

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

JOHN W CASTER
Claimant

APPEAL NO. 11A-UI-04992-CT

**ADMINISTRATIVE LAW JUDGE
DECISION**

PELLA CORPORATION
Employer

OC: 03/06/11
Claimant: Appellant (1)

Section 96.5(1) – Voluntary Quit

STATEMENT OF THE CASE:

John Caster filed an appeal from a representative's decision dated April 11, 2011, reference 01, which denied benefits based on his separation from Pella Corporation. After due notice was issued, a hearing was held by telephone on May 10, 2011. Mr. Caster participated personally and Exhibits A, B, and C were admitted on his behalf. The employer opted not to participate.

ISSUE:

At issue in this matter is whether Mr. Caster was separated from employment for any disqualifying reason.

FINDINGS OF FACT:

Having heard the testimony and having reviewed all of the evidence in the record, the administrative law judge finds: Mr. Caster began working for Pella Corporation on August 23, 1983. He was last employed full time as a veneer splicer. In October of 2010, the employer announced that it would need to reduce the workforce by approximately 150 due to business conditions. It offered incentives to individuals who chose to voluntarily retire. Workers were advised that involuntary separations might occur if an insufficient number of individuals accepted voluntary retirement. There was no indication as to when the involuntary separations might occur or what criteria would be used to determine who would be separated.

The incentives for voluntary retirement included one week of pay for each year worked. Individuals who chose to retire were eligible to participate in the company's insurance plan at the employee rate for up to two years or until age 65, whichever came first. They would also be eligible to participate in health screenings, dental insurance, and the employee assistance program. Mr. Caster was concerned about the possible loss of insurance coverage for himself and his wife in the event he became involuntarily separated from employment. Therefore, he accepted the offer of voluntary retirement. His last day of work was November 24, 2010.

REASONING AND CONCLUSIONS OF LAW:

An individual who leaves employment voluntarily is disqualified from receiving job insurance benefits unless the quit was for good cause attributable to the employer. Iowa Code section 96.5(1). The term "good cause attributable to the employer" generally refers to some matter over which the employer had control. Mr. Caster chose to retire when continued work was available. He accepted voluntary retirement because of the incentives offered, more particularly, the extended insurance coverage. He would lose this coverage if he became involuntarily separated.

At the time he chose to retire, Mr. Caster did not know if or when he might be involuntarily separated. It is possible, given his length of service, that he might not be involuntarily separated at some future point. The employer did not request that he retire or force him to retire. The administrative law judge appreciates that he was concerned about insurance coverage. However, the fact remains that it was his voluntary decision to retire in spite of the fact that work was available. Under such circumstances, the separation is presumed to be without good cause attributable to the employer. 871 IAC 24.25(24). Based on the foregoing, benefits are denied.

DECISION:

The representative's decision dated April 11, 2011, reference 01, is hereby affirmed. Mr. Caster voluntarily quit his employment with Pella Corporation without good cause attributable to the employer. Benefits are denied until he has worked in and been paid wages for insured work equal to ten times his weekly job insurance benefit amount, provided he is otherwise eligible.

Carolyn F. Coleman
Administrative Law Judge

Decision Dated and Mailed

cfc/css