



## The risk and impact of rising unemployment fraud

Pandemic-related unemployment fraud is rapidly increasing, as jobless numbers climb and more people file for unemployment benefits. Scammers take advantage of stolen personally identifiable information (PII), such as Social Security numbers or home addresses, to create convincing false unemployment claims. Due to years of pre-pandemic data breaches, these key data points are often readily available to criminals on the dark web.



### The risk is widespread and increasing:

**40M**

unemployment claims were filed over ten weeks<sup>1</sup>

**\$1.6M**

in phony claims were found in the state of Washington, halting unemployment payments for two days<sup>2</sup>

**\$13.4M**

in coronavirus-related fraud has hit Americans in 2020, according to the FTC<sup>3</sup>

### Take a closer look at the ongoing impact:

## Top 3

Unemployment fraud recently escalated to one of the top three most reported types of fraud at Allstate Identity Protection

**3** 

new unemployment fraud cases discovered daily, on average, over the past 72 days

**166%** 

increase in tax fraud cases

# It's more critical than ever to get protection from the lasting effects of unemployment fraud.

## How unemployment fraud can impact employees:

- Discovering identity theft makes 85% of victims feel worried, angry and frustrated<sup>4</sup>
- Exposed PII increases potential for additional fraud — 21% of fraud victims have been targeted multiple times<sup>5</sup>
- Increased potential for problems with the IRS, due to suspected under-reporting of income

## How unemployment fraud can also impact employers:

- Distraction and stress increases the potential for absenteeism, threatening overall productivity
- Stolen employee PII could also be used to access an employer's sensitive client or customer information
- Increased Human Resources administrative burden

## How can Allstate Identity Protection help?



24/7 access to expert full service remediation and restoration in the event of fraud



We work directly with the victim when remediating identity theft claims, so there's no input needed from HR staff



Our unique tools, comprehensive monitoring, and alerts encourage and empower employees to proactively monitor their PII and lessen the occurrence and impact of fraud



Coverage comes with critical alerts for financial transactions, new account openings, credit inquiries, address changes, and more



We provide identity theft insurance to cover a member's lost wages, legal fees, medical records request fees, CPA fees, child care fees, and more<sup>†</sup>



1: CNBC, "Jobs data shows millions went back to work but unemployment rate for May is still expected at 20%," May 2020  
2: Krebs on Security, "U.S. Secret Service: 'Massive Fraud' Against State Unemployment Insurance Programs," May 2020  
3: FTC, "COVID-19 scam reports, by the numbers," April 2020  
4: Identity Theft Resource Center, "The Aftermath: The Non-economic Impacts of Identity Theft," 2018  
5: CNBC, "The latest ways identity thieves are targeting you — and what to do if you are a victim," February 2020

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