

Perspective

November, 2021

Job Offers & Job Refusals: How They May Affect Your Unemployment Costs

You go to a restaurant and there is a long line at the hostess stand, but you look around and there are lots of open tables. What's the hold up? Why can't they get more people seated? Then you see a sign that says something like this: "Someone will seat you shortly. We appreciate your patience. If you run out of patience, feel free to fill out an application."

You, along with many other organizations, may be trying to ramp back up after the pandemic but are having a hard time with staffing. You might have even tried to rehire some of your former employees thinking it might be easier, but they aren't all coming back. Extra unemployment benefits may have kept some employees from returning right away, but the federal benefits expired on September 6, 2021. And the more your former employees collect unemployment benefits, the more it can cost you in unemployment.

"Since the onset of the pandemic, and continuing through 2021, the employers we assist with claims management are reporting more than triple the number of work-refusal claims compared to pre-pandemic levels."

-Steve Solovic, VP, UC Operations at Equifax Workforce Solutions

SHRM article

If you have available work and offer it to your laid off employees, what happens if they refuse? Do you have any options or will they continue to stay on your unemployment experience and cost your company more money?

MAKING A VALID JOB OFFER

If you have former employees who are still not employed and you want to hire them back, you can provide them with a valid job offer. When determining eligibility for unemployment benefits, whether or not a valid job offer was made and refused is important. There are some basic guidelines most states follow to help determine what is a valid job offer, including:

- Similar type of work
- Similar rate of pay
- Similar hours
- Similar location/commuting distance

And these offers typically must be made by one of the *following methods*:

- In person face-to-face
- By phone
- By certified letter

JOB REFUSALS

Any time a job offer is made and refused, reporting the refusal to the state as quickly as possible is crucial. Any employee filing for unemployment benefits is required to be able, available, and actively seeking work, so if suitable work is refused, the state may disqualify them.

Based on our experience, you should document that a job was refused for one of more of the following reasons:

- Type of work offered
- Rate of pay
- Schedule or working hours offered
- Geographical location or commute distance

JOB OFFER AND REFUSAL BEST PRACTICES

If you are reporting a job refusal to the state, these best practices can help you:

DOs

- Make sure the **employee still has an open claim** according to your records.
- Using benefit charge statements, **confirm that they are continuing to collect.**
- Make sure you have made a **valid job offer.**
- **Make the offer in writing**, even if you made it verbally already.
- Confirmation of the **refusal in writing** is preferred.

DONT's

- **Don't** offer a job clearly outside the employee's normal type of work, pay, hours, or other conditions.
- **Don't** jump to a job refusal conclusion if they:
 - Say, "Let me think about it."
 - Don't return a voicemail.
 - Don't respond to the offer.
- **Don't** leave a message for a job offer with anyone other than the intended recipient.

NEXT STEPS

You want to get back to "normal" staffing levels as soon as you can, whether that means bringing back previous employees or hiring new ones. Unemployment costs are expected to rise in the coming years, and you want to do all you can to keep yours as low as possible. You shouldn't be paying benefits for previous employees when suitable work is available and has been offered to them. And since supplemental unemployment benefits have ended, more of your former employees may be eager to get back to work and pick up where they left off.

Want to understand more about how the pandemic and its aftermath may affect your unemployment costs? Hear what our subject matter experts have to say in our podcast [Unemployment Changes and the Impact to Your SUI Tax Rate](#).

If you would like to learn more about how organizations like yours are working to help improve their workflows, better mitigate risk, and even lower costs of unemployment claims, contact one of our subject matter experts to see how we can help [reduce the burden on your team](#).

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