

#### More than one year into the pandemic





**Work Share** 

\$540 million paid to nearly ~125,820 workers and 2,500 Michigan employers since 3/15/201

Currently, 10,495 active employees with 811 Michigan Employers enrolled in program



**Contact Center and CRT** 

CRT resolved **173,000 cases** since 3/15/20

Contact center handling over **30,000 calls, chats, and appointments daily**, up from ~3,000 pre-pandemic



**Fraud Detection** 

Data cross-match with other state agencies instituted

New claims are run **through national Integrity Data Hub** to validate identities

**Several additional fraud rules instituted** based on IP addresses, bank account information etc.

Source: MiDAS, UIA; All numbers and analysis are based on UIA team analysis and assumptions

Combined work share and federal PUC

#### The Economic Impact of Michigan's Unemployment Insurance Benefit since 3/15/21



## \$34.8 billion paid > \$66.1 billion



Payments to date (\$5.6 billion in state UI) **Economic impact** (with a 1.9x multiplier)

Avg. base weekly benefit payment per worker:

~\$315 State

~\$216 PUA

Avg. # of weeks used by claimants:

15 weeks State

24 weeks PUA

<sup>&</sup>lt;sup>1</sup> Maggio, Marco Di, and Amir Kermani. The Importance of Unemployment Insurance as an Automatic Stabilizer. The National Bureau of Economic Research, 8 Sept. 2016, NBER.org/papers/w22625.

# Progress over past few weeks and upcoming priorities



#### Progress over the last few weeks

- ☑ Cleared entire MRQ category backlog for claims prior to Feb-21, ~87,000 cases
- Prevented a massive fraud attack with ~120,000 imposter claims flagged in early April through updated fraud rules and processes
- ~119,000 calls, 33,000 chats and 4,500 appointments handled last week
- Cleared entire ID Verification backlog for all cases from year 2020
- ~155,000 protest documents reviewed over last 3 weeks

#### **Upcoming priorities**

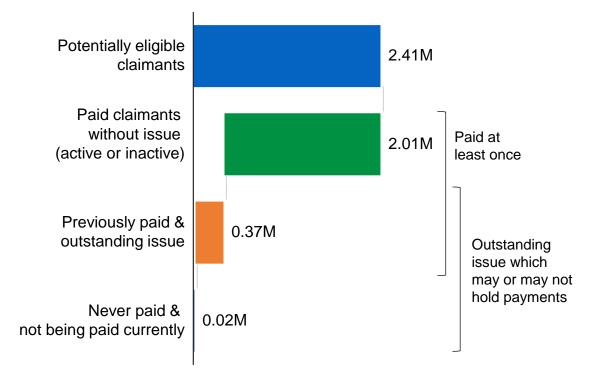
- □ Launch work search requirement for claimants starting May 30<sup>th</sup>
- Launch video appointments for **face-to-face assistance.** (146,685 phone appointments completed to date.)
- ☐ Reopen local offices for **in-person assistance**.
- ☐ Launch RFI for tech vendor of the Unemployment Insurance technical system, followed by an RFP

#### **Unemployment claimants**

**DATA AS O 5/24/21** 



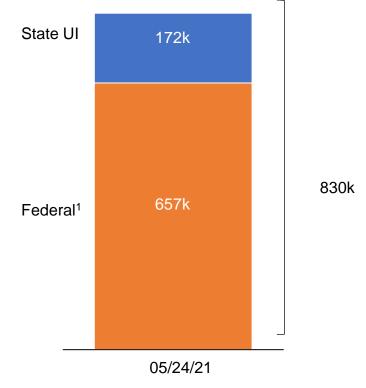
#### 99% of eligible claimants have been paid at least once<sup>1</sup> Claimants, millions



Source: UIA shared numbers and analysis; All numbers and analysis are based on UIA team analysis and assumptions

#### 79% of currently active claimants are on federal claims<sup>1</sup>

Active claimants, thousands



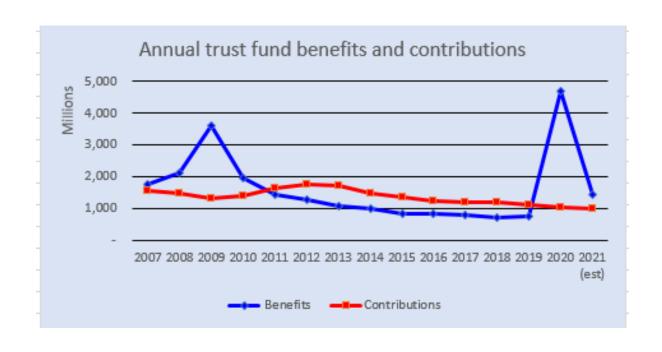
<sup>1.</sup> Federal claimants includes those on PUA, PEUC, EB, Work Share, and other programs

<sup>1</sup> Most previously paid claimants are still being paid but have a non-monetary issue to resolve that may stop payment; others have payments paused during review

### Trust Fund Status & Borrowing Scenario



- The UIA is currently issuing approximately \$22M in insurance benefits per week to workers from the Trust Fund.
- The period of solvency after our recent 1Q collections will be determined by the state's economic condition.
- Based on current conditions and forecasting the UIA does not anticipate the need for Title XII borrowing in CY 2021. However, we are continuing to monitor closely.



#### **Work Search Requirements**



- Starting May 30, claimants receiving unemployment benefits will be required to actively search for work in order to receive payments.
- Work search activities can include applying for jobs, attending job fairs or employment workshops, or creating profiles or resumes on professional networking sites such as Pure Michigan Talent Connect (PMTC) or LinkedIn.



#### Work Share Program | Restart. Retain.



- Work Share is a State of Michigan program that helps employers retain their employees and restart their business during difficult times.
- Work Share has traditionally been used by employers to retain their employees and avoid layoffs while employees receive partial unemployment benefits to make up a portion of the lost wages.
- 2,568 of Michigan employers have taken advantage of this program resulting in a \$90M savings to the UI trust fund.
- The program costs to employers are 100% federally financed through September 4th under the American Rescue Plan.



## Thank you.

Michigan.gov/LEO







