

Processing Electronic Information



United States Postal Service Address
Change Service (ACS)

Illinois Department of Public Aid
Division of Child Support Enforcement

Mike Troesch, Presenter



Project Objective

IMPROVE QUALITY OF ADDRESS DATA

WORK SMARTER NOT HARDER

UTILIZE TECHNOLOGY



Presentation Goals

1. Explain USPS Address Change Service
2. Identify problems with mail delivery
3. Review solutions implemented by Illinois
4. Show benefits of resolving problems
5. Review 2003 postage and labor savings
6. Provide questions for system analysis



Goal # 1

Explain the
United States Postal Service's
“Address Change Service”
(ACS)



ACS Statistics

In Illinois, ACS processed about 80% of all address changes and undeliverable mail in 2003.

Small post offices in rural areas may not be able to electronically report to ACS. Approximately 500 address change notifications and/or undeliverable mail items are returned each week and manually processed.

ACS Options

ACS provides two service options:

- ◆ Option 1: Address Service Requested
- ◆ Option 2: Change Service Requested

ACS Option 1: Address Service Requested

Used to pilot electronic processing of address changes provided by ACS.

Illinois used the NCP billing statement as a pilot for programming the electronic address change processing provided by ACS.

Undeliverable mail processing was phased in using the same form.

ACS Option 1: Address Service Requested

When “Address Service Requested” is printed on the envelope of mail formatted for ACS, the mail carrier:

- ◆ Returns undeliverable to sender with reason for non-delivery
- ◆ Forwards mail if there is an address change on file
- ◆ Sends new address to ACS.

ACS compiles all address changes reported by carriers and sends all records electronically (weekly, bi-weekly or monthly). ACS bills 20 cents for each record reported at the end of the month.

ACS Option 1: Service Endorsement Format

ILLINOIS DEPARTMENT OF PUBLIC AID
DIVISION OF CHILD SUPPORT ENFORCEMENT
PO BOX 19119
SPRINGFIELD IL 62794-9119

ACS mail must include
service endorsement

ADDRESS SERVICE REQUESTED

ACS customer code
provided by post office

#BWNFXZT
#P123456789 2572X 7 #
JOHN E SMITH
916 N 5TH ST APT 3
SPRINGFIELD IL 62702-5288

ACS key line = CP or NCP #
+ form # + check digit

Do not boldface
mailing address.

ACS Option 2: Change Service Requested

Recommended: Eliminates mail forwarding fees, provides reasons for non-delivery and reduces labor cost to manually process undeliverable mail. When “Change Service Requested”, the mail carrier:

- ◆ Reports undeliverable mail to ACS
- ◆ Shreds undeliverable mail
- ◆ Forwards mail if change of address is on file
- ◆ Sends new address to ACS.

ACS compiles all records and sends them electronically (weekly, bi-weekly or monthly). ACS bills 20 cents for each record.

ACS Option 2: Service Endorsement Format

ILLINOIS DEPARTMENT OF PUBLIC AID
DIVISION OF CHILD SUPPORT ENFORCEMENT
PO BOX 19119
SPRINGFIELD IL 62794-9119

For mail to be forwarded, millions of envelopes had to be printed each year with a service endorsement.

CHANGE SERVICE REQUESTED

Pitney Bowes makes add stamps that create service endorsements when postage is applied.

#BWNFXZT
#P123456789 2572X 7 #
JOHN E SMITH
916 N 5TH ST APT 3
SPRINGFIELD IL 62702-5288

ACS customer code provided by post office

Do not boldface mailing address.

ACS key line = CP or NCP #
+ form # + check digit

ACS Results

In 2003, using ACS' "Change Service Requested" endorsement:

- ◆ Illinois mailed over 2,700,000 envelopes.
- ◆ ACS reported 44,200 addresses as undeliverable.
- ◆ 30,000 mail items not processed by ACS were returned undeliverable and manually processed.
- ◆ Only 1 out of every 36 items mailed - less than 1% - was undeliverable in 2003.

ACS Results

“**Forwarding Order Expired**” was the reason for non-delivery on 50% of undeliverable mail.

ACS provides new addresses for 18 months after the address change is filed.

Using ACS reports, staff can determine if there is a need to generate a form to track moves through the post office.

A tracking form only needs to be sent if mail has not been generated to the address 17 months after the address is validated.

ACS Results

For each new address forward notification:

Without ACS: **70** cents postage due

With ACS: **20** cents for each record reported.

In 2003, postage due charges of \$24,500.00 were paid to ACS.



Questions?





Goals #2 & #3

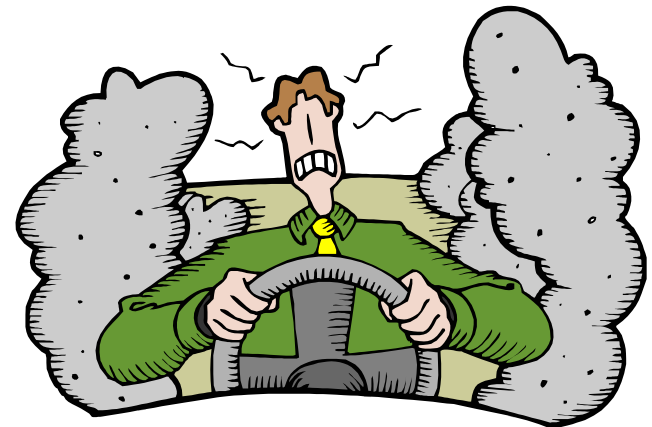
Identify problems with mail delivery.

Review solutions implemented
by Illinois.

In General...

Address and mail processing created system and procedural problems - and drove staff crazy.

Staff simply could not manually process all undeliverable mail.



Types of Addresses

KIDS stores both mailing and secondary addresses for each participant.

- **MAIL**: Primary mailing address.
- **PREV**: Primary mailing address is changed to “previous” when mail is undeliverable or new mailing address provided.
- **RESD**: Residential address. Used when mailing address is a post office box.
- **OTHR**: Other address. Addresses from tape matches with more recent verify dates are entered as “other” addresses when the MAIL address is validated.
- **CAOR**: Clerk’s address of record.
- **IV-A**: Address provided by IV-A agency

Post Office Box Solutions

Problem:

Tape matches provide the PO box mailing addresses but not residential addresses.

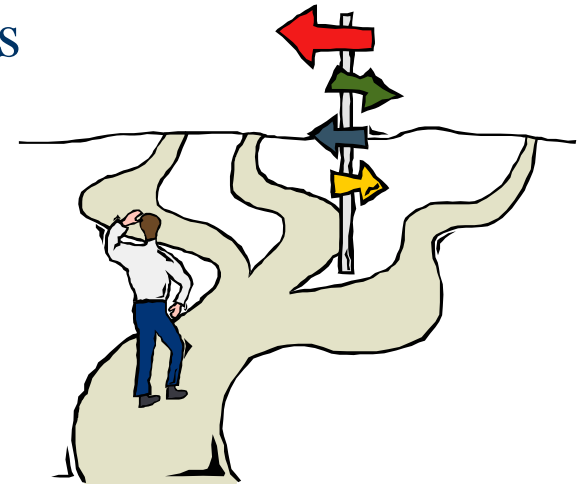
Solution:

When a PO box address is entered as a mailing address, an information request form is automatically sent to the post office requesting the box holder's residential address.

Audit Trails

Problem:

Staff had no way of knowing mail was returning as undeliverable.



Solution:

When ACS reports mail as undeliverable, a system event is created that:

- Shows on custodial or non-custodial parent's record.
- Identifies form number.
- Identifies USPS reason for non-delivery.

Staffing - Solutions

Problem:

One under-staffed mail processing unit was responsible for manually processing all address change notices, all undeliverable mail and all Address Information Request letters.

Solution:

In 2003, ACS electronically processed over 78,000 address changes and 44,200 undeliverable mail items.

Backlog - Solutions

Problem:

There was a backlog of 200,000 undeliverable mail items. Many were shredded because of a lack of staff to process them.

Solution:

In 2003, backlog is gone. ACS electronically reports address changes and undeliverable mail every 15 days.

Manual processing of address changes and undeliverable mail is completed in two days.



Staffing - Solutions

Before:

The mail processing unit included two sorters, thirteen data entry operators and two Quality Control supervisors.

After:

Today, the unit now includes two sorters, three data entry operators and one supervisor.

Address Change Solutions

Problem:

It takes two hours to manually update 100 address changes or manually inactivate 100 undeliverable addresses.

Solution:

It takes 30 minutes of computer time to electronically update 5,000 ACS address changes and/or inactivate undeliverable addresses.



Mail Processing Delays - Solutions

Problem:

Failure/delays in processing undeliverable mail means more mail is sent to incorrect addresses. This creates increased postage cost, more undeliverable mail, and complaints from mail carriers and residents.

Solution:

In 2003, duplicate undeliverable mail is minimal. Few complaints caused by mail processing delays are received.

Verification Dates

Problem:

Not changing/updating address verification date from the date it was entered allowed re-entry of an old address as a valid new mail address.

Solution:

When a mailing address is invalidated, the verification date is changed to the date the ACS invalidated the address.

Staff are directed to routinely re-verify addresses and update the verify date. Re-verifying addresses improves the data quality of addresses being passed to other agencies.

Manual Validation

Problem:

All mailing addresses were manually validated using Address Information letters sent to the local Post Offices.

Solution:

In 2004, direct mail Address Verification Forms are sent to non-custodial parents' addresses.

- ACS automatically validates addresses 30 days after form is generated.
 - If reported undeliverable by ACS, addresses are inactivated.
 - If forwarded, new addresses are automatically entered.
- Custodial parent addresses that pass *Finalist* are validated.

Address Verification Solutions

Problem:

Tens of thousands of address verification forms were generated each year to validate CP and NCP addresses. Validation was labor intensive, expensive, irritating, and misleading.

Solution:

ACS requires the mail carrier to mark one of the following:

- Mail is delivered to address given (validate address)
- Not known at address given (do not validate address)
- Moved, left no forwarding address (invalidate address)
- No such address (invalidate address)
- Other (specify) (vacant - PO box closed – etc.)

ZIP Code Solutions

Problem:

Staff had no means to check if an address or a ZIP code provided by a client was correct. Workers were entering incorrect ZIP codes.

Solution:

Today, all staff have access to United States Postal Service web site (www.usps.com/zip4) to verify addresses and determine correct ZIP + four codes for addresses.

Finalist Solutions

Problem:

Mailing addresses would frequently be re-entered with similar undeliverable addresses.

Solution:

In 2003, *Finalist* software scrubs addresses to ensure addresses exist, street suffixes are correct, directions are correct, punctuation is removed, abbreviations are standardized and address characters are upper case. Edits block entry of remarks in the address fields. *Finalist* is available through Pitney Bowes.

916 North 5th Ave. Apt. #3
Springfield, IL. 62702

becomes →

916 N 5TH ST APT 3
SPRINGFIELD IL 62702-5288

Secondary Addresses

Problem:

Child support was not being disbursed. Addresses with more recent verification addresses from tape matches were set as secondary addresses because the mailing address was validated at the time the tape match provided the new address.

Solution:

When ACS removes a mail address, KIDS automatically searches secondary addresses with more recent verification dates. KIDS changes the secondary address to “mail” and generates a direct mail Address Verification form to validate it. Before sending the participant to locate, the cycle is repeated until all addresses meeting the criteria are evaluated.

Questions?





Goals #4 & #5

Show the benefits of resolving problems

Review 2003 postage and labor savings

Benefits of Acting Now

- ◆ Postage costs will continue to increase.
- ◆ Become eligible for maximum postage discounts
- ◆ Mail forwarding cost will increase.
- ◆ New address notice cost may increase.
- ◆ Labor cost will increase.

The longer you delay the less you save.

2003 Savings

Mail forwarding savings for 78,400 items:	\$39,200.00
2,350 labor hours saved with processing 78,400 address changes and 44,200 undeliverable mail items:	\$77,700.00
ACS cost of reporting 122,600 records:	(\$24,500.00)

Savings for 2003:

\$92,600.00

System Analysis Questions

- Is mail forwarded?
- Is all undeliverable mail processed?
- How many staff are processing undeliverable mail?
- Is non-delivery of mail documented?
- Is lack of processing or delays creating more undeliverables?
- Are addresses scrubbed before conducting tape matches?
- Will previous address verify date allow re-entry of same?
- How many address verification letters are sent to post offices?
- How long, from entry, does it take to validate an address?
- How are addresses with more recent verify dates handled?
- How do workers determine the correct ZIP code of an address?

Questions?

