

# **New Mexico Department of Workforce Solutions Update**



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Cabinet Secretary**

**Presented to the  
Legislative Health and Human Services Committee  
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# Unemployment in New Mexico

- The September 2011 statewide unemployment rate was 6.6%. The rate has dropped for six months in a row.
- Out of a total labor force of 930,725 people, approximately 61,556 are unemployed.
- Approximately 41,000 people are certifying for unemployment insurance (UI) benefits every week.

# Maximum UI Benefits & Federal Extensions

In New Mexico, claimant can be eligible for a maximum of **86** weeks.

- **Regular UI=26 weeks** (paid out of trust fund)
- ***100% federally-funded extensions include:***
- **Extended Benefits (EB)=13 weeks** (3-month average>6.5%)
- **Tier I=20 weeks**
- **Tier II=14 weeks**
- **Tier III=13 weeks** (3-month average>6%)

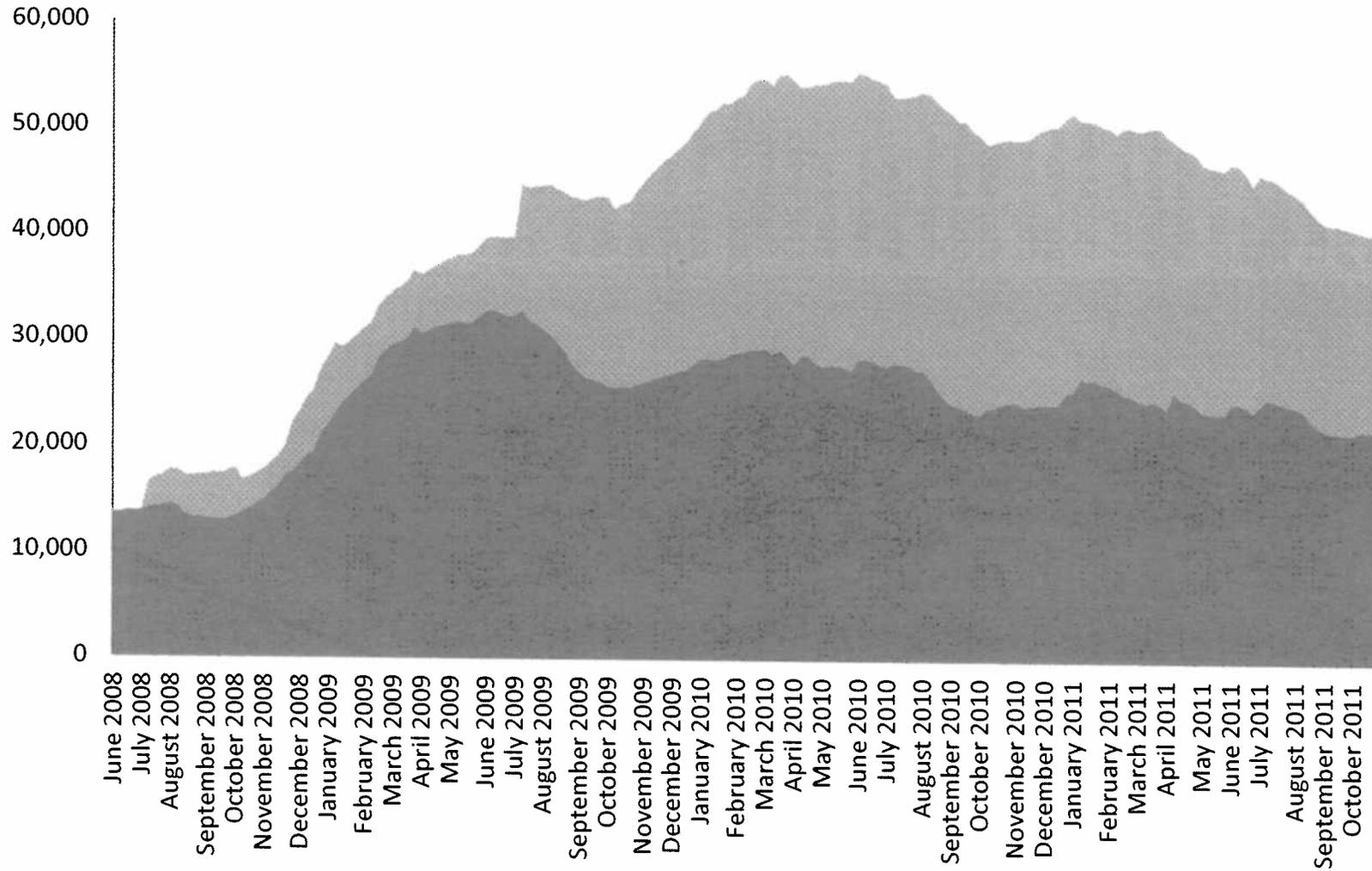


## Maximum UI Benefits & Federal Extensions

- Earlier in the year, New Mexico “triggered off” the following benefits:
  - **High Unemployment Period benefits (HUP)=7 weeks** (3-month average >8%)
  - **Tier IV=6 weeks** (3-month average>8.5%)
- Before triggering off these benefit levels, the maximum number of benefit weeks was **99**, and now the maximum number of weeks is **86**.

# Increase in Unemployment Insurance Claims

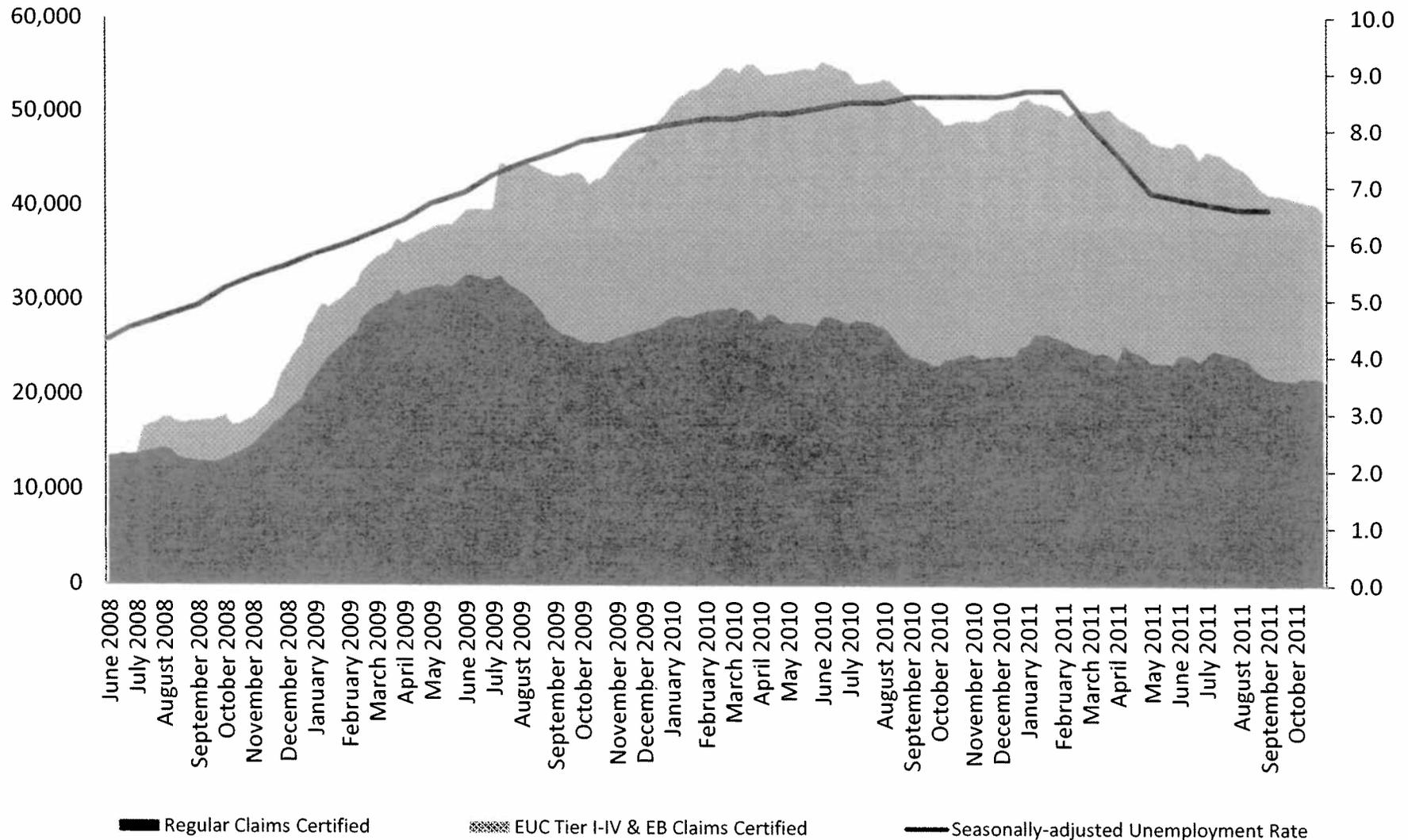
Claims Certified Each Week



■ Regular Claims Certified    ■ EUC Tier I-IV & EB Claims Certified

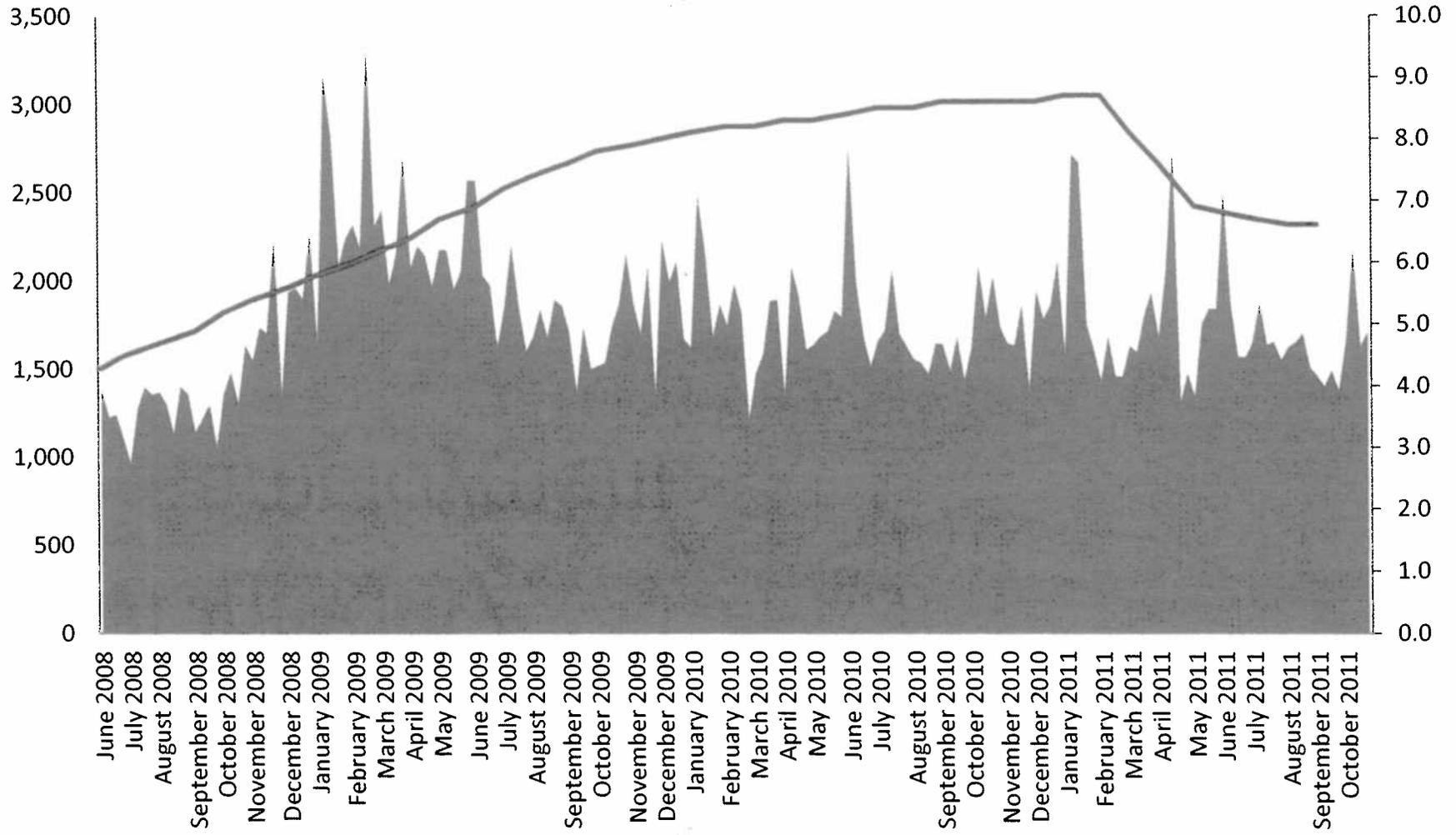
# Increase in Unemployment Insurance Claims

Claims Certified Each Week



# Increase in Unemployment Insurance Claims

Initial Claims Filed Each Week



■ Initial Claims

— Seasonally-adjusted Unemployment Rate

# UI Program Priorities

- UI Modernization Project
- UI Integrity
- Reemployment

*-largest IT project  
in NM*

# UI Modernization Project

- Combined Unemployment Insurance Tax and Benefits System
- Benefits to Business
  - A fully automated self-service system, inclusive of online reporting, registration, and online account maintenance
- Benefits to Claimants
  - User-friendly, more complete unemployment insurance online model with personal mailbox for direct dialogue with department
- Funded with American Recovery and Reinvestment Act (ARRA) and USDOL Reed Act funds.
- Phase I implemented February 2010; Full implementation 2012.

# UI Integrity

- Integrity
  - Everyone's responsibility including NMDWS, employers, and UI claimants
- Intensify effort to prevent, detect, reduce, and collect overpayments
  - Targeting top 3 causes
  - Benefit Year Earning: working while collecting
  - Separation Issue: not enough or accurate information from employer
  - Employment Registration: failure to watch Workforce Connection Orientation video

*50% of overpayments*

# Integrity Initiatives

- Created Departmental Cross Functional Integrity Task Force
  - Comprised of subject matter experts in UI and Workforce Services; meet bi-weekly
- Created strategic plan to address integrity
- UI Integrity Institute
  - Participated virtually with 39 other states
  - Comprise locally of department Cross Functional Integrity Task Force
  - Created Integrity Strategic Plan
  - Posted state plan on secure website dedicated to Integrity information sharing

# Integrity Initiatives

- Benefit Year Earnings
  - Hired 6 new investigators
  - Implemented National Directory of New Hires (NDNH) cross match in legacy system
  - NDNH automated in new system
  - Public awareness campaign targeting claimants on when to stop certifying

# Integrity Initiatives

- Separation Issues
  - Public awareness education targeting employers on the importance of timely and accurate information during adjudication phase
  - Additional training for claims intake and adjudication staff members

# Integrity Initiatives

- Employment Services Registration
  - New Workforce Connection Office Protocol
    - UI claimants who visit offices must be checked in and verified if they have completed “Orientation”
    - Potential claimants must complete the online New Mexico Workforce Connection system registration before filing initial unemployment insurance claim
  - Follow-up calls to claimants for failure to register with suspension of benefits until compliance is met

# Integrity Initiatives

- Work Search Verification Pilot Project
  - Increase number of work search audits conducted by the department
- 10-week pilot program with 50 staff members
  - Claimants must produce a work search log for predetermined week of claim
  - Staff charging UI base grant make calls to employer to verify
  - Unverified work search issued a warning
  - Non-compliance results in suspension

# **Integrating UI and Employment Registration**

- Breaking down silos within department
- Viewing UI claimants as a “customer”
- Having unemployment insurance and employment services working together
- Cross training and educating staff on each other’s roles and responsibilities
- Increased accountability for UI claimants

# Reemployment Initiatives

- Created and filled five Business Liaison Representative positions statewide to compliment existing Business Services Teams
- Training staff on Business Services goals
  - Promotion of assessment tools – WorkKeys
  - How to speak “business”
  - Creation of promotional materials

# Reemployment Initiatives

- Become more engaged with business
- Partner for 2011 New Mexico Employer Summit
  - November 17, 2011 7:30 a.m.-12:30 p.m.
- Working with individual communities
  - Southeastern NM tri-county area (Chaves, Lea, and Eddy counties) in need of labor force
  - Hosting virtual job fair
  - Cross promoting community at other job fairs

# Integrity Grant

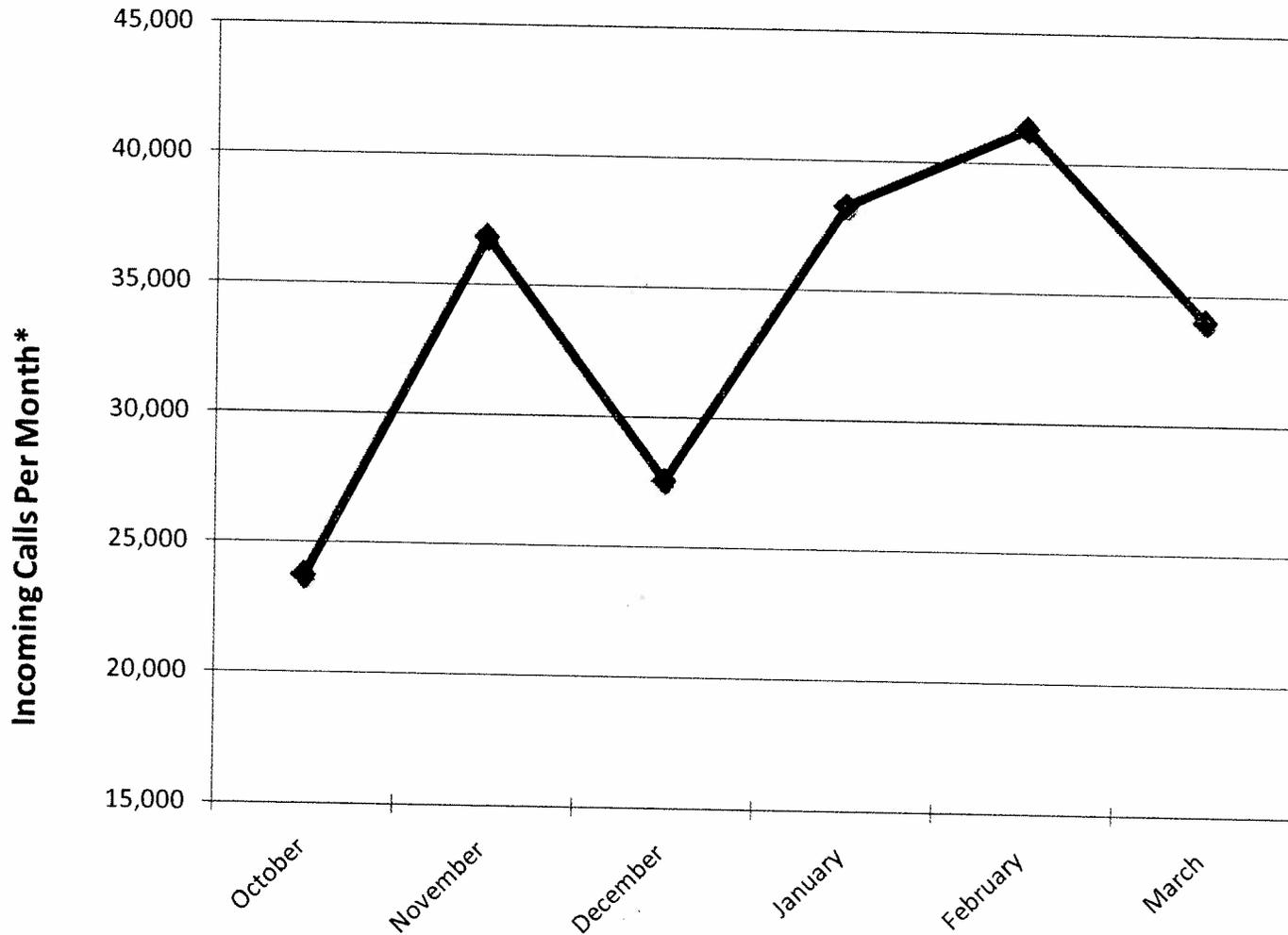
- NMDWS awarded \$2,499,029 Supplemental Budget Request from USDOL
- Primarily UI Modernization system enhancements
- Automated and technological improvements
- What will the money be used for?
  - Cross Functional Task Force
  - National Directory of New Hires (NDNH)
  - State Information Data Exchange System (SIDES)
  - Employer/Claimant Messaging
  - Employment Services Registration

# UI Call Center

- UI peak season is typically October through March, due to seasonal layoffs throughout the season in industries such as retail, agriculture, and hospitality.
- Currently, the call center has 67 customer service representatives (CSRs).
- Peak season campaign includes outreach material to assist local Workforce Connection Centers increased traffic from UI claimants.
- Increased incoming calls during these months, but CSRs must process claims with accuracy and detail to maintain UI program integrity.

# UI Peak Season

## Typical UI Peak Season Pattern



\*Incoming calls includes all calls routed to customer service representatives (CSRs) via Virtual Hold and option available through the 1-877-664-6984 toll-free number. This does not include claimants calling 1-877-664-6984 and utilizing self-service options.

# UI Timeliness

- Call Center
  - September 2011 average wait time=4 min
  - September 2010 average wait time=49 min
  - October 2011 average wait time=16 minutes
  - October 2010 average wait time=1 hour, 6 minutes
- Claims Adjudication
  - Claims adjudicators will issue a decision within 4-6 weeks on claims issues that have to be researched, reviewed, and determined.
  - Currently, there is a steady 3 week backlog
- UI Benefit Appeals
  - 65.12 days or 2.17 months is the average time period from the date the appeal is filed to the hearing date

# New Mexico WARP Grant

- Workforce Assessment and Recommendation Partnership (NMWARP) planning grant
- NMDWS is the fiscal agent of \$150K Health Resources and Services Administration (HRSA)
- NMWARP Committee-comprised of many stakeholders from state agencies and healthcare associations
- Grant is to assess current and projected shortages in healthcare workforce
- Develop comprehensive statewide plan aimed at addressing healthcare shortages

## **New Mexico WARP Grant-Progress Made**

- Identified health care labor market data, education & skills data, career pathways, and applicable occupations
- Completed draft system architecture for the Healthcare Workforce Data Collection System
- Development of standardized survey to be issued at each of the healthcare regulatory boards
- Finalized first interim report