

Benefit Accuracy Measurement (BAM)

- ❖ BAM is a quality control statistical survey used to identify errors and support corrective action in the state's unemployment insurance (UI) system. The BAM survey covers the three largest permanently authorized unemployment compensation programs: State UI, Unemployment Compensation for Federal Employees (UCFE), and Unemployment Compensation for Ex-Service Members (UCX). State agencies (except Virgin Islands) are required to conduct BAM by regulation (20 CFR Part 602).
- ❖ BAM data for paid claims are available for the 50 states, the District of Columbia, and Puerto Rico from January 1988 through the present.
- ❖ State BAM samples are randomly selected from the population of UI, UCFE, and UCX payments and denials issued by the state each week.
- ❖ BAM investigates the accuracy of each paid claim's monetary and separation determination, as well as all continuing eligibility requirements, such as work search, able and available requirements, earnings from employment, and other income sources, such as pensions.
- ❖ For claims that were improperly paid or denied, BAM determines the cause of and the party responsible for the error, the point in the UI claims process at which the error was detected, and actions taken by the claimant, employer, and agency prior to sample selection.
- ❖ BAM audits are very thorough and can detect many errors that the state's Benefits Payment Control (BPC) operation cannot detect under normal procedures. This is taken into account when comparing BPC detection of overpayments with the BAM results through the overpayment detection performance measure.
- ❖ The Department of Labor (DOL) has implemented several quality assurance procedures to minimize non-sampling errors in the BAM survey.
- ❖ BAM data are used to estimate UI improper payment rates that are reported by DOL as required by the Improper Payments Information Act (IPIA) and the Improper Payments Elimination and Recovery Act (IPERA).
- ❖ Three improper payment rates are reported as part of its IPIA requirements:
 - Annual Report (total overpayments)
 - Operational (recoverable overpayments)
 - Underpayments
- ❖ BAM is also used to identify the root causes of improper payments and supports other analyses conducted by DOL to identify improper payment prevention strategies and to measure progress in meeting improper payment reduction targets.
- ❖ The results of each calendar year's BAM audits are published on the DOL Office of Unemployment Insurance (OUI) website.