



MICHIGAN DEPARTMENT OF  
**LABOR & ECONOMIC  
OPPORTUNITY**

# Unemployment Benefits

April 28, 2020



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# Unprecedented Demand

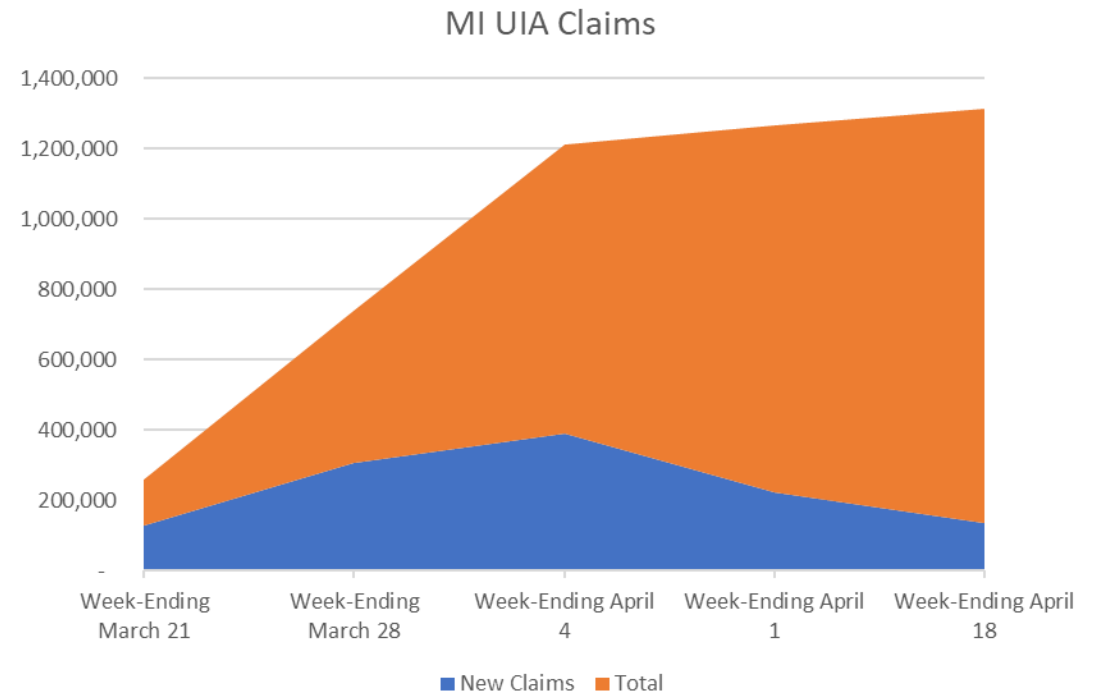
- More than **1 million Michigan workers** have filed for unemployment since March 15th
  - MI ranks among top states for
    - number of claims filed
    - % of workforce impacted (~26%)
- The highest week during the pandemic was more than 390,000.
  - UIA typically processes 5,000 claims/week.
  - During the Great Recession, the weekly record was around 77,000 claims in Jan. 2009.



# Unemployment Claims During COVID-19

Week-Ending March 21:	128,806
Week-Ending March 28:	304,335
Week-Ending April 4:	388,554
Week-Ending April 11:	222,207
<u>Week-Ending April 18:</u>	<u>134,119</u>

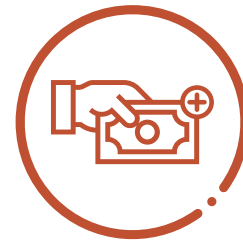
Five Week Total: 1,178,021



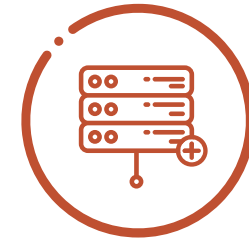
# UIA Response to COVID-19



**Expanded eligibility**



**Increased benefits**



**Added capacity**



# Expanded Eligibility – State and Fed

Under Gov. Whitmer's Executive Order and Federal CARES Act, the following groups can now apply for benefits:

- Sick workers, quarantined, immunocompromised or workers caring for loved ones
- Self-employed, independent contractors, gig workers, those who file a 1099
- Low-wage workers, those with limited work experience
- **Waived Requirements**
  - In person registration and work search at Michigan Works!



# Who is Not Eligible



- Individuals on **paid sick leave or other paid leave**
- Individuals who can **telework with pay**
- Individuals who **quit work without good** cause to obtain unemployment benefits



# Expanded Benefits – State and Fed



- **Benefit Weeks**
  - Expanded from 20 to up to 39 weeks.
- **CARES ACT – Pandemic Unemployment Assistance (PUA)**
  - Provides an additional \$600 weekly through July to all beneficiaries
- **100% Federal Funding for:**
  - Those newly eligible under CARES Act (1099)
  - \$600/wk PUA
  - Workshare Program





# Benefits Paid in Michigan



- **\$2.5 Billion** in payments to unemployed workers affected by COVID-19.
  - During Great Recession, the high was 363,000 claimants
  - Many more will be eligible for first payment this week
- **Michigan was one of the 1<sup>st</sup> States to**
  - Pay \$600 extra weekly in CARES Act benefit (April 8<sup>th</sup>)
  - Open Application for Self-employed/independent contractors/1099 (April 13<sup>th</sup>)
    - Most Great Lakes states early to mid May



# Added Capacity to the System



**We know there are thousands still waiting for approval- will not rest until all are helped**

- Added hundreds of customer facing staff and have hundreds more on the way
- Expanded the days & hours of call center operations
- New 100+ team dedicated to resolving technical issues like locked accounts
- Another 100 UIA staff have been hired and are being trained with 100 more on the way



# Most Common Issues



- **Non-Monetary Determination**
  - Employer verification issues
  - Need to verify identity/Info wrong
  - Potential Fraud
- **Mistake when filing**
  - Answered that they were still employed due to temp leave without pay or furlough
- **Mistake when certifying**
  - Answered that they were not available for work due to pandemic rather than work was not available



# Work Share Program

- **Retention and Reopening** - Helps employers retain their skilled workforce and bring them back from UIA system
- An option for employers to reduce employee hours instead of cutting the workforce
- Under new Executive Order/CARES Act:
  - Most employers now qualify
  - Increased flexibility on reduced work hours -now minimum of just 10% of hours to a maximum of 60%
  - Participants receive % MI benefits + \$600 PUA through July
  - 100% Federally Funded though 2020



[www.Michigan.gov/Workshare](http://www.Michigan.gov/Workshare)



# Work Share Program - Retaining

- Example: Employer A
- Loss of revenue but still operating, wants to keep workforce
  - Term: (May – July)
  - 100 Workers enrolled
  - Average salary: \$50,000 (\$962 weekly)
  - Hours/Salary reduced by: 60%
    - Employees receive portion of state benefit + \$600 through July
    - Employee salary: at least \$984 weekly
    - Savings to employer: \$750k



[www.Michigan.gov/Workshare](http://www.Michigan.gov/Workshare)



# Work Share Program – Reopening

- Example: Employer B
- Laid off 100 people, wants to bring them back
  - Without Workshare
  - Business capacity 70% of pre-crisis
  - Average wage \$50,000 (\$962 weekly)
  - Asks 100 employees to come back at 70% of wages/hours
    - Salary rate of \$673 weekly
    - Vs. UIA benefits through July \$962
- Example: Employer B
- Laid off 100 people, wants to bring them back
  - With Workshare
  - Business capacity 70% of pre-crisis
  - Average wage \$50,000 (\$962 weekly)
  - Asks 100 employees to come back at 70% of wages/hours
    - Workshare provides % of MI benefit +\$600 weekly through July
    - Salary annualized rate of \$ 673 weekly + at least \$600 workshare = \$1273
    - Vs. UIA benefits through July (\$962)



# MIOSHA plans for restart

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## Test

- Test as broadly as possible...
- ...including symptomatic people and exposed people in high risk settings...
- ...to identify sick people quickly before they infect others

## Monitor

- Track symptoms before they become cases (sentinel surveillance)
- Identify emerging hotspots (symptom diaries)

## Trace

- For confirmed / probable COVID...
- ...use technology / tracing teams to rapidly identify close contacts who may have been exposed...

## Isolate

- Anyone infected should remain in isolation for at least 7 days after onset of symptoms or 3 days fever free
- Close contacts should self-quarantine for 14 days before returning to activities

## De-risk

- Access control – mechanisms to prevent entry
- Distancing – mechanisms to prevent close contact
- Sanitation – mechanisms to clean high-transmission surfaces
- Hygiene – mechanisms to improve personal hygiene
- PPE – last line of defense
- Training – worker awareness of safeguards and rights





## 1 Organization / Administrative controls

- Employer liability
- Responsible parties
- Training



## 2 Access control

- Temperature / symptom checks
- Meetings / travel



## 3 Distancing

- Occupancy
- Separation barriers



## 4 Sanitation

- Cleaning
- Disinfection
- Ventilation



## 5 Hygiene

- Handwashing
- Hand sanitization



## 6 PPE

- Mask / Facial covering standard
- Others

**General mandates:** Implemented in all workplaces

**Sector specific mandates:** Implemented in specific sectors

**Best practices:** Recommendations for optimal risk mitigation (not mandatory)

## 1 More eyes on the floor and boots on the ground

Need to enlist help for robust enforcement

- Increase MiOSHA capacity
- Borrow investigation capacity from agencies
- Enlist union leaders, local public health officials, and others to increase external leverage

## 2 More proactive

Need “spot checks” for effective deterrence

- Transition from 100% complaint response to proactive spot checks
- Create third-party call center / tip-line capacity
- Expand whistleblower protection / anonymity

## 3 More punitive leverage

Noncompliance needs to be more painful than \$7K fine

- Consider stiffer fines via MiOSHA
- Consider civil penalties via DHHS
- Consider misdemeanor criminalization via EO

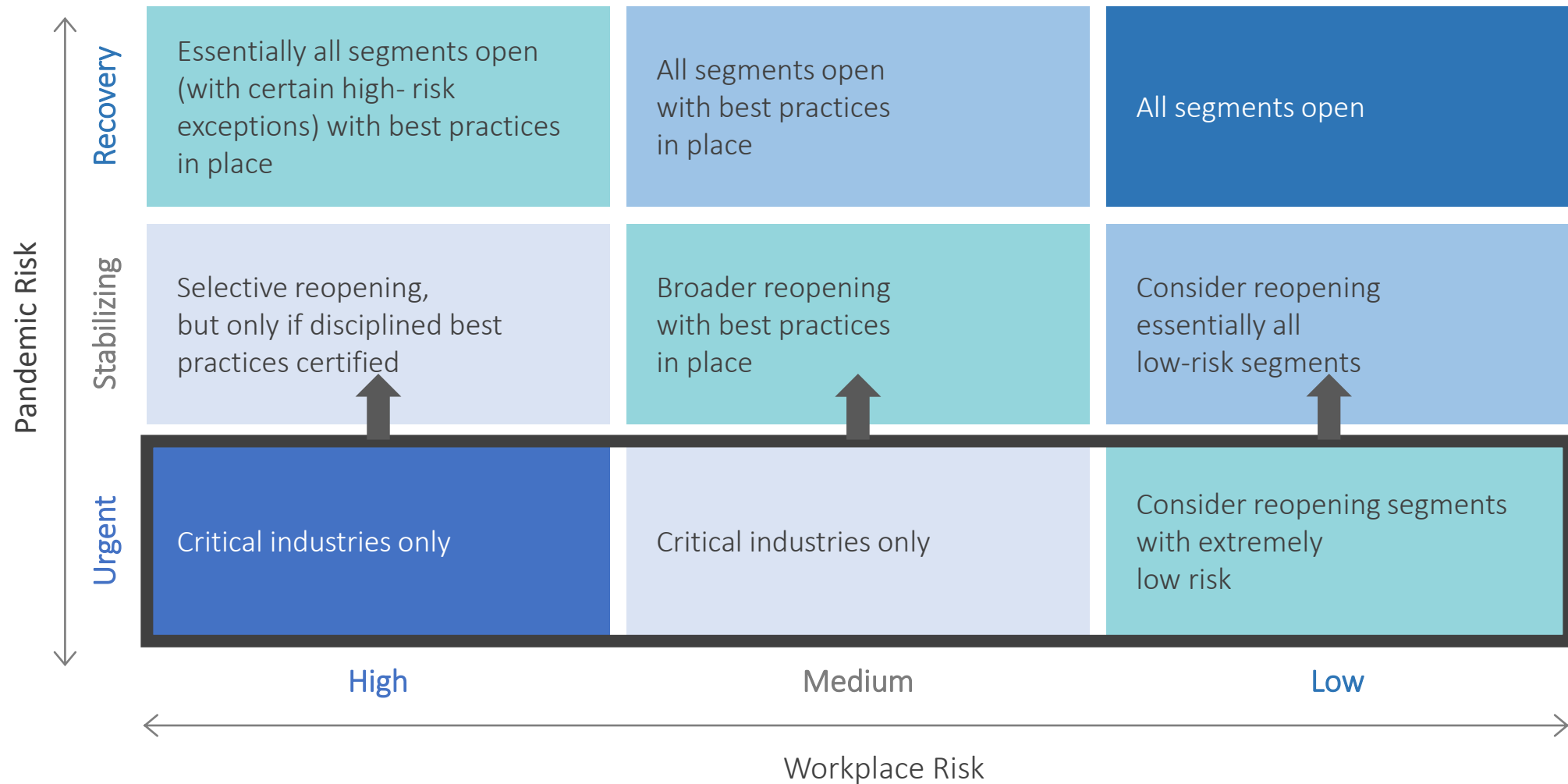
# Return to Work

April 28, 2020

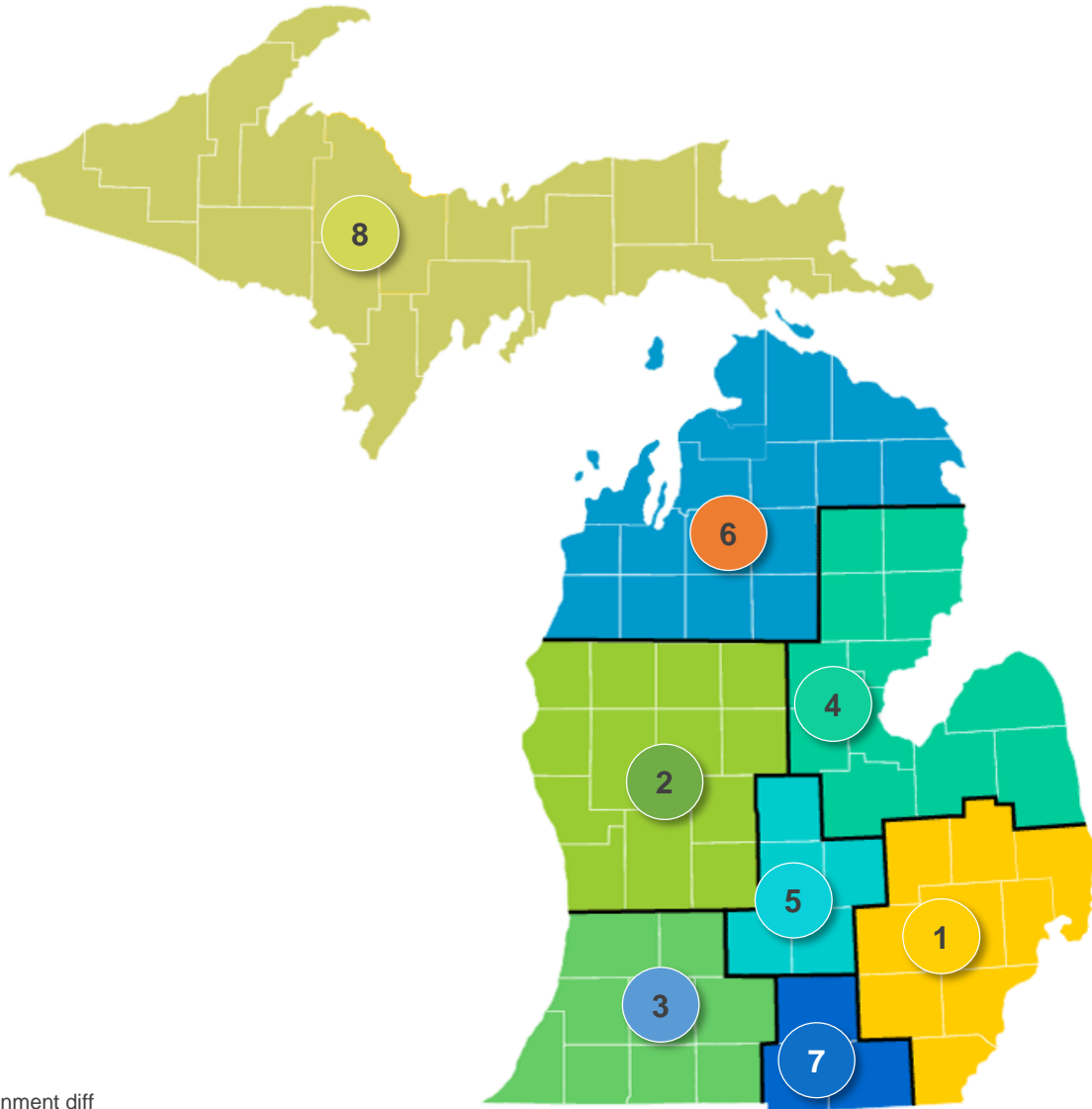


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# Framework for making return to work decisions

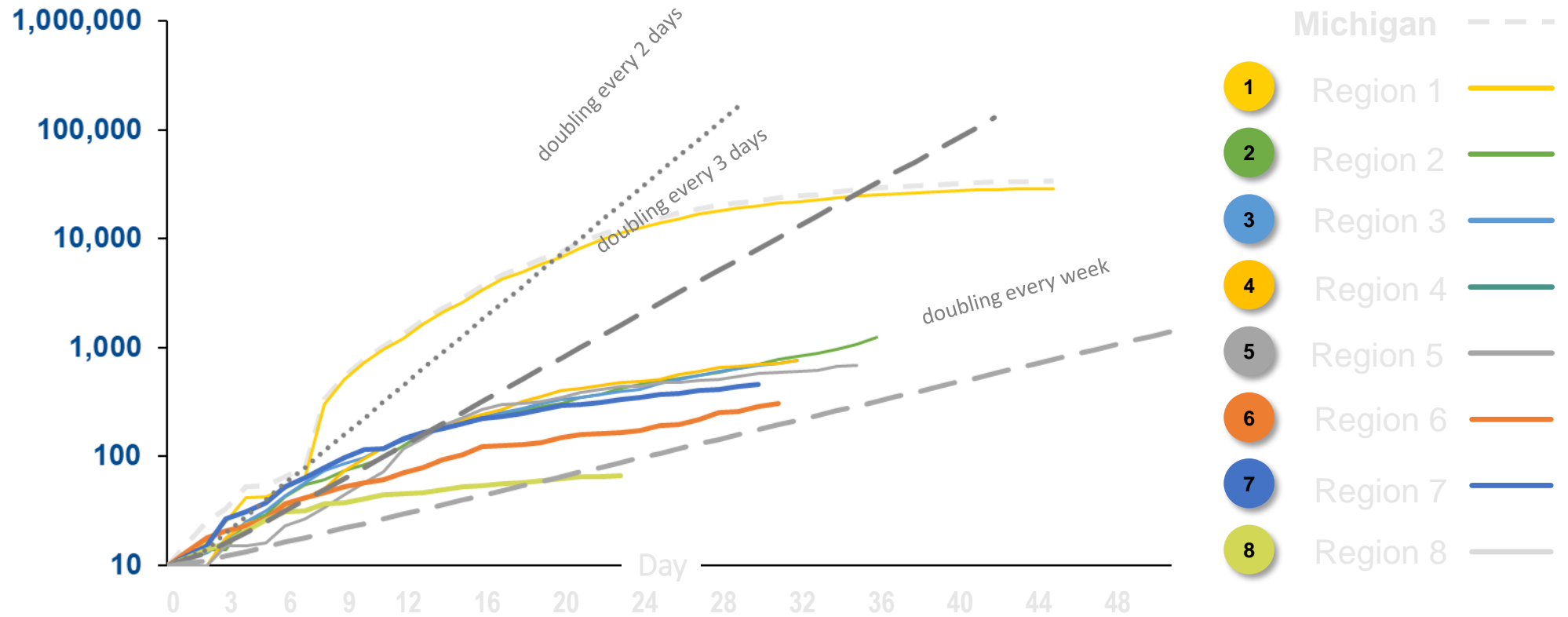


# Michigan Economic Recovery Council Reporting Regions



MERC Regions	Population	% of total
1 Detroit Region	5,243,543	52.5%
2 Grand Rapids Region	1,535,115	15.4%
3 Kalamazoo Region	964,202	9.7%
4 Saginaw Region	606,319	6.1%
5 Lansing Region	591,102	5.9%
6 Traverse City Region	445,159	4.5%
7 Jackson Region	302,566	3.0%
8 Upper Peninsula	298,851	3.0%
<b>Total Michigan</b>	<b>9,986,857</b>	<b>100.0%</b>

# Cases for MERC Region



Daily case doubling rate (in days)<sup>1</sup>

Statewide	2	3	2	2	3	4	7	13	17	27	23	23 <sup>2</sup>
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1. Day 0 represents the point at which a region first reached 10 cases. Last statewide case doubling data represents day 41

# The key indicators of readiness for economic restart

Flatten the curve

**Epidemic  
spread**

- A Density and trajectory of spread
- B Community exposure / immunity

Safely diagnose  
and treat patients

**Healthcare  
system  
capacity**

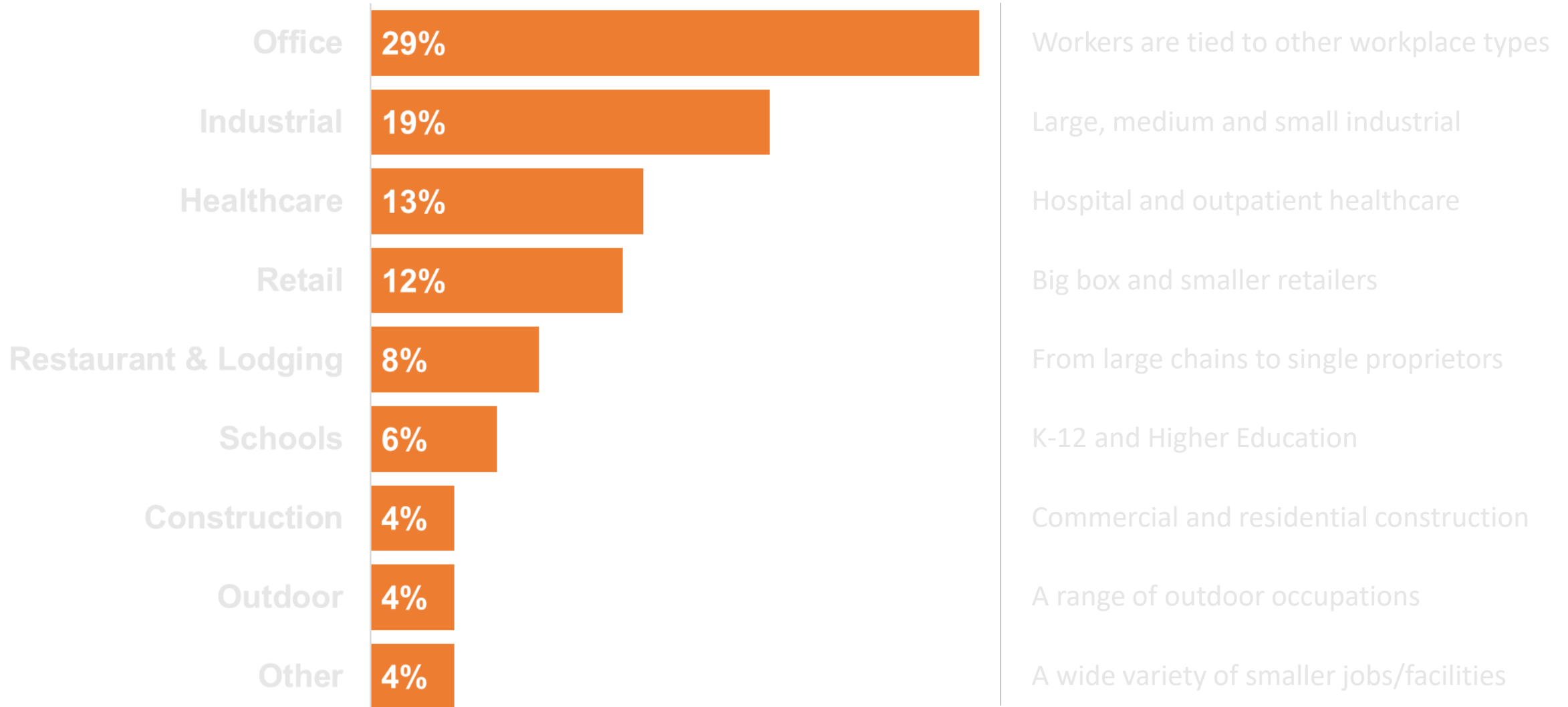
- A Critical personnel
- B Beds
- C Ventilators
- D PPE

Track and  
isolate contacts

**Public health  
capacity**

- A Infrastructure contact tracing
- B Effective isolation / quarantine

# Michigan's labor force by workplace





# Occupation specific transmission risk boils down to...

## Risk factors

### Worker interaction

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- a Interaction with general public (*sustained or intermittent*)
- b Contact with fellow coworkers in normal course of work
- c Shared tooling / machinery

### Workplace characteristics

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- d Indoor / Outdoor
- e Number of workers
- f Worker density (*number per square foot active workspace*)
- g Required travel
- h Basic industrial hygiene (*sanitation facilities, airflow, etc.*)

### Worker type

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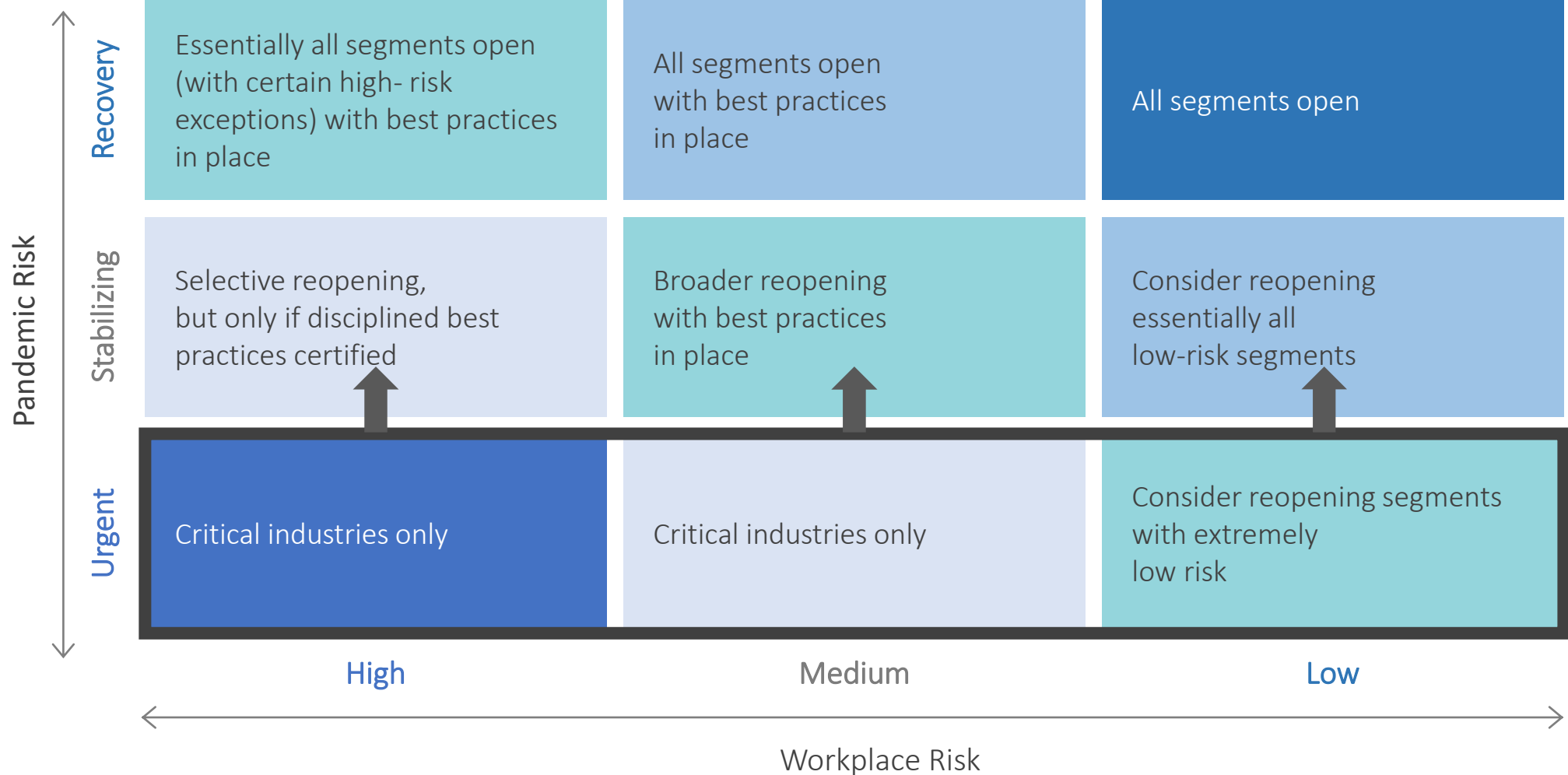
- i Demography
- j Preexisting conditions
- k Contact outside of work
- l Transit options
- m Immunity

# Workplace best practices have been rapidly developed for the 9 workplace types

## Best-practice risk mitigation strategies fall into five buckets

Access control	Social distancing	Sanitation / Hygiene	PPE	Contact tracing / Isolation
<ul style="list-style-type: none"><li>• Daily “symptom diaries” (<i>mandatory questionnaires concerning symptoms</i>)</li><li>• On-site temperature checks</li><li>• Rapid diagnostic testing protocols</li><li>• Intake procedure for visitors</li><li>• Guidelines for delivery areas</li></ul>	<ul style="list-style-type: none"><li>• Remote work standards</li><li>• Restrictions on common areas like cafeterias, break rooms and conference rooms</li><li>• Restrictions on in-person meeting size</li><li>• Physical barriers between workspaces</li><li>• Restrictions on travel and non-essential external meetings</li></ul>	<ul style="list-style-type: none"><li>• Frequent disinfection / cleaning of facilities and equipment</li><li>• Availability of handwashing facilities</li><li>• Restrictions on shared tooling / machinery</li><li>• HEPA filters on HVAC units</li><li>• Local exhaust ventilation</li></ul>	<ul style="list-style-type: none"><li>• Masks</li><li>• Gloves</li><li>• Face shields</li><li>• Gowns</li></ul>	<ul style="list-style-type: none"><li>• Investigation standards</li><li>• Isolation protocols</li><li>• Notification protocols (<i>HR, first responders, government authorities</i>)</li><li>• Quarantine and return-to-work guidelines</li><li>• Facility cleaning / shutdown procedure</li></ul>

# Framework for making return to work decisions



Thank you.



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