

Client Training HQ

Reimbursing with Best Practices in Place

This document is intended to help distinguish between using best practices for a reimbursing employer versus those without as it relates to unemployment claims processing. As reimbursing employers pay dollar-for-dollar on all unemployment benefits that are paid out to claimants, it becomes of utmost importance to follow best practices to minimize any benefits being paid out.

What is UI Integrity?

In 2011, the Trade Adjustment Assistance Extension Act of 2011 was passed. In part, it mandated that the states establish legislation to prevent an employer's account from being non-charged if responses to state inquiries are inadequate and/or untimely, and the employer has established a pattern of not responding timely and adequately. All states were required to be in compliance by October 21, 2013 or face the loss of federal tax credit. This legislation has come to be known as UI Integrity.

An Adequate Response

The term adequate can be quite subjective. A good rule of thumb to ensure the response is adequate is to answer all of the questions presented to you regarding the specific separation.

- Answers should be detailed and concise.
- Your response should also contain all necessary supporting documentation to back up the answers.

A Timely Response

While defining adequate may be subjective, the timely factor is not.

- Deadlines vary from state to state.
- Failing to respond timely can result in the loss of future party status to the claim and an occurrence against the state's pattern clause.

Establishing a Pattern

The third leg of UI Integrity involves the establishment of a pattern of responses which are deemed inadequate and/or untimely. A pattern is established if there are two or more instances or 2% of claims in the prior year that do not meet the required compliance standard.

Change How You Think About Responding

Another way to understand the impact of UI Integrity and how to best approach cases, involves the way in which you may have viewed unemployment then and how you must view it now.

Before UI Integrity	After UI Integrity
Only considered responding if you wanted to protest the claim or not.	Think in terms of being compliant.
You may have not responded to the state.	The state must adjudicate the claim.
If required, you only provided limited information.	States must have detailed information from the claimant and employer.
Responded with, "We do not wish to contest unemployment."	State must still adjudicate the reason for separation.

Importance of Documentation

Documentation is your best defense against paying out unnecessary unemployment benefits as well as helping protect your unemployment tax account from a rate increase. It is very important that you document events as they occur. Something that, at the time, may seem like a minor detail, could end up being a key piece of information or documentation in a future unemployment claim.

Documentation Best Practices

Voluntary Quits

In a voluntary quit case, the claimant has the Burden of Proof. This means that the claimant must show that a compelling and necessitous reason existed (either work-related or personal) that every reasonable attempt was made to preserve the employer/employee relationship, and that there was no other alternative, but to quit.

- Get all resignations in writing with the employee's signature.
- If the resignation is verbal, ask that the employee put it in writing.
- Gather the last intended day of work, the reason for quitting, and the signature of the employee resigning.

Discharges

In a discharge case, the employer has the Burden of Proof to show that an employee demonstrated a willful and wanton disregard of a policy or expectation as an employee.

- Document all details of the final incident.
 - Who, What, When, Where, and Why
- Provide a copy of the violated policy along with the signed acknowledgment.
- Provide copies of any prior related warnings.

If dealing with written warnings due to policy violations:

- Include the consequences.
- Include an action plan.
- Get documents signed.
 - Having a witness present to sign will help increase the document's credibility.

Handling Benefit Charges

As a part of your UC Service Team, you will have a Charge Analyst working behind the scenes as your agent and watching all charges coming in against your account. Your UC Charge Analyst will:

- Watch all charges coming in against your account.
- Investigate charges received when a favorable decision is on file.
- Protest erroneous charges.

Another way to keep an eye on the benefit charges and credits against your account is through our Reports Application. The Reports Application is a free, web-based tool that allows you to have nearly real time insight into all of your unemployment activity. With the Reports Application, you will have:

- Interactive visual charts
- Alerts
- Reminders to help keep you organized
- Access to six reports, including the Period Charge Report

More Training is Available!

More reimbursing, unemployment, and CaseBuilder training is available on our site, [Connections](#).

The information provided is intended as general guidance and is not intended to convey any tax, benefits, or legal advice. For information pertaining to your company and its specific facts and needs, please consult your own tax advisor or legal counsel.