

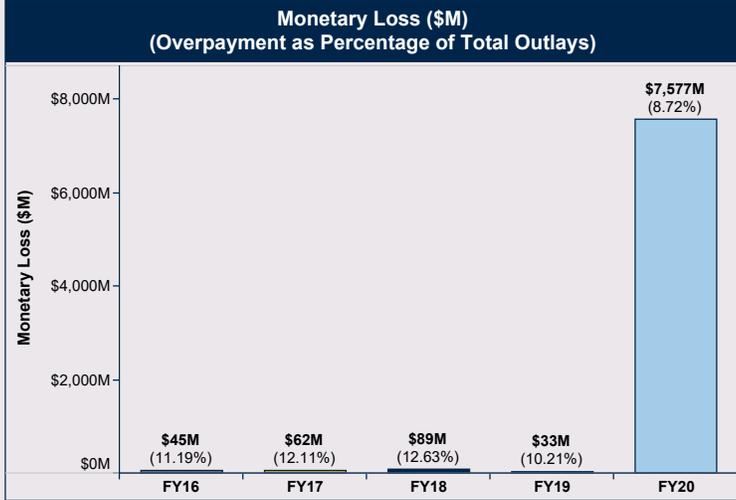
# Payment Integrity Scorecard

<b>Program or Activity</b> Unemployment Insurance	<b>Reporting Period</b> Q3 2021
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<b>Change from Previous FY (\$M)</b>	<b>\$7,544M</b>	
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**DOL**  
Unemployment Insurance

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



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			
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">1</td> <td style="width: 15%;">Q3 2021</td> <td style="width: 75%;">The NASWA State Information Data Exchange System (SIDES) team conducted a series of virtual UI SIDES training webinars from Feb 2021-May 2021 and held the 2021 UI SIDES Seminar on May 26-27, 2021.</td> </tr> </table>	1	Q3 2021	The NASWA State Information Data Exchange System (SIDES) team conducted a series of virtual UI SIDES training webinars from Feb 2021-May 2021 and held the 2021 UI SIDES Seminar on May 26-27, 2021.	Completed	May-21
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<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">2</td> <td style="width: 15%;">Q3 2021</td> <td style="width: 75%;">The UI Integrity Center continues to develop Behavioral Insights Toolkit to provide states with info about behavioral interventions implemented by other states and including example resources and best practice tips to reduce improper payments.</td> </tr> </table>	2	Q3 2021	The UI Integrity Center continues to develop Behavioral Insights Toolkit to provide states with info about behavioral interventions implemented by other states and including example resources and best practice tips to reduce improper payments.	On-Track	Sep-21
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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.	ETA issued Unemployment Insurance Program Letter (UIPL) 19-21, to provide guidance to states on the proportional distribution methodology for recovering federally funded Unemployment Compensation benefits, which are held by banks and financial institutions as a result of suspicious and/or potentially fraudulent activity " (May 04, 2021).
2 Recovery Activity	ETA will continue bi-weekly banking workgroup calls to discuss ongoing recovery efforts & improve communication between banking organizations, Federal Government agencies, & law enforcement agencies in regards to overpayment recovery.	ETA continues to work closely with federal law enforcement and banks/financial institutions to streamline recovery efforts and facilitate the return of UI funds. ETA coordinated a call between states, the Office of Inspector General (OIG), and the Department of Justice (DOJ) to provide states with information on law enforcements forfeiture and seizure efforts to recover UI funds. " (June 11, 2021).

Accomplishments in Reducing Monetary Loss			Date
1	Integrity Center published a Model Claimant Handbook. The Model Claimant Handbook draws upon BI & documents best practices that is easy for claimants to read/understand, to reduce IP due to misunderstanding of UI requirements.		Apr-21
2	The Integrity Center developed and conducted a three part webinar series on Protecting Integrity 1) Identity Verification; 2) Identity Theft; 3) Internal Security Webinar.		May-21
3	Integrity Center released Results Prioritization (Phase 1) in the IDH production environment - allows states to receive IDH cross-match results by priority level based on pre-established rules & more quickly identify emerging UI fraud.		Jun-21

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:** From this quarter forward, DOL is transitioning to OMBs instructions that this reporting meets the High Dollar Report requirement and DOL will no longer develop a standalone High Dollar Report

**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.