



Fraud, Waste, and Mismanagement Hotline *Semiannual Report: July 2020 – December 2020*

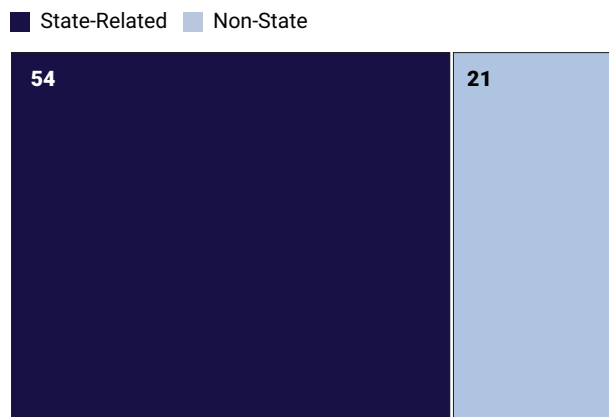
As required by s. 13.94 (1) (br), Wis. Stats., the Legislative Audit Bureau operates a toll-free hotline (1-877-FRAUD-17) that allows the public and individuals within state government to confidentially report alleged fraud, waste, and mismanagement. Callers may remain anonymous, and the Bureau is statutorily required to protect their identities even when other information is made public.

We highlight the activity of the Bureau’s Fraud, Waste, and Mismanagement hotline for the period from July 1, 2020, through December 31, 2020, including the 54 state-related reports we received. We also describe our review of the multiple Unemployment Insurance (UI) program issues reported to the hotline from March 2020 through December 2020, including our analysis of benefit payment delays.

We Received a Total of 54 State-Related Reports

We received a total of 75 reports from July 1, 2020, through December 31, 2020. We note that 54 of the 75 hotline reports (72.0 percent) were state-related. The majority of such reports pertained to concerns about alleged agency mismanagement, agency compliance with state laws or regulations, and ineligible beneficiaries of agency programs.

Fraud, Waste, and Mismanagement Hotline Activity July through December 2020



TOTAL REPORTS: 75

As of December 31, 2020, we had resolved 40 of the 54 state-related reports to the hotline. We determined that 2 reports were unfounded, unsubstantiated, or no action was required. As of January 1, 2021, 12 of the 54 state-related hotline reports remained under review.

Multiple Unemployment Insurance Issues Were Reported

From March through December 2020, we received a total of 63 reports to the hotline pertaining to the UI program. Individuals who contacted the hotline often reported multiple issues. The 63 reports to the hotline included a total of 110 issues, including benefit payment delays and call center effectiveness.

Unemployment Benefit Payment Delays Were Reported

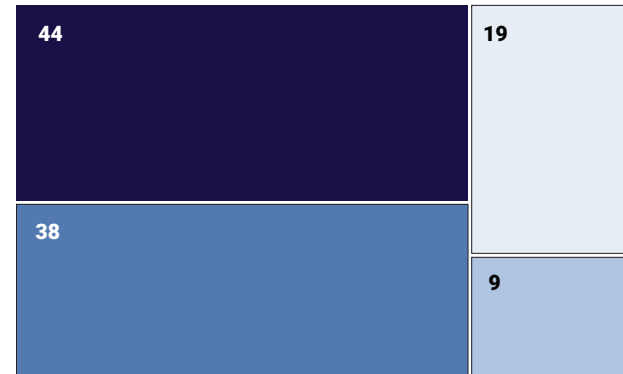
We reviewed 38 hotline reports that raised concerns with UI benefit payment delays. We found the Department of Workforce Development (DWD) had resolved 30 claims (78.9 percent) as of November 30, 2020. Of these claims, we found 23 claims were paid and 7 were denied. Of the 8 claims awaiting resolution through adjudication or appeal on November 30, 2020, we found DWD had resolved 4 claims as of January 15, 2021.

We found that 12 of the 23 claims (52.2 percent) took more than 15 weeks for DWD to pay the claims. DWD paid 5 of the 23 claims in less than 5 weeks and 6 of the 23 claims in 5 to 15 weeks. Our findings are consistent with those we identified in report 20-28 and for which we recommended that DWD use the results of our review to improve its adjudication process to pay benefits in a timely manner. In its January 15, 2021 report to the Joint Legislative Audit Committee, DWD indicated that it had used our analyses in report 20-28 to help make more timely benefit determinations.

Unemployment Insurance Issues Reported to the Hotline¹

March through December 2020

■ Payment Delays ■ Call Center Effectiveness
 □ Other ■ Incorrect Denials



TOTAL ISSUES: 110

¹The number of issues exceeded the number of hotline reports received as some reports contained multiple issues.

Estimated Time for DWD to Pay Regular Program Benefits

