



# COMBATTING UI FRAUD

ARKANSAS DIVISION OF WORKFORCE SERVICES

UNEMPLOYMENT INSURANCE – COMPREHENSIVE FRAUD STRATEGY

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# IDENTITY THEFT FRAUD – COMPREHENSIVE STRATEGY



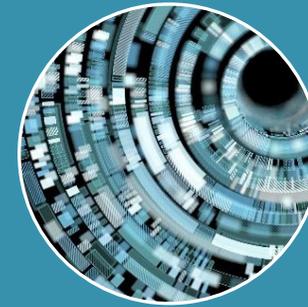
## Identity Verification

- OnPoint UIdentify Solution
- Integrity Data Hub (IDH) IDV Service
- In-person Validation



## Data Analytics

- Fraud Algorithm
- OnPoint IDH-SAR Broker Solution
- Other Crossmatches



## Tips/Leads

- Fraud Hotline
- Online Reporting
- IDH Fraud Alerts

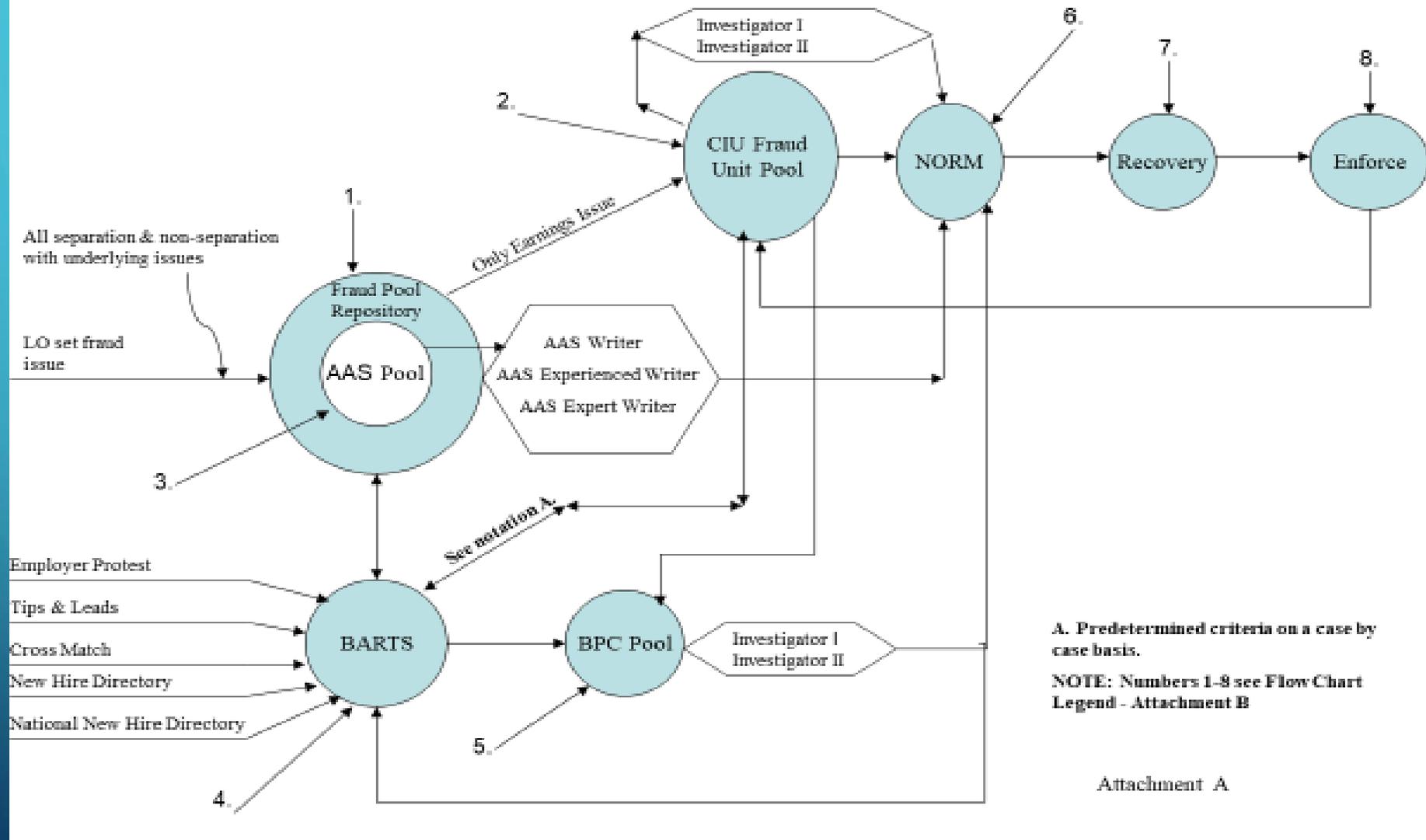
Program Integrity

# ONPOINT SOLUTIONS USED BY ARKANSAS

OnPoint Solution	Function	Advantage/Cost-Effectiveness
UIdentify	ID verification – Claimant clicks email link and captures driver’s license barcode for crossmatch against national DMV data.	Initial pilot implementation was only for claims flagged as suspicious due to fraud algorithm. Now expansion will include 100% PUA claims; more cost-effective to expand than purchase new system. Fee is transaction-based.
Resolve	Case management and fact-finding automation	Not yet implemented; solution will assist with workflow, increase efficiency of fraud investigations, and reduce/eliminate manual claimant mail-outs.
IDH-SAR Broker	Facilitates the crossmatch of data against NASWA’s Integrity Data Hub (IDH) Suspicious Actor Repository and Multi-State Claims data	Currently implementing; will streamline the processes used to investigate the crossmatch hits and will integrate results into the Resolve case management tool listed above.

OnPoint Solution	Function	Advantage/Cost-Effectiveness
BARTS	Initiates crossmatch with claim and wage data to determine as well as new hire data and tips – conducts all agency earnings investigations	If there is a hit, request is made for week-by-week breakdown of wages received. Wages are entered into the system and processed for fraud/non-fraud or no issue and assigned to investigator if required.
IRME	Online employer portal to return wages requested in wage audit notices	Employers key wages themselves and certify they are correct.
RECOVER	Overpayment billing system	Sends billing notices on increasing delinquency scale and sends notices for state income tax return intercept process.
NORM	Overpayment establishment and recovery management	Tracks balance of overpayments and applies interest and penalties; establishes overpayments from issue determinations and other systems and tracks all appeal periods.
ENFORCE	Prosecution of high amounts and likely recovery; files liens on overpayments and prepares paperwork for garnishment cases.	

# Fraud Unit Flow Chart



# EARNINGS INVESTIGATIONS

- BARTS
- Quarter Cross Match
- National and State New Hire matches
- State payroll
- Tips and Leads
- Process involved

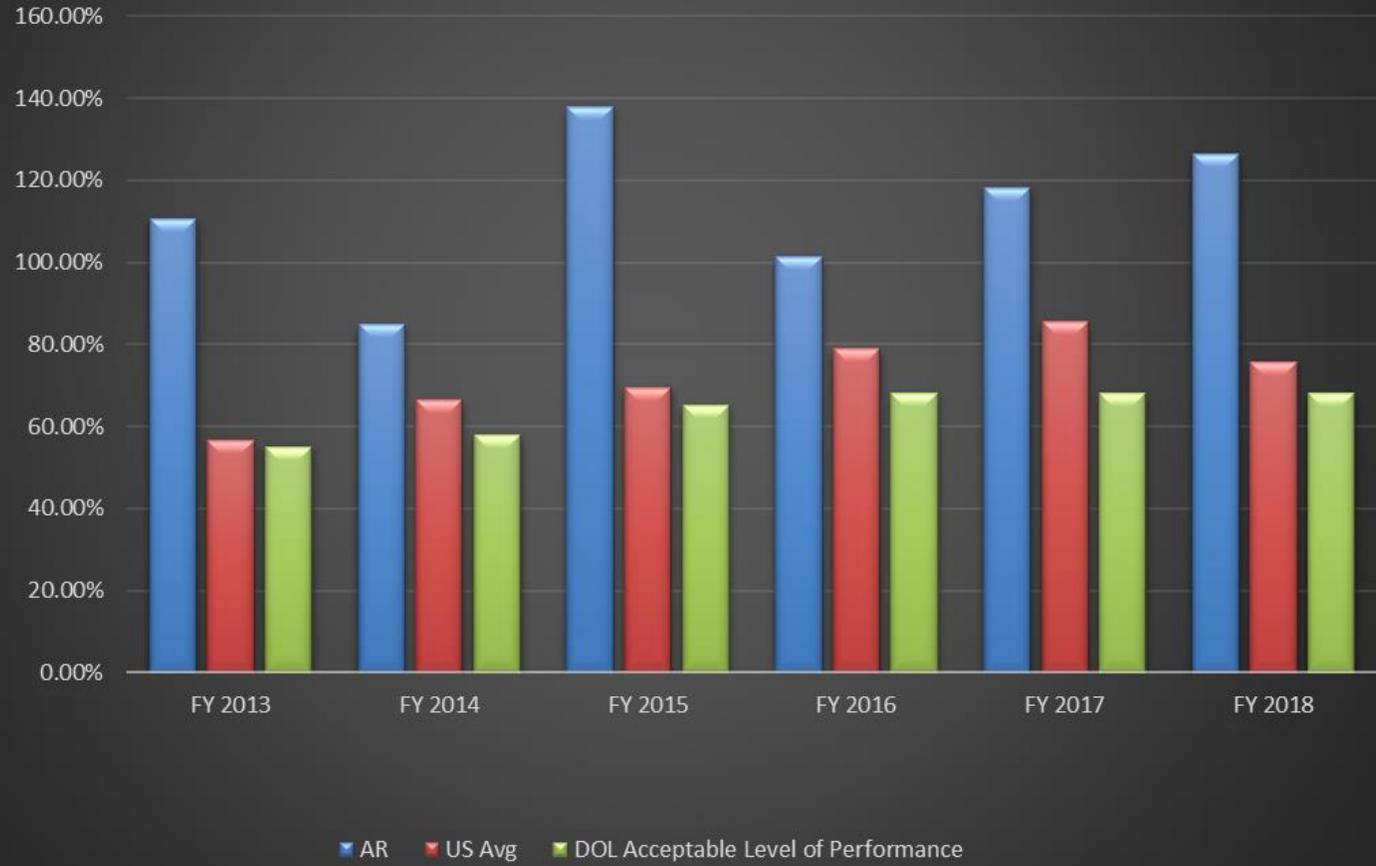
# OVERPAYMENT ESTABLISHMENT

- NORM
- Tracks appeal periods and legal statuses on issues and overpayments
- Establishes overpayments when issues final
- Accounting system for repayments
- Generates the 227 Report

# RECOVERIES AND COURT ACTIONS

- RECOVER is the billing system
  - Tiered billing notices
  - New hire collection letter
  - State income tax refund intercept letters
- ENFORCE
  - Prosecutions
  - Liens
  - Garnishments

## UI Recovery of Overpayments % of Overpayments Detected



# ARKANSAS – CONTACT INFO & QUESTIONS

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