



Oregon

Tina Kotek, Governor

Employment Department

875 Union St. NE

Salem, OR 97311

employment.oregon.gov



Sept. 22, 2023

The Honorable Senator Aaron Woods, Co-Chair
The Honorable Representative Nancy Nathanson, Co-Chair
Joint Committee on Information Management and Technology
900 Court St NE H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Thank you for the opportunity to provide a written update on the Employment Department's Modernization Program. Please accept the attached report per your request.

We have continued progress on our UI Modernization Project since our last report in September of 2022. On Aug. 14, 2023, we successfully rolled out the system functionality supporting Paid Leave Oregon benefits, the first phase of our second rollout. Working Oregonians are now applying through our new claimant portal in Frances Online and have started receiving Paid Leave Oregon benefits. The second phase of this rollout, supporting unemployment insurance benefits, continues to be on time, in scope, and under budget.

Additionally, we have started the planning phase of the Workforce Modernization Project. This year, our focus is on engaging with staff, partners, and other impacted parties to identify and analyze current-state processes and systems while refreshing business and technical requirements created during our program feasibility study.

We are proud of the accomplishments of the Modernization Program thus far, and look forward to continued success.

Respectfully,

Renee Royston

Modernization Director

Oregon Employment Department

Attachment: OED Modernization Program Update Report

Modernization Program

Program Status

The Oregon Employment Department (OED) respectfully submits this report on the progress of our Modernization Program, Unemployment Insurance (UI) Modernization Project, and Workforce Modernization Project, as requested by the Joint Committee on Information Management and Technology. The Employment Department last submitted [a report](#) to the Joint Committee on Information Management and Technology regarding the UI Modernization Project on Sept. 21, 2022.

The purpose of this letter is to share an update on the progress of the UI Modernization Project and the progress made on the Workforce Modernization Project since our last update.

CONTINUOUS IMPROVEMENT: SUPPORTING CONTRIBUTIONS AND RECOVERY

The agency continues to work on incremental adjustments to Frances, OED's new system named in honor of Frances Perkins, to improve and expand the ways the system helps customers access the services and programs provided by our agency. In addition to improved customer service in the Frances Online employer portal, the public facing web portal supporting employers, we continue to improve processes to support our staff, our agency partners, and other external users.

Over the past year, the project team has focused on providing ongoing education and training and responding to requests for changes and enhancements both internally and from customers.

For example, to date, over 1,500 employers and third party administrators (TPAs) have participated in our quarterly virtual Frances Online workshops, learning about how to use the system and getting answers to their questions. These workshops provide the opportunity to address the most frequently asked questions over the past quarter and any updates to the system as well as offer employers and TPAs the chance to ask questions and share pain points.

In addition to the workshops, the project team and Contributions and Recovery Division are working to address the unique needs of TPAs by finding solutions allowing them to more easily and safely access the account details they need to do business on behalf of their clients.

In January 2023, employers started reporting the new Paid Leave contributions, and OED partnered with the Department of Revenue (DOR) to add the statewide transit tax to the combined payroll report. Previously a standalone report to DOR, this enhancement was Oregon employer's number one request.

Several other recent enhancements have required close collaboration with partner agencies. Earlier this year, the project and agency staff worked with DOR to improve the employer experience with filing and paying their combined payroll report by allowing them to pay their quarterly contributions payment online as part of the report filing process, without needing to log into a separate system to remit payment. OED also partnered with DOR and Secretary of State (SOS) to update and transition the Oregon employer registration process for the combined payroll reporting programs.

Also in January, the Frances support team implemented the first set of core product updates, called a “sync pack” to Frances. The updates included minor changes improving Frances functionality most used by OED staff and showcased how dynamic the system is and will continue to be going forward.

A critical focus of continuing to add enhancements and expand Frances functionality is building on what has been successfully implemented while maintaining the system’s structural integrity, current functionality, and data security.

UI MODERNIZATION PROJECT –ACTIVITIES SINCE SEPTEMBER 2022

Implementation of the UI Modernization Project is on time, in scope, and under budget. We are continuing the second rollout of the project, focused on establishing and replacing the systems that support payment of Paid Leave Oregon benefits and Unemployment Insurance (UI) benefits. We are working as an agency to transform business processes to take advantage of opportunities and benefits available through improved system capabilities. The second rollout of Frances is happening in two phases. The first phase focused on Paid Leave Oregon benefits. Beginning Aug. 14, 2023, working Oregonians started applying for Paid Leave Oregon benefits through Frances Online. The new program issued benefit payments beginning the week of Sept. 10, 2023. The second phase will focus on UI benefits.

Preparing for Paid Leave Oregon benefits go-live

As the rollout date for Paid Leave Oregon benefits approached, staff from business areas around the agency, OED’s IT team, and the project team met daily for cutover planning meetings to identify down-to-the-minute activities for the weekend leading up to Aug 14, 2023. The purpose of these meetings was to ensure business activities including publishing forms, staff training, customer support tools, setting up scanning software for paper documents, the phone system, the voice scripts within the agency’s interactive voice response (IVR) system, staff and partner system accesses, and performing necessary internal and external communications were accounted for and completed.

The data OED gathers is foundational to the work we do as an agency. We use that data for our programs and we share it with other agencies and organizations. The ongoing support and engagement of the agency's interface partners is vital. OED partners helped by identifying the system access they needed to maintain as well as testing interfaces and data exchanges.

Similar to the first rollout, while developing and configuring the Frances functionality for the Paid Leave Oregon benefits, the agency was also establishing the new benefits program itself. These activities included building the complex infrastructure supporting new data sets and activities, such as partnerships with the Social Security Administration to perform ID verification, connecting to new sets of data, and setting up new accounts and processes for Paid Leave benefit payments.

To ensure the system would work as anticipated, OED completed several layers of testing. OED staff from the business areas used over 1,000 test scenarios to confirm functionality, and the project team completed end-to-end testing, which tests daily tasks to simulate how staff and customers will use the system. Finally, the project team moved the system date forward to simulate key business dates and processes such as completing identity verification, processing claims, and generating benefits payments.

Finally, OED continues to work closely with the independent quality management services (iQMS) vendor assessing risk and quality for the Modernization Program. They actively monitored project activities as the Aug. 14, 2023 go live date approached.

Preparing OED staff

The rollout of Frances for Paid Leave benefits used a similar four-tiered approach to training that was used for the first rollout of the project. OED's training team is comprised of vendor staff, members of the project team, and business experts. The training approach teaches core fundamentals and job-specific training through eLearning Modules, instructor-led training, and classroom style "sandbox training" sessions. The team provided training to over 1,100 members of our Paid Leave Oregon team and other agency staff in preparation for the August go-live.

Engagement and communication

OED's Modernization Oversight Forum continues to provide valuable support to the UI Modernization Project. Four members of the Oregon legislature, the State Chief Information Officer, and an LFO Principal Legislative IT Analyst participate on the Forum. The meetings provide the Modernization Program team the opportunity to share progress and allow the members to ask questions, share insights, and make recommendations.

OED's state agency partners and Oregon employer and worker representatives have shared their perspective and input throughout the project by participating on the UI Modernization Engagement Board. The board has given the agency the opportunity to bring project information and learn from representatives of the businesses and workers who use OED's core systems. A member of the Engagement Board also participates as a voting member on the Modernization Program Executive Steering Committee.

OED is committed to implementing policies and practices that include our customers' voice and experience. While creating this new system it is critical not to create barriers for people trying to access the agency's services. To prepare for the Paid Leave benefits rollout, the project team partnered with Paid Leave Oregon's outreach and engagement team to host six virtual focus groups in English and two in-person focus groups in Spanish. Team members introduced the Paid Leave Oregon program and showed each group the process of creating their account in Frances Online and applying for benefits. The participants shared valuable feedback related to usability and accessibility that will improve the system for all working Oregonians.

To ensure workers had the support they needed to use Frances Online to apply for Paid Leave Oregon benefits starting Aug. 14, 2023, OED Communications and our project team developed helpful virtual tools and resources, including a "how to get started" checklist and video, and list of frequently asked questions (FAQs).

In addition to the team's outreach to Oregon workers, we continued to help employers understand enhancements to their Frances Online account and what they need to do when their employees apply for benefits. This includes how to see and respond to questionnaires, and in some cases how to create new logons or update access for new roles in the system. Resources include adding step-by-step processes and FAQs to the agency's employer help pages, hosting a special Employer Workshop and recording a video demonstrating how to update user access to see and respond to benefits application requests.

Cutover checkpoints

Beginning Friday, Aug. 11, 2023 the team used two "checkpoints" to validate that the system and staff were ready to go live. Checkpoint #1 was to validate our initial readiness for cutover. The elements included validating appropriate rollout support structures were in place, and confirming communications with OED users, partners, external customers, and interested parties. Additionally, the team confirmed all appropriate training was complete. The project team also confirmed all critical interfaces had been prepared, that appropriate aspects of security had been established and tested, and end-to-end testing was complete.

The team conducted functional verification and practiced all the tasks that would be completed in production before the second checkpoint on Saturday.

Checkpoint #2, on Saturday, Aug. 12, 2023 provided confirmation that new work processed successfully, and high priority interfaces were active and verified. Additionally, a small number of Oregon workers came into the office and used the system to create their accounts and complete their benefit applications. This engagement helped us confirm Frances worked as intended and was ready to go-live Monday morning and provided early feedback on real-life use of the system. Also, excitingly, these first users became the first Oregon workers to create their account in the new Frances Online claimant portal and officially apply for Paid Leave Oregon benefits.

FRANCES' NEW CLAIMANT PORTAL - SERVING OREGON WORKERS

Frances and the new Frances Online claimant portal, the public facing web portal supporting Oregon workers, was available on Monday, Aug. 14, 2023, at 8 a.m., as planned. In addition to online resources, OED had teams in place to support the dedicated staff answering customer phone calls and helping customers create their accounts and apply for Paid Leave Oregon benefits.

Customers are using Frances Online to apply for benefits, communicate directly with program staff, upload and update documentation, manage and update their accounts, check on the status of their claims, view letters, and easily change a forgotten password.

Similar to our employer portal, the claimant portal and the interactive assistant, also known as a chat bot, is available in English and Spanish. Staff are adjusting and updating the chat bot every day based on questions customers are asking, improving the quality and quantity of responses customers receive when they need help.

PROJECT TIMELINE

During the first phase of the second rollout represented in the timeline below (Figure 1), the project team developed the system functionality necessary to support Paid Leave Oregon benefits. Additionally, starting Aug. 14, 2023, small businesses were able to apply for assistance grants. If approved, assistance grants provide financial help to hire a temporary replacement worker or to help with significant wage-related costs — like overtime or training — while their permanent employee is on leave.

The phase of our project focused on UI benefits has run concurrently to the Paid Leave benefits phase and Frances Online for UI benefits will rollout March 4, 2024.

Figure 1. Frances Online Timeline



PLANNED ACTIVITIES FOR THE COMING ROLLOUT

Data readiness

Ensuring OED is protecting the data, that it is appropriately converted, and available to those who use it is a critical focus of this project.

To prepare, the project team will complete 19 “mock,” or practice data conversions before UI benefits goes live. Full mock conversions are dry runs of what will happen on the weekend before Frances goes live. These dry runs help OED practice exactly the timing and transitions of each step throughout the data conversion process.

Similar to replacing the combined payroll system, it is critically important to identify and strategically plan the timing necessary to shut down the systems currently receiving data and adequate time to process or hold that data in preparation for cutover weekend. Staff from multiple agency divisions will begin a series of increasingly frequent, and finally daily, cutover planning meetings to ensure complex layers of processes are all accounted for, a down to the minute plan is established, and communication needs identified.

Engagement and communication

The Modernization engagement team is focused on involving customers’ experience and feedback in preparing for the UI benefits rollout. Like in the first rollout, which, replaced payroll reporting systems, Frances will be replacing the Online Claims System (OCS) and other interfaces our customers currently use. Adding complexity, customers with active claims when

the system goes live, will be switching to the new system in the middle of their benefits period – using the OCS system one week to claim their weekly benefits, and using Frances Online the next week. Our team is focused on providing claimants with clear, active communication, a variety of resources, and multiple, easily accessed ways to ask questions and get help.

Along with Oregonians claiming UI benefits, and the employers who are involved with UI benefit claims, the team is also preparing to support a significant number of partners who have interfaces with and receive data from OED systems. The Modernization team worked extensively with interface partners identifying and revising or confirming inter-agency agreements and future data access needs to ensure every customer maintains their ability to access OED data to serve their customers.

Additionally, the Modernization team is collaborating with business areas throughout the agency, including IT, Communications, Paid Leave, and UI to identify and develop a multi-faceted communications plan supporting system outages and impacts in preparation for the UI benefits go-live weekend.

WORKFORCE MODERNIZATION PROJECT

OED’s Modernization Program is an “umbrella” under which the agency has multiple modernization projects. As the UI Modernization Project is being executed, the Modernization team is moving forward with the Workforce Modernization Project with as much concurrency as reasonable, considering the timing of existing project needs and agency resource availability.

The Workforce Modernization Project will replace the computer systems supporting the delivery of employment services and administration of federal programs, including our labor exchange system, iMatchSkills, and our case management system. Additionally, similar to the UI project, the agency will transform business processes to take advantage of opportunities and benefits available through new system capabilities.

This year our focus is on planning the project, and engaging with staff, partners and other impacted parties to identify, and analyze current-state processes and systems while refreshing business and technical requirements created during our feasibility study. The project is also forming workgroups to further identify and document specific items, such as interfaces and data exchanges and system access.

The agency and project team is proud to have been selected to participate in the Aligned Case Management Institute, an initiative facilitated by the United States Department of Labor Employment and Training Administration’s Office of Workforce Investment and the National Association of Workforce Agencies’ Workforce Information Technology Support Center

(Workforce ITSC). This multi-phase project is designed to provide selected state teams with support to explore, design, test, implement, or scale state-level approaches to improve case management systems and processes. The ACM Institute will allow participating states to convene, gain exposure to knowledge and ideas, work collaboratively on shared challenges, and receive ongoing consultation and technical support as each state works toward system-level change. The timing and purpose of this effort lines up well with our modernization work. This initiative is intended to facilitate a more holistic approach to service delivery and improved customer experience within the workforce system through a human-centered design lens several partner agencies and board directors are participating in this effort with us. Importantly, it includes other state agency and local workforce board partners with whom OED regularly works to provide services to Oregonians, helping us keep our efforts focused on the people we are serving, even across agency and program boundaries.

Later in 2023, the project will leverage our vision of the future state as the procurement strategy is developed. These activities prepare OED to release a request for proposal in 2024 as the UI Modernization Project sunsets.

CONCLUSION

We are grateful for your consistent oversight and support. OED will continue involving our customers and partners to make OEDs programs easily accessible to those who need them. As we continue work on this project, we are confident that we will keep improving the services we provide to Oregonians.

Sincerely,

Renee Royston

Modernization Director

Oregon Employment Department