

JLOSC Review Update Request

Focused Review: Claimant Services (DOLUI)
October 29, 2025



Joint Legislative Oversight
& Sunset Committee

The Joint Legislative Oversight and Sunset Committee (JLOSC) requests a review update from the Department of Labor Division of Unemployment Insurance (DOLUI). For additional context on the committee, its staff, and the overall review process, please refer to the enclosed *JLOSC Review Process Overview* document.

The DOLUI is scheduled to present review updates to JLOSC at the committee's January 22, 2026, meeting, which will begin at 11am.

Please submit all update responses to JLOSC analysts no later than December 31, 2025.

- Unless otherwise noted, all requested information should cover April 2025 – December 31, 2025.
- Do not include personally identifiable information (PII).
- Submit responses via email to JLOSC analysts Benjamin.Kowal@delaware.gov and Amanda.McAtee@delaware.gov.

Review Recap: JLOSC selected the DOLUI for a focused review of its claimant services, assigning the project to Division of Legislative Services staff on March 2, 2023.

This review examined DOLUI's organizational structure for claimant services, including staffing resources, processing procedures, and estimated timelines. It also evaluated recent process improvements and explored potential future policy initiatives aimed at enhancing service delivery. As part of the review, staff analyzed 9 audit reports issued by the Delaware Auditor of Accounts (AOA), which identified material weaknesses and significant deficiencies in DOLUI's internal controls, including concerns related to critical systems such as Mainframe.

The resulting staff report is available on the JLOSC [website](#). It was originally scheduled for presentation at the June 12, 2025, JLOSC meeting, which was later canceled. The presentation has been rescheduled for January 22, 2026.

At the request of JLOSC Chair Romer, DOLUI is expected to provide an update at that meeting, and the highest administrative officer should be present. Members of the Joint Finance Committee (JFC) and the Controller General's Office will be invited to attend, and public comment will be accepted during the meeting.

Information Request:

JLOSC requests written responses to the following questions.

Claim Processing Timeliness

- 1. What is the current average time to process an unemployment claim from initial application to first payment?**

Over the nine-month period (Jan–Sep 2025), Delaware’s average processing time fluctuated between 20 and 39 days, with an overall average of approximately 33 days to issue the first payment after initial claim filing. This average is based on USDOL Benefits Timeliness and Quality Reports.

- 2. How many individuals have exceeded the federal timeliness standard of 21 days without receiving their first payment?**

Over the January–September 2025 period, approximately 4,359 claimants in Delaware exceeded the federal timeliness standard of 21 days for their first UI payment.

- 3. What steps are being taken to improve first-payment timeliness and ensure compliance with the federal benchmark of 21 days?**

Delaware has implemented a comprehensive strategy to improve the timeliness of first Unemployment Insurance payments and meet the federal 21-day standard. Through its Modernization 2.0 initiative, the state is streamlining the UI process by unifying claimant data, exploring integrating Gen-AI tools for adjudication, and expanding automation to reduce delays.

To further accelerate processing, the Department increased staffing to address backlogs and deployed enhanced detection and dashboarding tools that automate issue resolution, monitor real-time performance, and identify workflow bottlenecks. Specifically, the Department hired 23 casual seasonal employees to address claimant concerns. This allowed the adjudicators to focus on adjudicating claims; directly reducing the backlog.

Additionally, the state has completed Phase 1 of the backlog clean-up, which focused on improving visibility and prioritization within existing systems. Through cross-matching and data analysis, the state identified duplicate cases, claims that did not require adjudication, and claims that could be more effectively sequenced for review. Phase 1 clarified prioritization between separation decisions, which are the highest priority, and non-separation decisions, and identified potentially inactive claims now under review for closure. Completion of this phase provided a clearer view of the backlog and enabled staff to focus on true backlog claims, improving efficiency and timeliness of processing.

Finally, the first centralized management dashboard was created to manage the benefit program. It is now possible to measure and analyze Key Performance Indicators in real-time, allowing managers to analyze production rates and make necessary adjustments to meet federal standards.

These technological, staffing, and oversight improvements—supported by reporting and performance tracking—are driving faster first payments and ensuring stronger compliance with federal timeliness benchmarks.

4. What are the primary causes of claim processing delays (e.g., system errors, manual adjudication, ID verification, staff shortages)? What trends have occurred over the past 3 years?

Delaware's Unemployment Insurance processing delays have stemmed from staffing shortages, inconsistent training, and software challenges resulting in backlogs and below-target timeliness over recent years.

In the past five years, Unemployment Insurance experienced an 87% percent staffing turnover rate. The staffing turnover resulted in the loss of valuable institutional knowledge. This was exacerbated by outdated policies and procedures and the discontinuation of critical functions. Recruiting qualified talent is a challenge due to low wages compared to surrounding states.

Lastly, UI recently discontinued using the "RESOLVE" system. The system did not adequately support the tracking of claimant cases or the resolution of associated issues. UI has returned its legacy system, "Non-Mon."

5. Of the 3732 pending claims (some dating back to September 2024), what proportion are standard state claims versus federal or unemployment compensation for federal employees (UCFE) claims?

Approximately 1% are federal or UCFE claims, with the remaining 99% being standard state claims.

6. Are interim payments or hardship options available for claimants waiting beyond the 21-day federal standard?

No, interim payments or hardship options are not available for claimants waiting beyond the 21-day federal standard in Delaware's Unemployment Insurance program.

7. **Provide an update on the number of systems DOLUI staff currently use to process unemployment claims. It was previously reported that staff navigated at least 6 separate programs or websites. Include any recent efforts to streamline or consolidate platforms, the status of Mainframe reliance, integration challenges among SIDES, Nonmon, ServiceNow, and 3C Logic, and steps taken to improve usability, reduce platform switching, and ensure consistent documentation of claimant interactions.**

Key tools—including the Claimant 360 and Fraud IQ dashboards—provide unified claimant views, risk indicators, and AI-driven fraud signals that significantly enhance investigative efficiency and oversight. These investments have produced measurable outcomes, including the prevention of over \$629,000 in potential benefit losses in Q3 2025 and zero improper payments due to fraud during that period.

While adjudicators now have an integrated view of claimant data for use in decisioning, claims processing still occurs in the legacy systems. Specifically, with decommissioning the Resolve platform, DOLUI staff currently navigate five separate systems to process unemployment claims. These systems will be consolidated and replaced as part of DOL's more comprehensive modernization efforts.

8. **Will DOLUI share its backlog progress publicly each week (e.g., number of claims processed, time to clear)? When do you anticipate that Delaware will once again meet or exceed the USDOL's 87% timeliness threshold for first payments within 21 days?**

In her March 2025 address, Secretary LaKresha Moultrie reaffirmed commitment to share regular progress updates as part of the state's modernization efforts. The DOL projects that backlogs will be cleared by early 2026, positioning Delaware to meet the federal 87% timeliness benchmark. The most recent update was shared in December 2025.

Notification System

9. **How does the current notification system inform claimants about the status of their claims?**

Letters and determinations are currently mailed to claimants, and emails are sent directly from adjudicators when additional information is needed, keeping claimants informed about the status of their claims.

10. **What methods of communication (email, phone, text, mail) are most commonly used for notifications?**

The most commonly used methods for notifications are email, phone, and U.S. mail.

11. **Can claimants receive proactive outreach—emails, texts, or calls—when their claim requires additional information or when delays occur? How frequently are claimants updated about their claim status?**

Outreach to claimants is currently conducted via email, phone, and USPS. Efforts are underway to leverage advances in technology to expand communication channels, including text messaging, an online portal, and intelligent fact-finding services. Claimants

receive updates as needed when additional information is required or delays occur, helping to keep them informed throughout the claims process.

12. What improvements have been made to enhance communication with claimants?

- Call routing and queue management systems have been upgraded to reduce wait times and ensure inquiries are directed to appropriate staff more efficiently.
- Reporting and analytics tools have been implemented to monitor communication patterns, identify delays or gaps, and support continuous improvements in service delivery.
- A marketing specialist was hired to assist with social media updates and manage DE DUI extranet updates.

With the reduction of the backlog, DOLUI expects call volumes to decrease allowing improved communication with claimants.

13. Have any system improvements or updates been implemented in the last three years to improve claimant communication? If yes, what are they?

See response to Question 12

Staffing and Funding

14. What is the current staffing level for claimant services, and is it sufficient to meet demand? Please update the chart below, numbers for 2021-2023 were provided during the review.

Please see chart below for staffing levels. There are still several critical positions that need to be filled. Based on current staffing, the team is not sufficient to meet demand, and additional hires are necessary to ensure claimant services can operate effectively and handle call volume without excessive delays or abandon rates.

During the pandemic only 25% of the staff were merit employees. Currently, the merit staff is 82%, with 16 benefit employee vacancies.

Claims Processing Staff	2021	2022	2023	2024	2025 (current)
Merit (filled)	16	8	8	22	51
Contractual	48	52	62	38	11
Total Staff	64	60	70	60	62

15. How does staffing fluctuate based on claim volume (e.g., economic downturns or surges in claims)?

DOLUI adjusts staffing in response to claim volume fluctuations, scaling-up with seasonal or temporary hires during surges and economic downturns to help manage backlogs, while maintaining a core permanent team to handle ongoing operations and ensure consistent service delivery.

16. Have there been any budget increases or cuts in the last three years? How have they impacted service delivery?

DOLUI recurring federal funding ranged between \$8 to \$10 Million over the last three years. DOLUI received CARES and ARPA funding to address pandemic-related impacts to the system.

17. What additional resources—staffing, technology, or funding—would be required to improve claimant services?

DOLUI is currently filling vacant positions which are needed to maintain timeliness.

Mainframe conversion and system consolidation will be required to streamline processing and provide real-time claim tracking. DOL may require additional funding if modernization efforts extend beyond the ARPA liquidation period. Together, these resources would speed first payments and strengthen overall service delivery.

Performance Monitoring and Transparency

18. Is there a plan to implement real-time claim tracking for users?

Yes. DOLUI is working toward implementing real-time claim tracking, allowing claimants to monitor the status of their UI claims online. This initiative is part of broader modernization efforts to increase transparency, improve user experience, and reduce inquiries to call centers.

19. How does DOLUI assess the effectiveness of unemployment insurance services? What benchmarks are used?

- First-payment timeliness e.g., 21-day standard
- Claim processing speed
- Number of backlogged claims
- Call center responsiveness,
- Number of fraudulent claims prevented.

20. Are there any upcoming plans or recommendations to further streamline the claims process, including updates on the UI modernization project?

Yes. DOL plans to replace the mainframe system and consolidate certain of its other legacy systems into a more modern database with more user-friendly internal and external interfaces.

21. Has DOLUI conducted any customer service evaluations (e.g., call wait times, email response rates, claim-resolution time), and if so, what is the current evaluation data? If not, are there plans to begin tracking and publicly reporting these metrics?

Yes. DOLUI provides a QR code to claimants visiting local offices, allowing them to share feedback on their UI experience. All submitted data is tracked, and any concerns are reviewed and addressed promptly to improve service.

22. Does DOLUI track its abandoned call rate, and if so, what is the current rate? If not, why isn't this data being tracked, and are there plans to begin doing so?

Yes. DOLUI tracks its abandoned call rate on a weekly basis. For 2025, the average abandoned call rate was 26.9%.

23. Is any data tracked internally? What claim processing data is currently tracked internally, how frequently is it reported to leadership? If no data is tracked, are there plans to begin doing so?

Yes. All claim processing data is tracked internally, with reporting frequencies ranging from daily to quarterly. Metrics such as claim volumes, processing times, payment timeliness, and backlog levels are regularly reviewed by leadership to ensure compliance, monitor performance, and address any operational weaknesses.

24. Would DOLUI consider publishing a monthly public dashboard showing claims pending, average wait times, and first-payment timeliness?

Yes – DOL intends to leverage its data warehouse and internal dashboarding for public consumption.

25. What is the status of DOLUI's progress with AOA corrective action plans?

DOLUI continues to work with consulting firm BDO to implement business process improvements and enhancements to internal controls which address findings from AOA's agreed-upon procedures engagement.

26. Since the JLOSC staff report, has DOLUI taken any steps to ensure training materials do not include a private citizen's unredacted personal details?

Yes. Training materials are reviewed and revised annually, and as part of their upload into a new document knowledge base, all materials are undergoing additional review to ensure no private or unredacted personal information is included.

Google AI 'Adjudication Assistant' Updates

- 27. Provide an update on the Google AI 'Adjudication Assistant' and the progress on backlog clearance.**

DOL engaged Catch Intelligence to help clear a backlog of ~7,000 claims by summarizing available data, identifying missing information, and guiding next steps for adjudicators. The backlog is now down to 3732 claims as of 12/23/2025.

DE DOL is currently in contract negotiations with Google to create a public-facing chatbot and portal for claimants and employers.

- 28. What benchmarks and data are used to evaluate the effectiveness of the Google AI 'Adjudication Assistant'?**

TBD – DOL is still in the scoping and negotiation phase with Google.

- 29. Will human adjudicators continue to review AI recommendations before determinations are issued?**

Yes, human adjudicators will continue to review AI-generated recommendations before any final determinations are issued.

- 30. How is DOLUI ensuring fairness, accuracy, and data privacy in this AI-driven workflow?**

TBD – DOL is still in the scoping and negotiation phase with Google.

31. How will DOL ensure that Google AI and Catch Intelligence don't repeat those same implementation issues?

Consistent with normal practices, vendor accountability will be actively managed through contractual, financial, and governance controls. This will be done by ensuring deliverables and timelines are defined in the SOW, requesting a formal acceptance at the end of each milestone. The suggested payment structure will be tied to milestone completion. There will also be regular performance monitoring meetings to track progress and assess risk.

DOL challenges with prior software implementations largely stemmed from timing issues and resource allocation. We have shifted to a more staggered approach that allows staff to better focus on priorities and for leadership to execute normal controls.

Modernization Updates

32. Provide a claimant portal update, is there a construction completion date?

DOLUI is currently in contract negotiations with Google, therefore a completion date has not yet been established.

33. Provide an update on the Resolve platform following the July 2023 partnership with Catalis. Include an update on its integration with the Mainframe, any ongoing technical challenges, staff training efforts, and early impacts on claims processing, efficiency, or fraud prevention since its February 2024 launch.

The Department of Labor experienced several operational challenges with the Resolve platform that prompted a transition to internal systems. These included limited visibility into claims by detection date, inability to effectively prioritize cases, incorrectly flagging issues that delayed claim reviews and payments, and a lack of reporting capabilities to support oversight and proper program monitoring.

Following Delaware's July 2023 partnership with Catalis, the Department of Labor advanced its efforts to transition from the Resolve platform to the legacy internal system. Approximately 90,000 documents were identified for migration, including 12,000 tied to active cases. Coordination with IT ensured adequate storage, though additional work will be required post-migration to rename and organize documents for searchability and case linkage.

Next steps include finalizing the timing for data and document transfers, restricting access to Resolve ahead of its decommissioning, and confirming delivery or destruction of any remaining claimant, employer, or benefit files. These actions mark steady progress toward full system transition and improved control over claims processing and case management.

- 34. Provide an update on the Infosys partnership following the July 2024 agreement, including current progress, key implementation milestones, and any related developments. Are unemployment insurance benefits, appeals, and tax reporting still upcoming projects? If the Infosys system has proven unworkable, identify the specific issues or challenges that contributed to this outcome.**

The contract between the Division of Unemployment Insurance (UI) and Infosys was formally terminated in September 2025. Prior to cancellation, the UI Modernization Team—which included Department of Labor staff and business analysts from our CAI project management partners—completed requirements gathering, correspondence development, interface design, and reporting specifications for UI Tax functionality modules. The team also made significant progress on UI Benefits, reaching the midpoint of requirements work for claims processing, claims adjudication, overpayments, appeals, and federal reporting.

DOL continues to explore resuming its work with Infosys on a cadence that better aligns with resource availability.

- 35. What is the current phase of Delaware’s UI modernization project (e.g., planning, development, testing, implementation)? What improvements are planned or already implemented regarding claim processing, appeals, and fraud prevention?**

Please see responses to Questions 3 and 34.

- 36. Has the cost estimate changed since the GAO’s 2023 reported range of \$49M–\$85M? What is the current estimated total cost of the modernization project? What funding sources are being used (state, federal, grants), and what is the current funding match percentage?**

No, this is still the estimated total cost. Federal assistance through SLFRF.

- 37. Which contractors are currently engaged in the project, and what roles do they serve (e.g., project management, system design, identity verification)?**

- CAI, Inc. – Project Management
- Salesforce – Cloud hosting
- CATCH Intelligence – Data warehousing and business analytics
- Capado – Project Management tool
- OnBase – Digitization

- 38. What oversight mechanisms are in place to monitor contractor performance and ensure accountability?**

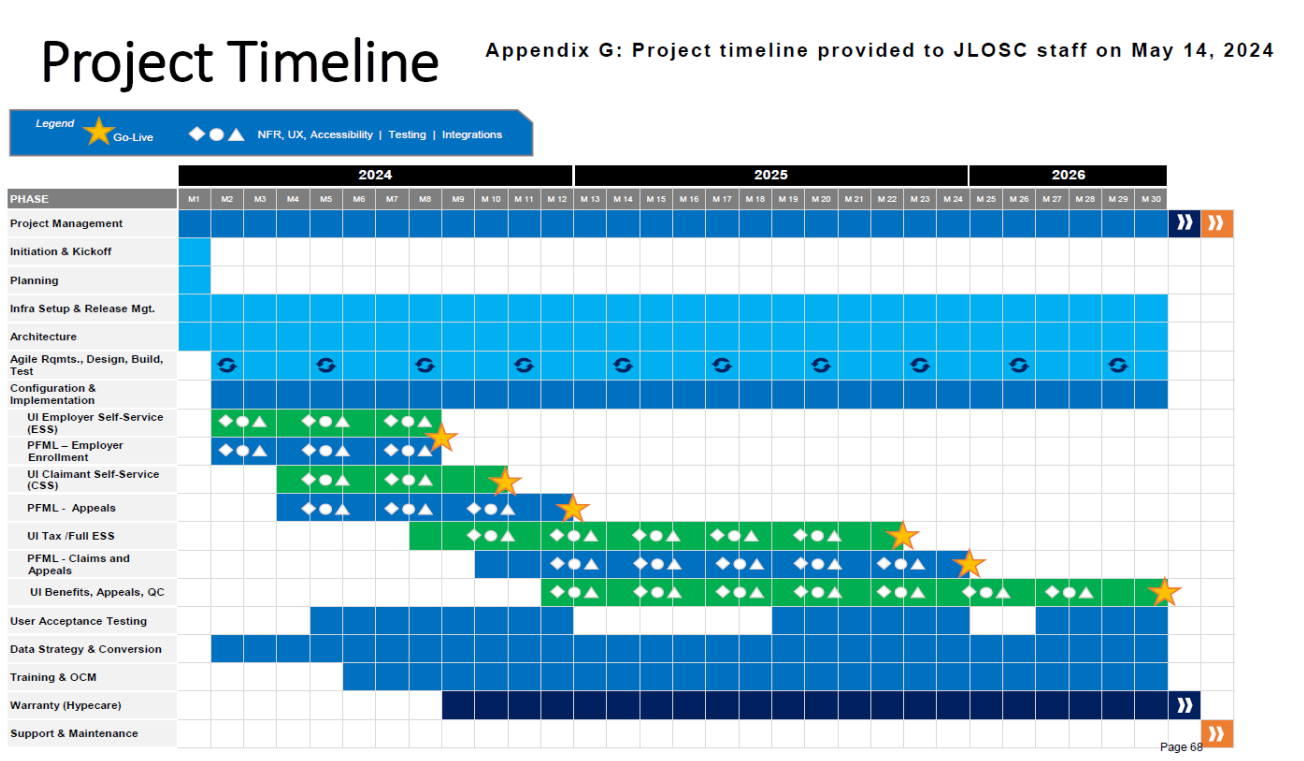
With respect to modernization efforts, contractor performance and accountability is managed through regular review of weekly reports, recurring meetings to track project status and outcomes; and payment structures that incentivize performance. Specifically with respect to code development, the developer is paid only upon completion of agreed-upon milestones.

39. Is Delaware collaborating with other states (such as Maine or Pennsylvania) or federal agencies to share best practices or resources for UI modernization projects?¹

Not currently. We met with Oregon, New York, and Wisconsin during which they shared insights from their PFML and UI modernization experience. DOL/DUI did meet with other states prior to the RFP process.

40. What is the projected timeline for full implementation and transition to maintenance? Is there an updated project timeline? Below is the last provided timeline:

DOL is currently negotiating contracts and does not have a firm timeline at this time.



41. How is DOLUI informing the public and stakeholders about modernization efforts?

In October, the Delaware Department of Labor assembled members of the Delaware General Assembly to give an update on modernization and backlog reduction efforts. Following the meeting, the Department issued a press release to announce these efforts to the public in both the Philadelphia, Delaware, and Salisbury, MD. media markets. The Department continues to update the public and legislature through press releases that are posted on news.delaware.gov and its dedicated modernization web page: labor.delaware.gov/modernization-2-0.

¹ GAO [reported](#) in 2023 that Maine and Pennsylvania completed modernization and transitioned to maintenance. JLOSC Review Update Request. Focused Review: Claimant Services (DOLUI) **Response due 12/31/2025** Page 11 of 5