

April 8, 2015



Initial Claims Processing for Unemployment Insurance

Report 14-15



Initial Claims for Benefits

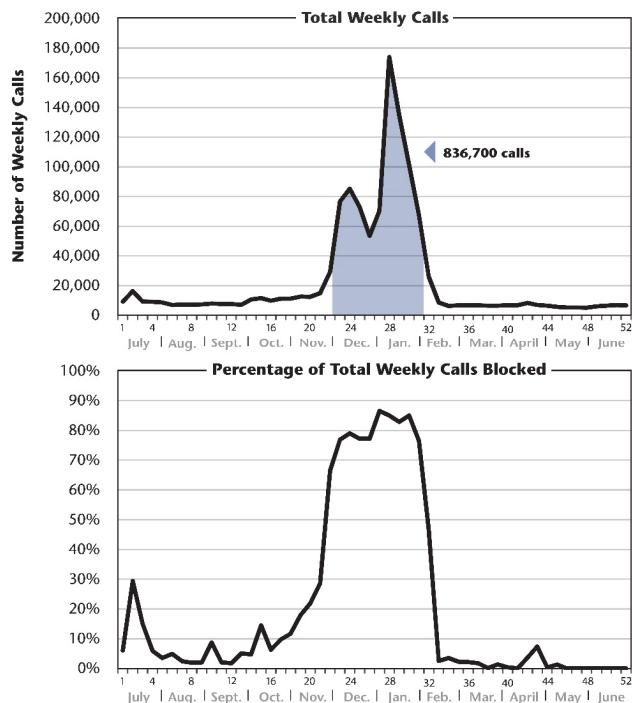
In FY 2013-14:

- 18.3 percent of 106,300 initial claims started through the automated telephone system were completed by that method; and
- 55.4 percent of 125,900 initial claims started online were completed online.



Blocked Telephone Calls

DWD's Unemployment Benefits Call Centers: Telephone Line for Initial Claims
Total Weekly Calls and the Percentage Blocked in FY 2013-14¹



¹ Telephone calls blocked because a queue was full.



Efforts to Reduce the Likelihood of Blocked Telephone Calls

DWD indicated it was taking steps to reduce the likelihood that large numbers of telephone calls are blocked in the future, including by:

- implementing a new computer system to process initial claims filed online; and
- tasking additional staff to help answer calls to the call centers.

4



Appeals of DWD's Unemployment Benefits Decisions

Through June 2014, 68,900 appeals had been filed and decided from FY 2011-12 through FY 2013-14.

The appeals process upheld 64.9 percent of DWD's unemployment benefits decisions.

DWD's administrative law judges generally issued appeals decisions faster than required by federal law.

5



Overpayments

Overpayments of Unemployment Benefits Identified by DWD, by Reason
FY 2011-12 through FY 2013-14

| Reason | Number | Percentage of Total | Amount (in millions) | Percentage of Total |
|----------------------------------|----------------|---------------------|----------------------|---------------------|
| Individual Fault (unintentional) | 577,000 | 84.7% | \$ 61.8 | 36.8% |
| Individual Fault (intentional) | 64,700 | 9.5 | 86.3 | 51.4 |
| No Fault | 27,100 | 4.0 | 11.4 | 6.8 |
| DWD Error | 6,700 | 1.0 | 4.6 | 2.7 |
| Multiple Party Errors | 3,300 | 0.5 | 3.6 | 2.1 |
| Other ¹ | 2,600 | 0.4 | 0.2 | 0.1 |
| Total | 681,400 | 100.0% | \$167.9 | 100.0% |

¹ Includes overpayments made from a now-discontinued federal program funded by the American Recovery and Reinvestment Act of 2009.

6



Recouping Overpayments

Overpayments of Unemployment Benefits Recouped in FY 2013-14,
by the Fiscal Year the Overpayments Were Identified
(in millions)

| Fiscal Year Identified | Recouped in FY 2013-14 | Percentage of Total |
|------------------------|------------------------|---------------------|
| 2013-14 | \$15.7 | 37.1% |
| 2012-13 | 11.2 | 26.5 |
| 2011-12 | 6.8 | 16.1 |
| 2010-11 | 4.6 | 10.9 |
| 2009-10 | 2.2 | 5.2 |
| 2008-09 and Earlier | 1.8 | 4.3 |
| Total | \$42.3 | 100.0% |

7



Recommendations

We included recommendations for DWD to:

- report to the Joint Legislative Audit Committee on the numbers of answered, abandoned, and blocked calls to its call centers from November 2014 through February 2015; and
- specify in its annual reports to the Unemployment Insurance Advisory Council the years in which recouped overpayments were identified.