Claim Processing

**Recommended implementation date:**

**Immediately following our report**

- Improve its workload planning and projections and plan its staffing around the likelihood of possible future scenarios that would cause a spike in UI claims. Develop a contingency plan for less likely scenarios that would have a significant impact on its workload.

- Perform a risk assessment of its deferred workloads, including deferred eligibility determinations and retroactive certifications.

- Develop a workload plan that prioritizes its deferred workloads based on the risk assessment and determine the staffing and IT resources needed to accomplish the work within expected time frames.

- Hire and train staff as necessary in order to carry out the workload plan.

**March 2021**

- Revise its public dashboards to clearly indicate the number of claims that have waited longer than 21 days for payment because EDD has not yet resolved pending work on the claim.

**June 2021**

- Identify IT project improvements it can implement incrementally and prioritize implementing the elements most likely to benefit Californians.

- Determine the reasons why claimants cannot successfully complete their identity verification and work with its vendor to resolve these problems.

- Determine the automation modifications it can retain and by September 2021 it should make those a permanent feature of its UI Online application.
Call Center

*Recommended implementation date:*

**As soon as possible**

- Add the prerecorded message function to its new phone system to advise claimants of their rights and responsibilities after they file their claim.
- Implement features of its new phone system that allow callers to request a callback from an agent instead of waiting on hold.

**May 2021**

- Establish a policy for tracking and analyzing the reasons why UI claimants call for assistance.
- Implement a policy to track and monitor the rate of first-call resolution. EDD should review first-call resolution data at least monthly.

**October 2021**

- Analyze call data every six months to:
  - Identify and resolve problems with the ways in which it provides assistance to UI claimants through self service and noncall-center options.
  - Develop specialized training modules to quickly train its call center staff on the most commonly requested items with which callers want assistance.
Fraud Prevention and Detection

Recommended implementation date:

Immediately following our report

- Obtain from Bank of America a comprehensive list of claimants’ accounts that are frozen.
  - Status: Fully Implemented

February 2021

- Provide information on its website and set up a separate email box for victims of identity theft to contact EDD.
  - Status: Fully Implemented

- Establish a centralized tracking tool to monitor the status of benefit bank accounts.
  - Status: Fully Implemented

March 2021

- Designate a unit as responsible for coordinating all UI fraud prevention and detection.
  - Status: Partially Implemented

- Establish a working group to coordinate the work needed to resolve each complaint of identity theft, make decisions about staffing levels necessary to assist complainants.
  - Status: Fully Implemented

- Direct Bank of America to take action to unfreeze accounts as appropriate.
  - Status: Fully Implemented

May 2021

- Develop a plan for how it will assess the effectiveness of its fraud prevention and detection tools.
  - Status: Fully Implemented

Indefinite

- EDD should identify the fraud prevention and detection efforts it can adjust during periods of high demand for UI benefits. It should ensure that it appropriately balances the need to provide prompt payment during a recession with the need to guard against fraud in the UI program.
  - Status: Pending
Implemented
Legislative Recommendations

• **Require EDD to develop a recession plan that takes into account lessons learned.** Require that the plan includes the indicators EDD will monitor and use to project likely workload increases, the actions EDD will take to address those increases including changing staffing, prioritizing tasks and adjusting its processes. In addition, require EDD to complete its first recession plan within 12 months of the effective date of the change to state law requiring such a plan. To address new developments in UI processes, programs, or other relevant conditions, the Legislature should require EDD to update its recession plan at least every three years thereafter.

• **Require EDD to report on its website at least once every six months** the amount of benefit payments for which it must assess potential overpayments, the amount for which it has issued overpayment notices, the amount it has waived overpayment on, and the amount repaid related to those notices.

• **Require EDD to include in its annual report to the Legislature about fraud, an assessment of the effectiveness of its system of cross-matching claims against information about incarcerated individuals.**

• **Require EDD to regularly cross match UI benefit claims** against information about individuals incarcerated in state prisons to ensure that it does not issue payments to people who are ineligible for benefits.

• **Require CDCR to securely share information** about incarcerated individuals with EDD to enable EDD to prevent fraud.

• **Require EDD to biannually assess the effectiveness of its fraud prevention and detection tools** and determine the degree to which those tools overlap or duplicate one another without providing any additional benefit.
  – Provide the Legislature with an update on its progress in performing the effectiveness analysis.

**Status:**

- SB 390, Chaptered October 2021
- AB 56, Chaptered October 2021
- AB 56, Chaptered October 2021
- AB 110, Chaptered October 2021
- AB 110, Chaptered October 2021
- AB 138, Chaptered July 2021