



Simple, Stable, and Scalable:

The Evolution of Tennessee's Unemployment Insurance (UI) Benefits System

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Background

The Tennessee Department of Labor and Workforce Development (LWFD) went live with a new Unemployment Insurance (UI) Benefits System in May of 2016, with the intention of starting development on a new UI Tax System with the same vendor in the Summer of 2016. Shortly after the Benefits System went live, it became apparent that there were large-scale problems with the new system. Therefore, in early August of 2016, the UI Tax System was put on hold to stabilize the new UI Benefits System. Enough progress was made on stabilizing the UI Benefits System by July of 2017, that the administration approved restarting the development of a new UI Tax System. Work on the UI Tax System continued for over a year with little to no progress made, while there continued to be significant deficiencies with the UI Benefits System. LWFD and its partners at the State's centralized IT organization, Strategic Technology Solutions (STS), continued to raise concerns about the lack of progress by the vendor on the developing and maintaining UI Benefits and Tax Systems. In December of 2018, the LWFD decided the vendor was not capable of completing the development of the new UI Tax System, nor was it capable of stabilizing the existing UI Benefits System where it would be useable for claimants and efficient for staff to use. In January of 2019, the Department and their STS technology partners began looking at potential vendors for replacements of both systems.

Idea

After a few months of research, demos, and conversations with other states' UI Programs, the Department of Labor and Workforce Development began a process of contracting with FAST Enterprises (FAST) to develop new UI Benefits and Tax Systems. As negotiations were nearing finalization in mid-March of 2020, the COVID-19 pandemic hit and put the projects on hold. After more than a year of working through the pandemic, LWFD decided to issue procurement bids for both systems. The process of creating the Request for Procurement (RFP) began in June of 2021 and it was released for bid in December of that same year. After evaluating multiple vendors, FAST was selected as the vendor to develop the UI Benefits System. The contract was signed on September 16, 2022, and FAST had staff onsite on September 19, 2022 to begin work on the UI Benefits System project.

Approach

FAST follows a unique model for large-scale IT projects; they moved their assigned team to the project location to live and work in-person with the State of Tennessee. When the FAST team arrived onsite, it was decided that the UI Benefits team and IT partners in STS would work alongside the FAST team daily. Staff were divided into teams based on functional areas within the UI Benefits program and were seated together to foster a desired one-team approach. Subject matter experts from the Department, team leads and developers from FAST, and Business Analysts from STS worked together closely throughout the course of the project. The constant connection between vendor and State team members fostered a unique and dynamic work environment. This unique approach led to the collaboration of people with vastly different work experiences and ultimately to the successful development and launch of the Department of Labor and Workforce Development's UI Benefits system 17 months later.

The project management team was made up of individuals from FAST, STS, and LWFD UI Benefits program staff. FAST leadership handled the project timeline, methodology, and development while STS leadership focused on cloud infrastructure, interfaces, interface partners, data, and information technology security. LWFD UI Benefits leadership drove business process, procedures and removing internal barriers. Having leadership from each of the three areas allowed each to focus on their own areas of expertise and provide diverse perspectives to one another. Experience from previous projects resulted in a wide range of lessons learned that were accounted for throughout the course of the project.

With this being the second attempt at a modernized UI Benefits system, the LWFD was determined to learn from the mistakes of the first attempt. LWFD leadership made the decision prior to the start of the project to dedicate the very best employees it had to this project. LWFD chose to remove those employees from their day-to-day duties and allow them to focus 100% on the completion of the project, giving it the best chance for success. A usability study was completed including individuals and employers and feedback was incorporated into the new system. LWFD UI Benefits program staff for each of the units in the division completed testing on over 4,000 unique scenarios.

Goals

The primary goals of the new system development were to provide a simple, stable, and scalable unemployment insurance benefits system for all its users.



Simple:

- Ease of use for claimants, employers, and staff.
- Simple straightforward screens that are easy to navigate.
- Quick and easy processes for customers such as registration, claims filing, competing weekly certifications, and fact finding.
- Fewer clicks for staff to process claims and complete tasks.

Stable:

- The system is the same every day with no unexpected changes.
- Processes are intentional, documented, and followed once put into place.
- Communication to customers is clean, written in plain language, and consistent.

Scalable:

- The system was designed to be able to handle a large influx of users when there is an uptick in the unemployment rate.
- The tools, processes, and automations within the system can handle a large influx of claims and still process claims, complete tasks, and issue payments timely.

Implementation

Collaboration between FAST, STS, and the UI team took place throughout all phases of the project. Meetings were held early and often to map out all required and requested functionality within the system. Once development of each item was completed, it moved to business verification so that the UI subject matter experts (SME) could verify that it was designed and working as requested.

Testing of the system functionality started in June of 2023 and ran until go-live in February of 2024. More than 4,000 individual test scenarios were completed by more than twenty UI staff members who tested functionality that was specific to their work area. If a test scenario failed, it went back to the development team, was corrected, and then retested.

Three end-to-end testing passes were conducting from late November 2023 until just before go-live. These end-to-end passes were done to test all functionality, processes, batch jobs, and interfaces together in a production-like environment. FAST, STS, and UI staff worked together seamlessly throughout this process, with each being responsible for separate areas of testing. As tests failed, they were corrected and retested until they passed. These end-to-end passes put the project in a good position to minimize potential issues at go-live.

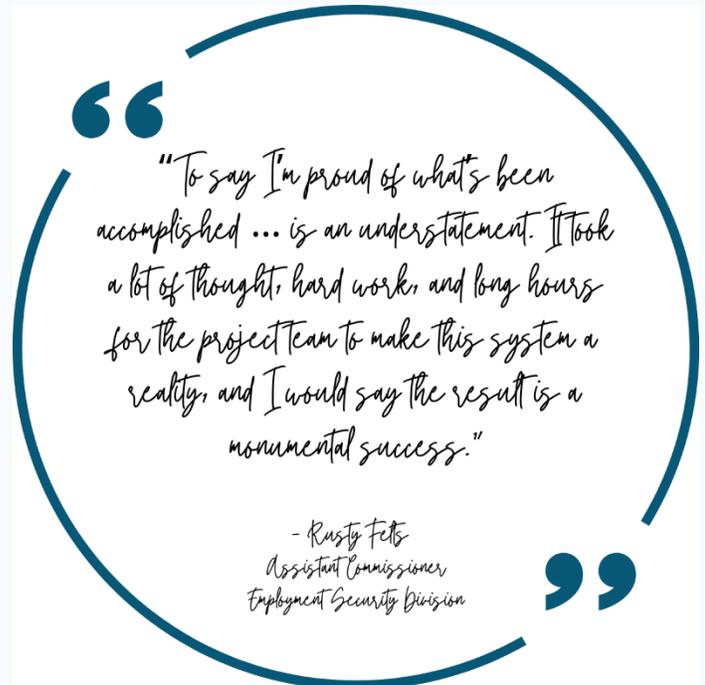
Multiple mock conversions were done throughout the course of the project. With each mock conversion, data would be verified, and any errors would be reported to the conversion team. Those errors would be evaluated, corrected, and retested with the next mock. Multiple mock conversions allowed for errors to be corrected, data to be cleaned in the legacy system, and missing data to be discovered. This put the project in a position to minimize potential issues with converted data at go-live.

Training began in December of 2023 with computer-based training exercises that the team could complete on their own to familiarize themselves with basic system navigation, and was completed with in-person, job-specific trainings for each UI staff member in early February of 2024. The in-person, job-specific training was conducted just before going live so that staff would retain the training material and be ready to hit the ground running with work on day one. When the system was taken offline for conversion, the UI staff were given access to a sandbox environment to practice performing day-to-day tasks.

At go-live, the full project team was made available, both in-person, and through Microsoft TEAMS channels to assist users as questions or problems arose. UI project staff returned to their units and were available in-person, and the FAST team manned the MS TEAMS channels that were specific to each functional area within LWFD UI Benefits. THE MS TEAMS channels remained online and available for staff to chat with FAST developers, team leads, and UI project staff for three weeks after go-live, until all the staff were comfortable in performing their day-to-day tasks.

Impact

For citizens, the updated UI Benefits System provides a user-friendly and intuitive interface, making it easier for Tennesseans to apply for benefits and access services. The modernized system is mobile-friendly, providing access to apply for benefits 24x7, 365 days a year. Real-time eligibility checks and interactive help allows claimants to check their eligibility and receive instant notifications which reduces uncertainty and increases transparency. Automated system chatbots also provide instant answers to common questions. For LWFD, the improved and responsive system reduces errors, and minimizes many previously required manual tasks. The updated system ensures compliance with regulatory requirements, reducing the risk of non-compliance. The system has also greatly reduced administrative burden on the Department, freeing their subject matter experts to do higher-level work and provide greater impact. The optimized system provides clear and concise information about benefits, coverage, and eligibility, empowering both employees and citizens to make informed decisions about benefits and claims.



Some early key performance indicators from the new UI system project include:



(March 2024)

- A reduction of 4,600 UI related phone calls per month in the first two months
- A reduction of 28 minutes in the average amount of time it takes an individual to file a claim
- An increase in the average number of claimants paid for the first time per month of 1,232
- On pace to hit the USDOL required first payment timeliness metric of 87% for the first time in over four years
- Over 35,000 new unemployment claims filed
- Over 200,000 weekly certifications completed
- Over \$50 million paid out in unemployment benefits

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"We've heard it from some employers too! It's also been great hearing staff talk about how much they love Isis and how much it will make their day-to-day easier once they get the hang of it."

*- Haley Fox,
Program Specialist II*

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Additionally, the Department of Labor and Workforce Development has recognized the importance of standardizing the way it handles projects and the importance of the partnership between the business, the State's IT division, the vendor, and the critical role each plays in the success of a project. Accordingly, another unique outcome of this project was that the Department created a new Division called the Office of Transformation. The Office of Transformation has been tasked with assisting all Divisions within the Department with their IT Modernization projects.

Overall, the State of Tennessee's updated and modernized UI Benefits System brings numerous benefits to both Department of Labor and Workforce Development employees and its citizens by improving the overall experience and effectiveness of benefits administration.

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Sign Up for an Online Account

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- > [Jobs4TN](#)



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