

**Rail Employer Reporting Instructions**  
**Part VI - Reports Related to Service and Compensation**  
**Chapter 10: Employer Verification of Unemployment and Sickness Benefits**

---

**Background**

Effective January 1, 1990, the Railroad Unemployment Insurance Act (RUIA) requires that "when a claim for benefits is filed with the Railroad Retirement Board (RRB), the RRB shall provide notice of such claim to the claimant's base year employer or employers and afford such employer or employers an opportunity to submit information relevant to the claim before making an initial determination on the claim." This is commonly referred to as the prepayment verification process.

**Purpose**

The purpose of the prepayment verification process is to give employers the opportunity to provide information to assist the RRB in determining if sickness or unemployment benefits are payable. This information is important because the payment, or non-payment, of a claim will affect an employer's experience rating and may affect an employer's contribution rate.

**Prepayment Notices**

The RRB releases Form ID-4K, Prepayment Notice of Employees' Applications and Claims for Benefits Under the Railroad Unemployment Insurance Act and Form ID-4E, Notice of RUIA Claim Determinations to employers to verify the reasons for unemployment and sickness benefit claims.

**ID-4K** - Upon receipt, the employer has three business days to submit information relevant to the claim before the RRB determines whether benefits are payable to the employee.

**ID-4E** - Upon receipt, the base year employer(s) may request a reconsideration of the determination to pay benefits, if the employer believes the payment is incorrect or the employee did not work for their company in the base year. The reconsideration request must be in writing and it must be received at an office of the RRB within 60 days of the date of the ID-4E notice.

**What Information Employers Should Report**

Upon receipt of a prepayment notice for an application or claim, employers should compare the information with their records of employment status and/or payroll and provide information in the following circumstances.

**All requests:**

- The employee is claiming benefits for a day(s) for which he or she performed compensated service or received remuneration which would prevent the payment of benefits (see below).

**Unemployment requests:**

- The employee reported an incorrect date last worked;

## **Rail Employer Reporting Instructions**

### **Part VI - Reports Related to Service and Compensation**

#### **Chapter 10: Employer Verification of Unemployment and Sickness Benefits**

---

- The employee is unemployed for a reason other than that reported;
- The employee is claiming benefits for a day(s) on which he or she was voluntarily absent from work; or
- The employee is claiming unemployment benefits for a day(s) for which he or she was sick and unable to work.

#### **Sickness requests:**

- The employee is claiming sickness benefits for a day(s) for which he or she was physically able to work.

#### **Employer Payments Which Prevent Payment of RRB Benefits**

Receipt of the following payments will prevent the employee from also receiving unemployment or sickness benefits from the RRB for the same day(s).

- Regular earnings. Includes work, holiday pay, pay for personal day, called but not used, deadhead pay, vacation period (vacation taken), sick pay (if carried on the payroll for days of sickness as though worked), compensatory time, pay while in training.
- Pay for time lost. See [Part IV, Chapter 6](#) for definition of pay for time lost.
- Guarantee pay, which is attributable to specific days. Report only if attributable to specific days. For example, if the guarantee is for 750 miles every week, then pay for 150 miles is attributable to five workdays in the week, but if the guarantee is for \$50,000 annually, the guarantee pay cannot be attributed to specific days.
- Allowances paid for jobs lost. This includes separation allowances, dismissal allowances, displacement allowances, coordination allowances.

#### **Special Alerts**

- Be sure to report earnings for the day earned, regardless of when the amount is actually paid.
- Unemployment benefits may be paid until an employee receives protective pay. The benefits are then subject to recovery from the employer under Section 2(f) of the RUIA.
- Be sure that earnings for a working day, which includes a part of two consecutive calendar days, are considered to have been earned on the day on which the working day begins and attribute to that day.

**Rail Employer Reporting Instructions**  
**Part VI - Reports Related to Service and Compensation**  
**Chapter 10: Employer Verification of Unemployment and Sickness Benefits**

---

**Employer Payments Which Do Not Prevent Payment of Benefits**

Receipt of the following payments does not affect an employee's entitlement to unemployment or sickness benefits. Do not report these payments.

- **Payments Not Attributable to Specific Days.** This includes bonus pay, vacation paid in lieu of a vacation period, some lump sum payments and guarantee pay.
- **Supplemental Sick or Unemployment Pay** (paid under a non-governmental plan approved by the Board).
- **Pay for Layover Days.**

**Report Earnings on Prepayment Notices**

Upon receipt of a ID-4K prepayment notice, the employer should review the information and determine if it is correct. A list of day codes and payroll codes on the RRB claim profile can be found later in this chapter.

Telephone the RRB office shown on the notice to report the amount of employee earnings. If notices are received electronically, indicate the employees' earnings in the NTE segment (Remarks) of your response (e.g. show (Gross Earnings Equal \$\_\_\_\_\_)). Otherwise, if the prepayment claim notices are received by mail, this same earnings information (Gross Earnings Equal \$\_\_\_\_\_ ) should be written on the paper ID-4K before returning the form to the RRB field office for processing.

This information could affect the payment of a claim and is needed to determine whether the claim should be denied even if the days would otherwise be payable. Replies should be made within three business days. We recommend that you telephone if you have information that may cause the RRB to deny benefits.

**If You Are Unable to Respond Within 3 Days**

If you are unable to respond within the three-day limit, respond as quickly as possible. If your response causes the RRB to determine that benefits should not have been paid, the RRB will attempt to recover the benefits from the employee. The employer that was charged for any benefits that were subsequently not payable will receive a credit when the benefits are recovered.

**When NOT to Respond**

No reply is necessary if the information provided by the employee is correct and you have no other information to provide.

**Rail Employer Reporting Instructions**  
**Part VI - Reports Related to Service and Compensation**  
**Chapter 10: Employer Verification of Unemployment and Sickness Benefits**

---

**Automated Prepayment Verification Notices**

Employers have the option of receiving and replying to notices of claims through an electronic data interchange (EDI). All electronic communication for this purpose are through the RAILINC Corporation, subsidiary of, and developed by, the [Association of American Railroads](#). Read RRB's external link disclaimer. Exchanging information with the RRB is just one of the possible uses of the system. RAILINC provides a mainframe system to receive and respond to RRB claim messages. Ifs you would like to participate in this program, please contact the First Star Bank of St Louis at (314) 418-1073.

**Paper Prepayment Verification Notices**

In the absence of prior arrangements to receive and respond to claim messages electronically, printed Forms ID-4K are mailed to an official designated by the railroad.

**Who Gets Prepayment Notices and Who Gets Charged for the Benefits**

A request for verification of unemployment benefit claims is sent to the claimant's last employer, because that employer can verify the reason for unemployment and report any remuneration that may be paid. A request for verification of sickness benefits is sent to the base year employer because that is the employer that will be charged for the benefits.

**Who is the Base Year Employer?**

The base year is the calendar year preceding the benefit year. A benefit year begins every July 1. Most often the last employer and the base year employer are the same.

**Example:** An employee works for Employer A the entire year 2000 and through March 2001. In April 2001, the employee starts to work for Employer B and works through September at which time he becomes ill. The employee files for sickness benefits beginning September 18, 2001, which is in benefit year 2001, which began July 1, 2001. The base year for benefit year 2001 is calendar year 2000. The prepayment notice is sent to Employer A who was the base year employer. Had the employee been laid off instead of sick, the notice would have been sent to the last employer, Employer B.

**Rail Employer Reporting Instructions**  
**Part VI - Reports Related to Service and Compensation**  
**Chapter 10: Employer Verification of Unemployment and Sickness Benefits**

**Unemployment Claim - Day Codes**

<b>UI Day Code</b>	<b>Definition</b>
0	Day not claimed.
1	Claimed day of unemployment/available for work
2	Employed, day not claimed
3	Claimed day of unemployment, denied for miscellaneous reasons
4	Claimed day of unemployment, denied because of work restrictions and/or earnings test.
5	Claimed day of unemployment, denied due to late registration
6	Claimed day of unemployment, denied for miscellaneous reasons
7	Claimed day of unemployment, benefits reduced because of receipt social insurance
8	Claimed day of unemployment, denied because of unavailability for work
9	Claimed day of unemployment, denied because of receipt of remuneration

**Sickness Claim - Day Codes**

<b>SI Day Code</b>	<b>Definition</b>
0	Day not claimed.
1	Claimed day of Sickness
2	Employed, day not claimed
3	Claimed day of sickness, denied for miscellaneous reasons
4	Claimed day of sickness, denied due to improper advance registration
5	Claimed day of sickness, denied due to improper delayed registration
6	Claimed day of sickness, denied for miscellaneous reasons
7	Claimed day of sickness, benefits reduced because of receipt social insurance
8	Claimed day of sickness, benefits reduced because of receipt social insurance
9	Claimed day of sickness, denied because of receipt of remuneration

**Prescribed Employee Payroll Codes**

<b>Code</b>	<b>Description</b>	<b>Use Code to Indicate</b>
WK	Work	Day of employment, either at straight time or overtime rate of pay.
HO	Holiday	Regularly observed holiday as provided for by union-management agreement or by company practice.
VC	Vacation	Day on which the employee is on a regularly scheduled vacation and/or day on which the employee elects to use accrued vacation time.
GU	Guarantee	Day for which an employee is paid a daily wage or trip guarantee.

**Rail Employer Reporting Instructions****Part VI - Reports Related to Service and Compensation****Chapter 10: Employer Verification of Unemployment and Sickness Benefits**

---

<b>Code</b>	<b>Description</b>	<b>Use Code to Indicate</b>
OP	Other/Paid	Day for which employee is paid wages or other remuneration for reasons other than those covered by another status code, including: Compensatory time; ravel time; training; attendance at hearings, investigation, meetings; time claim; and qualifying.
RD	Rest Day	Day between regular assignments or tours of duty.
SD	Sick Day	Day on which company records show that employee is not available for employment due to illness or injury.
PD	Personal Day	Day on which an employee is absent because of requested time off or personal holiday (absent with permission).
AB	Absent	Day on which an employee is absent without permission or without prior approval.
AL	Legitimate Absence	Day on which an employee does not work which is within a period provided by union-management agreement for exercising seniority right (bumping).
JD	Jury Duty	Day on which an employee is on jury duty, or any other required civic duty.
CL	Compassionate Leave	Day off due to death or illness in family' day off to attend a funeral.
ML	Military Leave	Day in a period when employee is on military duty; time taken to satisfy reserve or National Guard duty requirements.
SU	Suspension	Day in a period during which an employee is suspended from service for disciplinary reasons.
MC	Missed Call	Day on which an employee is not employed because of his or her failure to receive call to work.
MO	Marked Off	Day on which an employee marks off an extra board.
LO	Layover	Day at a layover location (train and engine service).
DH	Deadhead	Day for which payment was made for deadheading from one location to another (train and engine service).
RF	Refused Work	Day on which an employee refuses work which is offered to him.