Department of Workforce Services
Report on COVID Impact
Social Services Appropriations Subcommittee
June 1, 2021

Legislative Requirement

The Department of Workforce Services submits this report to comply with the following intent language from the 2021 General Session:

> *From HB 3, item 63*
> The Legislature intends that the Department of Workforce Services provide a written report to the Social Services Appropriations Subcommittee by June 1, 2021 on vulnerabilities that were exacerbated by COVID that still need to be addressed, including programs that had increased demand, areas where the agency had to deny people services, and recommended areas for further funding; for these programs, agencies should include information on performance metrics and caseload information.

Introduction

This report summarizes the Department of Workforce Services program and activity vulnerabilities underscored by the COVID-19 pandemic. These vulnerabilities are described by the major programs the department administers in the context of how these challenges were managed by the department. In conclusion, the report asks for the continued support already provided to the department to manage and maintain our systems for future challenges and opportunities.

The COVID-19 pandemic and the necessary steps to mitigate the spread of the disease created economic challenges for a large portion of Utahns including job loss, housing and food insecurity, and reduced access to health insurance. The department had the opportunity to serve Utahns impacted by these challenges because our mission is to strengthen Utah's communities by supporting the economic stability and quality of our workforce. Even though the department experienced unprecedented demand for services, it rose to the challenge to provide the many needed services effectively and in timely fashion, considering the workload increases.

This report identifies the primary vulnerabilities exacerbated by COVID-19 in the programs and activities administered by Workforce Services. These vulnerabilities highlight the counter-cyclical nature of the safety net services provided by the department. Often as economic factors like those presented by the pandemic slow and burden personal and organization finances, demand for safety-net services like those provided by the department increase dramatically.

Vulnerabilities Exacerbated by COVID-19

Programs with Increased Demand

As demands for services shifted because of the pandemic, Workforce Services shifted our priorities and work activities to meet the new demands. These shifts resulted in delays for some services, but usually to tolerable and manageable levels. The strain on the systems and personnel were significant, but the department is proud of the pandemic response and how Workforce Services employees worked hard and smart to overcome many of these difficulties to serve those most in need. The following highlights primary vulnerabilities exacerbated by Workforce Services offices and divisions.

Unemployment Insurance

What were the internal pain points that COVID exposed?

- COVID created a significant and immediate demand for the unemployment insurance benefit. A recession gradually increases the demand for the benefit, however this demand was immediate with the shutdown effects on employment.
    - Policy – Federally funded stimulus benefits and new programs to respond to the pandemic
    - Systems – Capacity and ensuring system availability
    - Staffing – Near lowest demand (2019) to unprecedented demand (2020)
    - Coordination and Communication – Federally funded stimulus response created new programs with many questions to potential recipients

If we had known about COVID a year in advance, what would we have done to prepare?

- While the pandemic was unpredictable, recessions have been recurring, as a result Workforce Services has always moved towards efficiency in preparation for high demand. Some of the changes that were already being implemented within unemployment insurance include:
    - Online Claim Filing – 2019 and 2020 saw 99% online claim filing
    - Online Employer Wage Reporting – 2020 saw 99% online wage reporting
    - Virtual Reemployment – 2019 began offering online virtual reemployment to claimants

What did we learn and what do we need for continued preparedness?

- Utah's trust fund formula has proven to be incredibly effective. During the Great Recession, 35 state trust funds went insolvent, Utah's did not. Thus far during the pandemic, 20 states have already gone insolvent with 4 more having depleted over 75% of their fund, Utah is not projecting insolvency
- The partnership between Workforce Services and DTS is effective and quick. Many new programs were introduced through the various stimulus packages, and Workforce Services coordinated directly with DTS to ensure quick deployment while maintaining program integrity and access.

- System modernization is critical. The legislature has supported the use of Unemployment Insurance modernization funds to modernize the enterprise platform. This continued focus on IT enhancement allowed the state to respond to the demand, stand up the new programs timely, and prevent downtime.

Data

- 2019 Total New Unemployment Claims – 57,200
- 2020 Total New Unemployment Claims – 387,345

Performance Metrics

	2019	2020
Benefit Payments Made Within 14 Days	92%	86%
% of Employers Filing Timely Contribution Reports	98.4%	98.6%

Office of Child Care (OCC)

What were the internal pain points that COVID exposed? If we had known about COVID a year in advance what would we have done to prepare?

- Policy
  - The Office of Child Care implemented programs to support working parents and child care providers in response to COVID-19. An emergency child care system to support essential employees throughout the state so that they had access to safe child care while maintaining their work. Operations grants were also released for child care business owners with the means to stay open and operating.
  - Professional Development training was adapted to an online learning environment allowing partner agencies to offer training statewide. The flexibility in the learning environment, and some courses available on-demand, allowed providers access to essential training throughout the pandemic.
  - These programs required a quick turnaround on contracts being created; contacting child care providers to participate, communicating the service to essential workers, obtaining policy waivers from our federal office, and engaging our child care partners. Much of the work was done manually and internal staff were moved from programs that were temporarily on hold to support the launch of these new programs.
  - Some providers and after school programs wanted to pivot to all remote programming, but the purpose for our funding is to provide safe spaces for children. We were able to provide some flexibility for short term closures, but our programs couldn't support full remote learning.

- Systems
    - We utilized current systems when able, but much of the work to implement programs were done manually. At the start of 2021, we updated our careaboutchildcare.utah.gov website, and we will continue to work on enhancements that will support the ongoing changes in our pandemic response and planning for future crises.
- Staffing
    - Internal staff were asked to quickly conform to teleworking, and this ensured the ability to respond quickly to the child care needs. In addition, staff pivoted from the program areas where they worked to support the programming changes needed for the pandemic response. This option worked initially, due to some of the programming being on hold, but as time went on this wasn't sustainable. Additional temporary staffing is needed to implement covid related programming.
- Coordination and Communication
    - At the request of the governor's office, the Office of Child Care established the COVID-19 Child Care Task Force composed of health experts, county and municipal policy makers, and other community leaders to coordinate the early response to the pandemic. We worked in close collaboration with partners at Child Care Licensing in DOH and Care About Child Care agencies throughout the state. Information was disseminated to the network through email, the COVID resource page on jobs.utah.gov, and using town hall meetings. Coordination continues to take place with stakeholders through the work of the Office of Child Advisory Committee, community partners, and other planning meetings.

For each of these areas and any others identified what did we learn? What things (programs, policies, etc. . .) do we need to continue to maintain preparedness?

- Collaboration and communication among the child care network is always important, but it was especially critical during this time of crisis. We need to continue to build the child care system and networks to ensure programs can be flexible when emergencies arise. A well connected system allows for the ability to consider possible strategies such as funding opportunities, short-term child care assistance for essential employees, and communicating critical information to all stakeholders.
- Strategies were needed to increase access to child care for essential workers and support child care businesses to stay operational to support all working parents, all within a very short time frame. Flexibility through program waivers, pandemic related funding, and staff support increased the available strategies for emergency response needs.

Workforce Development Division

What were the internal pain points that COVID exposed?

- Staffing is kept at a minimum, and because staff are assisting vulnerable citizens including those who lack access or technology skills, these staff cannot telework. As employees experienced COVID or were quarantined it became difficult to staff offices and provide continued support to vulnerable citizens. Vulnerable citizens and those impacted by the pandemic experienced increased wait times.

If we had known about COVID a year in advance what would we have done to prepare?

- Policy
    - Flexibility in program participation due to pandemics.
- Systems
    - Procured a virtual job fair platform early on and started engaging employers and job seekers with the platform.

Between April 2020 and December 2020, staff received 50,694 phone calls. Staff also answered 42,253 chats in addition to serving thousands of Utahns coming into offices statewide. 6,321 job seekers attended 9 virtual job fairs between April 2020 and December 2020. Between March and December 2020, 2,770 job seekers attended an online rapid response workshop to learn about the services offered by the department in helping them get back to work.

What did we learn about the needs of vulnerable populations?

- Employment centers continue to be an access point to provide critical programs and services needed by the most vulnerable citizens of Utah. These centers remain pivotal in helping bridge the digital divide in offering computer and internet access and tutoring.
- The workforce and job development remain vital to helping vulnerable populations. Employment counselors in employment centers continue to be needed to assist vulnerable populations with career coaching and job exploration needed to assist individuals in transitioning to varied employment opportunities as the needs of the employers in Utah change.
- Changes to in-person schooling created significant barriers for vulnerable families that do not have the means or resources to accommodate having their children at home during the day. Many vulnerable individuals are employed in occupations that did not allow for remote or flexible work schedules that would have helped to navigate some of the child care issues.

If a crisis happens again, how can we be better prepared to protect and support our vulnerable populations?

- Assist vulnerable populations with digital access and education. Encourage vulnerable families to access resources to increase technology skill levels.
- Provide resources in a timely manner to ensure that the barriers vulnerable populations face aren't amplified or prevent new ones from being created.

Office of Homeless Services

What were the internal pain points that COVID exposed?

- COVID-19 created a significant and immediate demand for increased services and resources for homelessness system response throughout the state.
- The Office of Homeless Services (OHS) was awarded $14,112,716 Emergency Solutions Grant (ESG) CARES Act Funding through the U.S. Housing and Urban Development to respond to COVID-19 and homelessness. This created the need to coordinate funding resources with 13 Local Homeless Coordinating Committees throughout the state and

with the State Homeless Coordinating Committee. Per federal guidelines, funding could be used for four project types: Emergency Shelter, Rapid Rehousing, Homeless Prevention, and Street Outreach.

- It has been imperative for Homeless Resource Centers and Emergency Shelters across the state to quickly mobilize to address social distancing, health, and safety concerns within congregate settings for staff and clients. In the first wave of funding, service providers were identified to enhance or create Rapid Rehousing and Homeless Prevention programs to serve individuals experiencing homelessness or at imminent risk of homelessness with housing assistance. The second wave of funding expanded funding for Emergency Shelter and Street Outreach. Street Outreach was initially slowed due to health and safety risks, but increased over the year to aid in quarantine and isolation site connections and vaccination efforts.
- Policy
    - Influx in federally funded homeless services and new programs to respond to the pandemic
- Systems
    - Capacity and coordination of immediate need contract negotiations and finalized contracts within grant management system
- Staffing
    - Capacity for additional funding coordination, monitoring and contract management
- Coordination and Communication
    - Federally funded homelessness response created new programs with many questions from service providers on eligibility of potential recipients of funding resources

If we had known about COVID a year in advance, what would we have done to prepare?

- Coordination with the Utah Homeless Network: If we had known about COVID-19 a year in advance, the Utah Homeless Network would have been formalized and in place in order to coordinate additional federal funding allocations and resources for the local responses to homelessness. The current Utah Strategic Plan on Homelessness, released September 2019, called for the creation of a Utah Homeless Network. This Network includes leadership from the 13 Local Homeless Coordinating Committees, service providers, an individual with lived experience and the Office of Homeless Services Staff. While the Network had been meeting informally from September 2019-February 2020, the COVID-19 pandemic created an opportunity to formalize the group. The Network Steering Committee has been imperative in funding coordination, recommendations, and processes presented to the State Homeless Coordinating Committee. Additionally, the Network created a COVID-19 Response group to address homelessness throughout the state in conjunction with Unified Command efforts. Local Homeless Coordinating Committees reported on emergency planning, quarantine and isolation, emergency shelter response, re-housing, street outreach, and vaccination efforts. It was co-facilitated by Pamela Atkinson, Unified Command and Governor's Office Representative, and Tricia Davis, Office of Homeless Services, every Thursday beginning March 19, 2020 through May 13, 2021.

- Finalized internal contracting policies and procedures: Housing and Community Development and the Office of Homeless Services had not finalized the internal contracting policies and procedures. These are in the process of finalization in a broader effort with the Department of Workforce Services Administrative Services, however, having the contracting policies and processes in place pre-pandemic would have streamlined the release of additional federal funding received through OHS to contract with service providers.

What did we learn and what do we need for continued preparedness?

- Identify quarantine, isolation, emergency shelter overflow, and day shelter sites: One of the greatest challenges for the Local Homeless Coordinating Committees was identifying sites and willing partners for quarantine, isolation, emergency shelter overflow, and day shelter. For the health and safety of staff and clients, quarantine and isolation sites were identified as an immediate need. Additionally, emergency shelters had to decrease capacity due to social distancing guidance. Early on, a hotel chain had expressed interest in being part of the solution and continued relationships with participating sites as well as identifying future private partners would be valuable for continued preparedness.
- Continue state Department and Division partnerships: Partnerships between the Office of Homeless Services, Department of Health and Human Services, and the Division of Emergency Management were strengthened during COVID-19. Partnerships with state FEMA staff, the Office of Homeless Services, and the Local Homeless Coordinating Committees should be strengthened for continued preparedness.
- Continue to foster partnerships between the Local Health Departments and the Local Homeless Coordinating Committees: The Local Health Departments response is critical in the prioritization of homelessness as a vulnerable population and in coordination with the Local Homeless Coordinating Committees. The newly formed Utah Homelessness Council should continue conversations about future preparedness in relation to the Local Health Departments and participation with the Local Homeless Coordinating Committees.

Office of Homeless Services ESG CARES Act Funding Data

- 30 organizations funded
    - 66 projects funded (36 of these were new projects)
- As of March 31, 2021
    - 6,392 individuals served in Emergency Shelter projects
    - 436 individuals served in Rapid Rehousing projects
    - 160 individuals served in Homeless Prevention projects
    - 1,130 individuals served in Street Outreach projects

Homelessness Data

- There was an 11.9% increase in homelessness in 2020 compared to 2019; 9.8 in every 10,000 people were experiencing homelessness in 2020
- The number of unduplicated individuals statewide who were enrolled in Homeless Management Information System (HMIS) from March 6, 2020- April 28, 2021:

    - 23,345 individuals enrolled in any project (projects listed below plus permanent supportive housing, rapid rehousing, homeless prevention, services only and "other")
        - 12,699 individuals enrolled in projects that indicate literal homelessness (emergency shelter, transitional housing, and street outreach)

Salt Lake County Vulnerable Populations - COVID-19 Homelessness Data
In general, Utah has had an incredible response to the pandemic in relation to homelessness and has been able to control outbreaks through quarantine and isolation far better than had been anticipated at a national level. Below is information from Salt Lake County in partnership with Fourth Street Clinic related to COVID-19 and Homelessness:

As of May 12, 2021 in Salt Lake County
- 989 recovered cases
- 4 active positive cases
    - 0.66% cumulative confirmed cases within Salt Lake County
- 8,929 tests administered through events
- 2,905 total vaccinations administered
    - 1,509 first doses of vaccine administered
    - 738 second doses of vaccine administered
    - 658 Johnson & Johnson vaccines administered
- 1,396 individuals experiencing homelessness are fully vaccinated
- 2.3% of the total hospitalizations in Salt Lake County were individuals experiencing homelessness
- 2,187 guests have been served in the quarantine and isolation facilities - Currently 2 guests

Utah State Office of Rehabilitation (USOR)

What were the internal pain points that COVID exposed?
- The need to establish standards and guidance around telework and providing services in virtual environments.
- Ensuring adequate staffing in offices, while maintaining the health and safety of staff and vulnerable customers. This was compounded at times due to staff contracting COVID-19, needing to quarantine, or working remotely due to their high-risk medical conditions.
- Reliance of the current system on postal service and paper which limited opportunities for telework for some staff.

If we had known about COVID a year in advance what would we have done to prepare?
- Policy
    - Established protocol for the provision of virtual/teleservices by staff and paid providers
    - Developed paper reduction plan to reduce direct mail to clients and vendors, while focusing on electronic communication and updating email addresses.
- Systems

    - Provide all direct service staff with laptops and access to remote voice-calling software.
    - Have in-person staff safety protocols and environmental controls at hand for quick roll out (PPE, face shields, reception area protections).
    - Provide staff with training on using different technology options. In addition, providing staff with resources on how to help customers obtain technology and assist customers with using technology.

Refugee Services Office (RSO)

What were the internal pain points that COVID exposed?

- COVID created a significant and immediate demand for Refugee Services. Many newer refugee populations lack the language and digital literacy to seek benefits from DWS using the expanded methods of online applications. The types of jobs many newer refugees can perform are involved in the service industry, which were among the industries hardest hit by the pandemic. Refugee Services had to "bridge the gap" for these customers by assisting with online applications for supportive services as well as unemployment.
- Many refugees had never applied for unemployment benefits and needed assistance to do so.
- The Utah Refugee Center holds many in-person training programs with partners that were shut down and the division had to shift to online - highlighting the challenges with technology already mentioned.
- Policy
    - The division had to think fast on how to stay within policy boundaries while getting creative in its approach. The division did so by training RSO staff to submit unemployment claims and then to also leverage third party access to our myCase eligibility online portal for the purpose of submitting SNAP, Medicaid, Child Care and Financial applications for refugees who were unable to so on their own.
- Coordination and Communication
    - Federally funded stimulus response created new programs with many questions to potential recipients

If we had known about COVID a year in advance, what would we have done to prepare?

- Put a much heavier emphasis on teaching digital literacy along with English to newly arriving refugees. A large lesson from the pandemic is that nearly all jobs require the ability to navigate technology. Because of the pandemic, the Refugee Services Office has amended all of its training contracts to include teaching digital literacy to all refugees who access our services.
- The Refugee Services Office has also collaborated with our resettlement partners to ensure that every newly-arriving refugee family is provided access to a computer and the internet.

What did we learn and what do we need for continued preparedness?

- Despite the pandemic, Refugee Services can never truly move to a fully virtual environment. The pandemic showed us that the Refugee Services Office serves certain populations that can only access services with our in-person assistance.
- Where RSO are essential workers that have to work in-person, it is critical that everyone strictly adheres to safety protocols and social distancing.
- The partnership between DWS, DTS, and Facilities is essential. During the pandemic. Without the assistance of DTS and Facilities we would not have been able to maintain operations.

Refugee Services Data
More than 1,900 unique refugees were assisted with training, job placement, supportive service assistance, and unemployment during the pandemic.

Eligibility Services Division (ESD)

What were the internal pain points that COVID exposed?

- COVID created a significant and immediate demand for changes in most programs the Eligibility Services Division administers, as well as the resulting workload increases. It also presented challenges in moving staff to working from home instead of the office environment in a short period of time.
- The Eligibility Services Division determines eligibility for many safety net programs (SNAP, Medicaid, CHIP, Child Care and financial assistance programs), and the pandemic caused increased demand for these programs as well as changes to the eligibility rules and benefits.
- The change requests were immediate, straining both the regular change process and established processes for delivery of changes. In some instances, the changes were significant resulting in workload increases ESD was not staffed to handle. Some program increases resulted in historic high caseloads.
- Operational
    - Transitioning most of our workforce to work from home. Strained to recruit and train staff to handle increased workload.
- Systems
    - Strain to support remote working environment, strained to program and test changes timely.
- Staffing
    - Adapting to recruit, train and support staff in a remote environment.
- Coordination and Communication
    - Federally funded stimulus response created new programs with many questions to potential recipients.
- Policy – Changing, training and programming new policies with expedited timelines.

If we had known about COVID a year in advance, what would we have done to prepare?

- ESD functions in an ever-changing environment where workload changes and program changes are constant. During the pandemic, ESD simply had to do more of what it does

much faster. Even though ESD met the unprecedented demand without major impacts to services, services and changes are always more successful given time to deploy:

- Preparing the infrastructure and equipment to transition to remote work
- Develop recruitment and virtual training plans ahead of time.
- Prepare ahead of time for workload changes

What did we learn and what do we need for continued preparedness?

- Although ESD is a mature and adaptable division, it is large and cannot navigate major changes as quickly as a smaller and less complex organization might. Each significant adaptation must go through policy changes that turn into business requirements to system planning, development, testing, rollout, announcement to staff, training and final implementation. Skipping any step in this process creates risk.
- ESD's most important resource continues to be our staff. ESD needs to continue to invest in their satisfaction and growth. During the pandemic and all the various challenges, it was the staff that shouldered the burden of the pandemic workload impacts.
- The partnership between DWS and DTS is critical due to the use of technology.

Eligibility Services Division Data

	2020	2021
Caseload counts, February	Supplemental Nutrition Assistance Program (SNAP)-167,370 Medicaid-292,952	Supplemental Nutrition Assistance Program (SNAP)-167,095 Medicaid -397,504
Days to decision	11.44 days average	12.27 days average

Recommended Areas for Further Funding

Unemployment Insurance: The legislature has supported the use of UI modernization funds annually, and this need continues as DWS completes full system alignment to the .NET platform.

Office of Child Care (OCC): OCC received federal funding to support the efforts of its pandemic response. No additional funding is recommended.

Office of Homeless Services: The federal government identified funding resources for the purposes of emergency shelter (quarantine, isolation, overflow and day shelter), rapid-rehousing, street outreach, and homeless prevention. A future response to a pandemic in relation to homelessness would require state funding for these purposes to support service providers in response, if not identified federally.

Refugee Services Office (RSO):

- Refugee Community Based Organizations funded by the legislature-using general fund dollars.
- ORR and TANF funding to support all RSO contracts that involve supporting schools, training, mentorships, on the job training (OJT's), World Refugee Day, aged refugees, and our underage refugee minor program, and case management.

Eligibility Services Division (ESD):

- Redesigning myCase (an online customer service system) could help mitigate availability challenges of some of the ESD services. ESD is in the process of seeking federal funding for this through the annual Advanced Planning Document with its federal partners.
- Funding for additional staff in accordance with caseload shifts as well as additional technical resources based upon need for change.