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5
6 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
7 **IN AND FOR THE COUNTY OF WASHOE**

8 AMETHYST PAYNE, IRIS POSADA-
9 MIRELES, ANTHONY NAPOLITANO,
ISAAH PAVIA-CRUZ, VICTORIA
10 WAKED, CHARLES PLOSKI,
DARIUSH NAIMI, TABITHA ASARE,
11 SCOTT HOWARD, RALPH WYNCOOP,
ELAINA ABING, and WILLIAM
12 TURNLEY on behalf of themselves and
all others similarly situated,

13
14 Petitioners,

15 v.

16 STATE OF NEVADA ex rel NEVADA
DEPARTMENT OF EMPLOYMENT,
TRAINING AND REHABILITATION
17 (DETR) HEATHER KORBULIC in her
official capacity only as Nevada Director
18 of Employment, Training and
Rehabilitation, DENNIS PEREA in his
19 official capacity only as Deputy Director
of DETR, and KIMBERLY GAA in her
20 official capacity only as the
Administrator for the Employment
21 Security Division (ESD); and DOES 1-
100, inclusive,

25 Defendants
26

Case No.: CV20-00755

Dept. No.: 8

**SPECIAL MASTER'S
REPORT NO. 2**

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1 **I. INTRODUCTION.**

2 The Special Master was asked by the Court to be its eyes and ears regarding
3 compliance with its order in the matter of *Amethyst Payne, et al. v. State of Nevada, et al.*;
4 Case No. CV20-00755. In this regard, the Special Master was asked to prepare a second
5 report that will provide the Court with an update regarding compliance with the Court's
6 Writ of Mandate, as well as progress being made on the issues outlined by the Court, but
7 for which an order has not yet issued. In furtherance of the Special Master's duty to the
8 Court, the Special Master worked with Plaintiffs' counsel, claimant advocates, and DETR
9 ESD attorneys and staff to aggregate and analyze information the Special Master's office
10 gathered on PUA claims that had not been paid and information regarding the issues
11 applicants have been having with the unemployment benefit delivery system. The Special
12 Master also spent time with DETR ESD and with Mr. Thierman's office in an effort to
13 identify and resolve issues with the PUA system and to reach an agreement about how and
14 when eligible claimants will be paid benefits. Unfortunately, no agreement could be
15 brokered between the parties and appeals to the Nevada Supreme court have been filed.

16 Nevertheless, the Special Master presents the following findings regarding the
17 progress DETR ESD has made in complying with the Court's order and directives.
18 Additionally, the Special Master has provided the Court with the Plaintiffs' objections and
19 rebuttal points to the representations made by DETR ESD. This is followed by information
20 provided by claimant advocates and testimonials.¹ In working with the parties, one

21 _____
25 ¹ Please be advised that, with respect to the information provided by claimant advocates and testimonials,
26 time did not allow for the Special Master to verify whether the representations being made were factually
accurate and truthful. I have included their reporting and testimonials, as I have with the information
provided by DETR ESD and Plaintiffs' counsel, in good faith trusting that the information provided is true
and correct to the best of the knowledge of those sharing their information and experiences, but also

1 common theme emerged, *to wit*, each party desired to be heard. Therefore, each party
2 worked to provide the Special Master with as much information as they could. In this
3 regard, DETR ESD wanted the Special Master to hear them with respect to all that they
4 are doing to address the unprecedented unemployment crisis in Nevada and all that they
5 are doing to comply with the Court's orders and ensure that eligible claimants are paid.
6 Meanwhile, Plaintiffs wanted to be heard with respect to all the people who have not yet
7 been paid benefits and their frustrations with the Nevada's unemployment benefit delivery
8 system. Finally, claimants and claimant advocates wanted the Special Master to hear and
9 understand that they are real human beings who are suffering as a result of not being
10 employed, through no fault of their own, they are not receiving any income to subsist, and
11 they need immediate relief. To everyone who responded to the Special Master's questions,
12 provided information, and shared their insights and experiences, the Special Master hopes
13 that this report will establish that you have been heard and that your perspectives have
14 been accurately reported to the Court.

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19 understanding that some of the information may not be accurate, the veracity of the reports may be objected
20 to and challenged by the litigants to this case, or there may be ulterior motives for providing the Special
21 Master with the information. The Special Master's objective in this report has been to accurately report to
25 the Court all the facts from the perspective of the parties to this litigation, as well as those with an interest
26 in the outcome of this litigation. In the interest of transparency, DETR ESD and Plaintiffs were provided
with rough drafts of what has been included in this report prior to finalizing and filing it with the Court.
Each party had an opportunity to object the information provided, suggest revisions, provide suggested edits,
raise questions, and provide additional information to the report. Revisions were made based on their
collective input and the report, along with the Appendix of Documents Reviewed, was finalized and filed on
August 19, 2020. The Special Master trusts that this process has resulted in a report that fairly represents
the pertinent issues and facts necessary for the Court to reach competent legal conclusions and well-informed
equitable decisions.

1 **II. COMPLIANCE WITH COURT'S JULY 22, 2020, ORDER.**

2 **A. PART #1 OF COURT'S ORDER: when payments have started, payments**
3 **cannot be withheld and must be restarted UNLESS: (a) the applicant did**
4 **not file a weekly claim; or (b) the applicant has earnings in excess of that**
5 **which would otherwise qualify the applicant for benefits; or (c) there is**
6 **clear and convincing evidence of fraud by the applicant; or (d) until such**
7 **time as the applicant is afforded an opportunity to be heard. Payments to**
8 **the above individuals must commence on or before Tuesday, July 28, 2020.²**
9 **See Order of Mandate, Jul. 22, 2020, at pp 2-4.**

7 ***DETR ESD Statement of Compliance:***

8 With respect to the overall status of all PUA claims, DETR ESD reports the following
9 updates to the information provided to the Court previously:

- 10 ➤ All unpaid PUA claims: 243,963
- 11 ➤ All Unpaid PUA with another program eligibility stop: 53,292 (excludes anything
12 resolved)
- 13 ➤ All Unpaid PUA, no Program Eligibility Stop, with Fraud issue (197, 261, 598, 213,
14 749): 186,826
- 15 ➤ Balance: 3,875. This list is broken out in the attachment. ~ 2700 have no claim filed
16 in any week.³

17 ***See Appendix 1-1 (DETR ESD August 18, 2020, email, Responding to Special Master***
18 ***Questions). See also Appendix 1-2, 1-3, and 1-4 (Payment Flow Summary Charts showing***
19

20 ² The Court concluded as a matter of law that, pursuant to United States Supreme Court case *California*
21 *Department of Human Resources v. Java*, 402 U.S. 121, (1971) and guidance from the Department of Labor
22 for which it expands the view of *Java* relative to unemployment benefits, to the extent DETR has started
23 benefit payments to an applicant, then stopped them for reasons other than the applicant did not weekly file,
24 the applicant has earnings in excess of that which would otherwise qualify the applicant for benefits, or if
25 DETR has clear and convincing evidence of fraud, then payments may not be stopped. *See Order of Mandate,*
26 *Jul. 22, 2020, at p. 8, ¶¶ 17-23.*

³ *See Appendix 1-6 (Issues on All Unpaid Applications Excludes Claims with Other Program Eligibility, or*
with Fraud).

1 *status of all PUA claims, PUA claims for First Week Filers, and PUA claims for first month*
2 *filers.*

3 After the Court issued its oral ruling on July 20, 2020, DETR sent the language of
4 the Court's order to the United States Department of Labor ("DOL") to identify any portions
5 that were inconsistent with federal guidance or that could jeopardize Nevada's existing
6 contract to provide PUA, FPUC and PEUC. DETR then identified the number of
7 individuals who had experienced a stop in payment and determined that number to be
8 30,647 claims. *See Appendix 1-5, p. 2:13-24 (Declaration of Kimberly Gaa).* Of those claims,
9 a total of 7,407 had failed to file weekly claims or were disqualified for excessive earnings,
10 leaving 23,240 claims that were stopped for other reasons. *Id.* In an effort to expedite the
11 payment status of the maximum amount of the remaining 23,240 claims that were active,
12 and not in pay status, DETR staff determined that two of the highest numerical categories
13 stopping payment were unlikely to meet the Court ordered standard of clear and convincing
14 evidence of fraud. DETR ESD has located over 3,500 claims that were stopped for review
15 for possible fraudulent filings. These claims were reviewed, and DETR has determined that
16 these do not appear to be fraudulent. DETR has requested that the vendor release these
17 for immediate payment at the earliest possible time. On August 18, 2020, Director
18 Cafferata confirmed with her staff that a total of **3,500 claims have been released from**
19 **fraud holds in the past three weeks.**

20 ***Plaintiffs' Rebuttal:***

21 DETR, by its own admissions, is in contempt. This Court's Order required payment
25 by Tuesday, July 28, 2020 of a painfully narrow subset of claimants, yet there are at least
26

1 3,500 claims—representing 3,500 Nevada citizens⁴—whom “DETR has requested that the
2 vendor release for immediate payment at the earliest possible time.” This is not what the
3 Court ordered, this is not heroic, this is not good enough, and this is not what the law
4 requires. As a matter of constitutional due process, statutory mandate and contractual
5 agreement, DETR has a clear legal duty to make an initial eligibility determination for
6 unemployment compensation as quickly as administratively feasible, and, *once having*
7 *made such a determination in favor of a claimant, DETR has a clear duty to pay benefits*
8 according to that determination until and unless an impartial hearing officer after a “fair
9 hearing” determines otherwise. *California Department of Human Resources Development*
10 *v. Java*, 402 U.S. 121, 130, 91 S.Ct. 1347, 1353, 28 L.Ed.2d 666 (1971). “The basic thrust
11 of the statutory ‘when due’ requirement is timeliness.” *Fusari v. Steinberg*, 419 U.S. 379,
12 387-88 (1975).

13 The DOL doesn’t overrule this Court. Plaintiffs-Petitioners don’t know who or what
14 level or what was asked of the DOL. Most of the DOL staff are non-lawyers, and their
15 opinions are not binding on DOL (pursuant to the Portal-to-Portal Act, nothing a DOL
16 agent says is binding unless it’s in writing by the Secretary of Labor). Nevertheless,
17 Plaintiffs-Petitioners’ position is continually exaggerated by DETR; Plaintiffs-Petitioners
18 have never asserted that DETR must approve everyone without reason, which is how
19 DETR phrases it. All Plaintiffs-Petitioners are saying is, once an approval letter goes out,
20 DETR is estopped from denying it, and under *Java*, can’t reconsider it unilaterally and/or
21 retroactively without an offering of an opportunity for a due process hearing. Most

25 _____
26 ⁴ Plaintiffs-Petitioners assert that every one of the 3,500 people cleared of fraud should be given compensation for the delay.

1 distressing on this issue, is that it is undisputed that far more than 11 days went by from
2 the date of most negative determination letters (the time the letters all say to appeal any
3 adverse determination) with no appeal button working on the website. This is part and
4 parcel of DETR's systematic directive to prevent benefits to eligible claimants as opposed
5 to assisting claimants in providing eligibility evidence. Indeed, why would anyone try to
6 appeal anything after the appeal period expired? DETR activating the "appeal" button on
7 an intermittent basis is not making the appeal process available to all those who lost even
8 a day with no way to appeal. This is contrary to the express regulations, *Java*, *Goldberg v.*
9 *Kelly*, and the DETR's Agreement with the DOL.

10 Specifically, DETR admits, some 22+ (7/22 to 8/13) days after this Court's Order that:

11
12 "As of the evening of August 13, 2020, DETR has been able to start reviewing
13 PUA appeals, of which there are at this time 7,787 (in comparison there are
14 only 500 UI appeals), although DETR cannot yet schedule the appeals for
15 hearing. The PUA team is currently training the appeals team in the PUA
16 appeals process so that the appeals can begin as soon as cases start being
17 scheduled. Current estimates regarding when the first appeals can be heard
18 are the second half of September."

19
20 DETR has now been in contempt for the past 29 days (July 28 through August 20)
21 and will remain in contempt at the very earliest ***until the "second half of September"***
22 because at least 7,787 claimants will not receive any form of due process. DETR's assertion
23 that "appeals are set to be heard between September 15, 2020, and September 30, 2020"
24 does not add up, literally. By DETR's own admission, these 7,787 appeals will have to be
25 heard by approximately 38 referees/adjudicators (last number thrown out by Governor
26 Sisolak). Thus, if there are indeed 38 referees/adjudicators hearing appeals, at one per
hour, 8 hours per day, it will take more than 25 days (not including weekends) to hear these

1 claims alone (38 X 8 = 304; 7,787/304 = 25.62 days), **not** the two-week time period DETR
2 asserts. This is not timely and it is not what the law requires.⁵ Promptness is defined
3 throughout 20 CFR §650. Specifically: § 650.1 Nature and purpose of the standard. (a) This
4 standard is responsive to the overriding concern of the *U.S. Supreme Court in California*
5 *Department of Human Resources v. Java*, [402 U.S. 121 \(1971\)](#), and that of other courts with
6 delay in payment of unemployment compensation to eligible individuals, including delays
7 caused specifically by the adjudication process. The standard seeks to assure that all
8 administrative appeals affecting benefit rights are heard and decided with the *greatest*
9 *promptness that is administratively feasible*. (emphasis added).

10 DETR also admits that 53,292 claimants have other program eligibility⁶; *these*
11 *claimants must be paid*. DETR's internal accounting issues are of its own making and do
12 not provide legal justification to prevent 53,292 claims from being paid. DETR's failure to
13 pay claimants who **are actually eligible for some form of benefit** must be paid when
14 due, and DETR's admitted failure to do so is unlawful. This Court has retained jurisdiction

15
16 ⁵ Plaintiff Ralph Wyncoop is one such claimant, who has yet to receive an appeal date even though a DETR
17 representative, Kara Anderson specifically told him, as early as July 17, 2020 that she "would get him paid"
18 Instead, Mr. Wyncoop received a denial due to "Your claim could not be validated with the information
19 provided" even though his portal shows that he has uploaded (multiple times) the front and back of his
20 Nevada Drivers License, Social Security Card, Military I.D., Geico bill (now unable to pay so can't drive even
21 if he had clients), Direct TV bill (also shut off due to inability to pay); and 1099s and tax returns completed
22 by a Las Vegas CPA for the past year. Mr. Wyncoop's supporting documents will be supplied in Plaintiffs'
23 supplemental to the Court.

24 ⁶ In Section A of the Special Master's supplemental report herein above, DETR has not paid 243,963 of the
25 claims submitted by gig workers pursuant to the federal Pandemic Unemployment Assistance program, or
26 PUA as compared to approximately 139,107 unpaid gig workers claims represented by DETR to the Court at
the July 7, 2020 hearing. Approximately one fifth of the PUA claims, 53,292, were denied coverage because
of other program eligibility, typically Unemployment Insurance or UI as compared to the 45,328 claims
reportedly trapped in the so-called PUA-UI whirlpool as of the July 7, 2020 hearing. And while DETR has
not revealed how many recipients of a favorably PUA eligibility determination are still not actually receiving
PUA payments, we know that these letters were still being sent without benefit payments long after the July
22, 2020 report wherein DETR says sending the letters was a mistake. DETR is getting more behind as time
go on and it will never get rid of the backlog if this trend continues

1 on the UI/PUA loop and the Court should revise its Order to require DETR to pay these
2 individuals now, not sometime in the next 30 to 90 days. Similar to the recent decision by
3 the United States District Court Eastern District of New York the court reasoned, to be
4 entitled to injunctive relief, “Plaintiffs must demonstrate that the balance of equities tips
5 in their favor and that an injunction is in the public interest” *MD Islam et al, v. New York*,
6 Case No. 20-CV-02328, pp. 24-25 (E D. NY, July 28, 2020) *citing Winter v. Nat. Res. Def.*
7 *Council Inc.*, 555 U.S. 7, 20 (2008). DETR’s admissions surely “tip the balance” for the
8 nearly 57,000 claims identified above in DETR’s statement of “compliance.”

9 Moreover, DETR’s tired cry of potential fraud is not persuasive.⁷ DETR itself is
10 actually exposing claimants to identity theft by requiring multiple downloads of front and
11 back of a drivers’ license/i.d., social security card, birth certificate, tax documents, bills with
12 Nevada address—and has even sent multiple checks to at least one claimant.⁸ Claimants
13 are afraid to upload all their personal information and are afraid to provide a random
14 person, with a random phone number in some state other than Nevada, with no official
15 designation (such as ALORICA or DETR) all their information. If one thing is true, DETR’s
16 computer and programming systems are broken – this begs the question, how can DETR
17 protect claimants from fraud through its own system?

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20 ⁷ DETR is using hysteria to justify its actions is not based on fact. The “flags” of fraud are ridiculous. Fear
21 of fraud, sabotage, outside influences are all emotional tools for crowd manipulation right out of the “dictator’s
25 handbook.” In a free society, government combats fraud and sabotage in the court room with specifics, and
not in the media hiding behind a wall of misinformation and “we can’t tell you but....” Unproven conspiracy
theories coming from the government itself undermines democracy and never proves to be true when the facts
come out.

26 ⁸ See Darcy Spears, *New twist in unemployment frustration reveals DETR triple pay*, KTNV Las Vegas, (Aug.
10, 2020) <https://www.ktnv.com/13-investigates/new-twist-in-unemployment-frustration-reveals-detr-triple-pay>.

1 Furthermore, DETR has admittedly made little headway in fixing issues that have
2 been plaguing eligible claimants for nearly six months (March 27 passage of CARES to
3 date). After five months of legal action, an almost daily myriad of damning reports by
4 media up and down the State, countless appeals to state Legislators, members of Congress,
5 and a nonresponsive Governor’s Office, in addition to some 4,000 emails to Counsel and the
6 Special Master, plus multiple Facebook Groups (the main PUA-specific group with a
7 membership in the 15K range) DETR is just now addressing it’s arbitrary and capricious
8 decision making process with continued excuses of “working with its vendor”, to fix, among
9 other reoccurring problems “glitches”, system updates, continually changing pay dates, and
10 inability/unavailability/untrained Alorica call center staff who cannot fix routine
11 issues/provide answers/approve payments.

12 The people of the State of Nevada are suffering irreparable harm because of DETRs
13 almost six-month failure to pay unemployment compensation benefits “when due”.
14 Plaintiffs-Petitioners and claimants continue to ask this Court “When will it stop?” By
15 DETR’s own admission, it should have stopped some 29 days ago for some 57,000 claimants.
16 What should the punishment be? It is obvious that DETR is still arrogantly acting like it
17 knows best, rather than listening to the orders of the Court. DETR employees may know
18 technically more than the Court, but in our society, DETR employees must obey the Court,
19 even if the Court is wrong, unless they get the Court to change its order.

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1 **B. PART #2 OF COURT'S ORDER: a covered individual for the purposes of the**
2 **Pandemic Unemployment Assistance includes an individual with**
3 **reportable income, and is either unemployed, partially employed, or unable**
4 **or unavailable to work because the COVID-19 public health emergency has**
5 **severely limited his or her ability to continue performing work activities**
6 **and has therefore caused substantial interference with his or her work**
7 **activities, payments are required.⁹**

8 ***DETR ESD Statement of Compliance:***

9 After the Court issued its oral ruling on July 20, the United States Department of
10 Labor issued UIPL 16-20, Change 2 which clarified on page two that individuals who
11 experience a significant diminution of services because of COVID-19 are covered. DETR's
12 interpretation of the Court's July 22, 2020, order is consistent with UIPL 16-20, Change 2.
13 DETR attests that no claims are currently unpaid because an individual suffered
14 substantial interference with his or her work activities or a significant diminution of
15 services. Payments have been denied when their income exceeds the weekly benefit amount
16 as required by DOL guidance. *See Appendix 1-5 (Declaration of Kimberly Gaa).*

17 ***Plaintiffs' Rebuttal:***

18 The DOL did not overrule this Court. Plaintiffs-Petitioners don't know who or what
19 level or what was asked of the DOL. Most of the DOL staff are non-lawyers, and their
20 opinions are not binding on DOL (pursuant to the Portal-to-Portal Act, nothing a DOL
21 agent says is binding unless it's in writing by the Secretary of Labor).

22 ⁹ The Court concluded that specific to individuals who work as an independent contractor with reportable
23 income, and are either unemployed, partially employed, or unable or unavailable to work because the COVID-
24 19 public health emergency has severely limited their ability to continue performing work activities and has
25 therefore forced the individuals to suspend such activities are covered individuals. "Suspend" shall mean "to
26 have the functional equivalent of substantially interfering with continued work activities." *See Order of
Mandate, Jul. 22, 2020, at p. 8, ¶¶ 11-16.*

1 Nevertheless, Plaintiffs-Petitioners' position is continually exaggerated by DETR;
2 Plaintiffs-Petitioners have never asserted that DETR must approve everyone without
3 reason, which is how DETR phrases it. All Plaintiffs-Petitioners are saying is, once an
4 approval letter goes out, DETR is estopped from denying it, and under *Java*, can't
5 reconsider its unilaterally retroactively without an offering of an opportunity for a due
6 process hearing. Most distressing on this issue, is that it is undisputed that far more than
7 11 days went by from the date of most negative determination letters (the time the letters
8 all say to appeal any adverse determination) with no appeal button working on the website.
9 This is part and parcel of DETR's systematic directive to prevent benefits to eligible
10 claimants as opposed to assisting claimants in providing eligibility evidence. Indeed, why
11 would anyone try to appeal anything after the appeal period expired? DETR activating the
12 button on an intermittent basis is not making the appeal process available to all those who
13 lost even a day with no way to appeal. This is contrary to the express regulations, *Java*,
14 *Goldberg v. Kelly*, and the letter agreement with DOL.

15 Plaintiffs are compiling an up to the minute compendium of emails to support
16 Plaintiffs' contentions, which will be filed as a supplement to Plaintiffs' contempt motion
17 prior to end of day, Wednesday, August 19, 2020 where claimants continue to receive denial
18 letters based on a bogus assertion that the claimant is not eligible for benefits because the
19 "individual suffered substantial interference with his or her work activities or a significant
20 diminution of services."

21 With the information provided by DETR, there is simply no way to determine from
25 DETR's bald assertions whether any of the claimants specific to the Court's Order are
26 included in these groups or if they are members of the "no claims are currently unpaid

1 group.” Especially taking into consideration the “Hansen Report” assertions that many of
2 these people were funneled into a “fraud” due to IP issues, mass denials due to relatively
3 easy fixes to social security number/address information, that DETR still does not allow
4 claimants to fix and Alorica asserts it cannot fix.

5 To add “insult to injury” because the first time filers are likely to have larger benefits
6 payments owed, they continue to have banking issues, DETR admits to holding up large
7 payments.

8 **C. PART #3 OF COURT’S ORDER: examine progress made on the following
9 issues and determine if further order for relief is necessary.**

10 **1. The status of resolving the “UI/PU loop” or UI/PUA dichotomy, including
11 their relationship to the FPUC payments.**

12 ***DETR ESD Statement of Compliance:***

13 As previously set forth in a filing with the Court, DETR has identified four possible
14 ways to expedite the processing of these individuals:

15 *i. Pay people before a determination of eligibility.*

16 This is specifically prohibited by DOL in guidance received by the Special Master.
17 This question (18, page 242) was specifically asked by the Special Master of the DOL, “[d]o
18 states have the flexibility to pay all claimants upon application and then later make final
19 determination upon eligibility?” to which the DOL responded “[n]o, it is not permissible to
20 pay claimants without first determining eligibility.”

21 Additionally, in response to the Special Master’s question 5, page 237, “Can the fact
22 of eligibility be rebuttably presumed by a state? If presumption is defeated by subsequent
23 evidence presented by state, can state rescind acceptance of a claim and claw back money
24 paid to claimant after providing claimant with appropriate notice and hearing?” DOL
25
26

1 stated: “Eligibility for UI benefits cannot be presumed by the state. For the regular UI
2 program, once a claimant has established initial eligibility the claimant must certify
3 continuing eligibility weekly and report if he or she has returned to work or has any
4 earnings which can impact eligibility”

5 Having reviewed this option, the Court agreed that this option was not legally viable.

6 *ii. Expedite the determination of eligibility by assigning more resources to the*
7 *existing process.*

8 DETR is seeking approval for a contract with a new vendor to provide additional
9 PUA call center and adjudication support. *See Appendix 1-5, p. 5:5-6 (Declaration of*
10 *Kimberly Gaa)*. Once contractual approval is secured, the additional capacity will be
11 directed exclusively to PUA processing and adjudication. DETR cannot disclose the
12 contractor, but DETR plans to pull ten of its employees to train contractor trainers and
13 then have the contractor train its own people to supplement existing capacity. **Director**
14 **Cafferata and Speaker Buckley are reviewing all contracts.**

15 DETR has been approved by the Governor’s Finance Office (GFO) and the Interim
16 Finance Committee (IFC) to hire 133 individuals, of whom 108 have been hired. It is
17 currently hiring 25 additional staff. *See Appendix 1-5, p. 5:8-9 (Declaration of Kimberly*
18 *Gaa)*. Once hired, these positions must go through the background screening and be
19 trained, but these additional positions dedicated to Unemployment have been approved for
20 hiring and the process of screening them can commence.

21 Since the Court’s July 22 Order, new staff and transfers have been obtained in the
25 following numbers:

1	July 27	(10)	New Hire/rehire/transfer in
2	August 3	(1)	New Hire
3	August 10	(3)	New Hire/rehire
4	August 17	(7)	New Hire/rehire/transfer in

5

6 DETR is also submitting an additional work plan for 200 additional staff to

7 supplement the existing Unemployment workforce in adjudication, call center and fraud

8 processing. This work plan must be approved by the State of Nevada Interim Finance

9 Committee (“IFC”) and Governor’s Finance Office (“GFO”). Approval and implementation

10 of a work plan like this normally takes a year, and DETR hopes to have the work plan

11 approved and implemented in three months.

12 *iii. Undertake efforts to reach an eligibility determination earlier in the process.*

13 Accelerating the eligibility determination means making a determination with less

14 information which will increase the likelihood that incorrect determinations are made

15 (meaning that ineligible persons will be paid, and eligible persons will be denied). All

16 denied claims will have an opportunity to request a due process hearing through the PUA

17 appeals process.

18 DETR has been working with its PUA vendor, Geographic Solutions, to develop the

19 capability to issue mass denials for claimants who have UI eligibility. DETR estimates

20 that this new tool resulted in 70,000 claims determinations that claimants were ineligible

21 for PUA. DETR is also working with Geographic Solutions to install further mass denial

25 capability of other clearly ineligible claims which would further reduce the backlog of

26 unprocessed claims.

1 The table below lists denials for Other Program Eligibility (issue code 750). Note,
2 some denials were manually recorded under other issue types when manually reviewed,
3 and are not counted here:

4	Before	
5	August 1	8,838
6	August 1	151
7	August 2	1
8	August 3	63
9	August 4	76
10	August 5	101
11	August 6	6,392
12	August 7	64,334
13	August 8	53
	August 10	29
	August 11	49

14 The only other issue category with a significant number of denials since August 1 is
15 issue 746 (PUA Eligibility), with 757 denials overall.

16 Of the PUA claims that have been denied, 7,787 appeals have been filed by
17 claimants.¹⁰ The appeals are set to be heard between September 15, 2020, and September
18 30, 2020.

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26 ¹⁰ For comparison, only 500 UI appeals are currently pending.

1 iv. *Improve processes to accelerate the determination for individuals whose PUA*
2 *or UI eligibility is initially unclear and may have to undergo multiple*
3 *eligibility determinations.*

4 The Special Master offered to share information from claimants who had reached
5 out to him after his appointment to allow DETR to review a sample of claimants who had
6 complained that they fell within the PUA/UI backlog.

7 The Special Master received an Excel template and guidance from DETR ESD on
8 how to best gather and record claimant information so that Economist Schmidt could
9 analyze the status of claims and outcomes. The Special Master's law office reviewed and
10 recorded 4,000 emails sent to PUAinfo@hutchlegal.com and the 5,000 bates-stamped pages
11 from our printed binders from Appendix 2 of the Special Master's first report to the Court.¹¹
12 Many claimants sent several emails, so the Special Master and his staff did their best to
13 represent each claimant's data only once, but there were, more likely than not, some double
14 entries across the Excel sheets. Thereafter, the Special Master provided the data collected
15 in the Excel sheets to Economist Schmidt. The following is his analysis of the aggregated
16 information he was provided in the Excel spreadsheets we created:

17 v. *Matched claim data.*

18 a) **Matching Procedure.**

19 Applications were matched using four criteria: first, items with a valid PUA
20 application are matched on that basis. Then, applications with a matching e-mail address
21 are matched. Then, applications with a matching phone number are matched. Finally,

25 ¹¹ *See Appendix 1-10 (Confidential Spreadsheets of Claimant Information prepared for DETR Matching. *It*
26 *should be carefully noted that these spreadsheets contain various identifying information and these*
 spreadsheets will be provided to the Court upon request and should remain under seal at all times).

1 applications are matched when there is a unique, matching first name and last name in
 2 the list of all PUA applications. Using this approach, 2,499 unique applications were
 3 returned. However, this likely returns records that used the same e-mail address or phone
 4 number for multiple applications, which could include multiple people living in the same
 5 household. Of the 3,838 records provided, this provides a match rate of approximately 65%.
 6 The actual match rate is higher to the extent that there are duplicated records in the list
 7 provided by the Special Master and lower to the extent that these matching criteria return
 8 additional records not in the submitted list. The data that follows reflects the 2,499 unique
 9 records identified on these matching criteria.

10 **b) Initial Match Data.**

11 The table below shows a mutually exclusive list of claim statuses, beginning with
 12 claims that have been paid at least one week, and other reasons for nonpayment. The three
 13 largest groups are (1) claims that have been paid, (2) claims that have been flagged for
 14 potential UI eligibility, and (3) claims with a fraud hold.

Claim Status	Distinct Claims	Share of 2,499 Matches
Claim Paid	1,343	53.7%
No Weeks Claimed	20	0.8%
No Weeks Without Excess Earnings	12	0.5%
Flagged for Potential UI Eligibility	530	21.8%
PUA Eligibility Issue	35	1.4%
Two-Factor Authentication Issue	83	3.3%
Recent Claim Hold	138	5.5%

Fraud Hold	307	12.3%
Other Issue	31	1.2%

Claims with an open or denied “Other Program Eligibility – 750” issue were matched against the UI system to look for potential UI wages. Of such applications, 576 were identified (slightly larger than the number of unpaid claims with such issues due to individuals who may have been paid before an issue was identified). Of these 576 unique matches:

- 385 claims have a monetarily eligible claim or sufficient wages for UI eligibility as of now (66.8%);
- 315 claims have payments in UI since the start of the pandemic. (54.7%). This category is not mutually exclusive with others in this list;
- 90 have an existing ineligible UI claim but have sufficient wages to qualify for UI now, as additional wages have been reported since the ineligible UI claim was created. (15.6%);
- 65 have had an eligible UI claim that ended since eligibility for PEUC was established, and should therefore be PEUC eligible (11.3%);
- 36 do not have any eligible claim within the PEUC period and do not currently have sufficient Nevada wage to qualify for benefits. These claims may have UI eligibility if combined with wages from another state, which would not be included in this data source and would need individual review (6.25%).

Based on this sample, it appears that Other Program Eligibility stops are being properly applied and are identifying applications that do not have current PUA eligibility

1 until UI eligibility is resolved. Some claims were also identified as having potential UI
 2 nonmonetary issues on claims. The most common such categories affecting payment
 3 include Quit and Discharge issues, which may also affect PUA eligibility if the reason for
 4 separation indicates that the individual is not unemployed due to COVID-19.

5 **c) Moving Payment Dates.**

6 One complaint among paid claimants concerns individuals who have payment dates
 7 which have been changing. This scenario occurs with individual payments for a large dollar
 8 amount, which may happen when many weeks of payments are released at once. Of the
 9 2,499 matched applications, 139 show a large delayed payment, or 10.3% of all PUA-paid
 10 applications in the group. It should be noted that this does not hold payment for any
 11 subsequent weeks, just the large payment for multiple prior weeks.

12 **d) Issues on Unpaid Claims, With No UI Eligibility Issue, With Weeks**
 13 **Claimed.**

14 Looking at matched claimants who have not been paid and who do not have a hold
 15 due to potential UI eligibility requires looking at the issues on those claims. This table
 16 summarizes the issues on such claims where there are at least 10 such issues:

17 **Open Payment-Stopping Issues on Matched Unpaid PUA Claims**

18 *Excludes Claims with Potential UI Eligibility or No Weeks Claimed*

Issue Description	Issue Code	Unique Claims with Issue
IP - Investigation Case Special Project	261	299
IP - Investigation SAR Internal	598	148
Two-Factor Authentication failed - Bad phone	757	77
Invalid SSN	213	39

1 **Open Payment-Stopping Issues on Matched Unpaid PUA Claims**

2 *Excludes Claims with Potential UI Eligibility or No Weeks Claimed*

3

Issue Description	Issue Code	Unique Claims with Issue
PUA - Requires Staff Review	749	30
Two-Factor Authentication failed	758	19
No employment history	189	10

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8 The largest categories on this report are the 261, 213, and 598 issues, which deal
9 with indications of potential fraud and hold claims for further review. The 757 and 758
10 issues relate to two-factor authentication, and the other issues are applied on a case-by-
11 case basis as claims are reviewed by staff.

12 **e) Been Paid, Now Unpaid Claims.**

13 Of the 1,343 claims that have been paid at some point, 350 claims were not paid for
14 the week ending July 25th. Of these: 230 were due to an open issue on the claim; 76 were
15 due to the week being disqualified by denial; 26 had excess earnings for the week of July
16 25th; and 18 did not file for the week of July 25th. Issues on open and denied claims with
17 more than 10 issues are summarized below.

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Open and Denied Payment-Stopping Issues on Matched PUA Claims
Issues on Claims with Prior Payment and Unpaid Benefit Week of July 25th

Issue Description	Issue Code	Resolution Status	Unique Claims With Issue
PUA - Other program eligibility	750	Denied	61
PUA - Eligibility	746	Denied	23
PUA - Requires Staff Review	749	Denied	20
Two-Factor Authentication failed - Bad phone	757	Open	98
PUA - Requires Staff Review	749	Open	53
IP - Investigation SAR Internal	598	Open	43
IP - Investigation Case Special Project	261	Open	35
Two-Factor Authentication failed	758	Open	31

Plaintiffs' Rebuttal:

DETR makes the above admissions, yet does not indicate when these clearly eligible people will be paid:

- 385 claims have a monetarily eligible claim or sufficient wages for UI eligibility as of now (66.8%).

- 90 have an existing ineligible UI claim but have sufficient wages to qualify for UI now, as additional wages have been reported since the ineligible UI claim was created. (15.6%)
- 65 have had an eligible UI claim that ended since eligibility for PEUC was established, and should therefore be PEUC eligible (11.3%)

Specific to people who didn't file weekly (in this category or others), DETR does not provide the number of claimants who were blocked from filing weekly claims, a real dilemma that is addressed in the "Hansen Report." How many people have actually tried to file weekly claims but due to DETR "glitches" and software updates to a broken system were blocked? It appears DETR always mixes groups when it wants to conceal a non-legitimate denial with a legitimate one. DETR has no creditability with any of the Plaintiffs-Petitioners or the general public, because DETR has earned that lack of trust through misstatements, lack of candor in the past, half-truths and phony statistics.

Specific to DETR's assertion that, "Quit and Discharge issues, which may also affect PUA eligibility if the reason for separation indicates that the individual is not unemployed due to COVID-19" is a problem with DETR's communication and not claimants eligibility Plaintiffs continue to receive emails from people who quit a job to start another then the pandemic hit and that job went away.¹² The CARES ACT and PUA specifically address such a situation and provide benefits for people who were unable to start a job due to COVID, regardless of how their previous employment ended. DETR's job is to help people

¹² Plaintiffs are compiling an up to the minute compendium of emails to support Plaintiffs' contentions, which will be filed as a supplement to Plaintiffs' contempt motion prior to end of day, Wednesday, August 19, 2020.

1 get the benefits they are eligible for, not sweep them into a category that makes DETR's
2 numbers look compliant.

3 **2. What steps DETR has made to move the first filers to the front of the**
4 **line.**

5 ***DETR ESD Statement of Compliance:***

6 First filers are defined as those who filed May 16 through May 24 and comprised a
7 total of 67,580 PUA claims. As of August 18, 2020 (using July 13, 2020 numbers), 48,815
8 had been approved and were being paid. In relation to the July 28 report, 805 additional
9 claims have been resolved, 9 identity checks have been resolved, 582 cases with
10 unemployment wages have been resolved, and there has been a reduction in 56 cases with
11 no weeks claimed.

12 **In the last two weeks, \$40.1 million in benefits have been released to**
13 **claimants who filed in the first week that the PUA system was live, including:**

- 14 ➤ \$11.1 million for weeks of benefits in the month of July;
- 15 ➤ \$4.6 million for weeks of benefits in the month of June;
- 16 ➤ \$5.1 million for weeks of benefits in the month of May;
- 17 ➤ \$4.2 million for weeks of benefits in the month of April;
- 18 ➤ \$462,000 for weeks of benefits in the month of April; and
- 19 ➤ \$39,000 for weeks of benefits in the month of February.

20 ***See Appendix 1-7, 1-8, and 1-9 (First Filer Summary Charts: (a) FWF Refresh Open***
21 ***and Denied Payment Stopping Issues on First Week Filers who have been paid but are***
25 ***unpaid for the week of July 25; (b) FWF Refresh Unpaid Payment Stopping Issues details***
26 ***the open (not denied) issues on First Week Filer applications which have not been paid;***

1 (c) *FWF Refresh Denied Payment Stopping Issues Summary details the denied First Week*
2 *Filer applications which have not been paid.*¹³

3 The First Week Filers report summary presents the same information DETR
4 previously provided. In the most recent report compared to the report from July 28, DETR
5 notes the following changes:

- 6 ➤ 805 additional claims released;
- 7 ➤ 9 Identity Checks resolved;
- 8 ➤ 582 cases with UI wages resolved;
- 9 ➤ 56 fewer cases with no weeks claimed.

10 The table below lists the first date that unique First Week Filers have been issued
11 payment.

FWF Earliest Pay Date		
Date	Paid Today	Paid to Date
5/23/2020	1	1
5/26/2020	4642	4,643
5/27/2020	578	5,221
5/28/2020	342	5,563
5/29/2020	134	5,697
6/1/2020	394	6,091
6/2/2020	751	6,842
6/3/2020	8163	15,005

25 ¹³ According to DETR, “Denials” do not mean all weeks have been denied, just that some weeks have been
26 denied. A number of applications have denials for weeks of benefits that come prior to the claimants’ reported
last day of work (e.g. a denial for February 2 through March 13, with eligibility beginning on March 14 - such
an application would show in this list, if it was otherwise unpaid).

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6/4/2020	348	15,353
6/5/2020	5198	20,551
6/8/2020	1293	21,844
6/9/2020	2115	23,959
6/10/2020	3438	27,397
6/11/2020	181	27,578
6/12/2020	1262	28,840
6/15/2020	302	29,142
6/16/2020	164	29,306
6/17/2020	124	29,430
6/18/2020	132	29,562
6/19/2020	7721	37,283
6/22/2020	231	37,514
6/23/2020	135	37,649
6/24/2020	138	37,787
6/25/2020	118	37,905
6/26/2020	88	37,993
6/29/2020	149	38,142
6/30/2020	90	38,232
7/1/2020	90	38,322
7/2/2020	94	38,416
7/6/2020	247	38,663
7/7/2020	102	38,765
7/8/2020	115	38,880
7/9/2020	85	38,965
7/10/2020	98	39,063
7/13/2020	7122	46,185

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7/14/2020	166	46,351
7/15/2020	116	46,467
7/16/2020	93	46,560
7/17/2020	65	46,625
7/20/2020	917	47,542
7/21/2020	145	47,687
7/22/2020	60	47,747
7/23/2020	64	47,811
7/24/2020	61	47,872
7/27/2020	106	47,978
7/28/2020	59	48,037
7/29/2020	66	48,103
7/30/2020	53	48,156
7/31/2020	271	48,427
8/1/2020	2	48,429
8/3/2020	104	48,533
8/4/2020	98	48,631
8/5/2020	38	48,669
8/6/2020	38	48,707
8/7/2020	44	48,751
8/10/2020	48	48,799
8/11/2020	7	48,806
8/17/2020*	9	48,815

*8/17 = large payment review (noted in report) for first week filers not otherwise paid

yet.

1 ***Plaintiffs’ Rebuttal:***

2 DETR has not provided the number of “first time filers” who have **not** been paid –
3 the dispositive question is not how many first filers have been paid, but how many have
4 not. Moreover, DETR’s numbers do not provide the Court with information on whether
5 these first-filers payments were stopped at some point, whether they fall into the category
6 of claimants whose benefit payments are so large that the claimants actually has not
7 received their benefits due to banking issues created by DETR’s untimeliness, and/or
8 whether these claimants have actually been paid or are “in process” and continue to have
9 moving pay dates. As indicated in the “Hansen Report” what is actually happening to
10 claimants reflects a very different reality brought about by the failure of DETR to hire a
11 vendor capable of preventing systematic “glitches” that have skewed DETR’s compliance
12 numbers to the detriment of Nevada citizens.

13 Nonetheless, Plaintiffs-Petitioners continue to receive emails and inquiries from
14 claimants who have been denied based on the time frame and **not** for the reason that “their
15 income exceeds the weekly benefit amount as required by DOL guidance.”¹⁴ DETR
16 continues to have serious communication problems that do not allow claimants to
17 determine the actual reason why they are being denied, if or how they can remedy any
18 issues, and engage in the appeal process in order to receive due process. As indicated in
19 the “Hansen Report” “... claimants and DETR ESD appear to be speaking two different
20 languages and are often weeks apart in what is occurring on the portal/claimant end versus

21 _____
25 ¹⁴ Plaintiffs are compiling an up to the minute compendium of emails to support Plaintiffs’ contentions, which
26 will be filed as a supplement to Plaintiffs’ contempt motion prior to end of day, Wednesday, August 19, 2020.

1 what DETR understands and reports during press briefings.” To add “insult to injury”
2 because the first time filers are likely to have larger benefits payments owed, they continue
3 to have banking issues, DETR admits to holding up large payments.

4 Again, the dispositive question is how many “first time filers” have not been paid?

5 **3. The “retroactivity” issue whereby people who sought benefits between**
6 **February 29, 2020 and March 5, 2020 were determined not eligible for**
7 **payments because the first confirmed case of COVID-19 in Nevada did**
8 **not occur until later. A review of the reason why those people’s income**
9 **appears to have been affected, particularly if they were working with**
10 **people or traveling to or dealing with businesses that had been affected**
11 **already.**

12 ***DETR ESD Statement of Compliance:***

13 DETR has received *approximately 95,000 claims for benefits* between February 29,
14 2020 and March 5, 2020. A previous report filed by DETR ESD had placed this number as
15 much higher (at 225,479 claims, but that number was in error).¹⁵ DETR ESD reviewed all
16 filings for the first week of March to determine the status of these filings. The Court
17 requested a progress report for filers making claims on this week. The Court cited the
18 expressed assertion by the Plaintiffs indicating that they believed DETR ESD was
19 unilaterally denying filers for benefits the first week of March. DETR ESD reviewed claims
20 for this week and determined that there was not a unilateral denial of benefits. DETR ESD
21 has paid 29,724 claimants for the week ending March 7, 2020 to date, (DETR’s July status
22 report as 28,790, so an additional 934 claims have been paid for this week). According to

23 ¹⁵ Mr. Ott explained, “The number in red is the number that was previously overreported due to a misreading
24 of one of the charts. The chart showing all PUA claims and weekly pay share is attached, [*See Appendix 1-2*
25 (*Payment Status of Each Week*)] the week of March 7 shows 29,724 paid, 55,462 with active issues, 2,944 with
26 excessive earnings and 9,968 who were disqualified for the week, for a total of 98,098, which is where I got
the approximately 95,000. Apologies for the prior overstatement. I can explain to the court if necessary.
We’re trying to provide and explain a lot of data to keep the court informed and this slipped through. Give
me a call if you need to discuss.”

1 DETR Chief Economist, the current number of claims paid for February 29, 2020, is 21,397
2 (DETR’s July status report as 20,820, so an additional 577 claims have been paid for this
3 week). DETR continues to review claims for eligibility for this week as part of the eligibility
4 determination process.

5 ***Plaintiffs’ Rebuttal:***

6 DETR admits that it “continues to review claims for eligibility for this week as part
7 of the eligibility determination process” but has not paid persons who have had a
8 diminution in work prior to Governor Sisolak’s shut down directive, specifying 55,462
9 claimants with active issues. Indeed, Plaintiffs continue to receive emails from claimants
10 who are still experiencing this issue.¹⁶ With DETR’s history of mass denials, and as stated
11 above, the dispositive question is how many people who have had their claims denied due
12 to DETR’s improper reading of the CARES Act have not been paid? And, more importantly,
13 does DETR’s “continue[d] review process” comport with the CARES Act promptness
14 provisions? Plaintiffs-Petitioners think not.

15 **D. Recent Actions Taken by DETR ESD to Address Other Concerns of the**
16 **Court.**

17 On Thursday, August 6, 2020, Governor Sisolak held a press conference announcing
18 immediate action to find solutions and reduce the backlog for eligible Nevadans who still
19 have not received their benefits under the State’s unemployment compensation system.
20 The Governor appointed Barbara Buckley to lead a rapid response effort – a strike force –
21 on unemployment insurance. Barbara served in the Nevada Legislature from 1995 to 2010,

25 _____
26 ¹⁶ Plaintiffs are compiling an up to the minute compendium of emails to support Plaintiffs’ contentions, which
will be filed as a supplement to Plaintiffs’ contempt motion prior to end of day, Wednesday, August 19, 2020.

1 serving as Majority Leader of the Assembly from 2001-2007 and as Speaker from 2007-
2 2010. She has a reputation for fairness, a concern for those who face hardship, and the
3 ability to take on large tasks.

4 At a press conference on Thursday in Carson City, he also named Elisa Cafferata —
5 who was most recently a top administrator in the state’s welfare division — as the acting
6 director of the Nevada Department of Employment, Training and Rehabilitation. The post
7 has been vacant since Heather Korbolic resigned in June, citing threats to her safety.
8 Governor Sisolak explained, “I want you to know, I hear you. I am listening, and I am
9 taking action.”¹⁷

10 According to the Nevada Independent, Governor Sisolak said Speaker Buckley will
11 work for the next 60-90 days with support from federal CARES Act dollars, and that she
12 has already started consulting with experts to work on improving the business and
13 technology processes at the agency. *Id.* Hundreds of thousands of the more than one million
14 initial claims for benefits filed during the pandemic have gone unpaid for a variety of
15 reasons, including processing delays, duplication and ineligibility but also because many
16 are flagged as fraudulent. *Id.* The report went on to explain Govern Sisolak and Speaker
17 Buckley’s plans:

18 “All options will be considered to bring more IT, personnel and
19 policy resources to reduce this backlog in the short-term,” the
20 governor said in prepared remarks, “and consider how our program
21 needs to evolve for the long-term to ensure that we can serve
Nevadans in the best way possible during this pandemic and
beyond.”

25 ¹⁷ See Press Release, Governor of Nevada, *Gov. Sisolak signs unemployment insurance legislation, announces*
26 *concerted efforts to address backlog of claims* (Aug. 6, 2020). [http://gov.nv.gov/News/Press/2020/Gov_Sisolak_signs_unemployment_insurance_legislation, announces concerted efforts to address backlog of claims/](http://gov.nv.gov/News/Press/2020/Gov_Sisolak_signs_unemployment_insurance_legislation_announces_concerted_efforts_to_address_backlog_of_claims/).

1 Speaker Buckley said she already has enlisted the help and
2 expertise of public and private sector leaders. The group has been
3 brainstorming solutions such as a data verification plan that could
4 overcome an identity verification issue that has been holding up
one group of claimants. That fix, she said, could lead to those claims
being approved in the next week.

5 They're also eyeing the possibility of temporarily transferring
6 welfare eligibility workers to assist with processing unemployment
7 claims. And Buckley said the state would also be creating an online
dashboard to provide updates to the public about the backlog and
the progress working through it.

8 "All solutions are on the table, and the governor has made it clear
9 that this is urgent and that all resources of state government will
be engaged to help," Buckley said. ¹⁸

10 At the press conference, Sisolak also signed SB3, a bill passed nearly unanimously
11 (Votes: Passed Senate 21-0 on 8/4/20. Passed Assembly 41-1 on 8/4/20) in the Nevada
12 Legislature's just-concluded special session that gives the unemployment agency more
13 flexibility and intends to speed the processing of claims. It will also unlock an additional
14 seven weeks of federally funded benefits for those who have exhausted other allotments.

15 SB 3 expands the universe of people who are eligible for benefits — especially any
16 extension of the now-expired, \$600-per-week Federal Pandemic Unemployment
17 Compensation (FPUC) add-on — by allowing people who are now working more hours to
18 continue drawing payments. Existing law blocks benefits, including the FPUC, for people
19 who are making more per week from their job than the weekly benefit amount they are
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25 ¹⁸ See Michelle Rindels, *Sisolak announces 'strike force' led by former lawmaker to improve unemployment*
26 *claims and processing*, The Nevada Independent (Aug. 6, 2020) <https://thenevadaindependent.com/article/sisolak-announces-strike-force-led-by-former-lawmaker-to-improve-unemployment-claims-processing>

1 allowed.¹⁹ Under the provision, which would be implemented if the federal government
2 enacts an extension, claimants could make 1.5 times their base entitlement and still draw
3 unemployment plus any federal add-on. A person who qualifies for a \$200 weekly
4 unemployment check from the state, for example, could make up to \$300 at their job per
5 week without being knocked out of the program. The measure is designed to encourage
6 people to take on more hours rather than keep their schedule as light as possible to stay
7 eligible for unemployment.

8 Additionally, SB 3 will allow DETR ESD to disregard vacation cash-outs or other
9 income that is counted toward a person’s eligibility, but often delays payments for weeks
10 because it sends their claim to an adjudication process. An amendment added after the bill
11 was first unveiled made some of those provisions retroactive to late May in an attempt to
12 capture about 14,000 claimants stuck in limbo because of a “disbursable income” issue.²⁰

13 The measure also gives DETR more flexibility to create temporary, emergency
14 regulations on issues that arise going forward, and calls on the agency to define what is a
15 “good cause” to turn down a job offer and still receive benefits. That issue has been a
16 sticking point in the era of coronavirus, with employers wondering if people who turn down
17 an offer to return to their job are doing so to stay on their benefits or because of a COVID-
18 19 reason that rises above the level of a generalized fear of catching the virus. SB3 offers

20 ¹⁹ See Michelle Rindels, *Bill would allow people working more hours to qualify for unemployment, clear the*
21 *way for 7 extra weeks of payment*, The Nevada Independent (Aug. 1, 2020).
<https://thenevadaindependent.com/article/bill-would-allow-people-working-more-hours-to-qualify-for-unemployment-clear-the-way-for-7-extra-weeks-of-payment>

25 ²⁰ See Riley Snyder, Michelle Rindels, Megan Messerly, *Elections, mining taxes, and civil liability; everything*
26 *that passed in the Legislature’s special session (Aug.6,2020)* <https://thenevadaindependent.com/article/elections-mining-taxes-and-civil-liability-everything-that-passed-in-the-legislatures-special-session>.

1 suggestions on how DETR might define “good cause” for a worker to reject an offer of
2 employment during the pandemic, including:

- 3 ➤ The employer cannot allow the employee to work from home even though they are
4 considered high-risk for COVID-19;
- 5 ➤ The person is sick or in isolation because of COVID-19;
- 6 ➤ There is an unreasonable risk for exposure to COVID-19 in the workplace;
- 7 ➤ The person is staying home to care for a relative sick with COVID-19, or is in
8 quarantine;
- 9 ➤ The person is “caring for a child who is unable to attend school or a child care facility”
10 because of COVID-19;
- 11 ➤ The person is 65 or older;
- 12 ➤ The person has any other circumstance determined to be a “good cause.”²¹

13 According to KTVN 13 Investigates, after her appointment, Buckley made it clear
14 that DETR must, “...pay people or tell them why they’re not eligible and give them the
15 right to appeal to an independent third party.”²² .

16 Buckley told reporters that it was the “team's No. 1 mission to break the backlog and
17 get people paid. "People who are desperate, facing eviction, foreclosure. There is a huge
18
19

20 ²¹ See Michelle Rindels, *Senate unanimously advances bill geared at extending unemployment benefits,*
21 *clearing some roadblocks to payments,* Nevada Independent (Aug. 2, 2020).
<https://thenevadaindependent.com/article/senate-unanimously-advances-bill-geared-at-extending-unemployment-benefits-clearing-some-roadblocks-to-payments>.

25 ²² See Darcy Spears, *New unemployment strike force leader pledges to break backlog, get Nevadans paid,*
26 KTVN Las Vegas (Aug. 11, 2020) <https://www.ktnv.com/13-investigates/new-detr-strike-force-leader-pledges-to-break-backlog-and-get-people-paid>

1 problem and when I was asked I said yes because I thought maybe I could make it better
2 for all those who are waiting.” *Id.*

3 As for the Alorica call center that was staffed with 100 people to help answer
4 claimant calls, Buckley told a reporter that, "I think Alorica has been disappointing. We
5 can't have calls to a call center person who doesn't have the ability to fix a claim. That's a
6 waste of time. That's a waste of resources." And a waste of millions in taxpayer dollars. "So
7 if we're depending on Alorica and Alorica can't do the job, we need somebody who can do
8 the job," Buckley said. She says restructuring is the way to do that. "So, the person you get
9 (on the phone) will be able to fix your claim," Buckley said.

10 The task force will first identify why people's claims are stuck in limbo, targeting
11 first filers who've been waiting five months without resolution. "If at all possible, we want
12 first in, first out," Buckley said. They'll also focus on a mass fix for claims caught up due to
13 identify verification issues.

14 With regard to the UI and PUA loop, Buckley said, "We can't then have UI people
15 work on their claims and then send them back to PUA. That is crazy! So what I'm
16 suggesting is that we have one team, experienced in both, to drill through all of those cases,"
17 Buckley said. She says she knows she's walking into a world where communication has
18 been slow or non-existent and staffing levels insufficient, but also firmly believes that's all
19 about to change.

20 They'll also be pulling other state employees over to DETR who do similar work, like
21 welfare eligibility workers, plus reaching out to retired welfare workers, the National
25 Guard and the state's Battle Born task force members who were previously focused on
26 getting enough personal protective equipment (PPE) for medical workers. "We need all

1 hands on deck," said Buckley, emphasizing her goal of quickly clearing out large numbers
2 of backlogged claims so people who still have issues will be able to talk to someone who can
3 fix them.

4 Once they get through the backlog, the task force will tackle ways to improve the
5 system overall so Nevadans are never in this situation again. The checklist for the future
6 includes integrating the PUA and UI computer systems, having more and sufficiently
7 trained staff and clearly communicating with claimants. Officials say the strike force team
8 is working side by side with new DETR director Elisa Cafferata to make those changes
9 permanent.²³

10 On Thursday, August 6, 2020, Governor Sisolak appointed a new Acting Director of
11 DETR, Elisa Cafferata. Elisa was formerly the Deputy Administrator of Field Operations
12 Support for the Division of Welfare and was responsible for leading the Investigations and
13 Recovery unit, the Program Review and Evaluation unit, and the State Collections and
14 Disbursement unit. Elisa joined the Rapid Response effort immediately and is focusing all
15 of her efforts on assisting the Division meet this unprecedented demand.

16 The immediate focus on the rapid response effort is reduction of the backlog.

17 Private and public sector experts have volunteered to join the effort. These include
18 Mike Schmitt, CEO of Clairvoyix and former head of software US Division of Siemens,
19 Anthony Pearl, general Counsel and Chief Compliance Officer of Cosmopolitan, and Steve

21
25 ²³ See Darcy Spears, *New unemployment strike force leader pledges to break backlog, get Nevadans paid*,
KTVN Las Vegas (Aug. 11, 2020) <https://www.ktnv.com/13-investigates/new-detr-strike-force-leader-pledges-to-break-backlog-and-get-people-paid>

1 Fisher, Administrator of Nevada State Welfare Division for the Department of Health and
2 Human Services.

3 Already the team is working on the backlog and business process changes, including
4 how to utilize technology and staffing to remove the backlog.

5 A data sharing agreement was entered into with Mike Schmitt to better ascertain
6 groups of individuals experiencing common problems so as to develop bulk solutions to
7 reduce the backlog.

8 A revised staffing plan is being implemented with existing and former state
9 employees and new hires to join the Division to reduce the backlog. Steve Fisher has
10 identified 300 potential eligibility workers from the State Welfare Division who are
11 interested in working part time seeing how they may work on the backlog. Workers who
12 have retired have been approached to return to work. Hiring for new employees is
13 occurring. Training leadership from the Welfare Division have agreed to be trained so that
14 they may develop consistent electronic training for newly hired individuals that could start
15 shortly so as to not pull existing ESD employees off their efforts of processing cases. This
16 training has starting already on August 17th.

17 On the IT front, two new techniques are being piloted this week to see if it can more
18 quickly identify eligible applicants who are still waiting for benefits.

19 While business processes will be examined and recommendations submitted and
20 ultimately undertaken, all efforts are being focused on the backlog.

21 DETR, in working with its vendor, recently sent out notifications to approximately
25 73,000 PUA claimants notifying them of their possible eligibility for unemployment
26 insurance, and directing those claimants to file for unemployment insurance.

1 Approximately 1300 two-factor authentication claims previously being held by
2 DETR have been released, although a complement of these claims are still being held
3 pending review.

4 As of the evening of August 13, 2020, DETR has been able to start reviewing PUA
5 appeals, of which there are at this time 7,787 (in comparison there are only 500 UI appeals.)
6 However, DETR cannot yet schedule the appeals for hearing. The PUA team is currently
7 training the appeals team in the PUA appeals process so that the appeals can begin as soon
8 as cases start being scheduled. Current estimates regarding when the first appeals can be
9 heard are the second half of September.

10 **III. Information Gathering and Testimonials.**

11 The Court asked the Special Master to prepare a second report that will provide an
12 update regarding compliance with the Court's writ of mandate, as well as progress being
13 made on the issues outlined by the Court, but for which an order has not yet issued. In
14 furtherance of my duty to the Court, I collaborated with claimant advocate Amber Hansen
15 and the Nevada - Pandemic Unemployment Assistance (PUA) Facebook Group
16 <https://www.facebook.com/groups/nevadapua> to gather and aggregate information on
17 claims that have not been paid and information regarding the issues applicants are having
18 with the benefit delivery system so that I could provide this information to DETR ESD and
19 give DETR ESD an opportunity to review and respond to the information and report their
20 progress on processing specific claims and progress being made with processing specific
21 groups of claims. DETR's analysis of the data and information provided herein above in
25 Section I of this report.

1 Applicants who reported: 1) not having been paid; 2) having been paid, but payments
2 having been stopped; or 3) otherwise having trouble with receiving benefits from DETR,
3 sent the following information to PUAinfo@hutchlegal.com:

- 4 • PUA Application ID;
- 5 • PUA Claimant ID;
- 6 • Claimant First Name;
- 7 • Claimant Last Name;
- 8 • E-mail Address;
- 9 • Phone Number;
- 10 • Mailing Address, City, State, Zip Code;
- 11 • UI Claim Number;
- 12 • UI Claimant ID;
- 13 • Brief Summary of Issue.

14 The Nevada Pandemic Unemployment Assistance Facebook Group was created prior
15 to the establishment of Nevada PUA in early May of 2020. It was created by a gig worker
16 who wanted to create a platform for gig workers to share information and their experiences
17 regarding the unemployment insurance system and CARES benefits. Groups like the one
18 in Nevada have been established in several states and administered by local advocates, like
19 Amber Hansen and Adam Kowalskii.

20 Ms. Hansen, who is herself a gig worker and PUA claimant who successfully received
21 benefits since PUA was provided in Nevada, worked with others to establish a peer-to-peer
25 social media platform to assist other gig workers with their claims. The PUA Facebook
26 Group has over 15,000 active members as of August 11, 2020.

1 As time began to unfold and PUA began to experience many issues, it was clear that
2 “Topic Threads” were the most viable way to organize, access, and even collect data and
3 experiences. Discussions in the Topic Threads allowed the administrators to diagnose and
4 help solve problems gig workers were having with the system. Additionally, Ms. Hansen
5 and the administrators of the group initiated informal polls and other features to help
6 assist the group.

7 Ms. Hansen has spent the last few months leading and managing this Facebook
8 group, answering questions of the press, working with legislators, and helping Mr.
9 Thierman’s team with collecting data.

10 Ms. Hansen has collected a wide array of claimant perspectives, claimant reports on
11 specific issues, and claimant problems and situations that arose out of the launch of the
12 PUA benefit delivery system. Ms. Hansen and the PUA Facebook group have provided
13 data, documents, and narratives to the Special Master to assist the Court and DETR ESD
14 with understanding a claimant perspective and the discrepancies between claimants’
15 experiences with how the benefit deliver system actually works in comparison to DETR’s
16 understanding with how the system should to work.

17 Ms. Hansen observed that claimants and DETR ESD appear to be speaking two
18 different languages and are often weeks apart in what is occurring on the portal/claimant
19 end versus what DETR understands and reports during press briefings. She hopes that
20 her contributions to this report will help facilitate better communications between
21 claimants and DETR ESD so that claims can be paid expeditiously. Ms. Hansen explained
25 that many of the thousands of Nevadans who have interacted with her on the Facebook
26 group are now homeless, carless, jobless, food insecure, have had to put down pets, live in

1 shelters, faced evictions, and have experienced the decline of their mental health and
2 wellness. Ms. Hansen urges that Nevadans do not have any more time to wait.

3 Ms. Hansen provided the Special Master with what she titled, “Hard List of PUA
4 Issues/Subgroups/Multi Subgroups.” These are issues, sub-groups, and multi-subgroups
5 which are addressed in the PUA Facebook page and include the following:

- 6 1. First Time Filers (NO PAYMENTS May 16th-June 12th)
- 7 2. IP Case Investigation (May 25-27)
- 8 3. PUA Other (Standard verification on every claim)
- 9 4. Invalid SSN
- 10 5. PUA STOP CLAIM (May- current)
- 11 6. Payment rejection/Reissue
- 12 7. Two-factor Authentication (July 4th-Mid July)
- 13 8. Redetermination after quarter change (Taxes or Q Change)
- 14 9. Eligible for PUA but after July Q. Change were sent back to UI (Mid July)
- 15 10. Disqualified for certifications weeks (Feb-Mid March pre shut down)
- 16 11. Disqualified for entire claim for claiming week prior to shut down (Mid July)
- 17 12. Income for 2019 wiped and redetermination sent for min weekly benefit amount
18 (mid-late July)
- 19 13. Claim Summary says “Paid” but haven’t been “Paid”
- 20 14. Claim summary says “Unresolved: Yes” no payments made/ or claim summary
21 reflects payments (multi-subgroups) (May)
- 25 15. Active payment issues (May)
- 26 16. Insufficient employment history (July)

- 1 17. Separation Fraud
- 2 18. Staff Review (July)
- 3 19. Missing Uploaded Documentation (Multi sub group)
- 4 20. Cannot file weekly certifications on phone or portal (multi sub group)
- 5 21. Claim "In Progress" (multi subgroup i.e., changing dates, trans number etc.)
- 6 (mid-June to current)
- 7 22. Stuck in PUA/UI limbo (mid-June to current)
- 8 23. Received current weeks payments but no back payments
- 9 24. Filed appeal never heard back/Filed appeal (Late July)
- 10 25. Verification email (7/31)
- 11 26. Forced to file another claim (7/5-7/20)
- 12 27. Redetermination sent me back to UI (Mid July)
- 13 28. PUA Overpayments (Mid July)
- 14 29. Missing Stimulus for the week of (7/25)
- 15 30. Missing stimulus for any weeks
- 16 31. Taxes withheld when I asked them not to be withheld
- 17 32. Flagged for fraud no payments
- 18 33. PUA Debit Card -No card- No payments (multi sub group)
- 19 34. Cannot file for weekly claims for backpay but am paid for current weeks (5/25-
- 20 current)
- 21 35. CCSD (multi sub group)
- 25 36. Identity stolen in another state no help
- 26 37. Received multiple letters or eligibility etc. paid/unpaid (multi subgroups)

1 38. Received 1 letter of determination and have been paid (Beginning of June
2 monetary determinations came out)

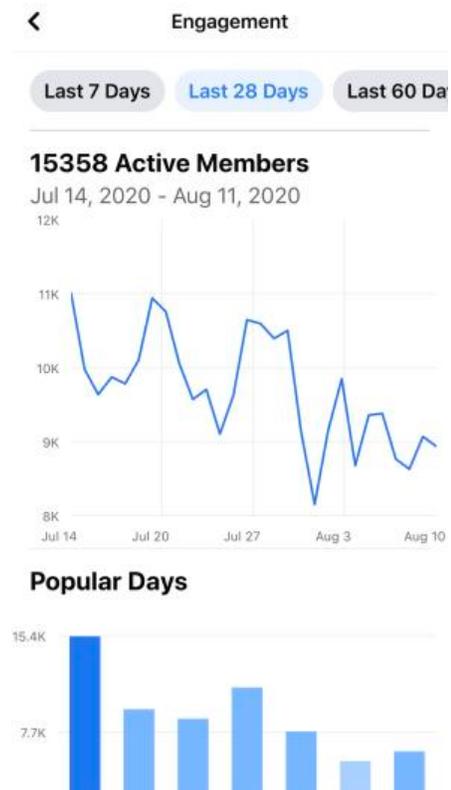
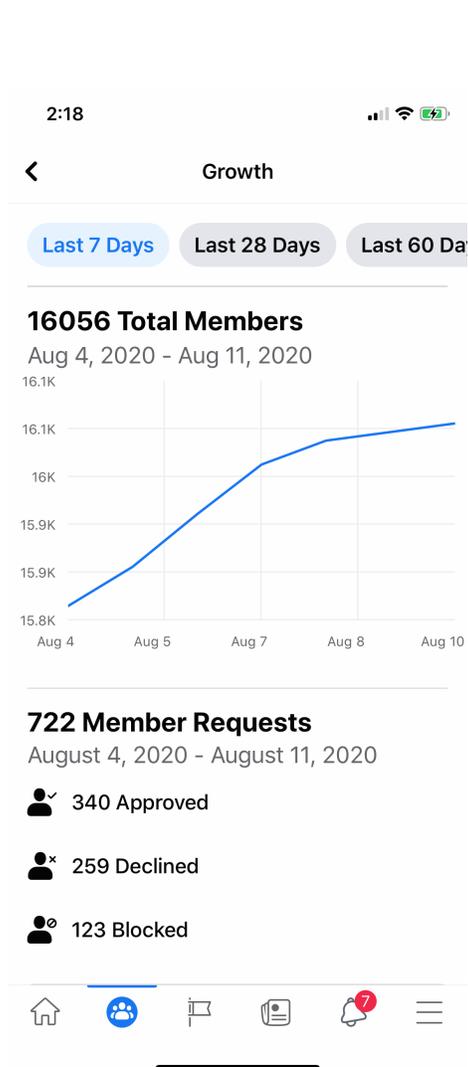
3 39. UI/ PUA redetermination letters (July 5th- current)

4 40. Changing payment dates since suit 7/28-8/10

5 41. Changing payment dates (mid-June)

6 42. Mass Denial 8/6 (Mixed income, misrepresentation of wages, software glitch).

7 8/10/20 Group Stats: (This group serves the entire state of Nevada and is just one of
8 a few of the groups covering this issue):



1
2 Ms. Hansen documented below timelines of variables in the process on how issues
3 have occurred and established patterns in the issues. Most of issues identified in the
4 original “hard list” are supported by collective examples as further outlined below.

5 **Timeline of Launch of PUA:**

- 6
- 5/16- PUA goes live
 - 5/25- PUA open for backdating
 - 7 • 5/25-5/27- IP special case/ PUA other
 - 6/1- adjudication lines go live (phone lines hang up after 5 min)
 - 8 • 6//3- large group received payments
 - 6/3-8/10 - no help/ getting help on 81/82 line
- 9

10 **Timeline of communications leading to issues:**

- 11
- 6/29- mass denial prior to 7/7/20 PUA Hearing
 - 12 • 7/31- mass denial prior to 8/1/20 PUA Hearing (email verification)
 - 8/1-portal documents go missing or are erased during Hearing after email
verification date before for verification
 - 13 • 8/6 - mass denial prior to PUA Appeal Hearing

14 The following is a list of issues identified by Ms. Hansen in the original “hard list”
15 with examples that she selected from the Facebook group.

16 **A. First Time Filer (Filed approx. between May 16, 2020 and June 15, 2020)**
17 **First Time Filers, are claimants who filed at the launch of Nevada PUA.**
18 **Many First Time Filers are now currently stuck and without payments for**
19 **the last 19 weeks. There are variables and multi sub-groups to these First**
20 **Time Filers.**

21 Many claimants who are First Time Filers have remained unpaid, and likely fall in
22 many of the additional sub-groups narrated below. While many claimants have issues
23 receiving payment, the issues are not appearing to be solvable by the claimant. Many
24 claimants are told that the issue in receiving payment could be due to the bank institution.
25 Claimants have called and verified their bank information, adjusted deposit settings,
26

1 changed their preferred payment processing to the PUA debit card, or changed their
2 institution to an alternative banking institution, all of these claimant attempts to resolve
3 payment processing have not resulted in payment.

4 It is the belief of the claimants that while DETR had a large undertaking in
5 launching a new system for 1099 and gig workers, the software was simply not equipped
6 nor coded or loaded correctly to support the population of people it is now serving. Within
7 the initial few weeks of launching PUA, Geographic Solutions ran many updates and faced
8 multiple weeks of internal glitches on the claimant portal. On June 1, the claimants did
9 not experience any relief or assistance when the phone lines went live for PUA. After a
10 claimant reached five minutes of time on the phone, they were automatically disconnected.

11 By mid-June 2020, as claimants continued to narrate issues and problems they were
12 experiencing on the PUA Facebook group, it became abundantly clear that claimants were
13 struggling to obtain clear answers from DETR regarding the portal, vendors, codes,
14 outstanding issues etc. The lack of answers or resolution led claimants in the PUA
15 Facebook group to take matters into their own hands and they began to navigate patterns,
16 bottle necks, potential meanings and definitions of issues collaboratively. After reviewing
17 the report in the press by way of Noah Bond KOLO TV Northern Nevada, the PUA
18 Facebook group was able to review a list of 26 questions answered leaving, however, the
19 group still unclear as to the IP Investigation issue. Several days after the Special Master
20 Report, Rosa Mendez, Public Relations Officer of DETR, released a ‘Glossary’ of terms. The
21 PUA Facebook group notes that by this time they had already worked in tandem with other
25 claimant groups from states claimant using the same vendor to define those same terms.

26

1 As stated above, First Time Filers filed within the time frame of 5/16-6/15. The PUA
2 Facebook group has observed that claims filed after 5-16-6/15, are less likely to be subject
3 to payment issues and have not been impacted by the initial launch glitches and software
4 issues.

5 Claimants who are in the First Filer group should have first priority in getting
6 payment issues resolved regardless of additional subgroups they may be fit into. The only
7 viable solution to processing these claims is for each claim to be manually resolved. Manual
8 resolution was the only solution that worked for claimants experiencing issues with the IP
9 Investigation, which required weeks of manual entries and humans to fix. All the issues
10 resolved were a result of action by DETR and not the Alorica phone line as claimants were
11 told for months. Claimants were previously told that the Alorica staff was not trained, did
12 not have permission, hadn't or had chosen not to complete the training. In addition, when
13 dealing with the Alorica staff, claimants experienced getting hung up on and screamed at.
14 Now since the initiation of the class action law suit, Alorica staff are asking claimants if
15 they are involved in the class action suit and are still hanging up on claimants. This is not
16 only unacceptable, but wasteful of federal CARES monies, state monies, and additionally
17 the time and resources that could be put into successfully helping claimants have access to
18 the money that they are owed.

19 Amber Hansen has reviewed thousands of individuals' claims who have desperately
20 come to the PUA Facebook group administration team seeking response or solution. In
21 many cases 8 times out of 10, they are clearly eligible for benefits and have done everything
25 they were instructed to do, including uploading every last detail of their financial and
26 personal information to prove themselves as non-fraudulent claimants. The administration

1 team of the PUA Facebook group has diligently turned in blatant attempts of fraud to
2 DETR.

3 1. Example of Claimant narrative:

4  **Natalie Cervantes Sama** · 2w ...
Don't even get me started....

5 •First day filer
6 •19 weeks in progress
7 •Spoke to three Call Reps
8 •All said to wait 21 days
9 •Here I've waited 63 days since May
10 22nd that my issue popped up
11 •Uploaded EVERY SINGLE DOCUMENT
12 known to mankind to prove identity.

13 I'm tired of the lies, bills are up the roof,
14 Cards are maxed, Left my rental and
15 moved in with family and I'm hanging
16 by a hair as a single Mom.

17 🙏🏻 I NEED A 🙏🏻 MIRACLE! 🙏🏻
18 🌹 Like Reply 5 🙏🏻

11 2. Example of First Time Filer narrative:

12 Two days later on May 22, 2020 I received my first determination letter. On Sunday May 24, 2020 I filed my first weekly
13 claim, it went smooth as far as I could tell I even had to file all the weeks back to the 19th of March. From this point it
14 started the waiting game. On June 6, 2020 I started taking screen shots of what was going on with my case because I had
15 started following the face book group Nevada Pandemic unemployment assistance PUA. Very helpful I thought, started
16 reading almost every word like it was the gospel, all during this time I was trying to call everyday Monday through
17 Saturday someday 180 call with no answer. The phone would ring say please hold for the next available agent then hold
18 for 5 minutes 34 secs and say goodbye day after day. 🙏🏻

19 was ordered by governor isolack to close the doors of my business to close during this pandemic. I knew at this time we
20 could not get unemployment from the stat so I was worried about how we were going to survive only on my husband's
21 pay check every 2 weeks. After the first few weeks of trying to figure this out my mother came to me and told me about
22 this program for self-employed, gig, 1099, workers called PUA. At first I was like yeah right but turns out there were a
23 program, but we could not apply for the PUA until May 16, 2020 when it was available so I waited. I didn't want one of
24 the people who over crowded the system, so I waited a few days. on the 20th of May I sat down at my computer and
25 started the process. It was very easy to work my way through the program I thought to myself. They didn't ask for too
26 On the 27th of May I received another letter of determination only this one had a date on it. 🙏🏻 letter. 🙏🏻

27 On June 30, 2020 around 10 am I finally got through to someone on the 81 number I was so excited I almost cried,
28 during the call I was told I was in a special project and could not get the answer to what that was and she said sorry and
29 then goodbye. So I felt defeated again to finally speak to someone to get nothing neither answered nor changed was
30 heart breaking, but then I just went to the face book page and was told to send everything to the fraud department so I
31 did. 🙏🏻

1 On the July 21, 2020 I deposited my first payment of \$1069.00

2

3 The date of the other transaction number kept changing every day so on the 23 the date changed to the 27th of July. On
4 Sunday the 26th I filed my weekly again and on Tuesday the 28th I received a deposit of \$1069.00 on August 4, 2020 I
5 received a deposit for \$469.00 dollars

6 Finally got a transaction number I was so excited. But then the date kept changing every day

7 Up till this point I have only been in contact with one person and no one else to help us. I have sent many emails, to deal
8 with no contact or response then on July 12, 2020 I also uploaded my driver's license SS card all document to the fraud
9 department a week later my bank account got hacked for 650 dollars I am not sure if they are related but it sure is a
10 coincidence.

11 As we move forward the dates have changed for the other transaction number July 27th the day jumped to August 3,
12 2020 then on August 3 it jump to August 10, 2020. On August 7, 2020 I woke up to this letter

13 **Date: 8/7/2020**

14 This determination notifies you, that you are financially eligible for Pandemic Unemployment
15 Assistance (PUA) benefits pursuant to Section 2102 of the CARES Act of 2020 and the
16 applicable federal regulations at 20 CFR, Part 625. Provided you meet all program deadlines
17 and eligibility requirements during the week(s) claimed, you are eligible for a weekly benefit
18 amount (WBA) of \$181.00.

19 Your WBA is based on your highest quarterly wages paid and/or net income earned from
20 self-employment as compared to the total of all wages paid and/or net income earned
21 during your most recent federal tax year that ended prior to the beginning of the pandemic.
22 Your WBA should equal at least 50% of the average weekly wage benefit amount in Nevada,
23 as provided by the United States Department of Labor in UIPL 03-20. The maximum
24 allowable WBA in Nevada is \$469.00.

25 Our records and/or the records you provided show, that during your base period wages
26 and/or self-employment net income reported were;

Employment Income:

Name	January-March 2019	April-June 2019	July-September 2019	October-December 2019
the other vape shop	\$0.00	\$0.00	\$0.00	\$0.00

Self-Employment Income: \$0.00

Insufficient or No Employment/Self-Employment Income:

Back-to-square 1 and all in progress again.

Below are the weeks for which you have completed certifications to continue your unemployment benefits.

#	Week Ending	Certification Filing Date	Benefit Pay Date	Payment Number	Benefit Amount	Federal Withholding	Payment Amount
20	08/01/2020	8/2/2020 4:20:22 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
19	07/25/2020	7/26/2020 11:20:52 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
18	07/19/2020	7/19/2020 1:27:52 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
17	07/11/2020	7/12/2020 1:06:08 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
16	07/04/2020	7/6/2020 10:04:37 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
15	06/27/2020	6/29/2020 9:55:04 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
14	06/20/2020	6/22/2020 9:51:47 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
13	06/13/2020	6/15/2020 9:27:28 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
12	06/06/2020	6/8/2020 10:28:14 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
11	05/30/2020	6/1/2020 10:08:15 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
10	05/23/2020	5/24/2020 12:27:49 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
9	05/16/2020	5/24/2020 12:25:46 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
8	05/09/2020	5/24/2020 12:23:36 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
7	05/02/2020	5/24/2020 12:21:35 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
6	04/25/2020	5/24/2020 12:19:20 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
5	04/18/2020	5/24/2020 12:16:40 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
4	04/11/2020	5/24/2020 12:13:27 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
3	04/04/2020	5/24/2020 12:09:51 PM	In Progress	N/A	\$0.00	\$0.00	\$0.00
2	03/28/2020	5/24/2020 11:48:42 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00
1	03/21/2020	5/24/2020 11:43:34 AM	In Progress	N/A	\$0.00	\$0.00	\$0.00

Overpayment Summary

Overpayment Amount Summary

Below is a summary of overpayments to your benefit claim. An overpayment results when more funds were dispensed than you were eligible for.

Total Overpaid Amount:	\$0.00 (Principal: \$0.00, Penalty: \$0.00, Interest: \$0.00, Fees: \$0.00)
Total Amount Recovered:	\$0.00 (Offset: \$0.00, Reimbursement: \$0.00)
Total Amount Cancelled:	\$0.00
Total Amount Waived:	\$0.00
Total Amount Withheld (W):	\$0.00
Total Amount Refunded / Forfeited:	\$0.00 / \$0.00
Total Outstanding Balance:	\$0.00 (Principal: \$0.00, Penalty: \$0.00, Interest: \$0.00, Fees: \$0.00)
Total Assessed Balance:	\$0.00 (Principal: \$0.00, Penalty: \$0.00, Interest: \$0.00, Fees: \$0.00)
Total Number of Overpaid Weeks:	0

Overpayment Cases

Case #	Claim #	Established / Assessment Date	Status	Case #	Established Amount	Penalty	Total Outstanding Balance
1	127016 PJA	Established: N/A Assessed: N/A	Active Charge Date: 6/1/2020 Repayment Due Date: N/A	NA NA-0-47436	\$0.00 None \$0.00	\$0.00 None \$0.00	\$0.00
2	127016 FALC	Established: N/A Assessed: N/A	Active Charge Date: 6/1/2020 Repayment Due Date: N/A	NA NA-0-47436	\$0.00 None \$0.00	\$0.00 None \$0.00	\$0.00

OV Delin Weeks: 10, 11, 12, 13, 14, 15. Payments on a weekly basis. It includes additional overpayments and payments toward the overpayment balance.
 Balance: \$0.00
 Issue: 4216264 - Base Period: 1/8/2020
 By: Wage Database: 03/23/2020

So as it stands we as applicants do not have a clue as to what they want nor how to prove you had an income they have my taxes and 1099 my personal information and now I'm right back to the beginning. It seems like every time we have a court date something happens to our claims.

1 **3. Additional narrative from First Filer:**

2 I have been watching the court cases religiously. I truly appreciate all the time that you have taken thus far. I'm hoping you can compile a list of the first filers since the judge asked in the first court
3 appearance that they take a priority. I'm one of the 16,000 people that is part of the pua Facebook group. We have been keeping tabs to see if any have had movement in the last month and only
4 a handful out of thousands of us first filers have that filed on the first day or the first week, so they're definitely has been no priority placed on those that filed on the first day or the first week.

5 I have been part of every glitch so far. From day one I was part of the IP glitch. I say glitch because the people on the 82 lines said that's what it was, I have Las Vegas Cox internet and have lived in
6 Las Vegas for 5 years and not left the Country in over a decade with a local IP address so there was certainly no reason to flag my account for fraud. Please keep this in mind when they are giving
7 you these tallies how many people are labeled as fraudulent when they have obviously been mislabeled and have not been paid when they should have due to IT errors. I was also flagged again
8 for the two-factor verification and the 82 line told me that was meant to be sent as a text message and instead it went out in error as an email and most people did not receive it including myself.
9 When I call them now, I've spoken to them six times, they say there are no outstanding issues and there have not been for a couple months that I'm just waiting for someone at detr to fix
10 whatever is preventing me from getting paid, but they cannot figure out what that is.
11 I proactively months ago uploaded photos of the front and back of my driver's license and social security card and bank statements and utility bills and a handwritten letter saying I have not left
12 the country plus when I originally filed I uploaded tax returns and financial documents and miscellaneous income forms.

13 I did notice the judge and the attorneys bring up an issue that I did not see you address so I'm not sure if you're aware of it, the people that filed for February did not choose February to start
14 getting paid, the system asked you directly what was the last day that you worked? So March might be the last day that they could not work because of covid-19 but the system does not ask that
15 specifically, it asks what is the last day that you worked. For many people that was February so when they enter that it automatically starts to attempt to pay you from that day forward and those
16 people have been flagged as well. Luckily I wanted to avoid that drama so I chose March 1st.

17 I'm going to attach some screen captures that you might find interesting. When I do my weekly filing on Sunday it shows no outstanding issues and no problems whatsoever but then seconds later
18 when I go back to the main screen that looks exactly the same it does show outstanding issues. Again when I call 82 they say there are no issues. I'm going to attach both screens so you can see
19 that I'm getting contrasting messages at the exact same time.

20 I will also attach a screen capture of the account information. My cell phone number is 312-399-9091. I had to file bankruptcy a couple years ago and it was emotionally and mentally devastating.
21 I have done everything I can to keep perfect credit going forward and not receiving any of these payments for about 20 weeks has made me max out every credit card I have and personal loan and
22 I have borrowed money from my mother to pay rent and utility bills. I would love your help bringing my case forward to try to get paid finally. Please see attached. I have gotten at least two
23 approval letters as well. I will attach one of those also.
24 If there's anything else I can do to help or any other documentation I can provide you please email me back here or call my cell phone at any time! Thank you so much for your time. See attached

25
26 In complete transparency, there are a large of amount of issues which appear to be
user error issues. Likewise, there is a large amount of software glitches and launch issues.
Over the weekend of August 16, the following new information started to arrive and at
approximately 6 pm regarding First Time Filers. Some First Time Filers started to see
stimulus and weekly benefit population in their portals. The PUA Facebook Group wanted
to acknowledge this appreciated progress because Barbara and the DETR team are doing
everything they can in rectification of the original software and PUA issues. This progress
is commendable. The PUA Facebook Group would like to bring someone on the claimant
side to help narrate the claimant side, and once this starts to resolve, the PUA Facebook
group would love to transition into a peer-to-peer group page for claimants.

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1 **B. Invalid social security number (shows in claim summary under**
2 **“Outstanding issues”). Claimants have attempted to email DETR Fraud**
3 **Department or have called the 81/82 line to no avail and are told to wait, or**
4 **that the call representative was not given the permissions or privileges to**
5 **change the information or to release the claim for payment. Even after**
6 **uploading front and back of social security card into the EMPLOY NV**
7 **portal and hundreds of calls made to the call center claims have remained**
8 **unpaid for vast number of these claimants.**

9 Claimants have been unsuccessful in their attempts to resolve the issue of invalid
10 social security numbers. The following are examples of documents, many of which are not
11 even program requirements upon submission of the initial application, which claimants
12 have uploaded or emailed to DETR in an attempt to resolve the social security number
13 issue: social security cards, identification/driver’s license, passports, utility bills, bank
14 ledgers, and birth certificates. Ironically, claimants are being subjected to the vulnerability
15 of potential fraud, in the midst of DETR reporting rampant fraud. However, claimants are
16 desperate and are left waiting with no information and no help for over 19 weeks with this
17 issue in some cases.

18 Some claimants report that the call center representatives at Alorica are noting in
19 accounts or flagging them for a supervisor’s immediate review, but after further claimant
20 discussion on this matter little or nothing is being done again to resolve this matter.
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22
23
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26

1  **Manny Sewell** · 2w ...
 2 Adjudication from PUA said that I have
 3 to get a denial letter from regular UI .
 4 To remove other program eligibility. So I
 5 called regular UI and thats when she
 6 told me that 8 weeks BS for a denial
 7 letter. And that regular UI adjudication
 8 department was back logged still
 9 working on April adjudication case load.
 10 Shit is crazy. On top of that lyft and
 11 Barclays has my backgrounds checks
 12 on hold due to court closure. Ive been
 13 waiting almost 7 weeks now for
 14 background check from both. Just a
 15 heads up to those trying to get back to
 16 a w2 job Wtf smh 🙄🙄🙄
 17  Like  Reply 1 🙄

 **Vickie J. Schierhoff-Leavitt** · 2w ...
 I've had the invalid ss# since May 23rd
 when I received my eligibility letter. I've
 called the 81 and 82 number several
 times and got nothing other than "you
 must wait for someone to review your
 file".

 Like  Reply

 **Ahmad Alsaadi** · 2w ...
[Vickie J. Schierhoff-Leavitt](#) same

 Like  Reply

 **Vickie J. Schierhoff-Leavitt** · 2w ...
[Ahmad Alsaadi](#) today I suddenly
 had my unresolved issue: invalid
 ss# drop off my account and I have
 payments and transaction dates for
 every week. I think they are finally
 moving through the pile!!!

 Like  Reply

9 **Examples of collected narratives**

10 **within this subgroup (6/23/20 is the first date this issue started):**

11  **Al Jones** · 2w ...
 12 They need to verify your identity before
 13 you even can get reviewed so I figured
 14 instead of waiting months for them to
 15 fix my social Id file a new claim.
 16  Like  Reply 1 🙄

14  **Myt Hrow** · 2w ...
 Al Jones Did it work?
 Like  Reply

15  **Al Jones** · 2w ...
 16 [Myt Hrow](#) yes so far. Waiting for
 17 review pua eligibility to disappear
 18 so I can finally be paid.
 19  Like  Reply 1 👍

17  **Myt Hrow** · 2w ...
 18 Excellent 👍
 19  Like  Reply

V.

 **Robert P. Foresta** · 6d ...
 I still have no outcome. My case is
 still under review according to
 anyone I speak to. Last Adjudicator
 (Mary) said it will be 21 to 30
 days...business days actually. Mary
 figured out my actual 21st and 30th
 day. Aug. 6th will be 21 days and
 Aug. 19th will be 30 days.

But I actually recorded Mary saying
 the above. So I have actual proof.
 I agree with Amber. We need to
 know exactly how many "Invalid
 SSN" issues have been resolved. I
 know in my case I've provided 10
 times the amount of information
 needed to fix a simple typo. But still
 nothing.

Looking at the stats.

197 people "with invalid SSN" filed
 on May 16th. ONLV 1 person has
 had their case resolved.

 Like  Reply 2 🙄🙄



Isaiah Caston · 2w ...

16 weeks of waiting, I've called adjudication, spoken to several different adjudicators, one of which stated they fixed the issue but yet it still persists, she even sent a confirmation/ approval letter, still nothing. I've uploaded my ss card and id to the website, I've emailed fraud both at detr and pua, I've CALLED detr fraud only for them to tell me that I now need to request an appeal, reopen my ui claim and continue to file through there since I apparently have funds in the ui account. She (the fraud agent) also stated that she would make sure that the pua account and a duplicate account found would both be deleted, they haven't been. That was 5 weeks ago, I've been filing through ui now, still with no changes to either account.

C. IP Special Case Investigation.

The IP Special Case Investigation issue appeared shortly after the launch of PUA during the Memorial Day holiday between May 25-27. Approximately 60% or more claimants from the PUA Facebook group saw this issue populate into the “Outstanding issues” and later dropped off in the following days. These claimants who were First Time Filers and who had no other “outstanding issues” within the Employ NV portal simply needed to be switched over to payments which did not happen. It is likely because the system written by Geographic Solutions wasn’t coded or loaded correctly to pay out claims with no outstanding issues that it didn’t require any type of automation to occur. In the following days and weeks, the PUA Facebook Admin team was told to have claimants email a copy of the following documentation directly to the fraud department at DETR: driver’s license/Identification, social security card, utility bill, passport. The Alorica representatives had stated on or around mid to late June that they had absolutely no permission or supervisory position to even fix such an issue, let alone identify it on their end as they had

1 told claimants that everything was “fine” with their claims and they needed to “wait.” On
2 or about June 12, 2020, Ms. Hansen reached out to Paul Toomey the owner of Geographic
3 Solutions and had a conversation with him about the group of claimants affected by the IP
4 Special Case Investigation issue. Mr. Toomey explained the software and how the software
5 was not designed for the capacity of people currently using it. He further stated many
6 updates and issues still needed to be resolved with the software. Mr. Toomey indicated
7 that it was DETR’s duty to report to him any such software issues and at the time of Ms.
8 Hansen’s call with Mr. Toomey, he hadn’t heard from DETR in this regard. Ms. Hansen
9 then asked Mr. Toomey what could be done for the thousands of claimants within the PUA
10 Facebook group who were “stuck.” The Facebook group gathered names (First and last,
11 City) and submitted them to Paul Toomey who said that he would forward them to the
12 State. This process was done approximately 3 times. Many claimants were receiving
13 direction in late June to start emailing their information to DETR FRAUD as the Facebook
14 group had seen a sample group of these claims have success with contacting DETR and
15 verifying their identity and location. The common theme was that many of the claimants’
16 addresses were from “OUT OF THE COUNTRY,” Germany specifically. It has taken a
17 month now for this group to be cleared and there are perhaps many claims that could be
18 still awaiting a manual response from the limited amount of DETR staff in Fraud.

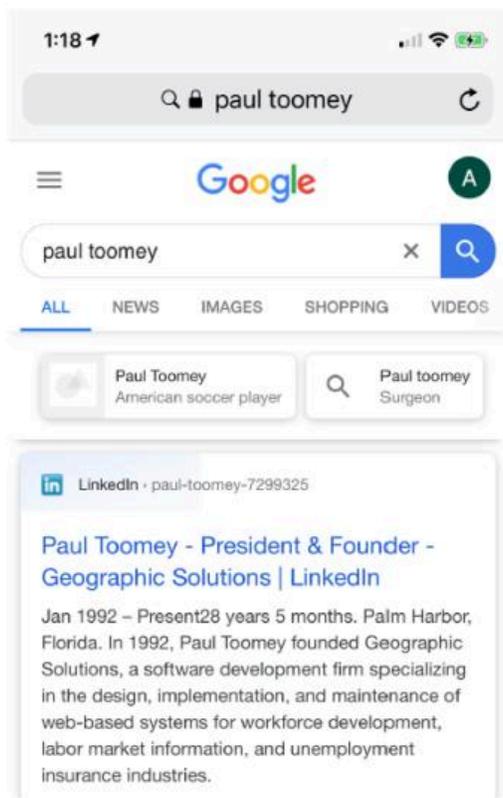
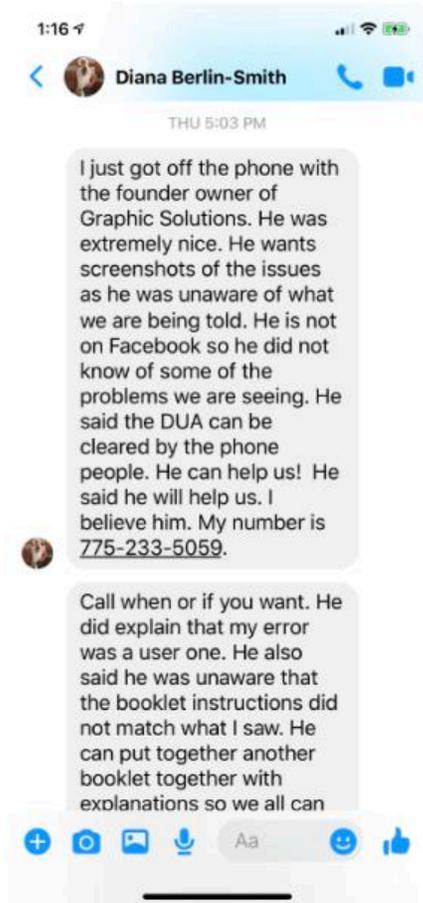
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17 **1. Examples of collective narratives which illustrate the IP Case Investigation issue:**

18 Below is a screenshot of the initial communication regarding IP Case Investigation
19 issue. No other communication was sent claimants and no further direction was provided
20 until a few weeks later in the next example on how to help solve the issue manually. As
21 stated above, the vendor couldn't automatically resolve the issue with software updates or
25 changes.

This message was sent via Internal Message.

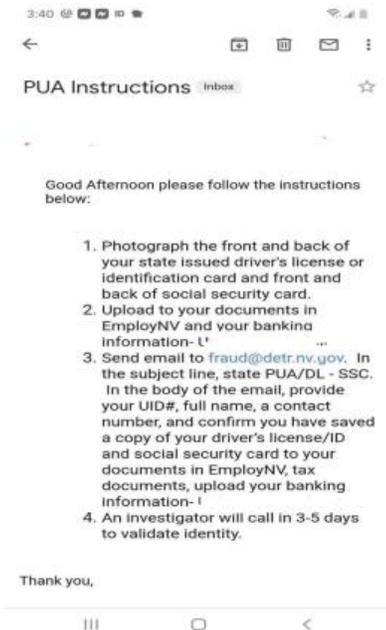
FROM: [Redacted]
CREATED BY: [Redacted]
SENT: Tuesday, May 26, 2020 3:53:00 PM

TO: [Redacted]
SUBJECT: UI assistance
 Claim showing IP - Investigation Case
 Special Project
 "Due to nationwide fraud your claim was
 selected for review.
 There is nothing needed for you to do at this
 time. Someone from the agency will reach
 out to you if further follow up is needed."

notified by mail when the decision is made.
 As long as you remain unemployed, continue
 to file your weekly claim as instructed. Claim
 decisions may take up to 21 days.

Create Date	Issue Description	Employer	Status
05/25/2020	IP - Investigation Case Special Project	N/A	New

On July 3, Ms. Hansen posted a directive from DETR and Alorica on how to resolve the IP issues which had since been removed from claimants' "outstanding issues;" internal software left claimants in what the Facebook group calls a "crack" as the narration above describes.

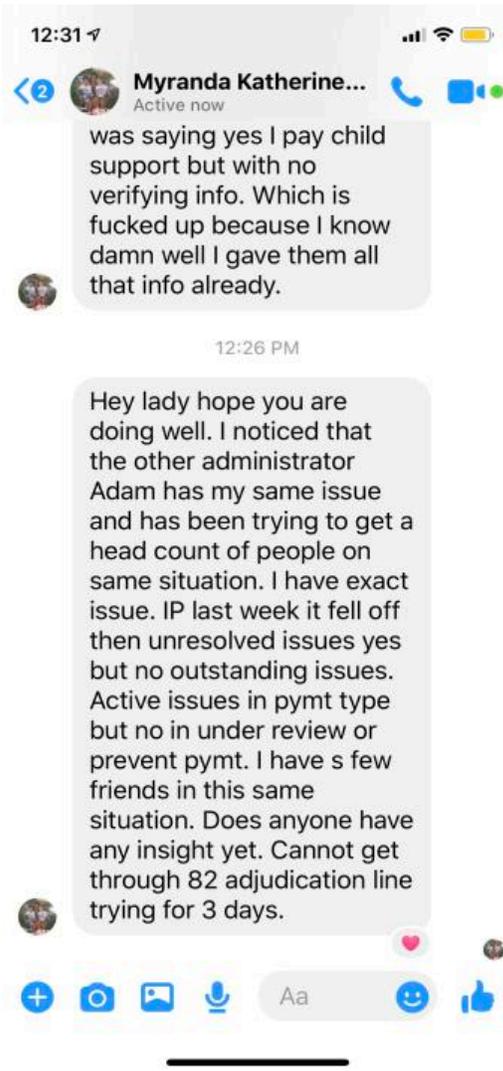


1 Claimants who were within this subgroup began emailing DETR Fraud. Some
2 claimants saw results and responses via phone or email from DETR Fraud, while others
3 had to attempt many times to get help. This solution of manual overrides cannot be
4 replaced by automation or software updating or coding changes. To date, claimants
5 continue to experience this issue as they await a manual fix to their claims.

6 Below are examples of claimants and examples of patterns of claimants who fall into
7 the IP Investigation Case category based on the review of the PUA Facebook
8 communications:

- 9 • Multi claimant households. More than 1 claimant and up to 3-5 are residing in 1
10 household and applied for benefits. The claimants are likely using the same Wi-Fi,
11 mobile device, or mobile devices on same network or computer device.
- 12 • Claimants are desperate and have lost access to phone/cell service and or residential
13 Wi-Fi which would be registered to their residence and began applying, filing claims
14 and weekly certifications in public places via hotspots or public Wi-Fi available to
15 them.
- 16 • Claimants cell providers were originally obtained in different states or locations and
17 or many have the same IP addresses. Some claimants may also have what is called
18 an “ IP mask” feature enabled on their devices.
- 19 • There is also a significant number of older aged adults 55 or older who are not fluid
20 in technology and required assistance as well in navigating this system.

2. Examples of IP issues:



D. Two-Factor Authentication: Claimants were asked approximately early July to verify their identities through a two-factor authentication.

Beginning June 25, 2020, PUA Claimants were asked to start a verification by completing a two-factor authentication on the Employ NV Portal. This is where the PUA Facebook group saw numerous stop payments for claimants who have not been paid since or have fallen within additional multi subgroups.

1 Once a claimant was successful in completing the two-factor authentication, then
2 they were asked to complete it again. Some were asked to verify a few times. Some
3 claimants failed the two-factor authentication as it was delayed or was not properly sent
4 to the right place, and then were locked out of their portals.



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6
7
8 **For your protection and security we
9 have sent you a 6 digit verification
10 code via Text from 74036.**

11 Text and Data charges may apply. When you
12 receive this code please enter it below. You will be
13 asked for this verification once per device per
14 location. You may be asked to enter a verification
15 code again upon login if your location or device
16 changes

17 * Indicates required fields.

18 *i* For help click the information icon.

19 *Verification Code:

20 Your Verification Message has been sent by Text
21 Message

22 Submit

23 If you can't provide the needed information,
24 you will be redirected to the contact staff

25 page

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1. Example of narrative:

Hello and thank you for your time. My name is Andre Cooley a gig worker Uber driver, and I applied through regular UI like they asked and was found ineligible 3/29. Started filing with Employrv and recieved my backdate to 3/29. Employrv FURTHER backdated me to 2/8 now and still no pay. I been through the ip special issues, fraud, approval letters etc etc. I have sent every piece of form, document whatever they needed and still no pay. As of this date I am well over \$15,500 backdate and still filing. I have been stuck IN PROGRESS for almost the full 2 months of Employrv being up, with the delays and being able not to file for 3 weeks at times. Please help! And yes I am a day one filer with a claim number of 43,236. And their have been filers as far as I know that has file numbers up to 70,000 and have been paid with the same issues as me. I just had a phone rep from the 82 number tell me she see's all my calls and issues and fixes but also told me since day one noone has bothered to even look at my claim and dont understand why.. I have alot more to say and will be willing to join lawsuit if needed. Thank you once again for your time and thanks for your voice in helping us!

Date: 06/10/2020

Dear Andre D Cooley:

We have completed a review and investigation of your claim for Pandemic Unemployment Assistance referenced above. We have determined that your claim is APPROVED as you meet the qualifications required by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 for Pandemic Unemployment assistance. In order to receive payment you must maintain weekly certifications until you are employed and earning over your weekly benefit amount.

This qualification is effective **05/17/2020**.

Please see the other side of this notice for the full text of the applicable law, 2102(c).

Date: 6/27/2020

This determination notifies you, that you are financially eligible for Pandemic Unemployment Assistance (PUA) benefits pursuant to Section 2102 of the CARES Act of 2020 and the applicable federal regulations at 20 CFR, Part 625. Provided you meet all program deadlines and eligibility requirements during the week(s) claimed, you are eligible for a weekly benefit amount (WBA) of \$458.00.

Your WBA is based on your highest quarterly wages paid and/or net income earned from self-employment as compared to the total of all wages paid and/or net income earned during your most recent federal tax year that ended prior to the beginning of the pandemic. Your WBA should equal at least 50% of the average weekly wage benefit amount in Nevada, as provided by the United States Department of Labor in UIPL 03-20. The maximum allowable WBA in Nevada is \$469.00.

Date: 06/29/2020

Dear Andre D Cooley:

We have completed a review and investigation of your claim for disaster unemployment assistance (DUA) benefits referenced above. We have determined that we have conducted an investigation of your claim and found that you failed the two-factor fraud check.

The information we have indicates that you do meet Nevada Unemployment Compensation Law requirements for receipt of benefits. This means that **you qualify for disaster unemployment benefits**. This qualification is effective **05/17/2020**.

Please see the other side of this notice for the full text of the applicable law, SEC. 2012.

2. Post from PUA Facebook Group page on July 3, 2020:

TWO FACTOR AUTHENTICATION POST UPDATE: PLEASE READ CAREFULLY!!!!

(REMEMBER THAT EVERY CLAIMANTS' CLAIM IS NOT ONE SIZE FITS ALL!!!)

1 WHILE THERE ARE VERY SIMILAR "ISSUES" when you begin to
2 digest them and work through the answers can vary CLAIMANT TO
CLAIMANT.

3 NOT OFFICIAL WORD FROM DETR OR ALORICA but observation
4 of group experiences and accounts within the last few days of
threads. Other states help and input.

5 If you are a claimant who was receiving payments and was fine/ no
6 issues with claims and had been receiving payments last week. 6/28,
and suddenly had your UNRESOLVED:NO flip to
UNRESOLVED:YES

7 This occurred after the two face authentication came up last week:
8 And here are a few reasons. Mostly due to a software glitch and not
to your own fault.

- 9
1. Were blocked from the site or couldn't log in at all
 2. Had trouble logging in from any device/ code not working
 3. Never received codes via text or email

10
11
12 THIS is going to sound confusing but this is what we know to be the
most up to date information!!!

13 CLAIMANTS ARE NOT ABLE TO SEE ON THEIR EMPLOY NV
14 PORTAL BUT THE REPS CAN SEE IT ON THEIR END. That the
two face authentication failed. Which caused this issue.

15 Some of you have called (82 line) and had this resolved and then
16 received a letter about the two authentication fraud investigation
which means they have concluded that everything is fine and you
17 will get paid.. Exact date is unknown so don't ask. Just know you are
okay!!

18 If you are showing no amounts or that your claims/ are unpaid/ no
19 stimulus or are now under review for your weekly certification 6/28
please follow these instructions and the words used to get this
20 resolved with the 82 line!!! WE KNOW IT IS A MIRACLE TO GET
A GOOD REP!!

- 21
- 22 1. CALL 82 LINE AND TELL THEM THAT YOU HAVE DONE THE
 - 23 2 FACE AUTHENTICATION AND NOW HAVE ISSUES WITH
 - 24 YOUR CLAIM SUMMARY.
 - 25 2. TELL THEM YOU HAVE HAD NO PREVIOUS ISSUES AND
 - 26 HAD BEEN GETTING PAID. UNTIL WEEK ENDING 6/28

1 3. TELL THEM HOW PRETTY THEY ARE OR INSERT A
2 COMPLIMENT, KEEP SWEET AND KIND!!

3 4. TELL THEM THAT YOUR UNRESOLVED:NO SWITCHED TO
4 UNRESOLVED: YES AFTER FILING WEEKLY CERTIFICATION
5 FOR 6/28

6 5. SOME HAVE GOTTEN THE GOOD REPS AND HAVE HAD
7 THIS FIXED IF YOU GET THE BIRD LADY AND HER
8 SCREAMING BIRD...PROCEED TO 6.

9 6. TELL THE REP ON THE LINE TO ADD A NOTE TO YOUR
10 CASE FOR A SUPERVISORS APPROVAL, DO NO HANG UP
11 UNTIL YOU HAVE CONFIRMED THAT A NOTE HAS BEEN
12 MADE!!!

13 AFTER WORKING IN TANDEM WITH OTHER STATES AND THE
14 FEEDBACK HERE AND OTHER GROUPS WE HAVE
15 CONCLUDED A LOT OF THIS IS A GLTICH AND WILL REQUIRE
16 SOME TIME TO FIX. PLEASE BE KIND TO REPS AND FOLLOW
17 THE STEPS ABOVE.

18 **E. PUA OTHER: (standard cross match on every claim) “PUA/UI Limbo.”**

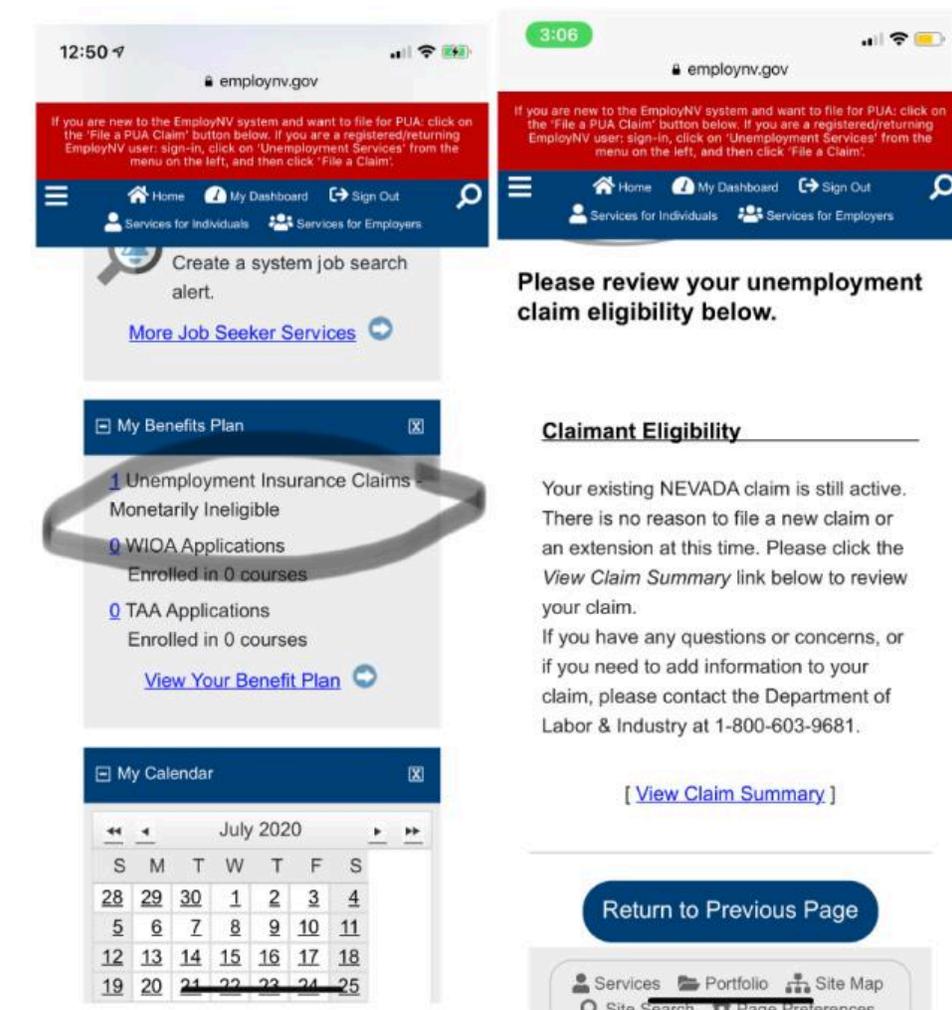
19 Claimants all see “PUA OTHER” in the “outstanding issues” portion of their claim
20 summary in the Employ NV portal. This is a standard verification that attempts to verify
21 that claimants are not eligible for traditional unemployment benefits “UI”. While it has
22 been stated that the systems between UI and PUA are not interlinked, there seems to be a
23 degree to which they are linked. Claimants can expect this issue to fall off their claim
24 summary with in approximately a week. There are many claimants also in this mixed
25 income mess who had quit a job to go be self-employed and because they fall under “Mixed
26 income” which hasn’t been worked out retro per SB3 they are now sent back to UI and then
denied UI because they quit a job to be self-employed.

The following factors below illustrate different scenarios that have been identified
by claimants which system/software could only trigger or automate certain contexts in
triggering the need to verify eligibility:

- “Monetary determination” from UI indicating to a PUA claimant that they are not eligible for UI. (majority of collective group)
- not filing and waiting for the launch up of PUA itself

Claimants faced adversity in having this issue and removed for the following reasons:

- the claimant had an “open” UI claim that had finally be adjudicated;
- the claimant had an “ineligible” UI claim however had unresolved issues awaiting UI adjudication;
- the claimant has been determined “monetarily ineligible” but filed an appeal with UI and were awaiting adjudication on appeal.



- (Multi Sub). The claimant had significantly larger 1099 wages and had been determined clearly eligible for PUA, sometimes with multiple determinations for the minimum-maximum PUA benefit amounts. The claimant was told not to apply for UI, but within the launch of PUA and applying, was redirected to UI without notice or letter that the claimant was to collect on lower W-2 Wage amounts or an ABP despite the fact that the majority of the claimant's income was 1099; however, within this cross match process claimant was sent back to UI. This "UI loop" issue began to occur in early-mid June, before the quarter change in July and the reopening of the IRS that caused another round of this multi subgroup which is further described below.

Claimants experiencing this issue are confused and baffled why they were told they were eligible for PUA, uploaded documents, and in some cases, began to see payments. However, because minimal W-2 wages or brief employment histories, the claimants were redirected back to UI to collect a subpar below poverty line of benefits equal to an average of \$16-50 a week plus the weekly stimulus amount. This is frankly insulting, since in most cases these claimants made 3-4 times what Ms. Hansen's business grossed the last two years annually. With all due respect to statutes and the DOL guidelines, this is a travesty to our hospitality and gig working Nevadans who stayed home for Nevada not out of choice but by state mandate. Nevada can do better.

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1 **2. Example of independent contractor still waiting for payment though**
2 **denied UI:**

3 ¶
4 I then reached out to DETR and was able to get through to a representative in the Las
5 Vegas office named Leshia, I told her what I was told by PUA representative. She said
6 that she was not seeing anything specifically NO FRAUD, she wanted to be sure and
7 look at the account with her supervisor. After about 15 minutes on hold Leshia came
8 back to the line with her supervisor Mark confirming no fraud on my account. ¶

9 ¶
10 I was asked by DETR to call back PUA and ask for a supervisor: at 1-800-603-9681 ¶
11 I called at 11:06 and was left on hold until 11:51 got to the representative Phyllis when
12 asked for last name and location, she refused. She asked for information: name,
13 address, social, she put me on 2 different holds came back on the line stating she
14 cannot help me. ¶

15 ¶
16 I then asked to speak to a supervisor, and she said no that that was not an option. Told
17 me to contact fraud@detr.nv.gov. I tried to again explain that I talked to them today and
18 there was no fraud. I asked her to reset my login and password she said, "NO that was
19 not an option", I asked if anything was paid out she said, "no", I ask then why can't I log
20 in she said because there is fraud. ¶

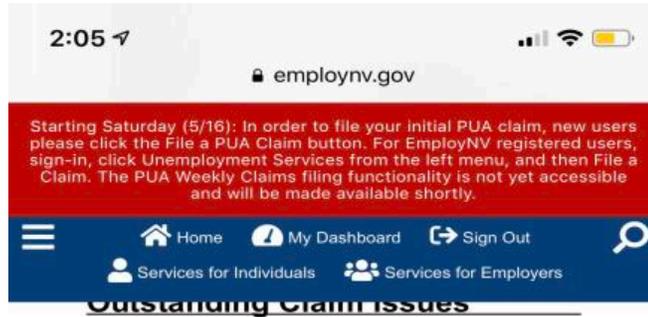
21 ¶
22 I ask again how can there be fraud when nothing has been paid? ¶

23 ¶
24 I have called and emailed for 22 weeks that is 550 calls and over 100 emails in the last
25 5 months. I have called and spent the whole day on hold, or received a message that
26 states that the line is busy and also received a message that states that the line is full
and that no more calls will be taken today. ¶

¶
At this point we have drained our savings, we have canceled everything, no vacations,
no activities, no extras. We are doing everything, making every cent count. I knew that
that cares act would run out, but I thought that by now both my husband and I, we could
make it with both receiving unemployment but now it's impossible. ¶

¶
Heartbroken, stressed out I am trying again tomorrow. ¶
¶

1
2 **3. Examples of PUA OTHER:**



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8
9
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Below are the active issue(s) on your claim, which could affect future benefits. You will be notified by mail when the decision is made. As long as you remain unemployed, continue to file your weekly claim as instructed. Claim decisions may take up to 21 days.

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Create Date	Issue Description	Employer S	
05/22/2020	PUA - Other program eligibility	N/A	N

15
16 **Weekly Benefit Certifications**

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Below are the weeks for which you have completed certifications to continue your unemployment benefits.



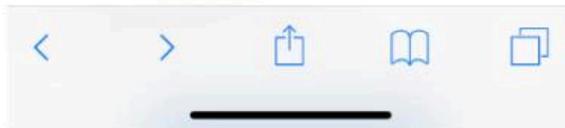
Employers and Income During Base Period

Below are the employers for which you earned income during your *Base Period of Monetary Determination*.

Weekly Benefit Amount: \$0.00
Maximum Benefit Amount: \$0.00

Q3 2019- /2019	Q4 1/1/2020- 3/31/2020	Total Wages	Wage %	SIDES
		\$0.00		

For more information on unemployment benefits [click here](#) to access



Some Claimants saw this in “outstanding issues” multiple times and were unsure if it was related to SBA,PPL funding and the cross matching of those programs.

///

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1 **F. Redetermination letter: After the quarter change, claimants began to**
2 **receive re-determinations that either exhausted their claims if they were**
3 **collecting the maximum weekly benefit amount who had been paid, or their**
4 **benefits were reduced to the lower benefit amount and they have not been**
5 **paid. Claimants were also sent back to UI in some instances. Some**
6 **claimants were told they received PUA overpayments.**

7 The claimants in the group who received redetermination letters, are also in other
8 subgroups. The contextual data for the redetermination letter category differs from
9 claimant to claimant. Notably, there are a few common factors identified within this
10 subgroup that potentially lead to user error over DETR error. Regardless, there are a large
11 number of claimants who received these redetermination letters and are stuck in some sort
12 of appeal/exhausted/back to “UI limbo,” which is not only confusing, but time consuming.

13 **1. Examples of collective narratives:**

14 as of today 8-17-2020, or should i say tomorrow 8-18-2020 (the notice and decision HAVE ALREADY BEEN MADE TOMORROW) see attached POST DATED NOTICE OF DENIAL, my claim has been
15 denied for reasons of my unemployment is NOT FOR REASONS DUE TO COVID-19. THE COMPANY I WAS WORKING FOR, TRAVEL THE WORLD SERVICES, WAS DEEMED A NON-ESSENTIAL BUSINESS
16 AND TO THIS DAY HAS NOT REOPENED FOR BUSINESS, That being said how is it possible that my unemployment can be for any other reason BUT COVID-19? Three separate determinations were
17 made for lack of income, so i uploaded my 2019 1099 form 5 times as proof of employment and income, my NEVADA employers are listed in my claim as well. THIS IS NOTHING MORE THAN
18 GROSS NEGLIGENCE ON THE PART OF THE STATE OF NEVADA AND DETR. IVE BEEN BOTH APPROVED AND DISAPPROVED, FOUND ELIGIBLE FOR THE MAXIMUM BENEFIT AMOUNT T;O THE
19 MINIMUM BENEFIT AMOUNT AND NO NOTHING 6 DIFFERENT TIMES AND FOR DIFFERENT REASONS EACH TIME (ONCE I WAS DENIED FOR FILING MY CLAIM FROM OUTSIDE OF THE UNTIED
20 STATES OF AMERICA!!!! THIS WAS AT A TIME WE UNDER A MANDATORY STAY AT HOME ORDER, TO FURTHER PROVE THEIR INCOMPETANCE I DO NOT EVEN HAVE A PASSPORT TO LEAVE THE
21 COUNTRY WITH. I AM SEEKING A ATTORNEY AND PLAN TO SUE FOR PUNITIVE DAMAGES TO THE MAXIMUM ALLOWED UNDER BOTH STATE AND FEDERAL LAW. AS OF TOMORROW I WILL LOSE
22 BOTH MY PLACE OF RESIDENCE AND MY VEHICLE BECAUSE I HAVE NOT RECEIVED THE UNEMPLOYMENT PUA BENEFITS OR CARES ACT BENEFITS RIGHTFULLY OWED TO ME.

23 We have completed a review and investigation of your claim for Pandemic Unemployment Assistance referenced above.
24 We have determined that your claim is DENIED as you do not meet the qualifications required by the Coronavirus Aid,
25 Relief, and Economic Security (CARES) Act of 2020 for Pandemic Unemployment Assistance.

26 We have completed a review and investigation of your claim for Pandemic Unemployment Assistance referenced above.
27 We have determined that your claim is DENIED as you do not meet the qualifications required by the Coronavirus Aid,
28 Relief, and Economic Security (CARES) Act of 2020 for Pandemic Unemployment Assistance. You have not demonstrated
29 that your unemployment in Nevada was COVID-19 related pursuant to the (CARES) Act for failure to provide required
30 information. We have determined that your claim is DENIED as you did not provide required information to meet eligibility
31 requirements. This disqualification is effective 03/01/2020 to 12/26/2020.

32 This disqualification is effective ~~03/01/2020~~ to ~~12/26/2020~~.

33 Please see below for the full text of the applicable law, 2102(c).

34 **You have the right to appeal this determination.**

35 You have 11 days from the date on this letter to file an appeal. This means your appeal must be submitted by
36 ~~08/29/2020~~.

37 Ms. Hansen has found the following common problems to be factors in receiving
38 redetermination letters:

- 39 ➤ Misreporting of income as gross and not net;
- 40 ➤ Reported ages that were not what was reported to the IRS;

- 1 ➤ Reported 1009k Third Party Transactions; and
- 2 ➤ Did not report line 31 C of income taxes.

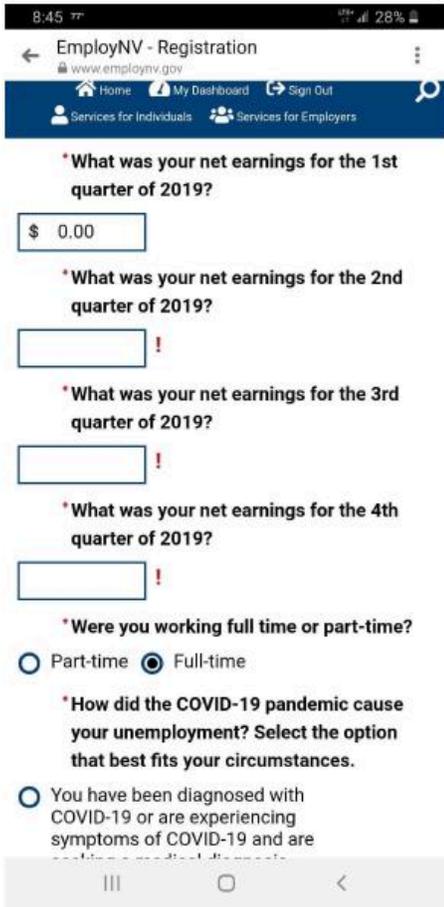
3 A small portion of the claimants who have received redetermination letters should
4 be eligible for the original amount to which they were deemed eligible, not the
5 redetermination amount.

6 The main user error identified appears to be that the claimants either had
7 misreported income and reported gross and not net as the Employ NV site had directed.
8 With the incorrect income report, they seem to be cross matched with the IRS where they
9 are redetermined to be eligible for a minimum weekly benefit amount.

10 Those who misreported their incomes and whom have exhausted their claims
11 because they were receiving a higher benefit amount and have exhausted what would be
12 eligible to them now that the income has truly been verified by the IRS and were reduced
13 down to the \$181 weekly benefit. For example, if they had been paid the max \$469 benefit
14 amount and received a redetermination in July after IRS opened, they got reduced to \$181
15 and were informed they have exhausted their benefits which would be true. Initially the
16 PUA application requires NET income in 4 quarters but now the weekly is asking for gross.

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2. Screenshots of prior requirement to report net:

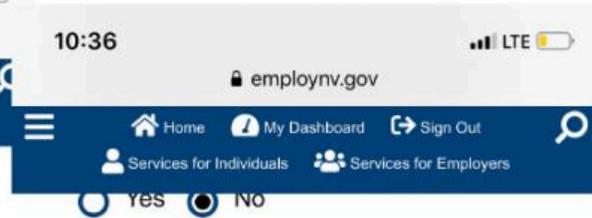
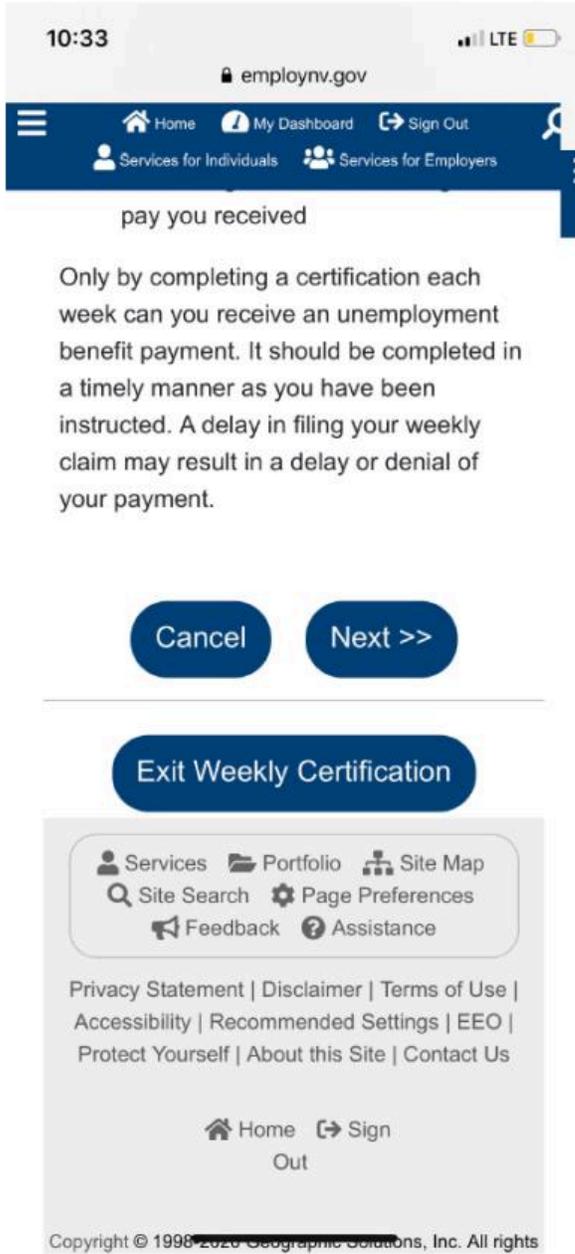


Explanation of Weekly Certification Process

Payments for unemployment benefits are made based on a seven day period from Sunday through Saturday. As a claimant, you certify for these benefits on a weekly basis. The filing of these continued claims is what keeps your claim in sequence.

The purpose of filing a weekly certification is to certify to the Agency that for the seven day certification period you:

1. Were physically able to work each day
2. Were available to seek and accept work each day
3. Were seeking full time employment as required by the Agency
4. Have reported the employers with whom you looked for work
5. Did not refuse any job offers or referrals
6. Have reported any employment you had during the week and the gross pay you received

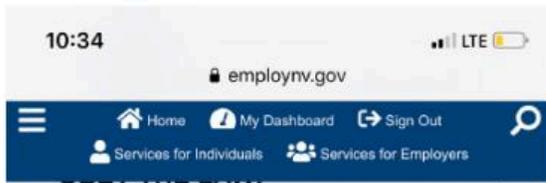


This includes all wages such as regular pay, commissions and tips, vacation or holiday pay, potential earnings, or any other payment based on your previous work.

IMPORTANT: If you worked at all in the week beginning Sunday, August 9, 2020 and ending Saturday, August 15, 2020 you must report ANY earnings. **You must report these earnings even if you have not yet received any payment.**

Please note that EmployNV now immediately cross checks the answers you provide against several State and Federal databases. If you do not tell us about wages earned during the week beginning Sunday, August 9, 2020 and ending Saturday, August 15, 2020 you could be **disqualified from receiving unemployment benefits** and you will have to pay back any benefits you have received. You will not have the opportunity to modify your answers once finally submitted.





You are responsible for the accuracy of your names.

Fraud is defined as making a false statement to receive benefits. Persons committing unemployment insurance fraud will be disqualified for a period of time and will not be eligible again until all benefits, penalties and interest are repaid.

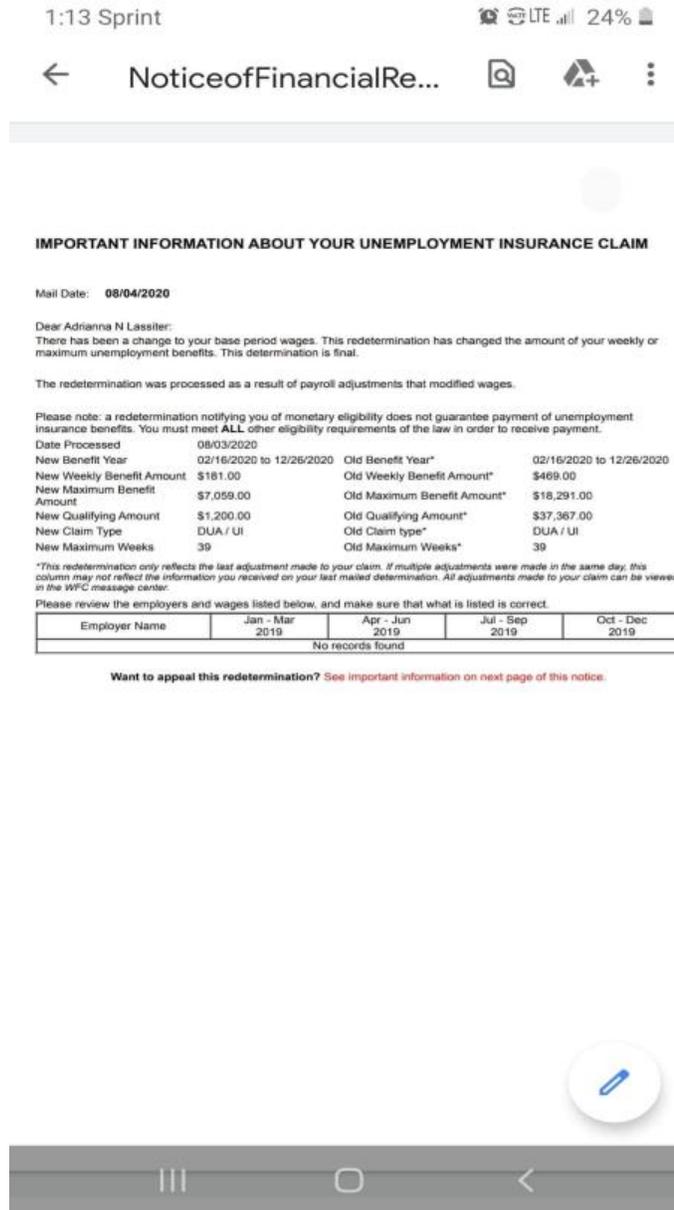
Fraud includes:

1. Deliberately withholding information
2. Failure to report work or income during a week that benefits are claimed
3. Filing for benefits while incarcerated
4. Using a name or Social Security Number that does not belong to you

By filing this claim you acknowledge that you have read the [Pandemic Unemployment Assistance Handbook](#) which includes the information about your rights in federal law and that you are responsible to abide by information and instructions in the Guide.

A significant number of claimants made errors in filing their original claims and or have not provided the proper documentation that confirms the income that was reported to the IRS. The administrative team of the PUA Facebook group has tried to share with the collective the possible resolutions to the redeterminations; however, emotions are extremely high, personal safety is a concern, and limited information has been given directly to the collective as a whole. A post was made on August 5, 2020.

3. Screenshot of an example of a redetermined claim:



DETR will need to manually go through these redeterminations. The most concerning issue with the redeterminations is that some claimants have clearly fallen victim to the systematically unavoidable errors.

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1 **G. Verification email - July 31.**

2 On July 31, 2020, a mass internal email was sent through the Employ NV portal to
3 claimants. After polls and multiple discussions in the PUA Facebook group, it has been
4 decided the email was sent in error. Claimants have grown weary with the lack of response
5 or solutions since May. Multiple attempts were made to communicate with Mr. Thierman,
6 DETR, Alorica, and Geographic Solutions to understand this communication sent to almost
7 the entire collective. Communications/letters of determination etc. have proven to be
8 spontaneous and unpredictable with little to no insight on the claimants' end of
9 understanding or which reaches a resolution.

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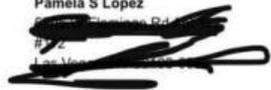
Employment Security Division
PUA Claim Center: (800)-603-9681
PUA Adjudication Office: (800)-603-9682



Notice of PUA Monetary Determination

Claimant ID:
0002849510
Claim Effective Date (BYB):
03/08/2020
Benefit Year Ending (BYE):
12/26/2020
Agreement Number:
Section 2102 of the CARES Act of 2020

Pamela S Lopez



Date: 8/6/2020

This determination notifies you, that you are financially eligible for Pandemic Unemployment Assistance (PUA) benefits pursuant to Section 2102 of the CARES Act of 2020 and the applicable federal regulations at 20 CFR, Part 625. Provided you meet all program deadlines and eligibility requirements during the week(s) claimed, you are eligible for a weekly benefit amount (WBA) of \$181.00.

Your WBA is based on your highest quarterly wages paid and/or net income earned from self-employment as compared to the total of all wages paid and/or net income earned during your most recent federal tax year that ended prior to the beginning of the pandemic. Your WBA should equal at least 50% of the average weekly wage benefit amount in Nevada, as provided by the United States Department of Labor in UIPL 03-20. The maximum allowable WBA in Nevada is \$469.00.

Our records and/or the records you provided show, that during your base period wages and/or self-employment net income reported were;

Employment Income:

Name	January-March 2019	April-June 2019	July-September 2019	October-December 2019
Pampering Massage	\$0.00	\$0.00	\$0.00	\$0.00

Self-Employment Income: \$0.00

Insufficient or No Employment/Self-Employment Income:

If you had insufficient or no employment/self-employment income and you meet all program deadlines and eligibility requirements during the week(s) claimed, you are eligible for the Minimum WBA of \$181.00. **See "Other Important Information" on Page 2.**

Report suspected UI Fraud online at <https://uifraud.nvdetr.org>



1 of 3

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APPEAL RIGHTS

If you disagree with this determination, you have the right to file an appeal and your appeal must be received by 08/18/2020. Notice: If you receive more than one decision, read each one carefully to protect your appeal rights. ANY ineligible decision will stop payment of this claim. Please read the following information carefully. If you disagree with the decision you have the right to file an appeal. **The appeal can only be submitted on-line through the EmployNV.gov portal.** Log in to your account, click the Unemployment Services link and select "File an Appeal". You may request an appeal after the finality date indicated above, however, you must show good cause for the delay in filing. If an interpreter is needed, please include this information in the appeal request. During the appeal process you must continue to file claims for any week you are unemployed to preserve any benefit rights that may be established as a result of the appeal. Once your appeal has been received and reviewed, you will receive additional information regarding the appeal in your EmployNV mail box.

OTHER IMPORTANT INFORMATION



1 **1. Example of email sent to claimant regarding “Claim under review”:**



15 On August 1, the morning of the Hearing, hundreds of claimants began to see their

16 documents which had already been uploaded, emailed to DETR Fraud. Some claimants

17 out of desperation logged in to see the documents removed and gone without the ability to

18 re-upload the documents. As of August 5, there have not been any announcements,

19 communications, or responses from DETR if this was yet another “glitch.” PUA Facebook

20 Administration advised claimants to re-upload again after the email to make sure they do

21 their due diligence and comply. Claimants have become accustomed to extended waits with

25 no relief or payments, confusion in the methods of communication, lack of transparency

26 and communication from DETR, and no help or direction from state legislators. Claimants

1 now fear a mass denial if they choose not to upload documents which were previously
2 uploaded, out of fear that they have multiple times before. Additionally, claimants fear the
3 vulnerability to the rampant fraud DETR is reporting. It appears extremely
4 counterproductive to ask claimants to repeatedly open themselves up to such a
5 vulnerability. DETR is claiming the fraud is reason for the back log of payments to clearly
6 eligible claimants. After the August 1 email, some claimants who have again uploaded
7 their documents and are unsurprisingly now flagged for fraud. The flagged fraud has
8 caused pay date changes or further delay “in-progress.”

9 **H. Overpayments to PUA sent back to Unemployment.**

10 Claimants who have received redeterminations or are in the “PUA/UI limbo” have
11 started to see overpayments either in their portals or within communications in either
12 system. Little is really known about this and clarity from DETR is desperately needed.
13 SB3 passed with mixed income language, and it is hard to decipher how many of those
14 claimants are in limbo, potentially due to previously unwritten mixed income language.
15 These claimants again have significant self-employment wages, minimal W-2 wages, and
16 are being denied or redirected back to UI to collect very small amounts of approximately
17 \$15-75 based on a gig or employment that doesn’t equal their true earnings. Mixed income
18 needs to be retroactively resolved immediately so claimants can begin to be paid out instead
19 of being in this constant limbo between two systems.

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If you are new to the EmployNV system and want to file for PUA: click on the 'PUA Claim' button below. If you are a registered/returning EmployNV user: click on 'Unemployment Services' from the menu on the left, and then click 'File Claim'.

☰ Home My Dashboard Sign Out

👤 Services for Individuals 👤 Services for Employers

Overpayment Details

Below are the details of system overpayments on a weekly basis. It includes additional overpayments and payments toward the overpayment balance.

Benefit Year Beginning Date:

3/8/2020

First Overpaid Claim Week Ending Date:

3/21/2020

Last Overpaid Claim Week Ending Date:

6/20/2020



Cheryl Black · 2w



So now UI says that they've paid me (it hasn't deposited yet, the payment just issued today) and while I haven't gotten the overpayment notice from PUA yet I'm sure it will pop up any time now.

I must have added incorrectly before because when I just redid the math and then double checked it I think I will be owing PUA \$1,800 MORE than I'll be getting from UI 😞 How the fuck am I supposed to pay that?! I paid all of my late bills and the credit card that I had racked up 😞

And UI says I'm only eligible for 17 weeks? So now with the back pay (that will have to go directly to PUA) I'm already on week 14? So will I just go back to PUA in 3 more weeks?

I just genuinely don't understand why they are going through this much work to change people's claim effective dates to qualify them for UI instead of leaving them in the federal program that was set up to help states get through all of this 🙄

👍 Like 💬 Reply

2 👍 😞

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6:47



< Amber's Post ...



Rachel Tan · 1w ...

Has anyone actually RECEIVED a letter on OVERPAYMENT? Stating that it needs to be payed back with amounts and dates???

👍 Like 💬 Reply



Ross Roberts · 1w ...

Rachel no they are setting people up for failure. Therefore, I would put the \$ away that u get from UI into your savings account for that day to come.

👍 Like 💬 Reply 1 👍



Cheryl Black · 1w ...

Rachel, I still haven't and it's indescribably stressful to me especially since I don't know exactly how much it will be. Will it be just the weeks UI paid me (so starting April 11th I think) or ALL of the weeks PUA did? My work closed March 15th 😞
I haven't used any of the UI money yet but tomorrow will be the last week I can file with them and it will be for only \$24 and I'm a single

📷 Write a comment... GIF 😊



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This notice is to inform you that you have been overpaid under overpayment 1 on your unemployment claim with effective date 02/02/2020 (BYB). The information that we have shows that you were not eligible for \$0.00 in DUA / UI unemployment benefits. These benefits were paid to you from 02/02/2020 to 07/04/2020. This determination was made because you have other program eligibility available. PUA benefits can only be compensated when no other program eligibility is available. you are directed to contact the Nevada unemployment insurance office regarding your potential eligibility for a regular claim.

We have completed a review and investigation of your claim for Pandemic Unemployment Assistance referenced above. We have determined that you have other program eligibility available. PUA benefits can only be compensated when no other program eligibility is available. You are directed to contact the Nevada Unemployment Insurance office regarding your potential eligibility for a regular claim.

You are not unemployed due to Covid-19. as you report your last day worked as 01/18/2020.

This disqualification is effective **02/02/2020** to **12/26/2020**.

Please see below for the full text of the applicable law, 2102(a)(3).

Unintentional fraud..the bus drivers were the 1st to be paid (were not supposed to be) they kind of started the rumor that ccsd was paying people .people were applying and getting approved.. ..yes..they will be asked to return what they were not entitled to..we were warned at the end of school that we had reasonable assurance..I read my appeal file that DETR sent to CCSD..all of the emails etc..was in it..

Yep..we had a good talk because I kept hearing from reps and from different sites that CCSD was approving employees for summer compensation..however..I kept getting denied and there was no appeal option w PUA yet..so I kept pursuing it..I got tired of waiting and called CCSD directly..She said that she had over 150 cases on her desk and they were gearing up to start to pursue people..they have 4 yrs to to start to recoup the money..that is why people have started to receive notices.

I'm just stuck in the fraud net..I sent info the special master..I am self employed..Uber driver...for extra income..but they flagged my account because I was a teacher..we can't get unemployment.. I applied as an Uber driver..there are quite a few people like me..we were part of the 2000 that they referred to at the last hearing..by the way my name is SUSAN WASHINGTON HENDREE..because I teach..I don't use my given name ..do not want the students to look me up..

Yep..people w w2 income and self employed just fell into a hole..at first all they had to do was bring the denial back from UI and the adjudicator would release the funds..but then they stopped the adjudicators from making those decisions..per CCSD's attorney..I talked to them ..there was a lot of intentional and unintentional fraud that was started by misinformation..that is one reason things slowed down..A lot of school employees were paid when they were not supposed to be but they learned how to answer the questions to get approved by the inexperienced reps..

1 Not sure..our conversation
2 was limited to teachers and
3 bus drivers.. I don't know
4 anything about support
5 staff..I do remember
6 reading about some people
7 being paid but they said
8 that had proof that they
9 normally worked in the
10 summer and covid 19
11 prevented them..they may
12 be entitled..I think that
13 people will have different
14 situations..

1 They just say that we have
2 to wait until they review our
3 file again..that is why it hit
4 home when Mark spoke of
5 due process..we never
6 received a call or
7 anything..my 1099 and all
8 pay statements were in the
9 system..but they never
10 reviewed them..it appears
11 as if they used a report to
12 just DISQUALIFY us..talking
13 to another person said
14 same thing happened to
15 her..but I see people
16 complaining about it all of
17 the time..we are on a
18 hole..feel like we are being
19 overlooked because we
20 represent a smaller
21 number..based on their
22 data

10 **I. Clark County School District Employees.**

11 Claimants who are CCSD employees typically wouldn't be eligible for benefits because
12 reasonable assurance exists you can't qualify for unemployment during summer months
13 because you are still a CCSD employee on summer break. Unfortunately, these employees
14 are not on summer break. As per the Federal Cares Act CCSD staff have resorted to other
15 means of income. There are also support staff and others who are not covered under the
16 reasonable assurance many teachers, administrators or bus drivers typically are. Many
17 support staff and other workers also could have dual employment and attempted to file
18 PUA or otherwise did and committed unintentional fraud or intentional after an account
19 below from a CCSD employee.

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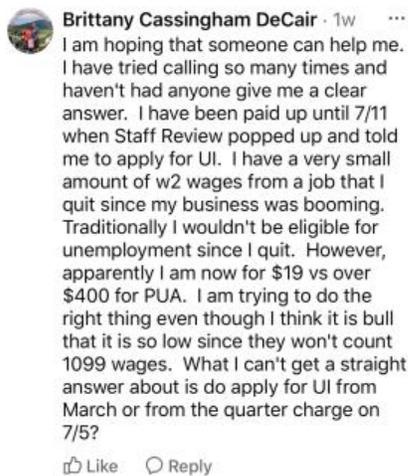
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J. Staff Review.

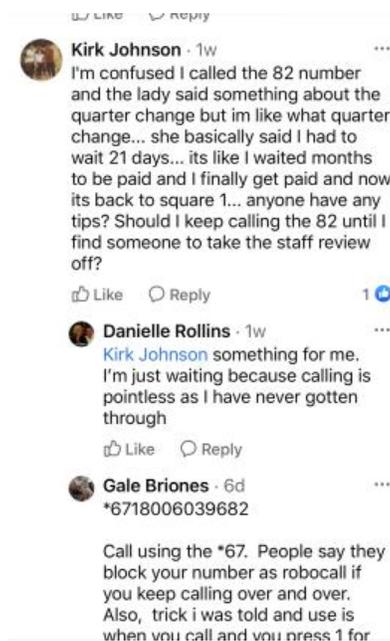
On July 18, 2020, claimants were forced to re-file a new claim. At the quarter change 7/5-7/18 in claimants' portals some claimants were asked to re-file. There were many varying factors that compiled the group of claimants affected by the 7/18 demand to re-file; however, a vast majority of the claimants ended up with a "Staff Review" on the claims and have not been paid since. Claimants have called the phone lines and are being told to again wait another 21 days until their claims are reviewed and payments can be released. Some reps are telling claimants that they will see payments within 72 hours however that was determined to be false rather quickly.

1. Examples of claimants who experience the July 18 re-file issue:

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Brittany Cassingham DeCair · 1w · ...
I am hoping that someone can help me. I have tried calling so many times and haven't had anyone give me a clear answer. I have been paid up until 7/11 when Staff Review popped up and told me to apply for UI. I have a very small amount of w2 wages from a job that I quit since my business was booming. Traditionally I wouldn't be eligible for unemployment since I quit. However, apparently I am now for \$19 vs over \$400 for PUA. I am trying to do the right thing even though I think it is bull that it is so low since they won't count 1099 wages. What I can't get a straight answer about is do apply for UI from March or from the quarter charge on 7/5?
Like Reply



Kirk Johnson · 1w · ...
I'm confused I called the 82 number and the lady said something about the quarter change but im like what quarter change... she basically said I had to wait 21 days... its like I waited months to be paid and I finally get paid and now its back to square 1... anyone have any tips? Should I keep calling the 82 until I find someone to take the staff review off?
Like Reply 1

Danielle Rollins · 1w · ...
Kirk Johnson something for me. I'm just waiting because calling is pointless as I have never gotten through
Like Reply

Gale Briones · 6d · ...
*6718006039682
Call using the *67. People say they block your number as robocall if you keep calling over and over. Also, trick i was told and use is when you call and you press 1 for

1  **Jamy Powell** · 2w ...
I have spoke to 4 adjudicator and they
2 all said I have to wait 7 to 21 days like I
have been waiting for 19 weeks
now ??????

3  Like  Reply

4  **Kimberly Hamm** · 2w ...
[Jamy Powell](#) They said same to me
5 said I had 30-40 days after I
uploaded my documents.. which
was June 15 .. I asked them if they
6 passed Math.. It's so frustrating
grrrr hopefully things go in our
favor.. I received 4 approval letters
last Saturday..

7  Like  Reply

8  **Jamy Powell** · 2w ...
[Kimberly Hamm](#) yes all my
documents have been uploaded in
9 april spoke with adj 6/23 then 7/20
and that's the one who told me 7 to
21 days smh but the one on 6/23
sent me my approval letter

10  Like  Reply

 **Peggy Carter** · 1w ...
My staff review was removed on 7/16.
11 The letter that was emailed to me said I
was approved and to check my
12 dashboard for deposit dates. Starting
7/17. As of today not one single dime.

13  Like  Reply

14 1 🙄

15  **Ashley Sanderson** · 1w ...
We have a staff review; we in fact are
16 approved for UI now due to the
quarterly change- I got through on the
17 line today to regular UI- 775-684-0350
I went about it a different way- rather
18 than calling and selecting 3- I pressed
two and was pushed through to the
19 Que; Kiesha spoke with us cleared us a
Of all issues and we will receive
20 payments Tuesday. Holding our breath
until then.

21  Like  Reply

22 1 👍

11 **K. PUA debit card.**

12 Claimants have experienced great difficulty in obtaining and having access to proper
13 channels of communication to receive information or directives on how to obtain the debit
14 cards. The PUA debit cards look identical to UI program debit cards. If a claimant has
15 applied to UI first or if they were sent a debit card in error for UI, they receive the debit
16 cards within 7-14 days. For PUA Claimants their experience with the debit card has been
17 below subpar. Many claimants who have received their PUA debit cards still remain
18 unpaid however, were told that they were paid, and the benefits would become available
19 when they activated the PUA debit card.

20 The following are some of, but not all, the various issues PUA claimants have
21 experienced with the cards: stolen, not delivered, confused with the traditional UI cards,
25 transaction issues, and fraud issues.

1 Some claimants opted into the PUA Debit card route because it was determined
2 prepaid apps and cash app type deposits were troublesome, rejected and further had to be
3 re-issued.

4 In late June-early July, more claimants began to opt out of Cash App and chose the
5 debit card. Claimants were easily re-issued a payment by way of PUA Debit feature fairly
6 quickly (approximately one week or less). Now, re-issuing payment is taking significantly
7 longer with zero explanation. The call center will not help or offer any guidance.

8 Most financial institutions are not allowing deposits over \$15,000. While DETR implies
9 this is a claimant issue, it is not. DETR will need to reconcile payments especially for those
10 who are eligible and now due approximately \$15,000-\$25,000 for almost 20 weeks of
11 benefits. One solution is to separate deposits. Claimants are not responsible for DETR's
12 failures here; it is the responsibility of DETR to figure out a way to make sure that
13 payments are not only made, but those of which that have been rejected are again re-issued.

14 **L. Claim summary showing “Paid” but haven’t received a dime.**

15 Claimants’ claim summaries began to show that they were paid out when in fact
16 there was not any money put into the actual claimants’ hands. Claimants’ portals and
17 claim summaries reflected what would appear to the eye as a claim that was being paid
18 out. Upon further investigation, there are hundreds if not thousands in the PUA Facebook
19 group who are experiencing this issue which is also linked to some of the other sub issues.

20 **M. Insufficient work history.**

21 Claimants are few with this and likely either aren’t eligible for a claim or will only
25 be eligible for the minimum weekly benefit amount. This is stated in the handbook and also
26 that of letters of determination and other communications that claimants have received.

1 There is a small portion of claimants who clearly have sufficient work history; however, the
2 system isn't recognizing it and it will require a manual review or for the claimant to appeal.
3 This is another issue not made clear or communicated transparently through DETR.

4 **N. Payment Rejection and Reissues: 7/21.**

5 Claimants have had issues with payment rejections and re-issues and are finding no
6 resolution or response in having the issue corrected by way of Alorica or DETR.

7 Claimants who have used cash app cards or other prepaid cards faced many issues.
8 Claimants were redirected to choose a different banking app. In early June these rejections
9 and then re-issues seemed to take about 7-10 days; however, as of August 12, claimants
10 are accounting that they have been waiting in some cases for a re-issue since the middle of
11 June and are told to just wait.

12 Claimants have taken the following actions to correction the payment reject issue:

- 13 • Confirmed banking institutions have settings set to accept larger deposits;
- 14 • Verified and checked with bank and on Employ portal that their Direct Deposit
15 information is accurate;
- 16 • Called 81/82 line over and over again regarding when payments will re-issue for
17 weeks and months now to no avail; and
- 18 • Changed from a prepaid to a PUA Debit, received the card and there are no funds,
19 but the portal reflects they have been "paid" but in fact they have not at all been
20 paid.

1. The below screenshots show that it has been an entirely unpredictable process with unknown wait times and unnecessary urgency for payments to be re-issued. If having larger deposits is now the problem, banks may not accept larger deposits, as previously stated, DETR needs to come up with an alternative to pay out these First Time Filers with larger amounts and break them into several payments or two separate payments totaling less than deposit limits:



Michelle Lau · 2w
LIARS... can't be right. Maybe 90% of those they processed. I highly doubt it 90% as they already stated that there were something like 300k who applied and they paid 100k. How can that be 90%



Like Reply 9 🙄👍😬

Jessica Snook · 2w
Michelle Lau they must have been taught math in a Nevada school lmao

Like Reply 2 👍😬

Mai Duong · 2w
Amber Hansen I got my pay date 07/13 and trans # but not hit my acct. I've been trying to call 81 several times and they told me that they make a note. I called them last night and this morning, they told me I need to get a letter from my employer that I stop working from 03/18 until May because Covid-19. After I upload the letter, they gonna release my payment. is that Make any sense to tell ppl like that?

Like Reply

Deth Bounhingyong · 2w
Guys to put it plain and simple they ran out of money. They are just stalling until they can find a source. They can't afford to pay everyone. Las Vegas was making tons of money, then they poorly invested or allocated the funds elsewhere depleting our money. They weren't expecting a dam pandemic now they sweating because there is no money. Just a wild Theory don't take it to heart guys.

Like Reply 6 👍

9:17

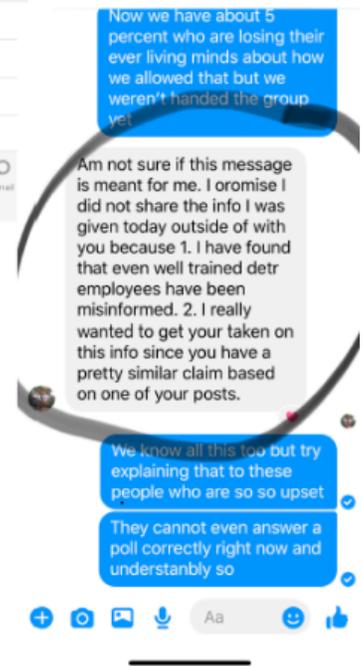
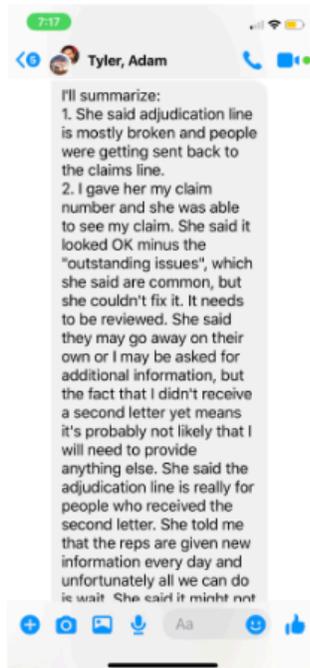
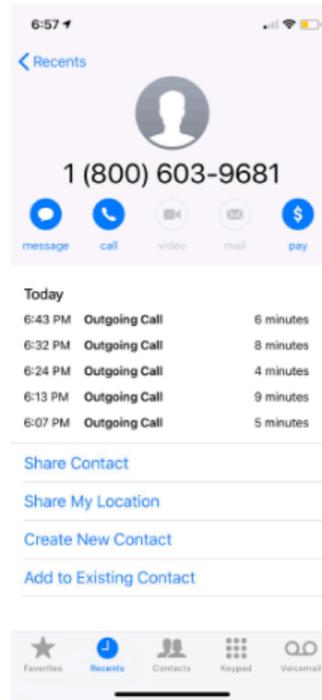
Amber's Post
Christine Lam · 3w
First day filer saw movement for first time on 7/12 with pay dates of 7/13. Realized on 7/15 the wrong routing number was listed and changed it. Called bank on 7/17 and they said nothing rejected or pending. Called again on 7/21 and bank said payment was pending and rejected on 7/15 (same day routing number changed). No notice from either bank or PUA that the money was rejected. Called on 7/21 and was told nothing I can do. Money isn't lost and just have to wait for DETR to reissue payment. They also had me upload social, ID, proof of address and bank statement even though there were no issues on my account. Now I don't know when I'll get my back pay since there isn't any turnaround time for this. That is IF DETR is e... See More
Like Reply
Erika Contreras · 3w
I know the stimulus ends thr 31. Are we going to get it for the last week of July?
Like Reply
Melissa Reynolds · 3w

9:18

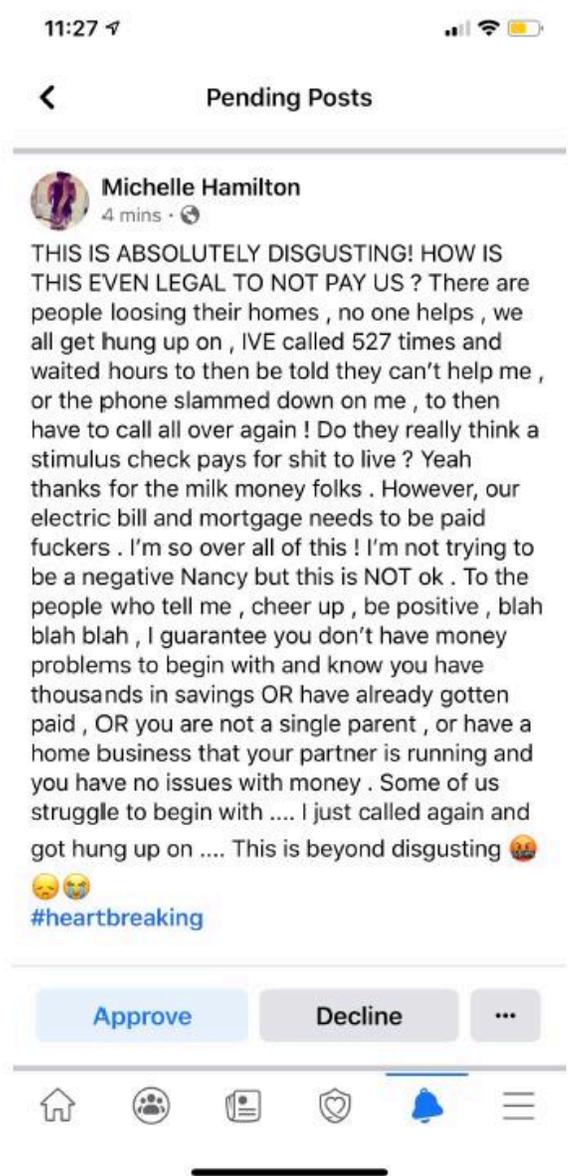
Amber's Post
John Wasko · 2w
My money came from the federal government but stopped when it hit Nevada's bank account. 18 weeks, w no issues, and waiting.
Like Reply
Donnette Peach · 2w
John Wasko same! Says I've been paid .. But I'm still broke asf.
Like Reply
John Wasko · 2w
Donnette Peach sooooo ridiculous
Like Reply
Donnette Peach · 2w
John Wasko helia.
Like Reply

1 **O. "Paid" in Claim Summary but not actually paid.**

2 The below call center experiences are self-explanatory of this issue. It is the
3 opinion of many claimants that Alorica is a large waste of tax dollar funds, and an even
4 larger disappointment.



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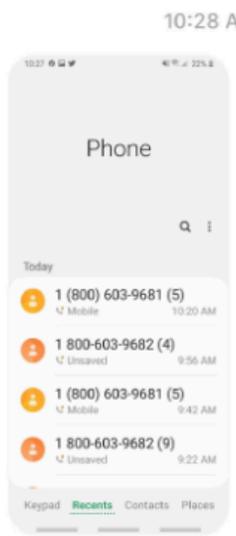


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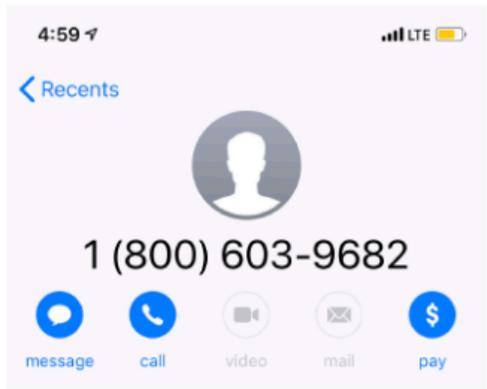
Gain strength thru all the pain cause life just ain't the same without your hardship

Amen! gN

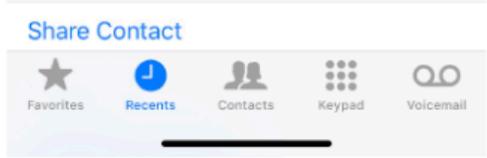


11:04 AM

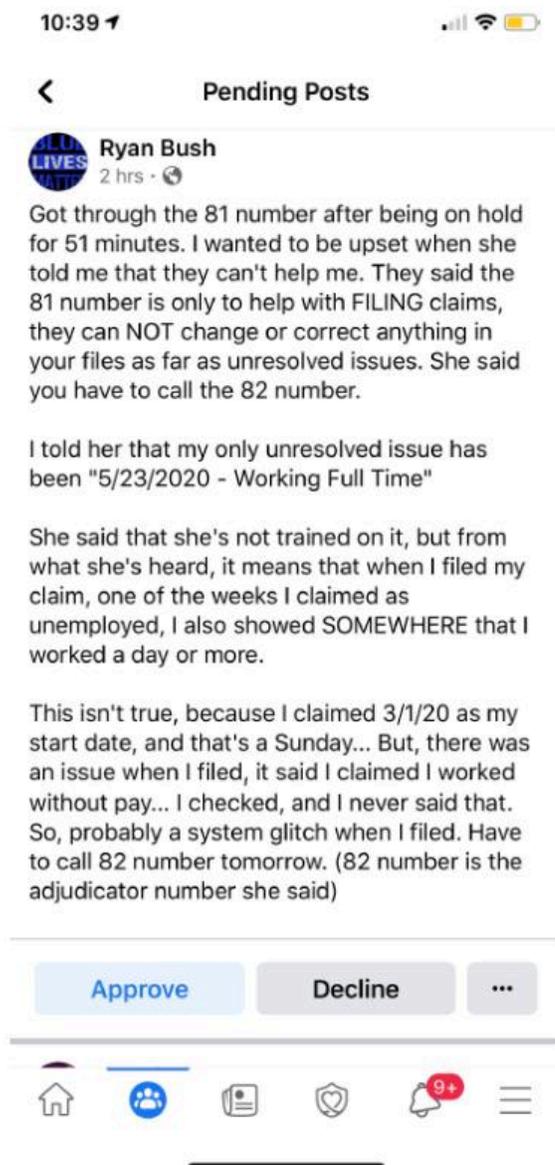
Ughhh these mother fuckers



Today		
1:50 PM	Outgoing Call	5 minutes
1:38 PM	Outgoing Call	5 minutes
1:26 PM	Outgoing Call	5 minutes
1:08 PM	Outgoing Call	5 minutes
1:03 PM	Outgoing Call	5 minutes
12:57 PM	Outgoing Call	5 minutes
12:51 PM	Outgoing Call	5 minutes
12:42 PM	Outgoing Call	5 minutes
11:37 AM	Outgoing Call	5 minutes
11:28 AM	Outgoing Call	5 minutes
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1 **SUBJECT: Active Issues**

DUA not result of disaster keeps posting on her claim. It has been approved several times, but still has one active issue remaining. Routing error is still present as well.

2 Sincerely,

3 LISA G
Alorica Adjudicator
Alorica
(T): 800-603-9681
4 dontreply@Alorica.com

5 ALORICA, Inc.
5161 California Avenue
Irvine, CA 92617
Phone: 800-603-9681 Ext:
6 [Map Address](#)

7 **SUBJECT: Benefits Unpaid Back dated payments Unpaid**
Claimant has not received any payments only for July 21, 2020. She is asking that she receives her \$602.00 (Cares Act) along with her backdated payments which she has not been paid. Week 1-18 and week 20 have not been paid out. She has appealed Non-Monetary and Monetary Issues as she has not been paid. ***States benefits exhausted and claimant states that she was approved for \$7059 originally she should be getting the \$15,561.00 that is what she should be getting back.

8 Sincerely,

9 LISA G
Alorica Adjudicator
Alorica
(T): 800-603-9681
dontreply@Alorica.com

10 ALORICA, Inc.
5161 California Avenue
Irvine, CA 92617
Phone: 800-603-9681 Ext:
[Map Address](#)

11 **SUBJECT: Benefit Amount Not Paid/ Back Payments Not Paid only paid week 19**
05/16/2020 10:49:40 AM Wages Changed \$399.00 \$15,561.00 05/16/2020 10:49:39 AM New Claim \$181.00 \$7,059.00 Claimant states that within 1 minute her allotted amount was changed. She has appealed because this does not make sense to her.

12 Sincerely,

13 LISA G
Alorica Adjudicator
Alorica
(T): 800-603-9681
dontreply@Alorica.com

14 ALORICA, Inc.
5161 California Avenue
Irvine, CA 92617
Phone: 800-603-9681 Ext:
[Map Address](#)

15 **P. Changing payment dates.**

16 Pay dates began to change and have continued to do so for months now without
17 any real explanation. The pay dates started to change mid-June. Eventually, some claims
18 were paid, but a vast majority from the beginning of June, and especially during litigation
19 saw an influx of changing dates with little to no explanation.

20 ///

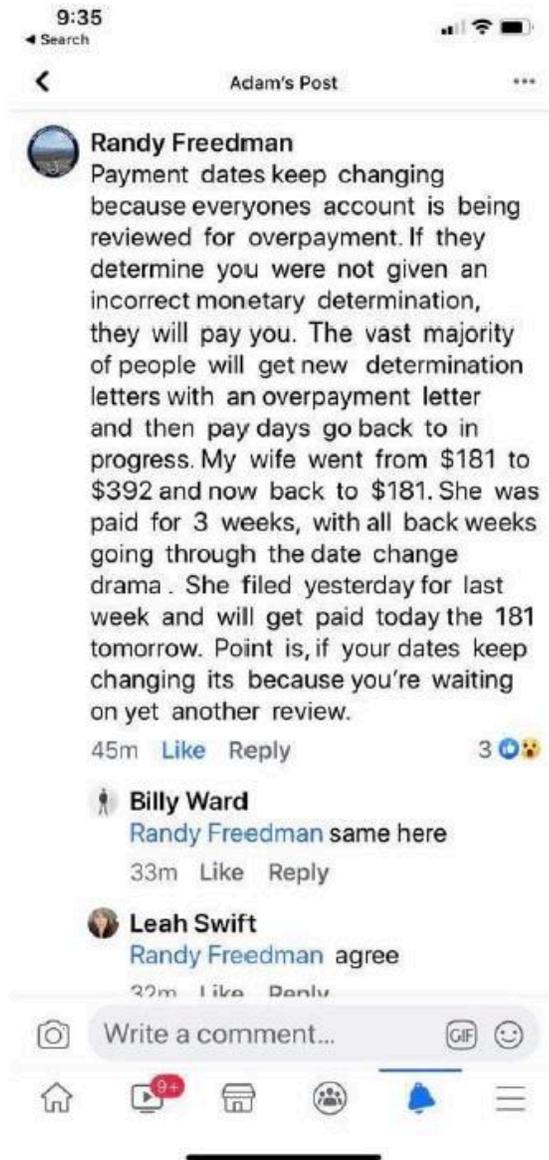
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1. Example of claimants experiencing changing payment dates:



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< Amber's Post ...

get kicked out if I don't get paid soon

👍 Like 💬 Reply

 **Mark Brinkdopke** · 1h ...

My friend shows pay dates and trans numbers from 7/22 no change at all in the dates but not a penny in his account detr says it's on the banks end chime says it's on detr's end all we know is he is broke also since 7/22 his moneys in progress with no payments

👍 Like 💬 Reply

 **Diego Costa** · 1h ...

[Mark Brinkdopke](#) i have Chime also and so far i got last 4 weeks payment no problem. I did not get the back pay, yet. I talked to Chime few weeks ago and told me they have no problems accepting large or small direct deposit. If DETR had send it would be in his account. Guess what? One more lie from DETR

👍 Like 💬 Reply

 Write a reply...

 **Barrie Cunningham** · 43m ...

 Write a comment... GIF 😊

🏠 🏪 👤 🚩 🔔 ☰

9:41 📶 🔋

< Amber's Post ...

 **Analyssa Kilgore** · 41m ...

Wrong account number for back pay. Updated to current account number and have been getting paid. When will my back pay come?

👍 Like 💬 Reply

 **Minasse Mengesha** · 15m ...

[Analyssa Kilgore](#) I did the same mistake and after I fixed my routing # , my weekly certification gets deposited every Tuesday but the first 19 weeks, never came. I called 82# 3 times and talked to different reps and they say after 7 days- nothing. Another one says after 21 to 30 days- nothing. So all I can do is call at least once a week and keep pressing them about it. I hear some of my friends getting there back pay on Tuesday after they called on Friday. So it shouldn't take 21 to 30 days. All I can tell you is keep calling the 82# until you see your money.

👍 Like 💬 Reply

 **Michael Waters** · 11m ...

 Write a comment... GIF 😊

🏠 🏪 👤 🚩 🔔 ☰

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 Adam's Post 

 **Dan Bengtson** · 2d 

Just got off phone with 81 number. She said payment got processed on saturday. But when I asked why do Is not show that on my end a payment has been processed she then put me on hold literally for another hour. Then she hung up on me!!!!!!!!!!!!!! Fucking ridiculous!!!!!! Now I'm starting to see why people end up committing suicide.

 Like  Reply 5   

 **Frank Chmielewski** · 2d 

[Dan Bengtson](#) 81 number is useless

 Like  Reply 1 

 **Ryan Bush** · 2d 

[Dan Bengtson](#) all of the numbers are useless really. The 82 number is adjudicators for the call center, they are not DETR adjudicators. They cannot make any changes to our claims.

 Like  Reply

 **Dan Bengtson** · 2d 

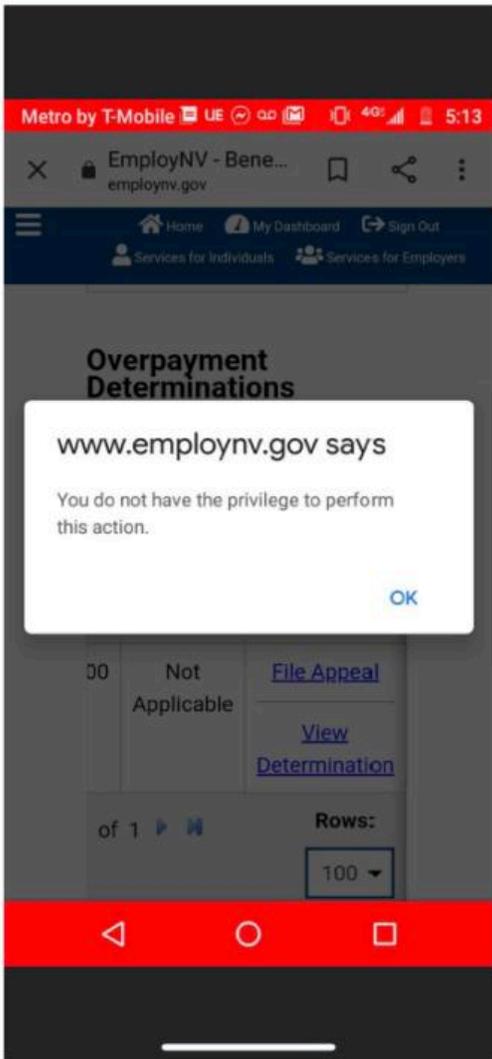
Then who do we call for status on claim.

 Write a comment...  

1 **Q. Appeal Feature not available.**

2 Claimants are told that they don't have the permissions to appeal or have been
3 sent back to UI and again have been deemed ineligible and have no option for appeals. This
4 has happened repeatedly with the portals appeal feature being inaccessible to claimants.



19

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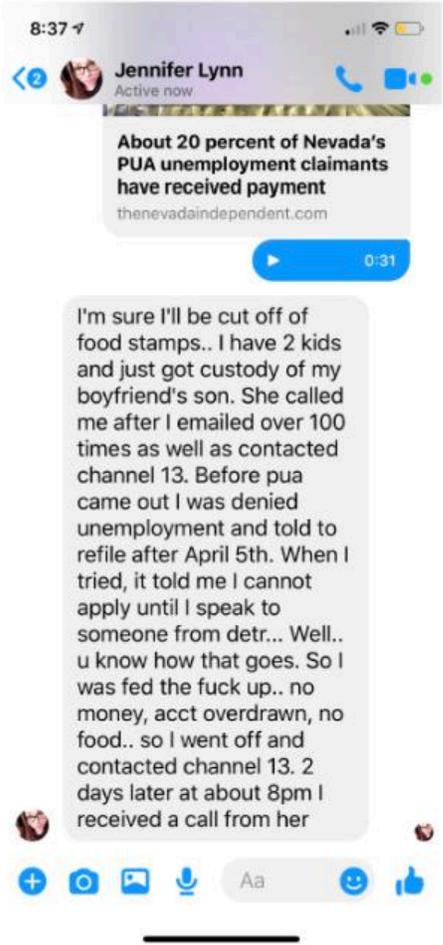
21 ///

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1 **R. Food Stamps.**

2 Claimants are being cut off from DWSS benefits before actually receiving any
3 funds personally because of a cross match/data base. For some Nevadans this is the
4 difference between starving and feeding their children while they wait for PUA funding to
5 hit their accounts.



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1 **S. Problems Reported from the Past Week.**

2 Ms. Hansen explained that there are many issues that are claimants' mistakes in
3 filing and or following instructions much of which are unintended, and some are
4 intentional. This system was obviously launched very quickly and in the middle of a crisis,
5 but bares many shortfalls of poor language and user interface issues that have made it
6 impossible for them to even navigate.

7 There is also a very significant number of claimants who have never in their lives
8 collected any type of unemployment, and have also fallen in an older aged adult category
9 and had severe difficulty managing this filing system.

10 Lastly, as of August 12, 2020, there was a mass denial/disqualification that is
11 significantly going to impact the work we do here if there is not retroactive "mixed income"
12 language immediately brought in and utilized to help get some of these claimants out of
13 this "PUA/UI loop." Claimants with significant 1099 income with a smaller variable of
14 mixed income should be allowed to stay with PUA and those who are significant W-2 and
15 have minimal 1099 should be with UI. And both sides should be eligible and allowed to
16 have added their mixed income with the most significant portion falling under the proper
17 program.

18 Below is list of examples as of today which represents current issues:

- 19 • Remaining issues without specified reason. First Time Filers have been victims of a
20 software glitch and cannot be lumped into theses mass denials, redeterminations,
21 etc. as clearly their documentation shows they are eligible but likely fell into a
25 software glitch.

- 1 • Received a redetermination because misreported income as gross and not net as
2 instructed, or did not report line 31c from income taxes. Those who misreported
3 their incomes and whom have exhausted their claims are because they were
4 receiving a higher benefit amount and have exhausted what would be eligible to
5 them now that the income has truly been verified by the IRS and got knocked down
6 to the \$181. For example, if they had been paid the max \$469 benefit amount and
7 got a redetermination in July after IRS opened, they got reduced to \$181 and told
8 they have exhausted their benefits which would be true. Initially the PUA
9 application requires NET income in 4 quarters but now the weekly is asking for
10 gross.
- 11 • Did not file taxes and or report what was reported to the IRS now that the IRS is
12 open. IRS reopening happened mid-July.
- 13 • PUA claimants who are in PUA/UI limbo are there for the most part because they
14 have what's called "mixed income," and congress or the state has not written mixed
15 income into language under the PUA, UI, or CARES program. Those in the
16 PUA/UI limbo keep getting tossed around because of "mixed income" language
17 that truly should designate them to PUA based off significant 1099 but because
18 they had mixed income or a small W-2 or had quit a W-2 job to be self-employed
19 they keep finding themselves in this back and forth shuffle. Some claimants get
20 locked out of UI when sent over to UI after being denied PUA.
- 21 • Some claimants have suffered from the original software glitch. DETR and Alorica
25 have no clue how to fix it still and claimants are continuing to hear, "Everything is
26 fine."

- 1 • 80 percent of those who have a redetermination are likely because of claimant error
2 and either intentionally or unintentionally reported their income incorrectly and
3 now it's been cross matched with what was reported to the IRS.
- 4 • Mass denial which has messed with everyone and no one knows where to go, how to
5 appeal and or figure out which program.
- 6 • Unable to file weekly claims after getting back pay last week.

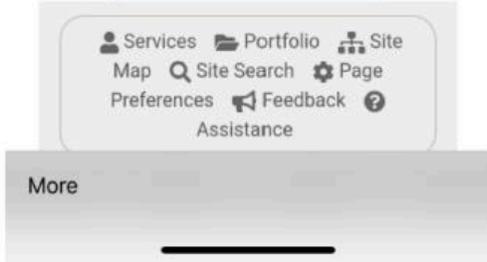


Weekly Certification

The claim's back-dating request is being considered. You cannot file Weekly Certifications until that process is complete.

Cancel

Exit Weekly Certification



- 1 • Unable to file weekly claims because they are now disqualified
- 2 • Unable to file benefit certification for an additional week (Sunday is when it's
- 3 supposed to be available)
- 4 • Appeal feature not available.
- 5 • Claimants are being told they don't have permission to appeal.
- 6 • Claimants are being sent back to UI and again deemed ineligible and have no option
- 7 for appeals. This has happened often with the portal appeal feature being
- 8 inaccessible to claimants.
- 9 • Denials with now zero income.
- 10 • Claim says paid but not paid and now no claim summary balance.
- 11 • Appeals filed over 30 days ago and no response.
- 12 • Some who own businesses or who are sole proprietors who have to claim Net (line 31
- 13 c) who had expenses and losses which made them have zero income are now bumped
- 14 down to a \$181 weekly benefit or denied.

15 One claimant has gotten so many letters it's not making sense:

- 16 ○ Eligible for PUA;
- 17 ○ Disqualified for weeks prior to shut down;
- 18 ○ Other program eligibility;
- 19 ○ Denied PUA go back to UI;
- 20 ○ Overpayment redetermination;
- 21 ○ Stay with PUA;
- 25 ○ Go back to UI;
- 26 ○ Disqualified for both...

1. See below additional example:

The screenshot shows a mobile application interface for employnv.gov. At the top, the time is 1:18 and the URL is employnv.gov. Below the navigation bar, there are options for Home, My Dashboard, and Sign Out, along with services for individuals and employers. The main content is a table with the following data:

Name	Tags	Class	Create Date	Expiration Date
01C ECF 7C- 4B4	Th e a cco unt	Bank statements (direct deposit)	7/30/2020	
33F 1F1 51-5 304-	De nial lett er	Denial Letter	7/31/2020	
3B5 F98 62-4 8EA	Th e a cco unt	Bank statements (direct deposit)	7/30/2020	
43F EF8 1E- DA2	De nial lett er	Denial Letter	7/31/2020	
4C6 016 57-2 517-	Th e a cco unt	Bank statements (direct deposit)	7/30/2020	
6C3 9F6 05- DF5	CO VI D 1 9 di	Physician's statement	7/19/2020	
710	De	<u>Denial</u>	<u>7/31/2020</u>	



Outstanding Claim Issues

Below are the active issue(s) on your claim, which could affect future benefits. You will be notified by mail when the decision is made. As long as you remain unemployed, continue to file your weekly claim as instructed. Claim decisions may take up to 21 days.

Create Date	Issue Description	Employer	Status
07/19/2020	PUA - Other program eligibility	N/A	New

Weekly Benefit Certifications

Below are the weeks for which you have completed certifications to continue your unemployment benefits.

#	Week Ending	Certification Filing Date	Benefit Pay Date	P
21	08/01/2020	8/2/2020 1:17:55 AM	In Progress	

1 Additionally, Ms. Hansen posed several questions to which the PUA Facebook Group would
2 like answers:

- 3 • “Obviously everyone wants to know about the hearing, our report and the claimants
4 getting paid. (It seems like those who we saw paid last week are now trapped in one
5 of the above ripples of filing weekly.)”
- 6 • “When is stimulus going to come back?”
- 7 • “When can there be more clarification or appeals handbook about appeals etc.? (IF
8 filing an appeal do their payments stop until it’s appealed?)”
- 9 • “If people are going back to work part time/reduced hours/even full time what
10 happens to their claims? (Those working at reduced hours get flagged for DUA- an
11 issue which holds up payment that means they aren’t unemployed due to disaster.)”

12 **V. Observations and Recommendations.**

13 (1) There should be a “one stop shop” for administering unemployment benefits in
14 Nevada. The most efficient way to resolve the UI/PUA is to administer these benefits
15 through the same program, process, and people. Requiring people to go from one program
16 and process to another creates an unnecessary additional layer of administration that is
17 redundant, time consuming, and frustrating for applicants. Further, the benefits should
18 be administered concurrently so that when the UI account has been exhausted PUA
19 eligibility is triggered and qualified gig workers who have earned a nominal income as W-
20 2 employees receive all the benefits to which they are entitled without interruption or
21 undue delay.

25 (2) I highly recommend that Speaker Buckley include Amber Hansen and the PUA
26 Facebook Group Administrators in the work of her strike force. As can be seen from the

1 second half of this this report, Ms. Hansen has a wealth of information to share about the
2 trials and tribulations of claimants who have navigated Nevada’s unemployment system.
3 There is no one of whom I am aware who is more knowledgeable about a Nevada PUA
4 claimant’s perspectives and experiences than Ms. Hansen. In this regard, Ms. Hansen and
5 her PUA Facebook Group have been the most visited social media site for PUA information
6 and resources in Nevada. As Director Cafferata and Speaker Buckley work to resolve the
7 backlog, work out the bottlenecks in the unemployment benefit delivery system, and then
8 turn their attention to systemic changes, having a claimant advocate, as well as the
9 perspective of claimants who have had to navigate Nevada’s system, would provide the
10 strike force and DETR with valuable insights and perspectives that will make the system
11 more user friendly and efficient.

12 (3) The Special Master remains concerned about the due process rights of claimants
13 who have had their claims denied.²⁴ The Special Master has reviewed several examples of
14 claimants who have not been able to initiate an appeal due to what appear to be glitches in
15 the system. It seems statistically unusual that, of the 70,000+ denials, only approximately
16 7,787 claimants appealed. This low number of appeals relative to the number of denials
17 may be because claimants are having trouble navigating the appeal system. Moreover, the
18 7,787 claimants who appealed will not have their appeals heard until September 15, 2020,
19 at the earliest. As the Special Master pointed out in the first report to this Court, denial
20 of due process alone is an injury. *Whitney v. State, Employment Security Dep't*, 105 Nev.
21 810, 813, 783 P.2d 459, 460 (1989) (recognizing a due process violation for unemployment

25
26 ²⁴ See July 17, 2020 Special Master Report at 291-294 regarding initial concerns about the denial of due process.

1 benefits is a cognizable injury); *see also Glaser Employment Sec. Div.*, 127 Nev. 1137, *3,
2 373 P.3d 917, *3 (2011) (unpublished disposition). Here, PUA claimants who have
3 disagreed with ESD determinations have been injured. In this regard, there has not been
4 any remedy available to them by which they can recover PUA and FPUC benefits
5 unjustifiably denied to them or delayed as a result of ESD decisions or non-decisions. Such
6 a circumstance is a classic denial of due process of law.

7 Last month, DETR launched an appeal process on or about July 20, 2020. However,
8 to date, no appeal has been heard and decided and a backlog of appeals is now mounting.
9 A federal court in the Eastern District of New York was confronted with a similar set of
10 facts concerning a backlog of appeals resulting in the delay in the administration and
11 payment of benefits. *See Islam et al v. Cuomo et al*, Case 1:20-cv-02328-LDH-CLP
12 Document 24 (07/28/20). The court explained that all federal-state cooperative
13 unemployment insurance programs are financed in part by grants from the United States
14 pursuant to the Social Security Act. *Id.* at 2. States are eligible to receive payments to
15 finance the administration of their unemployment insurance programs only after the
16 Secretary of Labor certifies that “[their] programs provide for such methods of
17 administration . . . as are found by the Secretary of Labor to be reasonably calculated to
18 insure full payment of unemployment compensation when due . . .” 42 U.S.C. § 303(a)(1).
19 In the case now before this Court, this provision has been referred to in pleadings and
20 papers before this Court as the “when due” clause. Noting language from the Social
21 Security Act, the federal court pointed out that the federal implementing regulations
25 require state unemployment insurance programs to provide for,

1 “... such methods of administration as will reasonably ensure the full payment of
2 unemployment benefits to eligible claimants with the greatest promptness that is
administratively feasible.”

3 20 C.F.R. § 640.3(a) (emphasis supplied) To that end, the regulations demand that the
4 state:

5 “...obtain promptly and prior to a determination of an individual’s right to benefits,
6 such facts pertaining thereto as will be sufficient reasonably to insure the payment
7 of benefits when due.”

8 *Id.* Part 602, App. A, Section 6013(A).

9 With regard to the extended delay and denial of paying “subsistence benefits,” the
10 court set forth a compelling summary of why such delays and denials of subsistence benefits
11 cause irreparable harm to claimants:

12 It has long been recognized that protracted denial of subsistence benefits constitutes
13 irreparable harm. *See Morel v. Giuliani*, 927 F. Supp. 622, 635 (S.D.N.Y. 1995)
14 (finding irreparable harm where New York City regularly failed to provide “aid
15 continuing” benefits, in violation of federal and state law), amended, 94-CV-4415,
16 1996 WL 627730 (S.D.N.Y. Mar. 15, 1996). **To indigent persons, the loss of even
17 a portion of subsistence benefits results in injury that cannot be rectified
18 through the payment of benefits at a later date. See id. (collecting cases).
19 The reason for this should be obvious. Subsistence benefits by definition
are those that provide for the most basic needs. *** That unemployment
insurance benefits fall into the category of subsistence benefits cannot be credibly
disputed. Indeed, the vitalness of unemployment insurance benefits is codified in
New York Labor Law, which recognizes that “[e]conomic insecurity due to
unemployment is a serious menace to the health, welfare, and morale of the people
of this state.” N.Y. Labor Law § 501. This is all the more true against the backdrop
of the current health crisis ravaging this nation—a crisis which has led to almost
unprecedented unemployment across various sectors, including the app-based FHV
industry.”**

20 *See Islam et al v. Cuomo et al*, Case 1:20-cv-02328-LDH-CLP Document 24 at 12-13
21 (07/28/20).

1 In accordance with the foregoing, DETR ESD has an obligation to provide appeal
2 rights that allow for a quick and efficient hearing, opportunity for claimants to be heard,
3 and ultimate resolution of their denied claims.

4 4) Alorica remains a problem because the people who answer the phones do not have
5 sufficient knowledge to answer questions or sufficient authority to solve problems. As
6 stated in the first report to this Court, it is unconscionable that the suffering of people who
7 have lost their jobs due to circumstances beyond their control should be subjected to the
8 cruelty of a call center that does not appear to be providing competent and compassionate
9 service. Speaker Buckley has identified this as a significant issue in her first week leading
10 the strike force that should effectively address call center problems and issues. In this
11 regard, Speaker Buckley told a reporter that, "I think Alorica has been disappointing. We
12 can't have calls to a call center person who doesn't have the ability to fix a claim. That's a
13 waste of time. That's a waste of resources." And a waste of millions in taxpayer dollars. "So
14 if we're depending on Alorica and Alorica can't do the job, we need somebody who can do
15 the job," Buckley said. She says restructuring is the way to do that. "So, the person you get
16 (on the phone) will be able to fix your claim," Buckley said.

17 **VI. Conclusion.**

18 In summary, it appears DETR ESD is substantially complying with the Court's Writ
19 of Mandate, and DETR ESD is making significant progress addressing the issues outlined
20 by the Court, but for which an order has not yet issued.

21 However, Plaintiffs' counsel raises several concerns as set forth in their rebuttals
25 about DETR's compliance that the Court should carefully consider. Among those concerns,
26 Plaintiffs pointed out to the Special Master in an email that, "DETR has not paid 243,963

1 of the claims submitted by gig workers pursuant to the federal Pandemic Unemployment
2 Assistance program, or PUA as compared to approximately 139,107 unpaid gig workers
3 claims represented by DETR to the Court at the July 7, 2020 hearing.” Plaintiffs further
4 point out that, “Approximately one fifth of the PUA claims, 53, 292, were denied coverage
5 because of other program eligibility, typically Unemployment Insurance or UI as compared
6 to the 45,328 claims reportedly trapped in the so-called PUA-UI whirlpool as of the July 7,
7 2020 hearing,” and they complaint that, “while DETR has not revealed how many
8 recipients of a favorably PUA eligibility determination are still not actually receiving PUA
9 payments, we know that these letters were still being sent without benefit payments long
10 after the July 22, 2020 report wherein DETR says sending the letters was a mistake.”
11 Plaintiffs assert, “DETR is getting more behind as time go on and it will never get rid of
12 the backlog if this trend continues.”

13 Notwithstanding Plaintiffs’ counsel’s points, the facts are the backlog in unpaid
14 claims has been substantially reduced over the past three weeks. In this regard, Director
15 Cafferata confirmed with her staff that a total of 3,500 claims have been released from
16 fraud holds in the past three weeks. Meanwhile, as of August 18, 2020 (using July 13, 2020
17 numbers), 48,815 had been approved and were being paid. In the last two weeks, \$40.1
18 million in benefits have been released to claimants who filed in the first week that the PUA
19 system was live. Further, Director Cafferata and Speaker Buckley are reviewing all
20 contracts with an eye to improving service to claimants and addressing staffing needs.

21 Meanwhile, the Governor has established a strike force led by Speaker Buckley with
25 the express mandate to identify why people's claims are stuck in limbo, targeting first filers
26 who’ve been waiting five months without resolution. They will focus on a mass fix for

1 claims caught up due to identify verification issues. With regard to the UI and PUA loop,
2 Speaker Buckley is working on addressing this issue. She has committed to utilize other
3 state employees, like welfare eligibility workers, retired welfare workers, the National
4 Guard, and the state's Battle Born task force members who were previously focused on
5 getting enough personal protective equipment (PPE) for medical workers. Speaker
6 Buckley's stated priority is to quickly clear out large numbers of backlogged claims so
7 people who still have issues will be able to talk to someone who can fix them. In this regard,
8 DETR has established a team dedicated to working on the backlog and business process
9 changes, including how to utilize technology and staffing to remove the backlog. On the IT
10 front, two new techniques are being piloted this week to see if it can more quickly identify
11 eligible applicants who are still waiting for benefits. While business processes will be
12 examined and recommendations submitted and ultimately undertaken, all efforts are being
13 focused on the backlog. DETR, in working with its vendor, recently sent out notifications
14 to approximately 73,000 PUA claimants notifying them of their possible eligibility for
15 unemployment insurance, and directing those claimants to file for unemployment
16 insurance. Approximately 1300 two-factor authentication claims previously being held by
17 DETR have been released, although a complement of these claims are still being held
18 pending review. As of the evening of August 13, 2020, DETR has been able to start
19 reviewing PUA appeals, of which there are at this time 7,787 (in comparison there are only
20 500 UI appeals.) However, DETR cannot yet schedule the appeals for hearing. The PUA
21 team is currently training the appeals team in the PUA appeals process.

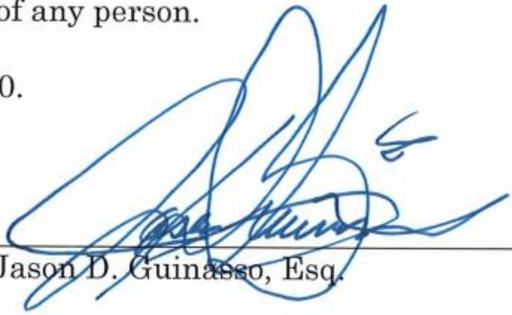
25 Clearly, there is substantial focus, significant resources, and spirited efforts being
26 made by the State of Nevada to resolve the problems with Nevada's unemployment benefit

1 delivery system that have given rise to the litigation before this Court. Unfortunately, for
2 many claimants, the progress being made is too late or otherwise not enough as they
3 continue to suffer under the strain of not being employed and the desperation that comes
4 from not being able to access benefits to sustain them and their families through the
5 aftermath of the global pandemic.

7 **AFFIRMATION**

8 The undersigned does hereby affirm that the foregoing document filed in this matter
9 does not contain the social security number of any person.

10 DATED this 19th day of August, 2020.

11
12 
13 Jason D. Guinasso, Esq.

14 Special Master
15
16
17
18
19
20
21
25
26

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of the law firm of HUTCHISON
3 & STEFFEN, PLLC and that on this 19th day of August, 2020, I caused service of a true and
4 correct copy of the **SPECIAL MASTER'S REPORT NO. 2** by electronically filing the
5 foregoing with the Clerk of the Second Judicial District Court for the State of Nevada and
6 service completed by delivery via e-flex to:

7 Mark Thierman, Esq.
8 Joshua Buck, Esq.
9 Leah Jones, Esq.
10 Joshua Hendrickson, Esq.

Gregory Ott, Esq.
Robert Whitney, Esq.

*Attorneys for Iris Podesta-Mireles,
et al.*

*Attorneys for Nevada Department of
Employment, Training and Rehabilitation,
Kimberly Gaa, Administrator for ESD,
State of Nevada, Heather Korbolic, NV
Director of DETR*

11
12
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14 & STEFFEN, PLLC and that on this 19th day of August, 2020, I caused service of a true and
15 correct copy of the **SPECIAL MASTER'S REPORT NO. 2** via U.S. Mail, deposited in Reno,
16 Nevada, upon the following:

17 Dennis Perea, Deputy Director of DETR
18 6330 W. Charleston Blvd
19 Las Vegas, NV 89146

20 /s/ Bernadette Francis
An employee of Hutchison & Steffen, PLLC

1 JASON D. GUINASSO, ESQ. (SBN# 8478)
HUTCHISON & STEFFEN, PLLC
2 500 Damonte Ranch Parkway, Suite 980
Reno, NV 89521
3 Telephone: (775) 832-6800
Facsimile: (775) 832-6801
4 jguinasso@hutchlegal.com

5
6 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
7 **IN AND FOR THE COUNTY OF WASHOE**
8

9 AMETHYST PAYNE, IRIS POSADA-
MIRELES, ANTHONY
10 NAPOLITANO, ISAAH PAVIA-
CRUZ, VICTORIA WAKED,
11 CHARLES PLOSKI, DARIUSH
NAIMI, TABITHA ASARE, SCOTT
12 HOWARD, RALPH WYNCOOP,
ELAINA ABING, and WILLIAM
13 TURNLEY behalf of themselves and
all others similarly situated,

14
15 Petitioners,

16 v.

17 STATE OF NEVADA ex rel NEVADA
DEPARTMENT OF EMPLOYMENT,
18 TRAINING AND REHABILITATION
(DETR) HEATHER KORBULIC in
19 her official capacity only as Nevada
Director of Employment, Training and
20 Rehabilitation, DENNIS PEREA in
his official capacity as Deputy
21 Director of DETR, and KIMBERLY
GAA in her official capacity only as
22 the Administrator for the
Employment Security Division (ESD);
23 and DOES 1-100, inclusive,

24 Defendants
25

Case No.: CV20-00755

Dept. No.: 8

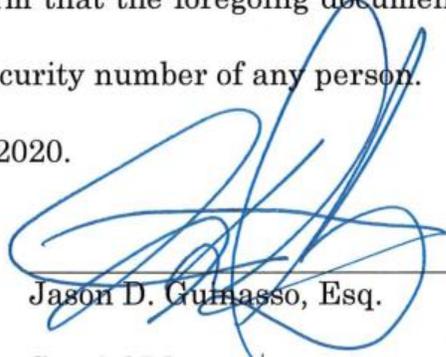
**APPENDIX TO
SPECIAL MASTER'S
REPORT NO. 2**

<u>Appendix No.</u>	<u>Description</u>	<u>Page Nos.</u>
1-1	<i>DETR ESD August 18, 2020, email, Responding to Special Master Questions</i>	5
1-2	<i>Payment Flow Summary Chart showing status of all PUA claims</i>	2
1-3	<i>Payment Flow Summary Chart showing PUA claims for First Week Filers</i>	2
1-4	<i>Payment Flow Summary Chart showing PUA claims for first month filers</i>	2
1-5	<i>Declaration of Kimberly Gaa dated July 30, 2020</i>	6
1-6	<i>Issues on All Unpaid Applications Excludes Claims with Other Program Eligibility, or with Fraud</i>	2
1-7	<i>First Filer Summary Chart: FWF Refresh Open and Denied Payment Stopping Issues on First Week Filers who have been paid but are unpaid for the week of July 25</i>	2
1-8	<i>First Filer Summary Chart: FWF Refresh Unpaid Payment Stopping Issues details the open (not denied) issues on First Week Filer applications which have not been paid</i>	2
1-9	<i>First Filer Summary Chart: FWF Refresh Denied Payment Stopping Issues Summary details the denied First Week Filer applications which have not been paid</i>	2
1-10	<i>Confidential Spreadsheets of Claimant Information prepared for DETR Matching. *It should be carefully noted that these spreadsheets contain various identifying information and these spreadsheets will be provided to the Court upon request and should remain under seal at all times.</i>	1

AFFIRMATION

The undersigned does hereby affirm that the foregoing document filed in this matter does not contain the social security number of any person.

DATED this 19th day of August, 2020.



Jason D. Guinasso, Esq.

Special Master

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of the law firm of
3 HUTCHISON & STEFFEN, PLLC and that on this 19 day of August, 2020, I caused
4 service of a true and correct copy of the **APPENDIX TO SPECIAL MASTER'S**
5 **REPORT NO. 2** by electronically filing the foregoing with the Clerk of the Second
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7 via e-flex to:

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11 Joshua Hendrickson, Esq.

Gregory Ott, Esq.
Robert Whitney, Esq.

12 *Attorneys for Iris Podesta-Mireles,*
13 *et al.*

Attorneys for Nevada Department of
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19 Dennis Perea, Deputy Director of DETR
20 6330 W. Charleston Blvd
21 Las Vegas, NV 89146

22 /s/ Bernadette Francis
23 An employee of Hutchison & Steffen, PLLC
24
25

APPENDIX 1-1

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**DETR ESD August 18, 2020, email, Responding to Special Master
Questions**

From: "Greg D. Ott" <GOtt@ag.nv.gov>
Subject: Fw: Payne: Compliance with Court Order
Date: August 18, 2020 at 4:30:04 PM PDT
To: "Jason D. Guinasso" <jguinasso@hutchlegal.com>
Cc: "Robert A. Whitney" <RWhitney@ag.nv.gov>, Troy Jordan <tcjordan@detr.nv.gov>

Jason,

Attached is a markup of the draft you sent this morning. I tried to update the information with some information from Dave and also from Director Cafferata. I'm also including Dave's responsive email and his attachments since you have seen plenty of those reports before and I don't want to limit your access to reports and information. I think the only thing missing is the retroactivity numbers and I've asked about those. Let me know if you have follow up questions or need additional info.

Thanks, Greg

From: David Schmidt <DESCHMIDT@detr.nv.gov>
Sent: Tuesday, August 18, 2020 12:37 PM
To: Elisa P. Cafferata; Greg D. Ott; Kimberly Gaa; Troy Jordan
Cc: BBUCKLEYAD8
Subject: Re: Payne: Compliance with Court Order

Sorry this is somewhat scattershot. Also reviewing numbers in JG document...

1. Current PUA numbers similar to the reports that Dave ran for the July 30 status update

All unpaid PUA claims: 243,963

All Unpaid PUA with an other program eligibility stop: 53,292 (excludes anything resolved)

All Unpaid PUA, no Program Eligibility Stop, with Fraud issue (197, 261, 598, 213, 749):
186,826

Balance: 3,845. This list is broken out in the attachment starting with "Question 1". ~ 2,700 have no claim filed in any week.

Attaching three reports (Payment Flow Summary) showing status of all PUA claims, PUA claims for first week filers and PUA claims for first month filers.

6. Final numbers on the mass denial of PUA applicants for UI eligibility, Plus any other bulk denials that have been issued

The table below lists denials for Other Program Eligibility (issue code 750). Note, some denials were manually recorded under other issue types when manually reviewed, and are not counted here:

Before August 1	8838
1-Aug	151
2-Aug	1
3-Aug	63
4-Aug	76
5-Aug	101
6-Aug	6392
7-Aug	64334
8-Aug	53
10-Aug	29
11-Aug	49

The only other issue category with a significant number of denials since August 1 is issue 746 (PUA Eligibility), with 757 denials overall.

7. First Filers present status

In the last two weeks, \$40.1 million in benefits have been released to claimants who filed in the first week that the PUA system was live, including \$11.1 million for weeks of benefits in the month of July, \$4.6 million for weeks of benefits in the month of June, \$5.1 million for weeks of benefits in the month of May, \$4.2 million for weeks of benefits in the month of April, \$462,000 for weeks of benefits in the month of April, and \$39,000 for weeks of benefits in the month of February.

I have attached several reports on first filers. FWF Refresh Been Paid, Unpaid details issues for first week filers who have been paid and are unpaid for the week of July 25. FWF Refresh Unpaid Open Issues details the open (not denied) issues on First Week Filer applications which have not been paid. FWF Refresh Denied Issue Summary details unpaid First Week Filer applications with a denial. ****NOTE**** Denials do not mean all weeks have been denied, just that some weeks have been denied. A number of applications have denials for weeks of benefits that come prior to the claimant's reported last day of work (e.g. a denial for February 2 through March 13, with eligibility beginning on March 14 - such an application WOULD show in this list, if it was otherwise unpaid). Auto First Week Filers summary presents the same information we've previously provided, for comparison to prior periods. In the most recent report compared to the report from July 28, we've seen the following changes:

- 805 additional claims released
- 9 Identity Checks resolved
- 582 cases with UI wages resolved
- 56 fewer cases with no weeks claimed.

The table below lists the first date that unique first week filers have been issued payment.

FWF Earliest Pay Date		
Date	Paid Today	Paid To Date
5/23/2020	1	1
5/26/2020	4642	4,643
5/27/2020	578	5,221
5/28/2020	342	5,563
5/29/2020	134	5,697
6/1/2020	394	6,091
6/2/2020	751	6,842
6/3/2020	8163	15,005
6/4/2020	348	15,353
6/5/2020	5198	20,551
6/8/2020	1293	21,844
6/9/2020	2115	23,959
6/10/2020	3438	27,397
6/11/2020	181	27,578
6/12/2020	1262	28,840
6/15/2020	302	29,142
6/16/2020	164	29,306
6/17/2020	124	29,430
6/18/2020	132	29,562
6/19/2020	7721	37,283
6/22/2020	231	37,514
6/23/2020	135	37,649
6/24/2020	138	37,787
6/25/2020	118	37,905
6/26/2020	88	37,993
6/29/2020	149	38,142
6/30/2020	90	38,232
7/1/2020	90	38,322

7/2/2020	94	38,416
7/6/2020	247	38,663
7/7/2020	102	38,765
7/8/2020	115	38,880
7/9/2020	85	38,965
7/10/2020	98	39,063
7/13/2020	7122	46,185
7/14/2020	166	46,351
7/15/2020	116	46,467
7/16/2020	93	46,560
7/17/2020	65	46,625
7/20/2020	917	47,542
7/21/2020	145	47,687
7/22/2020	60	47,747
7/23/2020	64	47,811
7/24/2020	61	47,872
7/27/2020	106	47,978
7/28/2020	59	48,037
7/29/2020	66	48,103
7/30/2020	53	48,156
7/31/2020	271	48,427
8/1/2020	2	48,429
8/3/2020	104	48,533
8/4/2020	98	48,631
8/5/2020	38	48,669
8/6/2020	38	48,707
8/7/2020	44	48,751
8/10/2020	48	48,799
8/11/2020	7	48,806
8/17/2020	9	48,815

*8/17 = large payment review (noted in report) for first week filers not otherwise paid yet.

8. Retroactivity numbers

...

APPENDIX 1-2

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

Payment Flow Summary Chart showing status of all PUA claims

Payment Status of Each Week

week_end_date	Paid	No Claim	Excessive Earnings	Active Issues	Disqualified Week	Other	claimed_week_pay_share
2020-02-01	13	366,880	3	32	21	0	19.7%
2020-02-08	13,990	320,788	1,579	24,761	5,594	237	31.4%
2020-02-15	16,393	313,244	1,681	29,086	6,235	310	31.5%
2020-02-22	18,579	306,155	1,641	33,343	6,891	340	31.4%
2020-02-29	21,397	297,477	2,065	37,997	7,621	392	31.7%
2020-03-07	29,724	268,400	2,944	55,462	9,968	451	31.1%
2020-03-14	44,706	225,357	7,832	75,212	13,298	544	33.4%
2020-03-21	82,879	141,916	8,646	110,600	22,001	907	38.3%
2020-03-28	92,594	116,345	4,513	127,708	24,838	951	37.6%
2020-04-04	99,033	93,669	3,842	142,770	26,653	982	36.8%
2020-04-11	101,170	86,350	3,052	147,604	27,777	996	36.5%
2020-04-18	102,694	81,317	2,999	150,697	28,248	994	36.3%
2020-04-25	103,701	77,387	2,845	153,486	28,531	999	36.2%
2020-05-02	104,094	76,357	3,028	153,840	28,632	998	36.2%
2020-05-09	103,539	78,009	3,299	152,607	28,492	1,003	36.2%
2020-05-16	101,406	79,792	4,839	151,503	28,411	998	35.9%
2020-05-23	102,150	78,633	5,510	150,549	29,108	999	36.1%
2020-05-30	102,477	80,331	4,770	149,094	29,308	969	36.4%
2020-06-06	101,314	84,098	5,408	146,687	28,526	916	36.5%
2020-06-13	96,773	94,856	5,164	142,430	26,839	887	36.3%
2020-06-20	91,060	107,420	4,849	137,378	25,400	842	35.8%
2020-06-27	62,721	140,487	4,534	135,427	23,106	673	28.3%
2020-07-04	61,549	177,488	3,946	102,468	20,834	663	33.2%
2020-07-11	57,685	195,622	3,494	89,423	20,009	716	34.4%
2020-07-18	55,481	209,889	2,896	79,218	18,521	944	36.0%
2020-07-25	50,696	230,534	2,451	66,662	15,966	640	37.8%
2020-08-01	48,340	252,560	2,269	50,909	12,407	464	43.1%
2020-08-08	41,653	285,301	1,472	37,040	1,476	5	52.0%
2020-08-15	0	366,949	0	0	0	0	NaN
2020-08-22	0	366,949	0	0	0	0	NaN

APPENDIX 1-3

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

Payment Flow Summary Chart showing PUA claims for First Week Filers

Payment Status of Each Week

Claims Filed Prior to May 25, 2020

week_end_date	Paid	No Claim	Excessive Earnings	Active Issues	Disqualified Week	Other	claimed_week_pay_share
2020-02-01	7	65,582	2	8	3	0	38.9%
2020-02-08	4,168	58,898	628	629	1,195	84	68.6%
2020-02-15	4,766	58,012	690	726	1,303	105	69.1%
2020-02-22	5,359	57,217	691	802	1,417	116	69.7%
2020-02-29	6,418	55,564	919	942	1,616	143	70.4%
2020-03-07	8,874	51,929	1,276	1,320	2,015	188	71.6%
2020-03-14	15,249	41,268	4,196	2,080	2,532	277	75.7%
2020-03-21	35,928	15,019	4,334	4,730	4,988	603	77.7%
2020-03-28	39,791	12,362	1,880	5,223	5,712	634	77.5%
2020-04-04	41,289	10,626	1,584	5,421	6,021	661	77.3%
2020-04-11	41,777	10,011	1,245	5,416	6,492	661	76.9%
2020-04-18	42,251	9,381	1,208	5,469	6,631	662	76.8%
2020-04-25	42,527	9,103	1,132	5,483	6,694	663	76.8%
2020-05-02	42,663	8,793	1,231	5,499	6,753	663	76.8%
2020-05-09	42,458	8,761	1,477	5,505	6,734	667	76.7%
2020-05-16	40,966	9,260	2,709	5,251	6,753	663	76.4%
2020-05-23	41,940	7,296	3,052	5,339	7,307	668	75.9%
2020-05-30	41,862	7,934	2,593	5,303	7,244	666	76.0%
2020-06-06	40,279	10,021	2,830	5,216	6,617	639	76.4%
2020-06-13	39,425	11,844	2,637	5,102	5,971	623	77.1%
2020-06-20	38,840	13,225	2,427	5,125	5,375	610	77.8%
2020-06-27	35,069	14,532	2,253	8,105	5,027	616	71.8%
2020-07-04	34,694	15,721	1,950	7,999	4,624	614	72.4%
2020-07-11	31,871	17,043	1,669	9,559	4,788	672	68.0%
2020-07-18	30,945	18,690	1,323	9,512	4,230	902	67.9%
2020-07-25	30,821	20,375	1,126	9,098	3,577	605	69.9%
2020-08-01	29,521	23,178	1,169	8,490	2,799	445	71.6%
2020-08-08	26,014	30,517	819	7,333	914	4	75.9%
2020-08-15	0	65,602	0	0	0	0	NaN
2020-08-22	0	65,602	0	0	0	0	NaN

APPENDIX 1-4

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

Payment Flow Summary Chart showing PUA claims for first month filers

Payment Status of Each Week

Claims Filed Prior to June 14, 2020

week_end_date	Paid	No Claim	Excessive Earnings	Active Issues	Disqualified Week	Other	claimed_week_pay_share	
2020-02-01	13	123,115		3	15	9	0	35.1%
2020-02-08	9,182	109,080		984	1,787	1,994	128	70.1%
2020-02-15	10,735	106,821		1,073	2,158	2,203	165	70.3%
2020-02-22	12,109	104,814		1,063	2,555	2,437	177	70.1%
2020-02-29	14,126	101,766		1,371	2,956	2,730	206	70.6%
2020-03-07	19,305	93,958		1,931	4,179	3,517	265	70.8%
2020-03-14	30,139	76,273		5,780	5,994	4,612	357	73.3%
2020-03-21	61,309	35,981		6,234	10,426	8,485	720	75.7%
2020-03-28	68,098	29,799		2,965	11,805	9,724	764	75.3%
2020-04-04	71,459	25,483		2,527	12,554	10,337	795	75.1%
2020-04-11	72,664	23,739		2,022	12,899	11,022	809	74.6%
2020-04-18	73,587	22,441		1,991	13,066	11,263	807	74.5%
2020-04-25	74,144	21,716		1,916	13,168	11,399	812	74.5%
2020-05-02	74,587	20,945		2,054	13,265	11,493	811	74.5%
2020-05-09	74,297	20,967		2,347	13,256	11,472	816	74.4%
2020-05-16	72,370	21,803		3,771	12,936	11,464	811	74.2%
2020-05-23	73,362	19,572		4,297	12,982	12,130	812	73.9%
2020-05-30	73,891	19,632		3,715	12,798	12,337	782	74.0%
2020-06-06	73,132	21,123		4,221	12,225	11,725	729	74.8%
2020-06-13	69,022	29,319		3,971	10,001	10,142	700	76.8%
2020-06-20	66,410	34,189		3,590	9,304	8,994	668	77.8%
2020-06-27	57,996	37,244		3,243	15,545	8,458	669	70.2%
2020-07-04	56,986	39,985		2,732	14,956	7,838	658	70.8%
2020-07-11	53,272	42,650		2,341	16,311	7,870	711	68.2%
2020-07-18	51,231	45,668		1,910	16,055	7,352	939	67.8%
2020-07-25	50,582	49,065		1,587	15,097	6,189	635	69.8%
2020-08-01	48,226	54,406		1,574	13,712	4,776	461	71.8%
2020-08-08	41,558	67,522		1,135	11,472	1,461	5	76.3%
2020-08-15	0	123,155		0	0	0	0	NaN
2020-08-22	0	123,155		0	0	0	0	NaN

APPENDIX 1-5

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**Declaration of Kimberly Gaa
dated July 30, 2020**

1 No claims for any week filed reflected a denial of benefits for failure to “suspend”
2 operations related to the pandemic. In fact, several thousand claims reviewed reflected
3 numerous filings in continuous pay status reflecting the DOL definition of “significant
4 diminution” as described in UIPL 16-20 change 2² in questions 10 and 11. This clarification
5 from DOL describing the reduction of work and corresponding wage reductions by filers
6 appears to comport with the courts intent that DETR ESD not be unilaterally denying
7 benefits for failure to entirely suspend all work.

8 Second, the Court found that DETR ESD was to restart payment to claim filers for
9 anyone that was in pay status that had been stopped unless they met one or more of the
10 following criteria:

- 11 1) Stopped for clear and convincing evidence of fraud.
- 12 2) Stopped for failure to file a weekly claim.
- 13 3) Stopped for reported excessive earnings over the weekly benefit amount.

14 DETR ESD reviewed all claims in a previous payment status that were suspended
15 for any reason. The week of July 11th was used for this purpose to provide a universe of
16 claims that would reflect unique filers and not reflect duplication from previous weeks. It
17 was determined that this reflected 30,647 unique claim filers (see attachment 1). Of these
18 filers, 853 claims did not fit the categories listed by the court that were stopped. The
19 largest group of stopped filings was for UI program eligibility. Claims have been
20 consistently stopped in accordance with the DOL guidance UIPL 14-20 coordination of
21 programs listing under section 4. (b)³ that indicates that claimants must apply for
22 traditional unemployment benefits and eligibility be established first in this program order.
23 This in effect requires DETR ESD to redirect filers to file for any potential UI/PEUC/SEB
24 eligibility before paying PUA benefits out to claimants.

25 ² Unemployment Insurance Program Letter 16-20 Change 2: https://wdr.doleta.gov/directives/attach/UIPL/UIPL_16-20_Change_2.pdf
26

27 ³ Unemployment Insurance Program Letter 14-20:
28 https://wdr.doleta.gov/directives/attach/UIPL/UIPL_14-20.pdf

1 Further DOL issued additional guidance in UIPL 16-20 Change 1 question 51⁴
2 requiring states to stop paying PUA benefits if UI/PEUC/SEB at any point were traditional
3 UI/PEUC or SEB eligibility is detected and again directing claimants to file for traditional
4 UI/PEUC/SEB benefits first. As of the writing of this declaration, DETR ESD has located
5 over 3,000 claims that were stopped for review for possible fraudulent filings. These claims
6 were reviewed and it has been determined that these do not appear to be fraudulent.
7 DETR has requested that the vendor release these for immediate payment at the earliest
8 possible time. This is expected to be completed within the next 3-5 days.

9 DETR ESD has approximately 150,000 PUA claims with multiple indicators of fraud
10 stopped in the system. Much of this information regarding the circumstances of the
11 fraudulent and potentially fraudulent filings is provided to us through the National
12 Integrity Center, OIG, FBI, AG, Secret Service, banking institutions and local law
13 enforcement. DETR ESD is also using system and data analytics besides known indicators
14 of fraud to detect, prevent, and stop fraudulent filings resulting in improper payments.
15 DETR ESD is actively reviewing these claims. We expect additional functionality to be
16 available in the system within 10-15 days to provide instructions to claimants that require
17 necessary action steps to resolve these issues and/or to issue denial for benefits based on
18 our investigation.

19 DETR ESD did send the DOL the Courts order and requested a review for conformity to
20 federal law and DOL guidance. As of the typing of this declaration DETR ESD has not
21 received written response back from the DOL. DETR ESD reviewed all filings for the first
22 week of March to determine the status of these filings. The Court requested a progress
23 report on this week for filers claiming this week.

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⁴ Unemployment Insurance Program Letter 16-20 Change 1:
https://wdr.doleta.gov/directives/attach/UIPL/UIPL_16-20_Change_1.pdf

1 The Court cited the expressed assertion by the Plaintiffs indicating that they
2 believed DETR ESD was unilaterally denying filers for benefits the first week of March.
3 DETR ESD reviewed claims for this week and determined that there was not a unilateral
4 denial of benefits. DETR ESD has paid 28,790 claimants for this week. (Please see attached
5 listed breakdown of claims reviewed for this week of filing.) DETR continues to review
6 claims for eligibility for this week as part of the eligibility determination process.

7 DETR ESD did a review of the claims that fit what the Court referred to as in a PUA
8 and UI eligibility loop. Staff determined that more than 75 thousand filed claims filed to
9 date have detected monetary eligibility for traditional UI. This means that through our
10 review it was determined that these filers in this category have sufficient wages under the
11 traditional UI or PEUC/SEB extended benefits to be monetarily eligible. Filers in this
12 group are required to file for these benefits first before PUA. Filers in this group must still
13 be determined if they meet the criteria for UI/PEUC/SEB program eligibility. DETR ESD
14 is actively working with its vendor on providing a determination reflecting this and
15 directing these filers to file for these benefits in UInv. This functionality and messaging
16 to these claimants is expected to be completed within the next 3-5 days.

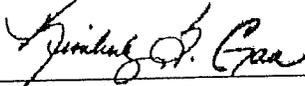
17 DETR ESD is actively working with its technology vendor to try to identify further
18 pockets of claims for release to payment. We have identified additional groups of another
19 4000 claims that may be released to payment with then next 7-10 days. Many of these
20 claims overlap within the first filer category and the stopped payment filing category. It is
21 difficult to provide an exacting number to this court and few claims remain with only one
22 issue on the claim, so claims may show up in multiple categories or change from week to
23 week depending on the filer's employment circumstance and COVID-19 effected reasoning.

24 Additionally, DETR ESD is working with the vendor to send e-messaging to
25 claimants within the next 3-5 days providing additional instructions on uploading
26 verification documents for identity or employment wages in order to move claims to
27 decision. This universe of claims is in the 10's of thousands. We have multiple requests
28 in with our vendor to provide the functionality for DETR ESD to send out the necessary

1 decisions needed to filers. Currently only the financial eligibility determination is fully
2 functional. DETR ESD and the vendor recognizes that filers need these decisions to
3 proceed to payment or denial of benefits. DETR ESD and the vendor remains working on
4 the additional scheduling function for PUA Appeals and the overpayment functionality.

5 Lastly, DETR ESD continues working on an additional contract for more resources
6 to support these processes for both UI and PUA. I will be submitting an additional staffing
7 augmentation plan for additional staff for consideration by the Governor's Finance Office
8 by Monday, August 2nd. We continue to fill the previously authorized 133 positions to
9 augment state staffing. We remain with 25 to be filled as of the time of the Court's order.

10 DATED: July 30, 2020.

11 

12 KIMBERLY GAA
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APPENDIX 1-6

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**Issues on All Unpaid Applications Excludes Claims with
Other Program Eligibility, or with Fraud**

Issues on All Unpaid Applications

Excludes Claims With Other Program Eligibility, Or With Fraud

Issue	Distinct Applications	Share Apps
NA - NA	2,740	71.3%
747 - PUA - Refusal to Telework	389	10.1%
758 - Two-Factor Authentication failed	264	6.9%
757 - Two-Factor Authentication failed - Bad phone	236	6.1%
189 - No employment history	143	3.7%
751 - PUA - Refusal of work	116	3.0%
752 - PUA - Pension	109	2.8%
746 - PUA - Eligibility	89	2.3%
753 - PUA - Proof of employment sufficiency	18	0.5%
748 - PUA - Receiving Sick Leave	17	0.4%
750 - PUA - Other program eligibility	12	0.3%
265 - IP - Investigation Staff Audit	4	0.1%

APPENDIX 1-7

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**First Filer Summary Chart: FWF Refresh Open and Denied Payment
Stopping Issues on First Week Filers who have been paid but are unpaid
for the week of July 25**

Open and Denied Payment-Stopping Issues on FWF PUA Claims

Issues on Claims With Prior Payment, Unpaid Week of July 25

Issue Description	Issue Code	Resolution_Status	Unique Claims With Issue
PUA - Other program eligibility	750	Denied	971
PUA - Requires Staff Review	749	Denied	411
PUA - Eligibility	746	Denied	292
Two-Factor Authentication failed - Bad phone	757	Denied	6
PUA Claim Stopped	197	Denied	2
Two-Factor Authentication failed	758	Denied	2
PUA - Receiving Sick Leave	748	Denied	1
PUA - Refusal of work	751	Denied	1
Two-Factor Authentication failed - Bad phone	757	Open	2,492
PUA - Requires Staff Review	749	Open	2,465
Two-Factor Authentication failed	758	Open	963
IP - Investigation Case Special Project	261	Open	598
PUA - Pension	752	Open	121
No employment history	189	Open	115
PUA Claim Stopped	197	Open	76
PUA - Refusal of work	751	Open	59
IP - Investigation Staff Audit	265	Open	22
PUA - Proof of employment sufficiency	753	Open	6
PUA - Eligibility	746	Open	3
IP - Internal Audit	472	Open	2

APPENDIX 1-8

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**First Filer Summary Chart: FWF Refresh Unpaid Payment Stopping
Issues details the open (not denied) issues on First Week Filer
applications which have not been paid**

Open Payment-Stopping Issues on FWF Unpaid PUA Claims

Excludes Claims with Potential UI Eligibility or No Weeks Claimed

Issue Description	Issue Code	Unique Claims With Issue
IP - Investigation Case Special Project	261	7,159
PUA - Requires Staff Review	749	2,418
Two-Factor Authentication failed - Bad phone	757	1,430
Two-Factor Authentication failed	758	581
Invalid SSN	213	565
PUA - Refusal to Telework	747	545
PUA - Refusal of work	751	193
No employment history	189	163
PUA - Pension	752	112
PUA - Receiving Sick Leave	748	83
PUA Claim Stopped	197	31
IP - Investigation Staff Audit	265	10
PUA - Eligibility	746	9
PUA - Proof of employment sufficiency	753	7
PUA - Other program eligibility	750	1

APPENDIX 1-9

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**First Filer Summary Chart: FWF Refresh Denied Payment Stopping
Issues Summary details the denied First Week Filer applications
which have not been paid**

Denied Payment-Stopping Issues on Matched, Unpaid PUA Claims

Issue Description	Issue Code	Unique Claims With Issue
PUA - Eligibility	746	18,672
PUA - Other program eligibility	750	18,668
PUA Claim Stopped	197	4,940
IP - Investigation Case Special Project	261	3,292
Two-Factor Authentication failed	758	1,936
Two-Factor Authentication failed - Bad phone	757	572
PUA - Requires Staff Review	749	494
No employment history	189	80
PUA - Refusal to Telework	747	77
PUA - Refusal of work	751	30
PUA - Pension	752	17
PUA - Proof of employment sufficiency	753	9
PUA - Receiving Sick Leave	748	6
Invalid SSN	213	3
IP - Investigation Staff Audit	265	1

APPENDIX 1-10

**TO SPECIAL MASTER'S
REPORT No. 2**

CASE NO.: CV20-00755

**Confidential Spreadsheets
of Claimant Information prepared for DETR Matching.
*It should be carefully noted that these spreadsheets contain
various identifying information and these spreadsheets will be
provided to the Court upon request and should remain under seal
at all times.**