



Unemployment: The Hidden Cost of Growing Businesses

Presented by: Meghan Avery, Director of Operations
Educating the marketplace, one client at a time.

www.utcainc.com

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Who is UTCA?



- 28 years as the industry leader in unemployment cost management
- Offices in Springfield and Boston
- Full Service Third Party Agent (TPA) representing employers of all sizes and industries.



Why Do I Care?

- **Overlooked area of cost**
 - Adds workforce expense
 - Bottom line impact
- **Misinformed unemployed statistics**
 - Turnover industries persist
 - “Grass is Greener” increase
 - Part–timer nickel and dimers
 - MA benefit rates continue to increase
- **Controllable**
 - Insurance, not public assistance



Most in Mass

Weekly Benefit Amount

\$769

Total Potential Liability

\$23, 070

(30 Weeks)

Weekly Dependent Allowance:

\$25 per dependent / up to 50% of the WBA (\$385)



Tax Rated

- Payments based on assigned tax rate and your taxable payroll
- Charge relief / subsequent employment

Reimbursable

- Alternative method available to registered 501C 3
- “Dollar for Dollar”

Breaking Down Your Rate

- Your ability to limit higher tax payments lies in **controlling benefit charges**

HOW YOUR 2018 CONTRIBUTION RATE IS COMPUTED:

1. Your beginning ACCOUNT BALANCE as of 10/1/2016:	\$2,455.10
2. Plus CONTRIBUTIONS PAID through 10/31/2017:	\$2,419.03
3. Minus the BENEFIT CHARGES to your account:	\$12,461.54
4. Minus the UNAPPLIED CREDITS/REFUNDS to your account:	\$0.00
5. Minus the SOLVENCY ASSESSMENT (3rd Year WAGES, 10/1/2016 through 9/30/2017 x 0.76 %):	\$566.04
6. Any ACCOUNT BALANCE ADJUSTMENTS (+ or -):	\$0.00
Includes Voluntary Contribution payment of \$0.00	
7. Any transfer of EXCESS RESERVES (+ or -):	\$0.00
8. These amounts equal your ACCOUNT BALANCE as of 9/30/2017:	(\$8,153.45)
9. Average Annual Wages Subject to Contributions over the last Three Years:	\$71,856.48
- 1st Year Wages, 10/1/2014 through 9/30/2015: \$63,316.50	
- 2nd Year Wages, 10/1/2015 through 9/30/2016: \$77,774.63	
- 3rd Year Wages, 10/1/2016 through 9/30/2017: \$74,478.30	
10. This results in RESERVE PERCENTAGE of:	-11.34%
11. This percentage has been applied to 2018 Experience Rate Schedule D	
12. Your 2018 UI Contribution Rate is:	9.420%

Rules of Engagement

Employer or agent responsibility

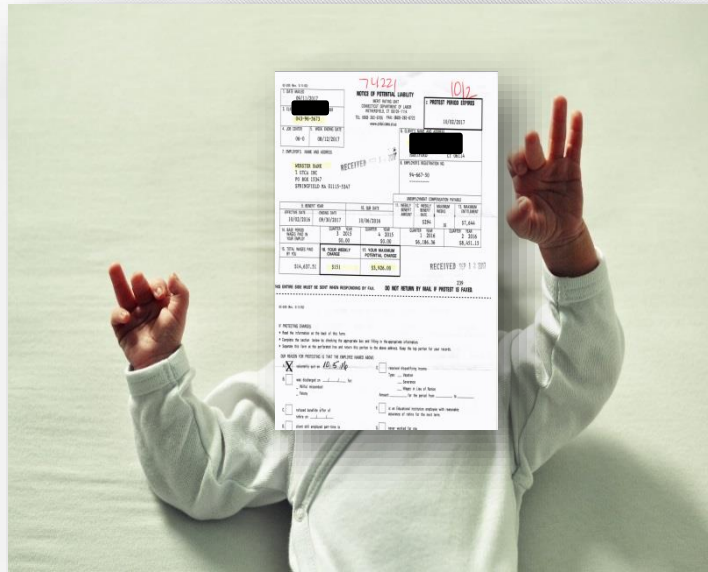
- Diligence - Check early and often
- Pro-active - Have a process
- No “hand holding”
- Benefit Integrity
 - Timeliness and Adequacy



Consequences

- Missed opportunities to protest costly claims
- Increased charges, higher tax rates
- Wasted time and resource drain – chasing poor cases

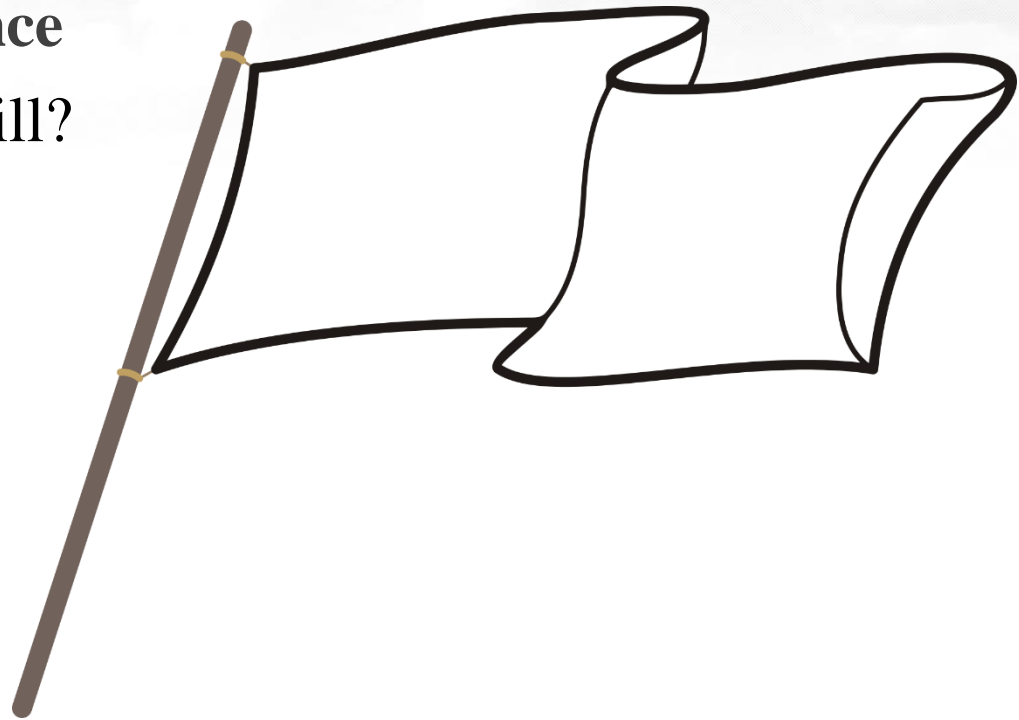
The Circle of (Claim) Life



- Eligibility criteria - Able and Available standard
- Information request and correspondence
- Initial Determination Process
- Hearing and Appeals

Taking a Knee

- **Lack of Work**
 - Not a “consolation” prize
- **Poor Job Performance**
 - Lack of effort or skill?

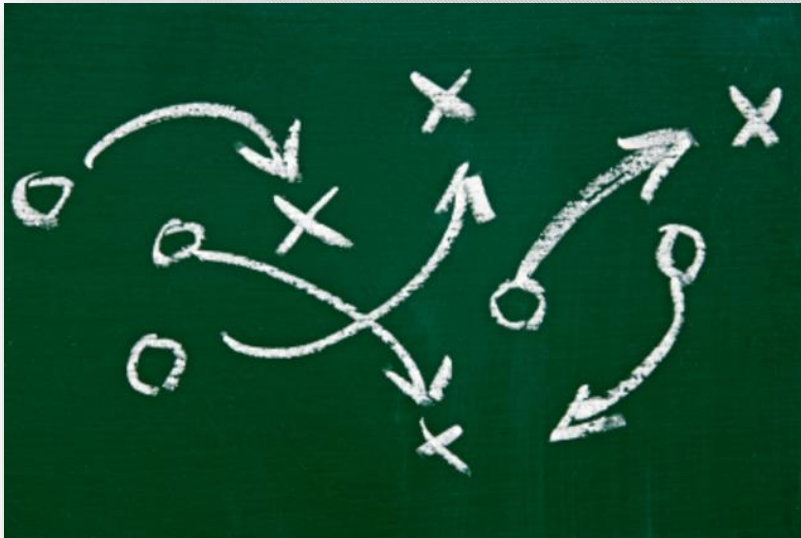


Protesting with Purpose

- **Voluntary resignations**
 - “Good Cause”
 - Attempts to preserve
- **Discharges**
 - Deliberate misconduct
 - Violation of policy
- **Still Employed**
 - Terms of hire
 - Accepting available work



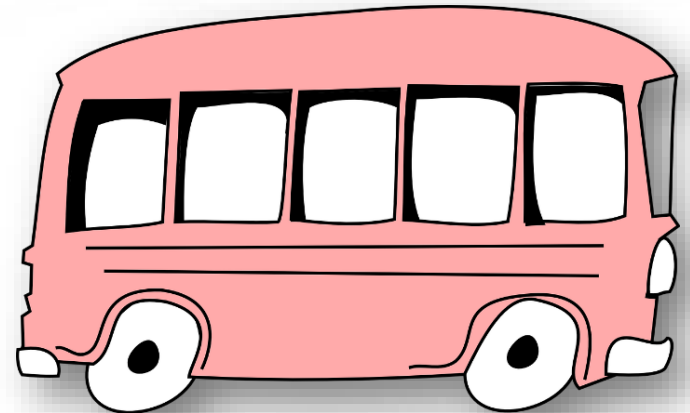
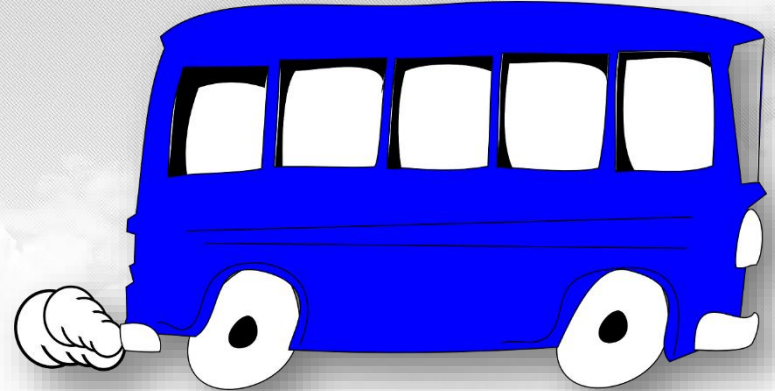
Game Plan



- Employee handbook
- Corrective action procedure
- Absenteeism & attendance
- Investigative / corrective suspensions
- “Acknowledgement of receipt”
- Strong documentation

UI Hearings: In the Line of Fire

- Credibility is key
- No hearsay
- Direct knowledge witnesses are vital
- Blue bus vs. Pink bus



Not So Common Sense

APPROVED



DENIED



Overloaded?

- Best practices = best outcomes
- Don't overlook this savings opportunity
- Not sure where to start?
 - No-obligation assessment



Meghan Avery
Director of Operations
mavery@utcainc.com
413-732-8084