

Unemployment Insurance Benefits

Employer Basics



Montana Department of
LABOR & INDUSTRY

ASSISTANCE *for*
BUSINESS CLINIC

OVERVIEW

Filing a Claim

Monetary Eligibility

Separation From Employment

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Other UI Requirements for Claimants

Work Search Requirements

Help Reduce Improper Payments and Prevent Fraud

SIDES E-Response: Electronic Requests and Responses

Separations, Potential Charges, Earning Verification,
Decisions & Determinations, Additional Fact-Finding

FILING A CLAIM

New claim portal has arrived:

→ MontanaWorks.gov ←

One location to file UI claim, register with Job Service and find a new job.

Someone can file a claim for benefits at any time for any reason. Once that happens, the individual becomes a “claimant.” Claimants must meet certain criteria to be eligible for UI benefits.

Unless the claimant fails to report a separation, UI sends notice of the filed claim to any employers who employed the claimant within six weeks of claim filing.

It is extremely important for employers to respond timely to these notices.

MONETARY ELIGIBILITY

Claimants must earn enough wages in their base period to qualify for UI benefits.

The base period is the **FIRST FOUR** of the **FIVE** most recent **FULL** quarters of wages prior to claim filing. (First 4)

If eligible, use base period wages. If not, we look at the Alternate Base Period, the **LAST FOUR FULL** quarters. (Last 4)

Base Period (Wages)

4 th Quarter \$→	3 rd Quarter \$	2 nd Quarter \$	1 st Quarter \$←	Most Recent Completed Quarter	Claim Filing Date → 1 year
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Alternate Base Period – Used if Base Period Wages are Insufficient

SEPARATION FROM EMPLOYMENT

A claimant may file a claim due to a job loss or change in employment.

A claims examiner must conduct fact-finding with both the employer and the claimant to establish the type of separation.

A separation from employment could be due to:

Layoff

Discharge

Quit



LAYOFF

Layoffs can be caused by:

- Lack of work
- Weather
- Business closure
- Seasonal employment
- Completion of a temporary assignment

DISCHARGE

You may have a good reason to discharge a claimant, however, that doesn't mean UI benefits must be denied.

An employee discharged while in a probationary period is not automatically denied benefits. Probationary status has no affect on our eligibility decision.

If you allow a claimant to quit instead of being discharged, it is still a discharge for UI purposes.

Small details regarding the separation can alter the outcome of a decision. Creating and retaining good records of conduct and events leading to discharge is essential, especially if the discharge was due to employee misconduct.

DISCHARGE: MISCONDUCT

Good cause and misconduct are not interchangeable.

Misconduct is defined by state law. Mont. Code Ann. section 39-51-201 (19).

As an employer, you must be prepared to prove misconduct. The conduct must have actually occurred and it must fall within the legal definition. Allegations are not enough. We need evidence.

Expect to provide written warnings with clear documentation, dates, and consequences action. Have employee sign for receipt of documents or use a witness if the employee refuses to sign. Other supporting evidence may include video, photos, receipts, police reports, payroll records, etc.

For drug testing, see MCA sections 39-2-206 through 211.

QUIT

Generally, when a claimant quits a job, benefits are not available. However, that is not the case if the quit was attributable to the employer.

A claimant must show compelling reasons, caused by the employer, for quitting and that the employer was given a reasonable opportunity to correct the situation prior to quitting. This is required under state law and rule. Mont. Code Ann. section 39-51-2302 and Administrative Rules of Montana section 24.11.457.

It is still important for the employer to keep good records. If possible, provide a signed letter of resignation or a signed exit interview.

RECORD KEEPING

Give warnings as close to the event as possible and include consequences.

Make sure the event is clearly and chronologically described.

Get signed witness statements immediately and keep contact records for your witnesses.

Keep good payroll records and accurate employment dates.

Get a resignation or an exit interview when possible.

Good records will make responding to UI fast and easy and may prevent charges to your account.

EMPLOYER PARTICIPATION

Information from you is VITAL for making the correct UI eligibility determination the first time.

If we send you a written request for information, the employer's response is due 8 days later – day count is measured from mail/send date on request.

If an employer doesn't respond, the employer's response is late, or the response is inadequate, the employer's right to receive a copy of the separation decision and challenge the decision is forfeited, *unless* the employer can show good cause for the missing, late or inadequate response.

Forfeiture of rights also means the employer will not receive any credit to their tax account if a benefit overpayment is later discovered.

There are always two sides to a story, make sure your side is heard! Only with your help can we make accurate decisions.

ONCE A DECISION IS MADE

Review the law and rule applied in the decision.

If you disagree with the decision, use your appeal rights.

You have ten days from the decision date is mailed/sent to request the next level of appeal.

Levels of appeal after an initial decision (**determination**) are:

Redetermination

Office of Administrative Hearings (OAH)

Unemployment Insurance Appeals Board (UIAB)

All evidence must be presented during initial fact-finding or at lower appeal levels. Witness statements will be shared with the claimant. Be prepared to have witnesses at an OAH hearing.

New evidence is not allowed in the UIAB hearing.



OTHER ELIGIBILITY REQUIREMENTS

Claimants must be able and available for work. That means being physically and mentally able to work and having no availability impediments to working.

Job Search Requirements – claimant must make one job application per week *unless job- or union-attached*. Your help is needed!

Job attachment means at least 30 hours of work are guaranteed per week.

Suitable Work - meets the claimant's job experience, previous wages, physical capabilities and in a location the claimant is willing to work, your help is needed.

School Attendance - availability versus improved employability.

REFUSING WORK & MISSING WORK

Refusing work occurs when a claimant is offered work and they decline.

Missing work occurs when an employee takes time off from work or does not work all normally scheduled hours for reasons other than reduction in hours by employer.

Employers should report work refusals and missed work to the department.

If not reported, the claimant may receive benefits to which they were not entitled and if discovered later, could result in an overpayment and penalty.

ACTIVELY APPLYING: WORK SEARCH REQUIREMENT

Claimant must submit one job application or resume to a hiring authority every week.

Claimant must provide contact information to allow an employer to reach the claimant for job offer.

UI needs your help to verify whether and when a claimant submitted an application to an employer.

Keep a record of job applicants applying with your company



REDUCE IMPROPER PAYMENT RATE

UI Integrity Objectives:

Prompt Payment + Proper Payment

Top 3 Causes of Improper Payments:

- Failing to properly apply for work
- Failing to accurately report earnings while claiming benefits or continuing to file for benefits after starting a new job
- Failure to report separations from work.

DETECTION/PREVENTION OF BENEFIT OVERPAYMENTS

The benefits compliance section works to make sure a claimant's hours and earnings are reported accurately and unreported separations are discovered by:

Conducting quarterly wage audits

Auditing Paid and Denied Claims

Reviewing and verifying hours and earnings

Crossmatching UI Claim info with:

Prison and jail rosters

State employee payroll records

State and National New Hire Directories



HELP US PREVENT FRAUD

Correctly paying legitimate claims is a priority of the UI Division.

Responding to an earnings verification request is vitally important. It is much better to stop an improper payment than recover an improper payment.

If you suspect a business or individual is committing fraud, please contact us.

Reporting form available at uid.dli.mt.gov – click on “Report Fraud”.

Email dliuidci@mt.gov

Phone (406) 444-1709

Fax (406) 444-6651

Report suspected
fraud



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State Information Data Exchange System–SIDES E-Response

Responding Electronically is Key
Better than Mail, Superior to Fax

Convenient way to respond to initial separation information, monetary and potential charge information, earnings verifications, as well as additional fact finding in one system

Sign up for SIDES E-Response through UI eServices
https://uieservices.mt.gov/_/



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HOW DOES SIDES HELP EMPLOYERS?

THE BENEFITS

- ▲ Available for FREE
- ▲ Electronic Exchange
- ▲ National Standard Data Format
- ▲ Quality of Information
- ▲ Timely Responses
- ▲ Staff Productivity
- ▲ Confirmation of Receipt
- ▼ Postage Costs
- ▼ Paper Work
- ▼ Phone Calls
- ▼ UI Tax Rate
- ▼ Overpayments
- ▼ Staff Time
- ▼ UI Appeals

BOTTOM LINE

<http://info.usides.org>



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SIDES streamlines communications between a state UI agency and employers.

HERE ARE SOME EXAMPLES



SEPARATION INFORMATION

SIDES sends a state's request to a claimant's former employer to provide the reason for job separation. This helps to reduce overpayments and unnecessary appeals by timely obtaining the required information so benefits are properly paid.



MONETARY AND POTENTIAL CHARGES

SIDES allows a state to notify employers when claims are filed, shows the wages the employer paid that were used to establish a claim, identifies the claimants' potential weekly and total benefits, and calculates the potential charges to the employer.



EARNINGS VERIFICATION

SIDES automates the investigation of matches received from the National Directory of New Hires and other types of wage audits. This helps reduce overpayments through verifying earnings and early detection of claimants returning to work.

DETERMINATION/APEAL FORMAT

Electronically receive decisions regarding claimant eligibility due to separation and non-separation and file protests/appeals to those decisions.

BILLING/CHARGE NOTICE FORMAT

Receive periodic account statements showing the details about all charges to an employer's UI account, including specific claimant information that affect the employer's account.

...and more.

SIDES SUCCESS

A recent study showed that employer responses received through SIDES are more thorough than paper responses. That reduces the need for follow-up requests and helps maintain timeliness.

SIDES gives employers the ability to amend a response if needed.

Employers can submit all types of attachments with their SIDES response and get a confirmation of response submittal; better than waiting to see if a fax went through or sending evidence by mail.

With SIDES, the department saves money on postage and paper and employers have less paperwork to shuffle, track and file.

SIDES expedites discovery of suspicious claims. Several times this year an employer has notified us of a potential ID theft after the employer received notice of a SIDES request and saw it was for a current employee.

UNEMPLOYMENT INSURANCE CONTACTS

(406) 444-2545..... Claims Processing Center

(406) 444-0399..... Employer Charging Assistance

(406) 444-1709.....Report Fraud

For more information,
visit uid.dli.mt.gov.

Participate, ask
questions, provide us
your feedback

QUESTIONS?



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