



**Ohio House of Representatives Ways and Means Committee  
Ohio Department of Job and Family Services  
Testimony on H.B. 614: Study and Reform the Unemployment Compensation System  
Kimberly L. Hall, Director  
May 27, 2020**

Good afternoon, Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers and members of the committee. I am Kimberly Hall, Director of the Ohio Department of Job and Family Services. Thank you for the opportunity to be here today to discuss the application, processing and administrative infrastructure of Ohio's unemployment insurance system.

Based on recent headlines, those unfamiliar with our agency might be under the impression that all we do is manage the state's unemployment insurance program. In fact, we are also responsible for managing many other vital programs. In partnership with county agencies, we are on the front lines of social service support. We manage foster care and adoption, child care, job training and employment services, cash and food assistance, child support, and child and adult protective services. Our programs help prevent child abuse and neglect, help young fathers become more engaged in their children's lives, and support grandparents who have taken on the full-time care of their grandchildren because their own children could not. We touch every generation in Ohio.

The COVID-19 pandemic knocked our entire nation off the beam. Ohio has received well-earned praise nationally for its quick response efforts. We were the first state to close schools, and one of the first to close restaurants, after learning from the tragic experiences of China, Italy and other nations that reacted more slowly to the crisis. We know Ohio's quick actions flattened the curve and saved lives. However, like every other state in the nation, we experienced a surge in unemployment claims literally overnight as businesses suspended operations, and there was no time to retool our system for the historic onslaught.

We know that you are hearing from constituents about their difficulties with claims, problems getting through to our call center, and the brief unauthorized access issue discovered last week in the system built for us by Deloitte Consulting. I understand the frustration this is causing for hard-working Ohioans during an already stressful time. I listened to the testimony of Mr. McKinney, Ms. Shape, Ms. Holland, Ms. Howell, Mr. Taylor, and Mr. Reed. I want to personally extend my deepest apologies to each of them and share my appreciation that they took the time to testify about their experiences. These are not acceptable service levels for an agency whose very mission is to assist those in need.

I am not here today to offer excuses. I want to provide context and share the actions we have taken and are taking to better serve Ohioans and keep gaining ground on this historic challenge. And we are, indeed, gaining ground every day.

I am very proud of the talented, competent and experienced team at ODJFS that have worked day and night on this unemployment crisis. We are fortunate to have among our leadership ranks an Assistant Director who is regarded as one of the nation's leading experts on unemployment policy, a Deputy Director with over 15 years of experience with our system and operations, and a Chief Information Officer with more than 14 years of public and private sector technology experience.

Since the start of the pandemic, ODJFS has paid more than \$3 billion in regular unemployment benefits to nearly 638,000 Ohioans. Of the million-plus claims that we have received, we have processed more than 92% of them, and only 7.3% are still pending. We know that each of those claims represents a person, and we will not rest until each one is served. Our goal is, as always, to process all claims that we receive within the 21 days required by the U.S. Department of Labor (DOL).

### **State and Federal Unemployment Benefits Program Overview**

*Attachment A – Unemployment Benefits for Ohioans During COVID-19*

*Attachment B – Ohio Job Insurance (OJI) Pre-Pandemic*

*Attachment C – Ohio Job Insurance (OJI) Today*

*Attachment D – Ohio Job Insurance (OJI) Near Future*

The nation's unemployment insurance system was created in 1935, in response to the Great Depression. From its inception, the system has been designed to provide short-term income to unemployed workers who lose their jobs through no fault of their own. It reduces the hardship families experience during periods of temporary unemployment and bolsters local economies by maintaining the purchasing power of the unemployed workers.

Unemployment insurance is financed by premiums paid by employers to both the federal and state governments. The employer taxes that are paid to states fund the actual benefits. The employer taxes that are paid to the federal government are intended to cover all administrative costs. Over time, however, a majority of states have been forced to assume an increasing percentage of those costs. In Ohio, the amount of state funds spent on unemployment administration increased from just over \$13 million in state fiscal year 2015 to more than \$31 million in state fiscal year 2019.

When employees are laid off, they apply for unemployment insurance. According to state law, to be eligible for unemployment benefits, individuals must:

- Be totally or partially unemployed through no fault of their own.
- Have worked at least 20 weeks in covered employment during their "base period," which, in most cases, is four out of the last five completed calendar quarters.
- Earned at least \$269 a week during their base period.

If the layoff is determined to be from a lack of work and the employee had sufficient earnings, they are eligible for benefits. The weekly benefit amount is typically half the claimant's previous wages up to a set maximum, based on the number of eligible dependents. Benefits are calculated by dividing the total wages for all qualifying weeks in the base period by the total number of qualifying weeks. For example, if you had \$32,000 in wages and 32 qualifying weeks, the average weekly wage would be \$1,000. That number would then be halved to \$500. Next, the number of allowable dependents would be taken into consideration. In 2020, the maximum weekly benefit for those with no dependents is \$480. For those with one or two dependents, it is \$582. For those with three or more dependents, it is \$647. The average unemployment benefit in Ohio is approximately \$380 a week. It can be received for up to 26 weeks, although in recent years the average has been only 14 weeks.

In response to the unemployment impact of the pandemic response, the federal government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which created three new programs:

- Pandemic Unemployment Assistance (PUA), which provides up to 39 weeks of benefits to many who historically have not qualified for unemployment benefits, such as self-employed workers, 1099 tax filers, part-time workers, and those who lack sufficient work history.
- Federal Pandemic Unemployment Compensation (FPUC), which provides an additional \$600 per week to existing benefit amounts for those in multiple programs, including regular unemployment benefits, PUA, Trade benefits, and SharedWork Ohio benefits.
- Pandemic Emergency Unemployment Compensation (PEUC), which provides up to 13 weeks of additional benefits for Ohioans who exhaust their maximum 26 weeks of regular unemployment benefits.

The CARES Act was signed into law on March 27. The U.S. Department of Labor (DOL) issued initial guidance quickly, but many questions pertaining to how states should design their delivery systems remained unanswered for several weeks. To date, the DOL continues to release guidance on an almost weekly basis clarifying state questions regarding specific provisions of the law.

The antiquated technology of our benefit system and call center have been our greatest challenge and disadvantage as a state. Our benefit system, Ohio Job Insurance (OJI), was implemented in 2004. It was never built for the claims volume it is now handling. It is one of about a dozen state systems that still use COBOL programming. All processing of correspondence, payments, claimant access, adjudication, and intake happens within OJI, and all of those functions were immediately impacted by the exponential volume of activity.

I mentioned early on that ODJFS is responsible for administering Ohio's multi-million dollar food and cash assistance programs – SNAP and Ohio Works First. Comparatively, the Ohio Benefits System that distributes those forms of assistance, is a cloud-based system. Three times in response to federal action during the pandemic, we have issued mass payments totaling more than \$80 million to approximately 480,000 households in the Supplemental Nutrition Assistance Program. The cloud-based system enabled ODJFS to issue each of those new distributions seamlessly, within just a few days.

During the final year of the Kasich Administration, ODJFS issued a competitive RFP seeking a vendor to replace not only OJI, but also our employer tax system – the Employer Resource Information Center (ERIC) – and our appeals system, RC Express. In December 2018, ODJFS contracted with Sagitec for a scalable, cloud-based solution that utilizes the Microsoft Azure infrastructure. The total cost is approximately \$86 million.

The system core is shared with other states to leverage the cost of enhancements and federal law changes. That work was underway when the pandemic struck. The tax system is expected to take 15 months to implement and the benefits system 26 months. There will be some overlap, for a total implementation timeline of 32 months. Despite delays due to our priority focus on current system enhancements, our goal is for the new system to be ready by 2022.

### **Scale of COVID-19 Unemployment Claims**

*Attachment E – Initial Unemployment Claims 2017-May 23, 2020*

*Attachment F – Initial Unemployment Claims and Total Benefit Payouts 2019-2020*

*Attachment G – Incoming Call Support, February-May 2020*

*Attachment H – ODJFS Staffing Growth: Full and Part-Time Employees, February-May 2020*

This experience has been unlike anything any of us have ever witnessed. During the Great Recession, new claimants entered the unemployment system gradually. When large employers were forced to lay off staff, our Rapid Response teams would often set up shop on site, to walk people through the process of applying for unemployment benefits, searching for work, and possibly taking advantage of retraining opportunities. This time, we were not able to provide that level of service. Instead of layoffs happening gradually, they came all at once, in a tsunami. Because the crisis was the direct cause of a public health emergency, setting up in-person, on-site rapid response teams was not an option.

Prior to the pandemic, unemployment claims in Ohio were at their lowest in decades. That literally changed overnight. On Saturday, March 14, 797 unemployment applications were filed. On Sunday, when the first round of closures were ordered, almost 12,000 claims were filed. On Monday, more than 36,000 were filed. Over the seven days between March 14 - 21, ODJFS experienced a nearly 2,700% claims increase, from just over 7,000 initial claims in a week, pre-pandemic, to more than 196,000. That number kept rising for three more weeks and was at more than 1.2 million as of May 23.

If you imagined the entire populations of Cleveland, Cincinnati, Toledo and Youngstown (more than 1,021,000 people) becoming simultaneously unemployed, and needing ongoing services, this would begin to illuminate the true scale of the claim volume we have experienced since the start of the pandemic. Approximately 17% of Ohio's civilian labor force has applied for unemployment benefits over the last two months. In seven weeks, our unemployment office received more applications than in the previous three years combined.

At the same time, and for very understandable reasons, the number of calls made to our call center increased exponentially. Prior to the pandemic, our typical weekly call volume was

approximately 20,000. In the first week after the closures, from March 14 - 21, that number expanded to 500,000. Since the beginning of the pandemic, our unemployment call center has received more than 7 million calls. We quickly learned that if we reduced the number of individuals able to wait in the queue, wait times would be shorter, but more people would be disconnected because of high call volume. If we increased the number able to wait in the queue, fewer would be disconnected, but wait times would be longer. Without a large pool of call center agents, this places the agency in an ongoing Catch-22.

Because unemployment claims were at their lowest in decades, staffing in the unemployment office was gradually reduced over the years to conserve state resources. Ohio's low unemployment rate triggered a reduction in federal administrative funds. As a result, our unemployment office significantly reduced its workforce, by nearly 200 employees through attrition. When this emergency began, only 553 people worked in unemployment, and our call center was comprised of only 40 full-time agents. To put that in perspective, in 2009, during the last recession, 1,422 people worked in our unemployment office. This year we have seen more initial claims than in all of 2009, but we started this pandemic with a third of the staff.

Since mid-March, we have implemented many strategies to respond to the call volume – including adding more self-service features and adding more than 10 times the number of full-time agents – but still we have been able to answer fewer than 40% of calls. This is unacceptable to all of us. We have calculated that we would have needed at least 50 times our pre-COVID-19 level of full-time agents to meet the peak volume of calls.

In addition, as we worked to manage the scale of the service demand and understand the requirements of the new federal unemployment programs, our IT team was working to quickly transition our 2,200 employees across the entire agency to remote work locations. Although we managed to have all staff transitioned by the end of March, this effort presented its own logistical challenges. We deployed hundreds of laptops, desktops, headphones, cell phones, and software packages to our employees, as well as to external agency volunteers, so they could help take calls. We also deployed thousands of soft token VPNs to provide network connectivity to all of the call center agents so they could take calls from home. At the same time, we provided both guidance and IT resources to the 150-plus county and local workforce agencies in our network, to support their transition to remote work. To date, we have provided local agencies with 436 laptop computers and 5,172 VPN tokens, and more resources are on the way.

## **Claims Determination Process**

*Attachment I – Simple vs. Complex Claims*

*Attachment J – Navigating Ohio Unemployment During COVID-19*

We all have received questions from constituents who are understandably frustrated with the complexity of the claim determination process and the length of time it may take to obtain a decision. I would like to take some time to explain the review and determination process for unemployment claims, which we formally reference as “adjudication.”

As I stated earlier, in normal times, the unemployment system is funded by employer taxes. Unemployment is an insurance program. The taxes are used to pay claims in times of need. When someone submits an application for unemployment benefits, the law requires all the facts of the case to be thoroughly examined to ensure that only those eligible receive benefits. It is not unlike what happens with any other insurance claims process. For example, when there is a car accident, an insurance adjuster must inspect the damage and investigate all the particulars of a case before determining whether a claim can be paid.

With unemployment insurance, the process is very similar. When someone submits a claim, all the information must be verified: their name, Social Security number, employer information, wages earned, etc. Then a claim adjudicator must determine (1) whether the individual is eligible for unemployment benefits, according to state and federal rules and laws, and (2) their weekly benefit amount. After these determinations are made, and if the person is approved to receive benefits, the payments are processed in batches. Individuals receive payment either by debit card or direct deposit, depending on their preference.

Sorting out the facts of each case takes a high level of technical skill and a fair amount of experience. It can take a number of months, if not the better part of a year, to become truly proficient at claims adjudication. Simple claims – for example, those filed with mass-layoff numbers, with all information entered correctly and no additional investigation needed – can be adjudicated fairly easily and, in good times, processed in as little as a week. Others take more time. Recognizing this, the U.S. Department of Labor has the expectation that most claims be processed within 21 days (three weeks).

Governor DeWine's Executive Order lawfully waived work-search requirements for the duration of the emergency, while keeping program integrity a priority, and our COVID-19 mass-layoff number allowed our office to bypass many processing hurdles. However, the federal government did not grant state legislatures or governors the authority to waive any of the numerous additional eligibility requirements that are a part of the determination process. For each claim, information is required from both the individual filing the claim and the individual's most recent employer.

Earlier, I mentioned that only 7.3% of the claims we have received since the start of the pandemic are still pending. More than half of those have been filed since the beginning of May. The majority – approximately 72% – have at least one issue requiring further investigation. The most common issues investigated are:

- Identity verification
- Monetary weeks and wages
- Prior claim issues
- Interstate claims
- Allowable separation (i.e., ensuring that the claimant is unemployed because of a lack of work, and not because they quit or were discharged)

- Deductible income (which must be taken into account if the claimant is working part-time)
- Overpayments
- Fraud
- The requirement that claimants be able and available for work.

Since the earliest days of the pandemic, identity verification has been one of the most significant challenges states have faced. Applicants' Social Security numbers must be verified with the Social Security Administration (SSA). The SSA was unable to handle the enormous claims load nationally, and this resulted in an instant bottleneck for all states.

Proving monetary eligibility for unemployment benefits also takes time. This is especially true for employees who receive tips, which may or may not have been reported as wages. Another complicating factor can occur if applicants had prior unemployment claims that have since expired. In those cases, they must prove that they worked in covered employment since the beginning of the prior claim year to reestablish themselves as a worker.

Interstate claims also are time-consuming because they require information to be obtained from other states' agencies. In order to establish an individual's monetary entitlement, the office must include all wages covered in the prior 18 months. If a claimant worked out of state, the office must request confirmation of the wages from the other state. We do this through the national Unemployment Insurance Interstate Connection Network (ICON). The ICON hub has struggled to process the national surge in volume. Of course, other states are also experiencing their own technology and volume challenges, and this makes out-of-state requests rather low priorities. In normal circumstances, an interstate claim can easily add two weeks to a claim's processing time. With this volume, the time for processing has more than doubled.

The PUA program adds another layer of complexity. Self-employed individuals may not meet the monetary requirements to establish a regular claim because their wages may not be considered "covered" under unemployment law. If some or all of their income is reportable via W-2 forms, they may qualify. However, if their income is reportable only through 1099 forms, they should apply for PUA instead.

Given the current circumstances, these rules can seem like unnecessary obstacles, but they are legally required and serve two important purposes. First, if benefits are provided to individuals who are not eligible for them, employers can be charged for those benefits, and this can lead to an increase in their tax rates. During this time when so many businesses are struggling, we want to be mindful of the impact of an additional tax burden.

The second purpose is fraud prevention. Although we do not believe that fraud is rampant, we do know that it occurs. Since early April, we have identified approximately 1,500 instances of fraud in the unemployment program. You may have heard the recent news of an organized crime ring submitting fraudulent unemployment applications primarily in the Pacific Northwest. We know that fraudsters strike when the opportunity is high, and in times of crisis, the opportunity unfortunately presents itself. The DOL frequently reminds states about their program integrity

obligations, and the U.S. Office of Inspector General has issued a preliminary report of concerns and begun an investigation into states' implementation of the PUA program.

I provide this information to explain that claims verification and adjudication do take time. In times of regular claim load, the DOL's expectation is that claims be processed within 21 days. Earlier, I mentioned staffing levels. At the start of the pandemic, we had only 190 adjudicators determining eligibility for claims. Not surprisingly, we fell behind. On April 3, we notified applicants that we were at least one week behind schedule in both processing claims and distributing payments, that benefits would be retroactive to the date they became eligible, and that any delays in processing would not affect their total benefit amount.

### **Response Strategies Implemented**

From the outset of this unemployment crisis, ODJFS enlisted the best minds in the business to help us stabilize and scale up as much as possible in an effort to meet the demand. Many private sector partners have assisted, at a total state investment to-date of more than \$37 million. Amazon Web Services has provided expanded call center capability through its cloud infrastructure. CBTS has increased capacity and implemented dedicated servers for our call center. CBTS has provided technical support for an Interactive Voice Response (IVR) expansion, text-to-speech enhancement, and call center operations support. IBM, Adobe, Strategic Systems, and Deloitte have provided ongoing technical assistance for the OJI system. Distance Interactions and Robert Half have provided approximately 250 call agents. Deloitte Consulting has provided 150 PUA call center agents. Progressive Insurance has provided 100 volunteer PUA claims adjudicators.

Accenture has provided call center operations consulting support, as well as project management services. Salesforce and Twilio are developing an option that could potentially allow claimants to file their weekly claims via text with their mobile phones. Strategic Systems has provided staffing and consultation services.

In addition, the Ohio Department of Transportation helped us quickly provide call center software to new state and contracted agents via a virtual desktop, and various other state agencies provided hundreds of volunteers for basic call center support. With this partnership assistance, we have implemented sweeping strategic improvements to our system, claims determination process and our call center operations.

### *System Improvements*

Our IT team began working around the clock to streamline performance and boost capacity. They started by maximizing infrastructure capacity 20-fold. They also have since updated code, changed business rules, and adjusted batch processing protocols, and they continue to refine and further adapt the system to manage the volume. Although OJI is sturdy, it is not agile. Overall, it has performed, but not without continuous monitoring, modifications and repair.

To ease strain on the aged system and streamline processing, our IT team implemented the following additional strategies:

- Programmed more than 5 million “data fixes” to force claims to take a different path and avoid adjudication.
- Increased website connections from 1,200 to 24,000 nodes.
- Entered into an agreement with Deloitte Consulting for analysis and recommendation of OJI performance enhancements.
- Built a new landing page for our unemployment website to make it easier to navigate and to provide clearer information to claimants, with prominent answers to frequently asked questions.
- Implemented a “chat bot” that allows users to ask general questions of a virtual assistant and quickly get the information they need.

When the federal CARES Act was signed, we recognized that OJI would not be able to handle the claims load for the new PUA program, and so we looked to the private sector for assistance. Our initial outreach for a solution consisted of three companies. We researched commercial off-the-shelf products, as well as the experiences of other states. Deloitte was the only company that had a production-ready PUA system available, and it was already being launched in Colorado and New Mexico. We determined that this would be the best solution for Ohio.

Because some tailoring of the Deloitte system would be necessary for it to work in Ohio, and to help us prepare for its eventual launch, we engaged external support to develop a pre-registration portal. This gave claimants the opportunity to get in line early and pre-register their accounts, so that as soon as we had the technical ability to process their claims, they could log in and complete their paperwork. We also established a dedicated phone number and call center for PUA applicants, with automated answers to frequently asked questions. Once the full PUA website was live, Progressive Insurance provided 100 agents and supervisors to perform claims adjudication.

The CARES Act was signed on March 27, and our PUA application was available six weeks later, by May 11. This is record time for the development and implementation of a new IT project with such an expansive scope. So far, ODJFS has paid nearly \$540 million to more than 95,000 PUA claimants.

Unfortunately, as I mentioned earlier, there was a brief unauthorized data access issue last week. Deloitte notified us that about two dozen individuals inadvertently had the ability to view other PUA claimants’ correspondence. Once this issue was identified, Deloitte corrected it within one hour, and we contacted the individuals who had the accidental access. Although there is no evidence of any widespread data compromise, we have contacted all claimants impacted, and Deloitte is offering credit monitoring to all PUA claimants for 12 months.

I assure you that we hold the confidentiality of claimant data in the highest regard, and we agreed with the immediate steps that Deloitte took to prevent any unauthorized PUA access in the future. It also is important to note that this situation was not unique to Ohio. Similar data access

issues happened in Colorado and Illinois, two other states that contracted with Deloitte to build their PUA systems. In addition, we have no reason to believe that anyone used the brief time they had access to the data with malicious intent.

Deloitte also is working to correct a known system issue in which some individuals who are eligible for PUA are prevented from applying if they are monetarily eligible for regular unemployment benefits but were denied for other reasons and meet PUA eligibility criteria. This includes those serving penalty weeks in the regular unemployment program. Deloitte is working to build the necessary interface to allow them to apply. In the meantime, we are advising anyone who believes they may have been improperly prevented from applying to call the PUA Call Center.

### *Claims Determination Improvements*

We also implemented numerous strategies to streamline claims determination, as much as possible within the bounds of state and federal law. These included the following:

- Assigned a mass-layoff number to all COVID-related claims to reduce or eliminate the need to obtain additional information from employers.
- Hired 22 former claims adjudicators who had retired and another 38 who had previously transferred to our Office of Workforce Development, bringing our total number of adjudication staff up to 248 from the pre-pandemic level of 190.
- Relieved adjudicators from other duties so that they can focus solely on processing applications.
- Tripled the number of staff responsible for indexing digital mail and associating all mail with the correct claims.
- Added step-by-step claim-filing instructions and frequently asked questions to our website.
- Developed a toolkit to help employers, unemployed workers and workforce partners navigate the resources available to them. The toolkit explains how to file for unemployment benefits, what the law requires regarding WARN notices, and information about Trade Adjustment Assistance, SharedWork Ohio and other programs. This has been very well-received.
- Convened a think tank of internal cross-agency leaders to address system performance issues and brainstorm process flow improvements.
- Requested that individuals file weekly claims based on the first letter of their last name (A through H file on Sundays, I through P file on Mondays, and Q through Z to file on Tuesdays).
- Piloting this week with 10,000 claimants the ability to file their weekly claims via mobile text message.

### *Call Center Improvements*

Since mid-March, we have implemented more than 40 distinct enhancements to our call center, including the following:

- Added more than 10 times the number of full-time call center agents, through rehires, cross-training, third-party vendors, and assistance from other ODJFS offices and other state agencies. The number of full- and part-time call center staff is now 1,250.
- Required many of our employees to work mandatory overtime.
- Enlisted trainers to ensure front-line staff have the tools they need to be successful.
- Worked with a vendor to create a softphone option, allowing call center agents to handle calls via the internet.
- Simplified the call flow to reduce the number of options and tailored them to current concerns.
- Implemented a new IVR system to allow callers to retrieve information about their claim status and obtain answers to frequently asked questions without staff intervention, 24/7. This has allowed agents to answer more calls that require staff assistance.
- Increased our call center hours to 7 a.m. to 7 p.m. weekdays, 9 a.m. to 5 p.m. on Saturdays, and 9 a.m. to 1 p.m. on Sundays. We encourage individuals to call on the weekends, if possible, when call traffic is significantly lighter.
- Engaged with ODOT to deploy call center software via virtual desktop to agents.
- Added a call scheduling feature, allowing some callers to schedule a call back.
- Implemented a text-to-speech enhancement to reduce wait times.
- Expanded capacity by integrating Amazon Web Services cloud infrastructure.
- Enlisted 10 bilingual employees to assist Spanish-speaking claimants and trained all of our call center agents in how to access translation services so that all clients, regardless of their language, can be helped.
- Removed the zip code requirements from the PIN reset IVR to reduce errors, increased the computing resources available for PIN resets, and dedicated 40 staff to help with PIN resets when self-service was not possible.
- Added 220 live chat licenses to enlist more staff to help answer client questions via the live chat feature.
- Proactively calling individuals from our “repeat caller” list in an effort to resolve their claim issues.
- Launched a series of autodialer/email campaigns to keep our constituents better informed throughout their claim process.
- Implemented a “tier” system of call center agents to triage the call flow and take full advantage of volunteers and vendor staff that did not have the program knowledge to handle complex claim questions:

*Tier 1:* PIN reset, general FAQs

*Tier 2:* Initial and weekly claim intake and more specific claim questions

*Tier 3:* Complex specific claim questions for adjudicators

- Continue to increase our queue caps as our agent staffing capacity increases.

## **Moving Forward**

ODJFS is gaining ground on the unemployment crisis, and there is much more work to do. As I stated earlier, nearly 638,000 Ohioans are now receiving benefits, and that number increases every day. Because of the response strategies we have deployed, we have been able to pay more than \$3 billion in regular unemployment benefits and nearly \$540 million in PUA benefits since March. Our private-sector partnerships are being viewed as a best practice, and we have been asked to give presentations on our mass adjudication and data-fix strategies, which are novel concepts for many states.

Some states had more than 50% of claims pending at the end of April. Ohio has processed more than 92% of the million-plus claims that we have received. Despite this laudable figure, we are laser-focused on the 7.3% of initial claims that remain pending. Each of those claims represents a person in need who may be eligible for benefits. Our priority goal is to process all claims that we receive within the 21-day timeframe required by the U.S. Department of Labor.

I am proud of the heart and soul that our employees have put into helping claimants during this very difficult time. They also are frustrated by our inability to serve everyone fully and fast enough. They have been working long hours to answer questions, resolve claims and alleviate the anxiety of those they assist. Like you, we often hear from many who are understandably angry and worried— including our own family members and friends – but we also frequently hear from those who are supportive and who express appreciation for our efforts to overcome the monumental task at hand.

If I may, I'd like to share with you a few of those kind sentiments:

- Two union representatives from Ford plants in Lorain and Cuyahoga Counties sent a letter commending the work of our unemployment team. “We’ve sent them Excel files with hundreds of our members [names]... nearly every day since April 22<sup>nd</sup>,” they wrote, “and they have responded ... after 9 p.m. at night and over the Easter holiday, as well.... we cannot say enough good things about them.”
- “You blessed my day and my path,” wrote one claimant on a hand-written card that she scanned and emailed to “Cindy in Unemployment.”
- One woman thanked an employee who helped with her PIN resets via the chat feature: “I know this chat is for pin reset and you have gone above and beyond what you are required to do... we hear so much negative of ODJFS. It would be great to have others know the positives of this organization.”
- One of our claims adjudicators was referred to as “a breath of fresh air” by a woman she helped. Our employee was “so kind and helpful and very smart,” the woman wrote. “I do

not give out compliments unless I know they [are] truly deserve[d],” she wrote, noting that the adjudicator stayed on the phone with her for an hour and a half to resolve her claim.

- We were especially grateful to a Grove City claimant whose letter to the editor was published in the Columbus Dispatch. “I would like to send all of the people associated with the Ohio Department of Job and Family Services a well-deserved thank you for a job well done,” he wrote. “The system was never designed to handle the massive amount of applicants it got. Their devotion to the task is appreciated.”

Managing the mountain of claims that we have received has often felt overwhelming. These words of support are very energizing to me and my team, and we are grateful for them. I also appreciate the ongoing support and partnership of the members of the General Assembly in serving your constituents who have applied for unemployment benefits and in crafting solutions for the future. The federal government is examining how to provide more infrastructure support to the states going forward. A national solution is certainly needed, and we are closely following those developments. We are also grateful for the Controlling Board’s recent approval of the federal funding to support our ongoing efforts around reducing the number of pending claims and improving our ability to serve callers.

Each claim is important to me and my team. We understand the frustration that our website and call center issues have caused during what is already a stressful time. We also understand the urgency of providing Ohioans with the resources they need to support their families. We will not rest until everyone that is eligible for benefits is served – not only through our unemployment program, but also through the many other programs that we administer to help vulnerable individuals during difficult times. We are here for Ohioans in this pandemic response, and we will also will be here for them in the recovery, to help connect them to employment opportunities as we rebuild our economy.

Thank you again for the opportunity to speak with you today. I am now happy to answer questions.