



State of New Jersey  
Department of Labor & Workforce Development  
Modernized Unemployment Insurance  
Benefits System Solution

REQUEST FOR INFORMATION

August 6, 2012



### **OPRA Rider**

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### **Objective of Request for Information**

The State of New Jersey Department of Labor and Workforce Development (LWD) is publishing this Request for Information (RFI) to gather information on industry approaches and solutions to develop, operate, and support a modernized unemployment insurance (UI) benefits system. LWD seeks a solution that is extensible, configurable and will be cost-effective for development, operation, and support.

LWD is also interested in progressive approaches to operations and support, including the potential of public/private partnerships and innovative approaches to solution delivery.

### **Background**

LWD's current UI Benefits system consists of a collection of Mainframe based systems utilizing COBOL and IMS Data Stores developed in the 70s and 80s. Upgrades to the mainframe environment have included the addition of a DB2 relational Database and MQ to facilitate connectivity with other systems. (Core Data is split between IMS & DB2).

Additionally, an internal agent claims intake system uses client/server technology with an Oracle relational database. UI Claims and Certifications are also accepted through telephony applications (IVR).

As part of an upgrade in 2008 the legacy systems have been augmented with Modern Web based UI Claims Intake and UI Claims Certification modules focused on Claimant Self Service. These newer systems use a separate Oracle relational database for data management.

Over the decades, the legacy systems were enhanced to meet continually evolving business requirements but given the limitations of the underlying technologies this resulted in fragmented modules with limited or complex integration.

LWD is interested in a highly integrated solution for UI benefits administration.

### High Level Business and Systems Objectives

<ul style="list-style-type: none"> <li>• Satisfy LWD Business Requirements for UI Modernization</li> </ul>
<ul style="list-style-type: none"> <li>• Improve Efficiency of UI Operations (Reduce Cost to Provide UI Services) <ul style="list-style-type: none"> <li>• Optimize staff resources by balancing workload across remote offices</li> <li>• Support Multiple Languages</li> <li>• Streamline communications using modern tools and encourage customers to use these tools</li> <li>• Provide self-service channels for employers and claimants (via phone, web or email), while preserving in-person service when appropriate <ul style="list-style-type: none"> <li>• Integrate IVR functionality to be on par with web self-service channels</li> </ul> </li> <li>• Where possible automatically direct inquiries to the right person to resolve a problem, the first time using automated, managed workflows</li> <li>• Improve responsiveness to customer needs (claimant, employer, or internal agency)</li> <li>• Capture accurate and comprehensive data from the start – and reuse it to avoid rekeying</li> <li>• Automate decisions where possible using data captured and standard business rules</li> <li>• Provide an integrated view of all appropriate case information to approved staff</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Provide UI technical and business staff with self-service tools to: <ul style="list-style-type: none"> <li>• Manage automated correspondence</li> <li>• Customize interface screens/forms</li> <li>• Create and manage shared business rules</li> <li>• Develop and manage workflow components</li> <li>• Configure standard reports and develop new ones <ul style="list-style-type: none"> <li>• Operational management reporting</li> <li>• General analytics across all data</li> </ul> </li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Integrate all Internal UI Systems using shared Business Rules, Workflow and Data</li> </ul>
<ul style="list-style-type: none"> <li>• Establish an integrated Payment system which adheres to the appropriate Governmental Accounting Standards Board (GASB) statements, as well as, supporting the accounting and financial operations of the UI trust fund</li> </ul>
<ul style="list-style-type: none"> <li>• Integrate with third party Systems to Exchange Data electronically</li> </ul>
<ul style="list-style-type: none"> <li>• Integrate with Other State and Federal Systems to Exchange Data electronically</li> </ul>

<ul style="list-style-type: none"> <li>• Create an Operations and Support Model that promotes the high-quality, timely, highly-available delivery of services in a sustainably cost-effective way <ul style="list-style-type: none"> <li>• Provide 24/7 access to UI Benefits services</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Reduce Overpayments</li> </ul>
<ul style="list-style-type: none"> <li>• Utilize industry best practices in technical architecture and design</li> </ul>
<ul style="list-style-type: none"> <li>• Convert legacy data for use in a modernized UI system</li> </ul>

### Features Desired in a UI Benefits Solution

Feature
<b>Initial &amp; Continued Claim Process</b>
<ul style="list-style-type: none"> <li>• Web Self Service</li> </ul>
<ul style="list-style-type: none"> <li>• IVR Self Service</li> </ul>
<ul style="list-style-type: none"> <li>• Internal Agent Assisted</li> </ul>
<ul style="list-style-type: none"> <li>• Data Filtering / Editing Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Fraud Prevention/ Detection Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Workflow Capabilities (e.g. information collected on Intake for Potential Issues)</li> </ul>
<ul style="list-style-type: none"> <li>• Scheduling of Appointments &amp; Automation</li> </ul>
<ul style="list-style-type: none"> <li>• Correspondence &amp; Automation</li> </ul>
<ul style="list-style-type: none"> <li>• Electronic Case File View</li> </ul>
<b>Issue Determination</b>
<ul style="list-style-type: none"> <li>• Monetary</li> </ul>
<ul style="list-style-type: none"> <li>• Non-Monetary</li> </ul>
<b>Monetary Determination</b>
<ul style="list-style-type: none"> <li>• Integration with Correspondence</li> </ul>
<ul style="list-style-type: none"> <li>• Redeterminations</li> </ul>
<b>Adjudication</b>
<ul style="list-style-type: none"> <li>• Data Filtering / Editing Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Workflow Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Automated Correspondence</li> </ul>
<ul style="list-style-type: none"> <li>• Scheduling of Appointments &amp; Automation</li> </ul>
<ul style="list-style-type: none"> <li>• Electronic Case File View</li> </ul>
<b>Appeals</b>
<ul style="list-style-type: none"> <li>• Integration with Adjudication</li> </ul>
<ul style="list-style-type: none"> <li>• Workflow Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Automated Correspondence</li> </ul>
<ul style="list-style-type: none"> <li>• Scheduling of Appointments &amp; Automation</li> </ul>
<ul style="list-style-type: none"> <li>• Electronic Case File View</li> </ul>
<b>Payments</b>
<ul style="list-style-type: none"> <li>• Direct Deposit</li> </ul>
<ul style="list-style-type: none"> <li>• Debit Cards</li> </ul>

Feature
<ul style="list-style-type: none"> <li>• Integration with <ul style="list-style-type: none"> <li>○ Adjudication</li> <li>○ Appeals</li> <li>○ Fraud Prevention/ Detection</li> <li>○ Benefit Payment Control</li> </ul> </li> <li>• GASB Compliance</li> </ul>
<b>Benefit Payment Control</b>
<ul style="list-style-type: none"> <li>• Fraud Prevention Capabilities (System Wide)</li> </ul>
<ul style="list-style-type: none"> <li>• Fraud Detection Capabilities (System Wide)</li> </ul>
<ul style="list-style-type: none"> <li>• Fraud Reporting &amp; Analysis Tools</li> </ul>
<ul style="list-style-type: none"> <li>• Integration with Correspondence</li> </ul>
<ul style="list-style-type: none"> <li>• Scheduling of Appointments &amp; Automation</li> </ul>
<ul style="list-style-type: none"> <li>• Electronic Case File View</li> </ul>
<ul style="list-style-type: none"> <li>• Overpayment Management &amp; Collection</li> </ul>
<b>Adjustments</b>
<ul style="list-style-type: none"> <li>• Process Integration with Overall System</li> <li>• GASB Compliance</li> </ul>
<ul style="list-style-type: none"> <li>• Data Filtering / Editing Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Integration with Correspondence</li> </ul>
<ul style="list-style-type: none"> <li>• Audit Capabilities</li> </ul>
<ul style="list-style-type: none"> <li>• Electronic Case File View</li> </ul>
<b>Employer Interface Capabilities</b>
<ul style="list-style-type: none"> <li>• Web Self-Service</li> <li>• Data Interchange</li> </ul>
<b>External Interface Capabilities</b>
<b>Internal Interface Capabilities</b>
<b>Reporting &amp; Analytics</b>
<ul style="list-style-type: none"> <li>• Operational /Production Reporting <ul style="list-style-type: none"> <li>▪ Dashboard /Backlog Management</li> <li>▪ External Reporting</li> </ul> </li> <li>• User Reporting Capabilities</li> </ul>

## LWD Workload Metrics

Sample metrics for LWD UI Benefits processing are included below. There is significant variation in these workloads over time which directly impacts system utilization and the need to be able to scale to support the administration of UI benefits (e.g. weeks compensated varies ~30% over 3 years and this can move in either direction). The desired UI solution must easily support processing at these levels and be able to scale to handle rapidly increasing volume without interruption of service to web and telephony applications.

Year	Initial Claims Processed	Weeks Compensated
2011	604,780	7,096,614
2010	628,012	8,002,626
2009	747,467	9,814,810

### Requested Information

Using a formal Request for Proposal (RFP) process, LWD intends to solicit, evaluate, and select an approach that best satisfies its UI modernization requirements. LWD's UI Benefits requirements are currently being finalized.

In preparation for issuing the RFP LWD is exploring alternative approaches and innovative solutions that satisfy the objectives & desired features described in this RFI, including but not limited to:

<b>Transfer System</b> - Using another state's modernized system as a basis for UI Benefits
<b>Commercial Off The Shelf (COTS)</b> - UI Software, with customization and extension
<b>Related Industry Offerings</b> - e.g. Commercial Insurance Industry claims management software (COTS) with customization and extension or other suitable packaged software
<b>Framework Based</b> - Proven functional UI components integrated and extended to meet LWD's requirements
<b>Custom Solution</b> – Develop a UI Benefits solution from the ground up
<b>Best of Breed Components</b> – Solutions/ Modules/ Components relevant to achieving UI Modernization Objectives
<b>Hybrid</b> - Combination of any of these options or others
<b>Other</b> innovative approaches

At the conclusion of this UI modernization initiative, the expectation is that LWD will have established a modernized UI Benefits System; interfaced with required supporting applications and agencies; converted legacy UI data and trained the state's end-users in new system operations. Resulting in a high-quality, cost efficient system that is flexible for evolution.

All ideas and suggestions that provide alternative approaches to designing, developing, acquiring, operating, supporting, and managing any areas of the UI Benefits Solution are welcome. LWD encourages creativity and outside-the-box thinking in response to this RFI.

### Responding to the RFI

- Interested parties should respond to sections **A** through **E** of this RFI as appropriate for their solution. It is not necessary to comment on questions or features that are outside of your focus.

- Responses should be in a format which clearly identifies the section and number for the response.
- When responding to section **D**, indicate how your solution can satisfy the desired feature if relevant.
- Please provide clear and concise answers to minimize the volume of the response limiting marketing information to 5 pages and overall response to 35 pages. (Marketing info can be provided via URLs if desired).
- Due to the specific nature of this RFI, LWD will not be responding to questions on the RFI business and technical content. Respondents have the latitude to state any assumptions that are being made in their response.
- In addition to the sections below, respondents are encouraged to provide any other information in the form of cases, experiences or newly emerging technologies that may be of benefit to LWD. Respondents are also encouraged to offer ideas or approaches which will mitigate risks in the overall project implementation and future operational support.
- **RESPONSE DUE DATE:** Please send responses in ELECTRONIC FORMAT (MS Word or PDF) to [ann.timmons@dol.state.nj.us](mailto:ann.timmons@dol.state.nj.us) by Friday, September 21, 2012 5:00 PM Eastern.

#### **A. Solutions & Approaches**

1. Describe your approach to providing an efficient, cost effective solution that will satisfy the objectives and desired features.
2. Explain why the approach best balances delivery of functionality against schedule, cost, risk, staff resources, and quality.

#### **B. Development and Implementation**

1. Provide high-level approaches and pricing models for the solution development, build, configuration, implementation, etc. including their basis and any actual UI experiences. Provide the time range associated with the approach since time to market is of the essence.
2. Discuss the solution's overall cost drivers, including any functionality described in the UI Business objectives and desired features described here. Also address cost and schedule tradeoffs including considerations for prioritizing specific functions for a staged implementation.
3. If applicable, provide pricing structures for vendor supported annual hosting, operations, maintenance, and upgrades for the proposed approach.

#### **C. Operations and Support**

Describe and discuss how the proposed UI Benefits solution can be supported and maintained most efficiently and cost-effectively. **Where appropriate for the approach**, address the merits and drawbacks of:

1. State supported – Knowledge-transfer approaches should be detailed by the respondent.
2. Hybrid approach – Where the State shares support responsibility with the Vendor.

3. Vendor Supported – Turnkey service delivery by a vendor with a multi-year agreement for hosting/maintenance/upgrades (including law changes, technology refresh, and product evolution).

**D. UI Benefits Solution Focus Areas – UI Business Process - Desired Features**

Area	Feature	Comments
<b>Intake</b>	<b>Initial &amp; Continued Claim Process Overview</b>	
	1. Web Self Service claims	
	2. IVR Self Service claims	
	3. Internal Agent Assisted claims	
	4. Data Filtering / Editing Capabilities	
	5. Fraud Prevention/ Detection Capabilities	
	6. Workflow Capabilities (e.g. information collected on Intake for Potential Issues)	
	7. Scheduling of Appointments & Automation	
	8. Correspondence & Automation	
	9. Electronic Case File View	
	<b>Issue Determination</b>	
	10. Monetary issues	
	11. Non-Monetary issues	
	<b>Monetary Determination Overview</b>	
	12. Integration with Correspondence	
	13. Monetary Redeterminations	
<b>Adjudication</b>	<b>Adjudication Overview</b>	
	14. Data Filtering / Editing Capabilities	
	15. Workflow Capabilities	
	16. Automated Correspondence	
	17. Scheduling of Appointments & Automation	
	18. Electronic Case File View	
<b>Appeals</b>	<b>Appeals Overview</b>	
	19. Integration with Adjudication	
	20. Workflow Capabilities	
	21. Automated Correspondence	
	22. Scheduling of Appointments & Automation	
	23. Electronic Case File View	
<b>Payments</b>	<b>Payments Overview</b>	
	24. Direct Deposit	
	25. Debit Cards	



Area	Feature	Comments
	26. Integration with <ul style="list-style-type: none"> <li>a. Adjudication</li> <li>b. Appeals</li> <li>c. Fraud Prevention/ Detection</li> <li>d. Benefit Payment Control</li> </ul> 27. GASB Compliance	
<b>Benefit Payment Control</b>	<b>Benefit Payment Control Overview</b>	
	28. Fraud Prevention Capabilities (System Wide)	
	29. Fraud Detection Capabilities (System Wide)	
	30. Fraud Reporting & Analysis Tools	
	31. Integration with Correspondence	
	32. Scheduling of Appointments & Automation	
	33. Electronic Case File View	
	34. Overpayment Management & Collection	
<b>Adjustments</b>	<b>Adjustments Overview</b>	
	35. Process Integration with Overall System <ul style="list-style-type: none"> <li>a. GASB Compliance</li> </ul>	
	36. Data Filtering / Editing Capabilities	
	37. Integration with Correspondence	
	38. Audit Capabilities	
	39. Electronic Case File View	
<b>Employer Interface</b>	40. Employer Interface Overview <ul style="list-style-type: none"> <li>a. Web Self-Service</li> <li>b. Data Interchange</li> </ul>	
<b>External Interfaces</b>	41. External Interface Overview <ul style="list-style-type: none"> <li>a. Support all required interfaces</li> </ul>	
<b>Internal Interfaces</b>	42. Internal Interface Overview <ul style="list-style-type: none"> <li>a. Support all required interfaces</li> </ul>	
<b>Reporting &amp; Analytics</b>	<b>Reporting &amp; Analytics Overview</b> <ul style="list-style-type: none"> <li>43. Operational /Production Reporting               <ul style="list-style-type: none"> <li>a. Dashboard /Backlog Meeting</li> <li>b. External Reporting</li> </ul> </li> <li>44. User Reporting Capabilities</li> </ul>	

## E. UI Benefits Solution Focus Areas

	Comments
1. Describe any solutions you have provided that are relevant to the Objectives and features described here.	
2. Explain how the approach can be implemented in Phases to minimize the impact on UI business areas.	
3. Describe the ongoing approach to maintain the solution and enhance it. <ul style="list-style-type: none"> <li>a. End user Enhance / Customize / Configure</li> <li>b. Vendor provides enhancements</li> </ul>	
4. Elaborate on experiences in data conversion. <ul style="list-style-type: none"> <li>a. Data Quality / Cleansing issues</li> <li>b. Strategies for practical conversion</li> </ul>	
5. Describe the Recommended Application Architecture. <ul style="list-style-type: none"> <li>a. Support for;               <ul style="list-style-type: none"> <li>i. Performance</li> <li>ii. Scalability</li> <li>iii. Availability</li> <li>iv. Flexibility</li> <li>v. Platform Independence</li> </ul> </li> <li>b. Infrastructure implications</li> </ul>	
6. Explain the recommended architecture for integrating with External interfaces.	
7. Outline the recommended Architecture for Data.	
8. Specify the recommended architecture for Security.	
9. Describe the Infrastructure components required/ recommended to operate the system.	
10. Define the Overall Project Implementation Approach.	
11. Outline the level of Requirements definition preferred to begin the process. <ul style="list-style-type: none"> <li>a. Is it helpful for the client to provide Requirements lists, Use cases, etc. or do you prefer to do your own discovery?</li> <li>b. Estimate the typical duration of the requirements gathering process.</li> </ul>	

## **Optional Vendor Presentations**

At its sole option, LWD may invite RFI respondents to conduct presentations. The purpose of these presentations is to solicit input and information from the vendor community prior to the development and release of an RFP. LWD's objective is to generate innovative discussion, ideas, suggestions, and to enhance LWD's ability to assemble a robust and comprehensive RFP.

If LWD elects to hold vendor presentations, respondents who have met the LWD criterion will be contacted to schedule a specific date and time. The criterion will not be published. **Presentations should not be considered as a replacement for a written response.**

## **RFI Special Terms**

The opportunity to respond to the RFI or conduct a presentation is solely for LWD's benefit and is intended to provide information to LWD. The responses/ presentation will not be subject to an RFP-type evaluation.

- A. LWD is subject to strict accountability and reporting requirements as a recipient of funds from public sources. Any information submitted in response to this RFI is subject to disclosure by LWD as required by applicable law. LWD makes no agreements or representations of any kind, and expressly disclaims any requirement to maintain the confidentiality of any information provided in response to this RFI. All material and information provided to LWD in response to this RFI shall become the property of LWD upon receipt and will not be returned.
- B. LWD reserves the right to copy any information provided by the respondent for purposes of facilitating LWD review of the information. LWD reserves the right to use ideas that are provided by vendors in the RFI response or presentation. By responding to this RFI, the vendor represents that such copying or use of information will not violate any copyrights, licenses, or other agreements with respect to information submitted or presented.
- C. LWD is not responsible for any costs incurred by a vendor related to the preparation of the response or any other activities related to preparing for, conducting, or traveling to or from an LWD location to make a presentation.