



MICHIGAN DEPARTMENT OF
**LABOR & ECONOMIC
OPPORTUNITY**

Unemployment Benefits

May 5, 2020



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Unprecedented Demand

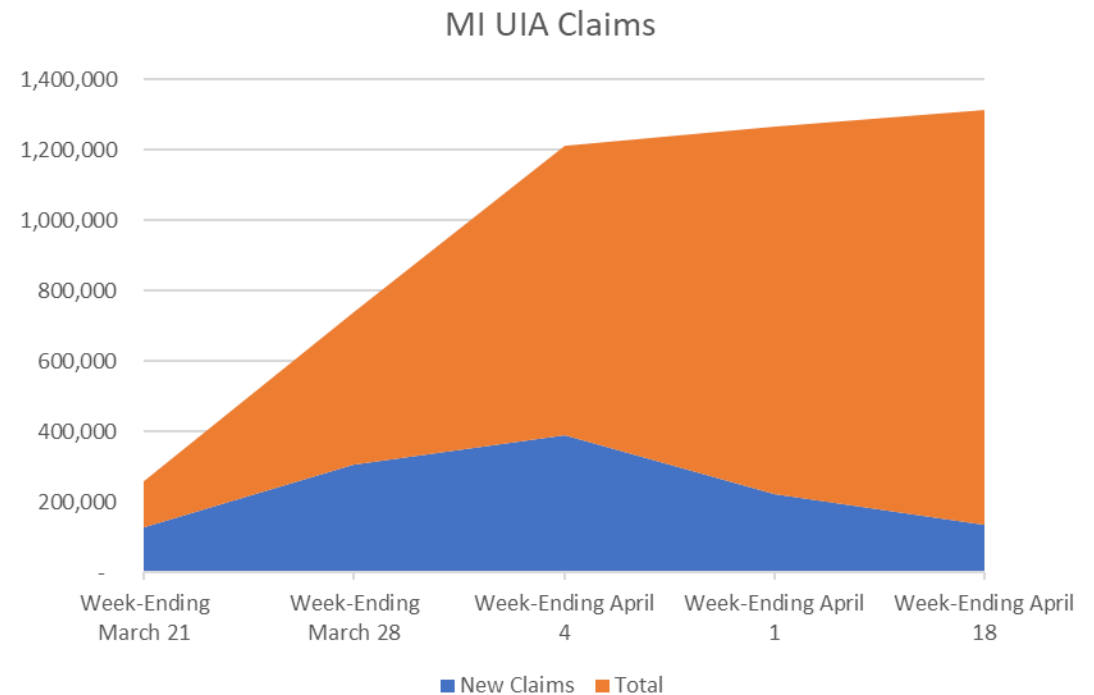
- More than **1.26 million Michigan workers** have filed for unemployment since March 15th
 - MI ranks among top states for
 - number of claims filed
 - % of workforce impacted (~26%)
- The highest week during the pandemic was more than 390,000.
 - UIA typically processes 5,000 claims/week.
 - During the Great Recession, the weekly record was around 77,000 claims in Jan. 2009.



Unemployment Claims During COVID-19

Week-Ending March 21:	128,806
Week-Ending March 28:	304,335
Week-Ending April 4:	388,554
Week-Ending April 11:	222,207
Week-Ending April 18:	134,119
<u>Week-Ending April 25:</u>	<u>81,312</u>

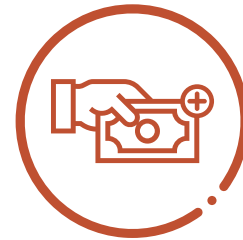
Six Week Total: 1,261,921



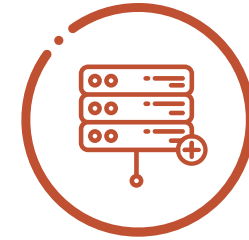
UIA Response to COVID-19



Expanded eligibility



Increased benefits



Added capacity



Expanded Eligibility – State and Fed

Under Gov. Whitmer's Executive Order and Federal CARES Act, the following groups can now apply for benefits:

- Sick workers, quarantined, immunocompromised or workers caring for loved ones
- Self-employed, independent contractors, gig workers, those who file a 1099
- Low-wage workers, those with limited work experience
- **Waived Requirements**
 - In person registration and work search at Michigan Works!



Who is Not Eligible



- Individuals on **paid sick leave or other paid leave**
- Individuals who can **telework with pay**
- Individuals who **quit work without good** cause to obtain unemployment benefits



Expanded Benefits – State and Fed



- **Benefit Weeks**
 - Expanded from 20 to up to 39 weeks.
- **CARES ACT – Pandemic Unemployment Assistance (PUA)**
 - Provides an additional \$600 weekly through July to all beneficiaries
- **100% Federal Funding for:**
 - Those newly eligible under CARES Act (1099)
 - \$600/wk PUA
 - Workshare Program



Benefits Paid in Michigan



- **Over \$3.9 Billion** in payments to over **1 million unemployed workers** affected by COVID-19.
 - The highest number of claimants during the great recession was 363,000
 - **Michigan was one of the 1st States to**
 - Pay \$600 extra weekly in CARES Act benefit (April 8th)
 - Open Application for Self-employed/independent contractors/1099 (April 13th)
 - Most Great Lakes states early to mid-May
 - Ohio – paid 1.45 Billion to 481,000/1,057,486
 - PUA payments expected mid-May



Added Capacity to the System

We know there are thousands still waiting for approval- will not rest until all are helped



- Added hundreds of customer facing staff and have hundreds more on the way
 - Mandatory overtime for current staff
 - Shifted staff other state departments and LEO agencies
 - New 100+ IT team dedicated to resolving technical issues
 - Another 150-200 UIA staff hired or in process of onboarding (including retirees)
- Expanded the days & hours of call center operations
 - Contracted with two 3rd party call centers



Most Common Issues



- **Non-Monetary Determination**
 - Past employment verification issues
 - State and Federal rules
 - Need to verify identity/Info wrong
 - Potential Fraud
- **Technical Issues**
 - Locked Account
 - Did not receive authentication code
- **Made mistake when filing**
- **Made mistake when certifying**



Work Share Program



- **Retention and Reopening** - Helps employers retain their skilled workforce and bring them back from UIA system
- An option for employers to reduce employee hours instead of cutting the workforce
- Under new Executive Order/CARES Act:
 - Most employers and employees now qualify
 - Part and full time employees eligible
 - Waived 12 quarter operation history
 - Increased flexibility on reduced work hours - reductions of minimum 10% of hours to a maximum of 60%
 - Participants receive % MI benefits + \$600 PUA through July
 - 100% Federally Funded through 2020

www.Michigan.gov/Workshare



Work Share Program - Retaining

- Example: Employer A
- Loss of revenue but still operating, wants to keep workforce
 - Term: (May – July)
 - 100 Workers enrolled
 - Average salary: \$50,000 (\$962 weekly)
 - Hours/Salary reduced by: 60%
 - Employees receive: 40% salary (384.80) + 60% UI state benefit (\$217) + \$600 federal benefit through July
 - Employee salary: \$1201 weekly
 - Savings to employer compared to full capacity staffing: \$692k



www.Michigan.gov/Workshare



Work Share Program – Reopening

Without Work Share

- Example: Employer B
- Laid off 100 people, wants to bring them back
 - Business capacity 70% of pre-crisis
 - Average wage \$50,000 (\$962 weekly)
 - Asks 100 employees to come back at 70% of wages/hours
 - Salary rate of \$673 weekly
 - Vs. \$962 UIA benefits through July

Work Share

- Example: Employer B
- Laid off 100 people, wants to bring them back
 - Business capacity 70% of pre-crisis
 - Average wage \$50,000 (\$962 weekly)
 - Asks 100 employees to come back at 70% of wages/hours
 - Employees receive: 70% salary (\$673.4) + 30% of MI benefit (\$108.6) + \$600 weekly through July
 - Salary rate of \$1382 weekly
 - Vs. \$962 UIA benefits through July



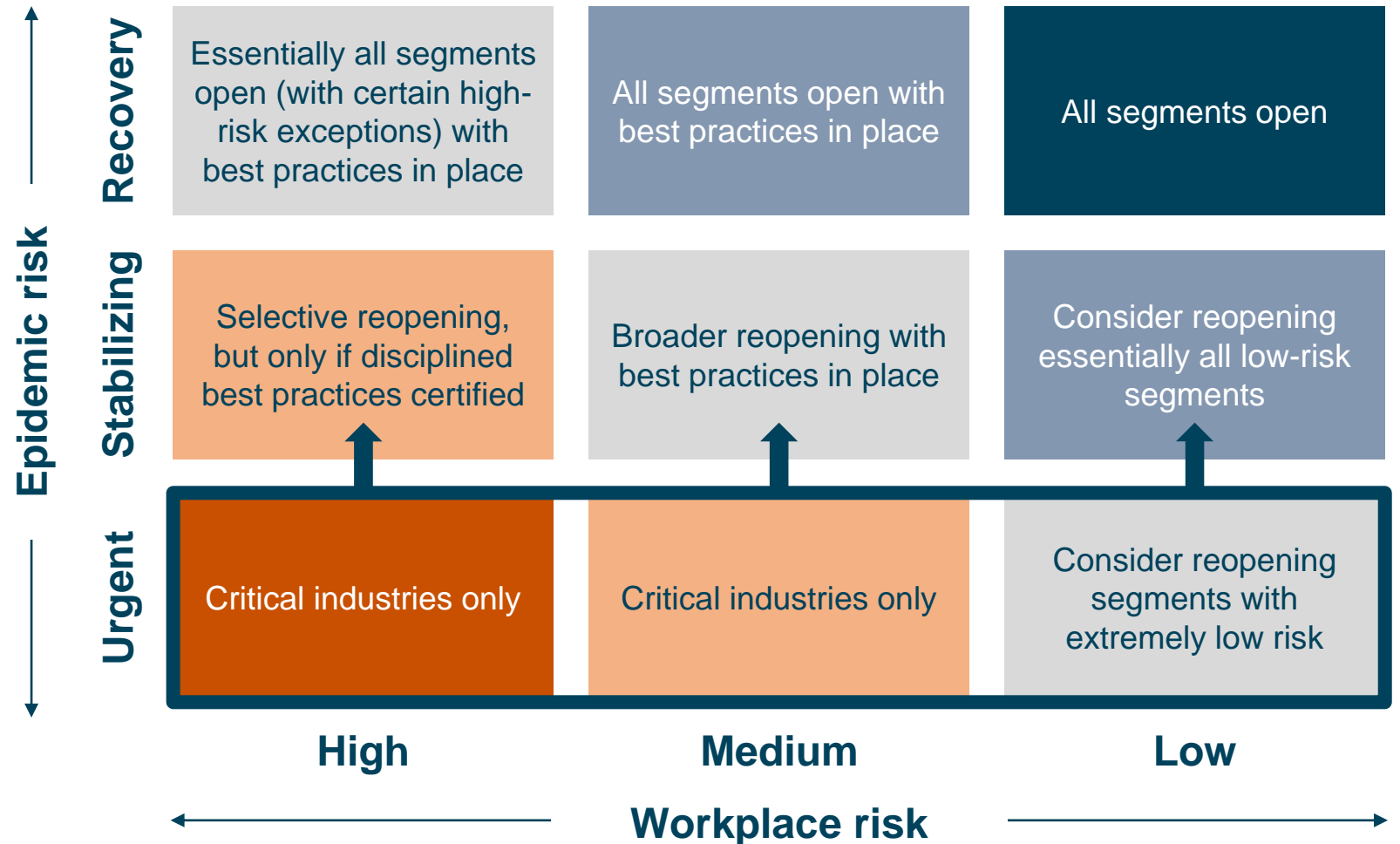
Return to Work

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Which segments should re-engage and when?



Flatten the curve

1

Epidemic spread

- A Density and trajectory of spread
 - B Community exposure / immunity
-

Safely diagnose and treat patients

2

Healthcare system capacity

- A Critical personnel
 - B Beds
 - C Ventilators
 - D PPE
-

Track and isolate contacts

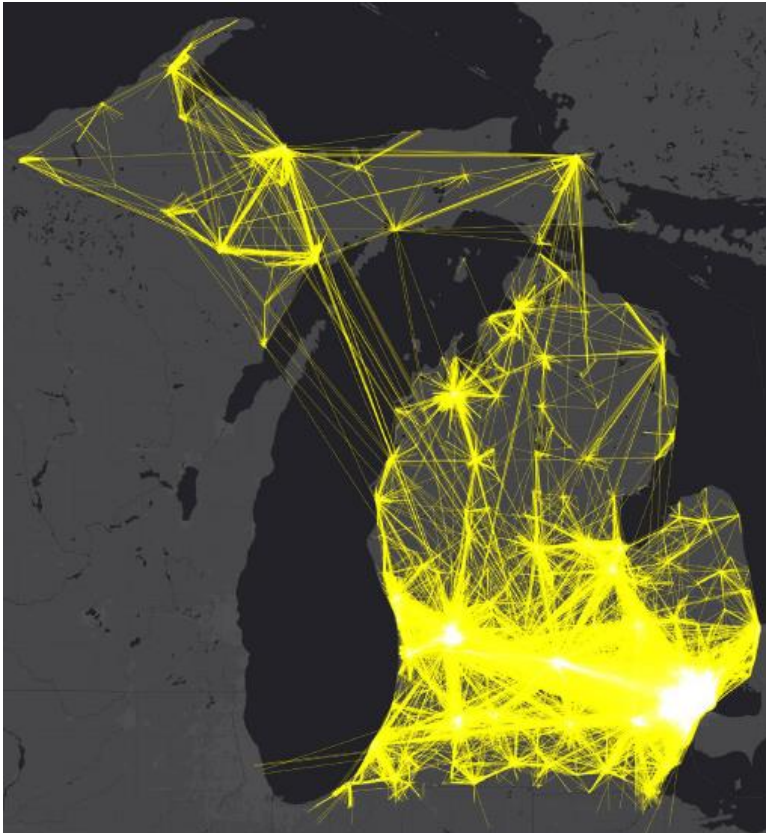
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Public health capacity

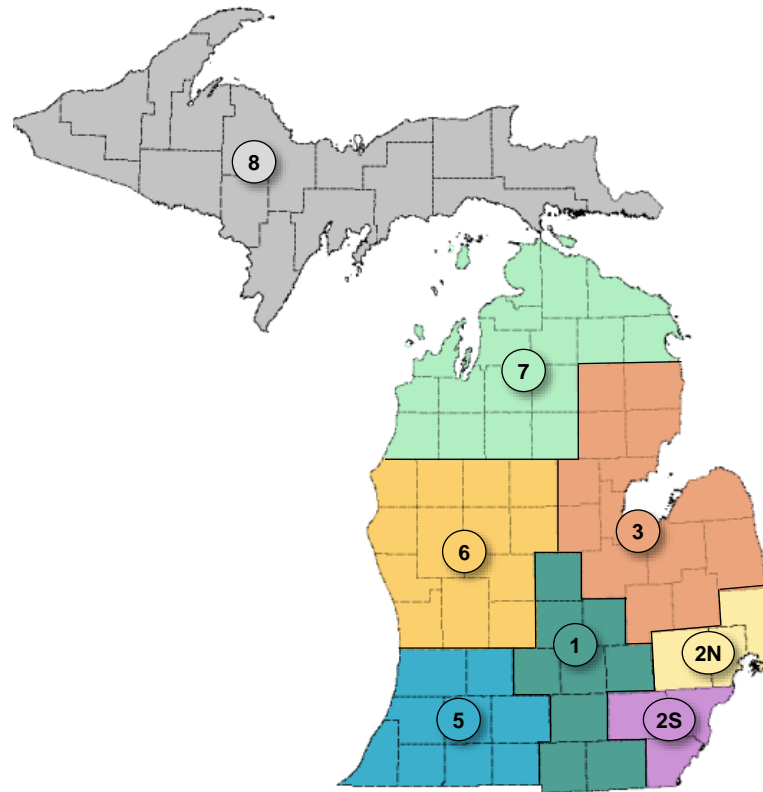
- A Infrastructure contact tracing
- B Effective isolation / quarantine

What's the Risk by region?

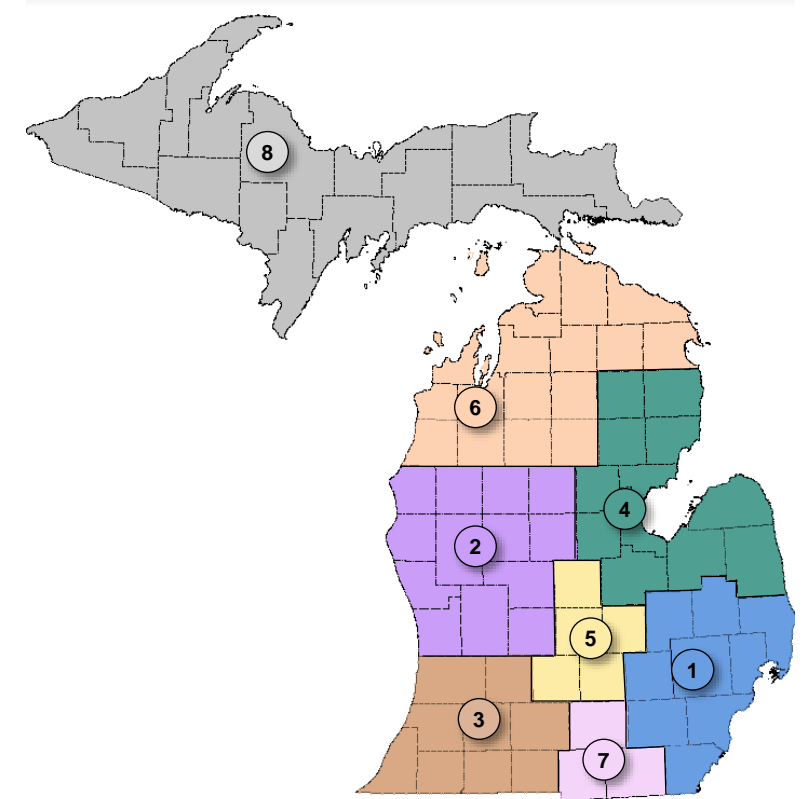
Commuting patterns



Public health reporting regions



Return-to-work regions



Worker interaction

Work type risk factors

- a** Interaction with general public (sustained or intermittent)
 - b** Contact with fellow coworkers in normal course of work
 - c** Shared tooling / machinery
-

Workplace characteristics

Workplace risk factors

- d** Indoor / Outdoor
 - e** Number of workers
 - f** Worker density (number per square foot active workspace)
 - g** Required travel
 - h** Basic industrial hygiene (sanitation facilities, airflow, etc.)
-

Worker type

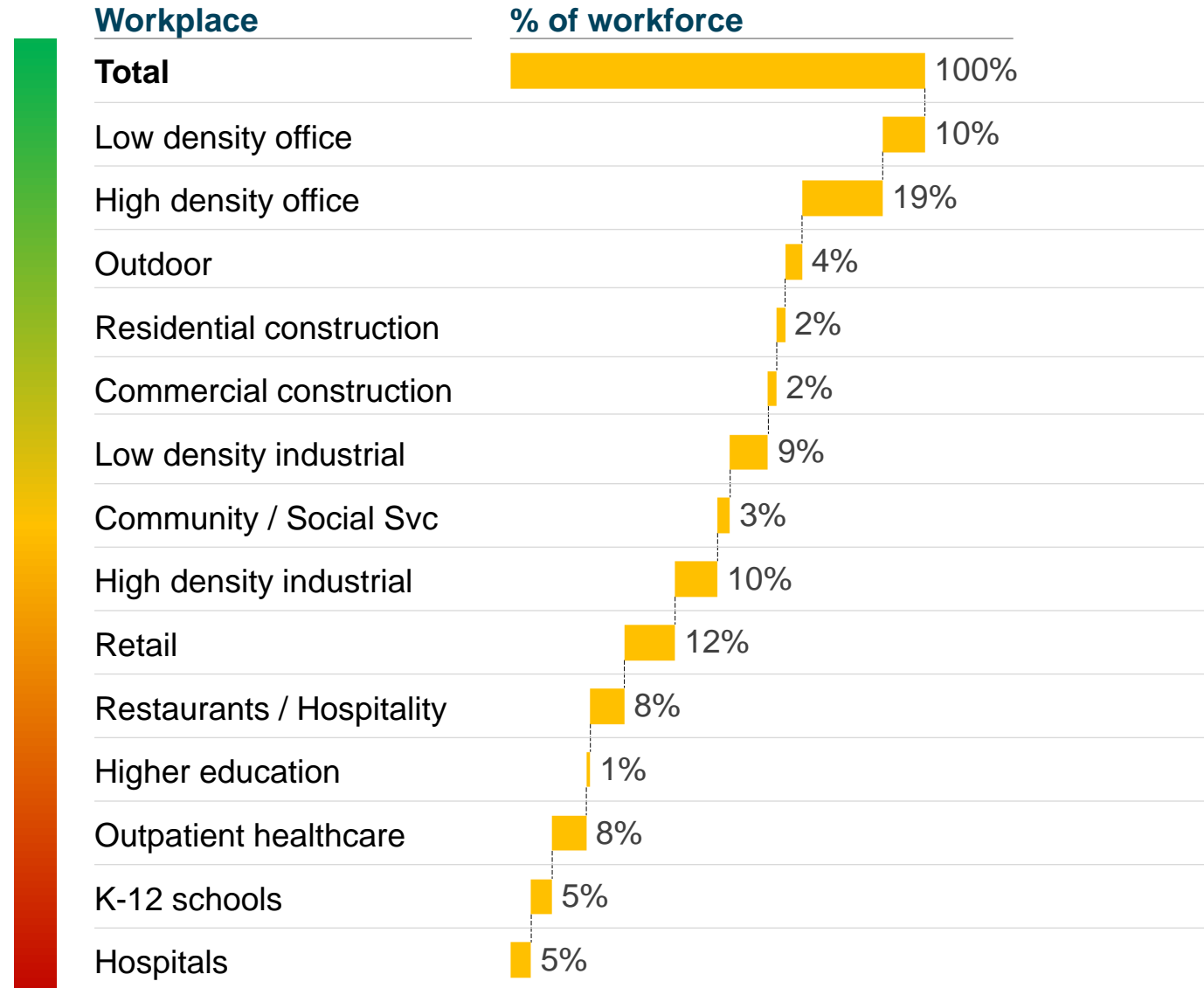
Worker risk factors

- i** Demography
- j** Preexisting conditions
- k** Contact outside of work
- l** Transit options
- m** Immunity

Unmitigated risk spectrum

Preliminary

Low risk



High risk

Other considerations, beyond risk:

- How much does the sector rely on in-person work? (e.g., office)
- What track record / culture does the workplace have around implementation of safety programs? (e.g., construction, manufacturing)
- How effectively can we enforce risk mitigation best practices?

Example: Commercial construction

	Work characteristic	Detail				To mitigate...
		High	Medium	Low	Minimal	
Worker interaction	Physical interaction with the general public			1-3 people / <10 min duration / hr.		
	Close contact / interaction with other workers			Occasional		
	Tooling / Machinery / WIP shared by multiple workers	In normal course of operations				Limit tool sharing
Workplace	Travel outside the workplace required for work	Yes				n/a
	Density of workers present in the workplace, sf / person			144-288 square ft per person		PPE, separation barriers, shifts
	Indoor vs. Outdoor work				Outdoor	
	Building conditions / Building airflow				Outdoor	
	Sanitation facilities, proximate number / worker		Some			Provide onsite hygiene options

Test

- Test as broadly as possible...
- ...including symptomatic people and exposed people in high risk settings...
- ...to identify sick people quickly before they infect others

Monitor

- Track symptoms before they become cases (sentinel surveillance)
- Identify emerging hotspots (symptom diaries)

Trace

- For confirmed / probable COVID...
- ...use technology / tracing teams to rapidly identify close contacts who may have been exposed...

Isolate

- Anyone infected should remain in isolation for at least 7 days after onset of symptoms or 3 days fever free
- Close contacts should self-quarantine for 14 days before returning to activities

De-risk

- Access control – mechanisms to prevent entry
- Distancing – mechanisms to prevent close contact
- Sanitation – mechanisms to clean high-transmission surfaces
- Hygiene – mechanisms to improve personal hygiene
- PPE – last line of defense
- Training – worker awareness of safeguards and rights

MIOSHA plans for restart

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1 Organization / Administrative controls

- Employer liability
- Responsible parties
- Training



2 Access control

- Temperature / symptom checks
- Meetings / travel



3 Distancing

- Occupancy
- Separation barriers



4 Sanitation

- Cleaning
- Disinfection
- Ventilation



5 Hygiene

- Handwashing
- Hand sanitization



6 PPE

- Mask / Facial covering standard
- Others

General mandates: Implemented in all workplaces

Sector specific mandates: Implemented in specific sectors

Best practices: Recommendations for optimal risk mitigation (not mandatory)

1 More eyes on the floor and boots on the ground

- Robust communications on guidance
 - Worker complaints portals
 - 3rd party partnerships
-

2 More proactive

- Need “spot checks” for effective deterrence
 - Partnerships with industry and labor for monitoring
-

3 Enforcement

- Seek compliance initially
- Citations for noncompliance

Thank you.



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