



COMMONWEALTH of VIRGINIA
Virginia Employment Commission

Demetrios J. Melis
Commissioner

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January 1, 2026

TO: The Honorable Glenn Youngkin
Governor, Commonwealth of Virginia
P.O. Box 1475
Richmond, Virginia, 23218

The Honorable R. Creigh Deeds
Chair, Senate Commerce and Labor
Senate of Virginia
P.O. Box 396
Richmond, Virginia 23218

The Honorable Jeion A. Ward
Chair, House Labor and Commerce
Virginia House of Delegates
P.O. Box 7310
Hampton, Virginia 23666

The Honorable Adam Ebbin
Chair, Commission on Unemployment Compensation
Senate of Virginia
P.O. Box 396
Richmond, Virginia 23218

FROM: Demetrios J. Melis, Commissioner

RE: Update on the Office of the Unemployment Compensation Ombudsman – 2nd Quarter,
FY 2026

Dear Governor, Chairmen, and Madam Chair:

Per the Appropriation Act – Chapter 725, Item 356 I. (Regular Session, 2025) of the Commonwealth of Virginia, the Virginia Employment Commission (VEC) is required to provide a quarterly report to update the General Assembly on the Unemployment Compensation Ombudsman, to the Governor, House Labor and Commerce Committee, the Senate Commerce and Labor Committee, and the Commission on Unemployment Compensation. This letter serves to meet that requirement.

Specialized Escalation Team:

The Ombudsman function, led by VEC's Chief Customer Advocate, continued to deliver timely and effective support to Virginians seeking unemployment assistance during the second quarter of FY 2026. Through the support of a dedicated Escalation Team of 12–15 staff members, the office addressed complex and high-priority cases, helping customers overcome barriers within the VEC's systems. The team consistently resolves issues within 48 hours on average, including cases escalated from other VEC units and legislative offices, improving access to services and customer resolution outcomes.

In the second quarter of FY 2026, the Escalation Team received 7,028 cases and closed 6,693 cases. On average, the Escalation Team was successful in contacting customers within 41.8 hours and closing cases within 3.9 days. Approximately 65% of those customers contacted the VEC through a customer contact form on the VEC website, highlighting VEC's progress in expanding direct lines of communication with its customers. This online form and collaboration with the Escalation Team have helped reduce the wait times for those who prefer to call the VEC.

Additionally, the Chief Customer Advocate continues to pay close attention to the case escalation trends. Most cases that needed escalation this past quarter belonged to customers who faced delays in receiving their payments (18%). Challenges with using the online services and the filing of initial or weekly claims (16% each) were also other noticeable trends in the second quarter of FY 2026. Long-term data analysis remains essential to helping the Chief Customer Advocate identify any operational inefficiencies and propose potential solutions.

Stakeholder Engagements:

The Chief Customer Advocate responded directly to 588 emails and 551 phone calls from individuals who contacted his office. More than 80% of those emails came from claimants who faced difficulties accessing the VEC's online system or needed explanations about their VEC claim determination. The remaining 20% of emails came from employers. Those queries from employers were primarily about access to their online accounts, tax-related queries, or about penalties imposed on employers for failing to respond to the VEC in a timely manner.

The Chief Customer Advocate also held approximately 38 meetings with several legal aid attorneys who represented various claimants. Those meetings required the Chief Customer Advocate to review the claims in question, provide data regarding those claims, and make the necessary referrals to the Appeals, Adjudication, Monetary, and Benefit Payment Control departments of the VEC, when appropriate.

Lastly, the Chief Customer Advocate organized several sessions for employers who planned to conduct seasonal layoffs. Those employers were primarily from Southwest Virginia. The Chief Customer Advocate educated the employees about the VEC's processes and provided information to human resources staff about employer responsibilities. There was also a collaboration with the VEC's Escalation Team to provide real-time online support during several seasonal shutdowns. That collaboration was necessary because some of the affected claimants in Southwest Virginia required additional assistance in navigating the online claims portal.

Chief Customer Advocate's Recommendations:

The Chief Customer Advocate was able to provide several recommendations to the VEC leadership, in response to feedback that was gathered during his interactions with claimants. For instance, he relayed information regarding claimants who had previously assumed that all mail from the VEC would come in envelopes that have official Commonwealth markings. In response, the Office of Communications has started to educate claimants who choose to receive their payment via debit cards to anticipate receiving those cards in envelopes that may not have the VEC's logo on them—an initiative that is preventing unnecessary delays in making timely payments through external vendors. Similarly, after the latest federal workforce transitions that resulted in layoffs, the Chief Customer Advocate recommended several language changes to the VEC website to make it easier for former federal employees to navigate the unemployment insurance process.

To conclude, the efforts underway significantly contribute to ensuring that Virginia's Unemployment Insurance program and benefits are easily accessed and understood by all. Please do not hesitate to contact me at demetrios.melis@vec.virginia.gov with any questions.

Sincerely,

Demetrios J. Melis
Commissioner

Attachment 1: Escalation Case Trends in Quarter 2, FY 2026

Submission Type (groups)	Cases Received	Cases Closed	Avg 1st Contact Time(Hours)	Avg. Turnaround Time(Days)
Agency/Internal	1,938	1,766	34.45	4.5
October	430	425	41.94	5.1
November	539	521	37.94	6.3
December	969	820	27.63	3.1
Customer Web Form	4,533	4,403	49.91	3.7
October	2,113	2,109	46.16	3.5
November	1,602	1,592	63.02	4.2
December	818	702	32.15	3.2
Governor's Office	145	134	16.69	6.7
October	68	67	15.28	8.6
November	38	37	22.06	5.3
December	39	30	13.74	4.2
Legislator	179	167	12.48	4.9
October	86	86	15.49	5.3
November	34	34	8.14	4.9
December	59	47	11.04	4.0
Mass Support	233	223	2.50	0.6
October	167	166	0.97	0.2
November	35	35	0.88	2.1
December	31	22	8.67	1.0
Total	7,028	6,693	41.83	3.9

