

Providing the Right Amount of Information at the Right Time

Whether you are managing your own Unemployment Compensation (UC) account, are using a Third Party Administrator (TPA) or are a TPA, it's incredibly important to be mindful of and responsive to any UC information requests or form responsibilities. If you're not responsive or detailed in the information you provide, it could negatively affect your rating, increase benefit charges, and increase your contribution rate.

Quality of information is extremely important, we recommend including as much detail as possible in your response, whether on forms, fact finding, payroll or determination inquiries. It is also very important to review your UC Statement of Account to ensure your account is not being charged improperly. Consider your UC Statement of Account similar to your bank account, you should be knowledgeable about your account's transactions to ensure accuracy and prevent unnecessary penalties or charges.

As a reminder, keep on the lookout for the following forms:

- The **UC-45** form is sent out to every separating employer listed on an employee's initial application for UC benefits and for every claim reopened by the employee or claimant for you to provide separation and wage information. You'll need to send this form back within four (4) business days.
- The **UC-44(FR)** form provides you, as the employer or TPA, an opportunity to request relief from your charges to the unemployment claim (if you're an employer in the base year). Even if you feel the claimant will be denied benefits, you must still request a relief from charges. The request must be filed within 15 days of the "Final Decision" mailing date.
- The **UC-44F(3)** form is your notice of financial determination to the claim filed by the claimant. If you disagree with the determination, you can file an appeal; however, it must be filed by the Last Date for Appeal included on the front of the notice.

By taking a proactive approach to provide our UC team detailed information in a timely manner, you can have a positive impact on your benefits contribution and tax rate and rest assured that your account is in order.

To make things easier and avoid paper-based information requests and responses, sign up for the [State Information Data Exchange System or SIDES](#) and make things easier and more efficient for your team.

Making Things Easier: Employer Quick Guide

In an effort to improve our customer service and assist you in getting the help you need, we've created an easy to use, quick guide to help you with any questions. You can find it on [UC.pa.gov](#) and we've included with this newsletter for printing convenience!

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2018 Actuarial Evaluation Now Available Online

The Actuarial Evaluation of the Financial Operations of the Pennsylvania Unemployment Compensation (UC) Program is an annual report that provides an analysis of the Pennsylvania UC program for the past year as well as a forecast for the UC program for the next three years.

The Actuarial Evaluation contains highlights of UC program improvements and law changes, UC cash flow analyses, a projected three-year outlook, and an overview of the economic forecasts used to estimate UC activity.

The 2018 Actuarial Evaluation is now available on the Center for Workforce Information & Analysis website at <http://www.workstats.dli.pa.gov/Products/actuarial-evaluation/Pages/default.aspx>. For additional assistance, please contact us at 877-493-3282 or email inquiries to workforceinfo@pa.gov.

The Pennsylvania New Hire Reporting Program

The Pennsylvania New Hire Reporting Program requires all employers to report basic information about all newly hired and re-hired employees in accordance with state and federal law. Administered by the Center for Workforce Information and Analysis (CWIA) within L&I, the Pennsylvania New Hire Reporting Program aids in the collection of child support from non-custodial parents.

Data collected from the Pennsylvania New Hire Reporting Program is also used to detect overpayments in the UC and Workers' Compensation programs. Since 1998, this matching process has identified more than 90,000 overpayments, resulting in the recovery of approximately \$41.62 million.

CWIA continues to increase public awareness of the New Hire Program (and increase employer compliance with reporting laws) by conducting outreach meetings with employers at local CareerLink® offices, partnering with the Department of Human Services at the local level through the Office of Child Support Enforcement, and educating and informing both the public and employers about the importance of reporting new hires.

To learn more about the Pennsylvania New Hire Reporting Program and reporting process, please visit www.cwds.pa.gov, and click in the "Report New Hires" section to proceed to the Program homepage.

Rapid Response Services Can Help Reduce UC Costs

The Rapid Response process is Labor & Industry's best way to ensure that individuals who will be affected by a permanent layoff have access to resources that can help them return to suitable work as soon as possible. Rapid Response helps to prepare affected employees for their upcoming layoff by introducing them to reemployment assistance that is available through state and federal resources, as well as community-based supportive services and UC benefits. This is a win-win situation.

If individuals facing a layoff are provided with such knowledge, the more likely they are to return to work sooner, resulting in lower UC costs to the employer. In addition, it is a good-faith effort of the company to provide all available assistance to valuable employees who are being separated through no fault of their own. If individuals are laid off without the type of information provided through Rapid Response activities, it is likely their singular thought would be, "How do I get my unemployment benefits?" In such cases, it is common for individuals to wait until they have received their last paycheck before inquiring about UC. This can be compounded by the initial confusion of wondering when the first payment would be received and how much it would be. All of these factors inevitably delay individuals from seriously considering reemployment options and getting started with their efforts to return to suitable employment. The longer individuals are off work, the harder it becomes to return to work. The quicker individuals act upon information provided by Rapid Response, the better chances of rejoining the workforce.

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Rapid Response can also assist individuals who are facing an indefinite/long-term layoff by providing information on services that may be helpful during a long period of unemployment. If a temporary layoff is planned, UC representatives are able to provide affected employees with basic information about the process of applying for UC benefits.

If your company is planning a layoff, you may contact Rapid Response Coordination Services at 866.858.2753 or ra-li-bwi-rapid@state.pa.us. A regional Rapid Response representative in your area will be notified of your inquiry and will contact you to offer assistance.

How Will Unemployment Claims Affect My Contribution Rate

If an employer qualifies for an experience-based contribution rate, the employer's rate is a reflection of the employer's unemployment compensation (UC) history from the date the employer became subject to the Pennsylvania UC law. An experience rate takes into consideration wages paid by the employer and reported to the department, contributions paid to the UC Fund and benefits that are charged to the employer's reserve account. Under the UC contribution rate formula, benefits charged to an employer's account put upward pressure on the employer's rate for subsequent calendar years.

The extent that UC benefit charges may affect an employer's rate depends on the amount of the charges in relation to other values that have a favorable impact on a contribution rate. If the amount of the benefit charges is high in comparison to the size of the employer's payroll or the amount of contributions the employer has paid to the UC Fund, the benefit charges will have a greater impact on the employer's rate.

One component of an experience rate is the "reserve ratio factor." This is the ratio of an employer's reserve account balance to his average payroll for the most recent three fiscal years. The higher the reserve ratio is, the lower the employer's rate will be. An employer's reserve account balance is determined by subtracting the benefits charged to the employer from the amount of contributions paid by the employer, over the lifetime of the employer's UC account. Benefit charges decrease the employer's reserve account balance and lower the reserve ratio, which can result in a higher contribution rate.

Another rate component is the "benefit ratio factor." This is the ratio of the employer's average benefit charges to his average payroll, both for the most recent three fiscal years. The higher the benefit ratio is, the higher the employer's rate will be. Benefit charges directly increase the benefit ratio and thus can raise the employer's contribution rate. The benefit ratio factor looks only at benefit charges for the most recent three fiscal years. Therefore, benefit charges cease to affect the benefit ratio factor when they are no longer within this three fiscal year period. However, the reserve account balance is a lifetime figure. Benefit charges never leave the calculation of the employer's reserve account balance, but their impact can be diminished over time if the employer's future contributions exceed his future charges.



Employers can start applying for the Hire Vets Medallion Program (HVMP) as of January 1, 2020. This is the only Federal Hiring Award in the country. The deadline to apply for this award is April 30, 2020. 27 Pennsylvania employers were recognized as HVMP award recipients in 2019, which was more than any other state/territory excluding Virginia and Texas. Please don't miss out on this opportunity to be nationally recognized as a Veteran friendly employer. Please read the attachment for key facts about the program.



VETERANS EMPLOYMENT AND TRAINING SERVICE
UNITED STATES DEPARTMENT OF LABOR

www.HIREVets.gov email: HIREVets@dol.gov Twitter: [@VETS_DOL](https://twitter.com/VETS_DOL)

UC Issues Update is published by the Pennsylvania Department of Labor & Industry on a quarterly basis. Questions, comments and feedback can be sent via email to uc-news@pa.gov. General UC Tax information is available by calling 717-787-7679 or outside the Harrisburg area, toll free 866-403-6163 from 8:00 AM to 4:00 PM. If you have questions regarding UC benefit charges to your account, please call 717-787-4677 from 8:00 AM to 4:30 PM. If you suspect fraud, report it online at www.uc.pa.gov under "Report Fraud," or contact 800-692-7469.

Auxiliary aids and services are available upon request to individuals with disabilities. Equal Opportunity Employer/Program