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COVID-Related Resignation Meets UI Eligibility Requirements Under the CARES Act

Background

A medical records coordinator requested and was granted a personal leave of absence to care for her children during the COVID -19 pandemic. Her children's school was closed and childcare was not available. Although the period of her leave was undefined, the hospital, an essential business, continued to serve the community and her job remained available. The employee used all of her paid time off during the leave and did not return due to the uncertainty of the pandemic. Since she was highly anxious for her family's safety and did not want to jeopardize their health, she decided it was in her best interests to resign from the hospital.

Process

Since the employee (claimant) had no source of income, she filed for unemployment benefits. After numerous attempts to file her claim and certify for benefits, she was denied "regular unemployment benefits" because she left work voluntarily without good cause attributable to such work under N.J.S.A. 43:21-5(a). Frustrated and afraid, the claimant appealed the determination to the Appeal Tribunal arguing that she had compelling cause for leaving the work and should be eligible for benefits.

The claimant pursued her appeal, while the employer chose not to contest or participate in the matter. During the hearing, the claimant acknowledged that her leaving was voluntary and her job was still available, if she wanted it, but argued that her reasons for leaving were not within her control due to COVID-19. Furthermore, she asserted that in view of the Coronavirus Aid, Relief and Economic Security (CARES) Act, staying home with her children because their school was closed was a qualifying reason for quitting and she should be eligible for Pandemic Unemployment Assistance.

Judgment

The Appeal Tribunal examiner opined that while the claimant's reasons for leaving the job were certainly compelling, they were personal to her and not attributable to the work. Therefore, the determination which disqualified her for regular unemployment was appropriate. However, because the claimant was unemployed due to a qualifying reason under the CARES Act, she was held eligible for Pandemic Unemployment Assistance (PUA) and advised to go to the Unemployment website for instructions to claim her benefits.

This case illustrates that if a claimant has been determined ineligible for regular UI benefits, he/she may still be eligible to receive Pandemic Unemployment Assistance (PUA) if it is COVID - related as defined by the CARES Act.

For more information about Princeton Claims Management or unemployment insurance eligibility amid COVID-19 please contact *LuAnne Rooney Frascella* at 609.936.2207 or lfrascella@njha.com.