

UI Modernization:

Building Agile, Citizen-Focused Solutions

In this interview, **Thomas Luparello**, public sector strategic advisor for unemployment insurance (UI) at **NTT DATA**, discusses how states can begin to build more modern, flexible UI systems that can stand up to citizen demand in the future.



Thomas Luparello is a public sector strategic advisor, unemployment insurance, at NTT DATA. He has more than 25 years of executive business management and relevant industry experience. Prior to joining NTT DATA, Luparello served as CIO, and subsequently executive director, at the District of Columbia Department of Employment Services. At NTT DATA he supports state workforce agency initiatives. Luparello has also served in a variety of technology-focused positions including president and CEO of a leading provider of software solutions to unemployment insurance agencies.

Q What are some of the primary reasons state UI systems struggled when the pandemic hit in March?

In some cases, there were system architecture deficiencies that stemmed back decades. State UI systems were primarily developed on mainframes. Some systems that have since been modernized still rely on legacy architecture. Those systems may be hosted in the cloud, but in many cases they were behind firewalls and couldn't scale. They are also fairly rigid, so it was challenging for states to accommodate changes handed down from the federal government. Finally, all these issues came at a time when staffing was at a historic low because of low unemployment rates before the pandemic.

Q The pandemic prompted new federal legislation around unemployment benefits, some of which is temporary. Why does that make it critical for states to use more flexible technologies?

The old adage is true: The only constant is change. Legislative changes happen all the time, though admittedly not on the scale we have seen during the pandemic. Regardless, being able to accommodate change is a critical component of UI systems and something they have historically lacked.

Q Citizens depend on government safety net services during tough times. How can tools like analytics help states better meet citizen needs?

Many states saw rises in fraudulent claims during the early stages of the pandemic. Modern technologies can be used to analyze data and potentially stop

fraudulent claims from being paid so more people that legitimately need help can get it.

Q Some states implemented chatbots and other technologies to fill immediate gaps during the pandemic. While those solutions helped, why is it important to keep longer-term solutions in mind?

Many of those solutions were stop-gap measures, or reactions to core system overloads. During the last recession we saw a similar situation: systems were overloaded; additional programs were deployed; and states were not able to accommodate them. In this case when systems became overloaded some citizens were pushed into other support channels. That was necessary, but it didn't always translate to getting benefits into citizens' hands faster or positive citizen experiences. Addressing those issues is critical going forward and requires longer-term solutions.

Q What does real progress look like when it comes to UI systems?

A system that has proven itself reliable under strain. The pandemic was an acid test for intelligent design, flexible business rules and a proven cloud architecture. States need a system that's not just deployed on cloud virtual machines, but one that is architected to take advantage of the scalability a cloud-hosted solution offers. A quick modernization strategy is also critical. These are large projects. A solution that can be deployed quickly and where real value can be realized in the short term is vital to all unemployment insurance agencies so they can fulfill their missions and obligations to their citizens.