

Ohio Unemployment Compensation Fraud
Prevention, Detection, Investigation, Collection
(30 "more" minutes that will change your life)

Mickey Ford
Section Chief, Office of UC, BPC

Phone - (614) 466-0153
E-mail - Mickey.Ford@jfs.ohio.gov

UI Fraud Reports - 800-686-1555

Who we are:

- **ODJFSOUCBIABPC**
 - Alphabet integrity soup
 - Ohio Department of Job and Family Services (ODJFS)
Office of Unemployment Compensation (OUC)
Bureau of Integrity Assurance (BIA)
Benefit Payment Control (BPC)
- 50 dedicated men and women in 4 Ohio metropolitan cities
 - Detection staff
 - Investigation staff

What we do:

- Detection staff (17 - Central Office/Columbus)
 - Electronic cross matches
 - New Hire reporting
 - Wage / Benefit reporting
 - State Employee
 - Tips and leads
 - Case set-up
 - Appeals
 - Forgeries
 - Scanning, assignment retention

What we do:

- Investigative staff (33 - Cincinnati, Cleveland, Columbus, Toledo)
 - Fact and evidence gathering
 - Claimant/employer interviewing
 - Adjudication
 - Appeal hearings
 - Prosecution
 - Collection

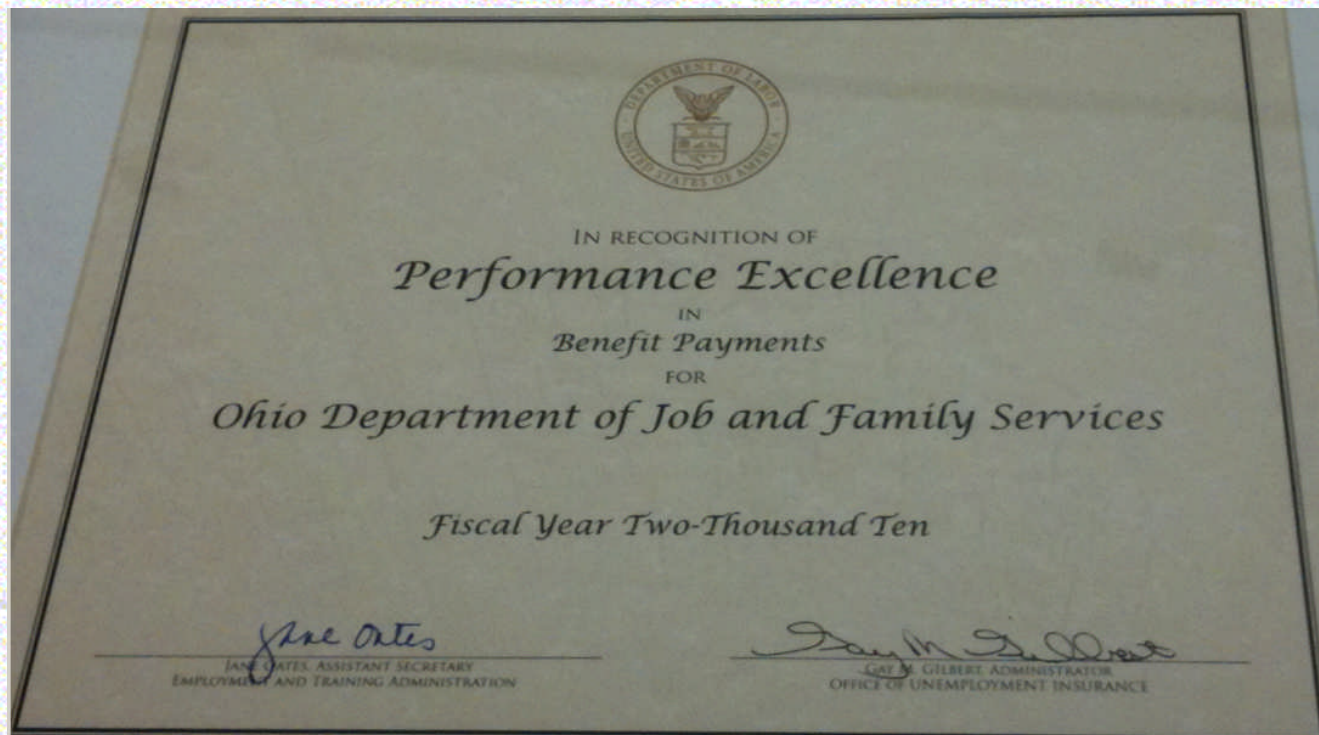
What we do:

- 2006, \$19.2 million established as improperly paid (135k PW)
 - \$1.1 billion in UI benefits paid in Ohio
- 2007, \$21.7 million established as improperly paid (145k PW)
 - \$1.2 billion in UI benefits paid in Ohio
- 2008, \$21.8 million established as improperly paid (144k PW)
 - \$1.58 billion in UI benefits paid in Ohio
- 2009, \$33.6 million established as improperly paid (213k PW)
 - \$3.1 billion in UI benefits paid in Ohio
- 2010, \$61.0 million established as improperly paid (370k PW)
 - \$2.1 billion in UI benefits paid in Ohio

What we do:

- US DOL - UI Performs
 - FY 2011 target, Overpayments established will be at least 53.1% of the estimated detectable, recoverable overpayments.
 - UI benefit payments (\$1.81 billion)
 - Multiplied by
 - BAM OP rate (4.74%)
 - Divided by
 - OP's established (\$77.01 million)
 - As of 12/31/10, Ohio-BPC was detecting at a rate of 89.64%.
 - National average is 53.12%
 - 1st regionally (Chicago - IA, IL, IN, KS, MI, MN, MO, NE, WI)
 - 2nd nationally (SD - \$42 million in paid UI benefits)

What we did:



New Cool Tools:

- RightFax
 - Fax conversion to PDF e-mail
- AWARE for Benefits
 - UI fraud scheme / trending tool
- State Employee Crossmatch
- Promote fraud reporting
 - 800-686-1555
 - ucbenprotest@jfs.ohio.gov
- Web Powered Agent
 - Fraud report management
- UC-IT
 - Auto adjudication

Cool Tool Successes:

- **AWARE for Benefits - March 2010**
 - Aggregate Workforce Analytics Reporting Engine
 - UI fraud scheme / trending tool
 - Multiple claims / Single data
 - Phone numbers, addresses, birthday, education, IVR certification, IP addresses (coming), bank account
 - **May 2010 - Bank Account Fraud Scheme**
 - Spyware / Malware - keyboard logging
 - 21 Ohio claimant accounts
 - OJI Self-Service to change bank information
 - Loadable debit card
 - AWARE detection
 - Loss of less than \$4,000
 - OJI changes
 - US DOL shared - 8 other states

Cool Tool Successes:

- **UC-IT - May 2010**
 - Unemployment Compensation - Integrity Tool
 - Auto adjudication
 - Reduces process duplicity
 - **Before - 12 not-so-easy steps**
 - 1) Review, 2) set-up, 3) assign to field
 - 4) Field review, 5) assign to staff
 - 6) Staff review, 7) generate request form, 8) mail, 9) wait, 10) response review (20%)
 - 11) Enter information, 12) adjudicate
 - **After - 2 easy and efficient steps**
 - 1) Review, 2) enter information directly into UC-IT
 - On the 10th day - overpayment adjudicated and determination mailed
 - **10 months - \$12 million, 90,000 penalty weeks**

What's in the "near" future:

- **UI Top**
 - OP recovery through IRS refund offset - Summer 2011
 - New York / Wisconsin implemented February 2011
 - \$11 million intercepted in first 30 days
- **IP Address Crossmatch**
 - Matches multiple claimants using a single IP address
- **Incarceration Crossmatch**
 - Incarcerate claiming
 - Incarcerate directs someone to claim
 - Baby momma, maintain household
 - Identity theft

What's in the "near" future:

- **Fictitious Employer Detection**
 - Built into AWARE for Tax - Summer 2011
 - UI benefits paid on fake employer accounts
 - Illinois scheme
 - New employer reporting 2 or 3 quarters of wages
 - Valid social security numbers from residents in another state
 - No UI taxes paid
 - File an additional quarter
 - Then file and collect based on separation and earnings from fictitious employers account

What's in the "near" future:

- **New Hire Specific Staff**
 - Near the end of 60 day pilot
 - Designated staff to process New Hire reports first
 - Reduce duration
 - Pre-pilot
 - 55 day average from detection date to adjudication date
 - 13 day average from assignment date to adjudication date
 - UI Integrity Workgroup
 - Pilot
 - 40 day average from detection date to adjudication date
 - 7.5 day average from assignment date to adjudication date
 - Potential
 - 2010 Average Weekly Benefit Amount - \$294
 - 2010, BPC wrote over 17,000 fraud overpayments
 - \$5.0 million

What's in the "near" future:

- **New Hire Notice**
 - Nationally, 29% of OP related to return to work (22% Ohio)
 - Employers required to report new hires
 - Auto-send form to newly hired claimants
 - Advise, notify, remind of reporting requirements
 - Provide information on penalties for UI fraud including criminal charges
 - Provide information on fraud detection methods
 - Designed to prevent "failure to report earnings" overpayments

New Hire Notice

**OHIO DEPARTMENT OF JOB AND FAMILY SERVICES
OFFICE OF UNEMPLOYMENT COMPENSATION
NOTICE OF ELIGIBILITY ISSUE**

JFS-82200 11/18/2008

Claimant's Name			Social Security Number
Application Date	Benefit Year Beginning Date	Benefit Year Ending Date	Date Mailed
			Return to: Benefit Payment Control Phone: (800) 686-1555

IMPORTANT INFORMATION

The Office of Unemployment Compensation has received information indicating you recently obtained work. For each week in which you claim unemployment benefits, you must report your gross earnings.

New Hire Notice

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OFFICE OF UNEMPLOYMENT COMPENSATION
NOTICE OF ELIGIBILITY ISSUE**

JFS-82200 11/18/2008

Claimant's Name			Social Security Number
Application Date	Benefit Year Beginning Date	Benefit Year Ending Date	Date Mailed
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IMPORTANT INFORMATION

STOP IT.

What's in the "near" future:

- **UI Integrity Workgroup**
 - 20 Federal/State participants
 - 8 states including Ohio
 - Prevent improper payments
 - Identify root causes of overpayments
 - Return to work
 - Separations
 - Visits to states to pick-up "Best Practices"
 - Sub groups
 - US DOL directives, standard procedures
 - Improper payment task force
 - Tools for improvements

Real Cases - Unreal Stories

- **Migrant Farm Workers**
 - Growing season over - UI benefits begin
 - Workers return to Mexico
 - Kind-hearted individual assistance
 - Detection
 - Outcome

Real Cases - Unreal Stories

- Ex-Serviceman Fraud
 - DD-214
 - Multiple claims
 - Multiple states
 - Ohio, less than \$1,000
 - Other states, \$10,000
 - What's wrong with this picture?

Real Cases - Unreal Stories

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CAUTION: NOT TO BE USED FOR IDENTIFICATION PURPOSES THIS IS AN IMPORTANT RECORD. ANY ALTERATIONS IN SHADED AREAS RENDER INVALID. SAFEGUARDED IT.

CERTIFICATE OF RELEASE OR DISCHARGE FROM ACTIVE DUTY			
1. NAME (LAST, FIRST, MIDDLE)		2. DEPARTMENT, COMPONENT AND BRANCH ARMY / RA	
3. SOCIAL SECURITY NUMBER			
4.a GRADE, RATE, OR RANK SGT	4.b PAY GRADE 85	5. DATE OF BIRTH (YYYYMMDD) 19870619	6. RESERVE OBLIG TERM DATE YEAR MONTH DAY 00 00 00
7.a PLACE OF ENTRY INTO ACTIVE DUTY DALLAS, TEXAS		7.b HOME OF RECORD AT TIME OF ENTRY (CITY and state, or complete address if known)	
8.a LAST DUTY ASSIGNMENT AND MAJOR COMMAND 78 TH ENGINEER 2 ND BRIGADE		8.b STATION WHERE SEPARATED FORT RUCKER, 00521-5000	
9.a COMMAND TO WHICH TRANSFERRED NA		9.b REGI COVERAGE AMOUNT: \$250/MONTH NON <input type="checkbox"/>	
11. PRIMARY SPECIALTY (List number of years and months by specialty. List additional specialty numbers and titles involving periods of one or more years.) 11B INPENTRY 3 YRS 0 MOS// NOTHING FOLLOWS		12. RECORD OF SERVICE	
		YEAR(S)	MONTH(S) DAY(S)
		2006	06 17
		2006	06 23
		0003	00 05
		0000	00 00
		0000	00 00
		0000	11 12
		0000	00 00
		2006	05 10
13. DECORATIONS, MEDALS, BADGES, CITATIONS AND CAMPAIGN RIBBONS AWARDED OR AUTHOR: ZRD (All periods of service) NATIONAL DEFENSE SERVICE MEDAL// IRAQ CAMPAIGN MEDAL// GLOBAL WAR ON TERRORISM SERVICE MEDAL// ARMY SERVICE RIBBON// OVERSEAS SERVICE RIBBON// EXPERT// NOTHING FOLLOWS//		14. MILITARY EDUCATION (COURSE TITLE, NUMBER OF WEEKS, AND MONTH AND YEAR COMPLETED) INFANTRYMAN COURSE, 18 WEEKS 2005// PLDRSHIP DEV CRS, 4 WEEKS, 2007// BASIC NON COMMISSIONED OFFICER COURSE, 8 WEEKS// NOTHING FOLLOWS	
15a. MEMBER CONTRIBUTED TO POST-VIETNAM ERA VETERANS EDUCATIONAL ASSISTANCE PROGRAM		X	YES
15b. HIGH SCHOOL GRADUATE OR EQUIVALENT		X	YES
16. DAYS ACCRUED LEAVE PAID		17. MEMBER WAS PROVIDED COMPLETE DENTAL EXAMINATION AND ALL APPROPRIATE DENTAL SERVICES AND TREATMENT WITHIN 90 DAYS PRIOR TO SEPARATION	
		YES	NO
			X
18. REMARKS BLOCK 6, // SERVED IN A DESIGNATED IMMINENT DANGER PAY AREA// SERVICE IN KUWAIT AND IRAQ 2001-2007// MEMBER HAS COMPLETED FIRST FULL TERM OF SERVICE// NOTHING FOLLOWS			

Real Cases - Unreal Stories

**THIS IS AN IMPORTANT RECORD.
SAFEGUARD IT.**

**8.6 STATION WHERE SEPARATED
FORT RUCKER, 80521-5000**

**13. DECORATIONS, MEDALS, BADGES, CITATIONS AND
CAMPAIGN RIBBONS AWARDED OR AUTHORIZED (All periods of
service)
NATIONAL DEFENSE SERVICE MEDAL// II: AQ CAMPAIGN**

**INFANTRYMAN COURSE, 18 WEEKS 2005// I
2007//BASIC NON COMMISSIONED OFFICER
COURSE**

What's in the "distant" future:

- Holographic Images
 - Our force will be with you
- Eye Scan
 - If you're lying, a finger comes out and pokes you
- Bait Claim
 - Like a bait car, we plant UI benefits on a job site
- LoJack Chip
 - Inserted into the back of claimants head, or within state-issued debit card
 - We can check to see if you're really looking for work
- Mom Certification
 - Who could lie to their Mother?

What's in the "distant" future:

- **Milk Cartons**
 - We plaster the face of each person who's committed fraud on a carton
- **We Lie**
 - We tell the person who committed fraud that they're entitled to \$10,000. When they ask "Where's the cash?", we tell them, "There ain't none. How's does it feel to be lied to?"
- **Scared Straight**
 - Require all UI recipients watch Midnight Express, then tell them the story was based on someone who committed fraud

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UI Fraud Reports - 800-686-1555

If you suspect an individual is fraudulently collecting unemployment compensation, please contact us.

- Toll-free UI fraud phone hotline: 1-800-686-1555
- E-mail: ucbenprotest@jfs.ohio.gov
- Fax: (614) 752-4808
- USPS: Benefit Payment Control/Investigation, Ohio Department of Job and Family Services, P.O. Box 1618, Columbus, OH 43216-1618.

UI Fraud Report Needs:

Please include as much of the following information as you can:

- Who is committing fraud?
- What is the person's full address?
- What is the person's telephone number?
- What is the person's social security number? (by phone, fax or mail only)
- What is the person doing? (Working? Running a business?)
- When did the person start doing this?
- If the person is working, what is the employer's name, address and telephone number?
- What is your name, address, and telephone number (optional).

Remember, you could be our only way of knowing who's committing UI fraud.