The Vermont Legislature directed the State Auditor's Office to contract with outside unemployment insurance experts to identify opportunities for improvement in Vermont Department of Labor's (VDOL) detection and prevention of unemployment fraud and overpayments. VDOL worked with Resultant to transparently assess their current state; identify fraud identification and prevention solutions; and position the agency for long-term

success by examining resources, technology, training, funding, communications, workflows, and policies.

## In developing a strategic vision, we worked with VDOL to accurately assess their current state, define desired capabilities and outcomes for a future state, and identify technical improvement opportunities to bridge the gap between those two states of being. Vermont's

Mapping a **Strategic Vision** 

SECTOR | NONPROFIT

**INDUSTRY** | GOVERNMENT

unemployment program currently operates on a forty-plus-year-old legacy mainframe system and has just begun transitioning to a more current, user-friendly system.

A THREE-PHASE APPROACH GUIDED OUR WORK.

#### PROCESS MATURITY **PROCESS REPORT AND AND ALIGNMENT RECOMMENDATIONS**

**DISCOVERY** 



**01 PROCESS DISCOVERY** 

experiences of claimants, employers, VDOL, and a variety of other Because no solution will give desired outcomes without first interested stakeholders as they interface with the existing getting very clear on what those are, we began with an

assessment methodology designed to explore the day-to-day

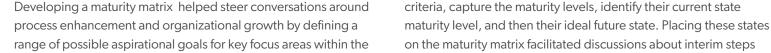
A deep dive into existing documentation and reporting Interviews with key stakeholders including members

- Chamber of Commerce Legal Aid General Assembly Office of Racial Equality
- Businesses for Social Responsibility
- **Assessment** of Vermont's current UI system technology **Comparative analysis** of ten states' UI systems

of these Vermont organizations:

unemployment program: -

- Persona development to ensure essential perspectives when building solutions, including
- Claimant Advocate Employer Advocate
- VDOL Vermont State Government



**02 PROCESS MATURITY AND ALIGNMENT** 

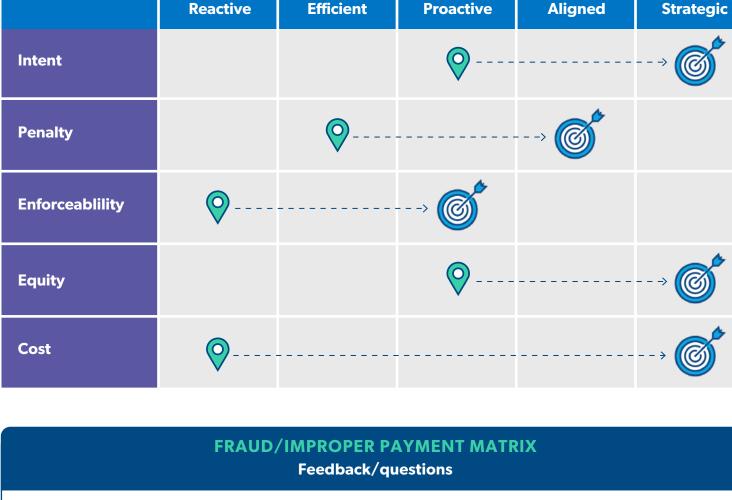
customized maturity matrix, we facilitated internal conversations and exercises with VDOL to first identify the matrix measurement **Reactive** 

UI fraud and overpayment detection processes. To establish the

**MATURITY MATRIX FOR FRAUD CHARACTERISTICS Proactive Aligned Strategic** 

toward their ultimate goal. Together, we mapped the course

toward their next realistic desired state of maturity.





### **Developed recommendations** to move toward strategic vision desired future state in areas of fraud mitigation, agency efficiency, cross-agency collaboration, and supporting technology decisions

feasibility



segment of maturity matrix

**Identified current and future states** for each





recommendations to achieve that.

timeline below.

current state and desired future state and bolster support toward

next steps. The report, publicly available on this link, specifies

the desired future state of UI operation and provides clear

Our research, discovery, and evaluation findings led us

to establish these recommendations, arranged by action

Aligned recommendations with

Resultant prepared an 87-page detailed report outlining the difficult challenges faced by UI administrators throughout the country brought on by the COVID 19 pandemic and notes VDOL's commitment to delivering services to every individual who needs

them even in the face of new, pandemic-related challenges.

We delivered a presentation before two Vermont legislative

committees to bring awareness and transparency to both the

START PLANNING Enhanced Initial and Weekly Claim Portal: Increases efficiency of initial claims processing and access to claims data for more data-driven decisions.

# **DO NOW**

**TIMELINE** 

## credentials, enhancing security of already established accounts. **— External IV&V Support for Phase I of Modernization**: Provides objective oversight of the modernization project to identify and address project team blind spots and monitor project risks and issues.

with technology implementations.

related stakeholders.

**VDOL** has a roadmap for reaching the desired future state in

to address these issues while moving toward the desired

they are.

documented and tracked, and project outcomes are successfully achieved. Leverage Human-Centered Design Services in Modernization Projects: Brings the points-of-view of claimants, VDOL employees, and employers into the modernization process.

External POMO Support for Modernization: Ensures timelines, key benchmarks, and risks are

Enhanced Employer Portal: Eliminates disruptions in requirements between employers and VDOL

Claimant ID Proofing: Verifies identities before a case is created, ensuring claimants are who they say

User Account Security Management: Establishes protocols and secure repository for claimant's account

by efficiently connecting employers to the claims process.

 No Longer Apply Penalty Weeks and Develop Tiered Administrative Penalty Framework: Removes onerous or unnecessarily punitive penalties against claimants; can be amended based on deterrence

Strategic Planning and Design for UI Modernization: Provides transparent, shared benchmarks for

Create a Data Environment Outside of the Mainframe: Allows for ongoing modernization and promotes

 Intergovernmental Collaboration and Cooperation: Aligns expectations between Agency of Digital Service (ADS), Chief Performance Office (CPO), and VDOL and enhances business processes in conjunction

**ONGOING** Administrative Wage Garnishment: Grant VDOL the ability to collect via wage garnishments, increasing the deterrence effect of repaying monetary overpayments and penalties.

Allow Penalty and Interest Recoveries to be Used for Fraud Prevention Innovation: Provides

interoperability and shared information across systems in a secure environment.

ongoing optimization and iterative assessment of fraud prevention strategies.

- Outcomes Achieved

**The project overcame the challenges** brought on by

VDOL has a comprehensive strategic plan developed

the pandemic: remote working, COVID protocols, travel the areas of fraud and benefit overpayments and insights into industry best practices. restrictions, and a tight timeline. VDOL administrators, auditors, adjudicators, and We helped VDOL frame UI system obstacles in ways that are understandable to multiple stakeholders, essential for legislators are breaking down silos so they can collaborate

collaboration.

UI program stakeholders desire to better serve Vermonters by providing UI benefits in an accurate and timely

manner while mitigating fraud against the UI Trust Fund. We helped them achieve these outcomes.

- Vermont has an outline of options for collaboration through extensive research and interviews with stakeholders between VDOL, the state legislature, and other relevant that leverages state assets, staff, and budget responsibly.