

USTRANSCOM Personal Property Advisory #23-0017; Rescinds USTC PP Advisory #22-0097B, Dated 4 October 2022

Date: 2 December 2022

From: USTRANSCOM Defense Personal Property Management Office (DPMO), Scott AFB, IL 62225

To: All Military Service Headquarters Representatives, Worldwide Personal Property Shipping Offices (PPSOs), Personal Property Processing Offices (PPPOs), and Department of Defense (DoD) Approved Transportation Service Providers (TSPs)

Subject: 2023 Defense Personal Property Program (DP3) Business Rules Final Changes and Updates to the following documents: Household Goods (HHG) Tender of Service (TOS), 400NG Tariff (400NG), International Tender (IT), and Claims and Liability Business Rules (CLBR)

1. 2023 Business Rules Effective Date: 2023 Business Rules will be in effect beginning 15 May 2023.

2. The 2023 HHG TOS, 400NG, IT, and CLBR will be added in the coming weeks to <https://www.ustranscom.mil/dp3/pdfs.cfm> under heading “2023 Business Rules.”

3. Document Changes (HHG TOS, 400NG, IT, CLBR): All changes and updates are in red text. Deletions have been removed completely.

3.1. Document changes are highlighted in the “List of Changes” section of each document. Further explanation of the changes is detailed in the documents under the item numbers and/or sections with posted page number(s).

4. Best Value Score Changes (DTR IV, Chapter 403): Changes are listed in this advisory and will be updated in Chapter 403 at a later date once coordinated.

4.1. Minimum Performance Score (MPS):

4.1.1. DPMO has reviewed industry concerns regarding the complexities of BVS 2.0, reduced CSS return rates, and the potential impact on industry. In light of industry’s concerns, DPMO has determined it is in the best interest of the program to gather additional data in order to establish a firm MPS.

4.1.2. Further analysis of all data that will be used for the Performance Score (PS) to protect both the integrity of the program as well as TSPs that strive for higher performance standards.

4.1.3. The MPS for the 15 May 2023 Performance Period will be provided prior to Round 1 of Rate Filing and adjusted each subsequent performance period to ensure industry is not negatively impacted during the transition.

4.2. Move Management Company (MMC) Combined Performance Score: Assigns an

average MMC score to individual shipments for performance management to improve program accountability. An average Customer Satisfaction Survey (CSS) Score will be computed for all shipments moved by an individual MMC. The CSS score for all shipments moved by an MMC will be adjusted to equal the MMCs average score. TSPs' CSS Score will be calculated using a combination of scores for shipments self-hauled and MMC CSS for shipments moved by an MMC. **The same approach of using Average Performance for MMCs, as well as TSP scores based on a combination of MMC and TSP self-hauled scores will apply to 1) On Time Pickup, 2) On Time Delivery, and 3) Claims Score Measures A (Average Filed Claim) and B (Percentage of Shipments with Claims).**

4.3. **Claims Manager (CM) Combined Performance Score:** Assign an average CM score to individual shipments for performance management to improve program accountability. An average Claims Score Measures B (Late Payment, D (Success in Diverting from MCO), and E (Claims Satisfaction Survey) will be computed for all shipments with Claims filed and assigned to the CM. The Performance score for shipments/claims serviced by a CM will be adjusted to equal the CM's score. TSPs Claims Score (Measures C, D, E) will be calculated using a combination of scores for shipments self-serviced and scores associated with serviced provided by a CM.

4.4. **Revised Best Value Score (BVS):** A revision of BVS to include additional objective measures to the Performance Score, as well as shortening of the Data Collection Periods to encourage focus on service at the curb. Under the proposed update the BVS will still be comprised of Rate Score (30%) and Performance Score (70%), with the Rate Score continuing to function as is, but the Performance Score will include additional variables beyond the CSS as detailed below.

4.4.1. Data collection will be conducted every 9 months, which along with survey collection up to 120-days from service, allows for a more accurate automated measure of true service at the curb. The updated period is below:

Table 403-6. DPS Data Pull Periods/Performance Periods		
Data Pull Time Frame (9-month duration)*	Appeal/BVS/TDL Build Period	Performance Period
1 February - 31 October	1 November - 31 December	1 January - 14 May
1 April - 31 December	1-31 January (TDL March)	15 May - 31 Jul
1 September - 31 May	1 June - 31 July	1 August - 30 September
1 November - 31 July	1 August - 30 September	1 October - 31 December

4.4.2. The CSS will remain a subjective survey with no change to scored questions or relative weighting between questions. The only changes to CSS include: 1) Reduction of the overall weighting from 70% of BVS to 20% and 2) Implementation of the MMC score process outlined in Paragraph 5.2.

4.4.3. A **Claims Score (CS) is instituted**, weighted at 20% of BVS. Factors that will constitute the CS will be equally weighted and include average claimed amount, percentage of shipments with claims, on time settlement, claims referred to

MCO, and customer satisfaction with claims (currently being collected under the new survey process). CS is computed by market (e.g., dHHG, iHHG and iUB), with details below:

Measure	Title	Definition	Metric	Value	% of BVS
A	Average amount of filed claim	Dollar amount of initial claim filed by DoD customer	Average Amount Claimed	20 points	4%
B	Percentage of Claims	Overall percent of claims filed	Percentage of Shipments with Claim	20 points	4%
C	Late Payment	Percentage of claims where “Payment Date Entry Date” exceeds 30 days from Settled Date	% Late	20 points	4%
D	Success in Diverting Claims from Services (MCO)	Percent of Total Claims Submitted to Military Claims Office	% Not Diverted from MCO	20 points	4%
E	Customer Satisfaction	Measure of “how satisfied” customers are with each TSP’s handling of claims prior to payment.	Average Satisfaction Score	20 points	4%
Total				100 points	20%

Measure A: This value is the metric for Average Filed Claim amount for that TSP [except we will replace the TSPs CS with the Move Manager Company CS as listed in Par 5.2]. A TSP with zero claims filed will receive the full 20 points. Points are awarded using the following table based on a nine-month period.

Average Filed Claim	Awarded Points
0	20
> 0 - < \$1,000	13.34
> = \$1,000 - < \$5,000	6.68
> = \$5,000	0

Measure B: This value measures Percent of Shipments with Claims filed in DPS the previous nine months, with points awarded as follows.

Percent of Shipments with Claims	Awarded Points
0	20
1%-10%	10

11-25%	5
25%+	0

Measure C: This value measures timely payment on **claims with at least one settled claim line items** (Percentage of Late Payments), tracking payments only (i.e., issued checks) based on with “Settled Date” and “Payment Date.” This includes **claim line items** settled during the previous nine months except for those settled within the last 30 days of data pull period and tracked by market. A “Settled” line item occurs where the Customer and TSP agree on the claim settlement amount (settled date) in DPS. The DPS data will be based on 1) Payment Date input by the TSP and compare “Payment Create Date” (not Payment Date) to “Settled Date.” Payment is considered late if either 1) Payment Date exceeds 30 days from “Settled Create Date”, or b) Payment Date is blank. TSP failure to update Payment Date in a timely manner and with accurate Payment Date will be treated as negative responses (i.e., payment not made within 30 days) and points will not be earned. If customers select the Non-Payment button in DPS Claims, these will be treated as Late payment. Repairs or replacements are not tracked in this metric. TSPs Claims Score Measure C will be calculated using a combination of scores for shipments self-serviced and scores associated with serviced provided by a CM as listed in Par 5.2. Points are awarded using the following table based on a nine-month period.

% Late Payments	Award
0	20.00
> 0 - < 0.5	17.15
> = 0.5 - < 1.0	14.28
> = 1.0 - < 1.5	11.43
> = 1.5 - < 2.0	8.57
> = 2.0 - < 2.5	5.72
> = 2.5 - < 3.0	2.85
> 3.0	0.00
Score Based on Timely Update of DPS	0-30 Day Difference between <u>Settled Date</u> and <u>Payment Entry Date</u> (Not Payment Date)

Measure D: This value measures claims, when all or a portion of it, (Percentage of Claims to Services) is not processed/settled by TSPs and therefore subsequently transferred to the MCO for processing/settlement. TSPs Claims Score Measure D will be calculated using a combination of scores for shipments self-serviced and scores associated with serviced provided by a CM as listed in Par 5.2. Points are awarded using the following table based on a nine-month period.

% Claims to Services	Award
0%	20
>0 % - < = 2.5 %	18.18666667
> 2.5 % - < = 5 %	16.36
> 5 % - < = 7.5 %	14.54666667

> 7.5 % - <= 10 %	12.73333333
>10 % - <= 12.5 %	10.90666667
>12.5 % - <= 15 %	9.093333333
>15 % - <= 17.5 %	7.266666667
> 17.5 % - <= 20 %	5.453333333
>20 % - <= 22.5 %	3.64
> 22.5 % - < = 25%	1.813333333
>25%	0

Measure E: This value measures Customer Satisfaction with Claims using the existing **third-party** Claims Satisfaction Survey questions sent to customers approximately 30 days after they file a claim in DPS or as determined by the DPMO. Each question will be worth up to 10 points each (questions 1 and 2). **Survey points are awarded by taking total satisfaction points earned, divided by total possible satisfaction points could be earned (average survey result). If no surveys are received, full points are earned. TSPs Claims Score Measure E will be calculated using a combination of scores for shipments self-serviced and scores associated with serviced provided by a CM as listed in Par 5.2. Details below:**

Q1: Rate your satisfaction with your mover's responsiveness in resolving your claim

Q2: Rate your overall satisfaction the claims settlement offered by your mover

Likert response points for each question: 1= 0 pts, 2= 2.5 pts, 3= 5 pts, 4= 7.5 pts, 5= 10 pts

Avg Claims Satisfaction earned	Award	% Satisfied for TSPs
0	0	0%
> 1	1	5%
>=1 - <2	2	10%
> = 2 - <3	3	15%
>=3 - <4	4	20%
> = 4 - <5	5	25%
>=5 - <6	6	30%
> = 6 - <7	7	35%
>=7 - <8	8	40%
> = 8 - <9	9	45%
>=9- <10	10	50%
> = 10 - <11	11	55%
>=11- <12	12	60%
> = 12- <13	13	65%
>=13 - <14	14	70%
>=14 - <15	15	75%
> = 15 - <16	16	80%
>=16 - <17	17	85%

> = 17- <18	18	90%
>=18 - <19	19	95%
> = 19 - <20	20	100%

4.4.4. An **On Time Performance (OTP) Score** is instituted, weighted at 30% of BVS. Factors that will constitute the OTP Score will be equally weighted and include timely pickup (withing 7 day spread), on time pickup (averting missed pickup), timely delivery (on or before the RDD for those not going into Storage in Transit), and timely update of DPS. OTP Score is computed by market (e.g., dHHG, iHHG and iUB), with details below:

Section	Measure	Definition	Metric	Value	% of BVS
A	On Time Pickup	Percent picked up on-time , within 7-day spread, and updated timely in DPS	% On Time	100 points	15%
B	On Time Delivery	Percent delivered on or before RDD and updated timely in DPS	% On Time Delivery	100 points	15%
Total				200 points	30%

Measure A: On Time Pickup: This value measures three components. Points are earned based on: 1) Actual Pickup Date falls between the requested earliest and latest spread pickup date. 2) Difference between Actual Pickup Date Entry Date and Actual Pickup Date meets threshold below, and 3) Actual Pickup Date Entered is equal to or NTE threshold below:

Pickup Variable	Measure of Success	Awarded Points
On Time Pickup	Actual Pickup 0-2 GBD before planned pickup date	25
Timely DPS Update	0-5 GBD Difference <u>between Actual Pickup Date Entry Date and Actual Pickup Date</u>	25
Spread Date	Actual Pickup inside spread or Valid Reason Code*	50

Note: Reason codes available only for shipments after BVS 2.0 is released. If Actual Pickup Date is outside spread, points may still be earned if the PPSO provides the appropriate reason code in DPS [choices will fall into two categories i. Customer/Government Convenience (points earned), ii. TSP Convenience (no points earned)].

Implementation of the MMC score process outlined in Paragraph 5.2 will be included in the calculations for dHHG. Points are awarded using a nine-month period and determined by measuring total shipments for TSP where the Actual Pickup Date falls within the current data pull period, which will provide the maximum points TSP can earn.

Measure B: On time Delivery: This value measures two components. Points are earned based on: 1) Actual Delivery Date is on or before RDD and the shipment was not placed into SIT and 2) Difference between Actual Delivery Date Entry Date and Actual Delivery Date is equal to or NTE threshold below:

Delivery Variable	Measure of Success	Awarded Points
On Time Delivery	On or before Required Delivery Date	75
Timely DPS Update	0-5 GBD* Difference <u>between Actual Delivery Date Entry Date</u> and <u>Actual Delivery Date</u>	25

Implementation of the MMC score process outlined in Paragraph 4.2 will be included in the calculations for dHHG. Points are awarded using a nine-month period and determined by measuring total shipments delivered by TSP within the current data pull period, which will provide the maximum points TSP can earn or the denominator.

5. Any comments or questions should be submitted to the Operations Team at transcom.scott.tcj9.mbx.pp-ops@mail.mil.
6. This message was approved for release by the Deputy Director for Operations, Defense Personal Property Management Office, TCJ9-O.