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Policy Research, Inc.

**Internet Initial  
Claims Evaluation**

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***Final Report***

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## EXECUTIVE SUMMARY

### BACKGROUND

State workforce agencies have been exploring new methods that unemployment insurance (UI) claimants can utilize to file claims for benefits. Until the 1990s, most states required UI claimants to file their claims in-person at local offices that provided both UI and reemployment services. In the early 1990s states began taking initial claims by telephone. More recently, states have implemented UI initial claims taking over the Internet, which is less staff-intensive than traditional methods and more convenient for unemployed workers.

The U.S. Department of Labor (DOL) has supported the use of remote access systems for UI services by awarding grants for developing and implementing telephone and Internet initial claims systems. To date, 32 states have implemented Internet initial claims systems, and 16 are in the process of doing so.

### PURPOSE OF THE EVALUATION

The purpose of the Internet initial claims study was to evaluate the effectiveness of fully operational Internet initial claims systems in selected states, and to compare the systems with telephone and in-person claims-taking systems.

The specific areas evaluated were:

1. *Service Delivery*: System designs and processes; the timeliness of issue resolution and payments, compared to those of telephone and in-person initial claims-filing; methods and likelihood of receiving reemployment services; assessment of ways to identify claimants who are likely to exhaust their benefits under the Worker Profiling and Reemployment Services (WPRS) system; methods of informing claimants of their rights and responsibilities; and differences in UI activities and services after the initial claim is filed;
2. *Security*: Systems and processes employed by the states to protect their Internet systems from unauthorized use;
3. *Fraud and Abuse Controls*: Integrity systems and controls, such as states' procedures for verification of the identity of claimants filing for UI; and
4. *Cost Effectiveness*: A comparison of the costs of Internet claims-filing with telephone and in-person claims-filing.

## STUDY DESIGN

HeiTech Services, Inc. and Mathematica Policy Research, Inc. conducted on-site visits to six states, in which we studied the design, development, implementation and claimant feedback about the Internet initial claims process. The six study states—Colorado, Missouri, North Carolina, Pennsylvania, Utah, and Washington—were selected to accurately reflect variations in size and geography. In addition, aggregate data were collected from the states' claim records on all regular new initial claims filed during the first quarter of calendar year 2002. Data on characteristics of claims activity, as well as eight demographic variables—sex, race, education level, age, residence (urban or rural), base period earnings, industries, and occupations—were analyzed.

## KEY FINDINGS

Major findings of the evaluation are:

### Service Delivery:

- Internet initial claims filing was successfully implemented in all six study states. This alternate method of claim filing reduced staff time involved in the initial claims filing process and provided additional options for unemployed workers to access the UI system.
- Based on quantitative and anecdotal data, the promptness of benefit payments is not affected by the claim filing method.
- Aggregate data from three of the study states show that Internet filers are slightly more likely than other filers to have monetary re-determinations. Some state staff believe that this may occur because claims-takers can help resolve some monetary issues that arise during the in-person or telephone initial claim-filing process.
- Internet claim filing appears to enhance the connectivity between UI and employment services compared with telephone filing. In the six study states, claimants filing for UI through the Internet have easier access to information about services than those who filed by telephone. Internet links are available for job service registration, job searching and job matching, labor market information, and information on job training opportunities. All six states provide information about services at One-Stop Career Centers to all UI claimants, regardless of the filing method.
- The WPRS program, which is designed to provide reemployment services to individuals determined most in need of such services, is not affected by the claim filing methods. All six states selected claimants for WPRS orientation after completion of the initial claims process.
- Uniform state-specific information is provided to claimants about their Benefit Rights and Responsibilities during the Internet initial claims process in all six states, which claimants can read at a comfortable pace. (Some state staff questioned whether claimants read all the information provided.) In addition, five of the six study states mail the information to all claimants.

- Two of the six states provided data on the locations from which Internet claims were filed. The data showed that 80 to 85 percent of the claimants filed their claims from a home computer. Some states had expected that a larger portion of claimants would use the computers at the One-Stop Career Centers, but this has not been the case.

Security of the Internet Initial Claims Process:

- All six states follow security policies and use security network devices. State networks and systems were modified to secure the Internet initial claims servers and protect sensitive data.
- All six states encrypt the data that passes between the claimant and the Web server.
- Four of the six study states offer 24-hour service for claimants to file via the Internet, while the other two states were “down” less than two hours per week. While some states had reduced system availability due to hacker or virus attacks, no state reported any security breaches unique to the Internet initial claims systems.

Fraud and Abuse Controls/Verification of Claimants’ Identities:

- Most states limit the amount of time allowed for claimants to complete their Internet initial claims due to concerns about confidentiality and fraud and the possibility that personal data could be compromised, particularly at public locations.
- States use a combination of internal and external informational cross-matches for the purposes of identity verification. For example:
  - Internal cross-matches include verification of (1) data the claimants submit about employers, compared with state wage records; and (2) claimant’s name, birth date, and Social Security Number against claims data for a prior benefit year.
  - External cross-matches with the Social Security Administration (SSA) are conducted in two states—one using real time, the other batch processing.
- All of the six states require claimants to visit a local One-Stop Career Center. This requirement allows the states’ staff to meet with the individual claimants and ensure that claimants are able and available for work, seeking work as appropriate and are provided necessary reemployment services. Claimants are required to report to the One-Stop Career Center within a specific period of time after the initial claim-filing date, or when selected for a UI Eligibility Review or for referral to services through the WPRS program.
- State data indicate that Internet filing has not led to higher rates of overpayments or fraud, than telephone or in-person filing. Aggregate data about overpayments indicate that Internet filers, in fact, tend to have slightly fewer instances of overpayments than non-Internet filers. This could be a result of lower detection rates; however, states’ procedures for detecting and investigating UI fraud are generally consistent across filing methods. Additional research would be needed to determine the effect that different claim filing methods have on overpayment rates.

### Cost Effectiveness:

- Internet initial claims reduce the amount of time staff spend handling initial claims, since claimants enter the initial claims information themselves. The extent of staff time necessary to collect accurate employment information for monetary determinations appears to be a key factor influencing the cost of processing the claim. None of the states tracked costs separately by claims-filing method but states that provided cost estimates noted that Internet initial claims took less staff time, on average.
- Efficiencies in the non-monetary determination process, which states indicate is normally staff-intensive, can occur on the Internet. When a well-designed fact-finding process is built into the system, the staff time required to obtain claimant information about non-monetary issues is reduced.
- Some states reported reduced telecommunications costs, resulting from individuals utilizing the Internet rather than the telephone to file their claims.

### Customer Satisfaction:

- Based on data from three states, most Internet filers are satisfied with the Internet initial claims filing process, although some states reported an increase in the number of inquiry calls from claimants to check on the status of their claim.
- The overwhelming majority, more than 80 percent, of the respondents filed their claims from home and reported that the Internet initial claims system was easy to understand and use.

### Claimant Characteristics:

- Quantitative data showed that claimants using the Internet to file their UI claims tended to be more highly educated, white, younger, highly paid in high-skill occupations and industries, and more likely to reside in urban areas.

## **SUMMARY OF FINDINGS AND CONCLUSIONS**

- Internet initial claims filing systems provide convenient access to UI claim services, and Internet initial claims filers are satisfied with the services.
- Claimants filing over the Internet are provided adequate information about their benefit rights and responsibilities.
- Internet filing does not appear to be linked to higher rates of erroneous payments.
- States' system security measures appear to be adequate.
- Anecdotal information, and estimated data from some state managers, indicate that the administrative cost of Internet-filed claims is lower than the costs of in-person or telephone claims.

- Claims filed by Internet are paid as promptly as claims filed using other methods.
- UI claimants have a greater opportunity to connect with reemployment services through Internet filing.
- Internet filers tend to be younger, better educated, more affluent, more likely to classify themselves as white, and more likely to reside in an urban area.

Internet initial claims filing systems appear to be a convenient and cost-effective method of providing claims services to a certain segment of the UI claimant population. Internet initial claims filers receive payments as promptly as those using other filing methods, and Internet initial claims filing appears to strengthen claimants' opportunities to link with reemployment services. Although there was no evidence in the states that Internet initial claims filing led to an increase in erroneous payments or system security breaches, states will have to be vigilant to protect these systems from both fraudulent exploitation and system security compromises.





## I. INTRODUCTION

Within the past five years, thirty-two state workforce agencies (SWAs) have implemented a method that enables unemployment insurance (UI) claimants to use the Internet to file their initial claims (ICs) for benefits; most of the other states plan to do so (Information Technology Support Center 2003). Allowing claim filing by the Internet—in addition to other existing methods for filing—continues a nationwide trend begun during the 1990s to allow claimants to file their ICs remotely, such as by telephone, rather than in-person at a local UI office. SWAs have been making these changes primarily to reduce administrative costs and to improve customer service, but they also have done so in response to increasing expectations from the general public that services should be available through these avenues.

Since 1998, the U.S. Department of Labor (DOL) provided grants on a competitive basis each year to some SWA's to support efforts to develop systems for filing Internet initial claims (IICs). However, little is known about the procedures that the states established for Internet IC filing, the degree of customer satisfaction with the process, or the impact on the integrity of the UI program with Internet IC filing.

This study, sponsored by DOL and conducted by HeiTech Services, Inc. (HeiTech) and Mathematica Policy Research, Inc. (MPR), examines the effects of Internet IC filing on a wide range of issues in six states across the country. Among the key issues are whether, and how, the accuracy of information obtained through Internet IC filing differs from the information obtained through other claims-filing methods; differences in procedures SWAs use to conduct benefits rights interviews, and the procedures they use to notify claimants of the availability of reemployment services; methods used to operate the Worker Profiling and Reemployment

Services (WPRS) program; the way that Internet claimants differ from claimants who file by other methods; whether claimants who use Internet IC filing are satisfied with the process; whether Internet IC filing affects the ability of the agency to prevent fraud and abuse; and the way that use of the Internet and related technology affects the security of the UI data and systems. An understanding of the experiences of states in these areas can benefit both DOL and state policymakers as Internet IC systems continue to develop and evolve.

We conclude that Internet IC filing expands claimants' access to the UI system, and claimants who file by the Internet seem to like doing so. Internet IC filing also increases states' efficiency in processing ICs. When states initially implemented their Internet IC systems, some states had concerns that allowing a broad range of claimants (including, for example, those with complicated claims or monetary issues) to use the system might negatively affect the efficiency in processing ICs and the security of the systems. As states have gained experience with their systems over time, however, they have realized that some of these concerns are unwarranted and that some can be addressed with additional innovations to the system. As a result, states have worked aggressively to improve their systems in a variety of ways: to expand the types of claimants that can file using the Internet, to offer new features (such as fact-finding) that will help the states save even more staff time in conducting UI activities, and to respond to customer feedback.

This chapter presents an overview of the study design issues. Section A discusses the sources of data for the study. Section B explains the selection of states for inclusion. Section C presents the outline of the rest of the report.

## **A. DATA SOURCES**

A key aspect of the study design is the types of data that would have to be collected to address the research areas. We are using several sources of data: (1) the applications that the study states were required to submit to DOL to qualify for grant funding to establish or upgrade their Internet IC systems; (2) other documents about their Internet IC systems that the states provided to us; (3) discussions that HeiTech and MPR staff held with SWA staff during two-day visits to the study states; and (4) aggregated data on the characteristics of claimants who filed by the Internet, and on those who filed by other methods.

Taken together, these data sources complement each other by providing different perspectives on the key issues to be studied. This range of perspectives enables us to develop an overarching understanding of the effects of Internet IC filing. The grant applications provide information on (1) the states' motivations for implementing Internet IC filing, (2) expectations about how they would configure the system and what it would cost to do so, and (3) their UI systems as they existed before implementation of their Internet IC filing systems. The other documents provide detailed program information covering the period of implementation and the period after implementation, as the systems evolved. They also include information on customer surveys that the states have conducted and on trends in Internet IC filing. Together, these written documents provide historical information that would be difficult to obtain by other means. The discussions with state staff, conducted during site visits, provide the most in-depth perspective on the states' implementation experiences and lessons learned. Finally, the aggregate data on claimants' characteristics provide quantitative measures on differences between Internet IC filers and filers who use other methods, which could be otherwise assessed only subjectively. We have used these data to identify differences in the demographic characteristics, pre-UI

employment histories, and UI program and reemployment services experiences of the two groups during their benefit years.

## **B. SELECTION OF STATES**

A second important feature of the study design is the selection of states to be included in the study. We used several criteria to determine which states were suitable prospective participants.<sup>1</sup> First, states had to have implemented Internet IC filing at least six months before selection for inclusion, which took place during autumn 2002. That time frame provided two benefits: (1) it gave SWA staff sufficient time to observe their systems in operation, so that they would be able to draw lessons from the implementation experience; and (2) it gave us enough time to collect the aggregate data on the characteristics of Internet IC filers and nonfilers. Because we wanted to collect administrative records data on the UI claims activities of claimants during an entire UI benefit year, a participating state would have to have completed implementation of its Internet IC system early enough to have a cohort of Internet IC claimants who would have completed a full benefit year by spring 2003, our scheduled period for collecting the data.

Second, states had to have had a large number of claimants who filed by the Internet—large both in absolute value and as a proportion of the participating state’s claims load. We expected that states that met this criterion would be more likely than other states to observe effects of the new filing method on their UI program operations. In addition, we wanted a large sample of Internet IC filers for the aggregated records data analysis, so that any differences in the characteristics of Internet IC filers and other filers could be statistically meaningful.

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<sup>1</sup> States did not have to be recipients of a DOL grant in order to be considered for selection into the study.

Third, to participate, a state had to be able to provide the aggregate data on the UI activity of Internet IC claimants and on the UI activity of claimants who used other methods to file their ICs. To provide these data, the state had to be able to distinguish claimants who filed by the Internet from other claimants. It also had to be willing to provide the programming resources necessary to produce this extract—a task that required a time commitment from staff. Fourth, we wanted to select states that had conducted surveys of claimants who filed Internet ICs or that would do so by the time our data collection would be completed. We planned to use the survey data to assess claimants' satisfaction with the process and, when available, to obtain information on where claimants filed their ICs, how easy the process was to use, and claimants' suggestions on how to improve the system.

Finally, we wanted to ensure that, taken together, the study states would represent a wide array of economic and geographic conditions, UI systems, and Internet IC systems. Having a group of study states that had both a wide range of motivations for implementing Internet IC filing and a wide range of experiences with their Internet IC systems could help us to detect substantive trade-offs that other states might face as they developed new systems or improved existing ones. Ultimately, we expect that analysis of a breadth of experiences will lead to a more comprehensive understanding of the lessons that can be drawn than would analysis of the experiences of a set of states that resemble each other more closely.

We held discussions with staff from nine states, and selected the states according to our criteria, for possible inclusion in the study. Some states declined our request because they faced time and budgetary pressures or other constraints. In the end, Colorado, Missouri, North Carolina, Pennsylvania, Utah, and Washington were selected and agreed to participate. Although some of these states did not meet all the criteria we had originally specified, such as

being able to provide customer survey data or some pieces of the aggregate data set, each of these states provides a valuable and unique perspective on Internet IC filing. Taken as a whole, the information gathered from these six states and discussed in this report can benefit both DOL and state policymakers who are interested in ways to develop, improve, and monitor Internet IC systems.

### **C. OUTLINE OF THE REPORT**

The rest of this report includes five chapters. Chapter II discusses states' implementation procedures and costs. Chapter III provides detail on Internet IC procedures and their effects on UI operations. Chapter IV discusses patterns in who uses the Internet to file ICs, compared to other filing methods, and claimants' satisfaction with the Internet IC system. Chapter V explains the interactions between Internet IC filing and the provision of reemployment services and continuing eligibility requirements. Finally, Chapter VI covers technological aspects of Internet IC filing and issues of system integrity.

## II. IMPLEMENTATION PROCESS AND COSTS

In this chapter, we discuss several important aspects of the implementation process and costs associated with the development of the Internet initial claims (Internet IC) systems by the six study states. Section A provides a background on the types of systems that were in place before the Internet IC systems to process unemployment insurance (UI) initial claims (ICs). Section B highlights some of the motivating factors for exploring and implementing the Internet IC option. Section C describes in depth the specific steps that were involved in implementation of the Internet IC systems, including funding, approach, design, and internal and external marketing of the service to the various state constituencies. Finally, in Section D, we describe some of the enhancements that the study states have planned for the Internet IC system to make them more customer service-oriented and technologically secure for future add-on services.

This chapter highlights the study states' motivations for adopting an Internet IC system, identifies their approaches to implementing the Internet IC systems, and describes the enhancements planned. States had four primary motivations for adopting an Internet IC process: (1) improve their customer service, by allowing claimants to apply for benefits during extended hours and reducing the wait time in the more established application options; (2) improve the efficiency of providing services, allowing a redirection of staff resources to other activities; (3) take advantage of new technologies; and (4) in two states, respond to initiatives by the governors or other state authorities to use technology to provide an e-government environment. Each state ultimately wanted a system that would be user friendly, provide maximum hours of accessibility, reduce staff resources for IC processing, maintain a high level of program integrity, and ensure systems security.

To implement their Internet IC systems, each study state addressed issues of funding, approach, design, and marketing. Each state used a U.S. Department of Labor grant of up to \$500,000, primarily for hardware, software, and/or contractor services. The states then formed design and implementation teams to formulate the approach, scope, and execution of the project. Each of the study states researched and reviewed the Internet IC systems and processes of other states. Although this research was helpful, states ultimately deviated from other states' procedures and designs because of differences in state laws and automated benefits systems. Two of the states used a phased-design method for implementation, and several pilot-tested their systems at One-Stop Career Centers. Both upon initial implementation and since then, states have marketed their Internet IC systems using such methods as advertising the system through their TIC system; attaching notices to benefit checks; developing posters, flyers, and handouts for distribution at One-Stop Career Centers; and making television and radio announcements.

All the states have been making, and will continue to make, upgrades to their systems to (1) expand further the types of claimants who can file via the Internet IC system, (2) streamline procedures that are staff-intensive, (3) improve IT and UI security, (4) increase the speed of processing the claim, and (5) respond to claimants' suggestions for improvements.

## **A. BACKGROUND**

Up through the mid-1990s, UI ICs for benefits were taken for the most part in person at a local office. Some states did accept ICs by mail, but this was certainly the exception. The reduction over the years in UI funding, coupled with the desire to allow claimants to file ICs more conveniently, resulted in the implementation in most states of a telephone initial claim (TIC) system. States first implemented a telephone filing system for continued claims and by the end of the 1990s were working to implement TICs. By the late 1990s, a large number of states



had implemented a system that combined interactive voice response (IVR) and staff intervention for TIC filing processes.

As of May 2003, the U.S. Department of Labor (DOL) had awarded grants to 40 states to develop and implement TIC systems. Thirty-three states have implemented such a system statewide, and 4 are in partial or pilot implementation (Information Technology Support Center 2003; [www.itsc.state.md.us](http://www.itsc.state.md.us)). North Carolina was the only study state that was taking “totally separated” claimants’ ICs in person at a local office prior to its implementation of an Internet IC process.

The remaining five study states had implemented TICs in the late 1990s and early 2000. The reduction in UI resources put pressure on states to cut costs and thus to reduce staff presence at the local level. The passage of the Workforce Investment Act and the implementation of One-Stop Career Centers promoted co-location of Employment Services (ES) offices with other service providers. In turn, many states established UI call centers and UI staff was no longer present in local offices. Colorado, Missouri, Pennsylvania, Utah, and Washington had moved toward call centers versus local offices and thus transitioned to processing ICs, continued claims, and nonmonetary adjudications by telephone.

Previous methods of telephone and in-person filing for both ICs and continued claims have helped to influence (1) the state’s level of automation, (2) the extent to which the state has existing business rules that it can transfer to the Internet IC process, and (3) the development of procedures and policies that arise when the state does not have face-to-face interactions between claimstakers and claimants. In addition, the state’s reliance on the Internet for other UI procedures (such as collecting information from employers) affects the ease with which they transition to Internet IC filing.

## **B. MOTIVATION FOR INTERNET INITIAL CLAIMS FILING**

There were four primary motivations for the states in the study to adopt an Internet IC process. The first was the move by state governments to improve their customer service by giving claimants another method of filing, as well as by allowing them to apply for benefits during extended hours and days, which would decrease the wait time for both Internet IC filers and those using the established methods of filing. The second was that the Internet IC system showed promise in improving the efficiencies of the staff and financial resources. The third primary motivator was a general interest in taking advantage of new technology and being on the “cutting edge.” The Internet seemed to be a natural option to pursue. The fourth motivator, in two of the study states, was an initiative by the governor or other state authority to take advantage of information technology (IT) to provide an e-government solution. Several of the states in the study reported that these four motivating factors were not independent of each other, but rather were closely related. For example, the motivation to increase efficiencies in staff and financial resources was aligned with the governor’s initiative to promote electronic solutions to government services.

Each of the study states reported that increasing the level and quality of customer service was a leading motivator. For example, North Carolina (the only in-person filing state in the study) had experienced long lines at the local offices and was interested in finding ways to reduce the wait time for IC filers. The state also believed that reduced wait times would increase the quality of the services provided. Pennsylvania, which wanted to reduce the wait time in call centers, was overwhelmed with UI claims immediately after implementation because of increasing workloads and technical problems with their telephone service provider.

The promise of increased efficiencies in staff and financial resources motivated several of the study states. Missouri adopted an Internet IC system as a way to deliver services more

efficiently, particularly because of pressures on its budget and staff. The state has experienced significant reductions in funding and decided to implement Internet ICs primarily to save staff resources. As a result, Missouri's Internet IC system now requires no staff intervention.

Adopting the latest technologies as solutions led some of the states to consider Internet ICs as an effective way to provide services to their clients. Utah had always considered itself on the leading edge of technology, so Internet IC filing was a natural extension of the other service options it provided. In addition, resources were being reduced, and management believed that use of an Internet IC system would free UI staff to handle other activities, such as adjudication. Colorado's state workforce agency (SWA) had already been in the forefront with respect to the implementation of TICs, and state officials envisioned that an Internet system would allow claimants to file an IC 24 hours a day, 7 days a week, thereby extending services.

In addition, Colorado's governor had also launched the "New Century Colorado" initiative to use IT to streamline state government services. A significant catalyst in Utah's implementation of Internet ICs was the passage of the "Digital State" law, which the governor signed in 1999. One of its provisions was that by July 1, 2002, claimants would be able file an IC for UI on the Internet. In Pennsylvania, the previous and present governors promoted e-commerce, so UI staff were able to gain support for implementing Internet ICs.

Clearly, most of these states were motivated by more than one significant factor in their decision to develop and implement an Internet IC system. Often one of the factors was used to influence the decision to adopt an Internet IC system that would address another, more pressing, need. For example, the e-commerce initiative from the Pennsylvania governor's office helped staff gain support for an Internet IC solution that addressed the increasing wait times on the call centers.

Note that no states eliminated any of the previous filing methods when they adopted their Internet IC systems. This contrasts markedly with what most states did when they implemented the TIC filing systems. As a result, many of the trade-offs that states faced in the TIC implementation were not a factor in the Internet IC implementation. This proved true especially when it came to gaining staff support for these initiatives. Because the Internet IC systems were additions to and not replacements for existing services, staff generally did not see them as a threat to their jobs.

### **C. IMPLEMENTATION STEPS**

States had to address five basic areas in order to implement Internet ICs: funding, approach, design, internal marketing, and external marketing. Each state did something different for each.

#### **1. Funding**

DOL had long supported states' efforts to take advantage of high-tech approaches to claims filing. They began offering competitive grants to states for TIC systems and have since continued to offer automation grants for other remote systems. States could apply for UI grant funds up to \$500,000 to implement Internet IC systems. All the study states took advantage of this opportunity and received grants of between \$325,000 and \$500,000 (see Table II.1). As part of the grant review process, states were required to commit any additional resources to the project necessary to augment the DOL grant funds they received to complete the project. States spent DOL grant funds on hardware, software, additional state staff, and contractor services in developing their systems. Colorado, North Carolina, Pennsylvania, and Washington relied on state IT personnel, while Utah used in-house claims and IT staff to develop the system in conjunction with a contracted web developer. Missouri used IBM to help design the hardware and software architecture and mentor state IT staff, who then wrote the code for the Internet IC

system. Table II.1 lists the grant total and the types of services the state purchased (when available).

## **2. Approach**

Study states varied somewhat in their approach to the design and implementation of their Internet IC systems. All the states formed a design and implementation team, and all but one looked to existing Internet IC states to learn about design and implementation methods. All the states except Washington had representatives from the UI program and the IT offices on the team. Washington initially used only UI staff who had some IT and Web design expertise in order to expedite the implementation process. After initial implementation, state staff recognized that to ensure an efficient system, a combined IT and UI team was essential.

Once a team was put in place, most of the study states began researching what other states had done with respect to Internet ICs. Staff from Colorado, for example, visited Florida to learn about its Internet IC process and planned to mimic its system. However, the experience taught them that, because of differences in their UI program software and state laws, they could not simply superimpose the Florida process onto the Colorado benefit system. They decided it would be necessary to simply build their own Internet IC system.

Missouri, one of the early states to implement Internet IC filing, took a unique approach by contracting with IBM, which provided expertise and training to Missouri staff and helped them design the system. Before adopting an Internet IC system, Missouri conducted a customer survey to determine the degree of interest for filing ICs over the Internet. After they received positive results, they designed the system. Though the other study states examined these efforts to design and implement Internet ICs, because each state has its own specific laws and differences in automated benefit systems, they had to design their own Internet IC systems.

TABLE II.1

STATES' GRANTS FROM THE U.S. DEPARTMENT OF LABOR TO  
IMPLEMENT INTERNET INITIAL CLAIMS FILING SYSTEMS

State	Grant Amount
Colorado	\$389,785 including \$205,611 – equipment/software \$184,174 – personal services
Missouri	\$500,000 including: \$169,549 – capital purchases \$198,357 – contractor services \$ 50,712 – software \$ 20,926 – communications \$ 31,726 – office equipment, supplies and misc. \$ 13,280 – travel \$ 15,450 – lapsed back to DOL
North Carolina	\$458,600 including: \$171,031 – equipment and software \$290,185 – contractor services
Pennsylvania	Expended \$223,000 of the total \$325,000 grant amount. Most of the grant funds were spent on enhancements. The remaining \$102,000 has been obligated and will be spent on supplies.
Utah	\$500,000 plus \$86,000 in state funds. All funds used primarily for software and contractor assistance.
Washington	Approximately \$398,000 of the \$484,000 grant award has been obligated. \$101,000 – hardware and software costs \$297,000 – personnel costs for programming and testing staff

Source: Data collected from the states during site visits and telephone interviews and through a review of states' grant applications to the U.S. Department of Labor, spring 2003.

### **3. Design**

All the study states recognized the enormous task of implementing initial claimstaking over the Internet. Each state wanted an Internet IC system that would be user-friendly, provide maximum hours of accessibility, reduce staff resources for IC processing, maintain a high level of program integrity, and ensure system security. All the states also learned that their first efforts to design and implement an Internet IC process would not be all encompassing. Some study states planned up front to implement Internet IC filing in phases, while others learned from their experiences and made modifications and enhancements after testing or implementation. Many of the states used pilot offices to test the functionality and integrity of the system under a controlled “live” environment.

Colorado and Washington used the phased approach to development and implementation. Colorado’s three phases included Phase 1—parallel testing of the system in which staff entered some claims from the TIC system; Phase 2—posting the system live on the Internet; and Phase 3—system and service automation improvements. Washington had five phases, which differed somewhat from Colorado’s. A significant difference included, in Phase 1, developing a rudimentary Internet IC process, testing in two field offices, receiving claimant feedback, adopting revisions, and implementing statewide. Phase 2 involved the establishment of an IT/UI team that took input from call center staff. This resulted in significant revisions and enhancements to the original design, including increased data passing through to the benefit payment system, which led to the elimination of staff intervention. The remaining phases included various degrees of enhancements.

One of the more common approaches was to pilot-test the Internet IC filing system in One-Stop Career Centers. Missouri did this for a couple of weeks and experienced some problems with its software, JavaScript, and date formats. After the problems were corrected, the Internet

IC application was linked to other state Web sites for statewide implementation. North Carolina also ran a pilot program in four local offices for about three months, where volunteer claimants used dedicated computer terminals to file over the Internet. Before implementing the system statewide, they were able to make modifications to correct any problems.

Pennsylvania implemented the Internet IC process statewide without a formal testing period. However, Pennsylvania had claims staff review all Internet ICs for the first four months of operation. During this period, the state discovered problems and made necessary modifications. In addition, the state implemented improvements over time to decrease the need for staff intervention and add additional applications (such as nonmonetary fact-finding).

All the study states initially decided that it would be best to limit the types of UI claims that would be filed through the Internet, and they all began with the assumption that only regular UI intrastate new ICs would be accepted and processed without staff intervention. States varied, however, as to which types of claims they would allow over the Internet. For example, Colorado from the beginning allowed regular new and additional, UI, Unemployment Compensation for Federal Employees (UCFE), Unemployment Compensation for Ex-Servicemembers (UCX), and interstate claims to be filed over the Internet, but required staff intervention on the more complicated ones.

Missouri, on the other hand, decided that it would not even accept filings for UCFE, UCX, and interstate claims over the Internet. Staff intervention is required in both states, but in Missouri, UCFE, UCX, and interstate claimants must file by telephone, whereas Colorado accepts the claim but assigns it to staff for additional contact with the claimant. Utah placed high importance on taking only those Internet claims that would not require staff intervention.



Thus, its initial implementation was limited to new intrastate regular UI claims, where the claimants' work histories could be validated within its employer database.

#### **4. Internal Marketing to State Staff and Officials**

Overall, state staff seemed pleased with the Internet IC process, and input received focused on recommended enhancements and additional uses for the Internet. The study states, however, varied as to how they approached internal staff in obtaining input and achieving buy-in. As discussed earlier, all the states used a combined UI/IT team to design and implement the Internet IC system. There was, however, minimal use of claimstaking staff in the process, and in some instances staff indicated they would like to have been consulted about the process. In fact, some design team members have recognized the need to keep all staff apprised of their progress in implementing Internet ICs and the need to obtain a wider range of staff input. UI staff concern over the implementation of Internet ICs and the impact it would have on their job was minimal (only Missouri indicated this may have been a staff concern) in those states that were taking TICs, as TICs had already affected UI staff presence at the local level. North Carolina, which had only taken ICs in-person at the local office prior to Internet ICs, indicated that local staff were anxious and concerned about the impact on their jobs. North Carolina management worked to convince local office UI staff that the Internet IC system was not designed to replace them, but instead would reduce their workload for taking ICs so that they could better handle other activities (such as nonmonetary determinations).

#### **5. External Marketing**

Each of the study states took a very different approach to marketing the Internet IC systems, ranging from television and radio advertising to simply posting the link on the state home page and distributing flyers to the local centers. Some states employed an innovative, multimedia

marketing plan, while others did very little to promote the service. The level of marketing by these states depended on several factors, including the broad state climate regarding the UI program, existing strategies used to market the UI program generally, and funding considerations.

Most of the study states, however, used several similar approaches to marketing the services. These included the use of an audio message on their TIC system while the claimant was waiting for service; notices attached to weekly benefit checks; posters, flyers, and handouts posted in the One-Stop Career Centers and other public offices; presentations at Rapid Response workshops; television and radio announcements; and press releases. Colorado's and Pennsylvania's approaches exemplified the use of these different marketing approaches. Each state used a variety of methods to inform potential claimants about the service, including posting an audio message on the IVR system; posting information on the SWA's Web site; holding Rapid Response workshops throughout the state; distributing flyers and posters at the ES centers and libraries, and airing television and radio public service announcements.

North Carolina and Utah, in contrast, used very little marketing to announce their Internet IC systems. Partly because of funding concerns, North Carolina only issued some press releases and created posters to be displayed in the local offices. It also added the Internet IC system as a link to the heavily visited Estimate of Benefits Web site. Utah has never taken a proactive approach to marketing the UI system, and it is believed this underlying philosophy has had an impact on the state's ability to advertise the Internet IC system. Utah stated in its grant proposal that it anticipated Internet IC filing would occur primarily when walk-in claimants were referred by the One-Stop Career Centers to the Internet. The state's marketing activities included a news conference held by the governor and a press release when the Internet IC system first went live.

Since that time, the only marketing efforts have been a handout by staff to claimants, a brief message on the IVR system, and presentations at Rapid Response workshops.

Washington undertook probably the most ambitious approach to marketing the Internet IC system. With the help of its marketing department, it produced a commercial and then purchased 15 seconds of time during the Seattle Mariners playoff games in 2001 to air it. After it ran, there was an immediate spike in the number of Internet ICs filed. The state also ran radio and newspaper advertisements throughout 2001 and 2002 and also distributed an insert that accompanied the benefit checks.

#### **D. FUTURE ENHANCEMENTS**

All the states have been making and will continue to make upgrades that range from the very minor (such as rewording questions on the application forms) to those that will dramatically affect the experiences that claimants and the states have with the Internet IC filing process.

Each of the study states reported that it is considering a variety of enhancements to its system now that it has at least a couple of years of experience with Internet IC filing. During this time, states have identified potential ways that they can (1) further expand the types of claimants who can file Internet ICs, by accepting more claim types; (2) streamline their procedures that are staff-intensive, such as identifying base-period employers; (3) improve IT and UI security, by changing the technology/software/hardware they use, enhancing an audit trail, and so on; (4) increase the speed of processing the claim, such as by having immediate processing rather than batch processing; and (5) respond to claimants' suggestions on how to make the process more customer-friendly, such as by allowing them to print pages, and so on. Some of the specific enhancements the states identified are discussed below.

Colorado and Pennsylvania would like to add, at the beginning of the claims filing, a process that creates an audit trail for every claim by automatically matching data based on the Social Security number (SSN) with the Social Security Administration's (SSA's) database and these states have recently received a grant from DOL for this purpose.

Colorado, North Carolina, and Utah reported plans that will allow additional types of claimants to apply via the Internet. As of June 2003, Utah had enhanced the Internet IC filing by accepting UCFE, UCX, combined-wage, and additional claims. North Carolina plans to enhance its automation process so that UCFE and UCX claims automatically generate the ES-935 form (Claimant's Affidavit of Federal Civilian Service Wages, and Reason for Separation) and DD-214 matches.

Several of the states also plan to upgrade their IT systems in order to increase the efficiency of the service. Pennsylvania and Washington will be adopting Microsoft's DotNet technology, which will be a part of the reengineering of their network structures. Colorado will be enhancing the system to allow the maintenance of its databases on the state's SQL Server™. Washington also will be adopting a major enhancement that will allow the elimination of the batch processing on the mainframe and permit a claim to be processed immediately. North Carolina reported that future capabilities will include the use of portal technology to access information and to facilitate the gathering of fact-finding data required for a claim. By summer 2005, Utah plans to house the Internet IC operating system on a Sun server, which will permit further enhancements, including verification of registration with ES.

Other enhancements the states identified include Pennsylvania's interest in having the system perform an online check of wages at the time of filing, rather than once each evening, and using e-mail rather than the telephone for rebuttals of nonmonetary determinations. Washington

is developing enhancements that will improve usability, including a summary of the claim at the end of the application and the ability to change any of the information. Colorado's future plans also include enhancing the system to allow claimants to file additional, reopened, and continued claims. There has also been discussion (but no formal planning) about having the Internet IC system handle all ICs, so that claimstakers would directly enter data collected from a telephone caller into the Internet system.



### **III. INTERNET INITIAL CLAIMS FILING AVAILABILITY, PROCESS, AND IMPACT ON OPERATIONS**

While all study states implemented Internet initial claims (Internet IC) systems with the goal of providing an alternative to telephone or in-person unemployment insurance (UI) claims-filing, the actual operations of their Internet IC systems vary. States must make a variety of choices in establishing these operations. Some of these choices affect the availability of Internet IC-filing, such as which claims the system will accept, when the system will be available, and what technology is required to file. In addition, states must decide upon and develop numerous procedures that affect the process of how customers submit claims and states process them. These procedures depend on each state's specific goals, its current filing systems, and its technological resources. In determining these procedures, states faced trade-offs in the amount of manual intervention required by UI staff to process an Internet IC. Ultimately, the way states' Internet IC systems operate can have important cost implications for staff time and/or other resources.

In this chapter, we discuss several important aspects of states' Internet IC systems and their influence on other UI activities. Section A discusses the availability of Internet IC filing to claimants and factors that affect it. Section B covers several important logistical aspects of the process (such as time constraints for the completion of an Internet IC once a claimant has begun filing and states' procedures to verify the claimants' identities), aspects that can influence claimants' filing experience. Section C describes how states administer the benefit rights interview (BRI). Section D describes states' designs to identify Internet IC filers' base period employers and to determine claimants' monetary eligibility for benefits. Section E describes how four of the six study states have used their Internet systems to improve the quality and

efficiency of conducting fact-finding for nonmonetary separation issues with Internet ICs, while Section F discusses potential effects of Internet IC filing on first-payment timeliness. Next, Section G covers issues related to overpayments, while Section H discusses estimates of staff time and administrative costs that states have been able to direct to other activities as a result of their Internet IC systems.

We conclude that Internet IC filing expands claimants' access to the UI system and increases states' efficiency processing ICs. States uniformly thought that customer service is better because of the expanded hours during and locations from which claimants can file ICs. In addition, states saved staff time and other costs processing ICs because of their Internet IC systems. Procedures that streamline the monetary determination process and fact-finding for Internet ICs with nonmonetary separation issues are especially effective ways to improve the efficiency of UI program operations. Nevertheless, states must balance the goals of improved customer service and increased efficiency with the needs to ensure the confidentiality of the data and to uphold standards on the quality and integrity of the claims and determinations about eligibility. States have identified additional ways to achieve these goals without sacrificing confidentiality or quality, through their first few years of experience with their Internet IC systems, so it is likely that these systems will serve an even greater proportion of claimants and be used to perform even more UI functions over time.

#### **A. AVAILABILITY OF INTERNET INITIAL CLAIMS FILING**

In establishing their Internet IC systems operations, states faced several choices that affect the availability of Internet IC filing. States had to determine which types of UI claims their Internet IC system would accept, the days and times it would be available for filing, and the



technological requirements for filing. In addition to the minimum requirement of a computer with Internet access, Internet filing requires specific software to use the Internet IC system.

### **1. Types of Claims That Can Be Filed Via the Internet Initial Claims System**

While some states designed their Internet IC systems to accept almost all types of claims, other states excluded claim types that are complicated to process and represent only a small portion of all claims. Processing these complicated claims would require extra programming to implement and could require additional manual attention by staff. Most states accept interstate claims over the Internet. However, North Carolina, which has in-person filing in local offices and no telephone centers, requires that claimants be assigned to a local office and thus does not allow Internet filing of interstate claims. As Table III.1 shows, about half the states accept Unemployment Compensation for Ex-Servicemembers (UCX), Unemployment Compensation for Federal Employees (UCFE), and Combined Wage Claims (CWC) claims. No states accept Disaster Unemployment Assistance (DUA), or Trade Readjustment Assistance (TRA) claims over the Internet. In all six states, these claims must be filed either by telephone or in person.

After several years of experience with an Internet IC system, states that initially excluded claims, such as UCX, UCFE, or CWC claims, are attempting to include them. For example, Utah originally had planned to offer Internet IC filing for a wide range of claims, but staff decided prior to their initial implementation to limit the accepted claim types to those that would require the least amount of staff intervention. They had reviewed other states' Internet IC processes and determined that intrastate and interstate liable claims were most likely to be

TABLE III.1

TYPES OF CLAIMS ACCEPTED BY EACH STATE VIA THE INTERNET

State	New Intrastate	Additional Intrastate	Interstate Liable	CWC	UCX	UCFE	DUA	TRA
Colorado	✓	✓	✓	✓	✓	✓		
Missouri	✓	✓	✓	✓ <sup>a</sup>	✓ <sup>a</sup>	✓ <sup>a</sup>		
North Carolina	✓	✓		✓ <sup>b</sup>	✓ <sup>b</sup>	✓ <sup>b</sup>		
Pennsylvania	✓	✓	✓ <sup>c</sup>	✓	✓	✓		
Utah	✓	✓	✓	✓ <sup>a</sup>	✓ <sup>a</sup>	✓ <sup>a</sup>		
Washington	✓	✓	✓		✓ <sup>a</sup>	✓		

Source: Data collected from the states during site visits and telephone interviews, spring 2003.

<sup>a</sup>These claims will be added to the Internet IC system in upcoming enhancements.

<sup>b</sup>These can be submitted via Internet, but claimants are still required to go to an office in person to complete the claim.

<sup>c</sup>Claimants residing in the state but with base period earnings completely from another state can submit their initial claims to the system. In this situation, the state contacts the claimant to advise him or her to file in the liable state.

CWC = Combined Wage Claim.

UCX = Unemployment Compensation for Ex-Servicemembers.

UCFE = Unemployment Compensation for Federal Employees.

DUA = Disaster Unemployment Assistance.

TRA = Trade Readjustment Assistance.

processed “cleanly.”<sup>2</sup> Both Missouri and Utah, however, plan to add these more-complicated claim types to their Internet IC system now that they have experience with it and feel comfortable handling the additional work. Utah expects to process these claims through their Internet IC system without staff intervention. Washington plans to add UCX claims to the Internet IC system, but decided not to add CWCs because of the complicated procedures necessary and the likelihood that these claims would ultimately require the attention of a claimstaker.

## **2. Days and Times the Internet Initial Claims System Is Available to the Public**

Since Internet ICs are filed without direct interaction with a UI claimstaker, Internet IC systems have the potential to be available for claims-filing over a wider span of days and times than telephone and in-person filing. Claimants can file an Internet IC any time the system is operational, including nights and weekends, when claimstakers are usually not available. In four of the six study states, the Internet IC system is generally available 24 hours a day, 7 days a week. These systems are continuously available, except for Missouri’s Internet IC system, which is unavailable between 11:30 P.M. on Saturday and 12:30 A.M. on Sunday so that claimants would not become confused about the week they last worked (for the purpose of reporting their

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<sup>2</sup> The agency’s definition of a clean claim was one that did not require staff to code information, review for monetary issues, or request additional information or forms. (The only exception has been the need for manual intervention to complete the Systematic Alien Verification for Entitlements [SAVE] process.)

earnings). While not continuously available, the Internet IC systems in the other two states have regularly scheduled hours 7 days a week.<sup>3</sup>

Although Internet ICs are not limited by the availability of staff, the availability of Internet ICs can be affected by other factors, such as the need to prevent access during batch data runs or when system maintenance is done.<sup>4</sup> Several states reported they were able to maintain continuous Internet IC service even while conducting scheduled data updates to their systems. These states had created systems that automatically linked with other data sources and thus did not require batch data runs. Some, but not all, states also conduct maintenance, upgrades, and batch data runs without interrupting the system's availability. In contrast, for example, North Carolina's Internet IC system is unavailable several times each week when the state performs maintenance on its system (on Sunday mornings) and conducts batch runs (in the evenings during the week). The hours of Utah's Internet IC system are restricted by the availability of the state's mainframe.

### **3. Technological Requirements to File an Internet Initial Claim**

To file an Internet IC, certain technological requirements must be available to claimants, the most basic being access to a computer with an Internet connection. This access can be in any location, and includes public computers, such as those in libraries or One-Stop Career Centers, and claimants' personal computers. In addition, a specific Internet browser may be required.

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<sup>3</sup> Utah's Internet IC system is available daily from 2 A.M. to 9 P.M., and North Carolina's system is available from 6 A.M. to 9:30 P.M. on weekdays, from 6 A.M. to 12 midnight on Saturdays, and from 12 noon to 11:30 P.M. on Sundays.

<sup>4</sup> The technological details of how the Internet IC systems are linked to the states' mainframes are discussed in Chapter VI.

**a. Access to a Computer with an Internet Connection**

While claimants can file Internet ICs from a computer with an Internet connection in any location, most Internet ICs are filed from claimants' home computers. Customer surveys in Missouri and Washington indicate that the percentage of Internet ICs filed from claimants' homes is 84 and 81, respectively. In other states, anecdotal reports based on staff observations also indicate that most claimants file from their homes.<sup>5</sup> Few claims are filed in One-Stop Career Centers, in public libraries, or at employers during layoffs. One exception is North Carolina, in which a large percentage of all ICs are filed by employers with job-attached claimants; these employers often use the Internet for filing.

When several states implemented their Internet IC systems, they expected more claimants to file from local One-Stop Career Centers.<sup>6</sup> In Missouri, where only about 4 percent of Internet IC filers use the states' Career Centers to file their Internet ICs, staff speculated on a few potential explanations for the low usage. These include that Career Centers computers are old and probably inefficient for Internet filing, Career Center staff may refer claimants to the telephone for claims-filing, and claimants who have home computers may see no reason to go to the Career Centers. Similarly, in Washington, slightly less than 3 percent of Internet ICs were filed from One-Stop Career Centers, even though the state had expected more people to use them. In fact, the centers had been concerned that people taking advantage of the availability of Internet IC-

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<sup>5</sup> According to recent surveys in Pennsylvania, 55 percent of residents in that states have home Internet access.

<sup>6</sup> Even though few claimants filed using public computers, states had to design their Internet IC systems to be able to handle security issues associated with their use. These issues are discussed in Chapter VI.

filing might strain the capacity of their computers to serve customers in other ways. This concern, however, was not realized.

**b. Software**

Depending on how the Internet IC system is configured, certain software may be required to file an Internet IC. In particular, the system may be configured using applications that can be supported only with particular versions of common Internet browsers. While states strove to make their Internet IC systems broadly accessible, states' Internet IC systems had software requirements. For example, Washington's claimants using PCs need Microsoft Explorer 4.0 or higher, or Netscape 4.0 or higher; however, claimants using an Apple or Macintosh computer can use Netscape 4.0 or higher only. Current versions of these Internet browsers are available to be downloaded at no cost on the Internet. These requirements, however, could deter some claimants from filing an Internet IC if the software is not already on their home computer and they would have to spend time installing it, or if they are filing from a public computer and are not able to install the necessary software. State staff, however, did not indicate that these requirements were a problem for claimants.

**B. LOGISTICAL ASPECTS OF INTERNET INITIAL CLAIMS FILING**

Internet IC filing consists of having the claimant interact with the UI agency in a new way: through the Internet. In contrast to well-established procedures for telephone and in-person interactions, use of the computer medium may dictate the need for the UI agency to impose a new set of constraints that affect the customers' experience in filing an Internet IC. In this section, we discuss three facets of the Internet IC filing process: (1) the time frame for completing an Internet IC, (2) verification of the claimant's identity, and (3) the completion of the Internet IC.

## **1. Time Frame for Completing an Internet Initial Claim**

States determine the time frame for completing an Internet IC by balancing several interests and concerns. Some of these issues are unique to Internet claims-filing, while others are more generally associated with claims-filing itself. Some claimants who file by Internet may want to complete their application over an extended period of time, either because they do not have time to complete it all at once or because they realize they need to obtain additional information. State staff, however, typically prefer not to allow a long lag in completion of claims. State officials generally did not want claimants to save and later return to their partially completed claim because of security concerns that personal data might be compromised if the claimant uses a public computer (such as in a library or One-Stop Career Center). In addition, state staff are concerned with potential complications in establishing the effective date of the claim. Therefore, the Internet IC systems have restrictions on the amount of time allowed to complete the application, whether claimants can go back to correct errors on prior pages of the application, and whether claimants can save, exit, and return to the application later.

All states except Missouri imposed limits on how long claimants could keep their partially completed Internet IC application open (Table III.2). Most states limited this time to be from 20 to 30 minutes per Web page. For example, Utah claimants cannot spend more than 20 minutes on any Web page or the Internet IC process will terminate and the claimant will have to begin the entire filing process again. Similarly, both Pennsylvania and Washington have time-out functions in their systems, so that claimants are unable to leave the browser idle for longer than 30 minutes. Once this time limit is reached, the session expires and the claimant must begin a new session. Colorado allows claimants a longer time to complete their claim: they must complete their Internet ICs within 12 hours or the session expires and they must restart the

TABLE III.2

TIME FRAME FOR COMPLETING AN INTERNET INITIAL CLAIM

Characteristic	Colorado	Missouri	North Carolina	Pennsylvania	Utah	Washington
Ability to save claim and complete later	Possible for up to 12 hours, then the application “times out”	No, the system does not time out, but information is lost if the claimant exits the application	Yes, saved for 14 days; then purged from system if not complete	No	No, after 20 minutes any page times out	No, after 30 minutes any page times out
Ability to move back over pages and make edits	Yes, but lose subsequent information if any data are changed	No	Yes, but lose subsequent information if any data are changed	Yes, but lose subsequent information if any data are changed	No	No

Source: Data collected from the states during site visits and telephone interviews, spring 2003.



application for UI benefits. In contrast, Missouri's claimants can take as long as they want to complete the Internet IC if they do not disconnect with the system.

States' Internet IC systems vary in whether they allow claimants to return, during the application process, to completed pages of their claims.<sup>7</sup> As with saving partially completed claims, allowing claimants to move back to completed pages of their application introduces potential security risks, especially if claimants are filing on a public computer. Three states allow claimants to return to previous pages to review or change information while filing their Internet ICs. However, if the claimant changes any data that had been previously entered, the data on pages subsequent to the altered page have to be reentered.<sup>8</sup> The other three states do not allow claimants to go back and view or change any information on previous pages. Even though one of these states designed its system to prevent claimants from navigating backward, its staff reported that one claimant circumvented this by using the F5 button to go back and change previously completed information on the job separation. The state was able to detect this incident and modify its system to eliminate this possibility in the future. Washington plans to change its current system so it displays a summary page at the end of the claim where claimants can review and make changes in any of the information before submitting the claim. Similarly, Missouri allows claimants to review the information in their claim application at the end of the process, prior to their submitting it.

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<sup>7</sup> To ensure that claimants submit complete information, some states' systems show claimants a message indicating that information is still required if a claimant tries to move onto the next page before completing the previous one.

<sup>8</sup> Colorado's Internet IC Web page warns claimants that they will lose information if they return to the start of the application before submitting it and receiving a confirmation page.

Most states did not allow claimants to save their partially completed application and return to it at a later date. In these states, if claimants exit the application before they submit it, they have to start over. Colorado recently updated its system to prevent claimants from taking more than 12 hours to complete their applications. Previously, some technically sophisticated claimants filed claims after bookmarking the Web page months earlier. The resulting effective date of the claim was altered substantially.

One exception is North Carolina's Internet IC system, which allows a claimant to take as long as 14 days to complete the process. Thus, a claimant could begin the application process on one day and return to the Web site 13 days later to complete it. The claims data are deleted from the system if the claim is not completed within 14 days from the day on which it was started. Often, claimants who begin filing over the Internet go to a local office to complete their claims. Since the information they have completed is saved, they can reopen and complete their claims when they meet with a UI agency staff person.

Since Internet IC systems often were created to improve customer service and to reduce long wait times to file telephone initial claims (TICs), the amount of time to file an Internet IC is an important indicator of how states are meeting these goals.<sup>9</sup> The average time needed to complete the Internet IC application, excluding any lengthy pauses, often is about 20 minutes (such as in Colorado) to about 30 minutes (in North Carolina and Utah). State staff in Washington reported that, even though filing an Internet IC is typically faster than filing a TIC, claimants were

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<sup>9</sup> Internet ICs can lead to time savings in two key ways. First, the time to file an Internet IC may be shorter than to file a TIC or in-person IC. Second, the wait time to file a TIC or in-person IC may be shorter, as some claimants opt to file via Internet thereby reducing workloads for TIC and in-person filing.

sometimes impatient because they had very high expectations about how quickly they could file by the Internet.

## **2. Identity Verification**

To file an Internet IC, claimants must enter certain basic types of personal information, which are crucial to the state for several purposes (Table III.3). Personal information, such as the claimants' name, telephone number, address, date of birth, and Social Security number (SSN), is matched with various data sources to verify the claimant's identity. To help prepare claimants to start the Internet IC filing process, states' Web pages advise claimants that they also must have other information, such as their base-period employers' names and their dates of employment.<sup>10</sup> This notice is usually given at the first screen of the Internet IC system. In addition to helping the state to verify the claimant's identity, these pieces of information help to ensure that fraudulent or duplicate claims are not filed, to conduct matches with wage records that determine the eligibility of the claim, and to allow the state to contact the claimant for follow-up correspondence.

Most states conduct verification on claimants' identity using the personal information submitted by claimants, most commonly using the claimant's SSN and name.<sup>11</sup> For example, Utah runs automatic real-time cross-checks with Social Security Administration (SSA) data based on SSNs submitted by claimants. Claims that do not match SSA verification are processed

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<sup>10</sup> Having this information available at the time the Internet IC is started is important because, as discussed in the previous section, claimants are limited in how long they can take to file a claim.

<sup>11</sup> These procedures are discussed further in Chapter VI.

TABLE III.3

## VERIFICATION OF CLAIMANT'S IDENTITY

Characteristic	Colorado	Missouri	North Carolina	Pennsylvania	Utah	Washington
Process for Identity Verification	Match with wage data at the time of filing	Match with wage data (for current quarter and five previous quarters) at the time of filing	Match with wage data at the time of filing; if no match, claimants are notified they must come into their local office	Match with wage data each night	Automatic real-time cross-match with SSA data; claimants with problems are notified they must contact their local SSA office to fix problem with match	Cross-match with wage data and checks on date of birth (for reopened claims) at time of filing. Matches with SSA and new-hires data
Information Used to Verify Identity	SSN and name	SSN, first letter of claimants first name and first three letters of claimants' last name	SSN and name	SSN, first three letters of the last name	SSN, last name, first name, date of birth	SSN, first name, last name, date of birth
Signature Required	Yes	No	No	In rare instances	No	No
PIN Assigned	Yes, assigned by the system	Yes, claimants select	Yes, claimants select	Yes, assigned by the system	Yes, claimants select	Yes, when the first certification is filed, it is assigned by the system and sent to the claimant via mail

Source: Data collected from the states during site visits and telephone interviews, spring 2003.

PIN = Personal Identification Number.

SSN = Social Security number.

but an issue is set on the claim and sent to adjudication. If the SSA still does not match after three to five days, an adjudicator will make a formal denial decision that can be appealed. Washington currently runs checks on the SSN using a batch process to check against SSA and new-hires databases. If problems arise, claimants are contacted by a claimstaker. In North Carolina, claimants' SSNs are matched against wage data. When problems arise in the match or there is no match, claimants must report to their local office to address the problem. Local office staff receive lists of claimants with these problems, and must also follow up promptly.

No state requires claimants to submit their signature after filing their Internet IC.<sup>12</sup> Colorado had originally required a signature of all TIC filers; more recently, however, the form that is mailed to TIC and Internet IC filers is used only to provide the claimant with the opportunity to correct erroneous data.

In lieu of written signatures, all states require that claimants establish or are assigned a personal identification number (PIN) that functions as an electronic signature. In Missouri, near the beginning of the claims-filing process, claimants are instructed to choose a PIN. Similarly, at the beginning of the claims-filing process, North Carolina's claimants are required to enter their SSNs and select their PINs. Claimants must use their PIN in all future interactions with the Internet IC system to verify their identity.

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<sup>12</sup> In Pennsylvania, telephone claimstakers can request that claimants complete a notary form if there is some uncertainty about the claimants' identity; there is no similar requirement with Internet ICs. In Missouri, handwritten signatures are required only in limited circumstances, such as when claimants want income tax withheld from the benefit checks.

### **3. Completing the Internet Initial Claim**

Internet IC systems have various ways to signal to claimants that the claim-filing process is completed (Table III.4). Since Internet ICs are filed without human interaction, claimants often seek documentation for their records that their claim is complete and has been successfully filed. These confirmation procedures do not necessarily inform the claimant that the information in the application is complete or accurate, or that he or she will be eligible for benefits, but simply that the state has received the claim. In addition, claimants often seek a printed record of their claim. States' Internet IC systems vary in whether they allow claimants to print their completed Internet IC applications.

Most states' Internet IC systems provide confirmation to claimants once the claim application process is complete. Three states (Colorado, Missouri, and Utah) provide a confirmation number to claimants when they reach the end of the claims-filing process. This number verifies that the claim has been submitted, and claimants are typically advised to write it down or print out the page. Although Pennsylvania claimants do not receive a confirmation number, they receive an online confirmation page that includes their SSN, name, and address, as well as a time stamp for the claim. North Carolina does not provide a confirmation number, but instead produces a final page with a statement thanking claimants for using the service, encouraging them to use employment services in the linked pages, and instructing them to contact their local offices to resolve eligibility issues, if needed.

TABLE III.4

## COMPLETION OF THE INTERNET INITIAL CLAIM

Characteristic	Colorado	Missouri	North Carolina	Pennsylvania	Utah	Washington
Record of Filing	Confirmation number	Confirmation number	No confirmation number	Confirmation page	Confirmation number	Confirmation e-mail
Ability to Print Claim	Can print out entire application or page by page	Can print page by page; cannot print entire application	Can print page by page (from browser); cannot print entire application	Can print page by page (from browser); cannot print entire application	Can print out summary page; cannot print entire application	Can print out summary page; cannot print entire application

Source: Data collected from the states during site visits and telephone interviews, spring 2003.

Many claimants who file an Internet IC would like a full copy of the completed application for their records. Several states allow claimants the option of printing each page of their application as it is completed before they move on to the next page. However, in most of these states, claimants cannot print the entire application with one request. Only Colorado also allows claimants to print out the entire application as it appears after they have submitted it. Washington plans to add this capability since so many claimants have requested it. At the end of the Internet IC-filing process, their upgraded Internet IC system will provide a summary that claimants will be able to print out for their records.

Despite states' efforts to communicate to claimants that their Internet ICs have been completed, claimants sometimes make additional contacts with the UI agency to inquire about the status of their claims. Staff in Missouri report that, even though claimants have received a confirmation number, many still make inquiry calls because they do not believe that their claim has been processed. To minimize this problem, Washington sends confirmation e-mails to claimants to notify them that their claims have been received, also reminding them to submit their weekly claims. In an effort to control the number of telephone and e-mail queries about the status of claims, Colorado's Web site informs claimants that processing a claim can take up to five weeks, although the state generally can process the claims more quickly.



### **C. THE BENEFITS RIGHTS INTERVIEW (BRI)**

The BRI, conducted as part of the IC process, provides an important foundation for many future interactions between the claimant and the UI agency.<sup>13</sup> In recent years, states have used a variety of ways to conduct BRIs, depending on how the IC is filed. In most (but not all) states, claimants who file ICs by telephone or in person are able to question claimstakers in a back-and-forth discussion, which allows the claimants to receive clarification of their UI rights and responsibilities. Nevertheless, time pressures often prevent the claimstakers from spending a lot of time going over these topics and answering claimants' questions. In contrast, the Internet has the potential to provide much more information to Internet IC filers, which they can digest at their own pace. However, when Internet IC filers have questions about specific topics, they must, on their own, identify which information on the Web site is most useful and relevant to their personal situation. Thus, the study states noted a trade-off between presenting more information in a uniform text format (through the Internet) and facilitating a more dynamic and targeted exchange of information (through the TIC or in-person filing).

All six study states developed ways to provide the BRI as claimants are guided through the screens of the Internet IC application process, although there is a limited time that the claimant has to review this information before being timed out for non-activity. For example, Colorado provides BRI information at multiple points in the Internet IC application; a complete BRI also is

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<sup>13</sup> The BRI is the presentation to the claimants of their rights and responsibilities while they collect benefits. It may include such topics as the requirement to search for work, the records the claimant must keep, the way in which a claimant can appeal a decision on eligibility for benefits, and other aspects of collecting benefits. In addition, the BRI may include a certification by claimants that they have received information on what is required of them; when a state questions a claimant's compliance with UI program rules, this certification may be used as evidence that the claimant was knowledgeable of the requirements.

presented as part of certification/confirmation at the end of the claim, and the system documents that the information has been presented to the claimant.<sup>14</sup> Likewise, North Carolina's Internet IC filers see the BRI statement on the Web site and are asked whether they have read the information and understand it. Claimants respond to the question by clicking either a "yes" button or a "no" button on the screen.<sup>15</sup> Other states, such as Pennsylvania and Washington, do not require claimants to certify that they have read the information, although they are shown the BRI information as they pass through the computer screens to complete the Internet IC.

State staff had mixed views on whether Internet IC filing provided better BRIs than the procedures used with other filing methods. Staff generally thought that the Internet IC process increased the number and consistency of BRIs given, since claimstakers in local offices or call centers occasionally deviate from the official BRI scripts. Most staff also thought that, relative to TIC filers, Internet IC filers may have slightly more information accessible to them, and more time to understand it, at the time of filing since most states provide a comprehensive amount of information on the Web site.<sup>16</sup> However, staff in at least two states (one of which requires Internet IC filers to respond that they have read and understand the information) were skeptical about whether claimants who file Internet ICs read the entire BRI form; they believe that some

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<sup>14</sup> In contrast, Colorado's TIC filers are instructed to listen to a prerecorded message at the end of the TIC filing process; however, nothing prevents them from hanging up at the beginning of this message.

<sup>15</sup> North Carolina's claimstakers at local offices typically either provide the BRI or instruct the claimants to watch a video, in either English or Spanish that presents this information.

<sup>16</sup> Much of the information that Internet IC filers have access to is not in the BRI per se, but on the Web site for the UI application. Having this information on the Web site, but separate from the claim application, allows any claimant who has access to the Internet to refer to it when questions arise during the benefit collection period.

claimants merely click through the screen to reach the next section, thus negating the benefits of providing the text information. Thus, although Internet IC filing probably allows claimants to have greater access to information at the time the IC is filed, some claimants may not take advantage of it.

To supplement the BRI at the time the IC was filed, all study states that offer both TIC and Internet IC filing mail a packet of information on benefit rights and responsibilities to all filers, regardless of the filing method used. Handled typically during the daily batch processing of claims, this mailing is designed to ensure that all claimants receive a consistent set of information. The pamphlet can both provide claimants with information in addition to what they receive when they file their ICs and serve as a valuable printed reference throughout their claim period. However, because North Carolina did not already have a system for mailing out pamphlets to TIC filers (since the state does not offer TIC filing), no information other than the Internet-based BRI is provided to North Carolina's Internet IC filers.

#### **D. MONETARY ELIGIBILITY**

A claimant's monetary eligibility for benefits is based on the claimant's earnings prior to his/her unemployment during a period of time referred to as the base period. Although states have considerable flexibility in determining these thresholds for earnings, and in determining how earnings must be distributed over the base period, all states use the earnings history to determine the amount of benefits to which a claimant is entitled. For regular UI claims, when earnings are from within-state employers, states calculate a claimant's base period earnings by

matching the claimant's SSN with quarterly wage records that employers within the state have already provided to the UI agency.<sup>17</sup>

States had several objectives for the monetary eligibility component of their Internet IC systems. They needed to determine a claimant's monetary eligibility for benefits accurately and preserve the confidentiality of the wage records data. In addition, states wanted to minimize the time that claimstakers spent processing the Internet ICs. In balancing these objectives, states developed creative ways to minimize staff time spent reviewing and correcting problems with the linkages to base-period employment and to maintain the confidentiality of the data. However, most state staff concluded that Internet IC filing does not significantly affect the quality or speed of determining monetary eligibility.

### **1. How Base-Period Employers Are Identified**

States used a variety of methods to obtain information during their Internet IC filing process on claimants' base-period employers and verify it through wage records data. All states except Colorado require claimants to enter information on their employers prior to the claims being matched with wage records. Once the claimant has done so, the states vary in their procedures to verify the information using the wage records files. The procedures range from matching the data with state wage records later to conducting immediate automatic matches and allowing the

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<sup>17</sup> States must request a transfer of information on earnings when the earnings were made in another state (for interstate claims or CWCs) or when the employment was for the federal government (for UCFE claims) or the military (for UCX claims). UCFE and UCX claimants are required to provide supporting documentation, e.g., DD-214 to assist in the determination of their monetary eligibility, when appropriate information cannot be obtained through the federal Claims Control Center (FCCC).

claimant to select from among the list of potential matches.<sup>18</sup> Colorado matches (and Washington will soon match) the claimant's name and SSN with wage records data in order to obtain the employment history while the claimant is filing the Internet IC. The system then asks claimants to identify employers from a list that includes both the claimants' actual matched employers and, for confidentiality reasons, real employers for whom the claimants did not work.<sup>19</sup> If claimants select their employers accurately, then their claims pass through the system as clean claims. Washington also provides a list of the claimant's actual matched employers and employers for whom the claimant did not work; however, this list is provided to the claimant only after the claimant has entered information on his or her employers as part of the application process.

North Carolina's system for obtaining employer information is similar to Colorado's and Washington's, except it does not include invalid employer information. Instead, after the claimant has entered employer information and wage records from the state database are matched to the claimant's SSN, it displays the name and the address of the claimant's most recent employer. Claimants must confirm that this match is the correct employer. The state has not encountered any confidentiality problems resulting from providing claimants with this

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<sup>18</sup> These procedures evolved over time in some states as they sought to make their Internet IC systems work more efficiently and require less staff intervention.

<sup>19</sup> Colorado state staff reported that they added real employers for whom the claimant did not work because of concerns that claimants' confidentiality might be breached. Prior to this current system, Colorado's UI staff had to code every claim manually. This coding process entailed reviewing the information that the claimant has provided, determining the employer account identification number, and assigning the number to the claim to complete the interface with the UI system.

information.<sup>20</sup> If there is no match and no wage records on file, claimants must visit their local offices to resolve wage and employment discrepancies.

Missouri also conducts a match of wage records information using the SSN, the first letter of a filer's first name, and the first three letters of the filer's last name. If this information does not match data for the current quarter and wage records in the five previous quarters, or if the filer does not have any wage records, then the claimant cannot continue with the Internet IC filing process and must file a TIC.

Utah requires claimants to provide the name of each employer, from the beginning of the base period to the present. These employer names are matched with wage record data, and all employers that are close in name to the entered text are shown to the claimant, who must select the correct one. The claimant must list employers until all employers the claimant worked for have been identified. However, if a claimant does not list an employer that is in the agency's wage records for the SSN, the Internet IC process is discontinued and the claimant is required to call the claim center. About 30 percent cannot complete the process.<sup>21</sup> Internet IC filers can list employers that are not matched with the wage records data so that states can request data from employers.

Pennsylvania does not run an automatic match with employer information when the claim is filed. Rather, it accepts information entered by claimants on their former employers and runs

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<sup>20</sup> Earnings data are not shown to the claimant. Once an employer is identified, claimants must enter the type of job and a brief description of their duties, the length of employment, the reason for leaving, and their wage rate. Claimants who have worked for only a brief period for their most recent employer are asked similar information about the second-most-recent employer.

checks with wage records data in batch at night, matching the files by SSN and the first three letters of the last name. Claims that cannot be matched in this way must be handled by claimstakers, who review the claims and resolve the problems. The state would like eventually to modify its system to perform an online check at the time of filing.

## **2. Providing Estimates of the Benefits Entitlements**

At the time a claimant files an IC, he or she typically can receive, or calculate, an unofficial estimate of what the benefits will be. For example, claimants who file by telephone (in the five study states that use TIC filing) receive an estimate of their benefits at the time they file the IC. Several states provide Internet IC filers with a “benefits calculator” that allows them to make their own estimate. Both Internet IC and TIC filers are instructed that an official monetary determination will be mailed to them, and the Internet IC process does not affect when claimants receive this official determination. Similarly, North Carolina’s in-person filers also receive an unofficial monetary determination while they are at the local office or One-Stop Career Center. Both Internet IC and in-person filers receive their official monetary determinations through the mail.

## **3. The Quality of the Monetary Information That Is Collected**

Administrators’ opinions differed on whether Internet IC filing leads to monetary determinations that are more accurate than with TIC or in-person filing. On the one hand, Missouri’s administrators reported that the quality of the determinations is likely to be higher

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<sup>21</sup>The state plans to add an improved “query stream” that claimants can use to find the base-period employers while filing an Internet IC. Staff hopes that this improvement will reduce the percentage of Internet IC filers who ultimately must file by telephone.

with Internet IC filing than with TIC filing, because the claimants are less likely than claimstakers to mistype information. Hence, the state is more likely to match the IC with an employer's wage record for the claimant. On the other hand, Washington staff reported that, with their initial system design, there appeared to be more issues with monetary determinations for Internet ICs than for TICs, because claimstakers had an opportunity to ask claimants questions about (and clarify) possible work history issues. Washington's initial Internet IC system had filers key in their employer information, but many failed to enter the names of all their former employers, and claimstakers would have to search employer records and wage data to identify claimants' employers properly.

Differences in which types of filers complete claims using each method also may influence monetary eligibility rates. For example, administrators in Colorado anecdotally reported that callers who begin filing a TIC may discontinue the process when they find out from the claimstaker that they are unlikely to be eligible for benefits. Because the claimant chooses not to complete the IC, the state ultimately saves administrative costs that would have been used to process an ineligible claim. Although it is possible that Internet IC filers may use the online benefits calculator to reach the same conclusion about eligibility (and hence discontinue the filing process), the state did not report this pattern. North Carolina staff members reported, anecdotally, that Internet IC filers are more educated and better able to understand monetary issues than are in-person filers. Internet IC filers are more likely to know when to ask for clarification and to help to correct problems. In contrast, in-person filers are less likely to answer accurately every question about monetary issues.

Aggregate data (shown in Appendix B) support the view that, in almost all study states, differences in the monetary eligibility rates of both Internet IC filers and other filers are very small and unlikely to impact policy. In some states, the rates for Internet IC filers are very



slightly higher than the rates for other filers, while other states show Internet IC filers with very slightly lower rates. Two states, Missouri and Utah, show Internet IC filers with higher rates of monetary eligibility than TIC filers by about five percentage points.<sup>22</sup> We cannot tell whether these differences result from the filing method per se or self-selection of claimants into the two groups. Nevertheless, even this difference is not of a magnitude likely to impact policy.

Regardless of the way in which the IC was filed, all states' procedures for claimants to appeal a monetary determination are the same. The aggregate data show that Internet IC filers are slightly less likely than other filers to have monetary redeterminations.<sup>23</sup>

#### **E. FACT-FINDING FOR NONMONETARY SEPARATION ISSUES**

Because federal and state UI legislation dictate that benefits are to be provided only to claimants who are unemployed due to no fault of their own, states must uncover and investigate separation issues that could make claimants ineligible to receive benefits. Thus, IC forms contain a question about the reason for separation from the claimant's most recent employment. When claimants quit or were discharged, the complexity of most states' laws requires the UI agency to collect detailed information on the job separation in order to apply the law accurately

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<sup>22</sup> Both Missouri's and Utah's Internet IC filers are about 5 percentage points more likely than other filers to be monetarily eligible. Missouri's rates are 91 percent for Internet IC filers and 86 percent for TIC filers; Utah's rates are 99 and 95 percent, respectively.

<sup>23</sup> Data on monetary redeterminations are available only for Colorado, North Carolina, and Washington. About 12 percent of Colorado's Internet IC filers have redeterminations, compared to 16 percent of non-Internet IC filers; the comparable percentages for North Carolina are 20 and 22 percent, respectively. The percentages for Washington are 12 and 14 percent, respectively. Appendix B contains further details.

when making determinations about eligibility (Fishman et al. 2003).<sup>24</sup> States also send information about the IC to the employer, to request information and/or so that employers who dispute the claimant's eligibility have an opportunity to provide information about the job separation.<sup>25</sup> Adjudicators, specially trained in the details of the UI laws, use the information provided by both claimants and employers during this fact-finding process to make a determination about a claimant's eligibility for benefits.

Incorporating fact-finding into the Internet IC process may provide another opportunity for states to save staff time with their information-gathering procedures. Three of the six study states (Colorado, Pennsylvania, and Utah) have done so: some at the time they initially implemented their Internet IC systems and others by upgrading their systems at a later date. After initial fact-finding has been conducted, the rest of the adjudication process (such as rebuttals) is handled in the same way, regardless of the method in which the claim was filed.

### **1. An Internet-Based System Is Likely to Improve the Quality, Efficiency, and Consistency of the Fact-Finding**

Most administrators in the four states that use Internet-based fact-finding procedures for Internet IC filers thought that these procedures are superior in several ways to fact-finding procedures for telephone or in-person filers. First, staff thought Internet-based fact-finding generates higher-quality information. Some staff speculated that initial issue detection was better because claimants using the Internet may be more at ease typing the response than having

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<sup>24</sup> Depending on the state's laws, a state also may ask claimants about their reasons for leaving all other employment during the base period.

<sup>25</sup> Generally speaking, employers have an incentive to ensure that claimants who are ineligible for benefits do not collect them, because, to fund the UI program, states tax employers based on the amount of benefits that the employers' employees have collected.

to tell someone why they were fired or quit a job.<sup>26,27</sup> In addition, claimants completing the fact-finding over the Internet also may provide higher-quality information because they are focused on the job separation (since he or she is filing an IC) and have more time to consider their responses than during a telephone interview. It is highly likely that the IC-filing process and fact-finding appear seamless to Internet IC claimants in states that have online fact-finding, since the claimants are providing the fact-finding information at the same time as they are filing the IC.

In contrast, several states reported that fact-finding using other methods (especially TIC filing) led to lower-quality information and a less efficient use of staff time because staff cannot reach some claimants using telephone or mail procedures to collect the detailed information after the IC is filed. Staff often spend a lot of time trying to contact claimants and sometimes are still unsuccessful.<sup>28</sup> For example, Utah mails TIC filers fact-finding forms, but only about 50 percent are returned. The poor return rate on paper forms means that staff have to spend time obtaining

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<sup>26</sup> In contrast, staff in one state, Washington, reported that claimants filing over the Internet may report separations due to lack of work (which pass through the system as clean claims) even though they had quit or had been fired. Washington's staff did not know whether, compared to TIC filers, Internet IC filers are more likely to make fraudulent statements, to have these issues, or to be confused about the questions on the application. (Of course, fact-finding is conducted with the claimants' employers to resolve these filing errors.)

<sup>27</sup> Aggregate data provided by several states show that, generally, Internet IC filers are less likely than non-Internet IC filers to have separation issues, such as having quit or been discharged. (See Appendix B for further details.) These lower rates of separation issues for Internet IC filers may be consistent with administrators' views that issue detection is better through the Internet than through the telephone if Internet IC filers are systematically different from non-Internet IC filers.

<sup>28</sup> Some of the study states that offer TIC filing, such as Utah, do not conduct fact-finding at the time a claimant files an IC. Rather, they use telephone or mail procedures to collect the information at a later time, so the agency can better manage staff time for this time-consuming effort. In contrast, most (but not all) of North Carolina's offices conduct fact-finding when a claimant files an IC in the office.

the fact-finding information over the telephone. Despite these time-consuming efforts, adjudicators sometimes must rely on an abbreviated and less useful statement taken by a claimstaker when the claimant could not be contacted to provide a detailed statement.

An additional advantage to using the Internet for fact-finding is that it elicits standardized, uniformly collected data. Internet-based fact-finding requires states to use automated rules to determine which questions need to be asked under which conditions.<sup>29</sup> When separation issues are identified through questions asked of the claimant, additional questions continue until necessary information is collected. These questions are specific and tailored to the type of issue that was raised. Because states use drop-down menus to guide the claimant through much of the fact-finding process, the Internet IC system generally forces detailed, logical fact-finding from claimants, thereby resulting in better information, regardless of the issue.

Several administrators thought that the higher-quality, uniform information available through the Internet system has the potential to allow adjudicators to make more timely decisions and the state to better meet nonmonetary determination time-lapse standards.<sup>30</sup> As discussed earlier, Internet-based fact-finding reduces the staff time spent collecting data, which allows

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<sup>29</sup> States that have already established these rules for fact-finding by one medium (such as the telephone or Internet) may be able to transfer them relatively easily to another medium. For example, Pennsylvania's Internet system now uses the same fact-finding forms that adjudicators use for claimants who file by telephone.

<sup>30</sup> Despite these labor-saving benefits, however, the timing of adjudication decisions may not change, because of the need to obtain employer information. States that conduct online fact-finding with the claimant still use traditional methods for notifying employers of the claim, typically giving them a fixed number of days to respond. On the whole, however, staff still believed that nonseparation issue decisions may be made more quickly if claims are filed over the Internet, because the fact-finding information from the claimant is more readily available.

adjudicators to spend their time reviewing the information only.<sup>31</sup> In addition, in Utah's case, the paper forms that are returned have to be electronically imaged, a process that may slow down adjudication decisions for TIC filers.

Several states reported hopes to develop or improve their Internet-based fact-finding and adjudication process, which could lead to even greater efficiencies. Washington would like to include additional questions in their Internet IC system to determine more accurately whether there is an issue. Utah would like to send the separation notice to the employer and allow the employer to respond using the Internet. However, budget constraints and other activities may prevent each of these states from making these improvements soon.

## **2. Cautions About the Design of the Internet-Based Fact-Finding Process**

As with other aspects of establishing Internet-based systems, some states have learned through their experiences about potential pitfalls in their Internet-based fact-finding procedures. Some of these pitfalls stem from the design of the system—and hence may be fixed when system upgrades are implemented. Others are more inherent in using an automated system that does not facilitate interactions between the claimant and the UI agency.

Staff in several states reported encountering problems with the design of their Internet-based fact-finding system. Two states reported that their system did not always collect enough detailed information. In future versions, these states plan to increase the depth of information collected

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<sup>31</sup> Adjudicators may need to collect follow-up information for a subset of the claims, regardless of how the data were collected. Nevertheless, several administrators believe that Internet IC filing reduces the need to call claimants to obtain clarifying information.

by using questions that are more detailed, as well as drop-down menus.<sup>32</sup> In one state, the online fact-finding system is unable to identify claimants who provide incomplete information and to request immediately that they provide additional information. Although the system can detect whether claimants have left a question unanswered, it cannot check whether they have given an answer such as “N/A.” Staff in this state would like the Internet system to detect these types of incomplete responses and request that the claimants answer the question properly.

Adjudicators in another state reported problems when they used the Internet-based system to conduct fact-finding by telephone. Because their system limits how long a page can be accessed and the number of characters that can be provided, an adjudicator who does not keep track of the time and length of the statement may lose all the information. Adjudicators were not concerned about the limit in the number of characters that could be their statements, but they did want to know when they approached the limit; thus, they still were positive about the use of the Internet system for fact-finding. (The agency’s planned enhancements include a built-in clock and a character counter to assist adjudicators.) In addition, an early version of the system did not allow staff to print the fact-finding statement, a process that is very important for cases that become appealed.

Finally, a potential inefficiency of using the Internet for detecting issues or fact-finding—which may occur to some extent regardless of how well the system is designed—is that the Internet may lead to a higher number of issues that are erroneously detected. Because Internet

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<sup>32</sup> In addition, one of these states had claimstakers review all Internet ICs with nonmonetary issues prior to their being passed to an adjudicator. Claimstakers sometimes requested additional information from claimants. The state will allow these claims to pass automatically to an adjudicator once the plans for collecting more detailed information are implemented.

IC filers do not have the opportunity to ask a claimstaker any questions, a claimant's confusion about what the questions and potential answers mean may lead to the unnecessary flagging of some responses for adjudication.<sup>33</sup> In contrast, according to Colorado staff, claimstakers can immediately handle some issues, such as "able-and-available" matters, through the TIC process. Another reason that the Internet may result in a slightly higher number of adjudication issues, according to Pennsylvania staff, is that claimants may more often misunderstand or mischaracterize their situation when they do not have to speak with claimstakers. Although some of these types of inefficiencies may be unavoidable, several states have made efforts to minimize them, such as by rewording eligibility questions after the Internet IC system was initially implemented or using drop-down menus that force claimants to answer in a prescribed way.

#### **F. FIRST-PAYMENT TIMELINESS**

The time it takes a state to make initial UI payments is an important measure of the UI program's ability to assist workers when they lose earnings. Allowing Internet filing by claimants for ICs might affect the speed with which the ICs are processed. The average time it takes states to make first payments might decrease if states are better able to automate the processing of claims handled by the Internet system. Alternatively, the time might increase if claimants must mail documentation of eligibility rather than deliver it in person to a local office

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<sup>33</sup> For example, Colorado clarified questions that asked claimants whether they had problems obtaining child care, whether they had problems obtaining transportation, and whether they had received all their earnings. Many claimants misunderstood the original versions of these questions, which caused a large numbers of claims to be flagged for adjudication. Washington also changed questions relating to able and available issues since issues had been set but found later not to be problems; these changes apply to both TICs and Internet ICs.

(such as in North Carolina), or if the Internet IC system leads to other delays compared to a TIC system (such as in the other study states). We therefore have investigated the potential effects of Internet filing on the timeliness of first payments.<sup>34,35</sup>

No states reported noticing large differences in the timeliness of first payments, because the states generally use the same procedures to process Internet ICs and other ICs.<sup>36</sup> However, administrators reported a few possible ways that the timeliness of processing a portion of their claims may differ. For example, it is possible that certain monetary determinations are processed faster in North Carolina when the claimant files in person, compared to filing through the Internet, since the claimant could bring necessary wage information to the local office or One-Stop Career Center rather than mail in a copy. Nevertheless, in states that require TIC filing, both TIC and Internet IC filers must mail in a copy of the form. Washington reported that, shortly after implementation of the Internet IC system, the timeliness of first payments suffered

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<sup>34</sup> The Secretary of Labor has established standards for the timeliness of UI first payments. For intrastate claims, the Secretary's standards require that 87 percent of first payments be made within 14 days in states with a waiting week and within 21 days in states without a waiting week. (All study states have waiting weeks.) The standards also require that 93 percent of payments be made within 35 days in all states. Similar standards apply to UCFE and UCX first payments.

<sup>35</sup> In addition to the filing method, timeliness rates also might depend on other factors, such as whether the state is in a seasonal or cyclical downturn, the industrial composition of the workers who apply for benefits, and the state's adjudication practices. Thus, we cannot fairly compare timeliness rates across states. However, comparisons between filers using the Internet and filers using other methods within the same state and time period minimizes the likely influences of the factors besides the filing method.

<sup>36</sup> Aggregate data on the timeliness of first payments do not shed much light on the issue of whether patterns across states exist. Four states either were unable to provide any data on timeliness or had a large percentage of claimants with missing information. The two other states had opposite patterns in whether first payments for Internet IC filers were made more quickly or slowly than first payments for other filers; however, we cannot tell from the means of the two groups whether there were differences in the fractions of the groups whose first payments did not meet the Secretary's standards. Appendix B contains further details.



slightly, possibly because Internet IC filers were not promptly filing their weekly claims. In response, the state first tried calling the claimants to remind them to file these claims, but it then decided to include a reminder in a confirmation e-mail. Since then, a study by a state legislative committee on the timeliness of first payments found that 88 percent of all claims statewide were meeting the standards, compared with 92 percent among Internet ICs.

Utah also reported one possible difference between Internet IC filers and other filers in how quickly their claims may be processed. Approximately 30 percent of Utah's claimants who try to file Internet ICs are referred to the call center because the claimant is unable to identify all base-period employers in the wage records database. Theoretically, if these claimants do not contact the call center within the same week that they tried to file their Internet ICs, they would have a delay in the week of their ICs and receive their monetary decisions later. Since the state does not backdate the claim, the entire benefit year is delayed, but the timeliness of processing the claim after it is submitted is unaffected.

## **G. OVERPAYMENTS**

States are concerned about overpayments of UI benefits caused by erroneous or fraudulent UI claims, especially with the general increase in fraud involving identity theft in both the public and private sectors in recent years. Examples include the filing of fake UI claims using confidential information found or stolen and/or accessing a company's internal personnel records to file claims. These types of fraud, if occurring on a mass scale, can involve millions of dollars. In addition to fraudulent filings, overpayments can occur through claimants' failure to meet eligibility and continued claims requirements. Benefit payment control (BPC) units in states have limited funds to monitor program integrity and enforce these requirements.

There are concerns that methods of remote filing of ICs, such as by the telephone or Internet, can weaken the ability of states to verify the claimant's identity through authenticating that the personal data provided are being given by the person for which the claim is being established. They also may encourage the fraudulent filing of claims because of the lack of in-person contact with claimants. In particular, Internet ICs may be more vulnerable to, and have a greater incidence of, fraud than other methods of claims filing because they can be completed without any personal contact with a claimstaker. To address these concerns, states have used various methods and strategies to reduce fraud and overpayments. Although the potential for fraudulent filing through the Internet is real, and that recent cases of fraud highlight the problem of identity authentication, there is no evidence that Internet IC filing has led to higher rates of overpayments or fraud in the study states than has TIC filing.

### **1. Reasons for and Extent of Overpayments with Internet Initial Claims Filing**

Certain characteristics associated with Internet IC filing raised concerns among state staff that overpayments could be more likely among Internet ICs. In particular, staff in some states reported two key concerns about Internet ICs: they lack human interaction in the filing process, and they often do not have a signature requirement.

First, some state staff reported that the lack of human interaction in the filing process was potentially a reason for concern about increased overpayments. While the absence of face-to-face interaction exists with both Internet ICs and TICs, some state staff mentioned that Internet IC filing, which eliminates human intervention during the claim taking process, would make it even easier for people to give misinformation and harder for the agency staff to detect fraud than with TIC filing. For example, the TIC system allows a claimstaker to make assessments of the validity of the claim by questions asked and judging that a problem may exist from the tone of

the claimant's voice, answers given, etc.<sup>37</sup> In addition, since claimants can file their claim from anywhere in the country using the Internet, states have almost no way to determine their true availability for work. This problem may be especially acute for UCX claims, since the state from which the claim was filed determines which state must pay the claim. Using toll-free numbers dedicated to out-of-state filers, the states have the potential to control this somewhat when claimants file by telephone, but there is less ability to do so when the claim is filed by the Internet.

Second, some state staff mentioned that the lack of signature requirements could be associated with increased overpayments and fraud.<sup>38</sup> (See Chapter III Section B.2 for a discussion of identity verification and signature requirements.) While states with TICs have the same signature policies with Internet ICs, in some instances signatures could become less frequently required with Internet ICs. For example, some Utah staff have discussed the possibility of allowing Internet IC claimants to authorize the direct deposit of their benefit checks using the Internet rather than through the submission of a paper document with a signature. Other staff are concerned that filers using the Internet and a direct deposit system would not be required to provide signatures in either the IC process or the weekly claims process. Although this policy is not likely to be enacted any time soon, the increased usage of the Internet for UI claims activity has the potential to lead to an increased demand of these types of automated

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<sup>37</sup> BPC staff in one state reported that when a claimstaker becomes suspicious about the validity of a claim because of potential problems detected through the data system or the identification of base period employers, claimants often hang up the telephone and terminate the claim before it is submitted.

<sup>38</sup> Under some circumstances, claimants may provide signatures that can later be used as evidence in cases where fraud is detected.

services for claimants.<sup>39</sup> Although states typically require that claimants use a PIN as their electronic signature when filing an Internet IC, and courts typically, but not always, uphold this view of the PIN, some administrators remain concerned about the decreased availability of traditional signatures from claimants.

While state staff expressed some concerns about fraud associated with Internet ICs, they had not formally investigated whether Internet filing is more likely than other methods to encourage fraud or generate overpayments. BPC staff in several states reported that they did not observe any noticeable differences between Internet and telephone filers in the rate of overpayments or fraud.<sup>40</sup> An examination of aggregate data (see Appendix B) on overpayments indicates that Internet filers actually tend to have slightly fewer instances of overpayments than non-Internet filers. Among all five states with data available on overpayments, the percentage of claims with overpayments is lower among Internet filers than among non-Internet filers. In addition, all four states with data available on the extent of overpayments had fewer weeks overpaid and fewer dollars overpaid per claimant for Internet filers than non-Internet filers. While these lower instances of overpayments among Internet filers could be a result of lower detection rates rather than actual frequency of overpayments, BPC staff reported that their procedures for detecting and investigating fraud among claims already filed were generally consistent across filing

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<sup>39</sup> Currently, Utah gets signatures on the back of checks (from claimants who do not use direct deposit) and on the form requesting direct deposit (from claimants who use that payment method.)

<sup>40</sup> According to Pennsylvania's Benefit Accuracy Measurement (BAM) unit staff, the results of BAM surveys suggest that the number of problems has not increased since the Internet IC system was implemented.

methods.<sup>41</sup> Thus, administrators' concerns that, compared to TIC filing, Internet IC filing is associated with increased overpayments, and fraud specifically, may not be warranted. However, it is apparent based on recent identity fraud cases that reduced staff intervention through TIC and Internet IC filing (compared to in-person filing) provides the opportunity for mass identity fraud cases to occur.<sup>42</sup>

## **2. Strategies to Reduce Fraud and Overpayments**

States pursued several strategies to reduce fraud and overpayments. Generally, the standard process of contacting employers for verification can help detect fraudulent claims; however, this process is imperfect, in part, because employers often do not reply in a timely manner. States employed various other strategies that would be likely to reduce fraud across claims-filing methods, such as calling in claimants to a local office, conducting cross-matches with various databases, and/or aggressively prosecuting fraudulent filers.

Some study states used strategies targeted at verifying claimant identity after the time of IC filing. One way to reduce fraud is to call claimants into local offices. In North Carolina, within four to six weeks of filing an Internet IC, every claimant must attend an interview at the local office during which they present identification and complete paperwork requiring a signature.<sup>43,44</sup>

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<sup>41</sup> Staff comments suggest that more fraudulent claims could be filed via the Internet, as fraudulent claims may be more easily detected and discouraged among telephone filers who often abort their claim once a claimstaker raises questions about its validity.

<sup>42</sup> Nationally, protecting UI systems against large-scale fraud through the filing under false identities has been at the forefront of some administrators' minds because of the recent discovery of a case that involved several states and millions of dollars.

<sup>43</sup> If a claimant fails to attend this meeting, his or her checks are held.

Some states also reported using eligibility reviews to verify identity, but these tend to be infrequently conducted.

In addition, to identify potentially fraudulent ICs at the time of filing, states conducted automated cross-matches with data that can verify claimants' identity and work history. Some states use or plan to use real-time automated cross-matches of databases such as SSA data, wage records, New Hires data, and prior-benefit-year claim data. (Cross-matches are discussed in further detail in Chapter VI.) Automatic matches that identify problematic claims can deter fraudulent filers from submitting claims if issues are identified and the filer is notified immediately. Notification of an issue with the claim may lead the fraudulent filer to abort it. Otherwise, the claim is likely to receive attention from a claimstaker either because the state does not allow claimants to continue filing via the Internet if such issues are identified, or because the claim is submitted but flagged for further review by a claimstaker. None of the study states utilized a match with Department of Motor Vehicle (DMV) records. However, Utah did request the claimants to provide their driver's license number, since they hope to eventually set up a matching program with DMV. Considering the recent mass identity fraud case that was uncovered in some states, matching claims data with DMV data may be a good method of verifying identity since additional personal data such as hair and eye color could be matched.

States may also take other actions to deter fraudulent filers from the system. Utah is trying a new strategy to prosecute more aggressively those who fraudulently filed claims. In cases where fraudulent filers used another person's identity to file a claim, Utah's BPC staff plans to

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<sup>44</sup> If the state suspects that fraud has occurred, it can compare this signature with the signatures on benefit checks.

prosecute using the criminal court system rather than the UI administrative system. BPC staff in another state discussed the need for states to track claims back to specific computers in instances where they suspect fraud. States would be better able to prosecute cases of suspected fraud through identification of the claimant based on the computer used to file the claim.

#### **H. STAFF TIME AND COST-EFFICIENCIES DUE TO INTERNET INITIAL CLAIMS FILING**

As discussed in sections D and E, Internet IC filing has the potential to reduce the amount of time staff spend handling ICs. Although Internet ICs allow much of the claims-filing process to be automated, some manual intervention by staff might still be required. The percentage of Internet ICs that require manual intervention can vary based on key choices states made when designing and upgrading their Internet IC systems. In particular, states had to decide upon Internet IC system procedures that influence the staff time spent collecting former employer information used to determine monetary eligibility and conducting fact-finding needed to make nonmonetary determinations. In addition, depending upon the types of claims the state allows to be filed via the Internet IC system, the percentage of ICs filed via Internet, and thus the amount of staff time needed to process the remaining ICs by telephone or in person, can vary. To the extent that states are able to reduce staff time processing ICs, they can achieve cost-efficiencies through their Internet IC systems. States may also realize cost savings in other areas, such as telephone expenses. While states may achieve savings through Internet ICs, they also incur costs in implementing and maintaining these systems.

## **1. Amount of Staff Intervention Required**

In establishing their Internet IC systems, states greatly valued the opportunity to reduce staff involvement through the Internet IC process, particularly given that call centers in most states were overburdened with high recessionary workloads. Although some Internet IC designs might have required staff to re-key data that claimants provided electronically, study states that initially considered this design ultimately decided that avoiding this effort was an extremely important goal. Within states' Internet IC systems, decisions about two key procedures were most likely to save staff time in processing Internet ICs: (1) how the state collects employer information, and (2) how the state conducts fact-finding. Even though automating these procedures required upfront efforts by the states, the potential savings in the long run are such that states are upgrading their systems to incorporate improvements in these areas.

### **a. Identifying Employment Information**

States developed procedures of varying accuracy and requiring various levels of staff intervention to collect employer information for Internet ICs. These procedures include automated matches with wage data using either the employer's name as entered by the claimant or the claimant's name and SSN. In addition to how the Internet IC system collects this information, states had to decide how to handle claims where complete information could not be collected through these procedures. Some states chose to accept these incomplete claims via the Internet IC system and have staff obtain this information later, while other states decided to disallow incomplete claims from being filed via the Internet IC system.

The six study states varied in whether they accepted claims that did not have "clean" matches with employer information via their Internet IC system. Three of the six study states allowed these claims to be filed via the Internet IC system. In one of these states, the process of



properly identifying employer information required staff intervention for the majority of Internet ICs, but the state is in the process of implementing an enhancement designed to improve this process.<sup>45</sup> Since Colorado's recent labor-saving enhancements to its Internet IC system, staff have to review only 16 percent of Internet ICs. The other three study states accepted claims only with complete employer information via the Internet IC system; all other claims must be filed through other systems. Some of these states, such as Utah, also restricted the type of claims that could be filed on the Internet, in order to minimize claims that would have problems obtaining complete employer information.<sup>46</sup> Claims such as UCFE, UCX, and CWC require that states obtain wage information from sources other than their state wage file and thus can require extra staff time.

Because of the great potential to reduce staff time used for processing ICs, states often sought to enhance their Internet systems by improving the ability to get employer matches. Several study states had already made or had plans to implement enhancements to improve the identification of prior employer information for Internet ICs. For example, Colorado enhanced its Internet IC system so that staff would manually code about 16 percent of claims for employer information instead of every claim. The enhancement allows the Internet IC system to match a claimant's SSN with wage records automatically to identify a list of employers that includes the claimant's employer(s) as well as other employers. Claimants must then identify their former employer(s). Washington plans to develop a similar system for identifying employer

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<sup>45</sup> While these states devote staff time to manually intervene in the Internet IC filing process, the ICs filed via Internet potentially save staff time when compared with the staff time required to process a TIC or in-person claim. See Table III.5.

<sup>46</sup> Utah will be relaxing this restriction soon.

information. Although these enhancements require time from programming staff, states hope that they will improve matches, increase the number of claimants that can file more complete Internet ICs, and ultimately save staff time in processing ICs.

#### **b. Fact-Finding**

Three states developed automated systems to conduct fact-finding as part of the Internet IC-filing process. Automated fact-finding, discussed further in Section E, reduces the time staff spend trying to contact the claimants and collect the data. Although fact-finding has not always been a part of the Internet IC-filing process, automated fact-finding procedures allow it to be incorporated into Internet IC systems. For example, Utah's automated fact-finding system for Internet ICs saves time that claimstakers would have spent contacting claimants and sending information requests and following up with claimants who did not return them.

Increased automation for adjudicating issues on Internet ICs can also lead to increased automation for other claims, as states apply similar procedures to the other claims-filing methods. For example, during the IC-filing process, Pennsylvania uses the same type of automated fact-finding system for Internet ICs as for TICs. This standardization of the process provides a tool to assist in fact-finding and can reduce the time adjudicators spend calling claimants for follow-up information.

While states have not quantified how much time they save through automated fact-finding, those that have these procedures are generally satisfied with them.

## **2. Cost-Efficiencies Achieved Through Internet Initial Claims Filing**

Most states reported that they expected their Internet IC systems would lead to cost-efficiencies through reduced staff involvement in the claims-filing process. Even if claimstakers spend some time processing Internet ICs, cost-efficiencies may still be realized if the overall

time to process an Internet IC is shorter than for other claims.<sup>47</sup> Because the claimant enters all of the data rather than the claimtaker as in the TICs, the Internet IC option significantly reduces staff time on these individual claims. The study states, however have not measured this staff savings. In addition to the potential cost-efficiencies from reduced staff time, states projected others, such as reduced use of toll-free numbers used with TICs. All states expected to redirect any efficiencies associated with Internet ICs to address other pressing needs in the UI system.<sup>48</sup>

Although this study was not designed to collect detailed cost information or to conduct a cost-effectiveness analysis, we asked state staff about measures they used to assess the cost implications of their Internet IC systems. Since states do not track costs separately by the claims-filing method, the estimates inherently provide an incomplete and imprecise view of the cost implications of the Internet IC systems; nevertheless, they provide some support for the view that states have the potential to recoup some of the costs in implementing their systems through lower operating costs over time. Three of the six study states (see Table III.5) provided estimates as to the number of minutes of claimstakers time saved per initial claim filed through the Internet rather than through the telephone system. The estimates of minutes saved were 19 for Colorado, 9 for Utah, and 7 for Washington. Missouri estimated that they were able to redirect 2 staff (80 hours per week) to other activities. Based on Missouri's Internet IC average

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<sup>47</sup> The length of staff time required for each TIC can vary based on whether the state uses an IVR system and the efficiency of its method for obtaining employer information.

<sup>48</sup> Most states reported that Internet IC filing has helped them to manage the large workload increases caused by the recession. In addition, some states reported that they had large backlogs of work, such as nonmonetary determinations, that they needed to address, or that they hoped to improve customer service by reducing wait times to file TICs. Given the tight budget constraints reported by some states, the cost savings from Internet ICs were quite helpful in addressing these other needs. However, staff must spend some time to maintain and improve the Internet IC system.

TABLE III.5  
 COST-EFFICIENCIES IN STAFF TIME ASSOCIATED  
 WITH INTERNET INITIAL CLAIMS

State	Estimated Savings in Claims Taking Time	Notes
Colorado	19.2 minutes	This estimate is based on staff reports that it takes 20 minutes to process a TIC, 5 minutes to code an Internet IC, and 16 percent of Internet ICs require coding. This estimate is as of 2003, after enhancements to reduce the number of Internet ICs that require coding were implemented.
Missouri	9.0 minutes	This estimate is based on two full-time staff positions that have been redirected to other tasks since the implementation of Internet ICs in December 2000.
North Carolina	N/A	The state estimates that staff currently spend about 15 minutes per in-person IC; the state does not track the amount of time staff in local offices spend handling Internet ICs that require their attention.
Pennsylvania	N/A	The state estimates that staff currently spend from 6 to 10 minutes per TIC; the state does not track the amount of time Telecenter staff spend handling Internet ICs that require their attention.
Utah	8.5 minutes	This estimate is as of spring 2003; the state expects the number of claims filed through the Internet to increase after system enhancements are implemented.
Washington	7.0 minutes	This estimate is as of the second calendar quarter of 2001; the state expects the number of claims filed through the Internet to increase after system enhancements are implemented in the summer of 2003.

Source: Data collected from the states during site visits and telephone interviews, spring 2003.

N/A = Not available.

workload of 533 claims per week since implementation it is estimated that Missouri has reduced claimstaker time by 9 minutes per claim.

Because states did not collect precise cost data, it was not possible for them to provide specific annual cost savings. Most states estimated their annual cost savings by calculating the difference in the average time it took a claimstaker to take a TIC and then estimating the amount of time an Internet IC saved, multiplying this difference by the number of Internet ICs taken in a year.<sup>49,50</sup> Two other states did not have this information and were not able to provide any estimates of cost-efficiencies. These states provided anecdotal reports on their impressions of the savings.

However, a simple, stylized example can help to demonstrate how states that are in the process of implementing, or are considering implementing, Internet initial claims systems can expect to have their operating costs affected (Table III.6). Each state's estimate of claims takers' time saved through the use of Internet systems were weighted, yielding an average for the four states was 13 minutes. Using this average, an estimated salary and benefits for a claimstaker of \$50,800, and an annual initial claims workload of 275,000 of which 41,250 (15%) were filed through the Internet we were able to project a potential annual cost savings of \$259,080.<sup>51</sup>

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<sup>49</sup> Cost savings also will change over time, as the state's workload varies, the percentage of ICs filed over the Internet change, and the state upgrades its Internet and other filing systems.

<sup>50</sup> All states that reported these estimates noted that Internet ICs took less time on average to process than other methods of filing ICs. However, differences in the types of claimants who file using each method will affect the accuracy of assumptions about the average time to file each way.

<sup>51</sup> The salary used and workloads were national averages obtained from the U.S. Department of Labor. The 15 percent of initial claims filed by Internet was based on the experiences of the six study states and anecdotal information regarding their near future expectations.

TABLE III.6  
 STYLIZED MODEL OF HYPETHETICAL STATE ESTIMATING  
 ADMINISTRATIVE COST SAVINGS USING THE INTERNET IC SYSTEM

<b>Assumptions</b>	
Number of Initial Claims Per Year	= 275,000
Additional Staff Time Required to Process a TIC compared to an Internet IC	= 13 minutes
Proportion of Claims Filed through the Internet IC System	= 0.15 (= 15 percent)
Yearly Cost of One Claimstaker (including salary and fringe benefits)	= \$50,800 per year
Time Per Year That a Claimstaker Spends Accepting Initial Claims	= 1,750 hours = 105,000 minutes
<b>Calculations</b>	
Number of Internet Initial Claims Filed Per Year	= (number of claims per year) x (proportion of claims that are filed through the Internet IC system)  = 41,250 claims
Annual Staff Savings Per Year from the Internet IC Filing System	= [(41,250 claims) x (13 minutes saved per claim) divided by (105,000 minutes in a work year)]  = 5.1 position a year
Savings from the Availability of Internet IC Filing	= (5.1 positions) x (\$50,800 annual salary and benefits)  = \$259,080

Source: The salary used and workloads were national data obtained from the U.S. Department of Labor staff, October 1, 2003.

Note: This stylized model, and the estimated savings in costs that is derived, heavily relies on explicit and implicit simplifying assumptions. The claims workload, the costs per staffperson, and the percentage of claims that are filed through the Internet are only a few of the factors that affect cost savings through the Internet IC system, and ultimately its cost-effectiveness. For example, the assumption that 15 percent of initial claims per year are filed through the Internet was based on the average of the experiences of the six study states and anecdotal information regarding their future expectations; however, actual utilization rates varied considerably. In addition, most states experienced lower rates of claimstaking in their first year of operations and growth in this utilization rate over time. The complexities of the Internet IC and TIC systems, as well as the costs of maintaining systems, will affect the cost-effectiveness. In addition, differences between the types of claims that are filed through each method will affect costs, since Internet ICs may be systematically more or less complicated than TICs.

Internet IC = Internet initial claims; TIC = telephone initial claims.

The above estimated annual cost savings must be viewed with caution. The minutes saved in claims taking time varied, in the four states providing data, from 7 minutes to 19.2 minutes. This variance was a result of a combination of factors. The method used in telephone claims taking could have a significant impact on the time saved through the filing of Internet claims. The more automated the TIC process, the less staff savings in Internet filing. Also, the Internet IC procedures which states implement will impact the savings realized. The types and complexity of claims accepted, the system used to identify base period employers, and the degree of staff intervention required for an Internet claim to be processed all will impact on the amount of savings realized through Internet IC filing.

Internet IC systems can lead to other cost-efficiencies, in addition to reductions in staff time required to process ICs. These savings include reduced telecommunications and translation costs. Washington estimates that its Internet IC system has reduced telecommunications costs by about \$30,000 a year. Sixty-three percent of claims filed via Internet would have been filed by telephone using the state's 800 number, with an average cost of \$1.02 per call.<sup>52</sup> Utah also reports that they have saved in the costs associated with the 30 percent of TICs filed using the toll-free long distance number, but does not have an exact estimate of these savings. While only a couple of states reported estimates of these savings, other states probably have similar types of savings not included in their estimates.

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<sup>52</sup> This cost is estimated at \$.06 per minute for each 17-minute call, with the claimant spending 11 of the 17 minutes talking with a claimstaker, and the other 6 minutes on hold.

### 3. Costs Associated with Internet Initial Claims Filing

While states achieved cost-efficiencies through their Internet IC systems, they also had to invest in the development and maintenance of these systems. The six states used DOL grant funds ranging from \$325,000 to \$500,000 to implement their Internet IC system or enhance their existing Internet IC system. All states except Pennsylvania used these funds to implement their systems for Internet IC-filing.<sup>53</sup> Pennsylvania developed its existing Internet IC system with state funds and used the grant to implement enhancements to improve its Internet IC system.<sup>54</sup> States typically spent their grant funds on a mix of expenditures including capital purchases (hardware and software), contractor services, salaries for programming and testing staff, office equipment, and other expenses, such as supplies, communication, travel, and other miscellaneous expenses. Several states also used state funds to supplement DOL grant funds in the initial implementation of their Internet IC systems or, in the case of Colorado, Utah, and Washington, to make major enhancements.<sup>55,56</sup>

States also faced some ongoing costs associated with their Internet IC systems. Some of these are associated with regular maintenance of the Internet IC system. Colorado, for example, reported ongoing costs including maintenance and regular replacement of the server and system

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<sup>53</sup> Missouri also implemented Internet continued claims-filing using grant money from DOL.

<sup>54</sup> One million dollars in state funds was used to develop the Internet IC system and the Internet continued-claims filing system.

<sup>55</sup> The costs of Internet IC systems are likely underreported, because states typically do not track costs associated with these systems separately. States' reported costs are rough estimates of the actual costs of their Internet IC systems.

<sup>56</sup> Utah expended approximately \$300,000 between initial implementation in December 2001 and October 2002 for Internet IC enhancements. Utah also spent \$86,000 of staff funds for the initial implementation of the Internet IC system.



software, as well as a dedicated staff person to maintain the application code. Missouri reported annual ongoing costs of about \$80,000, including about \$42,000 in staff time to maintain their system, \$12,000 for staff training to keep skills current, and about \$26,000 in hardware and software support and maintenance. Washington reported minor ongoing costs associated with staff time for system maintenance and a \$30-per-month domain fee. The state did not hire additional staff to maintain the Internet IC system. While the state would like to continue ongoing marketing efforts, it is unclear whether funds will be available. Utah did not track ongoing costs associated with its Internet IC system but reported that ongoing costs were small.

In addition to regular maintenance costs, extra inquiry calls and e-mails associated with Internet ICs may add to the ongoing costs of Internet ICs. Staff in Washington reported that there tend to be more inquiry calls associated with Internet ICs than with TICs. (The state does not collect data on the number of inquiry calls associated with each type of filing method.) Staff in Missouri reported that many claimants would call to verify that their Internet IC claims had been processed even though the Internet IC system provides them with a confirmation number. Despite the increases in inquiries, states reported that the costs associated with these calls are minor relative to the overall savings associated with Internet ICs.

#### **4. Cost-Effectiveness of Internet Initial Claim Filing**

The estimated cost savings of \$259,080 in staff time would indicate that on average the study states would recoup an initial investment of around one-half to one million dollars in implementing Internet ICs within two to four years after implementation. States were not able to provide on going and infrastructure costs for their TIC and Internet IC systems, nor were we able to derive adequate on-going infrastructure costs from state information provided.

Nevertheless, an implication of this very simplistic analysis is that the volume of claims that are filed through the Internet really matters for cost-effectiveness, especially since a state's

implementation and ongoing costs for the Internet system may not heavily depend on the volume of claims that are processed this way. For example, if one state processes twice as many claims through the Internet as another state, but its implementation and ongoing costs for the Internet system are less than twice as large, then the first state will achieve greater financial savings than the second state. However, a state may not be able to easily increase the number of Internet ICs that are filed, since some claimants may be resistant to this filing method regardless of the design and marketing of the system. Thus, some states—particularly small ones with low claimsloads—may not be able to recoup the implementation and maintenance costs of their Internet IC systems. In these situations, especially, the non-monetary advantages and disadvantages of Internet IC systems may become especially important factors in considering whether to invest in an Internet initial claims system.

#### **IV. CLAIMANT DEMOGRAPHICS AND SATISFACTION**

Understanding who uses the Internet to file initial claims (ICs) and obtain reemployment services is important for developing future Internet systems, marketing the systems, and assisting claimants in using them. In addition, states can better plan and execute Internet policies based on a thorough understanding of who will most likely be using the Internet system to file claims. In addition, by analyzing claimant satisfaction with currently offered Internet services, states can develop future systems that meet claimant expectations. It is hoped that this chapter will provide states with the information that will help them to target those claimants who are most likely to file over the Internet, and provide useful information as to those claimants who are either unable to use Internet technology or resistant to it. Some states, such as Utah, are promoting the Internet not only for filing unemployment insurance (UI) claims and obtaining reemployment services, but also for providing nonmonetary fact-finding and conducting eligibility reviews. Promoting the use of the Internet to conduct all claims and reemployment service activity can be cost-effective and may provide optimum service to those claimants who are comfortable with and capable of using the technology. However, the claimant demographic information contained in this chapter may provide some insight about those claimants who are not prone to using the Internet to conduct business. Thus, it may be important to continue to provide alternative methods for filing UI claims and obtaining reemployment services so that these people can continue to receive satisfactory levels of service.

Implementing Internet initial claims might not raise the same level of concern about the impact on claimant services as did the implementation of telephone initial claims (TICs). When most states moved from in-person IC filing to TIC filing, the option to continue filing in person was essentially eliminated. However, as states have implemented Internet IC filing, it has been

done as an additional option rather than the only choice. Even in North Carolina, where before Internet IC filing claimants filed in person, claimants are still allowed that option.

Claimant satisfaction with services offered is a highly important aspect of government service and essential to total quality management. A review of claimant responses to filing claims over the Internet can provide insight as to the desirability, as well as the concerns and issues that claimants have with the systems offered to date.

Section A of this chapter deals with the demographics of those who have availed themselves of filing over the Internet. Section B explores claimant feedback on their experiences in filing Internet ICs over the Internet.

#### **A. WHO IS MOST LIKELY TO USE THE INTERNET?**

The raw data provided by the six study states were extracted from claim records of all regular state new ICs filed during the first quarter of calendar year in 2002.<sup>57</sup> These data were analyzed to draw some general conclusions on the characteristics of those claimants who are choosing the Internet over the non-Internet options. Specifically, we analyze the characteristics of eight demographic variables: sex, race, education level, age, residence (urban or rural), base period earnings, industries, and occupations. We also have provided some anecdotal information received from state staff with respect to claimant characteristics.

Generally, the data support the notion that younger, more-educated, more-urbanized, and higher-paid claimants in higher-skilled occupations and industries are using the Internet option over the other more traditional claims methods. However, the data represent an aggregate of

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<sup>57</sup> Other data from this extract describing basic claim characteristics are analyzed in Chapter III.

only those claimants who filed new ICs in the first quarter of calendar year (CY) 2002, and thus can provide insight only into hypotheses regarding the demographics of claimants most likely to use the Internet. What we learn may lead us to do further data gathering.

### **1. Gender**

There was no notable difference between non-Internet filing and Internet filing among men and women, as Table IV.1 shows. This supports the belief expressed by state staff that gender did not affect the level of Internet use in filing ICs.

### **2. Race**

Each of the study states was asked to report the racial breakdown of the non-Internet and Internet filers. Because each state reported differently for filers of other races, we have grouped these numbers into a “nonwhite” category for the purposes of this analysis. Table IV.1 clearly shows that in all the study states, a higher proportion of white claimants than nonwhites file Internet ICs. Additional data would be required to draw any conclusions as to why. For example, is there a correlation between these findings and the occupations, industries, income, education level, or age of filers? With additional analysis, states may find that a different marketing approach may be necessary to raise Internet IC filing among nonwhite filers.

### **3. Education**

Only five of the six states could provide educational data on the UI claimants. Each of the five states reports (see Table IV.1) a clear relationship in the level of education and use of the Internet to file an IC. The data support state staff in their opinion that claimants having a higher education are more likely to use the Internet. Interestingly, in those five study states, the ratio of Internet filers to non-Internet filers reverses itself only when we look at those claimants who

TABLE IV.1

DEMOGRAPHIC CHARACTERISTICS OF CLAIMANTS  
(PERCENTAGES UNLESS STATED OTHERWISE)

	COLORADO		MISSOURI		NORTH CAROLINA		PENNSYLVANIA		UTAH		WASHINGTON	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
<b>Sex</b>												
Male	63.8	63.1	58.6	60.9	54.2	53.2	64.3	64.7	67.9	69.0	65.7	62.5
Female	36.2	36.9	41.4	39.1	45.8	46.8	35.7	35.3	32.1	31.0	34.3	37.5
<b>Race</b>												
White	62.2	77.2	63.7	76.4	56.2	76.9	81.5	85.5	81.5	89.3	71.9	80.5
Nonwhite	37.8	22.8	36.2	23.7	43.8	23.2	18.5	14.5	18.6	10.7	28.1	19.5
<b>Education Level</b>												
High school dropout	n.a.	n.a.	22.0	10.1	19.8	4.4	15.2	7.2	14.5	6.3	18.2	6.0
High school graduate or GED	n.a.	n.a.	58.9	37.2	48.4	22.4	61.6	47.0	45.0	32.4	46.3	30.3
Some college, including Vocational, Technical, or Associates Degree <sup>a</sup>	n.a.	n.a.	8.3	32.8	22.6	37.7	13.9	20.8	27.8	32.7	27.7	62.5
College graduate and more <sup>b</sup>	n.a.	n.a.	5.2	19.6	9.2	35.5	8.8	25.0	12.6	28.3	7.8	1.2
Not available	n.a.	n.a.	5.6	0.3	--	--	0.4	0.0	0.0	0.3	--	--
<b>Age</b>												
Younger than 25	10.6	12.0	14.3	15.5	14.8	10.3	9.0	9.3	22.5	12.8	11.5	12.1
25 to 34	24.5	32.9	24.0	29.4	27.7	33.3	24.3	28.1	29.4	34.6	26.8	28.3
35 to 44	30.1	28.4	28.6	27.9	28.2	28.4	27.4	27.9	24.3	27.3	27.3	27.1
45 to 54	23.7	19.3	20.6	19.0	18.9	20.1	23.0	22.4	16.5	19.4	21.9	21.4
55 to 64	9.8	6.6	9.7	7.3	8.5	7.2	13.2	10.6	6.3	5.9	10.5	9.9
65 and older	1.2	0.7	2.8	0.8	1.9	0.6	2.9	1.4	0.9	0.1	1.9	1.2
Not available	--	--	--	--	--	--	0.2	0.1	--	--	--	--
<b>Residence</b>												
Rural	19.3	14.7	43.2	35.6	54.9	26.3	20.0	13.5	19.7	18.3	27.4	16.2
Urban	80.7	85.3	56.8	64.4	45.1	73.7	79.4	85.5	73.9	76.6	60.4	78.4
Other/Out of State <sup>c</sup>	--	--	--	--	--	--	0.5	1.0	6.3	5.1	12.2	5.3

TABLE IV.1 (continued)

	COLORADO		MISSOURI		NORTH CAROLINA		PENNSYLVANIA		UTAH		WASHINGTON	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
<b>Base-Period Earnings</b>												
\$0 to \$19,999	37.9	27.9	62.0	42.7	62.1	27.7	51.7	37.3	42.6	22.2	52.1	34.8
\$20,000 to \$39,999	41.0	34.4	28.4	34.2	28.9	35.6	35.1	34.6	37.0	42.4	31.9	33.4
\$40,000 to \$59,999	13.3	18.5	7.1	13.9	5.9	16.6	9.9	16.9	10.6	19.6	11.4	17.8
\$60,000 to \$79,999	4.1	8.8	1.6	4.8	1.8	9.3	2.5	7.7	2.6	7.2	3.1	7.5
\$80,000 or higher	3.7	10.4	0.9	4.3	1.3	10.9	0.8	3.4	1.9	7.9	1.5	6.5
Unknown	--	--	--	--	--	--	--	--	5.4	0.6	--	--

Source: Calculations based on aggregate data provided by the UI agencies of each state.

Note: Appendix B contains further details on the data.

n.a. = not available.

<sup>a</sup>Washington reports “some college” includes claimants with a vocational/ technical/associates degree.

<sup>b</sup>College graduate and Post College categories are combined from data provided in extracts.

<sup>c</sup>In Pennsylvania, this means “not available.” In Utah, this category includes nine non-Internet filers whose residences are unknown. In Washington, this is for “unknown/interstate.”

have some college or vocational/technical training. Those claimants with a high school degree or those who have dropped out of high school consistently show a lower ratio of Internet to non-Internet usage. Although the data support the basic premise that claimants with more education are more likely to use the Internet to file their IC, the same data show that high school graduates are no more likely than high school dropouts to use the Internet to file their claim. Again, additional analysis by the states with respect to any correlation between educational level and other demographic information may shed more light on these findings. For example, if a higher percentage of high school graduates fell into the 55-or-older age group, it could be concluded that they did not have access to computers during their high school years, whereas high school graduates in recent years have been exposed to more computer technology.

#### **4. Age**

During our on-site visits to the study states, we noted a consensus that older claimants were less likely to file Internet ICs. While the data in Table IV.1 show that for age groups 55 to 64 and 65 and older, a lower percentage of claimants file over the Internet, the difference is not considerable. Only for the age group 25 to 34 is there a large difference across all states with respect to Internet filing. This could indicate that even older claimants are beginning to feel more comfortable using computers and the Internet to conduct business.

#### **5. Residence of Claimant**

We asked the study states to provide us with a breakdown of Internet versus non-Internet filers by urban versus rural residence. Each state made its own designation as to what it considered rural, and most used county of residence and population as criteria. In all the study states, claimants residing in urban areas (see Table IV.1) filed a higher percentage of claims over



the Internet than did claimants in rural areas. These findings supported state staff in their assertion that urban claimants were more likely to file their claim over the Internet.

It would seem that people in rural areas would gain more of an advantage by filing their UI claims and obtaining reemployment services over the Internet, especially in states like North Carolina, where the only alternative to filing over the Internet is filing in person, or in TIC states that require claimants to pay for long distance charges. The fact that rural claimants may not be as likely to use the Internet might indicate a need to enhance marketing to rural communities. On the other hand, there may be a correlation between other claimant demographics and residing in a rural community.

## **6. Base Period Earnings**

As expected, the data on base period earnings (Table IV.1) show that Internet usage increases as earnings increases among claimants. Again, this confirms our conversations with state staff, who believed that higher wage earners would be more likely to file over the Internet. Those earning less than \$20,000 are clearly more likely to choose a non-Internet option, and even those earning \$20,000 to \$39,999 are still not as likely to use the Internet. However, claimants who earn above \$40,000 are much more likely to do Internet filing. Relating earnings to a higher-skilled workforce, increased education, and the financial ability to purchase a computer and pay for the Internet connection is quite logical.

## **7. Industry**

Each of the study states was asked to provide industry data on Internet and non-Internet claimants. Each state reported this information using either the North American Industry Classification System (NAICS) or the earlier Standard Industrial Classification (SIC) codes. Table IV.2 provides the top three industries identified for non-Internet and Internet by those

TABLE IV.2

INDUSTRY OF CLAIMANT, BY NAICS AND SIC CODE

<b>Industry: Top 3 NAICS Codes</b>					
<b>Colorado</b>		<b>Pennsylvania</b>		<b>Utah</b>	
<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>
Construction (22.5%)	Construction (13.3%)	Manufacturing (25.5%)	Manufacturing (21.5%)	Construction (21.2%)	Manufacturing (18.0%)
Manufacturing (12.2%)	Professional, Scientific, and Technical Services (12.8%)	Construction (16.6%)	Retail Trade (11.8%)	Manufacturing (14.7%)	Construction (14.6%)
Administrative, Support, Waste Management, and Remediation Services (10.9%)	Manufacturing (9.7%)	Retail Trade (11.6%)	Construction (11.6%)	Administrative, Support, Waste Management, and Remediation Services (14.0%)	Professional, Scientific, and Technical Services (11.1%)
<b>Industry: Top 3 SIC Codes</b>					
<b>Missouri</b>		<b>North Carolina</b>		<b>Washington</b>	
<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>
Service Industry (29.2%)	Service Industry (29.7%)	Service Industry (25.2%)	Service Industry (33.0%)	Service Industry (21.4%)	Service Industry (30.7%)
Manufacturing (20.2%)	Retail Trade (17.2%)	Manufacturing (24.5%)	Manufacturing (19.6%)	Manufacturing (19.4%)	Retail Trade (16.4%)
Retail Trade (17.9%)	Manufacturing (16.0%)	Retail Trade (16.1%)	Retail Trade (12.4%)	Construction (16.9%)	Manufacturing (16.1%)

Source: Calculations based on aggregate data provided by the UI agencies of each state.

Note: Appendix B contains further details on the data.

NAICS = North American Industrial Classification System.

SIC = Standard Industrial Classification.

states using either NAICS or SIC codes. Appendix B contains a more comprehensive listing of the codes.

The results support the views of the states that workers in industries that use computers in their daily work are more likely to opt for filing an Internet IC. Claimants in the construction and manufacturing industries tend to use the Internet less frequently than the other options. Industries such as professional, scientific, and technical services, retail trade, and the service industry tend to use the Internet option more often.

## **8. Occupation**

Each of the study states was also asked to provide occupational data on Internet and non-Internet claimants. Each state reported this information using either Dictionary of Occupational Title (DOT) or Standard Occupational Classification (SOC) codes. Table IV.3 provides the top three occupations identified for non-Internet and Internet by those states using the DOT or the SOC codes. A more comprehensive listing is available in Appendix B. Utah did not report any occupational data.

As in the industry results above, the occupations using the Internet IC over a non-Internet option reflect the type of workers reported by the various state staff. Workers in the professional, technical, and managerial occupations, as well as those in the administrative, clerical, sales, and service fields use the Internet IC option much more frequently than those in occupations like construction, production, and transportation. Again, these results support the idea that those workers who are more likely to be using a computer at their job will be more likely than workers in other fields to use the Internet IC option.

TABLE IV.3

OCCUPATION OF CLAIMANT, BY DOT AND SOC CODE

<b>Occupation: Top 3 DOT Codes</b>					
<b>Colorado</b>		<b>Missouri</b>		<b>Pennsylvania</b>	
<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>
Miscellaneous (34.1%)	Professional Technical, and Managerial (44.1%)	Miscellaneous (21.7%)	Professional Technical, and Managerial (23.3%)	Professional Technical, and Managerial (19.6%)	Professional Technical, and Managerial (33.7%)
Professional Technical, and Managerial (18.5%)	Clerical and Sales (22.1%)	Clerical and Sales (17.5%)	Clerical and Sales (20.1%)	Miscellaneous (19.2%)	Clerical and Sales (15.3%)
Clerical and Sales (15.4%)	Structural Work (21.7%)	Service (14.7%)	Miscellaneous (14.9%)	Service (19.1%)	Service (14.2%)
<b>Occupation: Top 3 SOC Codes</b>					
<b>North Carolina</b>		<b>Washington</b>			
<b>Non-Internet</b>	<b>Internet</b>	<b>Non-Internet</b>	<b>Internet</b>		
Unknown (18.8%)	Office and Administrative Support (17.9%)	Construction and Extraction (17.3%)	Office and Administrative Support (16.4%)		
Production Occupations (18.1%)	Unknown (15.2%)	Production Occupations (15.7%)	Management (12.8%)		
Office and Administrative Support (12.4%)	Management (13.1%)	Transportation and Material Moving (11.1%)	Construction and Extraction (10.6%)		

Source: Calculations based on aggregate data provided by the UI agencies of each state.

Note: Appendix B contains further details on the data.

DOT = Dictionary of Occupational Titles.  
 SOC = Standard Occupational Classification.

## **9. Additional Information**

During our site visit, we discussed with state staff the effect that filing over the Internet could have on claimants with disabilities and claimants who do not speak English. Staff believed that hearing-impaired claimants would prefer using the Internet, while visually impaired claimants would prefer TIC filing. However, no state had collected any supporting data.

We had asked states to provide us with information on the number of non-English-speaking claimants filing over the Internet as opposed to using other methods. Only Colorado and Washington offered non-English-speaking Internet claims filing, and Colorado discontinued such filing when it made improvements to their system. The reason Colorado did not choose at this time to offer Internet in a language other than English was the low volume of claims filed when they did offer such an option. Colorado attributed its low volume to the fact that accessing the Web site (even if applications were available in other languages) still required the claimant to access and use English-only Web pages.

## **10. Key Conclusions**

This section has analyzed a limited number of demographic variables provided as part of the data extracts from the six study states. Not surprisingly, the results of this analysis reveal that people who are white, higher educated, younger, in urban areas, and in professional and technical occupations are more likely to use the Internet option over the traditional, non-Internet options. These results closely reflect the anecdotal observations of state staff.

## **B. ARE CLAIMANTS SATISFIED WITH THE INTERNET INITIAL CLAIM SYSTEM?**

Several states use some form of a survey tool as part of their efforts to measure the impact of the various services provided and claimants' satisfaction with them. Although each of these survey tools is unique to the particular state and is used at different times during the year, there are several question areas that attempt to measure the same subject.

Three of the six study states have added questions specific to the Internet IC option in their claimant satisfaction measurement tools. Missouri, Pennsylvania, and Washington each asked similar questions regarding the ease of use of the Internet option and the overall satisfaction with the option. Missouri and Washington also include questions about the location of filing from the Internet and how the claimants learned about the Internet IC.

Missouri asks all claimants to complete a short survey after they file their Internet IC. Pennsylvania randomly selects a percentage of all claimants having filed ICs in a quarter. The survey is mailed to all claimants (Internet filers and TIC filers), and there is a subset of questions on Internet IC filing and a general comments section. Washington asks all Internet IC filers to complete a short customer satisfaction survey that includes a comments section at the end. In addition, the state conducts periodic detailed customer satisfaction surveys by telephone. The most recent one was conducted in May 2002.

We present the results of these first two questions on ease and satisfaction and then address the location of filing via the Internet IC and how the claimants learned about the option (Table IV.4). Finally, we report the time required to complete the application from Washington. The results favor the Internet IC option overwhelmingly.

## **1. Ease of Use of the Internet Application and Instructions**

Missouri, Pennsylvania, and Washington each asked a similar question in order to gauge the ease with which claimants file the Internet IC application. Table IV.4 provides results of these questions and include the time periods that these questions were asked. Overall, the data reveal that claimants believe overwhelmingly that the Internet IC option is easy to understand and use. In both years that were reported, over 95 percent of Missouri's respondents agreed or strongly agreed that the application was easy to use.

Pennsylvania asked a somewhat different question, which focused on whether claims filing over the Internet was easy to understand. Although the sample sizes are small, large majorities reported "yes" to this question.

Washington measured the ease of understanding the instructions and completing the Internet IC application process and reported the cumulative results from several monthly surveys taken between January 29, 2002, and March 3, 2003. As in the other two states, a solid majority reported that the instructions and the completion process at the site were very easy or easy.

## **2. Overall Satisfaction with the Internet Initial Claim System**

Missouri and Pennsylvania also queried respondents about their overall satisfaction with the Internet IC system. Large majorities in both states reported being satisfied (Table IV.4).

TABLE IV.4

CLAIMANT SATISFACTION

<b>Ease of Use of the Internet Initial Claim System</b>								
<b>Missouri: Overall, the Internet Application Is Easy to Use</b>								
	<b>2001</b>		<b>2002</b>					
	<b>Number of Respondents</b>	<b>Percent</b>	<b>Number of Respondents</b>	<b>Percent</b>				
Strongly Agree	2,344	37.6	7,586	40.8				
Agree	3,602	57.8	10,230	55.1				
Neutral	119	1.9	351	1.9				
Disagree	136	2.2	347	1.9				
Strongly Disagree	29	0.5	66	0.4				
Total	6,230	100.0	18,580	100.0				
<b>Pennsylvania: If you filed your new initial claim by Internet, were the claims filing procedures on the Internet easy to understand</b>								
	<b>1/1/02 to 3/31/02</b>		<b>4/1/02 to 6/30/02</b>		<b>6/1/02 to 9/30/02</b>		<b>10/1/02 to 12/31/02</b>	
<b>Scale</b>	<b>Number of Respondents</b>	<b>Percent</b>	<b>Number of Respondents</b>	<b>Percent</b>	<b>Number of Respondents</b>	<b>Percent</b>	<b>Number of Respondents</b>	<b>Percent</b>
Yes	13	15.7	13	11.9	20	90.9	19	95.0
No	1	1.2	0	0.0	2	9.1	1	5.0
Not Applicable	69	83.1	96	88.1	--	--	--	--
Total	83	100.0	109	100.0	22	100.0	20	100.0
<b>Washington: Ease of Understanding Instructions (1 very easy; 5 very difficult)<sup>c</sup></b>								
<b>(Cumulative Total 1/29/02 to 3/3/03)</b>								
<b>Scale</b>	<b>Number of Respondents</b>	<b>Percent</b>						
1	52,230	55.2						
2	29,198	30.8						
3	10,460	11.0						
4	1,929	2.0						
5	891	0.9						
Total	94,708	100.0						



TABLE IV.4 (continued)

<b>Washington: Ease of Completion (1 very easy; 5 very difficult)<sup>c</sup> (Cumulative Total 1/29/02 to 3/3/03)</b>								
Scale	Number of Respondents	Percent						
1	54,224	57.3						
2	27,436	29.0						
3	9,803	10.4						
4	2,184	2.3						
5	1,061	1.1						
Total	94,708	100.0						
<b>Overall Satisfaction with the Internet IC</b>								
<b>Missouri: Overall, You Were Satisfied with the Internet Claim Filing System<sup>a</sup></b>								
	2001		2002					
Scale	Number of Respondents	Percent	Number of Respondents	Percent				
Strongly Agree	2,113	33.9	6,942	37.4				
Agree	3,623	58.2	10,276	55.3				
Neutral	309	5.0	861	4.6				
Disagree	151	2.4	409	2.2				
Strongly Disagree	34	0.5	92	0.5				
Total	6,230	100.0	18,580	100.0				
<b>Pennsylvania: Overall, what kind of job do you think the new unemployment compensation claims Internet site is doing?<sup>b</sup></b>								
	1/1/02 to 3/31/02		4/1/02 to 6/30/02		6/1/02 to 9/30/02		10/1/02 to 12/31/02	
Scale	Number of Respondents	Percent	Number of Respondents	Percent	Number of Respondents	Percent	Number of Respondents	Percent
Excellent	11	13.3	9	8.3	13	59.1	13	65.0
Good	2	2.4	7	6.4	9	40.9	6	30.0
Fair	8	9.6	1	0.9	0	0.0	1	5.0
Poor	2	2.4	1	0.9	0	0.0	0	0.0
Not Applicable	60	72.3	91	83.5	--	--	--	--
Total	83	100.0	109	100.0	22	100.0	20	100.0

<sup>a</sup>Source: Data collected from the Missouri Department of Labor and Industrial Relations during spring 2003.

<sup>b</sup>Source: Data collected from the Pennsylvania Department of Labor and Industry during spring 2003.

<sup>c</sup>Source: Data collected from Washington Employment Security Department during spring 2003.

### **3. Location of Filing**

Missouri and Washington also asked respondents to report the location of where they used the Internet IC application to file for benefits. Both states reported large majorities of claimants filing from their home (Table IV.5). The second most prevalent location in both states was a friend or neighbor's house. This issue also is discussed in Chapter III.

### **4. How Claimants Learned About the Internet Initial Claim System**

Missouri and Washington also asked how the claimants learned about the Internet IC option. Over a quarter of respondents in Missouri in both 2001 and 2002 reported that they learned about the Internet IC from the interactive voice response (IVR) system (Table IV.5). Over a third of respondents in Washington reported that they learned about the service from friends. Other common ways that claimants learned about the Internet IC program include the One-Stop Career Centers/WorkSource Centers in both states and through the IVR (call center) and their employers in Washington.

### **5. Time to Complete the Internet Initial Claim Application**

Washington also asked respondents to report the amount of time it took to complete the application. Over 40 percent reported that it took between 11 and 20 minutes to complete (Table IV.5). Over 80 percent reported that it took less than half an hour to complete the application, which confirms what the state reported in the site visit.

### **6. General Comments Received**

Some of claimants' comments recorded by Washington and Pennsylvania include:

- Difficulty in finding the Web site (Washington)
- Difficulty reading graphics on the page (Washington)

TABLE IV.5

OTHER CUSTOMER SURVEY DATA

<b>Location of Filing Internet Initial Claim</b>				
<b>MISSOURI: Location<sup>a</sup></b>				
<b>Scale</b>	<b>2001</b>		<b>2002</b>	
	<b>Number of Respondents</b>	<b>Percent</b>	<b>Number of Respondents</b>	<b>Percent</b>
Home	5,250	84.3	15,875	85.4
Career (job site)	221	3.5	591	3.2
Public (for example, a library)	166	2.7	472	2.5
Friend	410	6.6	1,110	6.0
Other	183	2.9	532	2.9
Total	6,230	100.0	18,580	100.0
<b>WASHINGTON: Location<sup>b</sup> (Cumulative Total 1/29/02 to 3/3/03)</b>				
<b>Scale</b>	<b>Number of Respondents</b>	<b>Percent</b>		
Café	440	0.5		
Friend/Neighbor	6,509	6.9		
Home	76,764	81.1		
Library	2,025	2.1		
Other	1,680	1.8		
School	556	0.6		
Work	3,898	4.1		
WorkSource Office	2,836	3.0		
Total	94,708	100.0		
<b>How Claimants Learned About the Internet Initial Claim System</b>				
<b>MISSOURI: "I Learned About the Internet Claim Filing System from:"<sup>a</sup></b>				
<b>Scale</b>	<b>2001</b>		<b>2002</b>	
	<b>Number of Respondents</b>	<b>Percent</b>	<b>Number of Respondents</b>	<b>Percent</b>
Media	64	1.0	119	0.6
Career Center	1,214	19.5	4001	21.5
Employer	334	5.4	820	4.4
IVR	1,739	27.9	5,209	28.0
Friend	1,210	19.4	3,530	19.0
Web	641	10.3	2,052	11.0
Other	1,028	16.5	2,849	15.3
Total	6,230	100.0	18,580	100.0
<b>WASHINGTON: Where Claimant First Heard About Initial Claims Web Site<sup>b</sup> (Cumulative Total 1/29/02 to 3/3/03)</b>				
<b>Scale</b>	<b>Number of Respondents</b>	<b>Percent</b>		
Access WA	3,434	3.6		
Brochure	1,265	1.3		
Employer	13,703	14.5		
ESD Web site	2,815	3.0		

TABLE IV.5 (continued)

Friend	34,803	36.8
News Story	361	0.4
Newspaper	111	0.1
Other	2,704	2.9
Phone Book	687	0.7
Radio	592	0.6
Search Engine	5,657	6.0
TeleCenter	12,972	13.7
Television	2,287	2.4
Union	694	0.7
WorkSource	12,623	13.3
Total	94,708	100.0

**Time Needed to Complete the Internet Initial Claim Application**
**WASHINGTON: Time to File in Minutes** (Cumulative 1/29/02 to 3/3/03)<sup>b</sup>

<b>Time To File</b>	<b>Number of Respondents</b>	<b>Percent</b>
1-10	11,736	12.4
11-20	39,592	41.8
21-30	26,846	28.4
31-40	10,722	11.3
41+	5,812	6.1
Total	94,708	100.0

<sup>a</sup> Source: Data collected from the Missouri Department of Labor and Industrial Relations during spring 2003.

<sup>b</sup> Source: Data collected from Washington Employment Security Department during spring 2003.

- Difficulty understanding specific questions (Washington)
- Loading and printing problems with the Web page (Washington and Pennsylvania)
- Too many questions and pages on the application (Washington)
- Navigational concerns on the site (Washington)
- Requests for the ability to review all answers prior to submission of the application (Washington)
- Several comments of praise for the site (Washington and Pennsylvania)

These states have been able to use this feedback to incorporate improvements to their systems.

Although Colorado, North Carolina, and Utah have not instituted a formal survey tool to measure satisfaction with the Internet IC, state staff did report that they receive some feedback from users, especially by e-mail. Colorado staff reported that they receive specific claim-related questions by e-mail and indicated that any feedback received with e-mails is generally positive. In reviewing only a small number of the more than 28,000 e-mails Colorado provided over nine months in CY 2002, we did not find any specific reference to claimant satisfaction with the Internet IC, but rather specific questions related to their claim.

North Carolina staff reported that they also receive e-mails from claimants, although these are claim-specific as well. Utah plans to develop an online chat room process, where as claimants are completing their Internet IC, they can immediately type in a question and receive a near-instantaneous reply. When monitored for patterns in claimants' questions, this process can be used to provide Utah with information on how to improve their Internet IC system. This enhancement was expected to be introduced in June 2003.

To determine priorities for enhancements related to making the system more efficient to adjudicate and to improve quality, Colorado also used a survey to measure staff perspective on the effectiveness of the Internet IC. The responses relate to both the claimants' perspective and

the staffs' perspective (such as which questions often are misunderstood). Some of the responses included changing the wording of particular questions, clarifying particular questions with explanatory phrases, and permitting claimant identifiers to be included in any printout. Other states also presumably have done monitoring of problems with the Internet ICs, so possibly Colorado's survey is just a greater formalization of what other states may be doing. However, this approach is noteworthy because Colorado's administrators invested time and energy to ensure that staff had this opportunity to provide feedback. Appendix D contains a complete listing of the staff's survey responses.

## **7. Key Conclusions**

This section has analyzed the Internet IC claimant satisfaction results provided by three of the study states. Each of the questions attempted to measure whether the claimants are having a positive experience when they use the Internet IC application. The results are overwhelmingly in support of the Internet IC option for benefit claims. These findings also reflect the observations made by state staff that claimants are generally satisfied with the Internet IC process.

## V. REEMPLOYMENT ASSISTANCE AND CONTINUING ELIGIBILITY

State Employment Service (ES) agencies provide unemployment insurance (UI) claimants and other job seekers with a wide array of services to assist them in preparing for and finding employment. Commonly offered services include job search assistance, help preparing resumes, occupational assessments, job listings, job matching, job referrals, labor market information (LMI), and job training needs assessment. Historically, these services were offered strictly on an in-person basis at local offices or One-Stop Career Centers.<sup>58</sup> Increasingly, however, states now offer these services over the Internet.

This chapter explores the interactions between Internet IC filing and participation in reemployment services. Section A explores issues related to state work registration requirements. Section B explores linkages to assist claimants in their voluntary participation in services. Section C covers the influence of Internet IC filing on UI-program-specific participation requirements.

We conclude that Internet IC filing connects claimants' better with ES than does TIC filing, since it provides an immediate link to the Internet reemployment services Web site. Some states require this link before they accept the Internet IC into the system. More generally, Internet IC filers have similar access to reemployment services as do TIC or in-person filers. The only difference is that Internet IC filers are more likely to use the ES Web site to obtain

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<sup>58</sup> The ES has undergone numerous name changes over the years, and states today refer to their ES agencies by various names. For ease of reading throughout this chapter, the agency providing reemployment assistance services will be referred to as the ES, and local points of service will be referred to as One-Stop Career Centers.

reemployment services, since the site provides automatic, immediate linkage to them. In contrast, TIC and in-person filers must take the initiative in using the ES Web site. Most study states still require an in-person contact with the One-Stop Career Centers, either at a preset number of weeks for all claimants or based on a sampling of claimants identified through the WPRS or eligibility review processes.

Neither anecdotal information nor quantitative data show different patterns of participation in reemployment services for Internet IC filers and other filers. Although states do differ in the patterns of linkages with services, any differences can most likely be attributed to variations in state laws, policy and procedures concerning work search, work registration, and ongoing reporting requirements. Finally, an examination of the benefit exhaustion rates of Internet IC filers and other filers does not provide a clear picture of whether or how Internet IC filing affects those rates. Internet IC filers have higher exhaustion rates in four of the six states. However, the state with the most drastic difference shows that non- Internet IC filers exhausted their benefits at nearly twice the rate of Internet IC filers. Thus, the data do not provide any basis for conclusions about the effects that reemployment services or eligibility requirements might have on reducing the exhaustion rates for Internet IC filers compared to other filers.

#### **A. STATE WORK REGISTRATION REQUIREMENTS**

Five of the six study states require UI claimants to register for work with the ES. To varying degrees, states have monitored this registration and have required claimants to maintain an active



registration in order to receive UI benefits.<sup>59</sup> When claimants were required to file their initial claims (ICs) in person, work registration was easy to accomplish, especially in local UI offices that were co-located with the ES. In the late 1980s, some states developed a common intake form, which could be used as the IC and a “partial” ES registration, satisfying the state requirement for a claimant to register for work with the ES. TIC filing further simplified this process, since the UI agency could automatically transfer the data on registration to ES. States that did not develop a common intake approach, however, required the UI claimant to report to a local One-Stop Career Center to register for work; the state agency also had to employ a system to ensure that registration took place.

The introduction of the Internet into employment and training programs by the states has resulted not only in UI claims being taken over the Internet, but also the offering of employment services over the Internet. This was a natural extension of the self-help resource rooms located in local One-Stop Career Centers. The implementation of Internet ICs has enhanced the work registration process in almost all the TIC states that provide employment services over the Internet. Claimants who file by telephone are advised that they can visit either a Web site or a local One-Stop Career Center to register for work. Those filing their IC over the Internet have immediate links (some mandatory for an IC to be processed) to a work registration Web site.

In all six states, the work registration requirements for claimants filing ICs over the Internet are the same for those who file by other methods. All study states except Pennsylvania require claimants to register, although the specific requirements vary by state based on the degree of the

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<sup>59</sup> Active registration means that the claimant has had contact with the ES within a prescribed time period (that is, 30 days), and if not the claimant’s work registration is deactivated. This results in the claimant not being considered for job openings.

claimant's attachment to the labor market.<sup>60</sup> (For example, claimants on short-term layoffs and those who obtain jobs through union hiring halls may be exempt.) The other five study states accept what is termed a "partial" work registration, which provides minimal information on the claimant's work history, occupational training, and so on, and is considered to satisfy the UI legal requirements that the claimant be actively registered with the ES.<sup>61</sup> In North Carolina and Washington, the Internet IC itself is considered the work registration document for UI payment purposes; in Colorado, Missouri, and Utah, the claimant must complete a separate work registration document, which can be accomplished over the Internet. In Colorado and Missouri, the link between the Internet IC process and the ES job registration Web site is provided on the last page of the Internet IC application. However, in Utah the claimant is not provided this automatic link and must enter the work registration page through the ES Web site.<sup>62</sup> Thus, Internet IC filers in five of the study states have the advantage over TIC filers in that they can link to the ES from the Internet IC screen and complete a work registration. Although TIC filers are given the Web site for the ES, it of course requires them to log onto the Internet and visit the site, whereas the Internet filer is already on the Internet.

ES work registration is monitored through linkages between the ES database and the UI database. Missouri, North Carolina, and Washington either automatically register the claimant or require registration before the Internet IC process can be completed; thus, initial registration

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<sup>60</sup> Pennsylvania considers the filing of an IC to meet the legal requirement of registering with the state, even though the information is not shared with the ES.

<sup>61</sup> All the study states also accept a full work registration that contains more complete work history, licensing information, occupational training, and secondary occupational coding.

<sup>62</sup> Utah is working on an enhancement that will provide an automatic link between the Internet IC and work registration Web page.

does not need to be tracked. Utah requires ES registration, but it is not automatic, nor is work registration required to complete an Internet IC. In addition, Utah does not match UI and ES records to ensure work registration has occurred; thus, they rely on the claimants to satisfy their legal obligation to register. Colorado will accept the Internet IC and process it, even if the claimant has not registered with the ES. The claimants are told three times during the Internet IC process that they must register with the ES prior to payment of their second UI check. Registration can occur via the Internet or by visiting the assigned local One-Stop Career Center. This is true for both Internet IC and TIC filers. When work registration occurs, the UI claim is annotated. If work registration has not been accomplished before the second check is paid, the claimant is contacted for an interview.

Although the registration process is handled in similar ways for claimants who file Internet ICs and those who file using other methods, North Carolina imposes an additional requirement that Internet IC filers must visit a local ES within four to six weeks of their IC. If the Internet IC filer does not report in the prescribed time period, the claimant is notified and the failure to report issue is adjudicated. Claimants who do not file over the Internet are already at a co-located ES/UI office when they file their IC and work registration, so North Carolina's requirement is designed primarily to ensure that all UI claimants—regardless of how they file—meet with an ES interviewer at least once. The in-person reporting requirement in North Carolina for Internet IC filers will be changed in the near future. Support if/as needed for Internet filers will be by telephone via a Remote Services Center in the Central Office. Any claimant may still, of course, visit a local office in-person for services as needed or desired.

In contrast, except for Missouri, other states do not have additional reporting requirements for Internet IC filers. For example, Internet IC filers in Colorado are assigned to a One-Stop Career Center at the time they file, although a visit is not required. Missouri requires all

claimants to visit the local One-Stop Career Center regardless of whether they filed through the Internet or by telephone.

As stated, work registration requirements for Internet IC filers and those filing by other methods are the same in all six states. The major advantage that Internet filers have over those filing by telephone is their ability to use their knowledge and skill on the Internet to register for work immediately and thereby have access to a listing of job openings. They also become available for automated job matching sooner. In North Carolina, the Internet filer has the convenience of registering for work from home versus traveling to the local One-Stop Career Center; and in all states, Internet IC filers have increased availability to the system, as operating hours are significantly longer over the Internet than they are at One-Stop Career Centers.

## **B. VOLUNTARY PARTICIPATION IN SERVICES**

The decline in ES resources coupled with the growth of the labor market has resulted in a combination of reduced ES services and a change in how services are delivered. ES resources began declining in the 1970s, a trend that ushered in the first self-service resource rooms. In the early 1980s, ES administrative funds were cut dramatically (Balducci et al., 1997). States had to reevaluate what reemployment services they would provide and how they would provide them. Staff-intensive services such as occupational counseling and job development were severely reduced, and in some states eliminated. In addition, states were looking to increase job seekers' reliance on self-service approaches to finding employment. During the 1980s and 1990s, increased reliance on self-help resource rooms in the One-Stop Career Centers and the introduction of automated information technology provided a means for using minimal staff resources to help large numbers of job seekers.

States were able to offer general information such as LMI, resume-writing assistance, and job-training opportunities to the public without their formally registering with the ES. For those who *were* formally registered, job openings could be provided, and automated job matching could take place.

Until recent years, self-help resources could be accessed only by an in-person visit to a One-Stop Career Center to use the state intranet system. Today, the states are now able to offer these same services through the Internet, which allows claimants to access job-finding information from their own homes. As mentioned, claimants can formally register for work to access job openings and be considered for automated job matching.

Those who administer the UI and ES programs in the study states believe almost unanimously that the introduction of Internet ICs, coupled with the availability of reemployment services over the Internet, facilitates a stronger linkage of claimants to services. Study states have varied in how they link Internet IC filing to reemployment services. Pennsylvania has a unique system for providing claimants with job openings. Although Pennsylvania does not require ES work registration, their Internet IC process has a built-in job match process. During the last step of Internet IC filing, the occupational information contained on the Internet IC is matched against job openings, and up to 10 matches are displayed for the claimant's use. Pennsylvania has not collected any data on how useful this process has been to the claimants' job-finding efforts, but staff did not think the job matching was very productive in itself. Still, they believed it is very beneficial in that it raises claimants' interest in ES services and prompts

them to make a One-Stop Career Center contact.<sup>63</sup> However, the data extract information provided by Pennsylvania indicated that a slightly higher percentage of Internet IC filers received job referrals compared to non-Internet filers (8 percent and 7 percent respectively), which gave some support to administrators' perceptions that Internet IC filers are getting additional job referrals. Whether the reason was directly related to the job match or indirectly related to the incentive offered to interact with the ES is unknown. However, TIC filers in Pennsylvania do not have the advantage of this service. Automated job matching is also provided by Missouri to both Internet IC and other filers. All the study states operate a job bank and provide automated job search capability.

The Internet IC process in all the study states includes collecting occupational information that can be used to assign occupational codes, but Utah uses the occupational code assigned during the Internet IC process for statistical reporting purposes only. This process is the same for Internet IC filers and other filers. All the study states, with the exception of North Carolina, have indicated that they believe the Internet IC process results in more accurate occupational coding versus TIC filing, because the claimant has more time to digest the information and make better selections. In North Carolina, claimants do not file ICs by telephone, so their comparison of Internet IC filing is to that of a one-on-one One-Stop Career Center interviewer taking the IC. North Carolina staff were split on whether occupational coding was more precise when an IC was filed over the Internet versus in person. Some staff indicated that they believed Internet filing provided more time for claimants to think about the information they were providing,

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<sup>63</sup> Washington, which also previously used a job-matching system (JobHunter) that provided claimants with potential job matches, believed that the match itself was not that productive. However, it provided an incentive for claimants to contact the One-Stop Career Centers.

thereby improving the accuracy of the coding. Other staff were convinced that information obtained through an in-person interview was superior.

A claimant's exposure to One-Stop Career Centers and the variety of services offered does not appear to be affected by the filing of an Internet IC versus a TIC. Study states for the most part have expressed their desire to enhance a claimant's linkage to the One-Stop Career Centers. North Carolina and Missouri require periodic visits to a One-Stop Career Center (in North Carolina, to a co-located ES/UI Office) in order to maintain UI eligibility. Washington randomly selects UI claimants for referral to a One-Stop Career Center for eligibility interviews. Washington also provides local One-Stop Career Centers with an automated tracking of claimant activities, such as weeks claimed, job referrals, and referral results, with which One-Stop Career Center staff can identify those claimants most in need of services and call them in for interviews. Colorado and Pennsylvania provide claimants with One-Stop Career Center location information and encourage them to visit their local One-Stop Career Center. Utah encourages claimants to utilize the state's jobs Web site fully and uses the WPRS program to connect claimants to the local One-Stop Career Centers.

North Carolina was the only state where claimants not filing over the Internet were required to file in person at a local co-located UI/ES Office. Thus, the impact Internet IC filing may have on the quality and timeliness of reemployment assistance services versus an in-person filer who may have immediate access to in-person reemployment assistance was discussed with agency staff. Two points of view were expressed. Some believed that Internet filers who availed themselves to the link with the job service Web site were provided with essentially the same information by the local office and were not as rushed in reviewing the information. Others believed that contact with the ES interviewer at the time the IC was filed provided the claimant with a work search plan in an earlier stage of unemployment. All totally separated claimants in

North Carolina are provided an individual work search plan; those filing on the Internet are provided the plan during their required four-week visit. The state staff did not have any data to support their opinion.

Overall, there was a consensus that Internet IC filing creates a natural link to Internet reemployment services, thereby providing an additional option to access information. It allows access to job listings and automated job matching with minimal ES staff intervention and allows One-Stop Career Center staff to assist those who need intensive services. The lack of direct contact between UI staff and One-Stop Career Center staff since the implementation of call centers has been a concern, not only with respect to the lack of the claimants' presence in a local office, but also with respect to the knowledge UI call center staff have of services offered in One-Stop Career Centers. Previous research (Salzman et al. 2000) concluded that in many instances, call center staff were unable to provide information on the type of services offered at One-Stop Career Centers, nor could they address specific questions the claimant might have about reemployment services. There was general agreement in the six study states that the Internet offers a stronger link between the claim filing process and reemployment services. Thus, Internet IC filers have a significant advantage over TIC filers with respect to access and information regarding reemployment services offered to the unemployed.

A review of the data extract provided by the states raises the question as to whether Internet IC filing increases reemployment activity. Four of the six study states provided information regarding the percentage of claimants who received staff-assisted job referrals.<sup>64</sup> (Appendix B

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<sup>64</sup> More generally, claimants may find out about job openings and get job leads through the Internet, even if these leads are not documented or tracked by the state. Thus, the usefulness of the Internet for providing claimants with information on employment opportunities is likely to be understated.



contains further details.) Pennsylvania reported that about 7 percent of non-Internet IC and 8 percent of Internet IC filers received job referrals. Washington reported that about 3 percent of both non-Internet IC and Internet IC filers were referred to jobs. However, North Carolina and Utah reported that significantly higher percentages of non-Internet filers were referred to jobs. North Carolina reported 52 percent non-Internet IC filers versus 35 percent Internet IC filers; Utah reported 41 percent and 37 percent, respectively. The percentage of referrals overall for Utah and North Carolina was substantially higher than for Pennsylvania and Washington. In summary, the data would appear to indicate that Internet IC filers receive fewer staff-assisted job referrals than TIC or in-person filers. Further study and additional data would need to be collected and analyzed to draw specific conclusions.

It was also recognized that the use of the Internet to obtain reemployment services requires claimant initiative, and therefore states still feel a need to have procedures in place to ensure that claimants are engaged in an active work search.

### **C. UI-PROGRAM-SPECIFIC PARTICIPATION REQUIREMENTS**

Study states have used the WPRS and eligibility review program to ensure that reemployment services are targeted towards claimants who need them most and that those claimants are connected with a One-Stop Career Center. The WPRS program has been found to operate the same for Internet IC filers as it does for other filers. The six study states differ in the way they administer the WRPS program, but the method used in filing an IC has no bearing on the claimant's selection for WPRS services. Probably the most noteworthy finding with respect to WPRS was that, in all the study states except Utah and North Carolina, there was a lack of information between the local One-Stop Career Center staff and UI staff with regard to a claimant's participation in services. All the states were aware of the problem, and UI staff was

working with ES staff to improve information flow and communications. Only Pennsylvania and Washington were able to provide information regarding the referral of UI claimants through the WPRS program. Pennsylvania reported that about 6 percent of both non-Internet IC and Internet IC filers were referred through the WPRS program. Washington reported that 33 percent of non-Internet IC and Internet IC filers were referred through the program. The data from these states do not provide any significant difference between the two groups with respect to the impact that Internet ICs have on WPRS activity. It substantiates state staff's opinion that Internet IC filing does not affect participation in the WPRS program.

In Missouri, claimants are required to make an active search for work using the state's intranet system every fourth week of drawing UI benefits. This requires the claimant to visit a One-Stop Career Center and use their equipment. In North Carolina, the in-person reporting requirement has maintained a closer connection between ES and UI, and thus feedback on claimant participation is provided. In Utah, when they identify those profiled, a UI staff person reviews the list, assigns them to a One-Stop Career Center, and works with the One-Stop Career Center staff to ensure that feedback regarding eligibility issues is provided to the UI agency.

There is no evidence that continued eligibility for UI benefits has been affected by Internet IC filing. Once an IC is filed and processed, claimants are treated the same with respect to periodic eligibility reviews, tracking of job referrals, and determination of a claimant's overall availability and ability to work. In fact, once the IC is processed, agency staff often are unaware of the filing method used.

Utah has taken steps to use the Internet for periodic eligibility reviews for all claimants (those who file by telephone and those who file by Internet). In Utah, when claimants are identified for eligibility review, a notice is sent advising them that they must complete an eligibility review form. The form is available only over the Internet, and they are advised of the

Web site and are given 10 days to complete it. If claimants call in and do not have access to a computer, they are advised to go to the nearest One-Stop Career Center, where they can access the Internet. If within 10 days a claimant has not submitted the completed form over the Internet, the claimant is notified by mail and given one more chance (for 10 days) to submit it. Utah is experiencing about 50 percent compliance at this time.

Internet IC filing does not appear to have an impact on continuing eligibility. However, states are using technology in innovative ways to administer the UI program and serve claimants better. Only three of the study states were able to provide information regarding ongoing eligibility. North Carolina, Pennsylvania, and Washington provided information with respect to the percentage of claimants receiving eligibility reviews. The percentage of eligibility reviews in Pennsylvania in both groups (Internet ICs and TICs) was very small. North Carolina reported 67 percent of non-Internet IC filers and 76 percent of Internet IC filers received eligibility reviews. Washington reported that about 2 percent of non-Internet IC filers and 3 percent of Internet IC filers received them. In both North Carolina and Washington, the percentage of Internet IC filers receiving eligibility reviews was higher, which would seem to indicate that at least these states are trying to ensure that Internet IC filers are receiving such reviews.



## VI. SYSTEM AND PROGRAM INTEGRITY

The use of the Internet as a communication medium for unemployment insurance (UI) claims carries with it new security threats very different from historical UI security concerns. Network security, hackers, viruses, Web site defacement, and Internet fraud are just a few. The recent Slammer virus (which attacked only computers with Microsoft SQL loaded) resulted in \$1 billion in damage and lost productivity. Even so, that placed it at only ninth place for most costly malicious code. Obviously new threats are real and potentially costly.

Information technology (IT) security is an area of significant concern within the federal government. A recent report by the House Committee on Government Reform included grades for computer security for 24 major agencies, of which 16, including the Department of Labor, received an “F” (House Report 2002). In addition, a federal judge recently ordered the Department of Interior, because of significant security concerns, to disconnect from the Internet for the second time in less than two years (Mark 2003).

With this as a background, the security of state Internet initial claim systems is a logical and valid concern. Much can be and is being done to protect these systems. Network architecture, system design, and security policies all play significant parts in overall security. Each of the states we visited used a variety of these methods to protect itself.

In this chapter, we discuss several important security aspects of states’ Internet IC systems and the information technology infrastructure that supports them. Section A discusses the threats to these systems and the methods available to minimize the associated risks. Section B covers the states’ IT policies and how they influence the security of the Internet IC systems. Section C describes the IT architecture and its inherent security features and weaknesses. Section D

describes states' Internet IC system designs and their impact on security. Some of the Internet IC system security features, such as use of personal identification numbers (PINs) and claimant identification verification, were discussed in Chapter III and will only be mentioned here.

We conclude that the states have made a reasonable compromise that balances security, accessibility, and cost in the design and operation of their Internet IC systems. While no system can be 100 percent secure, the Internet IC systems use industry standard security features for protection. Most states reported instances of fraudulent claims made through the Internet IC system, and several states reported reduced availability of the Internet IC system due to hacker or virus attacks. However, no state reported any security breaches unique to internet-based systems. The states have found additional ways to improve security without sacrificing claimant accessibility, which should improve the security of their systems.

## **A. THREATS**

A threat is an indication of something impending, usually undesirable. A good understanding of the many different types of threats inherent in an Internet IC system and its environment is needed to minimize their potential effects. Connecting the system to the Internet carries with it certain unique risks; however, because an Internet IC system without Internet connectivity would be useless, some level of risk must be accepted for these systems to perform their function. While risks cannot be completely eliminated, they can be greatly minimized and their effects reduced.

### **1. Accidental Threats**

The first type of threat is the accidental one. This is the inadvertent modification, addition, or deletion of data or permissions on the system. It can be caused by staff mistyping data, hitting the "delete" key instead of the "save" key, and so on. While these types of errors cannot be

completely eliminated, system design can minimize them and render the potential for damage minimal. Accidental threats are of course not unique to Internet IC systems.

## **2. Natural Threats**

Natural threats include earthquakes, hurricanes, floods, tornadoes, and severe snow and ice storms, with their resulting loss of utilities such as power and communication circuits. Though they are beyond the ability of the states to control, the states can mitigate the effects through the use of redundancy and backup systems. Many of the states have successfully survived some of these threats, including Washington's earthquake in February 2002 and Colorado's major snowstorm that shut down Denver for several days in March 2003. The result of these threats is typically loss of the ability to take claims and inconvenience to the claimants. These threats are not unique to Internet IC systems and may be less severe than for traditional UI systems that require human interaction.

## **3. External Threats**

The external threat is the one typically associated with the Internet. It includes malicious software such as viruses and "Trojan horses" and what is commonly referred to as hacking. Hacking involves unauthorized use of the system and can result in defacing of the Web page; distribution of viruses; denial of service (DoS) attack; collection of sensitive (including personal) information; modification or deletion of system data; and UI fraud. The hacker can also use a successful attack as a launching point for further attacks inside the network.

Many of the external threats can be virtually eliminated if the system is set up properly and security patches are applied to the operating system and applications, maintaining current virus protection. The SANS Institute, one of the leading network security organizations, along with the FBI, publishes a list of the top 20 security vulnerabilities each October

(<http://www.sans.org/top20/>), along with the steps necessary to protect against the vulnerability. Many of the top vulnerabilities are the result of security flaws in the software running on the system. These security flaws are typically either bugs that could be exploited by a hacker or features that open holes that hackers could exploit.<sup>65,66</sup> The top Windows vulnerability is Microsoft's Internet Information Services (IIS); this is the software that operates a Web site on a server. IIS is the top vulnerability for a number of reasons: the default installation includes many features and example code that are not usually needed, which creates vulnerabilities; the software has many security bugs; and IIS, as the most widely used Web server software, is the largest target for hackers. The other software vulnerabilities listed support Internet applications. Microsoft SQL server is a database engine frequently used to provide data to Web servers; Apache is the most common Web server software for Unix servers. BIND/DNS is a service that translates the text address such as "www.doleta.gov" to an Internet Protocol (IP) address, such as 63.106.188.17. Most of these vulnerabilities can be alleviated through the application of current security patches and service packs and adherence to proper security policies.

The list of both Windows and UNIX vulnerabilities includes accounts with no passwords, weak passwords, or weak authentication for remote connection.<sup>67</sup> This security problem is

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<sup>65</sup> These bugs are typically buffer overflows. A buffer is a small area of memory used by the program to store temporary data. If 10 bytes of data are stuffed into a 6-byte buffer, the overflow of 4 bytes will be written in an area outside of the buffer. A hacker can use this overflow to execute malicious code.

<sup>66</sup> An example of this is Microsoft Outlook automatically running a script attached to an e-mail message. While this can be a useful feature, it can also be used to distribute a worm such as the "Love Bug."

<sup>67</sup> Weak passwords are those that can be easily guessed, such as "password," "admin," or "root." They also include simple words or names. Strong passwords are non-words that include a mix of upper- and lower-case letters, numbers, and special characters.



obvious but common enough to be part of 11 of the top 20 vulnerabilities. These problems can be corrected by good IT policy with enforcement.

Simple Network Management Protocol (SNMP) is widely used to monitor and manage network devices. It sends detailed information about these devices to a management station and control signals to these devices across the network. This could provide an avenue for an outsider to control network devices. The latest version of SNMP (v.3) provides authentication of these messages, which enhances the security greatly. Other methods to minimize this risk are to use names other than the default “public” and “private” and to block both inbound and outbound SNMP traffic at the firewalls.

An additional threat that has received a lot of attention since September 11, 2001, is that of terrorism. This can have a significant impact not only if the state facilities are attacked, but also if the power or communication infrastructure is attacked. Wall Street was shut down for four trading days after the attack on the World Trade Center, not because of damage to Wall Street itself, but because of the loss of communication. Many of the methods to protect against natural threats also provide some protection against the terrorist threat.

#### **4. Insider Threat**

The insider threat is similar to the external threat except that it comes from the inside, avoiding many of the typical network and system protection features. The insider may also be very knowledgeable about the system and aware of any security flaws. Because of this and the severe breach of trust implied by the insider threat, special policies and procedures are required for protection.

## B. STATE INFORMATION TECHNOLOGY POLICIES

The foundation of security is the policies in place and the degree of their enforcement.

There are many different types of security policies.

1. ***Security Policies.*** This is the overarching security policy for the IT systems. It often includes one or more of the policies discussed below.
2. ***Physical Security Policies.*** The physical security of the systems is very important. Unrestricted physical access to a system is equivalent to providing administrative access. The Physical Security Policies cover the requirements for limiting physical access to the system (secure facilities, visitor policies, and so on).
3. ***Password Policy.*** This policy covers the requirements for passwords and the frequency of changing them.
4. ***Access Policies.*** A major part of minimizing the threat from an insider attack is to minimize the number of insiders who have administrative access to the systems. Such access must be limited to the few trusted employees who require it to operate and maintain the systems.
5. ***Virus Protection Policy.*** This policy covers the requirement for anti-virus software and keeping the virus definition files up to date. The license agreement for the anti-virus software often includes approval for employees to use the software at home, which minimizes the chance of infection from that route.
6. ***Backup Policies.*** The heart of an IT system is the data and software that reside on the systems. The Backup Policy covers copying the data and proper storage of the copy. This will allow the system to be restored if it is corrupted or damaged.
7. ***Disaster Recovery Plans/Policies.*** This plan/policy covers the recovery and operation of the system in the event of a major disaster that precludes the use of the normal facilities. This is one area where the states need improvement. All of them acknowledge that this is a critical requirement and are working on disaster recovery plans.
8. ***Software Revision/Testing Policies.*** As the software used in the Internet IC system is revised, the procedures to request, approve, test, and implement these revisions are included in this policy. The policy may also cover such revisions as operating system security patches.
9. ***Hardware Standards.*** This policy covers the requirements for the hardware portions of the system. This may be a generic standard covering the network protocols to be used or a specific standard covering the brand of firewall or router authorized for use on the network.
10. ***Patch/Service Pack Administration.*** As noted, the timely application of software patches is critical to overall system security. This type of implicit policy is more

effective than a written policy that is not followed. Installation of all patches without testing, however, can create problems. Patches have been distributed that contain flaws and require either a revision or a new patch. A good patch administration policy allows rapid installation in the case of a severe flaw or a security flaw already being exploited on the Internet, but also allows some testing where time allows.

11. **System Accreditation.** This is the “Holy Grail” of IT system security. System Accreditation is the formal approval to operate a system after a review of policies, architecture, system design, and the threats to the system and then assessment of the risks.

With the exception of hardware standards and system accreditation, the states visited either had or were working on all the security policies mentioned above. This implies significant concern on the part of the states for the security of their IT systems.

The presence of security policies is only the first step—enforcement of these policies is critical. While enforcement was not reviewed in detail, it was spot-checked, and again the states did very well. Virus data files and patches were spot-checked and found to be current. No attempt was made during the visits to “crack” passwords to ensure strong ones were in use, nor was off-site backup tape storage checked.

## C. STATE INTERNET INITIAL CLAIMS ARCHITECTURE

While the IT Policies form the foundation of the system security, the network architecture is the structure built upon that foundation. The following list summarizes the security features of the states’ IT architecture.

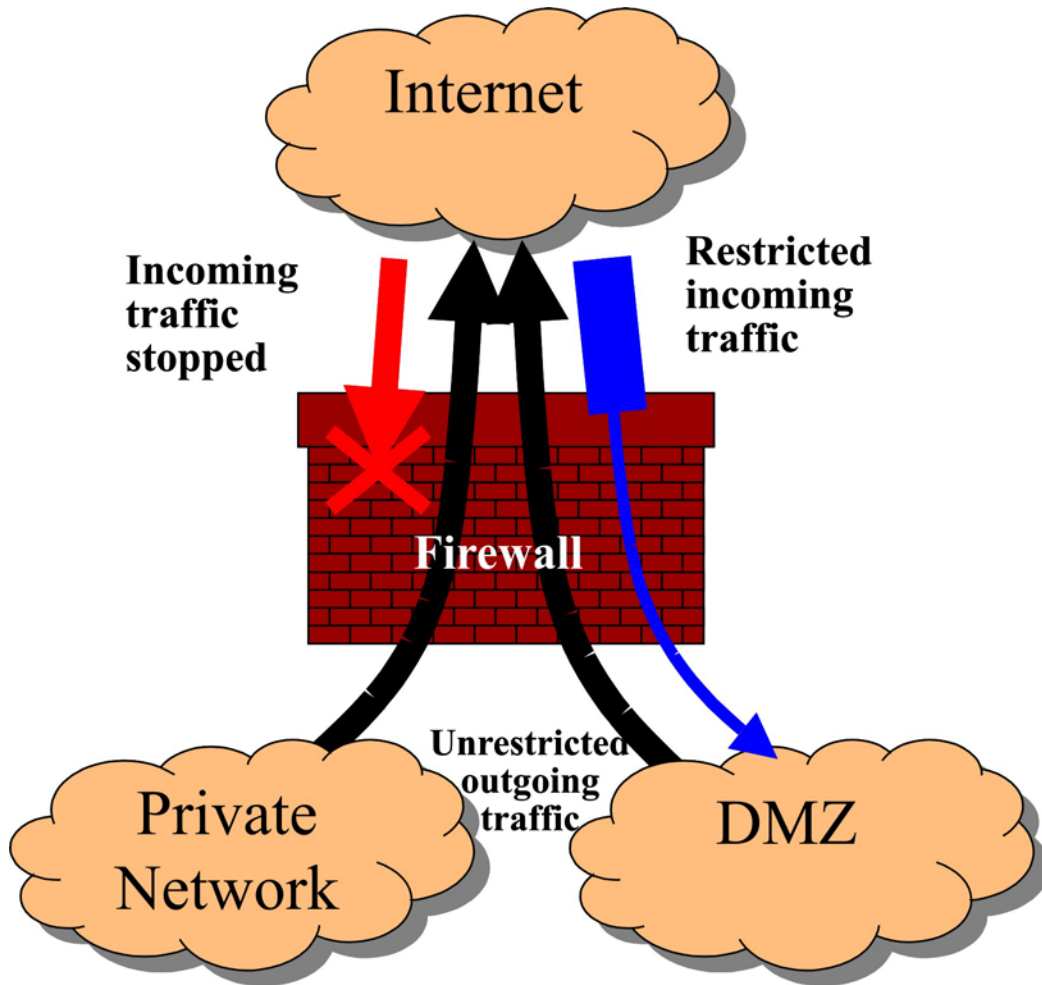
1. **Firewall.** A firewall is a device designed to prevent unauthorized access to or from a private network. Firewalls are frequently used to prevent unauthorized Internet users from accessing private networks connected to the Internet (Figure VI.1). All messages entering or leaving the internal network pass through the firewall, which examines each message and blocks those that do not meet the specified security criteria. Typically the firewall limits access from the Internet to an untrusted network or DMZ (see below) where the Web servers are located. The firewall allows communication with these servers only to port 80 (which provides http or Web pages services) and port 443 (which provides https or secure Web pages

services), thus minimizing avenues of intrusion into the systems. Access to protected networks where user workstations would be is not allowed from the Internet. Thus the only system accessible is isolated from the protected network.

2. **DMZ.** A DMZ, or demilitarized zone, is a network that allows limited access from the Internet. A trusted or private network cannot be accessed from the Internet. Both the private and DMZ networks can provide access *to* the Internet.
3. **Redundant Servers.** Redundant servers prevent loss of all system function when a single server has a problem. They also provide a greater capability to process claims; however, the current workload is not great enough for any of the states to require more than a single server
4. **Redundant Communication Paths.** Like redundant servers, redundant communication paths provide increased reliability to the system by removing a single point of failure. This can be accomplished through a ring type of metropolitan network or use of two separate connections.
5. **Intrusion Detection System.** An intrusion detection system (IDS) inspects all inbound and outbound network activity and identifies suspicious patterns that may indicate a network or system attack from someone attempting to break into or compromise a system. While a single recent report from Gartner Inc. (Gartner Group 2003) concluded that an IDS is not cost-effective, the consensus within the computer security field is that while an IDS does not provide protection from an intruder, it does detect the intruder and aids in identifying the intruder's actions and thus is worthwhile.
6. **Reverse Proxy Server.** The reverse proxy server provides a secure gateway into Web sites by centralizing all Web resource requests to a single system that connects to multiple back-end systems. When a UI claimant accesses the Internet IC Web site, he or she is actually accessing the reverse proxy server. This proxy server will then query the actual Internet IC Web server that provides the Web page back to the proxy server. The proxy sends the retrieved Web pages to the client, as if the proxy were the actual Web server. Thus the client sees only the reverse proxy server and never the Internet IC systems themselves.
7. **UPS.** An Uninterruptible Power Supply (UPS) uses a battery to maintain power in the event of an outage. Typically, a UPS keeps a computer running for several minutes after a power outage, giving a backup generator time to start and begin to provide power.
8. **Backup Generator.** A backup generator provides long-term power in the event of a power failure.

The states visited all had reasonable network architecture from a security point of view.

FIGURE VI.1  
GENERIC USE OF A FIREWALL AND DMZ



## D. STATE INTERNET INITIAL CLAIMS SYSTEM DESIGN

The third part of the security picture is the system design—what each piece of the system does and how it communicates to the other pieces within the network architecture. The data being passed between the claimant and the Internet IC system and internal to the Internet IC system can be very sensitive. Protection of these data is critical to the security of the system, both to ensure the validity of the claims and the claim process and also to protect the privacy of the claimants. A summary of the system design features follows.

1. ***Separation of Web Server and Sensitive Data.*** The Web server is accessible from the Internet and thus is the system most vulnerable to attack. For protection of the confidentiality of claimants (and potentially that of everyone in the state's wage database), a separation between the Web server and these sensitive data is desirable.
2. ***Encryption of Communication Path/SSL.*** This is a protocol for transmitting private documents via the Internet. SSL works by using a public key to encrypt data that are transferred over the SSL connection. Many Web sites use the protocol to communicate confidential user information, such as credit card numbers. By convention, URLs that require an SSL connection start with *https* instead of *http*.
3. ***Encrypted VPN with Mainframe.*** This is a private, encrypted communication path established between the database/application server and the mainframe using the network or possibly the Internet. This is similar in function to SSL but is used for more than just Web pages.
4. ***Limiting Amount of Sensitive Data Transmitted.*** There are two parts to this. The first is to limit the amount of sensitive data that is transmitted over the Internet back to the claimant. This would include names, dates of birth, SSNs, and employers. While it could be beneficial for employer matching to be completed on the claimant side, the potential exists for abuse both by the claimant and by someone who intercepts the communication. The second is to limit the amount of data that are transmitted to the Web server, as it is the most vulnerable system.
5. ***Claimant Identity Verification.*** Verification of the claimant's identification is a critical component of the Internet IC system. Each state used slightly different methods. This subject is discussed in depth in Chapter III.
6. ***Employer Identification.*** For the claim to be automatically processed, some states required matching the employers input by the claimant to employers found in the state wage database. Failure to match employers would require manual intervention to complete the claim.

The states all did a good job of protecting the most vulnerable parts of the Internet IC system. All states used SSL to provide a secure, encrypted Internet link to the claimant. All the states visited also had at least physical separation between the Web server and the sensitive data. These should be considered the minimum-security features.





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**APPENDIX A**  
**DOCUMENT REQUEST**



## Document Request List

- Customer Satisfaction surveys and other data concerning customer opinions of the Internet filing of new initial claims.
- Implementation plans, grant proposals, and other documentation if it is a good representation of the evolution of the Internet initial claims filing system.
- Operating procedures, handbooks, and directives for Internet filing of new initial claims.
- Informational brochures, pamphlets, etc., for Internet filing of new initial claims.
- Agency reviews and evaluations of the Internet filing of new initial claims.
- Security policies to include but not be limited to:
  - Security Program Plan
  - System Security Plan
  - Security Accreditation
  - Password Policy
  - Training Policy
  - Audit Policy
- Incident-Handling Procedures
- Software Development Lifecycle Processes
- Configuration Management Plan
  - Contingency Plans
  - Disaster Recovery Plans
  - Emergency Response Plans
  - Continuity-of-Operations Plan
  - Backup Operations Plans
- Security/Risk Evaluation Reports/Audits
- Hardware and Software Environment, including:
  - Hardware (Routers, Firewall, IDS, Server)
  - Operating System
  - Application Software
  - Version
  - Patch/Service Pack
  - Virus Protection



**APPENDIX B**

**AGGREGATE DATA ON INTERNET INITIAL  
CLAIM INTERNET IC AND NON- INTERNET IC FILERS**





Data on claimants' characteristics provide an important quantitative supplement to qualitative site visit data. These data can provide insights to help policymakers understand both which types of claimants use the Internet IC system and whether different patterns in UI claims activity arise as a result of the filing method. Therefore, we asked states to provide us with aggregated information on the demographic characteristics, pre-UI employment histories, and UI program and reemployment services experiences of Internet IC filers and filers who use other methods so that we could compare the two groups. Figure B.1 is an example of a data request to the states, while Tables B.1 through B.3 present the statistics from the data.

To be most useful, the data on which the tabulations were based had to meet several criteria. First, our design specified that the two filing groups include new initial claimants during the first quarter of 2002. Using this calendar quarter for the selection would allow all UI activities during claimants' benefit years to be included, so that we could observe the entire claim history by spring 2003, our scheduled period for collecting the data. Second, we wanted the entire population of Internet IC filers for the quarter, so that small samples would not hinder our ability to draw meaningful conclusions.

Third, the non-Internet IC group was to include all claimants who could have filed Internet ICs but did not do so. Thus, depending on the state's Internet IC system design, the state may have excluded from the tabulations some claimants who filed during the quarter. For example, we asked states that did not allow Unemployment Compensation for Federal Employees claims (UCFE) or Unemployment Compensation for Ex-Servicemembers (UCX) claimants to file Internet ICs to exclude them from the non-Internet IC comparison group; we asked states that allowed UCFE and UCX claimants to file Internet ICs to include them.

Several cautions about the data should be noted. First, to reduce the potentially burdensome nature of the data request, we provided flexibility to the states in the formats for many of the data

items. This flexibility does not cause problems when comparisons between the two groups in a state are made. However, caution should be used when examining the levels of variables across states. Second, states have made many improvements to their Internet IC systems since the first quarter 2002. As states continue to improve their systems over time, patterns in who files by each method, and what their UI program outcomes are, will change. Utah, in particular, expressed concern that the first quarter 2002 came very soon after its initial system implementation, when the state was still ironing out implementation issues.

Third, we do not report those differences between the two groups within a state that are statistically significant. Technically, using populations, rather than samples, means that there are no variances around the statistics. However, even if one were to interpret using a calendar quarter of data as a sampling method for a broader population of claimants (such as claimants from a full year), so that the statistics have variances, the numbers of claimants are sufficiently large that almost all differences are statistically significant at conventional levels.

Given these cautions, we think the best approach to interpreting the data is to view patterns as suggestive but not definitive. We feel fairly confident that we can detect large differences in the demographic characteristics of Internet filers and other filers. For example, many policymakers hypothesized that Internet filers have higher levels of education, on average, than non-Internet filers. The very large differences in the education levels of the two groups, found in all states for which we have data, strongly support this view. Smaller differences, which sometimes are inconsistent across states, may suggest that the differences between the two groups are not systematic or that they are not policy-relevant. However, interpretations of the ways in which the Internet IC system influences UI program activity are less clear. Given the use of aggregate data, we cannot tell whether differences in UI claims and reemployment services activities result from differences in the claimants who file by each method or from

differences in states' operational procedures. We can use the qualitative data collected from state administrators to help interpret patterns in the statistics, but these interpretations are not definitive. Thus, in some cases, the most important contribution from this data analysis is to suggest possible areas for further investigation using claimant-level data and regression techniques that are not available for this study.

## FIGURE B.1

### DATA EXTRACTION FROM CLAIM RECORDS

#### Claimant Selection Criteria and Time Period:

The claimant population to be studied is to include all regular state new initial claims filed during the first quarter of calendar year 2002. Unemployment Claims for Federal Employees (UCFE) and X-Military (UCX) are *not* to be included. Interstate liable claims will be included as long they are represented in both groups (Internet and other filers). The claimant population is to be identified by Internet filers and those filing initial claims by other methods.

Data are to be extracted from the claimants' entire benefit year and will be reported in aggregate figures for the entire population of Internet filers versus those filing by other methods. It is requested that data be reported using the ASCII data stream, in a readable format with data type headings.

#### Demographics of Population/Claim (by Internet and Other)

12. Number of new initial claims (exclude UCFE-UCX).
13. Number of intrastate filers.
14. Number of interstate liable filers (only if Internet IC and other methods are available to interstate claimants).
15. Number of new initial claims resulting in eligible monetary determinations.
16. Number of monetary redeterminations.
17. Gender of claimant.
18. Race/ethnicity of claimant.
19. Occupations of claimants at time new initial claim filed. One- or Two-Digit Occupational Categories from O\*NET Dictionary of Occupational Titles.
20. Industries represented at time new initial claim was filed. Two-Digit Categories from North American Industry Classification System (NAICS) or Standard Industrial Classification (SIC).
21. Urban versus rural residence of claimant at time new initial claim was filed.
22. Level of education of claimant (less than high school, high school or GED degree, some college, vocational/technical/associate's degree, undergraduate degree, post-secondary/graduate school).
23. Age of claimant at time new initial claim was filed: (less than 25 years old, 25 to 34, 35 to 44, 45 to 54, 55 to 64, and 65 and older).

24. Base period earnings: (\$0 to \$19,999, \$20,000 to \$39,999, \$40,000 to \$59,999, \$60,000 to \$79,999, \$80,000 or higher).
25. Weekly benefit amount: (\$0 to \$199, \$200 to \$249, \$250 to \$299, \$300 to \$349, \$350 or higher).
26. Total maximum benefit amount for all claimants.
27. Total amount of benefits paid to all claimants during benefit year.
28. Average total number of weeks paid calculated by using each claimant's MBA, WBA, and remaining balance.
29. Number of claimants exhausting benefits.
30. Number of claimants filing by language. (If claimants are given alternative language options to file Internet new initial claims.)

Claims Activity Characteristics (by Internet and Other)

1. Number of claimants with separation issues, separated by voluntary quit, discharge for misconduct, and other.
2. Number of number of claimants with separation denials, separated by voluntary quit, discharge for misconduct, and other.
3. Number of claimants with non-separation issues, separated by work search, able and available, refusal of job, refusal of a job referral, and other.
4. Number of claimants with non-separation denials, separated by work search, able and available, refusal of job, refusal of job referral, and other.
5. Number of claimants with lower authority appeals.
6. Number of claimants with eligibility reviews.
7. Number of claimants referred through WPRS (those claimants mandated to participate).
8. Number of claimants with job referrals.
9. Number of claimants with an overpayment.
10. Number of weeks overpaid.
11. Total dollars overpaid.
12. Average of first payment time lapse (use UIDB definitions and requirements).

TABLE B.1

DEMOGRAPHIC CHARACTERISTICS OF NON-INTERNET AND INTERNET CLAIMANTS  
(Percentages Unless Otherwise Stated)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
<b>Sex<sup>a</sup></b>												
Male	63.8	63.1	58.6	60.9	54.2	53.2	64.3	64.7	67.9	69.0	65.7	62.5
Female	36.2	36.9	41.4	39.1	45.8	46.8	35.7	35.3	32.1	31.0	34.3	37.5
<b>Race</b>												
White	62.2	77.2	63.7	76.4	56.2	76.9	81.5	85.5	81.5	89.3	71.9	80.5
Nonwhite	--	--	--	--	--	--	18.5	14.5	--	--	--	--
Black	6.1	3.5	17.1	6.9	37.3	19.8	--	--	1.9	0.8	5.1	3.0
Hispanic	--	--	12.2	11.8	--	--	--	--	11.0	3.2	11.8	3.4
American Indian or Alaskan Native	2.0	1.1	0.7	0.9	1.6	0.6	--	--	2.4	0.6	2.5	1.6
Asian or Pacific Islander	3.2	2.4	1.3	1.3	1.2	1.5	--	--	3.0	2.0	5.4	5.9
Unknown <sup>b</sup>	26.5	15.8	4.9	2.8	3.8	1.3	--	--	0.3	4.1	3.3	5.6
<b>Education</b>												
High school dropout	n.a.	n.a.	22.0	10.1	19.8	4.4	15.2	7.2	14.5	6.3	18.2	6.0
High school graduate or GED	n.a.	n.a.	58.9	37.2	48.4	22.4	61.6	47.0	45.0	32.4	46.3	30.3
Some college <sup>c</sup>	n.a.	n.a.	8.3	32.8	22.6	37.7	13.9	20.8	27.8	32.7	27.7	62.5
College graduate	n.a.	n.a.	3.6	14.4	7.8	28.7	6.9	15.8	10.0	20.8	6.0	0.9
Postcollege <sup>d</sup>	n.a.	n.a.	1.6	5.2	1.4	6.8	1.9	9.2	2.6	7.5	1.8	0.3
Not available	--	--	5.6	0.3	--	--	0.4	0.0	0.0	0.3	--	--
<b>Age</b>												
Younger than 25	10.6	12.0	14.3	15.5	14.8	10.3	9.0	9.3	22.5	12.8	11.5	12.1
25 to 34	24.5	32.9	24.0	29.4	27.7	33.3	24.3	28.1	29.4	34.6	26.8	28.3
35 to 44	30.1	28.4	28.6	27.9	28.2	28.4	27.4	27.9	24.3	27.3	27.3	27.1
45 to 54	23.7	19.3	20.6	19.0	18.9	20.1	23.0	22.4	16.5	19.4	21.9	21.4
55 to 64	9.8	6.6	9.7	7.3	8.5	7.2	13.2	10.6	6.3	5.9	10.5	9.9
65 and older	1.2	0.7	2.8	0.8	1.9	0.6	2.9	1.4	0.9	0.1	1.9	1.2
Not available	--	--	--	--	--	--	0.2	0.1	--	--	--	--
<b>Residence of Claimant<sup>e</sup></b>												
Rural	19.3	14.7	43.2	35.6	54.9	26.3	20.0	13.5	19.7	18.3	27.4	16.2
Urban	80.7	85.3	56.8	64.4	45.1	73.7	79.4	85.5	73.9	76.6	60.4	78.4
Other/Out-of-State <sup>f</sup>	--	--	--	--	--	--	0.5	1.0	6.3	5.1	12.2	5.3
<b>Filed in a Language Other than English<sup>g</sup></b>	7.5	0.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	--- <sup>h</sup>	17.4
<b>Number of New Initial Claimants</b>	<b>28,660</b>	<b>13,099</b>	<b>90,777</b>	<b>9,596</b>	<b>64,051</b>	<b>6,856</b>	<b>155,797</b>	<b>25,011</b>	<b>19,726</b>	<b>1,741</b>	<b>77,642</b>	<b>28,114</b>

Source: Calculations based on aggregate data provided by the UI agencies of each state.

Note: The significance levels of characteristics presented as distributions pertain to statistical tests for differences in the distributions of non-Internet and Internet filers.

TABLE B.1 (continued)

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n.a. = not available.

<sup>a</sup>In Missouri, the state did not know the sex of seven non-Internet claimants.

<sup>b</sup>In North Carolina, this category includes 12 claimants who are coded as of “multiple races.”

<sup>c</sup>In North Carolina, Utah, and Washington, “some college” includes claimants with a vocational/technical/associates degree.

<sup>d</sup>In North Carolina, this category represents “postsecondary graduates.”

<sup>e</sup>In Pennsylvania, a claimant’s residence is defined as “urban” if the claimant resides in a county that is part of a metropolitan statistical area.

<sup>f</sup>In Colorado, this category includes nine non-Internet filers whose residence are unknown. In Pennsylvania, this means “not available.” In Washington, this is for “unknown/interstate.”

<sup>g</sup>In Colorado, the data are coded as “not Spanish” and “Spanish.” We have assumed that all claims not filed in Spanish were filed in English.

<sup>h</sup>Washington’s data extract showed that no non-Internet claims were filed in Spanish. However, state administrators reported that the call centers used AT&T translation services for speakers of Spanish and other languages.

TABLE B.2

CHARACTERISTICS OF BASE-PERIOD EMPLOYMENT FOR NON-INTERNET AND INTERNET CLAIMANTS  
(Percentages Unless Otherwise Stated)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
Base-Period Earnings												
\$0 to \$19,999 <sup>a</sup>	37.9	27.9	62.0	42.7	62.1	27.7	51.7	37.3	42.6	22.2	52.1	34.8
\$20,000 to \$39,999	41.0	34.4	28.4	34.2	28.9	35.6	35.1	34.6	37.0	42.4	31.9	33.4
\$40,000 to \$59,999	13.3	18.5	7.1	13.9	5.9	16.6	9.9	16.9	10.6	19.6	11.4	17.8
\$60,000 to \$79,999	4.1	8.8	1.6	4.8	1.8	9.3	2.5	7.7	2.6	7.2	3.1	7.5
\$80,000 or higher	3.7	10.4	0.9	4.3	1.3	10.9	0.8	3.4	1.9	7.9	1.5	6.5
Unknown	--	--	--	--	--	--	--	--	5.4	0.6	--	--
Industry—Using NAICS Codes												
Agriculture, Forestry, Fishing, and Hunting	0.6	0.2	--	--	--	--	0.4	0.2	0.2	0.1	--	--
Mining	1.2	0.8	--	--	--	--	0.8	0.4	1.4	0.8	--	--
Utilities	0.2	0.2	--	--	--	--	0.2	0.8	0.1	0.1	--	--
Construction	22.5	13.3	--	--	--	--	16.6	11.6	21.2	14.6	--	--
Manufacturing	12.2	9.7	--	--	--	--	25.5	21.5	14.7	18.0	--	--
Wholesale Trade	5.2	6.1	--	--	--	--	3.8	5.3	3.4	5.3	--	--
Retail Trade	8.4	8.7	--	--	--	--	11.6	11.8	9.7	10.0	--	--
Transportation and Warehousing	3.3	2.7	--	--	--	--	4.1	4.1	4.2	4.4	--	--
Information	5.6	9.5	--	--	--	--	1.9	4.2	4.3	10.2	--	--
Finance and Insurance	3.2	4.6	--	--	--	--	2.7	4.9	3.2	3.5	--	--
Real Estate and Rental and Leasing	1.7	2.1	--	--	--	--	1.1	1.3	1.2	1.4	--	--
Professional, Scientific, and Technical Services	6.3	12.8	--	--	--	--	3.7	8.4	4.1	11.1	--	--
Management of Companies and Enterprises	0.2	0.4	--	--	--	--	0.1	0.2	0.2	0.3	--	--
Administrative, Support, Waste Management, and Remediation Services	10.9	9.6	--	--	--	--	8.7	7.1	14.0	7.9	--	--
Educational Services	1.2	1.6	--	--	--	--	0.4	0.7	1.4	1.6	--	--
Health Care and Social Assistance	3.7	3.3	--	--	--	--	3.9	3.8	3.4	2.2	--	--
Arts, Entertainment, and Recreation	1.1	1.2	--	--	--	--	1.7	1.8	1.1	1.7	--	--
Accommodation and Food Services	4.1	3.6	--	--	--	--	5.8	4.3	4.9	3.4	--	--
Other Services (except Public Administration)	2.1	2.0	--	--	--	--	2.8	2.5	1.8	1.8	--	--
Public Administration	1.4	1.4	--	--	--	--	2.3	2.4	1.5	1.0	--	--
Unavailable/unknown	4.9	6.2	--	--	--	--	1.9	2.7	3.9	0.6	--	--



TABLE B.2 (continued)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
Industry—Using SIC Codes <sup>b</sup>												
Federal Government <sup>c</sup>	--	--	--	--	0.2	0.0	--	--	--	--	--	--
State Government <sup>c</sup>	--	--	--	--	1.0	0.8	--	--	--	--	--	--
Local Government <sup>c</sup>	--	--	--	--	1.8	1.5	--	--	--	--	--	--
Agriculture, Forestry, and												
Fishing	--	--	1.7	1.2	0.2	0.0	--	--	--	--	5.1	1.6
Mining	--	--	0.3	0.2	1.0	0.8	--	--	--	--	0.2	0.1
Construction	--	--	15.3	11.9	1.8	1.5	--	--	--	--	16.9	12.7
Manufacturing	--	--	20.2	16.0	1.1	0.5	--	--	--	--	19.4	16.1
Transportation, Communications, Electric, Gas, and Sanitary Services												
Wholesale Trade	--	--	5.9	8.0	0.1	0.1	--	--	--	--	5.3	6.9
Retail Trade	--	--	4.5	6.6	10.2	6.4	--	--	--	--	4.1	5.9
Retail Trade	--	--	17.9	17.2	24.5	19.6	--	--	--	--	13.5	16.4
Finance, Insurance, and Real Estate												
Real Estate	--	--	3.8	7.4	4.5	7.5	--	--	--	--	2.6	5.0
Services	--	--	29.2	29.7	5.0	8.1	--	--	--	--	21.4	30.7
Public Administration	--	--	1.2	1.7	16.1	12.4	--	--	--	--	1.7	1.8
Unavailable/unknown	--	--	--	--	2.8	7.6	--	--	--	--	9.8	2.9
Occupation—Using DOT Codes <sup>b</sup>												
Professional, Technical, and Managerial												
Professional, Technical, and Managerial	18.5	44.1	9.7	23.3	--	--	19.6	33.7	--	--	--	--
Clerical and Sales	15.4	22.1	17.5	20.1	--	--	12.5	15.3	--	--	--	--
Service	10.6	5.7	14.7	9.6	--	--	19.1	14.2	--	--	--	--
Agricultural, Fishery, Forestry, and Related												
Agricultural, Fishery, Forestry, and Related	0.9	0.6	1.6	1.2	--	--	1.6	1.1	--	--	--	--
Processing	2.2	5.4	3.4	2.6	--	--	4.1	5.3	--	--	--	--
Machine Trades	2.0	0.0	5.9	5.7	--	--	8.0	6.8	--	--	--	--
Benchwork	1.3	0.0	8.5	4.9	--	--	2.2	1.6	--	--	--	--
Structural Work	14.7	21.7	13.4	8.9	--	--	13.7	8.9	--	--	--	--
Miscellaneous	34.1	0.2	21.7	14.9	--	--	19.2	13.2	--	--	--	--
Unknown	0.3	0.1	3.7	8.8	--	--	--	--	--	--	--	--
Occupation—Using SOC Codes												
Management	--	--	--	--	5.5	13.1	--	--	n.a.	n.a.	5.9	12.8
Business and Financial Operations	--	--	--	--	1.3	4.9	--	--	n.a.	n.a.	1.7	3.9
Computer and Mathematical Science	--	--	--	--	1.5	9.7	--	--	n.a.	n.a.	1.5	6.2
Architecture and Engineering	--	--	--	--	1.4	4.8	--	--	n.a.	n.a.	1.8	3.1
Life, Physical, and Social Science	--	--	--	--	0.3	0.8	--	--	n.a.	n.a.	0.5	0.6
Community and Social Services	--	--	--	--	0.4	0.5	--	--	n.a.	n.a.	0.5	0.3
Legal	--	--	--	--	0.2	0.8	--	--	n.a.	n.a.	0.2	0.5

TABLE B.2 (continued)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
Education, Training, and Library	--	--	--	--	0.8	1.1	--	--	n.a.	n.a.	0.8	1.0
Arts, Design, Entertainment, Sports, and Media	--	--	--	--	0.7	2.5	--	--	n.a.	n.a.	1.0	1.6
Healthcare Practitioner and Technical	--	--	--	--	0.9	1.2	--	--	n.a.	n.a.	0.9	1.0
Healthcare Support	--	--	--	--	2.7	0.7	--	--	n.a.	n.a.	2.2	1.5
Protective Service	--	--	--	--	1.0	0.6	--	--	n.a.	n.a.	1.1	0.9
Food Preparation and Serving Related	--	--	--	--	5.9	2.4	--	--	n.a.	n.a.	5.3	4.3
Building and Grounds Cleaning and Maintenance	--	--	--	--	3.6	0.8	--	--	n.a.	n.a.	2.9	1.9
Personal Care and Service	--	--	--	--	1.3	1.0	--	--	n.a.	n.a.	1.4	1.3
Sales and Related	--	--	--	--	8.3	10.3	--	--	n.a.	n.a.	6.6	9.9
Office and Administrative Support	--	--	--	--	12.4	17.9	--	--	n.a.	n.a.	10.6	16.4
Farming, Fishing, and Forestry	--	--	--	--	0.5	0.1	--	--	n.a.	n.a.	5.7	0.9
Construction and Extraction	--	--	--	--	8.5	2.6	--	--	n.a.	n.a.	17.3	10.6
Installation, Maintenance, and Repair	--	--	--	--	4.5	2.9	--	--	n.a.	n.a.	5.1	4.8
Production Occupations	--	--	--	--	18.1	5.3	--	--	n.a.	n.a.	15.7	9.5
Transportation and Material Moving	--	--	--	--	1.4	0.9	--	--	n.a.	n.a.	11.1	7.0
Military	--	--	--	--	0.0	0.0	--	--	n.a.	n.a.	0.1	0.0
Unknown	--	--	--	--	18.8	15.2	--	--	n.a.	n.a.	--	--
<b>Number of New Initial Claimants</b>	<b>28,660</b>	<b>13,099</b>	<b>90,777</b>	<b>9,596</b>	<b>64,051</b>	<b>6,856</b>	<b>155,797</b>	<b>25,011</b>	<b>19,726</b>	<b>1,741</b>	<b>77,642</b>	<b>28,114</b>

Source: Calculations based on aggregate data provided by the UI agencies of each state.

Note: The significance levels of characteristics presented as distributions pertain to statistical tests for differences in the distributions of non-Internet and Internet filers.

n.a. = not available.

<sup>a</sup>In Colorado, this dollar range includes the claimants whose base-period earnings data are unavailable.

<sup>b</sup>In Missouri, the raw data include information on all base-period employers. The percentages for the categories have been rescaled to sum to 100 percent.

<sup>c</sup>In North Carolina, industries for federal, state, and local government are listed separate from the SIC code for “public administration,” even though the SIC classification scheme is used for other industries.

TABLE B.3

BASIC CLAIM CHARACTERISTICS OF NON-INTERNET AND INTERNET CLAIMANTS  
(Percentages Unless Otherwise Stated)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
Claim Location												
Intrastate	93.4	94.2	96.6	97.0	100.0	100.0	96.0	96.1	93.7	94.9	93.9	97.8
Interstate <sup>a</sup>	6.6	5.8	3.4	3.0	0.0	0.0	4.0	3.9	6.3	5.1	6.1	2.2
Monetary Eligibility												
Eligible	99.2	96.6	86.3	91.4	94.1	97.5	91.5	90.2	94.6	99.4	89.7	91.4
Ineligible	0.8	3.4	13.7	8.6	5.9	2.5	8.5	9.8	5.4	0.6	10.3	8.6
Monetary Redeterminations												
None	84.4	87.7	n.a.	n.a.	78.0	80.5	n.a.	n.a.	n.a.	n.a.	86.5	88.2
At least one	15.6	12.3	n.a.	n.a.	22.0	19.5	n.a.	n.a.	n.a.	n.a.	13.5	11.8
Weekly Benefit Amount— Colorado, North Carolina, Pennsylvania, Utah, and Washington												
\$0 to \$199 <sup>b</sup>	19.7	16.2	--	--	46.6	18.1	30.1	20.9	28.9	15.6	38.5	26.9
\$200 to \$249	11.5	7.1	--	--	15.6	10.1	13.5	10.4	14.0	10.4	11.5	9.5
\$250 to \$299	11.0	7.9	--	--	11.3	10.4	12.1	10.6	11.6	10.5	9.8	9.5
\$300 to \$349	10.7	8.0	--	--	7.7	9.5	10.2	9.6	9.7	10.9	8.2	8.5
\$350 or higher	47.1	60.8	--	--	18.9	51.9	34.1	48.5	30.4	52.0	32.0	45.6
Not applicable	--	--	--	--	--	--	--	--	5.4	0.6	--	--
Weekly Benefit Amount— Missouri												
\$0 to \$99	--	--	20.3	13.1	--	--	--	--	--	--	--	--
\$100 to \$199	--	--	26.6	18.4	--	--	--	--	--	--	--	--
\$200 to \$249	--	--	13.6	11.2	--	--	--	--	--	--	--	--
\$250 or higher	--	--	39.4	57.3	--	--	--	--	--	--	--	--
Maximum Benefit Amount per Claimant (Dollars) <sup>c</sup>	7,091	6,463	3,753	4,882	\$5,080	\$7,499	6,750	7,604	\$5,487	\$7,291	7,037	8,862
Benefits Paid per Claimant (Dollars) <sup>c</sup>	4,917	3,085	1,810	2,331	\$2,900	\$4,638	3,698	4,493	\$2,730	\$3,638	3,730	4,982
Weeks Paid (Weeks) <sup>c, d</sup>	15.6	8.9	9.0	10.0	16	17	15.2	16.3	14.0	14.0	20.0	22.5

TABLE B.3 (continued)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
Exhaustion Status												
Did not exhaust	50.4	72.5	71.5	76.7	63.7	59.4	72.0	68.4	72.4	71.2	74.0	72.6
Exhausted	49.6	27.5	28.5	23.3	36.3	40.6	28.0	31.6	27.6	28.8	26.0	27.4
All Separation Issues												
Voluntary Quit	27.5	29.0	n.a.	n.a.	11.6	7.2	n.a.	n.a.	18.7	14.7	14.8	15.1
Discharge	24.7	22.5	n.a.	n.a.	7.9	4.5	n.a.	n.a.	28.6	25.0	13.0	15.8
Other Separation	4.2	4.0	n.a.	n.a.	18.1	15.4	n.a.	n.a.	0.0	0.0	0.0	0.0
All Separation Denials												
Voluntary Quit	25.5	27.2	n.a.	n.a.	9.1	5.5	n.a.	n.a.	10.7	7.3	10.4	10.4
Discharge	13.2	11.3	n.a.	n.a.	7.8	4.5	n.a.	n.a.	11.1	8.3	3.6	3.5
Other Separation	1.5	1.5	n.a.	n.a.	4.5	2.5	n.a.	n.a.	0.0	0.0	0.0	0.0
All Nonseparation Issues Per Claimant												
Able-and-Available	37.1	52.6	n.a.	n.a.	20.7	25.1	9.5	7.4	n.a.	n.a.	59.6	66.1
Disqualifying Income	6.6	10.3	n.a.	n.a.	10.3	10.3	n.a.	n.a.	22.7	26.2	9.4	12.9
Refusal of Suitable Work	24.3	38.7	n.a.	n.a.	1.0	4.0	n.a.	n.a.	n.a.	n.a.	--	--
Reporting Requirements	0.2	0.2	n.a.	n.a.	0.8	0.5	n.a.	n.a.	2.1	4.4	0.5	0.6
Profiling Requirements	12.6	15.1	n.a.	n.a.	10.3	13.6	n.a.	n.a.	n.a.	n.a.	--	--
Other Nonseparation	--	--	n.a.	n.a.	0.0	0.0	n.a.	n.a.	n.a.	n.a.	--	--
Work Search	0.2	0.2	n.a.	n.a.	1.5	0.8	n.a.	n.a.	7.3	8.2	45.2	47.8
Refusal of a Job Referral	--	--	n.a.	n.a.	--	--	n.a.	n.a.	1.5	2.4	4.4	4.7
All Nonseparation Denials Per Claimant												
Able-and-Available	31.7	46.1	n.a.	n.a.	15.8	18.3	6.0	5.2	n.a.	n.a.	n.a.	n.a.
Disqualifying Income	4.7	6.2	n.a.	n.a.	7.4	6.8	n.a.	n.a.	8.5	8.6	n.a.	n.a.
Refusal of Suitable Work	23.6	37.5	n.a.	n.a.	0.7	3.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Reporting Requirements	0.1	0.1	n.a.	n.a.	0.4	0.1	n.a.	n.a.	0.4	0.5	n.a.	n.a.
Profiling Requirements	6.7	8.6	n.a.	n.a.	8.1	10.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Work Search	--	--	n.a.	n.a.	0.0	0.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Refusal of a Job Referral	--	--	n.a.	n.a.	--	--	n.a.	n.a.	1.5	2.4	n.a.	n.a.
Other Nonseparation	--	--	n.a.	n.a.	--	--	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Nonseparation	0.2	0.2	n.a.	n.a.	1.2	0.5	n.a.	n.a.	5.0	4.5	n.a.	n.a.
Mean First Payment Time Lapse (Days) <sup>c</sup>												
	--	--	--	--	9	6	9.2	9.5	n.a.	n.a.	10.7	13.0
First Payment Time Lapses (Days)												
0 to 14	43.3	28.4	--	--	--	--	--	--	n.a.	n.a.	--	--
15 to 35	20.5	19.5	--	--	--	--	--	--	n.a.	n.a.	--	--
36 or more	15.5	16.1	--	--	--	--	--	--	n.a.	n.a.	--	--
Unknown	20.7	35.9	--	--	--	--	--	--	n.a.	n.a.	--	--

TABLE B.3 (continued)

	Colorado		Missouri		North Carolina		Pennsylvania		Utah		Washington	
	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet	Non-Internet	Internet
Number of Claimants with Lower Authority Appeals	12.7	10.8	n.a.	n.a.	13.5	9.5	11.7	10.6	n.a.	n.a.	5.1	6.0
Number of Claimants with Eligibility Reviews	n.a.	n.a.	n.a.	n.a.	67.0	76.3	0.0 <sup>e</sup>	0.0 <sup>e***</sup>	n.a.	n.a.	2.1	2.6
Number of Claimants Referred Through WPRS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6.4	6.1*	n.a.	n.a.	32.6	33.2
Number of Claimants with Job Referrals	n.a.	n.a.	n.a.	n.a.	51.7	34.6	6.7	7.7	40.7	36.6	2.8	2.9
Employment Service Registration Status												
Registered but not required	73.5	73.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Not registered	16.6	8.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Registration required and completed	9.9	18.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Number of Claimants with an Overpayment	5.5	3.7	n.a.	n.a.	7.8	6.7	5.7	4.1	7.0	4.9	11.8	10.1
Number of Weeks Overpaid per Claimant (Weeks) <sup>c</sup>	0.2	0.1	--	--	0.3	0.2	--	--	0.3	0.2	0.5	0.4
Dollars Overpaid per Claimant (Dollars) <sup>c</sup>	59	38	--	--	48	45	--	--	\$57	\$36	116	100
<b>Number of New Initial Claimants</b>	<b>28,660</b>	<b>13,099</b>	<b>90,777</b>	<b>9,596</b>	<b>64,051</b>	<b>6,856</b>	<b>155,797</b>	<b>25,011</b>	<b>19,726</b>	<b>1,741</b>	<b>77,642</b>	<b>28,114</b>

Source: Calculations based on aggregate data provided by the UI agencies of each state.

Note: The significance levels of characteristics presented as distributions pertain to statistical tests for differences in the distributions of non-Internet and Internet filers.

n.a. = not available.

\*The data for Colorado, Missouri, and Pennsylvania represent interstate liable claims. The data for Washington represent interstate claims. Washington reported no interstate liable claims.

<sup>b</sup>In Colorado, this dollar range includes the claimants whose WBA was either 0 or not available.

<sup>c</sup>Statistical tests could not be conducted because the variances of the data were not included in the data extracts.

<sup>d</sup>In North Carolina, these statistics are weeks paid for monetarily eligible claimants.

<sup>e</sup>The percentages for eligibility reviews in Pennsylvania are 0.45 and 0.16 per 1,000 claimants.



**APPENDIX C**  
**TOPICS FOR SITE VISITS**





## **GENERAL INFORMATION:**

- What are the various methods for filing new intrastate initial claims? (telephone, in-person, mail). From the time of implementation to present, what is the percentage of each, and has the percentage varied over time by season or business cycle?
- List the types of UI claims, other than regular intrastate, which can be filed via the Internet (interstate, UCFE, UCX, TRA, DUA).
- Can Internet ICs be filed using other than English-language screens? If yes, in what languages?
- When did the state begin implementing Internet IC filing?
- When was Internet IC filing fully implemented?
- What was the number of Internet ICs filed by month? (Implementation to present.)
- Describe how potential claimants have been made aware that they can file new initial claims via the Internet, both during initial implementation and ongoing.
- What hours/times is the Internet IC system available to the public? Are there any limitations?
- Are there limitations on the types of claimants that can file by the Internet (such as laid off, lack of work only)? If so, what are they?

## **OVERVIEW OF INTERNET IC FILING PROCEDURES**

- Describe the process from the claimant's perspective.
  - At what locations can the claimant file an Internet claim? (One-Stop Career Centers, UI Claims Offices, public libraries, home)
  - What type of assistance is provided to claimants filing via the Internet at One-Stop Career Centers and UI Claims Offices?
  - What information is provided to the claimant verifying that she/he has filed a claim?
  - Can the claimant print the entire IC when it is partially and/or totally completed?
  - What instructions are given to the claimant concerning further action? How are these instructions given?
  - If a claimant completes only a portion of the Internet IC, is it stored for a period of time to allow the claimant to return and complete the document? If yes, how long is it stored?
  - Does Internet IC filing enhance the state's ability to serve claimants' with special needs?

- Describe the process from the state's perspective.

#### Establishing a Claim

- What kind of identification is required?
- How and when are PIN numbers assigned?
- Are signatures required? How are they obtained?
- What methods are used to verify validity of claims (such as a cross-match with motor vehicle) information? How does this differ for different types of filing methods?
- Is the same information collected from people filing under the various methods? If not, what are the differences and why?
- Does the claimant enter the data directly into the state's claims database? If not, describe the process.
- Describe the interface between staff and the Internet IC process. How does this differ from staff interface with other IC filing methods? If staff review Internet ICs, how many staff are involved? What background do these staff have (for example, from call centers, new staff)?

#### Monetary Determinations

- Has there been any observed impact on the quality or speed of making monetary determinations for Internet IC filers? If so, why and how?
- Has there been a higher or lower rate of monetarily ineligible for Internet filers versus others? If so, why?
- Has the number of monetary redeterminations increased?
- Are claimant wage protests handled differently for Internet IC filers? If so, how?

#### Benefit Rights Interview/Information

- How and when are benefit rights interviews conducted for, or information provided to, Internet IC filers? Is this different than for other filers? If yes, how?
- Is the same information included in the benefit rights interview/information packet for Internet IC filers as for other types of filers? If no, how does it differ?

#### Nonmonetary Issues and Determinations

- How are separation and non-separation issues arising from the initial claim adjudicated? Is fact-finding a part of the Internet IC process? How is rebuttal handled?

- Are fact finding sheets available on-line for Internet IC filers? If yes, how are they generated? If not, how are the forms sent and how does the claimant respond?
- What impact has Internet IC filing had on the promptness of adjudicating issues?
- What impact has the Internet IC process had on nonmonetary determination time-lapse?
- What impact has Internet IC filing had on the quality of determinations?

#### Continuing Eligibility

- How is the claimant's attachment to the labor market determined at Internet IC filing?
- How is an Internet IC filer advised as to the specific work search requirements? Are Internet IC filers treated differently from those using other IC filing methods? If so, how?
- Does the state take continued claims via the Internet?
- Are work search and "able and available" requirements monitored differently for Internet IC filers?
- How and when are occupational codes assigned? Is this different for those IC filers using other methods?
- If your state conducts eligibility reviews, how and when are they scheduled? Is this different for those IC filers using other methods?
- Are ongoing eligibility reviews conducted in the same manner for Internet IC filers and those filing by other methods?

#### Reemployment Assistance

- How is the worker-profiling system applied to the Internet IC filer with needs for reemployment services? Does this differ from claimants filing by other methods?
- How are Internet IC filers, not referred via WPRS, advised as to available reemployment services? Does this differ from claimants using other methods of filing?
- Describe the state's employment service registration requirements? If different for Internet IC filers, how?
- How and when is an Internet IC filer referred to Job Service for registration? Is this different for those IC filers using other methods?
- How are referrals to Job Service and Job Service registration monitored?
- Describe how Internet IC filers are provided labor market information for job search purposes. How does this differ from those using other filing methods?

- How is notification pertaining to Internet IC filer referrals to reemployment services, job openings, and job training opportunities communicated to UI staff for issue detection purposes? Is this the same for those filing by other methods?
- How is information pertaining to job training enrollment and satisfactory participation communicated to UI staff? Is this the same for those filing by other methods?
- What effect does Internet IC filing have on the claimant's involvement in other Workforce Investment Activities/Services?
- Has the state found it can provide more information concerning services to Internet IC filers than those filing by telephone (for example, lower cost using links or information pages)?

## **IMPLEMENTATION PROCESS**

- Describe the most important factors used in establishing the design of the Internet IC system.
  - Was it a quick or a gradual switch?
  - Was it anticipated that Internet IC filing would reduce staff working on initial claims' taking/processing? If reductions occurred, were staff reassigned?
  - What types of checks and balances were built into the system?
  - Did the state estimate the percentage of claimants who would use state offices for filing Internet IC versus home filing? If so, how was it done?
- Describe methods used to notify and educate the public on use of the Internet to file claims.
- Specific timing of implementation (when available in various geographic areas, when available to interstate, UCFE, UCX; multi-language offered).
- Describe any unexpected political or legal problems that had to be addressed? Both pre- and post-implementation.
- Were there other unexpected issues, such as limitations on computer technology, or programming, financial, or staffing issues?
- Future plans to enhance and increase usage of Internet for claims filing.
- What would you and/or the state do differently with 20-20 hindsight?

## **CLAIMANT SATISFACTION DATA**

- Describe state efforts to obtain claimant satisfaction information concerning the filing of initial claims through the Internet.
- Have customer satisfaction data changed since early implementation? If yes, how?

## **ADMINISTRATIVE AND COST INFORMATION**

- What has been the impact of the Internet IC process on One-Stop Career Centers (reduced in-person workload, increase in telephone calls regarding claims status, etc.)?
- What has been the impact on call centers?
- What is the estimated or actual (one-time) cost of setting up the Internet IC system? Staff, software, training, and public awareness. How were these costs derived?
- What are the expected or actual cost savings from Internet filing? From what sources are these savings? If possible, estimate cost savings per IC.
- What is the MPU for Internet IC versus other initial claim filing methods?
- What are the hardware and software costs associated with maintaining the Internet IC process (include operational and security aspects)? What other ongoing costs are there?

## **DATA EXTRACT ISSUES/CLARIFICATIONS**

- Discuss with the appropriate state staff working on the Internet IC study data extract any issues/concerns and provide clarification.

## **INFORMATION TECHNOLOGY**

### NETWORK SECURITY

- Who is responsible for network security?
- Was the Internet IC system added to an existing infrastructure, or was a new infrastructure created for this project?
- Has the infrastructure had a security audit? If so, what were the findings, if any, and have the findings been corrected?
- How are unauthorized users, both external and internal to the system, prevented from gaining access?

- How are unauthorized users detected, and what procedures are in place to deal with such an event?
- What means are used to protect the physical security to the network assets?
- Are you aware of the “Top 20” list recently put out by SANS and the FBI?
- Have you reviewed the “Top 20” list recently put out by SANS and the FBI? How are you protected against these threats?
- How often are network logs reviewed?
- Are security policies in place for Internet IC? Are there Incident Handling procedures, Disaster Recovery Plans, Business Continuity Plans?
- Are there backup procedures in the state?
- What security tools are used for vulnerability scanning, Intrusion Detection Systems, Firewalls, Anti-Virus?

#### SERVER SECURITY

- Who is responsible for server security?
- How are security patches for the operating system and applications being kept current?
- Is there a policy regarding system passwords (length, use of letters numbers and special characters, frequency of change) and how is this policy enforced?
- Describe the policy for authorizing system administrator access.
- How many people are authorized system administrator accesses to the server(s)?
- Was your Internet IC application produced in house or contracted out? How were security concerns included in its development?
- What services are available on the server(s)?
- How is system administration from remote computers handled?
- What means are used to protect the physical security to the server(s)?

**APPENDIX D**  
**CUSTOMER SURVEYS**





**Missouri – 2001**

Results of Claimant Feedback

**OVERALL, THE INTERNET APPLICATION WAS EASY TO USE**

SA	2344	37.6%	COMBINED SA + A
A	3602	57.8%	95.4%
N	119	1.9%	
D	136	2.2%	
SD	29	0.5%	
<b>Total</b>	<b>6230</b>	<b>100.0%</b>	

**OVERALL, YOU WERE SATISFIED WITH THE INTERNET CLAIM FILING SYSTEM**

SA	2113	33.9%	COMBINED SA + A
A	3623	58.2%	92.1%
N	309	5.0%	
D	151	2.4%	
SD	34	0.5%	

**FROM WHAT LOCATION DID YOU FILE YOUR INTERNET CLAIM**

HOME	5250	84.3%
CAREER	221	3.5%
PUBLIC	166	2.7%
FRIEND	410	6.6%
OTHER	183	2.9%

**I LEARNED ABOUT THE INTERNET CLAIM FILING SYSTEM FROM**

MEDIA	64	1.0%
CAREER	1214	19.5%
EMPLOY	334	5.4%
IVR	1739	27.9%
FRIEND	1210	19.4%
WEB	641	10.3%
OTHER	1028	16.5%

**Missouri – 2002**

Results of Claimant Feedback

**OVERALL, THE INTERNET APPLICATION WAS EASY TO USE**

SA	7586	40.8%	COMBINED SA + A
A	10230	55.1%	95.9%
N	351	1.9%	
D	347	1.9%	
SD	66	0.4%	
<b>total</b>	<b>18580</b>	<b>100.0%</b>	

**OVERALL, YOU WERE SATISFIED WITH THE INTERNET CLAIM FILING SYSTEM**

SA	6942	37.4%	COMBINED SA + A
A	10276	55.3%	92.7%
N	861	4.6%	
D	409	2.2%	
SD	92	0.5%	

**FROM WHAT LOCATION DID YOU FILE YOUR INTERNET CLAIM**

HOME	15875	85.4%
CAREER	591	3.2%
PUBLIC	472	2.5%
FRIEND	1110	6.0%
OTHER	532	2.9%

**I LEARNED ABOUT THE INTERNET CLAIM FILING SYSTEM FROM**

MEDIA	119	0.6%
CAREER	4001	21.5%
EMPLOY	820	4.4%
IVR	5209	28.0%
FRIEND	3530	19.0%
WEB	2052	11.0%
OTHER	2849	15.3%

## PENNSYLVANIA

\*\*\* CONTINUED CLAIMS QUARTERLY REPORT \*\*\*

Date: 04/01/2002

Total number of Surveys: 83

Survey Dates: : 01/01/2002 through 03/31/2002

1. Do you have a personal computer connected to the Internet?

Yes	49	59.04%
No	<u>34</u>	<u>40.96%</u>
	83	100.00%

2. Regarding applying for benefits, how did you file your new claim?

Internet	13	15.66%
Telephone	62	74.70%
Other	<u>8</u>	<u>9.64%</u>
	83	100.00%

3. If you filed your new UC claim by Internet, were the claim filing procedures on the Internet easy to understand?

Yes	13	15.66%
No	1	1.20%
N/A	<u>69</u>	<u>83.13%</u>
	83	100.00%

4. Overall, what kind of job do you think the new UC claims Internet site is doing?

Excellent	11	13.25%
Good	2	2.41%
Fair	8	9.64%
Poor	2	2.41%
N/A	<u>60</u>	<u>72.29%</u>
	83	100.00%

5. Do you file your continuing weeks claims by: (check one)

Internet	3	3.61%
PAT	80	96.39%
Other	<u>0</u>	<u>.00%</u>
	83	100.00%

6. If you file by Internet, are the continuing weeks claims filing procedures on the Internet easy to understand?

Yes	3	3.61%
No	0	.00%
N/A	<u>80</u>	<u>96.39%</u>
	83	100.00%

7. Overall, what kind of job do you think the continuing weeks Internet site is doing?

Excellent	3	3.61%
Good	0	.00%
Fair	2	2.41%
Poor	0	.00%
N/A	<u>78</u>	<u>93.98%</u>
	83	100.00%

8. If you file by PAT, overall, what kind of job do you think PAT is doing?

Excellent	40	48.19%
Good	37	44.58%
Fair	4	4.82%
Poor	1	1.20%
N/A	<u>1</u>	<u>1.20%</u>
	83	100.00%

9. If you file by PAT, are the claims filing procedures easy to understand?

Yes	76	91.57%
No	6	7.23%
N/A	<u>1</u>	<u>1.20%</u>
	83	100.00%

10. When filing your claims, do you receive your benefits within: (check one)

2 Days	8	9.64%
3 Days	11	13.25%
4-5 Days	50	60.24%
6 days and over	14	16.87%
Blank, Unknown	<u>0</u>	<u>.00%</u>
	83	100.00%

11. Do you have your benefits directly deposited? (check one)

Yes	19	22.89%
No	<u>64</u>	<u>77.11%</u>
	83	100.00%

12. When signing up for direct deposit of your UC benefits, was it: (check one)

Easy	18	21.69%
Moderately Complex	1	1.20%
Complex	0	.00%
N/A	<u>64</u>	<u>77.11%</u>
	83	100.00%

13. Overall, how do you rate your direct deposit experience?

Excellent	15	18.07%
Good	3	3.61%
Fair	1	1.20%
Poor	0	.00%
N/A	<u>64</u>	<u>77.11%</u>
	83	100.00%

14. Would you be interested in learning more about job openings through CareerLink Internet Services?

Yes	44	53.01%
No	<u>39</u>	<u>46.99%</u>
	83	100.00%

15. Have you used the CareerLink's Career Resource Center for a job search or training needs?

Yes	22	26.51%
No	<u>61</u>	<u>73.49%</u>
	83	100.00%

16. Do you know that the Department has labor market information available to help you with your job search?

Yes	66	79.52%
No	<u>17</u>	<u>20.48%</u>
	83	100.00%

17. Utilizing a scale of 1 to 10, where '1' means 'Very Dissatisfied' and '10' means 'Very Satisfied', what is your overall satisfaction with your UC benefit services? (Circle one)

Very Satisfied	10	36	43.38%
	9	13	15.67%
	8	19	22.89%
	7	9	10.84%
	6	1	1.20%
	5	3	3.62%
	4	1	1.20%
	3	0	0.00%
	2	0	0.00%
Very Dissatisfied	1	<u>1</u>	<u>1.20%</u>
		83	100.00%

Total number of Surveys: 109

Survey Dates: : 04/01/2002 through 06/30/2002

1. Do you have a personal computer connected to the Internet?

Yes	54	49.54%
No	<u>55</u>	<u>50.46%</u>
	109	100.00%

2. Regarding applying for benefits, how did you file your new claim?

Internet	13	11.93%
Telephone	95	87.15%
Other	<u>1</u>	<u>.92%</u>
	109	100.00%

3. If you filed your new UC claim by Internet, were the claim filing procedures on the Internet easy to understand?

Yes	13	11.93%
No	0	.00%
N/A	<u>96</u>	<u>88.07%</u>
	109	100.00%

4. Overall, what kind of job do you think the new UC claims Internet site is doing?

Excellent	9	8.26%
Good	7	6.42%
Fair	1	.92%
Poor	1	.92%
N/A	<u>91</u>	<u>83.48%</u>
	109	100.00%

5. Do you file your continuing weeks claims by: (check one)

Internet	6	5.50%
PAT	103	94.50%
Other	<u>0</u>	<u>.00%</u>
	109	100.00%

6. If you file by Internet, are the continuing weeks claims filing procedures on the Internet easy to understand?

Yes	7	6.42%
No	0	.00%
N/A	<u>102</u>	<u>93.58%</u>
	109	100.00%

7. Overall, what kind of job do you think the continuing weeks Internet site is doing?

Excellent	3	2.75%
Good	5	4.59%
Fair	1	.92%
Poor	0	.00%
N/A	<u>100</u>	<u>91.74%</u>
	109	100.00%

8. If you file by PAT, overall, what kind of job do you think PAT is doing?

Excellent	49	44.96%
Good	53	48.62%
Fair	3	2.75%
Poor	0	.00%
N/A	<u>4</u>	<u>1.20%</u>
	109	100.00%

9. If you file by PAT, are the claims filing procedures easy to understand?

Yes	100	91.74%
No	4	3.67%
N/A	<u>5</u>	<u>4.59%</u>
	109	100.00%

10. When filing your claims, do you receive your benefits within:  
(check one)

2 Days	12	11.01%
3 Days	13	11.93%
4-5 Days	65	59.63%
6 days and over	17	15.60%
Blank, Unknown	<u>2</u>	<u>1.83%</u>
	109	100.00%

11. Do you have your benefits directly deposited? (check one)

Yes	21	19.27%
No	<u>88</u>	<u>80.73%</u>
	109	100.00%

12. When signing up for direct deposit of your UC benefits, was it:  
(check one)

Easy	19	17.43%
Moderately Complex	1	.92%
Complex	0	.00%
N/A	<u>89</u>	<u>81.65%</u>
	109	100.00%

13. Overall, how do you rate your direct deposit experience?

Excellent	12	11.01%
Good	8	7.34%
Fair	0	.00%
Poor	0	.00%
N/A	<u>89</u>	<u>81.65%</u>
	109	100.00%

14. Would you be interested in learning more about job openings through CareerLink Internet Services?

Yes	47	43.12%
No	<u>62</u>	<u>56.88%</u>
	109	100.00%

15. Have you used the CareerLink's Career Resource Center for a job search or training needs?

Yes	21	19.27%
No	<u>88</u>	<u>80.73%</u>
	109	100.00%

16. Do you know that the Department has labor market information available to help you with your job search?

Yes	75	68.81%
No	<u>34</u>	<u>31.19%</u>
	109	100.00%

17. Utilizing a scale of 1 to 10, where '1' means 'Very Dissatisfied' and '10' means 'Very Satisfied', what is your overall satisfaction with your UC benefit services? (Circle one)

Very Satisfied	10	40	36.70%
	9	25	22.94%
	8	24	22.01%
	7	13	11.92%
	6	5	4.59%
	5	0	0.00%
	4	1	0.92%
	3	1	0.92%
	2	0	0.00%
Very Dissatisfied	1	0	0.00%
Unknown or Blank	0	<u>0</u>	<u>0.00%</u>
		109	100.00%



18. Additional comments and suggestions.

Too little available to help professional people search for jobs.  
PAT phone too complicated. Please make PAT simple

Direct deposit had not started at time of interview.

The Pa UC system has made great strides. It is easy to use and everyone has been eager to help me.

Has improved.

Make sure interviews have correct information or get someone to help if they do not.

No problems.

When I called UC by telephone Sometimes was busy all day and when I got through had to wait...

I do not think social security pension should be deducted since everyone must pay into social security.

It took too long for the appeal process and I had to live on borrowed money.

I have not had any problems filling or receiving my benefits.

Phone lines: needed to be able to talk to someone. Never can reach anyone at Allentown.

I like how you can now call later in the evening.

Two questions were confusing and could be made clearer.

Make it easier to report employers and earnings.

People are rude and not helpful at the call center. Problems communicating with staff at call center.

In the beginning when trying to get a live person, couldn't get through.

Phone is busy Sunday and Monday.

Total number of Surveys: 146

Survey Dates: : 06/01/2002 through 09/30/2002

1. Do you have a personal computer connected to the Internet?

Yes	75	51.37%
No	<u>71</u>	<u>48.63%</u>
	146	100.00%

2. Regarding applying for benefits, how did you file your new claim?

Internet	22	15.07%
Telephone	122	83.56%
Other	<u>2</u>	<u>1.37%</u>
	146	100.00%

-----INTERNET FILING-----

3. If you filed your new UC claim by Internet, were the claim filing procedures on the Internet easy to understand?

Yes	20	90.91%
No	<u>2</u>	<u>9.09%</u>
	22	100.00%

4. Overall, what kind of job do you think the new UC claims Internet site is doing?

Excellent	13	59.09%
Good	9	40.91%
Fair	0	.00%
Poor	<u>0</u>	<u>.00%</u>
	22	100.00%

5. Do you file your continuing weeks claims by: (check one)

Internet	8	36.36%
PAT	14	63.64%
Other	<u>0</u>	<u>.00%</u>
	22	100.00%

6. If you file by Internet, are the continuing weeks claims filing procedures on the Internet easy to understand?

Yes	8	100.00%
No	<u>0</u>	<u>.00%</u>
	8	100.00%

7. Overall, what kind of job do you think the biweekly claims Internet site is doing?

Excellent	5	62.50%
Good	3	37.50%
Fair	0	.00%
Poor	<u>0</u>	<u>.00%</u>
	8	100.00%

-----PAT FILING-----

8. If you file by PAT, overall, what kind of job do you think PAT is doing?

Excellent	55	47.83%
Good	58	50.43%
Fair	1	.87%
Poor	<u>1</u>	<u>.87%</u>
	115	100.00%

9. If you file by PAT, are the claims filing procedures easy to understand?

Yes	111	96.52%
No	<u>4</u>	<u>3.48%</u>
	115	100.00%

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10. When filing your claims, do you receive your benefits within: (check one)

2 Days	15	10.27%
3 Days	31	21.23%
4-5 Days	77	52.74%
6 days and over	20	13.70%
Blank, Unknown	<u>3</u>	<u>2.05%</u>
	146	100.00%

11. Do you have your benefits directly deposited? (check one)

Yes	40	27.40%
No	<u>106</u>	<u>72.60%</u>
	146	100.00%

12. When signing up for direct deposit of your UC benefits, was it: (check one)

Easy	37	92.50%
Moderately Complex	2	5.00%
Complex	<u>0</u>	<u>.00%</u>
	39	100.00%

13. Overall, how do you rate your direct deposit experience?

Excellent	24	61.54%
Good	14	35.90%
Fair	1	2.56%
Poor	<u>0</u>	<u>.00%</u>
	39	100.00%

14. Would you be interested in learning more about job openings through CareerLink Internet Services?

Yes	70	47.95%
No	<u>76</u>	<u>52.05%</u>
	146	100.00%

15. Have you used the CareerLink's Career Resource Center for a job search or training needs?

Yes	41	28.08%
No	<u>105</u>	<u>71.92%</u>
	146	100.00%

16. Do you know that the Department has labor market information available to help you with your job search?

Yes	105	71.92%
No	<u>41</u>	<u>28.08%</u>
	146	100.00%

17. Utilizing a scale of 1 to 10, where '1' means 'Very Dissatisfied' and '10' means 'Very Satisfied', what is your overall satisfaction with your UC benefit services? (Circle one)

Very Satisfied	10	63	43.15%
	9	30	20.55%
	8	41	28.08%
	7	5	3.43%
	6	3	2.05%
	5	3	2.05%
	4	1	0.69%
	3	0	0.00%
	2	0	0.00%
Very Dissatisfied	1	0	0.00%
Unknown or Blank	0	0	0.00%

18. Additional comments and suggestions.

2 questions were confusing and could be made clearer.

Make it easier to report employers and earnings.

People are rude and not helpful at the call center. Problems communicating with staff at call center.

In the beginning when trying to get a live person, couldn't get through.

Phone is busy Sunday and Monday.

Didn't get the proper information for filing for benefits of filing my appeal.

Volume is not consistent on PAT.

Wonderful system.

I'm very satisfied with my benefit services. I find the Service as well as benefits very helpful.

Questions on PAT are very confusing - questions ask one thing, but sound like they mean something else. When calling the UCSC, one person asks a question and gets one answer, another gets another answer for the same question.

Should send the correct info. Never rec'd booklet

Do not think SS Pension should affect amount of UC benefits, especially when clmt is of retirement age.

PAT-too fast.

Web Page goes down.

Documents and booklets should be in similar, easier to understand terms. (simplify language in mailings).

Wish CareerLink was more helpful.

I like the filing by Internet and PAT, but my Internet/computer inoperable, now.

1<sup>st</sup> phone call-4 main menus-won't allow to use # wanted during the spiel.

Total number of Surveys: 126

Survey Dates: : 10/01/2002 through 12/31/2002

1. Do you have a personal computer connected to the Internet?

Yes	70	55.56%
No	<u>56</u>	<u>44.44%</u>
	126	100.00%

2. Regarding applying for benefits, how did you file your new claim?

Internet	21	16.67%
Telephone	105	83.33%
Other	<u>0</u>	<u>.00%</u>
	126	100.00%

-----INTERNET FILING-----

3. If you filed your new UC claim by Internet, were the claim filing procedures on the Internet easy to understand?

Yes	19	95.00%
No	<u>1</u>	<u>5.00%</u>
	20	100.00%

4. Overall, what kind of job do you think the new UC claims Internet site is doing?

Excellent	13	65.00%
Good	6	30.00%
Fair	1	5.00%
Poor	<u>0</u>	<u>.00%</u>
	20	100.00%

5. Do you file your continuing weeks claims by: (check one)

Internet	18	14.29%
PAT	106	84.12%
Other	<u>2</u>	<u>1.59%</u>
	126	100.00%

*(Numbers 6 through 9 were not included in survey package)*

10. When filing your claims, do you receive your benefits within: (check one)

2 Days	6	4.76%
3 Days	24	19.05%
4-5 Days	78	61.91%
6 days and over	14	11.11%
Blank, Unknown	<u>4</u>	<u>3.17%</u>
	126	100.00%

11. Do you have your benefits directly deposited? (check one)		
Yes	29	23.02%
No	<u>97</u>	<u>76.98%</u>
	126	100.00%
12. When signing up for direct deposit of your UC benefits, was it: (check one)		
Easy	27	93.10%
Moderately Complex	2	6.90%
Complex	0	.00%
Blank/Unknown	<u>0</u>	<u>.00%</u>
	29	100.00%
13. Overall, how do you rate your direct deposit experience?		
Excellent	21	72.41%
Good	8	27.59%
Fair	0	.00%
Poor	<u>0</u>	<u>.00%</u>
	29	100.00%
14. Would you be interested in learning more about job openings through CareerLink Internet Services?		
Yes	73	57.94%
No	<u>53</u>	<u>42.06%</u>
	126	100.00%
15. Have you used the CareerLink's Career Resource Center for a job search or training needs?		
Yes	41	32.54%
No	<u>85</u>	<u>67.46%</u>
	126	100.00%
16. Do you know that the Department has labor market information available to help you with your job search?		
Yes	98	77.78%
No	<u>28</u>	<u>22.22%</u>
	126	100.00%

17. Utilizing a scale of 1 to 10, where '1' means 'Very Dissatisfied' and '10' means 'Very Satisfied', what is your overall satisfaction with your UC benefit services? (Circle one)

Very Satisfied	10	55	43.66%
	9	26	20.63%
	8	35	27.78%
	7	5	3.97%
	6	0	.00%
	5	4	3.17%
	4	0	.00%
	3	1	0.79%
	2	0	0.00%
Very Dissatisfied	1	0	.00%
Unknown or Blank	0	0	0.00%
		<u>126</u>	<u>100.00%</u>

18. Additional comments and suggestions.

Took a long time for determination to be issued.

Need a real person to talk to.

Hardly enough money to survive on.

When Internet was operating good experience. PAT could be simplified. It could be easier getting in touch with call center. Personnel was helpful.

Prefer to talk to a person.

Had no problems.

Referee backlogs delays action.

Very accurate and helpful system.

Checks could be mailed biweekly to save tax-payers money.

Career Link positions should be updated more often.

Should have to call in and personally speak with a UC interviewer once a month.

It's very hard to communicate with a telephone service. I am being accused of cheating unemployment and there is no one to help me with this problem and my family and I are suffering because of this.

PAT system is great.

The original contact was thorough and professional and after that I used the Internet to file my bi-weekly claims.

Coordinate UC and Job Service functions.

Excellent system.

System busy on Sundays.



**WASHINGTON STATE**

**RESULTS OF CLAIMANT FEEDBACK BETWEEN JANUARY 29, 2002 AND MARCH 3, 2003.**

**TABLE 1: CUMULATIVE TOTALS**                      **TOTAL SUBMITTED:**                      94708

1/29/2002 – 3/3/2003

	<b>Number</b>	<b>Percent</b>
<b>1. Where Claimants First Heard About IC Website</b>		
Access WA	3434	3.63%
Brochure	1265	3.34%
Employer	13703	14.47%
ESD Website	2815	2.97%
Friend	34803	36.75%
News Story	361	0.38%
Newspaper	111	0.12%
Other	2704	2.86%
Phone Book	687	0.73%
Radio	592	0.63%
Search Engine	5657	5.97%
TeleCenter	12972	13.70%
Television	2287	2.41%
Union	694	0.73%
WorkSource	12623	13.33%
<b>2. Physical Location Where Claim Was Filed</b>		
Café	440	0.46%
Friend/Neighbor	6509	6.87%
Home	76764	81.05%
Library	2025	2.14%
Other	1680	1.77%
School	556	0.59%
Work	3898	4.12%
WorkSource Office	2836	2.99%
<b>3. Time to File in Minutes</b>		
1-10	11736	12.39%
11-20	39592	41.80%
21-30	26846	28.35%
31-40	10722	11.32%
41+	5812	6.14%

<b>4. Ease of Understanding Instructions (1 very easy; 5 very difficult)</b>		
1	52230	55.15%
2	29198	30.83%
3	10460	11.04%
4	1929	2.04%
5	891	0.94%
<b>5. Ease of Completion (1 very easy; 5 very difficult)</b>		
1	54224	57.25%
2	27436	28.97%
3	9803	10.35%
4	2184	2.31%
5	1061	1.12%

### General

1. Screen Resolution Issues – The site is designed for the most common screen size of 800x600. Claimants are advised of this fact in the instructions, but they still complain occasionally about having to scroll from side-to-side to complete the application. This happens only when their resolution is set to 640x480.
2. Computer/Printer/Online Connection Problems – This category includes complaints that their ISP has kicked them offline, or that they don't have a printer connected to their PC, or that their PC is too slow, etc.
3. Can't Understand "Weeks to Claim" Graphic – The graphic on one of the instruction pages (which is also repeated on the PBR/Confirmation page) attempts to illustrate how to file weekly claims. These are claimants who have stated that it is confusing, hard to understand, etc.
4. Problems Finding go2ui.com Website – People complaining that the page is hard to find, search engines don't see it, etc.
5. Questions re: go2ui.com vs. gotoui.com – Claimants who complain that the TeleCenter recorded message says to go to the website, but doesn't specify the address; in reality, both go2ui.com and gotoui.com will get them to the website.
6. Pre-test "Work in one state other than Washington" Question – On the first Internet IC Instruction Page, the claimants are asked "Did you work in only one state other than Washington in the last 18 months?" There is also a popup help window that explains what we are looking for. However, there are still individuals who indicate that they don't understand the question.
7. Too Many Instructions – Claimants who feel that there were too many instructions prior to actually getting to the application.
8. Problems Printing the "I Accept" PBR Page – Claimants who complain that the PBR page doesn't have a "print this page" button the way so many other UI pages do, that it doesn't print correctly, goes off the page margin, or has other printing problems.

9. Website too Slow – Complaints that the pages take too long to load, that the application is too slow to react to user input, etc.

### **Application**

21. Too Many Pages – Claimants who want the application to be condensed into fewer separate pages.
22. Too Many Questions – As above, but these people feel that we are asking too many questions.
23. Questions/Instructions Not Clear – Those who feel that they don't understand some of the questions or instructions.
24. "Double Negatives" – Claimants who complain about the wording of questions that they perceive as "double negatives."
25. Gross Monthly Pay Questions/Issues – Issues and problems surrounding the request that claimants provide their gross monthly pay from previous employers.
26. Dates Employed Questions/Issues – Claimants who question or complain about the requirement for dates of employment.
27. On Call/Standby/Still Employed Questions/Issues – Claimants who are employer attached or who are working part-time.
28. Employer Phone Number Issues/Complaints – Claimants who complain about the requirement that they provide telephone numbers for all employers.
29. Pensions Questions/Issues – Claimants with questions about the pension question.
30. Vacation Pay, Holiday Pay Questions/Issues – Claimants with questions about Vacation Pay and/or Holiday Pay.
31. "N/A" or "Don't Know" Answers Wanted – Claimants who want another choice besides Yes or No.
32. More Reasons for Job Separations Wanted – Claimants who feel that the choices offered do not fit their particular situation.
33. Bigger/More Text Areas Wanted (Non-GUIDE Limitation) – Claimants who want more text areas for further explanation, or who want the 250-character limitation increased.
34. More Help Screens Wanted – Claimants who desire more help screens than what are currently available.
35. Navigation Problems/Issues Inside Application – Claimants who have problem navigating the pages of the application; usually comes in the form of confusion over listing multiple employers.
36. Want to Print/Review Completed App Before Submit – Requests to be able to review the answers to all of the questions before submitting, and/or to be able to print out the application.

37. Problems With Occupational Code Select Tool – Claimants who do not like the Occupational Code selection tool.
38. Problems with Union Code Select Tool – Claimants who have issues with the Union Code selection tool.

### **Miscellaneous**

51. Praise, Kudos, Neutral – Claimants who have either good things to say about the application, or have neutral comments, e.g., “none,” “N/A,” etc.
52. General Complaints – Complaints which do not fall into one of the other categories, or complaints about the whole UI process, ESD, State Government, etc.
53. Misc. Suggestions – Claimants who provide suggestions for improvement for the application and/or the website.
54. “Nonresponsive” Questions/Comments/Etc. – These run the gamut from obscene suggestions to incomprehensible rantings and everything in between.
55. Failure to Read Instructions – Claimants who ask questions or make complaints about things that are covered in the instructions pages; they could make these comments only if they have not read the instructions.
56. Problems Getting Through to TeleCenter by Phone – Claimants who complain that they can’t get anyone at the TeleCenter to answer the telephone.
57. Problems with WorkSource/LEC and UI – Claimants who report a bad experience or other problem with their local WorkSource Office or Local Employment Center.

## COLORADO

### Colorado's Staff Surveys

Below are responses to a staff survey that Colorado used to gain staff input from those employees who had worked directly with the IIC system. These surveys were completed during winter and spring of 2002.

#### Optional Internet Initial Claims Survey

As you know, we implemented Internet Initial Claims in September of 2001. Now that you've had some time to work with the claims under very busy conditions, we would appreciate your input to help determine priorities for enhancements. Specifically, we need to know about things that would make them more efficient to adjudicate and/or would improve their quality. Please take a few moments to complete the following optional survey and to add your own suggestions. Thanks in advance for your participation.

1) Effective Date: Initial Internet Claims are effective from the time the claimant begins the application. Sometimes there's a delay before the application is completed, but the claim is backdated in. Are backdated effective dates causing problems? If so, how can this be improved to make the claims easier, faster, and/or better to adjudicate?

2) Other Pay: Severance Pay and Separation Bonus are combined and we do not ask about Warn Act Pay. Are there problems with these? If so, how could the Other Pay Section be improved to make the claims easier, faster, and/or better to adjudicate?

Change the wording of the question to "Have you received or do you expect to receive". Don't set the issue unless the answer is "yes". "Not yet received" is killing us, because most of the time, is isn't even expected.

3) Eligibility: Issues are set if an L&E needs to look at it and possibly make a determination about A&A, child care, transportation, self employment, school/training, commission sales, volunteer work, and OASI. Are there problems? If so, how can the Eligibility Section be improved?

Set it up to only set one 40-series issue instead of 2 or 3. We can read the rest, and set/factfind/resolve other potential issues as necessary.

4) Last Employment: The claimant is asked to provide employment from the beginning of the current base to today. CUBS is supposed to identify the last employer. Is the correct last employer being easily identified? If not, how could this be improved?

5) Job Attachment to the Employer: This is determined after the claimant answers "yes" when asked if scheduled to return to work for the last employer and if the last day of work falls within a specific time frame. Is job attachment being correctly granted? If not, how does this need to be improved?

**Get rid of the "partially unemployed" line. It sets a 34 and prevents payment of many otherwise eligible claims. Change it to "lack of work" or "reduced hours" or some such.**

6) Additional Ideas and Comments? Please list your other suggestions or ideas that would help to speed and/or improve the quality of the Internet Initial Claims, on either the Application or the Admin Site.

### Optional Internet Initial Claims Survey

As you know, we implemented Internet Initial Claims in September of 2001. Now that you've had some time to work with the claims under very busy conditions, we would appreciate your input to help determine priorities for enhancements. Specifically, we need to know about things that would make them more efficient to adjudicate and/or would improve their quality. Please take a few moments to complete the following optional survey and to add your own suggestions. Thanks in advance for your participation.

1) Effective Date: Initial Internet Claims are effective from the time the claimant begins the application. Sometimes there's a delay before the application is completed, but the claim is backdated in. Are backdated effective dates causing problems? If so, how can this be improved to make the claims easier, faster, and/or better to adjudicated.

**I would offer the prior week and the current weeks as options for the clmt to check. I would set a backdate issue for someone to look at if the clmt chooses the prior week.**

2) Other Pay: Severance Pay and Separation Bonus are combined and we do not ask about Warn Act Pay. Are there problems with these? If so, how could the Other Pay Section be improved to make the claims easier, faster, and/or better to adjudicate?

**This is the biggest problem. Also, clmts are listing the last paycheck under other pay. We need to tell them with a pop up not to do that. We should include pop ups to define what we want for each other pay line and tell them not to report what was reported on a prior claim.**

3) Eligibility: Issues are set if an L&E needs to look at it and possibly make a determination about A&A, child care, transportation, self employment, school/training, commission sales, volunteer work, and OASI. Are there problems? If so, how can the Eligibility Section be improved?

**The biggest problem has been child care. We ask a compound question (do you have a child you have to provide child care for [yes] and then ask the second part of the question. The clmt answers yes to the first part and has no where to go with the second. This needs to be two questions or we should simply ask "If you have a child who requires child care, do you have child care provisions such that you can work?" Never ask compound questions.**

4) Last Employment: The claimant is asked to provide employment from the beginning of the current base to today. CUBS is supposed to identify the last employer. Is the correct last employer being easily identified? If not, how could this be improved?

**We are dependent on the clmt for this. What else can we do?**

5) Job Attachment to the Employer: This is determined after the claimant answers "yes" when asked if scheduled to return to work for the last employer and if the last day of work falls within a specific time frame. Is job attachment being correctly granted? If not, how does this need to be improved?

**I don't know.**

6) Additional Ideas and Comments? Please list your other suggestions or ideas that would help to speed and/or improve the quality of the Internet Initial Claims, on either the Application or the Admin Site.

RPT is being set for ongoing work without checking the base period for the employer account number.

The only improvements that I see a need for are:

make it clearer about filing every two weeks and mention that while they can file anytime during the week, if they file Sunday before five once approved the check goes out the next day.

Put dancing frogs or something around the need to register at the workforce and that if they don't checks won't go out.

2. THE SEVERANCE & SEPARATION BONUS **MUST BE SEPARATE CHOICES** - MANY UNNECESSARY PHONE CALLS WERE REQUIRED BECAUSE OF THIS COMBINED QUESTION.

2. **GROSS PAY BEFORE TAXES** MUST BE EMPHACIZED FOR ALL PAY RATE & OTHER PAY ENTIRES.

2. WAGES IN LIEU MUST BE EXPLAINED THAT **THIS IS NOT YOUR FINAL PAY OR EARNINGS.**

3. ON THE SCHOOL QUESTION (ALSO VOLUNTEER OR SELF-EMPLOYMENT) THERE SHOULD BE A QUESTION ASKING **WHAT DAYS & WHAT SPECIFIC HOURS** ARE SPENT IN CLASS OR AT THE ACTIVITY.

6. THE BIG 3 SHOULD BE EMPHACIZED AT THE END: 1- MAKE 5 JOB CONTACTS EVERY WEEK.

2- REGISTER WITH THE WORKFORCE CENTER.

3- CALL CUBLINE EVERY OTHER WEEK.



### Optional Internet Initial Claims Survey

As you know, we implemented Internet Initial Claims in September of 2001. Now that you've had some time to work with the claims under very busy conditions, we would appreciate your input to help determine priorities for enhancements. Specifically, we need to know about things that would make them more efficient to adjudicate and/or would improve their quality. Please take a few moments to complete the following optional survey and to add your own suggestions. Thanks in advance for your participation.

1) Effective Date: Initial Internet Claims are effective from the time the claimant begins the application. Sometimes there's a delay before the application is completed, but the claim is backdated in. Are backdated effective dates causing problems? If so, how can this be improved to make the claims easier, faster, and/or better to adjudicate?

2) Other Pay: Severance Pay and Separation Bonus are combined and we do not ask about Warn Act Pay. Are there problems with these? If so, how could the Other Pay Section be improved to make the claims easier, faster, and/or better to adjudicate?

**Ask questions about the intent of the payment. How much notice did the person receive that the job was ending? How did the employer determine the amount of pay? Did the claimant have to sign any kind of release in order to receive the payment? Do not lump separation bonus in with the severance allowance (the pay is the same unless designated by the employer as a separation bonus.)**

3) Eligibility: Issues are set if an L&E needs to look at it and possibly make a determination about A&A, child care, transportation, self employment, school/training, commission sales, volunteer work, and OASI. Are there problems? If so, how can the Eligibility Section be improved?

**The largest problems come from the fact the computer does not discern a non-issue with a potential able, available and actively seeking work issue. For example, the claimant volunteers one hour a week for Boy Scouts. A claims taker would not even enter the issue into the system. The internet sets an active issue that must then be decided. It seems if we had some way to input the amount of time in a category such as 1-10, 11-20, etc... and then have the machine only set issues when the hours are high and/or in conjunction with the answer to the other questions (only looking for part time work, etc...)**

4) Last Employment: The claimant is asked to provide employment from the beginning of the current base to today. CUBS is supposed to identify the last employer. Is the correct last employer being easily identified? If not, how could this be improved?

5) Job Attachment to the Employer: This is determined after the claimant answers "yes" when asked if scheduled to return to work for the last employer and if the last day of work falls within a specific time frame. Is job attachment being correctly granted? If not, how does this need to be improved?

6) Additional Ideas and Comments? Please list your other suggestions or ideas that would help to speed and/or improve the quality of the Internet Initial Claims, on either the Application or the Admin Site.

#### INITIAL INTERNET CLAIMS SURVEY RESULTS JUNE 6, 2002

Consistent/Strong suggestions from Benefits staff are underlined:

##### 1) **Effective Date**

Should be effective from the date the claim is completed

If backdated, the Filing Date should be highlighted

Offer current and prior week as options and set backdate issue if prior week chosen

***Effective date should have a lock out preventing filing after a specific reasonable length of time - ie 24 hours, 72 hours, etc.  
mh***

##### 2) **Other Pay**

Give definitions like the B290 does

Ask not to include the last earnings

***Above two to be revised.***

Separate Severance Pay and Separation Bonus

***Done mh***

Ask why Severance Payment was made/intent

***Done mh***

Do not set issues on any payment "Not Yet Received" except Severance Pay

***Done mh***

Tell claimant to call/email with specifics when received

***In existing application mh***

Retirement/401K has needless issues set. If rolled over, when?

***Flagged for review mh***

### 3) Eligibility

School, Volunteer, and Self Employment add a question: What days and hours are spent on the activity

***Previously identified mh***

Ask what days and hours available to work

***In existing application mh***

Ask what type of work seeking

***In existing application mh***

Ask if activity was done while working previously; if not, why; if yes, do not set issue

***In existing application mh***

Ask if activity interferes with ability to seek & accept work

***In existing application mh***

Ask if just a few hours a week or during non-working hours

***In existing application mh***

Child Care, Transportation, & Volunteer Work Issues set in error; just hi-light the info and let ADJ determine what needs to be done

***This will be handled with a double negative mh***

Set only one 40 issue for all A&A issues on claim

***Consider impact - internet is issue specific, and more than one issue may be established per claimant. double negative as appropriate.***

Ask for more detail or ask claimant to call, as CUBLine does

***See above mh***

Child Care - ask "Do you have immediate access to childcare should you be offered an interview or suitable employment"?

***See above mh***

Need to be able to print/separate this section as we do for ER Info

***Done mh***

4) Last Employment

Is not correct - is a major problem - is not even close  
*Under review - this is also an existing phone center problem mh*

Add "Please start with your LAST employer"  
*Wording change mh*

Correct claims from being filed before last day of work  
*Wording enhancement - this is also an existing phone center problem mh*

Ask to confirm last day of work  
*Under review - this is also an existing phone center problem mh*

Match with wage data base/ER Acct #  
*Phase 3 - main purpose.*

5) Job Attachment

Add that if LDW is more than 16 weeks ago, you cannot be job attached  
*Under review - the program does not ask job attached this way.*

Ask specific, guaranteed return to work date  
*The law requires a reasonable expectation - not a guarantee. mh*

6) Additional

Add "Definitions/Dictionary" List (as the B290 does) explaining:

DBA  
Gross Pay - is before taxes  
Leave of Absence  
Partially/Still Employed  
Temporary Agency  
Wages in Lieu - not wages earned/last paycheck  
Waiting Week  
Warn Act Payment

**WORDING CHANGE - POTENTIAL REALIGNMENT**

EXPLAIN: Other Pay Options

Quarter Change Options -  
*Done with phase 3, benefits estimator and new version of faq's mh*

Add BRI emphasizing:

1) 5 job contacts every week  
*In existing application about 4 times mh*

2) Register with WFC  
*In existing application about 4 times mh*

3) When to Call CUBLine - build in first suggested filing date  
**Done mh**

Add Introductory remarks about eligibility in general, such as "unemployed through no fault of your own, able to work, etc, gather W2's, pay stubs with special pay, resume for dates, addresses of out of state employers, copies of SF50 BEFORE entering info into the computer  
**In existing application about 4 times mh**

Job Separation Fact Finding:

1) List complete addresses including zip code  
**Phase 3 will include physical address, otherwise its in existing application mh**

2) List all employment  
**In existing application mh**

3) Temporary Agency  
Ask who the last client company worked for  
Is not a reason for separation  
**Under review mh**

4) Partially/Still Employed  
Add "Do not enter if you are not scheduled for work this week"  
Add " Do not enter if Leave of Absence  
Change to Reduced Hours or Add to Lack of Work  
Do not set 34 issue  
**Under review - identified problem source for JOB attached too mh**

5) Leave of Absence  
Does not include Seasonal Jobs or partially/still employed  
Ask if checked back with ER since LOA ended, what happened, and why not working  
**Will be reviewed mh**

6) Have the Name and ER Acct # print out on the pages for that ER  
**Identified need for er acct on admin site mh**

7) Ask more general questions on Quit/Discharge, giving claimant space to write what happened  
**Currently follows eta302 standards mh**

Have each page of the printout display the claimant name and SSN  
**???? mh**

Speed Up Admin Access to Record Contents  
**Done mh**

Go straight to the claim without having to enter "View"  
**Not currently identified as an option - what if there are two claims - mh**

Have all on one system



## **APPENDIX E**

### **LIST OF ACRONYMS**





## LIST OF ACRONYMS

CY	Calendar Year
BAM	Benefit Accuracy Measurement
BPC	Benefit Payment Control
BRI	Benefits Rights Interview
CWC	Combined Wage Claims
DD-214	Military Report of Separation Form
DMZ	Demilitarized Zone
DOL	U.S. Department of Labor
DoS	Denial of Service
DOT	Dictionary of Occupational Titles
DUA	Disaster Unemployment Assistance
ES	Employment Service
ES-935	Claimant's Affidavit of Federal Civilian Service, Wages, and Reason for Separation
ETA	Employment and Training Administration
FCCC	Federal Claims Control Center
FY	Fiscal Year
IC	Initial Claims
IDS	Intrusion Detection System
INTERNET IC	Internet Initial Claims
IIS	Internet Information Services
IP	Internet Protocol
IT	Information Technology

IVR	Interactive Voice Response
NAICS	North American Industry Classification System
PIN	Personal Identification Number
SAVE	Systematic Alien Verification for Entitlements
SIC	Standard Industrial Classification
SSL	Secure Sockets Layer
SNMP	Simple Network Management Protocol
SOC	Standard Occupational Classification
SSA	Social Security Administration
SSN	Social Security Number
SWA	State Workforce Agency
TIC	Telephone Internet Claims
TRA	Trade Readjustment Assistance
UCFE	Unemployment Compensation for Federal Employees
UCX	Unemployment Compensation for Ex-Servicemembers
UI	Unemployment Insurance
UPS	Uninterruptible Power Supply
WPRS	Worker Profiling and Reemployment Service



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