Dear Employer:

Delivering innovative unemployment insurance services to our customers is the hallmark of the UIA’s vision. Our goal is to make sure unemployed workers and you — our employer customers — are able to manage and understand the unemployment insurance system.

One way we’re doing that is by holding our annual Employer Seminars. If you haven’t been before, these seminars are a perfect opportunity for you to meet agency representatives face to face and learn and ask questions about unemployment insurance issues that are most important to you. See page 5 for more information and for a link to online registration. If you’re unable to make it to one of the seminars, you can find a link to the seminar presentation at the UIA website, michigan.gov/uia.

Through our Employer Advisory Council, we’re gaining insight directly from employers and employer representatives about ways to ensure the best service delivery for our customers. We welcome and encourage your comments as well. Please take the time to fill out our online customer survey and let us know how we’re doing. You can find a link to the survey on the home page of the UIA website, michigan.gov/uia.

Our Office of Employer Ombudsman (OEO) is also available to provide you with an immediate connection to UIA. Under the direction of a new manager, Denise Herring-Davis, OEO is committed to making your interactions with the UIA positive and productive. Be sure to contact the OEO by email at oeo@michigan.gov or by phone at 855-484-2636 if you have questions about your employer account or any unemployment and tax related issues.

And finally, the UIA is working hard to protect your business and your workers from fraud and unemployment identity theft (see story, p. 2). Unemployment fraud can potentially cause an increase in employer taxes as well as a decrease in available funds for unemployment benefits for those who legitimately need it. Please see the story by the director of the Talent Investment Agency, Stephanie Comai (p. 4, “Rooting out Fraud in Unemployment Insurance”). Director Comai addresses concerns that the UIA’s automated system is determining fraud and what the UIA is doing to address those issues.

And if you have a question about your account, please feel free to contact us through your MiWAM account, by contacting the Office of Employer Ombudsman at 855-484-2636 or oeo@michigan.gov, or send an email to employeradvisor@michigan.gov.

Sharon Moffett-Massey, Director
Unemployment Insurance Agency
Protecting Your Business and Employees from Identity Theft

Identity Theft is on the rise in both the private and public sector. The growing problem of committing unemployment fraud using stolen IDs not only affects the victims — those who have had their personal information compromised — but it also can have a negative effect on an employer’s tax rate.

Identity theft occurs when someone uses another person’s information to take on his or her identity. Identity theft can include wage and employment information as well as credit card and mail fraud. In the case of unemployment benefits, it could mean using another person’s information such as name, Social Security Number and employment information.

As employers, you can help save millions of dollars in fraudulent payments that might otherwise go undetected by identifying suspected fraud. In many cases, employers may be the first to have information that unemployment fraud is occurring.

What You Can Do to Protect Your Employees from UI Benefit Fraud and Lessen the Impact on Your Tax Rate

REVIEW Your Employer Notices

- UI benefits paid to your current employees represent a charge to your account and may impact your tax rate. To protect your account, carefully review all notices received in your MiWAM account or by mail. When an employee files a claim for unemployment, employers will receive Form UIA 1575E, Monetary Determination, by mail and online via their MiWAM account. The monetary determination will contain information about the employee, the reason for separation, dates of employment and more. If you notice inaccurate information, or if the employee referenced is still working for you, it is very important that you notify the UIA immediately (via MiWAM). Protesting the monetary determination (Form 1575E) timely in these occurrences may be the best way to stop a fraudulent claim from being paid.

- The victim attempts to file an unemployment claim and one already exists for them.
- The victim receives an IRS statement of benefits collected (Form 1099G) from the Unemployment Insurance Agency (UIA).
- The victim’s federal or state income taxes are intercepted.
- The victim’s employer is notified that a claim for benefits has been filed when the victim is still employed.

What should your employees do if they become a victim of identity theft?

- Contact the Unemployment Insurance Agency immediately to report the fraud. Report fraud to the UIA online at michigan.gov/uia through the Report Fraud link or call the UIA Fraud hotline at 1-855-UI-CRIME.
- Report in person to the nearest UIA Problem Resolution Office with a government issued Photo ID and one other form of identification (social security card, official name change documentation, official marriage license, or official U.S. Citizenship and Immigration Services document) to complete form UIA 6349, Affidavit of Identity Theft.
- File a police report. Get a copy of the report to submit to your creditors and others that may require proof of the crime.
- Report the payment to the IRS as a fraudulent payment by completing an IRS affidavit, Form 14039. Obtain the form online at https://www.irs.gov/pub/irs-pdf/
Protecting Your Business and Employees from Identity Theft

- Remember to verify Social Security Numbers when provided at the time of hire, to ensure that your employees’ names and Social Security Numbers (SSN’s) match the Social Security Administration’s records. Visit the SSA at [www.ssa.gov/employer](http://www.ssa.gov/employer) to verify names and SSN’s online.

- Review and verify all of the information on Form UIA 1136, Bi-Weekly Statement of Charges/Credits to the Employer’s Account. This bi-weekly statement identifies each person receiving unemployment benefits and the amount being charged to your account.

- Review Form UIA 1770, Summary of Statement of Benefit Charges and Credits. This quarterly statement summarizes information previously included on Form UIA 1136.

Establish a Strong Data Security Plan

- Protect your employees’ Personally Identifiable Information (PII).

- Do not use Social Security Numbers or driver’s license numbers to identify employees on internal documents, correspondence, etc. Use an alternate employee ID number.

- Limit access to personal information to those employees who need it to perform their job duties.

- Don’t mail, e-mail or fax correspondence to the UIA or other outside sources that include personal identifying information. Don’t leave any PII in plain view in the work place.

- Don’t share your MiWAM or any other web account credentials where PII is utilized.

What to Do if You Suspect Fraud or Identity Theft

- Immediately protest the Monetary Determination or the Bi-Weekly Statement of Charges/Credits to the Employer’s Account. To be timely, the protest must be received by the UIA no later than 30 calendar days from the mail date shown on the first page of the form (UIA 1575E or UIA 1136). Please note that although you have 30 days to protest, notifying the UIA within 10 days of the mail date on the monetary determination will help prevent the claim from entering pay status.

  - To send a protest through MiWAM, select the Account Services tab, then the Benefit Services sub-tab. The link to Determinations and Decisions allow you to protest the Monetary Determination. The link to View Benefit Charges & Credits allows you to protest the UIA 1136, Bi-Weekly Statement of Charges/Credits to the Employer’s Account.

  - To submit a written protest, mail or fax as instructed on the letter.

- Please be aware that once payments begin, they will continue until the investigative process is complete.

- Have the victim report the fraudulent activity immediately.

- You can also report fraud to the UIA online at [michigan.gov/uia](http://michigan.gov/uia) or by calling the UIA Fraud hotline at 1-855-UI-CRIME.

For more information on how you can protect your business from unemployment identity theft, contact the UIA Office of Employer Ombudsman at 1-855-484-2636 or OEO@michigan.gov.
Losing a job is traumatic. People worry about putting food on their tables, paying the rent and caring for their families.

Michigan has a system in place to assist residents facing these challenges while they find new jobs or obtain new skills to find a place in our state's economic recovery.

But there are some who attempt to claim benefits to which they are not entitled. Unemployment insurance fraud is a problem that hurts Michigan residents who need it, as well as the people who hire them, which ends up in higher taxes and creating obstacles to creating more and better jobs.

The Unemployment Insurance Agency has intensified efforts to root out fraud, and was encouraged by state lawmakers and the U.S. Department of Labor to more thoroughly investigate potential cases. UIA's new, enhanced system helps ensure people who legitimately need the benefits are the ones receiving them.

According to UIA estimates, nearly $40 million was paid to people later determined to have committed fraud between October 2013 and September 2015. That means less money is available in the unemployment trust fund for people depending on the benefits. It potentially means raising taxes on employers, who are the sole contributors to the trust fund. Small businesses, the backbone of Michigan’s economy, pay a figure equal to 3.7 percent of their payroll into the fund.

Raising that rate could hinder opportunities for employers to invest and expand. Michigan has made tremendous job gains since the end of 2010, creating 450,000 private sector jobs and lowering the unemployment rate from 11.2 percent to 4.8 percent. We must keep moving in the right direction.

The Michigan Integrated Data Automated System is a relatively new tool that enhances the agency’s capacity to identify fraud in a more efficient and cost-effective manner.

The agency has faced some challenges. We’ve made changes because the UIA always strives to improve. The agency is committed to taking its customer service to an even higher level to ensure Michiganders receive the services they need. Michigan is now meeting or exceeding all federal customer service standards in connection with the quality and timeliness of unemployment determinations — including the timeliness of issuing that vital first payment to people needing the benefits.

The automated system allows the UIA to discover more potential fraud than it had previously, and the ability to clear up a significant backlog in a relatively short time. In fact, more aggressive efforts were strongly encouraged by the Department of Labor and by Michigan’s auditor general in a report released in March 2011.

There have been concerns that the automated system determined that some people with legitimate cases had committed fraud, and that efforts to contact some people in this situation were unsuccessful.

We’ve made changes to address such concerns. As of August 2015, the UIA no longer uses the automated system to issue fraud determinations. Instead, trained staff investigates, reviews and makes the determination in all fraud cases, which includes the additional step of contacting the claimant and/or employer for additional information if needed. We know each person’s case is different and people can make honest mistakes, especially during trying times. Where it is ultimately determined that a person does not owe restitution, refunds are issued.

The UIA’s goal is to make sure people get the help they need and are treated fairly while maintaining services for those who truly need them.

The UIA will continue to look at ways of improving its services and stands ready and willing to tackle any issues that cause barriers to having an efficient and customer-friendly unemployment insurance program.
Register Now for Annual Employer Seminars

If you haven’t already signed up for one of the UIA’s 2016 Employer Seminars – there’s still plenty of time! Presented by the UIA for the past several years – the seminars cover the areas of Michigan’s unemployment insurance system that employers most often have questions about and provide opportunity for questions and answers.

The seminars, which began in May, are held at locations around the state through August 3.

“This year’s sessions will help users take full advantage of the Michigan Web Account Manager (MiWAM) system,” said Sharon Moffett-Massey, director of the Unemployment Insurance Agency. “We want to make sure employers have a clear understanding of the benefits and features of using the online system to manage their unemployment tax accounts.”

The seminars will also feature information on Michigan’s Work Share program, which helps companies avoid layoffs and keep their skilled employees working, as well as business services available through the Workforce Development Agency and the Michigan Works! Association. Time will also be allotted for questions and answers about unemployment insurance. Attendees may submit questions in advance to be addressed during the seminar. Questions should be emailed to employeradvisor@michigan.gov with 2016 Employer Seminar in the subject line.

For a schedule of the remaining seminars, and a link to the online registration, visit the UIA website at www.michigan.gov/uia.

For more information, contact the Office of the Employer Ombudsman at 1-855-4-UIAOEO, or 313-456-2300, or email OEO@michigan.gov.

Comments from the Employer Seminars . . .

“Presenters were very knowledgeable about their topic”

“The discussion on benefits was very thorough and well put together.”

“Knowledgeable, friendly reps who knew their stuff and weren’t afraid of questions.”

“Good explanations of needed information and basics.”

“Informative, clear and a nice pace.”
We placed a person on layoff about 7 months ago and he used his 20 weeks. We rehired him and he only worked 2 months before he was placed on layoff again. Can he get unemployment benefits now if he has only worked two months?

It depends on whether he can establish a new benefit year and has earned sufficient wages to establish a new claim. A benefit year is the 52 week period following the date a person files their claim. If a person receives all of their weeks of benefits before the one year period ends, they must wait until their benefit year ends before filing a new claim. A person may collect some benefit weeks and return to work. If that person becomes unemployed again before their benefit year ends and have weeks of benefits left (a balance), they can re-open their claim (or file an additional claim).

My question deals with employees collecting unemployment. We are a non-profit preschool that is open from September through May. If an employee is given reasonable assurance they will have a position when we return in the fall can they collect unemployment for the summer months we are closed?

A school denial period can apply; however, it depends on whether the preschool is public or private and its source of funding. Section 27(i) of the Michigan Employment Security Act says that unemployment benefits must be denied to school workers during a school vacation period (in most cases) or during a period between school years or terms if the person has reasonable assurance from a school of returning to a similar job following the denial period. This applies to one who works for a school district, a community college district, a college or university, a school run by the state, a charter school and to a school that is a non-profit organization. This does not apply to a person who works for a private school.

**Employer Reminder**

*Keep your address updated!*

- Because the UIA issues fact finding forms, determinations, redeterminations, and other items which affect a claimant’s benefit rights and an employer’s UI taxes, it is very important that both sides to an unemployment claim update their contact information with the Agency in the event of changes to your mailing or email addresses.

Update your address in your MiWAM account. Log into your account and select the current Claim ID. Select Names and Addresses in the upper right tab.
Do You have the Required Signs Posted in Your Work Area?

Most employers are familiar with the requirement to post notices informing employees of their rights, health and safety hazards, and equal employment opportunity, but are you posting the notice to employees about Unemployment Benefits available from the UIA?

If you are an employer in the State of Michigan, with one or more employees, you are required by law to post a notice to employees informing them of their employment rights and various workplace laws and regulations. The postings must be available in a common area and clearly visible to employees.

A required poster available from the UIA is Form 1710, Notice to All Employees: Information About Unemployment Benefits. The poster notes that the employer is covered by the Michigan Employment Security Act and contains instructions on how to file a claim. Download the form at michigan.gov/uia. Employers are also required to provide a completed copy of Form UIA 1711, Unemployment Compensation Notice to Employee to each employee before or at the time of separation from your employee.

Other posters required by the State of Michigan include:

From MI Dept. of Licensing and Regulatory Affairs
- Michigan Occupational Safety and Health Administration (MIOSHA)
  - Michigan Safety and Health Protection on the Job
  - Michigan Right to Know Law (two posters: 2105 and 2106)
  - Michigan Whistleblowers Protection Act
  - Log and Summary of Occupational Injuries and Illnesses

Wage and Hour Division
- Michigan Minimum Wage Law, General Rules and Overtime Compensation Rules (three posters)

Department of Civil Rights
- Michigan Law Prohibits Discrimination

Federal: U.S. Department of Labor
- Employee Polygraph Protection Act
- Federal Minimum Wage Law
- Equal Employment Opportunity Is the Law

Click here for information on other required workplace posters.