

Replacement Pages for ET Handbook No. 395, 4th Edition

e. National Directory of New Hires. Section 453(i) of the Social Security Act (SSA) [42 U.S.C 653(i)] directs the Secretary of Health and Human Services to maintain an automated database of the State Directory of New Hires records in the National Directory of New Hires (NDNH). Section 453(j)(8) SSA authorizes use of the NDNH “for purposes of administering an unemployment compensation program under Federal or State law.” BAM must utilize this resource as part of the audit of paid claims to detect and investigate claimant employment during the benefit year to determine its affect on the claimant’s eligibility for UI.

5. **Disqualifying/Deductible Income Verifications**. Verifications must be made of receipt of all remuneration that could directly affect the Key Week for which claimants could be disqualified or have benefits reduced. States should verify this income by using the method of contact determined by the state to be the most appropriate.

6. **Dependency Eligibility Verifications**. In states with dependency allowance provisions in their laws, the investigator must verify the dependents that were claimed. This verification must, at a minimum, consist of the methods prescribed by state law and/or policy.

7. **UCFE**. To better integrate federal program with states’ claims processing systems, procedures for obtaining wage and separation information for both the UCFE and UCX programs have been automated to the extent possible. For the UCFE program, Lockheed Martin developed an ICON application that states use to generate electronic and/or hardcopy requests to federal Agencies, as appropriate, and to receive electronic responses. For the UCX and UCFE programs, the Claim Control File System maintained by the FCCC has been redesigned to support a more effective exchange of information and for integrity purposes.

BAM staff should work with the SWA's Federal Programs Coordinator to determine the most expedient way of obtaining wage, separation, earnings, and work search information from federal installations. If an in-person verification is deemed necessary by the state, the Federal Programs Coordinator may be able to assist BAM investigators in gaining access to federal installations. Additionally, the BAM review of the original claim file must include examination of the response from the Federal Claims Control Center (FCCC) and any subsequent state reconciliation actions to ensure that the federal wages were not used more than once to pay a claim. If no documentation is on file to indicate that the FCCC was notified of the claim, the BAM unit is to initiate a request as specified in the UCFE Handbook (No. 391) and examine the response from FCCC when it is received.

8. **UCX**. As mentioned above, procedures for securing UCX information has changed. UIPL 47-01 describes the key changes in procedures for the electronic exchange of wage and separation information for the UCFE/UCX programs. Key changes to UCX procedures include the following:

- the Department of Labor’s copy of the DD Form 214, maintained at the FCCC, is now the official source of wage and separation information for use in establishing UCX entitlement and eligibility;
- the FCCC will calculate the claimant’s UCX employment and wages and provide the information to SWAs; and
- the state is authorized to determine UCX eligibility under an affidavit process, using the claimant’s copy four (4) of his/her DD Form 214, upon receipt of a notice from

the FCCC that there is no DD Form 214 on file. This procedure will eliminate any potential delay in the determination of UCX eligibility pending receipt of the Department's copy of the DD Form 214.

In-person employer contacts are not to be made with the military. Verifications of military wages and separations are accomplished through review of claim documents.

When a UCX claim is taken, the SWA sends an inquiry to the FCCC. The FCCC response to each inquiry enables the SWA to (1) validate the legitimacy of the DD-214 that the claimant used to establish the claim and (2) detect potential duplicate claims. The response contains the following data:

- beginning and ending dates of military service,
- tabulation of net amount of time served,
- number of days of accrued leave paid,
- character of service, pay grade, and
- date of receipt by FCCC of any previous notice of claim filed.

BAM must compare the DD-214 to the response from the FCCC to verify that the wages have not been previously assigned. The pertinent information on the DD-214 must be compared with the corresponding information on the FCCC response to ensure that the DD-214 has not been altered. Ensure that the information on the claims documents has been accurately copied from the DD-214. Also, ensure that the monetary determination was based on the appropriate Federal Schedule of Remuneration, i.e., the one in effect at the time the claim was filed.

Copies of the DD-214, the response from the FCCC, and the Federal Schedule of Remuneration should be retained in the BAM case file. If the FCCC has not been contacted, or if potential issues have not been resolved, they must be pursued by BAM.

9. **Interstate Requests.** Some investigations require contacting claimants, employers, or other parties in another state. The same procedures apply to interstate that apply to intrastate verifications. Interstate contacts may be conducted using the method of contact determined by the state to be the most appropriate given the circumstances of the case. If unable to obtain adequate information, assistance may be requested of the other state where necessary. However, each state has the final responsibility of obtaining all the necessary data to complete the case investigation.

10. **Summary of Investigation.** Each completed case must contain a Summary of Investigation. Each SWA must develop a format which includes, at a minimum, a narrative that explains the pertinent facts of the case: the basis for any decision that an error was made and any complexities of the case, e.g., difficulty obtaining information, evaluation of statements taken, reasons for delay, or any special circumstances that occurred. Alternately, this may be satisfied by appropriate reference to explanations elsewhere in the case file. In order for each case to be able to stand on its own, the Summary must be substantiated by documentation in the case file.

11. **Appeals.** All appeals hearings resulting from BAM determinations affecting the Key Week must be attended by the BAM investigator responsible for obtaining the information that led to the determination. The investigator will provide testimony concerning any questions on the BAM process and the facts upon which the determination was based. When an appeals hearing is not attended by a BAM staff member, an explanation must be provided in the BAM case file.

12. **Completion of Cases and Timely Data Entry.** Prompt completion of investigations is important to ensure the integrity of the information being collected by questioning claimant and employers before the passage of time adversely affects recollections. Prompt entry of associated data is necessary for both the SWA and the Department to maintain current databases. Therefore, the following time limits are established for completion of all cases for the year. (The "year" includes all batches of weeks ending in the Calendar Year.):

- a minimum of 70 percent of cases must be completed within 60 days of the week ending date of the batch, and 95 percent of cases must be completed within 90 days of the week ending date of the batch; and
- a minimum of 98 percent of cases for the year must be completed within 120 days of the ending date of the Calendar Year.

A case is complete when the investigation has been concluded as required, all official actions for the Key Week (except appeals) have been completed, the supervisor has signed off, and the results have been entered into the computer.

If a SWA's rates for completion of cases sampled for investigation for the year are less than the requirements, and it believes that such failure was attributable to reasons beyond its control, the SWA may submit a documented analysis to the Department (Regional Office) requesting a relief from Departmental actions (i.e., requirement to submit a corrective action plan and a footnote in the BAM Annual Report). The analysis must demonstrate that all time limits would have been met had the uncontrollably delayed cases been timely.

13. **Reopening Cases.** Cases may be reopened for the following:

- to correct errors (detected by either the SWA or federal reviewers);
- to update information, e.g., as a result of appeal decisions; *or*
- to update information as a result of investigation following the match of a claimant's SSN with either new hire directory records (reopen code 7) or wage records (reopen code 8).

Case completion timeliness will be recalculated when a case is reopened to either correct errors detected by the SWA or to update information, except for cases reopened to update information as a result of investigation following the match of a claimant's SSN with either new hire directory records or wage records. Therefore, it is important to minimize reopening (other than for cases requiring reopening due to follow-up investigation as a result of a new hire directory or wage record match) by ensuring that, to the extent possible, the data are complete and correctly entered initially.