

Report 20-28 December 2020 State Auditor Joe Chrisman

# Processing Certain Unemployment Insurance Claims

Department of Workforce Development

### Background

Under the provisions of 2019 Wisconsin Act 185, we reviewed the Department of Workforce Development's (DWD's) administration of aspects of the Unemployment Insurance program, including those related to processing certain claims filed by individuals for program benefits.

In this review, we determined the extent to which DWD had paid individuals who had filed initial claims and how long it took to pay them, the reasons that some of these individuals had not been paid, and the number of DWD and other staff who worked as adjudicators.

## **Key Findings**

- As of October 10, 2020, DWD had paid 493,504 of the 662,731 individuals (74.5 percent) who had filed initial claims for regular program benefits since March 15, 2020. The remaining individuals had not been paid because, for example, DWD had denied their claims or had not yet resolved them.
- DWD paid 53.2 percent of initial claims for regular program benefits in two calendar weeks or less, but it took more than five weeks to pay 24.7 percent of them. The average amount of time that DWD took to pay claims declined considerably from March 2020 to

August 2020.

- To determine whether individuals are statutorily eligible to receive program benefits, DWD may place initial claims into adjudication. It placed into adjudication the initial claims of 514,026 of the 662,731 individuals (77.6 percent) who filed them from March 15, 2020, through October 10, 2020. As of October 10, 2020, 96,623 individuals still had claims in adjudication.
- DWD increased the total number of adjudicators from 175 during the week of March 15, 2020, to 563 during the week of September 20, 2020.
- To determine how DWD processed initial claims, we selected a statistically significant random sample of 268 individuals who filed initial claims for regular program benefits from March 15, 2020, through April 11, 2020, but had not been paid them as of June 20, 2020. As of November 2020, DWD had resolved the initial claims of 250 of these 268 individuals.
- DWD was responsible for 11.0 of the 13.0 weeks (84.6 percent) that it took, on average, to resolve the initial claims of the 250 individuals. The three most-common issues that accounted for time elapsing involved instances when DWD had not resolved issues even though it had the information to do so and because it had not requested information it needed from individuals and employers.

#### Recommendations

We make several recommendations, including that DWD use the results of our analyses to inform its efforts to pay program benefits in a timely manner.

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