

CORONAVIRUS

COVID-19

Impact on unemployment

As a result of the spread of COVID-19 (coronavirus), individuals, employers and state agencies are faced with entirely new challenges around how to handle claim filings, work search requirements, specific separation issues and many other scenarios — all while maintaining a focus on employee health and safety.

Sedgwick is working to ensure our clients are kept abreast of the ever-changing legislation and its impact on their business and their workforce.

There were 6.6 million new unemployment claims filed for the week of March 28 — shattering the weekly record of 695,000 set in 1982. This volume presents significant strain on the state agencies and their systems, while also causing a tremendous challenge for employers to manage this influx of claims under reduced staff or total closure situations.

FFCRA and CARES Act

The United States federal government has quickly enacted two relief packages into law: Families First Coronavirus Response Act (FFCRA) on March 18 and CARES Act on March 27. Together, these programs seek to provide temporary relief for workers affected by COVID-19 by easing eligibility requirements and providing: (a) additional income, (b) for longer periods of time, (c) to more individuals than provided under regular unemployment compensation law.

Impact of FFCRA and CARES Act on unemployment:

- Certain waiting week requirements waived.
- Certain work search requirements waived.
- Part-time employees, freelancers, independent contractors, gig workers and the self-employed are eligible.
- A \$600 supplemental weekly Unemployment Insurance (UI) payment (in addition to what the states pay) will be paid across the board to all eligible applicants through July 31, 2020.
- An additional 13 weeks of extended UI benefits will be paid to eligible applicants through December 31, 2020.
- 50% benefit relief for government entities and non-profits.

ODJFS provisions

The Ohio Department of Job and Family Services (ODJFS) has also enacted COVID-19 specific claim procedures to simplify the process, increase the speed of payments for individuals and provide financial relief to employers. The following provisions have been enacted for employers in the state of Ohio:

- Benefit payments for COVID-19 related separations (including partial separations/reduced hours) will be mutualized for all tax paying employers. This means these costs will not affect tax rates. Non-profit organizations will receive 50% charge relief via the CARES Act Section 2103.
- Certain work search requirements are waived.
- Penalties for late contribution filing have been waived during emergency period.

Ohio unemployment COVID-19 resources

- Employer FAQs: <http://jfs.ohio.gov/ouio/CoronavirusAndEmployers.stm>
- Claims associated with COVID-19 should be filed according to instructions provided by ODJFS, including the mass layoff number of “**2000180**”
 - Filing Instructions: <http://jfs.ohio.gov/ouio/InstructionsForFilingWeeklyClaimsRelatedToCOVID-19.stm>
 - Claimant filing form: <http://www.odjfs.state.oh.us/forms/num/JFS00671/pdf/>

Social distancing guidelines are in place until April 30th nationally

- Avoid in-person meetings by using teleconferencing, web meetings or emails.
- Unavoidable in-person meetings should be brief, in large meeting spaces and attendees should sit six feet apart. Avoid shaking hands or any other contact.
- Eliminate unnecessary travel; postpone nonessential meetings, training sessions and workshops.
- Do not congregate in breakrooms or other areas. Maintain six feet of distance when at all possible.
- Avoid public transportation if at all possible.
- Limit recreational activities which are likely to have close contact with others.

All employers are faced with challenges of administration while short-staffed/closed. We urge employers to leverage your unemployment vendor for guidance and support. If you do not have a vendor or are unsure who to contact, utilize Sedgwick’s expertise. We are ready to help with:

- Consulting on your organization’s unemployment process.
- Providing state specific guidance on COVID-19 unemployment.
- Answering specific COVID-19 unemployment claim questions.