

Guide to Unemployment during the COVID-19 Crisis

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Due to the COVID-19 crisis, US employers reported cutting 701,000 jobs in March. With more job cuts happening, we are on course for the worst unemployment report in over a decade. On March 27, 2020, the federal government signed into law the CARES Act, which gives states the option to extend unemployment compensation benefits to variety of individuals that might not typically be eligible for unemployment benefits. This expansion includes benefits to those who are self-employed, independent contractors, have limited work history, or those who have exhausted their rights under regular unemployment benefits and others.

Two key components of the CARES Act as it relates to unemployment are the Federal Pandemic Unemployment Compensation (FPUC) and the Pandemic Unemployment Emergency Compensation (PUEC) provisions which provides expansion of existing unemployment benefits in two ways. First, the FPUC provides an extra \$600 weekly payment, in addition to weekly benefits employees might receive under state law for all weeks of unemployment between April 5, 2020 and July 31, 2020. Second, the PUEC increases the maximum number of weeks that an employee might receive benefits, up to an additional 13 weeks of benefits. The extended benefits are available through December 31, 2020.

The provision of the CARES Act, Pandemic Unemployment Assistance (PUA), creates new unemployment benefits by expanding the coverage to certain workers who were not traditionally eligible for unemployment benefits under the state laws. To be eligible for PUA benefits, individuals must be: unemployed, partially unemployed, or unable to work for specific reasons related to COVID-19.

Groups that may be eligible for unemployment during COVID-19

- Workers laid off or furloughed due to COVID-19
- Workers who quit due to COVID-19
- Workers caring for children or other dependents at home, due to school closures or daycare facilities which closed due to COVID-19
- Self-employed workers unable to work due to COVID-19
- Workers who were scheduled to begin employment but cannot due to COVID-19
- Individuals who are now the primary breadwinners because their head of household died from COVID-19

Groups that may **NOT** be eligible for unemployment during COVID-19

- Workers who are able to do their jobs remotely
- Workers who are on paid sick or family leave
- Workers who quit their jobs for reasons other than COVID-19

- Individuals with no job or plan to start a job
- Individuals who find new employment.

Please take note that individuals who can telework for pay or who are receiving paid sick leave or other paid leave benefits, are not eligible to receive PUA benefits.

Unemployment Waiting Periods

Some states may impose waiting periods before an individual can collect unemployment benefits. Many states have waived waiting periods during the pandemic, but this varies by state. While the CARES Act does not waive the state-law waiting periods for regular unemployment benefits, it provides incentives to states to waive the requirement period. It would be the advice of MidwestHR, that individuals check with their specific state unemployment websites to see if a waiting period applies in their particular state.

Delays in receiving federal benefits

The new and expanded benefits under the CARES Act are provided under federal law but will be administered through each state's unemployment insurance program. States are currently awaiting guidance from the federal government on how to administer these new benefits. This may result in delays of these new benefits being received by eligible individuals, but individuals should receive payments for all eligible periods of unemployment.

Filing an Unemployment Claim

To receive unemployment insurance benefits, individuals will need to file a claim with the unemployment insurance agency in the state where they worked. Depending on the state, individuals can file claims in person, by phone, or online. Since a large number of states have "Stay at Home" or "Shelter in Place" orders, it would be best and likely more expedient to file claims online via your work states' unemployment website.

- Individuals should contact their specific state unemployment website as soon as possible after becoming unemployed or experiencing a reduction in pay, hours or income due to COVID 19
 - Click [here](#) for a listing of State Unemployment Insurance Office as provided by the DOL's website.
- When you file a claim, you will be asked for certain information; be sure to provide complete and correct information to avoid delays in processing your claim. Have the following information when you apply:
 - Your Social Security Number or Alien Registration Number
 - Your mailing address
 - The names, addresses, and phone numbers of all employers you worked for during the last 18 months
 - The first and last dates that you worked for each company
 - The last date you worked and the reason you are no longer working

- Your gross earnings in the last week you worked
- Once you apply for unemployment benefits, you will receive a notice in the mail or via email (depending on the state in which you apply) letting you know if you qualify, how much you can expect in benefits, and how long you can receive benefits. This will all vary by state. You may also be required to submit weekly or bi-weekly benefit certifications in order to continue to receive unemployment benefit payments.
 - Generally speaking, it can take approximately 2-3 weeks after filing for unemployment to receive your first unemployment benefit payment.
 - States are cautioning that since it is unknown when the federal money will show up to the states, they are advising all eligible employees to file a claim to get the process started. File as soon as possible, rather than waiting.
 - It is up to each state to determine who is eligible for unemployment and if you don't file you will not know if you may qualify.
- Many states have waived waiting periods to receive benefits and work-search requirements
- The process of applying for unemployment for contract or self-employed workers who would need to file for PUA may be more complex, as states are still working to get these programs set up.
- Please be patient! Due to the overwhelming demand of people needing to file for unemployment; state websites are crashing due to the high demand; phone lines are jammed. Individuals need to keep trying!
 - If you are told from a state level that you do not qualify for unemployment benefits, this could change in coming weeks as states start receiving federal money and set the Pandemic Unemployment Assistance (PUA) programs set up. Appeal any denial of benefits under the reason of "filing for eligible benefits under the CARES Act as a self-employed/gig worker due to loss of work related to the COVID 19 pandemic". Make sure to file your appeal by the deadline outlined on your determination.

All individuals are encouraged to apply for unemployment insurance benefits, even if you are unsure if you are eligible. If the coronavirus is responsible for you being laid-off, placed on furlough, your hours drastically reduced, or you have lost income as a self-employed/gig worker, there is a good chance you may qualify for getting the expanded benefits.

Again, you can find the unemployment website for all states by clicking [here](#). This will redirect you to a chart on the DOL's website that lists all websites and phone number for the various state unemployment offices.

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