Important Resources, Strategies, Tools, and Services for States

As noted throughout this Unemployment Insurance Program Letter (UIPL), fraud prevention and detection activities, as well as overpayment recovery activities, are strongest when states employ a variety of tools, strategies, and resources. The Employment and Training Administration (ETA) reminds states of the many other resources available to support states with identity (ID) verification, fraud prevention and detection, and overpayments recovery.

ETA's Regional Offices. ETA's Regional Offices are available to provide states with ongoing technical assistance regarding integrity strategies, tools, and services and to connect states with such resources supported and funded by the Department. States are encouraged to work closely with ETA's Regional Offices to address root causes of fraud and improper payments and in developing Integrity Action Plans (IAPs) and any needed corrective action plans.

Tiger Teams. The Department's multidisciplinary technical assistance teams (known as Tiger Teams) work with states to conduct consultative assessments to address state-specific, unique challenges and/or collect best practices to prevent and detect fraud, promote equitable access, reduce backlogs, and ensure timely payment of benefits. Tiger Teams work with states to identify immediate needs and issues focused on near-term improvements in customer experiences and improved operational processes, while also proposing grant funded recommendations to address fraud and support more equitable access for legitimate individuals. The Department engaged with 24 states for the Tiger Team initiative in Year 1 (July 2021 - June 2022) of the project and continues to finalize and deliver recommendations to states based on Tiger Team consultative assessments. Trends from Tiger Team recommendations are available at https://oui.doleta.gov/unemploy/pdf/TigerTeamCohortTrendsJanuary2023.pdf. *See* UIPL Nos. 02-22 and UIPL 02-22 Change 2.

UI Integrity Center. Established and funded by the Department and operated by the National Association of State Workforce Agencies (NASWA) Center for Employment Security Education and Research (CESER), the Unemployment Insurance (UI) Integrity Center is designed to assist states in their efforts to prevent, detect, and recover improper and fraudulent payments and improve program integrity by developing and promoting innovative program strategies. The UI Integrity Center supports the needs of states in adopting and implementing strategies to ensure program integrity, to reduce the UI improper payment rate, and to address fraud in unemployment compensation (UC) programs. The following resources and tools are available through the UI Integrity Center at no costs to states.

- State Services – supports states in assessing business processes and provides recommendations for adoption of effective strategies for combatting fraud, reducing a state's improper payment rate, enhancing overpayment recovery, and improving UI program integrity (*see* https://www.naswa.org/integrity-center/state-services).

- UI Integrity Knowledge Exchange Library (Library) – provides an online, searchable, knowledge-sharing platform with a repository containing thousands of UI technical resources

to strengthen UI program integrity (*see* https://library.naswa.org/). The Library also contains the Behavioral Insights (BI) Toolkit – a collection of resources, articles, templates, and how-to information developed to help state UI agencies apply the learnings of BI to address program compliance challenges and improve UI program integrity (*see* Training and Employment Notice (TEN) No. 15-21 and https://library.naswa.org/bitoolkit).

- UI National Integrity Academy (Academy) – provides no-cost interrelated certificates that offer program integrity trainings for state staff via online, eLearning modules and Virtual Instructor Led Training. The Academy's Learning Management System provides states with access to self-paced, on-demand training available at any time and a searchable online catalog with over 120 lessons available for state UI staff in the areas of Program Leadership, UI Operations Integrity, Fraud Investigations, Tax Integrity, Data Analysis, and Behavioral Insights (*see* https://www.naswa.org/learning).

- Integrity Data Hub (IDH) – a secure, robust, centralized, multi-state data system that allows participating states to cross-match, compare, and analyze state UC claims data against a variety of datasets (*see* TEN No. 24-21 and https://www.naswa.org/integrity-center/integrity-data-hub). Current IDH datasets and functionality includes:

  o Suspicious Actor Repository (SAR) – allows states to match UI claims against other states' known suspicious claims data. This tool allows each state to benefit from the investigative work of all states as claims data associated with known or probable UI fraud is submitted and stored in the SAR for cross-matching purposes.
  o Suspicious E-Mail Domains and Patterns – allows states to cross-match their claims against a database of suspicious e-mail domains and detects suspicious email patterns, that have been associated with fraudulent activity, and flags claims with these domains and/or patterns for further investigation by the submitting state.
  o Foreign Internet Protocol (IP) address detection – allows states to receive flags on UI claims filed from IP addresses outside of the U.S.
  o Multi-State Cross-Match (MSCM) – states can submit current UI claims for cross-matching and receive notifications when potentially fraudulent claims are filed in multiple states.
  o Identity Verification (IDV) Solution – provides states with a centralized, front-end ID verification tool by returning identity scoring information, including flagging of false and synthetic identities, to help states prioritize investigations involving questionable identities. The IDV solution includes a cross-match to the Social Security Administration's (SSA) Death Master File to identify claims filed using identities of deceased individuals.
  o Bank Account Verification (BAV) Service – allows states to proactively identify and authenticate bank account information on the UI claim by validating the status of the bank account (*e.g.*, account is open or closed) and providing a level of assurance that the individual identified as the claimant is the bank account owner and/or authorized user prior to initiating the UI benefit payment.
  o Fraud Alert System – allows states to share and receive fraud alerts with each other and the Department of Labor's Office of Inspector General (DOL-OIG), ensuring as

emerging fraud schemes are identified they are shared broadly within the UI community and with federal law enforcement.
- o Additionally, new IDH enhancements, such as IDH Results Prioritization and Results Sorting, Filtering, and Outcomes, allow states to prioritize, analyze, and manage IDH results quickly and easily, and help states identify why a claim warrants further investigations.

Office of Unemployment Insurance Modernization (OUIM). OUIM, located within the Department's Office of the Secretary, is developing services to assist states with equitable practices that reduce claimant errors which contribute to improper payments. These services include plain language conversions, evaluation of customer experiences, and assistance with design of digital experiences that minimize friction for users. States are encouraged to contact their ETA Regional Office to inquire about technical assistance and participation in OUIM modernization activities. States may also visit OUIM's reference site where promising practices and materials related to information technology (IT) modernization and updates from Department-sponsored engagements are housed. The reference site is located at https://www.dol.gov/agencies/eta/ui-modernization.

UI Information Technology Support Center (UI ITSC). ETA created UI ITSC in 1994 through a cooperative agreement with the State of Maryland to develop products and services and to support state UI agencies in the use of IT for efficient administration of the UI program. Since 2009, NASWA CESER has operated the UI ITSC. UI ITSC's activities involve providing information, technical assistance, products, and services to states in support of the modernization of IT systems used to administer the UI program. For more information on UI ITSC visit http://www.itsc.org/.

State Information Data Exchange System (SIDES). State implementation and employers' use of SIDES should be an integral part of a state's IAP (*see* TEN No. 12-16 and information available at https://www.naswa.org/uisides). States should view SIDES as a critical part of their UI integrity efforts and are encouraged to connect to all available SIDES Exchanges (*see* UIPL No. 09-23 for details on the SIDES Exchanges).

Prisoner Update Processing System (PUPS). To be eligible for UI benefits, an individual must be able, available, and actively seeking work. Incarcerated individuals do not typically meet the eligibility requirements to receive UI benefit payments. ETA worked in partnership with SSA to establish a secure data exchange between ICON and the SSA's PUPS to provide states with the ability to cross-match UI claims data with incarceration records to assist states in making accurate UI eligibility determinations (s*ee* UIPL No. 01-22). States are strongly encouraged to cross-match all UC claims against incarceration datasets, including PUPS and/or other federal, state, and local incarceration records.

DOL-OIG. ETA recommends states build a strong partnership with their DOL-OIG offices. ETA encourages all states to collaborate with their ETA Regional Offices and DOL-OIG to share fraud trends and analysis, discuss recommendations and effective strategies for responding to emerging fraud schemes, receive updates on prosecution efforts, and facilitate sharing of UI fraud and integrity-related challenges and best practices among states.