



State of Wisconsin

Date: April 30, 2021

To: Members of the Joint Committee on Finance and Joint Committee on Information Policy and Technology

From: Department of Administration Secretary Joel Brennan 

Department of Workforce Development Secretary-designee Amy Pechacek 

Pursuant to 2021 Wisconsin Act 4, under Wis. Stat. s. 108.14(27)(e), this report serves to update you on the progress the Department of Workforce Development (DWD) has made in its project to update the information technology (IT) systems used for processing and paying claims for unemployment insurance (UI) benefits.

2021 Wisconsin Act 4 directed DWD to begin its UI modernization project in haste and to maximize federal dollars to fund the project. Specifically, with bipartisan support, Act 4 required DWD to issue a request for proposals (RFP) by March 29, 2021, to begin updating the information technology systems used for processing and paying benefits and undertake the modernization project by June 30, 2021. Act 4 also provided the Governor with additional authority to waive procurement requirements when necessary to help expedite the process. Act 4 did not appropriate any dedicated state funding for the project.

We are pleased to share in this second report to you that since Act 4 was signed into law, DWD and DOA have continued to work rapidly to move forward with undertaking the project to modernize the UI system and use authorized procurement flexibility to more rapidly secure meaningful results for the people of our state, ahead of schedule. As detailed in our first report, DWD is taking an agile approach to the UI modernization project and procurement processes with one or more vendors to address the most immediate needs first and transform the antiquated mainframe systems into an innovative and adaptable information technology system.

As previously reported, DWD's first step in undertaking UI system modernization is the purchase of an integrated cloud-based communications and messaging center that will offer seamless integration of a telephony system with enhanced features and reporting solutions. DWD is addressing the communications center component first because of the impact the Department's call center has had on individuals' ability to file claims and to have their claims processed and benefits paid in a timely manner. An updated communications center will also provide DWD with the tools needed to efficiently respond to program changes and better monitor and analyze agent performance. The Department anticipates having this first phase of the system update implemented and accessible to the public this fall. (See timeline below)

The goal of this portion of the UI system modernization project is to obtain an omnichannel customer contact management solution that efficiently tracks and manages all customer contacts (phone call, online chat, chat bot, text messaging, social mediate, etc.) and for claimants to be able to efficiently file claims by phone and receive an appropriate and timely response to inquiries, whether generated by staff or the system.

MILESTONES & ESTIMATED TIMELINE	STATUS	START DATE	END DATE
Requirements to Cooperative Purchasing Vendors	Complete	2/26/21	3/16/21
Vendor Submission of Solutions	Complete	3/16/21	3/26/21
Review Submissions	Complete	3/28/21	4/7/21
Demonstrations	Complete	4/12/21	4/16/21
<ul style="list-style-type: none"> Go/No go decision if none are viable 			
Vendor Selection	In Progress	4/19/21	5/14/21
DOA Review (tentative)		5/17/21	5/28/21
Engagement Addendum		5/28/21	6/11/21
Estimated First Implementation (phased implementation planned to ensure a positive customer experience)		6/14/21	9/30/21

Federal funds will be used for the purchase of the cloud-based communications and messaging center. No additional costs have been identified yet for this component of the project.

As part of the larger modernization project, DWD is engaging expert consultants to assist in developing successive RFPs for overhauling the many components of the system. DWD evaluated qualified entities to determine whether they would be able to meet the aggressive timeline and needs of this project. As previously reported, DWD entered into an \$1.2 million agreement with 18F using federal funds and executed a Memorandum of Understanding to receive no-cost preliminary consulting services from U.S. Digital Response (USDR) to help build the RFPs to solicit vendors that will take on additional components of the comprehensive UI modernization project.

18F has started guiding DWD through a process that involves a discovery phase, prototyping and validation sprint, solicitation development, vendor selection and award, and post-award vendor management support. The goal of this sequence of steps is to procure a vendor or vendors that can assist with modernizing the UI eligibility and benefits systems. (See timeline below) During this process, the following will be addressed:

- A review of existing materials and artifacts.
- A development and research plan.
- User, technical, and stakeholder interviews.
- An actionable technical roadmap.
- An acquisition plan.
- A solicitation or solicitations to obtain a technical solution that continues the modernization effort.

UI Modernization MILESTONES & Timeline	STATUS	START DATE	END DATE
Enter into agreements with a vendor to write an RFP	Complete	2/26/21	3/16/21
Accelerated Discovery	In Progress	4/1/21	5/13/21
<i>Next Steps – Dependent on Discovery Outcomes</i>			
Prototype & Validate Sprint			
Solicitation Development			
Vendor Selection and Award (tentative 60 days)			
Post-Award/Vendor Management Support			

Upon completion of the technical roadmap, DWD anticipates the identification of additional project costs.

We hope you find this information helpful. We will provide you the next quarterly update on this project in July. In the meantime, please do not hesitate to contact us with any questions.