

U. S. Department of Labor Employment and Training Administration Advisory System Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
	CORRESPONDENCE SYMBOL OUI/DPM
	DATE November 17, 2009

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 2-10

TO: STATE WORKFORCE AGENCIES

**FROM: JANE OATES /s/
Assistant Secretary**

**SUBJECT: Revisions to the State Operations Handbook for the
Unemployment Insurance (UI) Benefit Accuracy
Measurement (BAM) Program**

1. **Purpose.** This guidance contains instructions regarding changes in the BAM Paid Claims Accuracy (PCA) and Denied Claims Accuracy (DCA) programs and updates for the State Operations Handbook, ET Handbook No. 395.
2. **References.** ET Handbook No. 395, 4th Edition, Revisions to the State Operations Handbook for the UI BAM Program, May 25, 2005; 20 CFR 602, Quality Control in the Federal-State Unemployment Insurance System; and Unemployment Insurance Program Letter (UIPL) No. 17-09, “Revisions to Chapter VI of the ET Handbook No. 395, 4th Edition for the UI BAM Program.
3. **Background.** BAM is part of the UI performance management system “UI Performs.” By investigating small representative weekly samples of both paid and denied UI claims, BAM enables each state to estimate reliably: the number and dollar value of proper and improper payments of UI benefits; the rates of occurrence of these proper and improper payments and denials; and the error types, error causes and the parties who are responsible for the errors. ET handbook No. 395, 5th Edition provides standard instructions for operating the BAM program in each state.
4. **Handbook Modification Summary.** The handbook has been revised to clarify instruction and refine overall content. The changes are summarized below:
 - Chapter I: This chapter has been updated to include language regarding implementation of crossmatching BAM paid cases to the National Directory of New Hires.
 - Chapter III: This chapter has been revised to reflect subsequent software modifications, including updates to information technology (IT) terminology.

ESCISSIONS ET Handbook No, 395, 4th Edition	EXPIRATION DATE Continuing
---	---

- Chapters IV and V: The definitions of data elements for BAM PCA have been updated and clarified to promote consistency as a result of input from State and Regional Offices and software modifications. Element (b8) has been renamed “Normal Hourly Wage for Base Period Occupation” and redefined for clarity.
 - Chapter VI: This chapter has been recently updated and reissued with UIPL 17-09, to expand the explanation of minimum investigative standards and methodology.
 - Chapter VIII: The definitions for BAM DCA data elements have been clarified for consistency, and edits have been added to each element.
 - Appendix B: The claimant questionnaires for both PCA and DCA cases have been clarified to promote consistency, and a template for an employer verification form.
 - Appendix D: This appendix now contains the data collection instruments for both paid and denied claims.
5. **OMB Approval.** The Office of Management and Budget (OMB) has approved ET Handbook No. 395 for use through November 30, 2012. The approval number is OMB No. 1205-0245. The public reporting burden for the collection of information has not changed.
 6. **Action Requested.** Copies of the attachment should be distributed to all holders of ET Handbook No. 395. States should review these changes and adjust their procedures, as necessary.
 7. **Effective Date.** The contents of the Handbook are effective immediately.
 8. **Handbook Maintenance.** Remove ET Handbook No. 395, 4th Edition, dated May 25, 2005, and replace in its entirety.
 9. **Inquiries.** All questions should be directed to the appropriate Regional Office.
 10. **Attachment.** ET Handbook No. 395, 5th Edition