

Phone: (785) 296-0901 Fax: (785) 296-0753 KDOL.Communications@ks.gov dol.ks.gov

Amber Shultz, Acting Secretary

Laura Kelly, Governor

Kansas Department of Labor (KDOL) Frequently Asked Questions Week of 02/15 – 02/19

Continued Assistance Act

Why are not all the programs paying out at this time?

Kansas is on target to complete the build out of the major programs under the Continued Assistance Act by the end of February. On 01/22/21, the agency announced it began paying out \$300 FPUC. The agency began paying PUA on 02/08/21.

On 02/12/21, KDOL announced that PEUC will be implemented and begin paying out the week ending Feb. 19, 2021.

We understand that claimants are frustrated and we are working as fast as possible to implement the requirements for the programs with our technology. KDOL is in regular discussions with our counterparts from other states who are working with similar legacy systems. To date, our timelines align with these peer states for CAA implementation. We look forward to getting these program extensions in place so that we can get claimants their benefits.

Claimants can better understand the unemployment programs pathway by clicking here.

For more questions and answers on unemployment insurance programs, please visit the KDOL UI FAQ page by clicking here.

We understand that there is a Return to Work provision in the Continued Assistance Act.

Yes. The Continued Assistance Act mandates additional notification requirements for those employees who refuse to return to work. It also allows employers to report any employees who refuse to return to work.

Continued Assistance Act - PUA Program

Is there still a backlog from 2020?

Yes. In terms of legitimate PUA claims, as of 02/11/21, 16,110 claims are in the determination process, as it stands at this moment. Over 12,789 claims are in verification/upload process for more than 21 days (which is when the claim is considered backlogged), which is down from the originally estimated backlog of 25,000 at the end of November. These numbers are stable, though they can fluctuate slightly; week to week as new claimants come into the system.

KDOL is also working to identify and notify claimants that have partial or incomplete documentation so that their eligibility may be evaluated. We believe that in the very near future our team will have addressed the large majority of claims in the backlog that have submitted completed documentation.

It is important to remember that if a claimant has been waiting in this backlog, it is because there was something within the claim that required additional information or scrutiny. Some of the issues are



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simple, others more complicated. We expect valid claims to be processed and paid out once claimants complete the missing paperwork. Of course, not everyone will be found to be eligible for the PUA program. KDOL cannot process a backlogged claim if a person has missing paperwork.

Are people receiving PUA payments at this time?

Yes. As of the week ending 02/06/21, initial and continued claims for PUA totaled 44,120. On 02/08/21, we announced that the extension of the program for the Continued Assistance Act is now available. In this extension, there is an increase in the maximum amount of benefits available under the PUA program from 39 weeks to 50 weeks. To file for the additional weeks, claimants should log into their unemployment benefits claim portal.

As a reminder, PUA is an entirely new unemployment system, and the determination build out enables us to now work with claimants who never before had been part of the KDOL UI ecosystem. Examples of these claimants include gig workers, independent contractors or church employees.

What are the terms for the new PUA extension?

The Continued Assistance Act provides an additional 11 weeks of PUA unemployment benefits for claimants, which begins on or after 01/02/21. If a claimant exhausted their PUA benefits prior to 01/02/21, they are only eligible for weeks starting after that time. Any exhausted benefit weeks that occurred prior to that date are not eligible.

Of course, claimants must still meet all existing requirements of the PUA program to be eligible for the 11-week extension.

Continued Assistance Act - PEUC Program

When will KDOL begin paying out PEUC from the Continued Assistance Act?

On 02/12/21, KDOL announced that PEUC will be implemented and begin paying out the week ending Feb. 19, 2021.

The Continued Assistance Act extends PEUC-eligible weekly benefits from 13 to 24 weeks. The program is set to expire on 03/13/21.

As of the week ending 02/06/21, initial and continued claims for PEUC total 508. This includes continued claims that existed when the program expired on 12/26/20. There are also individuals that have exhausted their regular UI benefits between 12/26/20 and today, that are eligible for PEUC.

Continued Assistance Act - FPUC Program

Is KDOL paying out FPUC at this time?



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Yes. On 01/22/21, KDOL announced that the FPUC program began paying out to claimants. Claimants who meet the eligibility requirements will receive the \$300 benefit without having to take any additional action. Of course, claimants need to continue filing their weekly claims for the underlying unemployment benefit they are currently receiving.

The original FPUC program provided eligible claimants with an additional \$600 weekly benefit under the CARES Act, which ended on 07/31/20. The Continued Assistance Act update is paying \$300 weekly.

Claimants will receive the \$300 for benefit weeks starting on 01/02/21. FPUC payments are not eligible for any weeks from 07/31/20 – the weeks ending on or before 12/26/20. This benefit supplement is eligible for the unemployment weeks of 12/26/20 – 03/13/21.

Continued Assistance Act - MEUC program

In January, KDOL stated it was applying for the MEUC program. Where does the agency stand in terms of implementing the program?

On 01/05/21, KDOL announced it applied to administer the Mixed Earner Unemployment Compensation (MEUC) program. This program is for claimants filing for regular Unemployment Insurance (UI) or Pandemic Emergency Unemployment Compensation (PEUC) who also have earned more than \$5,000 in self-employment income in the most recent taxable year prior to the individual's application for regular Unemployment Insurance benefits.

Eligible claimants will receive an additional \$100 weekly benefit on top of their weekly benefit amount and the \$300 Federal Pandemic Unemployment Compensation (FPUC) benefit. MEUC is optional for states and Kansas chose to enroll to bring this benefit to eligible Kansans impacted by the COVID-19 pandemic.

This program will begin paying out sometime in the spring of 2021 and, similar to other states, we plan to make lump sum payments to eligible claimants. The program will be handled similar to the Lost Wages Assistance Program. More information will be provided when it becomes available.

2020 Extended Benefits (EB) Program

Where does this program stand in Kansas at this time?

On 11/23/20, we announced the end to the EB program. The ending of the program is a decision made by the U.S. Dept. of Labor, not KDOL. The decision on whether a state "triggers on" to EB, or "triggers off" of EB, is based on a state's unemployment rate.

If a claimant has filed a claim in 2020 prior to the ending of the EB program, and has not yet been paid, and her or his claim is ruled valid, the person will be paid the dollars owed, even after the program ended on 12/12/20.

LWA Program through FEMA



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Is LWA still active? What is its status?

No, LWA is no longer active. On 12/22/20, we put out a press release announcing that application period for Federal Emergency Management Agency (FEMA) Lost Wages Assistance Program (LWA) expired on 12/27/20. However, we do have some numbers we can share from our last week of reporting the program, which was 02/01/21.

As of 02/01/21, 75,305 people have received at least one LWA payment. Total amount paid to date is \$127,493,761.

The program was only available to those claimants who were entitled to a minimum of \$100 in unemployment benefits from the weeks ending Aug. 1 to Sept. 5, 2020. It was not available to all claimants.

Regular UI and Adjudications

Last year, the regular UI backlog was at about 25,000. Where does it stand today?

As of 01/27/21, we have eliminated the backlog. If there are no issues with the unemployment claim, the average turnaround time for paying out on a regular UI claim is approximately six days. If a claim is disputed and needs to be adjudicated, it could take up to a month. These timelines are set in statue.

KDOL's Antiquated Technology

How do you explain this old technology to someone?

KDOL's unemployment legacy system was deployed in the 1970s. An effort to modernize the system was launched under the Sebelius Administration and was subsequently stopped under the Brownback Administration in 2011. Because of this decision, much of the initial work to modernize was lost and has compounded our problems today.

Modernizing the KDOL IT system is going to take time. There is not an "off the shelf" option for unemployment systems. However, we have completed our modernization plan and expect to put this out to bid later this year.

We could start our modernization work as soon as late 2021.

If you do not invest in infrastructure, whether that be a road or technology, it will not be there when you need it most. Technology is no different from investing in the roads you drive on every day. If you do not repair or replace them, then eventually they become difficult to navigate if not completely unusable.

We have seen stories that say the system will take two to three years to build out. Is that accurate? Can it be done faster?



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That is timeframe is correct. Based on the experiences of other states, we anticipate the project will take between 2-3 years to implement.

The initial goal in June, when Ryan Wright became Acting Secretary, was to stabilize the UI IT system and get claimants paid. At this time, KDOL has largely stabilized the system and is working with the Governor and Legislature to secure funding for modernization. The cost of this funding is \$37.5 million. We hope to put the bid out to potential vendors in the spring of this year. Once a vendor is selected, we will begin the installation and deployment of the new system as quickly as possible.

Will the old system hold up under the stress until a new system is deployed?

As said in the answer above, we have largely stabilized the system. However, when working with a system this old, it does have days where it crashes. However, these system down days are less frequent than they had been at the start of the pandemic.

KDOL Contact Center

We are hearing from many residents that they call in and can never get through. That they are calling hundreds of times a day. What is happening at the KDOL contact center?

We are seeing an increase in high numbers of calls to the call center traceable to automatic dialing services. Auto dialers do not work with the KDOL phone system. A claimant must call in each time and go through the menu prompts. An auto dialer will not get a claimant through the menu and into the queue. In fact, using one burdens the phone system, making it more difficult for anyone to get through to a customer service representative.

Through our systems and our tools, we are able to recognize call patterns. We can tell by the time between calls. When humans make calls there are some variations, there are not with auto dialers. Someone using the auto dialer will call every 19 seconds (for example), like clockwork. The dialers cannot sequence properly to our menus. Thus, they are just blocking the system for other callers trying to get through.

We also are getting many calls about the Continued Assistance Act programs that are going into effect this month, the new fraud mitigation security software system we implemented in early February, and many people are calling us about fraudulent claims and 1099-G forms they may have received. We are continuing to surge customer service representatives to the contact center and currently have over 450 staff answering calls or directly assisting claimants.

However, even with the increased number of staff helping claimants we continue to receive a record number of calls. In order to handle this type of call volume we would need to add an additional 1,100 phone operators. Unfortunately, this is not realistic due to budget and technology constraints.



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Any advice for callers to get through to the contact center?

Once a caller enters an initial call queue, she/he are able to speak to an initial customer service representative within 15 minutes. Our busiest times for the call centers are between the hours of 8:00-9:00 a.m. and 1:00-2:00 p.m., daily. If possible, claimants should avoid calling during these hours. If a caller gets into the queue, do not hang up.

Our highest call volume day of the week is Monday. Our lowest is Friday.

Amelia, the KDOL Chat Bot

Is Amelia really helping claimants?

Yes. According to the data, from its launch on 07/10/20 through 02/07/21, Kansans have had approximately 4 million messages with Amelia. Approximately, 73 percent of claimants interact with the chat bot during regular call center hours, approximately 27 percent after hours. As of 02/07/21, about 66 percent of all claimant communications were through Amelia. Finally, from 01/30/21 - 02/06/21, the top three subjects are -27 percent check claim status, 18 percent update applications and 39 percent login assistance.

Claimants state that Amelia cannot help with the only question that is important, which is, "When will I get paid?"

Unfortunately, Amelia is not able to answer that question. However, the chat bot's subject matter does continue to expand. For example, Amelia can now answer questions about 1099-G support and KDOL's Shared Work program.

Unemployment Fraud

It has been publicly stated that either KDOL does not know the size, or financial extent, of the impact fraud has had on Kansas. Why hasn't the agency reported any numbers, definitive or approximated, at this time?

The legislature has asked their auditors, Legislative Post Audit, to look into the amount of fraud that has been paid. KDOL is committed to working with Legislative Post Audit to determine this figure. We must let this process proceed if we hope to get an accurate answer to this serious question.

Before we implemented our new security software program, we had publicly stated that KDOL has stopped more than 253,000 fraudulent claims.

Further, we approximated that this was about 2,300 suspected fraud claims we had to investigate, daily, prior to implementing the new software program.

As a reminder, this unemployment fraud has primarily affected PUA claims.



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KDOL has claimed that new software system has been a success. What are the updated metrics?

As of 02/15/21 total claimants attempting authentication: Approximately 121,901. Claimants who were proofed/approved: 66,968. Claimants who have failed their ID proofing and would need to do it again/get help: 24,561. Claimants who experienced an error of some sort: 3,954. In terms of BOTS and fraudulent login attempts we have stopped, approximately 4,450,000.

We hear from claimants constantly that they cannot log on and cannot get help. What are the issues?

We want to reiterate that the majority of people registering are getting through and registering successfully.

We have seen some user setting issues with Google Chrome. We suggest trying with Firefox, Safari or Internet Explorer (not Edge). We also believe there are issues with two-factor authentication.

Reminder, everyone will have to establish new login credentials. No exceptions. If they are having issues, we have CSRs on staff ready to help them when they call in to the contact center. Also, important to know that total claimants includes users who we are waiting on actions to complete the registration process. Two examples include that they may have abandoned their registration, or have stopped the process for some reason.

There are other actions that will stop the registration process for a user. These are spelled out clearly in the How to Guide we have posted online. Users can access that guide here.

Exactly what is KDOL's new security software solution to stop fraud?

On 01/27/21, we announced our partnership with LexisNexis and our two-factor authentications solution to combat fraud. This is a new security system with identity verification software for unemployment insurance accounts and claims. The deployment of the new security system is a major tool to combat identity theft.

This system upgrade identifies and stops the flood of fraudulent claims Kansas and states across the country have been fighting against, so the team at the Department of Labor will have more time to help unemployed Kansans.

KDOL is seeing a decline, and we hope eventually an outright elimination, of fraudulent benefit notices that individuals and businesses have been receiving from KDOL. The system also provides two-factor authentication so that claimants can more securely log in and access their account.

There are many businesses and organizations frustrated that claims that they disputed to be fraudulent were paid out anyway. What controls in place are there to prevent this and why did they fail in some cases?

KDOL said in this hyperlinked press release that there would be a possibility here of this happening.



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Identity Theft Victims. Every effort has been made to prevent 1099-G notices from being sent to identity theft victims. However, due to the record high volume of unemployment claims, some identity theft victims may receive a notice. Claimants who establish they are identity theft victims are not liable to pay taxes on income they did not receive from fraudulent unemployment claims. If a claimant has been the victim of identity theft and receives a Form 1099-G for unemployment benefits, please contact KDOL at 785-291-6059 or call toll-free at 888-499-0063.

KDOL has conducted another audit of our 1099-G mailing records and identified people who were victims of identity theft. If a person is one of these victims, she/he should expect a letter in the mail in the next couple of days regarding the steps KDOL is taking to address the issue.

IRS Form 1099-G Disputes. If a claimant has a dispute with their IRS Form 1099-G, they can contact the KDOL Tax Call Center at 785-575-1461 or toll-free at 888-499-0063. If the amount shown on a claimant's 1099- G is incorrect, this person must send a written dispute to KDOL. All disputes should be sent to the following address: 1099 Inquiry Kansas Department of Labor 401 SW Topeka Blvd. Topeka, KS 66603-3182

Residents can also dispute a 1099 they may have received erroneously here online: https://uiassistance.getkansasbenefits.gov/

There are Kansans who applied for and received benefits, but who got a 1099-G form showing they received more in benefits than they actually got. Why did this happen and how can residents dispute the figure?

If a claimant feels that their Form 1099-G is incorrect, they should dispute it by contacting the KDOL Tax Call Center at 785-575-1461 or toll-free at 888-499-0063. If the amount shown on a claimant's 1099-G is incorrect, this person must send a written dispute to KDOL. All disputes should be sent to the following address: 1099 Inquiry Kansas Department of Labor 401 SW Topeka Blvd. Topeka, KS 66603-3182

Residents can also dispute a 1099 they may have received erroneously here online: https://uiassistance.getkansasbenefits.gov/

People are complaining that they are unable to get through to the phone line dedicated to 1099 issues. What steps are being taken to resolve this?

It is a bit of a call center perfect storm, at this moment. We have claimants calling into the contact center, and into any other KDOL number on every subject right now ranging from the security upgrade to the Continued Assistance Act programs. Recently, we have received upwards of 500,000 unique calls a day. You also have heard from us on folks using auto dialers. Do not do this!

We ask that people remain patient, and continue to call in. We are surging more support folks to handle the calls, but the volume is large at this time across all of our phone lines. If you are calling in about a



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claim, please do not call the tax call center. These operators will not be able to assist you with your claim.

Weekly Initial Claims Numbers

What are this week's numbers?

The regular UI weekly initial claims for the week of 02/06/21 were 4,905. The week prior (week of 01/30/21) were 16,927. This is a decrease from last week of -71.0 percent. The weekly initial claim number for the week of 02/01/20 was 2,104. This is an increase of 133.1 percent year-over-year.

Employer Trust Fund

What is the weekly balance of the trust fund at this time?

The trust fund balance for the week of 02/06/21 is at \$265.0M, the week before (01/30/21), the balance was \$246.9M. For the week 02/01/20 the balance was \$1002.4M, a 73.6 percent drop year-over-year.

Some have speculated that the trust fund will run out of money around the spring of this year. Is this true?

Kansas entered the pandemic with one of the healthiest trust funds in the nation and it has performed as intended, maintaining a positive balance despite historic unemployment. We started with about \$1 billion in the trust fund we are now at approximately \$265.0M.

KDOL originally projected that the fund would become insolvent after the first of the year but now do not expect for that to happen until much later, possibly even through the summer of 2021. If/when the trust fund becomes insolvent claimants should not worry, you will still receive your benefits. The federal government is the emergency backstop for state trust funds. When a state trust runs out of money, the state begins to draw down funds (e.g. takes out a loan) from the federal government to ensure that benefits are still paid. The state then goes in a repays the loan after the economic crisis has passed. Kansas is one of the only states that have not had to start drawing down funds from the federal government yet.

Why is it doing better than originally forecasted?

The economy is rebounding faster than expected and there are generally stronger economic conditions throughout the state today than there were just a few months ago. Kansans who remain unemployed due to COVID-19 are increasingly transitioning from state-based unemployment programs to federally backed unemployment programs. A number of provisions were included in the CARES Act that shifted the financial liability from states and businesses to the federal government. For example, the CARES Act transfers 100 percent of the financial liability for the Shared Work program to the federal government.

Questions Regarding KDOL's Work with the Consulting Firm Accenture



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How does KDOL calculate the 450 number of Accenture and agency employees working with claimants?

As of 02/12/21, there are 352 contract surge staff from Accenture. Out of the 352 contract surge staff, 291 are general surge staff and another 61 are dedicated to specialty work streams that directly support claims work. For example, the team that assisted in the elimination of the Regular Unemployment claims backlog is in this count as they directly worked with claimants and handled both inbound and outbound calls. We continue to build these numbers up over time, as we have been able to expand their capacity to handle different and more complicated claims work.

In addition to the Accenture contract surge staff, KDOL currently has 98 call center staff. This brings the total number (between Accenture and KDOL) of CSRs handling calls and helping people process their claims to 450.

Can KDOL ensure Accenture is actually providing the work it is promising in the contracts?

Yes, we know how many staff are working and, like most companies, we have the ability to monitor our phone and computer systems.

What fund is KDOL using to pay Accenture?

The costs for KDOL are primarily covered by federal funds due to the nature of the work that the agency oversees. For example, unemployment programs are funded through administrative grants provided to the agency by the U.S. Department of Labor.

In order to support our surge activities and stabilize the agency's legacy systems, due to the pandemic, Governor Kelly and legislators (via the State Finance Council) authorized \$30 million in CARES Act funds for KDOL. As of 02/12/21, most of Accenture's work has been paid for out of this \$30 million allocation to the agency. Any costs that have not been covered by the CARES Act allocation will be paid for using USDOL administrative grants. Any unspent USDOL funds will be applied to modernization efforts.

Claimant Communication

How often do KDOL leaders read the comments people post on social media? Why don't you respond to them?

The agency monitors social media. However, we cannot answer questions about a person's claims in a public forum such as Facebook. They may have a claimant-to-claimant discussion or may post something outright on the site, but we cannot answer a person's question in that forum about her or his specific case.

Every time the agency puts out a news release, we also issue it on Facebook and Twitter, and when relevant to the audience, we engage on LinkedIn.

Why not open up KDOL to more communication programs, or show people how the contact center actually works?



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In regards to the contact center, Personal Individual Information (PII) is up on each CSR's screen that cannot be disclosed to non-KDOL parties. There are also security and safety concerns at our location that we must take into consideration.

We talk to media every day. Most weeks, KDOL responds to 30-40 media requests ranging subjects from our fraud mitigation efforts, to legislative affairs, to contact center/phone issues, the UI and PUA backlog, and other issues. This is not uncommon for this agency during the pandemic. We believe it is vitally important to openly engage with other media outlets. These interviews range from media in Western Kansas, Wichita, Kansas City, Topeka, Pittsburg to Emporia. We post regularly on Facebook and Twitter. We are very open to conversation, and have been transparent with reporters about what is going on at the agency on an ongoing basis with the information we are able to share.

Since March 15, 2020 KDOL has paid out over 3.9 million weekly claims totaling over \$2.6 billion between regular unemployment and the federal pandemic programs. For more information, or to apply for unemployment benefits, go to www.GetKansasBenefits.gov.

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