

Unemployment Insurance

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Policy

The Department of Commerce, Division of Employment Security (DES) has sole jurisdiction over decisions concerning unemployment insurance (UI) claims adjudication and benefit rights, and has adopted regulations in conjunction with Employment Security Law for claims processing and benefits administration. It is the policy of the State to comply with Employment Security Law and DES regulations in a cooperative and expeditious manner. The purpose of this policy is to assure employees the benefits provided by law while protecting the State from undue benefit charges.

Coverage

Effective January 1, 1978, the North Carolina General Assembly provided unemployment insurance coverage for all State employees, including temporary, except those exempted under Section 96-8 (6) I of the Employment Security Law of North Carolina. The coverage applies to employees who work within or both within and without the State and employees working on a State vessel, a State aircraft, or outside the U. S.

Types of work not covered are:

- Elected officials and members of the Legislature,
- Members of the judiciary,
- State and Air National Guard,
- Certain employees serving on a temporary basis during an emergency due to fire, snow storm, earthquake, flood, or similar emergency,
- Policy-making and advisory positions requiring less than 8 hours per week,
- A student enrolled and regularly attending classes at the institution where employed,
- A spouse of a student enrolled and regularly attending classes if advised at the time service commences that: (a) employment is provided under a program to

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provide financial assistance, and (b) such employment will not be covered by unemployment insurance,

- A student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience - the program must have been established for or on behalf of the students rather than for an employer or group of employers and certified that it is an integral part of such a program to the employer,
- An inmate working for a hospital in a State correctional institution,
- A patient working in any State hospital, and
- A minister (chaplain) working for a facility in rehabilitation activities.

Administration

The Office of State Human Resources shall design, effect, and maintain a centralized UI Cost Management Program, which shall have as its goal effective claims administration and the control of benefit costs. This goal shall be accomplished by improved communications and agency training on UI issues and procedure, conscientious monitoring and administration of individual claims and benefit charges, examination of payment options, the creation and maintenance of a comprehensive UI database, and related efforts. When it is determined advantageous and cost effective, the Office of State Human Resources may engage the services of a qualified service firm to provide claims administration support.

Office of State Human Resources Responsibilities

The Office of State Human Resources shall designate a UI Coordinator, whose responsibility it shall be to coordinate the overall program. The duties of the UI Coordinator shall include:

- Development and distribution of a UI Cost Management Procedures Manual
- Contract oversight to assure the delivery of services, where a third party firm is engaged to establish and carry out a centralized claims administration system
- Action as an intermediary between state agencies and the claims services firm, if such a firm is retained

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- Development and delivery of agency training programs on UI administration
- Service as a technical resource to the agencies on UI matters
- Assimilation of a comprehensive UI data base, which accurately records claims activity and benefit charges to state accounts, and provides the basis for sound reports that can be used to guide management decisions
- Initiation of studies, recommendations and reports relevant to UI cost management
- Recommendations concerning the design and cost effectiveness of the centralized UI Program
- Coordination with the Office of State Budget where there is a need to examine costing methods or financial aspects
- The monitoring of legislative actions concerning UI laws and benefits, and serve as spokesperson before legislative committees when it is within program interests
- Coordination with DES on relevant questions and issues

Agency Responsibilities

Each agency and institution shall designate an employee, preferably with working knowledge of the unemployment insurance function, to coordinate the flow of necessary information between the agency, the Office of State Human Resources, and any claims administrator retained by the Office of State Human Resources. The specific responsibilities of the Agency UI Coordinator are as follows:

- Participate in the UI training opportunities offered by the Office of State Human Resources or its designated claims administration firm. Develop a working knowledge of the procedures outlined in the Procedures Manual for the centralized cost control program.
- Ensure that agency hiring authorities maintain adequate documentation to provide and support the separation information required by the DES on individual claims.

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- Provide detailed and timely wage and separation information, as necessary for the DES to properly adjudicate an individual's claim for benefits, and to protect the State's interests against undue benefits.
 - Work with the Office of State Human Resources or its designated claims administrator to coordinate attendance of necessary witnesses and to assure the availability of documentation for UI hearings.
 - Communicate to the Office of State Human Resources or its designee any agency issue or action which may affect an individual's benefit entitlement.
 - Act as agency liaison for obtaining other information which may become relevant and valuable to the interests of the central UI cost management program.
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