



Monthly Strategies

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Salary Increases for 2022

Pay raises in the U.S. are returning to pre-pandemic levels and are hovering at 3%. As we have all been experiencing the rising prices in almost everything we purchase, it will make it increasingly difficult for us all to keep pace with inflation.

Reporting Deadline for EEO-1 Extended

According to the U.S. Equal Employment Opportunity Commission (EEOC), covered employers now have until October 25, 2021 to file their 2019 and 2020 EEO-1 reports.

Covered employers are those with at least 100 employees as well as federal contractors with at least 50 employees plus a contract of \$50,000 or more with the federal government, according to federal law.

This year the EEO Joint Reporting Commission must review and approve each company's 2019 filing before it may file its 2020 data. As a result, don't wait until the last minute to file 2019 data so that there is time for approval and still allow you to complete 2020 filing on time.

New this year is the online filing system that will require minor setup by employers. We are recommending that you setup your account early to ensure that there aren't any issues that may prevent timely filing.

Refusing to Return to Work

Unemployment compensation claims from employees who refuse to return to work after being furloughed during the pandemic are rising. State workforce agencies make the benefit determination for employees who have been laid off or furloughed and each state has its own set of decision standards and benefit calculations.

Many employers have recalled employees to return to work and they have not responded or returned to work. Employers should be aware that they are

obligated to report refusals of suitable work to state unemployment agencies.

As an employer what can you do to improve your experience rating and assist in making sure people aren't continuing to receive unemployment benefits when there is work readily available to them? First make sure that you have tried contacting the employee in a variety of different methods such as calling, texting, emailing and sending a notice of return to work via the postal service along with a deadline for them to respond and return. If you do not hear from them by the required date, then contact your state workforce agency and report that the worker has refused to return to work. **Below are some local links for reporting workers who refuse work.** Some states don't provide a form but ask employers to call or email refusal information.

Delaware:

https://delaware.service-now.com/sp/?id=dol_work_refusal

Pennsylvania:

<https://www.uc.pa.gov/forms/Pages/UC-1921W-Refusal-of-Suitable-Work.aspx>

Maryland:

<http://www.dllr.state.md.us/employment/uistopfraud.shtml>

New Jersey:

https://www.nj.gov/labor/forms_pdfs/ui/BC6.pdf?ga=2.151481721.178074846.1589998433-1675744500.1589998433

New York:

<https://www.labor.ny.gov/formsdocs/ui/P820.pdf>

West Virginia:

<https://workforcewv.org/images/files/employers/WorkforceWV-WorkRefusal.pdf>

Virginia:

<https://employer.vec.virginia.gov/eForms/ff01>

Deadline Approaches for COBRA Subsidy Final Notice

The COBRA subsidy period under the American Rescue Plan Act (ARPA) is nearing its end. Under ARPA, an assistance eligible individual (AEI), which is a COBRA qualified beneficiary who becomes eligible for COBRA due to a reduction in hours or involuntary termination of employment, may be eligible for a COBRA subsidy equal to the entire COBRA premium for the period from April 1, 2021 through Sept. 30, 2021.

Employers and plan administrators are required to provide subsidy termination notices to AEIs before their COBRA subsidy ends, sending the subsidy termination notices to AEIs no more than 45 days and no less than 15 days before the date that the COBRA subsidy will end for the individual.

For many individuals, this means that these notices must be sent between Aug. 16 and Sept. 15 to reflect the end of the COBRA subsidy period on Sept. 30, 2021.

The subsidy termination notices must include the following information:

- **A statement that the COBRA subsidy will end soon** and "prominent identification" of the date that it will end.
- **A statement that the individual may be eligible for coverage** without a COBRA subsidy through COBRA or another group health plan.

The notice is not required if the COBRA subsidy is terminated due to eligibility for another group health plan or Medicare.

Model Notice - The Department of Labor (DOL) has issued [a model subsidy termination notice](#). Use of the model notice is not required, but the DOL considers its use as good faith compliance with the notice requirements under ARPA.

Conclusion - Employers that sponsor group health plans should continue to work closely with their third-party COBRA administrators to ensure compliance with ARPA, and the DOL and IRS guidance regarding the COBRA subsidies.

Monthly Premium Surcharge

Delta Air Lines announced on August 25, 2021 it is imposing a substantial health premium surcharge of \$200 per month for its unvaccinated employees, making it one of the first big U.S. employers to do so. Other companies are also considering such surcharges, similar to those imposed on smokers. Delta, who is self-insured, said its surcharge was intended to cover the added costs of caring for hospitalized workers who contract COVID-19.

The airline stopped short of instituting an outright mandate that employees get vaccinated, as rival United Airlines did earlier this month with exceptions based on health issues or religious beliefs.

Unvaccinated Delta employees will face other restrictions, including indoor masking effective immediately and weekly COVID-19 tests starting on September 12, 2021.

No Sick Pay Due to COVID-19 for Unvaccinated

By the end of September, Delta Air Lines warned that it will provide pay protection for missed time due to COVID-19 only to fully vaccinated employees experiencing breakthrough infections.

Contact HR Strategies staff at 302.376.8595 or info@hrstrategies.org if you would like support or would like to learn more about the items in this newsletter. Please contact us if you would like to be removed from our Monthly Strategies mailing list or if you would like for us to add someone to our mailing list.

