

Project Redesign

Pandemic unemployment and the social safety net

Time spent applying and waiting for benefits

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Participants experienced extraordinary and agonizing wait times for assistance to come through.

Whether it's getting stuck in the application process or waiting on hold for weeks to resolve errors, applying for unemployment was massively time consuming.

In every step of the unemployment assistance application process, participants were derailed in their progress and delayed in receiving benefits. Participants spent hours, if not days, just to get through the system to a claim that would be paid.

We estimate that, collectively, our 33 participants [spent about 6.5 years](#) trying to get unemployment between the middle of March and the end of June 2020.

From confusing login information and task flows on benefits portals, to risking health and flouting a stay-at-home order to drive to a local office to drop off paperwork that they couldn't otherwise mail or fax in, participants persisted. Some of the participants who filed online reported that it took between 2 hours and 2 days to file. The 2-hour range included finding numbers and supporting documentation needed (especially for independent contractors and freelancers applying for Pandemic

Unemployment Assistance), and filling in the fields on an online application. The 2-day range came from trying to fill out the 2-hour form on days when the websites weren't stable, were slow, or crashed. In this scenario, some participants reported, the data they had entered was often lost and they had to start from the beginning.

Unemployment application processing seemed to freeze as backlogs formed in the surge. Meanwhile, participants' lives didn't pause. Other pressures on participants intensified. They had to provide caregiving, or anxiously apply to new jobs, and deal with their own health and disabilities. Deadlines for eviction moratoriums loomed, prescriptions ran out, savings ran out. Some participants were called back to work, but didn't feel safe about returning to work with COVID-19 cases rising again in many states.

Each barrier in the process added to the time it took for participants to apply and get their claims processed.

Submitting an initial claim includes substantial friction for claimants -- sometimes for good reasons, such as to prevent fraud. But there are many opportunities to get lost or stuck along the way. Here are some common pitfalls we heard in the interviews, in the order we saw them arise in processes participants described to us:

- **Determining what to apply for, when**

Overall, states did a poor job of communicating when to expect new, pandemic programs to come online. States needed time to interpret the CARES Act and implement it in their IT systems. Even if that went well, most states didn't do a good job of setting expectations for claimants. So, people had difficulty figuring out what benefits to apply for (for example, regular UI or PUA), and when. Some of our participants applied for benefits before the programs were implemented and had to file a second claim. Assuming each claim took 2 hours, collectively, our participants spent at least 132 hours filing.

In addition, business owners were surprised when funds for the Paycheck Protection Plan ran out. They thought they had time to figure things out, but some participants missed out because they applied too late.

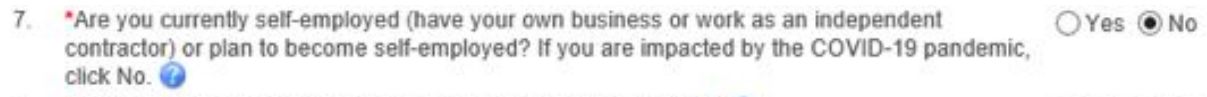
- **Gathering ID and employment paperwork**

Putting together the appropriate paperwork caused its own significant delays. Contractors and freelancers often needed to collate proof that they worked a minimum of 100 hours in their previous quarter and ensure that jobs worked in different states got accounted for. When people were laid off or furloughed, employers needed to verify this, causing delays.

- **Technical terminology or language barriers**

Participants got lost in the legalese of the names of the different unemployment programs and the questions and field labels on the application forms. This burden added research time for participants, and correction time when applicants made mistakes because they misread or misinterpreted questions. States patched existing UI systems to fit pandemic programs in, sometimes creating convoluted prompts that delayed participants in answering questions in the forms. The lack of plain language also caused applicants to make mistakes, which pushed out the claims adjudication process, and sent participants to calling call centers when they realized they'd answered crucial questions incorrectly. Because the call centers were overwhelmed, participants said they had no one to turn to for clarification or troubleshooting in the process.

Here's one example from a state unemployment system retrofitted for PUA:



7. *Are you currently self-employed (have your own business or work as an independent contractor) or plan to become self-employed? If you are impacted by the COVID-19 pandemic, click No. ☐ Yes ☒ No

A few participants either spoke English as a second language or were supporting people with limited English. Finding information about the programs and interpreting English-only online forms was massively time consuming and more likely to surface information that was incorrect. This meant more time spent for them, possible delays in applying, and delays in claims getting processed if there were mistakes.

- **Unreliable websites and hard-to-use interface**

At least four of our participants told us that, when they tried to submit their initial claims, the website they used crashed (sometimes multiple times) before they could submit their applications. (4 participants X 2 6-hour days = 52 hours.)

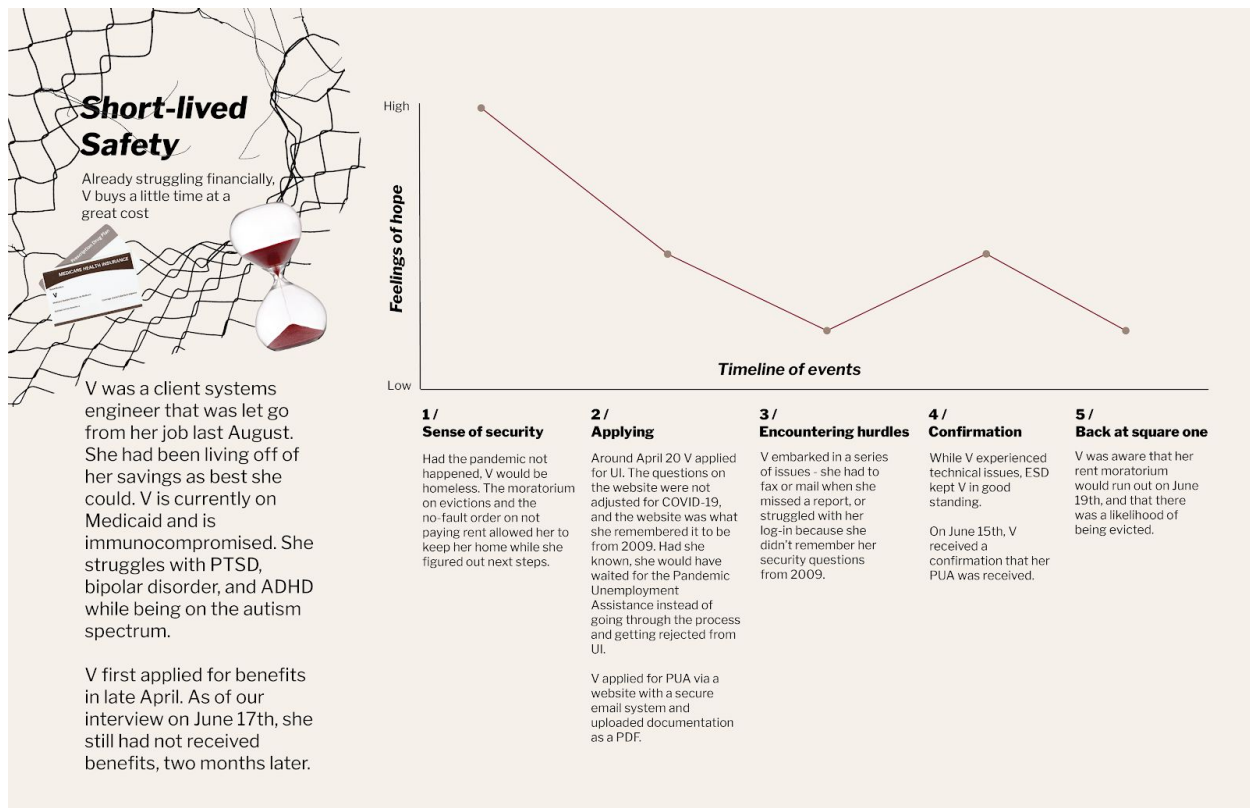
Authentication with government systems is a perennial time suck. A few of our participants got locked out or couldn't log in to existing accounts because it wasn't possible to get their passwords reset automatically.

- **Unhelpful and unclear notices and letters, opaque appeals processes**

After a week's waiting period and 21 to 28 days to process an initial claim, along with whatever time it took for state agencies to process the surge of claims, claimants are sent through USPS a paper letter explaining their weekly benefits amount. In the best of times, this can take a couple of weeks. But in a pandemic, it can take anywhere between 2 and 8 weeks.

Several participants received notices showing that they would receive no benefit amount. They didn't know what to do. For some, this meant that they simply didn't qualify for regular UI but might for PUA. For some, this meant the beginning of an ID or employment verification process. This left some participants feeling that they were "randomly disqualified," and succeeded in getting "into the system" on their second or third tries without knowing why the successive tries might have worked.

Pitfalls for claimants like the ones our participants described expose gaps in how the government delivers policy. These gaps exist between well-intentioned programs or policies. There are gaps between federal actions and state implementation. Government departments are silos that don't always coordinate well. Taken together, these gaps in policy and service delivery place a sizable burden on claimants by adding administrative tasks and attention for users. But more importantly, in this context, the gaps magnify the stress of time passing as bills need to be paid and people wait for help.

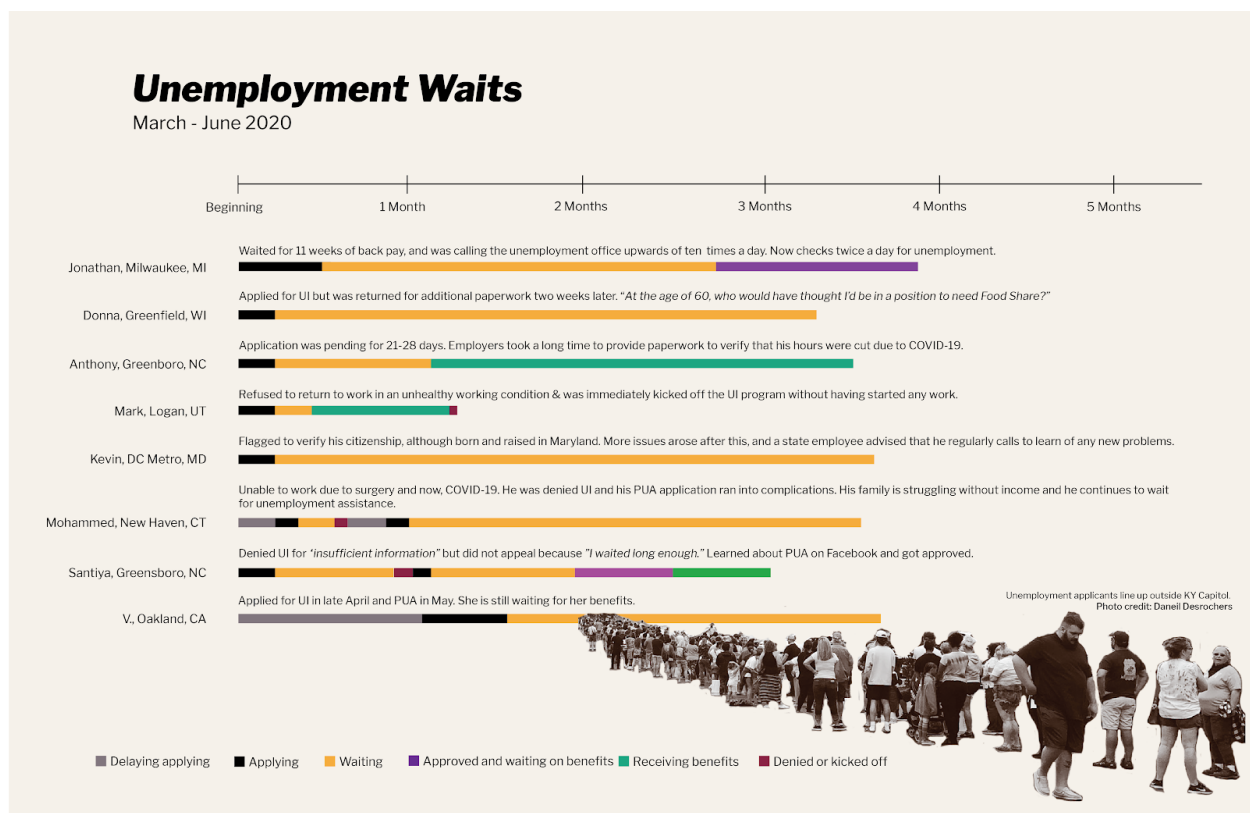


V's case (above) illustrates some of the pitfalls that we heard. For example, V missed certifying one week. The system requested that she fix the errors by physically mailing or faxing forms in. She didn't have stamps, and the post office felt like a dangerous place to be for someone who was immunocompromised. She also didn't

have access to a fax machine, so she was stuck for a few weeks until there was an opportunity to physically drop forms off. Meanwhile, she received multiple paper letters saying something about her claim being checked. However, when she tried calling and emailing, she never got a response. As of the time of our interview (June 17th, 2020), V had still not received her benefits, even after applying for PUA as well in early May.

Processing claims took up to 16 weeks (and possibly more).

Participants in our study waited between 4 and 16 weeks just to learn whether their claim was approved or denied. Most of the participants first filed claims in mid-March to mid-April 2020, and most were still waiting when we completed interviews at the end of June. Some were told that they had at least another 90 days to wait.



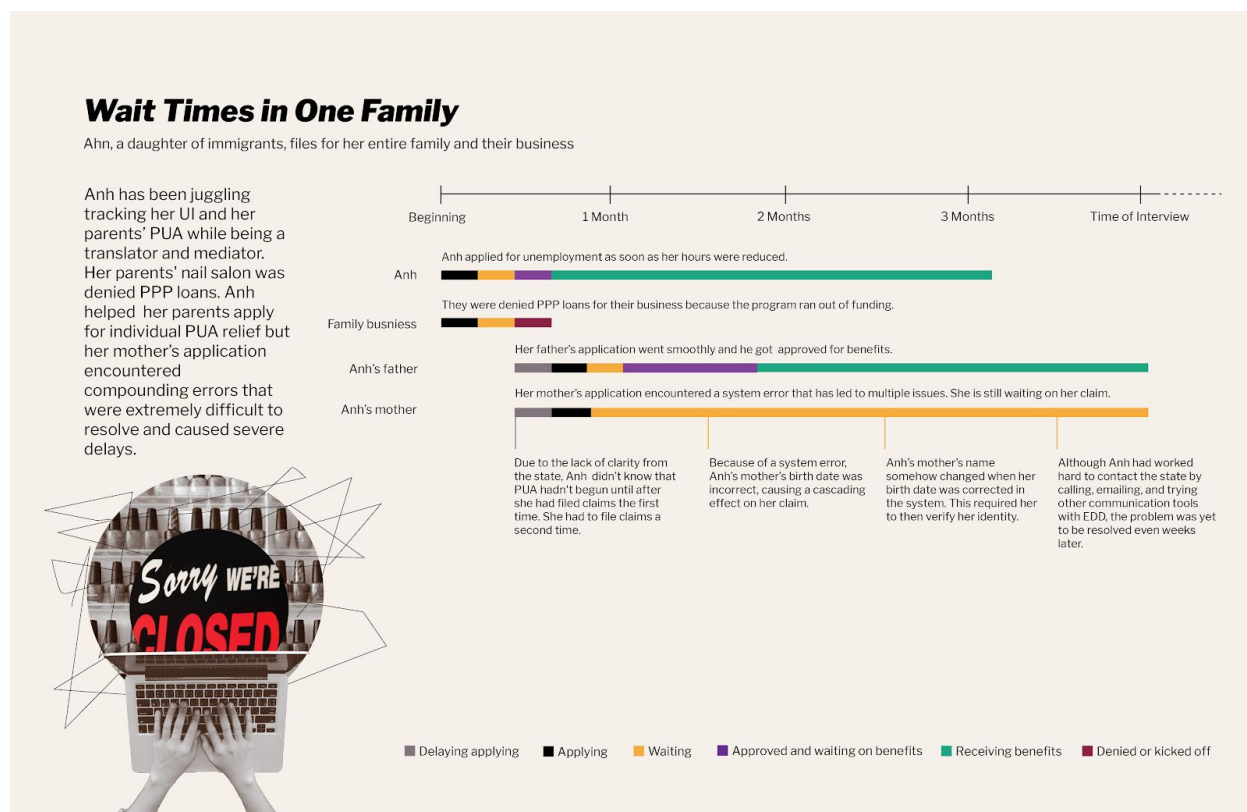
The chart above shows the comparative experience of several of our participants. Notably, the orange part (the section after the Applying step, usually the second or third step in) of the bar represents the time they waited to hear from their state's unemployment agency about whether and how much the participant would receive in unemployment assistance.

A few participants described the process of applying for unemployment as their new full time job.

Participants reported spending many hours checking websites for updates, and calling and emailing their state agencies to troubleshoot issues or learn about the status of their claim, then waiting to hear back. They also reported being tethered to their phones in the fear of missing a call back from a state unemployment agency.

Some of the waiting came from the massive backlogs at state unemployment agencies as they struggled with the surge in claims. For example, California went from around 4% unemployment in January to 16% in March. It is extremely difficult for state agencies to scale to that kind of overnight demand.

Some of the backlogs came from processes that require human attention to claims to prevent fraud in the unemployment system. That meant that claimants often suffered delays because of necessary, although wildly inefficient, processes for ID verification (for them and/or dependents) and citizenship verification. States try to cross-match identity and citizenship status from 2 or 3 different sources before requesting additional information from claimants. Sometimes this process surfaces data entry errors in different source databases. Sometimes it *creates* data errors. Anh and her parents encountered exactly this set of issues, as illustrated below.



The process that Anh and her parents went through (above) shows us several claims made at the same time with different processing paths and different outcomes. An apparently small error that should have been easy to fix created a cascade that delayed Anh's mother's claim for months (and suggests that there are systemic biases built into government technology because those systems don't take into account name and other differences for immigrants and non-white and non-binary gendered people.)

Other contributing factors to long wait times come from requirements to mail, fax, or upload PDFs of supporting documentation and the lack of stamps, a fax machine, and/or scanner. Participants expressed concerns that anti-fraud efforts were prioritized over delivering benefits.

Participants reported that their claims were delayed when they had claims for disability in the past, or were filing for unemployment assistance in multiple states (legitimately).

Participants ran out of time to be safe and healthy as they waited for benefits.

By the time we completed interviews at the end of June 2020, some states and cities had started to reopen. Some of our participants, essential workers in the food

industry and public transportation industry, were being called back to work. We include this discussion in our brief about time and waiting because time was a factor in whether and when to return to work. That is, some felt a need to return to work because savings were running out and they had not received unemployment benefits yet. Others felt pressure to return to work because the additional \$600 they received through PEUC / PAC would run out at the end of July.



The image above describes Amahd and Mark's experiences as frontline workers. They shared deep concerns about returning to work safely. Both participants said their workplaces lacked social distancing and PPE. They both looked for work in retail, warehouse, and frontline services. They hesitated to apply for those jobs because of perceived health and safety risks. Amahd and Mark were among many essential workers forced to choose between the safety of their health and ensuring their livelihoods. Over time, they lost hope that they would find safe work in time to prevent going into debt and being in arrears on rent.

While Congress acted quickly, states' implementation efforts delayed delivery and left participants worried about how they would make ends meet.

Time-related challenges were present throughout the study. Starting with zooming in to the experience that individual participants had, the act of learning about benefits and applying was burdensome and time consuming. Participants were probably slowed further because information and systems lacked plain, clear language and usable interactions. Just in our convenience sample of 33, participants spent hundreds of hours applying and reapplying, trying to get errors corrected, and trying to learn the status of their claims.

Zooming out, the surge in initial claims created massive backlogs in state agencies almost immediately. The volume of claims interacted with an existing, deep need for fraud prevention. In addition, states encountered an organized criminal effort to defraud state unemployment systems. The combination of factors required state adjudicators to review a higher proportion of claims rather than processing claims automatically.

While we don't have precise data from every participant about when they filed their initial claims and how long it took, we do have some anecdotal evidence. We used that information to create an estimate of the amount of time spent. We estimate that, collectively, participants spent at least 6.5 years applying for and waiting for unemployment benefits between mid-March and the end of June 2020. **On average, participants experienced 72 days (or a bit over 10 weeks) of applying, correcting, and waiting** by the time we completed the study for unemployment benefits.

Estimates of time spent by participants applying for and waiting for unemployment benefits				
step	number of participants	number of hours	participants x hours	
state systems being down	4	12	48	
applying	33	2	66	
re-applying, for PUA	10	2	20	
correcting errors	5	5	25	
ID verification	5	12	60	
waiting for determination - 4 weeks	4	672	2,688	
8 weeks	15	1,344	20,160	

12 weeks	6	2,016	12,096	
16 weeks	8	2,688	21,504	
total estimated hours			56,667	
total estimated days			2,361	
total estimated years			6.5	

Most had not received benefits yet by the end of June 2020.