

The tools of UI fraud

The recent spike in unemployment insurance (UI) fraud is no accident.

For years, scam artists and organized crime rings have been gathering the tools they could use to take advantage of the relief programs that were meant to help those in need.

Do you have the right tools to fight back?



IDs from the incarcerated

Many inmates had their IDs used to collect Pandemic Unemployment Assistance, both intentionally and unknowingly. In 2020, federal and state prosecutors in Pennsylvania found that thousands of inmates had worked with outside accomplices to collect funds that they were not eligible for.



Two-sided fictitious businesses

These complex scams require a lot of preparation, but when they are ready, they can hit hard. In 2018, a man from New Jersey pleaded guilty to using such schemes for his own benefit, registering multiple fake businesses, then using them to get almost \$437,000 in undeserved unemployment assistance.



Benefit-wage conflicts

Employment rates across the U.S. have increased almost as fast as they first dropped in early 2020 and a delayed reaction to that could be worse than the first time. The large volume of people returning to work in such a short time opens the door for the less-than-honest to double dip.



UI applications in multiple states

Under the CARES Act, an unemployment claimant working in multiple states can only apply for aid in one, but this hasn't stopped many from trying. In one case, a single person filed claims with 40 different state UI agencies and received a total of \$222,532 in benefits.



Stolen IDs from the deceased

More than 2.5 million identities of deceased individuals are stolen each year. In February of 2021, the U.S. Department of Labor found that over 91,000 social security numbers from deceased individuals were used to file UI claims, costing up to \$58.7 million in potentially fraudulent payments.



Slam the lid shut

Most unemployment insurance fraud schemes can be locked down by implementing a comprehensive fraud detection system that can search across multiple, up-to-date record databases.

Thomson Reuters® Risk & Fraud Solutions

can help your UI program identify and prevent fraud before it occurs, allowing you to focus on clearing good claims and serving the people who need it most.

Learn more about the tools that can help you combat fraud