



FOLLOW-UP REVIEW • REPORT NUMBER 21-15 • JULY 2025

GDOL's Unemployment Insurance Pandemic Response

Work is in progress to implement most recommendations

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Why we did this review

This follow-up review was conducted to determine the extent to which the Georgia Department of Labor (GDOL) addressed recommendations from our February 2022 special examination (Report #21-15).

The special examination evaluated how long it took GDOL to process claims and respond to claimant contacts, whether GDOL took reasonable steps to adjust staffing, whether technology challenges impacted timeliness, and whether claimants had access to clear and sufficient GDOL communication.

About Unemployment Insurance

Unemployment insurance (UI) provides payments to eligible individuals who become unemployed through no fault of their own. The program is administered by GDOL and overseen by the U.S. Department of Labor.

In fiscal year 2021—the first full year of the pandemic—GDOL paid approximately \$14.6 billion in UI benefits. This represented a significant increase from the \$302.3 million in fiscal year 2019. Most benefits were associated with federally funded programs (approximately \$12 billion), though regular state UI benefits also increased—from nearly \$300 million in 2019 to \$2.7 billion in 2021. In 2021, these benefits were funded by employer taxes and federal dollars.

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What we found

Since our 2022 special examination, the Georgia Department of Labor (GDOL) has taken steps to address the report's findings. GDOL is replacing its primary Unemployment Insurance (UI) system and is incorporating key recommendations into the new system, such as increased automation and improved reporting. Other improvements address concerns related to customer service and claimant communications identified in the original audit.

GDOL is in the process of modernizing its primary UI system to help address issues.

Using both state and federal funds, GDOL has contracted with a vendor to replace the information system that handles UI claims, appeals, and taxes. The new system, known as UI Inspire, should be completed in Fall 2026. The old system contributed to GDOL's technological challenges. In particular, limited automation capabilities meant that many claim-related tasks were manual, which became problematic during the pandemic when claims increased significantly.

According to agency staff, the new system is expected to automatically process 90%-95% of claim applications, eliminating most manual verifications and detecting adverse responses that could signal an eligibility issue. For UI payroll taxes (which pay for UI benefits), the system makes improvements such as allowing employers to correct reported wages online. The system will also provide dashboards and other reporting for management and make it easier to update claimant correspondence when changes are needed.

In addition to the new system, GDOL reported using virtual bots to automate some clerical work for UI appeals and address the appeals backlog remaining from the pandemic. GDOL also implemented additional security measures to reduce fraudulent employer-filed claims and increased its capabilities for claimants to upload required documents.

GDOL has improved its customer service processes.

During the pandemic, UI claimants experienced significant difficulties in obtaining assistance from GDOL staff. To address these issues and improve efficiency, GDOL implemented a customer relations management system called Dynamics 365. The system includes a historical record of a claimant's contacts, as well as case creation and tracking; these features help ensure a single response is provided and prevent the duplication observed during the pandemic. The system also allows for call monitoring to help GDOL improve customer service. Additionally, GDOL centralized its phone system for customer service and implemented a "virtual agent" that answers routine calls and redirects other calls into applicable queues based on the topic. Finally, GDOL was using a U.S. Department of Labor (U.S. DOL) grant to implement a system to centralize and direct email contacts. However, the grant was rescinded in May 2025 (along with similar grants in other states); GDOL reported it is exploring other funding options to complete the project.

GDOL has also increased its management information around customer service with dashboards to monitor metrics such as call volume, abandonment rates, transfers, and hold times. Staff will be able to track metrics around email response timeliness once changes are made to the email customer service (as described above).

It should be noted that GDOL's customer service is generally handled by other staff (e.g., claims processors) along with their other duties. GDOL reported it does not have sufficient funding for a permanent, dedicated unit, but it has hired time-limited staff to assist with customer calls.

GDOL is improving communications with claimants.

GDOL contracted with a vendor to review commonly used documents and incorporate language more easily understood by claimants. As recommended in our report, this review included adding reconsideration and redetermination language to the determination letters sent to claimants and employers. However, the project used a U.S. DOL equity grant that was rescinded in May 2025. GDOL indicated half of the documents (including the determination letters) had been updated and will be added to the new UI Inspire system. Additionally, GDOL has made additions to its online claimant portal—these include a tracker to show claim status, links to GDOL correspondence, and an issues table showing missing documents or other claimant actions needed for the claim to proceed.

GDOL made other operational changes after the pandemic ended.

GDOL reported additional changes following our audit, although these were constrained by funding. During the pandemic, GDOL closed its career centers throughout the state, causing issues for some claimants. GDOL reported reopening its career centers in Fall 2021; however, career center usage declined as GDOL increased its capabilities for document uploads and electronic communications. To reduce costs, GDOL permanently closed five career centers in June 2024; centers were selected based on foot traffic, rent, other operating costs, and proximity to other centers. GDOL has also reported continued staff shortages due to declines in federal and state funding. However, since the original audit GDOL has been able to hire time-limited staff using federal American Rescue Plan Act (ARPA) funds to help address backlogs related to appeals, overpayments, and Pandemic Unemployment Assistance income verifications.

Agency Response: GDOL agreed with the current status as stated in the report. GDOL noted that "the pandemic resulted in an unprecedented volume of unemployment insurance (UI) claims," which required adjustments to agency processes with limited resources. GDOL further stated, "During the years following the pandemic, GDOL has focused its efforts on continuous improvements to its unemployment insurance (UI) system and services. Our top priority is to transform Georgia's unemployment insurance program by launching a new, modernized UI system that will reduce

complexity, provide transparency about the process and what individuals can expect at each stage, and streamline processes and operations that support a simpler, faster, and more efficient customer service delivery.”

The following table summarizes the findings and recommendations in our 2022 report and actions taken to address them. A copy of the 2022 special examination report (#21-15) may be accessed here: [GDOL's Unemployment Insurance Pandemic Response](#).

GDOL's Unemployment Insurance Pandemic Response Follow-Up Review, July 2025

Status: 12 Findings

Substantially Addressed: 2

Partially Addressed: 4

Not Addressed: 1

No Recommendation: 5

Finding 1: Benefit payment delays were driven by unprecedented volume, limited automation of claims processing, and other factors.

Original Recommendations

No Recommendations

Action Taken

No Recommendations

Finding 2: GDOL lacks information that would assist UI program management with planning and decision making.

Partially Addressed – Once completed in 2026, GDOL's new information system should provide the necessary reporting to manage the UI program. GDOL has also created other methods for internal reporting.

Original Recommendations

- 2.1 To manage the UI program more systematically, GDOL should collect additional information and ensure all information is reliable and accurate.

Action Taken

Partially Implemented – Since our special examination, GDOL has implemented internal reporting, such as daily emails with claim volume and dashboards with productivity data. GDOL also created customer service reports to track metrics such as call volume, abandonment rates, and hold times.

GDOL indicated its new system, UI Inspire, will include more comprehensive management dashboards to track metrics. (Staff indicated they have not made significant changes to the current system and focused resources on the new system instead.) The new system is expected to be implemented in Fall 2026.

Finding 3: A documented plan would help GDOL better manage future increases in claim volume.

Partially Addressed – GDOL has not taken steps to create a formal recession plan but has identified information for some components.

Original Recommendations

- 3.1 To prepare for future increases in claim volume, GDOL should create a formal recession plan that considers lessons learned during the pandemic.

Action Taken

Partially Implemented – GDOL has not yet requested funding for a consultant to help design a recession plan. However, agency staff have determined the number of staff (and associated costs) necessary for claim volume increases based on changes to the unemployment rate. GDOL has also reviewed recession plans received from other states for best practices.

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<p>Finding 4: While GDOL has made key updates to its claims management system, the system could better facilitate claims processing and communication with claimants.</p> <p>Substantially Addressed – GDOL has improved communications with claimants and received additional funds to implement a new UI system.</p>	
Original Recommendations	Action Taken
4.1 GDOL should increase automation of its claims processing.	<p>Partially Implemented – GDOL has selected a vendor to build a new UI system, which is expected to be completed in Fall 2026. According to GDOL, the new system will substantially increase automation in UI claims processes, which will eliminate most manual verification processes and instead automatically process 90%-95% of claim applications. It will also increase automation in employer tax and wage reporting and UI appeals.</p> <p>In addition, GDOL has used automated virtual bots to eliminate certain manual clerical work and help address the appeal request processing backlog.</p>
4.2 GDOL should continue to improve its communications with claimants through the portal—particularly with regard to status updates and document submission.	<p>Fully Implemented – In June 2022, GDOL implemented a new claim status tracking system that allows claimants to see the status of their claims and appeals (if applicable). Staff also indicated the tracker allows claimants to view correspondence from GDOL and submit missing documentation.</p>
4.3 The General Assembly should consider additional funding to upgrade/modernize GDOL’s UI system.	<p>Fully Implemented – GDOL received \$9.5 million in state funding for technology improvements in fiscal years 2024 and 2025 (with a portion being appropriated through the Georgia Technology Authority). This funding is being used in combination with federal funding for GDOL’s new UI system.</p>
<p>Finding 5: The number of GDOL employees has declined over time, resulting in fewer employees to address the surge in claims.</p>	
Original Recommendations	Action Taken
No Recommendations	No Recommendations
	<p>Other Action Taken: Due to declines in federal and state budgets, GDOL reported continued staff shortages. However, GDOL has hired time-limited staff for customer service using UI grant funds and addressed backlogs using federal American Rescue Plan Act funds.</p>

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Finding 6: GDOL's staffing actions to address the claims increase were similar to strategies used by other state UI programs.

Not Addressed – No action was taken to provide an exception to the retiree work limit.

Original Recommendations	Action Taken
6.1 GDOL should work with the General Assembly to create an exception to the retiree work limit during periods of high unemployment. In future situations like the public health emergency, GDOL could work with the Office of the Governor to include a waiver in any related executive order.	Not Implemented – No action has been taken to address the retiree work limit. GDOL indicated it would need the cooperation of other state agencies that administer federal programs (e.g., Department of Human Services, which administers SNAP).

Finding 7: Information available to claimants was not always clear and accurate, which contributed to application errors, processing delays, and increased calls and emails from claimants.

Partially Addressed – GDOL's new UI system and plain language initiative should help clarify information for claimants.

Original Recommendations	Action Taken
7.1 GDOL should identify and implement ways to make the application process clearer for claimants (e.g., clarifying language for questions, verification prompts for illogical answers).	Partially Implemented – GDOL is in the process of updating its UI system, which will include a new claim application. GDOL reported that the new application "will be more intuitive and make it easier for claimants to follow the process flow."
7.2 GDOL should provide plain language explanations in its determination letters.	Partially Implemented – GDOL reported using a federal DOL equity grant to implement plain language in its determination letters, as well as other documents. GDOL contracted with an external vendor to review up to 125 commonly used documents and edit them to include less legal terminology and more plain language. The initiative was expected to be completed by November 2025, but the equity grant was rescinded for all states in May 2025. GDOL reported that approximately half of the documents (including the determination letters) had been updated and will be added to the new UI Inspire system.
7.3 GDOL should use surveys or focus groups to test the clarity of language with claimants and/or employers.	Partially Implemented – As part of the work performed with the federal DOL equity grant, the vendor was using "surveys and focus groups to test the clarity of new proposed language in correspondence." However, as noted above, the grant was rescinded in May 2025.
7.4 When changes are made to processes, GDOL should ensure all communications are updated so claimants understand what steps they should follow.	<p>Partially Implemented – GDOL staff indicated the new UI system will improve communications when changes are made to processes. With the old system, the process to edit correspondence was difficult, which contributed to GDOL's decision not to update letters to claimants during the pandemic. The new system will enable GDOL to more easily update correspondence.</p> <p>GDOL has also increased the use of upload capabilities, reducing the need for claimants to go to a career center. This was a point of inconsistency during the pandemic.</p>

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Finding 8: GDOL adjusted policies to reduce claims processing times but could have considered additional steps.

Partially Addressed – GDOL's plain language initiative should improve communications regarding reconsideration and redetermination.

Original Recommendations	Action Taken
8.1 GDOL should include language in the determination letters to notify claimants of the option to request a redetermination or reconsideration.	<p>Partially Implemented – GDOL indicated the plain language initiative (discussed in Finding 7) included adding reconsideration and redetermination language to the determination letters. Once implemented, the new system will also include a workflow process for claimants to request a redetermination online.</p> <p>As during the initial audit, the claimant handbook mentions the option for reconsideration, but not the option for redetermination.</p>

Finding 9: GDOL's requirement that employers file claims on behalf of certain claimants led to faster processing of many claims but to delays or overpayments in some cases.

Original Recommendations	Action Taken
No Recommendations	No Recommendations
	Other Action Taken: GDOL has implemented additional security measures to reduce fraudulent employer-filed claims.

Finding 10: Career center closures allowed staff to focus on claims processing but increased challenges for claimants.

Original Recommendations	Action Taken
No Recommendations	No Recommendations
	Other Action Taken: GDOL reported reopening its career centers in Fall 2021. In June 2024, it permanently closed five career centers to reduce costs; these were selected based on foot traffic, rent, and proximity to other centers.

Finding 11: The need for claimant assistance grew exponentially during the pandemic, but many claimants were unable to obtain a response.

Original Recommendations	Action Taken
No Recommendations	No Recommendations
	Other Action Taken – GDOL hired 19 term-limited call center staff to assist with call volume. As noted in Finding 12, additional improvements to customer service systems should assist with claimant response times.

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<p>Finding 12: GDOL does not have systems in place to track claimant inquiries, which leads to unfulfilled requests, delays in claims processing, and additional inquiries.</p> <p>Substantially Addressed – New systems to centralize calls and track claimant inquiries have been implemented, and GDOL plans to extend additional services in the future.</p>	
Original Recommendations	Action Taken
12.1 GDOL should develop a system to track which contacts have received a response to ensure timely responses and to minimize duplication of effort.	Fully Implemented – GDOL implemented a new customer relations management system to track claimant phone and web inquiries, as well as responses.
12.2 GDOL should centralize communications to improve efficiency.	Fully Implemented – GDOL has implemented a virtual call agent that centralizes all calls and routes them to 16 different call queues. The virtual agent system was further enhanced in March 2024 to add callback options for customers. Future plans for expanding this service will also include a virtual chat agent, SMS messaging, and end-of-call surveys.

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