*Welcome to LLA Reports, a podcast produced by the Louisiana Legislative Auditor’s office. This podcast is intended to be an oral representation of the written report it highlights and is primarily for the use of the Louisiana Legislature.*

This is Chris Magee. I’m the data analytics manager for LLA Performance Audit Services.

This episode of LLA Reports focuses on our new report titled “Improper Payments in the Unemployment Insurance Program: Overpayments and Rule Violations.”

This report provides the results of our evaluation of the Louisiana Workforce Commission’s Unemployment Insurance program – or State UI – and federally funded COVID-19 pandemic-related unemployment assistance programs – or Federal UI.

The purpose of this report was to identify potential overpayments or improper unemployment benefit payments the Louisiana Workforce Commission – or LWC – made to claimants.

We conducted this audit because of the significant increase in the costs and number of applicants for State and Federal UI benefits during the COVID-19 pandemic.

According to LWC data, the agency paid out a total of $9.83 billion dollars to 794,515 individuals between March 30, 2020, and July 31, 2021.

This report is the fourth in a series of reports we have issued on unemployment benefits paid during the COVID-19 pandemic.

In this report, we found that LWC made approximately $2.9 million dollars in payments that potentially violated unemployment benefit program rules outlined in federal and/or state law.

The $2.9 million dollars included payments to individuals enrolled in multiple programs at the same time, payments higher than the maximum benefit amount, and duplicate payments.

Specifically, we found that LWC made unemployment benefit payments to individuals who were enrolled in multiple State and Federal UI programs concurrently from March 2020 through April 2021, which is not allowed by federal law.

This resulted in nearly $900,000 dollars in potential improper payments.

We also found that LWC made payments for benefit weeks that exceeded the maximum weekly amount set in state and/or federal law.

This resulted in almost $2 million dollars in potential improper payments for the benefit period February 2020 through April 2021.

In addition, we found that LWC made duplicate payments to claimants for the same benefit week, which resulted in approximately $34,000 dollars in potential improper payments.

LWC stated that when improper payments or overpayments are identified, an overpayment case is established for the individual.

Then attempts are made to recover the funds through direct repayments, withholding of future unemployment benefits, or collection from the individual’s federal and/or state income tax refunds.

Through our analyses, we identified overpayments for which LWC had not established overpayment cases as of August 27, 2021.

As a result of our audit, we developed four recommendations.

They included recommendations that LWC establish controls to ensure that individuals do not receive payments for the same benefit week under multiple programs, that the agency does not pay more than the maximum allowable amount for any one week of unemployment benefits for any benefit program, and that the agency does not make duplicate payments to individuals.

We also recommended that LWC investigate instances in which the agency appears to have made potential improper payments and re-coup those dollars as appropriate.

As part of its response to our report, which is detailed in the report’s appendix, the Louisiana Workforce Commission agreed with all four of our recommendations.

*We hope you found this podcast informative, and that you’ll follow future episodes of LLA Reports.*

*This podcast was created as part of the audit report just discussed and is intended primarily for the use of the Louisiana Legislature. Both the full report and the podcast can be found on the LLA’s website at* [*www.lla.la.gov*](http://www.lla.la.gov)*.*

*Thank you for listening.*