

WISCONSIN DEPARTMENT OF **WORKFORCE DEVELOPMENT**



**2022
ANNUAL REPORT**

DWD by the Numbers*



- ▶ Total number of locations: **57**
- ▶ Full-time equivalent positions: **over 1,700***
- ▶ Budget: **over \$670 million***
- ▶ Active federal grants: **over \$300 million**
- ▶ Grant funds awarded: **over \$130 million**
- ▶ Website: **<https://dwd.wisconsin.gov/>**
- ▶ Customer service telephone number: **(608) 266-3131**

*Positions, budget, and active grants as of November 2022



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Dec. 30, 2022

The Honorable Tony Evers
Governor of the State of Wisconsin
115 East, State Capitol Building
Madison, WI 53702

Dear Gov. Evers,

I am pleased to present the 2022 Department of Workforce Development (DWD) annual report, which highlights the department's accomplishments in a record-setting year.

The department's efficient delivery of effective workforce services supported numerous records for Wisconsin's economy in 2022. The state's first quarter Gross Domestic Product reached a record high of more than \$312 billion while total employment reached a record high of 3,059,300 in May. The number of people employed in the construction industry reached a record high of 135,800 in October. In addition, state unemployment reached a record low of 2.8% in March and April, and both initial and weekly unemployment claims also reached record lows in 2022.

DWD's accomplishments in 2022 included:

- ◆ Unprecedented investment in workforce development as DWD and its partners deployed and managed more than \$150 million through your Workforce Solutions Initiative.
- ◆ Historic performance of the Registered Apprenticeship program, which surpassed 15,000 participating apprentices for the first time since 2001. The state also saw record Youth Apprenticeship participation with 6,402 participants and 4,484 employers.¹
- ◆ Important milestones in the modernization of the state's Unemployment Insurance System, with the introduction of a new data dashboard, a new claimant handbook, translation of the online claimant portal into Spanish, and a new benefits estimator tool.²
- ◆ Receipt of grant awards including a \$15 million early childhood workforce development grant, \$6.8 million to improve equitable access to UI benefits, and a \$3 million UI Navigator grant.³
- ◆ An 8.47% decline in worker's compensation insurance rates, the seventh consecutive annual decline, saving Wisconsin employers some \$146 million in premiums.
- ◆ Recovery of nearly \$790,000 in lost wages for workers, issuance of 37,651 work permits, up 10% year over year, and launch of an online research portal by the Equal Rights Division.⁴
- ◆ Services that helped nearly 3,450 individuals gain employment through the Division of Vocational Rehabilitation.⁵

DWD and Wisconsin experienced a record-setting year. While demographic trends that have been decades in the making continue to create a worker quantity challenge, Wisconsin's historic investment and strategic partnerships position the state like none other to meet employers' diverse workforce needs and advance a thriving economy in the years ahead.

Sincerely,



Secretary-designee, Amy Pechacek
Department of Workforce Development

SECRETARY'S OFFICE OVERVIEW

The Office of the Secretary oversees the Department of Workforce Development (DWD), which efficiently delivers effective and inclusive programming to meet Wisconsin's diverse workforce needs while advocating for the protection and economic advancement of all Wisconsin workers, employers, and job seekers.

DWD is responsible for the state's employment and training services, including job centers; job training and placement in cooperation with private sector employers; apprenticeship programs; and employment support for people with disabilities.

The department also oversees the Unemployment Insurance and Worker's Compensation programs, and adjudicates cases involving employment discrimination, housing discrimination, and labor law. In addition, DWD analyzes and distributes labor market information.

OFFICE OF LEGISLATIVE AFFAIRS

The Office of Legislative Affairs is the agency's primary contact for the state's 132 legislators and Congressional delegation. The office includes a legislative liaison and constituent services liaison, who respond to legislative inquiries made on behalf of Wisconsin's residents. The office tracks legislation that has the potential to affect the agency and meets with lawmakers and other stakeholders to share information about DWD's mission and services.

OFFICE OF COMMUNICATIONS

The Office of Communications shares department information and responds to requests for information from the news media in an accurate, timely, and comprehensive fashion. The office also works with the divisions to build awareness of the many programs, innovations, achievements, and issues related to DWD.

OFFICE OF CHIEF LEGAL COUNSEL

The Office of Legal Counsel provides legal advice to the Office of the Secretary and the department's program managers, acts as legal custodian for public records, oversees rulemaking for the department, and supervises the director of the Office of Integrity and Accountability. The office also represents the department before administrative tribunals and acts as the department's litigation contact with the Department of Justice.

OFFICE OF PROGRAM INTEGRITY AND ACCOUNTABILITY

The Office of Integrity and Accountability evaluates the agency's resources to ensure they are being used efficiently, effectively, and appropriately to advance the agency's mission and objectives. The office conducts internal and external reviews and furnishes DWD with high quality analyses, appraisals, and recommendations.



Secretary-designee, Amy Pechacek

STATE OF WISCONSIN DWD

Department of Workforce Development

The Department of Workforce Development (DWD) is a state agency charged with building and strengthening Wisconsin's workforce in the 21st century and beyond.

DWD's primary responsibilities include providing job services, training and employment assistance to people looking for work, while aiding employers in the search for the necessary workers to fill current job openings.

DWD offers a wide variety of employment programs that help connect employers and job seekers, secure jobs for people with disabilities, and assist people with low-incomes and the long-term unemployed in achieving sustainable employment outcomes. The department promotes employment in the state through Wisconsin Job Centers, links youth with jobs of tomorrow, protects and enforces worker's rights, processes unemployment claims, and ensures worker's compensation claims are paid in accordance with the law.

DWD PRIORITIZES A DIVERSE, EQUITABLE, AND INCLUSIVE WORKFORCE

DWD is committed to making Wisconsin a fair and just place for all people to live and work. Through its own efforts to attract and retain a workforce that mirrors the state's diverse population, the department aims to better understand and connect with customers while modeling best practices for all employers.

DWD's workforce now ranks among the most diverse of all state agencies, and employees give the department high marks for equity and inclusion. However, the work of establishing an inclusive culture is never finished and DWD recognizes the need to be deliberate in pursuing diversity, equity, and inclusion (DEI) goals.

In early 2022, DWD's Recruitment and Retention Initiative brought together 20 diverse leaders from across all divisions

First Lady Kathy Evers, Gov. Tony Evers, and Lt. Gov. Mandela Barnes look on as DWD Secretary-designee Amy Pechacek and Deputy Secretary Pamela McGillivray celebrate with Personnel Management Bureau of Equity & Inclusion Director Laurice Lincoln at the state capitol. DWD was honored with the State Council on Affirmative Action's 2022 Diversity Award.



MISSION

DWD efficiently delivers effective and inclusive services to meet Wisconsin's diverse workforce needs, and advocates for the protection and economic advancement of all Wisconsin workers, employers, and job seekers.

VISION

DWD envisions a thriving Wisconsin economy in which:

- ▶ All workers are treated fairly, with dignity and respect;
- ▶ Employers, government, educational institutions, and workers collaborate to ensure workforce programs meet current and future needs; and
- ▶ Every job provides the wages and benefits necessary to support workers' basic needs, invest in their future, and actively engage with their families and communities.

to identify recruitment and retention practices that would advance DEI goals. The effort focused on leadership competencies, applicant outreach, and applicant screening.

From these focus areas, the group identified four action items: to adopt an accountability model; to increase supervisor training; to develop a best practices checklist for inclusive job postings and position descriptions; and to publish a data dashboard. These recommendations are now being implemented and producing results. In October 2022, DWD was awarded the State Council on Affirmative Action's Diversity Award for its work.

DWD COMMITTED TO EMPLOYEE ENGAGEMENT

DWD views employee engagement as fundamental to the department's service and success. During 2022, the employee engagement committee conducted a staff survey and collected action plans from each division based on the results.

Using staff feedback and the action plans as guidance, DWD and its individual divisions provided numerous employee engagement opportunities during 2022 with a variety of in-person, hybrid, and virtual options.

These events included: a Black History Month virtual speaker, A Take Your Child to Work Day celebration, a week of activities for Public Service Appreciation week, three separate Length of Service events, and more. Engaged employees are enthusiastic about their work and committed to their fellow coworkers. The success of the 2022 employee engagement events affirmed these outcomes and positioned the department for even greater collaboration on key agency priorities in the years ahead.



Gov. Tony Evers checks in with the young chefs who designed cookies as part of Take Your Child to Work Day: The DWD Cookie Factory. DWD staff members brought their children to GEF 1 for hands-on experience on how to hire and train employees, provide a safe workplace, connect with customers, and, of course, how to make delicious products!

Aspiring entrepreneurs take on the challenge of creating the next DWD Cookie Factory sensation, while proud DWD parents and staff lend helping hands during an April event for Take Your Child to Work Day. The event was among the agency's employee engagement efforts during 2022.





Department of Workforce Development

MISSION

Provide strategic vision, leadership, and solutions with our business partners to empower clients and customers.

Administrative Services

The Administrative Services Division (ASD) provides management and program support to DWD's divisions, including budget, facilities, finance, information technology, purchasing and procurement, lean government, project management services and solutions, and incident management and continuity of operations. In addition, ASD provides IT support to the Labor & Industry Review Commission, and batch monitoring support to the State of Wisconsin Investment Board and certain statewide programs administered by the Department of Health Services and the Department of Children and Families. Additionally, ASD works closely with the Department of Administrative and the Division of Personnel Management in the delivery of human resource services to the department.

ASD DEVELOPS LONGITUDINAL WORKFORCE DATABASE TO BETTER CONNECT PROGRAMS

A \$1 million Workforce Data Quality Initiative (WDQI) grant from the U.S. Department of Labor has funded streamlined technology, the capacity to establish proper data governance, and the ability to conduct research and evaluation throughout DWD as well as share data from disparate sources.⁶

The grant also funded completion of the Longitudinal Workforce Database by the Bureau of Information Technology Services in 2022. The database assisted the Division of Employment and Training by contributing to the development of a local area statistical adjustment model mandated by the federal Workforce Innovation Opportunity Act (WIOA). The initiative was recognized by the U.S. Department of Labor as an exceptional example for other states to follow.

The positions and governance provided by the WDQI grant also facilitated data sharing with UW–Madison's Institute for Research on Poverty. The institute requested Worker's Compensation claims data as part of a graduate student's research on the 2016 revision to Worker's Compensation law and its potential impact on workers. Researchers would not have been able to access the data without the additional capacity and governance in DWD from the WDQI grant.

The improved research and data management capacity throughout DWD resulted in division self-assessments and action plans. DWD's Division of Employment and Training identified the significance of the Work Opportunity Tax Credit in enhancing reemployment outcomes and entered into a data sharing agreement with the Institute for Research on Poverty. The resulting project provided the institute with information to inform future legislation.⁷

EXPANSION OF MATTIE MOO PROVIDES REAL-TIME ONLINE CUSTOMER SERVICE

In February 2022, DWD expanded use of a chatbot in the form of a friendly cow icon named "Mattie Moo." Mattie Moo provides direct answers to customers on a variety of questions without needing to contact staff for assistance. This allows users to get answers quickly and easily at any time. By early November, Mattie Moo had logged 11,664 Unemployment Insurance (UI) online chat sessions and 10,223 UI telephone chat sessions. Over time, Mattie Moo's capabilities will increase by leveraging machine learning from previous interactions with customers and training provided by DWD staff to expand the repertoire of responses.



KEY METRICS

- ◆ Completed 51 fiscal notes for legislative bills and Legislative Reference Bureau drafts.
- ◆ Developed and submitted the Agency's Biennial Budget Request: 2023-25 DWD Budget Request.
- ◆ Completed the financial reporting for Coronavirus Relief Fund projects. The Unemployment Insurance Division was reimbursed about \$25 million during state fiscal year 2022. DWD also received almost \$184,000 in relief funds to buy equipment hybrid workplace equipment.
- ◆ Set up the accounting code structure to properly track the American Rescue Plan Act (ARPA) funds to be received by DWD from DOA. The department completed the treasury reports required to support the expenditures and obligations for the various projects. DWD gained reimbursement for more than \$8.4 million in ARPA funds for state fiscal year 2022.
- ◆ Processed roughly 120,000 server jobs per quarter over the past year.



Nursing students are sharpening their skills at the Advocate Aurora Simulation Center at Aurora BayCare Medical Center. The lifelike mannequin in the bed can "talk" and "breathe," offering the students a chance to check vitals and practice other skills in preparation for working with real patients. The training is part of the \$128 million investment of ARPA funds into the Workforce Innovation Grant program. Secretary-designee Pechacek visited the center with WEDC Secretary and CEO Missy Hughes. At far left is Aurora BayCare Medical Center President Thomas Miller.



Department of Workforce Development

Employment and Training

The Division of Employment and Training (DET) oversees the majority of workforce services administered by DWD, including the state labor exchange system and the Job Center of Wisconsin, analyzes and distributes labor market information, monitors migrant worker services, manages the Wisconsin Fast Forward grant program, and operates the state apprenticeship programs.

SUPPORT TO COMMUNITIES: FOSTERING OPIOID RECOVERY THROUGH WORKFORCE DEVELOPMENT PARTNERSHIP GRANT

From Jan. 1 – Sept. 30, 2022, 308 participants received services through the Support to Communities grant. The \$5 million grant provides training and career and supportive services to individuals impacted by the opioid crisis and offers training for individuals interested in pursuing careers in substance abuse recovery.⁸

GOVERNOR EVERS' \$150 MILLION INVESTMENT IN WORKFORCE SOLUTIONS CHANGES LIVES, TRANSFORM COMMUNITIES

Throughout 2022, Gov. Tony Evers' historic \$150 million investment in workforce development brought new partners together and advanced innovative solutions to address worker quantity challenges exacerbated by the COVID-19 pandemic. Funded through ARPA, these funds supported the creation of three initiatives supported by DWD: the Worker Advancement Initiative; Workforce Innovation Grants; and Worker Connection Program.⁹

WORKER ADVANCEMENT INITIATIVE

The Worker Advancement Initiative granted \$20 million to Wisconsin's workforce development boards to subsidize employment and skills training opportunities with local employers. From Jan. 1 – Sept. 30, 2022, 924 individuals participated in WAI projects.⁹

Success Story

The Workforce Development Area 2 Workforce Development Board, Employ Milwaukee, connected with the Milwaukee Consortium for Hmong Health to develop paid work experiences. One participant, Ja Nu M., discovered a bilingual community health worker job opening, funded by the grant.

Ja Nu is fluent in Burmese, and along with her warm personality, she was a perfect fit for the job. Ja Nu started her WAI work experience in December 2021 and was recently hired full-time as community health worker at the Hmong health consortium.

Ja Nu shared, "During COVID, I was laid off from my job as a cook and was not sure what else I could do. I decided to apply for the community outreach job because it is such important work. My short-term job [through Paid Work Experiences] turned into a stable full-time job. I have a new career and I can help my community at the same time!"

MISSION

Provide a seamless continuum of services accessed by employers and members of the workforce and their families with the following results:

- ▶ Employers have the talent they need.
- ▶ Individuals and families achieve economic independence by accessing job search, training, and related services, making sound employment decisions, and maximizing their workforce potential.

WORKFORCE INNOVATION GRANTS

DWD collaborated with the Wisconsin Economic Development Corporation (WEDC) to facilitate the more than \$128 million in Workforce Innovation Grants with the goal of addressing critical local workforce issues. The ongoing projects focus on training healthcare workers, developing the next generation of advanced manufacturing employees, expanding childcare options, creating pipelines of young, educated workers, training skilled craft workers, fostering entrepreneurship, enabling incarcerated individuals to earn undergraduate degrees, pilot workforce housing solutions, and more.⁹

WORKER CONNECTION PROGRAM

The Worker Connection Program provides support for individuals attempting to reengage in the workforce and expand their opportunities in the post-pandemic economy. As of Sept. 30, 2022, Worker Connection collaborated with more than 643 community organizations and provided services at libraries, correctional institutions, homeless shelters, and other partner agencies. A total of 412 individuals enrolled to receive one-on-one support from a personal career navigator, who helps them find success.⁹

Success Story

David Van Der Wegen, who received services through Worker Connection's partnership with New Community Shelter, is on a path to self-sufficiency after his career navigator helped him connect with a career in transportation. "Now, I am starting to realize that when I put my mind to something, I can accomplish pretty much anything," said Van Der Wegen. "It just took me a long time to realize it."



Worker Connection participants Deloris Fitzgerald (left) and David Van Der Wegen (right) with their Career Navigator, Janelle Gordon (center), at New Community Shelter in Green Bay.

DWD APPRENTICESHIP PROGRAMS CONTINUE TO GROW

DWD's registered apprenticeship, youth apprenticeship, and certified pre-apprenticeship programs reached milestones and broke records during 2022.

Registered Apprenticeship surpassed 15,000 participating apprentices for the first time since 2001. This achievement was made possible through employer and apprenticeship partnerships in both traditional and emerging sectors. In 2022, RA added three new apprenticeship options: medical laboratory technologist, diesel technician, and human resources specialist.

For Youth Apprenticeship, the 2021-2022 school year brought record participation with 6,402 participants and 4,484 employers. The program had its highest value of grant expenditures for the 2021-2022 school year, at over \$6 million. The program also added 14 new occupational pathways in areas such as IT, aviation, agriculture, and medicine.

Certified pre-apprenticeship programs provide participants the necessary skills to be successful in registered apprenticeship programs. DET's Bureau of Apprenticeship Standards created and refined a certified pre-apprenticeship monitoring model to evaluate program results. The bureau also took steps to improve the certified pre-apprenticeship application. The bureau helped launch Wisconsin's first early childhood educator certified pre-apprenticeship program in the Milwaukee area.

Apprenticeship opens the door to opportunities for Wisconsin job seekers. Amber Risky, a laborer apprentice, shared that "apprenticeship literally saved [her] life" and helped her overcome personal and professional challenges.



Apprenticeship Stats ¹	2021	2022*
Active Registered Apprentices	14,787	15,675
Apprenticeship Completions	1,996	1,751
New Apprentices	3,619	4,226
Active DOC Apprentices	43	51
Employers	2,907	2,971
Local Apprenticeship Committees	86	86
Active Certified Pre-Apprenticeship Programs	30	30

*As of 12/08/2022



Third-year laborer apprentice Amber Risky speaks at the 15,000 milestone apprenticeship celebration held at the Wisconsin Laborers' District Council Apprenticeship and Training Center. The council is part of LIUNA, the Laborers' International Union of North America.

JOB SERVICE EVOLVES TO MEET JOB SEEKERS' NEEDS

Job Service continues to offer both in-person and virtual services throughout Wisconsin and has expanded its outreach to connect with customers in nontraditional venues, including libraries and farmer's markets. Business services are also available virtually. More than 1,000 employers and 3,000 job seekers have participated in more than 50 large and small recruitment events since a virtual job fair service was launched. DWD had 274 employers engage through in-person job fairs as well. Both the virtual and in-person events have been held in partnership with local WIOA core partners as well as local school districts.

Success Story

With Job Service assistance, James Gill started work at the Waukesha Freeman newspaper on March 17, 2022, with a wage of \$12 per hour.

WISCONSIN FAST FORWARD GRANTS HELP TRAIN, RETAIN WORKERS

The Wisconsin Fast Forward (WFF) program is an innovative talent development grant program driven by Wisconsin businesses to train and retain highly skilled workers. In 2022, the program issued 37 grants, totaling \$6.25 million. These awards represent new grantee commitments to benefit more than 2,638 individuals.¹⁰

Success Story

One company seeing benefits from WFF grant funds is Wisconsin Aluminum Foundry of Manitowoc. The company received nearly \$194,000 in WFF grants to train and hire entry level employees from diverse backgrounds. "With the support of the Fast Forward grant, we have meaningfully improved our employee onboarding experience," said Sachin Shivaram, Wisconsin Aluminum Foundry CEO. "In our new training center, employees learn the skills they need in a welcoming and safe environment. Improved employee retention has had a direct impact on the success of our business and our customers."



DWD RECOGNIZES EXEMPLARY VETERAN EMPLOYERS

In 2019, DWD launched Vets Ready, an employer initiative to highlight Wisconsin businesses that serve as a model for other employers. Applicants are rated on their commitment to hiring veterans, the supportive services they offer their veteran workforce, and the connections they build in the local veteran community. Based on scores, businesses can receive either gold or silver recognition.¹¹

There were nine Vets Ready award winners in 2021, with four receiving gold recognition and five receiving silver. Ten employers will receive Vets Ready awards in 2022, with nine receiving gold recognition and one receiving silver.

Equal Rights

The Equal Rights Division (ERD) continues to be one of the most productive fair employment practices agencies in the nation, investigating, mediating, and adjudicating complaints under 40 different laws, including laws prohibiting discrimination in employment, housing, and public accommodations, family and medical leave, wage and hour rights, employment of minors, and business closings. The division continues to ensure its services are accessible and of value to all.

INCREASING EFFICIENCY AND ACCESSIBILITY THROUGH MODERNIZATION

Over the last several years, the division has made it easier for parties to access services using online tools. The division rolled out online complaint forms this past year, and already, more than half of its complaints get filed online.

The division developed an online hearing process in 2020 during the height of the pandemic and continues to conduct most of its hearings and nearly all mediations online (in-person hearings resumed in the summer of 2022). But these changes are only the beginning.

In early 2022, ERD secured over \$4 million through ARPA to modernize services and increase efficiency and accessibility. ARPA-funded projects include:⁹

- ▶ Creating a research portal that gives the public direct online access to critical data about complaints before ERD;
- ▶ Creating a case portal giving parties and their legal representatives direct online access to their case status and case filings;
- ▶ Upgrading case management systems to allow for better case tracking and reporting; and
- ▶ Developing an online tool to apply for child labor work permits.

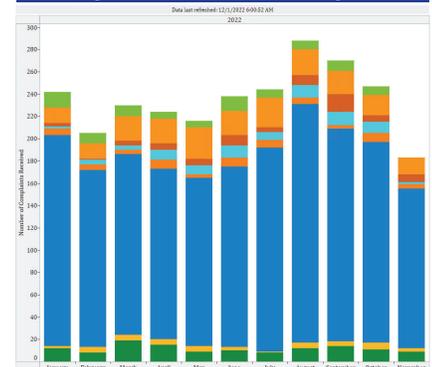
As of this report, both the research and case portals are live and in use. In October, a Madison news outlet used the research portal to support a story about the increase in housing discrimination cases. Parties can now see the status of their case and even review filed documents without making a request to staff. The case management system modernization is underway, and the online child labor work-permit tool is on track to roll out before the summer of 2023.

ARPA funds allowed the division to hire additional administrative law judges to accelerate case processing, which was delayed due to the pandemic. At the start of the year, it could take up to two to four months to assign a newly-certified case to an administrative law judge. With the additional staff and process improvements, the division has reduced the time from certification to assignment to under two weeks.

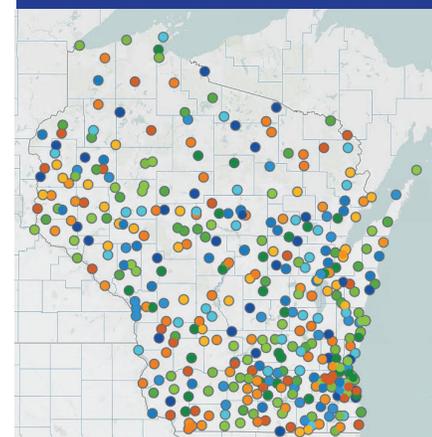
MISSION

- ▶ To protect the rights of all people in Wisconsin under the civil rights and labor standards laws we administer,
- ▶ To achieve compliance through education, outreach, and enforcement by empowered and committed employees, and
- ▶ To perform our responsibilities with reasonableness, efficiency, and fairness.

Complaints Received by Law



Work Permit Office Locations



ACHIEVING COMPLIANCE THROUGH EDUCATION AND OUTREACH

The division continues to expand its education and outreach efforts to prevent employment law violations. Highly knowledgeable ERD staff educate employers, workers, and job seekers on their rights and responsibilities over the phone and email as well as through resources such as the "Know Your Rights" e-newsletter and 60-second video library.

This year, the division expanded the video library to include the "Welcome to the Workforce" video series that addresses topics specific to teens new to the workforce. The division shared the video library with school districts across the state, and the library continues to grow.

The division also rolled out the process library to help its clients navigate the investigation, mediation, and hearing processes. With access to many downloadable resources and videos, clients can better understand and access ERD services.

Finally, in partnership with the Division of Vocational Rehabilitation under the Career Pathways grant (H421C210018) from the Department of Education, the division is rolling out a training library through which job seekers, workers, worker advocates, employers, and human resources professionals can get guidance on common workplace equity issues. These issues include accommodating disabilities and employing justice-involved individuals. The Career Pathways training library advances ERD's goal of ensuring compliance without having to adjudicate formal complaints.¹²

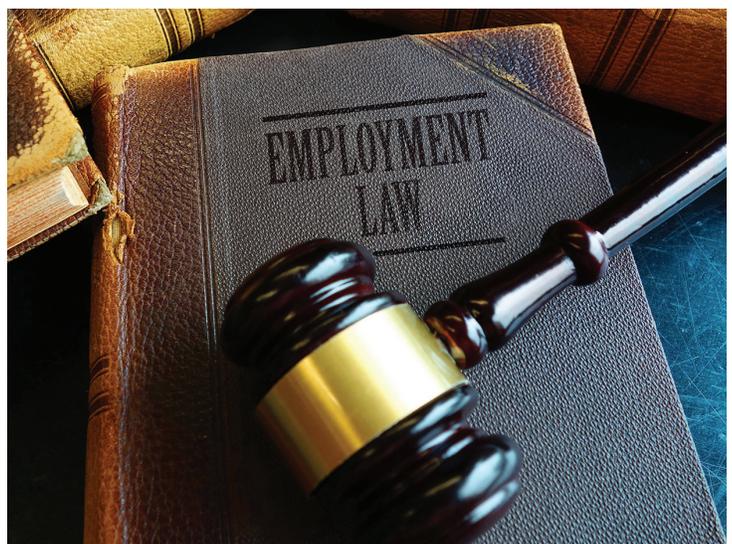
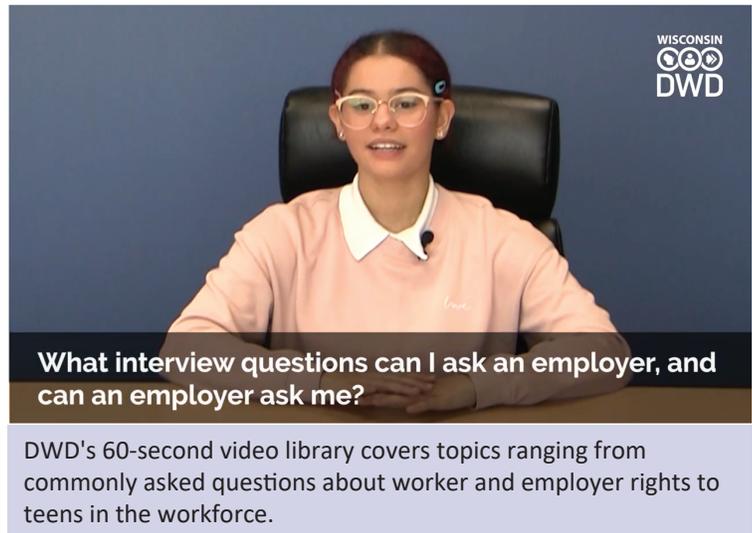
PROTECTING THE RIGHTS OF ALL PEOPLE

In an early 2021 survey, division leaders learned that nearly two-thirds of DWD's customers were unaware of ERD services or how to contact the ERD for assistance. A repeat of the same survey conducted in 2022 saw a 16% increase in awareness of ERD services. The ERD website has averaged more than 81,000 hits per month, and newsletter subscriptions and 60-second video views continue to increase. This information indicates that more and more job seekers, workers, and employers are reaching out to the ERD to understand their rights and responsibilities.

From Jan. 1 to Sept. 30, 2022:

- ◆ 49% of all complaints were filed online.
- ◆ The total number of complaints filed increased 22%.
- ◆ 37,651 work permits were issued.
- ◆ The total number of work permits issued increased 10%.
- ◆ \$787,572 in wages were recovered.

This impact will only grow as the ERD's modernization and outreach efforts keep expanding.



MISSION

To facilitate financial stability and a prosperous Wisconsin economy by delivering high quality, innovative, customer-driven unemployment services.

Unemployment Insurance

The Unemployment Insurance (UI) program's primary roles are to provide:

- ▶ Temporary economic assistance to individuals who find themselves unemployed through no fault of their own and who are actively seeking work.
- ▶ Economic stability in the community during periods of economic downturn.

The UI program is financed by federal and state taxes paid by employers who are subject to federal and state UI laws. In 1932, Wisconsin was the first state to enact a UI law to mitigate the adverse effects of the Great Depression.

UI DIVISION SUPPORTS HISTORIC ECONOMIC RECOVERY FROM COVID-19 PANDEMIC

During 2022, Wisconsin's record-setting economic performance included news lows in both initial and continuing weekly unemployment insurance claims. The week of Sept. 24, 2022 saw initial claims fall to a record low of 2,638 while continuing weekly claims fell to a new low of 13,779 during the week of Oct. 8, 2022.

The new lows mark a historic turnaround from the public health crisis triggered by the emergence of COVID-19. When the pandemic hit, UI received roughly 240,000 initial applications within the two-week period from March 15 to March 31, 2020. Between March 15, 2020, and Dec. 26, 2020, DWD received more than 9 million weekly claims, compared to 7.2 million claims handled by the agency in the four-year period from 2016 to 2019. From March 15, 2020, through Oct. 1, 2022, the UI Division paid out nearly \$7.5 billion to approximately 701,000 claimants.

Beyond overcoming these challenges and achieving federal timeliness standards with claims payments, DWD has continued to implement UI customer service improvements. During 2022, the department introduced an updated UI claimant handbook, launched a new UI dashboard, and expanded service options through a cow chatbot named Mattie Moo with translations in English, Spanish, and Hmong.¹³



UNEMPLOYMENT INSURANCE ADVISORY COUNCIL COMPLETES WORK ON AGREED BILL

The Unemployment Insurance Advisory Council advises DWD and the Legislature on policy matters concerning the development and administration of UI law. Labor and management representatives work together to ensure stability in the UI system and collaborate on positive changes to enhance the program.

The council is recognized as essential and integral to the legislative process. As a result, controversial issues and the foremost policy concerns are addressed effectively. Council deliberations and negotiations resolve difficult issues while efficiently balancing the interests of employers and employees.

Every two years the council submits recommended changes to Wisconsin's UI law to the Wisconsin State Legislature as an "agreed bill" for the Legislature's consideration. The most recent agreed bill was passed into law as 2021 Wis. Act 231.

To begin the cycle for the next "agreed bill," two public hearings were held on Nov. 17 to solicit comments for proposed changes to Wisconsin's UI laws. The advisory council will meet in January to continue the law change process.

Activities and related UI reports can be found on the Unemployment Insurance Advisory Council homepage at <https://dwd.wisconsin.gov/uibola/uiac>

UI MODERNIZATION EFFORT TAKES MAJOR STEP FORWARD WITH WISCONSIN IT PROVIDER

The department has mounted an unprecedented response to support those who lost jobs and income during the COVID-19 pandemic. The UI division also has provided an unparalleled level of transparency in its efforts to overcome legacy unemployment insurance system challenges; implement innovative IT solutions; obtain federal funds to advance these efforts; and train and hire staff to compassionately assist customers experiencing challenges during these difficult times.

The department has contracted with Madison-based Flexion Inc. to modernize the UI systems. The anticipated cost of up to \$80 million in federal funds will include all elements of the system: call center modernization, IT infrastructure costs (i.e., cloud services), licensing costs, change management efforts, and other necessary resources.²

To provide for the most rapid improvements in service to customers, the project focuses on the introduction of phased software solutions. The contract will integrate off-the-shelf software and cloud-based solutions along with significant custom software development, as determined through need.

Work has begun on building the foundation of the cloud environment. During 2022, development focused on establishing a secure network, developing vulnerability response plans, establishing practices that secure the UI data, and establishing communication protocols between the legacy system and the new system. The first tool, a benefit estimator tool, has been implemented.

U.S. DEPARTMENT OF LABOR FUNDS SERVICE DELIVERY IMPROVEMENTS

Comprehensive customer service and technology improvements are underway in UI thanks to additional grant funds made available through the American Rescue Plan Act (ARPA). ARPA recognizes that UI is a cornerstone of the nation's economic infrastructure. In addition to addressing principles of equitable access and timeliness of benefit delivery, the act includes investment to build on the system's integrity and reduce the potential for organized fraud.⁹

In the summer of 2021, Wisconsin was one of the first states to proactively apply for technical assistance through the U.S. Department of Labor's Tiger Team to help its UI program identify and fund additional process improvements that will speed benefit delivery, address equity, and fight fraud. The Tiger Team assessed Wisconsin's systems and processes and worked with UI staff to develop short-term project ideas that offer expanded access to claims, automation of adjudication case management, and additional identity proofing. UI received official approval and funding for the first four projects on April 18, 2022.¹⁴

Wisconsin's participation in NASWA's Integrity Data Hub is the first completed project stemming from the state's work with the Tiger Teams. The Hub provides states with cross-matching verification options for identifying potential UI fraud and improper payments. Data from NASWA shows that the Hub has assisted with the prevention of \$2.4 billion in improper payments in the states and territories where it is utilized through June 2022. The tools available through the Hub will be added to the state's existing fraud prevention and detection technology to prevent fraud and verify identities.



Department of Workforce Development

Vocational Rehabilitation

The Division of Vocational Rehabilitation (DVR) helps individuals with disabilities achieve their employment potential - including finding a job, keeping a job or getting a better job - by providing services and supports to overcome employment barriers.

DVR offices can be found throughout Wisconsin, with many DVR offices co-located within Wisconsin Job Centers. DVR's central administrative office is in Madison.

DVR's primary services for job seekers with disabilities are:⁵

- ▶ Career guidance and counseling;
- ▶ Disability and employment assessment;
- ▶ Job search and placement assistance;
- ▶ Information and referral services;
- ▶ Pre-employment transition services (Pre-ETS) for students age 14 to 21;¹⁵ and
- ▶ Employment support services for individual with significant disabilities.^{16 17}

DVR works closely with Wisconsin employers, providing free assistance to help them effectively recruit, hire, and retain workers with disabilities. This work is carried out by 12 DVR business services consultants positioned across the state.

DVR's primary services for businesses are:

- ▶ Recruitment of pre-screened and qualified applicants;
- ▶ Retention strategies for employees with disabilities;
- ▶ Access to financial incentives for hiring qualified applicants with disabilities;
- ▶ Assistance to increase accessibility of business products and services for both employees and customers; and
- ▶ Education for managers and staff related to disability and employment.

DVR RECEIVES \$14 MILLION FEDERAL GRANT TO BOLSTER CAREER PATHWAYS

Beginning in May 2022, DVR began offering more resources and opportunities to individuals with disabilities pursuing new and better careers in healthcare, manufacturing, information/digital technology, and construction. The added support comes from a \$14 million grant awarded to DVR by the U.S. Department of Education Career Pathways Advancement Initiative. DVR will use the grant over five years – ending Sept. 30, 2026 – to enroll at least 500 individuals.¹² More information about this Career Pathways Advancement Initiative can be found at: <https://dwd.wisconsin.gov/dvr/career-pathways>.

MISSION

The mission of the Division of Vocational Rehabilitation (DVR) is to obtain, maintain, and improve employment for people with disabilities by working with consumers, employers, and other partners. DVR serves:

- ▶ Individuals with disabilities, assisting them to maximize their employment opportunities by helping them develop the skills that today's businesses are seeking in the workforce of the future; and,
- ▶ Wisconsin businesses, offering employers access to a pool of qualified job candidates with disabilities and disability-related information and resources to help them meet their workforce needs.

DVR'S PROJECT SEARCH GRADUATES 176

Following the 2021-2022 school year, 176 individuals with disabilities successfully graduated from their local Project SEARCH programs, completing multiple internship rotations to maximize exposure to different career paths and learn employable skills in a classroom and hands-on job skills within the business environment. Twenty-five of Wisconsin's 30 Project SEARCH sites operated during the year, culminating in graduation ceremonies throughout May and June. Almost 1,500 individuals have graduated from a Wisconsin Project SEARCH site since the program began in 2008.¹⁸



DWD and Gundersen Health System celebrated the graduation of seven La Crosse area Project SEARCH interns. Project SEARCH is an international program that provides internship opportunities for those with developmental or intellectual disabilities, allowing them to develop skill sets to get a job when they're finished with school.

Brady Keefe is joined by Secretary-designee Amy Pechacek at a Project SEARCH graduation for ThedaCare interns in Appleton.



Seven Project SEARCH interns shared stories about their work experience as part of the graduation celebration at ThedaCare Regional Medical Center. The interns complete multiple, 10-week rotations to learn about different career paths, employability skills, and hands-on skills within the business environment.

DVR CONTINUES CLOSE PARTNERSHIPS WITH STATE AGENCIES

In collaboration with the Department of Health Services and the Department of Public Instruction, DVR continues to take the lead on supporting individuals with disabilities to reach competitive integrated employment (CIE). The collaborative CIE workgroup created the State Fiscal Year 2022-2023 CIE Joint Plan and SFY 2022 Joint CIE Report. Learn more at: <https://dwd.wisconsin.gov/dvr/partners/cie/act-178.htm>.

DVR RECOGNIZES 15 EMPLOYERS DURING NATIONAL DISABILITY EMPLOYMENT AWARENESS MONTH

Every year, DVR staff members nominate local employers that are partnering with DVR and hiring individuals with disabilities. Throughout October, DVR and DWD leaders traveled around the state to thank these employers for their continued efforts to create inclusive workplaces for people of all abilities and award them with Gov. Tony Evers' Exemplary Employer Award.

DVR Outcomes Data	SFY 2021	SFY 2022
Successful Employment	3,095	3,446
Applicants for Service	8,591	10,160
Average Hourly Wage	\$14.84	\$15.86
Average Hours per Week	25.8	24.92
Eligibility Determinations	7,547	9,042

DVR CONSUMER STARTS MARKETING AND GRAPHIC DESIGN COMPANY

In March 2016, Annie Heathcote, a 17-year-old junior at Wisconsin Heights High School in Mazomanie began working with DVR to pursue her career goal of becoming a graphic designer.

Annie was born with Spinal Muscular Atrophy Type 2, a genetic disorder that affects the nerves and causes muscles to become increasingly weak and deteriorate over time. Because of her disability, Annie uses a power wheelchair for mobility.

DVR was able to support Annie as she learned more about marketing and graphic design through job shadowing and by partially purchasing a laptop that helped her through Madison College's graphic design program. She earned an associate degree in graphic design and illustration and another in web and digital media design.

DVR played a critical role in helping her train to obtain a driver's license and incorporated vehicle modifications into her van. This helps her drive independently, which allows her to meet with clients during her busy days running her own graphic and web design business, Annie Designs LLC.

DWD Secretary-designee Amy Pechacek speaks at a Project Search graduation at Milwaukee County Zoo.



Josh LaHaie, a graduate of Sauk Prairie High School, says Project SEARCH offered "a safe place to work, and if I made a mistake, my co-workers helped me through it and I learned from it."

Worker's Compensation

The Worker's Compensation Division (WC) administers programs designed to advance worker protections by ensuring that injured workers receive prompt payment of required benefits from private insurance companies or self-insured employers. The division also encourages rehabilitation and reemployment for injured workers and promotes the reduction of work-related injuries, illness, and deaths. The division ensures compliance with the provisions of the Wisconsin Worker's Compensation Act. Highlights of key functions include:

- ◆ Division staff manage the worker's compensation claims program, provide assistance to claimants, set permanent disability ratings for claimants, and monitor accuracy and promptness of payments, health cost disputes, and return-to-work programs.
- ◆ Division attorneys issue orders approving compromise agreements, as well as resolving health care service fee disputes, necessity of treatment disputes, and pharmacy fee schedule disputes.
- ◆ The division oversees the insurance functions of the worker's compensation program by managing the self-insurers program, the Uninsured Employers Fund, and the wrap-up insurance program.
- ◆ The division also serves as liaison with the Wisconsin Compensation Rating Bureau and the Office of the Commissioner of Insurance.

In fulfilling these responsibilities, Worker's Compensation maintains a commitment to the delivery of exceptional customer service through streamlining services, empowering staff and robust outreach and education.

Thanks to worker safety improvements, Wisconsin companies received a reduction of nearly 8.5% in workers compensation insurance rates as of Oct. 1, 2022, providing annualized savings of some \$146 million.



MISSION

The mission of the Division of Worker's Compensation (WCD) is the promotion of healthy, safe work environments by maintaining a balanced system of services to ensure compliance with the provisions of the Wisconsin Worker's Compensation Act. The Division's work to ensure compliance with the Worker's Compensation Act includes, among other efforts, advancing worker protections and providing exceptional customer service – both of which are areas of focus in DWD's current long-term strategic planning efforts.

WC DIVISION GARNERS POSITIVE CUSTOMER FEEDBACK WITH SELF-SERVE PORTAL

In 2022, the division reached the milestone of a full year of enhancements to its online portal for electronic submission of documents in litigated work injury claims. Attorney firms for claimants and insurers previously submitted volumes of documents by U.S. mail or fax, introducing time delays and inefficiencies with paper-based processes.

The secure litigated case portal, which was launched in 2019 and dramatically enhanced in 2021, allows firms to upload PDF documents as required by statute. Once uploaded, the documents are seamlessly applied to the case and can also be forwarded for proper and timely processing.

Today, the division sees an average of 135 unique users a week across 85 firms, including the Madison-based employment law firm Hawks Quindel, S.C. Two paralegals from the firm provided the following testimonials:

PORTAL TESTIMONIALS

“I think that allowing us to file by the portal is the very best thing that the WC Division has done since I have been filing WC.”

- Deb Ferrel, Paralegal, Hawks Quindel, S.C.

“My opinion about the WC portal is that it is very beneficial to each party, applicant and respondent...”

- Armando Veizaga, Paralegal, Hawks Quindel, S.C.

Screenshot of Litigation Case Portal System logon screen

STATE OF WISCONSIN
DWD

Welcome to Litigated Case Portal System

External User State of WI Staff

Username

Password

Login

You may have an existing account if you have used other [Wisconsin State systems](#). You may be prompted to recover your account if your email address is associated with an existing account.

[New User? Register Here](#)

[Forgot your Username or Password?](#)

[Change Password/Edit Logon Profile](#)

FIRST WC AGREED-UPON BILL SIGNED AND PUT INTO EFFECT SINCE 2016

On April 8, 2022, Gov. Tony Evers signed the most recent agreed-upon bill put forth by the Worker's Compensation Advisory Council. This was the first agreed-upon bill that the Legislature passed and a Governor signed into law in more than a half-decade.

Passage of the agreed-upon bill is in keeping with more than a century of tradition. Since 1911, a citizen advisory council has existed to assist the department and Wisconsin Legislature in amending the state Worker's Compensation Act, which has served as a national model. Statutory language referencing the council on worker's compensation and its role to advise the department and submit amendments each session of the Legislature went into effect more than a half-century ago, in 1968. The last agreed-upon bill that was approved by the Legislature went into effect in March 2016.

KEY METRICS

Selected Uninsured Employer Fund Metrics	2022*
Uninsured Employer Fund (UEF) June 30 Balance (end of biennium)	\$36.6 million
Completed employer investigations by UEF Staff	16,934
Payments through UEF to on behalf of workers injured while working for illegally uninsured employers	\$2.1 million

Selected Claims Program Metrics	2022*
Number of claims created for claim applications, third parties and hearing loss	988
Number of non-litigated claims scrutinized for accurate and timely payments	35,168
Number of verified/processed litigated and non-litigated claims for wage information	3,754

Selected Legal Services Metrics	2022*
Number of processed and closed disputes involving reasonableness of fees, necessity of treatment and pharmacy fee schedule.	2,171
Number of processed hearing requests	2,885
Number of orders issued by DWD/WCD Administrative Law Judges	828

*January 1-September 30

NOTES

- ¹ The Registered Apprenticeship Program is supported by the U.S. Department of Labor. A total of 57% of the Registered Apprenticeship Program is financed with federal funds, and 43% is funded by other sources.
- ² The Equity Grant is supported by the U.S. Department of Labor. A total of 100% of the Equity Grant is financed with federal funds.
- ³ The QUEST Grant is supported by the U.S. Department of Labor. A total of 100% of the QUEST Grant is financed with federal funds.
- ⁴ The Navigator Grant is supported by the U.S. Department of Labor. A total of 100% of the Navigator Grant is financed with federal funds.
- ⁵ The Wisconsin Vocational Rehabilitation Program is supported by the U.S. Department of Education. A total of 78.7% of the Wisconsin Vocational Rehabilitation Program is financed with federal funds, and 21.3% is funded by other sources.
- ⁶ The Workforce Data Quality Initiative and Longitudinal Data Warehouse Project is supported by the U.S. Department of Labor. A total of 100% of the Workforce Data Quality Initiative and Longitudinal Data Warehouse Project is financed with federal funds.
- ⁷ The Work Opportunity Tax Program is supported by the U.S. Department of Labor. A total of 100% of the Work Opportunity Tax Program is financed with federal funds.
- ⁸ The Support to Communities Program is supported by the U.S. Department of Labor. A total of 100% of the Support to Communities Program is financed with federal funds.
- ⁹ This project is being supported, in whole or in part, by federal award number SLFRP0135 awarded to the Department of Workforce Development via the Wisconsin Department of Administration by the U.S. Department of the Treasury.
- ¹⁰ The Job Service Program is supported by the U.S. Department of Labor. A total of 100% of the Job Service Program is financed with federal funds.
- ¹¹ The Vets Ready Program is supported by the U.S. Department of Labor. A total of 100% of the Vets Ready Program is financed with federal funds.
- ¹² The Career Pathways Program is supported by the U.S. Department of Education. A total of 100% of the Career Pathways Program is financed with federal funds.
- ¹³ The UI Administration Program is supported by the U.S. Department of Labor. A total of 100% of the UI Administration Program is financed with federal funds.
- ¹⁴ The Tiger Team grant is supported by the U.S. Department of Labor. A total of 100% of the Tiger Team grant is financed with federal funds.
- ¹⁵ Pre-Employment Transition Services are supported by the U.S. Department of Education. A total of 100% of the Pre-Employment Transition Services are financed with federal funds.
- ¹⁶ Supported Employment Services for Adults with Disabilities are supported by the U.S. Department of Education. A total of 100% of Supported Employment Services for Adults with Disabilities are financed with federal funds.
- ¹⁷ Supported Employment Services for Youth with Disabilities are supported by the U.S. Department of Education. A total of 90% of Supported Employment Services for Youth with Disabilities are financed with federal funds, and 10% is funded by other sources.
- ¹⁸ The Project SEACH program is supported by the U.S. Department of Education. A total of 93% of the Project SEARCH program is financed with federal funds, and 7% is funded by other sources.



Department of Workforce Development

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