

EDD Update

Assembly Budget Subcommittee 4

October 7, 2020

Strike Team Recommendations

Status	Count
Completed	22 / 20%
In Progress	36 / 32%
Under Evaluation / Awaiting Dependencies	53 / 48%
TOTAL	111 / 100%

- Of these 111 recommendations, 91 are automated solutions (82%)

EDD Reset – ID Verification

- ✓ New identity verification system ID.Me, began in mid-July and was successfully implemented on October 5 in partnership with EDD Strike Team
 - ✓ Authentication of documents occurs at the start of an applications. No longer will claimants wait for manual review of their identity documents.
- ✓ Starting October 1, over 136,000 individuals were contacted to come back and apply through ID.Me for soft launch.
- ✓ From October 1st – 6th, 64,950 users successfully verified their identity through ID.Me.
- ✓ On schedule for payment within 1-week of 10/5 launch for all clean claims

EDD Reset – Backlog

- ✓ On schedule to liquidate backlog by January 2021
- ✓ Conducted Outbound Call Campaign – 24,387 calls
 - ✓ Contacted claimants who hadn't certified or shared needed wage information
- ✓ Liquidated the EDD call back list on September 29th
- ✓ Reduced backlog by 15 percent since the beginning of the two week reset

	As of 9/19/20	As of 10/3/20	Difference
Initial Claims Backlog -Total Unique Claimants	593,087	471,655	(121,432)
Continued Claims Backlog -Total Unique Claimants	1,051,521	926,657	(124,864)
TOTALS	1,644,608	1,398,312	(246,296)

Strike Team Recommended Dashboards

- Based on the tools provided by the Strike Team, EDD has been able to define and identify the backlog into two distinct categories:
 - The “Initial Claims Backlog” is an inclusive look at claims submitted more than 21 days ago that need to be processed by EDD staff regardless of if the claimant or EDD need to take some type of action to determine eligibility.
 - The “Continued Claims Backlog”, which represents claimants who received a first payment or payments, but due to subsequent eligibility certification issues, such as reported earnings, have stopped receiving payments.
- The new Dashboards can be located via EDD’s Newsroom on the department’s website where they are displayed and updated every Thursday.

Fraud Prevention Measures

Technology

1. Implemented ID.Me to authenticate identity documents on the front end of an application.

Law Enforcement/Partnerships

1. Monitor and analyze allegations of fraud reported to the EDD Investigation Division.
2. Work with CDCR to obtain current roster of people who are incarcerated to cross-match with claims.
3. EDD is working in partnership with California Cybersecurity Integration Center to use digital forensics to identify fraudulent actors and further prevent their intrusion into the system.
4. Participate in the National Association of State Workforce Agencies' Integrity Data Hub and utilize their forensic tools to identify schemes

Policy Changes

1. Eliminated the automatic backdating of PUA claims.
2. Suspended suspicious high volume, multiple claims filed at the same address.

Ensure Claimants' Access to Benefits

- EDD and Bank of America identified an unusually high volume of claims associated with single addresses and met other fraud indicators. As a result, approximately 693,000 claims were temporarily suspended. EDD and Bank of America are coordinating additional review of the 377,500 debit cards that have been issued and payments received. EDD is reviewing the 315,500 claims that have not received a payment.
- EDD contacted all of the customers associated with these claims, asking for documentation to help EDD verify identity. EDD will continue to send follow-up emails, texts, and phone calls to help us re-establish payment quickly for legitimate claimants.
- The EDD has received documents from 29,000 claimants. The Department is utilizing all means available to expedite the review and processing of these claims and expects to have resolution over the next 5-7 days. For the remaining claimants in which we have not received documents, the EDD is reaching out again through email, texts, and outbound calls.
- Moving forward, the EDD believes the implementation of our new ID.me identity verification technology which launched on Monday at the front end of our application process will allow us to more quickly authenticate legitimate claimants and help EDD process their claims faster. It will also mitigate such fraud activity from reoccurring in the future.