

Protect Your Business From Higher Taxes

Help Prevent Improper Payment of
Unemployment Insurance (UI) Benefits



What exactly is an “improper” payment and what causes an “improper” UI payment?

An improper payment of UI benefits means that a claim for benefits was paid in error. An improper payment of benefits can result when **inaccurate information** is provided by the claimant or employer, or when information is not received by the UI office in a timely manner.

- Improper payment of benefits is a serious problem that has a financial impact on employers and can result in higher UI taxes to all employers.

What can you do to help prevent improper UI payments?

Be an active partner to help improve payment accuracy. Help reduce employer costs by taking three critical steps to provide important information to the Unemployment Insurance program.

1. Report all new hires and rehires to the State Directory of New Hires by the due date.

Employers are required to report newly hired as well as re-hired employees to the State Directory of New Hires (SDNH). The requirement for reporting re-hired employees changed with the federal enactment of the Trade Adjustment Assistance Extension Act of 2011. For purposes of reporting to the SDNH, employers must report employees who return to work for the employer after 60 days of last working for the same employer.

Timely reporting of all new hires and rehires helps prevent payment of ineligible UI claims after an individual has returned to work. For additional information or assistance on reporting new hires go to <http://dwd.wisconsin.gov/uinh> or contact us at 1-888-300-4473.

2. Respond promptly to any “Request for Verification of Weekly Earnings” from UI.

A prompt response to a request for verification of employee weekly earnings will help prevent improper payment of UI benefits. (An employee may be eligible for a partial UI payment, based on part-time work.) For your convenience, most of these requests provide you the option to reply online.

3. Provide complete and accurate Employee Separation Information.

Avoid the need for costly appeals or overpayment of benefits. Provide separation information to help determine claimant eligibility for benefits, and as a result, accurate benefit charges to employers. For your convenience, most of these requests provide you the option to reply online.

The Costs and Consequences of Non-Compliance

Companies that do not comply with state and federal UI requirements for providing employee information face a number of preventable costs and consequences, including:

- ✓ Improper account charges for benefits paid to ineligible claimants
- ✓ Increases in employer UI taxes
- ✓ Possible fines and penalties

In addition to following the UI requirements for reporting employee information, employer partnership with the UI program is just good business.

For more information, please visit <http://unemployment.wisconsin.gov>