

N E W S R E L E A S E

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New enhancement speeds up processing of unemployment claims and reduces fraud

Total benefits paid tops \$106 billion as efforts continue to reduce backlog and fight fraud

Sacramento – The Employment Development Department (EDD) has dramatically increased the speed in which unemployment claims are processed automatically and decreased the risk of fraud. The new ID.me tool helps streamline the process of verifying a claimant’s identity. Its implementation has assisted EDD in 85% of unemployment claims being processed automatically, an increase from 60% prior to the implementation of the EDD’s two-week reset period.

“This historic pandemic has created an avalanche of demand for unemployment benefits, often overwhelming our ability to keep up with a portion of claims that have required staff intervention,” said EDD Director Sharon Hilliard. “This new identity proofing tool is taking care of the biggest portion of our manual workload, helping EDD process new claims more efficiently and ensuring Californians receive the timely service they deserve.”

The addition of the ID.me identity tool also assists in fraud prevention. Information provided by individuals that don’t pass ID.me’s validation checks are blocked from filing a claim. Meanwhile, the EDD is partnering with investigators, law enforcement, and the Bank of America in resolving prior cases. The top priority continues to be clearing the identities of any claimants that may have been impacted by scammer attacks while shutting down fraudulent claims which will trigger notices of disqualification.

Additional enhancements are underway which will further increase the Department’s ability to automatically process claims. These efforts are anticipated to help the EDD achieve the goal recommended by the [EDD Strike Team](#) of automatically processing 91% of applications submitted.

EDD continues to implement the 100 recommendations from the Strike Team. To date, the department has implemented 35% of the recommendations, including all four of the top goals. Recently, the EDD launched a mobile friendly option for uploading documents. A timeline for EDD’s implementation of all the measures recommended by the Strike Team is provided in the new [EDD progress report](#).

A total of \$106 billion in unemployment benefits have been paid, associated with 15.5 million claims processed, since the start of the COVID-19 pandemic in March, providing valuable support to California’s workers, families, and communities. The latest claims data appears on [EDD’s online newsroom](#).

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And data posted on the EDD's [Unemployment Data Dashboards webpage](#) illustrates progress made since September 19 on driving down the current backlog of claims – now down 49% for Initial Claims and 39% for Continued Claims.

Update on Fighting Fraud

As EDD continues to work with Bank of America on shutting down fraudulent claims. For claimants who may be impacted by scammer activity, the EDD provides the following updated guidance to impacted claimants depending on what they may be experiencing:

- Funds have been reduced or deducted from an EDD Debit Card.
 - The EDD has no direct access to debit funds on any accounts.
 - While those debits appeared in the cardholder's transaction history as being debited by EDD, the funds were debited by Bank of America.
 - EDD has asked Bank of America, and they have agreed, to change the description of these transactions moving forward.
 - Bank of America and EDD are asking that any cardholder who is uncertain on why a debit to their account occurred to call Bank of America at the number on the back of their card (1.866.692.9374) to resolve the situation.
- A claimant's EDD Debit Card account is frozen and the individual has not received any message from EDD.
 - It's likely that Bank of America has frozen the card due to suspected fraudulent, unauthorized or unlawful activities involved with the EDD Debit Card or suspended the card due to a suspect transaction. In such situations, claimants will not receive any communication from EDD unless EDD needs to verify their identity. Claimants are encouraged to contact Bank of America using the number on the back of their card.
- A claimant's EDD Debit Card is frozen and the individual has received an email, text message, and/or mailed request from EDD to provide identity documentation.
 - It's most likely the claim may be among a high volume of claims filed at a single address, or is impacted by other potential fraud indicators. The EDD needs to determine the rightful owner of the information and verify the identity of the claimant before any further payments can be issued.
 - Claimants are urged to follow the instructions in the message, and login through the EDD website or register for a UI Online account and upload the needed identity documents through the Document Upload feature, which is now available on mobile devices as well.
 - Claimants who need assistance in providing the identity documents are encouraged to visit [AskEDD](#) on the EDD website, select the "Unemployment Insurance" category, the "Payments" sub-category, and then the topic "Frozen EDD Debit Card" to provide contact information and a representative will follow up.

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- The EDD has implemented various methods to expedite that confirmation process. Payments will be re-established for claimants whose identities are verified and accounting will be done to clear them from any connection to a possible fraudulent claim.

Changes for Pandemic Unemployment Assistance claims

Starting Saturday, October 31, Californians will be eligible for an additional seven weeks of benefits under the Pandemic Unemployment Assistance (PUA) program. The increase to 46 weeks is available for those who are reaching the end of their initial 39 weeks of benefits that they started as early as February 2. The process for re-computing the PUA claims is expected to take two weeks.

Assembly Bill 103 signed by Governor Newsom this summer allowed California to meet the unemployment level requirements under the federal CARES Act to increase PUA claims by seven weeks. In addition, the separate FED-ED extension benefits were increased from the usual 13 weeks of benefits to 20 weeks instead for those who run out of regular UI benefits.

Those who have the extra weeks of PUA benefits added will either receive notification through their UI Online accounts or by mail, indicating when they can certify for the benefits:

- The new notices will advise those currently collecting on a PUA claim that the additional seven weeks have been added to their claim and they should continue to certify for payments as usual.
- For those who did collect PUA benefits but returned to work, they too will receive a notice letting them know that the additional seven weeks of benefits will be there if they ever need to reopen their claim before it's set to expire on December 26.

In addition, federal CARES Act limits on PUA benefits are also being implemented, which requires any weeks of benefits collected on a regular UI claim or FED-ED claim to be deducted from a PUA claim. Some claimants may see a reduction to the PUA weeks available because of this, although it's a small percentage of claimants. Those impacted include individuals who exhausted a regular UI claim or a FED-ED extension earlier in the pandemic and were eligible for a PUA claim because they didn't qualify for another regular UI claim and remained unemployed due to a COVID-19 reason covered under the federal CARES Act. They will receive a notification by mail.

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