RFP26-001 Electronic Payment Card Services for Unemployment Compensation Benefit Payments, and Additional Proposed Programs

The following questions were sent to the Issuing Office Mailbox regarding RFP26-001. On behalf of PA Treasury, the responses are in blue.

Questions & Answers:

1. Please describe the fraud prevention, identity verification, and account validation controls currently used by PA L&I before unemployment benefits are issued. Please also summarize any fraud-related enhancements implemented in the last few years, and provide available metrics demonstrating their effectiveness. Finally, please describe the expected role of the selected contractor in supporting fraud prevention, monitoring, investigations, and recovery efforts.

At a high level, L&I employs a layered approach to fraud prevention and program integrity prior to the issuance of unemployment compensation benefits. This includes identity verification, eligibility validation, cross-matching with available federal and state data sources, account and claimant validation, and risk-based review processes designed to detect potentially fraudulent activity before payments are authorized. Claims that trigger established risk indicators may be held for additional review and investigation before benefits are released.

Over the past several years, L&I has continued to enhance its fraud prevention capabilities through the implementation of additional identity verification measures, expanded data matching, improved fraud detection analytics, and strengthened investigative and program integrity processes. These enhancements are intended to reduce fraudulent claims while supporting timely benefit delivery to eligible claimants.

Based on the information Treasury is requesting in the RFP, Treasury expects the vendor to play a very important role in fraud prevention and detection. The selected contractor is expected to serve as an additional layer of fraud prevention and detection within the debit card environment. This includes monitoring accounts and transaction activity for suspicious behavior, providing timely alerts and relevant account information, supporting L&I and Treasury investigations in completing lawful information requests, and assisting with appropriate account restrictions and recovery of funds when fraud is identified.

2. Please provide historical and current claimant cash access trends, along with any initiatives undertaken since 2023 to encourage electronic payment adoption. Please include available results and describe the expected role of the selected contractor in supporting future payment modernization efforts.

For historical and current claimant cash access trends, please see Table IV-2.4 in Part IV, Section B. Cardholder Behavior of RFP 26-001.

Neither Treasury or L&I have undertaken any initiatives since 2023 to encourage electronic payment adoption. Payment modality is driven by UC claimants' preference of Direct Deposit/Electronic Funds Transfer or EPC, whatever payment modality option works best for the claimant.

Treasury expects that both the Department and Cardholders benefit from any future advancements or enhancements to EPC functionality and security capabilities an Offeror may make over the term of the Contract.

3. Please provide the current number of active EPC cardholders and total enrolled cardholders. For this purpose, "active" should include any claimant with a funded account balance or a benefit payment received within the past twelve (12) months.

According to Treasury records, there are a total of 490,379 active debit cards. Over the past year, October 6, 2025 to October 5, 2026, debit card payments were issued to 141,769 unique Social Security numbers.

4. Has Treasury assessed liquidated damages against the incumbent contractor within the last three years? If so, please provide the categories of assessment.

Treasury has not assessed liquidated damages against the incumbent contractor within the last three years.