

Intelligent Unemployment Claims Response

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Today's Agenda



- Eligibility
- Claims Process
- Failure to Respond
- Case Studies

Eligibility

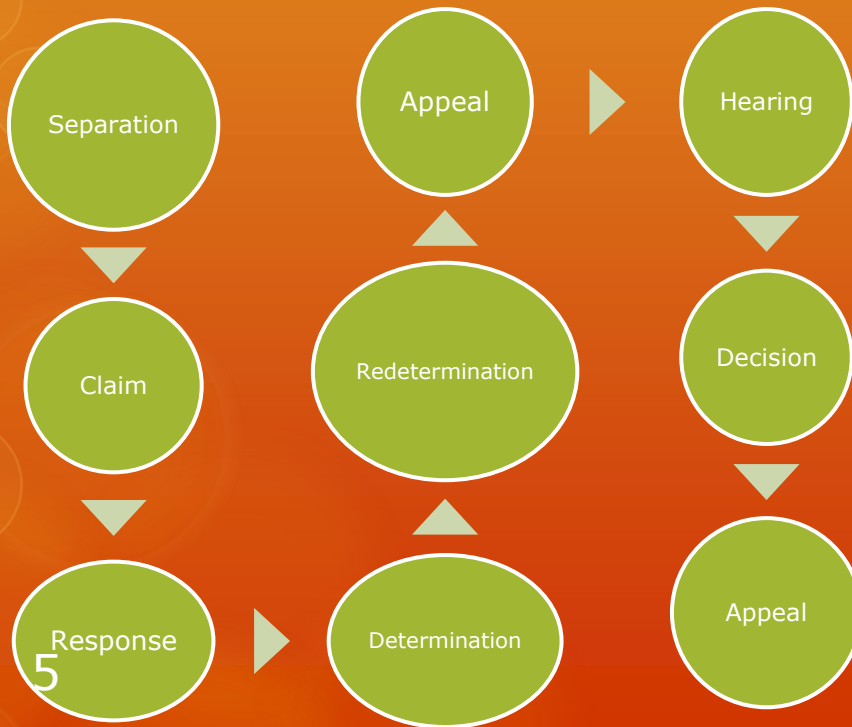
- Qualifying wages
- 3 A's
- Qualifying event
- One Year Duration
- Still Working

Fiscal Year 2017 Benefits

- Minimum Weekly = \$151 (WBA)
- Minimum Total = \$4,228 (MBA)
- Maximum Weekly = \$510 (WBA)
- Maximum Total = \$14,280 (MBA)

Unemployment claims management is a complex and time-consuming process

Initial separation and claim response affects all other steps in the process



- Claims management requires significant time and effort
- Shifts focus away from talent acquisition and development
- Typical assistance includes:
 - Improved claims management
 - Lower unemployment costs
 - Guidance through hearings and appeals
 - Reduced risk and exposure

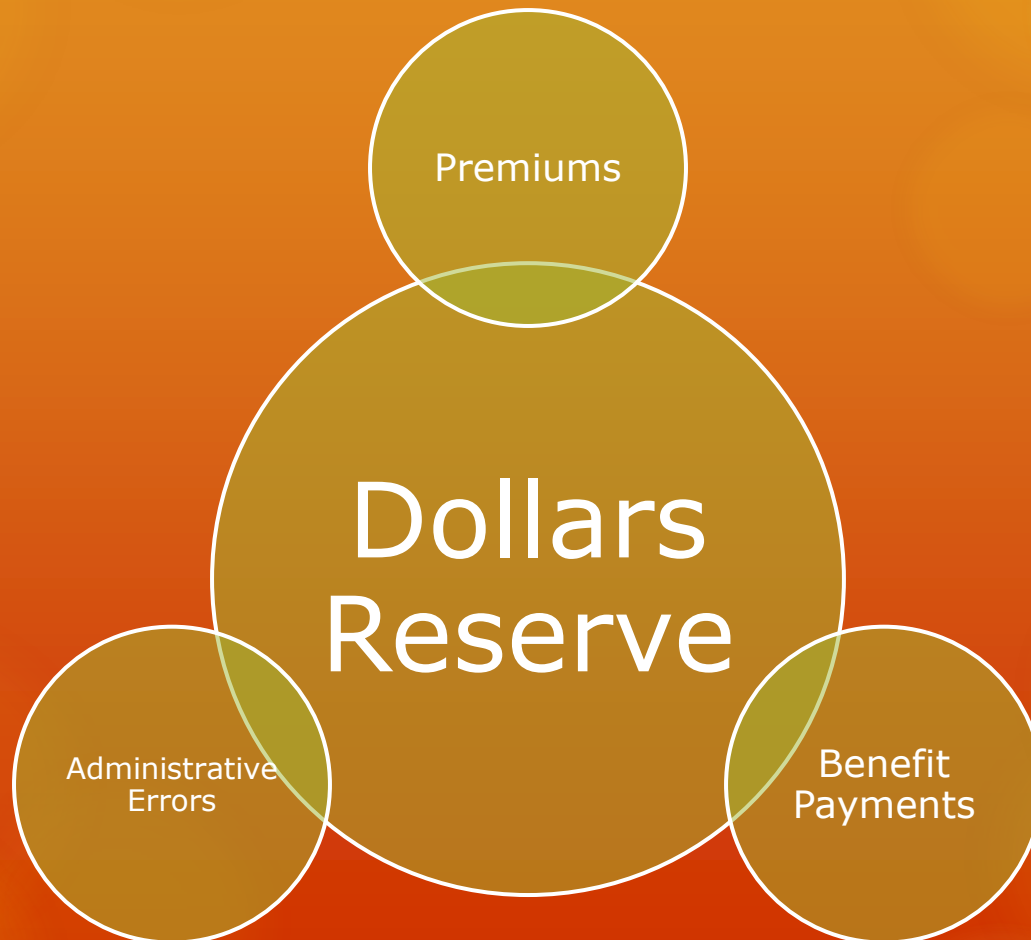
Claims Process

- Employee leaves your district
- Employee files for benefits through Telephone Center
- Telephone Center sends claim to our office to forward to your school

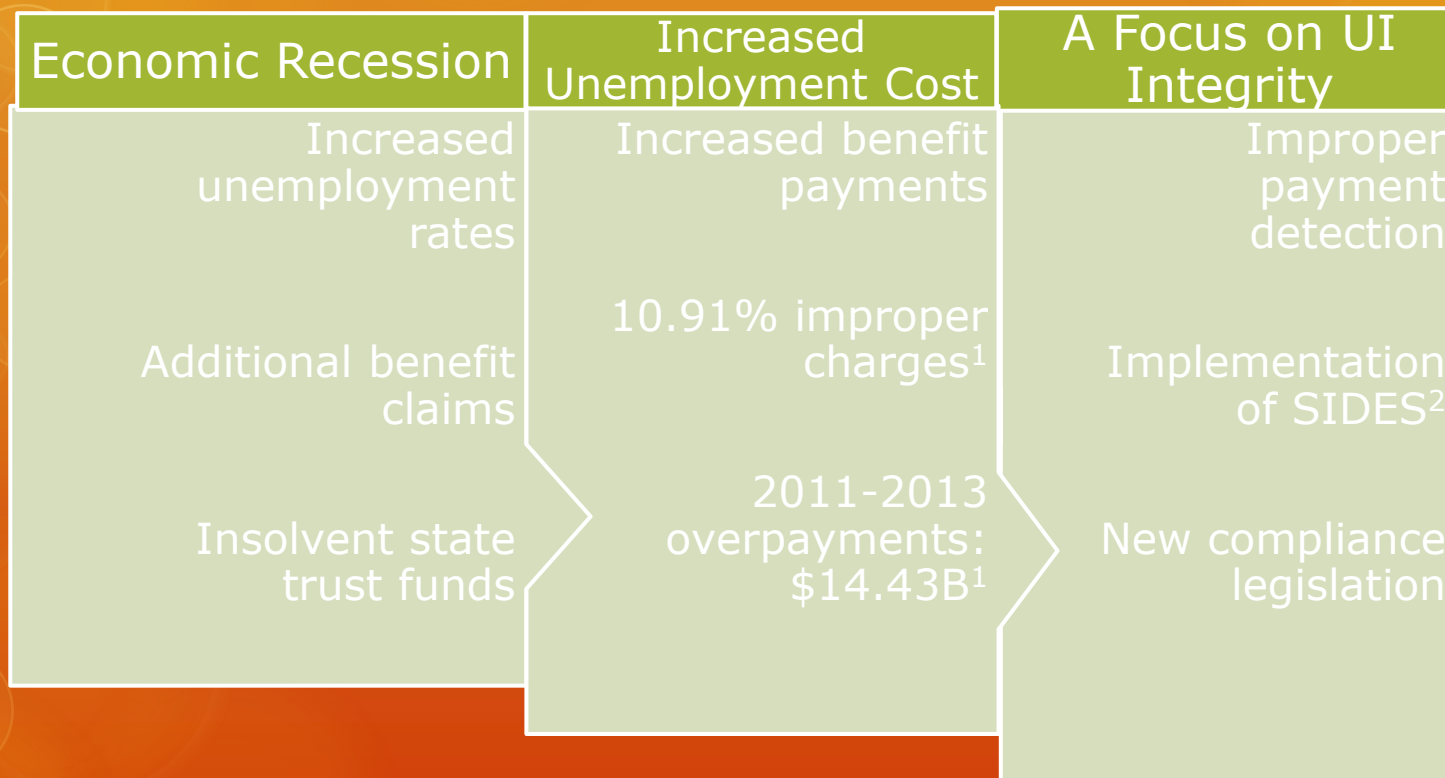
Claims Process

- Decision made based on information provided
- Employer or claimant may protest decision
- Hearing request
- Employer or claimant may appeal decision
- Board issues decision

Unemployment costs are impacted by several UI related activities



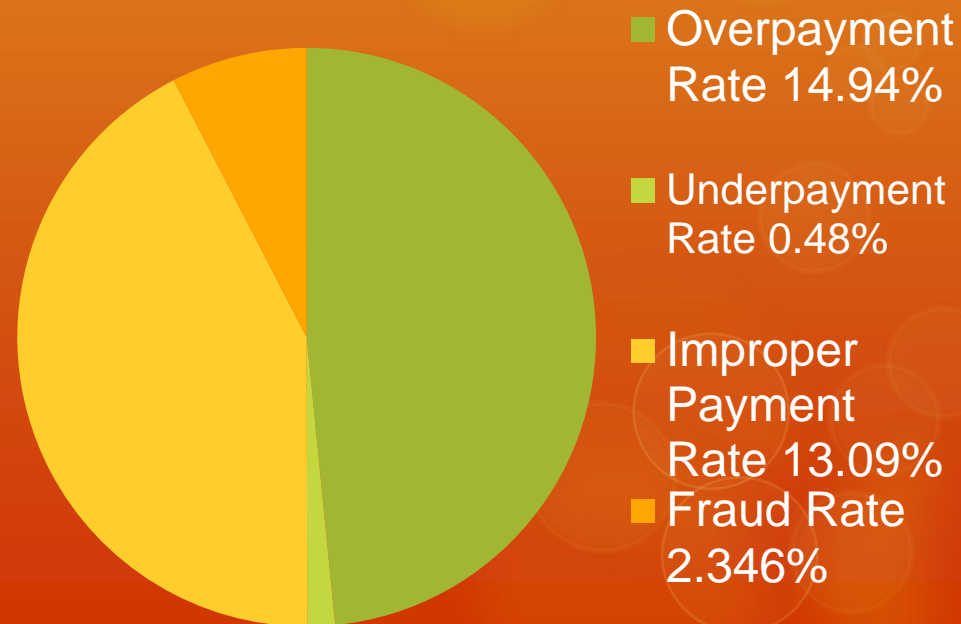
Montana is shifting responsibility for UI compliance to employers



Benefit overpayments represent millions in annual losses

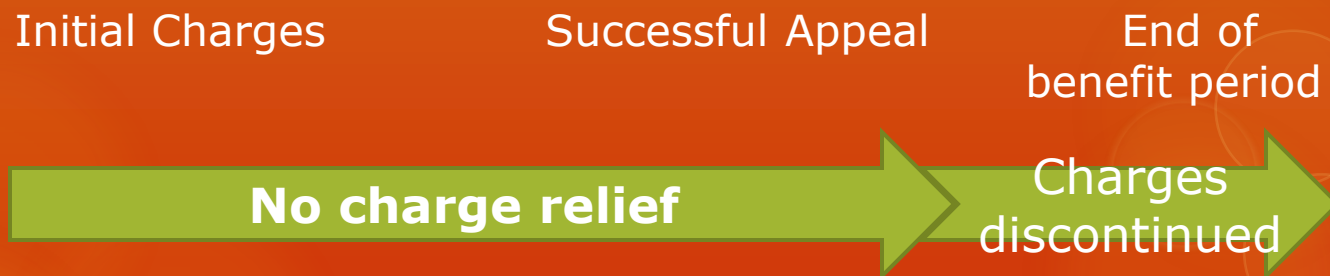
- Benefit overpayments remain a major problem
- States and employers have shared responsibility
- Employers must respond to all claims to remain in compliance with “Section 252” law
- Consequences for failing to provide timely and adequate response are increasing

Montana Unemployment Annual Benefit Payments \$125,389,182



“§252” set the foundation for UI integrity legislation at the state level

- State UI agencies must prohibit relieving employers of benefit charges to their unemployment tax account **when both of the following exist:**
 - UI benefits were improperly paid due to failure to respond timely or adequately to the state’s request for information relating to the claim
 - The employer has established a pattern of failing to respond timely or adequately



Failure to Respond

- Decision made based on information provided by claimant
- Employer does not receive Notice of Determination
- Can't request redetermination/appeals

Employers must now respond to all claims to remain compliant and avoid financial penalties

A Protest Decision



- Previously: Employers made a choice between responding or not responding to unemployment claims

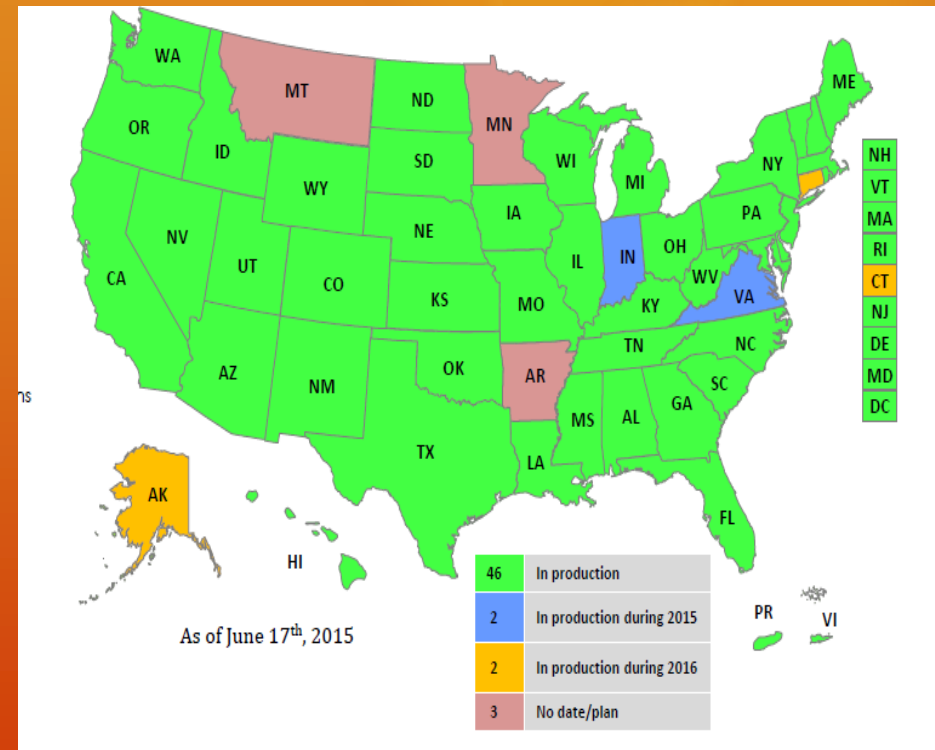
A Matter of Compliance



- Moving Forward: Employers are required to respond to all claims in order to remain in compliance with new regulations and avoid financial penalties

State Information Data Exchange System (SIDES) developed to promote UI Integrity

- A secure, web-based interface facilitating direct data exchange with state unemployment insurance agencies
- Provides clients with optimal time for gathering separation details and documentation
- Increases accuracy of response via standardized information request
- Reduces additional state requests for information and employer effort in responding to these requests
- Decreases in erroneous benefit charges leads to more accurate tax rates



Responding Effectively

Normal Response

- It was a Voluntary Quit...and the claimant gave no reason?

Proactive Response

- Did he/she give a specific reason for resigning (ex. Marriage, domestic obligations, school classes?)
- Was continuing work available if he/she did not quit?
- If the situation was temporary, did he/she request a leave of absence? If so, please explain.
- Were there any changes to his/her contract of hire (job duties, pay, hours, etc.)
- Was a written resignation provided by the claimant?
- Who knew the claimant was quitting?

Case Studies

- Charles worked for his school district as a teacher. At the end of two years, his contract was non-renewed. But he still made good money.
- Under the terms of his contract, he continued to be paid his full salary for three more months.
- Did Charles take his money and vacation? No. He applied for unemployment.

You be the judge

- Did he collect unemployment?
- YES! The monthly payments represent payments for work already performed. He is considered out of work and is eligible.

Case Studies

- Roger got mad and tore up the supervisor's office. Other employees witnessed the incident. The superintendent gathered witnesses, Roger, and the supervisor.
- Witnesses swore they saw Roger do it and didn't respond to the allegations.
- Roger filed for unemployment.

Case Studies

- The school responded and included the sworn statements from the witnesses for documentation. The claim was denied.
- Roger appealed the decision. The school district appeared for the hearing with the superintendent providing testimony. Roger's own statement, not from this incident, but from when he did the same thing before.

You be the judge

- Was the original decision reversed and benefits allowed?
- YES! The sworn statements were considered hearsay as the witnesses themselves did not testify to the incident.

Case Studies

- Edna was a cook in the district's kitchen. At least, she was when you could find her. Because sometimes Edna wandered off. A couple of months ago, the superintendent warned Edna that this couldn't continue.
- One day, Edna came in as usual. Half an hour later, she received a phone call that her young child had missed the school bus. Edna left, went home, and took her child to school.
- Upon return to work, she was fired.

You be the judge

- Was Edna eligible for benefits?
- YES! Edna said she looked for a supervisor before she left, but couldn't find one. BOLA determined she had good reason to go home and take her child to school.

Case Studies

- Jill was a District Clerk. She was promoted after being an assistant clerk for two years, a role in which she excelled. During the first six months problems started showing up and a plan of improvement was implemented.
- Jill was provided with follow-up meetings to insure compliance. After an eight month period she was discharged.

You be the judge

- Was Jill eligible for unemployment benefits?
- NO! Jill had been given a plan of improvement with time limits for compliance. The superintendent followed up and found Jill was not complying with her plan.

Final Word

- Today, more and more pressure is placed upon the school administrator to be financially frugal. With a better understanding of job availability, we sincerely believe that only appropriate unemployment claims will be accepted, thereby lowering your bottom-line unemployment expenditures.

Thanks for learning!!

