

Initial Report of the Unemployment Compensation Modernization and Improvement Council

CHAIRPERSON: Representative Sean Tarwater

OTHER MEMBERS: Senators Rob Olson, Jeff Pittman, and Caryn Tyson; Representatives Stephanie Clayton and Susan Estes; Secretary of Labor Amber Shultz; and Katie Givens, Phil Hayes, Jake Miller, Jeff Oswald, Shelbye Smith, and Shawana Woods.

STUDY TOPIC

The Council is directed to study the state of the process by which individuals file claims and receive benefits for unemployment compensation..

Initial Claims Filing and Benefits Payment Process Report

Conclusions and Recommendations:

The Council recommends the State of Kansas and the Department of Labor make the following improvements to the process by which claims are filed and benefits are paid:

- Improved communication to claimants to ensure information is understood and claimants understand status of claims;
- Improved telephone systems to ensure calls are answered and returned in a timely manner and callbacks are effectively scheduled;
- Improved tracking of the flow of claims to more quickly identify and resolve claim bottlenecks;
- Temporary addition of in-person options for filing claims or resolving claim issues; and
- Addition of a mobile application option for filing claims.

As an immediate priority, the Council recommends the Department work to resolve all claims flagged for potential fraud.

As long-term improvements, the Council recommends the Department develop a method to combat fraudulent fictitious employer schemes and develop effective protocols for identity and access management within a larger customer relationship management system.

Proposed Legislation: None

BACKGROUND

This initial report describes the state of the process by which an individual files a claim for and receives benefits under the employment security law and recommended improvements to the process, as required by Section 1(j)(2) of 2021 Senate Sub. for Sub. for HB 2196. This report should be considered preliminary and the information and recommendations contained within it are tentative and subject to change by the Unemployment Compensation Modernization and Improvement Council (Council).

COUNCIL ACTIVITIES

The Council met June 14, 24, and 25, 2021, to hear information on topics including those summarized in this report.

Claims Filing

Claims are filed using an online system in which claimants are required to register using multi-factor authentication and then use a self-service dashboard to provide required information.

Initial claims require the claimant to provide certain personal information, citizenship and statistical information, information related to potential exclusions from the unemployment compensation system, and employment history information.

Claimants unable to file online are permitted to file by phone, and certain claims may be required to be filed by phone.

After initially registering for benefits, claimants are required to submit weekly claims for benefits. Weekly claims require claimants to supply information regarding work performed and pay received for the week being claimed.

Certain aspects of claims may trigger the claim being flagged for fraud and subject to review or sent to adjudication to determine a claimant's eligibility for benefits. Claimants who are denied benefits have certain appeal rights.

Payment of Benefits

Claimants who are determined to be eligible for and entitled to benefits will receive payment of benefits either by direct deposit into a bank account or through the uploading of benefits to a debit card. Debit cards are mailed to claimants by the Department of Labor (Department). Payments are made when all eligibility requirements have been met. Payments are typically received two or three business days after all eligibility requirements have been met and the weekly claim has been filed. Payments may be reduced due to earnings, pension payments received, child support deductions, or certain debt offset reasons.

RECOMMENDATIONS FOR IMPROVEMENT

The Council recommends the State and the Department make the following improvements to the process by which claims are filed and benefits are paid:

- Improved communication to claimants to ensure information is understood and claimants understand status of claims;

- Improved telephone systems to ensure calls are answered and returned in a timely manner and callbacks are effectively scheduled;
- Improved tracking of the flow of claims to more quickly identify and resolve claim bottlenecks;
- Temporary addition of in-person options for filing claims or resolving claim issues; and
- Addition of a mobile application option for filing claims.

As an immediate priority, the Council recommends the Department work to resolve all claims flagged for potential fraud.

As long-term improvements, the Council recommends the Department develop a method to combat fraudulent fictitious employer schemes and develop effective protocols for identity and access management within a larger customer relationship management system.

ADDITIONAL RESOURCES

The following resources were used in preparing this report and include additional information concerning claims filing and payment of benefits.

- Kansas Department of Labor Unemployment FAQs - <https://www.dol.ks.gov/ui-faqs>
- Kansas Department of Labor Unemployment Guide How to Register with the MFA System - <https://www.dol.ks.gov/documents/20121/133629/How+to+Register+with+the+MFA+System.pdf/00070e60-0029-6124-aafd-761c9ae8022b?t=1623355122856>
- Kansas Department of Labor Unemployment Guide to Setting Up Your Initial Claim -

<https://www.dol.ks.gov/documents/20121/89726/Guide+to+Setting+Up+Your+Initial+Claim.pdf/65ee2ff0-f101-a0ac-f5ce-6635e22a7618?t=1622143344637>