



Unemployment Insurance Advisory Committee

Meeting details

Date: Wednesday, July 24th, 2024

Time: 10:00am - 12:00 pm

Location: Zoom

Committee members and alternates present

Employee Representatives

- Josh Swanson, Operating Engineers 302
- Brenda Wiest, Teamsters 117

Employer Representatives

- Bob Battles, Association of Washington Business
- Katie Beeson, Washington Food Industry Association (alternate)
- Josie Cummings, Avista
- Julia Gorton, Washington Hospitality Association

General Public Representatives

- Anne Paxton, Unemployment Law Project
- William Westmoreland, Pac Mtn WF Dev Council

ESD staff

- Joy Adams
- Matt Buelow
- Danielle Cruver
- Joshua Dye
- Vaughn Ellis
- Stephanie Frazee
- Camille Galeno
- Colin Helsley
- Matt LaPalm

Committee members and alternates absent

- Monica Holland, Northwest Justice Project (alternate public rep)
- Sybill Hyppolite, Washington State Labor Council
- Allyson O'Malley-Jones, Northwest Justice Project
- Cindy Richardson, UNITE HERE Local 8
- Joe Kendo, WA State Labor Council (employee rep)

- Lawrence Larson
- JR Richards
- Eve Sheng
- Stephanie Sams
- Jeremy Satre
- Dan Zeitlin

Summary

Meeting Recorded

This meeting was [recorded](#) and livestreamed by TVW.

Welcome and Opening Remarks

Committee chair JR Richards welcomed everyone to the meeting and asked committee assistant Colin Helsley to call roll.

Agenda

JR reviewed the following agenda items (also see Addendum I)

- Approval of June 26, 2024, meeting minutes
- UI Program Evaluation & Decision Package Context – JR Richards
- UI Customer Improvement Operations – JR Richards
- UI Customer Improvement Product – Matt LaPalm
- Customer Compliance Intro & UI Relationship – Matt Buelow
- UI Navigators Community Partnerships - Stephanie Sams
- Other ESD Decision Packages – Caitlyn Jekel
- Public comment
- Adjourn

Meeting Minutes

JR requested that committee members review the June 26, 2024 draft UIAC meeting minutes and provide their feedback. Bob Battles moved to approve the minutes. Josie Cummings seconded the motion. All in favor said “aye”. No members were opposed. The June 26, 2024 meeting minutes were approved.

JR turned the meeting over to Dan Zeitlin, Chief of Staff, ESD. Dan recapped the presentation given at the previous meeting by himself and Danielle Cruver, ESD’s CFO, about state and federal resources for UI and other programs. Dan added that during this meeting JR Richards will walk through some process improvements intended to make the program work more effectively and equitably for claimants and employers, and that two main decision packages in process for the UI program will also be covered. Dan then projected a topic for the August 7th meeting: a discussion on the revenue needed to fund the agency’s programs and a proposal to bring in that revenue.

UI Program Evaluation & Decision Package Context

Dan handed the meeting back to JR who spoke about the UI program evaluation and decision package context using the following slides.

UI Program Evaluation

- Analysis of existing resources (federal and state) investment across ESD and the impact on customer service.
- Peak season mitigation strategy.
- Decision Package (customer service improvement plan).
- Legislative report (due November 1).

UI Program Evaluation

Immediate Actions

People	Streamline ID verification	Systems
Adjusted internal processes to save staff hours	Established compliance division	Made work search log optional in eServices system
Cross-trained across the division	Established ability to verify identity in-person at WorkSource	Eliminated 2-day hold
Implemented CBO UI navigator program	UI Call center / customer compliance division collaboration	Performance dashboard
	Reduced indicators impacting false positives	

Improving Service Delivery Gaps and Access to Unemployment Insurance Services

Performance Outcomes	Goal Level of Performance	2023 Performance	Peak Season Performance*	Current Performance**
Customer Calls Answered Timely	80% of calls answered within 20 minutes	32%	41%	51%
High Call Volume Unique Callers	0 during non-peak Limited during peak	299,241	237,085	52,263
First Pay Promptness	≥ 87%	55.3%	56.7%	68.7%
Non-Monetary Determination Timeliness	≥ 80%	55.3%	52.6%	56.9%
Improper Payments	< 10%	10.8%	10.5%	TBD

*Peak season October 2023 – March 2024

**Current Performance April 2024 – June 2024

Recording timestamp **00:22:00**

Question from Josie Cummings: asked what is the average amount of time customers wait on calls that are not 20 minutes?

JR Richards' answer: we have this data and I can follow up and provide this. Right now, the average is around 20 minutes. This goes up during peak season due to call volumes being higher.

Follow-up question from Josie: is this average comparable to pre-pandemic years?

JR's answer: wait times are on par with past years, especially during peak. We're not staffed or funded to staff to the level that we need to cover call volumes during peak season. Wait times are comparable. What's really different is the number of calls coming in. We've seen a significant change in claimant behavior and a higher number of calls for various reasons like getting stuck in the system, concerns about fraud, etc.

JR then gave an overview of the decision package outlined in the following slides.

The image shows two presentation slides. The top slide has a dark blue header with the title "Improving Service Delivery Gaps and Access to Unemployment Insurance Services". Below the header, it contains a "Funding Proposal Introduction" paragraph, a "Challenges" section with three bullet points, and a "Proposed Solution" paragraph. The bottom slide has a similar dark blue header with the same title and a logo on the right. It features three bullet points under "UI Benefit Intake Staff", "Employer Services Staff", and "WorkSource Staff". A blue callout box on the right side of the bottom slide states "99 FTE Total = \$11.6 Million annually".

Improving Service Delivery Gaps and Access to Unemployment Insurance Services

Funding Proposal Introduction: The Employment Security Department (ESD) seeks additional funding to bolster our Unemployment Insurance (UI) services. Our goal is to bridge the gap between federal revenue, existing state resources, and the staffing needs within our UI Customer Service and WorkSource teams.

Challenges:

- Federal funding currently covers only approximately 72% of the costs to operate the state's UI program.
- Long wait times and service backlogs impact claimants and employers alike.
- Our existing staffing levels fall short of meeting customer expectations and USDOL performance standards.

Proposed Solution: We propose ongoing funding to hire additional staff in UI Benefits, Employer Services, and WorkSource offices. These dedicated professionals will provide direct customer service support both in person and over the phone. Coupled with process and system improvements, this investment will elevate program performance to meet acceptable USDOL standards and enhance the overall customer experience.

Improving Service Delivery Gaps and Access to Unemployment Insurance Services



- **UI Benefit Intake Staff:**
Create five new Intake teams who will focus on answering customer calls and email for initial claims, weekly inquiries, and eligibility issues. These experts will bolster customer support and streamline access to essential services.
- **Employer Services Staff:**
Employer services workload has increased steadily the past 3 years. This ask reflects the staff needed support the increase in employer calls, registration and tax filing to keep within acceptable performance levels.
- **WorkSource Staff:**
Provide meaningful UI assistance in-person at local WorkSource offices across the state. These staff would help with UI navigation, general questions, and increasing access for claimants. Additionally, it will provide scalability to support the workload increase during peak season.

99 FTE Total = \$11.6 Million annually

Recording timestamp **00:30:57**

Question from Josh Swanson: If the general fund dollars received last cycle are not carried forward, would the funding from this package help backfill that delta?

JR Richard's answer: the general fund state was one-time funding and does not carry forward. This decision package would bring on additional FTEs to meet needs.

Dan Zeitlin added due to the nature of the pandemic we had a sudden drop in federal funding where we would normally have a slow decline, so yes that funding filled the gap, but this proposal and our decision packages in totality would be filling that plus more. What we're showing here is an add to the UI program for better customer service through staff services.

Follow up question from Josh: So, your claims adjusters are appropriated and essentially bound within your appropriation levels. You can't fluctuate depending on the circumstances?

Dan Zeitlin's answer: Yes, and theoretically we're planning for a year given whatever the economic conditions are. If the economic conditions worsen, even though it's delayed the formula from the Feds adjusts so we get more federal coming in. So, theoretically, that's the reason to do it that way. The bottom line is yes, we're budgeted for X amount of CPP for X amount of FTE.

UI Customer Improvement Product

JR Richards then turned the meeting over to Matt LaPalm, Interim Product, Planning and Performance Director, ESD who used the following slides to provide an overview of the technology decision package intended to support the UI program and further improve service delivery gaps and access to UI services.



The image shows two presentation slides. The top slide has a dark blue header with the text 'UI Customer Improvement Product' and a blue icon of a stylized 'E' on the right. The main content area is light grey and contains two bullet points: 'Background: The Employment Security Department (ESD) plays a critical role in supporting individuals and employers through the UI system. Benefits are managed by a software application called UTAB, developed by FAST Enterprises.' and 'Challenge: UI claimants and employers have poor experiences navigating our benefit management system, resulting from outdated software, technical debt from earlier projects and overly complex business and system processes.' The bottom slide has a similar dark blue header with the same title and icon. Below the header, it states 'The Employment Security Department (ESD) seeks additional federal funding to improve the customer and staff experience in Unemployment Insurance.' followed by a section titled 'Proposed Solution' with four bullet points: 'We will upgrade UTAB to the newest version, called Core21.', 'While updating, we will improve business and technology processes to directly improve UI program performance measures.', 'We will develop a long-term technology and process improvement plan for the entirety of the UI program.', and 'We intend to ask for federal Reed Act funding for this decision package.' with two sub-bullets: 'This project will have 25 dedicated ESD FTE's and 5 additional FAST Contractors' and 'We expect this project will cost \$6.4 Million in FY 26, and \$3 Million in FY 27'.

Recording timestamp **00:41:36**

Question from Bob Battles: Will these technology improvements put a band-aid on the problem, or will this be a substantive change that can grow with future systems?

Matt LaPalm's answer: We are looking to the future with this investment. This is a meaningful improvement in the platform that we're using right now. It's familiar to our agents so we get a real advantage by staying on this platform and making this improvement at this time.

Follow up from Bob: Does this address the mobile access problem? And is the 18-month timeframe because you're going to need new technology, or is that because you're just making process improvements?

Matt LaPalm's answer: Yes, this directly addresses the mobile friendliness of our benefit claim management system. As far as the 18-month estimate is concerned, after lengthy discussion with our partners at Fast and our internal teams and after looking at other states that have made this transition, we feel like this is the right level of investment. It gives us some time to make meaningful, lasting improvements to our internal processes and to make some changes to our business process before making a technological improvement, so that we're not just lifting and shifting something that's broken. We want to improve it and move it into this new platform. So that allows us to do this, and those costs are contained in the 18 months.

Customer Compliance Intro & UI Relationship

Matt Buelow, Customer Compliance Director, ESD provided an overview of ESD's Customer Compliance Division using the following slides.

Customer Compliance

- Employer audits
- Fraud prevention, detection, and investigations
- Collections
- PFML illegal acts investigations
- UI online access support

Customer Compliance

- Integrate compliance activities across programs
 - Consistent customer experience and outcomes
 - Gain efficiencies across programs
 - Consistent and comprehensive fraud detection tools and investigations
 - Timely and accurate determinations
- Examples:
 - One audit for three programs
 - Shared fraud detection - use the same intelligence to correlate attacks, combined incident management
 - Prevent receipt of benefits from multiple programs
 - Common repayment collection handling and escalations

Fraud

- Fraud landscape has changed significantly, and we must adapt accordingly
 - Identity fraud has increased significantly since start of pandemic
 - Currently less priority on administrative fraud
- Reduce legitimate customers flagged with an ID issue by refining crossmatches and additional technology improvements
- Increase avenues for customers to prove identity

Compliance goals and outcomes

- Benefits and customer service are highly accessible
- Outcomes across customer demographics are equitable
- Most Issues/Concerns are addressed with little to no staff intervention
- Acknowledge and design our processes and approaches for our most barriered customers
- Low rates of invalid payments
- Employer responsibilities are fulfilled with little impact on their business
- Interruptions or pain-points in the customer journey are exceptions
- We have the people, processes, technology, and culture to enable continuous improvement.

Next steps

- Decision package being worked on
- Will share with UIAC when ready

Recording timestamp **00:54:06**

Question from Bob Battles: What is being done to address the problem of dual payments? How do we solve both without letting one go? If someone is claiming both, they are committing fraud, or at least a very minimum, they need to be educated that they're doing it incorrectly.

Answer from Matt Buelow: One piece of this proposal is to create a small team whose only job would be to guide our customers to the right program depending on their circumstances. The goal is to

prevent dual payments rather than having to address them after the fact. We are finding that the majority are not fraud but you're right, they are overpayments.

Follow up from Bob Battles: Because both programs [PFML and UI] overlap, we need to make sure that we're at least coordinating those discussions.

Answer from Matt Buelow: Absolutely agreed. Thank you, Bob.

UI Navigators Community Partnerships

Stephanie Sams, UICS Policy & Legislative Implementation Manager, ESD, provided an update on the UI Navigator Program and a related decision package in the works for 2025.

UI Navigators & Community Partnerships

Purpose: Reduce barriers to UI by helping unemployed workers learn about, apply for, and if eligible, receive UI benefits and related services with an emphasis on workers who are from historically underserved and marginalized communities and adversely affected by persistent poverty and inequality.

Program design:

- Educate, inform, and prepare CBOs to design and create materials that are culturally and linguistically meaningful to their communities;
- Fluid and successful collaboration between ESD & CBOs while maintaining integrity of UI information and system;
- Recognize how each CBO is different and what their needs are to adjust as needed to be more inclusive and learn how to better serve these communities and beyond

UI Navigators & Community Partnerships



- 9 Community-based organizations awarded Jan 2024
- Federal-funded grant; period of performance ends June 2025
- Outcomes (January – May 2024)
 - 1,100 UI claimants served
 - 60 education/workshop sessions
 - 2,400 engaged at events
 - 6,700 materials distributed
- 2025 Decision Package to continue community partnerships
- Chinese Information Service Center (www.cisc-seattle.org)
- Drivers Union (www.driversunionwa.org)
- Korean Community Service Center (www.kcsc-seattle.org)
- La Oficina (www.laoficina.biz)
- Native Action Network (www.nativeactionnetwork.org)
- Neighborhood House (www.nhwa.org)
- People for People (www.pfp.org)
- TRAC Associates (www.tracassoc.com)
- Washington State Labor Council (www.wslc.org)




No questions were raised.

Other ESD Decision Packages

Caitlyn Jekel, Government Relations director, ESD, provided an overview of other ESD decision packages using the following slides.

Other ESD Decision Packages



- **Paid Family and Medical Leave Caseload adjustment DP**
 - This is an annual maintenance level DP to adjust FTE to increased workloads related to increased program utilization
- **WA Cares Operations**
 - Policy level request for FTE to support the full implementation of WA Cares after the WA Cares system is complete
- **WorkSource Information & Technology**
 - Maintenance level request for ongoing maintenance and operations FTE
- **Service Corps Support**
 - Policy level request to offset program dollars for GF-S to support FTE who operate the program

Other ESD Decision Packages

- **Re-Entry Employment Services**
 - Policy level request in support of Gov. Inslee Executive Order and in coordination with Dept. of Corrections regarding justice impacted individuals and connecting them with employment services in every correctional facility upon release.
- **Economic Security for All**
 - Maintenance level request to consolidate funding under GF-S
- **Agricultural Workforce Services**
 - Maintenance level request to offset costs from state resource to GF-S
- **Website Modernization**
 - Policy level request to support the improvement and maintenance of ESD's customer facing websites

No questions were raised.

Committee Questions/Comments

JR provided an opportunity for any questions or discussion from committee members based on what was shared today.

Comment from Bob Battles: I look forward to the discussion on the 7th regarding these packages, and how we are going to address some of these on ongoing issues, and I appreciate you folks meeting with us and regularly informing us, and I look forward to that information.

Comment from Katie Beeson: I will second Bob. As a new committee member, it's been incredible how much transparency there is in this process. And how much we're integrated into helping make these decisions easier for your team. I'm really looking forward to a more robust conversation on the 7th.

Comment from Josh Swanson: I'd say the same as Katie and Bob. This has been extremely helpful to set the table for the conversation that's coming up, so I look forward to that.

Public Comments

JR reminded meeting participants that if they would like their comments captured in the meeting minutes to please email them to camille.galeno@esd.wa.gov.

No public comments were made.

Adjourned

JR thanked everyone for joining and adjourned the meeting.

Action Items

- Provide follow-up information to Josie regarding average time for calls that are not 20 minutes.

Next meeting

August 7th, 2024, from 1:00pm to 3:00 p.m. via Zoom.

Addendum 1



Agenda

Unemployment Insurance Advisory Committee (UIAC)

Wednesday, July 24, 2024 | 10:00 am - 12:00 pm | Via Zoom | 212 Maple Park Ave SE, Olympia, WA 98501

Time	Topic
10:00 am	Welcome from JR Richards, Director, Unemployment Insurance Customer Support, Employment Security Department (ESD) <ul style="list-style-type: none">o Agenda overview
10:05 am	Approval of June 26, 2024, meeting minutes
10:10 am	UI Program Evaluation & 2025 UI Decision Packages – JR Richards
10:15 am	UI Customer Improvements – JR Richards
10:25 am	UI System Improvement - Matt LaPalm
10:35 am	Customer Compliance Intro & UI relationship - Matt Buelow
10:50 am	UI Navigators Community partnerships - Stephanie Sams
10:55 am	Other ESD DPs - Caitlyn Jekel
11:25 am	Public Comment
11:30 am	Adjourn

For more information, please visit the UIAC website at <https://esd.wa.gov/newsroom/UIAC>

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Addendum II



Unemployment Insurance Advisory Committee

July 2024 – December 2024 Meeting Dates

Date	Location	Host	Notes
July 24, 2024 10:00 AM – 12:00 PM	Zoom	ESD	Recorded meeting
Aug 7, 2024 1:00 PM – 3:00 PM	Zoom	ESD	Recorded meeting
Sept 4, 2024 1:00 PM – 3:00 PM	Zoom	ESD	Recorded meeting
Oct 30, 2024 10:00 AM – 12:00 PM	Zoom	ESD	Recorded meeting
Dec 11, 2024 1:00 PM – 3:00 PM	Zoom	ESD	Recorded meeting

NOTE: Hosts may have the opportunity to present to the committee and bring invited guests as part of our meeting agenda.

Per vote of UI Advisory Committee members, meetings are being recorded as of 08/03/2020 meeting.

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