

Action area 2

Delivering high-quality customer service



Building Resilience:
A plan for transforming unemployment insurance

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Delivering high-quality customer service

Providing swift financial relief to individuals and families impacted by job loss is a central tenet of the unemployment insurance (UI) system, with federal regulations that require the timeliness of first payments and appeals being among the most prominent safeguards for claimants. Yet, the surge in UI claims during the pandemic, coupled with shortages of experienced staff and information technology (IT) challenges, caused severe backlogs and significant customer experience problems, including extended call wait times and unsatisfactory interactions with program staff,⁴⁷ and this remains a critical weakness of state UI programs. Payment delays can cause significant financial hardship, with research from the pandemic showing sharp spending reductions among workers who faced wait times for their initial payments of more than a month compared to those who waited for shorter periods.⁴⁸

Further, cumbersome applications and ongoing certification processes, including use of highly technical language or jargon, limited translation options, and a lack of mobile responsiveness, often deter eligible unemployed workers from accessing much-needed income support. While such deficiencies pose challenges for all who file for UI, they may be especially detrimental to individuals with limited proficiency with technology, low literacy, or low English proficiency. For example, in a June 2022 report, the Government Accountability Office (GAO) found that states' customer service challenges were especially difficult for speakers of languages other than English.⁴⁹

⁴⁷ Marla McDaniels and others, *Customer Service Experiences and Enrollment Difficulties Vary Widely across Safety Net Programs*, (Urban Institute, January 2023), www.urban.org/research/publication/customer-service-experiences-and-enrollment-difficulties.

⁴⁸ Diana Farrell and others, *Consumption effects of unemployment insurance during the covid-19 pandemic* (JPMorgan Chase Institute, July 2020), www.jpmorganchase.com/institute/research/labor-markets/unemployment-insurance-covid19-pandemic.

⁴⁹ Government Accountability Office, *Unemployment Insurance: Pandemic Programs Posed Challenges, and DOL Could Better Address Customer Service and Emergency Planning*, GAO-22-104251 (June 7, 2022), www.gao.gov/products/gao-22-104251.

With the availability of in-person services varying across states,⁵⁰ UI claimants face an uncertain environment when seeking assistance with common filing issues, leading to elevated call-center volume and an increase in claimant application errors.

These issues can also lead to payment errors, including both overpayments and underpayments. When individuals understand what they are being asked, they are more likely to answer accurately, and less likely to be paid benefits that are later found to be paid inaccurately. For example, clearer instructions and tools can enable individuals to accurately report part-time earnings within their benefit year—and errors in this type of reporting are one of the leading causes of overpayments.

Unclear communications and applications can also contribute to improper denial of benefits. According to Benefit Accuracy Measurement data, a weekly audit of paid and denied claims, and the Department of Labor (the Department)'s main data source on improper payments, the rate of UI claims wrongfully denied for job separation reasons has been edging upwards, growing from 7.6 percent in 2002 to 12.4 percent in 2022.⁵¹ The rate of claims improperly denied for nonseparation reasons was 11.6 percent in 2022, and has fluctuated between 11.0 percent and 21.5 percent over the same time period.

To address these challenges, the Employment and Training Administration (ETA) is undertaking strategies to assist states in their return to acceptable levels of program performance, and notable progress is already being made. For example, in Fiscal Year (FY) 2023, 69.1 percent of first payments for intrastate claims were paid within 14/21 days, up from 61.2 percent in FY 2022, representing significant recovery towards the acceptable level of performance of 87.0 percent.⁵²

⁵⁰ Government Accountability Office, *REEMPLOYMENT SERVICES: DOL Could Better Support States in Targeting Unemployment Insurance Claimants for Services*, GAO-18-633 (September 2018), www.gao.gov/assets/gao-18-633.pdf.

⁵¹ Department of Labor, Employment and Training Administration, *Calendar Year 2002 Benefit Accuracy Measurement Data Summary*, (2002), <https://oui.doleta.gov/unemploy/bam/2002/bamcy2002.asp>; (2022), https://oui.doleta.gov/unemploy/bam/2022/PIA_2022_Benefit_Accuracy_Measurement_Annual_Report.pdf.

⁵² The term “14/21 days” refers to the different standards for states depending on their waiting week status: 14 days after the first compensable week in the claimant’s benefit year for waiting week states and 21 days for non-waiting week states. In waiting week states, the first compensable week is normally the second week in the claims series, while in non-waiting week states, it is normally the first week in the claims series, hence the lower 14-day threshold for waiting week states. More information on the UI system’s core performance measures is provided at https://oui.doleta.gov/unemploy/pdf/Core_Measures.pdf.

The promptness of appeals decisions is recovering more slowly, with just 23.3 percent of lower authority appeals decisions issued within 30 days in FY 2023, compared to an acceptable level of performance of 60 percent.

Effective customer experience in the digital context occurs when unemployed workers can file an online UI application quickly, accurately, and with minimal staff intervention. Instructions and cues for claimants to navigate the system and access necessary services are comprehensive, in plain language, and offered in commonly spoken non-English languages. Claimants who need non-digital pathways, such as phone or in-person, are accommodated.

Good customer experience results in a well-informed claimant, more accurate and complete filings, and greater trust in the UI system, while also reducing administrative burden and waste for the state. As detailed below, the Department is executing a range of strategies to promote more accurate and efficient customer experiences within the UI system.

Strategies

Completed	
<p>2.1. Develop customer-centric recommendations for state UI programs (GAO-22-104251)</p>	<p>The Tiger Team initiative focused on partnering with states and multi-disciplinary experts to develop a set of recommendations to, among other things, enhance equitable access and improve timely delivery of benefits. This included simplifying language across state communications; streamlining translation services; improving and, where appropriate, increasing state in-person services; supporting states in making online platforms more accessible and easier to use; supporting states' enhanced collection and use of equity-based data; increasing community engagement, including through community-based partnerships; and leveraging promising practices across states.⁵³</p> <p>In particular, the Tiger Team initiative has encouraged states to leverage behavioral insights to enhance efficiency and improve customer experience.</p>

⁵³ Department of Labor, Employment and Training Administration, *Tiger Team updates* (June 2023), www.dol.gov/agencies/eta/ui-modernization/tiger-teams.

	<p>This includes implementing the National Association of State Workforce Agencies' Behavioral Insights toolkit.⁵⁴ Among other resources, the toolkit includes a list of strategies for states to employ to accelerate claimants' responses to information requests, to help claimants accurately report their employment history and earnings from employment, and to encourage compliance with work search requirements.</p> <p>The Department completed the Tiger Teams initiative with 36 states and the delivery of 378 state-specific recommendations. Additionally, the Department developed a reference site with best practice examples and a series of toolkits and training curricula that present step-by-step recommendations to improve customer service and equitable access to benefits.</p>
<p>2.2. Promote and support plain language activities</p>	<p>States are required to communicate to claimants any information that may affect their past, present, or future benefits. Such communications can cause undue stress if the information presented is confusing, written at an advanced reading level, or overly legalistic. Providing concise, reader-focused information helps alleviate burden on claimants and leads to a more positive customer experience.</p> <p>With this in mind, the Department is working with states to adopt plain language of vital UI documents, simplifying complexity for UI customers, particularly claimants, reducing errors, and enabling greater self-service with less intervention by state agency staff. To date the Department has worked with several states to identify and implement high-value plain language changes,^{55,56} and has developed a central repository of plain language resources to support and expedite state efforts in these areas.⁵⁷</p>

⁵⁴ National Association of State Workplace Agencies, *Behavioral Insights Toolkit*, <https://library.naswa.org/bitoolkit>.

⁵⁵ Department of Labor, Employment and Training Administration, *Language portfolio*, www.dol.gov/agencies/eta/ui-modernization/language-portfolio.

⁵⁶ Department of Labor, Employment and Training Administration, *Use plain language for claimant notices*, www.dol.gov/agencies/eta/ui-modernization/use-plain-language/claimant-notices.

⁵⁷ Department of Labor, Employment and Training Administration, *Plain language repository*, www.dol.gov/agencies/eta/ui-modernization/use-plain-language/plain-language-repository.

	<p>In addition, the Department has conducted a series of plain language webcasts, covering foundational concepts, organizational voice and tone, and how to conduct user research. Recordings of these webcasts are available on WorkforceGPS.⁵⁸</p>
<p>2.3. Give states actionable tips for adopting Robotic Process Automation (RPA) into current workflows</p>	<p>Using American Rescue Plan Act funding, the Department is helping states overcome initial barriers to non-intelligent automation tools like RPA, a form of business process automation technology that can significantly improve operational efficiency by handling manual, non-discretionary tasks⁵⁹ quickly and without error. The Department has been an important resource for states considering adopting RPA tools or looking to further develop existing use. The RPA Toolkit,⁶⁰ which was informed by state Tiger Team engagements, gives states actionable tips for incorporating this type of automation into their workflows. In addition, a recent blog post by the Department details how states can deploy RPA solutions to help them reduce administrative burdens associated with UI appeals workflows.⁶¹</p>
<p>Underway</p>	
<p>2.4. Support states in strengthening customer experience and IT metrics (GAO-22-104251)</p>	<p>The Department has prioritized customer experience (CX) through publication of Unemployment Insurance Program Letter No. 11-23⁶² and through resources it is providing to states through the Office of Unemployment Insurance Modernization.⁶³</p>

⁵⁸ Department of Labor, *Plain Language Webcast Series* (April 2023), www.workforcegps.org/resources/2023/04/UI_Content/Plain-Language-Webcast-Series.

⁵⁹ Non-discretionary tasks are typically activities that are performed or executed without the exercise of judgment or choice by merit staff; they are typically prescribed by a set of rules.

⁶⁰ Department of Labor, *RPA Toolkit Landing Page* (February 2023), <https://ui.workforcegps.org/resources/2023/02/16/18/32/RPA-Toolkit-Landing-Page>.

⁶¹ Jerrad Lee and Amelia Wellers, *Lessons from States on Using RPA to Manage Unemployment Insurance Appeals* (Department of Labor, Employment and Training Administration), www.dol.gov/agencies/eta/ui-modernization/new-tech/rpa-for-ui-appeals.

⁶² Department of Labor, Employment and Training Administration, *Announcement of Grant Opportunities and National Identity (ID) Verification Offering under the American Rescue Plan Act*, UIPL No. 11-23 (July 2023), www.dol.gov/sites/dolgov/files/ETA/advisories/UIPL/2023/UIPL%2011-23/UIPL%2011-23.pdf.

⁶³ Sylvie Williams, *Customer Experience Principles* (Department of Labor, Employment and Training Administration), www.dol.gov/agencies/eta/ui-modernization/blogs/cx-principles.

	<p>The Department is working to provide additional guidance and technical assistance to states on how to improve customer experiences, looking to principles in existing legislation like the 21st Century Integrated Digital Experience Act,⁶⁴ so that claimants can navigate the UI system with greater confidence and transactions can be completed more accurately and efficiently.</p> <p>The Department is promoting this within the context of five principles that ensure a better experience for UI claimants and reduce administrative waste for state agencies: mobile usability, accessibility thresholds, non-digital support offerings, plain language, and effective wayfinding.</p> <p>To help states apply these principles, the Department has provided direct instruction and assistance to states via a series of workshops and webinars. This includes providing strategies on how to identify and understand pain points within their UI system, how to implement continuous feedback loops and usability testing, and how to define and measure CX metrics, such as time to complete applications. For example, the Department developed a claim status playbook for states seeking to improve how they communicate statuses to claimants.⁶⁵ The Department also hosted a webinar in May 2023, which drew high attendance and representation from across states. As best practice recommendations are developed, the Department plans to offer additional technical assistance to states on how to deliver better customer experience and evaluate their IT systems against these measurements.</p>
<p>2.5. Promote responsible automation to streamline non-discretionary, repetitive tasks</p>	<p>The Department is working to support state agencies so they can leverage automation products to improve service delivery and strengthen program integrity, while also creating guardrails that protect staff and claimants, and adhere to key regulations regarding merit-staffing. Used correctly, states can leverage automation to reduce backlogs, minimize errors, accelerate claimant benefit receipt, and free up staff resources for more mission-critical work.</p>

⁶⁴ 21st Century Integrated Digital Experience Act, P. L. 115-336, 132 STAT. 5025, www.congress.gov/115/plaws/publ336/PLAW-115publ336.pdf.

⁶⁵ Department of Labor, Employment and Training Administration, *Communicate status to claimants*, www.dol.gov/agencies/eta/ui-modernization/claims-status.

	<p>In addition to the RPA Toolkit (see Strategy 2.3), the Department is identifying design considerations for tools and products that automate certain workflows through a prototyping partnership with Stanford University’s RegLab.⁶⁶ The Department is producing case studies and other documentation that will help states responsibly automate segments of their claims-processing.⁶⁷</p> <p>The Department is planning, where appropriate, to issue new guidance to specifically address the role of automation in UI programs, and the appropriate role of automation to assist merit staff in making decisions within the UI program.</p>
<p>2.6. Consider updates to unemployment compensation (UC) confidentiality regulations to better support UC stakeholders</p>	<p>The Department is considering comprehensive updates to the UC confidentiality regulations in 20 CFR 603. To inform potential updates, the Department issued a request for information in July 2023 and the comment period closed in September 2023.⁶⁸ The Department will consider the information received in response to the request for information (RFI) as it reviews the UC confidentiality regulations. The RFI asked for feedback on a requirement for states to disclose confidential UC information to the Department of Labor, Office of Inspector General for oversight and audits (among other topics). In addition, the Department requested feedback on several other items that states and stakeholders have raised over the years, including addressing questions around sharing information across the workforce system (including with local workforce development boards), the permissibility of sharing information with federally recognized Indian tribes, data warehousing, the use of contractors/subcontractors, and updates to recognize the evolution in IT.</p>

⁶⁶ Stanford’s Regulation, Evaluation, and Governance Lab (RegLab), <https://reglab.stanford.edu/>.

⁶⁷ A January 2024 post by the Department describes this initiative in greater detail: Nikki Zeichner and others, *Introducing Artificial Intelligence Adjudicator Assistance (AIAA): A Research Initiative Exploring Ways to Streamline Work for Adjudicators* (Department of Labor, Employment and Training Administration), www.dol.gov/agencies/eta/ui-modernization/aiaa.

⁶⁸ Federal-State Unemployment Compensation (UC) Program; Confidentiality and Disclosure of State UC Information, 88 Fed. Reg. 47829 (July 25, 2023), www.federalregister.gov/documents/2023/07/25/2023-15631/federal-state-unemployment-compensation-uc-program-confidentiality-and-disclosure-of-state-uc.

	This review may result in the development of a notice of proposed rulemaking aimed at revising the regulations in a manner that would address the evolution of both IT and the public workforce system and how such changes relate to the required and permissible disclosure of confidential UC data, including for bolstering program integrity.
Planned	
2.7. Update reporting on claims to enhance understanding of timeliness (GAO-21-191)	Related to the work on acceptable levels of performance, the Department will update its reporting on claimants. The Department continues to work on developing a new state report to collect data on the number of distinct individuals claiming regular UI benefits and other information, including the causes of claims processing backlogs such as identity (ID) verification issues. This recommendation responds to gaps in data and reporting identified during the Coronavirus Aid, Relief, and Economic Security Act program, and would fulfill a recommendation from GAO. ⁶⁹
2.8. Update the acceptable level of performance for timeliness measures	ETA will review and develop a plan to make any needed regulatory revisions to acceptable levels of performance concerning UI timeliness measures in light of the potential impact of new integrity controls, particularly ID verification measures.
2.9. Update timeliness and adjudication reporting	The Department is updating standardized reporting related to timeliness, which will help the Department manage towards timeliness standards and facilitate the monitoring of, and assistance to, states. ETA plans to develop a standard national definition for claims adjudication backlogs and standardized and transparent reporting to track states' progress reducing backlogs. Current definitions largely report the time it takes to pay benefits or make decisions, and not the number of pending claims or decisions.

⁶⁹ Government Accountability Office, *COVID-19: Urgent Actions Needed to Better Ensure an Effective Federal Response*, GAO-21-191 (November 30, 2020), www.gao.gov/products/gao-21-191.