

# Goal: Getting Payments Right

**Program or Activity**  
Unemployment Insurance

**Reporting Period**  
Q3 2019

**Change from Previous FY (\$M)**

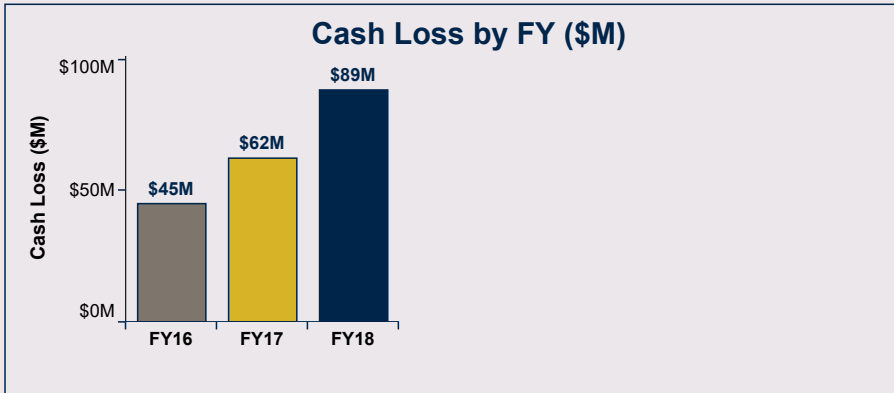
**\$26M**



**DOL**  
Unemployment Insurance

**Brief Program Description:**

The UI program provides temporary, partial wage replacement to eligible workers. States set benefit requirements that conform to Federal law, including that the person be involuntarily unemployed, and be able, available, and actively seeking work.



Key Milestones		Status	ECD
1	Finalize estimated cash loss estimation methodology	Completed	Nov-18
2	Identify estimated cash loss amount for FY 2018	Completed	Nov-18
3	Identify true root causes of cash loss	Completed	Nov-18
4	Develop mitigation strategies to get the payment right the first time	On-Track	Nov-19
5	Evaluate the ROI of the mitigation strategy	On-Track	Dec-19
6	Determine which strategies have the best ROI to prevent cash loss	On-Track	Nov-20

Quarterly Progress Goals			Status	Notes	ECD
1	Q3 2019	Facilitate on-site technical assistance for two pilot states through the DOL's Chief Evaluation Office to implement and test new work search messaging using behavioral science techniques.	On-Track	N/A	Sep-19
2	Q3 2019	Facilitate webinars to states through the UI Integrity Center on the National Directory of New Hire cross-match recommended operating procedures and promising state best practices.	On-Track	N/A	Sep-19

Recent Accomplishments		Date
1	Conducted quarterly monitoring calls with each of the eleven states designated High-Rate/High-Impact for improper payments to track progress.	Jun-19
2	Published revised guidance to provide states with enhanced National Directory of New Hire cross-match recommended operating procedures	Jun-19
3	Facilitated intensive technical assistance services through the UI Integrity Center to seven High-Rate/High-Impact states.	Jul-19

FY18 Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$72M	Program design or structural issues	Most of these IPs are work search errors, which occur when a claimant fails to provide verifiable or acceptable work search evidence. These errors generally cannot be prevented because a timely payment must be made under Federal law.	Developing claimant and employer messaging and a toolkit to improve state compliance with work search requirements; developing a model state work search law and framework; conducting study on state laws and policies to inform additional strategies.	The reduction of work search improper payments.
\$12M	Administrative or process errors made by: state or local agency	Administrative errors at the state-level due to the lack of adequate UI program integrity controls, which are under the purview of state workforce agencies.	Holding states accountable through performance measures and requiring corrective action for not meeting targets; providing oversight and technical assistance to poorest performing states; sharing best practices; and proposing legislative reforms.	The reduction of improper payments due to administrative errors.
\$4M	Failure to verify: other eligibility data	States need to identify as quickly as possible when a UI claimant has returned to work or is misreporting/not reporting earnings (Benefit Year Earnings (BYE)), and ensure claimants understand their responsibility to report when they return to work.	Promoting state strategies to improve use of the National Directory of New Hires data and providing enhanced operating procedures for states to follow when cross-match hits are received.	The reduction of BYE improper payments.

**Cash Loss** - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.