



Ways and Means Joint Committee on Transportation and Economic Development

Agency Overview

David Gerstenfeld, Acting Director

February 1, 2021



The Mission of the Oregon Employment Department is to Support Business and Promote Employment



Our Vision

An Oregon where meaningful work enables the state's diverse people and businesses to realize their full potential, creating prosperity in every community.



Our Core Programs

Unemployment Insurance

- Support economic stability for Oregonians and communities during times of unemployment through the payment of unemployment benefits.

Workforce Operations (WorkSource Oregon Centers)

- Serve businesses by recruiting and referring the best-qualified applicants to jobs.
- Provide resources to diverse job seekers in support of their employment needs.

Workforce and Economic Research

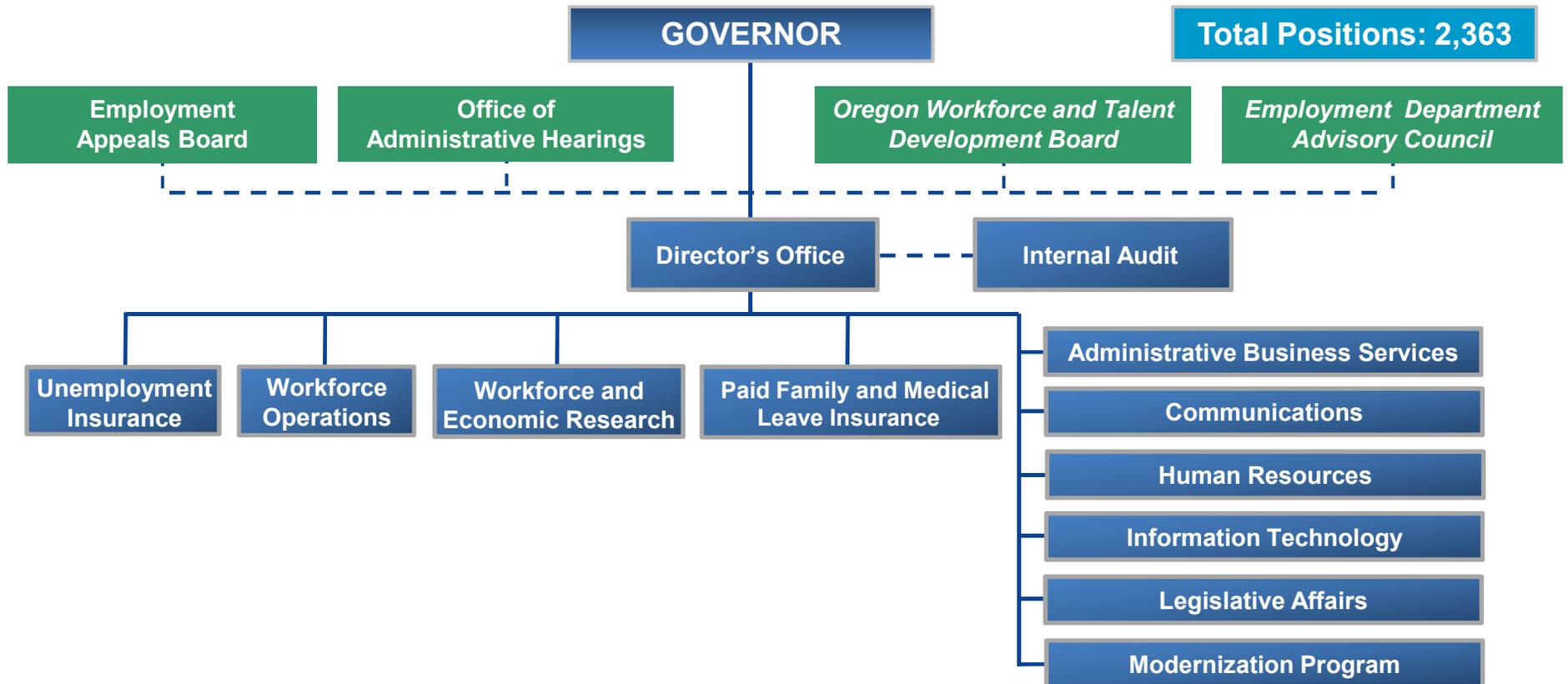
- Develop and distribute quality workforce and economic information to promote informed decision making.

Paid Family and Medical Leave Insurance

- Build program to help workers and businesses deal with ill employees and family members, new children, and victims of assault and domestic violence.



Organizational Structure

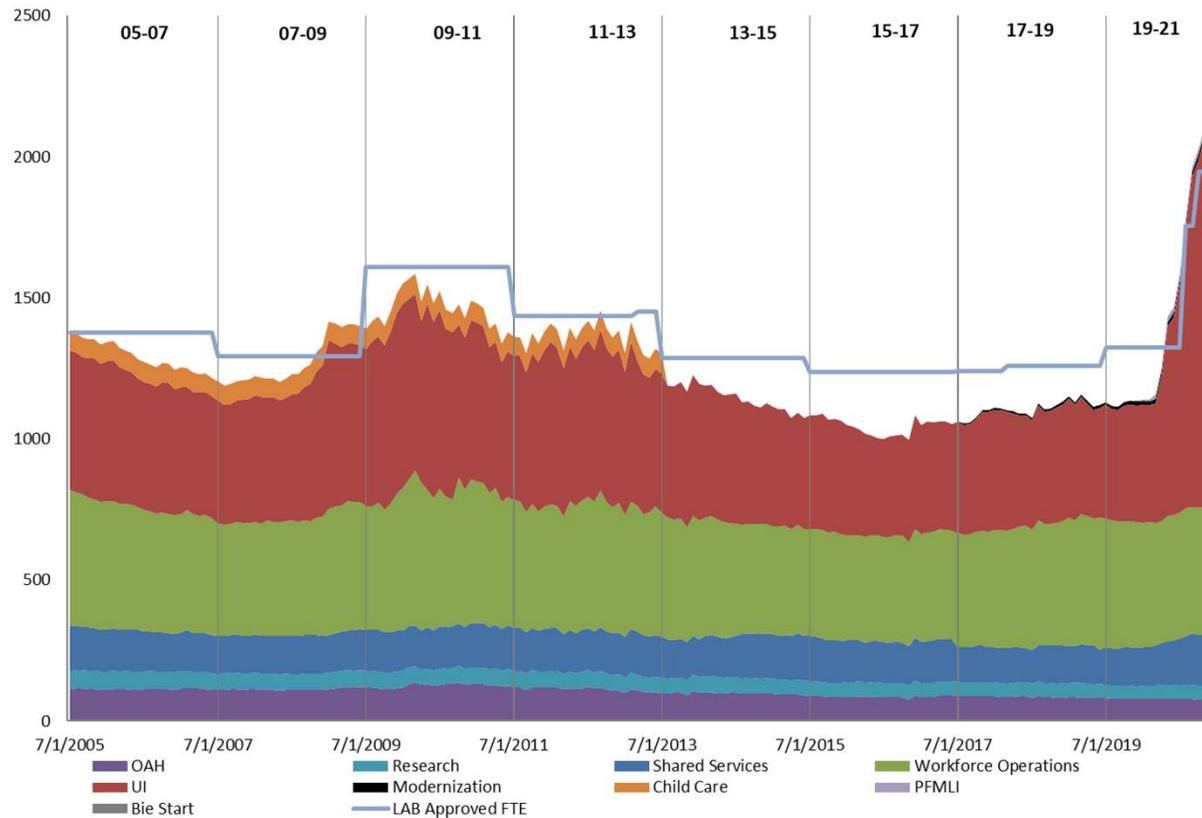


2021-23 Budget Context

- We manage our expenditures to our revenue, aiming for a 90-day operating reserve.
- Agency-wide priority is to modernize business and technology systems.
- Unemployment Insurance Trust Fund is solvent.
- Most of our programs are based on federal programs and operated with Federal and Other Funds.
- Policy packages reflect our helping more Oregonians using additional dedicated Federal Funds, or using Other Funds when others contract with us to provide help to our common customers.
- Other policy packages support modernizing our business and technology systems and building the Paid Family and Medical Leave Insurance program.



Agency Staffing is Managed to Economic Needs



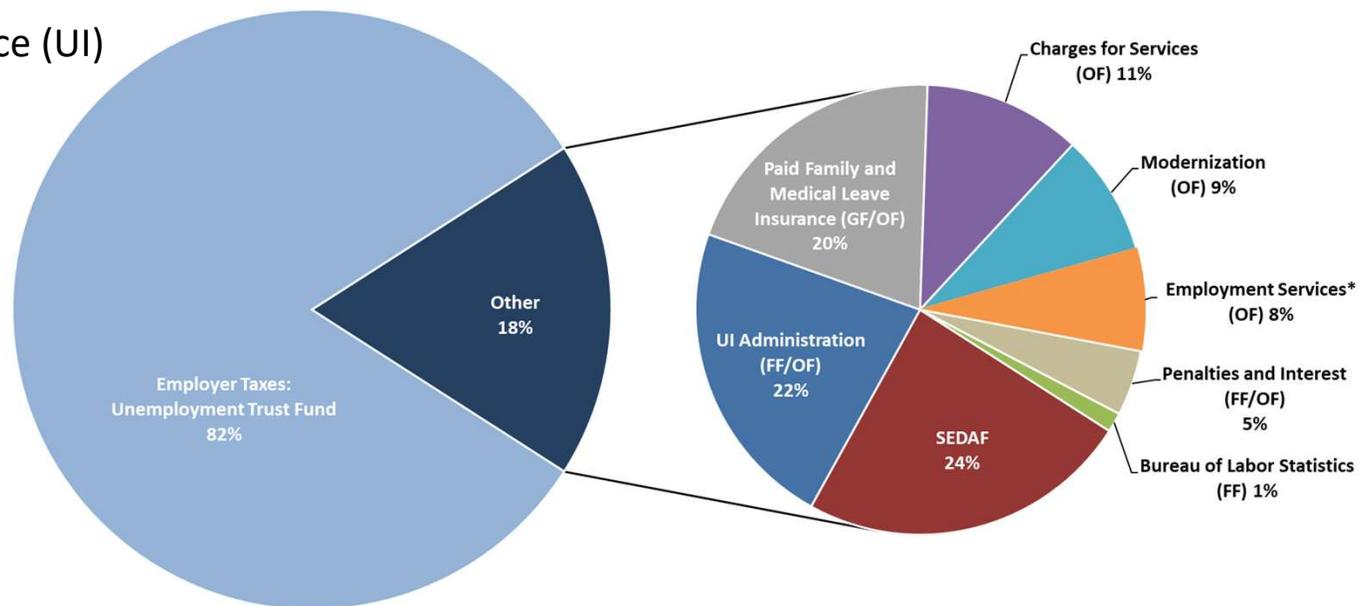
Major Revenue Sources

Federal Funds

- Unemployment Insurance (UI) Administration Grant
- Employment Services*

Other Funds

- Employer Taxes
- Paid Family and Medical Leave Insurance
- Charges for Services
- Penalties and Interest
- Modernization
- Supplemental Employment Department Administrative Fund (SEDAF)

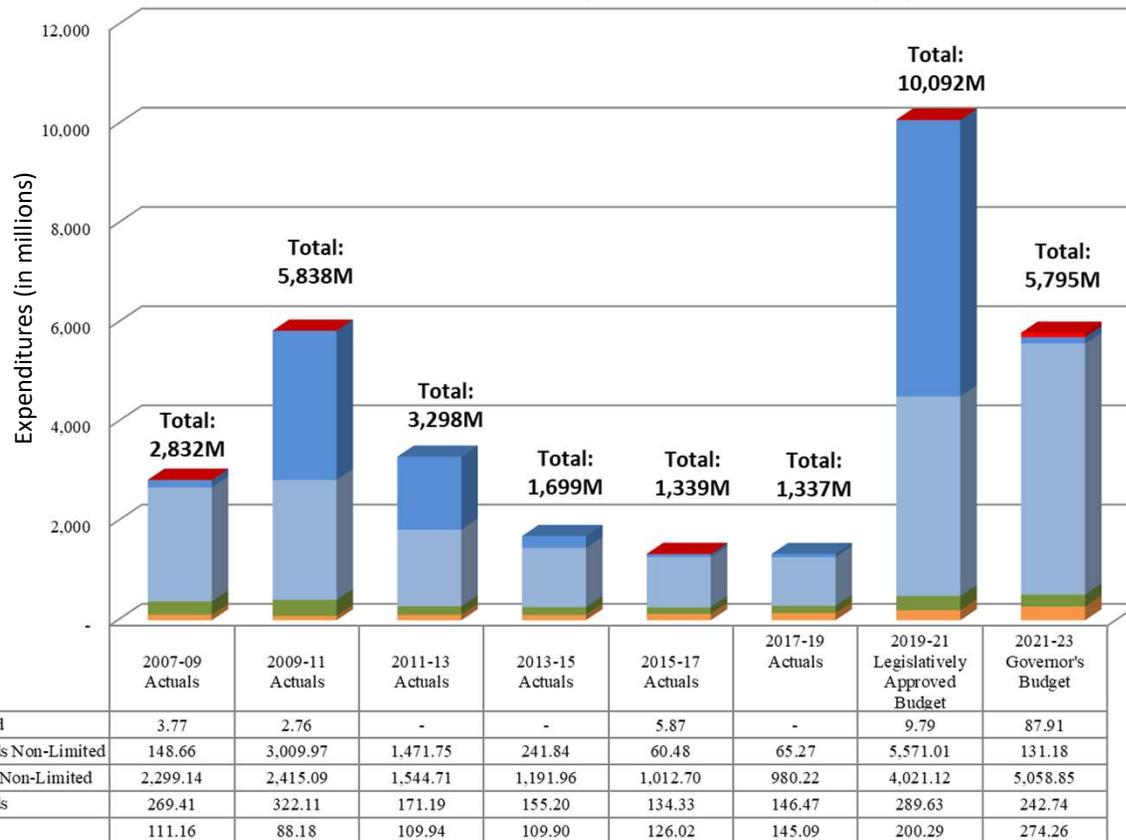


*Employment Services includes Reemployment Services and Eligibility Assessments, Wagner-Peyser, Veterans Employment Services, Trade Act Administration, Work Opportunity Tax Credit, and Foreign Labor Certification Program



Expenditures by Fund Type

U.S. Department of Labor does not fully fund program administration

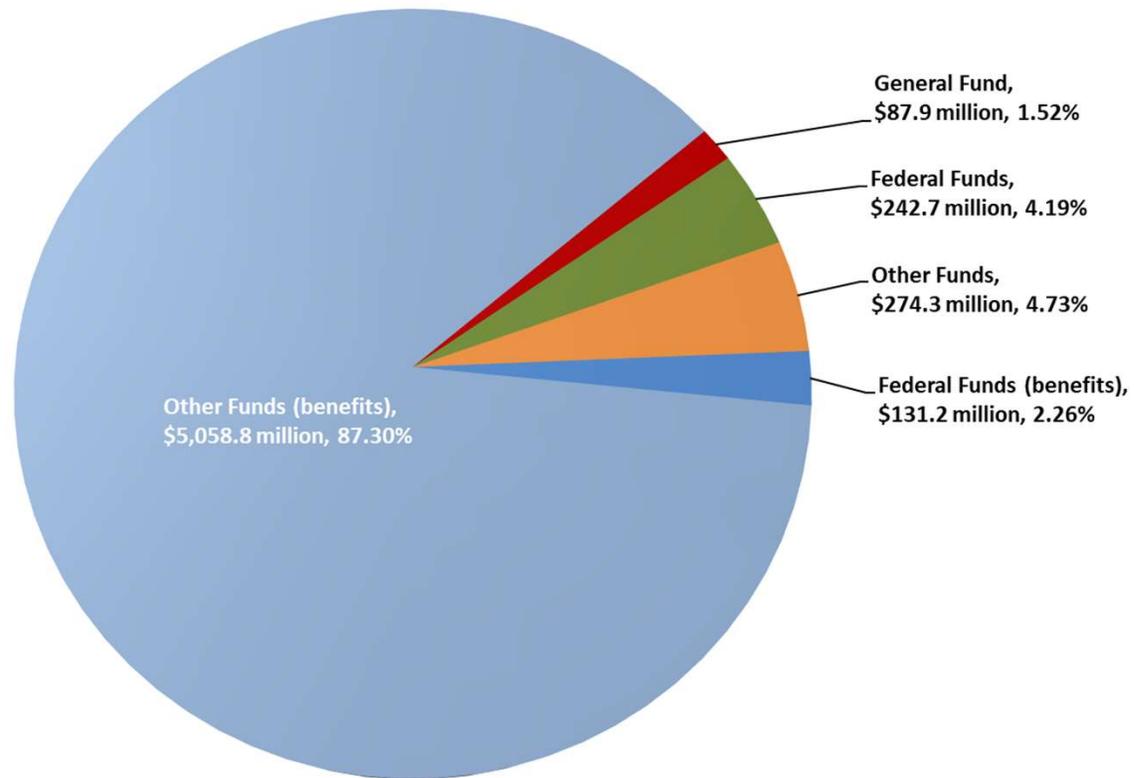


- General Fund expenditures 2007-09 to 2009-11 represent Child Care Division
- General Fund expenditures 2015-17 represent the Oregon Talent Council
- General Fund expenditures for 2019-21 and 2021-23 represent Paid Family and Medical Leave Insurance



2021-23 Expenditures by Fund Type

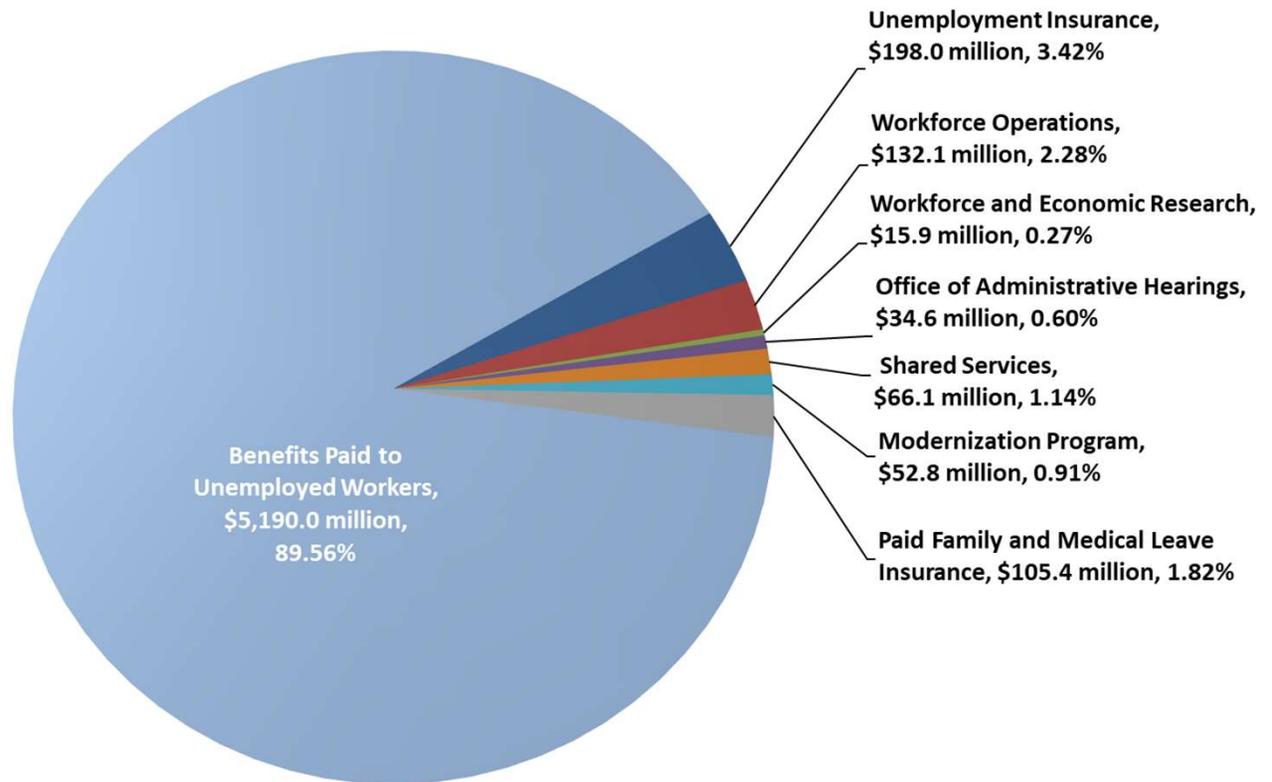
Total Expenditures
\$5,794.9 million



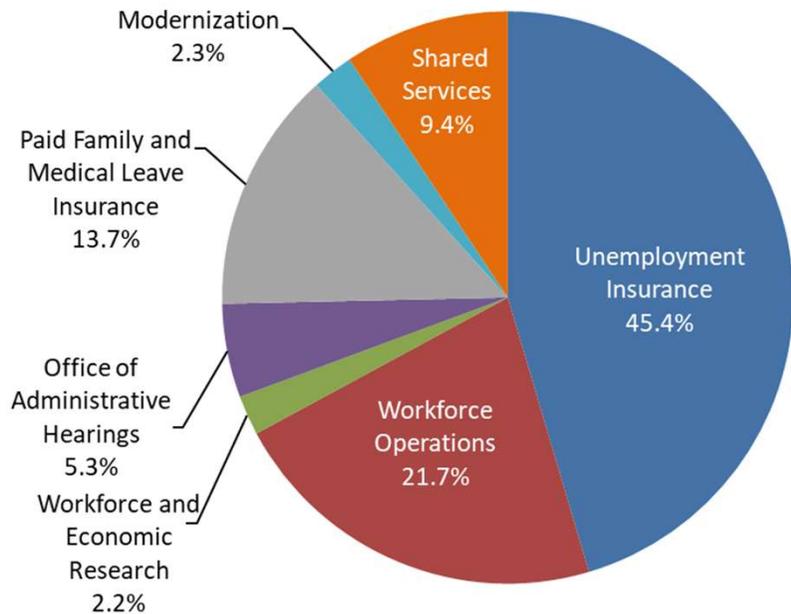
2021-23 Expenditures by Program

Total Expenditures
\$5,794.9 million

Benefit payments
make up
approximately 90%
of expenditures



2021-23 Operational Budget: Positions



Program	2019-21 Legislatively Adopted Budget Jul 2019	2019-21 Legislatively Approved Budget Jan 2021	2021-23 Governor's Budget
Unemployment Insurance	533	1630	1073
Workforce Operations	480	486	513
Workforce and Economic Research	54	54	53
Office of Administrative Hearings	103	107	125
Paid Family and Medical Leave Insurance	33	33	323
Modernization	55	71	55
Shared Services	131	193	221
Total Agency	1,389	2,574	2,363



Key Performance Measures and Outcomes for 2020

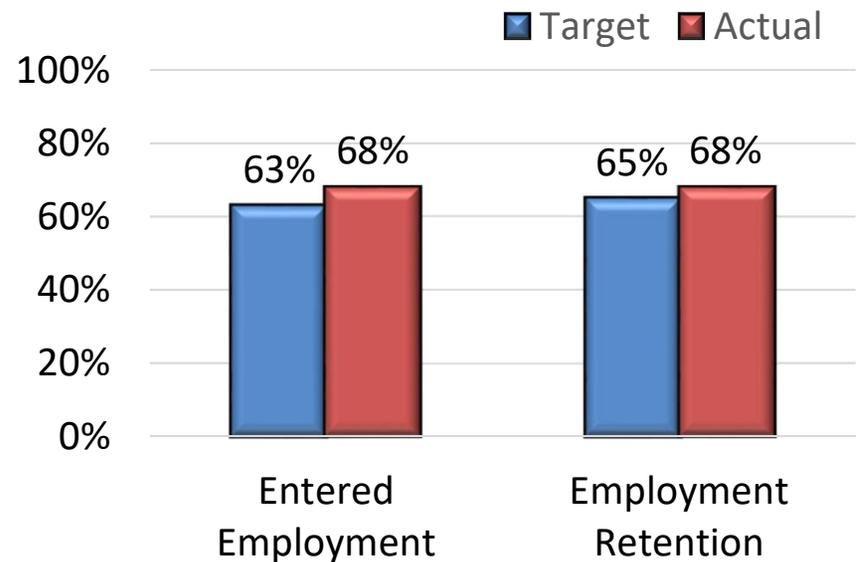
KPM #1 Entered Employment:

Percentage of adult program participants who are in unsubsidized employment during the **second quarter** after using Workforce Operations services.

KPM #2 Employment Retention:

Percentage of adult program participants who are in unsubsidized employment during the **fourth quarter** after exiting the program.

Fiscal Year 2019



* A higher percentage is better



Key Performance Measures and Outcomes for 2020

KPM #3 Cost Per Placement:

Total cost of Workforce Operations program divided by the total number of job seekers entered into employment after receiving services.

Fiscal Year 2019



* A lower total is better

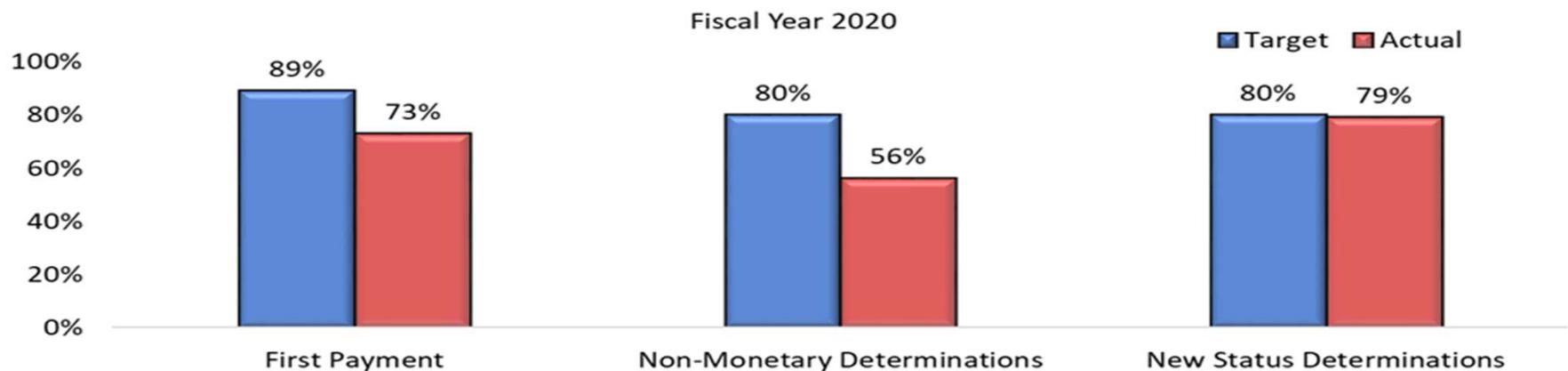


Key Performance Measures and Outcomes for 2020

KPM #4 First Payment Timeliness: Percentage of initial unemployment insurance payments made within 21 days of eligibility. • A higher percentage is better.

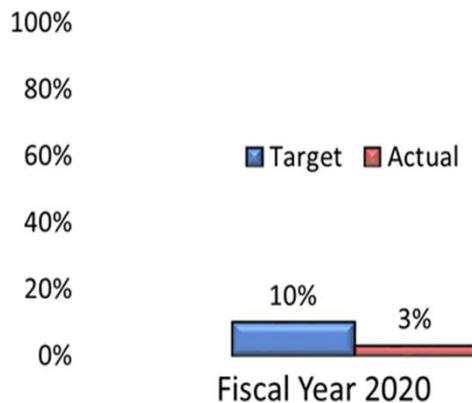
KPM # 5 Non-Monetary Determinations Timeliness: Percentage of claims that are adjudicated within 21 days of issue detection. • A higher percentage is better.

KPM #12 Timeliness of New Status Determinations: Percentage of new status determinations completed within 90 days of the end of the liable quarter. • A higher percentage is better.

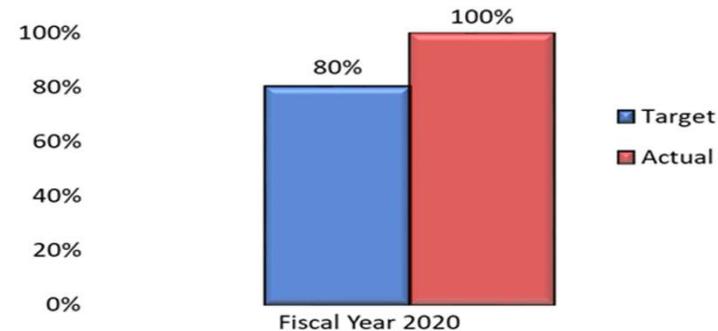


Key Performance Measures and Outcomes for 2020

KPM #6 Unemployment Insurance Administrative Costs as a Percent of Benefits Paid: Compares dollars paid to unemployed workers against the cost of providing those benefits. Specifically, all costs associated with unemployment insurance administration, including related Department of Justice and Office of Administrative Hearings costs, less re-employment eligibility assessments and state government service charges, divided by total unemployment insurance benefits paid • A lower percentage is better

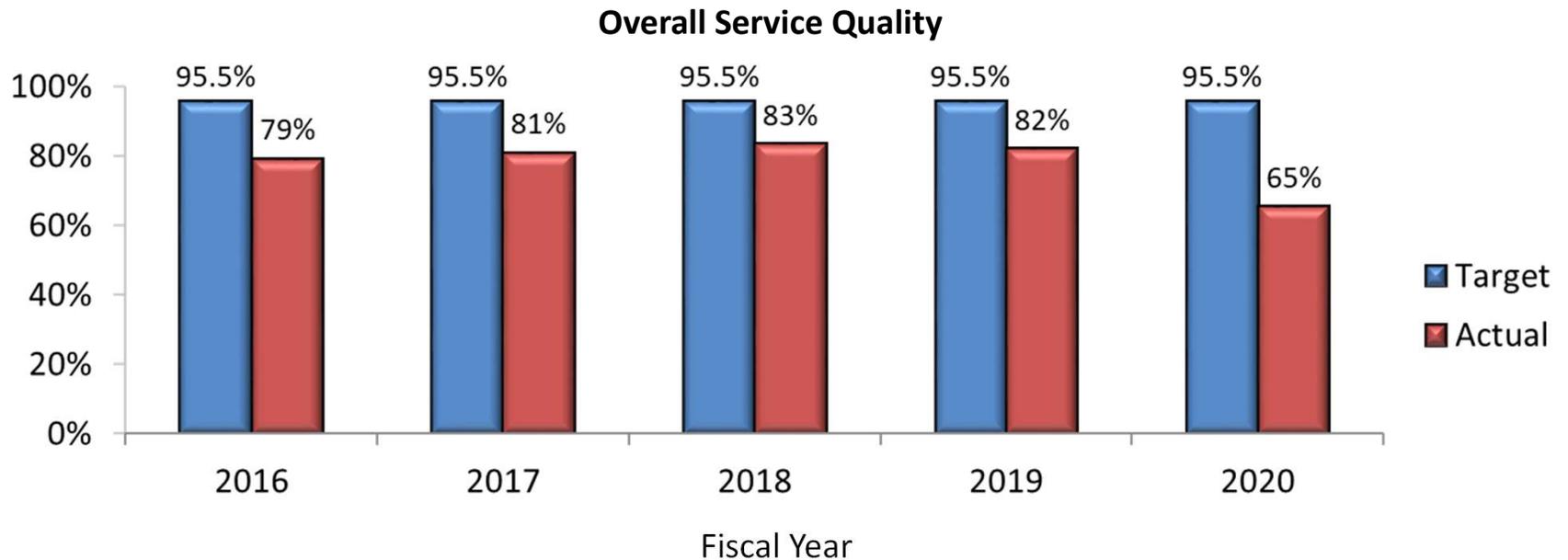


KPM #11 Higher Authority Appeals Timeliness: Percentage of cases requesting an appeal that receive a decision within 45 days of the date of request. • A higher percentage is better.



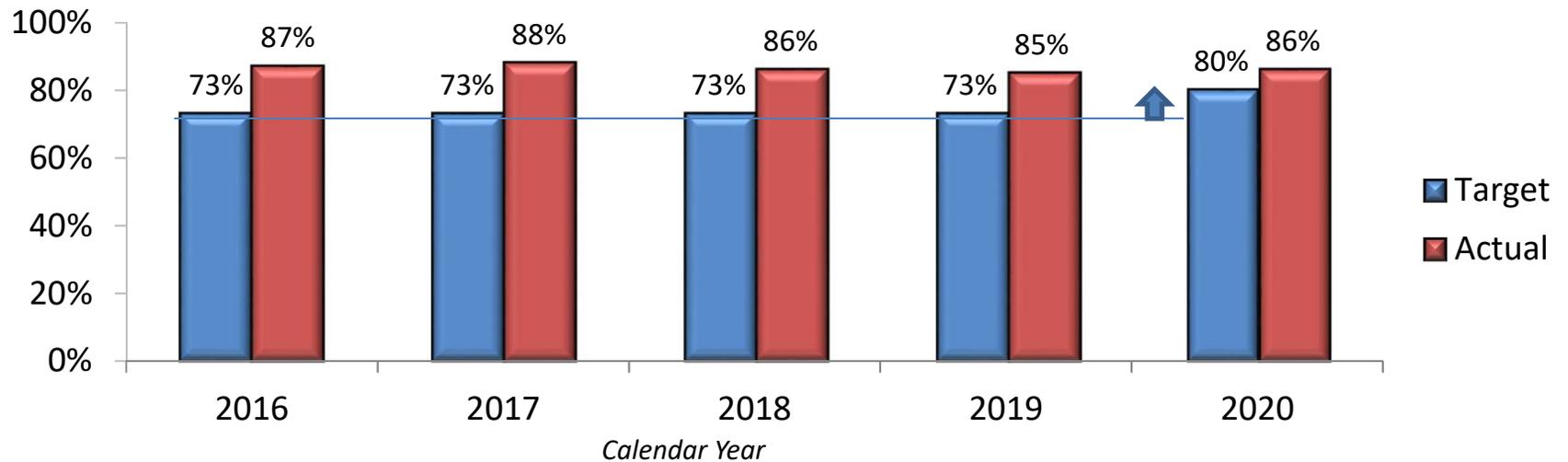
Key Performance Measures and Outcomes for 2020

KPM #13 Customer Service: Percentage of customers rating their satisfaction with the agency's customer service as "good" or "excellent" A higher percentage is better



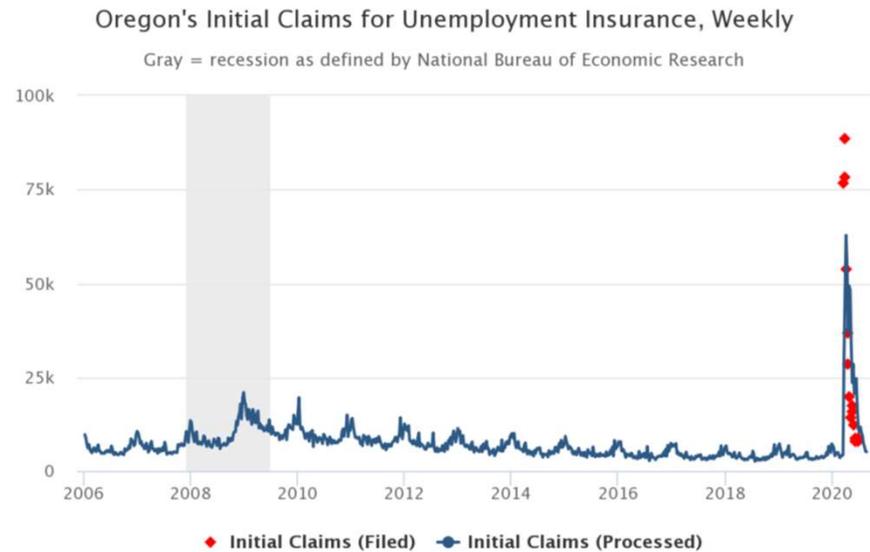
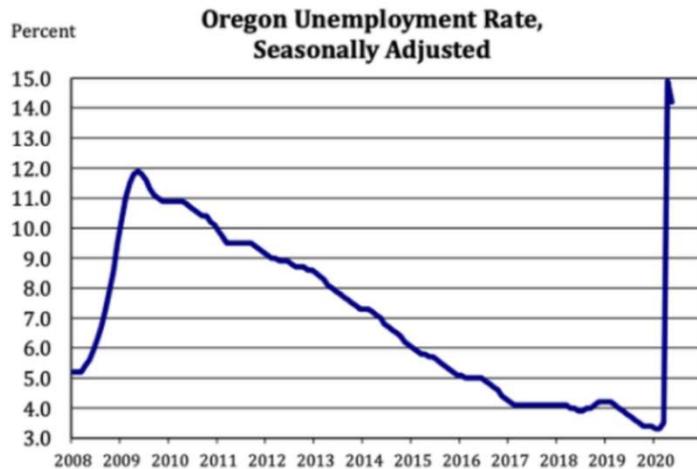
Key Performance Measures and Outcomes for 2020

KPM #14 Foundational Survey Response Rate: Ordinary (non-weighted) arithmetic mean of four annual response rates: (1) Occupational Employment Statistics employment, (2) Occupational Employment Statistics units, (3) Annual Refiling Survey employment, and (4) Annual Refiling Survey units • A higher percentage is better



Impact of COVID-19 Pandemic

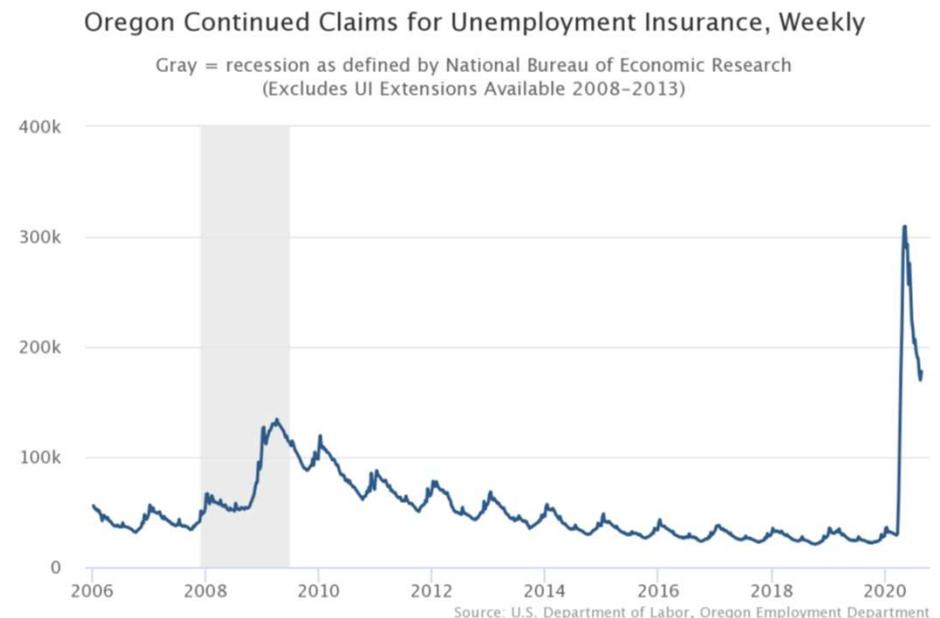
Oregon went from its lowest ever unemployment rate to its highest almost overnight



Source: U.S. Department of Labor, Oregon Employment Department



- The largest number of initial weekly UI claims during the Great Recession was 20,900. During the COVID pandemic that number was 88,600.
- During this pandemic we reached the peak volume in claims in two months. The Great Recession took 27 months to reach the peak volume of unemployment claims.
- The volume of claims remained historically high for several months.



Initial Outcomes

As a result of the massive influx in claims, the Employment Department was overwhelmed and could not help people as quickly as needed. This resulted in:

- Backlogs in UI claims processing.
- Delays in benefit payments.
- Overwhelmed phone system, making it difficult for customers to contact the agency.
- Poor communication with customers and stakeholders resulted in frustration and bad customer service.
- Outdated software systems were an issue – but even the best technology would not have been enough to completely avoid these issues.



Evolving Challenges

- Adjusting to COVID-19 safety measures in the workplace.
- Adjusting to wildfire impacts on the workplace.
- Operating in a virtual work environment.
- Growing backlog of claims needing adjudication.
- Increased complexity of layers of benefit programs makes cross-training more essential.

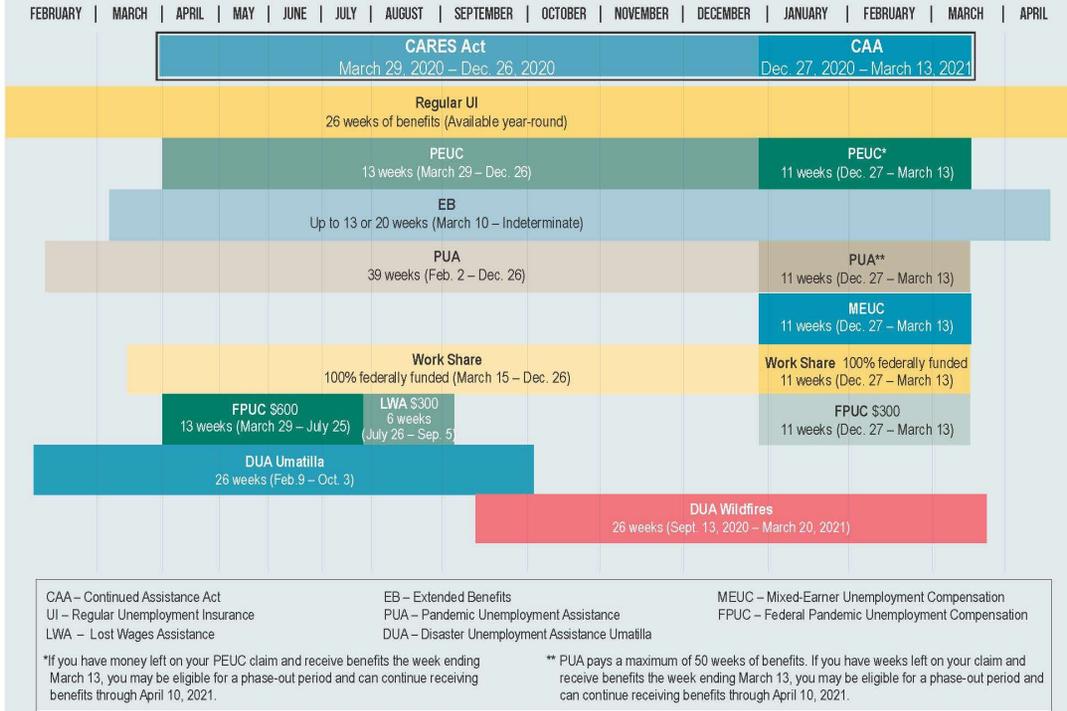


Lessons Learned

- We have identified weak points in the system and are doing everything we can to address them.
- We are committed to constant improvement.
- We needed to more quickly seek help from others and be more willing to try drastically new approaches.
- We are a more agile agency than we were pre-pandemic.
- The Employment Department is a different agency than we were in March and we are not going back.



UNEMPLOYMENT BENEFITS AVAILABLE 2020-2021



CAA – Continued Assistance Act
 UI – Regular Unemployment Insurance
 LWA – Lost Wages Assistance
 EB – Extended Benefits
 PUA – Pandemic Unemployment Assistance
 DUA – Disaster Unemployment Assistance Umatilla
 MEUC – Mixed-Earner Unemployment Compensation
 FPUC – Federal Pandemic Unemployment Compensation

*If you have money left on your PEUC claim and receive benefits the week ending March 13, you may be eligible for a phase-out period and can continue receiving benefits through April 10, 2021.
 ** PUA pays a maximum of 50 weeks of benefits. If you have weeks left on your claim and receive benefits the week ending March 13, you may be eligible for a phase-out period and can continue receiving benefits through April 10, 2021.

For more information visit unemployment.oregon.gov



CARES Act - New Federal Programs

The CARES Act passed on March 27, 2020, leading to the implementation of the following programs:

- Federal Pandemic Unemployment Compensation (FPUC - Extra \$600) – payments started April 10, 2020.
- Pandemic Unemployment Assistance (PUA) – payments started April 28, 2020.
- Pandemic Emergency Unemployment Compensation (PEUC - 13 week UI benefit extension) – payments started May 21, 2020.
- Many other changes made to Extended Benefits, Work Share, waiting week, and reimbursing employer charges.



Other Programmatic Changes

- Temporary rules adopted on March 17 and March 26, 2020.
- Extended Benefits (EB)
 - 13 extra weeks of benefits for May 10 to July 4, 2020.
 - 20 extra weeks benefits for July 5 to December 12, 2020.
 - 13 extra weeks available for December 13, 2020 until unknown date.
- Disaster Unemployment Assistance implemented for February storms and related events in Umatilla County.
- Disaster Unemployment Assistance implemented for wildfires.
- Waiting week waived for March 8, 2020, through March 13, 2021.
- Implemented SB 1701 (2nd Special Session, 2020) allowing more weekly earnings before UI benefits are reduced for some people.

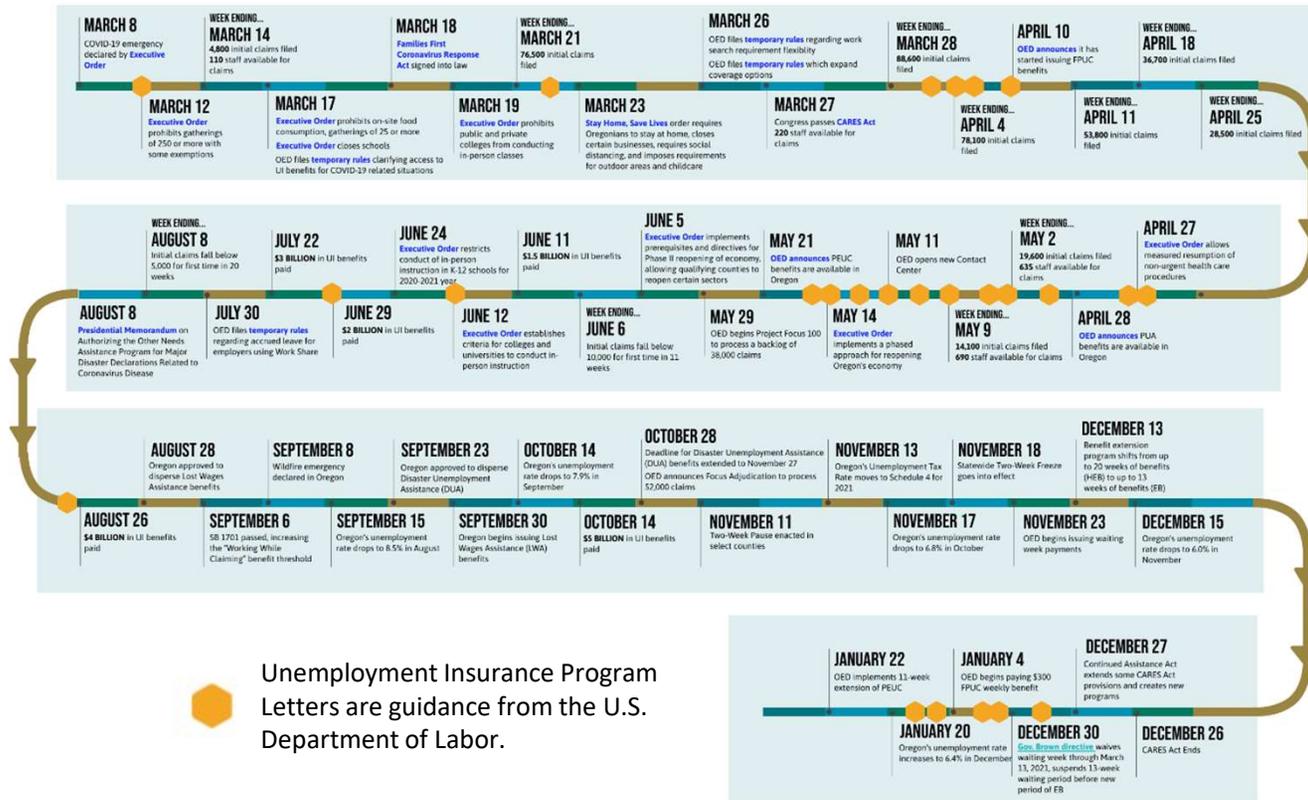


Continued Assistance for Unemployed Workers Act

- Became law December 27, 2020 – day after CARES Act programs expired.
- Continued, extended, and made other significant changes to PUA, PEUC and FPUC benefit programs.
- Created new Mixed Earners Unemployment Compensation (MEUC) program – Additional \$100 for some people on regular UI with prior self-employment earnings.
- Avoided “benefits cliff” for 72,000 Oregonians – 59,000 of whom saw no pause in their benefits at all.



Timeline of COVID-19 Events



Staffing Changes

- Employees from all over OED, and partner agencies, helped with claims.
- In early March, OED had about 100 people doing UI claims – increased to over 1,100.
- In early March, OED had about 80 claims adjudicators – increased to about 300.
- In early March, OED had about 15 people doing Work Share and several other special benefit programs – increased to over 100.
- OED used contracted resources as well.



Technology Adjustments

- Expanded infrastructure, including three new work locations.
- Greatly expanded document imaging systems; enhanced automated document handling.
- Greatly expanded how many claims are processed automatically.
- Created alternate identity validation method when Social Security Administration's system was overwhelmed by state UI systems.
- Created new work queues to allow more targeted work assignments
- Multiple enhancements to Online Claim System.
- Email confirmations to people about initial and weekly claim filings.
- Macros to resolve large numbers of claims at once.
- Contracted for more user-friendly and efficient PUA filing system.



Customer Service

- Added hardware to phone system to handle increased capacity needs (47,000 calls in February; over 20 million in April).
- Increased from 650 phone lines to over 1,300, with ability to quickly add hundreds more.
- Added more than 1,000 telephones to the UI phone system.
- Created new phone queues for Pandemic Unemployment Assistance (PUA) program.
- Constant troubleshooting with multiple vendors to support record numbers of calls.
- Created “Contact Us” web form so people do not have to call, which increased our efficiency of handling claims.



Other Changes Made

- We took advice from legislators and others to heart.
- Enlisted the help of the National Guard.
- Enlisted volunteers from executive and legislative branch to do outreach with claimants.
- Operated Benefits While You Wait approach.
- Revised public website to provide more assistance.



Language Access Greatly Increased

- New website available in 15 languages other than English.
- PUA applications available in 15 languages.
- Designated mailbox for people to request calls back in specified languages
OED_LanguageAccess@oregon.gov.
- Contracted with WorkSystems, Inc. to provide additional assistance to people with limited English Proficiency 503-606-6969.
- Webinars and other information translated in many languages.
- Live translation of webinars into multiple languages; webinars conducted in other languages.
- Creating Spanish version of online UI claim application.



Current State

- Not yet at needed levels of customer service, but making increasing progress.
- Continued Assistance Act programs implemented very quickly.
- More agile with shifting resources where they are most needed.
- Quicker to adapt to changing needs.



Oregon paid out more benefits since March 15, 2020, than during the prior decade. Over \$7.1 billion in benefits paid out through January 23, 2021, including:

- Regular unemployment: \$2.2 billion
- FPUC (original \$600 per week): \$3.2 billion
- FPUC (new \$300 per week): \$202 million
- PUA: \$557 million
- PEUC: \$457 million
- LWA: \$390
- EB: \$83 million
- Work Share: \$92 million

If the benefits paid are looked at as payroll, the Employment Department would be the *largest employer*, the *largest industry*, and the *third largest industry sector* in Oregon.

Looking Forward

- Modernizing our systems is a key priority.
- Continuing to cross-train our employees and improve customer service.
- Implement ongoing new programs and programmatic changes.
- Building a robust PFMLI program to support Oregon workers and businesses.
- Rapidly increasing focus on reemployment.
- Providing data and analysis to inform an equitable and robust economic recovery for Oregon.

The Employment Department is committed to ongoing improvements:

- Customer service
- Highly effective assistance
- Quick adaptation to new environments
- Robust communication





Workforce and Economic Research

Bob Uhlenkott, Division Director



Workforce and Economic Research

Total Positions: 53

Surveys

- Conduct surveys of Oregon businesses and individuals
- Develop key economic indicators for Oregon and counties
- Conduct construction industry wage survey

Analysis

- Analyze data from Employment Department surveys and other sources
- Prepare publications, reports, and presentations
- Respond to customized information requests

Business

- Develop information products geared to Oregon businesses
- Bridge the information gap between education and work
- Respond to customized information requests for community and government entities

Systems

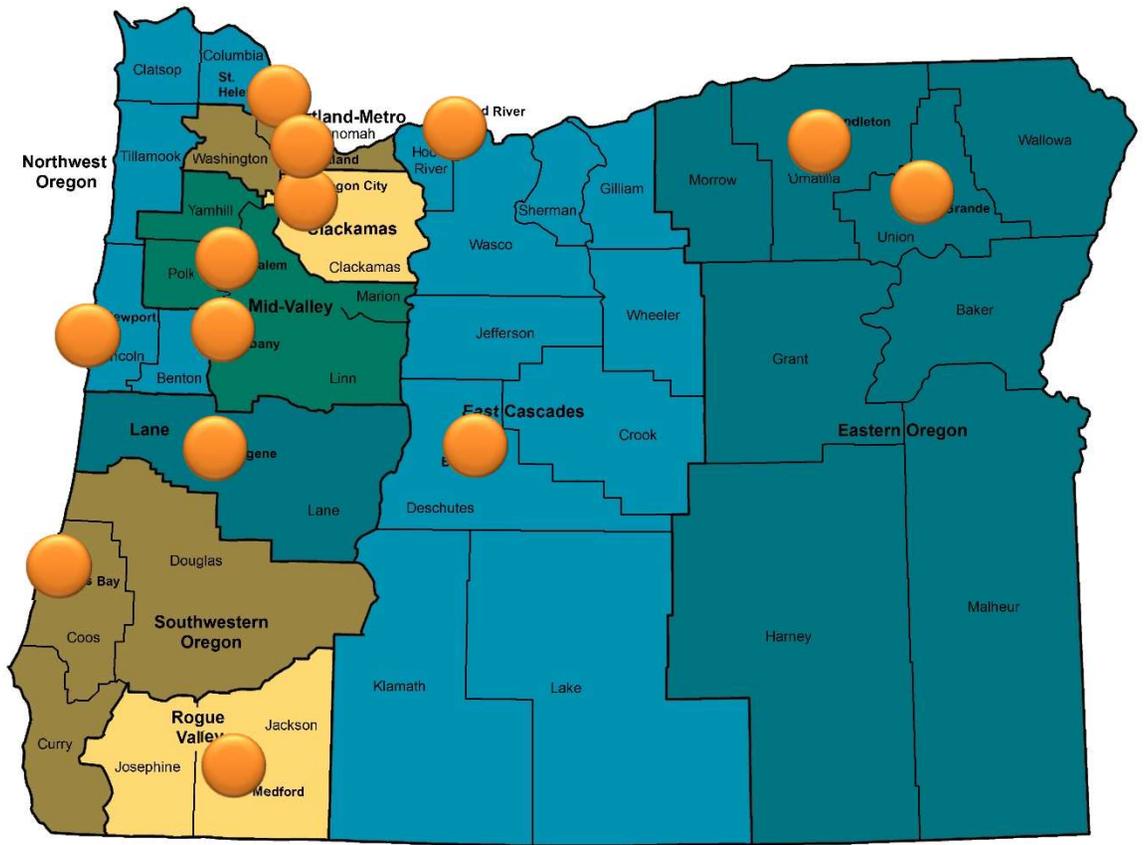
- Provide workforce and economic information through QualityInfo.org
- Provide geographic information systems analyses and services

Performance Reporting Information System

- Develop Oregon's new workforce performance measurement system
- Compute and publish performance measures
- Provide customized wage match services



We are “*working and living*” all throughout the state, in both rural and urban areas, to provide customized analysis and research to serve customers in those communities



Information About Oregon's Diverse Workforce

Workforce information and research for:

Major Research Projects → Expansion to Pandemic | Careers Publication Education Pays Illustration | Occupations in Demand | Oregon's Current Workforce Gaps Report | Oregon Fringe Benefit Survey

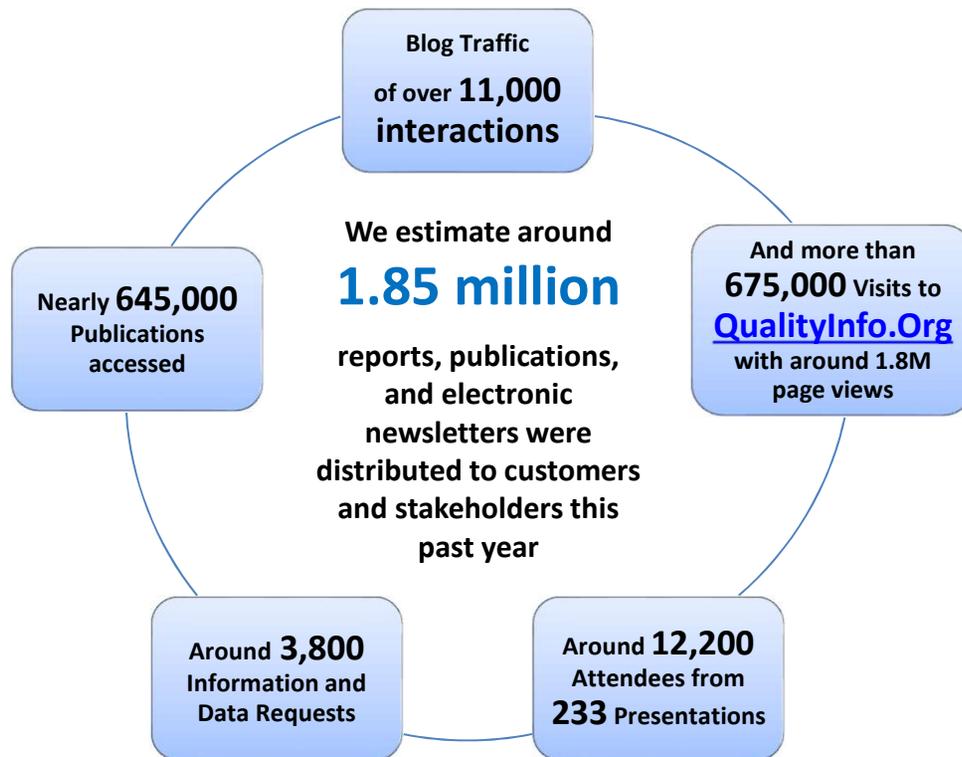


2021-2023 Focus:

- Conduct a special 2021 report – Communities of color and ***'demographics of the unemployed.'***
- **Continue sharing, leveraging, and matching data** with other state and local entities to assist them in their performance evaluations and mission pursuits.
- **Annual** long-term industry and occupational projections.
- More research on workers with disabilities and opportunities for them.
- Oregon's aging population, the aging workforce, and workers nearing retirement age.



Products and Service Exposure in 2020



QualityInfo.Org

Most Personal Contacts:

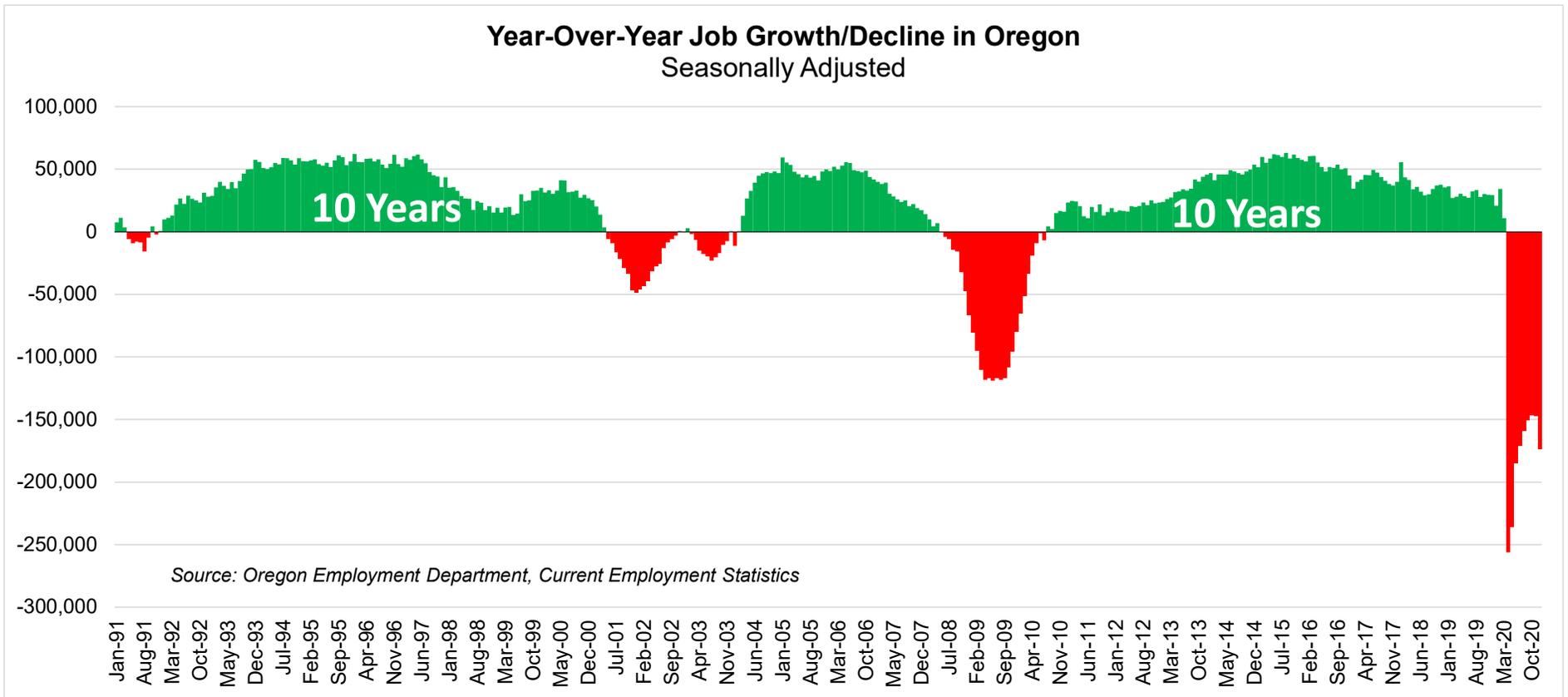
- All Government, State, Local and Federal
- Businesses and Business Associations
- Education
- News Media
- Economic Development and Workforce Boards



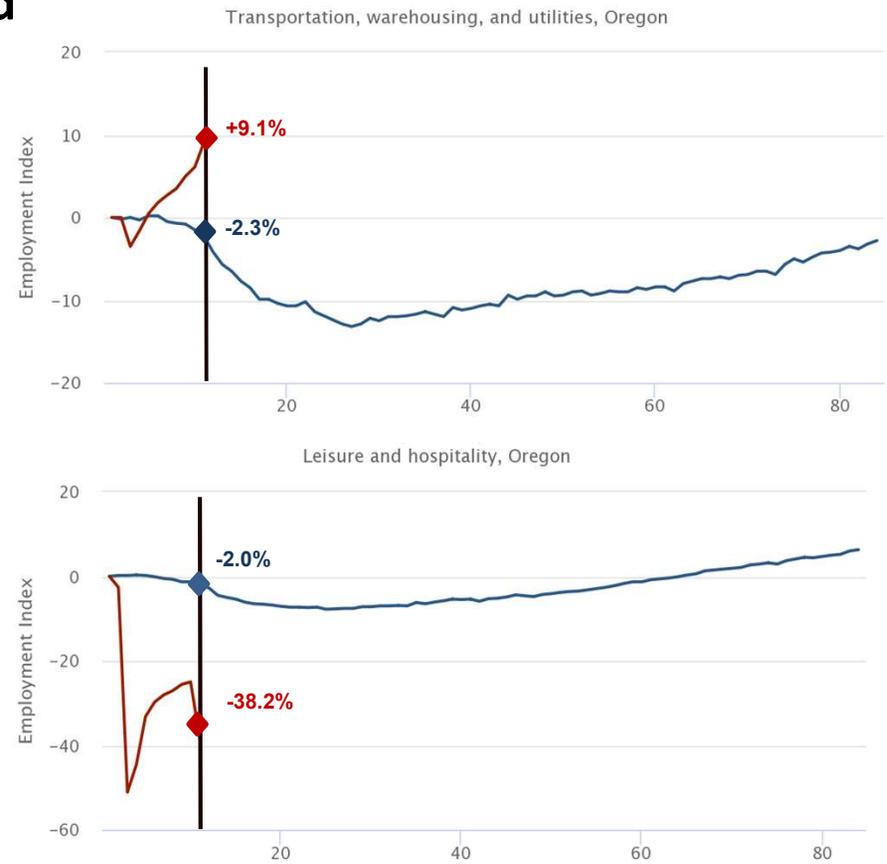
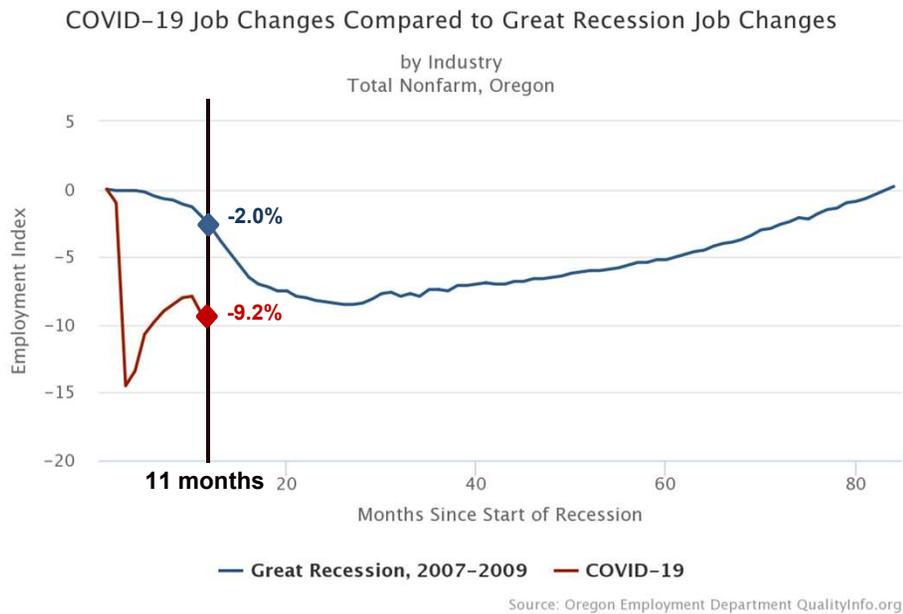
2020 Workforce and Economic Information Snapshots



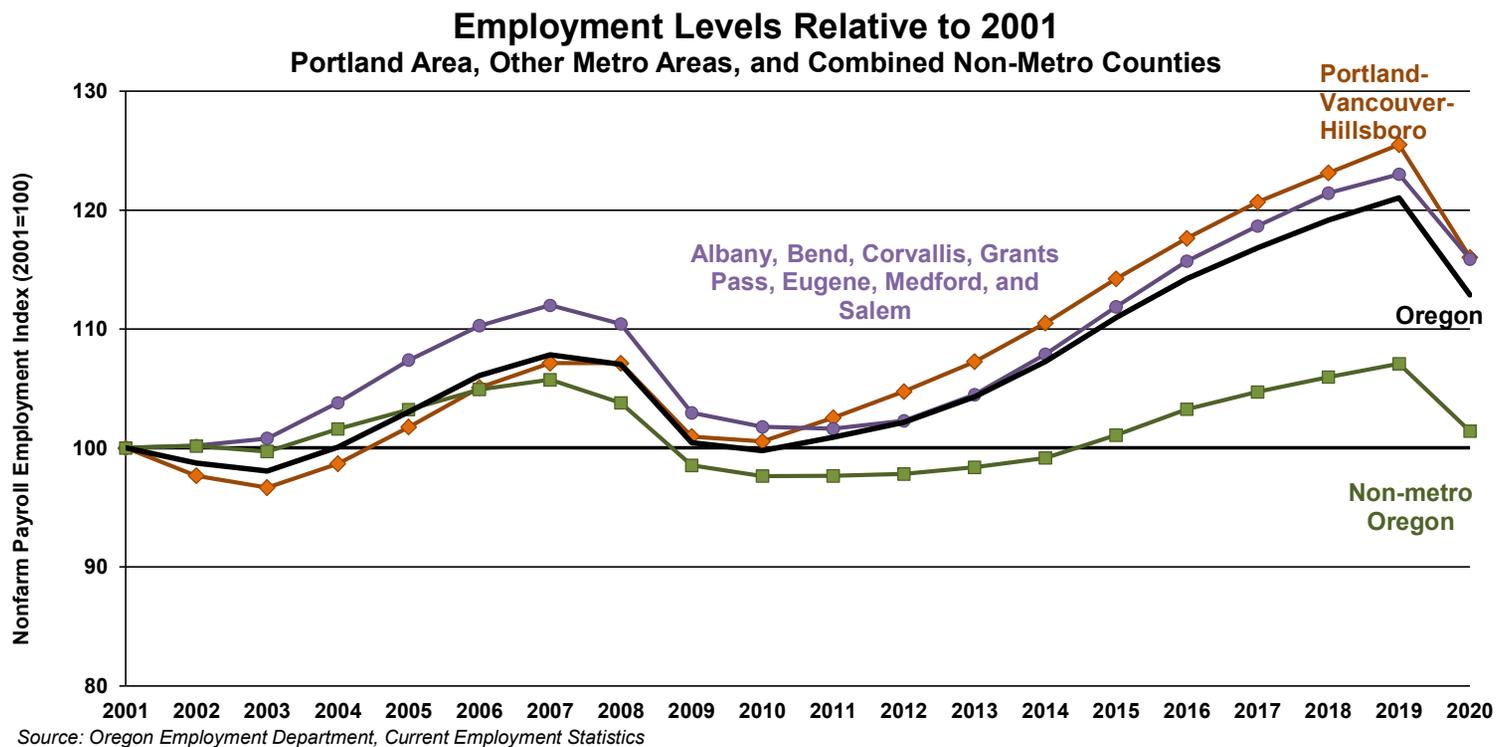
Economic Contractions and Expansions (*'Pandemic Recession'*)



Pandemic Economic Recovery as Compared to the Great Recession Recovery

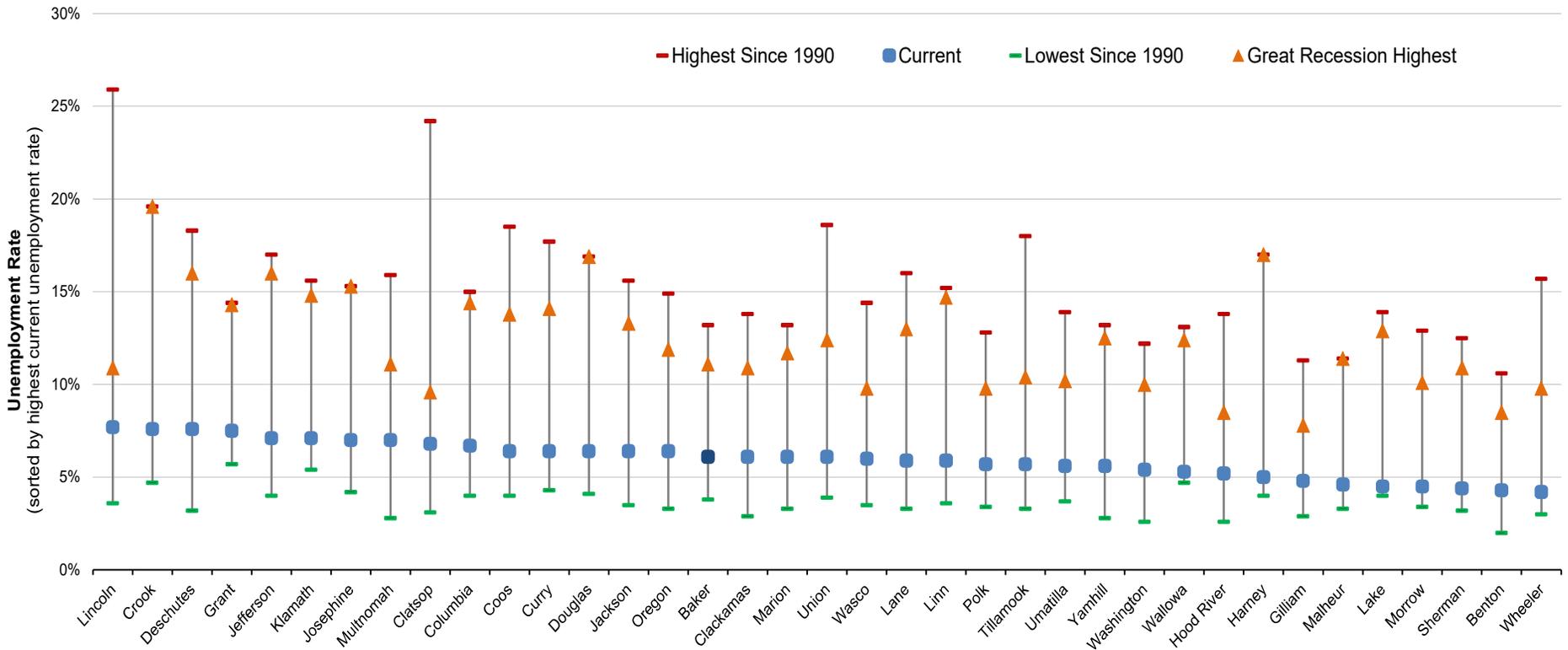


With the 2020 job losses, non-metro counties jobs levels are at similar levels experienced in 2001



Unemployment Rates in Oregon Counties

Current Rate (December 2020), Record High, and Record Low for Each County, Seasonally Adjusted

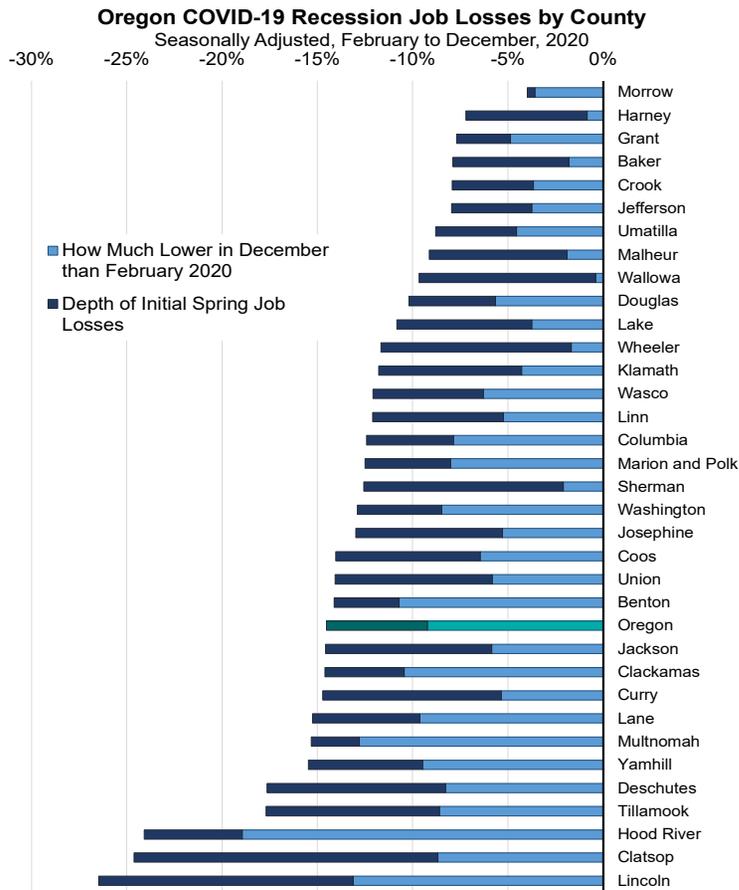


Broader Measures of Unemployment Rates in Oregon

Oregon and U.S. Alternative Measures of Labor Underutilization

	December 2020	
	U.S.	Oregon
U-1: Persons unemployed 15 weeks or longer, as a percent of the civilian labor force.	3.4%	3.3%
U-2: Job losers and persons who completed temporary jobs, as a percent of the civilian labor force.	4.5%	5.0%
U-3: <u>Official Unemployment Rate</u> - Total unemployed, as a percent of the civilian labor force.	6.7%	6.4%*
U-4: Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers.	7.1%	6.8%
U-5: Total unemployed plus all other persons marginally attached to the labor force, as a percent of the civilian labor force plus all persons marginally attached to the labor force.	7.9%	7.8%
U-6: Total unemployed plus all persons marginally attached to the labor force plus total employed part-time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.	11.7%	11.7%





Source: Oregon Employment Department, Current Employment Statistics, excludes Gilliam

The jobs recovery is underway, but far from complete.

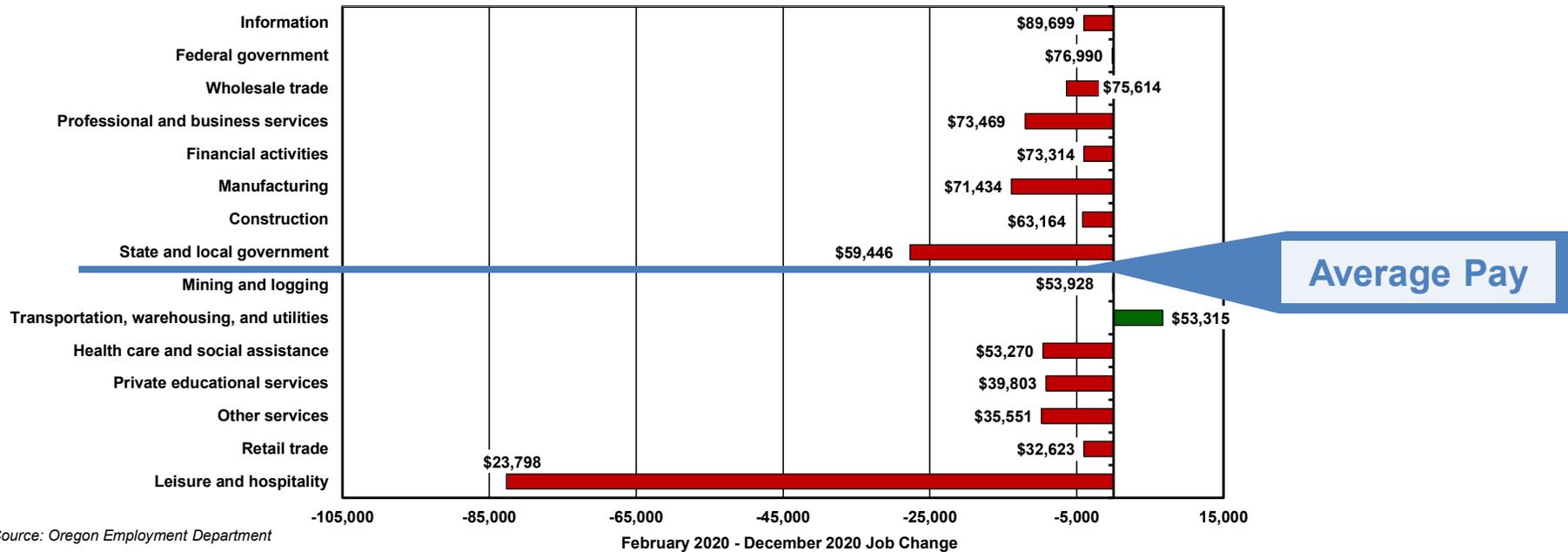
Oregon closed out 2020 having regained 37% of jobs lost in the spring.

A comparison of job losses and recovery to date shows the depth of short-term and now longer-lasting job losses in metropolitan and rural counties alike.



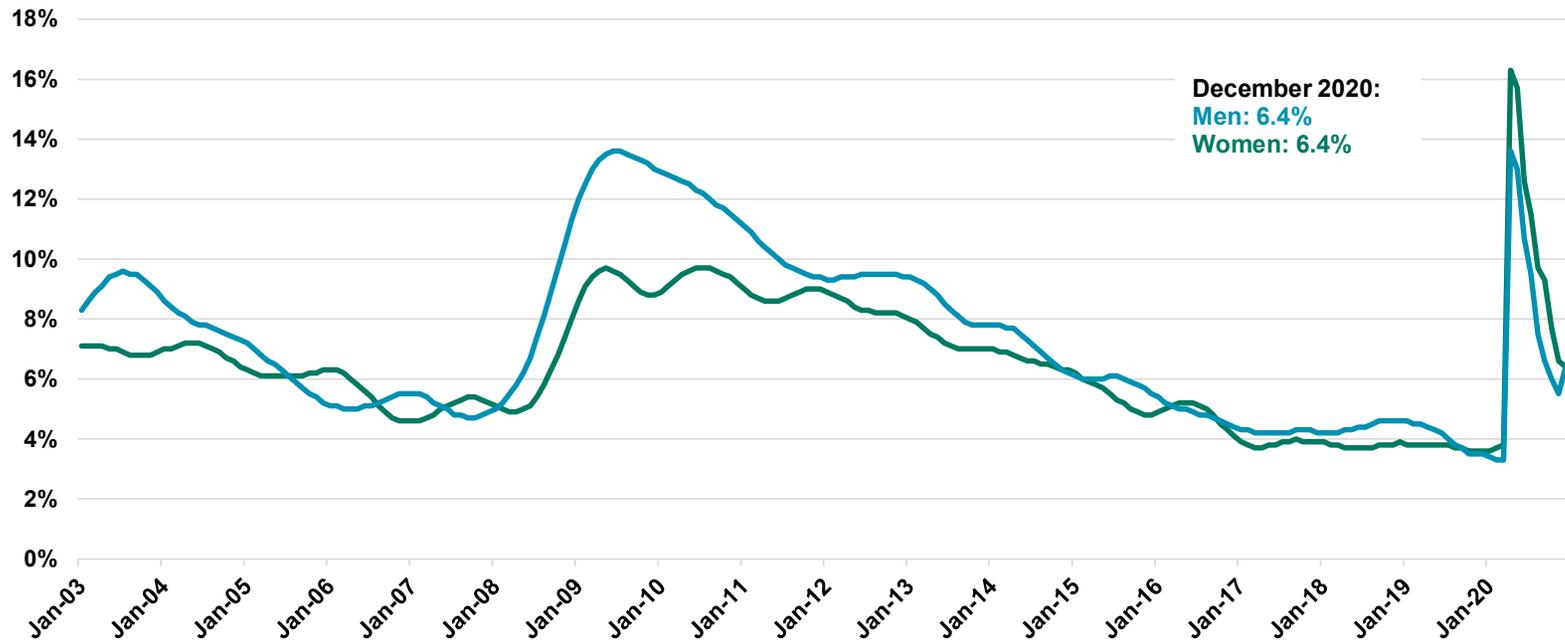
60% of the jobs lost in Oregon since February 2020 were in industries with average wages lower than the statewide average of \$55,027 per year

Oregon Job Change and Average Pay by Industry
February 2020 - December 2020 Job Change, 2019 Average Pay



Women's unemployment rates were higher than men's for most of 2020

Monthly Unemployment Rates by Gender Oregon, 2003 - Present



Source: Oregon Employment Department, Current Population Survey



After COVID-19 Black, Indigenous, and People of Color (BIPOC) made up a larger share of continued claims for regular unemployment insurance than they did on average in January – March 2020

	Share of Continued Claims by Race and Ethnicity, Oregon										
	January - March 2020 Average Share of Continued Claims	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	
Race											
Black, Indigenous, and People of Color (BIPOC)*	7.9%	8.3%	9.1%	9.7%	10.0%	10.3%	10.0%	10.6%	9.7%	8.5%	
White	81.4%	74.1%	73.6%	72.9%	72.7%	72.3%	72.6%	72.8%	73.2%	73.9%	
Information Not Available	10.7%	17.5%	17.3%	17.4%	17.3%	17.4%	17.3%	16.6%	17.0%	17.6%	
Ethnicity											
Hispanic or Latino	12.3%	9.9%	10.2%	10.3%	10.3%	10.4%	10.1%	11.0%	11.9%	12.0%	
Not Hispanic or Latino	87.7%	90.1%	82.7%	82.6%	82.7%	82.6%	82.7%	83.4%	83.0%	82.4%	
Information Not Available	0.0%	0.0%	7.2%	7.1%	7.0%	7.0%	7.2%	5.6%	5.1%	5.5%	

* BIPOC is defined here as claimants identifying as Black or African American, Asian, American Indian or Alaska Native, or Native Hawaiian or other Pacific Islander.

Source: Oregon Employment Department and Bureau of Labor Statistics





Unemployment Insurance

Lindi Leahy, Division Director



The Purpose of Unemployment Insurance

- Provide partial wage replacement to unemployed workers.
- Weekly, eligibility based program that provides up to 26 weeks of benefits.
- Stabilize the economy in local communities.
- Preserve a trained, local workforce for businesses.
- Collaborate with WorkSource Oregon to get people back to work faster.

Unemployment Insurance (UI)

Employment Appeals Board

Total Positions: 1,073

UI Tax

- Employer registration
- Tax status determination
- Combined tax reporting
- Tax collection
- Account maintenance
- Field audits

UI Benefits

- Process claims
- Determine benefit eligibility
- Pay benefits
- Benefit Payment Control (prevent, detect, and recover overpayments)
- Allocate benefit payments among employers

UI Policy

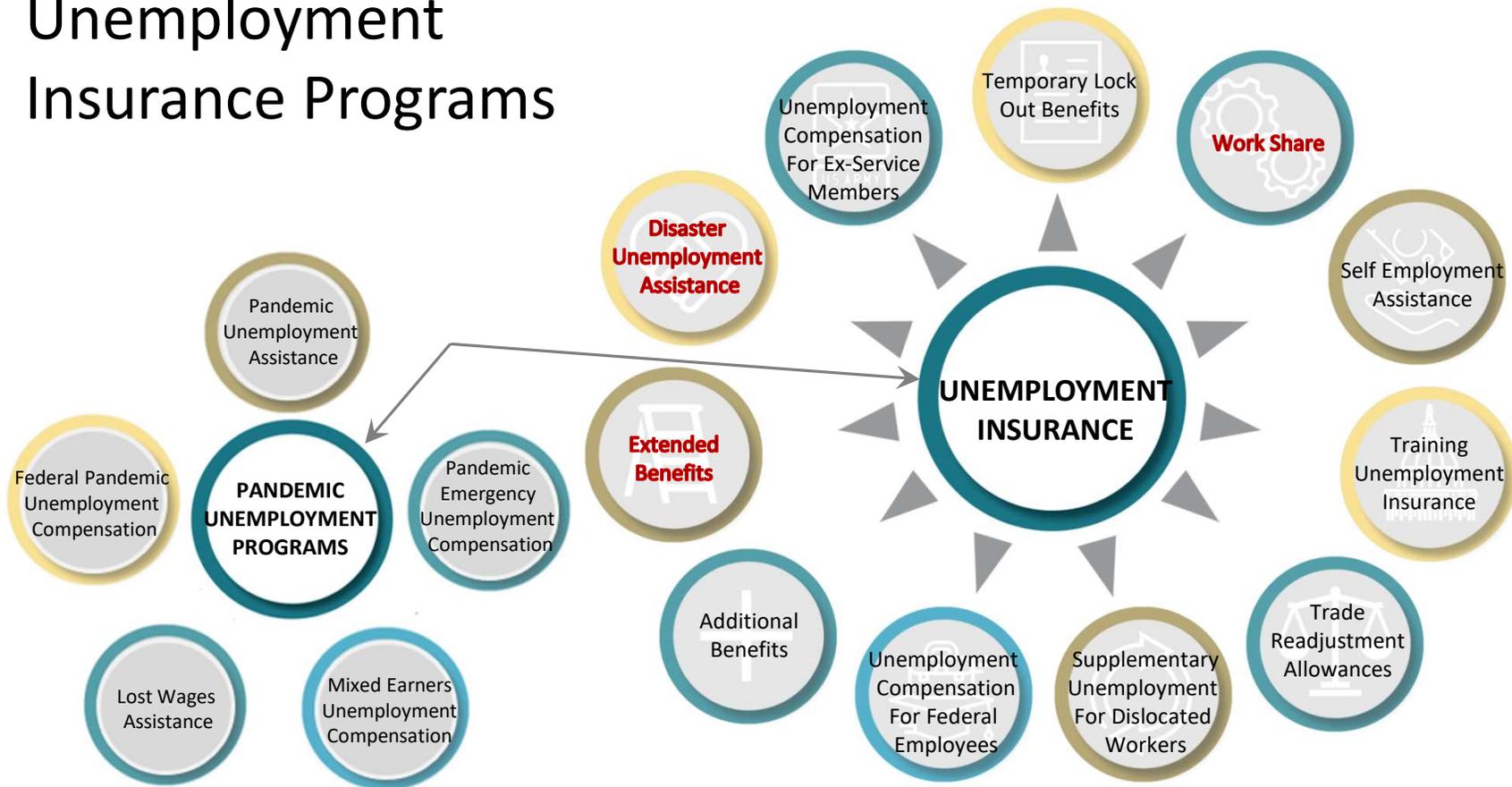
- Quality control
- Federal and state compliance
- Legislative, rule, and policy work
- Trust fund projections and analysis
- Interstate programs
- Training



Unemployment Insurance Programs



Unemployment Insurance Programs

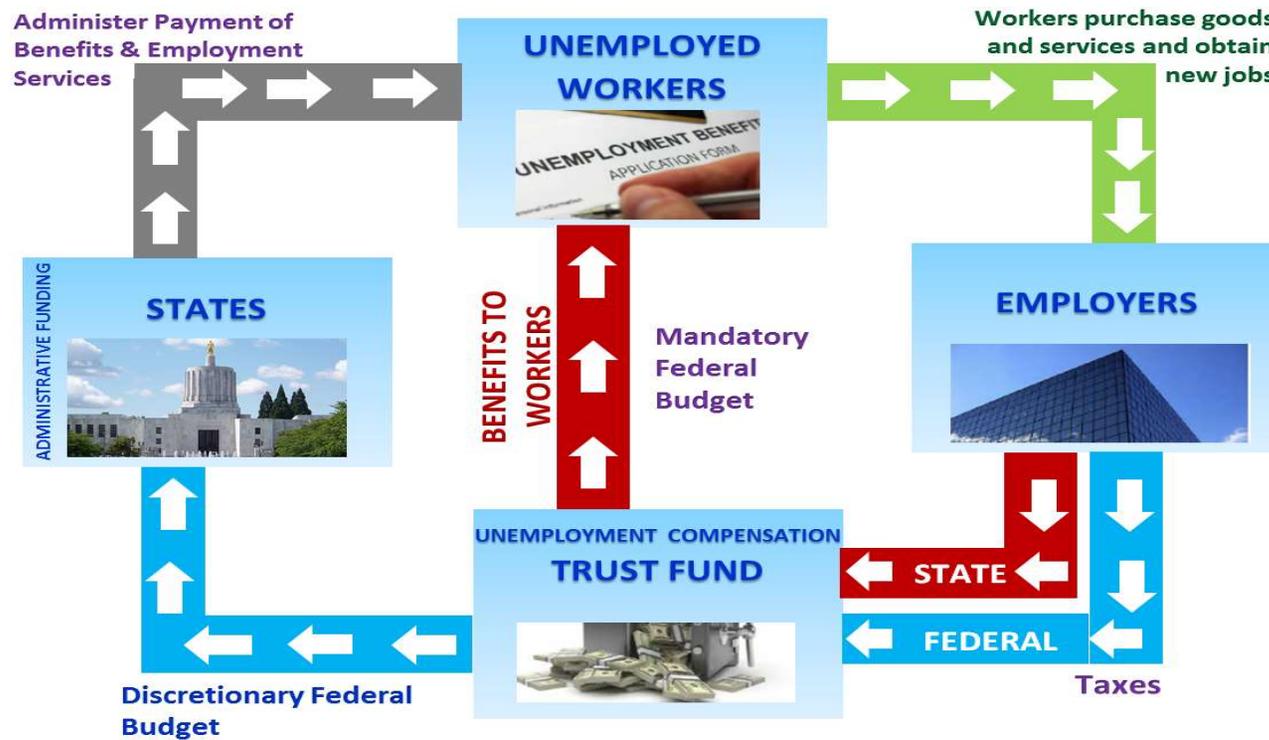


Federal-State Partnership

- Oregon employers pay state UI payroll taxes.
- The federal government holds that money in the UI Trust Fund for Oregon to pay UI benefits.
- U.S. Department of Labor provides an administrative grant to Oregon to operate the UI program.
- If Oregon conforms to federal requirements, employers have reduced Federal Unemployment Tax Act (FUTA) payroll taxes. The estimated FUTA non-conformity penalty is \$1.3 billion per biennium.



Unemployment Insurance and Employment Services System



Unemployment Insurance is Part of the Workforce System

- Connectivity team supports collaboration and communication between Unemployment Insurance, Workforce Operations, and the Office of Workforce Investments to better help unemployed job seekers.
- Close collaboration with Workforce Operations to administer the Reemployment Services and Eligibility Assessment program, helping people get reemployed more quickly and preventing benefit overpayments.
- Collaborate with partners to align UI with workforce development strategies.



Interagency Compliance Network

**Multi-agency group collaborating on common issues related to workers
Created by statute (ORS 670.600) in 2009**

- Consistency in determinations relating to worker classification.
- Gather and share information regarding improper payment practices.
- Coordinate public education and enforcement efforts.



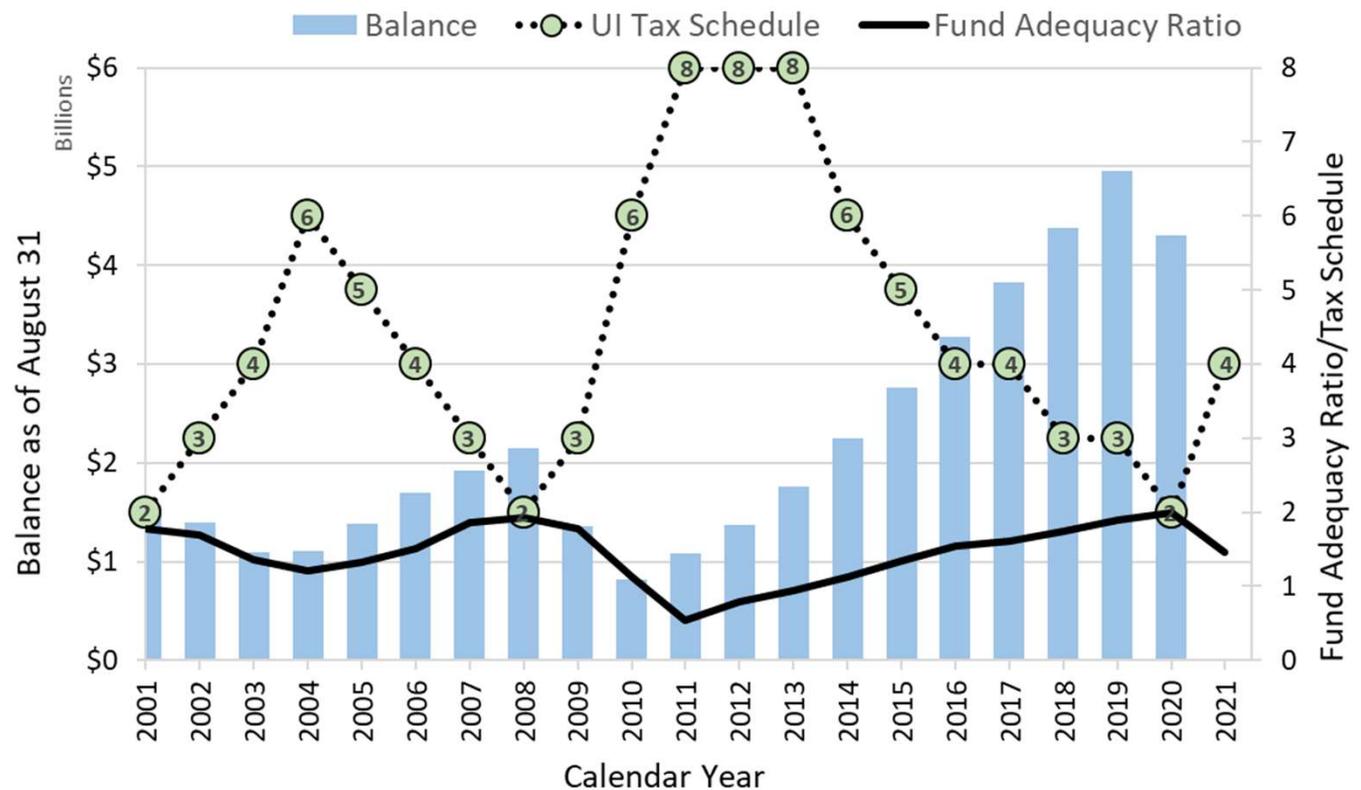
UI Trust Fund Basics

- Oregon's statutory, self-balancing formula plans ahead for economic downturns to avoid tax increases during recessions.
- An adequacy ratio determines which of 8 tax schedules apply for a particular year.
- Within each tax schedule, employers' tax rates depend on their use of the UI system.
- Federal and state law only permit the UI Trust Fund to be used for specific purposes – primarily paying UI benefits.
- Oregon's UI Trust Fund is viewed as a model for other states.



Trust Fund Balance, Schedule, and Fund Adequacy Ratio

Federal and state law restrict the use of funds to Unemployment Insurance



Key Factors Affecting Services

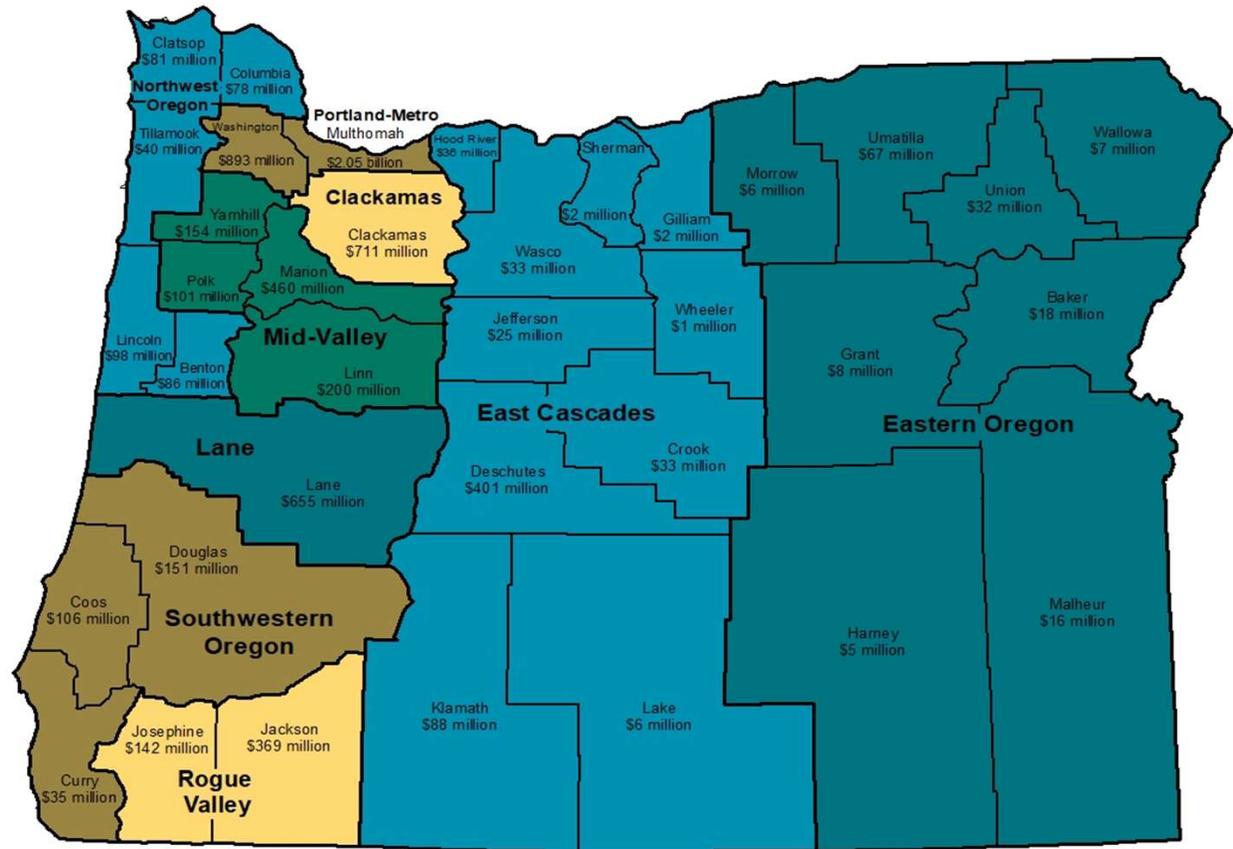
- Overall economic conditions and unemployment rate.
- Size of Oregon's workforce.
- Demand for specialized programs.
 - Work Share, Trade Act, Self-Employment Assistance, temporary federal programs, etc.
- Programmatic and policy changes.
- Need for UI benefits has recurring seasonal fluctuations.
 - The UI program in Oregon is much busier late November through February

Monthly Unemployment Insurance Benefits



Unemployment Insurance Claims for 2020

Total Benefits Paid \$6.7 Billion



People Served by the Unemployment Insurance Program

Employers Calendar Year 2020

Subject Employers	140,000
Number of wages records filed	8.7 million
Amount of payroll taxes collected	\$910 million

Workers	CY 2019	CY 2020	Increase
Claims for benefits	237,000	1.5 million	500%
Weeks of benefits claimed	1.45 million	13 million	790%
Workers receiving benefits	114,000	583,000	400%
Amount of benefits paid	\$521 million	\$6.7 billion	1,100%



Decisions about UI Eligibility

Calendar Year 2020



Outcomes and Opportunities

- Years of inadequate federal administrative funding.
- Legacy technology and processes are barriers – for our customers and our employees.
- Oregon struggles to serve people as quickly as we would like.
- Communicating timely and effectively on complex programs has been difficult.
- Ongoing efforts to minimize improper payments – sophisticated fraud schemes and federal requirements contribute to the challenges.



Historic Levels of Fraud Attacks

- Oregon has many fraud prevention and detection tools in place and is implementing more.
- Early adopter of tools from the National Association of State Workforce Agencies Integrity Center.
- National and international crime rings are targeted unemployment systems.
 - <https://www.govtech.com/blogs/lohrmann-on-cybersecurity/unemployment-benefits-claims-fraud-new-threats-for-2021.html>
- Employers and individuals can help us fight fraud.
 - <https://unemployment.oregon.gov/unemployment-insurance-fraud>



Overpayments and Collections

- Not all overpayments are fraud related.
- The UI system is more complex today than it has been in the past – more opportunities for overpayments caused by a variety of factors.
- Where we can, Oregon is waiving overpayments based on hardship, equity, and good conscience.
- Amount of outstanding debt will increase and be an area of focus for many years to come.
- Balancing not harming workers and businesses with overly aggressive collection efforts while still protecting the UI Trust Fund and ensuring those that intentionally cheat the system pay back what is owed.

Accomplishments 2020

- Implemented multiple federal UI programs including two instances of DUA.
- Created alternate identity validation method when Social Security Administration's system was overwhelmed by state UI systems.
- Modified several processes to provide relief under the CARES Act.
- Multiple enhancements to the Online Claim System.
- Greatly expanded how many claims are processed automatically.
- Quickly hired and trained hundreds of new employees.
- Trained and reassigned hundreds of OED employees from other areas of the agency to help process UI claims and assist customers.



Accomplishments 2020

- Engaged with the National Guard and hired contractors.
- Stood up a third UI Contact Center location and three additional administrative locations - adjusted configuration of locations to follow shifting COVID-19 health and safety guidance.
- Implemented virtual phone technology - transitioned the majority of UI employees to working remotely.
- Increased access for limited English proficiency customers.
- Work Share program expansion.
- Greatly expand document imaging systems and enhanced automated document handling.
- Continued Assistance for Unemployed Workers Act.



2021-23 Priorities

- Modernizing outdated processes and legacy systems.
- Serving the public more timely.
 - Training hundreds of employees hired in 2020 on more complex claim issues
- Further improving communication channels with our customers.
- Implementing new fraud detection and preventions systems.
- Shifting from unemployment to reemployment.





Workforce Operations Division

Jim Pfarrer, Division Director





WorkSource Oregon (WSO) is a network of public and private partners who work together to effectively respond to workforce challenges through high-quality services to individuals and businesses, resulting in job attainment, retention, and advancement.

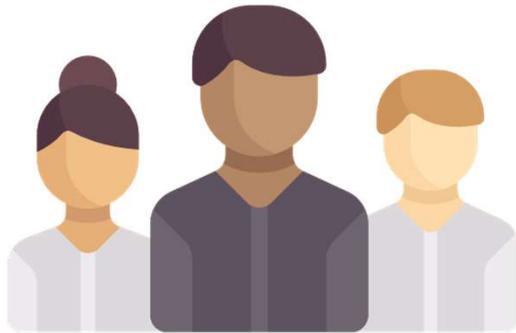
WSO partners include:

- Bureau of Labor and Industries
- Higher Education Coordinating Commission
- Oregon Department of Human Services
- Oregon Commission for the Blind
- Oregon Department of Corrections
- Local Workforce Development Boards
- Oregon Youth Authority
- Vocational Rehabilitation

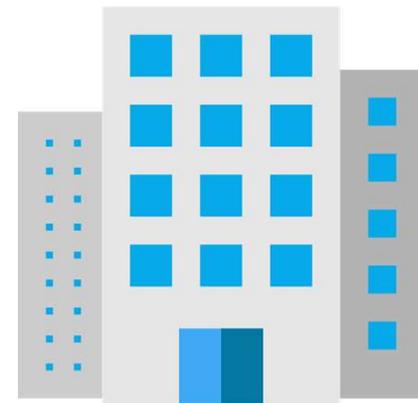


OED Workforce Operations (WO) Division as a WorkSource Oregon public partner:

- Powers the connection of Job Seekers to Employers.
- Manages and delivers several key programs of WSO.
- Serves as board members of all nine Local Workforce Boards.
- Holds prime lease or property owner for most WSO facilities.
- Coordinates with other state agency partners that serve common customers.



Job Seekers
176,872
19 - 21
Biennium



Employers
7,357
19 - 21
Biennium



Workforce Operations

Total Positions: 513

Central Office

Central OR

Bend
Klamath Falls
Madras
Prineville
Redmond
The Dalles

Clackamas

Oregon City

Lane

Eugene-Springfield
Florence

Eastern OR

Baker City
Burns
Canyon City
Enterprise
Hermiston
La Grande
Ontario
Pendleton

Mid-Valley

Albany
Dallas
Lebanon
McMinville
Salem
Woodburn

Northwest OR

Astoria
Corvallis
Lincoln City
Newport
St. Helens
Tillamook

Portland Metro

Beaverton/Hillsboro
Gresham
N/NE Portland
SE Portland
Tualatin

South Coast

Brookings
Coos Bay
Roseburg

Southern OR

Grants Pass
Medford



Job Seekers and Businesses Served

Job Seekers: 176,872 Businesses: 7,357

(Totals for July 2019 - December 2020)

WorkSource Center	Job Seekers	Employers
Albany	5,849	278
Astoria	1,954	100
Baker City	1,578	92
Bend	7,299	75
Brookings/Harbor	2,324	84
Burns	669	47
Canyon City	958	59
Coos Bay	7,800	233
Corvallis	2,736	24
Dallas	2,011	10
Enterprise	311	9
Eugene-Springfield	16,938	419
Florence	1,040	210

WorkSource Center	Job Seekers	Employers
Grants Pass	6,046	257
Hermiston	3,654	147
Klamath Falls	5,128	357
La Grande	2,345	165
Lebanon	2,192	30
Lincoln City	1,142	74
Madras	562	14
McMinnville	4,996	202
Medford	11,576	777
Newport	2,144	185
Ontario	2,493	130
Oregon City	17,055	110
Pendleton	2,222	86

WorkSource Center	Job Seekers	Employers
Portland Metro - Beaverton/Hillsboro	14,329	102
Portland Metro - Gresham	14,208	93
Portland Metro - N/NE	32,378	199
Portland Metro - SE	10,435	38
Portland Metro - Tualatin	23,294	1,225
Prineville	620	12
Redmond	4,970	425
Roseburg	8,855	223
Salem	18,767	401
St Helens	2,364	46
The Dalles	3,662	118
Tillamook	1,464	53
Woodburn	3,183	50



Pandemic Response: March – December 2020

- 400 Workforce Operations employees transitioned to support UI workload by end of May.
- Answering UI and PUA calls, answering emails, answer contact us inquiries, process claims.
- Calling people to get more information when needed.
- Assisting those with language access needs.
- Helping with training and coordination to help the implementation of many new programs.
- Regularly shifting to the greatest customer service need.



Some Workforce Operations staff Continuing to Serve Businesses and Job Seekers

- Shifted to virtual service delivery.
- Proactively reaching out to people likely to exhaust all benefits to offer Employment Services.
- Delivering key federal programs.
 - Eligible Veterans
 - Farmworkers
 - Supplemental Nutrition Assistance Program
 - Work Opportunity Tax Credit
 - Trade Act Program



Pandemic Response: Virtual Service Delivery

- **Service Model** – Agency workgroups and local area planning with partners underway to implement equitable virtual customer engagement methods, and in-person by appointment as county COVID risk levels permit.
- **Business Services** – WO staff host drive-thru job fairs that connect employers with job seekers who remain in their cars for interviews, and virtual hiring events to bring employers and job seekers together online.
- **Statewide Workshops** – WO staff deliver live virtual workshops in English and Spanish, including: resume, interviewing, networking, and soft-skills. Applying for State Jobs workshop formally launches February 2021, and Rethinking Job Search launches in Spring 2021.



Key Federal Programs



Key Federal Programs



The **Migrant and Seasonal Farmworker** (MSFW) program continued to serve MSFWs and agricultural businesses — 25,617 MSFWs contacted. The agency signed two Memoranda of Understanding this program year, including one with the Oregon Health Authority to share employer contact information so that OHA could offer COVID-19 testing to Agricultural workers beginning seasonal employment.

Foreign Labor Certification applications continue to grow — 238 were received in 2019, compared to 214 in 2017. 111 housing consultations were completed by OED, and the first virtual housing consultation was completed on March 27, 2020.



Key Federal Programs



Oregon's **Trade Act Program** continues to be considered the best in the nation, and has been recognized by U.S. Department of Labor (DOL) for best practices during the pandemic. Trade Act had 79 more participants approved for training in last three quarters of 2020, than all of 2019 — **Policy Package 103** establishes 4 positions that are federally funded to increase agency capacity to effectively serve Oregon communities.

Last year, 10,000 **veterans accessed services** through local offices — roughly 1,000 of those veterans have significant barriers to employment and are provided intensive services by 22 veteran employment specialists. Strong partnerships exist with the Veterans Administration, Oregon Department of Veterans Affairs, Oregon military units, and other community support organizations.



Key Federal Programs



Over 39,000 unemployment insurance claimants have participated in **Reemployment Services and Eligibility Assessments** since July 2019. Business Services staff have assisted UI claimants to become reemployed, with some individuals interviewing for and accepting jobs ranging between \$70,000 and \$135,000 annually.

Workforce Operations delivers intensive services to **supplemental nutrition assistance program (SNAP)** recipients — 11,549 SNAP recipients who volunteered to participate and received job search service in Program Year (PY) 2019. **Policy Package 102** establishes 50 positions that are funded through other funds for services to state agencies to handle program growth.



Key Federal Programs



Partnerships between Bureau of Labor and Industries, Employment Department, and the Higher Education Coordinating Commission continue to expand **registered apprenticeship** into industries beyond construction trades.

The first half of PY 2020 saw the **Work Opportunity Tax Credit (WOTC)** track closely with the same period in PY 2019. The second half of PY 2020 included the COVID-19 outbreak. Applications for the WOTC dropped in parallel with reduced hiring. In spite of a redistribution of resources, processing time remains under 30 days.



Program Year 2019 Accomplishments

- Over \$72,187,400 in tax credits were certified for Oregon Employers.
- Automating of the Long Term Unemployment Recipient (LTUR) category (in 2018) has OED well positioned to absorb an expected increase in LTUR requests as Oregon employers hire individuals whose employment had been interrupted for more than 27 weeks.
- Automation completed in January 2021 will retrieve requisite veteran data made available through the Service-Members Civil Relief Act (SCRA). This new process will reward employers who hire veterans with an increased accuracy and a reduction in processing time.



Work Opportunity Tax Credit

Program Year 2019 Accomplishments

Trade Act collaboration success:

- Co-enrollment in the WIOA Title I Dislocated Worker Program – The partnership has produced guidance documents and continues to meet with local providers to build joint training that will initiate this spring.
- Agent/Liable State Coordinator – Creates a single point of contact for TAA Case managers to refer interstate customers between Oregon and Washington.
- TAA and WSO Business Services – Finalizing collaboration plan that streamlines statewide communication process, role expectations and referral process.



Trade Adjustment Assistance

Program Year 2019 Accomplishments

National Recognition for Exceptional Veteran Service:

- The National Association of State Workforce Agencies (NASWA) awarded the Oregon WorkSource Bend one-stop with the prestigious Mark Sanders award. This award is bestowed annually to an individual or group in the U.S. that provides exceptional workforce and/or job market assistance to Veterans, especially those with significant barriers to obtaining and retaining employment.
 - View: [Oregon WorkSource Bend video](#) (4:18 minutes)
 - View: [NASWA News - WorkSource Bend Recognized](#) (external link)



Veteran Services



Areas of Future Focus

- LinkedIn Recruitments – 12 Business Service recruiters piloted use in 2019 to increase outreach pool to fill open job opportunities and create stronger virtual community connections.
- Title 1B Adult and Dislocated Worker Program – OED has been awarded the T1B contract for the Rogue Workforce Partnership – **Policy Package 102** establishes 6 positions to meet the requirements of the contract.
- STEP Digital Inclusion project continues to provide for support services that connect customers to critical technology resources at-home for job attainment and retention. Pay ID application and court name change fees for transgender customers.
- Partner with workforce system leadership to adapt services for virtual appointments, and other in-person service alternatives, that ensure availability, accessibility, and equity for all WorkSource Oregon customers.





Modernization Program

Renee Royston, Modernization Director



Program Overview

Modernization Program is a **multi-year initiative** focused on **transforming the agency's business processes and core technology systems.**

Computer systems supporting receipt of **unemployment insurance taxes**, payment of **unemployment insurance benefits**, and delivery of **employment services will be replaced.**

Business processes will be transformed to take advantage of **new system capabilities.**



Modernization Program Goals

Enhance customer
experience

Modernize technology

Transform business
processes

Improve data security



Modernization Guiding Principles

Focus on our customers' experience

Advocate for our customers' experience, while also enabling our employees and partners to improve service delivery.

Deliver core services first

Ensure we can continue our core services, and plan for improvements, flexibility, and future expansion.

Configure over customize whenever possible

Adapt, transform, and improve processes, rather than customizing the new system(s) to existing processes.

Seek opportunities for self-service

Provide self-service opportunities and maintain equitable access for our customers.

Automate thoughtfully

Automate repeatable processes that don't require human judgment.



Modernization Program

Total Positions: 55

Vendors

- Solution vendor(s)
- iQMS/IV&V vendor
- Change management
- Technical professional services

Expanded UI Project Team

- Operational staff providing subject matter expertise, testing, training, changes to existing systems, and other functions in support of projects

Program Team

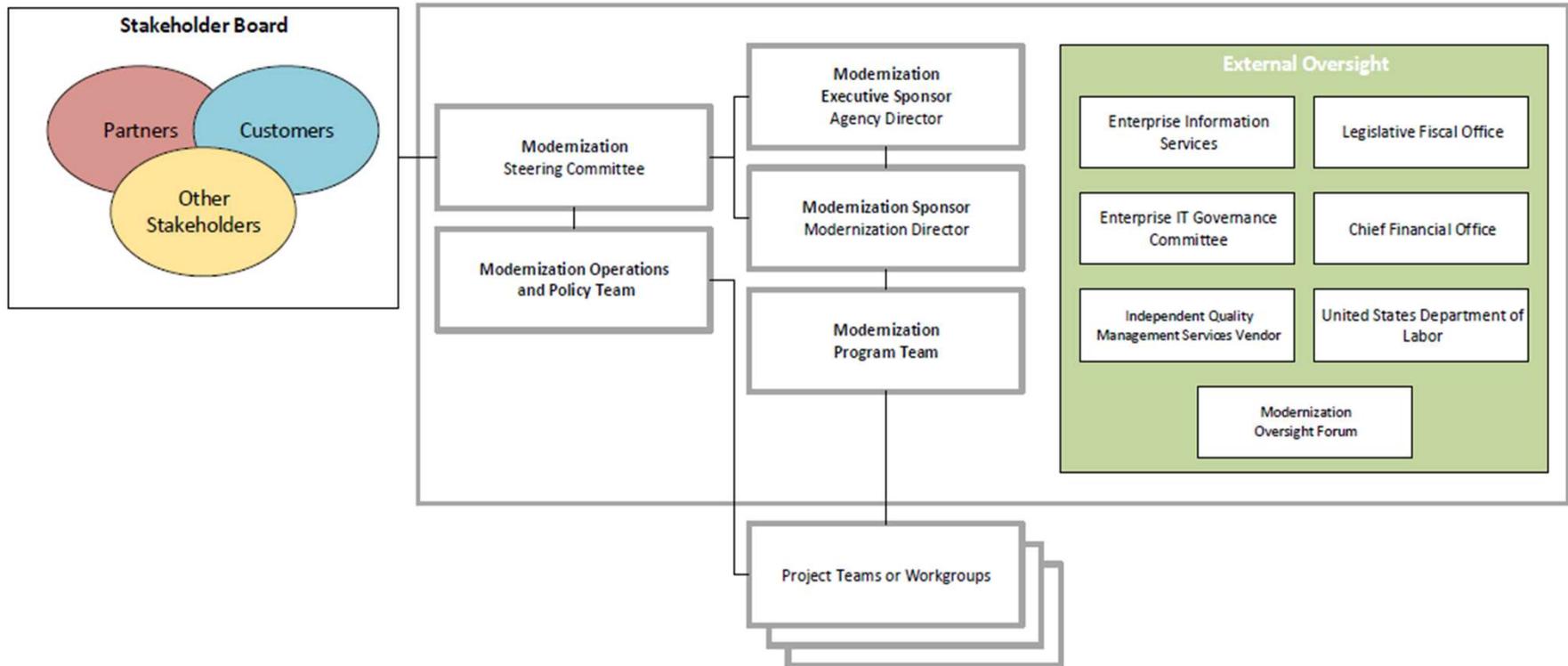
- Program strategy, leadership, and support
- Project management, scheduling, task management
- Contract administration and vendor management
- Program and project plans
- Risk and Issues management and Quality Services
- Communication, Organizational Change Management, and outreach
- Human resources and budget

UI Modernization Project Teams

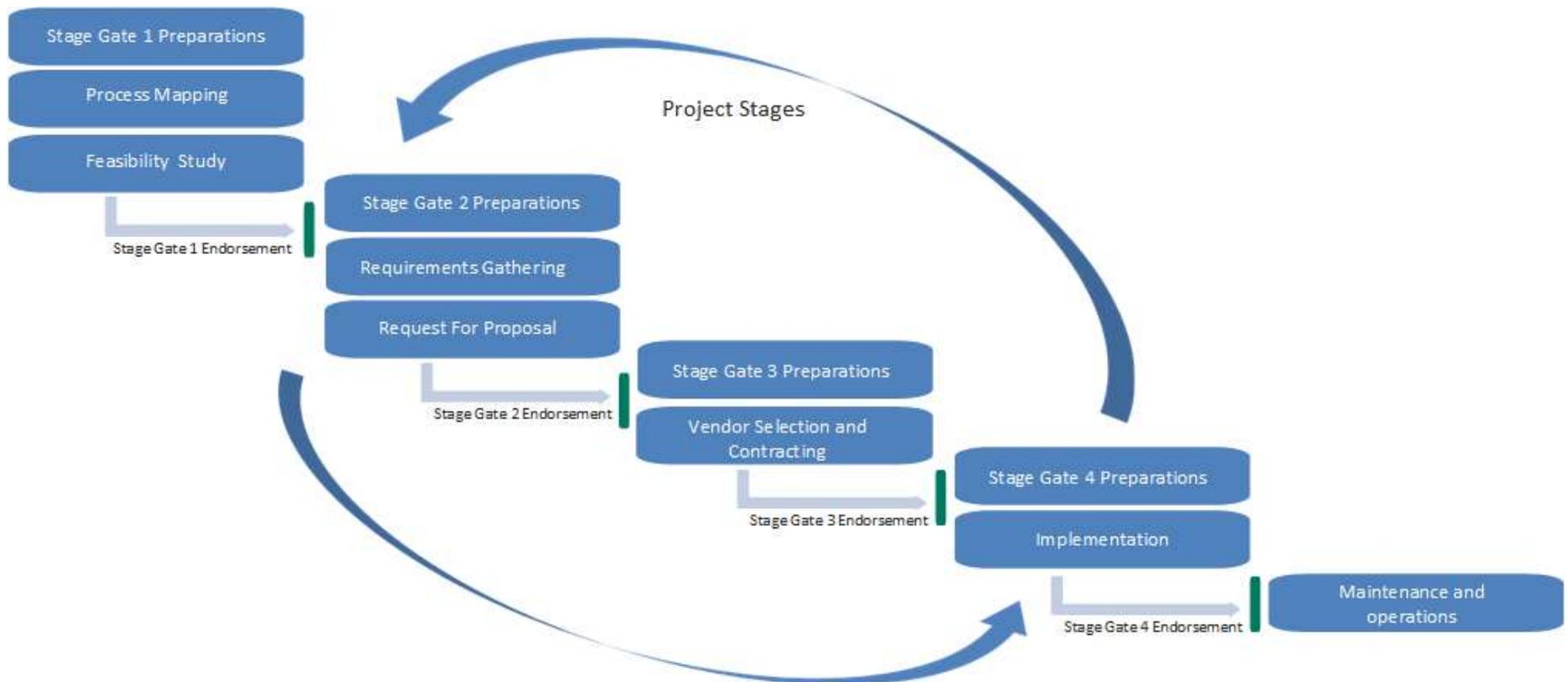
- Implementation of new technology solutions and business processes
- Business and technical analysis on system requirement, design, documentation, configuration and development, and processes
- Data purification and conversion
- Interfaces
- System testing and user training
- Cutover planning and execution



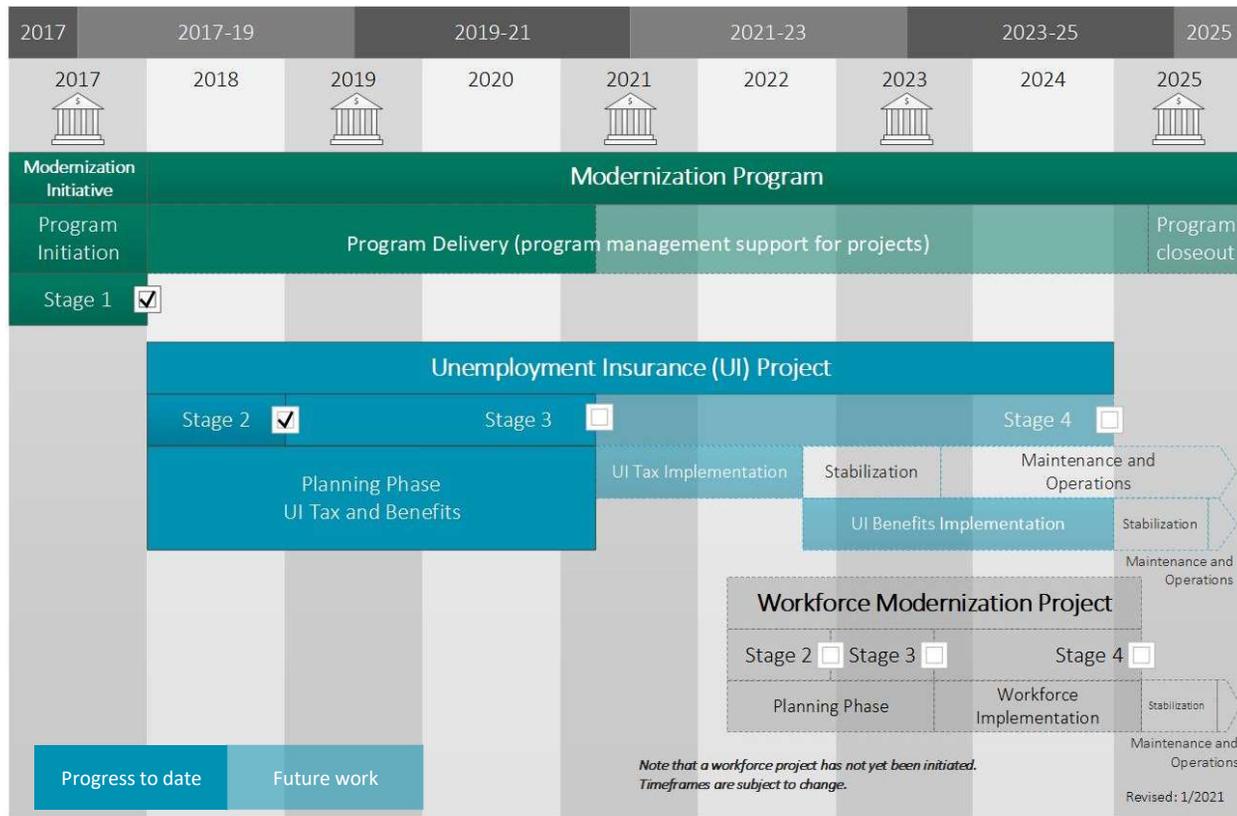
Modernization Program Governance



Joint Legislative & Executive Branch Stage Gate Process



Modernization Program—A Multi-Biennia Effort



Unemployment Insurance Project

- **Oregon's households and economy** — Provides financial support that is an essential contribution to the stability of Oregon communities.
- **Revenue collection for state government** — Combined Payroll Reporting System is a partnership with Department of Revenue and the Department of Consumer and Business Services.
- **Information on every covered worker and almost all businesses** — Supports Quarterly Census of Employment and Wages (QCEW) and provides foundation for Oregon's Performance Reporting Information System (PRISM).
- **Necessary investment in state's infrastructure** — Integrating tax and benefits will create efficiencies for us and partner agencies.



Unemployment Insurance Project Scope

- **Implement** a vendor solution that delivers unemployment insurance tax and benefits.
- **Configure** vendor solution to meet the agency's detailed business requirements.
- **Convert data** from our legacy systems.
- Revise **business process** to reflect industry best practices provided by the vendor and existing user community.
- **Knowledge transfer** and technical documentation to support the new system.



2019-21 Challenges Overcome

- Staffing turnover
- Leadership changes
- Procurement delays
 - RFP process timeline underestimated
 - Delay/impacts of pandemic on RFP evaluation processes
 - Notice of Intent to Award protest and resolution
- Pandemic - Recession
 - Redeployment of resources
 - Impacts to preparing legacy systems for UI Modernization
 - Impacts to requirements for UI Modernization



2019-21 Accomplishments

- Staff hiring
- Released UI solution RFP
 - Conducted four rounds of vendor evaluations and demonstrations
 - Released Notice of Intent to Award a contract (twice)
 - Successfully resolved a protest submitted by a competing proposer
 - Initiated contract negotiations
- Process and Constraints Workgroup
- Legacy Planning Workgroup
- UI Stakeholder Board Data Workgroup
- IT Readiness Assessment
- Contracted for Organizational Change Management Services
- Partnered with PFMLI program to conduct requirements analysis

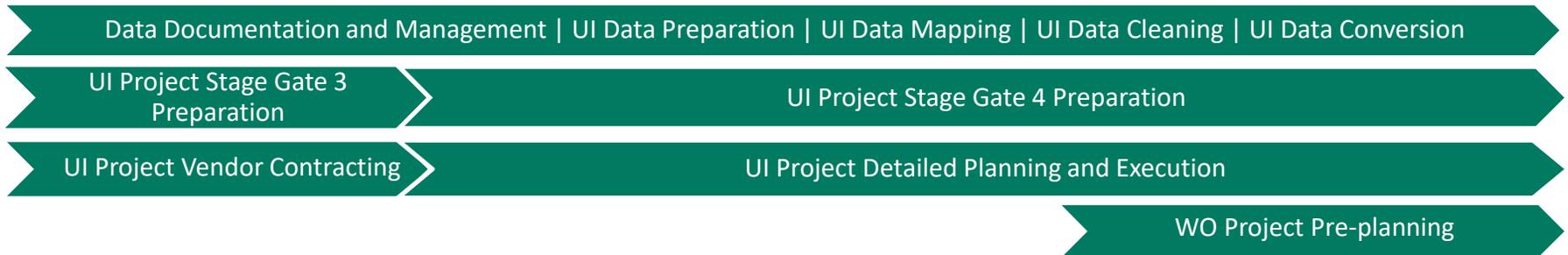


2021-23 Modernization Policy Package



The 2021-23 Policy Package includes mostly vendor costs: UI Solution, Quality Assurance and Testing.

Services & Supplies + \$8.90 million	Services & Supplies + \$1.3 million	Services & Supplies + \$7.5 million	Services & Supplies + 7.9 million
Total = \$3.90 million	Total = \$10.2 million	Total = \$17.7 million	Total = \$25.6 million



Modernization is a Multi-Biennia Effort

Biennium	Description	Total Limitation Requested	Actual + Projected Expenditures*	Unused Limitation
2015-17	Base budget	\$ 986,633	\$ 597,255	\$ (389,378)
	Policy Package 101	\$ 3,046,026	\$ 643,563	\$ (2,402,463)
	Total	\$ 4,032,659	\$ 1,240,818	\$ (2,791,841)
2017-19	Base budget	\$ 688,847	\$ 406,601	\$ (282,246)
	Policy Package 101	\$ 4,682,314	\$ 3,174,748	\$ (1,507,566)
	Total	\$ 5,371,161	\$ 3,581,349	\$ (1,789,812)
2019-21	Base budget	\$ 8,035,295	\$ 7,527,062	\$ (508,233)
	Policy Package 101	\$ 13,699,764	\$ 3,775,924	\$ (9,923,840)
	Total	\$ 21,735,059	\$ 11,302,986	\$ (10,432,073)
2021-23	Base budget	\$ 27,187,134	\$ TBD	\$
	Policy Package 101	\$ 25,573,268	\$ TBD	\$
	Total	\$ 52,760,402	\$ TBD	\$
2023-25	Base budget	\$ TBD	\$ TBD	\$
	Policy Package 101	\$ TBD	\$ TBD	\$
	Total	\$ TBD	\$ TBD	\$
	Cumulative Base Budget	\$ 36,897,909	\$ 8,530,918	\$ (28,366,991)
	Cumulative Policy Packages	\$ 47,001,372	\$ 7,594,235	\$ (39,407,137)
	Total through 2021-23	\$ 83,899,281	\$ 16,125,153	\$ (67,774,128)

*Actual and projected expenditures as of 12/31/2020



Priorities for 2021-23

- **Begin** Unemployment Insurance solution implementation
 - Tax phase first followed by benefits
 - Consideration for including PFMLI contributions
- **Planning** for the Workforce Operations project
 - Meetings with stakeholders
 - Business and technical requirements
 - Stage Gate 2 approval
 - Create and release Workforce Operations solution RFP

Next Steps

- **Spring 2021**
 - Complete negotiation of UI Solution Vendor contract
 - Hire and onboard remaining UI Project team
 - Stage Gate 3 approval for UI Modernization Project
 - Legislative approval for UI Modernization Project
- **Summer 2021**
 - Begin implementation project with UI Solution Vendor





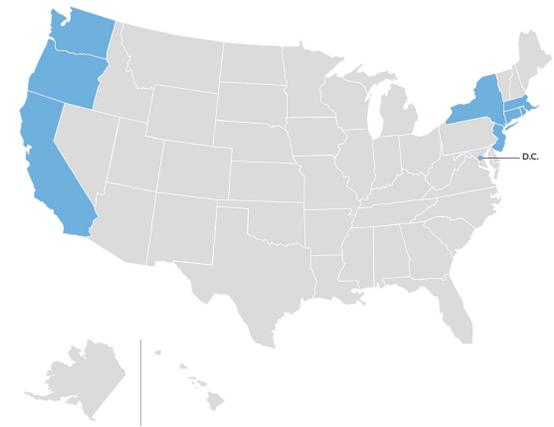
Paid Family and Medical Leave Insurance Division

Gerhard Taeubel, Acting Division Director



Oregon joins eight others in having a paid family and medical leave insurance program

Oregon	• Benefits start January 2023	
Connecticut	• Benefits start January 2022	
Massachusetts	• Benefits started January 2021	
Washington DC	• Benefits started July 2020	
Washington	• Benefits started January 2020	
New York	• Benefits started January 2018	✓
Rhode Island	• Benefits started January 2014	✓
New Jersey	• Benefits started July 2009	✓
California	• Benefits started July 2004	✓



✓ Many evolved from existing state disability insurance programs

The Purpose of Paid Family and Medical Leave Insurance

- Provide 12 weeks of paid leave to eligible workers
 - 2 more weeks paid leave for pregnancy, childbirth, and related conditions
- Qualifying types of leave are:
 - Medical leave to care for an employee's own serious health condition
 - Family leave to bond with a new child during first year after birth, adoption, or foster placement or to care for a family member with a serious health condition
 - Safe leave to deal with issues related to domestic violence, harassment, sexual assault, or stalking

The Purpose of Paid Family and Medical Leave Insurance

- Provide an important safety net for working Oregonians who need to take leave for a qualifying event.
 - Increase economic security
 - Improve equitable access to health care
 - Promote child development
- Reduce employee turnover and promote long-term employee retention, productivity, and morale.

Paid Family and Medical Leave Insurance Fund

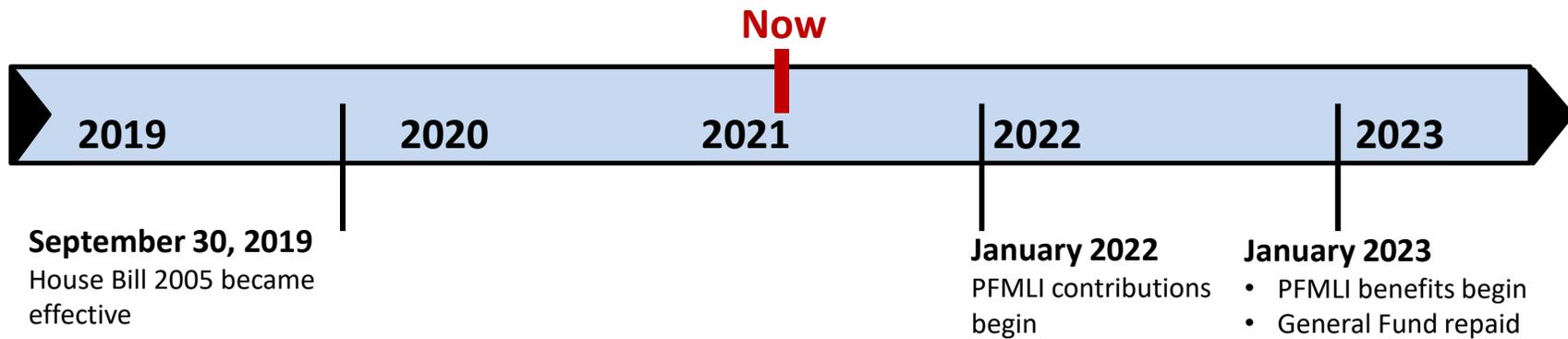
- With limited exceptions, all employers and employees must contribute to the Paid Family and Medical Leave Insurance Fund.
 - Tribal governments and self-employed individuals may elect to participate .
- Contributions begin to accrue in January 2022.
- Contribution rate is set annually by Employment Department Director; cap of 1% of wages.
 - Rate must be sufficient to generate an end-of-year balance of not less than six months of projected expenditures.

Paid Family and Medical Leave Insurance Fund

- Contribution rate applies to the first \$132,900/year in wages, indexed annually for inflation.
- Contributions are split between employees (60%) and employers (40%).
- Small employers (fewer than 25 employees) are not required to pay employer contributions.
- Employers with approved equivalent plans are not required to pay employer contributions.

Statutory timelines

HB 2005 (2019)



Paid Family and Medical Leave Insurance (PFMLI)

Advisory Committee

Total Positions: 323

PFMLI Contributions

- Employer registration
- Contributions status determination
- Combined reporting
- Contributions collection
- Account maintenance
- Field audits

PFMLI Benefits

- Claims processing
- Benefit eligibility determination
- Benefit amount determination
- Payment of benefits
- Benefit payment control (prevent, detect, and recover overpayments)

Special Programs

- Equivalent plans
- Grants for small employers



Building the Program

Established
implementation team

Formed Advisory
Committee and State
Partners Team

Completed third-party
actuarial analysis

Established project
management standards
and methodology



Building the Program

Began developing policies, business processes, and administrative rules

Began identifying and developing system requirements

Initiated public engagement and outreach efforts

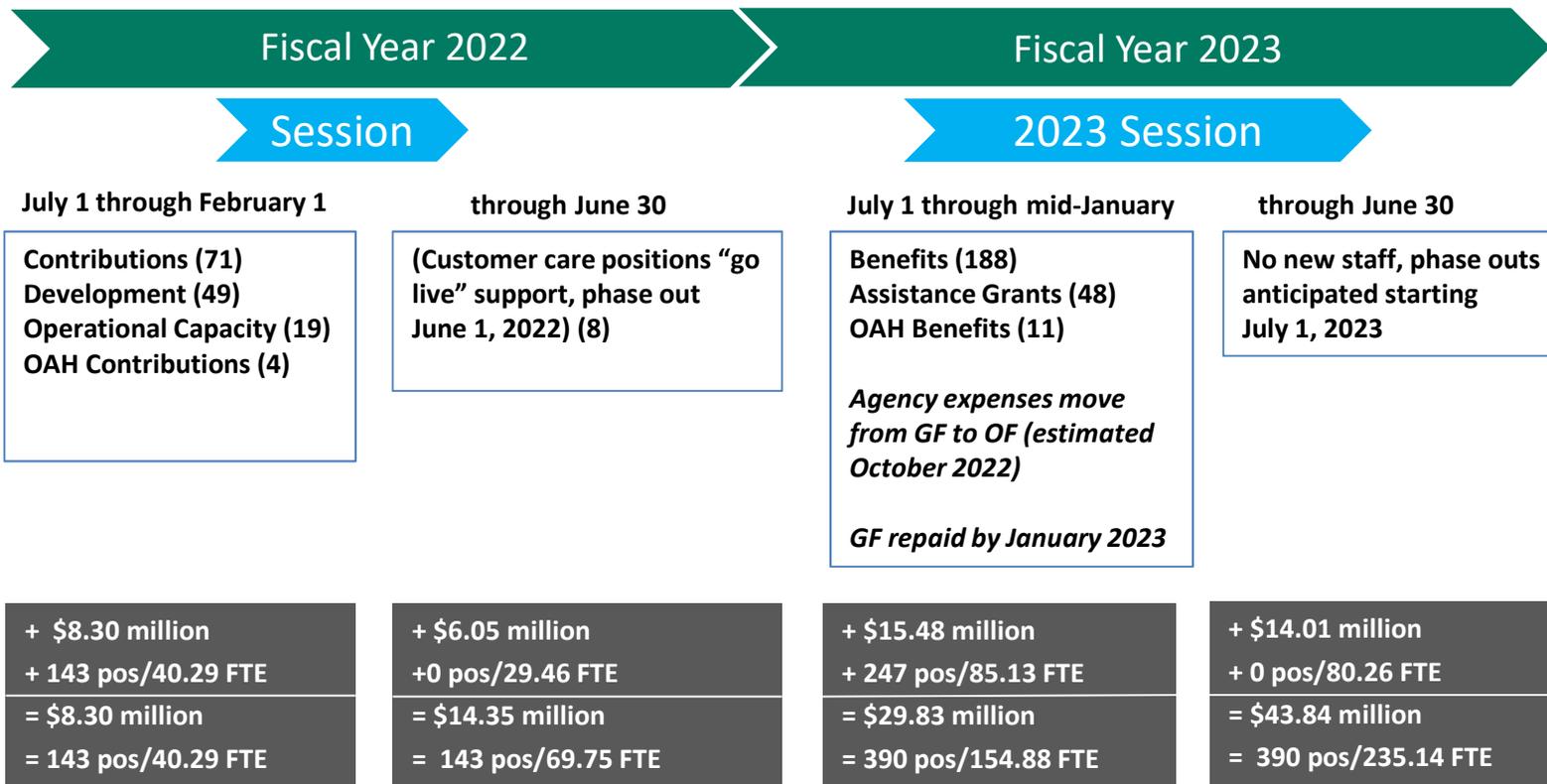


2021-23 Priorities

- Program implementation
 - Ongoing policy, administrative rule, and business process development.
 - Acquire technology solution for contributions and benefits.
 - Develop organizational structure.
 - Raise program awareness with Oregon workers and employers.
 - Ensure program accessibility by diverse communities.
- Transition from implementation to ongoing operations
 - Contributions collection.
 - Claims administration and payment of benefits.
 - Equivalent plans and small employer assistance grants administration.



PFMLI Staffing Policy Package (#104)



PFMLI IT Policy Package (#105)



Information Technology Solution Costs (Estimate)	
Vendor Solutions	\$54,000,000
System Maintenance and Support	\$4,000,000
Independent Quality Management Services	\$2,000,000
Telephone System	\$875,000
Change Management	\$200,000
Backend Software Server Upgrades	\$150,000
End User Testing and Focus Groups	\$100,000
Total IT Costs (Estimate)	\$61.33 million

*Agency expenses move from GF to OF (estimated October 2022)
GF repaid by January 1, 2023*

Office of Administrative Hearings

John Mann

Chief Administrative Law Judge



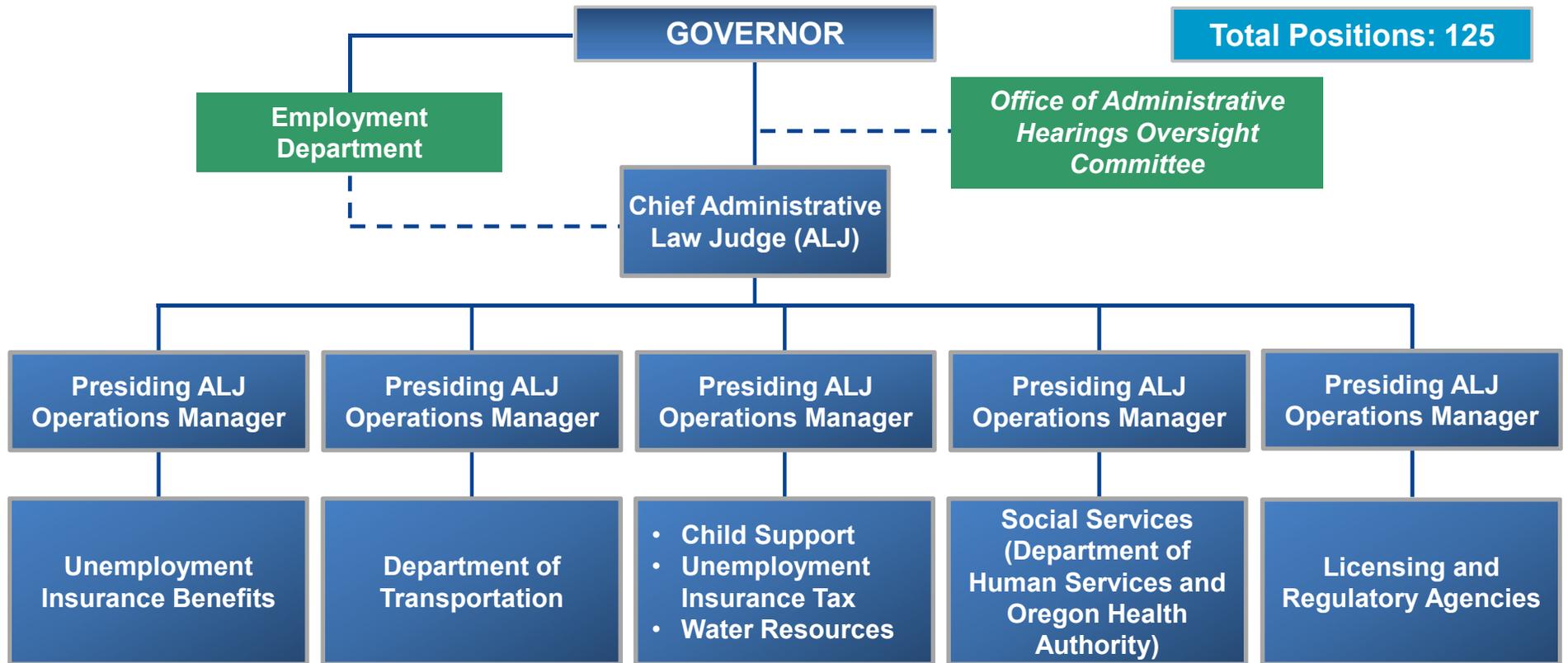
Provide Impartial, Fair and Efficient Contested Case Hearing Services

Office of Administrative Hearings

- The Office of Administrative Hearings (OAH) is a central panel of administrative law judges with the responsibility to conduct administrative hearings for most state agencies in Oregon.
- Under the Administrative Procedures Act, all state agencies are required to use the OAH for administrative hearings unless specifically exempted by statute (ORS 183.635)
- Many agencies that are not required to use the OAH have chosen to do so and have entered into interagency agreements for just that purpose.



Organizational Structure



Office of Administrative Hearings

Types of Hearings

- Unemployment Insurance Benefits and Taxation
- Social Service Benefits
- Child Support
- Driver License Suspensions
- Special Education
- Water Resources
- Professional Licensing and Regulatory
- Paid Family Leave



The Office of Administrative Hearings

Agencies That Have Chosen to Use Our Services

Several state agencies have voluntarily entered into agreements to have the OAH conduct their hearings—these include:

- Oregon Department of Education
- Department of Corrections
- Oregon State Police
- Oregon Youth Authority
- Department of Justice – Charitable Activities Section
- Energy Facility Siting Council



Office of Administrative Hearings

Hearing Locations

- Prior to the COVID-19 pandemic, approximately 80% of OAH hearings were conducted by telephone. The remaining 20% were held in person at locations throughout the state.
- Many in-person hearings are held at one of our three main hearing offices in Eugene, Salem, and Tualatin and at a satellite office in Portland.
- In person hearings are also held by ALJs located in Employment Department facilities in Medford, Bend, and Pendleton.
- The OAH also holds hearings in public buildings throughout Oregon when hearings are subject to geographical restrictions or when necessary to accommodate the needs of the parties.



Office of Administrative Hearings

Response to COVID-19

- Beginning in March 2020, all administrative law judges and most operations staff were required to telework. A core group of Workforce Operations staff continued to work in the office to perform tasks that could not be done remotely.
- The OAH suspended all in-person hearings in April 2020. This had no impact on the 80% of our hearings that have traditionally been held by telephone.
- Many of our in-person hearings were converted to phone hearings.
- The OAH began offering video conference hearings using Skype for Business starting in May of 2020. The OAH will be moving to a different video conferencing platform in the near future.



Office of Administrative Hearings

Response to COVID-19

- Lengthier, more complex hearings were typically held in-person prior to the pandemic.
- In-Person hearings are not required by law in most cases, but are generally more manageable in-person and are generally preferred by hearing participants for lengthier hearings.
- Since April of 2020 these hearings have either been held by phone, by video conference, or postponed.



Office of Administrative Hearings

Response to COVID-19

- The impact on Implied Consent hearings for the Division of Motor and Vehicle Services (DMV) was the most significant.
- ORS 813.410(4) provides that implied consent hearings shall be conducted by telephone or other two-way electronic communication device.
- However, ORS 813.410(5) allows parties to request that the hearings be held in person. When such a request is made, then the hearing must be held in person at a location that is in the county where the person was arrested, or within 100 miles of that location.
- Historically, approximately 80% of hearing participants requested in-person hearings.



Office of Administrative Hearings

Response to COVID-19

- Since the pandemic, the majority of hearing participants have agreed to have their hearings held by telephone.
- Approximately 33% of implied consent hearing participants have requested to have their hearings conducted in-person since the pandemic began. The OAH postponed in-person hearings until they could be held safely.
- The OAH resumed a limited number of in-person implied consent hearings in December 2020 in our Salem and Tualatin offices. We will be expanding in-person hearings to other locations in the coming months.



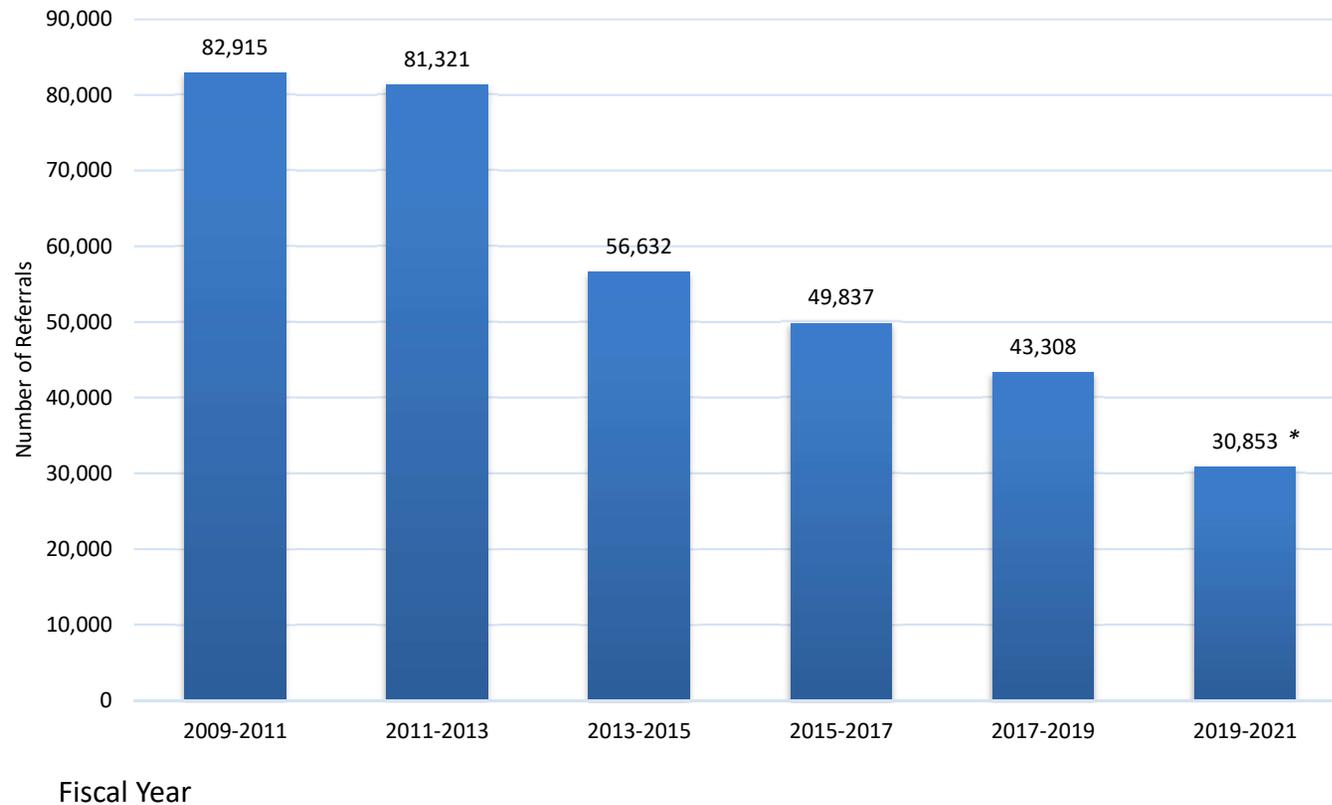
Office of Administrative Hearings

In-Person Hearings - Challenges

- Hearing room availability
 - Hearing rooms must be large enough to allow for social distancing.
 - Hearing rooms must have adequate ventilation.
 - Limited number of larger hearing rooms limits the number of hearings that can be held.
- Off-Site Hearing Locations
 - Inability to ensure adequate precautions.
 - Limited access to public buildings.
- Travel for off-site hearings
 - Risk of ALJ potentially being source of spread between counties.
 - Availability of adequate hotel and restaurant services.



Agency Hearing Referrals

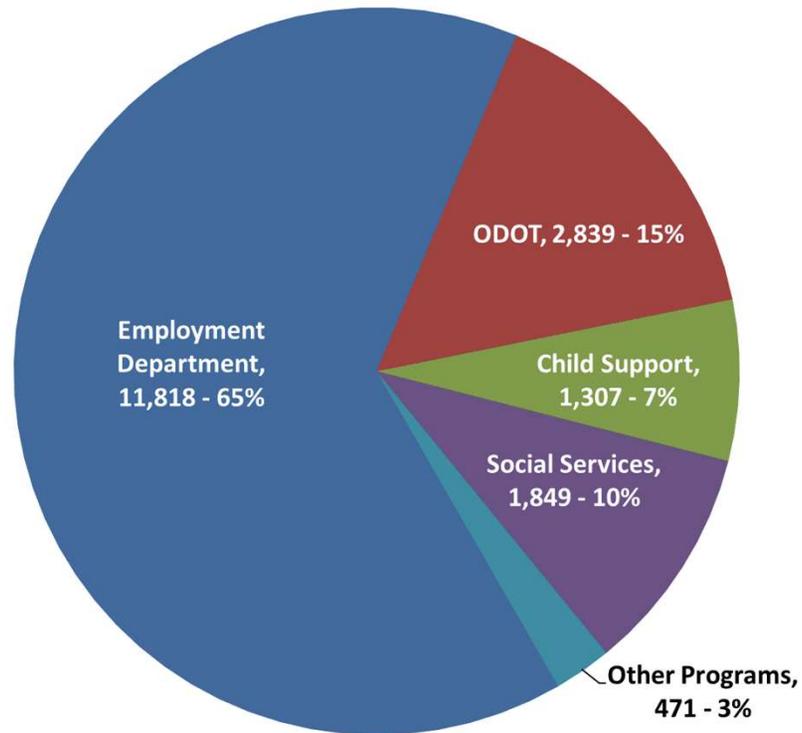


**Through December 2020*



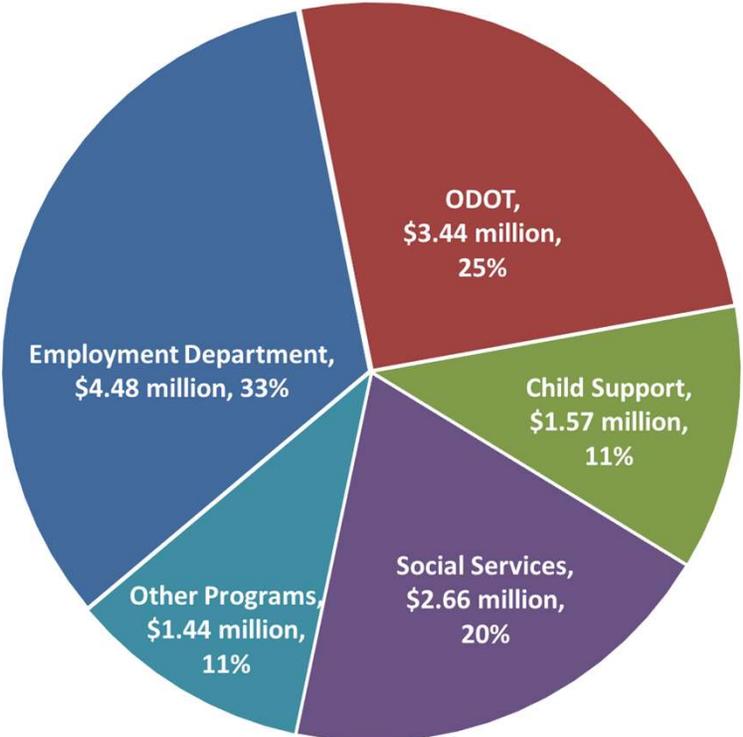
Hearing Requests

Fiscal Year 2020
Hearing Requests
Received
18,284



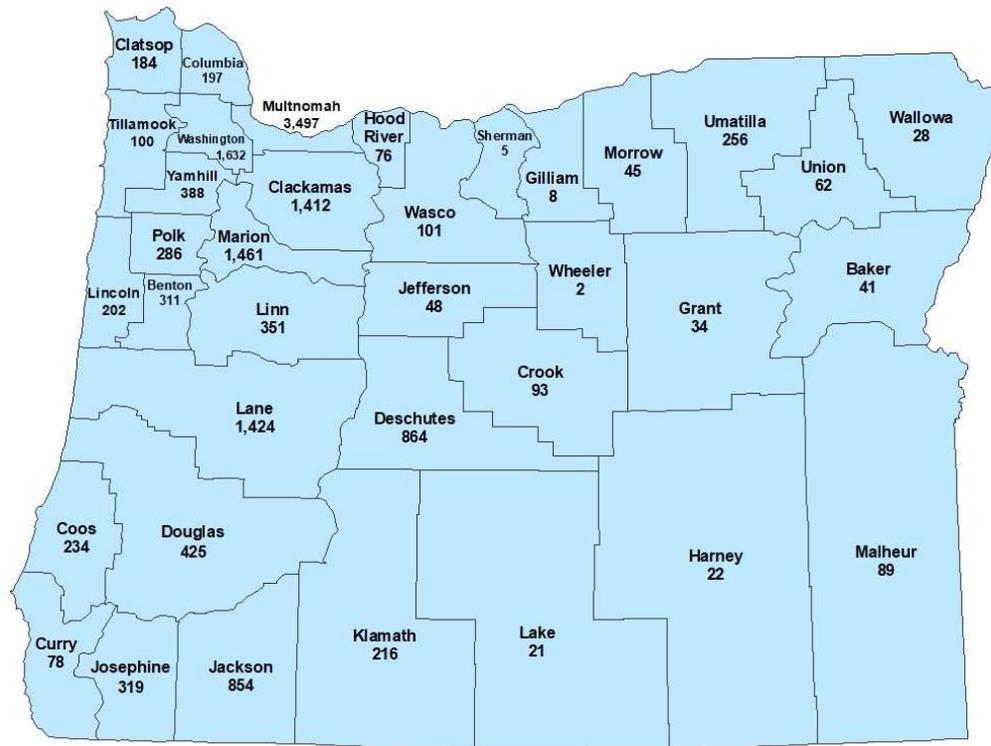
Expenditures by Program

Fiscal Year 2020
Expenditures
\$13.60 million



Hearing Participants by County 2020

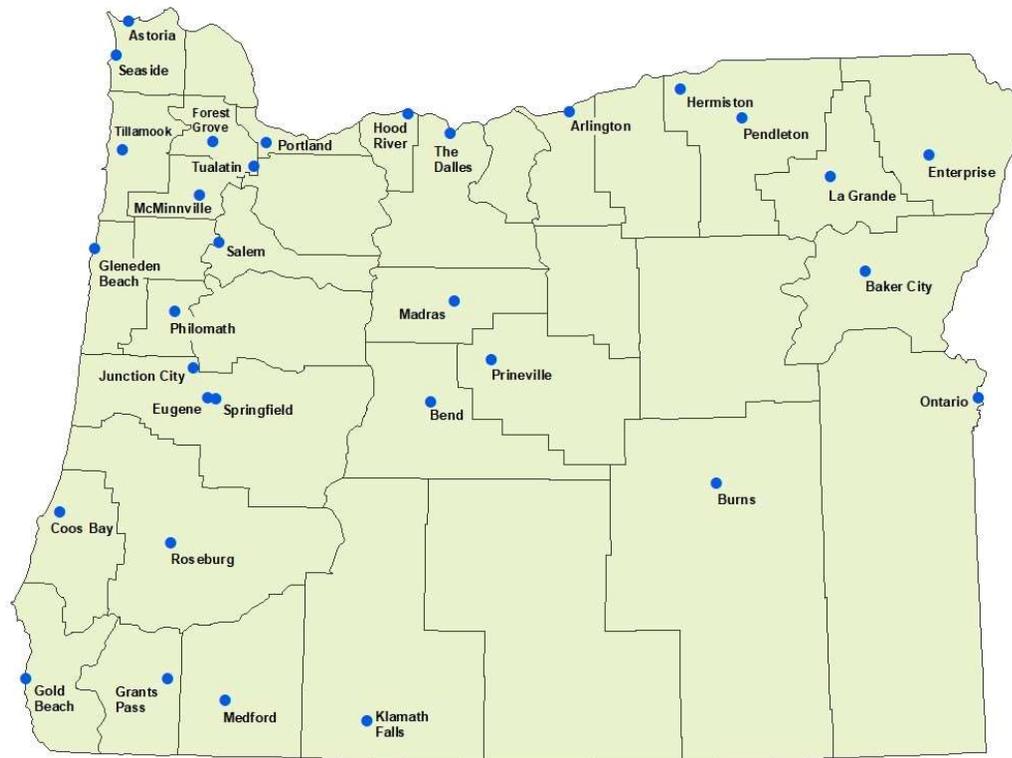
15,366
Parties from
All 36
Oregon
Counties



Administrative Law Judge Travel 2019 - 2020

ALJs traveled to
32 Cities in 25
Oregon Counties
to conduct
hearings

Travel
Suspended in
April 2020



Public Service Accomplishments

- Thousands of cases resolved each year on issues of critical concern to individual Oregonians, families, and businesses.
- Continuing to meet the needs of Oregonians during the pandemic through the increased use of electronic hearings.
- Use of electronic case management tools to allow judges to access documents while teleworking.



Areas of Future Focus

- Implementation of a hearing program for Paid Family and Medical Leave.
- Ensuring adequate staffing to hold Increasing number of UI hearings.
- Gradually increasing ability to conduct in-person hearings.
- Expanding the uses of video conferencing for hearings.



Agency Billing

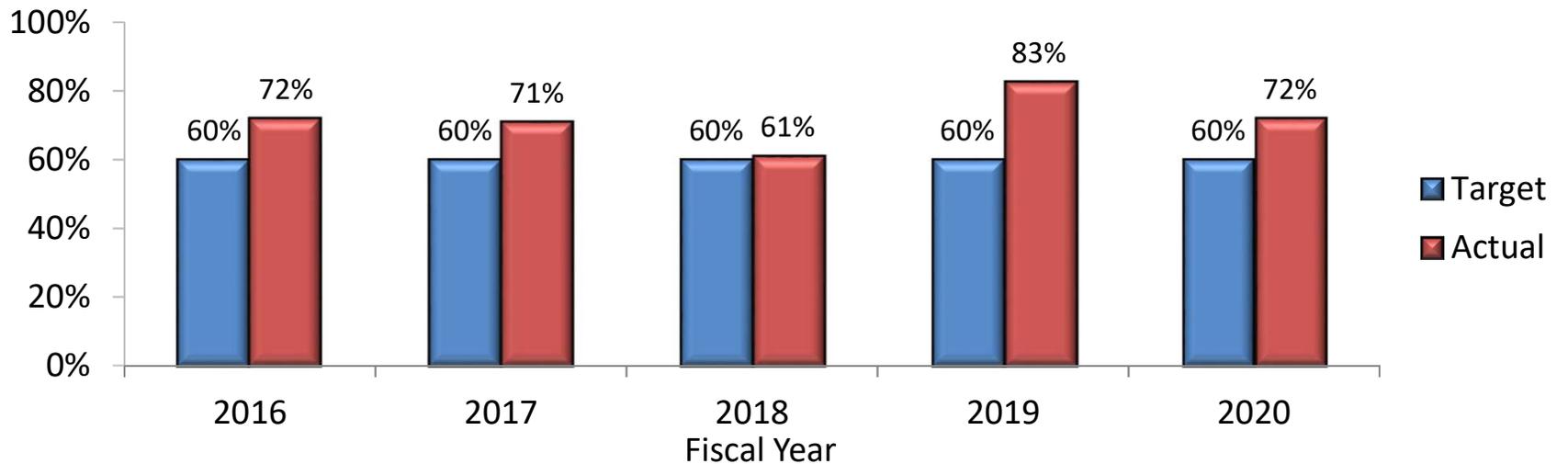
- The OAH will be introducing a new billing methodology beginning in July 2021.
- Agencies that have historically referred the largest number of cases to the OAH each year will continue to be billed using actual costs.
- Agencies that have historically referred a smaller number of cases to the OAH will be billed based on an hourly rate.

Agency Billing

- Hourly rate is designed to be cost neutral.
- Agencies should not see an increase in annual billings.
- Invoices should be more predictable and more easily understood.
- Actual cost model fairly allocates costs to agencies, but can have some variability based on timing of OAH expenditures.

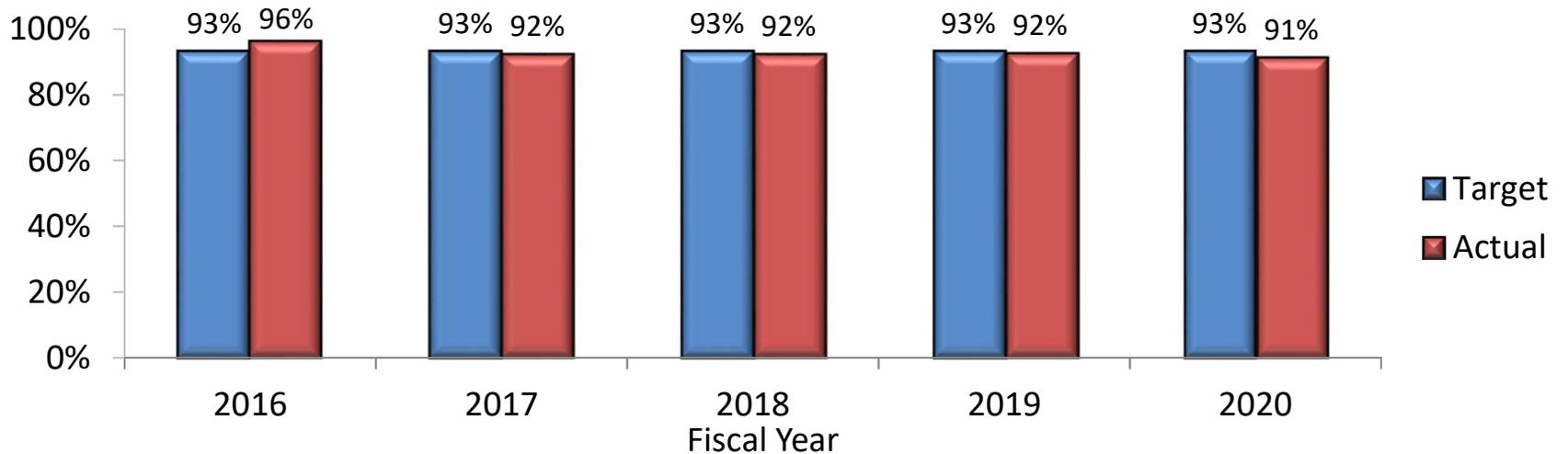
Key Performance Measures and Outcomes for 2020

KPM #7 Unemployment Insurance Appeals Timeliness: Percentage of cases requesting a hearing that are heard or are otherwise resolved within 30 days of the date of request • A higher percentage is better



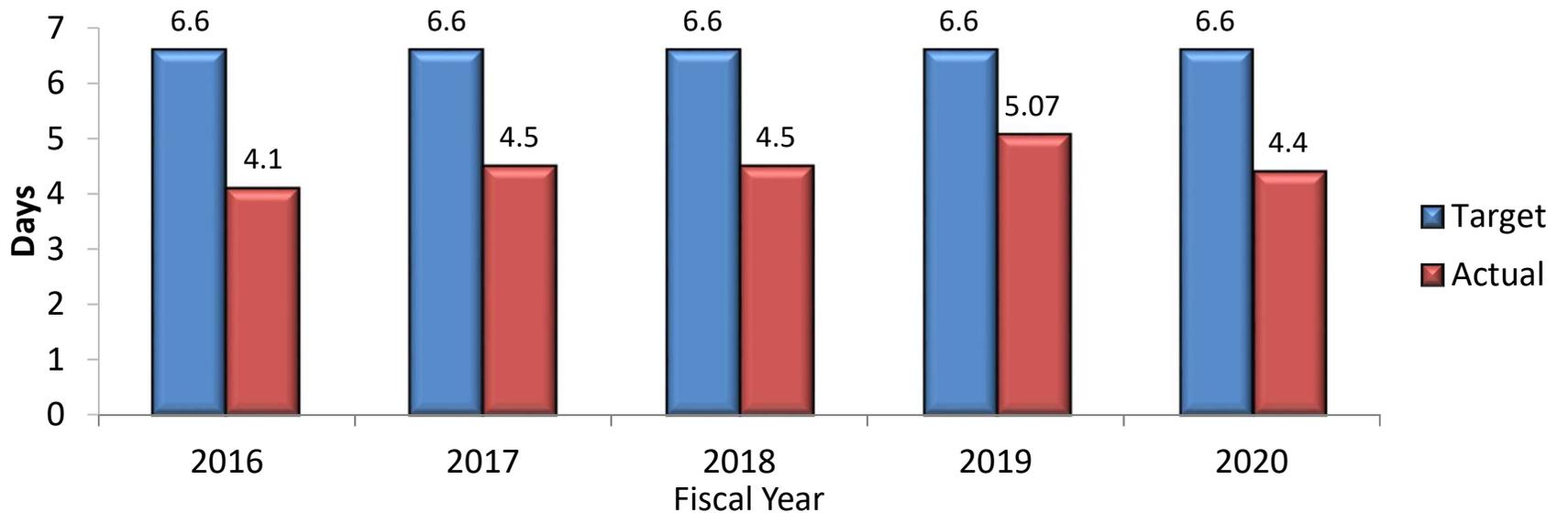
Key Performance Measures and Outcomes for 2020

KPM #8 Non-Unemployment Insurance Appeals Timeliness: Percentage of orders issued within the standards established by the user agencies • A higher percentage is better



Key Performance Measures and Outcomes for 2020

KPM #9 Average Days to Issue an Order: Average number of days to issue an order following the close of record • Fewer days to issue a decision is better



Key Performance Measures and Outcomes for 2020

KPM #10 Cost Per Referral to OAH: Average cost of hearing referral to the Office of Administrative Hearings • A lower cost is better



Thank You

**Office of
Administrative
Hearings**

