



GEORGE N. COPADIS, COMMISSIONER

January 2, 2013

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord NH 03301

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**REQUESTED ACTION**

Authorize New Hampshire Employment Security (NHES), pursuant to the provisions of RSA 21.1:54 to continue the following positions: (1) Chairman of UC Appeals I, position #9T136, salary grade 27, ending 03/16/2013 (2) two Fraud Investigators, position #9T173 and #9T174, salary grade 21, ending 02/02/2013; (1) Labor Market Analyst II, position #9T175, salary grade 20, ending 02/01/2013. We are requesting approval to extend these positions in a temporary status for one year from each respective ending date. The estimated cost of \$67,462.73 for these positions for the remainder of the fiscal year will be funded through existing federal funds through account #010-027-8040-059.

**EXPLANATION**

The positions for which NH Employment Security requests extensions are entirely essential to continue to meet the Agency's mission. These positions provide fraud prevention and detection; maintain State and Federal reporting requirements, and the collection and analysis of labor market information. Given the current trend of unemployment, it will be necessary to continue these services for another year. These positions provide the necessary support for the Benefit Payment Control unit, the Economic Labor and Market Information Bureau, and the Appeals Unit, collectively integral departments of NH Employment Security.

Sincerely,

George N. Copadis  
Commissioner



# STATE OF NEW HAMPSHIRE Inter-Department Communication

*Approved  
KH Hutchins  
12/27/12*

**To:** Karen Hutchins, Director

**Date:** December 26, 2012

**From:** Kristin Peterson  
Human Resources Coordinator

**Office:** NH Employment Security

**Subject:** Request to Extend Positions

Per Personnel Memorandum 91-32, I am requesting to extend (1) one class 59, salary grade 27, full time Chairman of UC Appeals I position: 9T136 [assigned to Appeals, reporting to Erika Randmere] for one year beginning 03/16/2013 through 03/16/2014, (1) one class 59, salary grade 20, full time Labor Market Analyst II position: 9T175 [assigned to the Economic Labor Market Information Bureau, reporting to Bruce DeMay] for one year beginning 02/01/2013 through 02/01/2014, and (2) two class 59, salary grade 21, full time Fraud Investigator positions: 9T173 and 9T174 [assigned to Benefit Payment Control, reporting to Jim Coviello, Supervisor BPC] for one year beginning 02/02/2013 through 02/02/2014.

**Position # 9T136, Chairman of UC Appeals I**

The Chairman of UC Appeals I position which NH Employment Security requests an extension is necessary to maintain the current level of chairmen staffing to meet our Federal requirements for 2013. We experienced a steady volume of appeals in 2012. Most recently, we received 364 appeals in September, 511 in October, and 421 in November. Our monthly average to date for 2012 is 457. With the anticipated retirement of our part-time chairman in March 2013 and the current workload it is critical that we extend this position for another year.

**Position # 9T175, Labor Market Analyst II**

We request the extension of Labor Market Analyst II position 9T175 for another year. The NHES Economic and Labor Market Information Bureau anticipates funding as a party to a HUD Sustainable Regional Planning grant, which was awarded to a consortium of New Hampshire Regional Planning Commissions. The extension of position 9T175 will allow the ELMJ Bureau to assign regularly scheduled projects to this Labor Market Analyst, while other staff will be reassigned to work related to the Sustainable Regional Planning Grant. Extension of this position will also provide the Bureau flexibility in pursuit of additional funding, both grants and contract, and help ensure that staff would be available to complete any such projects and, at the same time, allow the Bureau to complete existing obligations.

**Position # 9T173 & #9T174, Fraud Investigator**

These positions have been very instrumental in assisting the Unit with meeting its fraud prevention and detection activities as well as continuous program improvement and reporting requirements in accordance with all state and federal laws, regulations and program guidelines.

The Benefit Payment Control (BPC) program is an important integrity program designed to prevent, detect and collect improper payments. It is a high impact program and is critical to reducing improper payments as required by the Improper Payments Elimination and Recovery Act (IPERA). Since the purpose of the BPC program is to detect benefits paid through error and deter claimants from willful misrepresentation, this area should be appropriately staffed to ensure the integrity of the system and the New Hampshire UI Trust Fund.

New Hampshire Employment Security implemented the National Directory of New Hires (NDNH) Crossmatch Program when the department's new UI Benefit System was launched in August 2009. Our participation in this program has generated a high volume of potential fraud cases, all of which require review and investigation.

In May 2012, the U. S. Department of Labor, Employment and Training Administration (ETA) conducted a review of New Hampshire Employment Security's BPC program. A required action as a result of the review stated that the agency needed to increase its cross matching techniques to reduce the improper payment rate for its UI program.

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The Department is scheduled to implement a new BPC Case Management System in early 2013 which will incorporate additional crossmatch programs, including but not limited to the Benefit Wage Quarterly Crossmatch Program and the daily State New Hire Crossmatch Program. A Crossmatch Program with the Department of Corrections is also planned as well as Interstate Benefit crossmatch and IP address cross matching since the agency has moved almost entirely to internet claims filing. We project a substantial increase in the Unit's workload based on lessons learned from other states who are currently operating these programs; therefore, it is imperative that these 2 full-time temporary BPC positions be extended to meet this anticipated workload need.

Additionally, The U.S. Department of Labor has issued a "call to action" to all states to implement aggressive strategies to prevent and reduce improper UI payments, through a series of Unemployment Insurance Program Letters: (UIPL) NO. 19-11 dated June 10, 2011, (UIPL) NO. 26-11 dated July 18, 2011 and (UIPL) NO. 33-11 dated September 21, 2011. The Department is required to meet additional performance measures as a result of this new federal mandate. I am very concerned about the Unit's ability to meet these new performance measures as well as its core Benefit Payment Control Program requirements with the anticipated increase in workload without the two FT Temporary Investigator positions which offer much needed assistance with investigating the reports of potential fraud that result from the various crossmatch programs.

These positions are 100% federally funded.

**FUNDING**  
**010-027-8040-059**