

# Payment Integrity Scorecard

**Program or Activity**  
Employment and Training Administration - Federal State...

**Reporting Period**  
Q2 2022

**Change from Previous FY (\$M)**

**\$7,544M**



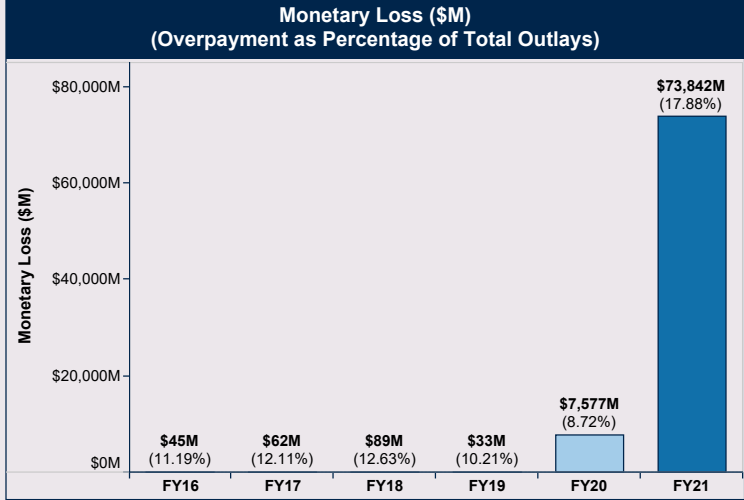
**DOL**

Employment and Training Administration - Federal State Unemployment Insurance

**Brief Program Description:**

The UC programs provide temporary, partial wage replacement to eligible workers. Programs included in the monetary loss calculation for FY21 included the traditional state UI, UCFE, UCX, EB, EUC08 benefits, and the PEUC and FPUC CARES Act benefits.

Key Milestones	Status	ECD
1 Develop mitigation strategies to get the payment right the first time	Completed	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	Completed	Jan-18



Goals towards Reducing Monetary Loss	Status	ECD
1 Q2 2022 UI Integrity Center released Bank Account Verification (BAV) in the Integrity Data Hub production to allow states to validate account status and authorized users on bank accounts provided on UI claims for receipt of benefits.	Completed	Feb-22
2 Q2 2022 ETA is deploying technical assistance teams (i.e. Tiger Teams) to states to conduct intensive research to quickly surface problems/propose solutions to address fraud, promote equitable access, reduce backlogs, and ensure timely UI benefit payment.	On-Track	Dec-22

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 is monitoring the use of grant funds provided to support states with fraud detection and prevention, including identity verification and overpayment recovery activities.
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.

Accomplishments in Reducing Monetary Loss	Date
1 UI Integrity Center held a webinar for states on developing an effective workflow for UI claims and investigations, including prioritization and scoring mechanisms.	Jan-22
2 ETA Regional Offices and DOL-OIG began (FY22, Q2) holding quarterly joint calls with states to share fraud trends and analysis, provide recommendations for responding to emerging fraud schemes, and strengthen coordination and communication w/states.	Mar-22
3 Initiated Tiger Team process with 18 states, finalized Tiger Team process with 12 states, submitted recommendations to 8 of 12 states. The 8 states that received recommendations are working on submitting grant applications to fund recommendations.	Mar-22

Amt(\$)	Root Cause of Monetary Loss	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$44,533M	Overpayments outside the agency control that occurred because of an Inability to Access the Data/Information Needed.	State agency followed official procedures and forms had been fully completed but the issue was not detectable by normal procedures. Overpayments originate from state agency administration issues, not ..	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Provide states access to effective tools, technology, resources, and solutions; offering states enhanced technical assistance to prevent/detect IPs and fraud and to reduce IPs due to issues that were not detectable by normal procedures.
\$27,480M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	State agency identified issue but didn't properly follow procedures/complete forms &/or provided incorrect info - didn't resolve issue. Or result of 3rd-party error/incorrect info. OPs originate from state agency administration issues, not Federal.	Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	Hold states accountable through performance measures and require corrective action for not meeting targets; provide oversight and TA; share best practices; enhance training/resources to improve UC knowledge and reduce IPs due to state agency errors.
\$1,829M	Overpayments within agency control that occurred because of an Inability to Access the Data/Information Needed.	State agency was resolving error or had detected error as a result of crossmatch with NDNH or wage records & issue was detected after the payment was issued. OPs originate from state agency administration issues, not Federal agency administration.	Predictive Analysis - A data analytics technique used to prevent Improper Payments. It uses predictive capabilities to identify unobserved attributes that lead to suspicion of Improper Payments based on known Improper Payments	Promote state strategies to improve use of NDNH data and providing enhanced crossmatches for states' use to ensure UI benefit payments are only made to eligible individuals and reduce IPs due to eligibility issues.

**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:** 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. The reported FY 2020 and 2021 estimate for Other Reason (1) include those payments which are required by statute to pay benefits "when due" under the Social Security Act section 300 and Supreme Court Decision Java vs California. Reported IP were initially made to the right recipients, at the time required by law. Subsequent information, which was not available to the state agencies at the time of the payment, identified an issue resulting in an underpayment or overpayment. However, please note that all overpayments recovered by the state agencies must be returned to the state Unemployment Trust Fund for the payment of future UI benefits, and are not available for payment integrity or any other Federal purpose.