

Employment Law Summary

Indiana Unemployment Compensation – Employee Eligibility



Because You're Different

Indiana unemployment insurance (UI) benefits provide income to individuals who have lost work through no fault of their own. The program partially replaces wages lost by the employee if certain conditions are met.

Indiana's unemployment compensation system requires most employers to make contributions to the state unemployment insurance fund (UI Fund). Indiana law prohibits employers from deducting UI contributions from employees' wages.

ELIGIBILITY TO RECEIVE BENEFITS

The [Indiana Department of Workforce Development](#) (DWD) considers monetary and non-monetary criteria to determine individual eligibility for benefits on a weekly basis. To qualify for benefits, an individual must:

- Be totally or partially unemployed through no fault of his or her own;
- Have received enough wages during the base period to establish a claim;
- File an initial claim for benefits using the DWD [Uplink](#) system during the first week of unemployment;
- Be physically able to work, available for work and actively looking for work during each week in which benefits are claimed;
- Register with the DWD [job matching service](#) within 10 days of a claim; and
- Wait through an initial one-week waiting period, file the online claim voucher, continue to file weekly claims online and maintain eligibility for each week in which benefits are claimed.

An employee's "base period" is a 12-month period of time, generally the first four of the last five completed calendar quarters prior to the beginning date of the UI claim. To establish a monetarily valid claim, an employee must have earned at least:

- **\$4,200** of total base period earnings, **\$2,500** of which must have been earned in the six months immediately prior to the initial claim; and
- Total base period earnings of at least **one and one-half times** his or her highest quarter earnings.

EXEMPTED EMPLOYMENT

Certain activities are **not** considered employment under Indiana UI law. As a result, employees performing these activities are not entitled to UI benefits. Employers are not required to report the wages of these employees and do not have to make contributions based on their wages.

For unemployment insurance purposes, the term "employment" does not include:

- Certain types of agricultural and domestic labor;
- Work performed on foreign vessels or aircrafts when outside of the U.S.;
- Work performed for a hospital by a patient of that hospital;
- Work performed for the U.S. government or a foreign government;
- Work performed for a spouse or child, or performed by a child under age 21 for his or her parent;

- Work performed for an educational institution by a student in regular attendance, or by the student's spouse if the spouse's employment is under a program of assistance to the student;
- Students who are enrolled at a nonprofit or public educational institution in a full-time work-study program (except programs established for or on behalf of an employer or group of employers);
- Student nurses or interns employed at a hospital or nurses' training school;
- News vendors under the age of 18;
- On-call or as-needed employees who receive pay or refuse work during any week; and
- Consulting work performed as an independent contractor.

Nonprofit organizations, Indian tribes and some government services have limited employment situations that are exempt from coverage. Employers engaged in these types of businesses should be aware of these additional exemptions when calculating their liability for unemployment insurance payments.

DISQUALIFICATION

While an individual may earn enough wages to establish a valid UI claim, he or she may still be disqualified from receiving UI benefits. The disqualification may prevent individuals from collecting benefits for specified periods of time or from collecting the full amount of regular benefits.

Individuals are disqualified from receiving UI benefits if they:

- Voluntarily quit without good cause in connection with work;
- Are discharged for misconduct or criminal acts in connection with work;
- Fail to accept a referral from the DWD or fail to accept suitable employment;
- Participate in a labor dispute other than a lockout;
- Receive alternative benefits (such as deductible retirement, temporary partial disability, any earnings equal to or more than the weekly benefit amount, vacation pay or holiday pay);
- File a fraudulent UI claim;
- Seek or receive UI benefits from another state or from a federal unemployment claim while also receiving benefits from Indiana;
- Fail to reasonably search for available work;
- Are not ready, willing and able to work, prepared to take a job immediately, or physically or mentally capable of employment; or
- Were self-employed, in certain circumstances.

COVID-19 EXCEPTION

As of March 3, 2020, an individual will not be disqualified from receiving benefits if the individual:

- Has requested and complied with certain requirements for an exemption from an employer's COVID-19 immunization requirement based on prior infection or medical or religious reasons; and
- Was discharged from employment for failing or refusing to receive an immunization against COVID-19.

APPEALS

If a UI claim is denied, the DWD will send a written Determination of Eligibility notice to the applicant. Interested parties have the right to appeal this decision within **10 calendar days** of the mailing date of the decision. Late appeals are generally not allowed, but may be allowed in situations where a party can show good cause in a hearing for the late appeal.

During an appeal, a party is allowed to have an attorney or any other representative of the party's choosing to represent him or her. Attorneys are not provided for these hearings.

MORE INFORMATION

Visit the DWD [website](#) or contact Heffernan Insurance Brokers for more information on unemployment compensation laws in Indiana.

Provided By Heffernan Insurance Brokers

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