

To: Vermont Legislature

From: Michael Harrington, Interim Labor Commissioner

Date: May 14, 2020

Subject: Unemployment Insurance Daily Update

This report includes both new and continuing efforts. New information is in RED.

Current Week Priorities

- 1. Finalized payment process system update for PUA.
- 2. Identify and prioritize enhancements for the PUA system.
- 3. Finalize program requirements for Pandemic Extended Unemployment Compensation Program and the existing federal Extended Benefits Program.

On-going Priorities

- Continue to mass-resolve low-level code issues that created stop-payments (move more Vermonters through the system and get them paid)
- Continue to improve and clarify PUA application, process, and communication
- Continue public messaging and overall communications
- Legislative Action Team (LAT) working through the constituent management spreadsheet with support from VDOL staff

Previous Accomplishments and Milestones

- First round of payments were processed for claimants in overpayment. They will begin to receive FPUC benefits going forward, with their weekly benefit amount continuing to offset their overpayment balance.
- Weekly benefits issued to roughly 1,200 PUA claimants who were eligible for PUA between 3/15 and 3/28 who had not yet received a weekly benefit. All claimants in this population received an email from the Department explaining what the payment amount represents. These payments were able to be processed outside of the PUA payment calculation update because they did not include FPUC payments.
- Population of approximately 9,000 claimants not monetarily eligible for regular UI were pushed to the PUA system on Monday, May 11th. Claimants were notified on Tuesday, May 12th via email to complete their PUA application.

Ongoing Activities

- Automating transactions for claimants with overpayments receiving FPUC. Currently, this is a manual process.
- Creating additional technical assistance and training materials for Maximus Call Center agents and improving call escalation process with Maximus Call Center agents.-

New Activities

DHR and VDOL finalized requirements and information needed to hire more staff to support VDOL UI
operations.



Pandemic Unemployment Assistance (PUA)

- VDOL Staff continue to work and clear adjudication issues on initial claims and any associated issues, so far, the staff are able to resolve PUA issues within 36-48 hours.
- PUA Payment Update: Claimants receiving benefits for the weeks of March 15 and/or March 22 and had filed those claims prior to May 1, received the extra federal \$600 in error. The federal \$600 benefit did not go into effect until the benefit week of March 29. This error required the Department to stop issuing benefits until the system's payment calculation process was corrected and payments were reconciled. Benefits for the week of April 26 and/or May 3 will be offset to ensure accurate benefit amounts to claimants. In most cases, this will mean one whole benefit week will be withheld and the second week will be a partial payment. If claimants only filed and received benefits for March 22, then only \$600 will be offset. Claimants that were underpaid due to the calculation error (did not receive the minimum \$191) will be made whole in future benefit payments. The calculation error does not affect anyone who filed after May 1. PUA payments resumed yesterday and will continue today, tomorrow and next week. Direct deposits happen within 24-48 hours, and checks mailed take 2 days from the issuance date. If claimants have filed for back weeks and are still owed benefits, these payments will catch them up.

Extended Benefits

- Per federal guidance, individuals who have exhausted their benefits must first utilize Pandemic
 Emergency Unemployment Compensation (PEUC) before being placed on Extended Benefits (EB). PEUC
 provides an additional 13 weeks of benefits to claimants who have exhausted their regular UI benefits.
- We are finalizing the process for automatically moving approximately 1,500 claimants into PEUC and opening past benefit weeks. Claimants will be notified when the program is available, which should occur during the week of May 18th.

Communications

- Updating FAQs for PUA and regular UI to answer some of the new claimant questions. This will help reduce the number of calls into the call centers.
- 1200 PUA claimants emailed to explain the payment they received this week.
- Claimants impacted by PUA payment processing were emailed today with a similar update as above.

Call Center Functions Update

- Maximus call center is recording each claimant interaction for quality assurance. Load balancing will
 occur across Maximus call queues and across the entire system, including supplemental line.
- The recording and monitoring of the Maximus Call Center for call quality has already resulted in corrective action being taken by the vendor.
- Contract amendment is being circulated to address expanded Maximus call center capacity.
- Maximus now has over 200 agents in queue at any one time and is on track to have 300 agents in queue by May 21st.

Unique Populations

• Regular unemployment claimants serving penalty weeks because of a fraudulent determination from a past claim.



- Regular unemployment claimants with overpayment balances whose benefit amount is currently being
 used to offset their balance. This is currently being corrected by VDOL staff manually because there is no
 way to mass clear the stop payment.
- Claims under review and pending adjudication

Top Claimant Issues

- Regular unemployment claimants unable to file weekly claims because their claim is still being adjudicated.
- Regular unemployment claimants unable to receive weekly benefits because they have a fraudulent code
 on their UI claim and are serving penalty weeks.
- PUA claimants deemed ineligible because they answered questions incorrectly and would like to update their response. VDOL is assisting these cases and updating as necessary.
- Claimants unable to complete application (PUA or regular UI) because they do not have an email address. VDOL is working with state agency partners to address this issue.



APPENDIX

Pandemic Unemployment Assistance Additional Information

- Click here for PUA general information
- Click here for PUA FAQs
- Click here for PUA application video demonstration

Regular Unemployment Insurance Additional Information

- <u>Click here for unemployment general information</u>
- Click here for frequently asked questions

Claims Data as of May 13, 2020

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|---|---------------|--|
| Total Initial Claims | 89,846 | Total number of initial claims since 3/1/2020. |
| Initial Claims with no Eligibility | | Initial claims without eligibility determination for UI or PUA. A |
| Determination | 1,360 | subset of this population does not, and will not, qualify for UI |
| Determination | | or PUA. |
| Unemployment Insurance | | |
| Initial Claimants Eligible for UI | 63,195 | Number of claimants eligible for UI |
| Initial Claimants Eligible for U\$I - Paid | 56,433 | Number of claimants who are receiving UI benefits |
| Initial Claimants Eligible for UI - Not Paid | 6,762 | Number of claimants who meet basic eligibility thresholds but |
| | | have significant issues that require review and resolution prior |
| | | to payment. This also includes individuals who have since |
| | | returned to work and are no longer filing. Roughly 4,500 of |
| | | these individuals have never filed a weekly claim. |
| UI Trust Fund Balance (as of 5/11) | \$389,913,655 | Trust Fund balance can fluctuate due to benefit payments, |
| | | earned interest, employer contributions, and federal |
| | | reimbursements. (Note: Balance as of 3/1/2020 \$506,157,247) |
| Pandemic Unemployment Assistance | | |
| Initial Claimants Eligible for PUA | 25,291 | Total number of claimants that could complete the PUA |
| | | application and are in the system |
| Initial Claimants Eligible for PUA - Filed | 14,425 | # of eligible claimants who have completed PUA application |
| Initial Claimants Eligible for PUA - | 10,556 | Number of eligible claimants receiving PUA benefit. |
| Filed and Paid | | Now have 6 defended by the control of the control o |
| Initial Claimants Eligible for PUA - Filed and Not Paid | 3,869* | Number of claimants that have a payment pending, issue on |
| | | weekly claim to resolve, or have returned to work and are not |
| | | filing. |
| Total PUA Benefits Dispersed | \$34,223,328 | Total amount of PUA benefits paid |

^{*}Includes pending payments due to PUA system update





