

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, DC 20515

April 26, 2013

Michael S. Jones
Acting Administrator
Office of Policy Development and Research
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Dear Acting Administrator Jones:

Consistent with statutory requirements, a notice of proposed rulemaking was issued detailing the implementation of the data exchange standards provision in section 2104 of Public Law 112-96, *The Middle Class Tax Relief and Job Creation Act of 2012*. In response, we, as members of the Subcommittee on Human Resources of the Committee on Ways & Means, which has jurisdiction over the UI program and in which the provision originated, are pleased to see this regulation. However, we have some concerns about specific provisions and appreciate the opportunity to express our comments about the Department's proposed regulation.

General Comments

The provision is designed to recognize the need for standards in the exchange of data both horizontally between programs at the state level and vertically between states and the federal government. The use of consistent identification codes and formatting methods will allow for a more timely flow of data that could then more easily be searched and analyzed. The provision also requires standards to be coordinated through an interagency workgroup so that programs and agencies do not continue to operate in independent silos. It also requires, to the extent practical, standards be non-proprietary and interoperable to maximize flexibility.

In addition to the insertion of this provision in Title IX of the Social Security Act to cover unemployment insurance, similar provisions have been included in Title IV of the Social Security Act to provide similar treatment to child welfare services and the Temporary Assistance for Needy Families (TANF) programs. The inclusion of this provision in multiple programs is the beginning of a much longer process to allow data both within and across Federal assistance programs to operate more efficiently. These standardization activities will promote transparency,

flexibility, and the ability for data to be shared across the various information technology platforms established by Federal and state agencies.

All program data exchanges should be reviewed to determine if current or future data standards could be implemented in a manner that is more cost-effective and improves program efficiency and effectiveness. This should also be viewed not as a one-time review, but as an ongoing process.

The provision is intended to recognize that multiple standards may well be needed to address different types of data exchanges, and that some data exchanges may already be standardized, as described in the Background section of the proposed regulation. For example, certain sectors, such as the third-party administrators or financial institutions that interact with various human service programs, already have well-established data exchange standards. Section 2104 does not require that data exchanges with well-established standards be retrofitted, but instead encourages incremental, cost-effective implementation of consistent data standards across human services programs.

Specific Comments

Page 5: "any" category of information

The goal of the overall effort is that all information be covered by this process, and that nothing be excluded from review. Accordingly, as authors of this provision we intended the term "any" to cover all categories of information. We recognize that the process of applying data standards is an enormous effort that will take time. However, we would encourage the Department of Labor to think more creatively about the methods and requirements it places on states to provide information. We believe, as outlined in our general comments, there are significant benefits to introducing data standards across many types of information.

A very basic example is that a state identifier is likely to be included in every exchange between DOL and a state. This policy recommends that in all of those exchanges the state identifier always be the same. Therefore, we disagree that there is little to be gained by applying data standards under titles IX and IIX. The use of similar core identifiers will allow data to be matched in new more creative ways, breaking the traditional silos that exist today and unlocking a great deal of potential.

We would also suggest that the flow of money between UI accounts could also benefit from data standardization, per our April 19, 2012 hearing. The need for standardizing data definitions involving financial data is just as great as the need involving program data. In the future, we hope that you consider options for improving the efficiency of this information as well.

Page 6: the exclusion of weekly UI claims data

DOL is correct to avoid unnecessary inefficiencies. However, we disagree with the assertion that that there would be no long-term benefit from including weekly UI claims data in the data exchange standardization effort. In the short-term, we recognize that the effort to move to a more standardized system will require upfront investment of time and effort. However, we see the standardization of weekly UI claims data as well worth exploring. The state data that is used to

populate the weekly report comes from somewhere within the state system, yet currently that number is just a number. But if it were defined by an XML schema, it would represent a real value, such as the sum of county level initial claims, which would also be defined. Standards could allow states to further automate the collection and verification of this information, thus preventing delays in reporting and increasing the reliability of this data.

Looking from the point when weekly claims data is received by DOL, we disagree that it is an isolated, one-time event. Data should not be reported just for the sake of reporting –it should be reported so that trends can be analyzed over time, and potentially within specific regions of the country, so that better targeted benefits and services can be provided to American taxpayers. To do that, data needs to be in a structure that can be analyzed. Section 2104 does not require a relational database, but we do encourage analytics that go beyond basic weekly descriptive statistics.

Page 7: interagency data exchanges

We appreciate the Department's commitment to work with OMB and other Federal agencies to identify standards that could be applied to improve interagency data exchanges and issue additional regulations. This is consistent with the overall objective of section 2104.

Improved efficiency of data exchanges within and across human services programs using consistent data exchange standards means those eligible for benefit programs will be able to access them in a more timely manner, while taxpayer dollars are used in the most cost effective way. This is an iterative process and we look forward to working together to achieve success.

Again, we appreciate the opportunity to express our views on this important issue, which will improve our efficiency in serving the interests of both Americans in need as well as taxpayers.

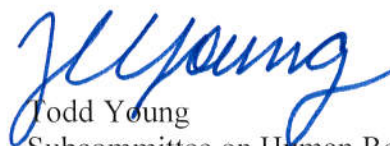
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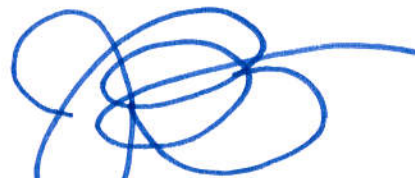
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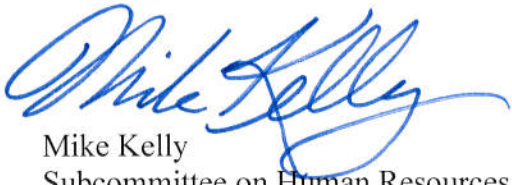
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