ADVISORY: **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 17-10 Change 1**

TO: STATE WORKFORCE AGENCIES

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Revisions to the State Unemployment Insurance (UI) Data Validation (DV) Handbook, Benefits

1. Purpose. To transmit a revision of the Benefits portion of the UI DV Handbook, Employment and Training (ET) Handbook No. 361.

2. References. ET Handbook No. 361, "UI Data Validation Handbook" (Benefits, July 11, 2008); Unemployment Insurance Program Letter (UIPL) No. 17-10, "Revisions to the State Unemployment Insurance (UI) Data Validation (DV) Handbook, Benefits," March 8, 2010; UIPL No. 1-11, "Issuance of State Unemployment Insurance Data Validation Operations Guide (ET Operations Guide 411)," October 22, 2010.

3. Background. UI DV is necessary to ensure that data reported by states and used for measuring performance, for administrative funding allocations, for economic analysis, and for other purposes, are accurate and comparable across states. A revised version of the UI DV Benefits Handbook was issued in March 2010 and the Tax Handbook in June 2011. Portions of the 2008 editions of the Benefits and Tax Handbooks were moved to the DV Operations Guide issued in October 2010.

The Office of Management and Budget (OMB) has approved ET Handbook No. 361, "UI Data Validation Handbook" (OMB control No. 1205-0431), for use through July 31, 2011. The public reporting burden for the collection of information has not changed, and a three-year extension of this collection is pending.

4. Handbook Modification Summary. The Benefits portion of the Handbook has been revised to change the procedures to be used when building the Population 5 extract file and to make technical corrections to the handbook. The changes are summarized below:

- Population 5, Nonmonetary Determinations. When building the Population 5 extract file, the state must build either: (a) a record for each *claimant denied* in a multiclaimant nonmonetary determination or (b) a record for each *denial determination*. If (a) is chosen, the number of claimants denied in nonmonetary determinations will be properly

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validated but not the count of determinations; if (b) is chosen, the number of determinations will be validated properly. Existing notes to Population 5 instruct states to build a record for each denied claimant. With this change, states are now being instructed to build a record for each denial determination. This will allow the counts of determinations on both the ETA 207 (Group 5.04) and on the ETA 9052 (Group 5.10) reports to be validated properly. The determination counts are part of the nonmonetary determinations workload counts, and the 9052 counts are used as benchmark counts for one of the Module 4 universes. Thus, it is more important to validate those counts.

- Technical corrections have been made to an Appendix A note for Population 3; to Appendix A tables for Population 5 and 12; to the cut-off value for errors to pass a random sample of size 60/200 in Appendix B; and to a template in Module 4 to make it clearer that the Separations and Nonseparations quality sample reviews are separate.

The technical corrections to the Handbook are effective immediately; the procedure change should be made for any Population 5 extract files built for Validation Year 2012 and subsequent validations.

5. Action Requested. Distribute attached pages (4.6, A.18, A.42, A.44, A.71, and B.2) to all holders of ET Handbook No. 361, "UI Data Validation Handbook, Benefits," dated November 2009. Users should remove existing pages and replace them with the attached.   States should review these changes and adjust their procedures, as necessary.

6. Inquiries. All questions should be directed to the appropriate Regional Office.

7. Attachments. ET Handbook No. 361, "UI Data Validation Handbook," Benefits, page 4.6; Appendix A, pages A.18, A.42, A.44, and A.71; and Appendix B, page B.2.

Attachment

in which the new claim was filed, the claim will be reported on the ETA 5159, but there will be no monetary status reported on the ETA 218 for the quarter being validated. These claims are assigned to subpopulations 3.7 (new intrastate), 3.14 (new interstate), and 3.31 (transitional).

B) When the original monetary determination was sent during the quarter being validated but the claim was filed during the previous quarter, the monetary status will be reported on the ETA 218, but there will be no claim reported on the ETA 5159 for the quarter being validated. These monetary determinations are assigned to subpopulations 3.40 through 3.45, depending on their monetary status.

3.   Reporting Criteria

The ETA 5159 report criteria and procedures for building claims extract files are as follows:

- The date the claim was filed or processed determines the reporting on the 5159.

- Assign a claim type category (new, transitional, or additional) and sort into the categories in Column 4.

- Assign an intrastate or interstate category based on the liable and agent state(s) and sort into the categories in Column 7.

- Assign a program type (UI, UCFE, or UCX) based on the wages present on the most recent monetary determination at the time the report program is run and sort into the categories in Column 6. If no wages were found, assign the program type based on the type of claim filed. Follow the current program type hierarchy (any UI wages are UI; any UCFE wages without UI are UCFE; and UCX wages are only UCX).

The following table shows how various types of claims are assigned to the reporting categories on the 5159 report based on the type of claim and the intra/interstate type.

Table A.3.5
Mapping of Claim Types to ETA 5159 Report Items

Type of Claim	New Intrastate Excluding Transitional (2)	Additional Intrastate (3)	Interstate Filed from Agent State (4)	Interstate Taken as Agent State (5)	Transitional (6)	Interstate Received as Liable State (7)
New	X		X	X		X
Transitional			X	X	X	
Additional		X	X	X		X
Reopen			X	X		

Table A.5.2
Relationship between ETA 207Reporting Cells and Subpopulations in Population 5

207 SECTION A			Total Determinations and Redeterminations (1)	Determinations (2)	Redeterminations (3)	Multi-labor (5)	Multi-other (6)
UI	Dets	101		1-36	65-66	61-62	63-64
UI	Denials	102		19-36	66	62	64
UCFE	Dets	103	37-52 67-68				
UCFE	Denials	104	45-52 68				
UCX	Dets	105	53-60 69-70				
UCX	Denials	106	57-60 70				

207 SECTION B			Total Seps (7)	VL (8)	MC (9)	Other Separations (10)
UI	Dets	201		1, 10 19, 28	2, 11 20, 29	3, 12 21, 30
UI	Denials	202		19, 28	20, 29	21, 30
UCFE	Dets	203		37, 41 45, 49	38, 42 46, 50	39, 43 47, 51
UCFE	Denials	204		45, 49	46, 50	47, 51

207 SECTION C			Total Nonseps (11)	A & A (12)	Ded. Income (13)	Suit. Work (14)	Reporting (15)	Profiling (16)	Other (17)
UI	Dets	301		4, 13, 22, 31	5, 14, 23, 32	6, 15, 24, 33	7, 16, 25, 34	8, 17, 26, 35	9, 18, 27, 36
UI	Denials	302		22, 31	23, 32	24, 33	25, 34	26, 35	27, 36

Population 5 Notes

1. For states that require a week to be claimed in order to count non-monetary determinations, use the transaction date of the non-monetary determination when the mail date precedes the week claimed date. For example, if a determination is mailed in December and the week is claimed in January, the state enters the transaction (or countable) date in January to signify that this non-monetary determination is countable for Federal reporting purposes.

2. This population includes non-monetary determinations for Short Time Compensation (STC) Program (workshare) claims. These records should be labeled as "Workshare" for "Type of UI Program." See the software record layouts for more details.

3. Multiclaimant Nonmonetary Determinations are counted in two ways on the ETA 207 report. Section A 101(6) counts the number of multiclaimant determinations (affirmed plus denied). Section A 102(6) counts the number of claimants affected by denial determinations. Currently the software can not distinguish between the number of *claimants affected* and the number of *denial determinations* because the Population 5 record lacks a key field. If a single record for each denial determination is created, the count of *determinations* will be correct; however, the count of *claimants involved in denials* will be understated. Alternatively, if a record for each denied claimant is created, the count of claimants involved in denials will be correct; however, but the count of determinations will be overstated.

   The extract file and software will be revised in the future so that both the number of multiclaimant determinations and the number of claimants denied will be captured in the same way that is currently done for all multiclaimant appeal decisions reported on the ETA 5130 (Populations 8 and 9).

   In the meantime, when building the Population 5 extract file create a record for each *multiclaimant determination to deny benefits as well as to affirm benefits*. The validation count for the number of multiclaimant determinations thus will be correct, and the reported counts of the UI multiclaimant determinations on the ETA 207 (Group 5.04) and on the ETA 9052 reports (Group 5.10) will be properly validated. These are Pass/Fail groups because they are part of important workload items. However, the number of claimants denied on line 102 of the ETA 207 will be incorrect. (These are not Pass/Fail items.) Indicate in the comments field of the RV screen that the discrepancy is due to a software limitation and is not a state error.

Table A.12.2
Relationship between ETA 227 Report Cells and Subpopulations in Population 12

A. PAGE 1 OF FORM

A. OVERPAYMENT ESTABLISHED – CAUSES						
Cause	Line No.	No. Schemes	Number of Cases		Dollar Amounts	
			UI	UCFE/UCX	UI	UCFE/UCX
		(1)	(2)	(3)	(4)	(5)
Fraud – Total	101		1	9	1	1 and 9
Multi Claimant Schemes	102		2	10	2	2 and 10
Nonfraud – Total	103					
Reversals	104		3	11	3	3 and 11
SESA Errors	105		4	12	4	4 and 12
Employer Errors	106		5	13	5	5 and 13
Claimant Errors	107		6	14	6	6 and 14
Other	108		7	15	7	7 and 15
Penalty	109				8	8 and 16

Population 12 Notes

1.   Subpopulations 12.1 – 12.8: Enter the federal amount in Column 10 for joint claims.

2.   Do not include revisions to overpayment amounts made in subsequent quarters. For example, if an overpayment was established in March and a revision to the amount was made in April, these revisions are reported in Population 13 as additions and subtractions but not reported in Population 12.

3.   The "cause" of fraud overpayments must be either "multiclaimant schemes" or "other." The software will reject records for fraud overpayments where the cause is not "multiclaimant schemes" or "other." States that use multiple codes for types of fraud should code these as "other."

method the software uses to determine pass/fail scores follows. Specifications for each type of random sample are found in Table B.1 on page B.7.

Procedures for reviewing 30/100 samples:

Step 1:   Review the 30 cases in the first tier.

> **0 errors**: the error rate is considered to be below 5%, and it is not necessary to review the remaining cases in the sample. The sample passes validation.

> **5 or more errors**: the error rate is considered to be above 5%, and it is not necessary to review the remaining cases in the sample. The sample fails validation.

> **1 - 4 errors**: the error rate is inconclusive, and the remaining 70 cases in the second tier of the sample must be reviewed (proceed to step 2)

Step 2:   Review the remaining 70 cases in the second tier.

> **9 or fewer errors** (out of 100): the error rate is considered to be below 5%, and hence the sample passes the validation.

> **10 or more errors** (out of 100): the error rate is considered to be above 5%, and hence the sample fails the validation.

Procedures for reviewing 60/200 samples:

Step 1:   Review the 60 cases in the first tier.

> **0 errors**: the error rate is considered to be below 5%, and it is not necessary to review the remaining cases in the sample. The sample passes validation.

> **7 or more errors**: the error rate is considered to be above 5%, and it is not necessary to review the remaining cases in the sample. The sample fails validation.

> **1 - 6 errors**: the error rate is inconclusive, and the remaining 140 cases in the second tier of the sample must be reviewed (proceed to step 2).

Step 2:   Review of the remaining 140 cases in the second tier:

> **16 or fewer errors** (out of 200): the error rate is considered to be below 5%, and hence the sample passes the validation.

> **17 or more errors** (out of 200): the error rate is considered to be 5%, and hence the sample fails validation.

F. Results

The software does not include a screen for forwarding the results of the quality reviews to the National Office. These should be documented in a Microsoft Word® file using the format below and sent via email to the National Office to dvrpts@uis.doleta.gov. The template can be downloaded from the DV website at http://www.ows.doleta.gov/dv/. You can document any validation problems in the Problems/Comments field.

Template 4.1
Nonmonetary Determinations Quality Sample
Benefits Population 5

STATE:			VY:		
Nonmonetary Determinations Quality Sample (Benefits Population 5)					
Step	**Validation Item**	**Separations**	**Pass/ Fail**	**Non- Separations**	**Pass/ Fail**
1	Reporting period (Year: Quarter)				
2	Sample size				
	Universe:				
	(a) Number of records in universe				
	(b) ETA 9052 Counts				
	(c) Difference: |(a) - (b)|				
3	(d) % Difference: [(c) ÷ (b)] x 100				
4	Random sampling method				
		Score:		**Score:**	
Problems/Comments:					

Template 4.1
Nonmonetary Determinations Quality Sample
Benefits Population 5

STATE:		VY:	
Lower Authority Appeals Quality Sample (Benefits Population 8)			
Step	**Validation Item**	**Appeals**	**Pass/ Fail**
1	Reporting period (Year:Quarter)		
2	Sample size		
	Universe:		
	(a) Number of records in universe		
	(b) ETA 9054L Counts		
	(c) Difference: |(a) - (b)|		
3	(d) % Difference: [(c) ÷ (b)] x 100		
4	Random sampling method		
		Score:	
Problems/Comments:			