How to Control Rising Unemployment Costs

Olympic Educational Service District 114
Dedicated Tax Management Service Team

Client Relationship Manager – Sandra Phillips

Responsibilities:
- Main contact regarding unemployment (UI) cost management program
  - Review program results and compliance improvements
  - Conduct educational seminars and workshops
- Coordinate resources to address specific research and questions

UI Consultant Cindy Wilson
- Investigates Claims
- Consults on Appeals
- Files Timely Responses

Hearing Consultant Cindy Wilson
- Hearing Preparation
- Individual Case Review
- Reviews Determinations

Charge Analyst Melody Miller
- Charge Verification
- Quarterly Billing Review
- Billing Distribution

Tax Department
- Charge Auditing
## Annual Claims Summary

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Total Potential Liability</strong></td>
<td>$3,505,446</td>
<td>$3,488,908</td>
<td>$2,379,137</td>
</tr>
<tr>
<td><strong>Total Claims Won - Liability Avoided or Suspended</strong></td>
<td>$731,397</td>
<td>$822,673</td>
<td>$477,653</td>
</tr>
<tr>
<td><strong>Total Benefit Charges Received</strong></td>
<td>$652,346</td>
<td>$412,081</td>
<td>$355,848</td>
</tr>
<tr>
<td><strong>Total Benefit Credits Received</strong></td>
<td>$11,823</td>
<td>$17,645</td>
<td>$10,997</td>
</tr>
<tr>
<td><strong>Claims Processed</strong></td>
<td>1,001</td>
<td>1,116</td>
<td>717</td>
</tr>
<tr>
<td><strong>Claims Protested %</strong></td>
<td>253 (26%)</td>
<td>293 (26%)</td>
<td>107 (15%)</td>
</tr>
<tr>
<td><strong>Protested Liability</strong></td>
<td>$1,356,650</td>
<td>$1,219,409</td>
<td>$570,356</td>
</tr>
<tr>
<td><strong>Hearings Scheduled</strong></td>
<td>46</td>
<td>27</td>
<td>16</td>
</tr>
<tr>
<td><strong>Claims Not Protested</strong></td>
<td>748 (74%)</td>
<td>823 (74%)</td>
<td>610 (85%)</td>
</tr>
<tr>
<td><strong>Non protested Liability</strong></td>
<td>$2,148,797</td>
<td>$2,269,499</td>
<td>$1,808,781</td>
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</tbody>
</table>
# Decision Level Results

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Initial Claim Decisions Received</td>
<td>175</td>
<td>160</td>
<td>89</td>
</tr>
<tr>
<td>Won</td>
<td>144</td>
<td>145</td>
<td>80</td>
</tr>
<tr>
<td>Win%</td>
<td>82%</td>
<td>91%</td>
<td>90%</td>
</tr>
<tr>
<td>Lost</td>
<td>31 ($214,221)</td>
<td>15 ($53,270)</td>
<td>9 ($45,706)</td>
</tr>
<tr>
<td>Hearing Decisions Received</td>
<td>44</td>
<td>28</td>
<td>13</td>
</tr>
<tr>
<td>Won</td>
<td>30</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Win%</td>
<td>68%</td>
<td>71%</td>
<td>77%</td>
</tr>
<tr>
<td>Lost</td>
<td>14 ($68,249)</td>
<td>8 ($33,146)</td>
<td>3 ($12,602)</td>
</tr>
<tr>
<td>2nd Level Appeal Decisions Received</td>
<td>2</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Won</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Win%</td>
<td>100%</td>
<td>75%</td>
<td>100%</td>
</tr>
<tr>
<td>Overall Win Rate</td>
<td>86%</td>
<td>92%</td>
<td>90%</td>
</tr>
<tr>
<td>% Controllable Liability Removed</td>
<td>81%</td>
<td>96%</td>
<td>88%</td>
</tr>
</tbody>
</table>
Unemployment Financing
Reimburser Employers

- The reimbursement method has some advantages over the merit rated system:
  - Pay only for actual benefit payments issued
  - Avoid increased tax liability due to unfavorable economy
  - Avoid unemployment tax assessments

- The tradeoff for protection from a merit rate and tax increases however is the loss of appeal rights to some claims. As a Reimbursing employer, you can only protest claims when you are the most current (last) employer.
Unemployment Process
Is your company the Chargeable Employer?

<table>
<thead>
<tr>
<th>BASE PERIOD</th>
<th>LAG QUARTER</th>
<th>FILING QUARTER</th>
<th>BENEFIT YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st QTR 2011</td>
<td>2nd QTR 2011</td>
<td>3rd QTR 2011</td>
<td>4th QTR 2011</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1st QTR 2012</th>
<th>2nd QTR 2012</th>
<th>BENEFIT YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>52 WEEKS</td>
<td>1/1/2011 through 12/31/2011</td>
<td></td>
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</tbody>
</table>

**BASE PERIOD:** The first four of the last five **COMPLETED** calendar quarters preceding the benefit year beginning date (BYB), which is the filing date of the claim.
TALX Unemployment Cost Management

IDEAL PLACE TO END PRODCESS

- Complete claim responses save time and money
- Reduce follow-up requests
- Claim Adjudicator can make fully informed decision
- Avoid unnecessary appeals
- Improve win % substantially
To win a claim before it is filed takes…

- Effective company policy
- Proper documentation
- Appropriate disciplinary action
Reasonable Assurance

It is reasonable to believe that the claimant will return at the same or similar capacity after the scheduled break.

Copy of the signed RA letter

Copy of the unreturned RA letter, testimony regarding what caused the letter to be sent
Voluntary Quit

The burden of proof is the responsibility of the former employee to show there was good cause to quit attributable to the employer.

Good Cause

A change in the condition of employment or compelling reasons.

Continued employment must be available.

Forced resignation = DISCHARGE

ALWAYS ask for a signed letter of resignation
Discharge

The burden of proof is the responsibility of the employer to prove that the employee was discharged for misconduct.

Misconduct

A deliberate and willful disregard of employer’s interest or repeated violations of a known company policy.
Lack of Work

Not Disqualifying
- Intent of Unemployment

Job Eliminated
- No positions available

Reduced hours
- Full-time to Part-time

Job Offers and Refusals
Preparing for & Attending the Hearing
Hearing Notice: What Now?

- Read instructions carefully
- Put it on your calendar
- Review employee documentation
- Review claimant’s statement
- Identify & prepare first-hand witness(es)
Importance of First-hand Testimony

If the facts are in dispute:
First-hand testimony is essential.

Hearsay testimony is given less weight than first-hand, eye-witness testimony.
Insight Management Reports
Flexible and Easy to Use

Notice Something NEW! We have improved our webManager site to offer faster, easier access to valuable unemployment services.

- Reports
  - New Report
  - My Reports
  - Client Support
  - Known Issues

- My Account
  - Change PIN
  - Update PIN Enrollment
  - Change e-mail Notification Settings
  - Change your e-mail address

- Resource Center
  - Forms, separation checklist, FAQs, contacts and other resources.
Report Selection

Insight provides access to standard and custom versions of key reports.

- **Unemployment Summary** - The Standard Report provides an overview of your organization’s unemployment activity for the most recent week, month or quarter.

- **Custom Unemployment Summary** - You can create a custom report by selecting the unemployment activity measures in which you are most interested. This report will allow you to select any date range up to three years from today, as well as schedule individual detail reports.

- **Unit Performance Analysis** - This report allows you to compare locations across your organization against key measures you specify.

- **Custom Unit Performance Analysis** - This report tells you how each location within your organization is performing with regard to key unemployment activity measures. It helps you to identify locations that may need help reducing unemployment costs.

- **Period Charge** - This report details your organization's charge activity by state. Information is provided here as it is made available by state. Most states release this charge information quarterly or annually.
# Standard Unemployment Summary

Detailed results are available by clicking the links below.

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Charge Credits Received</strong></td>
<td>($2,433.48)</td>
<td>($7,738.03)</td>
</tr>
<tr>
<td><strong>Total Liability Avoided Or Suspended</strong></td>
<td>$142,614.31</td>
<td>$198,397.90</td>
</tr>
<tr>
<td><strong>Total Benefit Charges Received</strong></td>
<td>$35,924.09</td>
<td>$80,474.22</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Separations Received</strong></td>
<td>714</td>
<td>836</td>
</tr>
<tr>
<td>Discharges</td>
<td>63</td>
<td>42</td>
</tr>
<tr>
<td>Voluntary Quits / Resignations</td>
<td>595</td>
<td>748</td>
</tr>
<tr>
<td>Lack Of Work / Lay-offs</td>
<td>35</td>
<td>8</td>
</tr>
<tr>
<td>Other Separation Issues</td>
<td>21</td>
<td>38</td>
</tr>
<tr>
<td><strong>Claims Processed</strong></td>
<td>115</td>
<td>146</td>
</tr>
<tr>
<td>Potential Liability</td>
<td>$259,048.61</td>
<td>$397,798.10</td>
</tr>
</tbody>
</table>

Provides data regarding key performance metrics.

Gain access to the detail for each section by clicking on the segment heading in blue.

All report content can be exported to Excel or other software tools.

View Chart
Additional Applications – Claim Status

Welcome to your online source for accessing our unemployment database.

Please enter the Social Security Number you would like to search for in the search field below and click the "Search" button.

After the system has located the Social Security Number, you can access other information about the claimant by selecting from the navigation links in the top menu bar. For security purposes, you can only view your company’s information.

Please Contact Us if you have any questions.

Individual Claim Search:

Enter the Social Security Number you would like to search for.
Questions and Answers

For more information please contact:

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Client Relationship Manager
314-684-2426 office
253-985-1447 cell
Sandra.phillips@talx.com