

A Brief Guide to Reporting and Validating High Dollar Amounts on the Revised ETA 227 Report

Background. The introduction of the new “High Dollar” fields on the new ETA 227 report has caused more difficulty and confusion for both State and Federal staff than all other changes combined. This brief guide uses a single example to illustrate the relationship between overpayments established in the report quarter and previously-established overpayments and the computation and validation of the High Dollar field.

Definitions. ET Handbook 401 defines High Dollar overpayments as “The total overpayment established for a claim exceeds \$5,000 during the reporting quarter. Overpayments may be for a single payment or for multiple payments made during or prior to the reporting quarter. The High Dollar overpayment is reported for the quarter in which the cumulative amount overpaid exceeds \$5,000.” Further guidance specifies that:

- States should make and report separate High Dollar calculations for regular (state UI + UCFE/X) and Extended Benefits (EB) overpayments;
- In most cases, all the overpayments in a High Dollar calculation come from the same benefit year or claim series;
- Fraud and nonfraud overpayments are combined in calculating whether the overpayment meets the High Dollar criterion of greater than \$5,000;
 - However, the fraud portion of the High Dollar overpayment is reported on line 112, and the nonfraud portion is reported on line 113;
 - The count is reported on the line with the larger total overpayments; if the amounts are equal, the count is reported as fraud (line 112); and
- Adjustments to overpayments that are reported as Additions or Subtractions in Section C of the 227 report should be ignored in calculating High Dollar overpayments.

Illustrative Scenario. William Sutton has had a long and checkered career as a UI claimant and beneficiary, with repeated overpayments. The following table summarizes the overpayment actions over the past four quarters:

Number	Date	Action	BYB Date	Amount
1	11/15/2011	UI Fraud Overpayment established	10/15/2010	\$1,500
2	3/15/2012	UI Nonfraud Overpayment established	1/08/2012	\$1,000
3	5/13/2012	3/15 Overpayment raised by redet.	1/08/2012	\$150
4	6/14/2012	UI Fraud Overpayment established	1/08/2012	\$2,000
5	7/2/2012	UI Fraud Overpayment established	1/08/2012	\$2,500
6	8/20/2012	6/14 Overpayment reduced on appeal	1/08/2012	\$ 500

7	9/15/2012	UI Nonfraud Overpayment established	1/08/2012	\$ 200
8	9/29/2012	EB Overpayment established	1/08/2012	\$ 750

Reporting on the ETA 227 Report. The following table indicates how these transactions would be reported on the 227 report (reporting of beginning and ending balances is ignored). The current report quarter for this example is 3rd quarter 2012, which for the sake of simplicity we assume is the quarter the state first began reporting the revised 227.

Reporting Overpayment Transactions and High Dollar by Quarter					
Number	Date	Action	Reporting		
			Year, Quarter	Line	Amount
1	11/15/2011	UI Fraud Overpayment established ²	4 th Q 2011	101	\$1,500
2	3/15/2012	UI Nonfraud Overpayment established ¹	1 st Q 2012	103,107	\$1,000
3	5/13/2012	3/15 Overpayment raised by redet. ³	2 nd Q 2012	310	\$150
4	6/14/2012	UI Fraud Overpayment established ¹	2 nd Q 2012	101	\$2,000
5	7/2/2012	UI Fraud Overpayment established ¹	3 rd Q 2012	101	\$2,500
6	8/20/2012	6/14 Overpayment reduced on appeal ³	3 rd Q 2012	311	\$ 500
7	9/15/2012	UI Nonfraud Overpayment established ¹	3 rd Q 2012	103,107	\$ 200
8	9/29/2012	EB Fraud Overpayment established ⁴	3 rd Q 2012	101	\$ 750
9	9/30/2012	UI Fraud High Dollar	3 rd Q 2012	112	\$4,500
10	9/30/2012	UI Nonfraud High Dollar	3 rd Q 2012	113	\$1,200
11	9/30/2012	EB Fraud High Dollar	3 rd Q 2012	112	--
12	9/30/2012	EB Nonfraud High Dollar	3 rd Q 2012	113	--

Explanation of Rows 9 – 12

- Rows 9, 10, UI High Dollar
 - ¹Amount is \$5,700; it is the sum of rows 2, 4, 5, and 7. \$4,500 is Fraud, \$1,200 is Nonfraud.
 - The count for the High Dollar amount would be taken on line 112, Fraud.
 - ²Row 1 would not be included in the UI High Dollar count because it belongs to a different benefit year.
 - ³Rows 3 and 6 would not be included in the computation because they are adjustments.
- Rows 11, 12, EB High Dollar.
 - ⁴Row 8 would be the subject of a separate EB High Dollar computation, and because it does not exceed \$5,000, it is not reported as a High Dollar overpayment.

Population 12 Validation for 3rd Quarter 2012. The third quarter of 2012 is assumed to be the reporting quarter. The state established three new overpayments for Mr. Sutton and reported the result on the 227. Thus validation of the above transactions and High Dollar reported amounts will involve building records for the amounts established in that quarter. Those transactions are shown in rows 5, 7 and 8 in the example above.

The example below shows that the Population 12 extract file will contain three records, two for UI overpayments and one for an EB overpayment. In the scenario given above, all of these overpayments are for the benefit year beginning 01/08/2012. The two UI overpayments contain a populated “UI Accumulated Amount” field. For this field, calculate separate Fraud and Nonfraud amounts; the Fraud record(s) will contain the Fraud accumulated amount, and the Nonfraud record(s) will contain the Nonfraud accumulated amount with a common value of \$3,000. This is the sum of the amounts in Rows 2 and 4 in the scenario; these are overpayments established in quarters earlier than the report quarter but which involve the same BYB of 01/08/2012. The accumulated amounts fields include neither adjustments nor overpayments for other benefit years; hence, the transactions listed on rows 1, 3, and 6 are excluded from the accumulated amount. Mr. Sutton has only one EB overpayment, which was established in the current quarter; hence the accumulated EB amount is zero.

The DV software computes the High Dollar validation count by summing the amounts established for the claimant from the same claim series in the current report quarter with any accumulated amounts from that same claim series. If there are multiple overpayments in the report quarter, it takes only one accumulated amount for Nonfraud and one for Fraud. In this example, the High Dollar amount is the sum of \$2,500 + \$200 + \$2,000 + \$1,000 = \$5,700. It assigns the count for High Dollar to Fraud or Nonfraud based which amount was higher; in this case it is Fraud.

Population 12 DV Example Records for Validation of Section A of 3rd Quarter 2012 ETA 227 Report													
Row #	SSN	Unique ID	Program Type	Type of Overpayment	Cause of Overpayment	Date Established	U I Amount	Federal Amount	EB Amount	Accumulat ed UI Amount	Accumulat ed Federal Amount	Accumulat ed EB Amount	Date of Original Monetary
5	123456789	555	UI	FRAUD	Single Claimant	07/02/2012	2500	0	0	2000	0	0	01/08/2012
7	123456789	559	UI	NONFRAUD	Claimant	09/15/2012	200	0	0	1000	0	0	01/08/2012
8	123456789	560	EB	FRAUD	Single Claimant	09/29/2012	0	0	750	0	0	0	01/08/2012

NOTE: Occasionally an overpayment will be established that includes amounts paid from more than one claim series, e.g., as a result of an appeals decision or the confirmation of fraudulent claiming while employed. In this case, build a single DV record for the overpayment (apportioning the overpayment amount among Fields 8, 9, and 10 as appropriate) and use the most recent BYB date in Field 14, “Date of Original Monetary.” If, for example, overpayment #555,

shown in Row 5, had included overpayment amounts of \$500 from BYB 10/15/2010 and \$2,000 from BYB 01/08/2012, build one record as shown in the table above. The full overpayment amount would be shown in the UI Amount field and the BYB date of 01/08/2012 would be used as the most recent BYB date.