

Unemployment Insurance Systems Modernization – Phase 2

**For the Vermont House Appropriations Committee
Agency of Digital Services and Department of Labor
February 17, 2022**

UI Modernization Phases

- ▶ **Phase One (12 - 18 Months, \$3.5M)**

- ▶ **Identity Verification**
- ▶ **Claimant Portal**
- ▶ **Employer Portal**
- ▶ **Adjudications Management**

- ▶ **Phase Two (36 - 48 Months, \$30M)**

- ▶ **Benefits Core**
- ▶ **Tax Core**
- ▶ **Fraud Detection and Prevention**
- ▶ **Electronic Document Management**
- ▶ **Benefit Accuracy Measurement (BAM)**
- ▶ **Program Integrity (PI)**
- ▶ **Employer Auditing**
- ▶ **Adjudications/Appeals**
- ▶ **Reemployment Services (RESEA)**
- ▶ **Federal Reporting**

Schedule and Cost Estimates

- ▶ **Project is planned to be completed over 2 phases with Phase 1 lasting 12 to 18 months.**
- ▶ **Total cost of modernization is estimated at \$33.5 Million with Phase 1 estimated at \$3.5M.**
- ▶ **Maintenance and Operations Costs post implementation – 20% or \$5M ~ \$6M per year.**
- ▶ **Project will consist of 2 procurements. 1 for the customer facing portion of the system and one for the mainframe replacement.**
- ▶ **Estimates are based on experience with developing and deploying PUA during the pandemic and the UI Modernization efforts of Connecticut. Connecticut estimates include actual implementation and operating costs.**
- ▶ **Connecticut's UI Modernization is almost complete with a scheduled go live of July 2022.**
- ▶ **It has taken them 5+ years and \$25M.**