

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**PAM HUFFMAN**  
Claimant

**APPEAL NO. 07A-UI-05501-BT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**MI-T-MART**  
Employer

**OC: 05/06/07 R: 03  
Claimant: Appellant (2)**

Section 96.5-1 – Voluntary Quit

**STATEMENT OF THE CASE:**

Pam Huffman (claimant) appealed an unemployment insurance decision dated May 25, 2007, reference 01, which held that she was not eligible for unemployment insurance benefits because she voluntarily quit her employment with Mi-T-Mart (employer) without good cause attributable to the employer. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on June 13, 2007. The claimant participated in the hearing. The employer participated through owner Joann Thys. Based on the evidence, the arguments of the parties, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

**ISSUE:**

The issue is whether the claimant's voluntary separation from employment qualifies her to receive unemployment insurance benefits.

**FINDINGS OF FACT:**

The administrative law judge, having heard the testimony and considered all of the evidence in the record, finds that: The claimant was employed as a full-time clerk from approximately 1997 through April 10, 2007 when she quit because the employer dropped her insurance benefits. The employer had paid for the claimant's medical insurance benefits for at least eight or nine years but could no longer afford it. The claimant could not afford to work without medical insurance.

**REASONING AND CONCLUSIONS OF LAW:**

The issue is whether the claimant's voluntary separation from employment qualifies her to receive unemployment insurance benefits. She is not qualified to receive unemployment insurance benefits if she voluntarily quit without good cause attributable to the employer. Iowa Code § 96.5-1. It is the claimant's burden to prove that the voluntary quit was for a good cause that would not disqualify her. Iowa Code § 96.6-2.

The claimant quit her employment due to a change in the contract of hire since the employer was no longer going to provide medical insurance when it had done so for the past eight or nine years. A "change in the contract of hire" means a substantial change in the terms or conditions of employment. See *Wiese v. Iowa Dept. of Job Service*, 389 N.W.2d 676, 679 (Iowa 1986). The loss of medical insurance when it was previously provided is considered to be a substantial change in the claimant's contract of hire. *Dehmel v. Employment Appeal Board*, 433 N.W.2d 700 (Iowa 1988).

The law presumes a claimant has left employment with good cause when she quits because of a change in the contract of hire. 871 IAC 24.26(1). In analyzing such cases, the Iowa Courts look at the impact on the claimant, rather than the employer's motivation. *Dehmel v. Employment Appeal Board*, 433 N.W.2d 700 (Iowa 1988). The employer cut the claimant's medical insurance simply because it could no longer afford it. Consequently, the claimant met her burden and established the voluntary quit was with good cause attributable to the employer. Benefits are allowed.

**DECISION:**

The unemployment insurance decision dated May 25, 2007, reference 01, is reversed. The claimant voluntarily quit her employment with good cause attributable to the employer and is qualified to receive unemployment insurance benefits, provided she is otherwise eligible.

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Susan D. Ackerman  
Administrative Law Judge

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Decision Dated and Mailed

sda/css