



UNEMPLOYMENT INSURANCE (UI) STAFFING FLEXIBILITY EARLY RESULTS

Updated January 2021

As part of the CARES Act, Section 2106 extends new, temporary flexibilities to states for the hiring of contractors to support UI eligibility determinations as historic numbers of workers flood their state agencies. Large numbers of states, led by both Democratic and Republican governors, have opted to use the flexibility; our survey identified 38 states (including the District of Columbia). The National Association of State Workforce Agencies (NASWA), the association of all 50 state workforce agencies, reports there are 41 states using the flexibility.

- Democratic governors (includes DC mayor): 21 (CA, CO, CT, DC, DE, HI, IL, KS, KY, LA, ME, MI, NC, NJ, NM, NV, NY, PA, RI, VA, WI);
- Republican governors: 17 (AR, AZ, FL, ID, MA, MD, MO, ND, NE, MS, NH, OH, OK, SC, TN, TX, VT).

In addition, a survey of 16 of the 38 states that have contracted for UI under the authority of the CARES Act shows that all 16 states have extended contracting to at least mid-March 2021 when the staffing flexibility authority ends. Most states plan to extend the contracts further; some through the end of 2021, if they have the authority. Several states have formal procurements for UI support (MD, OH, CO, VA and NC).

Some Early Findings:

Contractors have supplemented, not supplanted, state public service employees, helping states overcome bureaucratic cultures that are not focused on customer experience.

The National Association of State Workforce Agencies (NASWA) endorsed Section 2106 in a letter to House and Senate leadership, calling the provision “critical for the continued operation of UI programs.” NASWA also requested that “maximum flexibility for staffing be extended through 2021.”

Geri Fiala, former Obama administration Department of Labor, Deputy Assistant Secretary for Employment and Training (which oversees UI) has recently written of the value of the staffing flexibility:

“With continued high numbers of the unemployed, compliance requirements and OIG data requests, states need flexibility to choose and retain the right resources to support their administration of UI regular and CARES Act programs. This flexibility allows them to staff up and down quickly and shift resources to tasks that have the highest demands.”

States have used contractors to take on many critical roles, from the initial surge of providing simple relief to more complicated fact finding in supporting eligibility determination and adjudication of denied claims.



State by State key activities under UI staffing flexibility, involving more than 2,000 staff helping states better serve workers:

State	PUA Assistance	Claimant Questions	Claims Filing and Processing	Adjudication Support/Fact Finding	Fraud Investigations and Support
Arizona	X	X	X	X	X
Arkansas	X	X	X	X	
California		X			
Colorado	X			X	
Connecticut	X	X	X	X	
District of Columbia	X	X	X	X	X
Hawaii	X	X	X	X	
Idaho**	X	X	X	X	
Louisiana	X	X	X		
Nevada	X		X	X	X
New Hampshire		X		X	
North Carolina	X	X	X	X	
Pennsylvania	X	X		X	
Rhode Island	X	X	X	X	X
South Carolina**		X	X		
Vermont	X	X	X	X	X
Virginia		X	X	X	

***Completed*



Unemployment Insurance (UI) ROI/Outcomes: More Data on the Use of the CARES Act Staffing Flexibility

Stabilization of Overwhelmed Systems – providing immediate relief to helping solve the most challenging issues, or the issue causing downstream problems that create bottleneck and claimant frustration. Examples:

- **Arkansas – employed new technology**, creating tools in Microsoft Teams and SharePoint to allow the adjudicators to view file progression and create a sense of urgency by viewing the number of claimants needing to be serviced. The integration of teams in a remote environment has allowed for an open line of communication to be established between the adjudicators and leadership that mirrors on site performance. We have seen productivity triple over the course of the first month of production; and
 - **UI reduced average speed to answer times** even with the increased call volume. AR UI has been able to service calls within 100 seconds and AR PUA has serviced calls within 175 seconds.
 - **UI** has answered over 85% of all automatic distribution calls.
 - **PUA** has answered over 80% of all automatic distribution calls.
 - **Adjudication** has answered over 90% of all automatic distribution calls.
- **Colorado – helped reduce adjudication backlog**, helping needed UI benefits to get to claimants faster while upholding program quality standards.
- **Hawaii – reduced wait time** and established a contact center infrastructure that let only human – versus auto-dialer – callers connect. Doing so helped “real” claimants get through, eliminating the duplicate calls as frustrated claimants would call in repeatedly because hold times were so long. We reduced the average wait time by more than half in the first week for those calling about an existing claim – from 1.5 hours to 40 minutes, and down to the current average wait of about 17 minutes.
- **Idaho – reduced call volume** by more than 65% during the first 3 weeks – from a starting average of more than 13,000 unique calls, to around 4,000 unique calls in just under 3 weeks. As claimants’ calls were answered, this relieved considerable frustration and averted the many duplicate calls being received.
- **Louisiana – reduced average speed to answer times** in LA UI by improving hold times allowing calls to be serviced in a timely manner and allowing the staff to manage additional call volume. Allowed the call volume to be serviced, reducing the overall abandonment rate month to month. Have serviced over 260,000 calls since launch and through additional support and trainings have been able to reduce call volume.
- **Nevada** – the UI backlog has since been reduced by 90 percent per Governor Sisolak.
- **North Carolina** – managed **more than 200,000 chat conversations** since May, averaging more than 9,000 live agent chats during weekly surge occurring on Mondays, providing another channel of communication; managed claimant calls from 5-day peak of more than 100k inquiries, to current average of near 30k; average resolution time between 7 and 10 minutes.



Expansion of Responsibilities – pivoting quickly to address additional tasks as they present or as client needs change. Examples:

- **Arkansas – created a task force** to assist with client feedback on any of the administrative work that needs modification to ensure paperwork is submitted within state mandated standards; and
 - **introduced new technology.** Microsoft Teams SharePoint dashboard created to provide real time metrics to supporting staff and leadership. This transparency created increase in production from adjudicators and supporting agency partners. Any updated in training material was shared in real time and communicated multiple ways using Microsoft Teams platform. News post and share point updates are visible immediately to increase awareness and initiate any modified behaviors needed. This created an immediate impact as production has now tripled in a three-week span.
- **Arkansas and Louisiana – integrated Microsoft Teams to help expediate the escalation process** on a claimant's behalf and capture transfer data. Allows computation and quantification of program data related call types and reason for external transfers.
- **Colorado – no service interruption during planned modernization effort,** maintained service levels during planned conversion of UI system; worked with state partners to create workflow process and procedures to protect business continuity during transition.
- **Connecticut – supported shift in needs and staffing resources;** began as PUA Call Center, added adjudication and fact-finding functions, and took over UI Core Call Center operations as demand and need for resources continues to evolve.
- **Louisiana – UI established communication bridges** to disseminate all information between the client and operations allowing for real time implementations for example recently client requested all staff update client accessed systems during hours of operation and were able to have a 100% success rate without any disruption in service levels.
- **Nevada – supplemented adjudication work** by taking on inbound call center inquiries; and
 - **added PUA contact center** in addition to performing adjudication and fact-finding work for traditional UI program; and
 - **helped state create multi-stage identity authentication process** to validate identity of claimants calling to request changes to claims accounts.
- **Nevada, Rhode Island and Vermont – supplemented adjudication efforts** with tasks related to fraud investigations. Performing tasks that include fact-finding investigations, managing fraud hotline, and releasing identity-related fraud holds for validated claims.
- **North Carolina, Vermont, and Hawaii – transitioned from providing basic eligibility information** to claimants to helping claimants file claims, and ultimately, to support adjudication fact-finding related to non-monetary eligibility and separation issues.



- **Rhode Island – added fraud hotline calls** to adjudication work and began taking inbound calls for claimant holds in cases of suspected identity fraud; performed identity validation to release claim holds.

Quantitative Achievements – ability to support more fact finding, adjudication and program integrity tasks that support states’ overall ability to maintain quality standards while still managing claims volume and reducing backlog.

- **Arkansas** – maintain issues resolution performance above 22 issues per day, per adjudicator, on par with state staff performance rates; and
 - **transitioned the assimilation of existing claims call type** to contractor call flow resulting in a 56.54% reduction in connections to queue and call backs; and
 - **servicing 400 cases a day** and aligned to state guidelines with the potential for further improvement. Utilizing a hybrid role, the customer service representatives are split into Inbound and Outbound functions allowing a small group to assist the increasing call volume in part to the success of the program; and
 - began adjudication with an average of 7 files completed per day. Progress was (is) tracked in real time and posted in SharePoint dashboard throughout the day. With each day data was reanalyzed and formulation of ways to increase production were implemented. Latest production efforts have now tripled from observed time frame in the beginning.
Current production is increasing and trending daily above 22 files completed per adjudicator per day.
- **Colorado – >13,000 issues adjudicated;** 600 able and available issues per day and average 500 separation issues per day from mid-November through December 2020.
- **Connecticut – >9,000 issues resolved** since mid-November, roughly 1,200 issues per week.
- **Idaho – >2,500 issues resolved** by 10 processors in 30 days, including more than 90% related to non-monetary eligibility.
- **Louisiana – created a task force** to identify common eligibility problems and now can resolve eligibility issues within 15-30 seconds. This results in a higher percentage of staff available to assist the call volume and has increased service levels in the last 30 days to over 81% of claimants.
- **Nevada – >4100 issues resolved** since October 2020, with accuracy of recommended disposition above 85 percent.
- **Rhode Island – 52,704 claims resolved** since April; avg > **2,635 claims per staff;** including both simple and complex issues and claims with more than one issue to resolve; and
 - **>80,000 issues resolved** since April 2020, including both simple and complex issues; more than **11,400 fraud investigation issues** since July 2020.
- **Vermont – > 40k complex issues resolved** from May to July; staff avg > **1,500 issues per person.**



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Contact:

Marsha Simon, Senior Advisor
202-204-4707
msimon@mjsimonandcompany.com