

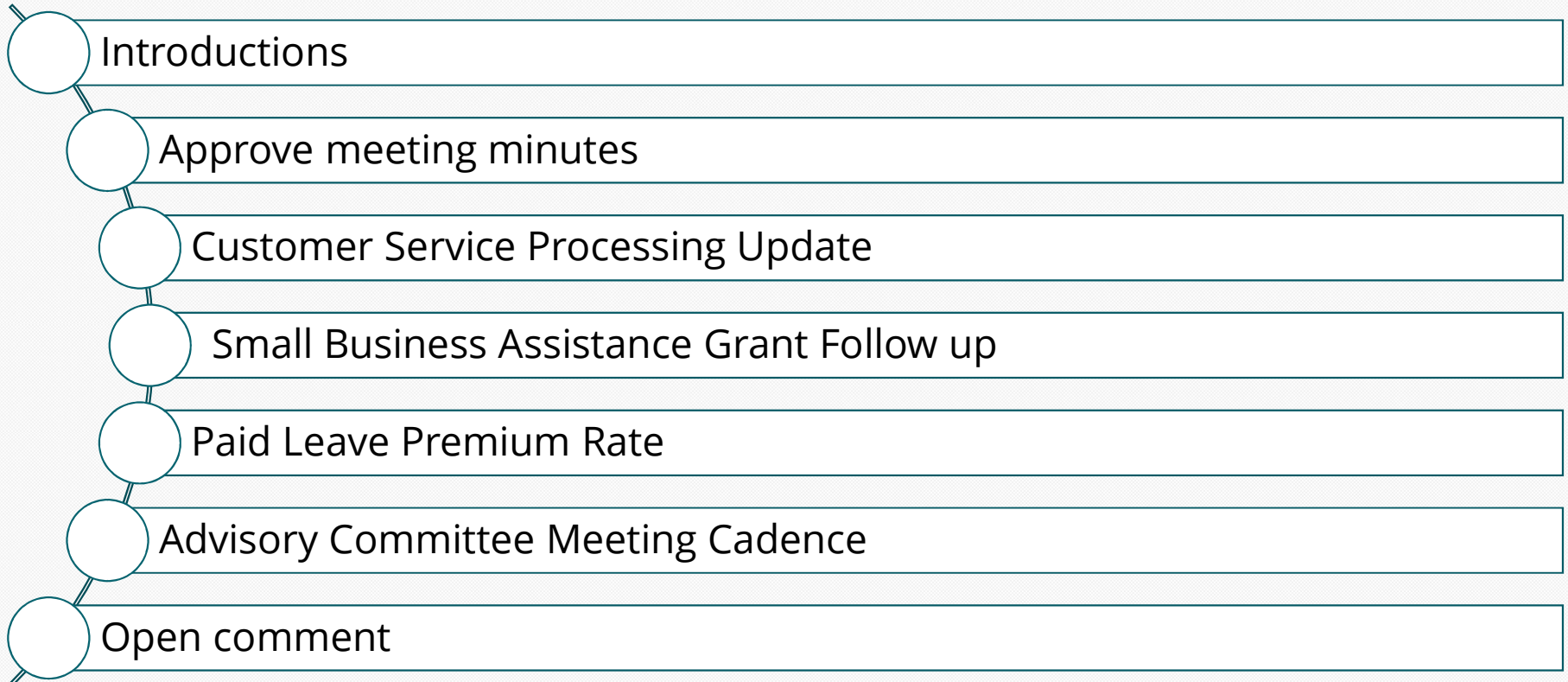
Washington
Paid Family & Medical Leave



Advisory Committee Meeting
June 18, 2020



Presentation overview



Introductions

- Advisory Committee
- In-person attendees

(Note: We will use the conference call feature to identify who is on the phone rather than announcing during meeting)

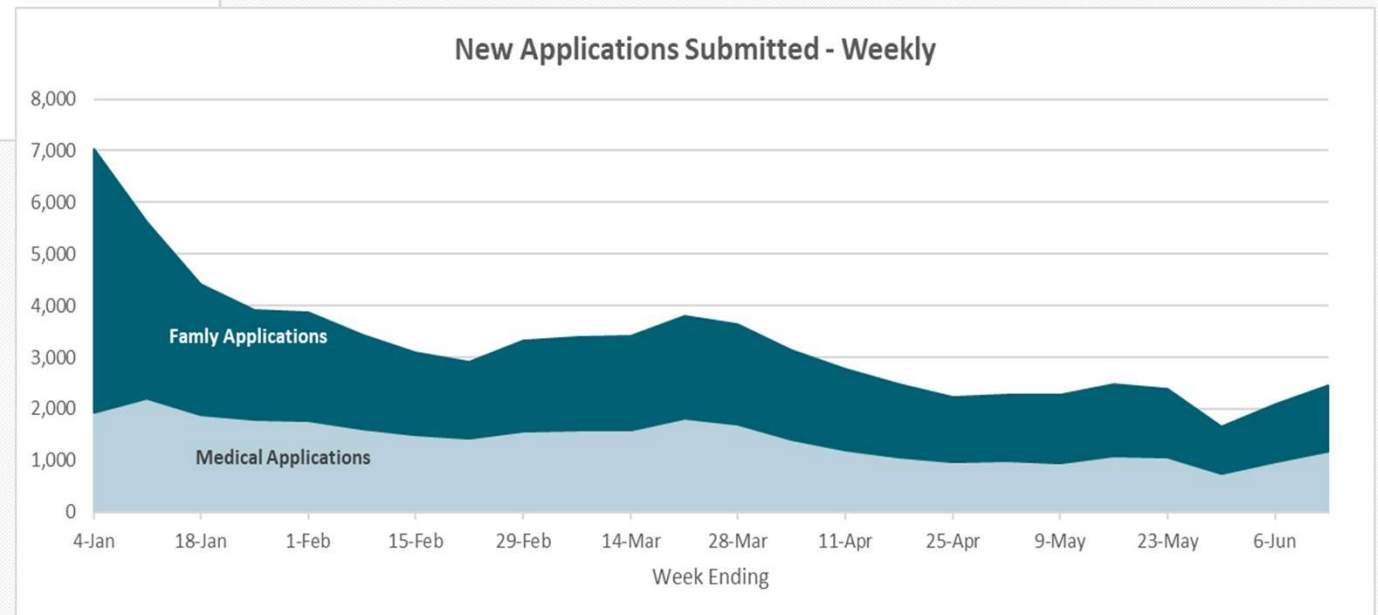
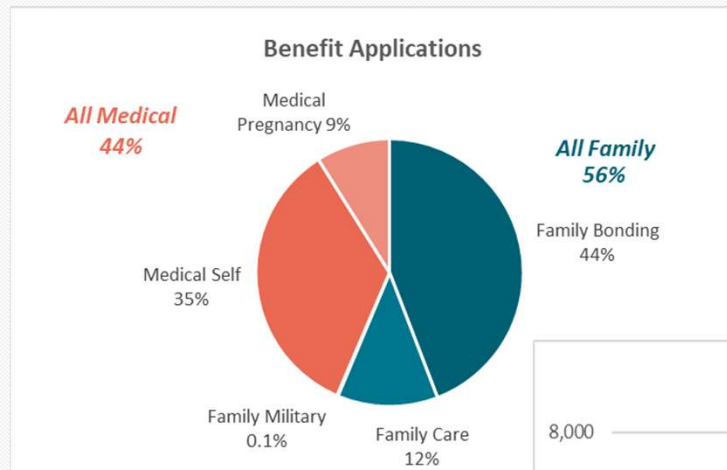
Conference Call Structure

- Advisory Committee and the presenters will only be unmuted during the meeting, until Open Comment.
- Public to hold all feedback until the Open Comment period.
- Comments and questions in the Chat will not be reviewed as part of the meeting structure, rather:
 - 20 minutes dedicated to Open Comment
 - Please frame your questions as a comment.
 - “Raise your hand” if you have a comment.
 - The meeting host will unmute individual line to allow for the Public Comment.

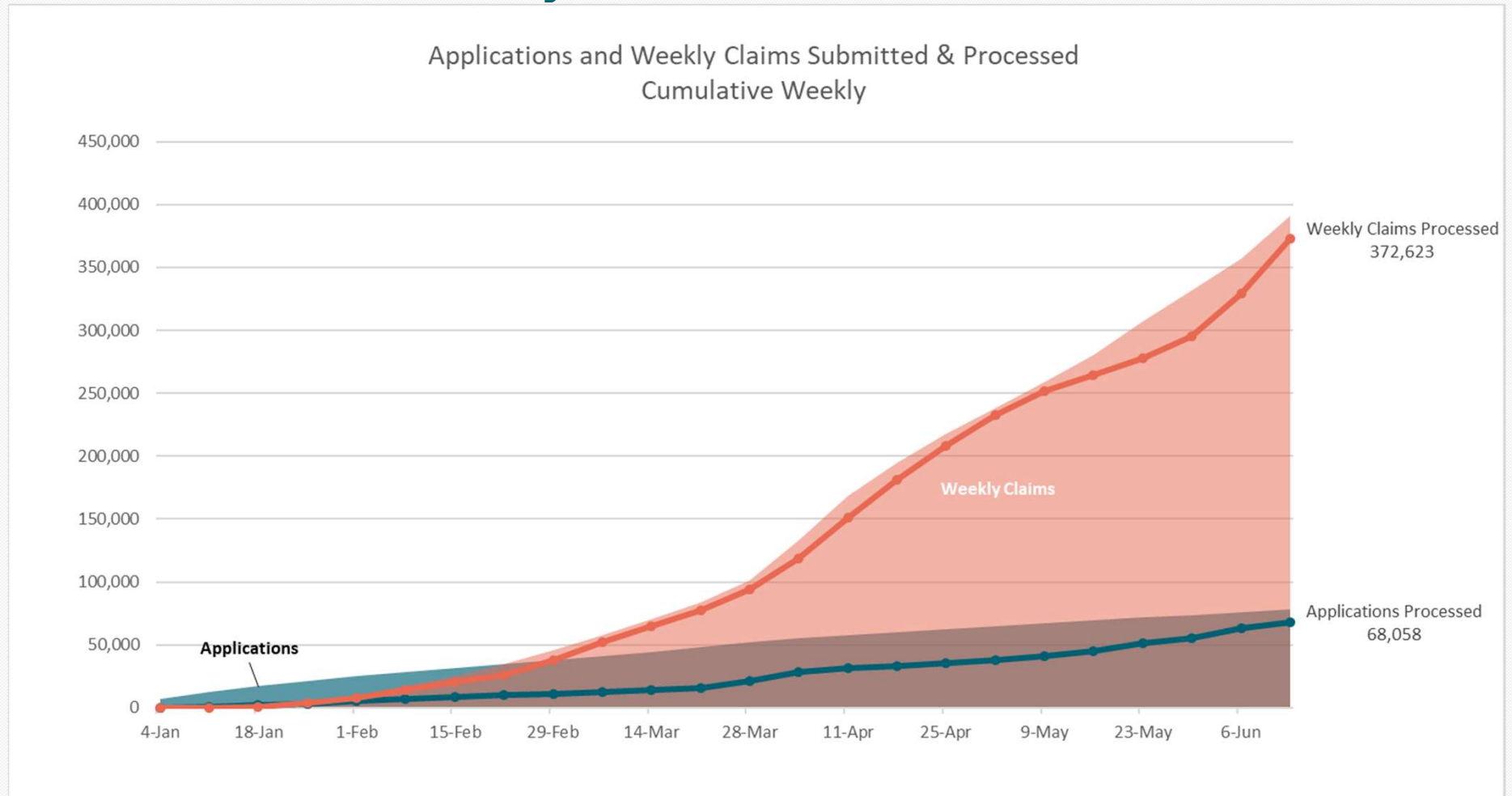
Approve May minutes

- Discussion

Application & Weekly Claim data – through 6/13/2020



Application & Weekly Claim data – through 6/13/2020



Call Data

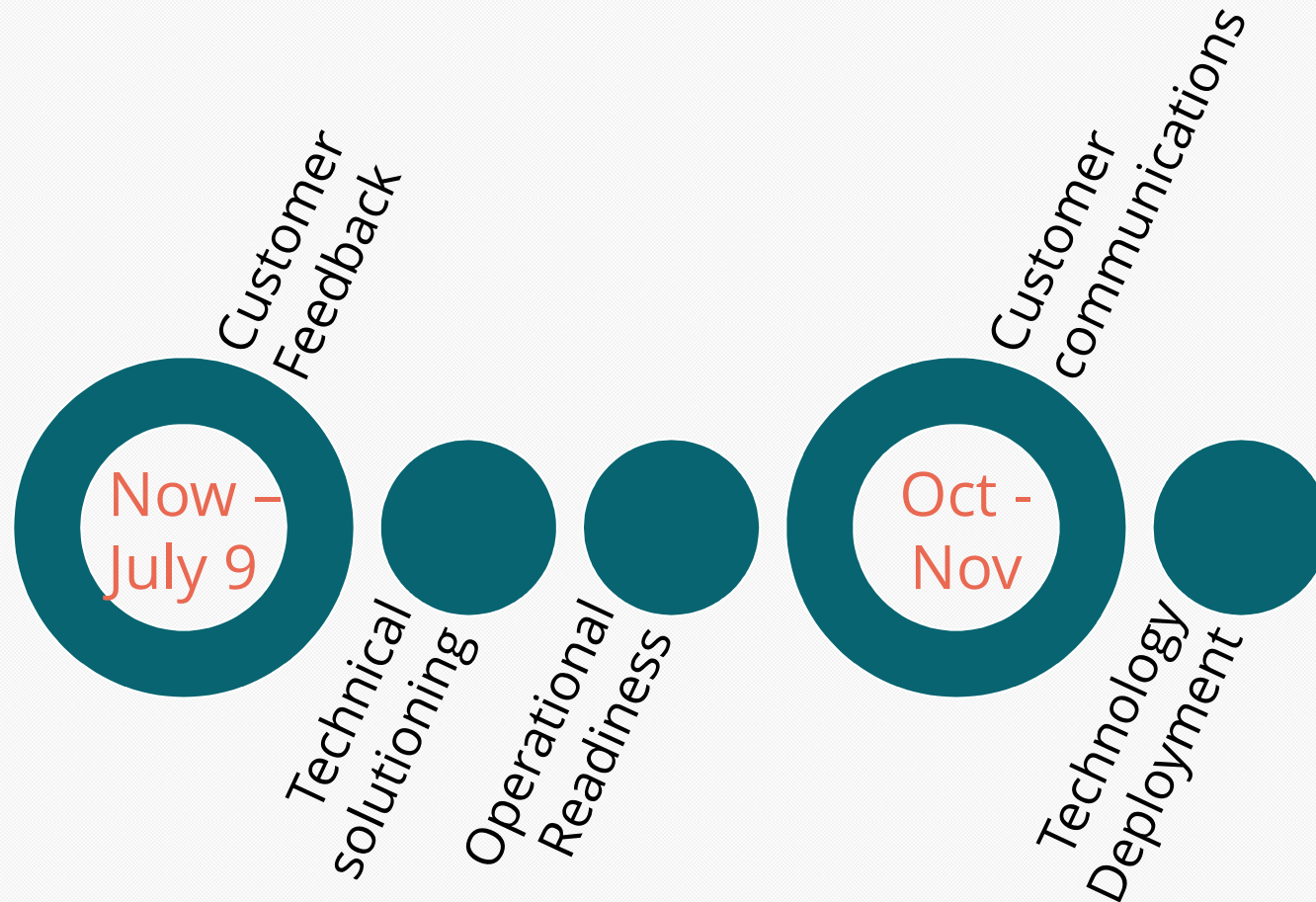
Customer Care Call Processing	Week 16 12-Apr 18-Apr	Week 17 19-Apr 25-Apr	Week 18 26-Apr 2-May	Week 19 3-May 9-May	Week 20 10-May 16-May	Week 21 17-May 23-May	Week 22 24-May 30-May	Week 23 31-May 6-Jun	Week 24 7-Jun 13-Jun
Calls Presented	5,677	7,069	6,484	5,501	3,471	3,991	2,867	5,014	5,186
Calls Answered	2,527	2,768	2,585	2,159	1,889	1,913	1,559	2,433	2,365
Calls Abandoned	3,150	4,301	3,899	3,342	1,582	2,078	1,308	2,581	2,821
Average Handle Time	0:11:56	0:10:25	0:10:53	0:10:13	0:11:56	0:12:03	0:14:04	0:11:21	0:12:44
Max Handle Time	1:19:39	1:23:05	0:55:21	1:42:14	1:48:51	1:47:30	2:07:35	1:24:00	1:48:34
Average Abandoned Time	0:33:22	0:36:29	0:39:39	0:42:27	0:28:15	0:42:47	0:41:40	0:34:58	0:42:19
Max Abandon Time	2:45:12	2:59:07	2:59:12	2:59:10	3:37:16	3:13:09	3:06:17	3:12:46	2:41:39
Average Speed Answered	1:51:10	1:52:43	1:53:52	2:03:10	1:14:14	1:45:58	1:54:43	1:41:12	1:41:48
Average Queue Time	0:59:30	0:59:37	1:02:57	1:06:59	0:47:07	1:06:44	1:10:47	0:59:28	1:03:41
Max Queue Time	2:54:19	2:59:10	2:59:12	3:00:09	3:44:16	3:27:45	3:19:14	3:22:35	2:49:29

Small Business Assistance Grant Follow up

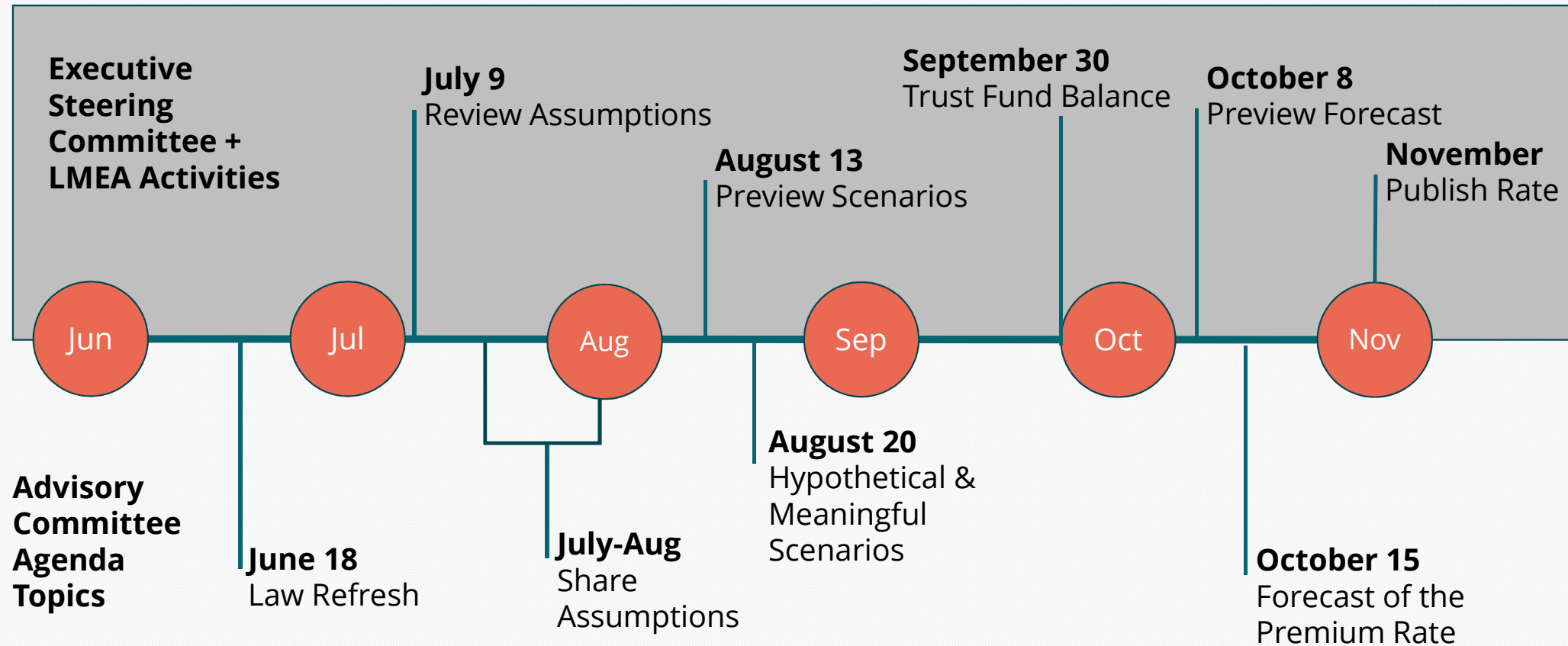
Questions about Paid Family and Medical Leave small business assistance grants:

1. How and when do you recommend that we communicate the availability of these grants to the employer community?
2. What would employers expect to provide to the department to substantiate the request for a grant, both for hiring a replacement worker and for incurring significant wage-related expenses?
3. If an employer applies for a grant and we need more information, how would employers like us to communicate that with them?
4. In what timeframe would employers reasonably expect a decision regarding a grant?
5. Do employers have a preference in how they would prefer to receive these grants, such as check, direct deposit, etc.
6. Do you have any sense of the demand for these grants?

Small Business Assistance Grants



Paid Leave Premium Rate & Projections



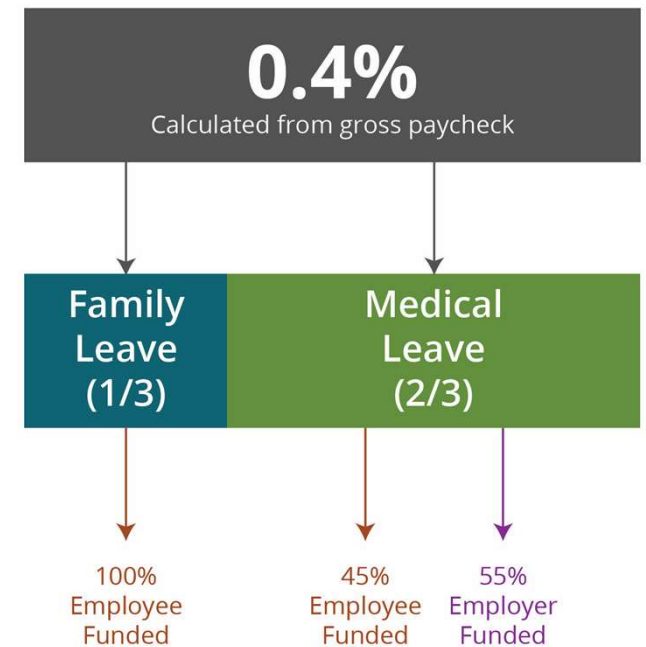
PREMIUM RATE – GENERAL OVERVIEW

Current PFML Premium Rate 1/2019- 12/2020

- Up to the maximum wages subject to SSN tax
- Small businesses with fewer than 50 employees don't pay employer premium
- Split between leave types:
 - Family Leave represents 1/3
 - Medical Leave represents 2/3

Example for an individual in a reported quarter:
\$9,000 for Q1 2019 → \$36 total premiums assessed

Employee: \$22.80 Employer: \$13.20



PREMIUM RATE – GENERAL OVERVIEW

KEY DATES:

- Review of account balance ratio on 09/30/2020
- Beginning 01/01/2021 new rates annually adjusted
- Beginning 01/01/2021 solvency surcharge can be assessed
- Beginning 01/01/2022 split between Family Leave and Medical Leave will be adjusted

PREMIUM RATES – BEGINNING 2021

The Account Balance Ratio will be determined by:

Trust fund account balance as of 09/30/2020

Prior fiscal year of covered wages paid

Account Balance Ratio	Premium Assessment Rate on Wages the following year
0.0000% to 0.0999%	0.6%
0.1000% to 0.1999%	0.5%
0.2000% to 0.2999%	0.4% (current rate)
0.3000% to 0.3999%	0.3%
0.4000% to 0.4999%	0.2%
0.5000% or Greater	0.1%

PREMIUM RATE – SOLVENCY SURCHARGE

Beginning 01/2021 **IF** the Account Balance Ratio is calculated below 0.05% **THEN** the department must employ a solvency surcharge at the lowest rate necessary for the calendar year.

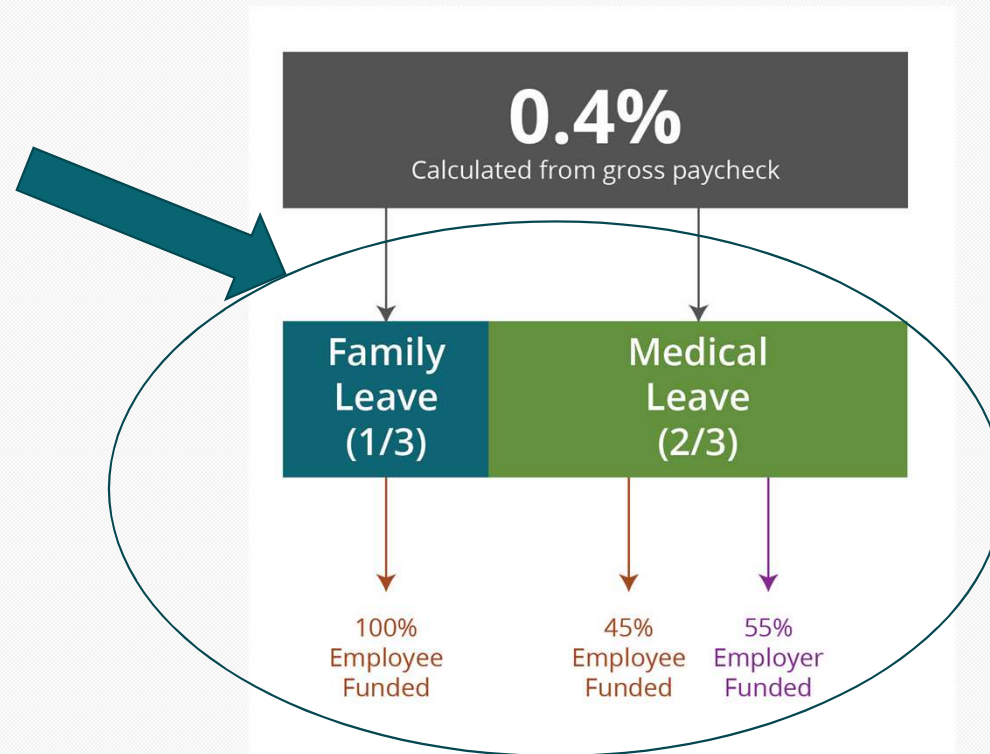
Account Balance Ratio	Premium Assessment Rate on Wages for the following year
0.0000% to 0.05%	0.6% + (lowest rate necessary between 0.1% and 0.6%) = Wage assessment for the following year.

For Example:

Account Balance Ratio on 09/30/2020	Premium Assessment Rate on Wages for the following year
0.0048%	0.6% 2021 Premium Assessment + 0.6 Solvency Surcharge = 1.2% Wage assessment for the calendar year.

PREMIUM RATE – FAMILY AND MEDICAL LEAVE SHARE

Beginning 2022, percentage of total premium for family and medical leave will be adjusted based on percentage of paid claims.



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For example:

2022, Account Balance Ratio = 0.37%

Total paid claims over time,

Family Leave = 60%

Medical Leave = 40%

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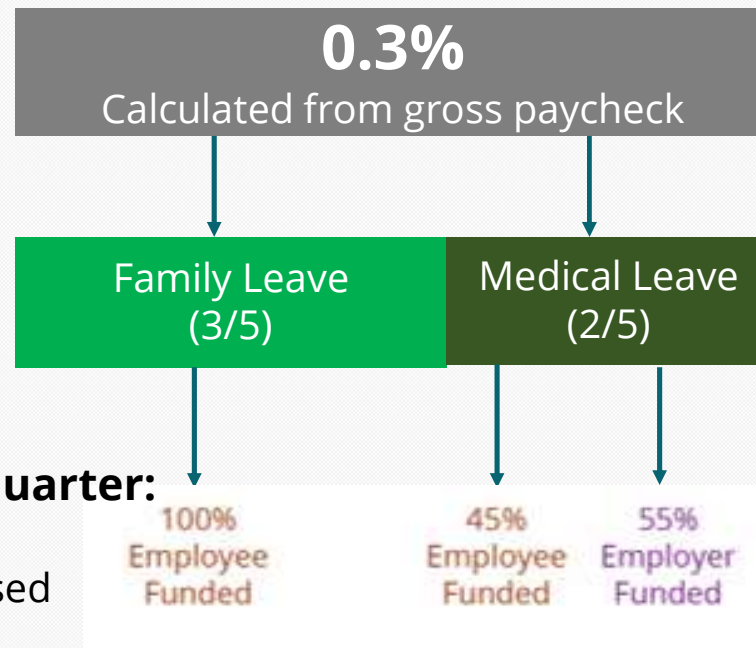
PREMIUM RATE – FAMILY AND MEDICAL LEAVE SHARE

For example:

2022, Account Balance Ratio = 0.37%

Total paid claims over time

- Family Leave = 60%
- Medical Leave = 40%



Example for an individual in a reported quarter:

\$9,000 for Q1 2022 → \$27 total premiums assessed
Employee: **\$21.06** Employer: **\$5.94**

2020 Advisory Committee Meetings

Scheduled

- July 16 - Olympia
- August 20 – Seattle
- September 23* - Olympia
- October 15 – Seattle
- November 19 – Olympia
- December 17 - Seattle

Thursdays 10-Noon, except
*Wednesday

Proposed

*Discuss Cadence and Format
(conference call / in person?)*

For the good of the order: Open Comment

Next meeting _____, 2020 from 10 a.m. to 12 p.m. (Electronic Only)

Continue the conversation

John Mattes

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Employment Security Department

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Visit us online at
www.paidleave.wa.gov



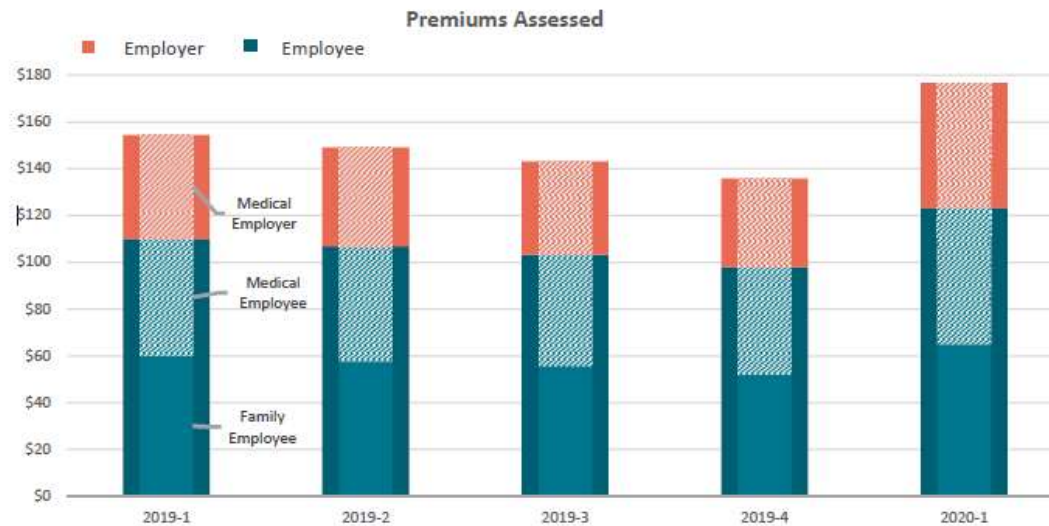
Join our listserv at
bit.ly/PaidLeaveList



Ask questions and make
comments on our public forum
at bit.ly/CommentForum

Employer Reporting- as of 6/16/2020

Paid Family and Medical Leave Quarterly Reporting Summary						
	2019-Q1	2019-Q2	2019-Q3	2019-Q4	2020-Q1	Summary to Date
Employers	155,188	161,919	163,500	156,047	147,838	188,521
Employees						
total employer-reported	3,209,562	3,469,918	3,766,542	3,659,929	3,526,864	3,526,864
WA workers counted once across jobs	2,900,554	3,072,636	3,289,721	3,232,216	3,171,557	4,001,126



	2019-Q1	2019-Q2	2019-Q3	2019-Q4	2020-Q1	Total to Date
Premiums Invoiced	\$154,382,041	\$149,083,742	\$143,118,271	\$135,770,249	\$176,689,505	\$759,043,808
Premium Wages	\$45,039,259,479	\$43,341,658,370	\$41,670,142,512	\$38,910,663,894	\$48,732,780,280	\$217,694,504,535
Gross Wages	\$48,363,405,673	\$46,942,714,834	\$52,639,798,993	\$54,050,951,941	\$56,729,049,737	\$258,725,921,178

16 Jun 2020

Voluntary plan update

As of 6/16/2020

405 preliminary applications

49 medical

31 family

325 both



345 completed applications received



320 applications fully processed

253 approved

37 denied

30 withdrawn