

UNEMPLOYMENT INSURANCE HIGH-DOLLAR REPORT

As required by Section 3(f) of Executive Order (E.O.) 13520, the U.S. Department of Labor (Department) has identified in the attached report the number of individuals who received high-dollar overpayments of Unemployment Insurance (UI) benefits during the first quarter (October to December) of Fiscal Year (FY) 2020.

Office of Management and Budget (OMB) Circular A-123, Appendix C (October 2014), provided guidance for improper payments reporting, specifying the criteria for high-dollar overpayments whereby overpayments to individuals that are at least 50 percent higher than the proper payment and over \$25,000 must be reported. On June 26, 2018, OMB Circular A-123, Appendix C was revised and the requirements for reporting high-dollar overpayments were removed. However, since E.O. 13520 is still in effect and no guidance clarifying this requirement has been issued, the Department will make the report available on the Office of Unemployment Insurance Payment Accuracy Web page located at: https://oui.doleta.gov/unemploy/improp_pay.asp#hideme17.

State UI agencies' Benefit Payment Control (BPC) units are responsible for identifying and recovering UI overpayments. The number of high-dollar overpayments identified by state BPC operations is reported on the Employment and Training Administration (ETA) 227 - Overpayment Detection and Recovery Activities report. Current reporting instructions for the ETA 227 report, which are included in UI Program Letter No. 8-12, Change 1 (July 27, 2015), define fraud and non-fraud high-dollar overpayments as:

“...when total overpayments to an individual on a claim exceeds [*sic*] \$25,000. Overpayments may be a single overpayment or multiple overpayments established during or prior to the reporting quarter...”

For the first quarter of FY 2020, a total of 52 state workforce agencies submitted the ETA 227 report; however, one state workforce agency (Arizona) does not currently report high-dollar data on its ETA 227 report submissions and one state workforce agency (Virgin Islands) did not submit their ETA 227 report. Although the ETA 227 report is due on the first day of the second month following the report period, states frequently send the reports late or submit corrections after the due date. For this reason, the Department allows an additional 60-day grace period after the due date to ensure that the most accurate data is used in calculating high-dollar overpayments.

Based on historical data trends, states at times do not submit a completed ETA 227 report, or fail to report high-dollar data on the ETA 227 reports. For this reason, ETA provides sample counts from the Benefit Accuracy Measurement (BAM) survey. BAM is a statistical survey of paid and denied UI claims that collects information on high-dollar overpayments. State BAM investigators are required to complete 95 percent of their sample cases within 90 days of selection.

Effective with UI Program Letter No. 11-15 (February 26, 2015), states BAM Units must also complete 98 percent of their cases sampled between July 1 and June 30 (the reporting period for UI integrity data published in the Department’s Agency Financial Report) by October 28. Therefore, high-dollar data will be reported according to the following schedule:

| Reporting Quarter | BAM Audit Completion Date | High-Dollar Report Submitted By |
|--------------------|---------------------------|---------------------------------|
| January - March | June 30 | July 31 |
| April - June | September 30 | October 31 |
| July - September | December 31 | January 31 |
| October - December | March 31 | April 30 |

During the October to December 2020 reporting period, BAM completed audits for 5,591 paid claims. BAM data are available only at the state level of reporting. BAM covers the three largest permanently authorized unemployment compensation programs: State UI, Unemployment Compensation for Federal Employees (UCFE), and Unemployment Compensation for Ex-Service members (UCX). Although overpayments for all of these programs, including high-dollar overpayments, are part of the population from which BAM samples are drawn, BAM surveys only a small percentage of total UI paid claims. Therefore, the number of UI benefit recipients with high-dollar overpayments identified through BAM is significantly less than the number of high-dollar overpayments in the population.

ASSOCIATED DATA FOR THE UNEMPLOYMENT INSURANCE HIGH-DOLLAR REPORT

REPORTING QUARTER: FY 2020 QUARTER 1

States Reporting at the \$25,000 Threshold

| State | State UI UCFE/UCX Cases | State UI UCFE/UCX Amount | EB Cases | EB Amount | Total High-Dollar Cases | Total High-Dollar Amount |
|--------------|--|---|---------------------|----------------------|--|---|
| AK | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| AL | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| AR | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| CA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| CO | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| CT | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| DC | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| DE | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| FL | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| GA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| HI | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| IA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| ID | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| IL | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| IN | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| KS | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| KY | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| LA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MD | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| ME | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MI | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MN | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MO | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MS | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| MT | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NC | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| ND | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NE | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NH | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NJ | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NM | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NV | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| NY | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| OH | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| OK | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| OR | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| PA | 0 | \$0 | 0 | \$0 | 0 | \$0 |

| State | State UI UCFE/UCX Cases | State UI UCFE/UCX Amount | EB Cases | EB Amount | Total High-Dollar Cases | Total High-Dollar Amount |
|-------|-------------------------|--------------------------|----------|-----------|-------------------------|--------------------------|
| PR | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| RI | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| SC | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| SD | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| TN | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| TX | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| UT | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| VA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| VT | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| WA | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| WI | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| WV | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| WY | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| US | 0 | \$0 | 0 | \$0 | 0 | \$0 |

| States Not Reporting High-Dollar Cases on the ETA 227 Report BAM Unemployment Insurance High-Dollar Report Reporting Quarter: FY 2020 Quarter 1 Reported at the \$25,000 Level | | |
|---|-----------|---------------|
| State | BAM Cases | BAM Amount OP |
| AZ* | 0 | \$0 |
| VI | 0 | \$0 |
| * State workforce agency did not report high-dollar data on the ETA 227 report. | | |

Source: ETA 227 Report, BAM

Prepared by: Office of Unemployment Insurance, Division of Performance Management