



**COVID-19
Unemployment
Fraud Guide**



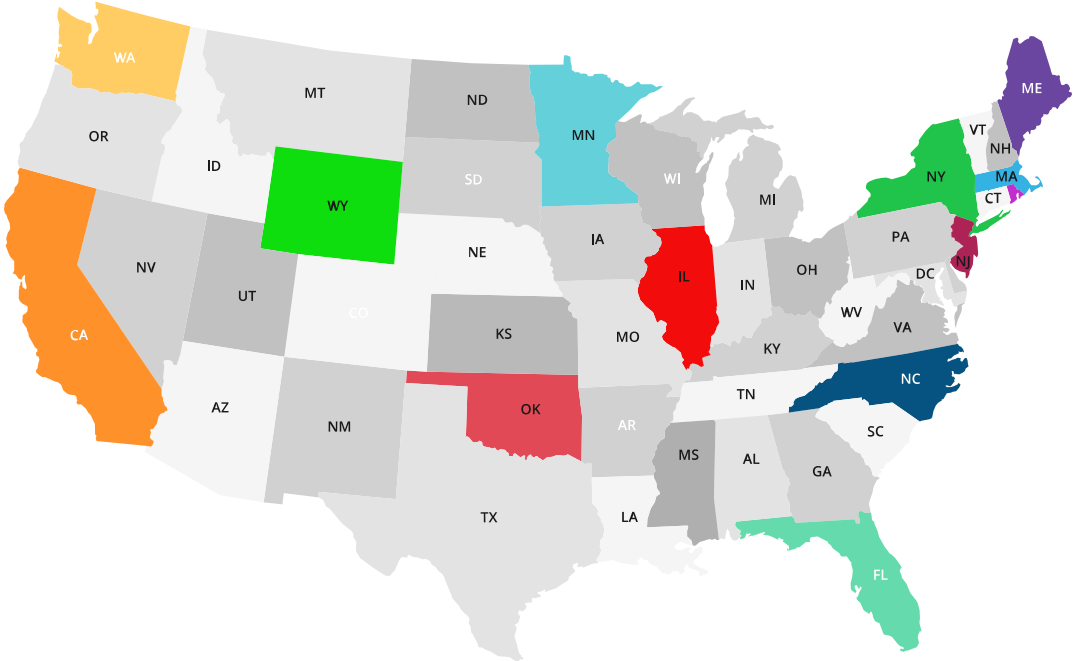
CORPORATE COST CONTROL

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The United States Department of Labor, FBI and Secret Service have all seen a spike in fraudulent unemployment insurance claims complaints related to the ongoing COVID-19 pandemic. U.S. citizens from several states have been victimized by criminal actors impersonating the victims and using the victims' stolen identities to submit fraudulent unemployment insurance claims online. This guide will provide CCC clients with an overview of unemployment fraud throughout the United States and solutions for both preventing and managing unemployment fraud claims.

Which states are affected by unemployment fraud?



All states are experiencing spikes in unemployment fraud. While the initial spike of unemployment fraud claims occurred in Washington State; California, Michigan, Massachusetts and Florida have seen larger increases as well.

- 140K Michigan unemployment claims flagged for fraud deemed legitimate by state
- \$655 Million in unemployment fraud claims paid in Washington, \$334 Million recovered
- Unemployment fraud could cost Ohioans \$460 million this year

The above map indicates the states with the largest increase in UI Fraud claims.

Who is responsible for the fraudulent unemployment claims?

The U.S. Secret Service has indicated they have information suggesting that the scheme was coming from a well-organized Nigerian fraud ring according to Roy Dotson, a special agent who specializes in financial fraud at the Secret Service.

How do the criminal actors get the data they use to file the fraudulent unemployment claims?

The criminals obtain the stolen identity using a variety of techniques, including

- The online purchase of stolen PII (Personal Identifying Information),
- Previous data breaches,
- Computer intrusions,
- Cold-calling victims while using impersonation scams,
- Email phishing schemes,
- Physical theft of data from individuals or third parties,
- Theft of data from public websites and social media accounts
- Other methods.



How are fraudulent unemployment claims identified?

Most employers become aware of fraudulent unemployment claims by receiving a claim notice from a state unemployment agency for an employee who continues to be employed.

Many victims of identity theft related to unemployment insurance claims do not know they have been targeted until they try to file a claim for unemployment insurance benefits, receive a notification from the state unemployment insurance agency, receive an IRS Form 1099-G showing the benefits collected from unemployment insurance, or get notified by their employer that a claim has been filed while the victim is still employed.

How are employees affected by fraudulent unemployment claims?

Employees that are still employed by the employer are at increased risk for other types of identity theft including:

- Debit/Credit Card Fraud
- Driver's License/ID Theft
- Account Takeover
- Mortgage Fraud
- Tax Return Theft
- Auto lending Fraud
- Employment Fraud

Laid-off workers, some of whom had claims before COVID-19 pandemic, may remain in limbo, for weeks or months.

How are employers affected by fraudulent unemployment claims?

- Benefit Charges if not caught
- Increase in unemployment tax rate
- Trust fund decrease can result in unemployment tax rate schedule change (increase)

How can individuals protect themselves from identity theft?

Look out for suspicious activity:

- Receiving communications regarding unemployment insurance forms when they have not applied for unemployment benefits
- Unauthorized transactions on their bank or credit card statements related to unemployment benefits
- Any fees involved in filing or qualifying for unemployment insurance
- Unsolicited inquiries related to unemployment benefits
- Fictitious websites and social media pages mimicking those of government agencies

Additional steps to prevent fraud:

- Be wary of telephone calls and text messages, letters, websites, or emails that require providing personal information or other sensitive information, especially birth dates and Social Security numbers. Be cautious with attachments and embedded links within email, especially from an unknown email sender.
- Be aware of methods fraudsters are using to obtain PII including:
 - Social Engineering and Phishing Attacks
 - Malicious Code
 - Immediately report unauthorized transactions to financial institutions or credit card providers.



What should employers do if they receive a fraudulent unemployment claim?

Clients of CCC should immediately notify their Claims Analyst, who will notify the state unemployment agency. All other employers who become aware of a fraudulent unemployment claim should immediately notify the state unemployment agency of the fraudulent claim and also notify the employee, if applicable.

What should an employee do if they are a victim of fraudulent unemployment claim?

Victims should immediately contact the three major credit bureaus to place a fraud alert on their credit records.

- [Experian](#)
- [Transunion](#)
- [Equifax](#)

Additionally, notify the Internal Revenue Service by filing an Identity Theft Affidavit (IRS Form 14039) through [irs.gov](#) or [identitytheft.gov](#).

The victim of identity theft related to fraudulent unemployment insurance claims should also report the fraud to:

- Bank and credit card companies,
- Law enforcement,
- State unemployment insurance agencies,
- The employer's human resources department,
- The FBI encourages victims to report fraudulent or any suspicious activities to the Internet Crime Complaint Center at [ic3.gov](#).

Victims may consult [identitytheft.gov](#) for help in reporting and recovering from identity theft.

My employee received a 1099-G. What is this?

The 1099-G is a tax form for Certain Government Payments. State unemployment agencies send a 1099-G forms for two main types of benefits: unemployment and family leave. The 1099-G form is used to report taxable benefits when filing with the IRS. State unemployment agencies send a 1099-G to people who received unemployment benefits and the IRS.

How do criminals use stolen information?

Criminals used two primary strategies to commit this fraud. They used previously stolen personal information to:

- Open new unemployment claims in victims' names.
- Access legitimate unemployment claims and fraudulently file for weeks of benefits.

My employee has not filed for unemployment. What should we do now?

When criminals fraudulently claim benefits in someone else's name, the person who's information was used must contact the state unemployment agency's fraud unit. The agency must investigate and confirm fraud before they will update the IRS. The chart included in this guide provide the contact information to report fraud in all states.



Sample Communication to Employee:

Dear [Employer Company Name] Employee,

We would like to inform you that you have options if you are a victim of Unemployment Fraud. Given the effects of COVID-19 on the Unemployment systems, it has come to our attention that Unemployment Fraud rates are higher than normal. The release of this information is not in the direct control of your employer, but we will do everything in our power to assist our employees who are victims of Unemployment Fraud. Please see some measures below on what to do if you suspect a fraudulent unemployment claim has been filed in your name.

- Inform your state Unemployment Office – Many states are fully aware of the rising rates of unemployment fraud, and therefore handle the matter very carefully. Most states offer front-page navigation on how to notify the state of fraud. Follow the prompts provided by your state, and please direct any questions regarding this, to the state.
- Notify your banks, credit unions, or any financial institutions of the compromise of your personal info – At this time, there is no evidence that fraudulent unemployment claims are leading to the attack of personal finances, but it is always in the best interest of the victim to inform financial institutions, just in case.
- Contact the 3 credit reporting agencies and put a fraud alert on your account.
 - Equifax
 - Transunion
 - Experian
- Change any online passwords containing personal information – Many people use personal information such as birthdays, or anniversaries in their online passwords. Given this information could be released, it is in the best interest of the victim to change these passwords, so that their secure data is not further compromised.
- (OPTIONAL) Sign up with a security company – In the event that an employee is a victim of fraud (of any kind), they have the option of signing up with a company which will monitor their data for any suspicious activity. [Employer Company Name] partners with (Company Name) to provide low cost security monitoring to our employees. Please contact HR for more information on how to obtain this service.

If you have been a victim of unemployment fraud, we are here to support you. Together, we can make sure that our information security is maintained.

[Employer Company Name]

[Logo]

UNEMPLOYMENT FRAUD REPORTING



STATE	REPORTING METHOD	PHONE NUMBER	EMAIL ADDRESS	FAX NUMBER	ONLINE FORM LINK	WEBSITE	MAILING ADDRESS
AK	EMAIL	(877) 272-4635	uifraud@alaska.gov	(907) 465-6010	https://labor.alaska.gov/unemployment/documents/fraud_reporting_form.doc	https://labor.alaska.gov/unemployment/fraud.htm	Unemployment Insurance Program Fraud Investigations Unit PO Box 115505 Juneau, AK 99811-5505
AL	ONLINE	(855) 234-2856	TipHotline@labor.alabama.gov		https://labor.alabama.gov/Reporting%20form.docx	https://labor.alabama.gov/FraudTips.aspx	
AR	ONLINE	(501) 682-2121			https://www.dws.arkansas.gov/unemployment/reporting-ui-fraud/	https://www.dws.arkansas.gov/unemployment/reporting-ui-fraud/	P.O. Box 2981 Little Rock, AR 72203
AZ	ONLINE	(800) 251-2436			https://fraudreferralexternal.azdes.gov/	https://des.az.gov/services/employment/unemployment-individual/	
CA	ONLINE	(800) 229-6297	ueo@edd.ca.gov	(866) 340-5484	https://askedd.edd.ca.gov/Fraud.aspx	https://askedd.edd.ca.gov/ReportFraud.aspx	EDD PO Box 826880, MIC 43, Sacramento, CA 94280-0225
CO	ONLINE	(877) 464-4622			https://docs.google.com/forms/d/e/1FAIpQLSd6bAS54zwurgQKIFM9mR1FOprBLKyGeSAt3K1_pGSFrMs4g/viewform	https://www.colorado.gov/pacific/cdle/fraud-prevention-employers	
CT	ONLINE	(800) 894-3490		(860) 263-6343	https://www.ctdol.state.ct.us/BPCU/fraud-sec/BenefitsFraud.htm	https://www.ctdol.state.ct.us/BPCU/Prosecution/default.htm	Connecticut Department of Labor Benefit Payment Control Unit 200 Folly Brook Blvd. Wethersfield, CT 06109
DC	CALL	(877) 372-8360			https://does.dc.gov/page/what-unemployment-insurance-fraud		
DE	CALL	(302) 761-8397				https://ui.delawareworks.com/ui-fraud.php	

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STATE	REPORTING METHOD	PHONE NUMBER	EMAIL ADDRESS	FAX NUMBER	ONLINE FORM	WEBSITE	MAILING ADDRESS
FL	ONLINE	(800) 342-9909			http://www.floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/fraud-and-overpayments/report-reemployment-assistance-fraud-online	http://www.floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/fraud-and-overpayments	
GA	ONLINE	(404) 232-3440		(404) 232-3445	https://www.dol.state.ga.us/public/uiben/fraud/reportType	https://dol.georgia.gov/report-ui-fraud	Georgia Department of Labor UI Integrity Unit, Suite 727 148 Andrew Young International Blvd., N.E. Atlanta, GA 30303-1732
HI	CALL	(808) 586-8947				http://labor.hawaii.gov/ui/information-on-ui-fraud/	
IA	ONLINE			(515) 281-9033	https://www.iowaworkforcedevelopment.gov/report-potential-unemployment-claimant-fraud	https://www.iowaworkforcedevelopment.gov/report-fraud	Iowa Workforce Development Attn: Fraud 1000 E. Grand Avenue Des Moines, IA 5031
ID	CALL	(877) 540-8638	Fraud@labor.idaho.gov			https://labor.idaho.gov/dnn/Unemployment-Benefits/Fraud	
IL	ONLINE	(800) 814-0513			https://www2.illinois.gov/ides/Pages/Report-Identity-Theft.aspx	https://www2.illinois.gov/ides/Pages/Reporting_Unemployment_Insurance_Fraud.aspx	
IN	ONLINE				https://webapps.dwd.in.gov/FraudReporting/default-flow.htm?execution=e2s1	https://www.in.gov/dwd/2371.htm	
KS	ONLINE	(785) 291-6059	kdol.fraud@ks.gov		https://www.fraudreport.ks.gov/	https://www.dol.ks.gov/fraud	
KY	ONLINE	(502) 564-2387	uifraud@ky.gov		https://kcc.ky.gov/career/Pages/UI%20Fraud.aspx	https://kcc.ky.gov/Pages/contact.aspx	

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STATE	REPORTING METHOD	PHONE NUMBER	EMAIL ADDRESS	FAX NUMBER	ONLINE FORM	WEBSITE	MAILING ADDRESS
LA	ONLINE	(800) 201-3362	WCFraud@lwc.la.gov		https://www2.laworks.net/Forms/UI_ReportClaimantFraudForm.asp	http://www.laworks.net/FraudMenu.asp	
MA	EMAIL	(800) 354-9927	UIFraud@detma.org		https://www.mass.gov/forms/unemployment-fraud-reporting-form	https://www.mass.gov/how-to/report-unemployment-insurance-fraud	UI Program Integrity Department P.O. Box 8610 Boston, MA 02114
MD	EMAIL	(800) 492-6804	uifraud@dllr.state.md.us	(410) 767-2610	http://www.dllr.state.md.us/forms/uifraudtipform.pdf	http://www.dllr.state.md.us/employment/uibpcaqs.shtml#-fraud	300 West Preston Street Room 500 Baltimore, MD 21201-2365
ME	ONLINE	(800) 845-5808	fraudreporting.mdol@maine.gov	(207) 287-8351	https://appengine.egov.com/apps/me/unemploymentfraud	https://www.maine.gov/unemployment/fraud/	47 Statehouse Station, Augusta, ME 04333
MI	ONLINE	(855) 842-7463			https://miwam.unemployment.state.mi.us/CImMiWAM/_/#1	https://www.michigan.gov/leo/0,5863,7-336-	
MN	ONLINE	(651) 296-8715			https://www.uimn.org/fraud-report/	https://www.uimn.org/applicants/needtoknow/fraud/ui-fraud.jsp	
MO	ONLINE	(573)751-1855 opt 5	ReportUIFraud@labor.mo.gov		https://labor.mo.gov/sites/labor/files/pubs_forms/4631-AI.pdf	https://labor.mo.gov/DES/report_fraud	
MS	EMAIL	(601) 493-9427	bpc@mdes.ms.gov	(601) 321-6471		https://mdes.ms.gov/information-center/about-mdes/mississippi-employment-security-law-mdes-regulations/report-fraud/	Mississippi Department of Employment Security Benefit Payment Control Department P.O. Box 23089 Jackson, MS 39225-3089
MT	ONLINE	(888) 556-4677	dliuidci@mt.gov	(406) 444-6651	http://uid.dli.mt.gov/report-fraud/report-claimant-fraud	http://uid.dli.mt.gov/report-fraud	

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STATE	REPORTING METHOD	PHONE NUMBER	EMAIL ADDRESS	FAX NUMBER	ONLINE FORM	WEBSITE	MAILING ADDRESS
NC	ONLINE				https://des.nc.gov/report-unemployment-fraud	https://des.nc.gov/need-help/unemployment-insurance-fraud	
ND	ONLINE				https://www.jobsnd.com/unemployment-business-tax/report-unemployment-fraud	https://www.jobsnd.com/unemployment-business-tax/report-unemployment-fraud	
NE	ONLINE				https://dol.nebraska.gov/Fraud/ReportIndividualFraud	https://dol.nebraska.gov/UIBenefits/Claims/Fraud	
NH	ONLINE	(800) 852-3400 EXT 84016			https://business.nh.gov/NCharge/NHES/default.asp?form_name=InsuranceFraud	https://www.nhes.nh.gov/contact/ui-fraud.htm	
NJ	ONLINE	(609) 777-4304		(609) 292-5593	https://lwd.state.nj.us/formsapp/form/41	https://myunemployment.nj.gov/labor/myunemployment/help/contact-us/reportfraud/	Benefit Payment Control, PO Box 043, Trenton NJ 08625
NM	CALL	(505) 243-7283	safe@mdes.ms.gov		https://www.dws.state.nm.us/Portals/0/UI/UI_Fraud_02092017.pdf	https://www.dws.state.nm.us/en-us/Unemployment/Unemployment-for-an-Individual/What-You-Should-Know-About-UI/UI-Fraud	
NV	ONLINE				https://ft.nvdetr.org/form/Fraud	https://detr.nv.gov/Page/Unemployment_Fraud	
NY	ONLINE	(888) 598-2077			https://webapps.labor.ny.gov/dews/ui/fraud/report-fraud.shtm	https://labor.ny.gov/agencyinfo/uifraud.shtm	NYS Department of Labor Office of Special Investigations Bldg 12 - Room 200 W. Averell Harriman Campus Albany, NY 12240
OH	ONLINE	(800) 686-1555 OPTION 1	ucbenprotest@jfs.ohio.gov	(614) 752-4808	https://secure.jfs.ohio.gov/feedback/ouc/ouc-fraud/index.stm	http://jfs.ohio.gov/ouio/BPC_Efforts.stm	Benefit Payment Control P.O. Box 1618 Columbus, OH 43216-1618

UNEMPLOYMENT FRAUD REPORTING



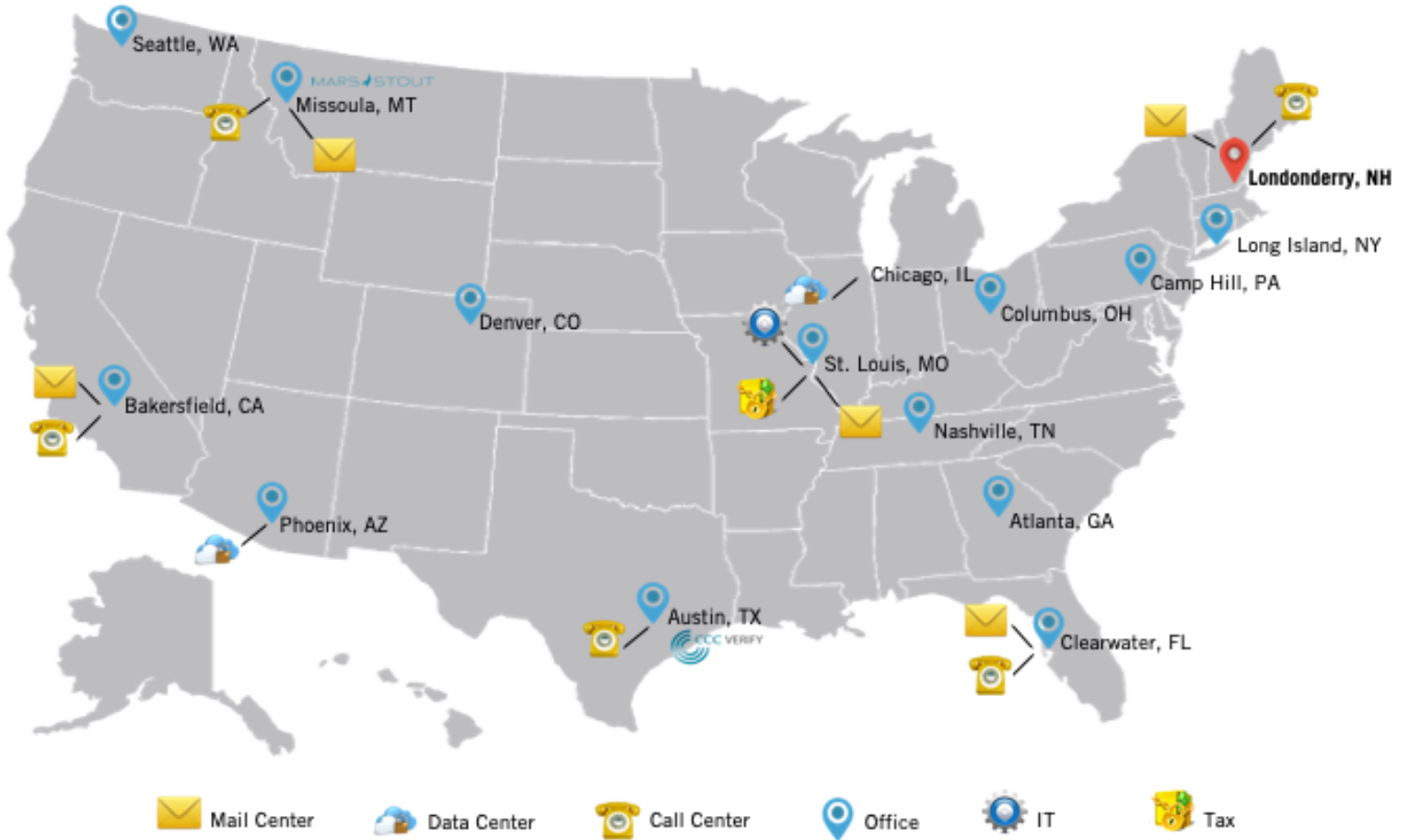
STATE	REPORTING METHOD	PHONE NUMBER	EMAIL ADDRESS	FAX NUMBER	ONLINE FORM	WEBSITE	MAILING ADDRESS
OK	ONLINE	(405) 557-5400	fraud@oesc.state.ok.us		https://my.ok.gov/Forms/Report%20Unemployment%20Fraud	https://www.ok.gov/oesc/About_OESC/Contact_OESC/Internal_Audit_Customer_Concerns/	Oklahoma Employment Security Commission Attn: Director of Internal Audit PO Box 52003 Oklahoma City, OK 73152-2003
OR	ONLINE	(877) 668-3204			https://secure.emp.state.or.us/public/ui-fraud/FraudReferralForm.cfm	https://www.oregon.gov/employ/Unemployment/Pages/Fraud.aspx	
PA	ONLINE	(800) 692-7469		(717) 772-0983	https://www.uc.pa.gov/Pages/Report-Fraud-Here.aspx	https://www.uc.pa.gov/Pages/Reporting-Fraud-in-Pennsylvania.aspx	Pennsylvania Department of Labor and Industry Internal Audits Room 1107 Labor and Industry Building 651 Boas St. Harrisburg, PA 17121
PR	EMAIL		denunciasde-empleo@trabajo.pr.gov	(787) 754-5651	https://www.trabajo.pr.gov/PortalSemanasReclamadas/Default.aspx#	https://www.trabajo.pr.gov/fraude_por-desempleo.asp	Departamento del Trabajo y Recursos Humanos Unidad de Investigación y Determinación de Sobrepagos Edificio GM Plaza Ave Ponce de León, Urb. Caribe, Río Piedras, PR, 00918
RI	ONLINE	(401) 462-1522	DLT.investigations@dlt.ri.gov	(401) 462-8474	https://risp.ri.gov/fcu/FUICI.php	http://www.dlt.ri.gov/ui/ReportFraud	RI Department of Labor and Training UI/TDI Fraud Unit, 1511 Pontiac Ave. Cranston, RI 02920
SC	ONLINE	(800) 868-1488			https://survey.dew.sc.gov/TakeSurveyPage.aspx?s=d78509f78a2b4ebf95f51ca5f677966d&tsid=010c07eeb6fc46abb0305a06d0d16aea&c=en-US	https://dew.sc.gov/tools-resources/report-ui-fraud	S.C. Department of Employment and Workforce Fraud Investigation Recovery Enforcement Unit P.O. Box 995 Columbia, SC 29202
SD	ONLINE	(605) 626-7649	RAFraud@state.sd.us	(605) 626-2216	https://www.state.sd.us/eforms/secure/eforms/E2428V1-FraudReport.pdf	https://dlr.sd.gov/ra/overpayments/report-fraud.aspx	Reemployment Assistance Division - Benefit Payment Control Unit South Dakota Department of Labor and Regulation P.O. Box 4730 Aberdeen, SD 57402-4730

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STATE	REPORTING METHOD	PHONE NUMBER	EMAIL ADDRESS	FAX NUMBER	ONLINE FORM	WEBSITE	MAILING ADDRESS
TN	EMAIL	(615) 206-7649	Esadmin.fraud@tn.gov	(615) 253-5331		https://www.tn.gov/workforce/unemployment/unemployment-records-redirect/report-ui-fraud.html	Benefit Payment Control 220 French Landing Drive Nashville, TN 37243-1002
TX	EMAIL	(800) 252-3642	TWC.fraud@TWC.state.tx.us			https://www.twc.texas.gov/jobseekers/unemployment/benefits-fraud	
UT	ONLINE	(801) 526-9452			https://jobs.utah.gov/ui/home/Fraud/FraudForm	https://jobs.utah.gov/ui/fraud/uifraud.html	Benefit Payment Control, PO Box 778, Salt Lake City, UT
VA	FAX	(800) 782-4001		(804) 692-0580	https://employer.vec.virginia.gov/eForms/ff04#	https://www.vec.virginia.gov/unemployed/resources/report-unemployment-insurance-fraud	Virginia Employment Commission Attention: Benefit Payment Control Post Office Box 27887 Richmond, VA 23261-7887
VT	ONLINE				https://labor.vermont.gov/ui-fraud	https://labor.vermont.gov/unemployment-insurance/unemployment-insurance-fraud	
WA	ONLINE	(800) 246-9763	ESDGPInternal-Fraud@ESD.WA.GOV	(800) 301-1796	https://fortress.wa.gov/esd/file/SecureUpload/unemploymentfraud/report	https://esd.wa.gov/unemployment/unemployment-benefits-fraud	
WI	ONLINE	(800) 909-9472			https://my.unemployment.wisconsin.gov/Apps/Feedback/ReportFraud	https://dwd.wisconsin.gov/ui/fraud/report.htm	Unemployment Insurance Attn: Program Integrity P.O. Box 7905 Madison, WI 53707
WV	ONLINE	(681) 313-2711	reportunemployment-fraud@wv.gov		https://uc.workforcewv.org/consumer/?lang=en	https://workforcewv.org/report-fraud	
WY	ONLINE	(307) 235-3658		(307) 235-3277	http://wyomingworkforce.org/docs/ui/Fraud-Reporting-Form.pdf	http://wyomingworkforce.org/contact/fraud/	Wyoming Department of Workforce Services Unemployment Insurance Division - BPC PO Box 2760 Casper WY 82602-2760

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