Employment Security Department Update

August 3, 2020
Milestones Met for Operation 100% by 7/31!

Claims to resolve = 0  Average Weeks Waiting = 4.1

The Operation 100% Cohort
- Need resolution by ESD on a claim issue
- Filed between 3/8 - 6/18
- Not paid yet
- Started out on 6/18 with 81,508 claims/people

Updated with the data as of end of day 7/31. There are ways someone could be added to the cohort after the fact.
From Crisis to Consistency

OPERATION 100%

IMPOSTER FRAUD

OVERALL PRODUCT AND CUSTOMER EXPERIENCE
Three Waves

Statewide Initial Regular Claims – Weekly Totals for the Past 21 Weeks

Over these 21 weeks:
- 1,280,794 unique individuals have filed for unemployment benefits
- ESD has paid out over $8.8 billion in benefits
- 966,464 individuals who have filed an initial claim have been paid

SOURCE: Data from the ESD unemployment insurance claim announcement for the week ending July 25, 2020
OPERATION 100%
Average weeks waiting (claims w/issues)
Standard: 3 weeks
Current: 6.4 weeks
Goal by July 31: 4 weeks

Unpaid individuals
Baseline set 6/15: 81,508
New Data Dashboard

- Updated weekly
- Consistent and comprehensive
- Live on site 8/3
Benefits data dashboard

Welcome to the unemployment benefits data dashboard. This dashboard tracks benefits data since the COVID-19 started, including information about payments, the claimant population, status of claims processing and more. This should help you stay up to speed on our status, progress and performance of claims processing as the COVID-19 crisis continues.

The Operation 100% data will be included in this dashboard until mid-August for those following the progress of this initiative.

<table>
<thead>
<tr>
<th>Total paid</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8.66 Billion</td>
<td>Total paid for payments made since March 8, 2020 – July 25, 2020</td>
<td></td>
</tr>
<tr>
<td>$2,705,400,992</td>
<td>State unemployment insurance</td>
<td><a href="#">$2,705,400,992</a></td>
</tr>
<tr>
<td>$5,126,269,074</td>
<td>Federal Pandemic Unemployment Compensation</td>
<td><a href="#">$5,126,269,074</a></td>
</tr>
<tr>
<td>$684,260,086</td>
<td>Pandemic Unemployment Assistance</td>
<td><a href="#">$684,260,086</a></td>
</tr>
<tr>
<td>$136,376,676</td>
<td>Pandemic Emergency Unemployment Compensation</td>
<td><a href="#">$136,376,676</a></td>
</tr>
<tr>
<td>$4,721,077</td>
<td>Extended Benefits</td>
<td><a href="#">$4,721,077</a></td>
</tr>
</tbody>
</table>

FPUC, PUA, PEUC, and EB are federal unemployment programs made available through the federal CARES Act.

Claimants

Includes those who have applied for unemployment benefits March 8 – July 25, 2020.

Total number of individuals who have applied for benefits: 1,285,178
Total number of individuals who have filed an initial claim and have been paid: 966,464 (75.2% of total applicants)
Total claimants not currently receiving payment and need resolution by ESD: 30,152 (2.3% of total applicants)

- 33.48% Not submitting weekly claims (430,277)
- 33.73% Actively submitting weekly claims - getting paid (433,455)
- 26.83% Did not meet eligibility criteria (344,821)
- 0.83% Not currently receiving payments due to open issues, exhausted benefits, open ID issue, other (10,729)
- 1.51% Not paid, needs resolution from ESD (19,423)
- 3.62% Has been paid but disqualified/ineligible this week (46,473)

For more information on the claimant categories in the chart, please see the glossary at the bottom of the page.
Operation 100%

<table>
<thead>
<tr>
<th>Operation 100%</th>
<th>Baseline as of 6/18</th>
<th>Current as of 7/31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals not paid, applied between 3/8 - 6/18 and need ESD to take next step</td>
<td>81,508</td>
<td>0*</td>
</tr>
</tbody>
</table>

Average time to resolve claims w/issues as of 7/31

Goal for Operation 100% was 4 weeks by 7/31
Outside of crisis or peak period, the standard time to process claims with issues is 3 weeks.

<table>
<thead>
<tr>
<th>70.99% Paid within 1 week</th>
<th>Between March 8 and July 25, 2020</th>
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<tbody>
<tr>
<td>Paid within a week includes all claimants paid, and from the time they submit their first weekly claim</td>
<td></td>
</tr>
<tr>
<td>Average days waiting for first payment (for those paid after submitting their first weekly claim)</td>
<td>11.8 Days</td>
</tr>
</tbody>
</table>

Initial claims

The number of claims filed is higher than the number of people who have filed claims. Federal guidelines require a separate application for each unemployment program, so a person who applies for more than one program files more than one claim.

<table>
<thead>
<tr>
<th>State unemployment insurance</th>
<th>PUA</th>
<th>PEUC</th>
<th>Extended benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,386,900</td>
<td>518,401</td>
<td>410,920</td>
<td>6,098</td>
</tr>
</tbody>
</table>

Initial claims submitted for the week of July 19 – 25, 2020 (UI, PUA, PEUC and EB)

<table>
<thead>
<tr>
<th>07/19/20</th>
<th>07/20/20</th>
<th>07/21/20</th>
<th>07/22/20</th>
<th>07/23/20</th>
<th>07/24/20</th>
<th>07/25/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,359</td>
<td>6,063</td>
<td>5,627</td>
<td>6,000</td>
<td>6,027</td>
<td>5,847</td>
<td>3,197</td>
</tr>
</tbody>
</table>

UI 1,386,900 | PUA 518,401 | PEUC 410,920 | Extended benefits 6,098 | Initial claims submitted for the week of July 19 – 25, 2020 (UI, PUA, PEUC and EB) 3,197
IMPOSTER FRAUD
Fraudulent Claims and Funds Confirmed* Stolen

ESD took action in mid-May to protect taxpayer funds in face of exponential growth in fraud.

86,449 fraudulent claims paid
$576M fraudulent funds

*Confirmed fraudulent claims are those we have a high degree of confidence are fraudulent based on a number of key factors.

SOURCE: UTAB, ESD data as of 7/28/2020
Fraudulent Funds Recovered

$340 Million

ESD treasury data as of 7/31
Net Fraud Funds Out Minimized

Net Fraud $s Out (in Millions)

- **Confirmed Fraud out**: $576
- **Confirmed Fraud recovered**: $340
- **Net Confirmed Fraud Out**: $236

**Note:**
- Most weeks, we distributed approx. $500M in benefits.
- We don’t yet know the breakdown of federal/state for the fraud funds out.
- However, for paid claims thus far, 1/3 has been state & 2/3 federal funding.

ESD data as of 7/31
Fraudulent Claims and Funds Prevented

Initial claims filed, thousands

Source: UTAB, ESD Data as of 7/28/2020; unfiled/avoided claims timespan is from May 14 -20th

May 13th: payments paused

May 15th: countermeasures turned up

15.2K average from May 7-13

Claims prevented through our swift & dramatic action
- 69K initial claims filed & not paid
- 86K claims previously paid
- 78K claims not yet filed
Fraudulent Funds Prevented

**At a Minimum**

~$200M

- Assumes 1 week prevented
- Includes
  - Confirmed\(^1\) fraud filed & unpaid
  - Confirmed fraud filed & paid an initial amount

**Most Likely**

~$1.5B

- Assumes 5.1 weeks prevented (average # of backdated weeks)
- Includes
  - Confirmed fraud that was filed and unpaid
  - Confirmed fraud that was filed and paid an initial amount
  - Calculated fraud that was unfiled\(^2\)

**Possible**

~$4.0B

- Assumes 13.9 weeks prevented (average # of backdated weeks + remainder of the 26 weeks)
- Includes
  - Confirmed fraud that was filed and unpaid
  - Confirmed fraud that was filed and paid an initial amount
  - Calculated fraud that was unfiled\(^2\)

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1. Defined per agency definition of confirmed fraud
2. Based on claim volume avoided during the week of May 14-20\(^{th}\) multiplied by average medium and high values per confirmed fraud claims filed the week of May 7-13\(^{th}\)

Source: UTAB, ESD Data as of 7/28/2020. All utilize the average weekly benefit at that time of $1,280 which includes the weekly benefit amount plus FPUC

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\(^1\) Confirmed
\(^2\) Calculated
Don’t Mess With Washington!

The Next Section will be the Full List of States that are still paying the unemployment funds and also States that have Stopped Paying. States to stay away from (could get you Tracked & arrested)

**PANDEMIC/UNEMPLOYMENT TUTORIAL**

By @WALLSTREETCALIFORNIA

**Section B**

Join Us here——]]>>> https

**BELOW IS THE LIST OF STATES WHO ARE STILL PAYING FOR THE UNEMPLOYMENT BENEFITS:**

1. Alabama
   - General unemployment portal: https://www.labor.alabama.gov/
   - Direct PUA Portal: N/A
   - Minimum Pay = $45/week
   - Maximum Pay = $275/week
   - Still paying? Yes

2. Alaska
   - General unemployment portal: N/A
   - Direct PUA Portal: N/A
   - Minimum Pay = $200/week
   - Maximum Pay = $300/week
   - Still paying? Yes

29. Wyoming
   - General unemployment portal: https://wyui.wyo.gov/
   - Direct PUA Portal: N/A
   - Minimum Pay = $10/week
   - Maximum Pay = $508/week
   - Still paying? Yes

- STATES WHICH APPLICATION CAN GET YOU TRACKED AND IN TROUBLE
  1. Washington
  2. Massachusetts
  3. Ohio

- WHICH STATES HAVE STOPPED PAYING THE PANDEMIC UNEMPLOYMENT ASSISTANCE (PUA)
  1. Illinois
  2. Kansas
  3. Nevada
  4. New Hampshire
  5. Ohio
  6. West Virginia
  7. Wisconsin

I will be posting some free xan info on the channel momentarily, so kindly follow the channel for more Updates:

Join Us here——]]>>> https

“States which application can get you tracked and in trouble
1) Washington...”

“States to stay away from (could get you Tracked & arrested)”

But we can’t and won’t be complacent. We assume they’ll come back w/a vengeance
Fighting Fraud Consistently

• More controls on the front end to block bad traffic coming in
• Fraud analysis between claim made and claim paid
• More secondary identity verification
• Sophisticated data analytics
• Ongoing agility to evolve and change the filters and flags

*The criminals will never stop trying – we just need to stay ahead of them*
OVERALL PRODUCT AND CUSTOMER EXPERIENCE
Overall
Product and Customer Experience

- More compassionate compliance
- Communications clarity
- More accessible customer service
- Technology improvements/upgrades
- Fourth wave preparations
- Reduced backlog
- Improved phone service
- Increased staff volume
- Language access improvements
- Employment services
- Another UI demand spike
Unemployment Insurance Advisory Committee

• Goals
  • Recommendations to improve the unemployment benefits and tax system
  • Suggestions to enhance the solvency and stability of the unemployment trust fund
  • Consider and provide comment on ESD UI rulemaking
  • Consider and provide recommendations to improve ESD and its system partners’ ability to prepare for, respond to and recover from major economic shifts

• Committee Members

<table>
<thead>
<tr>
<th>Julia Gorton</th>
<th>Sybill Hyppolite</th>
<th>Kevin Perkey</th>
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<tbody>
<tr>
<td>Hospitality Association</td>
<td>Washington State Labor Council (WSLC)</td>
<td>Washington Workforce Association</td>
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<tr>
<td>Tammie Hetrick</td>
<td>Cindy Richardson</td>
<td>Daniel Zeitlin</td>
</tr>
<tr>
<td>Washington Food Industry Association</td>
<td>Local 8</td>
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<tr>
<td>Jerry Vanderwood</td>
<td>Josh Swanson</td>
<td>Suzan LeVine</td>
</tr>
<tr>
<td>Association of General Contractors (AGC)</td>
<td>Operating Engineers 302</td>
<td>Employment Security Department</td>
</tr>
<tr>
<td>Robert Battles</td>
<td>Brenda Wiest</td>
<td></td>
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<tr>
<td>Association Of Washington Business, (AWB)</td>
<td>Teamsters 117</td>
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OPERATION 100%

IMPOSTER FRAUD

OVERALL PRODUCT AND CUSTOMER EXPERIENCE
Thank you

Suzi LeVine, Commissioner