

**Representative James:**

Representative James asked for a copy of the PFM report (attached) that contains a cost analysis for UC Trust Fund repayment options.

**Representative Warner:**

Representative Warner asked for updated fraud numbers beyond the ones available in the IFO report (Q42021 and 2022). L&I does not have updated estimates for fraud payments beyond Q32021. Q42021 numbers will be available in June of this year.

**Representative Krueger:**

Representative Krueger raised an issue that was discussed on a Legislative Town Hall regarding cell phone access to our Service Center Helpline. The exact question from that Town Hall appears below:

*Rep. Krueger/Florence Moyer - we have had several constituents tell us that when they call the helpline they don't even get a busy signal. Instead, their phone shows "user busy" and a call back button. They have tried to call at various times of the day and the same thing happens. Is there a way to change this so they at least get a busy signal and have the option of staying on the line until it is picked up? The people who have reached out about this do not have landlines, so haven't been able to try to get through except from their cell phones.*

This is not an issue under L&I's control. It is a cell provider issue and how their system handles/displays a busy signal. We have seen variations of this issue, but it appears that cell providers terminate a call instead of giving the busy signal. The display referenced above is just another variation of how cell providers handle such calls. However, regardless of cell provider, we are not aware of any carrier that allows a caller to stay on a line with a busy signal until the line is no longer busy.

**Representative Culver:**

Representative Culver asked how many Refusal of Suitable Work (RSW) forms have been submitted to L&I since the beginning of the pandemic and how many claimants have had their benefits terminated. Below is a chart showing the number of determinations issued after a refusal of suitable work investigation. The RSW denials column show how many of the determinations found that the claimant actually refused suitable work. As you can see, many of the refusal of suitable work reports that L&I receives do not result in the termination of claimants' benefits. Since the beginning of the pandemic (March 2020) to now, 17,800 RSW reports have been filed with L&I.

<b>Program</b>	<b>RSW Determinations Issued</b>	<b>RSW Denials</b>
UC	714	330
PEUC	29	14
EB	4	1
PUA	6,642	1,226

## Representative Struzzi:

Representative Struzzi asked L&I to provide quantifiable data regarding productivity as telework has been implemented. Below are some early indications of efficiencies we have seen around L&I.

### Telework

- **The percentage of L&I's workforce participating in telework:**
  - 70% of our workforce has a telework agreement in place for part-time telework and only 2% of our staff have been allowed full-time telework privileges.
- **Quantifiable improvements we have seen as we have shifted to telework:**
  - **Operational, Programmatic, and Service Delivery Improvements**
    - **Bureau of Disability Determination (BDD):** In 2020 and 2021, BDD achieved 105% and 102% of the Social Security Administration's target workloads, surpassing its federal goals both years even after shifting many of its staff to telework. During its shift to telework, BDD also centralized its call center with multi-language capability, virtually eliminating call wait times.
    - **Bureau of Workforce Development Administration (BWDA):** With staff working remotely, BWDA transitioned the grant agreement and funding commitment process from paper to electronic. BWDA processed 326 grant agreements over the last 2-year period and 2,268 funding commitment documents. The electronic process has cut the average processing time in half from 6-8 weeks down to 3-4 weeks for grant agreements and 3-4 weeks for a notice of obligation (NOO) to 3-5 days.
    - **Bureau of Occupational & Industrial Safety (BOIS):** BOIS has seen a 60% reduction in customer complaints since digitizing processes due to the COVID-19 pandemic. BOIS also streamlined the elevator and boiler application process by accepting those items electronically for the first time.
    - **Office of Unemployment Compensation Tax Services (OUCTS):** OUCTS implemented an e-audit application from employers in January 2022, eliminating the need for an in-person audit, which saves travel time and expenses for OUCTS auditors.
    - **Bureau of Workers' Compensation (BWC):** In October 2021, BWC implemented an electronic payment portal, allowing for fund assessments to be paid without the need for mailed paper checks. The time to process online records requests was reduced from 7-10 days to 2-3 days. Processing time of medical fee applications reduced from 22 days to 9 days.
  - **Mitigation of Office Closure Impact**
    - Before COVID-19, every year, L&I and the commonwealth had to close offices due to weather and sometimes due to unexpected events such as electricity or water outages or other building issues. With the implementation of telework, all telework eligible staff have the expectation that they must bring their laptops home each day regardless of their telework schedules. Per the terms of their telework agreement, this means that whenever we do have weather or non-weather-related emergencies impacting our offices, we can continue to remain open for business with minimal impact to our operations.
- **Cost savings that have already been identified through telework:**
  - **Workers' Compensation Office of Adjudication (WCOA):** Various cost savings due to telework, including:

- ~\$500,000 – no security guard needed
    - ~\$47,000 – no interpreter travel costs
    - ~\$14,000 – parking reduction costs
    - ~\$84,000 – print and office supply savings
  - **BOIS:** Experienced a 33% reduction in use of paper and ink; mailing costs reduced by 25% due to sending items electronically and no longer mailing paper receipts.
  - **OUCTS:** Various cost savings due to telework, including:
    - ~\$43,000 per year from reduction of parking spaces
    - ~60,000 per year from implementing a paperless mail desk
  - **BWC:** General reduction in administrative costs, including travel expenses reduced by 88% and office supplies reduced by 47%. Audits were increased by 38% even with less auditors due to the implementation of online audits, saving \$116,000 annually.
- **How we are ensuring staff productivity is maintained in a telework environment:**
  - One of the central premises of the PA Telework program is that we made sure our program area leaders understood that not every job and individual will be eligible for telework.
    - **Positions** suitable for telework included only those that could be remotely performed and remotely evaluated with ready remote access to IT resources, files, and data.
    - **Employee** suitability for telework was assessed on an individual basis by each supervisor based on the following agency criteria:
      - Adequate job knowledge
      - Graduating from probationary status
      - High-level of self-motivation and ability to work independently and effectively manage time
      - Overall performance evaluation rating as at least “Satisfactory” or above
      - No ongoing disciplinary or performance issues
      - Attendance record, dependability, and trustworthiness
      - Collaborative ethic and responsiveness
  - Post-rollout, we have made sure program areas develop key performance indicators they can apply against their employees to regularly measure output. Those KPIs will vary depending on the program area. For any instances where employees are underperforming or face a disciplinary issue, supervisors and managers are fully within their right to request that the employee report to the office with closer supervision until those issues can be resolved.

### **Representative Lawrence:**

Representative Lawrence asked several questions regarding the backlog in processing fraud report. Responses to his questions are below:

- **How many more investigators do we need?**
  - The Internal Audits Division (IAD) would need at least 60 full time experienced investigators.
- **What is L&I’s plan to address the outstanding backlog of fraud cases?**
  - We added 55 contractors and 100 staff members from our Tax Department to help manage the backlog. The additional staff will be assisting with various projects to clear out the backlog of fraud cases.

- **How long do we anticipate it taking to dig out of the current fraud backlog?**
  - We estimate 3-4 months to clear the backlog that stands at 38,184 as of March 3, 2022. However, this depends upon whether we can successfully prevent additional attacks in the system that would increase the number of fraud reports submitted to the Department.
- **How many days should a fraud investigation take?**
  - Most situations can be resolved within 1-2 days, but this greatly depends on the severity of the situation and the cooperation from the victim.
- **On average how long does it take to conduct an investigation currently?**
  - It takes 1-4 days with complex cases, but less involved cases can be done within one day. We have numerous fraud situations and different levels of complexity.
- **How old is the oldest outstanding fraud report?**
  - The oldest outstanding fraud report as of March 3, 2022, is from June 8, 2021
- **How many fraud reports have been waiting more than a month to be processed?**
  - 37,971 fraud reports are more than a month old.