



## Was there a CDLE data breach?

No, there has been no data breach. Like other states, Colorado continues to see increased unemployment fraud activity. Many Colorado employers are noticing fraudulent unemployment claims being filed in the names of active employees or for people who never worked for them. Fraud within Unemployment Insurance programs nationally has become rampant during the Pandemic.

The Colorado Department of Labor and Employment was one of the first agencies to begin an aggressive fraud detection and prevention program when this issue began to present itself. To date, CDLE has stopped over 800,000 fraudulent claims, and has likely prevented over \$7 billion in fraudulent payments. These sophisticated criminal rings use Personally Identifiable Information (PII), including social security numbers, to file claims on behalf of unsuspecting victims. The sheer volume of this identity theft is likely the result of one or several data breaches that have occurred over the past few years, which compromised hundreds of millions of identities.

If you receive unemployment paperwork on an active employee, we recommend that you notify that employee that they are likely a victim of identity theft and should take immediate precautions. While unemployment is relatively harmless to the victim's credit, these criminals could make other transactions using these identities, which has the potential to cause irreparable damage to the victim's credit.

## Where do I report Identity Theft?

### As an employer

you can report suspected identity theft on our Unemployment Identity Theft Form for Employers.

### Your employees

should also report on the Unemployment Identity Theft Form for Individuals.

## What happens after I submit a report?

After completing the **"Identity Theft Report"**, we will hold payment from being issued on the claim, pending investigation. However, you may continue to receive paperwork that's automatically generated. Rest assured, the report was received, and the claim is under investigation. We understand how unsettling this experience can be. We take any fraud seriously and work daily with law enforcement and other agencies to investigate and prosecute this behavior. If you haven't yet, we encourage you to review our tips on protecting yourself against fraud.

## Will my premiums be impacted by fraudulent claims?

If any benefits were paid that would charge against your account prior to the claim being closed as a fraudulent claim, once the claim was closed for the fraudulent activity, your account is credited for any benefits that might have been paid. As such, payment of any of those benefits will not impact your experience rating when your premium rates are calculated.

## Do I need to appeal these claims and benefit charges?

No, you do not need to appeal decisions issued or protest benefits charged to your account on claims filed as a result of identity theft. We will not process appeals where the reason for the appeal is that the claim is fraudulent. It is possible you received a decision issued automatically on a claim that was closed due to fraudulent activity. While our hope is to provide documentation at some point that these claims have been closed to reduce confusion and provide certainty to you, rest assured that payment has been stopped as long as you completed the Identity Theft Report.

## What do I do with a job separation request for an employee still on payroll?

When a claim is filed using the stolen identity of one of your employees, you receive a fact-finding questionnaire by email or U.S. mail requesting information about the job separation. If your employee is still employed, **DO NOT complete that questionnaire in MyUI Employer or the paper form** you may have received. Instead, please file a Fraud Report on our website. Employees who are the victim of unemployment ID Theft should also submit an ID Theft Report online. They should visit [ColoradoUI.gov/unemployment](http://ColoradoUI.gov/unemployment), click the **"Report ID Theft"** button, then the **"I'm an Individual Reporting Identity Theft"** button. Our website also outlines other important steps that employees who are victims of UI fraud should take.

## Special instructions for SIDES employer users

For SIDES users, please complete the identity theft form on the CDLE website and also still respond to the questionnaire within the SIDES program. We are working on a method for one central reporting location and will update that in the near future. For more information about SIDES, visit [here](#).



## Is CDLE sending out Social Security Numbers? How do I report fraud without a full SSN?

Our employer correspondence masks an employee's full SSN, showing the last 4 numbers. If you are reporting fraud for someone who never worked for you, please use this format for the SSN on the fraud reporting form:

00000 (then add the last four digits on the questionnaire form).

## Is the form to report identity theft secure?

The Employer identity theft form uses a system called FormAssembly. FormAssembly keeps up with the latest protocols to ensure security per the National Institute of Standards and Technology (NIST), Cybersecurity Framework. FormAssembly uses TLS 1.2 to ensure data is transmitted securely.

All Personal Identifying information (PII), specifically SSNs are marked as sensitive data to further protect the data within the system. Additionally, reCAPTCHA is used to prevent spam submissions to the form. We follow State protocols for purging, storing, and accessing SSNs.

## — DOs & DON'Ts —



**DO** Immediately report the suspected fraud to CDLE via our online form.



**DO NOT** Call the main UI call center at 303-318-9000 or 1-800-388-5515. You may call the Employer Services line at 303-318-9100 should you have any questions. After completing the fraud form, rest assured the report was received, and the claim is under investigation.



**DO** Notify your employee that they are likely a victim of identity theft and should take immediate precaution, including filling out the individual fraud reporting form.



**DO NOT** File an appeal. Payment of any fraudulent benefits will not be charged to your account (upon a finding of fraud) and will not impact your experience rating when your premium rates are calculated.



**DO** Disregard any additional correspondence from the division on these claims as these are automatically generated until we can reprogram the system to suspend these communications.



**DO NOT** Complete the questionnaire in MyUI Employer or the paper form you may have received. Submitting the report will hold payment on the claim, pending investigation.