



**\$70.3 MILLION IN 2010**

# Benefit errors slam jobless

## Those paid too much have to pay state back

**By [Catherine Candisky](#)***The Columbus Dispatch* Sunday November 20, 2011 5:47 AM

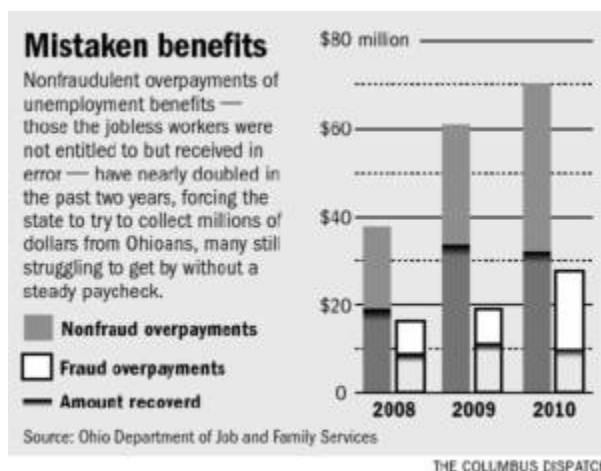
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The state overpaid unemployed Ohioans \$70.3 million worth of unemployment benefits in 2010, nearly doubling the amount of nonfraudulent overpayments received in 2008, *The Dispatch* has learned.



According to the state Department of Job and Family Services, Ohio mistakenly made more than 96,000 overpayments in 2010 because of agency or claimant error.

That's a fraction of the \$5 billion in benefits the state paid last year. But the mistakes are creating additional hardship for thousands of jobless Ohioans, many of whom have exhausted their savings and continue to struggle to cover basic needs without a steady paycheck.

“States are swamped trying to process record numbers of claims, and they don't get to sorting things out until the person has collected benefits for a longer period of time,” said Maurice Emsellem, policy co-director for the National Employment Law Project.

“The overpayment piles up to no fault of the worker, but they are the ones stuck with the bill.”

News that she received too much money made a 52-year-old Columbus woman sick to her stomach. Where was she supposed to come up with the \$2,400 the state told her she must repay in jobless benefits they mistakenly overpaid her?

“I couldn’t sleep,” said the woman, who asked not to be identified for fear of retribution.

“This is totally their fault. I’m barely getting by, and they just put me \$2,400 in debt.”

In her case, the state was supposed to recalculate her unemployment benefit on the anniversary of her unemployment. However, the state apparently neglected to do so for several months, resulting in the overpayment. Because she was unaware the review was required and because her benefit didn’t change, she said she had no reason to suspect anything was wrong.

State officials say the most-common overpayment results from an employer successfully challenging a former employee’s right to receive benefits, usually in a dispute over the circumstances of his or her departure.

The Department of Job and Family Services might have initially deemed the worker eligible and started weekly benefits, but if the employer appeals and wins, any money paid to the worker would be considered an overpayment and subject to recovery, said Benjamin Johnson, spokesman for the state agency.

He concurred that the recession has put a strain on the system.

“The appeals process can be lengthy, and when you factor in the volume of claims that have been going through that appeals process, it has taken a lengthy process and made it even longer,” Johnson said.

States have been under increased pressure from federal regulators to reduce and collect unemployment overpayments — both mistakes and those considered to be fraudulent.

But unlike many other states, Ohio does not have a law allowing overpayments to be waived if the claimant is not at fault and collection would create a hardship, said Thomas Weeks, executive director of the Ohio State Legal Services Association.

In Ohio, anyone who received benefits in excess of what they were entitled must pay the money back or face having the debt deducted from future unemployment benefits or withheld from state tax refunds.

The average unemployment benefit in Ohio is \$291 a week.

Last year, hearing backlogs caused the process to stretch out four or five months, causing overpayments to pile up and making it more difficult for jobless workers to repay.

“Your unemployment is capped at half of your prior wage, at most. Hopefully you are paying rent and buying food and there isn’t much left over,” said Anita Myerson, a senior attorney at Legal Aid Society of Cleveland who focuses on unemployment.

Emsellem and others say they would like states to beef up efforts to prevent overpayments so claimants who clearly weren’t out to defraud the system don’t fall into debt. With claims filed online and little interaction between claimants and staff members, communication can become challenging.

“All the rules and qualifications for unemployment are a maze,” the Columbus worker said. “Since you don’t really know the criteria for making determinations, you trust the people running unemployment to inform you correctly.”

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