

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

68-0157 (9-06) - 3091078 - EI

**CLEASTER MCCONNELL**  
Claimant

**APPEAL NO: 15A-UI-00517-DT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**SEDGWICK CLAIMS MANAGEMENT SVC**  
Employer

**OC: 12/14/14**  
**Claimant: Appellant (2)**

Section 96.5-1 – Voluntary Leaving

**STATEMENT OF THE CASE:**

Cleaster McConnell (claimant) appealed a representative's January 2, 2015 (reference 01) decision that concluded she was not qualified to receive unemployment insurance benefits after a separation from employment with Sedgwick Claims Management Service (employer). After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on February 5, 2015. The claimant participated in the hearing. A review of the Appeals Bureau's conference call system indicates that the employer failed to respond to the hearing notice and provide a telephone number at which a witness or representative could be reached for the hearing and did not participate in the hearing. Based on the evidence, the arguments of the claimant, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

**ISSUE:**

Did the claimant voluntarily quit for a good cause attributable to the employer?

**OUTCOME:**

Reversed. Benefits allowed.

**FINDINGS OF FACT:**

The claimant started working for the employer on June 10, 2013. She worked full time as an absence management team lead for the employer's Coralville, Iowa third party pay administration service. Her last day of work was October 2, 2014. She voluntarily quit work as of that date.

For many months the claimant had been subject to criticism by peers and superiors telling her that she was not properly controlling her team. However, when she sought assistance that other team leads would be given, she was not provided the same assistance. On October 2 she was told that she was being demoted to a senior disability representative and would be assigned a claim area known for problems which would most certainly ensure her failure. The claimant then gave her resignation, to be effective October 16. The employer waived her service of her notice and paid her through October 16.

**REASONING AND CONCLUSIONS OF LAW:**

If the claimant voluntarily quit her employment, she is not eligible for unemployment insurance benefits unless it was for good cause attributable to the employer. Iowa Code § 96.5-1. A substantial change in contract of hire is recognized as grounds that are good cause for quitting that is attributable to the employer. Rule 871 IAC 24.26(1). A “contract of hire” is merely the terms of employment agreed to between an employee and an employer, either explicitly or implicitly; for purposes of unemployment insurance benefit eligibility, a formal or written employment agreement is not necessary for a “contract of hire” to exist. See *Wiese v. Iowa Dept. of Job Service*, 389 N.W.2d 676, 679 (Iowa 1986). The demotion was a substantial change in the claimant’s contract of hire.

Further, intolerable or detrimental working conditions are good cause for quitting attributable to the employer. Rule 871 IAC 24.26(4). The claimant has demonstrated that a reasonable person would find the employer’s work environment detrimental or intolerable. *O’Brien v. EAB*, 494 N.W.2d 660 (Iowa 1993); *Uniweld Products v. Industrial Relations Commission*, 277 So.2d 827 (FL App. 1973). The claimant quit for good reasons attributable to the employer. Benefits are allowed.

**DECISION:**

The representative’s January 2, 2015 (reference 01) decision is reversed. The claimant voluntarily quit for good cause attributable to the employer. The claimant is qualified to receive unemployment insurance benefits, if she is otherwise eligible.

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Lynette A. F. Donner  
Administrative Law Judge

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Decision Dated and Mailed

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