IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

Jenae Michaelsen Claimant

APPEAL 20A-UI-06295-BH-T

ADMINISTRATIVE LAW JUDGE DECISION

Dermatology PC Employer

> OC: 03/22/20 Claimant: Appellant (1)

Iowa Code section 96.5(1) – Voluntary Quit

Iowa Administrative Code rule 871-24.25 – Voluntary Quit Without Good Cause Attributable to the Employer

Iowa Administrative Code rule 871-24.26 – Voluntary Quit With Good Cause Attributable to the Employer

STATEMENT OF THE CASE:

The claimant, Jenae Michaelsen, appealed the June 3, 2020 (reference 01) unemployment insurance decision that denied benefits based upon a finding Michaelsen voluntary quit her job with Dermatology PC (Dermatology) without good cause attributable to the employer. The agency properly notified the parties of the appeal and hearing.

The undersigned presided over a telephone hearing on July 20, 2020. Michaelsen participated personally and testified. Dermatology participated through Shelly Murray and Ashley Willer.

ISSUES:

Was Michaelsen's separation from employment with Dermatology a layoff, discharge for misconduct, or voluntary quit without good cause attributable to the employer?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the undersigned finds the following facts.

Dermatology hired Michaelsen on May 1, 2017. She worked there full time as a licensed esthetician and dermatology technician. Michaelsen resigned from Dermatology effective April 30, 2020.

Michaelsen's husband contracted COVID-19. The day care Michaelsen's children attended closed because of COVID-19. This meant Michaelsen no longer had child care for her children. Later, both children developed COVID-19 symptoms.

Michaelsen resigned from Dermatology because she no longer had child care due to the children's day care ceasing operations because of COVID-19. She also had to provide care to her husband and quarantine because of her exposure to him.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the undersigned concludes Michaelsen left employment with Dermatology without good cause attributable to the employer under the Iowa Employment Security Law, Iowa Code chapter 96.

lowa Code section 96.5(1) disqualifies a claimant from benefits if the claimant quit she job without good cause attributable to the employer. The lowa Supreme Court has held that good cause requires "real circumstances, adequate excuses that will bear the test of reason, just grounds for the action, and always the element of good faith." Wiese v. Iowa Dep't of Job Serv., 389 N.W.2d 676, 680 (Iowa 1986). Moreover, the court has advised that "common sense and prudence must be exercised in evaluating all of the circumstances that lead to an employee's quit in order to attribute the cause for the termination." Wiese v. Iowa Dep't of Job Serv., 389 N.W.2d 676, 680 (Iowa 1986).

According to the Iowa Supreme Court, good cause attributable to the employer does not require fault, negligence, wrongdoing or bad faith by the employer. *Dehmel v. Employment Appeal Bd.*, 433 N.W.2d 700, 702 (Iowa 1988). Good cause may be attributable to "the employment itself" rather than the employer personally and still satisfy the requirements of the Act. *E.g. Raffety v. Iowa Employment Security Commission*, 76 N.W.2d 787, 788 (Iowa 1956). The test is an objective one:

A burden-shifting framework is used to evaluate quit cases. Because an employer may not know why a claimant quit, the claimant has the initial burden to produce evidence suggesting the claimant is not disqualified from benefits under Iowa Code section 96.5(1) *a* through *j* and section 96.10. If the claimant produces such evidence, the employer has the burden to prove the claimant is disqualified from benefits under section 96.5(1).

Iowa Administrative Code rule 871-24.25 creates a presumption a claimant quit without good cause attributable to the employer in certain circumstances. Under rules 871-24.25(17) a claimant is presumed to have quit her job without good cause attributable to the employer if the claimant's left because of lack of child care. And rule 871-24.25(23) creates the same presumption if the claimant quit due to family responsibilities or serious family needs.

Here, the evidence shows that Michaelsen quit because she no longer had day care services after the provider shut down because of COVID-19. Michaelsen therefore left employment voluntarily without good cause attributable to the employer. Regular unemployment insurance benefits under state law are denied.

According to the U.S. Department of Labor, PUA provides for up to 39 weeks of benefits to qualifying individuals who are unable or unavailable to work due to one or more COVID-19 related reasons such as:

A member of the individual's household has been diagnosed with COVID-19[,]

The individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19...[or]

A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work . . .

U.S. Dep't of Labor, Unemployment Ins. Program Letter 16-20, "Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Unemployment Assistance (PUA) Program Operating, Financial, and Reporting Instructions," p. 3 (Apr. 5, 2020), available online at: <u>https://wdr.doleta.gov/directives/attach/UIPL/UIPL 16-20 acc.pdf</u> (last viewed July 22, 2020).

This decision does not address whether Michaelsen might be eligible for Pandemic Unemployment Assistance (PUA) under the federal CARES Act. More information on PUA is available below.

DECISION:

Regular Unemployment Insurance Benefits Under State Law

The June 3, 2020 (reference 01) unemployment insurance decision is affirmed. Michaelsen voluntarily left employment without good cause attributable to Dermatology. Benefits are withheld until such time as Michaelsen has worked in and been paid wages for insured work equal to ten times her weekly benefit amount, provided she is otherwise eligible.

Pandemic Unemployment Assistance (PUA) Under the Federal CARES Act

Even though Michaelsen is not eligible for regular unemployment insurance benefits under state law, she may be eligible for federally funded unemployment insurance benefits under the CARES Act. Section 2102 of the CARES Act creates a new temporary federal program called Pandemic Unemployment Assistance (PUA) that in general provides up to 39 weeks of unemployment benefits. An individual receiving PUA benefits may also receive the \$600 weekly benefit amount (WBA) under the Federal Pandemic Unemployment Compensation (FPUC) program if she is eligible for such compensation for the week claimed.

This decision does not address whether Michaelsen is eligible for PUA. For a decision on such eligibility, Michaelsen must apply for PUA, as noted in the instructions provided in the "Note to Claimant" below.

Ben Humphrey Administrative Law Judge

July 30, 2020 Decision Dated and Mailed

bh/mh

NOTE TO CLAIMANT:

- This decision determines you are not eligible for regular unemployment insurance benefits under state law. If you disagree with this decision you may file an appeal to the Employment Appeal Board by following the instructions on the first page of this decision.
- If you do not qualify for regular unemployment insurance benefits under state law and are currently unemployed for reasons related to COVID-19, you may qualify for Pandemic Unemployment Assistance (PUA). You will need to apply for PUA to determine your eligibility under the program. For more information about how to apply for PUA, go to:

https://www.iowaworkforcedevelopment.gov/pua-information