



Over \$5 billion of unemployment insurance payments were improper*—it's time to stop it and recover what has been overpaid.

LexisNexis® Program Integrity Solutions for Unemployment Insurance

Prevent and detect fraudulent payments
and optimize overpayment recovery.



Risk Solutions
Government

Unemployment Insurance Program Challenges

Agencies responsible for managing unemployment insurance are facing unprecedented challenges. Unemployment insurance claims are stabilizing; however the available pool of funds and internal management resources are still limited. The amount of funding being lost due to overpayments and intentional fraud is rising steadily, which continues to compound the problem. Given the current environment, how can agencies achieve and maintain high levels of program effectiveness and integrity? It's simple—implement the right technology to prevent overpayments from being issued on the front-end and put in effective programs to optimize the overpayment recovery process on the back-end.

A Question of Program Integrity

Are we adequately verifying the identity of individuals making claims?

Are we leveraging the tools available to minimize overpayments and fraud on the front-end by verifying the claimant's identity?

Are our processes optimized to most efficiently recover improper payments/overpayments?

Replacing the "Pay and Chase" Model

LexisNexis solutions address many aspects of unemployment insurance program integrity throughout the workflow. By detecting potentially fraudulent claims and preventing those overpayments, efficiency is gained downstream. Failure to recognize and correct potential errors in the initial claims phase can result in a chain reaction of costly and ongoing payments to non-qualified claimants. It's no secret that the "Pay and Chase" model for unemployment insurance overpayments is inefficient and expensive.

Program Integrity Begins with Front-end Identity Proofing

Whether it's intentional fraud or simply a processing error, many overpayments can be detected in the early stages using powerful identity management tools. LexisNexis solutions for unemployment insurance program integrity are front-loaded and leverage the power of 37 billion records linked from more than 10,000 data sources to make identifying and verifying claimants' identities a simpler and more reliable process.

By cross-referencing, linking and matching layers of disparate data, our identity management tools proactively recognize and flag anomalies that are strong indicators of identity issues, processing mistakes, and fraudulent attempts that are likely to result in improper payments. Adopting an identity management strategy that emphasizes early detection of errors and potential fraud helps prevent overpayments. These identity management strategies should include tools for determining whether claimants are who they say they are prior to payments being issued.

Identity Verification Should be Followed by Monitoring and Ongoing Authentication

Unemployment insurance claimants may request and receive payments on an ongoing basis, and LexisNexis solutions can be used to authenticate identities of current claimants both when the initial claim is made as well as when subsequent claims are made. Changes pertaining to identity verification and identity status are detected and flagged.

With a suite of advanced tools, including Instant Authenticate, LexisNexis offers the most comprehensive and effective knowledge-based, multifactor authentication solution in the marketplace—ideal for agencies responsible for managing and distributing unemployment insurance payments. Instant Authenticate generates a series of multiple-choice or out-of-wallet questions which only the proper individual is likely to be able to answer correctly.

LexisNexis® Identity Management Solutions Overcome Automation Barriers

Today's solutions must extend well beyond basic identity verification to include comprehensive identity management capabilities that are compatible with the high levels of automation associated with online and over-the-phone unemployment claims processing and payment distribution. LexisNexis understands the intricacies of modern unemployment program processes and administration, and has developed multi-factor authentication solutions that are both user friendly and highly effective in verifying and authenticating identities.

Fraud Discovery, Investigation and Monitoring

With solutions from LexisNexis geared toward early fraud detection, the number of unqualified claimants and improper payments that reach this later phase are minimized. Still, even after claim payments and services are being administered, it's necessary to have the tools in place to continuously monitor for fraudulent activity, and recognize and investigate changes and anomalies that could indicate fraud. Regular use of our fraud analytic solutions provides the ability to:

- Maintain a clean, current list with updates and exclusions—like deceased and incarcerations
- Perform a complete data analysis in ways that reveal fraud rings
- Anticipate potential fraud using predictive analytics to reveal suspicious patterns at change of service intervals
- Prioritize investigations based on pre-set criteria

In addition to automated batch solutions, tools like LexisNexis® Accurint for Government give agencies access to the data needed to perform in-depth manual investigations.

“In 2014 the government overpaid \$5.6 billion in unemployment insurance...”

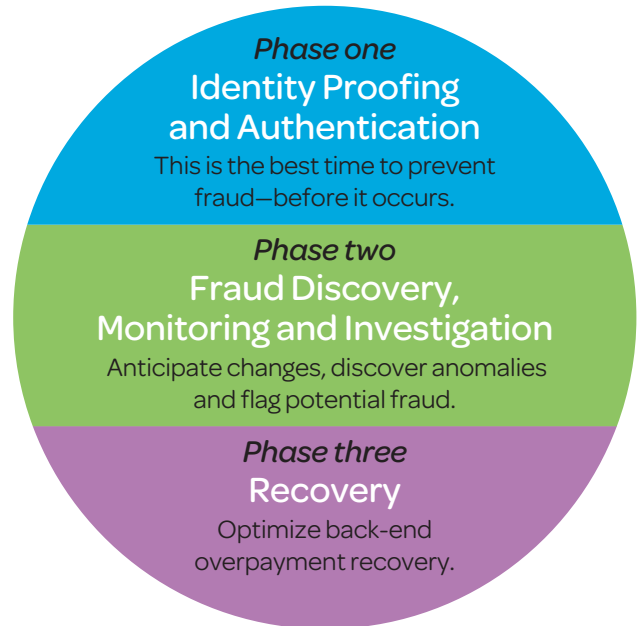
According to U.S. Labor Department reports for fiscal year 2014, an estimated \$5.6 billion, or approximately 11% of the total unemployment insurance claims distributed, were improper and resulted in overpayment*. Most of the overpayments were sent to people who:

- **Weren't actively searching for a job, or**
- **Were fired or quit voluntarily, or**
- **Filed claims even after they had returned to work.**

*<http://www.paymentaccuracy.gov/programs/unemployment-insurance>

Recovering Overpayments

There are billions of collectable overpaid dollars available to recover, and every dollar collected is an extra dollar of funding available for the people that really need it. The key to maximizing the dollars recovered is to leverage technology and implement best practices.



Our tools and technology allow the implementation of best practice procedures including:

1. **Identity resolution**—agencies can cleanse their list of overpaid individuals through LexisNexis to correct data entry errors on the people who have been overpaid and weed out uncontactable individuals.
2. **Prioritizing**—LexisNexis technology links public records data to produce unique insights to calculate the amounts that debtors have the ability to pay and predict their propensity to pay. Leveraging predictive scores allows agencies to streamline and prioritize the overpayment recovery workflow and increase recovery success rates and overall ROI.
3. **Locating and contacting**—proven LexisNexis solutions help to reveal best name, best address, and most used Social Security number and phone number associated with overpayments. With reliable contact information in hand, agency employees can refer debts which have been prioritized to Treasury offset programs, make calls or send letters, confident that they are expending time and resources on those who can and will repay.
4. **Monitoring**—automated tools can monitor individuals who were too difficult to locate. When a new address or phone number becomes available, or the individual takes action to make any changes to a public record, LexisNexis will notify your agency to place them in the overpayment recovery queue.

LexisNexis Provides a Holistic Solution to Unemployment Insurance Program Integrity

The effectiveness of a program integrity solution is directly related to its ability to detect and eliminate fraud early with advance identity management tools. However, a program's integrity can be compromised at any time and a complete solution must address every phase of your agency's enrollment workflow. Continuous monitoring and investigation are important components in stopping fraud and errors and also support the overall integrity of your agency's program and back-end overpayment recovery component.

With the proper identity management solution on the front-end, a continuous fraud monitoring solution for all the claimants in your program and a highly efficient solution to maximize recovery efforts on the back-end, your agency can substantially reduce dollars lost to overpayments and potentially fraudulent claims and greatly increase the recovery of the dollars that are lost through improper payments. Let a LexisNexis expert show you how technology can boost your unemployment insurance program integrity—even while operating on fewer resources and budget dollars.

For more information:

Call 888.579.7638

or visit lexisnexis.com/risk

About LexisNexis Risk Solutions

LexisNexis Risk Solutions (www.lexisnexis.com/risk) is a leader in providing essential information that helps customers across all industries and government predict, assess and manage risk. Combining cutting-edge technology, unique data and advanced scoring analytics, we provide products and services that address evolving client needs in the risk sector while upholding the highest standards of security and privacy. LexisNexis Risk Solutions is part of Reed Elsevier, a leading publisher and information provider that serves customers in more than 100 countries with more than 30,000 employees worldwide.

Our government solutions assist law enforcement and government agencies with deriving insight from complex data sets, improving operational efficiencies, making timely and informed decisions to enhance investigations, increasing program integrity and discovering and recovering revenue.



**Risk Solutions
Government**

LexisNexis Program Integrity Solutions for Unemployment Insurance, Identity Management and Accurint for Government services are not provided by "consumer reporting agencies," as that term is defined in the Fair Credit Reporting Act (15 U.S.C. § 1681, et seq.) ("FCRA") and do not constitute "consumer reports," as that term is defined in the FCRA. Accordingly, the LexisNexis Program Integrity Solutions for Unemployment Insurance, Identity Management and Accurint for Government services may not be used in whole or in part as a factor in determining eligibility for credit, insurance, employment or another purpose in connection with which a consumer report may be used under the FCRA. Due to the nature of the origin of public record information, the public records and commercially available data sources used in reports may contain errors. Source data is sometimes reported or entered inaccurately, processed poorly or incorrectly, and is generally not free from defect. This product or service aggregates and reports data, as provided by the public records and commercially available data sources, and is not the source of the data, nor is it a comprehensive compilation of the data. Before relying on any data, it should be independently verified.

LexisNexis and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. Accurint is a registered trademark of LexisNexis Risk Data Management Inc. Other products and services may be trademarks or registered trademarks of their respective companies. Copyright © 2015 LexisNexis. All rights reserved. NXR01919-03-0615-EN-US