

Department of Public Health
and Human Services

Section:
Financial Requirements

HEALTHY MONTANA KIDS

Subject:
Unemployment Insurance

Supersedes: **New to HMK Manual**

General Rule – Count the gross amount of unemployment an individual receives when determining income eligibility for the Healthy Montana Kids (HMK) coverage group. When determining the value of an individual's Unemployment Insurance (UI) claim use the remaining benefit amount (RBA) as stated on the individual's:

1. most recent UI warrant; or
1. MISTICS (i.e., computer program for Montana's Department of Labor and Industry) Claim Detail Screen.

BENEFIT YEAR

When an individual separates from employment and files a UI claim, the individual's benefit year is established. The benefit year covers a 52 week period, much like HMK's family span, but UI benefits are typically only received for 28 weeks or less.

EXAMPLE: If an individual filed for UI on March 29, the claim would be effective March 29 (or the previous Sunday) and the benefit year would expire March 28 of the following year.

WEEKLY BENEFIT AMOUNT

Based on the individual's wage credits during the base period (the first four quarters of the last five completed quarters), a weekly benefit amount (WBA) and claim duration is calculated. Effective July 1, 2012 the maximum WBA is \$431 and the minimum is \$123.

NOTE: Weekly Benefit Amounts change annually.

The unemployment claim duration can range between eight (8) and 28 weeks. The maximum benefit amount (MBA) is calculated using the following formula: $WBA \times \text{duration} = MBA$. Each state pays UI benefits on a bi-weekly basis.

EXAMPLE: $\$200 \text{ WBA} \times 24 \text{ weeks} = \$4,800 \text{ MBA}$ during the individual's benefit year. This individual will receive UI checks of \$400 bi-weekly.

**PARTIAL
BENEFITS**

Individuals can draw partial benefits during a benefit year but cannot bank any unused benefits. That is to say, the difference between the total weekly amounts received and the MBA is lost when the benefit year expires.

EXAMPLE: An individual eligible for \$431 WBA for 28 weeks would draw a MBA of \$12,068. If the individual only draws UI for eight weeks ($\$431 \times 8 = \$3,448$), the individual left unused benefits totaling \$8,620 (\$12,068 minus \$3,448).

An individual can also draw partial benefits while working part time so long as earnings are less than twice their WBA and the individual is looking for full-time employment.

**FILING A
NEW CLAIM**

At the end of the individual's benefit year, a new claim can be filed. However, if he or she does not have sufficient base period wages, he or she will not have a monetarily eligible claim. As previously stated, there is no carry over from the prior benefit year if unexpended funds remain. "Sufficient base period wages" are either:

1. at least 1.5 times the wages the individual earned during the highest earnings quarter of the base period and are at least 7% of Montana's average annual wage; or
2. equal to or greater than 50% of the average annual wage in Montana.

NOTE: The average annual wage amount changes on an annual basis. For State Fiscal Year 2011, the average annual wage is \$33,754.41.

**HELPFUL
HINTS**

The following are helpful hints when projecting unemployment income:

1. Teachers and substitute teachers rarely receive UI benefits during school breaks because they have the option of being paid over a 12 month period and they have reasonable assurance they will return to work the following school year.

NOTE: School bus drivers, custodians, and lunch room workers can file for UI during the summer break but cannot draw benefits until the fall if they are not called back to work.

2. Head Start employees (except for Rocky Boy Head Start) are all eligible to receive UI.

3. Individuals who were employed in another state and file their claim in that state may receive weekly benefits exceeding \$431 (e.g., the WBA in Washington state is \$541).
4. Individuals responsible to repay a UI overpayment can file a claim and receive a bi-weekly check. No more than 50% of an individual's WBA can be withheld to repay a previous overpayment.

NOTE: When an individual's income is garnisheed, the gross amount of income is still counted.

5. Watch for patterns. If a family's renewal applications repeatedly reflect UI, there has to be employment between UI claims.

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