



News Release

Pat Quinn, Governor

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IDES Stops \$1 Million in Unemployment Fraud In Group's First Three Months A Real Example of Fighting Fraud and Abuse

CHICAGO – A new working group to fight fraud stopped more than \$1 million in unearned benefits in its first three months of operation, the Illinois Department of Employment Security said today. The effort was made possible through an on-going reorganization to emphasize re-employment services and workforce development while fighting waste, fraud and abuse.

Between September and November, more than 120 individuals applied for benefits in Illinois when they already were collecting benefits in another state or applying for benefits. In the past, IDES' anti-fraud efforts would have uncovered the improper activity after several weeks of payments. Doing so before any benefits are paid better protects the Trust Fund and allows IDES to reinvest staff time in additional efforts to identify waste, fraud and abuse.

"The unemployment insurance program is a balance between paying workers enough to tide them over until they find another job and keeping taxes low so small business owners can invest and grow. Every time we stop benefits before they are wrongfully paid truly is a win-win-win for taxpayers, business and labor," IDES Director Jay Rowell said.

In 2012, IDES launched a long-term reorganization plan that emphasizes returning people to work and workforce development while recognizing smaller operational budgets from federal officials. The reorganization includes IDES' transition to provide employment services in a face-to-face setting and unemployment insurance services through telephone call centers and the internet. The transition also includes behind-the-scenes working groups to improve efficiency, productivity and training, which allowed for the new emphasis that saved more than \$1 million in its first three months.

Unemployment benefits come from the Trust Fund. Employers pay into the Trust Fund based on several factors, including the Fund's balance, the business type and the number of workers the business laid off in the preceding year. Stopping improper payments increases the Fund's balance, which applies downward pressure on business taxes.

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