



# Maryland Department of Labor

Secretary, Tiffany P. Robinson

House Economic Matters Committee

Wednesday, May 13th - 2:00 - 3:00 PM

# Briefing Agenda

- Brief update on expanded eligibility and enhanced benefits under CARES Act to State UI benefits;
- Update on claims volume;
- Summary of programming updates to accommodate high claims volume;
- Discussion of IT challenges, including a status update on wait times, etc.;
- Anticipated impact on Unemployment Insurance Trust Fund and employer contributions; and
- Any other relevant issues the Department would like to address



# CARES Act - UI Expansion

- On March 27, 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which includes an expansion of unemployment insurance benefits for Marylanders, became effective with the President's signature.

## **Pandemic Unemployment Assistance (PUA)**

- Individuals who are not usually eligible for regular UI and who cannot work due to COVID-19 are eligible for a maximum of 39 weeks of benefits, which includes \$600 Federal Pandemic Unemployment Compensation (FPUC).
- Self employed, Independent Contractors, Gig workers, limited work history, etc.

## **Federal Pandemic Unemployment Compensation (FPUC)**

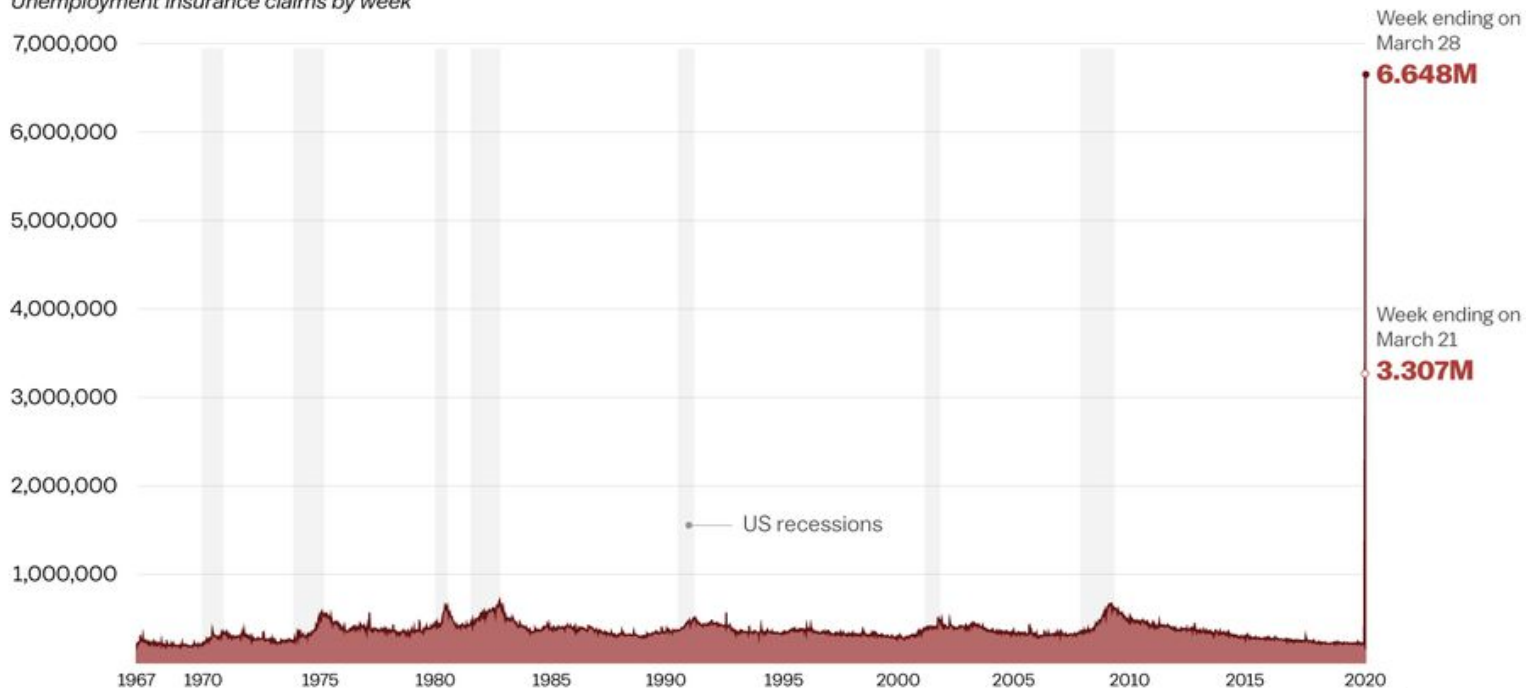
- \$600 per week on top of current regular UI benefits.
- This \$600 is a flat amount to those on UI, including those who receive a partial UI benefit.

## **Pandemic Emergency Unemployment Compensation (PEUC)**

- 13 additional weeks of UI benefits, plus \$600 FPUC.

## An unprecedented rise in unemployment

Unemployment insurance claims by week



Source: US Department of Labor

# Unemployment Statistics

- **Totals Since Beginning of Coronavirus Pandemic:**
  - Since March 9, Labor has received a total of 494,728 new claims.
  - Of this total, 66% (327,649) have been paid, 7% (31,545) have been denied, and 27% (135,533) are pending adjudication.
  - 90% of claimants have received payments within 21 days.
  - Since Saturday, Maryland has paid 56,000 Pandemic Unemployment Assistance (PUA) claims, totaling more than \$165 million in relief.
- **This represents a 5000% increase in the need for our services.**
  - During the entire year of 2019, our department received 214,475 claims. We have received more than double this amount since March.
  - Over the 8-week period since March 9, Labor has averaged almost 62,000 new claims a week with some weeks exceeding 100,000 new claims.
  - Just last week, we received a record-breaking 109,263 new claims (62,076 Regular and 47,187 PUA and PEUC)
  - Prior to March 9, Labor averaged 2,000 cases a week.

# Challenges

- The unprecedented volume of claims has presented challenges not only for our department, but for unemployment programs across the nation.
  - USDOL has issued 11 guidance documents since passage of the CARES Act, often changing the rules and delaying state's abilities to process benefits.
  - First time filers represent a majority of claims. Filing an unemployment insurance claim is a complicated and complex process.
- Equipment Challenges in a Health Pandemic
  - Transitioning to Mobile Services
  - Capacity Concerns for IT and Phone Systems
- Implementing Three (3) Brand New Federal Programs
  - Required Federal Guidance
  - Build New Systems From Ground Up
  - Train Staff to Process New Claims

# Updates to Handle Increased Claims Volume

- **Call Centers**

- Implemented extended hours from 7 a.m. to 6 p.m., Monday through Friday, and added Saturday hours from 8 a.m. to 12 p.m.
- Assigned 150 current state employees and hiring over 100 new employees to more than double our claims center staffing
- Partnered with a vendor Accenture to add an additional 200 UI professionals to our call centers

- **Online Application**

- BEACON One-Stop Online Application
- Partnered with vendor Sagitec to build platform needed for federal programs
- First of its kind all-in-one system for UI claims

# BEACON One-Stop

- The Maryland Department of Labor has launched a new unemployment insurance application called the [Beacon One-Stop](#). This new application will allow all Marylanders to file ALL types of claims entirely online.
  - Including:
    - regular benefits,
    - CARES Act benefits; and
    - individuals who were previously required to file by phone.
- To learn how services have been improved and expanded, visit the [BEACON One-Stop Overview page](#).
- To directly access the new BEACON One-Stop, visit <https://beacon.labor.maryland.gov/claimant/>



# IT Challenges and Wait Times

Labor has taken every necessary step to improve the performance of the BEACON One-Stop unemployment insurance application. Claimants experienced zero to minimal wait times on the site for the past 10 days, despite the record volume of traffic.

Surge to the system caused capacity issues

- Partnered with vendor Queue-It to establish virtual waiting line.
  - This helped optimize the user experience once they accessed the portal and allowed IT to implement needed modifications.
- We have all but eliminated the need for a virtual waiting line
  - Website updates have increased capacity and is able to handle the load issues.



# Unemployment Insurance Trust Fund Update

- At this time, our trust fund is healthy. Certainly, the longer this crisis continues the more dangerous it becomes for the stability of the fund.
- USDOL have offered no-interest loans to replenish our trust fund if needed.
  - However, Maryland, and many other states, have requested that the federal government look to help states replenish their depleted trust funds with grants, rather than loans.
- Grants would allow states, like Maryland, to likely waive any significant increase in an employers tax rate for 2021.
  - No tax increases is our goal, especially given that these businesses closed down through no fault of their own and we want to make sure they don't bear the brunt of this economic crisis.

# UI Resources

- **Main Web Page** - [MDunemployment.com](https://mdunemployment.com)
- To contact a Claim Center you may call **410-949-0022** (for employees), **410-767-2412** (for employers) or find a [regional call center number here](#).
- [COVID-19 Financial Relief Guide for Marylanders](#)
- Legislator resource guide available
  
- **Email Accounts**
  - Urging Marylanders to email our department to have their questions answered and reduce call center traffic.
    - Claimants, please email [ui.inquiry@maryland.gov](mailto:ui.inquiry@maryland.gov)
    - Employers, please email [dluiemployerassistance-labor@maryland.gov](mailto:dluiemployerassistance-labor@maryland.gov)
    - Bulk Claims support, please email [UI.BulkClaim@maryland.gov](mailto:UI.BulkClaim@maryland.gov)
    - BEACON Technical Support - [BEACON.Support@maryland.gov](mailto:BEACON.Support@maryland.gov)

# Frequently Asked Questions

- [General Unemployment Frequently Asked Questions](#)
- [COVID-19 Frequently Asked Questions](#)
- [Bulk Claims Frequently Asked Questions](#)
- [CARES Act Frequently Asked Questions](#)
- [Workshare Program Frequently Asked Questions](#)
- [Weekly Claim Certifications Frequently Asked Questions](#)
- [General Unemployment Frequently Asked Questions](#)
- [Federal \\$600 FPUC Payments Frequently Asked Questions](#)
- [BEACON One-Stop Application Frequently Asked Questions](#)
- [Bank of America Debit Card Frequently Asked Questions](#)

# Video Tutorials

There are eight video tutorials available to help Marylanders navigate BEACON:

- [Account Activation and Login](#)
- [Filing Weekly Claim Certification](#)
- [Applying for Pandemic Unemployment Assistance \(PUA\)](#)
- [Applying for Pandemic Emergency Unemployment Compensation \(PEUC\)](#)
- [Overview of Claimant Portal](#)
- [Viewing and Completing an Action Item](#)
- [Viewing Messages](#)
- [Viewing Correspondence](#)



Thank You

