Modernizing Unemployment Insurance In-flight

CATEGORY Digital Services: Government to Citizen

START DATE **2017**

END DATE Jan. 10, 2021 RECOGNITION

COLORADO

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Executive Summary

On March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act (FFCRA), which provided additional flexibility for state unemployment insurance agencies and additional administrative funding to respond to the COVID-19 pandemic. The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27. CARES resulted in five (5) federal laws, which expanded the states' ability to provide unemployment insurance for many workers impacted by the COVID-19 pandemic, including for workers who are not ordinarily eligible for unemployment benefits. As the rise of COVID-19 continued, the Colorado Department of Labor and Employment's (CDLE) Unemployment Insurance (UI) system began experiencing issues due to an unprecedented increase in benefit demand.

In March 2020, CDLE announced that 19,745 new unemployment claims were filed for the week ending March 21, 2020 (March 14-21). Compare that to the prior week where the number was just 2,321 and to the Great Recession when the highest weekly count of initial claims was 7,749 (week of January 9, 2010). These numbers are a glimpse of the number of Coloradans struggling to make ends meet. During this time, CDLE was under immense pressure to keep up with claims and assist those in need. CDLE took all measures available including additional call center staff, implementing a new last name online filing system and revised website content with answers to customer inquiries on filing errors. Even with the interventions, it was clear that the UI system was not able to keep up with the high volume of claims.

The Governor's Office of Information Technology (OIT) is the enterprise provider of information technology services and support to executive branch agencies, and it was already engaged with CDLE on a multi-year process to modernize the agency's aging unemployment system. The new MyUI+ platform was originally expected to launch in the spring of 2020, but as the COVID-19 pandemic continued to impact the Colorado workforce, the project was adjusted mid-flight to implement the numerous federal and state unemployment insurance initiatives and accommodate a mass influx of new claimants. The new platform was launched in January 2021, providing increased scalability and interoperability. It is also mobile accessible and eliminates manual processes among other benefits. To the best of our knowledge, it is the first UI modernization project in the nation, and the first State of Colorado project of this scale, to be delivered 100% remotely.

Since the go live date, MyUI+ has put \$2,363,451,180 in the hands of 464,839 Coloradans.



Project Narrative

Idea

The idea of MyUI+ was born in 2017, long before Colorado would even hear the word "pandemic." CDLE began assessing the need to update legacy systems that were heavily saturated with claims and proved to be difficult for those using the system to file new claims, extend existing claims and/or the biweekly filing mandated by the State of Colorado. The system was not able to handle any type of support or upgrade and made it difficult for employers, employees and claimants to file.

CDLE developed a strategic plan to more efficiently provide information to claimants and to reduce the cost of operations by retiring older legacy systems and modernizing the infrastructure. The goal for the team was to build a scalable environment where a new, innovative UI system could grow and meet any type of demand. CDLE identified two key areas needed for improvement:

Unemployment Insurance (UI) Benefits Application Modernization

The Colorado Unemployment Benefits System (CUBS) and Colorado Automated Tax System (CATS). This project involved a code conversion of the existing mainframe systems that went live on March 5, 2018 and subsequent modernization that would make the system highly adaptable for continuous improvements while ensuring compliance with state and federal requirements. The Benefits system (CUBS) modernization efforts were estimated for completion in the spring of 2020.

Unemployment Insurance (UI) Field Audit Modernization

The Division of Unemployment Insurance prioritized its Field Audit system (Chronicles) as critical for replacement. The U.S. Department of Labor (USDOL) requires CDLE to audit 1% of all their employing businesses each year, which equates to 2,500 audits annually. Chronicles, the internally developed office automation tool, was using a combination of Access databases and Excel spreadsheets, thus making it extremely difficult to maintain and modify to comply with changing federal and state laws, regulations and internal policies and procedures.

After identifying these two areas of focus, CDLE partnered with OIT to bring these ideas into fruition. Within the first few months after the launch of MyUI+, the team was able to notice the following glimpses of success:

- Annual cost-avoidance from the previous legacy platform.
- Increased capability for scalability and interoperability within the computer system.
- Ability to recruit and retain programming resources pertinent to the new modernized platform.
- Elimination of manual work-around(s) and legacy vendor dependencies.
- Replacement of aging technology allows for improved response and service delivery to meet the demands and requirements of the state's population and federal legislation, rules and requirements



Implementation

Confidence in a solution

In 2016, CDLE approached the Colorado General Assembly to request funding to modernize the unemployment insurance computer system. That year, legislators approved \$51.5 million for the project. Once finalized, OIT was immediately engaged and signed a contract with innoWake International to begin modernizing the computer system. InnoWake was one of the few companies with the technical know-how to shift a system from the old computer languages and mainframe to a more modern language. The company later would be bought by Deloitte, which took over the design for MyUI+.

CDLE took cautious first steps to move the collections and payment systems off the mainframe and convert that old computer code into Java. This intricate task took six months longer than expected, but by March 2018, it was completed. The project team felt comfortable with `2A3QZD establishing a go live date for April 2020. Unfortunately, it wouldn't be fast enough.



By mid-March, COVID-19 arrived in Colorado and Governor Jared Polis ordered a shutdown, closing bars and restaurants, gyms, hair salons, malls and other businesses. Within two weeks, Colorado went from a historic low unemployment rate to a historic high. For example, on March 9 just 400 Colorado workers filed initial unemployment claims. By March 23, 21,000 people had filed initial claims. By April, the number reached 100,000 in a week.

CDLE, OIT and Deloitte came together stronger than before - Deloitte tech professionals wrote the program for MyUI+ so Colorado could payout pandemic unemployment assistance to the out-of-work gig workers and independent contractors who did not qualify for unemployment benefits until Congress approved the CARES Act. Within the following weeks, MyUI+ pandemic unemployment assistance module was built using a blend of precise teamwork and agile methodologies to allow for the appropriate tool to support the need meeting business and technology directives. The module supporting benefits for gig workers and self-employed individuals was implemented in May 2020 making Colorado one of the first states in the nation to support online applications for pandemic unemployment assistance and to begin paying benefits under this new program.

The team focused on migration towards new and contemporary technologies that allowed for



significant improvements in scalability, security and integrations. The MyUI+ main foundation is built on the Amazon Web Services (AWS) platform, providing a combination of advanced solutions supporting the state's "Cloud First" direction while creating secure, scalable environments needed in today's climate for rapid change and demand. This environment also incorporates significantly improved integrations allowing the state to continue maximizing return on investment for existing on-premises services.

Impact

The full MyUI+ platform launched January 11, 2021. By midday, more than 100,000 people had accessed the new claims system and more than 43,000 others had put in their first request for payments. In other words, without the exceptional work of CDLE, OIT, Deloitte, and countless others, those 100,000 Coloradans would not have been able to have access to funds needed to help make ends meet. Besides the increased productivity and faster response time for customers, CDLE took time to focus on improving customer experience. CDLE announced several new customer service tools for unemployment insurance (UI) claimants including expanding an online callback request function, on-site help via appointment scheduling and a how-to video series. As claims kept coming in, CDLE noticed some issues either required staff assistance or, for some claimants, talking to a person provided an added layer of assurance on their claim.

New claim backdating form

Claimants who have to request a backdate on their claim and request corresponding back weeks of benefits could now submit a "Request for Backdate" through an expanded user-friendly online form.

New "how-to" video series

FAQs were made into a series of videos to make the user experience better. Videos such as: "Get Paid - Regular Claim", "Get Paid - PUA Claim" and "How to Know Which Claim" walk claimants through the fundamentals of which benefits they should apply for and how to obtain them. This video series was also made available in Spanish.

UI Virtual Town Hall Series

Virtual Town Halls were hosted to discuss topics including out-of-state wages and claim delays, returning to work, exhausted benefits, how to get paid and backdating/requesting back weeks. The UI Virtual Town Hall Series was wildly successful and had more than 40,000 participants.

The cross-functional groups of business analysts, technology workers, and management from CDLE, OIT, and Deloitte were able to produce a high-quality user-focused system that serves the public with agility and ease of use. MyUI+ was built using the concepts of world-class software; the employment of these techniques allowed the cross-functional team to design, develop, and deliver a best-of-class product to our marketplace - the residents of the State of Colorado.



MyUI+ truly demonstrates an example of how intergovernmental collaboration and modern technology can be used for improved and more efficient delivery of services.

