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**Department of Economic Security announces staff reductions,  
program changes for Unemployment Insurance Program**  
*Changes due to reduction in federal funding for program administration*

**PHOENIX** – The Department of Economic Security today announced the closure of its Phoenix-based Unemployment Insurance (UI) Call Center, due to a reduction in federal funding for the administration of the Unemployment Insurance program. The reduction in funding comes as the number of individuals claiming benefits is declining from a high of more than 200,000 in 2010 to less than 75,000 in the first part of January 2013. This has resulted in the reduction of 29 full-time call center positions. The Department also announced other changes to how unemployment claimants may file new claims and make inquiry calls to the program.

The administration of the Arizona Unemployment Insurance program is 100 percent federally funded. That funding is based on several factors, including the number of individuals receiving benefits. Because the number of individuals receiving benefits declined by 40 percent from 2012, the Department has seen funding decrease by 20 percent from the federal government for the 2013 fiscal year. While the number of individuals receiving benefits has declined by 40 percent, changes to filing requirements such as a requirement to submit detailed work search information, has increased the work for each claim.

Arizona is not alone in making cuts to its Unemployment Insurance program. A recently released survey from the National Association of State Workforce Agencies (NASWA) finds declining federal funding to operate the Unemployment Insurance programs may lead to staffing reductions in at least 21 other states. The NASWA report can be found at: [www.naswa.org](http://www.naswa.org).

“At this point, we have utilized all available funds to maintain customer service levels, but due to the decline in federal funding, we will need to make staff reductions and program changes this year,” said Jim Apperson, Assistant Director for the Division of Employment and Rehabilitation Services, which oversees the Unemployment Insurance program. “Our goal with these changes is to minimize the impact of the reductions on those who currently receive benefits and new claimants who will come to us in the future.”

Therefore, beginning February 1, 2013, **all new unemployment insurance claimants** will be required to file their initial claim online at [www.azui.com](http://www.azui.com). Claimants filing their weekly certifications will continue to do so via the internet application, mail or fax as they currently do. Approximately 80 percent of current claimants file electronically.

In addition to moving toward internet only filing of claims, the Department will implement a call-in schedule for individuals who have questions related to their claim. The schedule will be based on the last digit of the individual’s Social Security Number. The Department made this change because

currently, its call centers experience a high volume of calls on Monday mornings as many individuals believe the faster their claim is filed, the faster the check will be processed. All claims are worked during the week in which they are filed, so claimants would see payment during the week regardless of filing on Monday or Thursday as an example.

Scheduled days and SSN last digits will be as follows:

If the claimant's social security number ends with:

- 1, 2 or 3 - calls are accepted on Monday
- 4, 5 or 6 - calls are accepted on Tuesday
- 7, 8 or 9 - calls are accepted on Wednesday
- 0 - calls are accepted on Thursdays
- Friday is open for anyone to call

The Department has used designated calling days in the past, most recently in 2002.

As reported by NASWA, many states are facing the same declining federal funding to operate their UI programs and many are looking at similar program changes to what Arizona will be implementing in an effort to maintain customer services. As the number of individuals receiving benefits declines, customer service options will continue to be evaluated and modified as funding permits.

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