



MICHAEL J. "MIKE"  
WAGUESPACK, CPA

## Report Highlights

# Improper Payments in the Unemployment Insurance Program: Deceased Recipients

## Louisiana Workforce Commission

Audit Control # 82200010

Performance Audit Services • Data Analytics Unit • June 2021

### 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 deceased individuals were 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 \$8.57 billion in payments to 721,887 individuals from March 30, 2020, through April 30, 2021.

### What We Found

Overall, of the approximately \$8.57 billion in State and Federal UI benefit payments made by LWC, we found that approximately \$1.08 million (0.013%) were made to 374 individuals after their date of death. While \$629,091 of these potentially improper payments could not have been prevented, \$337,007 of the payments should have been prevented by LWC's current controls, and \$123,194 could have been prevented if LWC conducted a weekly match with the Louisiana Department of Health's (LDH) death data. Although LWC could not prevent all of the payments from being made, LWC can attempt to recover all of the potentially improper payments.

LDH is required each month to send LWC a list of individuals who died in Louisiana during the preceding month. LWC then performs a data match of individuals receiving unemployment benefits to the file sent by LDH. In addition, LWC matches all new unemployment insurance claims against the Social Security Administration's Death Master File.

Although LWC updates its information on deceased individuals monthly, weekly data is available from LDH. Since UI claimants must re-certify their need for benefits each week, we analyzed LDH's death data and UI benefits paid on a weekly basis. Our analysis identified three categories of potentially improper payments:

- 2,997 payments totaling \$629,091 to 334 individuals that could not have been prevented because the benefits were paid before LDH received a death report or death certificate
- 1,504 payments totaling \$337,007 to 76 individuals that should have been prevented under LWC's current death data match process
- 574 payments totaling \$123,194 to 116 individuals that could have been prevented if LWC performed its death data match weekly instead of monthly

According to LWC, its current process of matching UI claimants with LDH's monthly death file and other data sources has identified 7,879 UI claimants as deceased since March 2020. LWC is working to resolve these issues and is taking steps to recoup payments for cases identified as potential fraud and/or overpayment.

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