

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5663**

Open Session

The Appeals Board meeting convened at 1:00 p.m., March 17, 2021, via Zoom conferencing with Chair Marty Block presiding.

1. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Marty Block, Chair	X	
Dan Reeves, Vice-Chair	X	
Mike Eng	X	
Michael Allen	X	
Laura Kent-Monning	X	

2. Approval of the Minutes:

The February 17, 2021, Meeting Minutes were approved unanimously.

3. Chair's Report:

Chair Block reminded viewers that most of the Board's work is not done during the meetings, but in-between meetings. The Board resolved 553 appeals in the past month.

Chair Block reported that he was appointed to the National Board for the National Association of Unemployment Insurance Appeals Professionals (NAUIAP). NAUIAP represents all 50 states and Chair Block's appointment will provide additional resources and opportunities to strengthen California's unemployment insurance program.

4. Board Member Reports:

Vice-Chair Reeves addressed the challenges created by the pandemic, which resulted in the loss of over 4.5 million jobs for Californians and led to extremely high volumes of unemployment claims and appeals. Consequently, CUIAB's administrative law judges managed increased caseloads and learned new areas of

law created by federal relief programs. Simultaneously, CUIAB transformed its operations from conducting in-person hearings, to telephonic while preserving parties' due process rights. Vice-Chair Reeves thanked the entire CUIAB organization, and in particular CUIAB's information technology staff, for their work to make this possible.

Vice-Chair Reeves acknowledged CUIAB's Executive staff and Chair Block for the work undertaken to address the timing in CUIAB's processing of appeals. CUIAB hired over forty ALJs, increasing its overall ALJ by 67%, and is in the process of hiring 20 additional ALJs to help reduce the time delays in processing appeals. Additionally, ALJ weekly caseloads have increased and Vice-Chair Reeves recognized the efforts of many ALJs who exceed those targets in order to ensure that appeals are resolved as quickly as possible.

Vice-Chair Reeves expressed his hope that in the State's upcoming negotiations with Bargaining Unit 2, agreements could be reached regarding ALJ caseloads and that given the relative strength of the State's finances employee furloughs would end, enabling CUIAB to further decrease the time delays in resolving appeals.

Vice-Chair Reeves credited the ALJs and staff for their work which has resulted in an average of 75 days to process appeals, in contrast to the national average of over 103 days. Vice-Chair Reeves noted that CUIAB has found that some appeals are not reaching CUIAB until 30 to 45 days after EDD has made its determination and offered his assistance in an attempt to find a solution to reduce time delays.

Last, Vice-Chair Reeves thanked CUIAB staff for the measures implemented to identify and appropriately respond to cases involving potentially fraudulent claims. Vice-Chair Reeves expressed his confidence that with the State's improving health conditions and CUIAB's continuing efforts, Californians who are entitled to benefits will receive them without undue delay.

Member Eng thanked Presiding Administrative Law for Appellate Operations, Judge Remke, for providing information to the Board Members involving potentially fraudulent cases and inquired about CUIAB's role in assisting the Employment Development Department to address fraud. Chair Block noted the importance of eliminating fraud and CUIAB's role in identifying this in cases under appeal. EDD is primarily responsible for addressing potential claim fraud; however, Executive Director Cutri can work with the EDD in these efforts.

Member Allen expressed his agreement with the observations by Chair Block and

Vice-Chair Reeves, and his gratitude to CUIAB for their work.

Member Kent-Monning thanked Acting Presiding Administrative Law Judge Schissell and the Legal Support Supervisors in CUIAB's Bay Area Office of Appeals for their assistance in accommodating her while in the Bay Area office. She also thanked Executive Director Cutri and the Presiding ALJs for their recent assistance and work ensuring that evidence submitted is timely matched to case files for consideration before decisions are issued. Member Kent-Monning thanked all staff for their ongoing work.

5. Public Comment

No public comment.

6. Chief ALJ/Executive Director Report:

Executive Director Cutri reported that during February, appeals transmittals from the Employment Development Department were more than double pre-pandemic levels. EDD acknowledged that since December, it has taken approximately four to six weeks to send appeals from EDD to CUIAB, making it nearly impossible for CUIAB to meet DOL timeliness standards. CUIAB's field operations closed 5% of appeals within 30 days and 9% within 45 days. The average case age is approximately 73.9 days.

Appeal timeliness is a nationwide problem with an average case age of 103 days.

CUIAB continues to implement strategies to reduce delays. CUIAB has brought on 21 new ALJs this year, ALJs have been hearing elevated caseloads, and Presiding Judges continue to hear a large number of cases in addition to their other duties. Executive Director Cutri thanked the field office staff and ALJs for maintaining high-quality standards despite the many challenges the pandemic has brought to CUIAB.

On March 3, CUIAB's Orange County field office was closed due to a positive COVID-19 case. The office was cleaned and re-opened shortly thereafter. On March 5, the Los Angeles field office was closed due to a bomb threat. CUIAB coordinated with local law enforcement, the closure was brief, and the office was re-opened the same day.

Executive Director Cutri reported three threats via telephone to field offices. Law Enforcement was consulted on each and no further action was required.

Executive Director Cutri reported that in an effort to support the vaccination process for CUIAB employees, Proof of Employment letters were provided to all CUIAB employees.

Executive Director Cutri congratulated Presiding Administrative Law Judge Irene Server on her retirement. She is admired by her staff and judges.

Vice-Chair Reeves thanked Executive Director Cutri for his continuous updates.

Member Eng extended his gratitude and best wishes to Presiding Administrative Law Judge Irene Server on her retirement. He also thanked Executive Director Cutri for his assistance in improving the clarity of decisions involving the Loss Wage Assistance and Federal-State Extended Duration programs. Member Eng inquired about the reporting of outcomes of civil court cases appealing CUIAB decisions. He also inquired about the anticipated \$30 billion unemployment insurance benefits resulting from the recent stimulus bill and impacts on CUIAB's workload including increased potential fraud.

Executive Director Cutri advised that CUIAB coordinates with EDD to define their implementation practices when new programs are enacted. CUIAB has a robust system in place to help detect fraudulent cases and can utilize in-person hearings to deter this; however, EDD is the primary investigatory entity regarding potential fraud.

Member Allen thanked Executive Director Cutri for his continued assistance and availability between Board meetings. Member Allen inquired about CUIAB's efforts to ensure the safety and security of CUIAB employees. Executive Director Cutri advised that with regard to the pandemic, CUIAB's Administrative Services team has performed well in providing notifications and cleanings in response to incidents. Regarding the security measures, CUIAB engages the CHP and takes action quickly in response to threats.

Member Allen inquired about the ratio of documents submitted by parties electronically versus receiving documents by mail in the field offices. Executive Director Cutri stated documents are received in various ways such as electronically, fax, in person, or by mail, and can undertake a sampling to determine the relative percentages.

Member Kent-Monning thanked Executive Director Cutri for his work and assistance with her recent inquiries.

7. Presiding ALJ of Appellate Operations, Jodi Remke Report:

Presiding Administrative Law Judge for Appellate Operations, Jodi Remke reported that AO has improved in meeting DOL's time-lapse standards. During February, AO resolved 87.4% of its cases within 45 days and 92.6% within 75 days. The average case age is 23 days.

Vice-Chair Reeves inquired about the measurement date for DOL's yearly timeliness standards and possible reasons for decreases in appellate cases. Presiding Judge Remke advised that the DOL's measurement year ends on March 31, and discussed potential reasons for the difference in volumes of second-level appeals as compared to the first level.

Member Eng thanked Presiding Administrative Law Judge Remke for her work improving the clarity of CUIAB's decisions.

Members Allen and Kent-Monning thanked Presiding Administrative Law Judge Remke for her assistance in helping the Board resolving difficult cases.

8. Chief Information Officer, Jeff Willoughby Report:

The Appeals Modernization Program continues to progress in the hearing and scheduling components.

IT is currently working on their Budget Call Letters for State Fiscal Year 2021-2022 with the privacy and information security aspects as their primary focus.

Member Eng inquired about the recent Microsoft 365 outage. CIO Willoughby stated it was a global outage caused by Microsoft and it caused a minimal effect on CUIAB.

Member Allen advised that the link provided for additional information on the Appeals Modernization Program was not functioning and requested it to be resolved. He also requested that CUIAB consider the needs of persons in unstable living situations or limited access to online services who may need to file paper documents with CUIAB in their appeals.

Member Kent-Monning thanked CIO Willoughby and the IT staff for their continuous "Buzz" updates.

9. Chief Administrative Services, Robert Silva Report:

Chief Silva reported that CUIAB had a recent recruitment of 20 new ALJs, ten of which have started. Six ALJs from the recent recruitment have received a start date and one has been sent an offer of employment.

A recently-hired Retired Annuitant ALJ will begin March 18, and two Retired Annuitant ALJ's are in the hiring process.

Approximately eight support staff positions are pending in the hiring process.

On January 28, Administrative Services released the Personnel and Operating Expenses Budget Call Letters for State Fiscal Year 2021-2022. Budget requests were reviewed and found to contain procurable items for the current State Fiscal Year 2020-2021. Administrative Services staff are preparing purchase orders for various items.

Chief Silva reported the lease extensions for the Los Angeles, Ventura and Sacramento offices are currently in process.

Member Allen inquired about the upcoming remodeling project at Headquarters. Chief Silva will provide additional details.

Member Kent-Monning thanked Chief Silva for his continued work.

Closed Session:

There was no Closed Session.

Adjournment