Overview

Both Vermont and the federal government have made changes related to unemployment insurance and paid family and medical leave that impact employers including home health agencies, particularly when combined. This summary was prepared based on a conference call for Vermont association executives with the Vermont Department of Labor.

Unemployment Insurance

Vermont law H. 742/Act 91, has expanded the reasons individuals can qualify for unemployment (starting on page 30 of the Act) including:

- to care for a child under 18 years of age because the child’s school or childcare has been closed;
- belonging to a specific class or group of persons that have been identified as being at high-risk if exposed to or infected with COVID-19;
- an unreasonable risk that the individual could be exposed to or become infected with COVID-19 at the individual’s place of employment. The VT DOL will weigh if the employer is following VDH, CDC or OSHA guidance to make this determination.

Act 91 protects some employers that rehire within 8 weeks from a ratings impact if employees claim benefits. See the Vermont Department of Labor webpage for more information.

Employees are disqualified from receipt of unemployment benefits if they are receiving payroll support via the employer qualifying for the federal Paycheck Protection Program.

While the DOL employer services phone line is not being actively staffed, they are responding to voicemail.

Employees are strongly encouraged to submit claims via an online form.

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The federal CARES Act allows unemployment benefits for those who don’t typically qualify under state law (self-employed, independent contractors and those without enough earnings history) and also increases the weekly benefits by $600 for everyone receiving benefits. This provision applies to anyone receiving benefits under state law, including new state provisions passed in response to COVID-19. This increase started the week ending April 4th and will continue through July 25th.

VT DOL recognizes that this could create incentives for lower paid health care employees to leave the workforce when combined with the new Vermont provision about childcare-related benefits. Vermont policy makers in the legislature and Administration are aware of this issue.

Relief for Not-for-Profit “Reimbursable” Employers

In Vermont, 501(c)(3) non-profits can elect to be “reimbursable” for purposes of the unemployment insurance tax. They pay no unemployment tax, but when an employee collects unemployment benefits, the Vermont DOL bills the employer for those benefits on a dollar-for-dollar basis. Billing is done quarterly and is known as a “charge back.” Under Section 2103 of the CARES Act, “reimbursables” will be relieved of 50% of those charges for benefits paid from March 13, 2020 through December 31, 2020.

USDOL Guidance on the CARES ACT Unemployment Insurance provisions is HERE.

FFCRA - Family & Sick Leave

The federal Families First Coronavirus Response Act (FFCRA) requires employers of fewer than 500 to provide employees 12 weeks of job-protected leave for health or family needs. 10 weeks of this time must be provided at 2/3 the employee’s usual salary. Employers must also offer up to 2 weeks of sick time at regular pay. There are several exemptions relevant to health care employers:
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- Any employee of a health care provider—whether a licensed health care professional, or administrative or technical support staff—may be excluded from paid leave and sick time requirements.

- There is a small business exemption for employers with fewer than 50 employees. This exempts employers from providing paid leave to an employee who requests leave due to school or child care closures if provision of the leave would jeopardize the viability of the business for certain specified reasons.

If an employer does provide paid leave, FFRCA also provides small and midsize employers refundable tax credits that reimburse them, dollar-for-dollar, for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19.

USDOL guidance on FFCRA is available HERE. https://www.dol.gov/agencies/whd/pandemic/ffcra-questions

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