

Helping States Ensure the Integrity and Accuracy of Their UI Programs

The COVID-19 pandemic continues to have an unprecedented impact on the health and economic wellbeing of millions of Americans, driving massive layoffs and record unemployment. It has also tested state Unemployment Insurance programs in ways never imagined, with unprecedented fraud resulting in over \$36 billion in improper payments since last spring.¹ Maximus can help.

Addressing improper payments and fraud is a top priority for the Department of Labor and the entire UI system. It is critical that states implement UI programs and provisions that ensure payments are made only to eligible individuals. States must also put aggressive strategies and tools in place to prevent, detect, and recover fraudulent payments, with a particular emphasis on imposter fraud by claimants using false identities.

We can support your UI program modernization efforts

Our experienced consultants can help you interpret and implement the Unemployment Insurance policies set forth by the Families First Coronavirus Response Act (FFCRA, H.R. 6201); the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, H.R. 748); and the Continued Assistance Act. We can assess your state's current policies and operations and provide essential support to ensure your program can process claims quickly, efficiently, accurately, and securely. We can also provide planning, procurement, implementation, and project management support should your UI system require modernization.

Our services can be tailored to meet your state's unique needs, including:

Federal and state policy support

- Reviewing and analyzing the FFCRA, CARES, and Continued Assistance Acts
- Mapping of federal legislation to state legislation
- Mapping the Department of Labor pandemic program rules to state business processes

End-to-end pandemic business process mapping for CARES and Continued Assistance Acts related to new federal legislation and relief for workers impacted

- Identifying gaps in service; providing recommendations and solutions
- Identifying fraud vulnerabilities; providing recommendations and solutions
- Identifying process improvements; providing recommendations and solutions

Operational support and coordination

- Providing claims center triage support
- Identifying and addressing bottlenecks
- Delivering quick process improvements, such as workflow recommendations, phone-queue arrangement, and problem-resolution redistribution
- Assessing the potential and providing a proposal for direct operations support, such as call center and claims processing
- Optimizing manual work processes and equipping team members with the right tools

Technical assessment

- Documenting your current system's ability to satisfy the state's technical needs in support of the CARES and Continued Assistance acts

- Architectural/foundational – Analyzing the base design of the system to meet current needs
- Supplementary technologies, infrastructure, and/or components – Identifying specific technology additions that can provide key capabilities and/or improvements to maximize self-service channels, streamline workflows, improve security, and reduce fraud

UI system modernization planning, project management oversight, and risk management

- Providing planning, procurement, and implementation support for the modernization initiative
- Ensuring that UI system modernization project activities occur as scheduled, risks are identified and mitigated, and accountability is enforced at all levels
- Quality Assurance (QA) – Focusing on lifecycle development and test processes so that defects are identified earlier in the process, minimizing remediation costs
- Independent Verification and Validation (IV&V) – Evaluating UI information technology system development processes to identify risk, make recommendations, and improve the quality of project artifacts and software products

MAXIMUS is here to support your UI program modernization efforts so that you can process claims more quickly, efficiently, accurately, and securely. To learn more, please contact us.

¹<https://www.cnbc.com/2021/01/05/scammers-have-taken-36-billion-in-fraudulent-unemployment-payments-.html>

Protecting States Against Fraudulent UI Claims During COVID-19 and Beyond






The COVID-19 pandemic left tens of millions of workers across the nation unemployed and desperate to gain access to much-needed resources. In response to this unprecedented crisis, many states relaxed their Unemployment Insurance (UI) program rules to expedite relief, such as beginning payments without verifying proof of employment and allowing contractors and gig economy workers to apply for benefits. The result has been a startling increase in the number of bad actors masquerading as legitimately unemployed individuals – submitting millions of fraudulent claims and collecting over \$36 billion in benefits since last spring. Examples are staggering and widespread:

- Washington State paid \$576 million in fraudulent claims that peaked in early May.
- Virginia caught more than 3,000 fraudulent jobless claims and stopped \$50 million in payments.
- Nevada cited widespread fraud as one reason for a backlog of claims.
- Arizona is still struggling to verify more than 1 million gig-worker claims that might be fraudulent.
- Hawaii also had to pause benefits when it became clear that millions in claims were without merit.
- Maine canceled thousands of suspected fraudulent unemployment claims.
- All 50 states are dealing with fraudulent unemployment claims.

The initial volume of UI and Pandemic Unemployment Assistance (PUA) claims stemming from COVID-19 exceeded states' capacity to process them. Combined with the ongoing volume of weekly claim submissions, states are straining to maintain program integrity.

We are helping with the Maximus Managed Service approach

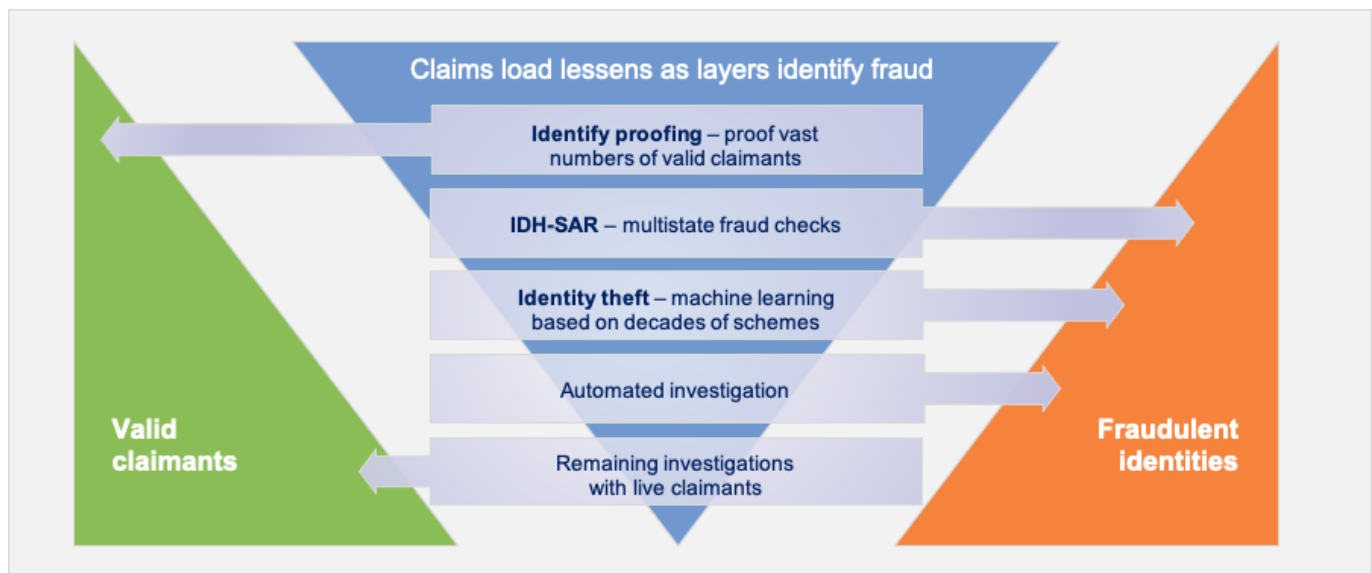
Since March 2020, we've helped 17 states manage their UI programs, providing services across the entire UI lifecycle including fact finding and fraud investigation. Our expertise enables us to provide rapid service delivery and increase your responsiveness to the citizens of your state. We can do more through:

 <p>Claimant Support</p> <p>Helping claimants file or update their claims and answer basic questions</p> <p><i>Virtual support, omni-channel communication, cloud-based technology</i></p>	 <p>Claims Management</p> <p>Fact finding and investigations to support adjudication and appeals processes</p> <p><i>Experienced professionals and Center of Excellence delivery experience in UI process and systems</i></p>	 <p>Program Integrity</p> <p>Reduce/prevent overpayment and maintain or improve federal BTQ and BAM quality standards achieved by states</p> <p><i>Experienced professionals, technology tools and Center of Excellent oversight</i></p>	 <p>Business Process</p> <p>Business process improvement, feasibility and gap analysis for system improvements</p> <p><i>Subject matter experts with experience in UI process and systems</i></p>	 <p>Return to Work</p> <p>Proactive support to claimants to help navigate existing state resources; virtual support to divert AJC volume</p> <p><i>Virtual navigators, coaching support, and omni-channel communication</i></p>
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Services designed to combat fraud and waste

The Maximus Managed Service approach includes a suite of services dedicated to preventing UI and PUA claims fraud throughout the lifecycle. Our approach:

- **Supports weekly claims adjudication.** We reduce the likelihood of overpayment by providing adjudication support of weekly flagged claims, including validation of work search.
- **Leverages existing, proven mechanisms.** We conduct child support employer outreach to obtain information regarding layoffs/furloughs proactively and implement our Employer Engagement Platform to handle return-to-work refusals.
- **Supports the benefits payment control (BPC) process.** We reduce the likelihood of overpayment duration by investigating and determining fraudulent activity on claims, conducting data matching on reported earnings, changing the claim status of deceased claimants, and providing verification of unemployment benefits for third parties.
- **Makes timely adjustments to eligibility.** As pandemic return-to-work actions are taken, we improve the speed and precision of eligibility and payment adjustments by extending these adjudication and payment control services.



Interested in learning more?

We're here to help. Let's discuss options for Maximus to augment your program resources to help protect your state against fraudulent UI claims. We're bridging resource gaps so you can focus on serving your citizens with confidence and integrity.