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## Report Highlights

# Improper Payments in the Unemployment Insurance Program: Overpayments and Rule Violations

## *Louisiana Workforce Commission*

Audit Control # 82210001

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### Why We Conducted This Audit

We evaluated the Louisiana Workforce Commission's (LWC) Unemployment Insurance program (State UI) and federally-funded COVID-19 pandemic-related unemployment assistance programs (Federal UI) to determine if claimants were overpaid or improperly paid unemployment benefits during the COVID-19 pandemic. We conducted this audit because of the significant increase in costs and number of applicants for State and Federal UI during the COVID-19 pandemic which, according to data provided by LWC, totaled \$9.83 billion in payments to 794,515 claimants from March 30, 2020, through July 31, 2021.

### What We Found

Overall, we found that LWC made approximately \$2.9 million in payments that potentially violated unemployment benefit program rules outlined in federal and/or state law, including payments to claimants enrolled in multiple programs at the same time, payments higher than the maximum benefit amount, and duplicate payments. According to LWC, when improper payments or overpayments are identified, LWC establishes an overpayment case for the claimant and attempts to recollect the improperly paid unemployment benefits through direct repayments, withholding of future unemployment benefits, or collection from the claimant's federal and/or federal income tax refunds. The results of our analyses identified overpayments for which, as of August 27, 2021, LWC had not yet established overpayment cases. We found the following categories for these potentially improper payments:

- LWC made State and Federal UI payments to claimants who were enrolled in multiple State and Federal UI programs concurrently from March 2020 through April 2021, which is not allowed by federal law, resulting in \$898,400 in potentially improper payments.
- LWC made payments for benefit weeks that exceeded the maximum weekly benefit amount set in state and/or federal law, resulting in \$1,976,041 in potentially improper payments for the benefit period February 2020 through April 2021.
- In addition, LWC made duplicate payments to claimants for the same benefit week, resulting in \$33,536 in potentially improper payments.

View the full report, including management's response, at [www.la.gov](http://www.la.gov).