

## **Unemployment Insurance (UI) Benefit Operations Self-Assessment Tool: *Benefit Payment Control (BPC)***

This self-assessment review of the state's Benefit Payment Control (BPC) functional area will examine BPC processes and operations. The reviewer will consult with appropriate staff regarding each operational element to ensure accurate and complete information is reported. This will include Unemployment Insurance (UI) administrators, IT managers, fiscal officers, the BPC manager, and supervisors.

The reviewer will provide information regarding the state's performance for each calendar quarter of the review period for the detection of overpayments and UI overpayment recovery. Use this link for more information regarding UI PERFORMS ALPs/Performance Criteria: [Acceptable Level of Performance](#).

Upon completion of this review, the results should be shared with UI administrators and appropriate program manager(s), supervisors and staff. The self-assessment findings, in conjunction with the state's BAM findings, can provide a very good analysis of the state's overpayment detection and recovery operations and can be used to drive process and program-improvement initiatives.

A comments section is provided for each operational element, which the reviewer should use to document any observations regarding issues identified related to that specific operational element. This space may also be used to provide any additional information relating to a specific question in this section. In doing so, the reviewer should reference the specific question by number and insert the additional information related to that question.

In addition, a concluding comments section is provided at the end of the self-assessment instrument to capture any strengths identified by the reviewer in this functional area which could constitute a successful practice(s) to be shared with other states; any issues identified by the reviewer in the functional area that adversely impacts the state's performance and to identify any possible corrective actions to address the issue; and general comments about this functional area that are not covered elsewhere. The reviewer can provide information here that Federal reviewers and state UI administrators and managers can use to assess program operations and the state's effectiveness in providing quality services in this functional area.

***Save your entries regularly as you complete the review and when you close the self-assessment to ensure your answers are saved.***

## **Overpayment Detection Rate**

The overpayment detection rate computation should take into account all UI programs, except temporary and extended benefits programs.

## **Overpayment Recovery Rate**

The overpayment recovery rate should take into consideration all UI programs, including extended and any temporary benefits programs.

Penalty amounts added to the recoverable amount of fraudulent overpayments that does not represent benefits paid or benefits potentially payable are not to be considered in the computation of the recovery rate measure. Details on this measure can be found in Section 6 of [UIPL No. 9-13](#).

## **SECTION 1: Procedures, Policies, and Confidentiality**

The purpose of this section is to review the policies and procedures provided by the agency for staff to use in operating this functional area of the UI program. These are the written (in hard-copy, electronically, or both formats) standards, instructions, and guidelines that staff regularly use in the operation of the program. The reviewer may utilize resources that include manuals, handbooks, desk aids, computer help screens, training guides, organized collections of procedures or policies, or other readily accessible instructions which can help staff do their work correctly. Instructions will normally include general information such as compilations of relevant laws and regulations, as well as detailed instructions for carrying out individual jobs in the agency. The reviewer may need to examine all relevant instructions and consult with UI administrators, the BPC manager, and supervisors.

The reviewer will document whether the state has policies and procedures sufficient to provide guidance and instruction to staff that conduct BPC operations. Existing policies and procedures should be examined to determine whether they are up-to-date and address all law changes, organizational changes, and technology changes that occurred during the review period.

## **Helpful Info.**

Question 6b: The reviewer will document any claim types or conditions that are excluded from the population of claims the state uses when conducting wage data crossmatches.

Question 7b: The reviewer must document any operational, technology, or any other issues that prevent the state from utilizing new hire directories as a resource for identifying unreported employment.

Question 7f: The reviewer must document all claimant populations that are excluded from matching against new hire directories and what criteria the state uses to select claims for matching purposes.

Question 7g: The reviewer will document any claim types or conditions that are excluded from the population of claims the state uses for its new hires crossmatches.

Question 7h: The reviewer will report the number of claims matched against the national and state new hire directories during each calendar quarter of the review period.

Question 7i: The reviewer should review [UIPL No. 19-11](#) and determine if the state has fully and correctly implemented operating procedures for its national and state crossmatches.

Question 9: The reviewer must document any other sources of information it uses to detect potential fraud and potential improper benefit payments in addition to wage data and new hire directory crossmatches, including the frequency of the activity and whether it is an automated or manual process.

Question 13: The reviewer will document the methods the state uses to recover improper payments. If the state's recovery processes are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 14: The reviewer will document the types of civil actions the state uses to recover improper payments. If any of these recovery processes are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 27a: The reviewer should consult with the BPC manager to determine whether data on the cause of improper payments is shared with UI Benefits managers to be used to improve their operations and reduce improper payments, and if not, the reason(s) should be documented in question 27b. Other means could include review of the ETA 227 report or other overpayment data to identify methods to reduce the occurrence of improper payments, i.e. staff training, development of information for claimants on proper reporting of earnings while claiming benefits, etc.

**Helpful Info. (continued)**

Question 36a: The reviewer should document the methods the state uses to detect fictitious employer schemes. If the state's methods are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 37: The reviewer should document the methods the state uses to detect multi-claimant fraud schemes. If the state's methods are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

## **SECTION 2: Training**

Managers/employees should possess and maintain a level of expertise which enables them to accomplish their assigned duties. Training systems should be sufficient to ensure that personnel understand and perform their duties properly. When reviewing training systems, the reviewer should consult with the state's training unit/staff and examine formal training procedures (e.g., the training is conducted using an established schedule and using set guidelines to make judgments about the quality of work being produced). The state should have procedures for identifying general and specific training needs, for developing a training curriculum and training materials, and for delivering training as needs are identified. The reviewer must examine training methods used to ensure BPC staff is adequately trained and that their training includes fact-finding and adjudications training, as applicable.

**Helpful Info.**

Question 7: The reviewer will note if staff members affected by technology or operational changes were trained about the changes and their impact before they were implemented.

Question 8: The reviewer should document all law changes, program implementations, or policy and procedural changes that were implemented during the review period that affected BPC processes. In Question 8a, the reviewer will note if staff members affected by such changes were trained about the changes and their impact before they were implemented.

### SECTION 3: Workload Analysis/Management Controls

The reviewer will examine state's ability to manage BPC workloads, particularly through periods of unforeseen spikes in workload, and will also review the methods used by the state to mitigate backlogs, when they occur, to ensure the state's ability to review crossmatch data and investigate and resolve potential issues in a timely manner. The reviewer will document process-improvement initiatives aimed at improving BPC operations. The reviewer will interview the BPC manager and performance management staff to thoroughly assess the state's practices for managing its BPC workloads.

#### **Helpful Info.**

Question 3: The term “overpayment accounts” means cases in which an overpayment amount has been established but the recovery of the benefit overpayment remains outstanding. The benefit overpayment account should reflect the outstanding balance at the close of business on the first day of the report period.

Question 4: The reviewer should report whether the state was able to investigate all unreported earnings and employment issues identified through the sources listed.

Question 4a: If the state was unable to investigate all unreported earnings and employment issues identified through the four specified sources, the reviewer must provide the percentage of unresolved cases for each source type, for each calendar quarter of the review period.

Question 4b: If the state was unable to investigate all unreported earnings and employment issues identified through the four specified sources, the reviewer must provide the reason these cases were unresolved.

Question 5a: The reviewer will need to obtain data from the BPC manager regarding the percentage of cases that are reviewed, on an annual basis, for quality and timeliness.

Question 10: The reviewer will document all methods the state uses to inform claimants of their responsibilities for properly reporting earnings and employment and the consequences and penalties for committing fraud—for example, claimant handbooks, online help, and FAQs, etc.

Question 11: If the state has a systematic plan to manage BPC workload increases, document the methods used and explain in the Training section how training is delivered to supplemental staff, if used.

**Helpful Info. (continued)**

Question 16a: Describe all business process analysis initiatives the state conducted during the review period regarding its BPC processes and what operational changes have been implemented as a result of those initiatives.

Question 17a: If the state conducted an evaluation of the cost effectiveness of any of the detection methods used by BPC within the past year, describe what detection methods were analyzed and the state's findings. *(If space is not adequate to fully respond to this question, the reviewer may use space in the Comments area at the end of this section.)*

**SECTION 4: Performance Management**

The reviewer will examine the state's practices for monitoring program performance and compliance with Federal and state law and regulations. Review the state's practices for the preparation and monitoring of corrective action plans to ensure timely and accurate submittal and methods for continued monitoring of program performance in relation to designated milestones. If the state has a performance management unit, the reviewer should consult with performance management staff in addition to UI administrators and the BPC manager when completing this section.

**Helpful Info.**

Question 1a: The reviewer should consult with UI managers for information regarding any Corrective Action Plan(s) (CAP) or Narrative that the State Quality Service Plan (SQSP) contained during the review period concerning its BPC performance.

Question 2a: If the state did not meet designated milestones on its SQSP during any quarter(s) of the review period, the reviewer will need to provide information about why the milestones were not met. This information may be gathered from the UI administrators, the BPC manager, and performance management staff.

Question 3a: If the state has submitted multi-year CAP(s), the reviewer will document progress made in meeting designated milestones based upon information obtained from UI administrators and the BPC manager.

**Helpful Info. (continued)**

Question 4a: The reviewer should document any new programs or initiatives the state has implemented during the review period that are focused on the prevention and detection of improper payments and improving recovery results. These could include Supplemental Budget Request (SBR) projects. *(If space is not adequate to fully respond to this question, the reviewer may use space in the Comments area at the end of this section.)*

Question 5a: The reviewer will document the methods the state uses to monitor its BPC operations. If the state's processes for monitoring its BPC performance are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 6: The review will note whether the state conducts monitory actions or methods in addition to those set out in Federal requirements.

## SECTION 5: Information Technology (IT)

When completing this section of the self-assessment, the reviewer should consult with UI and IT administrators and the BPC manager. IT projects relating to BPC that were completed during the review period and IT needs that were not met will be detailed. The reviewer will assess the IT department's delivery of programming and technical support to the BPC functional areas. The state's disaster recovery plan and its contingency planning for implementation of emergency UI programs with a short lead time will be documented here.

**Helpful Info.**

Question 1a: The reviewer should describe any major IT projects that were conducted during the review period that impacted the BPC program and provide information regarding the project status, and if completed, the success of the project.

Question 3a: If the state had IT needs related to its BPC program that were not met, the reviewer should document the needs that were not met and the impact it had on BPC operations, if any.

Question 5a: If the state uses a system to schedule and/or route claimant and employer calls for fact-finding, describe the system being used and its features.

**Helpful Info. (continued)**

Question 6: If the state uses a customized or off-the-shelf system for detection and/or recovery of improper payments, describe the system being used and its features.

Question 7: The reviewer will indicate whether overpayment records are manual or automated. Overpayment records are the state's hard-copy or computerized overpayment information, including overpayment balance, overpayment cause, repayment options and history, etc.

Question 8a: The reviewer will document the automated overpayment recovery methods the state uses. If the state's automated processes are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 9a: The reviewer will document any differences in procedures and tools used to prevent, detect, and recover EUC and EB overpayments as compared to the practices used for regular UI overpayments.

Question 9c: The reviewer will document any unresolved findings from previous program reviews, single audits, or Federal program monitoring.

Question 15: The reviewer will document all procedures and/or controls that the state uses to ensure the ETA 227 data are correctly reported in accordance with [UIPL No. 08-12, Change 1](#).

Question 17: This question is asking about the use of State Income Tax Offset program. The prior Question 16 is asking about the Federal TOP program.

Question 19a: The reviewer will document any automated Internet processes the state uses in its BPC operations. If the state's automated processes are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 21: The reviewer will note whether the state uses "virtual hold" in connection with its BPC operations. This is not asking about its use regarding regular claims intake operations.

## SECTION 6: Claimant/Employer Access & Communication

The reviewer will examine the state's methods for conducting its BPC operations. Methods used must comply with requirements set forth in Federal law and must meet Federal regulations regarding accessibility. The reviewer will provide basic information regarding the BPC unit's system functionality. The reviewer will consult with UI administrators and the BPC office manager when completing this section of the self-assessment.

### Helpful Info.

Question 2: The reviewer will document all methods the state uses to provide overpayment account status information to claimants.

Question 3: The reviewer will document all types of overpayment information that is made available to claimants.

Question 4: For each service delivery method the state uses to provide assistance to claimants (Internet, telephone, and in-person), the reviewer should indicate the help resources that are available to claimants.

## SECTION 7: Operational Efficiency/Resource Allocation

Through interviews with UI administrators and the BPC office manager and other appropriate staff the reviewer will identify efficiencies and automation the state has used to improve operations and provide better service to the public.

### Helpful Info.

Question 2: The reviewer will document any automated processes the state uses for making a second attempt to obtain crossmatch information. If the state's automated processes are considered to be particularly effective and/or efficient, explain fully in the Comments area at the end of this section.

Question 5a: The reviewer will document any proactive efforts the state used during the review period to improve improper payment prevention and detection results. *(If space is not adequate to fully respond to this question, the reviewer may use space in the Comments area at the end of this section.)*

Question 6: The reviewer will note the primary areas of responsibility assigned to the BPC unit in regards to handling telephone inquiry calls.

## SECTION 8: Staffing

The reviewer will examine organizational changes that occurred during the review period, if any, and their effect on the state's ability to manage its BPC workload. The reviewer should consult with UI administrators, the BPC office manager, and the state agency's human resource manager when completing this section of the self-assessment.

### Helpful Info.

Question 3a: If the state has BPC staff in multiple locations, the reviewer will document the locations and to whom those staff report in each location. Reporting considerations and assignments can affect the effectiveness of BPC operations and the timeliness of handling crossmatch information.

Question 3b: If the number of BPC locations changed during the review period, the reviewer will document the reason for the change, such as staffing, budgetary, or efficiency reasons.

Question 7: Staffing allocations are examined to determine whether BPC operations are adequately staffed, based upon state size and FTE allocations.

Question 8: The reviewer will report the number of FTEs budgeted for BPC operations, that is, the positions budgeted by the state after Federal "base" allocations.

Question 9: The number of FTEs dedicated to BPC operations impact the state's ability to meet performance standards. Dedicated FTEs means the number of FTEs that were charged to the function.

## SECTION 9: Concluding Summary Comments

The reviewer will use the Concluding Summary Comments section to highlight the state's strengths and weaknesses that impact the Benefit Payment Control functional areas and to identify issues that have not been addressed in any other section of the self-assessment. These comments are intended to provide Federal reviewers and the state's UI administrators with additional insight into these program areas, focusing on methods that have proven to be successful and can be capitalized upon or areas where corrective measures may be needed.

The first comment area provides the reviewer an opportunity to share any examples of good and/or exemplary operations in this functional area after reviewing each operational element. The reviewer can use this space to identify any policy, procedure or operation that would constitute a successful practice that can be shared with other states.

The second comment area provides the reviewer an opportunity to document issues detected during the review that are having an adverse impact on the program area, affecting the state's performance, ability to meet performance standards or customer service. It is also a place to recommend corrective actions for the agency's leadership to consider implementing.

The final comment area in this section provides the reviewer space to share any additional comments, concerns or observations regarding the state's operations in this functional area.