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Alabama:  One of the state’s UI Integrity initiatives to help reduce unemployment benefit overpayments and fraud is a “messaging” campaign to employers. The Alabama Department of Labor recently created a bulletin for employers, which details how they can help prevent improper UI payments and control their tax costs by: 1) reporting New Hires, as required by law; 2) responding promptly to wage/earnings requests; 3) providing separation information that is timely, complete and accurate; and, 4) timely filing reports and paying unemployment taxes.

A copy of the bulletin can be found at:  https://labor.alabama.gov/uc/Protect%20Your%20Business.pdf

We have been in contact with the Department to obtain additional guidance, and wish to share the following information with our employer clients:

New Hire Reporting  – The Department reminds employers that the reporting of newly hired or rehired workers has been a statutory requirement since 1997. Employers can submit New Hire reports electronically or online. An employer who fails to report new hires may be subject to a $25.00 fine per employee. Details on New Hire reporting requirements can be found at:  http://labor.alabama.gov/nh/.

Wage Request/Audit Forms:  In the past, the Department has accepted work history/earnings printouts in response to Form 8605A, Unemployment Benefit Payment Audit. However, these forms are now bar-coded, so the Department will only accept a completed original document. Copies won’t be accepted, since they will not scan, especially the bar-code.  We continue to work on solutions for efficient completion of wage audits, but in the interim, if we are unable to complete the form and must forward it to you, please be sure to respond on the form and do not submit a printout of the claimant’s wage history.

The Department does offer an online method for employers to respond to wage audits, Form 8605A, through their “eGov” site.  Electronic Government Service (eGov) is an Internet application that allows employers to carry out various tasks online, such as wage audit responses, filing your quarterly wage and tax reports, making tax payments via Electronic Funds Transfer (EFT), and employer account status functions such as registering for an unemployment insurance account number.  (If you use a service provider to file reports and make tax payments on your behalf, or any other eGov task, we caution you not to sign up for these tasks without first talking with that provider, so as not to disrupt processes they already have in place.)  To access and respond to Benefit Payment Audit forms via eGov, you may call the Department at 334-956-4000 for assistance, or go to https://labor.alabama.gov/eGov/login.aspx.
Separation Information: Employers should by now be aware of "UI Integrity" laws that are part of every state’s unemployment statutes. The law requires employers to provide timely, complete, and accurate information, or else they will forfeit relief of charges, if they establish a pattern of failing to provide a response in the prescribed manner.

The Department recently advised us that they are defining an “established pattern” as five violations within a (rolling) two year period. Also, any type of form the employer or its representative receives from the Alabama Department of Labor that requests information must be responded to. If no response or an inadequate response is received, either scenario will be considered in determining a pattern of failure. In addition, if the employer responds with “no further information available,” which results in the claimant being paid unemployment benefits, but then the employer subsequently files an appeal and provides disqualifying details at the hearing, this will be considered an inadequate response.

Arkansas: The Arkansas Department of Workforce Services (DWS) implemented a system a few years ago, which offers certain online functions to employers, such as filing quarterly wage reports and paying unemployment insurance (UI) contributions, applying for a new employer account number, reporting potential work refusals, responding to some forms, etc. Employers who use payroll companies or third-party services companies (TPA) to file their UI reports and pay taxes, or to handle unemployment claim processes should exercise caution in utilizing these services without first discussing it with the TPA.

There have been a few recent situations where a client made changes in the DWS online system, out of curiosity or lack of understanding, which resulted in claim notices being mailed to employer locations instead of Equifax Workforce Solutions. Clients should not log into the DWS online system and make selections for forms DWS 501.3/550 (Notice to Last and Base Period Employer) or DWS 901A (Adjudication Questionnaire) to be electronically sent or emailed to you. Doing so will disrupt the processes that we already have in place to handle these forms, on your behalf, and could lead to missed deadlines. It could also result in “instances” of untimely or insufficient responses. Under the UI Integrity laws, employers who establish a pattern of instances of untimely or insufficient response will forfeit relief of charge rights.

Florida: Throughout 2014 there have been nationwide media reports about companies that have experienced data breaches. One of the impacts of the breaches appears to be imposter claim filings – unemployment claims filed by someone using another person’s identity. Equifax Workforce Solutions (EWS) has been and continues to alert the unemployment agency of suspected imposter claims filed against our clients and their workers. When a client answers a claim request for information from their EWS claims representative that the person listed on a claim is not unemployed and didn’t file a claim, we report this to the agency and they, in turn, invalidate the claim and relieve the employer from any benefit charges. The agency continues to implement new measures so that in most cases, imposter filings are identified and stopped before a claim form is even issued to an employer (or their UI agent of record) or any benefit payments are made.
In addition, imposter claims are investigated by the agency’s fraud unit, and can even be escalated to the State Attorney’s Office for further fraud examination and potential criminal prosecution. Of course, details about the agency’s new measures or about fraud investigations by the State Attorney’s Office cannot be revealed, so as not to defeat the intent of such actions. If a worker is concerned that he or she might be a victim of identity theft, employers may direct them to: http://www.idtheft.gov or http://www.ftc.gov/faq/consumer-protection/submit-consumer-complaint-ftc so that individual can learn what steps to take.

**Michigan:** Employers who typically have holiday layoffs or vacation shutdowns, and utilize the Michigan Unemployment Insurance Agency (UIA) “employer filed claim services” can now report various special payments (holiday pay, vacation pay, bonus pay) via a new electronic process in their MiWAM system (Michigan Web Account Manager.) The Michigan UIA recently mailed letters only to those employers eligible to use this new functionality to report special payments (see a copy of the letter on page 4 of this Flash Report.) If you did not receive a letter and are an employer who has normally used UIA “employer filed claim” services, and has bulk vacation, holiday or bonus pay data to report for an impending layoff or shutdown, you may contact the agency at (313) 456-2750 for assistance.

Also noteworthy, Michigan’s hourly minimum wage increased to $8.15 on September 1, 2014, and will increase again in years 2016-2018 on January 1st. This change impacts unemployment monetary eligibility requirements for claimants, since they must meet a minimum “high quarter” amount to establish a claim for benefits, which is the state minimum hourly wage times a factor of 388.06. It also impacts the gross wage amounts that a claimant’s separating employer must have paid him or her, in order to be 100% chargeable for the first two weeks of unemployment benefit payments. The Michigan Unemployment Agency has posted a Fact Sheet at the following link to further explain the affect of the state hourly minimum wage change on benefit payments and charges: http://www.michigan.gov/documents/uia/163_-_Increase_in_Minimum_Wage_08072014_467259_7.pdf
December 8, 2014

Dear Employers,

If your workers receive vacation pay, holiday pay or bonus pay, we are happy to inform you that the Unemployment Insurance Agency (UIA) now has a process in place to automate the determination of these types of payments.

You can now notify the UIA about holiday and other special payments electronically using the Michigan Web Account Manager (MiWAM). This new process allows you to upload information about special payments for all affected employees in just one file. You will no longer have to respond to multiple sets of questions about the same instance.

Filing electronically also helps the Agency to more quickly determine the effect of special payments on benefits and decrease the chance of a delay in benefit payments for your employees.

To submit information about vacation pay, holiday pay or bonus pay through your MiWAM account, follow these simple steps:

1. Log into your MiWAM account;
2. From the MiWAM home page, select your tax account;
3. Select the Account Services tab, then the Benefit Services sub-tab;
4. Select the Bulk Vacation, Holiday, Bonus link. From this screen, you can view the file format for 3 different bulk payment types;
5. Select the appropriate payment type;
6. Create the file using the specifications listed;
7. You can then upload the file directly to the UIA by using the Import button.

After you import the file, it will then be processed by the UIA. The responses you submit on the file must apply to all the employees listed in the detail records. You will not receive Form UIA 1713 - Request for Information Relative to Possible Ineligibility or Disqualification for the employees listed on the file being charged to your account. If responses differ for some employees, please upload a separate file for each.

If you have any questions about special payments, please contact 313-456-2750. For technical issues with MiWAM, please contact 313-456-2188 or MiWAMSupport@michigan.gov.

Thank you for your continued support and investment in the State of Michigan.

Sincerely,

Sharon Moffett-Massey, Director
Unemployment Insurance Agency

UIA 6336
(12-14)

LARA is an equal opportunity employer/program.
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.
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