

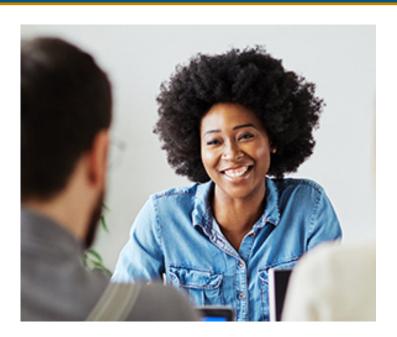
2023 Year in Review

Following the Governor and California Legislature's historic investment in modernizing the EDD for the first time in decades, the Department made customer service the top priority through the EDDNext effort in 2023. EDDNext is improving the customer experience, modernizing technologies and self-service options, simplifying forms and notices, and increasing efficiencies for staff with updated policies and procedures.

Putting Customers First with EDDNext

Through EDDNext the Department is taking action to improve the experience of millions of its customers. Its mission is to revolutionize the customer experience, empower job seekers and employers, and ensure security as the EDD goes through this modernization. This transformation extends beyond technology. The EDD is revamping policies, procedures, and rationalizing and simplifying processes.

In 2024, the EDD will continue bringing their programs and services into the 21st century through self-service and automation. This also includes personalized support with cutting-edge technology and harnessing the capabilities of the state workforce.



EDD Implements All State Auditor Recommendations

Based on pandemic lessons learned, the EDD delivered major improvements including <u>implementing all 21 California</u> <u>State Auditor (CSA) pandemic recommendations</u> for fraud fighting and operational enhancements.

For operational improvements, these actions included:

- Developing a transparent, public dashboard with unemployment claims information.
- Streamlining identity verification.
- Improving automation for claim processing.
- Building an unemployment workforce-planning office focused on eliminating deferred determinations.
- Launching a voice of the customer program to analyze and solve common customer issues.
- Enhancing the unemployment call center with improved features including customer callbacks.

For fraud fighting, these actions included:

- Streamlining fraud reporting systems.
- Implementing new claim monitoring systems.
- Establishing an external fraud taskforce.
- Coordinating all unemployment fraud prevention and detection through a dedicated unit.

The EDD is also speeding up payment processing. Last year, up to 74 percent of unemployment claims met the US Department of Labor's payment requirements. In June 2020 of the pandemic, the nationwide percentage was 52 percent. The Department transparently posts payment information on its <u>online data dashboard</u>, consistent with the CSA's mandate. The EDDNext modernization work will continue to help build greater efficiencies in their benefit programs.

California Joins Governments and Businesses Across the Nation to Further Elevate Customer Service

In September 2023, California hosted the <u>National Association of State Workforce Agencies (NASWA) Summit</u> in Los Angeles, featuring welcome remarks by Labor Secretary, Stewart Knox, and the EDD Director, Nancy Farias. Their comments highlighted California's historic work to modernize its benefit systems and improve customer experiences across the board through EDDNext.

The Summit provided the State with a platform to collaborate with other states and industry leaders to accelerate transformation and foster further innovation to enhance customer-centered services. The EDD participated in a workshop on harnessing direct customer feedback sharing insights with other states on the pivotal role of customer research as a cornerstone to improve service for millions of Californians.

The Department also participated in a panel discussion about national efforts to share data and collaborate to combat fraud. Since 2020, EDD investigators have contributed to law enforcement efforts by opening over 2,000 investigations—leading to arrests of over 700 suspects and convicting nearly 400 perpetrators.

In addition, the EDD's Labor Market Information Division highlighted its recently updated Occupational Guides to assist students and jobseekers with planning for their educational and career goals. They upgraded the guides as a dynamic, <u>interactive dashboard on the website</u>. The Labor Market Information Institute recently awarded the product, Best State Labor Market Information Product for Supporting Jobseekers.

California will continue to draw on the national experience of governments and businesses across the country as it embraces modernization and customer service improvements through EDDNext.





Improving the Customer Experience

EDD is overhauling its benefit systems through historic investments approved by the Governor and Legislature. In 2023, EDD continued improving customer service and delivering services that put customers first.

In May 2023, the EDD began sending out a new newsletter by email, *Benefiting Californians*, to share the story of one of the nation's largest public benefit systems – with over 21 million people filing 63 million unemployment, disability, and Paid Family Leave claims over the past decade. This newsletter helped share Department progress with regular communication to help better inform Californians about the major changes impacting customers.

In June, the existing customer portal was replaced with <u>myEDD</u>, a simpler way to access EDD programs and services. The new myEDD replaces the previous Benefit Programs Online (BPO) and is informed and influenced by customer and stakeholder input. It features a more secure login verification process, just like with online banking, and makes password recovery easier.

In August, the Department kicked off a project to transform its call centers into a high-tech contact center that integrates all benefit programs and services. The modern contact center will adopt the latest technologies, including live chat, interactive voice response, artificial intelligence, chatbots, and multilingual services. These capabilities share one goal, to deliver fast, accurate, and user-friendly service for EDD's valued customers.

The call center transformation project starts with a Disability Insurance pilot project in early 2024 to improve call handling capabilities. These enhancements will continue improving customer service for those who call the Department.

The EDD also continued to build electronic options for collecting additional information from unemployment customers to help determine eligibility for benefits. This means faster benefit determinations for customers who encounter eligibility issues. The current process requires scheduling a phone interview with an EDD representative, which can slow processing. Instead, the Department now streamlines eligibility determinations with the option of online fact-finding questionnaires.

The EDD also enhanced the Labor Market Information Division website with expanded labor market information, tools, and simpler access to details about California's industries, occupations, projections, wages, labor force, unemployment rates, and more. These enhancements include interactive maps and data tools that empower job seekers to access valuable information.

Modernize = Listening to Customers

The EDD has a team dedicated to conducting customer research and collecting feedback, using it to improve services as well as influence the design and development of user-friendly benefit systems.

Direct customer feedback is integral to the EDD's work to improve service levels for the millions of Californians who rely on the EDD for access to vital resources in times of need.

To further fortify positive trends in customer service and support <u>EDDNext</u>, the Department created a Customer Experience team and User Experience team to gather customer feedback and guide improvements. We interviewed past customers, new applicants, advocates, and community-based organizations during nearly 5,000 hours of research and testing. Results were carefully analyzed, and insights helped inform the design of the new myEDD portal and future improvements to our benefit applications.



California's Paid Family Leave Gains Awareness in Key Underreached Populations

The EDD is committed to continuing to boost public awareness about California's Paid Family Leave program, which most California workers contribute to through mandatory payroll deductions. The Department's outreach and marketing campaign in 2021-2022 increased public awareness among populations that could truly benefit from the program, including an increase of 15 percent for those with less than a high-school education and an increase of 11 percent for households with incomes under \$25,000. Awareness during the campaign increased nearly 4 percent statewide, equal to reaching roughly 1.2 million new Californians.

Overall, the EDD has raised statewide Paid Family Leave awareness by 5.4 percent since 2016, and applications have increased 4.2 percent from 2018 to 2022.

Work Sharing Public Awareness and Participation Grows

Following the EDD's work to streamline the Work Sharing application process, the Department kicked off a public awareness campaign about this important unemployment program and how it helps employers avoid the costs of layoffs. Work Sharing allows employers to reduce hours and wages to ride out economic downturns while the EDD pays partial unemployment benefits to help support employees.

On every front, this awareness campaign was successful. Over the past year, the Department saw a 31 percent increase in employer applications and a 20 percent boost in employer awareness about the program. The Department also launched a dedicated Work Sharing help line and hosted multiple, full-capacity webinars about the program.

To further raise awareness about this valuable program, targeted

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emails were sent to employers who are most likely to benefit. Specifically, the EDD analyzed data from Dun & Bradstreet, a leading global provider of business decisioning data and analytics for companies and industries that are at a higher risk of layoffs, and proactively contacted them to provide information about Work Sharing as an alternative to layoffs. Since the awareness campaign, the EDD has sent nearly 4,000 messages to financially stressed employers in the State.

Reaching Diverse Communities

In 2023, the Department continued making landmark investments in multilingual resources and outreach. This included updating applications to identify spoken and written language preferences, adding more dedicated language lines, translating vital documents into more languages, and other valuable multilingual services.

The EDD added dedicated phone lines staffed by experienced representatives who speak Armenian, Korean, and Tagalog, so California's eight most spoken languages are served directly by the Unemployment Insurance program. They also have no-cost interpreters in over 100 languages.

The website has <u>language resources</u>, including how to access an interpreter, for the most spoken languages in California. Those resources are located at the top of each webpage with a globe icon for easy identification.

In December 2023, the EDD added Traditional Chinese, Simplified Chinese, and Vietnamese to myEDD and UI Online to help Californians apply for unemployment benefits, reopen an existing claim, or manage a claim. Korean, Armenian, and Tagalog will be added in early 2024. With this launch, unemployment customers can access the UI Online process in their preferred language, and receive real-time updates about the status of their claim, including payment notifications sent by email or text message.

Other developments include:

- Announcing a new Language Access Officer, Erica Chovva Ruiz. She previously served as the Community Engagement Manager at the Department of Industrial Relations.
- Establishing a Multilingual Access Advisory Committee that will advise on language considerations that affect people seeking and receiving EDD services and benefits.
- Implementing California's Unemployment Language Opportunity Program, administered by The Center at Sierra Health Foundation, to empower communities to access EDD services. The grants provide support for education and outreach to communities of focus for them to better access the Unemployment Insurance program, and other services and benefits.
- Translating vital unemployment documents for customers into the top 15 non-English languages used in California: Arabic, Armenian, Cantonese, Farsi, Hindi, Japanese, Khmer (Cambodian), Korean, Mandarin, Punjabi, Russian, Spanish, Tagalog, Thai, and Vietnamese.

These efforts build on past achievements including <u>expanding EDD's language interpretation</u> service. The EDD also developed a new multilingual portal with translated forms, publications, and information about the EDD's no-cost interpreters.



Contact Center Customer Satisfaction Surveys

The EDD engages in robust customer satisfaction research to measure performance and identify areas for improvement. In response to the California State Auditor's recommendation and Assembly Bill (AB) 56, the Department expanded the availability of after-call surveys through each of its benefit program contact centers. The surveys help measure customer satisfaction after speaking with an agent.

From January to July 2023, 89 percent of customers calling the unemployment customer service line found that the representative was polite and professional, up from 85 percent between January 2022 to July 2023. Additionally, 83 percent of EDD customers said that their representatives had helpful knowledge and experience.



Survey results were especially positive for the new dedicated, multilingual language lines for unemployment. Of the customers using the dedicated Cantonese, Mandarin, and Vietnamese language lines, 93 percent reported the representative was polite and professional and 89 percent said the representatives had helpful knowledge and experience.

These results are consistent with the <u>positive trend</u> seen in the most recent annual customer satisfaction survey across EDD programs. Customer satisfaction with the unemployment claim process fell in the early days of the COVID-19 pandemic but is now rising again. Sixty-nine percent of the customers surveyed in 2022 were completely or mostly satisfied with the application process, up from 67 percent in 2021. The percentage of customers completely satisfied with EDD services rose to 46 percent, up from 41 percent in 2021.We are optimistic that the new training and resources we deployed for employees, and our sustained EDDNext modernization investments, will help further these positive trends.

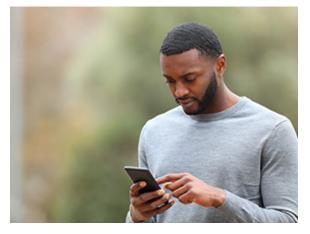
Online Unemployment Applications Now Available for Federal, Military, and Out-of-State Workers

In September 2023, the EDD updated its customerfacing systems to help federal, military, and out-of-state California workers apply online for unemployment benefits. Until now, these workers used paper applications or had to call. This upgrade is another step in the Department's wide-reaching EDDNext transformation period to modernize operations and improve customer service. This new, online option speeds claim processing, simplifies wage verification with the federal government, and helps ensure applications are completed properly. EDDNext customer experience improvements will continue with more multilingual and self-service options, integrated benefit systems, enhanced contact center services, and more.

Disability Insurance Text Message Claim Updates

The Department added <u>text message updates for Disability Insurance</u> in addition to those for Paid Family Leave. The new text messages proactively update claimants about claim status. Messages include application confirmations and the status of medical certifications for disability claims.

While text message communication is convenient, it is sometimes exploited by scammers who attempt to impersonate legitimate services. Scammers may "phish" for victims by pretending to be banks, stores, or even government agencies. In 2023, the Department continued to remind Californians to stay vigilant against scam attacks. <u>Help Fight Fraud</u> has useful information about how Californians can guard against identity theft and report suspected fraud.



Curbing Fraud and Holding Fraudsters Accountable

With identity theft remaining a nationwide threat, the EDD continued to warn customers about new phishing schemes designed to steal personal information.

Data shows that the vast majority of pandemic fraud occurred in the quickly established federal Pandemic Unemployment Assistance program that did not include the same safeguards that are built into the regular state Unemployment Insurance program. Every state suffered fraud against that federal program which ended more than two years ago. California continues to work with private-sector partners including ID.me and Thomson Reuters that supported the EDD in deploying new fraud fighting tools that blocked fraud attempts. The EDDNext project will also be advancing fraud prevention and identity-proofing services.

In close coordination with Fraud Special Counsel, McGregor Scott, the Department has recovered more than \$3 billion in stolen fundswith much more to come. The EDD posts information about its fraud-fighting efforts on <u>the EDD's</u> <u>Response to Fraud webpage</u>.

Empowering Local Communities to Help Californians Find Good Jobs

The EDD administers millions of dollars in <u>innovative</u> <u>grant programs</u> that help people with limited English proficiency get the training they need to find good jobs.

In April, the EDD <u>awarded \$7.9 million to the Public</u> <u>Works Alliance</u> to help implement emergency medical services recruitment and training programs across California. These programs recruit young adults from communities who face significant employment barriers.

The Department awarded more than <u>\$11 million in grants</u> to Employment Social Enterprise organizations in July that will help underserved job seekers enter the workforce. The grants fund technical assistance and projects that help California's most vulnerable populations find employment in a supported employment setting.

In February, the EDD announced <u>\$18 million to help</u> prepare workers with limited English proficiency for jobs in growing and sustainable regional industries. The grants were awarded to organizations to expand English Language Learner Integrated Education and Training programs across California. The funds help people who face significant barriers to employment by providing employment-focused training.

2023 California Jobs Market Briefing

In recognition of Labor Day, the Department released the annual <u>*California Jobs Market Briefing (PDF)*</u> with data on high-demand jobs and information about many programs and services that help connect job seekers with hiring employers.

The Department also published the <u>Stronger Jobs, Stronger Communities feature page</u> showcasing the top five indemand occupations in each of the State's 15 economic regions as well as infographics and videos that illustrate those occupations. The page contains information and tools to help job seekers find which industries are hiring.

California has maintained strong post-pandemic job growth, averaging over 31,300 jobs gained per month in 2023 – completely recovering key industry job totals, and in several sectors, growing beyond pre-pandemic levels.

2023 was a year of continued improvement and innovation. The EDD made landmark investments to improve multilingual outreach and resources. The Department continued to implement the EDDNext project to modernize its benefit systems and enhance the customer experience. The EDD also continued working with federal partners to strengthen benefit programs and help customers, as well as take action against fraud.

The EDD will build on this momentum in 2024 to further improve its operations and services, continuing to put customer's first.