

# KS Unemployment Insurance Update: Business & Industry Perspective

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*Presented To:*

**Wichita – NAIFA Kansas**

**May 5, 2022**



*Presented By:*

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Kansas Department of Labor



# Kansas Unemployment Insurance Landscape

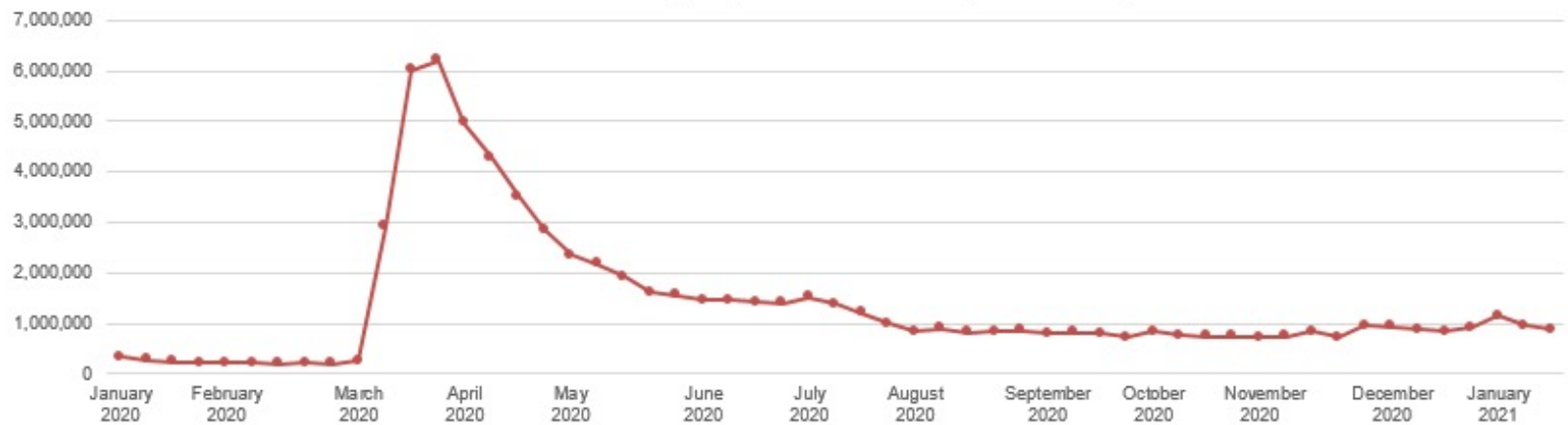
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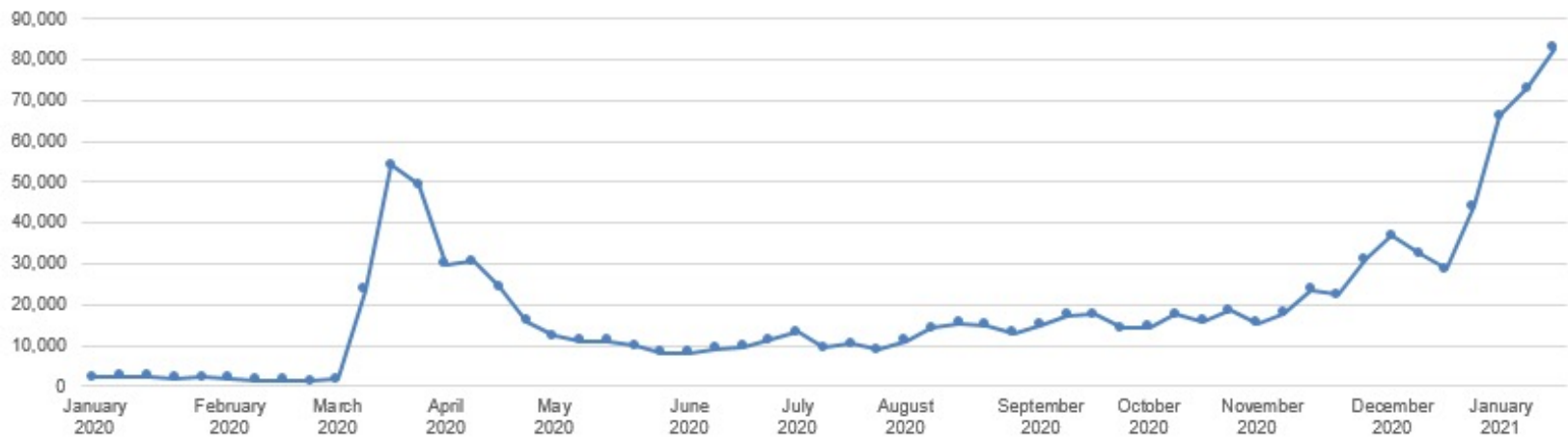
## Navigating the COVID-19 & Post COVID-19 Kansas UI Landscape:

1. KS UI Fraud Aftermath & Legislative Response
2. KS UI Trust Fund – Impact on SUTA Tax Rates
3. 2021 KS Legislative Summary: HB 2196
4. KS UI Claims/Fraud Monitoring Continues
5. 2022 KS Legislative Summary: HB 2703

### Initial Unemployment Claims (National)



### Initial Unemployment Claims (Kansas)



# Week Ending 01/23/21 Simple Snapshot

## Top 3 States:

Filing Week: 1/23/2021 (Not Seasonally Adjusted)				
State	Population	Population %	Initial Claims	Initial Claim %
California	39,512,223	12.04%	53,299	6.10%
<b>Kansas</b>	<b>2,913,314</b>	<b>0.89%</b>	<b>82,944</b>	<b>9.49%</b>
Illinois	12,671,821	3.86%	108,808	12.45%
United States	328,239,523	100.00%	873,966	100.00%

## Why Kansas?

- ID theft vulnerabilities within the system prior to Jan. 27, 2021
- Traditional waiting week was temporarily waived
- Kansas was/is a higher value target
  - Maximum weekly benefit amounts
    - 7/1/21 – 6/30/22: **\$540**
    - 7/1/20 – 6/30/21: \$503 + \$600 = \$1,103 and/or +\$300 = **\$988**
      - 21<sup>st</sup> highest weekly max benefit amount
    - 7/1/19 – 6/30/20: \$488 + \$600 = **\$1,088**
    - 7/1/18 – 6/30/19: \$474





# 2020 – 2021 KS Unemployment Insurance Timeline

2020	
March 19	Business community reps have call with Deputy KDOL Secretary Brett <a href="#">Flachsbarth</a> to discuss UI concerns
March 24	Kansas Department of Labor warned of fraud claims by business community.
April 15	Call with KS SHRM and KDOL.
	Request from Hayes (KS Society for Human Resource Management [SHRM]) to KDOL about putting out guidance to employers regarding potential unemployment fraud and job refusal reporting options for employers. Searles (KDOL Dir. of Unemployment) responded it was a good idea, but website issues interrupted them from proceeding. Hayes shared with KDOL the Arnold Group communication it provided to its clients on fraud.
April 22	Webinar hosted by KS SHRM with KDOL to discuss promote and encourage use of the Workshare program.
April 23	Hayes (SHRM) sent <a href="#">Searles</a> (KDOL) several news articles outlining fraud occurring in other states and <a href="#">Searles</a> states she is surprised to learn of the fraud as she is not hearing anything on her national calls.
May 6	Email from USD 308 to Hayes (SHRM) regarding employee filing of fraudulent UI claim.
May 7	Email to <a href="#">Searles</a> (KDOL) regarding employers not receiving determination letters not being received despite benefits be awarded.
May 11	<a href="#">USDOL Directive</a> : Federal government warns states to use integrity functions for federal UI programs.
May 13	KS SHRM hosts webinar with KDOL regarding issues and concerns with UI.
May 19	Email from USD indicating reasonable assurance not being honored during summer months for paras.
May 19	<a href="#">News Release</a> -US Department of Labor offers fraud prevention resources to enhance integrity of employment insurance programs.
June 1	Legislative Post Audit Committee requests LPA modify the already approved audit on KDOL's COVID-19 unemployment claim response to be considered at future meeting. The amendment would have the audit look at possible fraud claims and the department's controls to prevent and detect fraud.
June 2	Hayes (SHRM) sent email to <a href="#">Searles</a> (KDOL) regarding several fraud claims filed against Finney County.
June 3	<a href="#">FTC Blog</a> on Protecting Employees from UI Fraud notes: "criminals, possibly based overseas, are filing claims for benefits, using the names and personal information of people who have not lost their jobs."
June 16	<a href="#">State Finance Council</a> meets and Governor Kelly reports UI Fund is in good shape and should not allocate CARES fund despite Speaker Ryckman and Senator Denning encouraging Gov and SPARK look at infusing funds.

■ Business Community 
 ■ Legislature 
 ■ Federal Government 
 ■ Other Events

# 2020 – 2021 KS Unemployment Insurance Timeline

<b>June 20</b>	News breaks of KDOL overpaying claimants and claw back funds already deposited into bank accounts without notice causing overdrafts for some Kansans.
<b>June 22</b>	KDOL Secretary Delia Garcia resigns; Ryan Wright appointed Acting Secretary until December 22.
<b>July 17</b>	Business community call with KDOL to discuss concerns regarding fraud
<b>August 3</b>	Legislative Budget Committee receives update on Unemployment Insurance system from KDOL. Includes info about fraud prevention, noting that KDOL was seeing large increase in identify theft and high-level schemes, especially in the PUA program. KDOL identified fraud prevention steps it planned to take.
<b>August 11</b>	Joint Committee on Information Technology was provided an update on KDOL systems and unemployment insurance. The Department provided answers to submitted questions on fraud prevention, Accenture contract, and IT priorities.
<b>August 12</b>	2020 Special Committee on Economic Recovery receives Unemployment Operations update from KDOL. Charts include projections on when UI Trust Fund will go negative based on scenarios of claims paid out. Also provided similar message on fraud prevention that was provided to LBC.
<b>August 14</b>	Hayes (SHRM) sent Searles (KDOL) <a href="#">article on fraud</a> and concerns on how to address it.
	Hayes (SHRM) sent email to Searles (KDOL) regarding identification fraud.
<b>August 27</b>	The business community sent a letter regarding concerns of rising UI costs to Office of Recovery on behalf of Business Coalition asking for letter to be shared with the Governor's Recovery Task Force. Was informed by Director of the Recovery Office that letters such as this could not be shared with the committee members based on direction from Governor's office.
<b>August 31</b>	<a href="#">USDOL Directive</a> : Kansas receives money from USDOL to detect fraud and identity theft, yet what was it used for?
<b>September 1</b>	<a href="#">News Release</a> -US Department of Labor provides \$100 million to states to combat unemployment insurance fraud.
<b>September 2</b>	SPARK Committee discusses Ryan Wright (KDOL) mentions Business Community request for \$300M for replenishing the trust fund but offers that DOL will allow interest free borrowing and that is the best way to go.
	Legislative Post Audit Committee approves amending the current KDOL audit scope to include fraud and make it a priority in the schedule. Completion date is estimated at March 21.

■ Business Community 
 ■ Legislature 
 ■ Federal Government 
 ■ Other Events



# 2020 – 2021 KS Unemployment Insurance Timeline

<b>September 3</b>	State Finance Council reject \$100 benefit enhancement from CARES Act totaling \$63M and alternative motion by Majority Leader Hawkins to deter funds to replenish Trust Fund rejected—Governor Kelly ruled that SFC did not have the authority to reallocate. Speaker <u>Ryckman</u> sought clarification on that ruling for future meetings.
	SFC members raise concerns about security of system and protections against fraud.
<b>September 15</b>	Hayes (SHRM) reaches out to <u>Flachsbarth</u> (KDOL) requesting informal meeting to discuss needed UI reforms for 2021.
<b>September 16</b>	2020 Special Committee on Economic Recovery hears an update on Lost Wages Assistance Program by KDOL. Included is information provided about fraud mitigation.
<b>September 17</b>	Business community presented to the 2020 Special Committee on Economic Recovery.
<b>October 1, 2, 5</b>	Top KDOL officials were advised by Hayes (SHRM) that the fraud was at a crisis stage. He went so far as to offer recommendations to be made to employers.
<b>October 13</b>	Hayes (SHRM) reached out <u>Flachsbarth</u> (KDOL) to discuss UI reforms for 2021 session.
	US Treasury Department issues <u>Advisory</u> on Unemployment Insurance Fraud During the Coronavirus Disease 2019 (COVID-19) Pandemic.
<b>November 3</b>	Business community representatives meet with AG to discuss employer concerns regarding UI fraud.
<b>November 9</b>	Business Community follow up presentation to the Special Committee on Economic Recovery.
<b>November 13</b>	State Finance Council – Governor Kelly vetoed motion by Senator Denning, seconded by Majority Leader Hawkins, to allocate unspent funds to UI Trust Fund.
<b>November 17</b>	2020 Special Committee on Economic Recovery receives copy of letter dated October 29 on the positive developments that have occurred at KDOL since last committee meeting. Includes a general fraud overview, noting that “KDOL has been active on a number of fronts in relation to the growing threat from identity theft that is primarily facing the Pandemic Unemployment Assistance (PUA) program.”
<b>November 19</b>	KS SHRM notified of employees participating in Workshare program having bank account information changed without their knowledge and reached out to KDOL to resolve issue.
<b>November 20</b>	State Finance Council discussed concerns of Unemployment Insurance. Senator Denning motions, with Rep. <u>Waymaster</u> seconding, that unspent funds go to UI Trust Fund. Motion is adopted.
<b>December 7</b>	2020 Special Committee on Economic Recovery gets a detailed briefing on unemployment insurance operations, with a fraud overview.
<b>December 10</b>	Email from Hayes (SHRM) to Searles (KDOL) asking for stepped up communication for victims of fraud.
<b>December 16</b>	Joint Committee on Information Technology receives unemployment fraud update from KDOL, goes into executive session to further discuss KDOL’s UI fraud prevention efforts.

■ Business Community 
 ■ Legislature 
 ■ Federal Government 
 ■ Other Events

# 2020 – 2021 KS Unemployment Insurance Timeline

December 22	Brett Flachsbarth (KDOL) appointed Acting Secretary of KDOL
2021	
January 15	<a href="#">USDOL Directive</a> (UIPL 28-20 – amended) to assist with efforts to prevent and detect fraud and imposter claims resulting from identity theft in the PUA and PEUC programs to recover fraud overpayments in the PUA and PEUC programs.
* January 26-27	Business community addresses the House Commerce and Appropriations Committees regarding UI fraud and rising costs to employers.
January 27	KS SHRM notified of employees participating in Workshare program having bank account information changed without their knowledge and reached out to KDOL to resolve issue.
January 27	Appropriations Committee hold hearings on UI fraud.
January 27	Governor Kelly announces shutdown of UI system to put fraud detectors in place.
January 29	Governor Kelly announces Amber Shultz as Acting Secretary of KDOL.
January 30	KDOL halts UI operations to implement fraud detectors.
February 2	KDOL resumes UI operations, and successfully blocks over 365,000 by the close of business.

$$\begin{array}{ccccccccc}
 28 & + & 15 & + & 7 & + & 8 & = & 58 \\
 \text{Business Community} & & \text{Legislature} & & \text{Federal Government} & & \text{Other Events} & & \text{Total Occurrences}
 \end{array}$$

## \*January 26, 2021 – KS SHRM & UIS Provided Testimony

- KS Senate and KS House Commerce Committees
  - \$300M - \$600M Estimated UI Fraud in Kansas

# KS UI Benefits: Pre-MFA (Identity Verification) Solution

							Full Totals & Averages Since WE 3/21 (45 Weeks)		Four (4) Week Average 1/2/2021 — 1/23/2021	
Week Ending							Totals	Weekly Averages	4 Wk Totals	4 Wk Avg.
1	Kansas Trust Fund Balance	\$ 400,600,000	\$ 375,300,000	\$ 338,700,000	\$ 302,200,000	\$ 273,300,000	\$ 246,900,000			
2	# Weeks Trust Fund to ZERO - KS Only benefits (KS Only - UI)	13.34	12.11	9.76	7.31	6.13	7.67			
3	# Years Trust Fund to ZERO - KS Only benefits (KS Only - UI)	0.26	0.23	0.19	0.14	0.12	0.15			
4	Projected Date of KS Trust Fund Bankruptcy	3/22/2021	3/20/2021	3/11/2021	3/1/2021	2/27/2021	3/17/2021	USDOL Reports 82,944 Initial KS Claims for W/E 01/23/21		
5	Regular Claims									
6	Initial Claims	34,624	30,074	45,743	69,404	76,513	25,489	1,086,282	24,140	217,149
7	Call Center	788	618	1,009	1,537	1,167	620	137,048	3,046	4,333
8	Internet	33,836	29,456	44,734	67,867	75,346	24,869	949,233	21,094	212,816
9	Internet %	97.72%	97.35%	97.73%	97.73%	98.47%	97.57%	87.38%	87.38%	88.00%
10	Continued Claims	83,628	85,172	92,961	103,909	102,561	75,883	3,333,059	74,068	375,314
11	Total Payments Summary	\$ 53,000,447	\$ 38,471,191	\$ 43,050,837	\$ 43,105,488	\$ 45,875,429	\$ 34,871,425	\$ 2,718,679,314	\$ 60,415,096	\$ 166,903,179
12	Regular Unemployment Insurance (KS Only - UI)	\$ 30,028,587	\$ 30,984,021	\$ 34,716,769	\$ 41,323,096	\$ 44,570,345	\$ 32,201,874	\$ 1,064,965,627	\$ 23,665,903	\$ 152,812,084
13	Fed Pandemic Unemployment Comp (FPUC)	\$ 1,538,982	\$ 554,292	\$ 463,431	\$ 468,465	\$ 393,411	\$ 1,842,006	\$ 1,223,599,739	\$ 30,589,993	\$ 3,167,313
14	Pandemic Unemployment Assistance (PUA)	\$ 2,823,305	\$ 1,154,186	\$ 945,198	\$ 613,613	\$ 396,788	\$ 478,256	\$ 186,754,172	\$ 5,335,833	\$ 2,433,855
15	Pandemic Emergency Unemployment Comp (PEUC)	\$ 7,059,897	\$ 5,475,620	\$ 5,065,189	\$ 522,261	\$ 355,432	\$ 260,237	\$ 113,915,565	\$ 3,350,458	\$ 6,203,119
16	State Extended Benefits (EB)	\$ 2,005,220	\$ 234,372	\$ 123,452	\$ 78,004	\$ 65,083	\$ 31,073	\$ 11,769,965	\$ 452,691	\$ 297,612
17	Lost Wages Assistance (LWA)	\$ 9,544,456	\$ 68,700	\$ 1,736,798	\$ 100,049	\$ 94,370	\$ 57,979	\$ 117,674,246	\$ 7,354,640	\$ 1,989,196
18	Regular Unemployment Insurance (KS Only - UI)									
19	# Weeks Compensated	72,519	73,816	81,888	96,336	103,325	74,279	2,984,184	66,315	355,828
20	Final Payments	1,187	998	980	1,119	926	776	56,482	1,255	3,801
21	Individuals Receiving Payments	63,256	66,142	71,525	82,089	91,377	66,883	2,588,864	57,530	311,874
22	Average Weekly Benefit Amount	\$ 414.08	\$ 419.75	\$ 423.95	\$ 428.95	\$ 431.36	\$ 433.53	\$ 16,120.12	\$ 358.22	\$ 1,717.79
23	Pandemic Unemployment Assistance (PUA)									
24	Initial Claims	5,656	3,509	2,625	6,951	7,574	5,416	206,263	7,639	22,566
25	Continued Claims	48,392	15,442	20,812	31,124	37,822	31,602	2,896,878	107,292	121,360
26	# Weeks Compensated	11,307	4,130	4,200	2,689	1,397	1,402	688,580	19,674	9,688
27	Pandemic Emergency Unemployment Comp (PEUC)									
28	Initial Claims	1,368	925	765	14	22	9	39,717	1,471	810
29	Continued Claims	20,341	16,168	13,874	867	766	371	316,786	11,733	15,878
30	# Weeks Compensated	21,260	16,697	14,047	1,216	995	452	328,791	12,177	16,710
31	State Extended Benefits (EB)									
32	Initial Claims	2,647	214	40	14	10	8	9,873	395	72
33	Continued Claims	4,808	253	158	159	158	62	24,333	973	537
34	# Weeks Compensated	6,572	701	270	238	199	61	39,847	1,594	768



# Kansas to Shut down Unemployment Servers | 01/27/21

The Wichita Eagle

STATE

## Kansas to shut down unemployment servers this weekend as part of fight against fraud

BY MEGAN STRINGER

JANUARY 27, 2021 05:34 PM, UPDATED JANUARY 28, 2021 01:09 PM



Kansas Gov. Laura Kelly talks about improvements to Labor's website

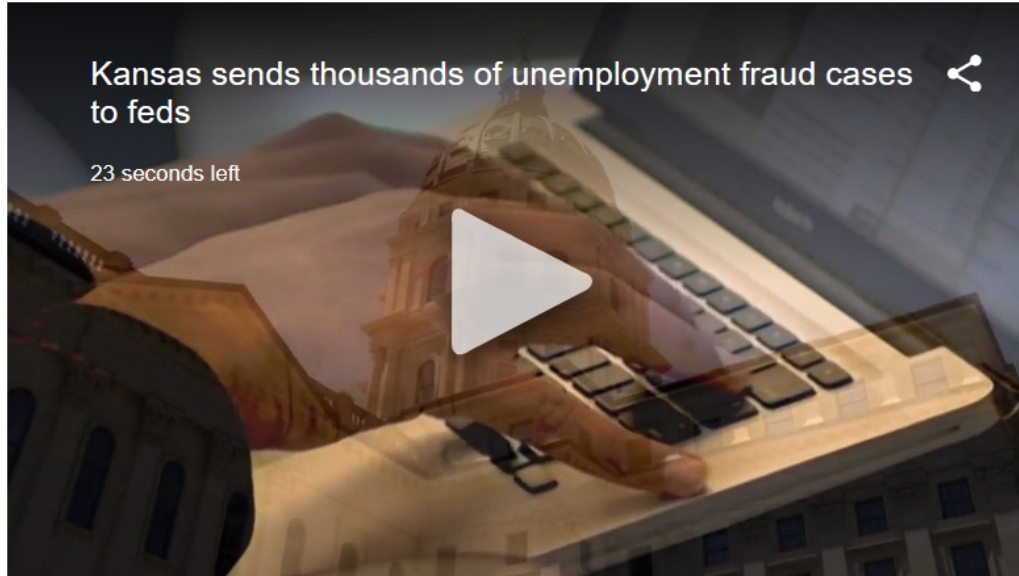
Kansas Governor Laura Kelly answers questions about unemployment fraud claims and security upgrades to the Department of Labor's website. (Jan. 27, 2021) BY GOVERNOR LAURA KELLY/FACEBOOK

*MFA Implemented between Jan. 31 – Feb. 2, 2021*



# KDOL Reports 50,000 Fake UI claims to Feds | 02/23/21

## Kansas turns over 50,000 fake unemployment claims to federal investigators



by: Heidi Schmidt

Posted: Feb 23, 2021 / 05:11 PM CST / Updated: Feb 23, 2021 / 05:11 PM CST

TOPEKA, Kan. —

The Kansas Department of Labor has referred more than 50,000 cases of fraud to investigators, and stopped payments on another 500,000 cases. Those are just cases from January 1, 2020 through December 31, 2020.

***\*These 50,000 cases do NOT include the avalanche of claims submitted in January of 2021.***

***\*No KS updates as of April 12, 2022***

Source: <https://fox4kc.com/news/kansas-turns-over-50000-fake-unemployment-claims-to-federal-investigators/>

# KS UI Benefits: Post-MFA (Identity Verification) Solution

							Full Totals & Averages Since WE 3/21 (51 Weeks)		Four (4) Week Average 2/13/2021 — 3/6/2021	
Week Ending							Totals	Weekly Averages	4 Wk Totals	4 Wk Avg.
1	Kansas Trust Fund Balance	\$ 246,900,000	\$ 265,000,000	\$ 268,800,000	\$ 272,900,000	\$ 275,200,000	\$ 264,900,000			
2	# Weeks Trust Fund to ZERO - KS Only benefits (KS Only - UI)	59.86	464.71	39.94	150.53	35.65	26.62			
3	# Years Trust Fund to ZERO - KS Only benefits (KS Only - UI)	1.15	8.94	0.77	2.89	0.69	0.51			
4	Projected Date of KS Trust Fund Bankruptcy	3/25/2022	1/2/2030	11/19/2021	1/9/2024	11/3/2021	9/8/2021			
5	Regular Claims									
6	Initial Claims	16,927	4,905	6,630	3,774	3,227	2,267	1,124,012	22,039	15,898
7	Call Center	841	390	2,761	483	600	433	142,556	2,795	4,277
8	Internet	16,116	4,515	3,869	3,291	2,627	1,834	981,485	19,245	11,621
9	Internet %	95.21%	92.05%	58.36%	87.20%	81.41%	80.90%	87.32%	87.32%	73.10%
10	Continued Claims	79,792	22,058	23,219	27,960	16,898	24,463	3,527,449	69,166	92,540
11	Total Payments Summary	\$ 15,210,006	\$ 1,315,738	\$ 13,377,139	\$ 14,604,395	\$ 26,193,410	\$ 24,393,968	\$ 2,813,773,970	\$ 55,172,039	\$ 78,568,912
12	Regular Unemployment Insurance (KS Only - UI)	\$ 4,124,778	\$ 570,254	\$ 6,729,527	\$ 1,812,958	\$ 7,720,081	\$ 9,949,817	\$1,095,873,042	\$ 21,487,707	\$ 26,212,383
13	Fed Pandemic Unemployment Comp (FPUC)	\$ 10,762,655	\$ 523,091	\$ 5,957,046	\$ 6,416,421	\$ 12,346,592	\$ 10,560,935	\$ 1,270,166,479	\$ 27,612,315	\$ 35,280,994
14	Pandemic Unemployment Assistance (PUA)	\$ 286,148	\$ 194,109	\$ 215,867	\$ 906,153	\$ 680,781	\$ 991,568	\$ 190,028,798	\$ 4,634,849	\$ 2,794,369
15	Pandemic Emergency Unemployment Comp (PEUC)	\$ 18,282	\$ 9,984	\$ 399,330	\$ 5,421,986	\$ 5,355,438	\$ 2,795,415	\$ 127,916,000	\$ 3,197,900	\$ 13,972,169
16	State Extended Benefits (EB)	\$ 1,343	\$ -	\$ 75,369	\$ 43,577	\$ 75,818	\$ 82,433	\$ 12,048,505	\$ 376,516	\$ 277,197
17	Lost Wages Assistance (LWA)	\$ 16,800	\$ 18,300	\$ -	\$ 3,300	\$ 14,700	\$ 13,800	\$ 117,741,146	\$ 5,351,870	\$ 31,800
18	Regular Unemployment Insurance (KS Only - UI)									
19	# Weeks Compensated	14,193	1,526	17,083	4,698	18,331	25,099	3,065,114	60,100	65,211
20	Final Payments	431	26	476	98	444	860	58,817	1,153	1,878
21	Individuals Receiving Payments	12,265	863	10,832	2,777	13,279	13,720	2,642,600	51,816	40,608
22	Average Weekly Benefit Amount	\$ 290.62	\$ 373.69	\$ 393.93	\$ 385.90	\$ 421.15	\$ 396.42	\$ 18,381.83	\$ 360.43	\$ 1,597.40
23	Pandemic Unemployment Assistance (PUA)									
24	Initial Claims	4,142	3,574	2,411	1,304	767	522	218,983	6,636	5,004
25	Continued Claims	30,057	40,546	37,919	28,218	21,833	19,070	3,074,521	93,167	107,040
26	# Weeks Compensated	455	690	837	6,458	2,232	3,643	702,895	17,144	13,170
27	Pandemic Emergency Unemployment Comp (PEUC)									
28	Initial Claims	60	145	22	81	42	26	40,093	1,215	171
29	Continued Claims	501	413	472	1,330	4,583	6,934	331,019	10,031	13,319
30	# Weeks Compensated	52	25	1,231	18,532	5,908	8,612	363,151	11,005	34,283
31	State Extended Benefits (EB)									
32	Initial Claims	34	42	24	8	2	26	10,009	323	60
33	Continued Claims	84	70	32	19	32	23	24,593	793	106
34	# Weeks Compensated	19	-	272	89	178	256	40,661	1,312	795



## KS UI Benefits: Pre- VS. Post-MFA 4 Week Comparison

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01/02/2021 – 01/23/2021:

- Average Weekly Kansas Regular UI Benefits:
  - **\$38,203,021**

————— *MFA Implemented between Jan. 31 – Feb. 2, 2021* —————

02/13/21 – 03/06/2021:

- Average Weekly Kansas Regular UI Benefits:
  - **\$6,553,096**

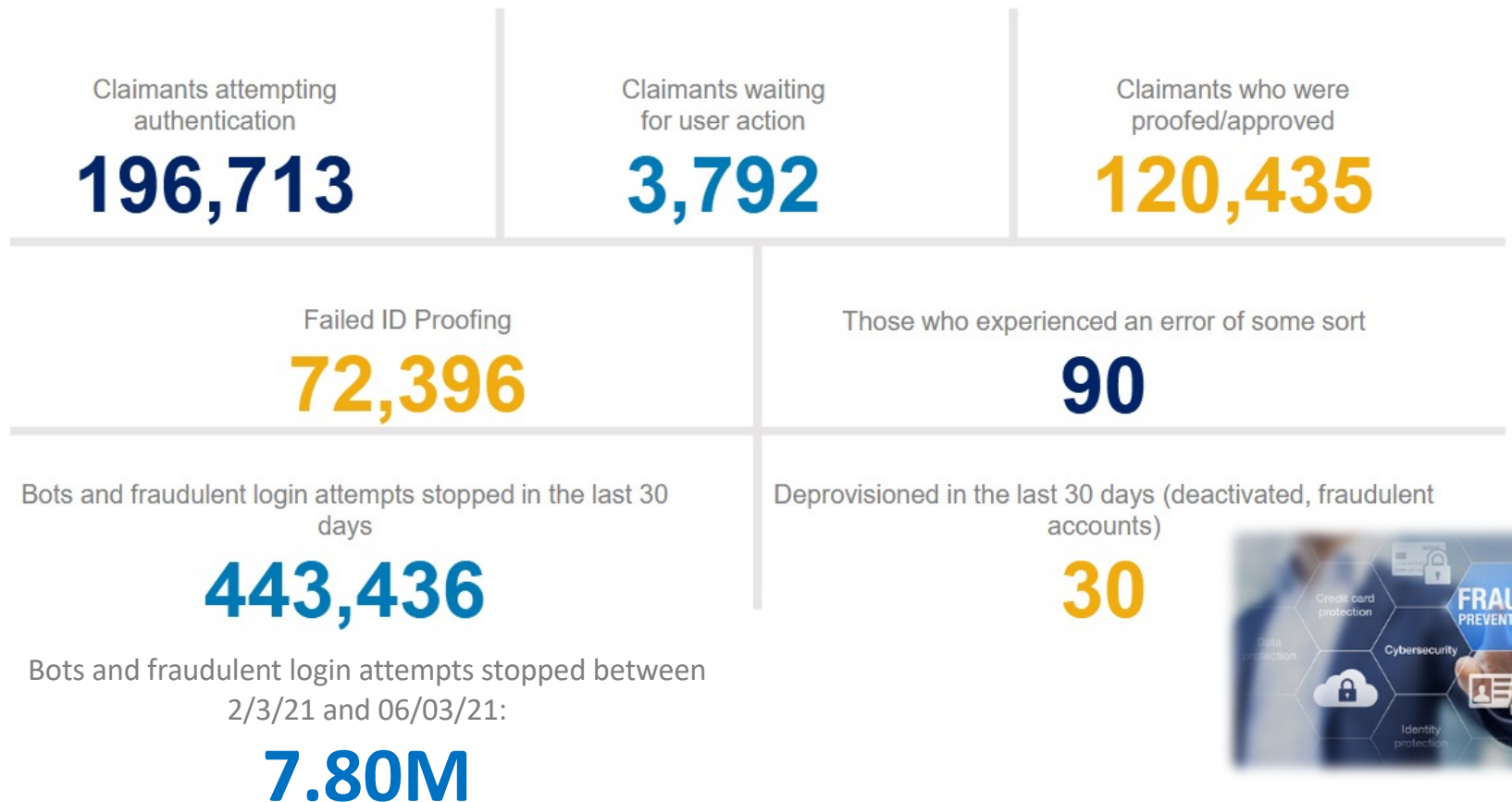
***Average Traditional KS UI Weekly Benefits  
Decreased by **82.85%** with MFA***

# Estimates for Unemployment Fraud in Kansas

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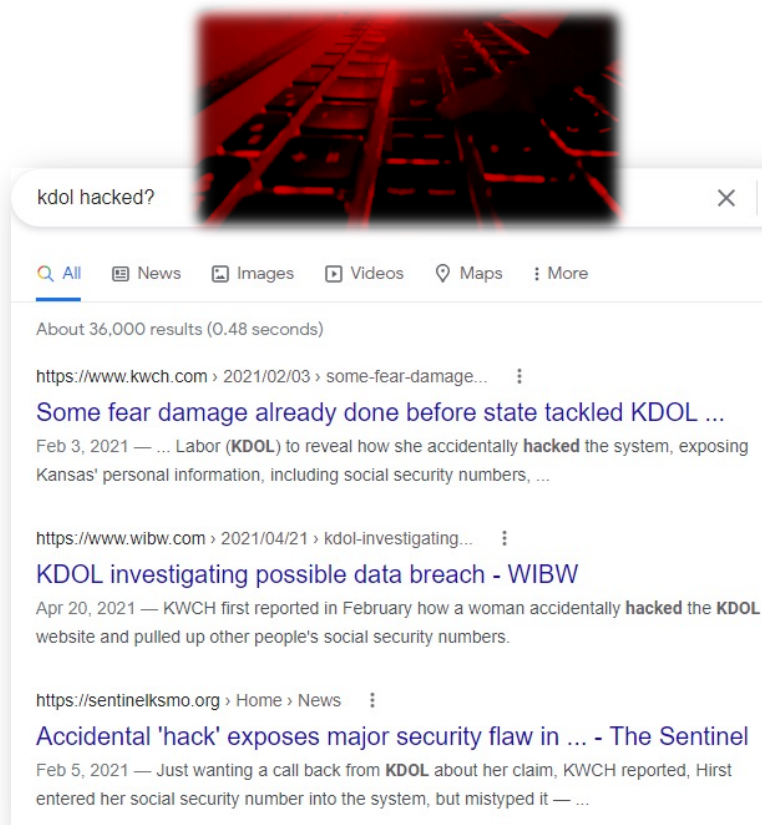
1. KS SHRM / UIS: Est. \$300M – \$600M (Jan. 2021)  
Hayes / Oswald
2. KS LPA (Part 1): Est. \$600M (Feb. 2021)
  - \$200M KS | \$400M U.S.KDOL Response: \$290M
  - \$140M KS | \$150M U.S.
3. KS LPA (Part 2): Est. \$687M (Aug. 2021)
  - \$344M KS | \$343M U.S.KDOL Response: \$380M Total (High Confidence)
4. KS Unemployment Compensation Modernization and Improvement Council:
  - KS contracted with *BKD – CPAs & Advisors* for Two (2) Independent Audits
    - IT Security Audit: Preliminary Report due May 1, 2022
    - Fraud Audit: \$ TBD – Final Report due Sept. 1, 2022
      - Any amount for fraudulent, regular KS UI benefits >\$250M will be reimbursed to Trust Fund

## KDOL: Fraud Software Security Updates: 09/13/21



Source: Periodic KDOL Labor Updates - <https://www.dol.ks.gov/top-stories>

# Was KDOL Unemployment System Hacked?



...Hirst entered her social security number into the system, but **mistyped it** — and pulled up someone else's information.

..."I was shocked that I didn't even have to sign in to a KDOL account to access this page," Hirst told the station. "I Googled it to find it. I Googled, 'Kansas PUA callback, (and) any number you type in that, if they have an account with KDOL, you're going to bring up that person's information, and right now, KDOL has hundreds of thousands of people in their system.'"

Meanwhile, the Kelly administration insists the security holes have been filled and that the issues are related to outdated equipment — the mainframe computers the Kansas unemployment system runs on are more than four *decades* old — and the Transunion and Experian data breaches of a few years ago.

It's unknown if Hirst was able to accidentally hack the system before or after the State paid [Accenture](#) over \$4 million in consulting fees for PUA and other security consulting services.

## Lingering Questions:

1. How long was the page accessible?
2. How many times was this page accessed/used?
3. What lack of internal controls led to this?
4. Who has and had privileges to "*un-flag*" fraud claims?
  1. KDOL staff and/or Accenture contractors?
  2. How many contractors were hired and in what capacity?
  3. Were appropriate background checks ran on staff and contractors?
5. How many contractors were hire and for what specific tasks?
  1. Total #s collectively as well as at high point of contract?
6. Was and/or is there other vulnerabilities in the KS UI IT system?

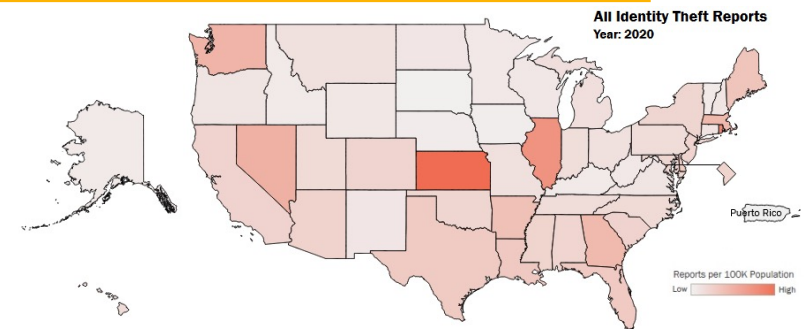
# Identity Theft | Kansas was #1 in 2020 | 04/28/21

Rank	State	Identity theft reports in 2019	Identity theft reports in 2020	% increase in identity theft reports 2019-2020
1	Kansas	2,272	43,211	1801.9%
2	Rhode Island	1,145	12,621	1002.3%
3	Maine	809	7,183	787.9%
4	Washington	7,111	54,247	662.9%
5	Illinois	23,142	135,038	483.5%
6	Massachusetts	8,607	45,575	429.5%
7	Arkansas	4,524	17,470	286.2%
8	Oklahoma	3,706	13,797	272.3%
9	Montana	706	2,439	245.5%
10	Colorado	6,274	20,762	230.9%

Methodology: Federal Trade Commission data on identity theft reports from 2019 and 2020 were used to compile this report.

Source:

<https://public.tableau.com/profile/federal.trade.commission#!/vizhome/FraudandIDTheftMaps/IDTheftbyState>



**All Identity Theft Reports  
Kansas**

Year	Rank	Reports per 100K		# of Reports	
		#	YoY % Change	#	YoY % Change
2021 (1Q)	2	1,239	233.96%	36,096	-16.46%
2020	1	371	1852.63%	43,210	1801.85%
2019	39	19	5.56%	2,272	6.12%
2018	35	18	0.00%	2,141	2.00%
2017	34	18		2,099	

## ID theft outbreak in Kansas

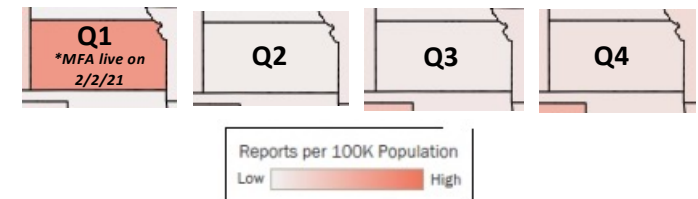
Kansas led the country in per-capita reports of identity theft, with 1,483 reports for every 100,000 residents. When metro areas across the U.S. were analyzed, four in Kansas led all others: Topeka had 1,925 reports for every 100,000 persons; Lawrence, 1,717; Wichita, 1,395; and Manhattan, 1,207. In fifth place was Tuscaloosa, Alabama, with 1,195 identity theft reports for every 100,000 residents.

# Identity Theft | Kansas was #2 in 2021 | 02/22/22

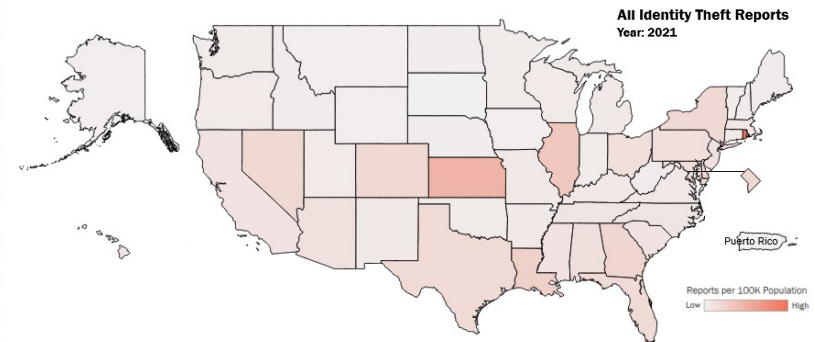
## Kansas

Year	Rank	Reports per 100K		# of Reports	
		#	YoY % Change	#	YoY % Change
2021	2	1,355	-8.63%	39,461	-8.68%
2020	1	1,483	1801.28%	43,211	1801.06%
2019	39	78	5.41%	2,273	6.12%
2018	36	74	2.78%	2,142	2.00%
2017	34	72	-17.34%	2,100	-17.06%
2016	31	87	-22.72%	2,532	-22.85%
2015	27	113	72.85%	3,282	73.47%
2014	35	65	5.84%	1,892	6.11%
2013	30	62	-14.44%	1,783	-14.16%
2012	30	72	7.30%	2,077	8.52%
2011	24	67	11.46%	1,914	11.47%
2010	26	60	-10.95%	1,717	-9.92%
2009	26	68	-5.59%	1,906	-4.94%
2008	33	72	17.38%	2,005	18.36%
2007	29	61	3.74%	1,694	4.18%
2006	29	59		1,626	

## Quarterly Identity Theft Reports | 2021



## ALL Identity Theft Reports | 2021



Source: Federal Trade Commission – Consumer Sentinel Network



## ID Theft & UI Fraud in KS | It could be worse, just barely...

### Top 10

State	Avg. # of Reports					
	2006-2019 Avg.		2020-2021 Avg.		Pre- vs. Pandemic % Change	
	#	Rank	#	Rank	%	Rank
Rhode Island	899	44	21,446	19	2385.31%	1
<b>Kansas</b>	<b>2,081</b>	<b>34</b>	<b>41,336</b>	<b>8</b>	<b>1986.29%</b>	<b>2</b>
Illinois	14,653	6	126,047	3	860.21%	3
Maine	722	46	4,711	37	652.19%	4
Louisiana	4,392	23	28,010	14	637.78%	5
Massachusetts	5,746	18	31,071	12	540.74%	6
Nevada	3,876	25	20,393	20	526.13%	7
Colorado	5,194	19	27,167	16	523.05%	8
Washington	6,542	15	33,582	10	513.32%	9
Arkansas	2,377	32	11,914	27	501.12%	10

Source: Federal Trade Commission  
Consumer Sentinel Network

## ID Theft & UI Fraud in KS | It could be worse, just barely...

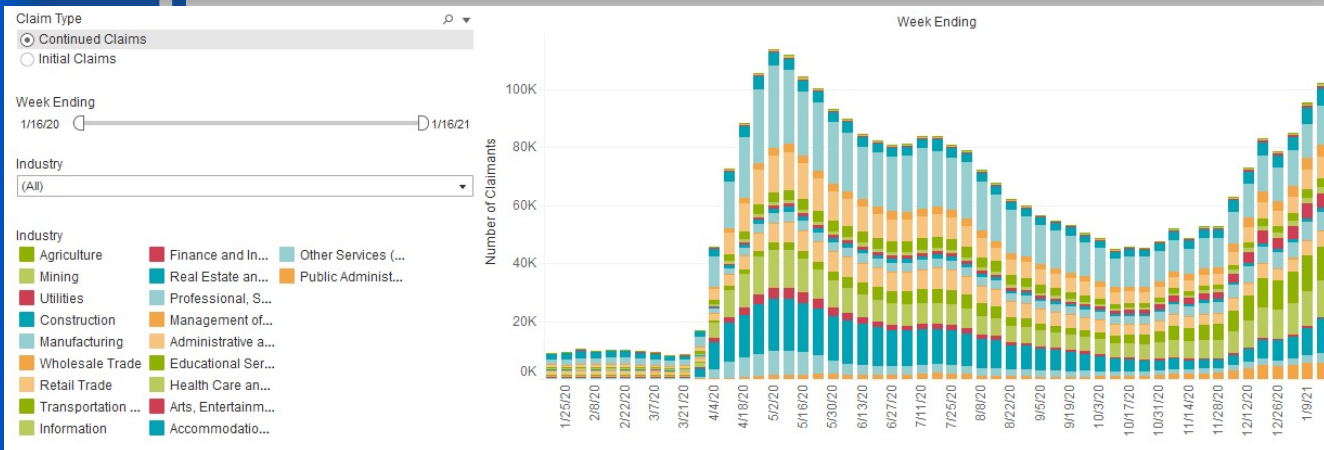
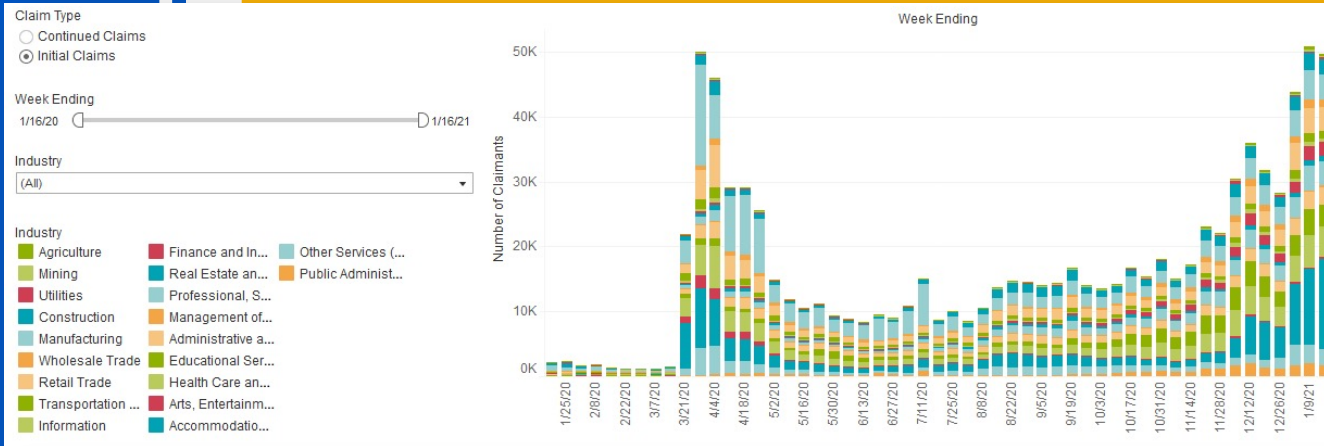
### Top 10

State	Avg. Reports per 100K					
	2006-2019 Avg.		2020-2021 Avg.		Pre- vs. Pandemic % Change	
	#	Rank	#	Rank	%	Rank
Rhode Island	85	28	2,024	1	2379.50%	1
<b>Kansas</b>	<b>72</b>	<b>34</b>	<b>1,419</b>	<b>2</b>	<b>1958.32%</b>	<b>2</b>
Illinois	114	10	995	3	870.52%	3
Maine	54	46	351	24	645.57%	4
Louisiana	96	19	603	6	630.54%	5
Massachusetts	86	27	451	13	526.61%	6
Arkansas	80	31	395	16	491.25%	7
Nevada	137	5	662	4	484.91%	8
Colorado	98	16	472	11	481.34%	9
Washington	93	22	441	14	474.02%	10

Source: Federal Trade Commission  
Consumer Sentinel Network



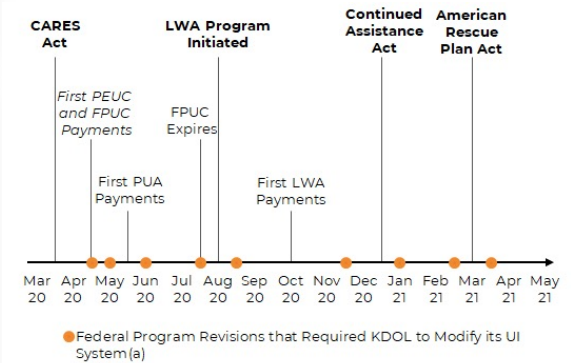
# Kansas UI Claimants By Industry | 01/18/20 – 01/16/21



## COVID-19 Pandemic in Kansas

- 03/12/20: Gov. Kelly declares state of emergency
- 03/17/20: Announced K-12 will remain closed
- 03/24/20: 3 Counties announce stay-at-home order
- 03/28/20: Gov. Kelly announces state-wide SAH order
- 05/03/20: State-wide SAH order expires

## Federal Programs Timeline



Source: KDOL officials and U.S. Department of Labor Guidance  
 (a) Does not include all federal changes made during the pandemic.

Sources: KDOL LMIS; KS LPA

# KS Legislative Post Audits | Evaluating KDOL's Response to COVID-19 UI Claims (2 Parts)

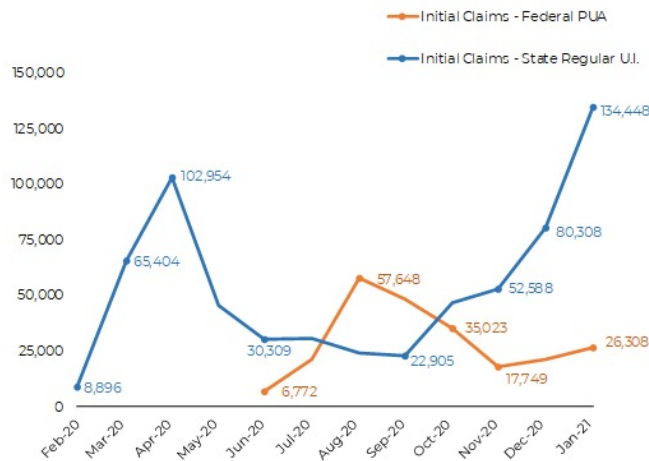
## Part 1 – Published: February, 2021

### Estimated Unemployment Fraud

Of the roughly \$2.6 billion in state and federal unemployment benefits paid in Kansas in 2020, we estimated about \$600 million (24%) could have been fraudulent.

Our fraud estimate is subject to some key assumptions and limitations.

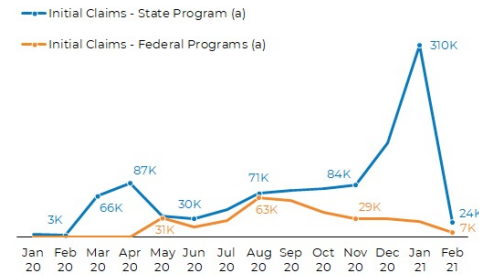
**Figure 1**  
Initial claims for the Regular Unemployment Program increased again in late 2020. (a)



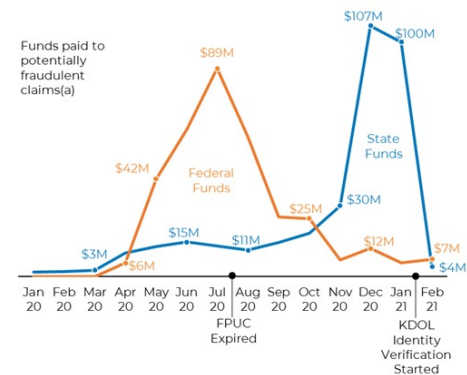
(a) Monthly totals for initial claims only. This figure does not include continuing claims filed by claimants already receiving benefits.  
Source: 2020 and 2021 KDOL Weekly Claims Reports (Unaudited).

## Part 2 – Published: August, 2021

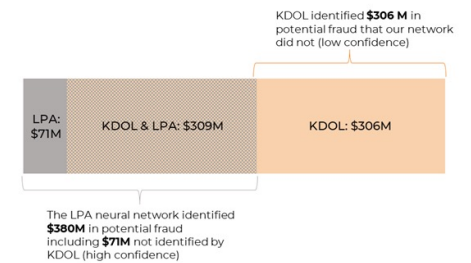
**Figure 2:** Initial claims increased significantly during the pandemic, especially before identify verification was established in February 2021.



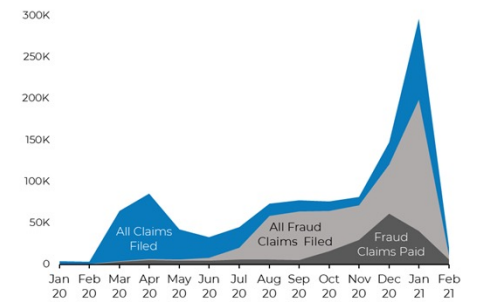
**Figure 5:** Fraudsters attacked the federal unemployment programs before attacking the state's program in late 2020.



**Figure 4:** The \$700 million fraud estimate is based on three components.



**Figure 6:** Our results showed that fraudulent claims comprised a large proportion of total claims filed, but not all fraudulent claims filed were paid(a).



# Recommended UI Fraud Audit Focal Points:

## Form 1099-G's (#s and Total Amounts for Each):

1. Held back by KDOL
2. Sent out by KDOL
3. Returned to KDOL
4. Corrected by KDOL
5. Still outstanding KDOL

## Reported Fraud to KDOL:

1. Employees/Claimants
2. Employers

## Fraud Analytics:

1. UI claims initiated in foreign countries
2. Suspicious IP addresses
3. Aggregate claimant data with same
  - a. Address
  - b. Emails
  - c. Bank account numbers
4. Suspicious claimants
  - a. Too young
  - b. Too old
  - c. Deceased
  - d. Incarcerated
  - e. Other
5. Suspicious accounts (email, banking, etc.)
6. Suspicious Social Security numbers
7. Unusual timing or location of claim submission

## US DOL:

1. Tiger Team finding and recommendations
2. Identity Verifications methods/resources
  - a. Social Security Administration Cross-match
  - b. Systematic Alien Verification for Entitlement (SAVE)
  - c. Incarceration cross-matches
    - i. local, state, and federal
  - d. Interstate Connection Network (ICON)
    - i. duplicate claims filed in other states and under other UI programs
      - a) Interstate Benefits (IB) Cross-match
      - b) State Identification Inquiry (SID) State Claims
      - c) Overpayment File, and the IB8606 applications
  - e. Internet Protocol (IP) Address
  - f. Data Analytics
    - i. cross-reference UI claims and identify shared characteristics among claims that can be indicators of suspicious or fraudulent claims activity.
3. Suspicious Actor Repository (SAR) – see next slide
4. Suspicious E-Mail Domains
5. Foreign IP Addresses
6. Multi State Cross-Match (MSCM)
7. Identity Verification (IDV)
8. IDH Fraud Alert System

## Other:

1. New Hire directory cross-match – Claimants
2. Existing employer cross-match

# Suspicious Actor Repository (SAR)

## FinCENT Advisory:

1. Fictitious employer-employee fraud
2. Employer-employee collusion fraud
3. Misrepresentation of income fraud
4. Insider fraud - State employees use credentials to inappropriately access or change UI claims, resulting in the approval of unqualified applications, improper payment amounts, or movement of UI funds to accounts that are not on the application; or
5. Identity-related fraud - Filers submit applications for UI payments using stolen or fake identification information to perpetrate an account takeover

## Financial Red Flag Indicators Reported to KDOL:

1. Account(s) held at the financial institution receive(s):
  - a. UI payments from a state other than the state in which the customer reportedly resides or has previously worked;
  - b. Multiple state UI payments within the same disbursement timeframe;
  - c. UI payments in the name of a person other than the accountholder, or in the names of multiple unemployment payments recipients;
  - d. UI payments and regular work-related earnings, via direct deposit or paper checks;
  - e. Numerous deposits or electronic funds transfers (EFTs) that indicate they are UI payments from one or more states to persons other than the accountholder(s);
  - f. A higher amount of UI payments in the same timeframe than similarly situated customers received.
2. Customer withdraws disbursed UI funds in a lump sum by cashier's checks, by purchasing a prepaid debit card, or by transferring the funds to out-of-state accounts.
3. Customer's UI payments are quickly diverted via wire transfer to foreign accounts, particularly to accounts in countries with weak anti-money laundering controls.
4. Customer receives or sends UI payments to a peer-to-peer (P2P) application or app. The funds are then wired to an overseas account, or withdrawn using a debit card, in a manner that is inconsistent with the spending patterns of similarly situated customers.
5. Individuals quickly withdraw disbursed UI funds via online bill payments addressed to an individual(s), as opposed to businesses, as payee(s), with some individual payees receiving multiple online bill paychecks over a short time period.
6. IP address associated with logins for an account conducting suspected UI-fraud activities does not map to the general location of stated address in identity documentation for the customer or where the UI payment originated.
7. Individuals direct UI-related EFTs, or deposit UI checks into suspected shell/front company accounts, which may be indicative of money mules transferring these funds in and out of the accounts.
8. Multiple accounts receiving UI payments at one or more financial institutions are associated with the same free, web-based email account that may appear in more than one UI application.
9. A newly opened account, or an account that has been inactive for more than thirty days, starts to receive numerous UI deposits.
10. After a financial institution suspects UI fraud and requests additional identification documentation to verify the identity(ies) of the customer(s), queried individuals provide documents that are incorrect or forged, which may be an indicator of an account takeover or identity theft. After a financial institution suspects UI fraud and conducts due diligence, it determines that the customer does not have a history of living at, or being associated with, the address to which the UI check or UI debit card is sent, or within the geographical area in which the registered debit card is being used.

## Title XII Advance Activities Schedule | As of 05/03/22

**Interest Rate: 1.59090%**

State	Outstanding Advance Balance	Advance Authorization Current Month	Gross Advance Draws Current Month	Interest Accrued for FY 2022	Interest Received for FY 2022	Net Interest Due by 9/30/2022
California	19,324,237,422.94	650,000,000.00	49,136,898.46	217,507,751.18	0.00	217,507,751.18
Colorado	1,013,089,860.58	50,000,000.00	0.00	11,253,611.00	0.00	11,253,611.00
Connecticut	495,132,041.88	75,000,000.00	0.00	5,804,781.56	0.00	5,804,781.56
Hawaii	0.00	0.00	0.00	19,584.53	19,584.53	0.00
Illinois	1,812,645,002.82	0.00	0.00	45,590,110.21	0.55	45,590,109.66
Massachusetts	1,768,015,459.63	0.00	0.00	24,339,353.33	0.00	24,339,353.33
Minnesota	1,061,985,382.23	80,000,000.00	7,236,000.00	13,305,221.63	35,056.40	13,270,165.23
New Jersey	0.00	350,000,000.00	11,414,000.00	6,251,977.66	1.17	6,251,976.49
New York*	9,045,793,506.09	500,000,000.00	0.00	103,384,232.21	0.00	106,766,326.50
Pennsylvania	810,983,866.58	100,000,000.00	13,055,509.09	8,785,417.67	0.00	8,785,417.67
Texas	0.00	0.00	0.00	19,767,040.04	4,895.40	19,762,144.64
Virgin Islands	99,801,559.50	5,000,000.00	73,252.00	1,069,393.94	235.02	1,069,158.92
<b>Totals</b>	<b>35,431,684,102.25</b>	<b>1,810,000,000.00</b>	<b>80,915,659.55</b>	<b>457,078,474.96</b>	<b>59,773.07</b>	<b>460,400,796.18</b>

Source: Treasury Direct - [https://www.treasurydirect.gov/govt/reports/tfmp/tfmp\\_advactivitiessched.htm](https://www.treasurydirect.gov/govt/reports/tfmp/tfmp_advactivitiessched.htm)



# Kansas UI Benefits Snapshot | Most Recent 4 Weeks

					Full Pandemic Summary Since WE 03/21/20 (110 Weeks)		Current 4 Week Sum 04/09/22 — 04/30/22		Pre-COVID 4 Week Sum 02/22/20 — 03/14/20		Pre-COVID vs. Current 4 Wk Avg % Change
Week Ending	4/9/2022	4/16/2022	4/23/2022	4/30/2022	Totals	Weekly Averages	Most Recent 4 Week Totals	Most Recent 4 Week Averages	Pre-Pandemic 4 Week Totals	Pre-Pandemic 4 Week Averages	
1 Kansas Trust Fund Balance	\$ 816,300,000	\$ 820,500,000	\$ 826,900,000	\$ 833,800,000							
2 # Weeks Trust Fund to ZERO - KS Only benefits (KS Only - U)	411.88	453.77	464.50	504.09							
3 # Years Trust Fund to ZERO - KS Only benefits (KS Only - U)	7.92	8.73	8.93	9.69							
4 Projected Date of KS Trust Fund Bankruptcy	3/1/2030	12/26/2030	3/18/2031	12/27/2031							
5 Regular Claims											
6 Initial Claims	1,604	1,048	1,008	989	1,234,433	11,121	4,649	1,162	6,275	1,569	-25.91%
7 Call Center	655	580	518	377	186,820	1,683	2,130	533	3,888	972	-45.22%
8 Internet	949	468	490	612	1,048,212	9,443	2,519	630	2,387	597	5.24%
9 Internet %	59.16%	44.66%	48.61%	61.88%	84.91%	84.91%	54.18%	54.18%	38.04%	38.04%	29.79%
10 Continued Claims	4,761	4,272	4,377	4,232	4,034,708	36,349	17,642	4,411	44,520	11,130	-60.37%
11 Total UI Payments Summary (KS & Federal)	\$ 1,981,909	\$ 1,808,190	\$ 1,780,195	\$ 1,654,070	\$ 3,462,052,841	\$ 31,189,665	\$ 7,224,364	\$ 1,806,091	\$ 14,230,407	\$ 3,557,602	
12 Regular Unemployment Insurance (KS Only - U)	\$ 1,981,909	\$ 1,808,190	\$ 1,780,195	\$ 1,654,070	\$ 1,315,838,876	\$ 11,854,404	\$ 7,224,364	\$ 1,806,091	\$ 14,230,407	\$ 3,557,602	-49.23%
18 Regular Unemployment Insurance (KS Only - UI)											
19 # Weeks Compensated	4,819	4,341	4,381	4,073	3,619,338	32,607	17,614	4,404	35,965	8,991	-51.02%
20 Final Payments	182	189	157	151	74,872	675	679	170	997	249	-31.90%
21 Individuals Receiving Payments	3,477	3,134	3,143	2,794	3,033,354	27,328	12,548	3,137	33,457	8,364	-62.50%
22 Average Weekly Benefit Amount	\$ 411.27	\$ 416.54	\$ 406.34	\$ 406.11	\$ 42,396.80	\$ 381.95	\$ 1,640.26	\$ 410.07	\$ 1,582.89	\$ 395.72	3.50%

Week Ending 11/16/2019

was the last week Total KS Regular UI Benefits  
was less than \$2M

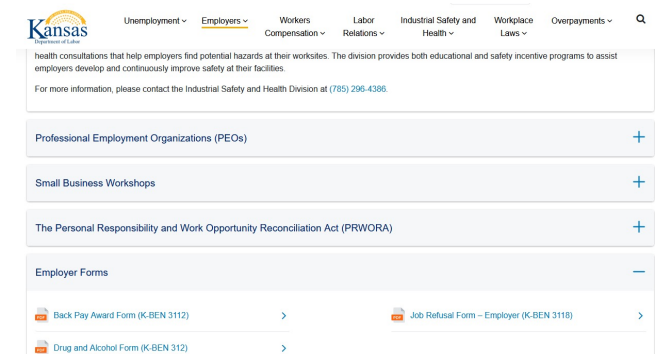
## 2021 KS Legislative Summary: HB 2196

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1. Kansas Unemployment Compensation Modernization and Improvement Council (UCMIC)
2. Modernization of Kansas Unemployment IT System
3. Employment Security Board of Review – Temporary Expansion through June 2024
4. Employment Security Tax Rate Table Changes
5. Online Annual KS Employer UI Tax Rate Summaries
6. Kansas UI Benefit Recipient Tax Liability Notices – With Determination Letter
7. Kansas UI Trust Fund Data Reporting on KDOL Website
8. My Re-Employment Plan & Work Skills Training Services
9. Work Refusal Reporting Provisions
10. State Unemployment Rate Thresholds tied to Number of Benefit Weeks
11. Disqualification for Fraudulent/Misleading Statements
12. Employer Account Protections & Payment Certification
13. Federal Relief Aid Transfers
  - a. \$250M on 7/11/21
  - b. \$250M (+/-) in 2022 Based on BKD Audit
14. Kansas UI Trust Fund Projections Report to Legislators – Annually through 2024
15. Federal UI Program Restrictions
16. Shared Work Program Modifications
17. KDOL/Kansas Law Enforcement Partnership – ID Verification
18. Additional Miscellaneous Provisions

# Employers Can Report Job Seekers Who Refuse Job Offer

- Employers are in a very competitive market looking for employees with a 2.5% unemployment rate
- Requirement to maintain eligibility for UI benefits:
  - Perform three work search activities each week
    - At least two weekly work search activities (application OR resume submissions)
      - At least one other activity:
        - Additional job application(s)
        - Attendance at job fairs
        - Resume review courses
        - Workforce Center services
        - Browsing job posting websites, etc.
- **Refusing work can disqualify individuals** from unemployment insurance
  - Employers should report ALL job refusals



Source: Employer Forms – <https://www.dol.ks.gov/employers>



# When/Who to Report? ALL Job Refusals Can be Reported

## GETTING KANSANS BACK TO WORK: EMPLOYER GUIDANCE FOR HANDLING JOB REFUSALS

The U.S. Department of Labor (DOL) has released updated resources for employers, workers and states as businesses begin to reopen across the nation.

The DOL emphasized it will take the cooperation of employers, employees and state agencies to prevent unemployment fraud. Claimants should be educated on state requirements that failure to accept suitable work offers may lead to denial of unemployment benefits.

The Kansas Department of Labor (KDOL) states an individual is not eligible for unemployment benefits if they fail to accept suitable work without good cause if a *valid, bona fide offer* (must include acknowledgement from the claimant/job seeker) of work is made. Beginning May 13, 2021, KDOL is required by law (House Bill 2196) to investigate all reported job refusals *within 10 days*. The following considerations will be investigated:

- **Suitability:**
  - Skills
  - Training
  - Experience
  - Capabilities needed for the job
- **Labor Market Conditions:**
  - Prospects for work
  - Number of jobs available in their occupations or skills area, etc.
  - Job/working conditions

### KDOL will investigate all reported job refusals

- if the job is determined to be suitable, KDOL will also investigate if they had good cause for refusing work;
  - availability issues such as illness, hospitalization, lack of childcare or transportation, etc. will disqualify an individual;
- if the job is determined to be suitable and the individual failed to accept the work without good cause, they may be disqualified for benefits.

No action can be taken and the claimant may continue to receive benefits if a refusal is not reported.

Kansas employers can report ALL job refusals with this form:



[bit.ly/KSjobrefusal](https://bit.ly/KSjobrefusal)

KANSAS DEPARTMENT OF LABOR  
www.dol.ks.gov  
**JOB REFUSAL – EMPLOYER**  
K-BEN 3119 (Rev. 2-21)

**REPORT FRAUD**  
www.ReportFraud.ks.gov

MAIL: Unemployment Contact Center  
P.O. Box 3539  
Topeka, KS 66601-3539  
FAX: (785) 296-3249  
UPLOAD: <https://UIAssistance.GetKansasBenefits.gov>

Claimant Name: \_\_\_\_\_ Social Security no: XXX-XX-XXXX

Failure to complete and return this form within ten days may result in an improper payment of benefits to the claimant and corresponding charges to your employer experience rating account.  
Have you offered a job to the above-identified claimant? ☐ YES ☐ NO  
If YES, complete the following information.  
If NO, sign the certification at the bottom of the form and return the form as directed.

**Job Offer**  
Who offered claimant the job? \_\_\_\_\_ Date job offer was made: \_\_\_\_\_  
Title: \_\_\_\_\_ Job duties: \_\_\_\_\_  
Rate of pay: \_\_\_\_\_ Daily work hours offered (example 8 a.m. – 5 p.m.): \_\_\_\_\_  
Total weekly hours offered: \_\_\_\_\_ Location of work: City \_\_\_\_\_ State \_\_\_\_\_  
Union job: ☐ YES If YES, Local # \_\_\_\_\_ ☐ NO Is claimant a union member? ☐ YES ☐ NO ☐ UNKNOWN  
Permanent work? ☐ YES ☐ NO Temporary work? ☐ YES ☐ NO

**Job Refusal**  
Did the claimant refuse the offered work? ☐ YES ☐ NO  
When did the claimant refuse the offer? \_\_\_\_\_  
If the claimant provided any reason for refusing the offer, provide details:  
\_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATION:** I certify that the information I have provided is correct and complete, and I understand that the willful or intentional misrepresentation or failure to disclose a material fact is punishable under the Kansas Employment Security Law.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

If completed by a TPA or other employer representative, also include the following information:  
Printed name: \_\_\_\_\_  
Company name: \_\_\_\_\_

KANSAS UNEMPLOYMENT CONTACT CENTER  
Kansas City Area (913) 596-3500 • Topeka Area (785) 575-1460 • Wichita Area (316) 363-9947 • All Other Areas (800) 292-6333

KANSAS DEPARTMENT OF LABOR  
www.dol.ks.gov  
**JOB REFUSAL – EMPLOYER**  
K-BEN 3119 (Rev. 2-21)

**REPORT FRAUD**  
www.ReportFraud.ks.gov

MAIL: Unemployment Contact Center  
P.O. Box 3539  
Topeka, KS 66601-3539  
FAX: (785) 296-3249  
UPLOAD: <https://UIAssistance.GetKansasBenefits.gov>

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Total weekly hours offered: \_\_\_\_\_ Location of work: City \_\_\_\_\_ State \_\_\_\_\_  
Union job: ☐ YES If YES, Local # \_\_\_\_\_ ☐ NO Is claimant a union member? ☐ YES ☐ NO ☐ UNKNOWN  
Permanent work? ☐ YES ☐ NO Temporary work? ☐ YES ☐ NO

**Job Refusal**  
Did the claimant refuse the offered work? ☐ YES ☐ NO  
When did the claimant refuse the offer? \_\_\_\_\_  
If the claimant provided any reason for refusing the offer, provide details:  
\_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATION:** I certify that the information I have provided is correct and complete, and I understand that the willful or intentional misrepresentation or failure to disclose a material fact is punishable under the Kansas Employment Security Law.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

If completed by a TPA or other employer representative, also include the following information:  
Printed name: \_\_\_\_\_  
Company name: \_\_\_\_\_

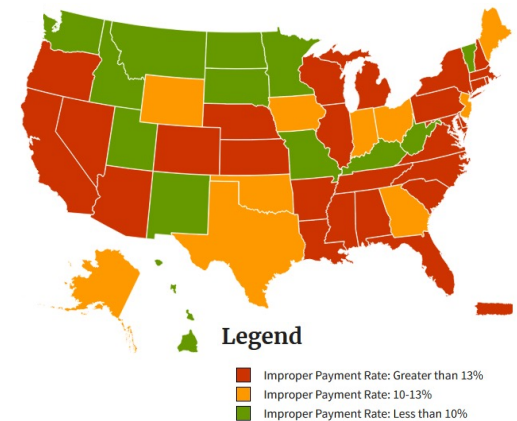
KANSAS UNEMPLOYMENT CONTACT CENTER  
Kansas City Area (913) 596-3500 • Topeka Area (785) 575-1460 • Wichita Area (316) 363-9947 • All Other Areas (800) 292-6333

Source: [bit.ly/KSjobrefusal](https://bit.ly/KSjobrefusal)

# Unemployment Insurance Payment Accuracy by State

12-Month Data (4/1/2020 – 03/31/2021)

Improper payment data for the Unemployment Insurance (UI) program derived from the Benefit Accuracy Measurement (BAM) program for the 12-month period ending March 31, 2021. BAM is a quality control statistical survey used to identify errors and support corrective action in the state unemployment insurance (UI) system. Data includes improper payment percentages, total dollar amounts, and root cause by state.



**\*\*Washington State (see next slide):**



<https://www.kiro7.com/news/local/process-fast-tra...>

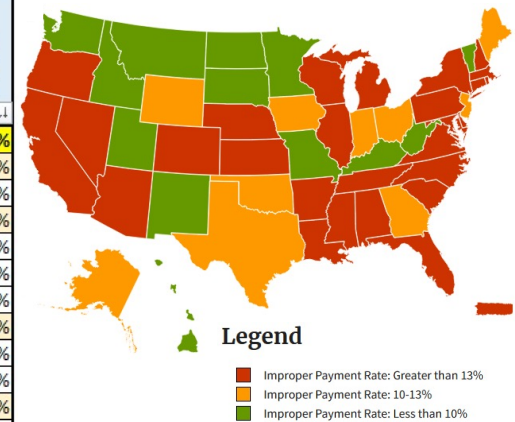
## New state audit of \$600 million unemployment fraud - KIRO 7

Dec 18, 2020 — The newly released audit found that **through the end of June 2020**, the ESD had lost **\$600 million** dollars to fraud — and recovered only about \$250 ...

Source: DOL: <https://www.dol.gov/agencies/eta/unemployment-insurance-payment-accuracy/data>

# Unemployment Insurance Improper Payment Rates | 3Q20-1Q21

	ST	Amount Paid	Over Payment Rate (a)	Amount Overpaid (c)	Under Payment Rate (b)	Amount Underpaid (d)	Improper Payment Rate (OP+UP) (a)+(b)	Amount Improperly Paid (c)+(d)	Over Payment Rate Excluding Work Search	Amount Overpaid Excluding Work Search	Fraud Rate
1	KS	\$808,724,883	33.831%	\$273,599,525	0.000%	\$0	33.831%	\$273,599,525	33.831%	\$273,599,525	30.138%
2	RI	\$342,550,853	26.766%	\$91,685,718	0.242%	\$827,807	27.007%	\$92,513,526	26.766%	\$91,685,718	17.562%
3	TN	\$774,120,904	45.460%	\$351,917,980	0.109%	\$844,319	45.569%	\$352,762,299	44.714%	\$346,141,207	16.279%
4	NV	\$474,003,711	28.168%	\$133,518,403	0.422%	\$1,999,280	28.590%	\$135,517,683	28.168%	\$133,518,403	15.212%
5	SC	\$563,883,924	25.069%	\$141,362,082	0.362%	\$2,043,562	25.432%	\$143,405,643	25.069%	\$141,362,082	14.525%
6	NY	\$6,904,141,447	20.874%	\$1,441,169,042	0.610%	\$42,088,475	21.484%	\$1,483,257,516	20.874%	\$1,441,169,042	14.478%
7	AZ	\$919,184,394	25.343%	\$232,951,241	0.000%	\$0	25.343%	\$232,951,241	25.343%	\$232,951,241	14.078%
8	MA	\$5,159,605,683	25.967%	\$1,339,786,874	1.785%	\$92,123,772	27.752%	\$1,431,910,646	25.441%	\$1,312,675,234	13.705%
9	AL	\$533,312,996	23.671%	\$126,239,472	0.285%	\$1,519,078	23.956%	\$127,758,550	23.529%	\$125,482,820	13.475%
10	PR	\$538,917,534	15.941%	\$85,910,127	0.542%	\$2,921,875	16.483%	\$88,832,002	15.941%	\$85,910,127	13.012%
11	AR	\$171,995,172	22.442%	\$38,598,834	1.726%	\$2,968,952	24.168%	\$41,567,786	22.442%	\$38,598,834	10.602%
12	MS	\$299,605,646	18.074%	\$54,150,151	0.037%	\$109,619	18.110%	\$54,259,770	17.815%	\$53,374,371	10.251%
13	MD	\$1,017,279,424	16.841%	\$171,321,200	0.000%	\$0	16.841%	\$171,321,200	16.841%	\$171,321,200	9.844%
14	LA	\$897,631,017	24.223%	\$217,433,173	0.209%	\$1,873,087	24.432%	\$219,306,261	24.049%	\$215,872,480	9.688%
15	TX	\$6,960,290,889	13.905%	\$967,802,409	0.492%	\$34,245,300	14.397%	\$1,002,047,709	13.441%	\$935,535,384	8.482%
16	VA	\$2,348,064,848	46.691%	\$1,096,340,468	0.304%	\$7,147,854	46.996%	\$1,103,488,322	46.691%	\$1,096,340,468	8.289%
17	OR	\$1,548,039,790	13.899%	\$215,160,097	0.255%	\$3,950,856	14.154%	\$219,110,953	12.489%	\$193,329,344	7.275%
18	IL	\$4,286,337,829	15.552%	\$666,597,532	2.131%	\$91,363,060	17.683%	\$757,960,592	13.962%	\$598,447,670	6.952%
19	PA	\$4,215,891,042	16.304%	\$687,356,493	0.492%	\$20,728,910	16.796%	\$708,085,403	16.304%	\$687,356,493	6.764%
20	CO	\$1,810,365,726	34.044%	\$616,325,307	0.919%	\$16,645,676	34.964%	\$632,970,983	33.092%	\$599,077,809	6.695%
** 47	WA	\$1,355,412,524	6.811%	\$92,315,701	0.087%	\$1,182,917	6.898%	\$93,498,619	6.811%	\$92,315,701	1.375%
48	MI	\$5,064,781,462	15.606%	\$790,428,171	0.392%	\$19,834,960	15.998%	\$810,263,131	15.606%	\$790,428,171	0.908%
49	HI	\$1,110,918,978	4.030%	\$44,772,936	0.688%	\$7,639,403	4.718%	\$52,412,339	4.030%	\$44,772,936	0.868%
50	ND	\$114,605,294	7.669%	\$8,789,259	0.012%	\$14,261	7.682%	\$8,803,519	6.501%	\$7,450,850	0.831%
51	IA	\$404,655,160	21.198%	\$85,776,949	0.101%	\$408,058	21.298%	\$86,185,007	21.198%	\$85,776,949	0.786%
52	NH	\$148,952,671	18.830%	\$28,047,747	0.384%	\$571,310	19.214%	\$28,619,056	18.830%	\$28,047,747	0.289%



## Est. Over Payments by Cause | 3Q20-1Q21

State	Cause	Percent of Dollars Paid	Percent of Dollars OP	Estimated Amount
KS	Other Eligibility	29.25%	86.46%	\$236,541,461
	Benefit Year Earnings	2.09%	6.18%	\$16,909,763
	Sev./Vac./SSI/Pension	1.08%	3.19%	\$8,737,000
	Separation Issues	0.61%	1.80%	\$4,910,264
	Base Period Wage Iss.	0.43%	1.27%	\$3,461,975
	Able+Available	0.38%	1.11%	\$3,039,061
	Dependents Allowance	0.00%	0.00%	\$0
	Work Search	0.00%	0.00%	\$0
	ES Registration	0.00%	0.00%	\$0
	Other Issues	0.00%	0.00%	\$0
Total		33.83%	100.00%	\$273,599,525
\$ Paid				\$808,724,883
Sample				296

Source: DOL: <https://www.dol.gov/agencies/eta/unemployment-insurance-payment-accuracy/data>



# KDOL UCMIC Reporting Metrics

## UIMC Report

April 29, 2022

### My Re-Employment Plan (Cumulative Totals):

Enrolled	In Compliance	Noncompliant**	Reinstated***	Active Claimants Enrolled*
37,009	25,241	11,501	7,778	3,149

### Shared Work:

Total Plans in Effect	Total Employers Enrolled*	Total Employees**
132	102	4,500

### Job Refusal Determinations:

#### 2022 Totals

Total Determinations	Total Claimants Denied Benefits as Result of Determination	Total Claimants Found to Have Good Cause for Job Refusal
77	65	12

#### 2021 Totals

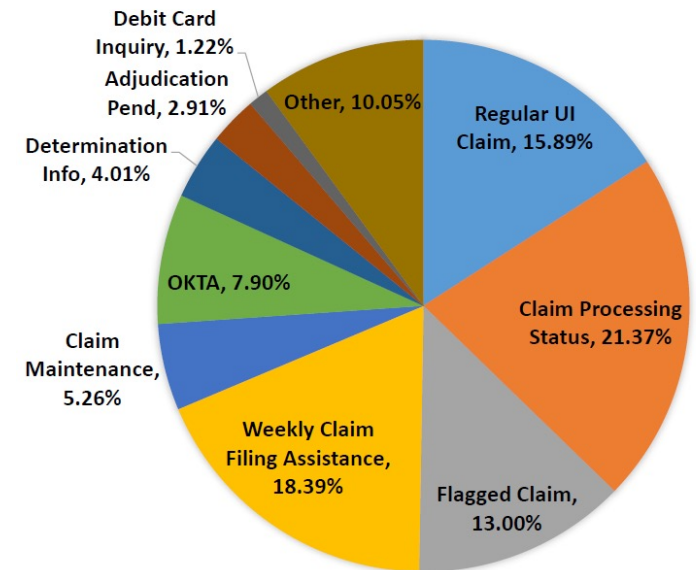
Total Determinations	Total Claimants Denied Benefits as Result of Determination	Total Claimants Found to Have Good Cause for Job Refusal
531	411	90

### Fraud Case Status:

Under Investigation*	Closed	Received
4,420	3,135	0

Status breakdown from fraud cases received from Sept. 1, 2021 to April 25, 2022.

### TOP CALL DRIVERS



# KS UI Claims/Fraud Monitoring Continues

1. Beginning the week of Jan. 10, 2022
  - **Public school districts**
  - **Governmental entities**
  - **Private business**
2. Business Response
  2. Friday, Jan. 21, 2022
    - KDOL call with KS SHRM & KS Chamber
    - KS SHRM UI Fraud Survey | 5 Questions
    - <https://www.surveymonkey.com/r/2022UIFeedback>



## **Kansas SHRM UI Fraud Feedback**

There is some suspicion that UI fraud might be increasing again. In order to better understand the potential of this issue, we are asking you for a few minutes to take a survey. The information provided will be critical for us to inform KDOL and elected officials with information Kansas Employers are experiencing so they can make the best decisions on how to address any fraud issues.

If you have any questions or additional concerns, please email them to [office@ksshrm.com](mailto:office@ksshrm.com).

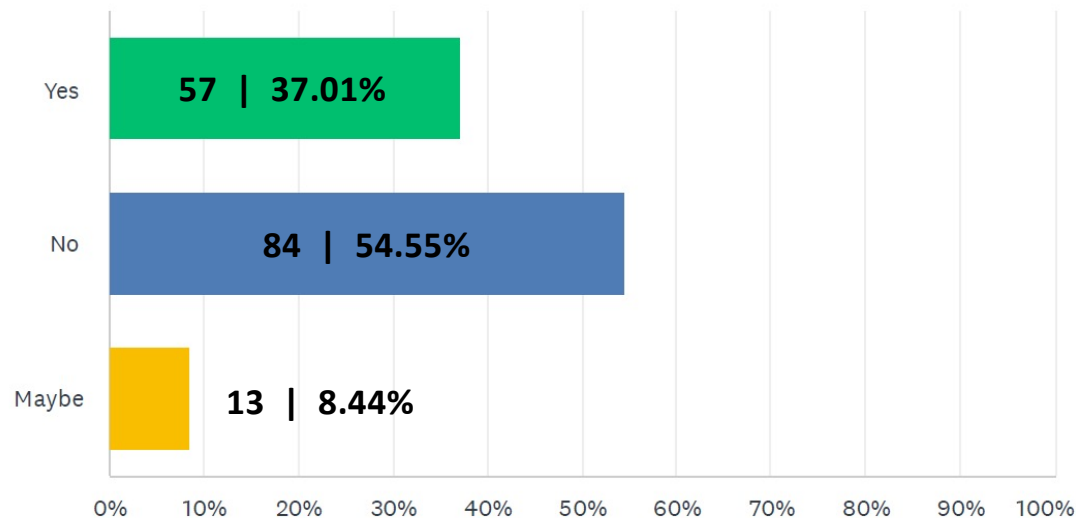


## *\*Unofficial 2022 KS UI Fraud Survey Results*



Q1 Are you seeing an unexpected increase in unemployment claims for your organization?

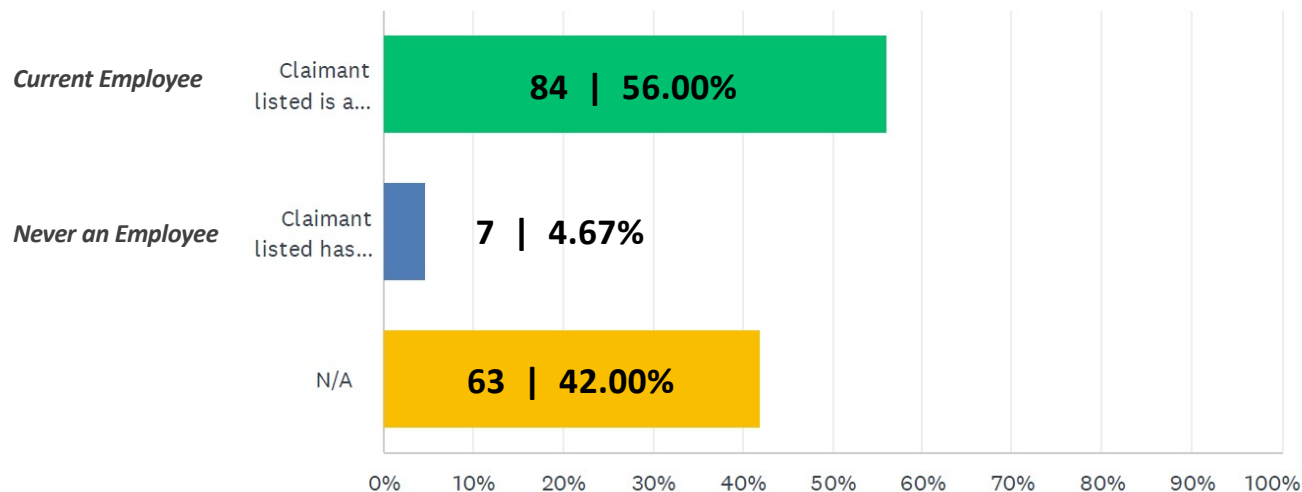
Answered: 154 Skipped: 1



## *\*Unofficial 2022 KS UI Fraud Survey Results*

Q2 Of recent claims reported to your organization, do you suspect any of the claims to be fraudulent based on the claimant listed is a current employee, or the claimant listed has never been an employee of your organization?

Answered: 150 Skipped: 5

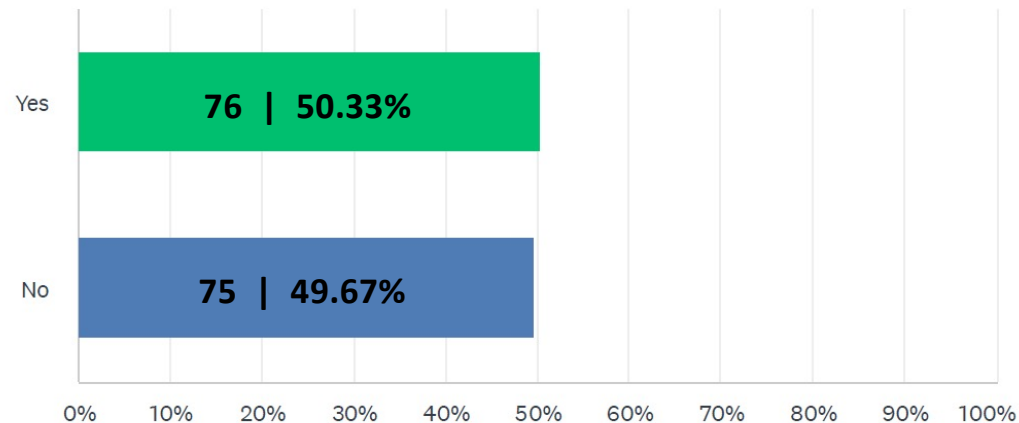


## *\*Unofficial 2022 KS UI Fraud Survey Results*



Q3 Have you reported any suspected fraudulent unemployment claims to the Kansas Department of Labor within the last two months?

Answered: 151 Skipped: 4





## \*Unofficial 2022 KS UI Fraud Survey Results

Q4 If you suspect fraudulent claims, note the date you believe they began and the number of fraudulent claims identified to date.

Answered: 83 Skipped: 72

ANSWER CHOICES	RESPONSES
Approximate date fraud began	98.80% 82

**77 out of 83 reported new fraud claims  
occurring between 12/01/21 – 01/19/22**

### Industries Reporting:

Hospitality | Restaurants | Law Enforcement | Manufacturing | Welding & Fabrication | Municipality | Healthcare | Government | Food Service | Business Services | Finance/Banking | Non-Profit | Legal | Social Services | Public Accounting | Education | Insurance | Long-Term Care | Telecommunications | Ag Technology | Construction | Professional Member Association | Credit Union | Behavioral Health | Utilities | Wireless | Library | Hospital | Higher Education | Aircraft | Church | PEO | Recreation | Distribution | Trade School | Wholesale & Retail | Engineering

# KS UI Claims/Fraud Monitoring Continues

## U.S. Jobless Claims Rise to 3-Month High | Week Endings 01/08/22 & 01/15/22

1. Week ending Jan. 15:
  - **Initial claims** increased by 127%: 225,000 --> 286,000
2. Week ending Jan. 8:
  - **Continued claims** increased by 4.6%: 1.635M vs. 1.563M expected
    - 1.551M during prior week

## Kansas Jobless Claims Spiking | Week Endings 01/08/22 & 01/15/22

1. Week ending Jan. 15:
  - **Initial claims** decreased by 13%: 3,636 --> 3,139 (still elevated)
  - **Continued claims** decreased 12%: 6,738 --> 7,580
  - **Internet claims** increased 105%: 7,580 --> 7,980
    - Accounted for 76.49% | Highest % of claims since 04/03/21
2. Week ending Jan. 8:
  - **Initial claims** increased by 202%: 1,802 --> 3,636
  - **Continued claims** increased 113%: 6,738 --> 7,580
  - **Internet claims** increased 302%: 910 --> 2,744
    - Accounted for 75.47% | Average for previous 6 months = 46.09%

**Unemployment Insurance Weekly Review**  
Week Ending January 15, 2022

	Preliminary January 15, 2022	Last Week January 08, 2022	Year Ago January 16, 2021	Percent Change Over 1 Week	Percent Change Over 1 Year
<b>Regular Program</b>					
Initial Claims	3,139	3,636	33,875	-13.7%	-90.7%
Continued Claims	7,580	6,738	32,784	12.4%	-76.8%
<b>Regular Unemployment Insurance Payments</b>	\$3,339,101	\$3,236,711	\$44,510,344	3.1%	-92.3%
<b>Benefits</b>					
Weekly Compensation	7,369	7,370	103,332	-1.1%	-92.3%
Final Payments	263	273	892	-14.3%	-70.6%
Individuals Receiving Payments	4,072	4,074	51,377	-4.5%	-91.4%
Average Weekly Benefit	\$419.35	\$411.40	\$451.36	2.7%	-7.9%
<b>U.S. Trust Fund Balance (Millions)</b>	\$68.8	\$68.7	\$273.3	0.2%	-74.7%

The table reflects revised and reported numbers and includes transitional claims numbers.

# KS UI Claims/Fraud Monitoring Continues

## Total Kansas Initial Claims Four Week Summary | 2018 – 2022 Comparison

	Week 1	Week 2		Week 3		Week 4	
Year	# of Weekly Claims	# of Weekly Claims	Week Over Week Diff.	# of Weekly Claims	Week Over Week Diff.	# of Weekly Claims	Week Over Week Diff.
2022	1,521	3,187	109.53%	2,849	-10.61%	2,411	-15.37%
2021	43,747	50,794	16.11%	49,687	-2.18%	25,440	-48.80%
2020	1,815	2,001	10.25%	2,177	8.80%	2,302	5.74%
2019	2,067	2,013	-2.61%	2,279	13.21%	2,140	-6.10%
2018	2,889	4,247	47.01%	2,062	-51.45%	1,723	-16.44%
Totals	52,039	62,242	19.61%	59,054	-5.12%	34,016	-42.40%
2018-2020 Avg.	2,257	2,754	22.01%	2,173	-21.10%	2,055	-5.42%

# KS UI Claims/Fraud Monitoring Continues

## Kansas Initial Claims by Industries | 2022

Industry	WE 1/1/2022		WE 1/8/2022			WE 1/15/2022			WE 1/22/2022		
	# of Wkly Claims	% of Wkly Claims	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.
Accommodation and Food Services	89	5.85%	156	4.89%	75.28%	150	5.26%	-3.85%	133	5.52%	-11.33%
Administrative and Waste Services	109	7.17%	305	9.57%	179.82%	276	9.69%	-9.51%	206	8.54%	-25.36%
Agriculture	0	0.00%	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%
Arts, Entertainment and Recreation	10	0.66%	28	0.88%	180.00%	22	0.77%	-21.43%	28	1.16%	27.27%
Construction	523	34.38%	878	27.55%	67.88%	459	16.11%	-47.72%	226	9.37%	-50.76%
Educational Services	59	3.88%	143	4.49%	142.37%	142	4.98%	-0.70%	136	5.64%	-4.23%
Finance and Insurance	29	1.91%	98	3.07%	237.93%	127	4.46%	29.59%	108	4.48%	-14.96%
Health Care and Social Assistance	128	8.42%	309	9.70%	141.41%	327	11.48%	5.83%	413	17.13%	26.30%
Information	12	0.79%	37	1.16%	208.33%	22	0.77%	-40.54%	27	1.12%	22.73%
Management of Companies and Enterprises	3	0.20%	13	0.41%	333.33%	12	0.42%	-7.69%	9	0.37%	-25.00%
Manufacturing	226	14.86%	358	11.23%	58.41%	411	14.43%	14.80%	355	14.72%	-13.63%
Mining	15	0.99%	46	1.44%	206.67%	52	1.83%	13.04%	18	0.75%	-65.38%
Other Services (except Public Administration)	19	1.25%	65	2.04%	242.11%	76	2.67%	16.92%	60	2.49%	-21.05%
Professional, Scientific, and Technical Services	30	1.97%	138	4.33%	360.00%	135	4.74%	-2.17%	98	4.06%	-27.41%
Public Administration	23	1.51%	78	2.45%	239.13%	91	3.19%	16.67%	108	4.48%	18.68%
Real Estate and Rental and Leasing	15	0.99%	46	1.44%	206.67%	50	1.75%	8.70%	33	1.37%	-34.00%
Retail Trade	108	7.10%	239	7.50%	121.30%	224	7.86%	-6.28%	244	10.12%	8.93%
Transportation and Warehousing	96	6.31%	156	4.89%	62.50%	169	5.93%	8.33%	116	4.81%	-31.36%
Utilities	0	0.00%	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%
Wholesale Trade	27	1.78%	94	2.95%	248.15%	104	3.65%	10.64%	93	3.86%	-10.58%
<b>Totals</b>	<b>1,521</b>	<b>100.00%</b>	<b>3,187</b>	<b>100.00%</b>	<b>109.53%</b>	<b>2,849</b>	<b>100.00%</b>	<b>-10.61%</b>	<b>2,411</b>	<b>100.00%</b>	<b>-15.37%</b>

# KS UI Claims/Fraud Monitoring Continues

## Kansas Initial Claims by Industries | 2021

Industry	WE 1/2/2021		WE 1/9/2021			WE 1/16/2021			WE 1/23/2021		
	# of Wkly Claims	% of Wkly Claims	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.
Accommodation and Food Services	9,505	21.73%	11,552	22.74%	21.54%	13,915	28.01%	20.46%	5,040	19.81%	-63.78%
Administrative and Waste Services	2,535	5.79%	2,589	5.10%	2.13%	2,719	5.47%	5.02%	1,233	4.85%	-54.65%
Agriculture	332	0.76%	504	0.99%	51.81%	422	0.85%	-16.27%	186	0.73%	-55.92%
Arts, Entertainment and Recreation	196	0.45%	304	0.60%	55.10%	296	0.60%	-2.63%	184	0.72%	-37.84%
Construction	2,175	4.97%	2,622	5.16%	20.55%	2,404	4.84%	-8.31%	1,176	4.62%	-51.08%
Educational Services	3,078	7.04%	4,083	8.04%	32.65%	3,388	6.82%	-17.02%	2,517	9.89%	-25.71%
Finance and Insurance	1,607	3.67%	2,218	4.37%	38.02%	2,028	4.08%	-8.57%	1,173	4.61%	-42.16%
Health Care and Social Assistance	4,100	9.37%	4,964	9.77%	21.07%	4,620	9.30%	-6.93%	3,111	12.23%	-32.66%
Information	511	1.17%	685	1.35%	34.05%	525	1.06%	-23.36%	438	1.72%	-16.57%
Management of Companies and Enterprises	169	0.39%	237	0.47%	40.24%	199	0.40%	-16.03%	164	0.64%	-17.59%
Manufacturing	3,994	9.13%	4,617	9.09%	15.60%	3,808	7.66%	-17.52%	2,473	9.72%	-35.06%
Mining	150	0.34%	231	0.45%	54.00%	178	0.36%	-22.94%	102	0.40%	-42.70%
Other Services (except Public Administration)	3,022	6.91%	2,858	5.63%	-5.43%	2,493	5.02%	-12.77%	717	2.82%	-71.24%
Professional, Scientific, and Technical Services	3,271	7.48%	3,793	7.47%	15.96%	3,772	7.59%	-0.55%	1,343	5.28%	-64.40%
Public Administration	1,751	4.00%	2,067	4.07%	18.05%	1,713	3.45%	-17.13%	1,424	5.60%	-16.87%
Real Estate and Rental and Leasing	671	1.53%	795	1.57%	18.48%	905	1.82%	13.84%	315	1.24%	-65.19%
Retail Trade	4,140	9.46%	3,792	7.47%	-8.41%	3,674	7.39%	-3.11%	1,979	7.78%	-46.14%
Transportation and Warehousing	1,431	3.27%	1,289	2.54%	-9.92%	1,280	2.58%	-0.70%	825	3.24%	-35.55%
Utilities	161	0.37%	261	0.51%	62.11%	188	0.38%	-27.97%	131	0.51%	-30.32%
Wholesale Trade	948	2.17%	1,333	2.62%	40.61%	1,160	2.33%	-12.98%	909	3.57%	-21.64%
<b>Totals</b>	<b>43,747</b>	<b>100.00%</b>	<b>50,794</b>	<b>100.00%</b>	<b>16.11%</b>	<b>49,687</b>	<b>100.00%</b>	<b>-2.18%</b>	<b>25,440</b>	<b>100.00%</b>	<b>-48.80%</b>



# KS UI Claims/Fraud Monitoring Continues

## Kansas Initial Claims by Industries | 2020

Industry	WE 1/4/2020		WE 1/11/2020			WE 1/18/2020			WE 1/25/2020		
	# of Wkly Claims	% of Wkly Claims	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.
Accommodation and Food Services	111	6.12%	93	4.65%	-16.22%	51	2.34%	-45.16%	64	2.78%	25.49%
Administrative and Waste Services	282	15.54%	287	14.34%	1.77%	243	11.16%	-15.33%	167	7.25%	-31.28%
Agriculture	6	0.33%	14	0.70%	133.33%	9	0.41%	-35.71%	8	0.35%	-11.11%
Arts, Entertainment and Recreation	19	1.05%	25	1.25%	31.58%	13	0.60%	-48.00%	7	0.30%	-46.15%
Construction	517	28.48%	477	23.84%	-7.74%	540	24.80%	13.21%	871	37.84%	61.30%
Educational Services	16	0.88%	22	1.10%	37.50%	16	0.73%	-27.27%	10	0.43%	-37.50%
Finance and Insurance	26	1.43%	27	1.35%	3.85%	26	1.19%	-3.70%	23	1.00%	-11.54%
Health Care and Social Assistance	82	4.52%	116	5.80%	41.46%	84	3.86%	-27.59%	97	4.21%	15.48%
Information	9	0.50%	18	0.90%	100.00%	9	0.41%	-50.00%	9	0.39%	0.00%
Management of Companies and Enterprises	3	0.17%	5	0.25%	66.67%	4	0.18%	-20.00%	7	0.30%	75.00%
Manufacturing	375	20.66%	416	20.79%	10.93%	775	35.60%	86.30%	585	25.41%	-24.52%
Mining	28	1.54%	37	1.85%	32.14%	39	1.79%	5.41%	61	2.65%	56.41%
Other Services (except Public Administration)	21	1.16%	26	1.30%	23.81%	22	1.01%	-15.38%	20	0.87%	-9.09%
Professional, Scientific, and Technical Services	47	2.59%	71	3.55%	51.06%	50	2.30%	-29.58%	47	2.04%	-6.00%
Public Administration	32	1.76%	41	2.05%	28.13%	39	1.79%	-4.88%	22	0.96%	-43.59%
Real Estate and Rental and Leasing	31	1.71%	37	1.85%	19.35%	27	1.24%	-27.03%	20	0.87%	-25.93%
Retail Trade	103	5.67%	144	7.20%	39.81%	123	5.65%	-14.58%	142	6.17%	15.45%
Transportation and Warehousing	72	3.97%	92	4.60%	27.78%	75	3.45%	-18.48%	104	4.52%	38.67%
Utilities	0	0.00%	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%
Wholesale Trade	35	1.93%	53	2.65%	51.43%	32	1.47%	-39.62%	38	1.65%	18.75%
<b>Totals</b>	<b>1,815</b>	<b>100.00%</b>	<b>2,001</b>	<b>100.00%</b>	<b>10.25%</b>	<b>2,177</b>	<b>100.00%</b>	<b>8.80%</b>	<b>2,302</b>	<b>100.00%</b>	<b>5.74%</b>

# KS UI Claims/Fraud Monitoring Continues

## Kansas Initial Claims by Industries | 2019

Industry	WE 1/5/2019		WE 1/12/2019			WE 1/19/2019			WE 1/26/2019		
	# of Wkly Claims	% of Wkly Claims	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.
Accommodation and Food Services	78	3.77%	96	4.77%	23.08%	82	3.60%	-14.58%	74	3.46%	-9.76%
Administrative and Waste Services	269	13.01%	248	12.32%	-7.81%	195	8.56%	-21.37%	187	8.74%	-4.10%
Agriculture	7	0.34%	9	0.45%	28.57%	14	0.61%	55.56%	4	0.19%	-71.43%
Arts, Entertainment and Recreation	20	0.97%	16	0.79%	-20.00%	16	0.70%	0.00%	3	0.14%	-81.25%
Construction	699	33.82%	502	24.94%	-28.18%	899	39.45%	79.08%	682	31.87%	-24.14%
Educational Services	22	1.06%	20	0.99%	-9.09%	21	0.92%	5.00%	19	0.89%	-9.52%
Finance and Insurance	34	1.64%	40	1.99%	17.65%	44	1.93%	10.00%	43	2.01%	-2.27%
Health Care and Social Assistance	113	5.47%	134	6.66%	18.58%	101	4.43%	-24.63%	90	4.21%	-10.89%
Information	23	1.11%	26	1.29%	13.04%	20	0.88%	-23.08%	14	0.65%	-30.00%
Management of Companies and Enterprises	7	0.34%	3	0.15%	-57.14%	8	0.35%	166.67%	6	0.28%	-25.00%
Manufacturing	235	11.37%	190	9.44%	-19.15%	286	12.55%	50.53%	508	23.74%	77.62%
Mining	60	2.90%	41	2.04%	-31.67%	62	2.72%	51.22%	58	2.71%	-6.45%
Other Services (except Public Administration)	18	0.87%	31	1.54%	72.22%	23	1.01%	-25.81%	26	1.21%	13.04%
Professional, Scientific, and Technical Services	78	3.77%	99	4.92%	26.92%	71	3.12%	-28.28%	50	2.34%	-29.58%
Public Administration	96	4.64%	217	10.78%	126.04%	133	5.84%	-38.71%	65	3.04%	-51.13%
Real Estate and Rental and Leasing	17	0.82%	32	1.59%	88.24%	22	0.97%	-31.25%	6	0.28%	-72.73%
Retail Trade	154	7.45%	183	9.09%	18.83%	151	6.63%	-17.49%	139	6.50%	-7.95%
Transportation and Warehousing	93	4.50%	75	3.73%	-19.35%	92	4.04%	22.67%	128	5.98%	39.13%
Utilities	0	0.00%	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%
Wholesale Trade	44	2.13%	51	2.53%	15.91%	39	1.71%	-23.53%	38	1.78%	-2.56%
<b>Totals</b>	<b>2,067</b>	<b>100.00%</b>	<b>2,013</b>	<b>100.00%</b>	<b>-2.61%</b>	<b>2,279</b>	<b>100.00%</b>	<b>13.21%</b>	<b>2,140</b>	<b>100.00%</b>	<b>-6.10%</b>



# KS UI Claims/Fraud Monitoring Continues

## Kansas Initial Claims by Industries | 2018

Industry	WE 1/6/2018		WE 1/13/2018			WE 1/20/2018			WE 1/27/2018		
	# of Wkly Claims	% of Wkly Claims	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.	# of Wkly Claims	% of Wkly Claims	Week Over Week Diff.
Accommodation and Food Services	96	3.32%	103	2.43%	7.29%	79	3.83%	-23.30%	83	4.82%	5.06%
Administrative and Waste Services	424	14.68%	365	8.59%	-13.92%	215	10.43%	-41.10%	242	14.05%	12.56%
Agriculture	9	0.31%	12	0.28%	33.33%	10	0.48%	-16.67%	9	0.52%	-10.00%
Arts, Entertainment and Recreation	21	0.73%	26	0.61%	23.81%	14	0.68%	-46.15%	11	0.64%	-21.43%
Construction	1,115	38.59%	954	22.46%	-14.44%	665	32.25%	-30.29%	390	22.63%	-41.35%
Educational Services	26	0.90%	28	0.66%	7.69%	24	1.16%	-14.29%	10	0.58%	-58.33%
Finance and Insurance	31	1.07%	49	1.15%	58.06%	20	0.97%	-59.18%	31	1.80%	55.00%
Health Care and Social Assistance	128	4.43%	157	3.70%	22.66%	138	6.69%	-12.10%	135	7.84%	-2.17%
Information	23	0.80%	23	0.54%	0.00%	18	0.87%	-21.74%	29	1.68%	61.11%
Management of Companies and Enterprises	1	0.03%	1	0.02%	0.00%	5	0.24%	400.00%	13	0.75%	160.00%
Manufacturing	327	11.32%	1,839	43.30%	462.39%	391	18.96%	-78.74%	292	16.95%	-25.32%
Mining	107	3.70%	54	1.27%	-49.53%	55	2.67%	1.85%	31	1.80%	-43.64%
Other Services (except Public Administration)	32	1.11%	43	1.01%	34.38%	35	1.70%	-18.60%	27	1.57%	-22.86%
Professional, Scientific, and Technical Services	105	3.63%	110	2.59%	4.76%	76	3.69%	-30.91%	79	4.58%	3.95%
Public Administration	37	1.28%	59	1.39%	59.46%	33	1.60%	-44.07%	54	3.13%	63.64%
Real Estate and Rental and Leasing	24	0.83%	54	1.27%	125.00%	19	0.92%	-64.81%	18	1.04%	-5.26%
Retail Trade	150	5.19%	177	4.17%	18.00%	131	6.35%	-25.99%	136	7.89%	3.82%
Transportation and Warehousing	163	5.64%	132	3.11%	-19.02%	74	3.59%	-43.94%	67	3.89%	-9.46%
Utilities	0	0.00%	0	0.00%	0.00%	0	0.00%	0.00%	0	0.00%	0.00%
Wholesale Trade	70	2.42%	61	1.44%	-12.86%	60	2.91%	-1.64%	66	3.83%	10.00%
<b>Totals</b>	<b>2,889</b>	<b>100.00%</b>	<b>4,247</b>	<b>100.00%</b>	<b>47.01%</b>	<b>2,062</b>	<b>100.00%</b>	<b>-51.45%</b>	<b>1,723</b>	<b>100.00%</b>	<b>-16.44%</b>

# 2022 KS Legislative Summary: HB 2703

*Sub. HB 2703 was signed into law on April 25, 2022*



1. Technical clean up language
  - A. Fund Control Table B - Add minus signs/negative (" - ") inadvertently left off
  - B. Employer Tax Rate Tables – Truncate decimal places
2. My Re-Employment Plan 2.0 – Program Enhancements
3. U.S. DOL conformity concerns with language for Reimbursing Employers
4. Reengaged the SUTA Tax Credit Tables for CY2023
  - Credit Table 8 | 13.16% credit/savings | **Est. \$52.5M projected savings** – very likely
  - Credit Table 9 | 15.79% credit/savings | **Est. \$63M projected savings** – likely
  - Credit Table 10 | 18.42% credit/savings | **Est. \$73.5M projected savings** – long shot, but possible
5. Disability Employment Tax Credit bill added to HB 2703

## The Kansas UCMIC | Modernizations Effort was handcuffed by the Kelly Administration

Unfortunately, we're moving at the speed of government, which is very frustrating for us, and we know it's very frustrating for Kansas businesses and claimants.



We are working to address it as quickly THE SYSTEM allows, and we're hopeful, before the end of the year, we have a better defined path forward.

# The KS Unemployment IT System Modernization Saga

**cjonline**  
THE TOPEKA CAPITAL-JOURNAL



THE FUTURE OF WORK

## Firms Vying to Update Kansas' Jobless System Have Past Issues

The four firms that are competing to earn a multimillion-dollar contract to modernize the state's unemployment system have each experienced problems while working on other states' unemployment or IT projects.

September 17, 2021 • Andrew Bahl, The Topeka Capital-Journal



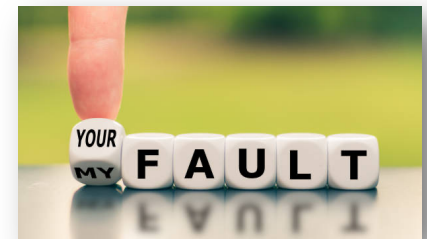
(TNS) — The four firms competing for a multi-million-dollar contract to overhaul Kansas' unemployment backend have each had challenges in other states, raising questions about a process that officials have hoped would put the Kansas Department of Labor on a long-term path to success.

### Featured Resources



Modernize Employee Engagement

Unemployment Insurance Response Management for Government



**cjonline**  
THE TOPEKA CAPITAL-JOURNAL

STATE

## Kansas' outdated unemployment system has history of broken contracts and millions wasted. Here's what happened.

**Andrew Bahl** Topeka Capital-Journal

Published 5:45 a.m. CT Sep. 20, 2021 | Updated 8:57 a.m. CT Sep. 20, 2021

**AP** AP NEWS

## Kansas passed on earlier plan to upgrade unemployment system

September 20, 2021 GMT



Click to copy

### RELATED TOPICS

Technology  
Business  
Coronavirus pandemic  
Kansas  
Topeka

TOPEKA, Kan. (AP) — A software company urged Kansas to upgrade its computer system for handling claims for unemployment benefits but the state didn't heed that advice five years before a flood of fraudulent claims across the U.S. during the coronavirus pandemic.

The Topeka Capital-Journal reports that Oracle proposed in 2015 that the Kansas Department of Labor do the upgrade to prevent fraud. The department had put a yearslong modernization project on hold in 2011 under then-Republican Gov. Sam Brownback.

Democratic Gov. Laura Kelly has blamed the department's aged system, with technology dating back to the 1970s, for problems in processing unemployment benefits and preventing fraud as both legitimate and fraudulent claims surged last year. The state is preparing to launch another modernization project.

CHRISTOPHER HOOD




*Spin, Bureaucracy, and Self-Preservation  
in Government*





# KS Unemployment IT System Modernization | April 7, 2022

 The Topeka Capital-Journal

## Tata Consultancy Services to modernize Kansas UI ...

Kansas officials selected Tata Consultancy Services to modernize Kansas Department of Labor's outdated unemployment insura...



 StateScoop

## Kansas to scrap disco-era unemployment mainframe for cloud ...

The new system will be designed by Tata Consultancy Services, the IT consulting arm of the multinational Tata Group...



 KSHB

## KDOL begins work to modernize unemployment system

KANSAS CITY, Mo. — The Kansas Department of Labor announced Tuesday that Tata Consultancy Services has been select...




 The Topeka Capital-Journal

## Kansas unemployment system dates to 1970s. Modernization ...

Kansas' unemployment system is finally getting an upgrade. ... self-service functions that include the ability to file new claims, c...




 Business Standard

## Kansas labour dept picks TCS to modernise unemployment insurance programme

The TCS unemployment insurance system will provide Kansans with online self-service functions, including the ability to fil...



 Ballotpedia News

## Kansas Department of Labor announces unemployment ...

Kansas launched its existing unemployment insurance IT system in the 1970s. ... laid-off workers who are actively seeki...



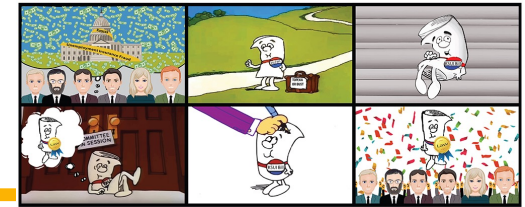


## Next Steps for Kansas UCMIC...

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- Last Meeting | October 25, 2021
  - UCMIC Recommendation: Reopen RFP for 30 days
    - No DICE
- Next Meeting | May 17, 2022
  - KDOL Update
  - KS Unemployment IT System Status
  - BKD Security Audit Review

# KS UI Updates & Resources



Kansas has seen a lot of changes to its Unemployment Insurance (UI) program through the years, but never as much in a single year as was in the long list of reforms passed in the 2021 Kansas legislative session. In working with Kansas Legislators to develop and pass Kansas UI Fraud Reform (HB 2196), Phil Hayes gained valuable insight he believes is essential for all businesses to be aware of. His goal is to provide information, tools and resources to Employers to enable them to better prevent and respond to UI Fraud.

## KS UNEMPLOYMENT INSURANCE UPDATE:

### Business & Industry Perspective

#### UI Fraud Resources & Kansas UI Information

##### UI FRAUD RESOURCES

- ⌚ KDOL Homepage
- ⌚ KS UI Fraud Reporting
- ⌚ KS LEA ID Verification
- ⌚ USDOL UI Fraud
- ⌚ USDOL ID Theft
- ⌚ FTC ID Theft
- ⌚ IRS Emp.-Rel. Theft
- ⌚ IRS ID Theft Tools
- ⌚ Free Credit Report
- ⌚ mySocialSecurity

##### KS UI INFORMATION

- KS Self-Service Portal
- My ReEmployment
- Employee UI FAQ
- Employer UI FAQ
- Employer Help Desk
- KS Job Refusals Guide
- Shared Work Program
- Tax Rates/Trust Fund
- KS UI Weekly Review
- US Borrowing Summ.

#### 2020 – Present: Kansas UI Journey

- ▶ UI Fraud Warnings, Notices, and Articles
- ▶ 2020 Special Committee on Economic Recovery (SCER):
- ▶ 2021 Legislative Session:
- ▶ Thank You Kansas Legislators Regarding Unemployment Insurance Reforms:
- ▶ Kansas Unemployment Insurance Related RFPs:
- ▶ Wichita Metro Chamber of Commerce Recognizes 2020 Small Biz Champs:
- ▶ KS Unemployment Compensation Modernization and Improvement Council (UCMIC):
- ▼ Kansas Unemployment Modernization Efforts Updates and Articles:
  - 09/09/21: KS Official - Unemployment Claims Grew More Complicated
  - 09/17/21: Firms Vying to Update Kansas' Jobless System Have Past Issues
  - 09/20/21: Kansas' Outdated Unemployment System has History of Broken Contracts and Millions Wasted. Here's What Happened.
  - 09/20/21: Kansas Passed on Earlier Plan to Upgrade Unemployment System
  - 09/22/21: State Turned Down Software Upgrade
  - 09/23/21: Kansas Politicians Arguing Over KDOL System Woes Before and During Pandemic
  - 09/24/21: Focus Should Be Modernizing KDOL System, Politicizing Issue to Score Cheap Points
  - 09/27/21: Kansas Unemployment Modernization and Fraud Update
  - 09/27/21: KDOL Teams with New Federal Office on Unemployment Modernization
  - 04/05/22: Kansas DOL Announces Unemployment Insurance Modernization Contract
  - 04/05/22: Kansas' Unemployment System 'Collapsed' During the Pandemic. The state has hired a vendor to fix it.
  - 04/08/22: Forward Movement on Finally Addressing Kansas' Woefully Outdated Unemployment System is Welcome
- ▶ Legislative Post Audit Reports:

Updates last added on 04/08/22: <https://www.the-arnold-group.com/ksuiupdate/>

# Questions / Comments?



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