

MiDAS — Michigan's Automated Unemployment Fraud Algorithm That Wrongly Accused Tens of Thousands

AI in the Public Sector · Good practice · United States of America

Quality score: 20/100

Evidence strength: Descriptive / self-reported

Summary

Michigan's MiDAS system auto-adjudicated unemployment fraud claims with no human review (2013-2015), wrongly accusing 34,000+ people at an ~85% error rate; a \$20M settlement followed in 2022.

Key dimensions

Dimension	Score
Evidence of impact / measured public value	1/3
Transparency, fairness & accountability	0/3
Transferability / demonstrated replication	1/3
Scalability beyond pilot	0/3
Governance, capability & sustainability	1/3

Evaluated by C-NAPSE

Data sources

[C-NAPSE web research](#) — accessed 2026-08-12

[Michigan Unemployment Insurance Agency \(Michigan Department of Labor and Economic Opportunity\)](#) — accessed 2026-08-12

[Michigan Attorney General — settlement announcement](#) — accessed 2026-08-12

[IEEE Spectrum — Algorithm Alchemy That Created Lead, Not Gold](#) — accessed 2026-08-12

[Bridge Michigan — \\$20M settlement coverage](#) — accessed 2026-08-12

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