

# Frequently Asked Questions

## Unemployment during COVID-19: What you need to know

*Note: This information is Indiana specific. Although there are now federal elements to unemployment insurance, unemployment insurance is state-specific. For multi-state employers, check the state website for the location where the employee resides for information. The final determination of unemployment benefits, including eligibility and the amount of benefits, is with the State of Indiana Department of Workforce Development. This is general information and guidance.*

### 1. How have unemployment insurance (UI) requirements changed?

The CARES Act creates a new Pandemic Unemployment Assistance program (through December 31, 2020) to help those not traditionally eligible for Unemployment Insurance (UI), including self-employed individuals, independent contractors, those with limited work history and those who are unable to work as a result of the coronavirus public health emergency. Pays 50% of the unemployment insurance costs incurred by state, local and tribal governments and non-profit organizations, not part of the UI system. It also provides an expansion in the benefit payment amount an additional 13 weeks of unemployment after the state unemployment benefit is no longer available.

### 2. Who is eligible for unemployment during COVID-19?

- Employees who are terminated (layoff)
  - Employers can still contest claims if terminated for cause or if the individual voluntarily leaves employment
- Furloughed/temporary layoff employees
  - Employees must stay in contact with employer and be available to work when called back by your employer
- Employees who are reduced to part-time status (pro-rated benefit)
- Employees who cannot work due to caring for their child while their school/daycare is closed due to COVID-19 (if not otherwise receiving sick pay or leave pay)
- New individuals are covered under the CARES Act who aren't traditionally eligible
  - Self-employed individuals
  - Independent contractors
  - Those with limited work history
  - Those who are unable to work as a result of the COVID-19 health emergency

### **3. Will an employee be eligible for UI benefits if they decide to stay home because of COVID-19 with no directive from a medical professional or employer to do so?**

It's unclear, but the Indiana Department of Workforce Development says "in most cases, no. However, the facts of each circumstance are important. You can file and DWD will evaluate your claim."

### **4. How do you apply for unemployment in Indiana?**

Apply as soon as possible for benefits through [this website](#). The application is completely online, and in addition to a valid email address, you will need your most recent paystub. The claimant handbook explains the entire process.

### **5. How much does Indiana State unemployment pay?**

Generally, 47% of wages to a maximum weekly benefit of \$390. There is a specific and technical calculation for base wages that you can find in the [claimant handbook](#).

### **6. What is the additional federal unemployment payment benefit?**

The CARES Act provides up to an additional \$600/week payment to each UI or Pandemic Unemployment Assistance recipient through the end of July 2020. It also provides an additional 13 weeks of unemployment to help those who remain unemployed after weeks of state unemployment are no longer available.

### **7. When can you expect to receive your first payment?**

Benefits are typically received within three weeks if there are no issues with the initial application.

## **8. Does Indiana still have the one week waiting period for benefits?**

No. The one-week waiting period for payment of UI was waived by the Governor's Executive Order on March 26, 2020. The waiver is retroactive to the week of March 8, 2020. This means that benefits will be paid for the first week the individual is eligible. Per the DWD, this week of benefits may not appear immediately in the claimant's account, but they are working diligently to get this week added on each eligible claim.

## **9. Can you collect unemployment insurance benefits for time in which you receive pay for paid sick leave and/or expanded family and medical leave?**

No. If your employer provides you paid sick leave or expanded family and medical leave, you are not eligible for unemployment insurance. However, each state has its own unique set of rules; and DOL recently clarified additional flexibility to the states (UIPL 20-10) to extend partial unemployment benefits to workers whose hours or pay have been reduced. Therefore, individuals should contact their state workforce agency or state unemployment insurance office for specific questions about eligibility. For additional information, please refer to these two sites – [here](#) and [here](#).

## **For Employers**

### **10. If I lay people off due to COVID-19, will it affect my Merit rate / tax rate next year?**

Layoffs due to COVID-19 will not be charged to contributory employers but will be mutualized to the entire contributory employer pool. More information regarding this will be sent to employers soon. Layoffs by reimbursable employers will be charged to the employer dollar-for-dollar in the same manner they have always been charged.

### **11. If I reduce my employees' hours but they are still employed, are they still eligible for UI benefits?**

They may be eligible for benefits, but part-time employment during the week claimed will reduce the amount of benefits paid for that week. If employees do work while receiving benefits, those employees must report any money earned on the voucher for the week they worked (not the week they ultimately get paid for the work).

## **12. What information do I need to provide to the Department of Workforce Development as an employer?**

You will receive notices when claims are filed and paid and potentially requests for information from the DWD. To support your employees/former employees and ensure the process continues as quickly and efficiently as possible, please respond to all information requests as soon as possible. *Note: These are often sent via US Mail, so check your business mail if possible and safe.*

### **Key Resources Related to Unemployment**

- [Indiana Website to File an Unemployment Claim](#)
- [Indiana Dept of Workforce Development EMPLOYER FAQ](#)
- [Indiana Dept of Workforce Development EMPLOYEE FAQ](#)
- [Indiana Department of Workforce Development UI Claimant Handbook](#)
- [SHRM CARES Act Summary](#)
- [Department of Labor FFCRA FAQ](#)