

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

MONICA WILLIAMS
Claimant

APPEAL 18A-UI-04037-JC-T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

**OC: 06/04/17
Claimant: Appellant (1)**

Iowa Code § 96.3(7) – Overpayment of Benefits

STATEMENT OF THE CASE:

The claimant/appellant, Monica Williams, filed an appeal from the March 23, 2018 (reference 01) Iowa Workforce Development (“IWD”) unemployment insurance decision which concluded the claimant was overpaid unemployment insurance benefits because she failed to accurately report earnings from Sedgwick Claimant Management between September 3, 2017 and September 9, 2017.

The parties were properly notified of the hearing. A telephone hearing was held on April 26, 2018. The claimant, Monica Williams, participated personally. Ty Lysinger, Investigator, participated on behalf of IWD. IWD Exhibits 1-13 were admitted. The administrative law judge took official notice of the claimant’s unemployment insurance benefits records. Based on the evidence, the arguments presented, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

ISSUES:

Did IWD correctly determine that the claimant was overpaid unemployment insurance benefits, and was the overpayment amount correctly calculated?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant filed a claim for unemployment insurance benefits with an effective date of June 4, 2017. When the claim was filed, the claimant was given the option of reading the Unemployment Insurance Handbook online or a mailed hardcopy (Department Exhibit 2). When she filed her claim, Ms. Williams agreed that she would read and understand the handbook. Ms. Williams stated due to personal circumstances related to her housing and employment search, she did not have time to read the handbook.

With respect to “Reporting Earnings,” the handbook states:

Gross earnings/wages (before tax and payroll deductions) must be reported on the weekly claim during the week the wages are earned, not when the wages are paid. Earnings must be reported even if the payment has not been received yet. To calculate

the amount to report, the individual should multiply the number of hours worked by the hourly wage. Individuals should report the full gross amount of earnings and IWD will calculate any deductions. If an individual earns \$15.00 over their WBA, they will not receive a benefit payment (Department Exhibit 12).

The Handbook also provides in part:

Overpayment

Individuals are responsible for repaying any benefits they were not eligible to receive. Future UI benefit payments are withheld until the overpayment has been recovered in full. If the individual is not making attempts to repay the overpayment, the debt may be recovered by withholding state and federal tax refunds, casino and lottery winnings, and vendor payments.

IWD conducted an audit and discovered that Ms. Williams received wages from Sedgwick Claims Management during the time period of September 3 to 9, 2017, but failed to report the wages. IWD contacted the employer Sedgwick Claims Management to verify the claimant's wages earned with employer (Department Exhibit 10). After a second re-check, the employer confirmed the claimant performed 32 hours of work for the week ending September 9, 2017 and earned \$449.00 in wages (Department 10).

For the week ending September 9, 2017, the claimant reported she earned \$0.00 in wages, when she filed her weekly continued claim (Department Exhibit 4), even though she performed work that week. As a result of the employer's verification of wages, Investigator Lysinger also contacted the claimant. The claimant was mailed two preliminary audit notices which stated she may have been overpaid benefits in the amount of \$311.00, for failing to report her wages (Department Exhibits 9, 11). The letter also informed Ms. Williams that an overpayment may result (Department Exhibits 9, 11).

Ms. Williams contacted Investigator Lysinger in response to the letters (Department Exhibit 7). The claimant did not provide any information to refute the wages offered by the employer. The claimant informed Mr. Lysinger she did not report the wages because she did not understand that wages were to be reported at the time they were earned, not paid out (Department Exhibit 7). At the hearing, the claimant asserted she did not report the wages because she was confused as to how to indicate she was partially unemployed for the week, and worked part of the week, when she began employment on September 5, 2017.

Ms. Williams' weekly benefit amount (WBA) was \$311.00 (Department Exhibit 3). Because the claimant did not accurately report her wages during this same period, an overpayment of \$311.00 was determined by IWD (Department Exhibit 11). The agency established the overpayment based upon the following incorrect payments made to the claimant: (Department Exhibit 11)

WEEK ENDING	WAGES REPORTED	WAGES EARNED	BENEFITS PAID	BENEFITS ENTITLED	OVERPAYME NT
09/09/17	\$0.00	\$449.00	\$311.00	\$0.00	\$311.00

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant was overpaid benefits and IWD did correctly calculate the claimant's overpayment of benefits.

Iowa Code section 96.3(7) provides, in pertinent part:

7. Recovery of overpayment of benefits.

Recovery of overpayment of benefits. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The division of job service in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the division a sum equal to the overpayment.

The administrative law judge is persuaded the claimant knew or should have known she must report all wages earned each week that she sought to claim unemployment insurance benefits, and that failure to properly do so, could result in an overpayment, which she must repay. The claimant had access to a claimant handbook, either online or at her local office, and was instructed that she was responsible for reading a copy and understanding it upon establishing and reopening her unemployment claim.

However, the claimant reported she did not perform work or earn wages for the period of September 3 through 9, 2017, as she filed weekly continued claims for unemployment insurance benefits during the same time (Department Exhibit 4). The claimant actually performed 32 hours of work for that week and earned \$449.00 in wages. As a result of the claimant's responses when she made her weekly continued claim for the week ending September 9, 2017, she was able to collect both wages and unemployment insurance benefits for that week.

Based on the wages earned, the claimant was not eligible to receive benefits for the week ending September 9, 2017, and as a result, the claimant was overpaid benefits in the amount of \$311.00, to which she was not entitled (Department Exhibit 11). The administrative law judge concludes therefore, that the overpayment was correctly calculated.

DECISION:

The March 23, 2018 (reference 01) unemployment insurance decision is affirmed. The claimant was overpaid benefits in the amount of \$311.00, which must be repaid.

Jennifer L. Beckman
Administrative Law Judge

Decision Dated and Mailed

jlb/scn