



Unemployment Insurance Modernization: Recessionary Playbook | First Responder Kit

September 2019



Unemployment Insurance

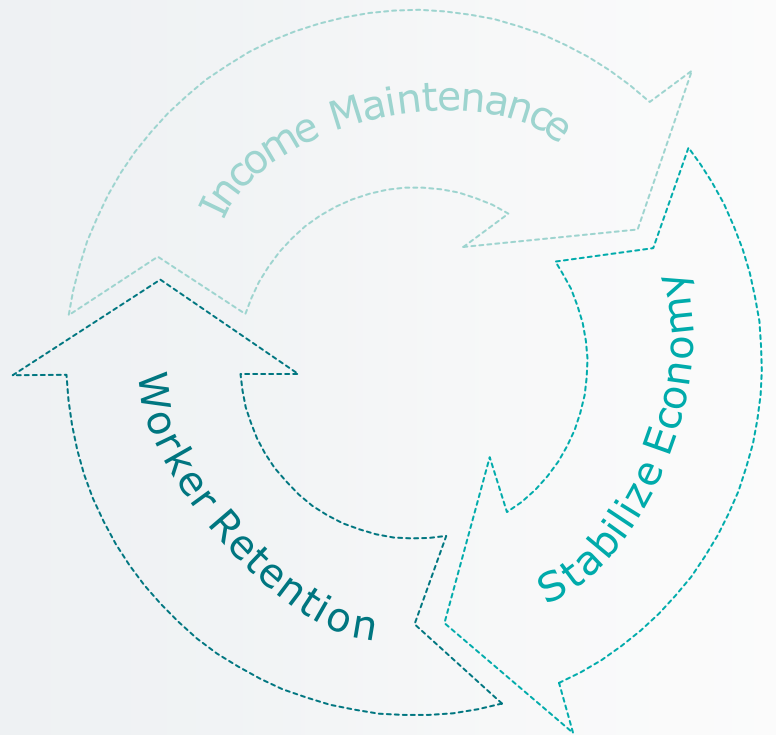
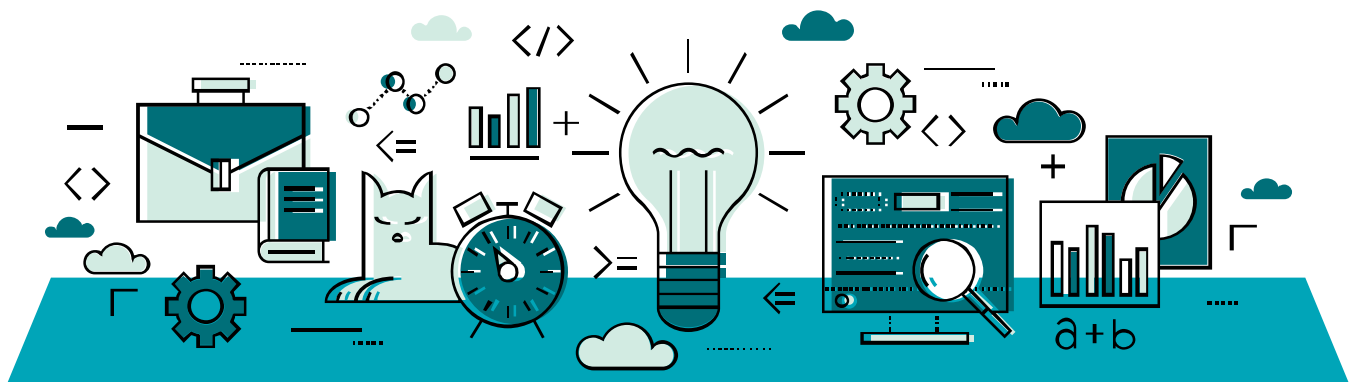




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Right Now: Assess your UI Program’s Recession Readiness

Although the “fundamentals for the U.S. economy remain solid,”^{vi} historical perspective indicates a recession may be looming, and the U.S. Department of Labor has called on states “to focus time and effort on recession planning.”^{vii} Accordingly, while a full-blown programmatic and technological UI modernization initiative may not be complete in time to blunt a recession’s impact, particularly due to the complexities and challenges such efforts pose, there are still positive steps UI leaders can take to prepare.

UI leaders should act now, because any preparation, however small, will help UI leaders operate, fortify and deliver their UI programs and services more efficiently and effectively during economic contractions and expansions. Deloitte recommends that state UI leaders assess their Recession Readiness across a number of key dimensions^{viii}.

UI Modernization: Recession Readiness Assessment Dimensions

Program Transformation Considerations	1	2	3	4	5
Performance Across Categories	Maintain				Maximize
Efficiency	Maintain				Optimize
Standardization	Consistent				Uniform
Change Readiness	Status Quo				New Horizon
Process to Organization Alignment	Not Aligned				Aligned
Process Automation Level	Manual				Automated
Customer Accessibility	Worker Directed				Self Service
Information Availability	Periodic				Real Time
Staff Actions	Reactionary				Proactive
Automated Productivity Tools	None				Acquired
Span of Control	Narrow				Broad
Resource Capabilities	Skilled				Training Needed

Once the UI agency assesses its recession readiness across the program transformation dimensions, leaders will have the information necessary to prioritize key areas and target efforts. For example, if the recession readiness assessment shows program processes are more “worker directed” and lag in standardization, agency leadership may prioritize automating high-volume areas, such as weekly continued claims, which are often more amenable to standardization. Conversely, if the recession readiness assessment indicates the UI agency is highly automated with standardized processes, but leadership seeks to maximize performance and optimize efficiency, then predictive analytics and targeted training may be explored for prioritization.

Right Now: Strategically Update UI IT System Components

Augment Legacy UI IT Systems and Deploy Smart Technology

In 2010, at the height of the Great Recession, over 90 percent of states reported running their UI programs on outdated mainframe systems, of which the average age was 23 years.^{ix} As memories of the Great Recession faded, the urgency to properly finance and support UI system replacement efforts may have waned. In fact, according to Information Technology Support Center (ITSC), out of the 53 UI programs in the U.S., only 14 have successfully completed full tax and benefit system replacement efforts or 26.4 percent and, conversely, 39 UI programs have failed to successfully complete full tax and benefit system replacement efforts.^x With nearly three quarters of state UI programs still operating part of their UI program on outdated technology, now is the time to strategically augment UI IT system components and modules. Moreover, there are smart technological advances you can leverage and quickly deploy to help with scalability and increased demand.

Increase Call Center Resiliency

For example, augmenting your call center operations and functionality with additional features, such as predictive analytics, chat bots and more efficient scripting may help meet the customer service demands brought on by the next recession. Many states will experience increased call volume^{xi} from UI applicants who have not filed for UI since the last recession a decade earlier. A recent study commissioned by the U.S. Department of Labor indicated that there are “110 UI call centers being operated in 47 states [that] remain a very strong and frequent point of contact for UI customers. Call center staff are involved in virtually all functions related to establishing claims for benefits and maintaining eligibility.”^{xii} Common inquiries may include:



- Applicants seeking verification that they correctly filed their claim,
- Applicants wanting confirmation of their first UI benefit payment date, and
- Applicants asking how to reset their personal identification number (PIN) to file their continued claims.

Make Self-Service Smarter

Smart technology, such as predictive analytics, paired with chat bots and avatars, can be deployed to triage easy and predictable customer service inquiries and resolve basic customer questions via self-service channels, including both IVR/Call Center and Web. It is critical to plan for the increased volume now, when staffing levels are so low, because service backlogs during a recession may generate high-profile media, executive, federal, and legislative inquiries that can overwhelm UI agencies.

UI Programs should also revisit initial and continued claims filing processes and back office claims processing. Even incremental streamlining and simplifications can produce significant improvements in the ability for UI programs to respond to recession-driven caseload increases.

Scale Up Claims Staff with Artificial Intelligence

In a recession, your UI program will likely experience increased workload backlogs, and other issues affecting claim processing throughput. New technologies can help deal with this increased claims volume. One such example, already in use in the commercial sector, is Robotic Process Automation (RPA). RPA or “bots” can help staff better serve customers by eliminating manual, rote tasks for UI staff, allowing them to help customers with more complex issues and focus on more deliberative tasks such as adjudication. RPA works in the system’s user interface, so it can work long hours without interruption, and can be relatively quickly deployed and redeployed.

Further, cognitive analytics, machine learning, augmented reality (AR), and artificial general intelligence (AI), commonly thought of as “software that learns,” are now commercially viable. For example, “software that learns” is already being used to identify anomalies in data mining, diagnose skin cancer, and improve decision-making in human resources, legal and other corporate functions.^{xiii} UI programs have employed software that identifies patterns in the area of fraud detection, but it should be applied to new areas, such as assisting workers with adjudication or hearing officers in making quicker, better, and more consistent determinations.

Head off the “Integrity Whipsaw”

When the next recession hits, the pressure will mount to very quickly make UI benefit payments in order to stabilize the economy and lessen the suffering of those impacted. Fraudsters may exploit this altruistic drive and mistakes by jobless workers and agency personnel may happen. As a result, the volume of UI fraud and non-fraud overpayments will likely rise, leading to a “whipsaw” rise in improper payments. Governmental reporting may identify increased UI fraud and overpayments and the demand for corrective action will likely fall on your UI integrity operations to quickly detect and collect improperly paid UI dollars. The most recent reports indicate that the UI program, by virtue of benefit payment samples, issued about \$3.7 billion in improper payments or 13.05 percent from July 2017 to June 2018.^{xiv}



New Mexico’s UI integrity transformation story is particularly innovative. After the UI program was designated a “high priority/high error rate in payments” program and before New Mexico implemented its new fully integrated modernized UI system, New Mexico’s improper payment rate was 22.6 percent, on average, for the time period of July 1, 2009 to June 30, 2012.^{xv} For comparison purposes, the U.S. average improper payment rate for the same period of time was 11.47 percent.^{xvi} New Mexico’s UI agency employed “intelligent data collection and data validation”^{xvii} in the new system and combined predictive analytics with behavioral insights to nudge UI claimants into compliant behavior; thus, reducing the improper payment rate and improving integrity. For the three year period after the launch of the new system, New Mexico cut its improper rate in half to 11.25 percent.^{xviii} For Calendar Year 2018, New Mexico logged an impressive 3.992 percent improper payment rate.^{xix} As noted in a recent article in *Government Technology*, “[w]hen it all comes together as it did in New Mexico, the improvements from a well-designed analytics operation can be a game-changer. If all 50 states did what New Mexico is doing, the savings would be in the hundreds of millions of dollars annually.”^{xx}

In sum, even though many states’ UI programs have not been able to fully modernize their UI IT systems, there are incremental and smart technology options, which can be relatively quickly deployed, to help your state handle the increased demands the next recession will place on your UI programs. The New Mexico story, above, is a successful example of targeted “nudging” while AI in fraud detection continues to get faster and more accurate. It is important, however, to take a considered approach to predictive analytics and behavioral science because not doing so could result in a longer claims processing time for jobless workers posing a risk of backlog and scale during times of high demand^{xxi} or inaccurate results. Therefore, now is the time to shore up and strengthen your integrity operations - before the UI program is back in the recessionary spotlight.

Right Now: Drive Operations Transformation

While technology will certainly help alleviate bottlenecks during times of high demand, driving transformational change in UI operations, business processes, and service delivery is a crucial component for ensuring technological modernization efforts are optimized and sustainable.

Forecast | Optimize | Stage Staffing Plans

Since the 1990s, state UI programs have experienced a significant outflow of experienced, tenured UI staff in unprecedented numbers due to retirements and early buy-out incentives. Moreover, automation of rote functions and the transition from in-person claims to telephone and internet filing has also resulted in a smaller UI workforce.^{xxii} As this transformation of the UI program continues, it is even more important for UI leaders to develop a strategy to forecast, leverage, and pursue innovative ways to scale up and down depending on demand. This will be challenging, indeed, if public sector organizations are entrenched in outdated, traditional human capital structural constraints and rigid thinking.^{xxiii}

One such option is for UI officials to consider competency banded staffing plans with a transparent career ladder. These plans should acknowledge the need to recruit and retain a core group of true UI professionals through continuous learning initiatives, including certification programs, program-specific training, career counselors/mentors, networking and “stretch” opportunities, and engagement sessions/meetings with leadership. This is the core team of highly-skilled UI professionals who will “keep the lights on” during expansions and lead the scale-up effort during downturns.

There also should be a competency band that recognizes the need to recruit, in a counter-cyclical pattern, a significant number of staff members who will handle the simplest of tasks, quickly and accurately, when demand increases. Staff augmentation through quickly onboarding non-permanent staff, using layoff aversion procedures within state government and through workforce centers, and deploying and leveraging smart technology, are options. It is absolutely critical, however, that this be thoroughly planned and staged before the next recession hits.

Refine Core Operational Processes, Policies, and Procedures

Today’s UI program recipients and stakeholders have different expectations than in the past, particularly, in this new digital era. As a result, the UI program’s operational processes and procedures should be reviewed and modernized when appropriate. Importantly, however, the UI program has its own special constraints and guardrails. This is because the UI program is a unique federal-state partnership serving many parties and interests including: large and small businesses, third party administrators, professional employer organizations and jobless workers across the economic spectrum, e.g., professional, unionized, non-unionized, government, and the military. In addition, the UI program, as the primary economic safety net, is supposed to serve all of these different parties and interests during highly emotionally-fraught times such as mass layoffs, strikes, lockouts, and natural disasters. Accordingly, state UI officials must continuously review, analyze, and revise policies, processes, including forms, and procedures. By failing to regularly do so, in some states, a number of outdated, cumbersome, and even destructive policies, procedures, and processes may have been automated into systems and enforced. This reluctance to update and evolve, ultimately, diminishes the UI program’s effectiveness.

For example, during the Great Recession, many states decided, with federal encouragement, to implement “Short-Time Compensation” (STC) or shared work programs as a layoff aversion strategy. According to the US Department of Labor, “STC cushions the adverse effect of the reduction in business activity on workers by averting layoffs and ensures that these workers will be available to resume prior

employment levels when business demand increases. Those employees experiencing a reduction in hours are allowed to collect a percentage of their unemployment compensation (UC) benefits to replace a portion of their lost wages.^{xxiv} Currently, twenty-seven states have established STC programs in their state law.^{xxv} Expanding or modifying the UI program during a recession, however, is quite challenging across the spectrum in terms of quickly complying with legal and policy requirements, drafting and coordinating communication, properly rolling out new service delivery components and updating technology. Accordingly, state UI officials may wish to consider any expansions, carve outs, or modifications to their UI programs now.

Additionally, proactively planning for Mass Unemployment Events (MUE) and Disaster Unemployment Assistance (DUA) which arise from natural disasters is strongly encouraged. A timely and proper response is tough enough during economically stable times. During a recession, it presents overwhelming challenges. The double-whammy of Hurricanes Katrina and Rita in August and September of 2005, prior to the Great Recession, shone a bright and unimaginable spotlight on responsiveness across the governmental spectrum. The UI programs in Louisiana, Texas, Florida and Mississippi struggled mightily to accurately and quickly process DUA applications.

Since then, as administrative funding has decreased and memories have faded, a recent study by the ITSC, sponsored by the U.S. Department of Labor concluded, "State UI agencies are ill-prepared to maintain the continuity of their operations and to manage the operational requirements of an MUE. The deficiencies will significantly impede the state UI agencies from the timely and efficient completion of their unemployment insurance functions in a disaster."^{xxvi} This same study recommended that, "the state UI community must change its perception from a "self-sustained" to a "cooperative assistance" view. State UI agencies must plan to utilize resources from [']assisting states['] to meet emergency operational requirements. For resource sharing to occur efficiently and effectively, the UI community must institutionalize the process between agencies and upgrade the infrastructure of the agencies to deliver shared resources expeditiously."^{xxvii}

In the spring of 2018, the states of Florida, New Mexico and Massachusetts heeded this advice and executed a cooperative arrangement to assist each other in the event of a natural disaster. Unfortunately, just a few months later in October 2018, Category 5 Hurricane Michael struck Florida. Within days, Florida officials requested assistance in accordance with the Agreement. Shortly thereafter, the New Mexico Department of Workforce Solutions began taking Florida DUA claims applications thereby assisting Florida's effort to quickly respond and stabilize the hurricane-impacted area's economy.

Integrate Programs

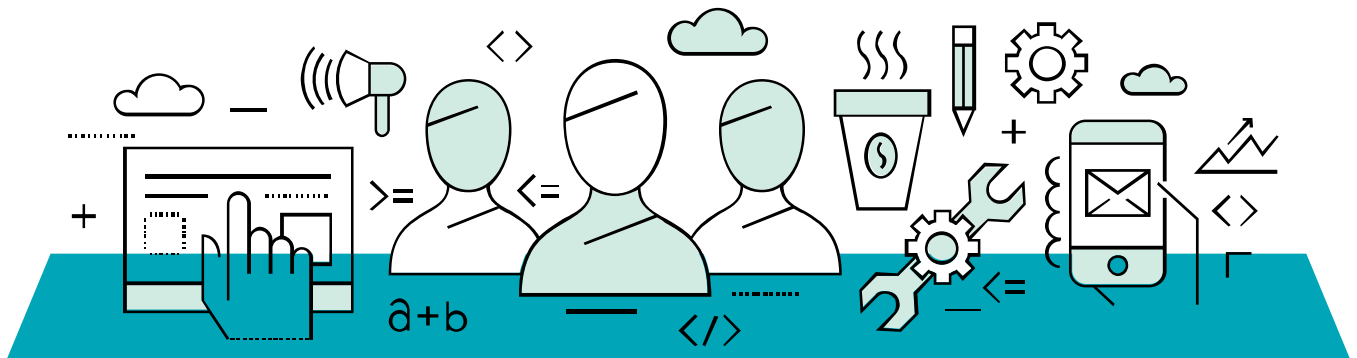
In recent years, leaders across all levels of government have grappled with the social safety net's ineffectiveness in getting qualified candidates quickly into self-sustaining jobs. Employment programs suffer from overlap in some areas, while gaps exist in others. Since the beginning of the UI program, the public job service was meant to be the symbiotic "yang" to the UI "yin" because the UI law required, and still does, work registration with the public job service as a condition of eligibility. Over the years, however, Supplemental Nutritional Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and Medicaid have become key parts of the secondary safety net providing assistance to those for whom UI, as the primary safety net, could not adequately transition back to self-sustaining employment.

The goal of these social safety net programs, UI included, is to help individuals and families during times of temporary need, while the purpose of the public job service is to assist all workers in their efforts to find self-sustaining employment. From these overarching goals, the push has been on for more focused integration of the UI program, secondary safety net programs, and the public job service.

UI and workforce leaders may want to explore more aggressive integration of reemployment services and job search programs across the social safety net, now, while businesses are driving creative efforts to address their workforce-related challenges.^{xxviii} Real opportunities exist to integrate reemployment services and job search into the customer experience of all social safety net programs, but analysis of

overlapping SNAP employment and training, Medicaid, UI, Trade, Workforce Investment and Opportunity Act (WIOA) and TANF eligibility requirements is essential.

By acting now, UI and workforce leaders may drive more efficient and effective deployment of constrained workforce resources while also optimizing funding streams. Ultimately, the overarching goal of social safety net programs is to offer temporary help to individuals during times of economic strain until they can secure financial independence, most often, through employment. UI and workforce leaders should consider implementing new methods and tools, such as behavioral “nudges” targeted by predictive analytics, into reemployment services to improve work search results and reduce duration and exhaustion rates. In sum, UI and workforce leaders are encouraged to explore new and innovative ways to accurately match qualified jobless workers with employment opportunities faster, through both expansions and recessions.



Right Now: Embrace UI as the First Responder

Evoke UI's Core Fundamentals

In 1955, when the UI program celebrated its 20th Anniversary, the U.S. Secretary of Labor published a list of the three primary objectives of the UI program as follows:

1. It is intended to offer workers income maintenance during periods of unemployment due to lack of work, providing partial wage replacement as a matter of right;
2. It is to help maintain purchasing power and stabilize the economy; and
3. It is to help prevent dispersal of the employer's trained labor force, the sacrifice of skills, and the breakdown of labor standards during temporary unemployment.^{xxix}

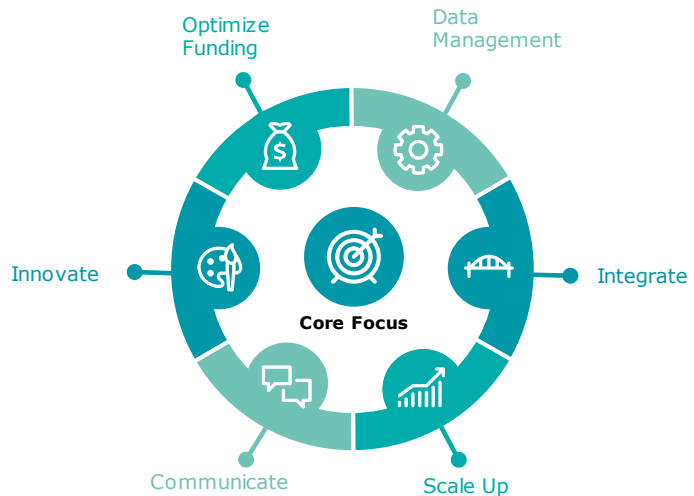
UI is, indeed, the "first responder" of the American social safety net. A recent study found that from 2008 to 2012, during the Great Recession, when the federal government extended UI benefits to a maximum of 99 weeks, the UI program kept approximately 11 million jobless workers out of poverty and closed the associated gap in real GDP by about 18.3 percent.^{xxx} Moreover, San Francisco Reserve Bank Vice President of Research Communications Robert G. Valletta conducted research on the impact of the federal extensions during the Great Recession and found that poverty spiked after UI was exhausted, with nearly 40 percent of the so-called "99'ers" entering poverty.^{xxxi} These same jobless workers, who continued to search for work during the Great Recession and spent UI benefit payments to purchase goods and services helped to stabilize the economy, and many secured work afterwards to fuel the current economic expansion.

Supplement Administrative and UI Trust Fund Shortfalls

According to the National Association of State Workforce Agencies, "[i]nvestment in UI administration is at a 30-year low, and serious disruption in the delivery of UI benefits is at risk in the next economic downturn."^{xxxii} Moreover, as stated above, UI trust fund financing, in spite of federal efforts and changes, continues to be a nagging issue across the states. In fact, in 1989 the U.S. General Accounting Office discussed federal allocations to states for unemployment insurance program administration as follows:

- (1) although employer-paid federal taxes initially completely funded states' administration of unemployment insurance, budgetary and appropriation cutbacks have decreased federal funding of states' administrative costs; (2) states have increasingly used their own funds to help cover administrative costs and have made managerial adjustments involving increased automation and reduced staffing to contain costs and maintain service; (3) most state unemployment insurance trust funds have inadequate reserves; (4) the Department of Labor's allocation system used outdated information that did not accurately reflect states' administrative costs; and (5) serious disruptions in services and increases in claims processing errors could occur if unemployment rates rise suddenly.^{xxxiii}

Your **UI** First Responder Kit



Many would argue these issues identified by GAO in 1989 still persist. Clearly, UI administrative and trust fund financing present long-standing systemic challenges. Nevertheless, state UI officials should consistently make the case for increased funding to their business partners, legislatures, executive officials, and other stakeholders. This will require a rational, balanced approach and dogged persistence.

While political obstacles will always present challenges to adequate financing of UI programs, UI officials have opportunities to seek additional assistance. For example, some states have established UI administrative funds, financed by collections of UI penalties and interest monies,^{xxxiv} while other states have successfully established separate funds to be used to upgrade technology.^{xxxv} Additionally, the U.S. Department of Labor's 2020 budget proposal includes provisions which would "allow States to retain up to 5 percent of UI overpayments for program integrity use and require States to use penalty and interest collections solely for UI administration."^{xxxvi}

It is imperative, too, for UI officials to work closely with state fiscal, management and budget agencies, and the US Department of Labor, to maximize federal funding by closely monitoring and optimizing administrative allocations, Resource Justification Model submissions, contingency payments, and Supplemental Budget Requests.

Engage Stakeholders and Fortify Data Management

Recessions cast a wide and bright spotlight on UI agencies across the board: everyone from the media, federal government, local government, business groups, think tanks, labor organizations, and internal agency leaders and staff will seek UI program data and reports. As such, it's important to review data management laws, rules, and policies to determine whether the program is following existing retention schedules for purging and archiving, system and paper files.

It is just as important to compile a strategy, now, when that spotlight is not so bright, for how the UI program will promptly and accurately respond to information requests. This includes creating an inventory of all federal and state reports, response templates, an inquiry-tracking mechanism, and trusted point persons. It is critically important that requests are addressed in a way that is prompt, responsive, clear, consistent, and in accordance with applicable laws and policy. Also, just as important, a review of processes and procedures should be undertaken to ensure there is 24/7 vigilance against system and security breaches and how to handle incidents in the event of such a breach. Failure to plan for increases in information requests and inconsistent methods to address them could result in request backlogs, additional U.S. Department of Labor oversight, and inconsistent responses, which could lead to litigation and fines or penalties.

UI state officials should also be working, right now, on a plan that includes appropriate dissemination points for materials to be provided in layoff avoidance efforts and in response to mass layoff events, e.g., Short-Time Compensation/Work Share, onsite Rapid Response assistance, National Emergency Grant applications, Trade Act packets, etc. This includes establishing cooperative arrangements with other states, which can be deployed to help quickly respond when a mass unemployment event, such as a natural disaster, impacts a cooperating state or states.

UI agency leadership should compile informational packets regarding UI's core components for use in briefing and testifying before state legislators and legislative committees. These packets should include key federal and state provisions, reports, and other basic public-facing documentation such as UI claimant and employer reference documents and be available on your agency's internet site.

It is particularly important for UI agency leadership to be ready to respond, with professionalism and compassion, to employer requests for how to avoid potential layoffs. This requires experienced and adept representatives who are available to quickly provide accurate advice and options upon which employers will rely when making decisions regarding worker layoffs or layoff avoidance plans.

Finally, it is imperative that state UI officials develop a plan, including materials, legal references, and staff training, to respond to media requests. Media across the spectrum, e.g., newspapers, television, radio, and more, will disseminate your organization's information regardless of permission. They will request in-person interviews, statements, and more in order to respond to the increased demand for information about the recession. A carefully considered media plan, with proactive communications, will be particularly helpful in response to recession-related challenges, such as system outages (planned and unplanned), longer-than-usual call wait times or online system performance issues, data management issues, announcements of new federal/state programs, demand for updates on labor conditions, new customer service initiatives, and job fairs and hiring efforts.

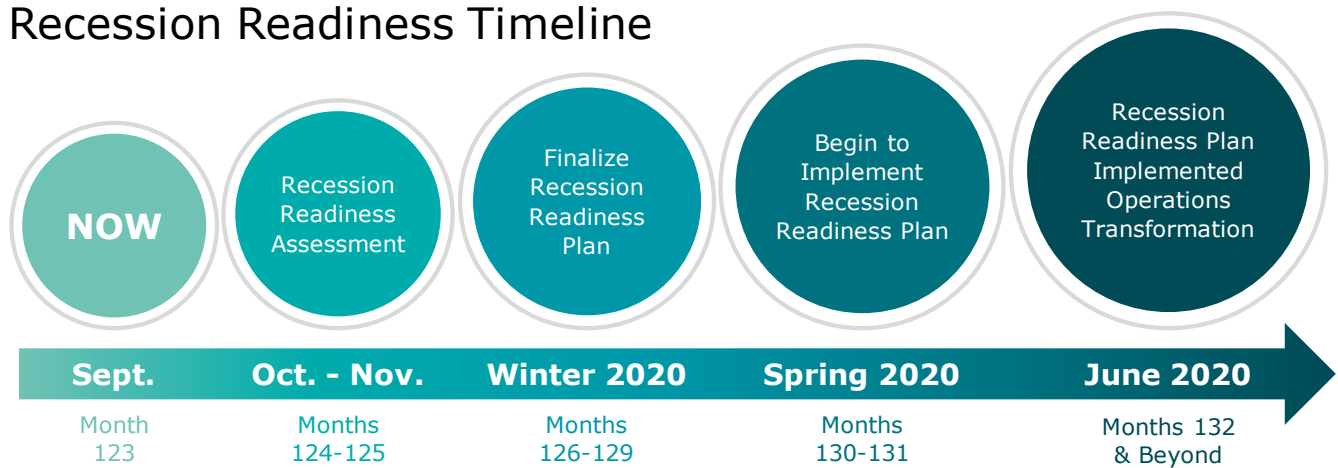
As the Clock Ticks

More than a decade after the start of the Great Recession, most state UI programs haven't yet holistically "modernized" their UI programs and systems. Regardless, the UI program's fundamental purpose and mission as the American economic first responder remains. Now is the time, therefore, to ask and consider:

- What action steps can I take, right now, to prepare for the next recession?
- What can I "plan and stage," right now, that can be quickly executed when the recession hits?

At Deloitte, we have the experience, tools, and people to help ensure your UI program is recession ready. We will work with you to develop a UI modernization plan that is right for your state - *a la carte*, incremental, or comprehensive, yet phased - that incorporates near-term solutions and longer-range efforts. Below is a high-level timeline that illustrates just how critical the time is for states to get recession ready 123 months into the longest expansion on record, and with history as our guide, the time to act is now.

Current Expansion & Recession Readiness Timeline



ⁱ *Unemployment Insurance Program Letter (UIPL) 14-09* (Feb. 26, 2009)

ⁱⁱ Although the U.S. is currently in its longest economic expansion on record, notably, Australia is currently in year 28 of economic expansion. See, “*Australia Holds World Record for Longest Period of Economic Growth Among Developed Countries*,” Australian Government, Australian Investment and Trade Commission, website, Nov. 28, 2018.

ⁱⁱⁱ See, e.g., “*Daily Shot: When Should We Expect the Next Recession?*” Wall Street Journal, L. Borodovsky, (May 14, 2018), “*When Is the Next Recession?*” Forbes, T. Ghilarducci, (Apr. 30, 2018), “*7 Smartest Market Thinkers Predict When the Next Recession Starts*,” Newsmax, J. Mauldin, (May 14, 2018), “*75% of Ultra-Rich Forecast a US Recession in the Next Two Years Survey Finds*,” N. Turak, (Apr. 19, 2018), and “*The Next Recession is Really Gonna Suck*,” HuffPost, A. Delaney, (Feb. 10, 2018).

^{iv} “*State Unemployment Trust Fund Solvency Report*,” U.S. Dept. of Labor, Office of Unemployment Insurance, Division of Fiscal and Actuarial Services, (March 2018) and “*Closing the Doors on the Unemployed: Why Most Jobless Workers are not receiving Unemployment Insurance and What States Can do About it*,” National Employment Law Project, G. Wentworth, (Dec. 2017).

^v “*Unemployment Insurance Administrative Funding*,” (June 2017), NASWA, Jim Van Erden PhD, Julie Squire, Hillary Hewko.

^{vi} *Fed Views*, June 13, 2019, Thomas M. Mertens, Senior Research Advisor, Federal Reserve Bank of San Francisco.

^{vii} National Unemployment Insurance Program Update, Gay Gilbert, Administrator, USDOL/ETA, June 26, 2019, National UWC UI Issues Conference.

^{viii} Created by China Widener, Principal, Deloitte Consulting, LLC.

^{ix} “*A National View of UI IT Systems*,” (July 2010), NASWA, CESAR and ITSC.

^x “*Status of State UI IT Modernization Projects*,” ITSC, (June 2017).

^{xi} “*Unemployment Insurance Call Center Study and Final Report*,” prepared by Coffey Consulting for the U.S. Dept. of Labor, ETA, OUI, Jan. 27, 2017.

^{xii} *Id.* at p. 4.

^{xiii} Tech Trends 2018, “*Exponential Technology Watch List: Innovation Opportunities on the Horizon*,” Deloitte Insights, (Dec. 5, 2017).

^{xiv} National Unemployment Insurance Program Update, Gay Gilbert, Administrator, USDOL/ETA, June 26, 2019, National UWC UI Issues Conference.

^{xv} U.S. Dept. of Labor website, Unemployment Insurance Improper Payments, CY 2018 Data.

^{xvi} *Id.*

^{xvii} “*New Mexico Successfully Launches New Unemployment Insurance Tax and Claims System*,” New Mexico Dept. of Workforce Solutions Press Release, (Jan. 9, 2013).

^{xviii} U.S. Dept. of Labor website, Unemployment Insurance Improper Payments.

^{xix} *Id.*

^{xx} “*Aiming Analytics at our \$3.5 Billion Unemployment Insurance Problem: Analytics is putting a dent in one of the highest error rates of any government program*,” Government Technology, Tod Newcombe, (March 2017).

^{xxi} Indiana has found similar performance improvement success integrating behavioral insights and requiring frequent affirmations throughout the claims process into its modernized UI benefits system. Indiana logged a staggering 49.2 percent improper payment rate from July 1, 2009 to June 30, 2012, but after integrating behavioral insights, Indiana’s improper payment rate improved to 9.7 percent in the period after launch, i.e., 2014 to 2017, and 10.4 percent for FFY 2017. However, “Indiana’s new integrated claims application process takes longer for jobless workers to complete and resulted in a significant increase in the number of issues requiring staff work,” per *Indiana’s UI Director, Apr. 12, 2018, NASWA UI Integrity & SIDES Symposium*.

^{xxii} “*Unemployment Insurance Administrative Funding*,” (June 2017), NASWA, Jim Van Erden PhD, Julie Squire, Hillary Hewko.

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- ^{xxiii} See, Deloitte Insights: *Ten Bold Plays: Help Drive Action with these Ambitious Goals*, (Feb. 7, 2018), M. Price, W. Eggers.
- ^{xxiv} STC Fact Sheet, US Dept. of Labor, Employment and Training Administration, Office of Unemployment Insurance, website.
- ^{xxv} *Id.*
- ^{xxvi} Information Technology Support Center's Report, "National Unemployment Insurance (UI) Disaster Preparedness Effort," at ES-3.
- ^{xxvii} *Id.*, at ES 3-4
- ^{xxviii} See, Kentucky Chamber of Commerce, Bottom Line, "Thirty local leaders selected for academy to address workforce needs across Kentucky," August 17, 2018.
- ^{xxix} "Unemployment Insurance: Then and Now: 1935-85," Daniel N. Price, Social Security Bulletin, Vol. 48, No. 10, (October 1985).
- ^{xxx} "The Role of Unemployment Insurance as an Automatic Stabilizer During a Recession," (July 2010), Impact International, Dr. Wayne Vroman, the Urban Institute.
- ^{xxxi} Rothstein, Jesse, and Robert G. Valletta. 2017. "Scraping by: Income and Program Participation After the Loss of Extended Unemployment Benefits." *Journal of Policy Analysis and Management* 36(4): 880-908.
- ^{xxxii} *Id.*
- ^{xxxiii} "Unemployment Insurance: Administrative Funding Likely a Growing Problem," (May 24, 1989), U.S. General Accountability Office, Testimony, William J. Gainer, Director, Education and Employment Issues, HR Division.
- ^{xxxiv} See, Ohio Rev. Code 4141.11, and Mass. General Laws Chapter 151A, Sections 14N, 14O.
- ^{xxxv} Kentucky's Service Capacity Upgrade Fund, established in KRS 341,243, signed Apr. 10, 2018, Colorado's Employment Technology Support Fund, C.R.S. 8-77-109, Oklahoma's UI technology fund's purpose is to "modernize business processes and technology that will not impose hardship on employers in the state," see, Oklahoma Security Commission law, Title 40 Article 3-109.3 (2017), and Pennsylvania's UI "service and infrastructure fund," established Nov. 14, 2017.
- ^{xxxv} *National Unemployment Insurance Program Update*, Gay Gilbert, Administrator, USDOL/ETA, June 26, 2019, National UWC UI Issues Conference.

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