

Payment Integrity Scorecard

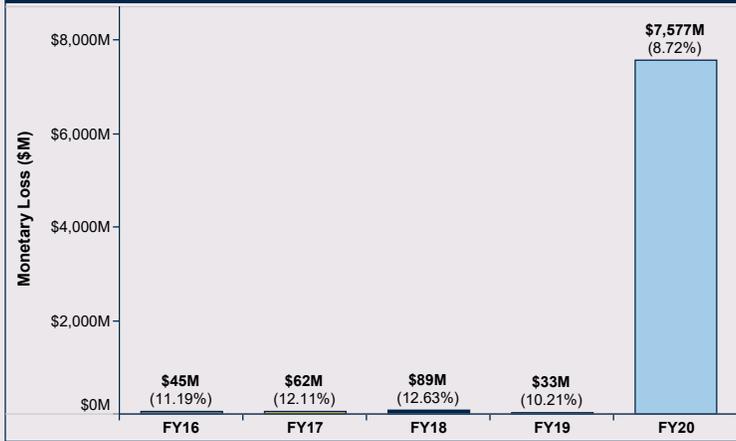
Program or Activity Unemployment Insurance	Reporting Period Q2 2021
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Change from Previous FY (\$M)	\$7,544M	
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 **DOL**
Unemployment Insurance

Brief Program Description:
The UI program provides temporary, partial wage replacement to eligible workers.

Monetary Loss (\$M) (Overpayment as Percentage of Total Outlays)



Key Milestones	Status	ECD
1 Develop mitigation strategies to get the payment right the first time	On-Track	Dec-21
2 Evaluate the ROI of the mitigation strategy	On-Track	Dec-22
3 Determine which strategies have the best ROI to prevent cash loss	On-Track	Jun-23
4 Implement new mitigation strategies to prevent cash loss	On-Track	Sep-23
5 Analyze results of implementing new strategies	On-Track	Mar-24
6 Achieved compliance with PIIA	Completed	Nov-20
7 Identified any data needs for mitigation	N/A	N/A

Goals towards Reducing Monetary Loss	Status	ECD
1 Q2 2021 The NASWA SIDES team will conduct a series of virtual UI SIDES training webinars from Feb 2021-May 2021. ETA will issue advisories to promote state participation in the SIDES training webinars.	On-Track	May-21
2 Q2 2021 The UI Integrity Center is developing a Behavioral Insights toolkit to provide states with information about behavioral interventions implemented by other states and including example resources and best practice tips for adoption to reduce improper payment	On-Track	Sep-21

Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 Recovery Activity	ETA will provide technical assistance to states on overpayment recovery methods and best practices and find opportunity to streamline state recovery efforts.	DOL continues to seek full implementation of the Treasury Offset Program (TOP) by all 53 state UI agencies. Currently, 49 state UI agencies and DC have implemented TOP for UI overpayments.
2 Recovery Activity		ETA is developing recommendations to states on the methodology for recovering UC benefits, which are held by banks and financial institutions as a result of potentially fraudulent activity.

Accomplishments in Reducing Monetary Loss	Date
1 The Integrity Center developed and conducted two Integrity Data Hub (IDH) webinars: 1) IDH Overview; 2) Prioritizing IDH cross-match results.	Oct-20
2 The Integrity Center published four new "blueprints" providing best practices for 1) Wage record cross-matches; 2) State and National Directory of New Hires cross-matches; 3) Prevention/detection of identity theft; 4) Identity verification overview	Dec-20
3 The Integrity Center, in partnership with ETA, developed and publish a Top Integrity Practice and Solutions (TIPS) document to remind states of recommended operating procedures and best practices for National Directory of New Hires.	Dec-20

Amt(\$)	Root Cause of Monetary Loss	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$408M	Administrative or process errors made by: state or local agency	Administrative errors at the state-level due to the lack of adequate UI program integrity controls, which are under the purview of state workforce agencies.	Holding states accountable through performance measures and requiring corrective action for not meeting targets; providing oversight and technical assistance to poorest performing states; sharing best practices; and proposing legislative reforms.	The reduction of improper payments due to administrative errors.
\$260M	Failure to verify: other eligibility data	To address this root cause, it is critical for states to identify as quickly as possible that a UI claimant has returned to work and to ensure that claimants understand their responsibility to report when they return to work.	Promoting state strategies to improve use of the National Directory of New Hires data and providing enhanced operating procedures for states to follow when cross-match hits are received.	The reduction of BYE improper payments.

Monetary Loss - Monetary loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.

NOTE: FY2020 overpayments reported for the regular Unemployment Insurance (UI) program do not represent a monetary loss to the federal government. The benefits paid under the regular UI program are funded by state-assessed and state-collected taxes and are not federal tax dollars. The UI program is administered by state agencies, which are required by statute to pay benefits when due. Payments were initially made to the right recipients for the right amounts. Subsequent information, which was not available to the agency at the time of the payment, identified an issue resulting in an overpayment. All overpayments recovered by the state agencies are returned to the state UI Trust Funds for the payment of future UI benefits, and are not available for any other federal purpose. Additionally, these monetary losses are outside the agency's control.