

**BAM Data Elements Used to Compute the Improper Payment Rate**

- Estimated overpayments and underpayments are derived from the weekly BAM samples.
- Original amount paid is captured in BAM data element f13 and is defined as the amount paid to the claimant in the key week.
- Sample data is weighted to make inferences concerning the population. The weight is equal to the number of weeks of unemployment compensation paid during the week from which the BAM sample was selected (b\_comparison table data element cm2) divided by the number of completed BAM sample cases for that week (if f13 > 0 and (h9 is not null or c1='8' or '9')).

Rate	Paid Claim Action Code	Cause
Overpayment Rate	<p>BAM investigation determines that the payment was too large:  <b>Includes key week errors with (ei2) action codes 10, 11, and 12 with total error amount limited to the maximum amount of the dollars originally paid in the key week (i.e. overpayment amount must be less than or equal to (f13)):</b>                      10 - Fraud                      11 - Nonfraud recoverable                      12 - Nonfraud nonrecoverable                      For cases with more than one error - the errors are sorted by:</p> <ul style="list-style-type: none"> <li>• Key Week Action (ei2) (Ascending) [10, 11, and 12]</li> <li>• Amount of Key Week OP (ei1) (Descending)</li> <li>• Error Issue Index Number (eidix) (Ascending)</li> </ul> <p><b>Excludes errors with (ei2) action codes 13, 14, 15, and 16:</b>                      13 - Technically proper due to finality rules                      14 - Work Search Formal Warnings                      15 - Technically proper due to rules other than finality or formal warning rule                      16 - Overpayment established which was later "officially" reversed, revised, adjusted, or modified and BAM disagrees with "official" action (e.g., Appeals unit reverses BAM determination and BAM disagrees).</p>	<p>Includes all cause codes (ei3).</p> <p>ET Handbook No. 395 (pp. V-5 through V-7)</p>

Rate	Paid Claim Action Code	Cause
Underpayment Rate	<p>BAM investigation determines that the payment was too small:  <b>Includes key week errors with (ei2) action code 20 with total error amount limited to the maximum weekly benefit amount plus maximum dependents allowance – the amount originally paid (f13):</b></p> <p>20 - Supplemental check issued/offset applied or increase in weekly benefit amount (WBA), dependents' allowance (DA) entitlement, maximum benefit amount (MBA), or remaining balance (RB)</p> <p><b>Excludes errors with key week error (ei2) action codes:</b>  21 - Technically proper due to finality rules  22 - Technically proper due to rules other than finality  23 - Supplemental check issued/offset applied which was later officially reversed, revised, adjusted or modified, and BAM disagrees with the official action  24 - BAM determines payment was too small, but claimant is not entitled to supplemental payment due to collateral issues.</p>	<p>Includes all cause codes (ei3).</p> <p>ET Handbook No. 395 (pp. V-5 through V-7)</p>

- The total UI benefits paid is computed using the population dollars from which BAM pulled its sample, adjusted for weighted invalid sample dollars excluded (b\_comparison.cm4 [Total Dollars Paid or Compensated in the Batch Week]). The table below presents an example of this computation.

<i>Total Dollars Paid in Population</i>					
Total weighted paid based on the BAM sample	Total weighted excluded from BAM sample	Ratio of the weighted dollars excluded	Total paid population from which samples were pulled	Dollars excluded from the population	Amount paid
(A)	(B)	(C=B/A)	(D)	(E=C*D)	(F=D-E)
\$1,413,598,059.92	\$41,480,454.27	0.0293	\$1,407,411,599	\$41,298,919.49	\$1,366,112,680