
SERVICE BULLETIN

COVID-19 and Unemployment Benefits



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March 17, 2020

In the wake of the coronavirus pandemic numerous questions have been asked, and concerns expressed related to the Federal Unemployment Insurance program administered by individual state and governmental agencies. Thomas and Company would like to reassure our clients that the temporary financial assistance for workers who have lost their job through no fault of their own that is provided by this program will continue to be available, including those associates who are currently unemployed as a direct result of COVID-19. We wish to provide a summary of the scenario's that may result in your associate's work status being impacted and their eligibility to receive unemployment benefits, as indicated in communications received from the various state agencies.

Business closures due to COVID-19.

Associates should be eligible for unemployment benefits. A claim will need to be filed by the associate following state guidelines that normally require claims be filed online at the agency website or by phone. Depending on the state, if the associate's unemployed status is temporary, they may not be required to actively seek work unless the period of unemployment exceeds a state specified number of weeks. In addition, there are several states considering waiving the one week waiting period required before the payment of benefits begins.

A reduction of scheduled work hours attributable to a reduction in force related to COVID-19.

The associate will likely be eligible for partial unemployment benefits provided the amount of earnings for a given calendar week fall below the worker's weekly benefit amount as determined by the wages earning during the base period. Please note that some state agencies have an earnings disregard which may impact their eligibility or the amount of partial benefits that are paid. The associate will need to follow the normal process for filing and establishing a valid claim.

An associate tests positive for COVID-19 and is temporarily quarantined from working.

The associate will most likely be eligible for benefits provided they are otherwise able and available to work. Given the circumstance of the quarantine, the filing of a claim should be done online or by phone. As previously indicated, depending on the state the associate may not be required to meet the work search requirements and the one week waiting period may be waived.

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COVID-19 and Unemployment Benefits (Cont'd)

An associate is not permitted to work by the employer due to a concern they are a risk to the work environment, or may be at personal risk.

As indicated above, the associate will likely be entitled to receive benefits. Waiver of the waiting week and work search requirements will again be based on individual state regulations.

An associate chooses to self-quarantine and removes themselves from the work environment.

In this scenario, the associate will in all likelihood be ineligible for benefits. In addition to the separation being within the worker's control, state agencies will consider them to no longer be meeting the able and available to work requirement since they chose to remove themselves from active status when continuing work was available.

State specific details are being updated regularly. The National Association of State Workforce Agencies (NASWA) website (<https://www.naswa.org/resources/coronavirus>) has been and will continue to post information that addresses state specific responses to COVID-19. The primary changes we have become aware of are the states contemplating the waiver of the one week waiting period and work search requirements, along with charging benefits paid as a direct result of COVID-19 to the general fund and not individual employer tax accounts.

Our office will continually monitor the situation closely and provide regular updates.

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