

Top 5 Reasons Why Applicants Have Not Received Benefits



The Unemployment Insurance program is complex and governed by state and federal laws. Under the federal CARES Act, workers who ordinarily would be ineligible for Virginia Unemployment Insurance benefits may qualify for state and/or federal benefits.

VEC has been inundated with an exponentially higher number of applications than it was funded or staffed to process. In fact, more initial unemployment claims have been filed since mid-March 2020 than during the entire Great Recession, which lasted from December 2007 to June 2009.

The Commission is working diligently to ramp up hiring and work through the backlog of claims that require administrative review.

Below are the top 5 reasons why an unemployment claim may have been denied or why a payment may have been delayed:

1

Reason for separation

Applicants who have been fired for misconduct, taken a leave of absence, quit without good cause or are unwilling to work are not eligible for unemployment benefits.

2

Error or inconsistent information in an initial application

Individuals who make a mistake in their application will require additional processing in order to correct the problem before benefits can be paid. An example would be if somebody were to file using the incorrect Social Security or banking numbers. Also, if an employer disputes the reason for separation (for example the employee said they were laid off but the employer states they were terminated) an issue would be established and there would be an administrative hearing with both parties to determine eligibility.

3

Weekly certification

Individuals must file an Unemployment Insurance certification each week they are unemployed. Failure to do so will result in benefits payments being stopped.

4

Reportable wages exceed the maximum weekly benefit

If an individual has his/her hours reduced or is furloughed/laid off from a second job **but still earns more than their weekly benefit (up to the state maximum of \$378)**, he or she is not eligible for state Unemployment Insurance benefits.

5

Benefits have been exhausted

If an applicant already exhausted available Unemployment Insurance benefits in the past 12 months, they may be eligible for new federal benefits under the CARES Act. Details on the administration and implementation of this program are still in development but are expected to go live and begin making payments by early July.

Additional information:

Code of Virginia – Unemployment Compensation Benefits:

<https://law.lis.virginia.gov/vacode/title60.2/chapter6/>

FAQs - General Unemployment Insurance Questions:

<https://www.vec.virginia.gov/faqs/general-unemployment-insurance-questions>

FAQs - Unemployment Insurance Issue Questions:

<https://www.vec.virginia.gov/unemployed/faqs/Unemployment-Insurance-Issue-Questions>