Unemployment Insurance ADVISORY COMMITTEE

Employment Security Department
WASHINGTON STATE

July 14, 2021

Agenda

- UI Rulemaking Update

- Work Search and Potential New Claim Update

- UI Trust Fund Update

- UI Quality Assurance Overview

UI Rulemaking

Standard Occupational Classification (SOC) Code Reporting

- Rulemaking to implement SHB 2308 (2020)

- Shared Pre-CR 102 Draft Rules – July 7, 2021

- Optional Reporting begins October 1, 2021

  - Pilot Program using volunteer employers

  - Customer Experience Survey of roughly 7,000 employers (some of whom may volunteer for pilot program)

  - Communicating with TPAs, many of whom have implemented similar requirements in other states

- Mandatory Reporting begins October 1, 2022

UI Rulemaking

Work Search

- **Work Search Activities**
  - Filed CR 103 – rule effective July 30, 2021
  - Provides an updated list of acceptable work search activities
  - Clarifies that 'in-person job search activities may take place virtually or remotely

- **Work Search Requirement Flexibilities (SHB 1493)**
  - Filed CR 101 June 29, 2021
  - In the process of drafting Pre-CR 102 Draft Rule

UI Rulemaking

Standby

- Rescinded emergency rule that automatically placed all claimants on standby
- New emergency rule:
  - Places all claimants on standby from March 22, 2020, through July 3, 2021
  - Allows standby for both full-time and less-than-full-time employees
  - Weeks of standby prior to July 4, 2021, will not count toward the four (or eight) weeks of standby eligibility

Hours of Availability

- Filed CR 103 – rule will be effective January 2, 2022
- Claimants are required to be available for at least 40 hours during their occupations' normal business hours

UI Program Updates

Work Search Reinstatement

- This week, claimants must resume reporting work search activity on their weekly claim.
- Communications continue through July
  - Pre-launch communication plan fully executed
 - Post-launch communications begin next week with continued reminders

Potential New Claims

- Re-launched regular reviews for new claim eligibility June 11th
  - 105,000 claimants asked to respond to questionnaire
  - About 83,000 have responded to date
  - Outreach continues to connect remaining 22,000 claimants with claims agents

UI Trust fund

- On July 13, the UI trust fund balance was roughly $1.83 billion

Unemployment Insurance Trust fund balance - Washington State

07/13/2021, $1,827,599,016.39
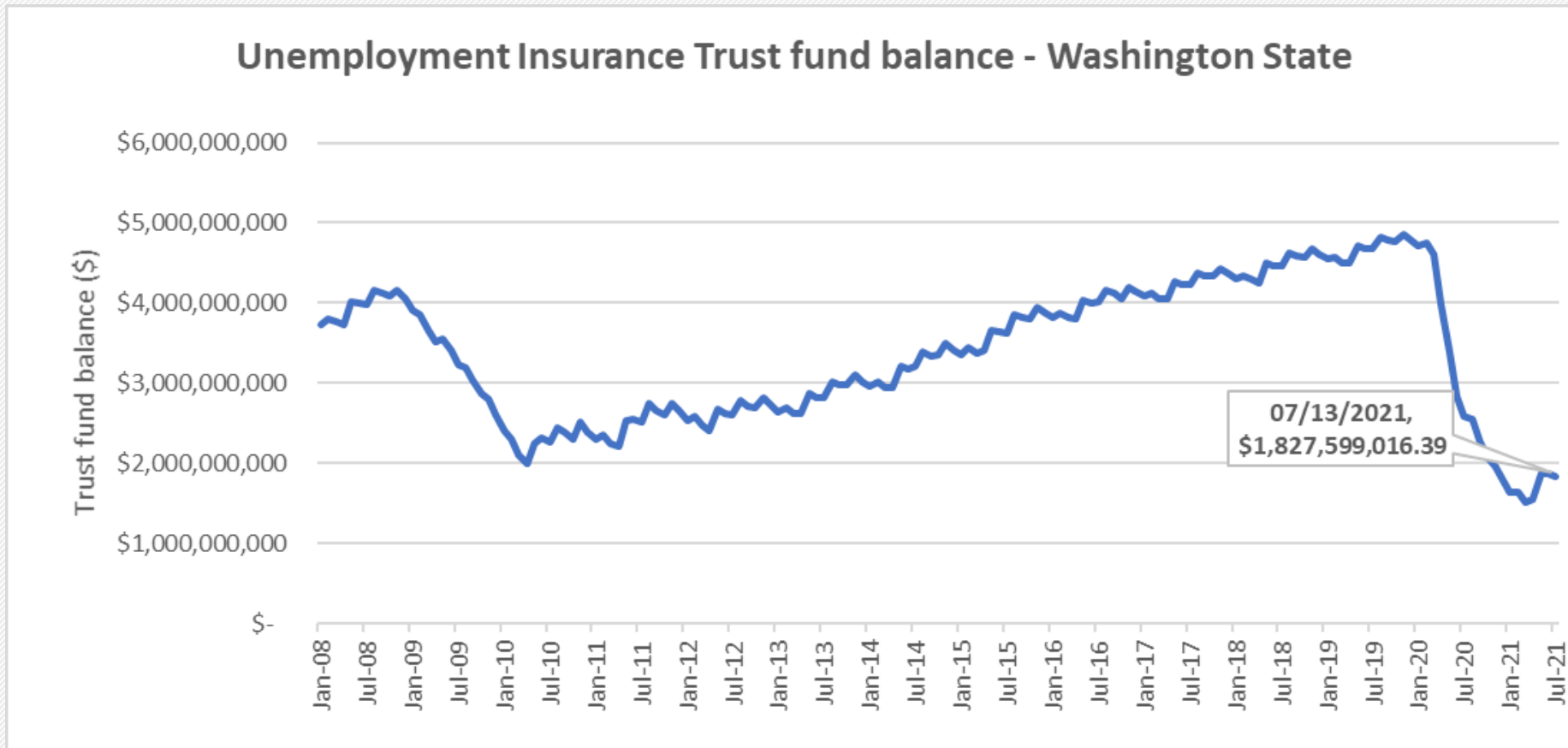
Months of Benefits Calculation (7/13/21)

Trust Fund Balance: $1.83 billion

Total Wages: $196 billion

Reserve Ratio (RR): $\left(\frac{\$1.83 \text{billion}}{\$196 \text{ billion}}\right) * 100 = 0.93$

Average High-Cost Rate (AHCR): 2.44

Months of Benefits: $\left(\frac{0.93}{2.44}\right) * 12 =$ **4.6 Months of Benefits**

UI Quality Assurance

Unemployment Insurance Advisory Committee Presentation

July 14, 2021

Joy Adams, UI Quality Assurance Manager

Nicole Sherman, Benefit Process Team Supervisor

Employment Security Department

UI Performs

- "UI Performs" is the unemployment insurance program's performance management system. The goal of UI Performs is cooperative management, planning, and oversight leading to increasingly effective, consistent, efficient service for workers and employers.

- UI operations are comprised of benefit eligibility determinations, payments or denials, an appeals system, employer wage reporting and tax collection, and trust fund management.

- Performance deficiencies where states do not meet the established US Department of Labor (USDOL) Acceptable Levels of Performance (ALPs) are addressed through the State Quality Service Plan (SQSP) process. The SQSP serves as the performance document and the grant document through which states receive administrative funding.

How UI Quality Assurance Is Organized

Process Review Team

- State Quality Service Plan (SQSP): Annual contract established between state and USDOL to plan, record and manage improvement efforts as the states strive for excellence in service.

- Tax Performance System (TPS): Monitors all tax functions throughout the year to provide objective information on the quality of existing revenue options and systems operations.

- Ad-hoc program monitoring: Additional response needs for extraordinary programs (e.g. pandemic benefits programs); other requests and reviews by regional and national office.

Case Review Team

- BAM (Benefit Accuracy Measurement): Random sample of 480 claims per year to determine the accuracy of paid and denied claims within the UI program.

- BTQ (Benefit Timeliness and Quality): Quarterly sample of 100 claims scored to determine timeliness and quality using USDOL performance standards.

Responsibilities

- Report performance to USDOL using a variety of secure data sources

- Respond to USDOL information requests timely and efficiently

- Address any findings identified by USDOL and internal monitoring done by the UI Quality Assurance unit

- Work with agency leadership and operations staff to create corrective action plans (CAPs) to address findings

- Develop and track milestones to address program CAPs

- Work with USDOL and agency leadership to report out on all CAPs through the various secure data sources