

## ABBREVIATED SUPPORTING STATEMENT CLEARANCE FORM

### A. SUPPLEMENTAL SUPPORTING STATEMENT

<b>A.1. Title: Unemployment Insurance Lower-Authority Appeal Information Technology Assessment</b>	
<b>A.2. Compliance with 5 CFR 1320.5:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>A.3. Assurances of confidentiality:</b> None
<b>A.4. Federal cost:</b> \$79,620 <sup>1</sup>	<b>A.5. Requested expiration date (Month/Year):</b> September 2013
<b>A.6. Burden Hour estimates:</b> a. Number of Respondents: 44 a.1. % Received Electronically: 100% b. Frequency: Once c. Average Response Time: 36 minutes d. Total Annual Burden Hours: 26.4 hours	<b>A7. Does the collection of information employ statistical methods?</b> <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Complete Section B and attach BLS review sheet).

The Workforce Investment Act (WIA) serves individuals from a wide variety of background and skills. Both the Adult and Dislocated worker programs serve individuals who are receiving unemployment insurance (UI) benefits. The latest data from the Workforce Investment Act Standardized Record Data system indicated that as many as 40 percent of WIA exiters have, or are currently receiving, UI. Many of the WIA clients use UI benefits to support themselves while receiving WIA intensive services including training. It is critical to the success of the individuals who qualify for benefits to receive them in a timely manner. Delays in any component of the UI eligibility and payment process can have a significant impact on their success and timely return to the labor market. A properly functioning UI Lower Authority Appeals (LAA) process is a key factor in determining an individual's entitlement to UI and therefore their ability to successfully complete a WIA program.

The Office of Unemployment Insurance (OUI) has developed national LAA time lapse measures to capture how timely a hearing is held, and a decision rendered. The Acceptable Level of Performance (ALP) is: 60 percent of appeals must be disposed of as completed cases within 30 days of the appeal date and 80 percent of completed case appeals must be disposed of within 45 days of the appeal date. Case Aging measures the average age (in days) of appealed cases that are pending disposition. This measure shows the average age of all cases that have been appealed but not yet heard or decided, i.e., the average age of cases still waiting (in days) for a hearing and a written decision. The average age of pending cases ALP is 30 days – meaning cases should not be pending for more than 30 days.

The number of states consistently not meeting UI LAA ALP measures is growing. For calendar year 2010, there were only twelve states meeting the 30-day timeliness measure, seventeen states meeting the 45-day timeliness measure, and twenty-four states meeting the 30-day case aging measure.

For calendar year 2010, only 52 percent of appeals filed were able to be docketed for a hearing, have the hearing heard, and a written decision issued within the 45 day performance time frame from the date the appeal was first filed. A full assessment of states LAA processing is needed to see where technology and innovations can improve processes, procedures, and practices for the UI appeals process from scheduling a hearing to conducting the hearing including rendering decisions, interfacing with legacy UI Claims IT systems and Higher Level Appeals Authorities.

This project envisions examining the current processes, systems, and tools that all 53<sup>2</sup> states (44 by survey, nine states were covered in the pretest process) use to perform the core functions of first-level appeals adjudication. It will provide insights about four key areas of appeals: (1) methods and processing in LAA appeals operations; (2) IT systems and tools used in LAA appeals operations; (3) laws, regulations, and policies affecting the LAA appeals process; and (4) emerging

<sup>1</sup> This is the federal project cost for the survey and assessment phase of the CESER contract with Mathematica Inc.

<sup>2</sup> Includes: Puerto Rico, District of Columbia, and the Virgin Islands.

approaches and promising trends.

The overarching objectives of the LAA assessment project are to identify ways to improve the LAA process across the country to overcome the major obstacles and challenges and to make it meet the needs of the States and the unemployed. The specific objectives for the planned survey are to:

1. Assess current LAA procedures and processes; including IT systems States use to process their UI appeals and identify alternative technologies States may implement to improve their overall LAA appeals performance and processing. This will involve a two-pronged data collection approach to gather the necessary information to assess the current practices in LAA, challenges to the timely disposition of appeals, details of the IT systems, and tools used. This information will enable the identification of new trends or promising practices and specific improvements made by the States to improve performance, and
2. Identify issues and potential technical solutions that will help all States, with a focus on those not meeting the ALPs. The proposed needs assessment plan will provide a comprehensive examination of all State LAA systems, documenting their business processes and compiling information on all applicable databases and IT tools used in LAA processing.

The survey will be conducted by Mathematica Policy Research under a contract from the National Association of State Workforce Agencies' (NASWA) Center for Employment Security Education and Research (CESER) ), Information Technology Support Center (ITSC) under a Grant from the U.S. Department of Labor's (USDOL), Office of Unemployment Insurance (OUI).

The survey instrument will utilize a fillable portable document format (PDF) file that is accessed and returned online. The survey consists of four sections: 1) Methods, Processing, and Staffing in Lower-Authority Appeals Operations (11 questions), 2) Information Technology Systems and Tool Used in Lower-Authority Appeals Operations (10 questions), 3) Laws, Regulations, and Policies Affecting the Lower-Authority Appeals Process (4 questions) and 4) Emerging Approaches and Promising Trends (5 questions).

The survey has been pilot tested in nine states (California, Michigan, Minnesota, Nebraska, Oregon, Rhode Island, South Carolina, Virginia, and West Virginia) representing a variety of geographic regions, systems of appeal (one or two levels and panel), and degrees of success. CESER initially contacted these states about participation, with follow-up by Mathematica. All nine states selected agreed to participate and completed the survey and a debriefing phone call.

For the 44 states expected to participate in the survey, the survey document will be completed by staff similar to those who were involved in the pretest. Pretest staff held positions such as chief administrative law judges or referees, appellate division directors, and general counsel. They had a broad understanding of the appeals system and processes in their states and intimate knowledge of procedures, processes, and staff roles. Overall, the pretest of the survey worked well. Respondents reported knowing all or most of the answers themselves and knowing exactly whom to ask for an answer they did not. When asked if there were any terms or concepts that were unfamiliar to them, they reported none.

Respondents reported instrument completion times ranging from just under 15 minutes to about 60 minutes. Some respondents reported spending a portion of that time waiting for another person to get back to them with an answer. If time spent waiting for information is excluded, the average completion time for the instrument is about 32 minutes; with time spent waiting, the average completion time is 36 minutes.

This data collection will not duplicate any information currently collected. Information on individual state practices will be summarized and made available to federal and state specific staff. State specific information will not be published beyond federal and state staff. A summary report will be made available to all state and other interested parties.