



Request for Information (RFI)

Best Practices to Inform the Open Unemployment Insurance Initiative

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Background

This is a Request for Information (RFI) issued by the Center for Employment Security Education and Research (CESER) arm at the National Association of State Workforce Agencies (NASWA) Unemployment Insurance Information Technology Support Center (UI ITSC), with support from the U.S. Department of Labor. This is NOT a solicitation for proposals or quotations.

NASWA is a non-profit organization representing all 50 state workforce agencies, District of Columbia, and U.S. territories. These agencies deliver training, employment, career, business, and wage and hour services, in addition to administering unemployment insurance, veteran reemployment, and labor market information programs. NASWA provides policy expertise, shares promising state practices, and promotes state innovation and leadership in workforce development.

CESER is the sole source for providing leading education, research and information technology support focused on workforce development and unemployment insurance issues. CESER offers a broad range of research, training, consulting, and information technology services to a state, the state workforce agencies and their federal partners, with an interest in unemployment insurance and employment and training services. In supporting NASWA and its partners, CESER serves as an incubator for research, analysis, training and technology. CESER is the contracting division of NASWA.

UI ITSC promotes the development of information technology solutions, modernization of state UI systems, and information sharing among state UI agencies. UI ITSC occupies a unique position in the UI arena, with knowledge of both the UI and IT domains. Through its history of working with USDOL and state UI agencies, UI ITSC has developed a strong working knowledge of UI and its functions, laws, operational issues, and IT infrastructures throughout the nation.

RFI Description

The purpose of this RFI is to inform NASWA on best practices for creating, managing, and delivering the Open Unemployment Insurance (UI) Initiative in order to:

1. Define and develop the Open UI Framework (creating a standardized module set and interoperability protocols with accompanying system requirements); and
2. Establish governance for the Open UI Framework (creating the organizations and processes required to publish, sustain, and improve the Open UI Framework and support the Open UI Community over time).

Achieving these goals is a necessary step toward a future in which there is continuous improvement of a thriving Open UI ecosystem – where it's easy to build, buy, improve, and

maintain an Open UI Module or system, and the long-term health of the ecosystem is supported in myriad ways.

In service of that purpose, the RFI is soliciting input from:

- States (implementing departments or agencies of unemployment insurance, and relevant departments or agencies involved in the technological delivery of unemployment insurance, such as technology control agencies and budgetary agencies)
- Federal agencies (relevant departments or agencies involved in the technological delivery of unemployment insurance, including those with data sharing needs)
- Current vendors or service providers of unemployment insurance technology
- Prospective vendors or service providers of unemployment insurance technology
- Non-implementing stakeholders such as claimant advocates, employer advocates, non-profits, or research institutions

The Unemployment Insurance Technology Context

The UI program has always been complex, and thus labor intensive. There have been multiple evolutionary eras of automation and computerization, from the mainframes of the 1970s to telephony and the introduction of the internet, to where the system is today with integrated UI systems across all parts of program administration. These integrated UI systems tend to have a “monolithic” architecture in which everything is operated as one piece, rather than as a series of independently managed parts.

However, this latest UI system modernization, as well as ongoing maintenance, support, and improvements, has proven challenging for most states. In the current environment, which varies by state, the overall cost of change to monolithic systems is often the major barrier to program and system enhancement, which can result in an accumulation of necessary changes.

Simultaneously, the marketplace for software solutions is limited and struggles to meet market demand and to provide cost-effective, flexible solutions. Additionally, many of the solutions offered are proprietary to the vendor, which can limit a state’s options for finding support elsewhere or reusing solutions easily. High barriers to market entry make finding this support even more challenging.

The Open UI Initiative's Mission

Open UI is a community whose mission is to design and enable the technology and supporting infrastructure to deliver responsive, flexible, and modern systems for the effective administration of unemployment insurance.

Our community provides a trusted structure for individuals and organizations to create, develop, validate, and ratify standards, and encourage the unemployment insurance ecosystem to evolve.

Openly sharing ideas, specifications, code, and other intellectual property is the key to reducing implementation risk, developing a thriving ecosystem for all participants, and maximizing innovation in unemployment insurance technology.

The Open UI Initiative's Vision

As stakeholders across different groups take part in our community, we are creating and validating standards, specifications, and certifications, making it possible for more states and vendors to transition from their existing inflexible, closed solutions to benefit from the Open UI approach with shared concepts, definitions, and code.

As unemployment agencies must do more, faster, and better, with less, our community must meet those responsibilities in the most effective, responsive, and flexible way. Unemployment insurance technology must become a commoditized and evolving set of products optimized for these challenges.

The Open UI Framework

To support the mission and achieve the vision described above, the Open UI Initiative will create the Open UI Framework and accompanying governance structure. The goal of the Framework is to set community-agreed open standards to:

- assure interoperability between modules, so that implementers have more choices and are better supported in making incremental change, one module at a time
- enable diversity, support competition, and lower the barrier to entry, so that more product offerings exist for states to choose among

The components of the Open UI Framework will be:

1. [**The Open UI Module Set**](#): A set of common, defined functionality groupings needed to fully support the administration of UI
2. [**Individual Open UI Module Specifications**](#): Defined interfaces and requirements for how each Open UI Module interacts with other parts of the system

3. [Common system requirements](#): Standardized features or functionality needed by any module to support the Open UI approach

The Open UI Module Set

A module, in the context of software or system architecture, is a self-contained unit that encapsulates one or more related functionalities or services. Modules serve as cohesive building blocks within a larger system, providing a level of abstraction and organization that enhances manageability, reusability, and scalability.

The encapsulation allows the module to be developed, tested, and maintained independently from other parts of the system. Modules can vary in size and complexity, ranging from small, single-purpose components to larger, multi-functional entities.

The complete Open UI Module Set is the minimum set of bounded functionalities (modules) needed to fully support the administration of unemployment insurance benefits. The set ought to minimize the overlap of functionality between the modules and maximize coverage of the functions required to administer and deliver unemployment insurance programs.

An Open UI Module Specification

Each module will have its own specification, defining:

- The functionality within that boundary, including data management and transformation;
- How the module interoperates with other parts of the system, whether that is another Open UI module or other kinds of modules, systems, or components, including:
 - The touch points
 - Data input/output
 - Interface protocol
- And any deviations from common system requirements.

Note that as part of defining interoperability, the Open UI Framework will standardize how to define data elements across the system, e.g., the Open UI Framework could choose to define individual claims as ClaimNumber rather ClaimID or ClaimIdentifier. Doing this will clarify data handling across scenarios, whether that is within an Open UI module, among Open UI Modules, between an Open UI module and non-standard module, or between an Open UI Module and a central data infrastructure.

Modules shall include configurable items as needed. The configuration requirements shall be provided as part of the finalized specification, whether that is defining certain variables to be set or enabling certain capabilities to be toggled on or off.

All modules will define requirements for all relevant user groups. E.g., a manage claim module would describe functionality needed for claimants, employers, staff, as well as relevant agents (Third Party Administrators, legal representation, etc.).

The Open UI System Requirements

Many modules will likely need to implement similar features. To achieve the Framework's goals, where appropriate, these common features and requirements will be codified into common system requirements. These may include:

- Accessibility
- Translation
- Privacy
- Security
- Performance and SLAs
- Auditability

Disclaimer and Important Notes

This is a Request for Information only. NASWA will not pay or compensate respondents for providing information under this RFI, and no project will be supported because of this RFI.

This RFI is not accepting applications for funding, and responding to this RFI does not provide any advantage or disadvantage to any future funding opportunities or procurements regarding the subject matter.

Any information obtained as a result of this RFI is intended to be used by NASWA for planning and strategy as it develops the Open UI Initiative; by responding to the RFI that you agree that what you provide may be used in a variety of ways by NASWA, its members, and its stakeholders. NASWA intends to support the Open UI community by publishing a compendium or synthesis of responses.

This RFI does not constitute a formal solicitation for proposals or abstracts. Responses will be treated as information only. NASWA will review and consider all responses in its formulation of program strategies for the identified materials of interest that are the subject of this request.

Respondents are advised that NASWA is under no obligation to acknowledge receipt of the information received or provide feedback to respondents with respect to any information submitted under this RFI.

Responses to this RFI do not bind NASWA to any further actions related to this topic.

Respondents to this RFI are encouraged to provide input only on questions of relevance or interest to them.

Request for Information Categories and Questions

A. Respondent Contact Information

Please provide your contact information, including your name, organization, type of organization (state government, non-profit/community organization, individual, etc.), phone number, and email address.

B. Respond to Example Potential Open UI Module Set

The complete Open UI Module Set is the minimum set of bounded functionalities (modules) needed to fully support the administration of unemployment insurance benefits. The set ought to minimize the overlap of functionality between the modules and maximize coverage of the functions required to administer and deliver unemployment insurance programs.

Coming to agreement on the Open UI Module Set is the first step in establishing the Open UI Framework. Once there are defined functional boundaries for each module, then work can begin on creating the specifications for each.

There are many potential ways that a UI system could be broken down into different modules based on your approach to grouping functionality, and how fine-grained you think the groupings should be to maximize ease of development, adoption, and management.

Below is a one such way to break down the UI system into modules:

- Account management
- Open new UI claim
- Manage UI claim
- Monetary eligibility determination
- Fact-finding and adjudication
- Non-monetary eligibility determination
- Payment issuance
- Manage appeals at all levels
- Manage benefits integrity
- Manage benefit charges to employer
- Benefits Timeliness & Quality control functions
- Cashiering and Accounting transactions
- Manage UI Experience Tax Rate
- Manage wage and tax data
- Manage employer receivables and delinquencies
- Unemployment Insurance Trust Fund Accounting
- Manage federal certification
- Manage tax performance

- Manage audit-investigation activities
- Create and send notifications, notices, or other communications
- Generate internal or other state-required operational reports
- Generate federally required reports for the U.S. Department of Labor

Questions

- B. 1. Do these functional boundaries make sense to you, and why or why not?
- B. 2. What about these functional boundaries would be easy or hard to manage?
- B. 3. A program like Disaster Unemployment Assistance (DUA) touches many elements of Unemployment Insurance administration. Its functionality could be addressed in multiple ways. In one approach, all relevant business modules' specifications would cover functionality for (DUA) in a configurable manner. In another approach, DUA administration is effectively a separate module that connects as needed to other parts of the UI system. Would you recommend either or both of these approaches, and why or why not?

C. Propose Alternative Potential Open UI Module Set

As mentioned in [B. Respond to Example Potential Open UI Module Set](#), there are many potential ways that a UI system could be broken down into different modules based on your approach to grouping functionality, and how fine-grained you think the groupings should be to maximize ease of development, adoption, and management.

Question

- C. 1. Suggest an alternative potential Open UI Module set, with accompanying architecture if relevant. Identify benefits or risks of your proposal as compared to the examples above.

D. Workflow Management

All UI systems include workflow functionality to support state staff. The Open UI Framework will need to understand and interact with workflow functionality, or also include workflow functionality as part of the specification.

Questions

- D. 1. Should workflows be designed as independent modules with their own defined specifications, in addition to having triggers and actions defined for each module?
- D. 2. Should the Open UI Framework include workflow functionality at all, or should workflow management be external to the framework?
- D. 3. Should workflow management be a centralized function or module, or should each module include workflow management if required?
- D. 4. Is workflow management a candidate for incorporation of third-party standards, APIs, or other specifications?
- D. 5. In any event, what are best practice approaches to guarantee conformance?

D. 6. In hybrid UI systems (existing functionality with the addition of one or more Open UI modules) how might Open UI modules work alongside existing workflow solutions?

E. Respond to Potential Shared Services Across Modules

We believe that there are some services or components across modules in an Open UI system, i.e., that there are functionalities that will be needed to achieve the business requirements of multiple modules.

A shared service or component could thus be used in the implementation of multiple modules, though the way that functionality is implemented would not be covered by the Open UI specifications.

Examples of potentially shared services:

- a. Authentication
- b. Identity verification
- c. Application logging
- d. Document management
- e. Fraud detection
- f. Scheduling
- g. Payment Issuance

Questions

- E. 1. For each of the examples above, would you consider them shared services or want them to be fully documented and standardized Open UI Modules?
- E. 2. What other potential shared services should we consider documenting?
- E. 3. Should Open UI consider standardizing the interface between Open UI modules and these potential shared services, and why or why not?
- E. 4. What needs to be true in order to support reuse of shared services across module implementations?
- E. 5. What are best practice approaches (including technical approaches) to guarantee module interoperability with shared services?

F. Integrating with Existing Programs/External Systems

Current Unemployment Insurance programs and implementations integrate and interface with multiple programs and systems, from local, state and federal government systems, to private sector systems, and systems from third parties such as NASWA. We expect the Initiative to decide what sort of integration is in-scope for modules and the implications of those in-scope integrations.

Examples of these systems include:

- Labor Market Information
- Reemployment and workforce development
- National Directory of New Hires
- State interfaces (e.g., DMV, vital records, department of revenue)
- Federal Interfaces (e.g., SSA, IRS)

These systems and programs usually include requirements and standards, whether commercial or government. One example at the federal level is the IRS's Publication 1075, Tax Information Security Guidelines.

Questions

- F. 1. With which existing programs or external systems should Open UI consider requiring integration, and in what capacity?
- F. 2. Conversely, which module specifications or functional areas of UI administration should include integration with which existing program(s) or external system(s)?
- F. 3. Should external programs and systems be represented in Technical Committees or involved in other ways?
- F. 4. To what extent should the Initiative include conformance, compliance, and quality assurance of integration with an external program or system?

G. Governance Structure

The Open UI Initiative is currently housed at NASWA and financially sponsored by the Department of Labor. NASWA understands that a high-level makeup of the Open UI Initiative governance structure would have some sort of Governing Board that would, among other things:

- Populate and manage the composition of the Technical Committees
- Decide what Technical Committees are required and set their terms of reference
- Decide what, when, or where external consultants or paid expertise is required
- Be responsible for financial stewardship and the financial sustainability of the Initiative
- Ensure the alignment of the work of the Initiative against its Vision and Mission

General Questions

- G. 1. What industry standard approaches to open, transparent processes should be considered for governance?
- G. 2. Of these industry standard approaches, is there a particular approach you favor, and if so, why?
- G. 3. Is there a different governance model we should consider, and why?
- G. 4. What concerns or issues should the governance model address in order to best fulfill the vision and mission?

G. 5. What best practices processes exist and should be considered to protect against vendor favoritism or vendor capture?

G. 6. Are there different governance processes or approaches more suited to distinct phases of development, e.g. during the inception or development of the first n modules, compared to later phases when the Framework is more mature?

Composition questions

G. 7. What criteria should be considered when populating the Governing Board?

G. 8. What groups or types of individuals should be represented on the Governing Board?

G. 9. What successful industry standard approaches exist for ensuring the Governing Board best fulfills the vision and mission?

G. 10. What failure modes or risks should be considered that the Governing Board be expected to address?

G. 11. What types of experience or qualification should be considered in terms of Governing Board membership?

H. Technical Committees

NASWA understands that the Open UI initiative governance structure would include a series of technical committees and meta-committees. For example:

- Open UI Architecture Committee
- Committees for each module and its development, iteration, and Quality Assurance
- Operational, cross-cutting committees such as:
 - Security
 - Privacy and managing personally identifiable information
 - Publication (the process by which module specs are generally ratified, published, and kept up-to-date)
 - Conformance, compliance, and Quality Assurance

Questions

H. 1. What technical committees should exist?

H. 2. Who should be voting members on different types of committees?

H. 3. What should the overall composition and representation of the voting members on different types of committees be?

H. 4. How should non-voting members be able to contribute to, observe, or otherwise participate in the work of the technical committees?

H. 5. What are best-practice examples that you have seen or been a part of?

I. Security and PII

Unemployment Insurance programs are often targets of organized fraud and can be subject to concerted security breaches. They also by definition include personally identifiable information (PII) as well as UI confidential information.

Questions

- I. 1. To what extent, if any, would the public, open availability of specifications and other works from the Initiative constitute a security risk?
- I. 2. What mechanisms exist to reduce those security risks, if any, and what mitigations exist when weighing the Initiative's Mission and Vision?
- I. 3. What are generally accepted industry best practices in terms of weighing risk/benefit in restricting access to specifications and other works ("security through obscurity")?
- I. 4. What are general risks the Initiative should be aware of and have mitigation procedures in place in its work? For example, working with third party information security vendors or consultants, or using techniques such as bug bounties?
- I. 5. What industry standards should the Initiative adopt by incorporation or reference as part of module specifications in order to fulfil the principle of do-not-repeat-yourself?

J. Open Response

Please use this question to provide any additional information or thoughts you have on the Open UI Initiative, Open UI Framework, or related concepts.

Request for Information Response Guidelines

For any questions answered, please include the question number prior to each response.

RFI responses shall be submitted on or before June 28, 2024, at 11:59pm EDT, to the Open UI Initiative (UIMod@NASWA.org) in a format that is readable in Microsoft Word or as a PDF. NASWA will not accept hard-copy responses or other formats. All responses to this RFI shall contain "Open UI RFI Response" in the response email's subject line.

Any clarifying questions about the RFI shall be submitted on or before June 12, 2024, at 11:59pm EDT to the Open UI Initiative (UIMod@NASWA.org). All clarifying questions for this RFI shall contain "Open UI RFI Questions" in the email's subject line. All questions will be anonymized where possible and posted alongside their answers on [RFP/RFI \(itsc.org\)](https://itsc.org) no later than June 19, 2024.