



Oregon

Kate Brown, Governor

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Honorable Ron Wyden

Dear Senator Wyden:

Thank you for the opportunity to consult with your staff today about the current challenges and progress to paying unemployment benefits. I am so grateful for the hard work of you and your team to create public policy that helps so many people in Oregon, and the nation, and has been instrumental in providing the foundation to help Oregon workers, families, businesses, and communities weather the impacts of the pandemic. You can be assured that I, and the entire Employment Department team, is dedicated to fulfill the intent of these benefit programs and to get every dollar out to people eligible for those benefits. I want to confirm with you that Oregon will not leave federal funds, or any other available funds on the table that can help so many Oregonians – we will do everything possible to ensure this.

Regarding the waiting week, I want to confirm we will begin paying people for the waiting week by the end of November. We are pushing to get this done as quickly as we can, and are actively evaluating whether it is at all possible to begin these payments before Thanksgiving. We will know more next week as we continue the testing of the work already done, and confirm what remaining work needs to be done to get people their benefits. Some claims will require extensive manual work after the computer coding is done, so not everyone will be able to get their payments on that first day. We are preparing people to begin that manual work as soon as the computer coding is done so we can get all of the waiting week payments out as soon as possible. Again, we WILL begin paying people for the waiting week by end of November and will know by next week whether we can shift that deadline to Thanksgiving.

Importantly, we have had several discussions with the U.S. Department of Labor, and Gay Gilbert, the Administrator of the Office of Unemployment Insurance, provided written assurance that “the Federal Pandemic Unemployment Compensation (FPUC) to eligible employees for weeks of unemployment ending on or after April 4, 2020 through weeks of unemployment ending on or before July 31, 2020 may be processed after the end of the year.” This means, specific to the waiting week, that even if there are unexpected challenges, like new state or federal programs to implement, unexpected increases in unemployment or other issues, that cause some payments to not be made before the year ends, the additional \$600 per week will still be paid to those people.



Similarly, while several CARES Act programs (like Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC)) expire on December 26, 2020, that expiration marks the end of the weeks for which those benefits can be paid. If someone is eligible for benefits for the week ending December 26, 2020, for example, but they are not getting paid until after that week, they can still receive PUA benefits. This is how all federal benefit extension programs operate. To be clear, we are focused on getting everybody all of the benefits they are eligible for as quickly as possible, but all CARES Act benefits Oregonians are eligible for will be paid to them.

I appreciate, and share, your concern for people who have not yet received all of their benefits, and your concern about seeing information in the media that, unfortunately, paints a picture that is not completely accurate. Unfortunately, there are some people, and even one person is too many, that have been waiting too long to receive their benefits.

Some recent media articles referred to more than 90,000 people waiting for adjudication. There are about 90,000 claims that are either in adjudication or in some other status that requires review (frequently referred to as being on a “suspense list.”). These are claims that were required to be flagged as potentially requiring adjudication. To be clear – these are not all people waiting to get their benefits, nor are they all people whose claims require adjudication. Some of those claims were filed just days ago. Some people are already receiving benefits even while we need to adjudicate their claims. Some of those people, unfortunately will not meet the legal requirements to receive benefits at all.

We have made several process improvements to have people review and quickly resolve thousands of those claims quickly, without needing to be handled by our experienced adjudicators who are needed to focus on those claims that do require full adjudication. Those adjudicators are focusing on just those claims that require full-blown adjudication. That body of work, unfortunately, is the area that is the most difficult challenge to getting everyone their benefits as quickly as possible.

Adjudication is a primary focus and I personally confer with the adjudication leadership daily to review progress, and remove any barriers to resolving these claims more quickly. We contracted with a vendor to do some of the work, hired hundreds of new adjudicators who are gaining proficiency, brought back adjudicators who had retired or moved on to other jobs, and are drastically changing the ways we handle these claims. We are optimistic about our progress, but know that every claim that needs adjudication represents a person who needs us to move more quickly.

As of September 30, there were about 52,000 people whose claims needed adjudication. Not all of these people are waiting to get their benefits. For example, 18,000 of them got benefits under our Benefits While You Wait approach, even though their claims need adjudication. Of the remaining people whose claims need adjudication, while some have not yet received any benefits, many have, and the adjudication we have to do is only impacting some weeks, even



only a single week, of benefits. They have received benefits for other weeks and continue to receive them for weeks subsequent to the ones requiring adjudication.

Of the 52,000 people with claims requiring adjudication, we were resolving about 2,200 of those people's claims per week. Last week we resolved more than 6,500. We are trying everything and pushing to resolve these claims absolutely as quickly as possible. We will be through these people's adjudication claims by the end of the year – and are urgently pushing to make it happen sooner if that is at all possible.

We have used private sector partners to help us meet this emergency. Besides the National Guard, we have contracted with Epiq, a company based in Beaverton, who is speeding up our adjudication work by performing adjudication pre-work. We have also worked with IG NW to build a Google-based PUA application to speed up our work, with Presidio and Cisco to add phone capacity and functionality, with Gartner to help evaluate our approaches to handling this work, and with Google to implement a chatbot to help provide information to people. We have worked with more than a dozen private sector partners to speed up our ability to resolve claims.

We are not yet satisfied, as we know you are not, and as we know each person waiting for their benefits is not. We continue to explore every possibility. Your team was great in sharing the frustrations they are feeling seeing the pain of those who have not yet received their benefits. I share their frustrations. While we have improved our communications, based on their feedback we will be making more improvements - communicating more regularly with your team and highlighting information that can help those seeking our services. For example, using our "Contact Us" form (at <https://unemployment.oregon.gov/contact-us>) helps us more efficiently respond to people's inquiries and claims, and is also much more convenient for many people than trying to contact us by telephone.

Besides implementing the CARES Act programs, and paying out more benefits to Oregonians since this emergency began than in the nine prior years, we have also implemented Disaster Unemployment Assistance to help those who were further devastated by wildfires. We have paid out \$350 million in Lost Wages Assistance benefits to almost a quarter million people through this unique FEMA grant benefit program. While we inadvertently paid some people benefits before they self-certified that their unemployment, or underemployment, is due to disruptions related to the COVID-19 pandemic, we are actively working with the remaining 31,000 people who have not yet certified to help them do so. The vast majority of those people are eligible for the Lost Wages Assistance benefits. We are sending emails, letters, and calling to get them certified as soon as possible. For the very few people whose situation is not related to the COVID-19 pandemic, we are working with the Governor's Office and state legislators to hold those workers harmless who, through no fault of their own, already received these benefits.

We see daily the hundreds of thousands of people who have relied upon us, including the too many who have not yet received all of the benefits they are eligible for. We have not and we will not rest until they get those benefits, and we remain focused on doing everything we can to do that as quickly as we can. All of these people, and the communities they live in, owe a great debt



to the additional safety net provided by CARES Act programs that have supported people and their families, and helped mitigate the spread of COVID-19. I appreciate that you were instrumental in making those benefits available to so many in need; and I am focused on getting those benefits to those people as quickly as we can.

I welcome the opportunity to further explore with you or your team how we might be able to better serve Oregonians and help so many people that are in need.

Sincerely,

David K. Gerstenfeld
Acting Director