



January 13, 2021

The New Form of Unemployment Fraud

Covid-19 has transformed our lives in a number of ways. Over the last several months it has been wonderful to witness the innumerable acts of kindness and generosity that this crisis moment has inspired.

The pandemic has also provided a near perfect scenario for sophisticated attacks against our personal information. In particular, theft of individuals' unemployment benefits has skyrocketed. In Illinois alone, for the month of November, there were more than 212,000 fraudulent claims for unemployment benefits.

These falsified claims present themselves in a variety of ways. One common scam targets those that are self-employed or retired. Here the scammer delivers an official looking letter that appears to be from the recipient's local Unemployment Agency. The letter outlines an unemployment benefits claim. By all accounts the communication appears to be genuine, beware, it probably is fraudulent.

One line of defense against this type of fraud could be your employer. If you are employed, your HR department will contact you if a claim is filed with them on your behalf. But namely, you have to be on the lookout for yourself and remain vigilant about protecting your personal data.

To file an unemployment claim in your name, a scammer must have access to personally identifiable information (PII), such as your social security number and date of birth.

How can this PII be obtained?

- E-mail phishing schemes
- Purchasing stolen PII
- Use of PII obtained during prior data breaches
- Cold-call impersonation scams

What can you do proactively to Protect Your Identity?

- Use password management tools or dual authentication to create and house unique, strong passwords
- Review your credit card, bank, and investment statements in detail on a regular basis
- Change passwords on your email, banking, and other personal accounts on a regular basis

What is SAGE doing to keep your data safe?

- SAGE employees receive regular training on data privacy, security and potential breach areas in order to identify and avoid issues
- Use of the term [Encrypt] in the subject line when appropriate in outgoing email correspondence, email contents viewable by intended recipient only
- Regular data backup protocols to insure continuity of data
- Regular systems tests and oversight

What to Do If a Fraudulent Unemployment Claim Has Been Filed on Your Behalf:

- Alert immediately your SAGE Wealth Advisor and your Accountant
- Report the Fraud:

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- **Claimant Fraud** - Phone: 1-800-814-0513
- **Employer Fraud** - Phone: 1-800-247-4984
- Make a list of credit card companies, banks, and other financial institutions where you do business
 - Notify them that you are a potential victim of identity theft and ask them to put a fraud alert on your account
- Get a copy of your credit report by contacting the Federal Trade Commission either at <https://identitytheft.gov/> or 877-ID-THEFT.
 - File a complaint with the FTC to ensure that any fraudulent transactions are disputed, fraudulent accounts in your name are closed, and to place an alert on your account
- Contact the 3 major credit bureaus and request a credit freeze
 1. Equifax: 800-349-9960 or online
 2. Experian: 888 397 3742 or online
 3. TransUnion: 888-909-8872 or online
- Update passwords to all entities that house potentially sensitive data

SAGE Private Wealth Group is ready to assist our clients, friends and community members and act as a strategic thought partner. We are inspired to help you identify solutions, cut through the clutter and act on best ideas as you grow your and manage your business. **With that in mind we are putting together a Cyber Security Training for our clients - stay tuned for more information coming your way soon.** Lastly, a reminder to tune in for our upcoming Town Hall on Thursday January 28th.

Sincerely,

SAGE Private Wealth Group Team

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