



RI Department of Labor and Training

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Fraud Investigations

Welcome to the
Department of Labor and Training
Employer Education Series

Fraud Prevention
Unemployment Insurance



RI Department of Labor and Training
Income Support Division
Unemployment Insurance

What is Unemployment Fraud?

§ 28-44-24 Disqualification for fraud. – (a) An individual who ... knowingly or fraudulently making a false statement, or knowingly or fraudulently misrepresenting a material fact, with intent to defraud the employment security fund of any benefit or to wrongfully obtain or increase any benefit, either for himself or herself or for any other person...



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What was that?

UI Fraud includes, but is not limited to:

- Not reporting the correct separation information
 - Not reporting a return to full-time work
 - Not reporting part-time earnings
 - Under reporting part-time earnings



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Fraud can apply to employers too!

- If an employer pays employees in cash to avoid taxes
- If an employer moves employees between accounts to obtain a lower tax rate (SUTA Dumping)
- Knowingly misreporting separation information
- Misclassifying works as 1099 or contractors when they should be W-2 employees



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Why do I care?

Unemployment Insurance fraud is a crime.

1. Felony, obtaining money under false pretenses.
Preserves the Trust Fund for individuals who are appropriately entitled.
2. Unemployment is paid from your tax dollars.
3. Reduces employer taxes.
Who likes paying taxes?



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What does DLT do to fight fraud?

- Team of six (6) investigators
- Wage record cross-match
- National Directory of New Hires cross-match
- Identity validations with Vital Statistics
- Prisoner cross-match
- IP Address Tracking
- State of the art investigative tools



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What does DLT do to collect overpayments?

- Benefit Offsets
- Checks
- State Income Tax Return Intercept
- Federal Income Tax Return Intercept
- State Lottery Winning Intercept
- Payments from Central Registry
- Interstate Benefit Offset



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How can *you* help to fight fraud?

Complete and return the Employee Separation Notice (Form 425 or 468).

- Accurate decisions cannot be made when the form is incomplete.

What benefit does this have to my company?

- Promptly providing complete information ensures benefits are only paid to individuals who are entitled to them, thus reducing improper payments.
- Preserves all your rights to protest and appeal.
- Using UI SIDES would be even better.



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How can I help fight fraud?

Report all new hires and rehires to the national and state directory of new hires.

How does this help?

- Provides an additional resource for gathering return-to-work data
- Stops claimants from working and collecting regardless of where the return to work occurs.
- Prompt reporting results in the overall reduction of improper payments.



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How can I help fight fraud?

- Respond quickly and accurately to any “Wage Verification Request” (form 720).
 - How does this form help the employer?
 - Accurate information ensures that benefit payments are accurate and can reduce the size of or prevent improper payment.
 - May reduce the tax burden on the employer
 - Assists in the recovery of overpaid benefits



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Report concerns

- If you think someone is working for cash (a.k.a., under the table)
- If someone does not accept a bona fide offer of work
- You can report tips by telephone or by email
- Fraud Unit phone number (401) 462-1522
- Fraud Unit email ui-tdi-fraud@dlt.ri.gov



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The Best Advice

- Respond!!!
 - The best advice that can be offered to an employer to reduce unemployment costs would be to respond to the forms in a timely fashion every time.
 - You have the information, we won't know unless you tell us.



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What is UI SIDES?

Unemployment Insurance Separation Information and Data Exchange System (UI SIDES).

- National system that allows for the transmission of unemployment information securely in a standard format.
- Creates a standard format for responding to UI claims, regardless of which state is requesting the information.
- Developed as part of a consortium, with Maryland being the lead state.
- Rhode Island began participation in April of 2012.

The Past

DCT-21-2013 10:59 VALLEY COUNTRY CLUB STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS P.01702
DEPARTMENT OF LABOR AND TRAINING
P.O. Box 20389 Cranston, RI 02920-0944 425
PHONE (401) 243-9137 TTY VIA RI RELAY 711 FAX (401) 462-8603
www.dlt.ri.gov
EMPLOYEE SEPARATION REPORT AND NOTICE OF CLAIM FILED

ERN:
SSN:
Name:

THE CLAIMANT IDENTIFIED ABOVE HAS APPLIED FOR UNEMPLOYMENT INSURANCE.
You are required to return this form by 10/24/13 or you shall have no standing to contest any determination with respect to this claim under Section 28-44-38 (c) of the RI General Laws.
You are required to answer all questions by checking the appropriate "Yes" or "No" box. Any questions left unanswered WILL NOT be considered when determining a claimant's eligibility for Unemployment Insurance.

1. Is the claimant currently employed on a part time basis? Yes No
* If yes, what is the average number of hours worked per week _____
* Is the claimant working all available hours? Yes No

2. Has the claimant refused any work offered? Yes No

3. The claimant stated he/she last worked on 10/11/13. Is this correct? Yes No
If no, what is the last day the claimant performed work for your company? _____

4. The claimant stated his/her job status is LAYOFF FOR LACK OF WORK. Is this correct? Yes No
If no, what is the job status? _____

5. Do you have a definite return to work date for this employee? Yes No
If yes, what is the specific return to work date? (must cite a specific date) _____

6. Is the claimant of retirement age AND in receipt of/or applied for a pension from your company? If yes, complete Section A on reverse side. Yes No

7. Did the claimant receive any monies after the last day of work, including vacation, severance, bonus pay or other? If yes, complete Section B on reverse side. Yes No

8. Did the claimant earn at least \$155 in each week for at least 4 weeks at any time preceding separation? Yes No

9. If this box is checked, please list wages for the period in Section C on the reverse side.

10. If this box is checked, please complete the wage information for the quarters indicated in Section D on the reverse side.

I hereby certify that, to the best of my knowledge and belief, this report contains a true statement of the required information.

Preparer's signature: Paulina M... Title: _____ Telephone Number: _____ Fax Number: _____ Date: 10/21/13

An Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request for individuals with disabilities.

The Future



**Welcome to the E-Response Website
for the
Unemployment Insurance State Information Data Exchange System**

Please select the application you want to use:

Notice of UI Claim Filing

- Separation Information
- Wages Reported and Possible Charges
- Earnings Verification

Select

[Users Guide](#)

[Help with E-Response](#)

* indicates a Required Field

All values entered into the
FEIN/SEIN/PIN fields are case SenSITive

Note: Dashes and/or other punctuation
should be omitted from the Federal
Employer Identification Number.

Separation Information Application Response Entry

To respond to your separation information request(s), please login using the instructions provided by the State Agency.

* State: ?

* Federal Employer Identification Number: ?

* State Employer Identification Number: ?

* Identification Number/Access Code (PIN): ?

Cancel

Login

* indicates a Required Field

Enter all applicable information using the space provided.

N/A: Not Applicable

Please select **SAVE** to view any newly required fields because of data input into the system since the last **SAVE**.

Note: Selecting the **BACK**, **NEXT** or **GO** buttons will **SAVE** the data entered before moving away from this screen. Saved data can be changed later if necessary. If you do not want to save the data entered on this screen, press the **CANCEL** button before selecting **BACK**, **NEXT** or **GO**.

[Users Guide](#)

Response for: SSN: 000-98-9494 Claim Number: 65070 Name: WHEELLOCK, PHILIPPE M

Reason for Separation

Claimant Provided Reason for Separation:

Temporary Layoff

* Employer's Reason for Claimant's Separation:

If the reason for separation is a Labor Dispute, is the claimant not working due to a strike or a lockout? Strike Lockout

Does the claimant have reasonable assurance of returning to work? Yes No

If yes, what date do you expect the claimant to return to work?

If the claimant is still doing some work, is the claimant working all available hours? Yes No N/A

If no, why isn't the claimant working all available hours?

< Back

Cancel

Save

Main Menu

Next >

Go to Page Reason for Separation

Go



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Why use UI SIDES?

- UI SIDES is much more secure than the standard mail process, requiring a unique ID and PIN for access.
- UI SIDES is faster than the mail process.
- Reduced costs will be realized by getting complete information back in a more expeditious manner. Decisions will be more timely and more accurate. No more stamps either!
- You will be able to enter narrative in addition to simply stating the reason for separation.



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How will UI SIDES help prevent improper payments?

- Critical information is available to the department faster.
- It will be easier for the employer to communicate the issue clearly and completely.
- One standardized form for separation information is used in all participating states.

Questions?

Jason Bliss-Wohlers

Coordinator of UI Programs

(401) 462-8403

jwohlers@dlt.ri.gov



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Income Support Division
Temporary Disability Insurance

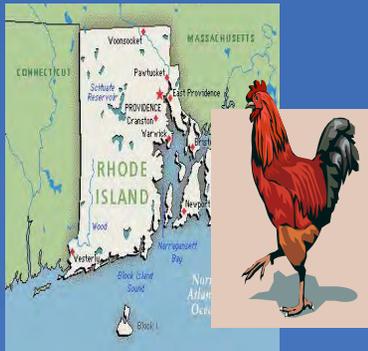
TEMPORARY DISABILITY INSURANCE

Ray Pepin, Principal Manager

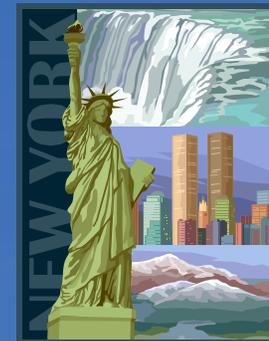


RI Department of Labor and Training Income Support Division Temporary Disability Insurance

TDI Programs



RHODE ISLAND



New York



California



Hawaii



New Jersey



Puerto Rico



RI Department of Labor and Training
Income Support Division
Temporary Disability Insurance

Program Highlights

- New Temporary Caregiver Insurance (TCI) as of 1-6-14 to care for seriously ill family member or to bond with a new child
- TDI & TCI is funded entirely by Employee Contributions
- Considered a safety net for loss of income
- Benefit payments replace approximately 60% of average weekly wage
- TDI does cover mental illness and pre-existing conditions



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Income Support Division
Temporary Disability Insurance

TDI Application Process

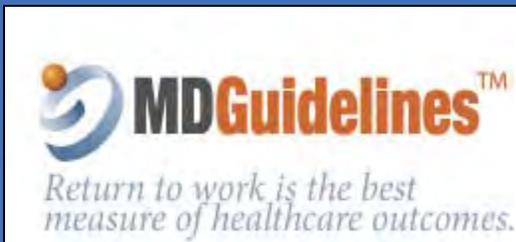
Apply for Benefits By:

1. Apply on line at www.dlt.ri.gov/tdi
2. Download application from website and mail to TDI
3. Request Application by phone by calling 401-462-8420 and select option #1, application will be mailed to the home address



**RI Department of Labor and Training
Income Support Division
Temporary Disability Insurance**

TDI Program Integrity



Medical Disability Advisor (MDA)

- ❖ Software Program
- ❖ Medical Industry Standard for disability durations- time required to recover
- ❖ Used to support disability duration according to medical standards



**RI Department of Labor and Training
Income Support Division
Temporary Disability Insurance**

Program Integrity Initiatives to Prevent Fraud



Claims Management Unit

- Two Registered Nurses
- Review Claims beyond MDA duration
- Audit Chart Reviews when duration exceeds MDA guidelines
- Request Impartial Examinations when medical information does not support weeks of disability duration
- Evaluate medical records to determine claim validity
- Refer potential abuse by QHP's to Health Department



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Temporary Disability Insurance

TDI Program Integrity

Medical Consultant – M.D.

- ❖ Board Certified Medical Doctor
- ❖ Has Specialization as a Disability Analyst
- ❖ The Doctor, the Registered Nurses, and the management team hold case conferences
- ❖ The case conferences may involve claims with outstanding issues such as: disability durations exceeding the Medical Duration Disability Guidelines or claims with medical exam notes that do not justify the duration



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Temporary Disability Insurance

Medical Notes

Requested when disability duration exceeds MDA guidelines

Required when:

- Complications are not specified
- Referrals to specialist not indicated
- No diagnostic testing or imaging noted
- No follow up exam date is noted



Procedure:

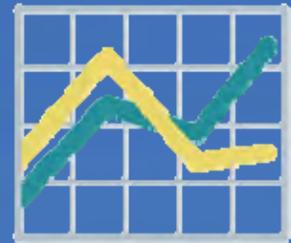
- Request is faxed to QHP office
- When received, it's evaluated by the TDI Registered Nurses and often by the physician consultant



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Temporary Disability Insurance

Tracking and Trending

- Frequent Multiple Claims
- Seasonal Claims
- School Vacations, Summers
- Attending School/Unable to Work
- Work Related Stress
- Out of Country/Out of State
- Excessive disability duration for diagnosis provided
- Referrals are often made to the Health Dept.





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Temporary Disability Insurance

TDI Fraud Unit

- To report TDI claim fraud, call
(401) 462-1522
- TDI works closely with the Fraud Unit and the Health Department in efforts to prevent TDI Program misuse and fraud



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Temporary Disability Insurance

TDI Questions and Answers





RI Department of Labor and Training
Workers' Compensation Division
Fraud and Compliance Unit

Workers' Compensation Fraud and Compliance

Ted Radway



**RI Department of Labor and Training
Workers' Compensation Division
Fraud and Compliance Unit**

TOOLS FOR FIGHTING WORKERS' COMP FRAUD



Surveillance



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Workers' Compensation Division
Fraud and Compliance Unit**

TOOLS FOR FIGHTING WORKERS' COMP FRAUD



Surveillance



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Fraud and Compliance Unit**

TOOLS FOR FIGHTING WORKERS' COMP FRAUD



Surveillance



**RI Department of Labor and Training
Workers' Compensation Division
Fraud and Compliance Unit**

TOOLS FOR FIGHTING WORKERS' COMP FRAUD

- 1) SURVEILLANCE**
- 2) EARNINGS REPORTS (DWC-25 FORM)**
- 3) FRAUD PREVENTION UNIT OF THE DLT**
(401) 462-8100 option # 7, fax: (401) 462-8128,
or email: WCFraud@dlt.ri.gov.
- 4) CRIMINAL PROSECUTION BY THE ATTORNEY
GENERAL**



RI Department of Labor and Training

Business Workforce Center

888-616-5627

Your business call for workforce assistance

JULIE O'CONNELL,

Business Service Specialist

Walk-In Services at 1511 Pontiac Ave, Cranston

www.dlt.ri.gov/bwc



RI Department of Labor and Training

Business Workforce Center

We can help:

- **Connect you to a pool of motivated and qualified candidates.**
- **Assess applicants for work skills that match your needs.**
- **Customize recruitments and job fairs to your business, industry or geographic area.**
- **Connect your company to grants and tax credits.**
- **Support your workforce during a transition.**
- **Guide you to other government services.**



RI Department of Labor and Training

Business Workforce Center



BUILDING TOMORROW'S WORKFORCE TODAY



**Governor's
Workforce
Board**
Rhode Island



Today's Vision... Tomorrow's Opportunity.

Training:

- **Governor's Workforce Board Comprehensive Training Grants**
- **Workforce Expansion Grants/Tax Credits**
- **On-the-Job Training**
- **Customized Training**



RI Department of Labor and Training

Business Workforce Center

RAPID RESPONSE



Help in Hard Times:

- Rapid Response
- WorkShare
- Business Retention

Do you have **questions** about your workforce?



The Department of
Labor and Training
can answer them!

Employer Education Series 

DLT is an equal opportunity employer/program - auxiliary aids and services available upon request. TTY via RI Relay:711