



FOR IMMEDIATE RELEASE

DES Announces Strengthened Fraud Detection and Prevention Measures as Fraudulent Unemployment Insurance Benefit Assistance Activity Increases Nationwide

PHOENIX – The Arizona Department of Economic Security (DES) announced it has strengthened its fraud detection and prevention for the Unemployment Insurance benefit program as fraudulent activity involving Unemployment Insurance benefits is sweeping the country.

Nationwide, fraudsters are using phishing scams, previous corporate data breaches and other tactics to collect information from individuals to file for Unemployment Insurance (UI) and Pandemic Unemployment Assistance (PUA) benefits. There has not been a breach of information stored by DES.

“Ensuring the integrity of DES programs and safeguarding the personal information of claimants remains a top priority for the Department,” said DES Director Michael Wisehart. “States across the nation have seen a significant surge in Unemployment Insurance benefit fraud, largely in association with identity theft. The DES Inspector General is working closely with the Arizona Attorney General’s Office, the U.S. Department of Labor, the U.S. Secret Service and other law enforcement entities to share information and resources available to prevent and detect fraud.”

The DES OIG and the Unemployment Insurance (UI) Integrity Unit are collaborating to continuously vet methods and tools for the detection and prevention of fraud in association with identity theft. DES has more than doubled its staff dedicated to program integrity, and continues to add staff to meet the increase in fraudulent activity.

Efforts to combat fraud include cross matches with credible sources to verify identity, the expansion of queries to flag potentially suspicious claims and the adoption of nationally recommended fraud detection strategies that analyze inconsistencies in both physical and IP address information.

As announced by the Arizona Attorney General’s Office today, the AGO has received several criminal complaints from Arizonans who received a letter from DES about their unemployment benefits, even though they did not apply for them. In some cases, the victims were also mailed a debit card with their unemployment benefits.

Investigators believe the fraudsters are applying for the DES benefits using other people’s personal identifying information. If you received a letter or debit card in the mail for unemployment benefits and you did not file for unemployment, you should immediately:

- File a criminal complaint with the [Arizona Attorney General’s Office online](#) or by calling (602) 542-8888 or (520) 628-6504.

- File a complaint with the [Arizona Department of Economic Security](#).
- Destroy the debit card you received after you report the fraud to the [Arizona Department of Economic Security](#) (DES).
- Alert your employer and Human Resources (HR) Department to flag any notice that comes from DES about a claim filed under your name.
- File a complaint with the FTC at [IdentityTheft.gov](#). The FTC can also help you place a one-year fraud alert on your credit, get free credit reports, and close fraudulent accounts in your name.
- If you know how the fraud took place (i.e. credit card, bank account, etc.) you should also immediately notify the credit card company/bank.

As per the AGO, under Arizona law, a Fraud Scheme is a Class 2 felony. Identity Theft is either a Class 3 or Class 4 felony, depending on the amount of money stolen.

Additionally, a person who spends money from DES or any government agency that they are **not** legally entitled to could be charged under theft statutes.

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