of the volume of undecided cases.</p>	<p><i>good customer service it is more important to know how long individuals must wait to be served.</i></p> <p><i>The new measure is contingent upon OMB approval to collect the data.</i></p> <p><i>DOL will continue to collect and monitor appeals time lapse data currently collected.</i></p>
5	<p>Detection of Overpayments</p> <p>Variation:</p> <p>Need for testing:</p>	<p>14 comments on the proposed overpayment detection measure were received from states and from the AFL/CIO and NELP.</p> <p>5 states commented that there is too much variation among states in the BAM & BPC programs for the measure to be comparable; 1 felt that the difference in measurement periods for the two programs will make it impractical to implement.</p> <p>6 states suggested that the measure needs extensive testing and much more information before it is implemented. 2 states were opposed to the measure because of the unknown degree of confidence in reporting and an unpredictable range of error in calculating results</p> <p>2 states said they approve the measure, and 1 other would approve if it were expanded to include underpayments and wrongful denials</p> <p>2 states would attempt to apply the measure if they were given adequate budgetary allotments to do so.</p> <p>1 state withheld comment because the measurement criterion is unknown.</p>	<p><i>DOL will be examining the data for the next year to determine whether the proposed measure can be refined. Due to anomalies found in current data, careful scrutiny will be maintained to assure the correctness of BAM data.</i></p> <p><i>Also being considered is the possibility of applying this measure to a rolling three-year performance period, to bring BAM and BPC data into focus for the same time frame.</i></p>

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
	<p>A new focus for UI</p> <p>ES registration</p> <p>Outside UI Control</p> <p>How to measure</p> <p>Effect on claimants</p>	<p>can't get claimants reemployed when there are no jobs available.</p> <p>10 states responded that the UI role is to pay benefits when due and to collect employer contributions; that the monies funding UI are expressly devoted to those purposes and cannot be legally used to fund ES functions.</p> <p>9 states felt that claimants should be registered with ES and that there are measures of reemployment funded there.</p> <p>8 states expressed the opinion that reemployment is an activity which is totally outside UI control.</p> <p>4 states inquired about what UI function or action would be measured with reference to claimants' reemployment. 4 states added that if reemployment is to be measured with respect to UI, it should at most be a Management Information measure. 3 states asked what research information was used in the development of the proposed measurement. 1 state suggested that the measure should use the unemployment rate as a measure.</p> <p>NELP expressed concern that claimants will be forced to accept unsuitable work because of the new measure; longer unemployment is a product of the labor market and not the fault of the jobless. AFL/CIO commented similarly, that claimants would be forced into unsuitable work in a weak economy and that providing</p>	<p><i>beneficiaries be both able to work and available to work; the worker profiling requirement; and the requirement in the Social Security Act that UI benefits be paid through public employment offices. The UI system is uniquely situated to facilitate reemployment by conducting eligibility reviews and enforcing state requirements that UI beneficiaries seek and accept suitable work.</i></p> <p><i>DOL plans to continue to seek required approvals to collect reemployment data.</i></p> <p><i>The reemployment measure will take into account economic conditions when setting criteria.</i></p> <p><i>DOL disagrees that the measure will force claimants to accept unsuitable work. The measure in no way lessens claimants' benefits rights which protect claimants from losing benefits for not accepting unsuitable employment.</i></p>

Comments on FRN: Proposed Changes to UI Performs

#	Issue	Comment	DOL Response
		temporary replacement income is the core purpose of UI.	
7	<p>First Payment Promptness</p> <p>Interstate causes problems</p> <p>Multi-claimant issues</p>	<p>13 states and NELP commented on the measure.</p> <p>13 states support the proposed measure, 5 with the caveat that interstate and intrastate should be measured separately due to problems with CWC and IB claims.</p> <p>2 states feel that Labor Disputes and other multi-claimant issues cause negative effects on first payments and should be excluded from the measure.</p> <p>1 state explained that high levels of UCFE & UCX claims as well as interstate negatively affect time lapse.</p> <p>NELP commented that claimants often have need for immediate wage replacement or they may face extreme hardship, and the first payment timeliness requirement forces SWAs to pay quickly.</p>	<p><i>DOL acknowledges that conditions exist which make some first payments take longer than others; that is why the criterion is set at less than 100%.</i></p> <p><i>The proposed measure does not reduce incentives to pay claims quickly – it broadens the scope of the existing first payment timeliness measure to include every type of claim but workshare.</i></p>
8	Effective Date for Implementing Changes	2 states asked that implementation of the proposed measures not begin until all states are reporting with knowledge of the proposed standards.	<i>The first SQSP affected will be for FY 2006 that states will complete during the summer of 2005.</i>