Report to the Legislature on Upgrading the Unemployment Insurance Call Center Phone System

Employment Security Department
WASHINGTON STATE

Report to the Legislature on Upgrading the Unemployment Insurance Call Center Phone System

Published June 2021

This report was prepared in accordance with RCW 50.12.210 State of Washington.

Washington State Employment Security Department
Cami Feek, Commissioner and Chief Executive Officer

Financial Services Division
Carole Holland, Chief Financial Officer

Unemployment Insurance Division
Julie Lord, Director

Contents

Background

Engrossed Substitute Senate Bill 5092, Chapter 334, Laws of 2021, Section 15 requires that the Employment Security Department (ESD) migrate and upgrade the customer call center phone system to a cloud-based system for the unemployment insurance (UI) program. The proviso requires the department to consult with the Office of the Chief Information Officer (OCIO) prior to executing any contract. The department must develop a project plan, timeline and budget in consultation with the chief information officer. The budget must include base funding for the 2019-21 fiscal biennium for the existing customer call center phone system, projected ongoing costs by fiscal year and by fund for the upgraded phone system. The department must report this to the Office of Financial Management and the relevant committees of the legislature by June 30, 2021.

Large volumes of calls to the UI call centers have been significantly delaying ESD's ability to respond in a timely manner. Even after more than doubling call center staff, customers continue to experience long wait times and delayed responses. To address customer service issues and provide benefits as soon as possible, ESD proposed technology solutions that could be implemented in the near term. These solutions would reduce wait times for customers and allow staff to process claims more quickly.

Approach

ESD identified that service delivery could significantly improve by adding technology solutions to effectively resolve less complex unemployment insurance issues. This technology would free up call center staff to work directly with people who have more complicated issues on their claims or who require more assistance due to technical literacy or other barriers.

Virtual Agent

The agency initially proposed migrating to a cloud-based approach with its current telephony vendor. The vendor informed ESD that it would partner with Google to provide customers with 24/7 access to a "virtual agent," which would answer frequently asked questions about unemployment insurance as well as some claim-specific questions. The virtual agent would be available over the phone ("voicebot") or via online chat ("chatbot"). These tools will allow ESD customers to schedule a callback from a live ESD agent at a specific time when/if the chatbot cannot resolve the issue. This will ensure customers get the information they need without waiting on hold while also greatly reducing wait times.

ESD identified the highest impact would be achieved by implementing the Google Contact Center Artificial Intelligence (CCAI) solution and then conducting a competitive procurement for a cloud-based telephony system. The agreement with Google was finalized and is expected to be implemented by December 2021.

Telephony

ESD currently has two different platforms for telephony: one for Unemployment Insurance (UI) and a different vendor for Leave and Care (L&C) and Employment Connections. Due to the urgent need for UI, it will be optimal to conduct a procurement specific to UI. However, it is ESD's intent to procure a system that could eventually meet the needs of the other programs.

Consultation with the OCIO

ESD submitted the IT Project Assessment Tool (ITPA) to the Office of the Chief Information Officer (OCIO) and was notified that the Google CCAI project did not require OCIO oversight. ESD is developing an ITPA for the Cloud-Based Telephony project and a concept briefing document. ESD will continue to work with the OCIO and the Office of Financial Management (OFM) to ensure compliance with Washington State Technology mandates and best practices.

Google CCAI Project Timeframe

ESD has been working on the Google CCAI technology project since April 2021. The final agreement with Google was recently finalized, as ESD worked with the Attorney General's Office and Google on liability and data privacy issues. The following table shows this project's expected timeline.

Date	Milestone
March 2021	Submitted ITPA for the Google project to OCIO for evaluation. ESD proposed a minimum viable product (MVP) approach, implementing self-service capabilities in phases as part of an overall call deflection strategy. The OCIO did not require oversight on the initial project.
July 2021	Anticipated launch of web-based frequently asked questions (FAQ) chatbot on esd.wa.gov.
September 2021	24/7 Virtual Agent **chat**bot, claims-specific questions (English/Spanish only)
October 2021	24/7 Virtual Agent **voice**bot, claims-specific questions (English/Spanish only)
November 2021	Add scheduled callback functionality through Virtual Agent (VA) chatbot and voicebot.

This project addresses equity, diversity, and inclusion by prioritizing claimant access to basic information with a focus on digital and language access.

Digital access. Improves access to non-digital natives and people who have a difficult time access the web by providing basic unemployment benefit information by phone and a web based question and answer automated assistant.

Language access. Improves access to customers with limited English proficiency by adding additional languages to this system, allowing customers who face language barriers, in additional to the barriers addressed in the digital access section, to access basic unemployment benefit information.

ESD intends to add additional languages once the initial implementation in English and Spanish is complete. Information will be included in the December report on the expected schedule for the additional languages.

Cloud-Based Telephony System Procurement

WATech has been evaluating several cloud-based contact (call) center solutions, which may help ESD expedite procurement. WATech has also identified a key resource for ESD to work with to identify next steps.

A complicated procurement, such as a new call center telephony solution typically takes six months. Activities include:

- Develop requirements.
- Draft request for proposal (RFP) and contract.
- Evaluate RFP submittals.
- Conduct bidder demonstrations.
- Legal notice of the Apparently Successful Vendor.
- Negotiation and signatures.

This table lists the major steps required for procurement.

Date	Milestone
July 2021- August 2022	Collaborate with the OCIO to meet oversight reporting and quality assurance requirements.
July-November, 2021	Issue RFP for Contact Center as a Service (CCaaS) solution to replace current on-premise Genesys system with a cloud-based telephony system. ESD may adjust these dates to align with OCIO and OFM requirements and capacity to complete design requirements for the RFP.
December 2021 - August 2022.	Implement Contact Center as a Service (CCaaS) solution in phases to provide MVP functionalities first. This solution will interface with Google CCAI platform as an integrated solution.

Budget

ESD received $2.1 million of Coronavirus Relief Funds (CRF) in the 2021 Supplemental budget for the state fiscal year (SFY 2021). These funds were to purchase and implement the Google AI changes. Due to delays in contracting, ESD is expected to spend about $903,000 of this for licensing. The agency cannot pay implementation costs until the work is completed and accepted. ESD plans to ask for funding authority for the unspent dollars associated with this project. The negotiated cost for this project is about $2.4 million, with licensing being an ongoing cost.

As requested by ESD, the 2021-23 enacted budget also includes $4.5 million of federal American Rescue Plan Act (ARPA) funding for telephony system implementation and licensing costs. Since ESD is taking a different approach and the **actual** requirements for the procurement have not yet been developed, the level of funding needed for the project may be higher or lower. ESD will provide more specific information on the proposed costs in its December 1st report to the Legislature.

Telephony costs increased significantly in 2020 and 2021 due to the increased number of staff licenses. Spending for telephony was as follows:

SFY 2019 $806,000

SFY 2020 $1,063,000

SFY 2021 $1,803,000 (estimate)

Next Steps for ESD

- Continue to consult with the OCIO.
- Collaborate with the OCIO to develop a project plan, timeline and budget.
- Identify base funding for telephony and project ongoing fiscal year costs by fund source.