

**Unemployment Compensation Awarded for Quit Over Higher Insurance Deductible**

**April 2008**

The Connecticut Superior Court recently affirmed a decision of the Board of Review of the Employment Security Appeals Division granting unemployment compensation benefits to an employee who quit her job after her employer raised the health plan deductible to \$2,000 per year. *Yellow Cab Garage Co., Inc. v. Administrator*, 2007 Conn. Super. LEXIS 3268 (Conn. Super. Ct. Dec. 7, 2007). The employee worked as a part-time bookkeeper for over three years and earned \$17.50 per hour. Approximately nine months before she quit, Yellow Cab informed all employees that it was changing its health insurance plan.

Following the announced change, the employee unsuccessfully complained to her supervisor about the increased deductible. She continued working for some nine months, quit, and then filed for unemployment compensation benefits. The Administrator found she quit for good cause attributable to her employer and awarded benefits. The company appealed and the Referee reversed. Following the employee's appeal the Board of Review reversed and found the unilateral increase in the deductible was akin to a reduction in wages, and constituted good cause for quitting for reasons attributable to the employer. Therefore, she was entitled to collect unemployment compensation.

The Board also dismissed the company's argument that her nine month continued employment following the deductible increase amounted to acquiescence, thereby waiving her right to claim her quit was for good cause attributable to her employer. Normally the Board

follows a three month acquiescence rule, but in this case found her continued employment was necessary to support herself and test the financial impact of the new deductible.

In affirming the Board, the court found there was sufficient evidence in the record to conclude the claimant quit for good cause attributable to her employer and was eligible for benefits. This case points out the unintended consequences that increased employee benefit costs may have on an employee's right to quit and collect unemployment compensation.

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