

N E W S R E L E A S E

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Employment Development Department Issues Unemployment Insurance and Disability Insurance Updates

SACRAMENTO—The California Employment Development Department today provided updates on the state’s unemployment and disability insurance programs, including information about identity verification, curbing fraud, and determining eligibility for benefits.

[Federal guidelines for identity authentication](#) require physical or biometric identity verification and the U.S. Department of Labor encourages the use of these fraud-fighting techniques. These federal rules help ensure fraudsters do not use masks or other images to perpetrate identity fraud.

EDD continues to fight significant fraud attempts with a goal of maintaining appropriate security levels and support for legitimate claimants. To that end, EDD is evaluating opportunities to allow individuals to choose identity verification that does not involve biometric technology, such as a live verification with an online agent.

In addition, [ID.me recently confirmed](#) it will not retain biometric data it uses to verify identity after 30 days, and is implementing [other measures](#) to improve customer service. Users will also have the [ability to delete data](#) after the identity verification application completes.

Verifying Disability Insurance Providers and Blocking Fraud Attempts

EDD continues to confirm that most of the suspect disability insurance medical provider accounts it [flagged as suspicious](#) were fraud attempts. EDD has filtered out the compromised medical provider accounts, and verified the few provider accounts who were legitimate. Approximately 1,100 providers cleared ID.me, or three percent of the tens of thousands of provider accounts that [EDD suspended as suspicious](#).

Over 80 percent of disability insurance claimants in California were not impacted by this scam and EDD has [continued to pay approximately \\$150 million a week in benefits](#) to legitimate claimants. Similarly, nearly 90 percent of California medical providers who certify disability insurance claims were not victimized by scammers and subject to the additional verification procedures.

EDD’s top priority continues to be validating any legitimate claimants who were caught up in the scheme of ID thieves and clearing their claim for payment.

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EDD staff continue working overtime and weekends to review documents submitted and clear legitimate claimants.

Significant progress continues toward verifying claimants associated with medical providers whose licenses were used fraudulently by an identity thief. To date, approximately 159,000 claimants were provided an opportunity to verify their identity through ID.me, however only six percent have done so.

In addition, approximately 181,000 claimants were asked to respond to mailed notices and approximately 20 percent of this group have done so. These low response rates continue to confirm that most claims associated with this scam were likely fraud attempts.

Verifying Employment or Self-employment Under Federal Requirements

EDD sent approximately 1.4 million notices to those who received Pandemic Unemployment Assistance (PUA) [reminding](#) them of the federal requirement to submit documentation showing work history before the start of their claims. The notices include individual deadlines for providing documentation or obtaining an extension of time.

[Approximately 36 percent of recipients have responded so far](#) and the majority of those were found eligible. A second phase of notices about this federal requirement will follow in the future, offering each claimant another opportunity to respond.

EDD acknowledges receipt of the submitted documentation and then follows up with an Additional Instructions (DE 238) form indicating whether the documentation met the federal requirements. Claimants found ineligible receive the disqualification reason and instructions on how to appeal, including how to provide any further documentation to EDD. Claimants should not delay in appealing within 30 days of this notice.

The California Employment Development Department is not establishing federal pandemic program overpayments at this time. Instead, we are sending text messages, emails and UI online notices in the first phase of a multi-step process of notifying and reminding claimants of federal [PUA Self-Employment and Employment Documentation](#) requirements before any collection effort would begin. Again, any claimant who disagrees with EDD's finding that documentation did not meet the federal requirement should immediately appeal and not wait for any future overpayment notices.

Working with Federal Partners on Overpayments and Waivers

California and every state in the country [recently called](#) for better guidance on when states must recover overpaid federal unemployment benefits during the pandemic.

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Last month, the U.S. Department of Labor issued a new [directive](#) that details when states can waive the recovery of overpayments under the CARES Act Unemployment Compensation programs. Specifically, it authorized seven “blanket waiver” scenarios that will allow California to waive overpayment recovery in specific situations. The directive makes clear that any overpayments resulting from claimant fraud are not eligible for any waiver.

EDD is carefully reviewing the federal directive and further details will continue to post on the [EDD website](#). In addition, EDD continues to work with the federal government and the National Association of State Workforce Agencies to identify any additional waiver scenarios that might apply, with the goal of maximizing the use of waivers in situations where the claimant was not at fault for receiving the overpayment and did not commit fraud.

Completing Eligibility Determination Interviews

EDD has continued to pay most unemployment insurance claimants within one week of receiving their eligibility certification. Most claimants receive benefits without having to speak with an EDD agent.

Last year, EDD launched a [“pay now” program](#) to immediately deliver funds to most claimants waiting more than two weeks for payment. Hundreds of thousands have been paid under that program and are now waiting for an eligibility interview to resolve their claim—even though they are not waiting for benefits. Interviews may clarify why a person left a job or why employer wage records do not match claimant information.

Most claimants waiting for a determination interview have already been paid under EDD’s pay now program and are not waiting for benefits. EDD continues to prioritize scheduling and conducting interviews for this group of claimants. EDD also implemented measures to complete these interviews more quickly, including boosting vendor staffing by hundreds of workers a week and training more staff to handle the most common issues requiring interviews.

Scheduled interview information is provided to claimants through UI Online. If claimants miss their scheduled interview, they can call EDD the same day to speak to the program representative. EDD also [started a program last year](#) to call claimants whenever that conversation could resolve the issue in place of a formal determination interview. Agents will attempt to contact a customer to clarify an eligibility issue from Monday to Friday 8:00 a.m. to 5:00 p.m. Customers will see “ST OF CA EDD” of “800 300 5616” as the caller identification.

Processing Unemployment Claims and Helping Customers

[As recently announced](#), EDD will be shifting call center hours to weekdays 8:00 a.m. to 7:00 p.m. beginning March 3.

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This move follows the end of federal benefit programs last year and the associated 95 percent drop in call center volume from January 2021. EDD staff will continue working seven days a week and shifting the weekend focus to resolving claims.

EDD now offers professional language interpreter services through all its call centers. This service provides claimants with no-cost qualified interpreters who are fluent in over one hundred languages.

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