

Unemployment Insurance Separation Information Data Exchange System

UI SIDES

National UI Integrity Professional
Development Conference

Salt Lake City, UT

April 21-23, 2008

Introductions:

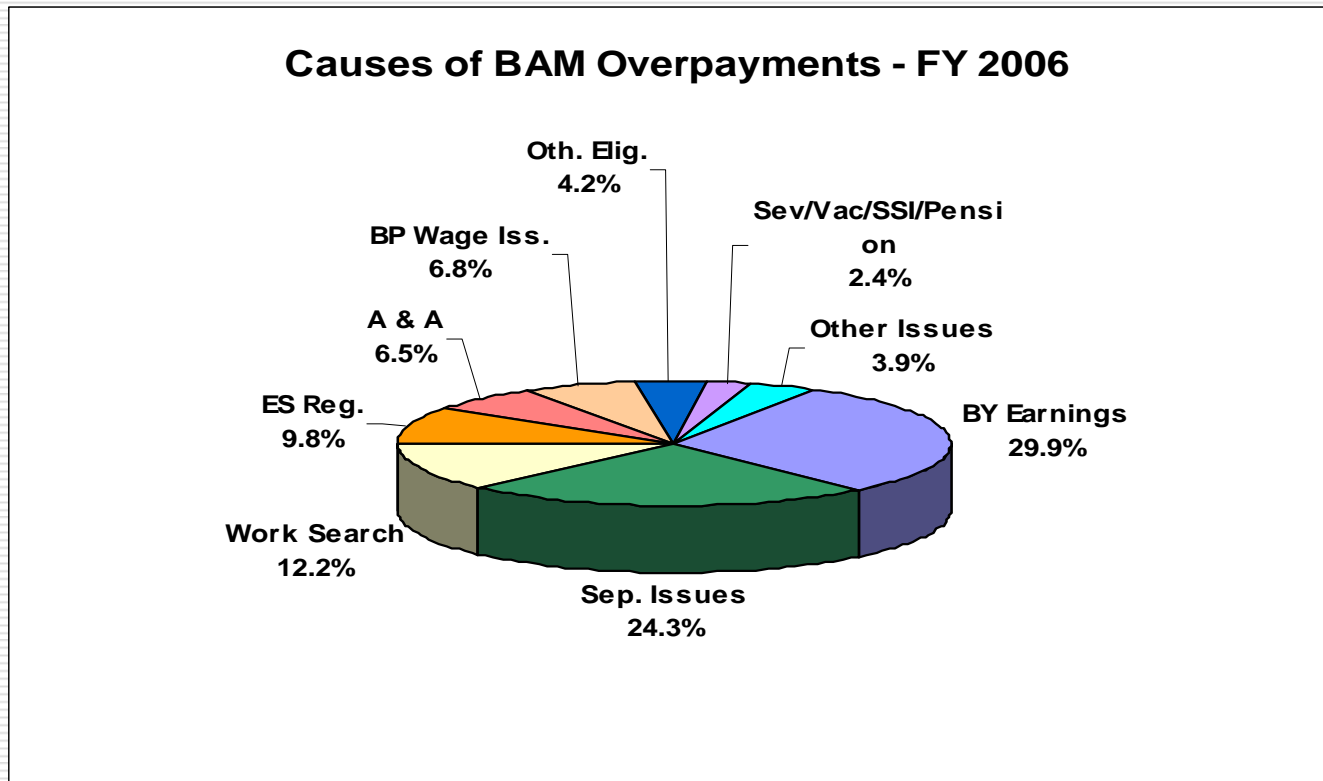
- Moderator:
 - John Sharkey, ITSC

- Presenters:
 - Clay Peacock, State of Utah
 - June Jennings, JC Penney

FY2006 Benefit Payment Accuracy

- ❑ \$29.7 Billion UI benefits paid
- ❑ 10.1% or \$2.99 Billion overpaid
- ❑ Separation issues are 2nd largest cause of overpayments

FY 2006 Overpayment Causes



Separation Issues accounted for \$379.2Million in Overpayments

National Non-monetary Determination Performance

- Separation Determination Time Lapse CY2006
 - 68.2% of the separation determinations issued within 21 Days. (Criteria 80%)

- Separation Determination Quality CY2006
 - 66.5% of the separation determinations scored 80 points or more. (Criteria 75%)

Present Issues / Concerns

- ❑ Continuing workload
- ❑ Shrinking resources / funding
- ❑ Volume of information exchanged
- ❑ Increasing concentration of TPAs
- ❑ No Standard Data Format
- ❑ Quest for efficiencies, timeliness and quality

Standardized UI Separation Information Effort

- ❑ ITSC Project to look at UI separation information needs.
- ❑ States, Employers and Third Party Administrators very interested in improving this process.
- ❑ NASWA UI Committee Work Group formed.
(WI, CO, GA, OH, MI, MD, ID, IN, VA, OK, UT, NH)
- ❑ Working Group to develop format and concept of operation.
(WI, CO, GA, OH, MI, MD, ADP, TALX, GM, JC Penny, Kelly Services, CVS, Employers Unity)
- ❑ Test the format and approach. (Low Tech Test or LTT)
(WI, CO, GA, ADP, TALX, GM, JC Penny, & Kelly Services)
- ❑ UI SIDES Consortium (GA, WI, OH, UT, CO, TALX, ADP, & JC Penney)

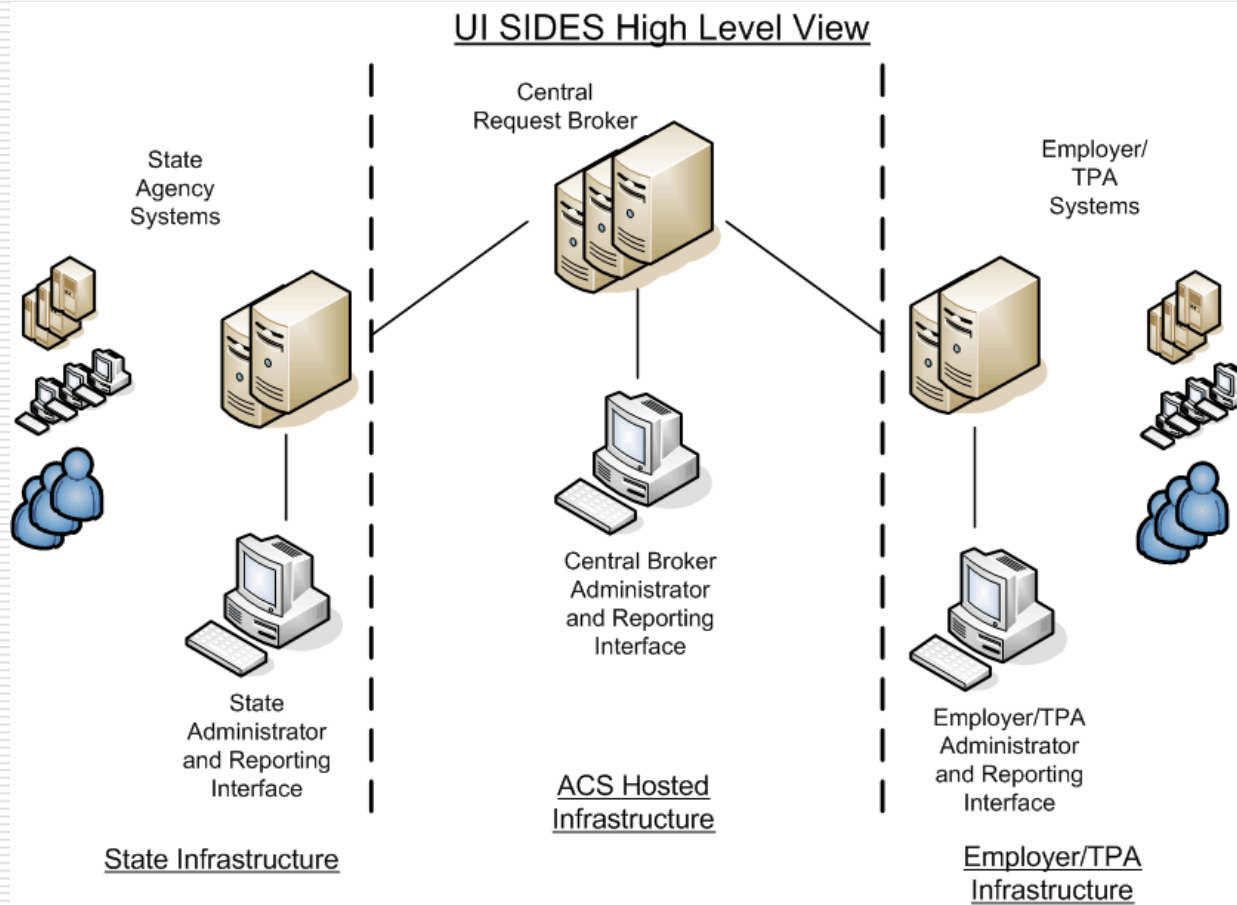
Project Goal

- ❑ Standard electronic exchange that would be accepted and implemented.
- ❑ Obtain quality and timely separation information.
- ❑ Allow a significant percent of non-mon determinations to be made w/o the need for further contact
- ❑ Reduce the resources needed to gather information

UI SIDES Design

- Clay Peacock – State of Utah

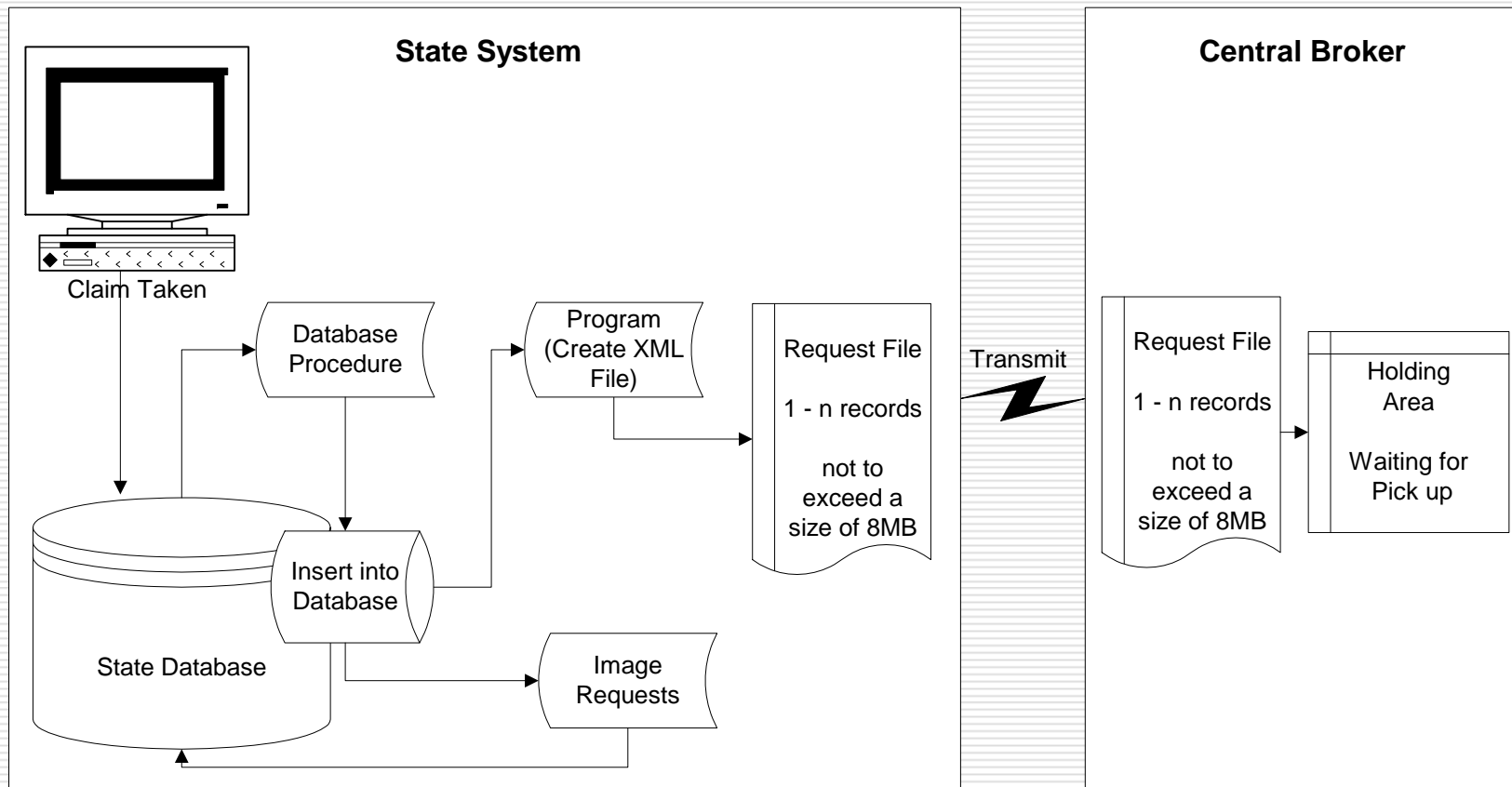
General Concept



Send File - (Request / Response)

- Standard Data Elements
 - Required / Conditional / Optional
 - Coded values list (ie: Separation Reason Codes)
- File Structure
 - Responsibility of each entity to create and to conform to business logic when creating the file
 - Each file may contain multiple records for one single entity
 - Each record may contain up to 10 attachments
- Entity contacts Broker and transmits file
 - Files are encrypted for secure transmission

Utah's Request Design



Central Broker

❑ 99.9% Availability

(ACS' Blythewood Data Center, South Carolina – currently supports UI ICON)

❑ System Health

- Metrics reporting and logging
- Administrative functions (web application)
 - ❑ Roles based security to the Broker

❑ Parse and Validate Files

- Parsing the file will examine its contents to assure business rules and validations are met
- Certificates and Keys (security / encryption)

Central Broker

- ❑ Error Handling / Confirmation
 - Return a file listing all non-conforming records to sender
 - Return a Confirmation message of successful file transmission
- ❑ Staging Area
 - Files are encrypted and held for pick up by entities at least once a day. Files are stored on Broker 7 days, then purged.
 - Files can be forwarded to entities

Central Broker

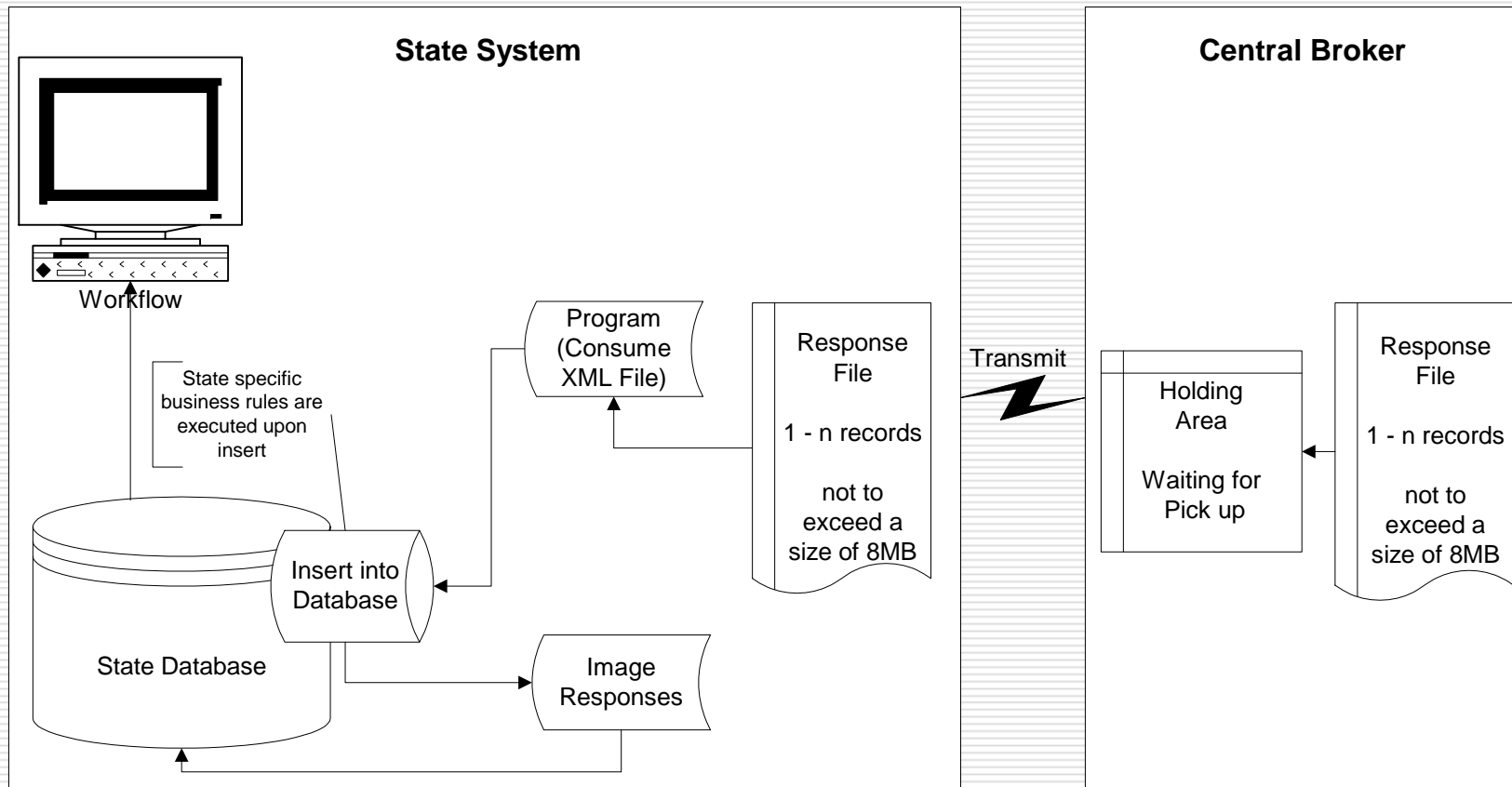
- At least 3 distinct environments
 - Production, Test, Development
- System can be easily enhanced
- 24 Hour support desk
- Disaster recovery services
- Transaction time stamp
 - Eastern Time

Receive File - (Request / Response)

- Entity acquires the file
 - Picked up from Broker
 - Received from Broker
- Parse file
- Send confirmation of receipt to Broker

- Entities Responsibility
 - Store and Process data
 - Business rules can automatically manage data

Utah's Response Design



Employer & TPA

- June Jennings - JC Penney

Business Objectives

- Solvent UI System
- Respond timely with complete and accurate information
- Reduce phone calls
- Avoid unnecessary hearings

Current Business Issues

- Late receipt of claims to employer
- Short time to respond
- Lack of time to locate critical documents
- Lack of time to thoroughly investigate the facts on the claim

Business Privacy Issues

- ❑ Two critical identifiers to safeguard
 - credit card number
 - social security number (SSN)
- ❑ Concern of SSN's printed on forms
- ❑ Concern of faxes being electronically intercepted
- ❑ Emails are not safe to send SSN's

Business Privacy Issues

- ❑ Full SSN is critical for employers to accurately identify claimants
 - Similarity of names
 - Number of employees to search
- ❑ Unemployment Insurance Program Letter 21-05
- ❑ UI SIDES offers protection of an SSN via an encrypted file

Business Efficiency with UI SIDES

- Gain time
- Standard format for all states
- Provide a accurate and quality response
- Quickly respond to claims that do not need a lot of research
- Eliminate concerns of a timely receipt

JCP Integration –UI SIDES

- Internal UI System
 - Payroll connection – SSN level
 - Electronic HR documents
 - Internal employee ID – tied to SSN
- Receive files from broker
- Process data internally
- Prepare response
- Send file to broker

UI SIDES

□ Benefits

- Postal savings
- Guaranteed receipt
- Shortened turn-around times
- Electronic storage and retrieval faster and easier
- Standardized form is easier to use and provides better information

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