

January 29, 2021

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY WELFARE DIRECTORS LETTER

The purpose of this letter is to provide guidance to County Welfare Departments regarding information to be provided to individuals when unemployment insurance fraud and/or identity theft are suspected.



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DIRECTOR

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DEPARTMENT OF SOCIAL SERVICES
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January 29, 2021

ALL COUNTY WELFARE DIRECTORS LETTER

TO: ALL COUNTY WELFARE DIRECTORS

FROM: NATASHA NICOLAI, DEPUTY DIRECTOR, CHIEF DATA STRATEGIST
RESEARCH, AUTOMATION, AND DATA DIVISION

SUBJECT: SUSPECTED UNEMPLOYMENT INSURANCE FRAUD AND IDENTITY THEFT INFORMATION

The purpose of this letter is to provide guidance to County Welfare Departments (CWDs) regarding information on reporting fraud and/or identity theft that should be provided to applicants and recipients when it is suspected someone else has used their personal identifying information to collect unemployment insurance (UI) benefits.

Suspected Unemployment Insurance Fraud and Identity Theft

CWDs have reported cases where applicants and recipients have stated that UI claims were filed using their personal identifying information without their knowledge or consent. In those cases, the California Department of Social Services (CDSS) highly recommends CWDs assist households in reporting suspected UI fraud and identity theft. The CDSS has provided a recommended information notice as a means to inform the client of resources for reporting suspected identity theft and/or benefit fraud. Alternatively, CWDs may include the information provided on current client verification forms sent to recipients to verify unclear information. CWDs should refer to program rules pertaining to signed affidavits and client statements. In cases of identity theft, CWDs must not require households provide any other proof, such as a police report or specific documents from the Employment Development Department (EDD) to resolve any reporting discrepancies. The CWDs are reminded a signed affidavit is an acceptable verification for resolving reporting discrepancies.

County Information Notice

A new county information notice has been created by the Department to provide applicants and recipients with resources and information on how to contact the proper agencies when they suspect someone has used their personal identifying information to gain benefits illegally.

The Department highly recommends the information notice should be sent to the applicant or recipient in conjunction with any case verifications being requested by the CWD to verify unclear information related to UI benefits issued in the applicant or recipient's name reported on a potentially discrepant Payment Verification System Income Eligibility Verification System match.

Additionally, CWDs may use the notice or the information provided in this letter to inform an individual of their options when there is suspected UI fraud and/or identity theft by another individual using personal information to apply for and receive benefits illegally from the EDD, Social Security Administration or CWD.

Reporting Unemployment Insurance Fraud and Identity Theft

When applicants or recipients report they may be a victim of UI fraud, the CWD should direct clients to the EDD toll-free Fraud Hotline at 1-800-229-6297, or EDD's fraud reporting webpage at: <https://askedd.edd.ca.gov/ReportFraud.aspx>.

Additionally, information and resources for victims of identity theft, including how to report identity theft, can be found on the California Attorney General's website: <https://oag.ca.gov/idtheft/facts/victim-checklist>.

CWDs are reminded that nothing in this letter precludes the CWD from referring cases for investigation when public assistance fraud is suspected, in accordance with [MPP Section 20-005](#). Criteria for reasonable grounds to suspect fraud against a public assistance program is outlined in [MPP Section 20-004](#).

Employment Development Department Benefit Fraud

EDD benefit fraud is when individuals knowingly give false or misleading information in order to collect Disability Insurance (DI), Paid Family Leave (PFL), and/or UI benefits they are not entitled to. Examples of EDD benefit fraud include:

- Using another person's identity (for example, name, Social Security number) to file a fraudulent claim;

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- Stealing someone's mail, which is a federal crime, and cashing their benefit payments;
- Working while collecting UI benefits, and not reporting it to the EDD;
- Aiding someone in filing a fraudulent claim;
- Falsifying information or failing to disclose information;
- Failing to accurately report hours of work and earnings;
- Not reporting cash wages;
- Certifying for UI benefits while intentionally reporting they looked for work when they did not;
- Failing to be able and available for work (for example, out of the area, on vacation) while certifying for UI benefits;
- Faking an illness or injury while collecting DI or PFL benefits;
- Falsifying medical information to collect DI or PFL benefits.

For questions regarding the implementation of this new process, please contact the Department's Data Stewardship and Integrity Bureau, at PIBPolicyUnit@DSS.CA.GOV, or call (916) 653-1826.

Attachment

SUSPECTED UNEMPLOYMENT INSURANCE FRAUD AND IDENTITY THEFT INFORMATION

IMPORTANT

If you think someone stole your information to get benefits, you should report this to the agency or department where your stolen information was used right away.

- If someone applied for unemployment benefits under your name, you can file a report online at askedd.edd.ca.gov. You can also fax 1-866-340-5484 or call the Employment Development Department (EDD) Fraud Hotline at 1-800-229-6297.
- If someone applied for Social Security Income benefits under your name, you can file a report online at oig.ssa.gov.
- If someone applied for Medi-Cal, CalWORKs or CalFresh under your name, you should report this to your county welfare office.

When contacting EDD to report fraud, please provide as much information as you can, such as:

- Who is committing fraud?
- What is their address and telephone number?
- What is their Social Security number or employer number?
- What are they doing?
- When did they start doing this?
- What is your name, address, and phone number? (Optional)

You may remain anonymous if you prefer.

If you think you are a victim of identity theft, you can take steps to protect yourself.

- **Get a free copy of your credit report** at freecreditreport.com and report errors to the major credit bureaus (Equifax, Experian and TransUnion).
 - **Contact your creditors** and let them know someone may have stolen your information.
 - **File a complaint with the Federal Trade Commission (FTC)**. You can file a complaint with the FTC and get an individual recovery plan at www.identitytheft.gov.
 - **File a report with local police** or law enforcement.
 - **Get legal help**. Your local legal aid may be able to help you with problems related to identity theft. The County may be able to give you information on local legal aid organizations.
 - **Get more information** about your rights at oag.ca.gov/idtheft.
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