

Q's and A's for High Dollar Overpayment Reporting and Other ETA 227 Report Revisions

Q. 1: Are High Dollar Overpayments reported by claim or by person?

A. 1: In general, High Dollar amounts are claim-specific. If an overpayment is established for a claim in the quarter, you should look to see if any other overpayments have been established for that claim for the benefit year. There is no need to go back and identify overpayments established for the same individual in prior benefit years. See question 2 for an exception to this general rule.

Example 1: If an overpayment of \$22,300 is established during the April - June 2016 reporting quarter, you should identify the benefit year beginning (BYB) date for the claim and determine if any overpayments were established in quarters prior to the reporting quarter. For example, the claimant's BYB date is 10/9/2015 (State UI claim). There were no overpayments established during the December 2015 quarter, but \$3,000 in overpayments were established in the March 2016 quarter. A high dollar overpayment of \$25,300 will be reported on the June report. There is no need to query the system for overpayments on claims with benefit years prior to the 10/9/2015 claim for the same individual.

Example 2: An appeals decision results in the establishment of overpayments of \$25,600 for a claim with a BYB date of 2/8/2016. You should check to see if any other overpayments have been established for that claim, and report the total high dollar amount (the \$25,600 from the appeals decision plus any additional overpayments established). There is no need to query the system for overpayments for other claims that were established prior to or subsequent to the claim affected by the appeal.

Q. 2: What if the appeals decision referenced in example 2 of question 1 results in the establishment of a \$25,600 overpayment for claims with two different benefit years?

A. 2: If a single overpayment determination (case) in the reporting quarter affects more than one benefit year (for example as a result of an appeals decision or the confirmation of fraudulent claiming while employed), report the full amount of the overpayment both as an overpayment established and as High Dollar overpayment (if it exceeds \$25,000). If that quarter is validated, build a single Data Validation (DV) record for the overpayment, and for Field 14, "Date of Original Monetary", use the most recent Benefit Year Beginning date.

Q. 3: If an overpayment exceeds \$25,000, but part is fraud and part is nonfraud, how are these reported?

A. 3: The fraud portion will be reported on line 112 in the appropriate program column and the nonfraud amount will be reported on line 113. A case count will be reported on the line with

the higher dollar amount. If the amounts are equal, a case count will be reported on the fraud line (112).

Example: The High Dollar overpayment is \$26,000. \$14,000 of that is classified as fraud, and will be reported on line 112, and \$12,000 is classified as nonfraud and will be reported on line 113. One case will be reported on line 112, and no case will be reported on line 113.

Q. 4: Are High Dollar Overpayments reported separately by program?

A. 4: Yes, High Dollar overpayments will be tracked and reported separately for each program. With many claimants receiving and exhausting UI benefits and then qualifying for EB, there could be fraud and nonfraud overpayments established for more than one program.

Example 1: A \$25,800 overpayment was established for a State UI claim, and a \$12,000 overpayment was established for an EB claim. Only the \$25,800 will be reported as a High Dollar overpayment in the UI column. The EB overpayment does not meet the greater than \$25,000 threshold and is not reported as a High Dollar overpayment.

Example 2: A \$25,100 overpayment was established for a State UI claim, and a \$25,500 overpayment was established for an EB claim. Both overpayments will be reported as High Dollar overpayments. The \$25,100 will be reported in the UI column, and the \$25,500 will be reported in the EB column.

Q. 5: How are High Dollar overpayments for joint claims reported?

A. 5: With respect to joint claims (State UI and UCFE/UCX), follow the definition provided in ET Handbook 401. Reporting of High Dollar overpayments for joint claims will be consistent with the reporting of other overpayments:

In all joint claims involving both state UI trust funds and federal program funds, the number of cases should be reported under UI only. However, the dollar amounts of such overpayments should be allocated in the appropriate columns which represent the pro rata share of the weekly benefit amount. [ET Handbook 401, section IV, p. 3-7.]

Q. 6: Are High Dollar overpayments that are totally offset reported?

A. 6: Yes, the fact that the overpayment was offset or subsequently recovered by other means is irrelevant to High Dollar reporting. (See also Q / A #12.)

Q. 7: Are High Dollar overpayments for the EUC program reported?

A. 7: No, there is no current requirement to report High Dollar overpayments for the EUC program.

Q. 8: Are High Dollar totals to include penalty amounts?

A. 8: No.

Q. 9: If overpayments have been established for both a State UI claim and an EUC claim that total more than \$25,000, should this be reported as a High Dollar overpayment?

A. 9: Overpayments must be tracked separately for each program. Report State UI overpayments if they exceed \$25,000.

Example: A \$24,000 overpayment has been established for a State UI claim, and a \$22,000 overpayment has been established for an EUC claim. Although the combined overpayment is \$26,000, no High Dollar overpayment will be reported, because the overpayment in the State UI program does not meet the High Dollar threshold of more than \$25,000.

Q. 10: If an overpayment ages out from section E of the 227 report during a quarter, and during the same quarter an overpayment is established, would we total both to get a High Dollar overpayment, or not consider the overpayment amount that aged out?

A. 10: If the overpayment established during the reporting quarter is for the same claim as the overpayment that “ages out”, it would be combined for purposes of determining if the High Dollar threshold is met. Aging is irrelevant to High Dollar reporting.

Q. 11: If we have a \$12,500 fraud overpayment in Qtr.1, a \$12,500 fraud overpayment in Qtr.2, and a \$1,500 fraud overpayment in Qtr. 3, what amount is reported for Qtr. 2 and Qtr. 3 as a High Dollar overpayment?

A. 11: No High Dollar overpayment will be reported in Qtr. 2, because the cumulative overpayment for that claim equals, but does not exceed \$25,000. A High Dollar overpayment of \$26,500 will be reported in Qtr. 3.

Q. 12: If we have a \$12,500 fraud overpayment in Qtr. 1, a \$13,000 fraud overpayment in Qtr. 2, and a \$2,000 fraud overpayment in Qtr. 3, what amount is reported for Qtr. 2 and Qtr. 3 as a High Dollar overpayment?

A. 12: A High Dollar overpayment of \$25,500 will be reported in Qtr. 2. No High Dollar overpayment will be reported in Qtr. 3, because once the cumulative overpayments for a claim meet the High Dollar threshold, they are reported in the quarter that they exceed \$25,000 (in this example Qtr. 2). Overpayments in subsequent quarters are counted toward a new High Dollar threshold (greater than \$25,000); that is, the High Dollar counter is reset to zero once a High Dollar overpayment has been reported for that claim. Only a fraud overpayment of \$2,000 will be reported in Qtr. 3.

Q. 13: How would adjustments or recoveries of the overpayments established for a claimant's benefit year affect the computation of the claimant's High Dollar amount?

A. 13: Neither adjustments nor recoveries (including offsets) related to overpayments established -- and reported in the Recovery/Reconciliation section (Section C) of the ETA 227 report -- are taken into consideration when the High Dollar amounts are computed. Recoveries are not considered because the objective of the measure is to determine whether total overpayments exceeding \$25,000 for a benefit year had been *established* for a claimant. Adjustments are ignored because including them would complicate the reporting and validation process, and because they are not believed to materially affect the number and amount of High Dollar overpayments reported.

Q. 14: How is Data Element Validation (DEV) conducted for the Accumulated Amounts?

A. 14: Validators will need to go back and sum up through the previous quarter add all of the overpayments established for the claim they are investigating.

Q. 15: When I build my DV extract file for Population 12, do I need to search my entire recent history of outstanding overpayments to discover High \$ overpayments and report them on the 227 report for the quarter?

A.15: No. Each quarter your search will be based on overpayments established in that quarter. Search for those claimants' overpayments in previous quarters for the claim series from which the report quarter's overpayments came. Those previous quarters' overpayments are summed with the current quarter's overpayments in computing the High Dollar amounts reported on Lines 112 and 113. When the DV extract file is built, those prior quarter overpayments become the UI, Federal, or EB Accumulated Amounts for the claimants' records in Fields 11, 12 or 13. A separate Q&A explains how to build records to capture accumulated amounts of one type when the claimant has only an overpayment of the other type established in the report quarter.

Q. 16: For the original monetary date field, if the claimant has multiple claims, what monetary date should be recorded?

A. 16: The monetary date will correspond to the claim for which the overpayment applies. If more than one overpayment is reported for different programs or claims from different benefit years, the appropriate monetary date for each record will be reported. For example, assume overpayments of \$2,000 and \$1,000 were established with a claim date of 1/12/2016 and a third one for \$500 for a claim date of 2/12/2016 in the same quarter for the same claimant. DV would build three separate records for that quarter: Record 1 would have an amount of \$2,000 and a claim date of 1/12/2016; Record 2 would have an amount of \$1,000 and a claim date of 1/12/2016; and Record 3 would have an amount of \$500 and a claim date of 2/12/2016.

Q. 17. I have a single overpayment established in the report quarter that combines overpayments of two different types and from two different benefit years. How do I handle this case for validation?

A. 17: Occasionally an overpayment will be established that includes amounts paid from more than one claim series, e.g., as a result of an appeals decision or the confirmation of fraudulent claiming while employed. The first rule is to follow the way the case would be reported on the 227. If the overpayment established through appeal combines overpayments of different program types, the amount of each type (e.g., Regular UI and EB) would be reported separately on the 227, and you must build a separate DV record for each type. For each type of overpayment, build one record; and if parts of the overpayment amount for that type come from different claim series, use the most recent BYB date in Field 14. If the overpayments in the decision are of the same type—probably much more likely--build one record, and use the most recent BYB date in Field 14.

Q. 18: I have a claimant with a UI fraud overpayment in the quarter I'm validating who has a nonfraud UI overpayment for the same claim series in the prior quarter. How do I capture that nonfraud accumulated amount in a validation record since the only overpayment established in my validation quarter is fraud?

A. 18: Build a nonfraud record for the claimant that has 0 dollars in the UI amount field (Field 8) and the nonfraud accumulated UI amount in Field 11. Give this record the same Established Date (Field 7) as the fraud overpayment to ensure that the software will recognize it as belonging in the quarter you are validating. Give it the common BYB date in the "Date of Original Monetary" field (Field 14). Since version 4.2.7, the DV software accommodates a record with 0 amounts in Fields 8, 9, and 10 so this approach is to be used whenever a claimant has an overpayment established of one type (e.g., fraud) in the validation quarter but accumulated amounts of the other type (in this case nonfraud) for the same claim series in a prior quarter.

Q. 19: Are all DV populations and Module 3 and due by in June 10th every year?

A. 19: Yes.

Q. 20: Are all of the Module 3 templates available to update?

A. 20: Yes.

Q. 21a: In population 15, how do you define records for cases investigated that do not result in an overpayment?

A. 21a: Field 8, Overpayment Established by Investigation is coded 'N' if a completed investigation does not establish an overpayment.

Q. 21b: Does the employer need to respond as part of the investigation to be counted?

A. 21b: No.