Program Utilization Study

Employment Security Department

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Program Utilization Study

Executive Summary

This program utilization study seeks to describe the demographic and employment characteristics of customers, examining who took leave, for how long, and to what extent program participation was proportionate relative to the eligible worker population in Washington. This is a first step toward informing targeted efforts to engage groups with lower participation and improvements to operations, technology, policies, and communications. Through these, we will better serve our customers and ensure we are providing an easily accessible benefit that supports workers when they need it the most.

This study sought to answer the following questions:

- 1. In its first year, what were the demographic characteristics of customers who received paid leave benefits? How did they compare to the eligible worker population in Washington?
- 2. What were the employment characteristics of these customers? How did they compare to the eligible worker population in Washington?
- 3. How have customers utilized leave? What was the average length of leave? To what extent did they take leave intermittently? Did these leave-taking behaviors differ across leave types or subgroups?

Key Findings

Gender

- Those who identified as female had the highest participation rates, compared to those who
 identified as male, nonbinary, or who preferred not to disclose their gender. Relative to their
 respective shares of the eligible worker population, female participation was higher while male
 participation was lower.
- Although the medical event information saved in the administrative database does not allow us to distinguish between medical claims for childbirth or pregnancy without complications and other medical events, claims related to pregnancy and childbirth likely contributed to this pattern.
- Moreover, while the data shows that male participation was relatively low overall, male customers represented just over half of family bonding claims.
- Female customers accounted for almost two-thirds of family care claims.

Age

- Those ages 30-39 made up much of the customer base and appeared to have much higher participation rates, while all other ages appeared to have lower participation rates.
- The majority of claims 30-39-year-olds made were concentrated in family bonding and medical pregnancy complication leave, consistent with the assumption that their high participation rate is related to childbirth/placement and bonding.



Race, Age, and Gender

 When looking at race or gender alone, it appeared that certain groups had high participation, but findings became more nuanced when looking at detailed demographic comparisons. Native Hawaiian/Other Pacific Islander women ages 50-59 and men ages 60 and up, Asian women ages 18-29 and 50-59 and men ages 18-29 and 50-59 were among some of the demographic subgroups with the lowest participation, relative to their respective shares of the eligible worker population.

Latinx Ethnicity, Age, and Gender

• Similarly, a closer examination of gender and age among customers with Latinx ethnicity revealed that across both genders, all age groups except ages 30-39 had lower participation relative to the population of eligible workers.

Average Hourly Wage and Employer Size

- Overall, those working at large businesses had higher participation than those working at small business with fewer than 50 employees.
- Examining average hourly wage and employer size together revealed that lower participation rates persisted across both small and large employers for those making up to \$15 an hour, \$15-\$19 an hour, and more than \$50 an hour.

Average Lengths of Leave

- Those who took family care and family military leave had the shortest lengths of leave, while those who took bonding had longer leaves.
- Lengths of leave at the claim level tended to be shorter for customers between the ages of 40-49 and 50-59, for those who identified as male and nonbinary, and for those with higher wages. However, length of leave did not vary much between white and nonwhite customers, customers who worked for small (fewer than 50 employees) and large (50 or more employees) employers, and customers who had one employer versus multiple employers.
- Approximately 39 percent of customers within the sample have completed their claim year. At the
 customer level, the average length of leave for this group was 9.3 weeks, across claims, compared
 to 8.2 weeks for customers whose claim years have not ended.

Intermittent Leave

- Approximately one third of customers in the sample appeared to have used their leave benefits
 intermittently. This was defined as having weekly claims where leave hours were less than typical
 workweek hours or no leave hours were used.
- Those who used their leave intermittently had slightly shorter leaves spread out over a longer period, compared to the overall sample.
- On average, those who used their leave intermittently took less leave per week (22 hours) than the overall sample (32 hours). Those who took family care leave intermittently used the least amount of leave hours per week (17 hours).



Conclusion and Future Research

This analysis revealed patterns of program utilization that can be used as a starting point to explore awareness and challenges or barriers to using Paid Family and Medical Leave. The program will continue to examine the leave application and weekly claims process to identify points of confusion and make improvements. In the future, we aim to conduct a customer benefit process evaluation and awareness survey to identify further areas for improvement. An implementation study may also prove useful to identify lessons learned or best practices for other state governments looking to implement paid leave programs.

More specifically, moving forward, it may be useful to look at how the current job protection measures and wage replacement levels influence decisions to take leave for eligible workers across wage levels and employer sizes. Moreover, for customers whose second language is English, it may be useful to explore utilization as it relates to primary language to determine what challenges customers experience. Finally, given the unique time that benefits first became available, during a global pandemic and recession, it will be important to continue to track program utilization as data from the first year may not necessarily be indicative of future trends.



Program Utilization Study

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Introduction

In the first year of the program, Washington Paid Family and Medical Leave received about 168,000 applications and paid approximately \$613 million to 98,000 Washingtonians. The program allows for up to 12 weeks of paid family or medical leave for eligible Washington workers who have worked at least 820 hours in the previous year. Under certain circumstances, individuals may qualify for up to 16 or 18 weeks of combined family and medical leave.

This program utilization study seeks to describe the demographic and employment characteristics of customers, examining who took leave, for how long, and to what extent program participation was proportionate relative to the eligible worker population in Washington. This is a first step toward informing targeted efforts to engage groups with lower participation and improvements to operations, technology, policies, communications to better serve our customers and ensure we are providing an easily accessible benefit that supports workers when they need it the most.

Data and Methods

Research Questions

This study sought to answer the following questions:

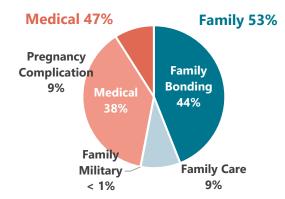
- 1. In its first year, what were the demographic characteristics of customers who received paid leave benefits? How did they compare to the eligible worker population in Washington?
- 2. What were the employment characteristics of these customers? How did they compare to the eligible worker population in Washington?
- 3. How have customers utilized leave? What was the average length of leave? To what extent did they take leave intermittently? Did these leave-taking behaviors differ across leave types or subgroups?

To answer these questions, this study used administrative and claims data collected from Paid Leave customers during the application process, 2019 wage reports filed by employers during premium collection, and secondary demographic and employment data from the U.S. Census Bureau's American Community Survey 2019 One-year Estimates Public Use Microdata Sample to draw comparisons between eligible Washington workers and Paid Leave customers.

Claims Data

This study focused on 122,435 leave claims filed by 104,950 customers in 2020. It included customers who applied, were approved, and received at least one payment during the time period. Those who applied and were denied, were approved but did not take leave, or who only took leave during their "waiting week" were not included. Figure 1.A shows claims by type and select summary statistics. Table1.B shows average weekly benefit amount, payment amount, and leave hours by leave type.

Figure 1.A. Claim Type Breakdown & Claim Level Summary Statistics



16%	Customers filed more than one claim
31%	Claims filed for the maximum weekly
	benefit amount of \$1,000
9%	Claims filed for childbirth or placements in
	2019
1%	Claims filed on paper applications ¹
\$787	Average weekly benefit amount
\$684	Average weekly payment amount
32	Leave hours used per week on average

Table 1.B. Average Weekly Benefit Amount, Payment Amount, and Leave Hours by Claim Type

	Claim Count	Percent of Total Claims	Average Weekly Benefit Amount	Average Weekly Payment Amount	Average Hours Used per Week
Family Bonding	53,573	44%	\$818	\$689	32
Family Care	10,800	9%	\$789	\$599	28
Family Military	63	< 1%	\$796	\$601	27
Medical	46,611	38%	\$785	\$685	31
Pregnancy Complication	11,388	9%	\$788	\$728	33

Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Benefit Application Data

At the time of application, customers are asked for pertinent details of their family or medical leave, their demographics, and their current employment information. This study used the following variables from the application data: customer birthdate, racial, ethnic, and gender identity, and claim information, such as qualifying event type, leave type, and child date of birth or placement.

Claim-Linked Quarterly Wage and Employer Information

In addition, as part of the application and eligibility verification process, each claim is linked to the customer's employer wage records and any additional documentation of hours and wages the employee provides to determine the amount of leave available to them and their weekly benefit amount. This study used quarterly wages, quarterly hours worked, average employee count, and employer count from the employer wage reports to estimate average hourly wage and business size for each customer and to construct a comparison sample of eligible Washington workers.

¹ Of the one percent approved claims that were filed on paper applications within the sample, approximately 20 percent were in a language other than English. The majority of these were in Spanish, with a few in Vietnamese and Chinese.

An average hourly wage was calculated by taking the average of quarterly wages over hours worked for each customer in each quarter that reports were available and linked to a claim. The data system linkage between wage reports and customer claims began at the end of February 2020, and therefore we were unable to calculate average hourly wage using the method described for approximately 12,401 customers who applied for WA Paid Leave in January and February 2020. As a proxy, we estimated their average hourly wage using their weekly benefit amount, which is determined at the time of application using wages from the highest two quarters during their qualifying period. A count of employers and employer size was also obtained for each customer using the wage reports. Employer size was calculated using the average employee count reported by the employer where the employee worked the most hours in a quarter during the time period.

U.S. Census Bureau American Community Survey 2019 One-year Estimates Public Use Microdata Sample

The One-year Estimates Public Use Microdata Sample (PUMS) is a sample of responses to the American Community Survey (ACS), which is conducted by the U.S. Census Bureau. It uses a series of monthly samples of the survey to produce annually updated estimates for a given geographic area. The demographic comparison sample from the American Community Survey included approximately 3.5 million adults ages 18 and over in Washington who were employed and met an approximation of the WA Paid Leave eligibility requirement of working at least 16 hours per week in the previous 12 months. This data was used for the gender, racial, ethnic identity, and age comparisons.

Demographic Comparisons

First, this study examined WA Paid Leave participation in terms of gender, racial, and ethnic identity, and age alone, compared to eligible Washington workers, to identify any differences. Customers were only counted once, regardless of whether they filed more than one claim in the time period. Second, the differences were brought to scale by calculating the percent difference for each group using the following equation:

Percent Difference = $\frac{\text{Customer mean}}{\text{Population mean}} - 1$

This scaling allows for a more direct comparison of relative participation across groups having large differences in population size. For example, a five percentage point difference between customer participation and WA workers in a subgroup that comprises 90 percent of the population is substantively different than a five percentage point gap for a subgroup that represents just 10 percent of the population.

Third, age, gender, race, and ethnic identity were examined alone and together through crosstabulations to determine if there were differences in specific sub-groups using the percent difference equation referenced above. Finally, z-tests were conducted for each group to determine which differences were statistically significant.

Gender

Table 2.A shows the percentage breakdown of the customer population by gender, compared to the corresponding sample of eligible workers in Washington. Those who identified as female had the highest participation rates, compared to those who identified as male, nonbinary, or who preferred not to disclose their gender. Relative to their respective shares of the eligible worker population, female participation was higher while male participation was lower. Although the medical event information saved in the administrative database does not allow us to distinguish between medical claims for childbirth or pregnancy without complications and other medical events, it is likely that it contributed to this pattern.

Table 2.A. WA Paid Leave Customer Participation Compared to Eligible Washington Workers by Gender Identity

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	WA Paid Leave Customers	Eligible WA Workers
Female	61%	45%
Male	38%	55%
Nonbinary	< 1%	NA
Prefer not to say	< 1%	NA

Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 2.B shows the percent difference results: male participation was 30 percent lower and female participation 36 percent higher relative to the eligible worker population. Statistical tests showed that both customer populations differed from that of the greater eligible worker population. These figures were calculated using the percent difference equation referenced above, where zero indicates the customer participation rate was equal to the subgroup's population size. A comparison of those with nonbinary gender identities was not included here because the ACS does not report on gender identities outside of the binary structure.

Figure 2.B. Percent Difference of WA Paid Leave Customers Compared to Eligible Washington Workers by Gender

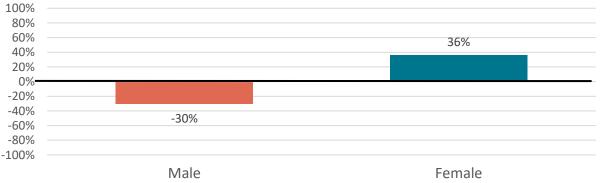


Table 2.C shows the percent breakdown of claims by leave type and gender identity. Although the medical event information saved in the administrative database does not allow us to distinguish between medical claims for childbirth or pregnancy without complications and other medical events, claims related to pregnancy and childbirth likely in part contributed to this pattern.

And, while the data above shows that male participation was relatively low, male customers represented just over half of family bonding claims. Finally, female customers accounted for almost two-thirds of family care claims.

Table 2.C Percent Breakdown of WA Paid Leave Customers by Gender & Leave Type

			Family		Pregnancy
	Family Bonding	Family Care	Military	Medical	Complication
Female	48%	64%	91%	65%	98%
Male	51%	36%	7%	34%	2%
Nonbinary	< 1%	< 1%	0%	< 1%	< 1%
Prefer not to					
say	< 1%	< 1%	2%	< 1%	< 1%

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Race & Ethnicity

Table 3.A shows the percentage breakdown of the customer population by race, compared to the corresponding sample of eligible workers in Washington. Those who identified as White or Asian alone had lower participation rates relative to the eligible worker population. Those who identified as Multiracial/Another Racial-Ethnic Identity had higher participation rates. There were also small differences among customers who identified as American Indian/Alaska Native and Native Hawaiian/Other Pacific Islander.

Table 3.A. WA Paid Leave Customer Participation Comparison to Eligible WA Workers by Racial Identity

	WA Paid Leave	Eligible WA Workers
American Indian/Alaska Native alone	< 1%	1%
Multiracial/Another Racial-Ethnic Identity	19%	10%
Asian/Asian American alone	8%	10%
Black/African American alone	4%	4%
Native Hawaiian/Other Pacific Islander alone	1%	< 1%
Prefer not to say	3%	N/A
White alone	64%	74%

Table 3.B shows the percentage breakdown of the customer population by Latinx ethnicity, which is approximately proportionate relative to the eligible population. This comparison is shown separately in consistency with the ACS, which reports on Latinx ethnicity separate of racial identity.

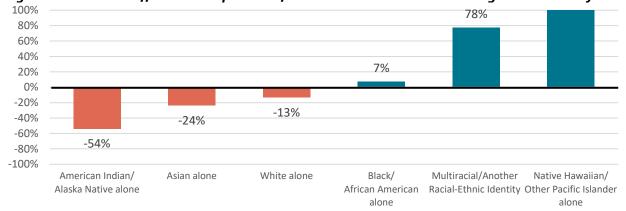
Table 3.B. WA Paid Leave Customer Comparison to Eligible WA Workers by Latinx Ethnic Identity

	WA Paid Leave	Eligible WA Workers
Latinx	13%	12%
Not Latinx	84%	88%
Prefer not to say	3%	N/A

Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 3.C shows the percent difference results by race: those who identified as American Indian/Alaska Native alone, Asian/Asian-American alone, and White alone all had lower participation rates relative to the eligible worker population. Those who identified as Black/African American alone, Multiracial/Another Identity, and Native Hawaiian/Other Pacific Islander alone had higher participation rates. Statistical tests showed that all six racial subgroups differed from that of the eligible worker population. These figures were calculated using the percent difference equation referenced above, where zero indicates full participation relative to population share. These differences vary in magnitude for each group relative to their share of the eligible worker population. For example, while the data showed that Native Hawaiian/Other Pacific Islander workers have significantly higher participation relative to the eligible worker population, their participation constituted less than one percent of customers, compared to just over one percent of the eligible worker population.

Figure 3.C. Percent Difference Comparison of WA Paid Leave Customers to Eligible Workers by Race



Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021. Percent differences are topcoded at 100.

Table 3.D shows the percent breakdown of customers by racial identity and leave type. Customers who identified as White alone made up the majority of claims across leave types, followed by customers who identified as Multiracial or another identity, Asian alone, and Black alone.

Table 3.D Percent Breakdown of WA Paid Leave Customers by Racial Identity & Leave Type

	Family Bonding	Family Care	Family Military	Medical	Pregnancy Complication
American Indian/Alaska Native alone	< 1%	1%	0%	1%	0%
Multiracial/Another Racial-Ethnic	20%	20%	14%	16%	21%
Identity					
Asian alone	10%	7%	12%	5%	10%
Black/African American alone	4%	5%	2%	4%	4%
Native Hawaiian/Other Pacific Islander	1%	2%	2%	1%	2%
alone					
Prefer not to say	3%	4%	5%	3%	3%
White alone	61%	61%	66%	69%	60%

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 3.E shows the percent difference results by Latinx ethnicity: those who identified as Latinx had slightly higher participation rates than non-Latinx customers. Statistical tests showed that the proportion of customers in both groups differed from that of the eligible worker population. Table 3.F shows the percentage breakdown of customers with Latinx ethnicity across leave types.

Figure 3.E. Percent Difference Comparison of WA Paid Leave Customers to Eligible Workers by Latinx Ethnicity

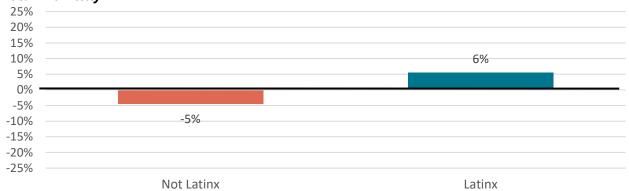


Table 3.F. Percent Breakdown of WA Paid Leave Customers by Latinx Ethnicity & Leave Type

	Family Bonding	Family Care	Family Military	Medical	Pregnancy Complication
Latinx	14%	15%	9%	12%	14%
Not Latinx	82%	82%	86%	85%	82%
Prefer not to say	3%	4%	5%	3%	3%

Age

Table 4.A shows the percentage breakdown of the customer population by age, compared to the corresponding sample of eligible workers in Washington. Customers ages 30-39 made up the majority of the customer base and appeared to have much higher participation rates, while all other ages appeared to have lower participation rates. Although the medical event information saved in the administrative database does not allow us to distinguish between medical claims for childbirth or pregnancy without complications and other medical events, as we saw when looking at participation by gender, it is likely that it contributed to this pattern.

Table 4.A. WA Paid Leave Customer Participation Compared to Eligible Washington Workers by Age

	WA Paid Leave Customers	Eligible WA Workers
Ages 18-29	17%	23%
Ages 30-39	44%	24%
Ages 40-49	17%	21%
Ages 50-59	12%	19%
Ages 60+	10%	12%
Not available	< 1%	< 1%

Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 4.B shows the percent difference results: customers ages 30-39 had the highest participation rates, while all other age groups had lower participation. Statistical tests showed that the proportion of customers in all age groups differed from that of the eligible worker population.

100% 86% 80% 60% 40% 20% 0% -20% -21% -22% -40% -27% -36% -60% -80% -100% Ages Ages Ages Ages Ages 50-59 18-29 60+ 40-49 30-39

Figure 4.B. Percent Difference Comparison of WA Paid Leave Customers to Eligible Workers by Age

Table 4.C. shows the percent breakdown of claims by age group and leave type. The majority of claims are concentrated in family bonding and medical pregnancy complication for those ages 30-39, consistent with the assumption that the high participation rates of customers ages 30-39 is related to childbirth/placement and bonding. In contrast, family care leave shows more evenly distributed customer ages between 30 and 59 years old.

Table 4.C. Percent Breakdown of WA Paid Leave Customers by Age Group & Leave Type

	Family	Family	- 11 - 2111		Pregnancy
	Bonding	Care	Family Military	Medical	Complication
Ages 18-29	23%	7%	14%	12%	23%
Ages 30-39	64%	25%	59%	27%	61%
Ages 40-49	12%	26%	17%	20%	11%
Ages 50-59	1%	25%	10%	22%	3%
Ages 60+	< 1%	17%	-	19%	2%
Not	< 1%	< 1%	-	< 1%	< 1%
available					

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Gender, Age, and Racial Identity Comparisons

A closer examination of gender, age, and racial-ethnic identity together revealed a more nuanced story about participation relative to population size. For example, when looking at race or gender alone, it appeared that certain groups had high participation, but when age and gender were considered, this changed. Figure 5.A shows a comparison of female customers by age and racial identity. It appears that Native Hawaiian/Other Pacific Islander women ages 50-59, Asian women ages 50-59, Asian women ages 18-29, among other groups, had low participation rates relative to their population size, despite the fact that earlier figures showed women, and those who identify as Black and Native Hawaiian at higher participation rates. Figure 5.B shows a comparison of male customers by age and racial identity. Some of these differences persist for men as well: Native Hawaiian/Other Pacific Islander men ages 60 and up, Asian men ages 50-59, and Black, Asian, Native American, and White men ages 18-29, had lower participation rates, among other groups. In both figures, statistical tests showed that the majority of customer groups were different than the eligible worker population, with the exception of those groups shown in a lighter color, which were not statistically different.

Figure 5.A. Percent Difference Comparison of Female Customers to Eligible Workers by Age & Race

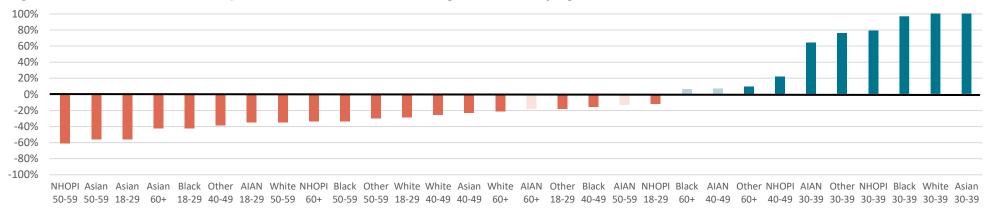


Figure 5.B. Percent Difference Comparison of Male Customers to Eligible Workers by Age & Race

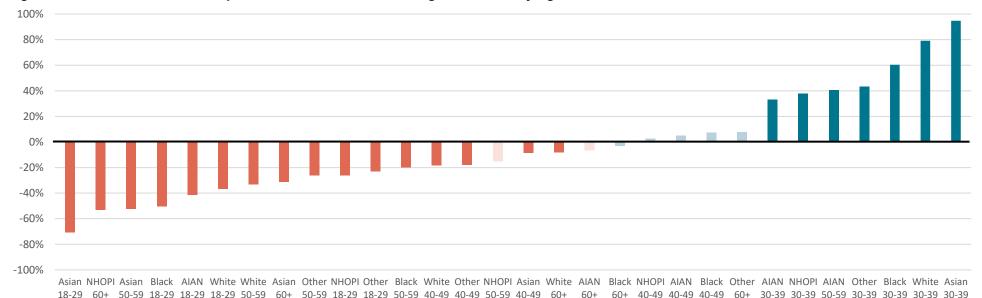


Table 5.C shows the demographic subgroups that had the highest participation across leave types, as a percentage of all claims in each leave type category.

Table 5.C. Demographic Subgroups with the Highest Participation across Leave Types

Family Bonding			Family Care		Family Military		Medical		Pregnancy Complication		Total	
1	White men, ages 30-39	20 %	White women, ages 50-59	12%	White women, ages 30- 39	38%	White women, ages 30- 39	12%	White women, ages 30-39	36%	White women, ages 30-39	17%
2	White women, ages 30- 39	20 %	White women, ages 40-49	10%	White women, ages 40- 49	14%	White women, ages 50- 59	10%	White women, ages 18-29	13%	White men, ages 30-39	10%
3	White women ages 18- 29	7%	White women, ages 60+	8%	Multiraci al women, ages 50- 59	7%	White women, ages 40- 49	9%	Multirac ial women, ages 30-39	11%	White women, ages 18-29	7%
4	Multiracial men, ages 30-39	6%	White women, ages 30-39	8%	White women, ages 50- 59	5%	White women, ages 60+	8%	Asian women, ages 30-39	7%	White women, ages 40-49	6%
5	White men, ages 18-29	6%	White men, ages 30-39	6%	Asian women, ages 30- 39	5%	White men, ages 60+	7%	Multirac ial women, ages 18-29	7%	White women, ages 50-59	5%

Gender, Age, and Latinx Ethnicity Comparisons

Overall, a closer examination of gender and age among customers with Latinx ethnicity revealed that participation approximately matched the eligible worker population. It appears that any differences in participation were largely driven by age. For both Latinx and non-Latinx men and women, ages 30-39, participation was higher while all other age groups had lower participation. Figure 6.A shows a comparison of female customers by age and Latinx ethnicity. Figure 6.B shows a comparison of male customers by age and Latinx ethnicity. Statistical tests showed that all subgroups, apart from Latinx men, ages 60 and up, were statistically different from the eligible worker population, as indicated by the lighter color in Figure 6.B.

Figure 6.A. Percent Difference Comparison of Female Customers to Eligible Workers by Age & Latinx Ethnicity

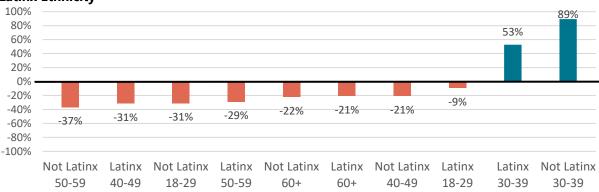
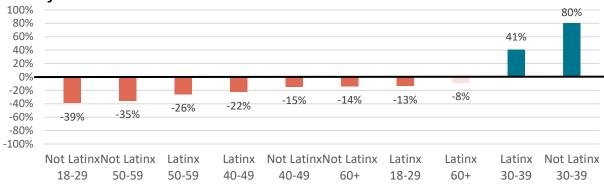


Figure 6.B. Percent Difference Comparison of Male Customers to Eligible Workers by Age & Latinx Ethnicity



Wage & Employer Size Comparisons

Like the gender, race, ethnic identity, and age comparisons, first, average hourly wage and employer size were examined alone, compared to eligible Washington workers. Then hourly wage and employer size were examined together to determine if there were differences in specific sub-groups compared to the eligible worker population, using the percent difference equation referenced above². Statistical tests were performed to determine which differences were significant.

Average Hourly Wage

Table 7.A. shows the percentage breakdown of the customer population compared to eligible workers by average hourly wage range. It appears that those who made up to \$15 an hour, \$15-\$19, and \$50 or more, had lower participation, while those who made \$19-29 and \$29-50 had higher participation relative to the eligible worker population.

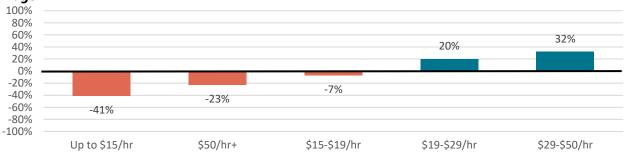
Table 7.A WA Paid Leave Customer Participation Compared to Eligible Washington Workers by Average Hourly Wage

	WA Paid Leave Customers	Eligible WA Workers
Up to \$15 per hour	8%	14%
\$15-\$19 per hour	15%	16%
\$19-\$29 per hour	29%	24%
\$29-\$50 per hour	30%	23%
\$50+ per hour	18%	22%

Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 7.B. shows the percent difference comparison of customers to eligible workers by average hourly wage, confirming the participation rates that we saw in the previous table. All five wage groups were statistically different than that of the eligible population, with those making up to \$15 an hour having the lowest participation rates.

Figure 7.B. Percent Difference Comparison of Customers to Eligible Workers by Average Hourly Wage



² About five percent of customers had multiple employers at the time of application. For these individuals, their primary employer was determined by looking at where they worked the most hours. Their average hourly wage and employer size is that of their primary employer.

Table 7.C. shows the percent breakdown of customers by average hourly wage and leave type. It appears that the majority of claims across leave types were filed by customers who make \$19-\$29 and \$29-\$50 an hour.

Table 7.C. Percent Breakdown of WA Paid Leave Customers by Average Hourly Wage & Leave Type

	Family Bonding	Family Care	Family Military	Medical	Pregnancy Complication
Up to \$15	8%	9%	11%	9%	10%
\$15-\$19	13%	18%	13%	17%	16%
\$19-\$29	25%	33%	29%	31%	26%
\$29-\$50	33%	29%	38%	29%	29%
\$50 +	20%	12%	9%	14%	19%

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Employer Size

Table 7.D shows the percent breakdown of customers compared to eligible workers by employer size. It appears that customers that worked for small employers had low participation, relative to the eligible worker population. Those who worked for large employers had high participation. We were unable to determine employer size for approximately eight percent of customers, but even if they did all work for small employers, which is unlikely, that would not account for the entire 13 percentage point gap in participation for customers that work for small employers.

Table 7.D WA Paid Leave Customer Participation Compared to Eligible Washington Workers by Average Hourly Wage

	WA Paid Leave Customers	Eligible WA Workers
Small Employer (49 or fewer		
employees)	16%	29%
Large Employer (50 or more		
employees)	77%	71%
Not Available	8%	-

Figure 7.E shows the percentage breakdown of the customer population by employer size, compared to eligible Washington workers. It appears that those who worked for a small employer (49 or fewer employees) had lower participation, while those who worked for a larger employer (50 or more employees) had slightly higher participation. While employees that work for small employers are a much smaller portion of the eligible worker population, it does appear that relative participation is low.

80% 60% 40% 7% 20% 0% -20% -40% -60% -45% -80% -100% Small Employer Large Employer

Figure 7.E. WA Paid Leave Customer Comparison to Eligible Workers by Employer Size

Source: ACS 1-Year Estimates Public Use Microdata Sample 2019 & WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Table 7.F shows the percentage breakdown of the customer population by employer size and leave type. It appears that the majority of claims filed were for customers who worked for a large employer with 50 or more employees.

Table 7.F. Percent Breakdown of WA Paid Leave Customers by Employer Size & Leave Type

	Family Bonding	Family Care	Family Military	Medical	Pregnancy Complication
Small					
Employer	18%	13%	16%	14%	17%
Large					
Employer	74%	79%	82%	78%	75%
Unavailable	8%	8%	2%	8%	8%



Wage & Employer Size Comparisons

Figure 7.G shows the percent difference comparison of customers to eligible workers by wage and business size. Closer examination reveals that lower participation rates persisted for those at the two lowest wage levels and the highest wage level, across both small and large employers. Statistical tests showed that all these subgroups were different than that of the eligible worker population.

Size 100% 80% 60% 34% 40% 27% 24% 20% 20% 0% -7% -20% -10% -20% -25% -40% -39% -43% -60% -80% -100% Small Small Small Small Small Large Large Large Large Large Business **Business** Business Business Business Business Business Business Business **Business** Up to Up to \$50/hr+ \$50/hr+ \$15-\$19/hr \$15-\$19/hr \$19-\$29/hr \$19-\$29/hr \$29-\$50/hr \$15/hr \$15/hr

Figure 7.G. Percent Difference Comparison of Customers to Eligible Workers by Wage and Business Size

Table 7.H shows the percentage breakdown of customers by employer size and average hourly wage across leave types. As shown in the wage comparison, the majority of claims across leave types came from those who make \$15-\$19 and \$19-\$29 at large employers.

Table 7.H. Percent Breakdown of WA Paid Leave Customers by Employer Size, Average Hourly

Wage, and Leave Type

vvuge, unu zee	71	Family Bonding	Family Care	Family Military	Medical	Pregnancy Complication
	Up to \$15	3%	2%	2%	2%	3%
Constl	\$15-\$19	6%	5%	3%	5%	5%
Small	\$19-\$29	6%	3%	3%	4%	4%
Employer	\$29-\$50	2%	1%	2%	1%	2%
	\$50 +	2%	1%	2%	1%	2%
	Up to \$15	9%	14%	14%	13%	11%
	\$15-\$19	18%	26%	24%	24%	19%
Large Employer	\$19-\$29	25%	24%	34%	23%	22%
	\$29-\$50	18%	10%	7%	13%	16%
	\$50 +	5%	5%	5%	6%	6%
	Up to \$15	2%	1%	0%	2%	2%
Unavailable	\$15-\$19	2%	2%	0%	2%	2%
	\$19-\$29	2%	2%	3%	2%	2%
	\$29-\$50	1%	1%	0%	1%	1%
	\$50 +	1%	1%	0%	1%	2%

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Average Lengths of Leave

We examined average lengths of leave at the claim level and at the customer level, as some customers filed more than one claim within their claim year. To capture leave-taking behaviors most accurately, the sample was adjusted to include any customer with an approved claim with at least one weekly payment in 2020, whose claims ended as of March 31, 2021, the most recently completed month at the time of analysis.

At the customer level, maximum length of leave is determined by multiplying their typical workweek hours by 12, 16, or 18 weeks, depending on the type of leave for which they are eligible. Moreover, lengths of leave claims may also depend on the documentation requirements specific to each leave type. Those who take medical, family care, and family military leave must show documentation, which often specifies the length of leave needed. However, those approved for bonding leave are automatically allowed 12 weeks of leave with documentation of the birth or placement.³

In addition, lengths of leave are not calculated in terms of calendar weeks, but rather workweeks as determined by each customer's typical workweek hours. A customer's typical workweek hours are

³ Unless they have already received leave benefits for a claim earlier that year, in which case the maximum allowed is adjusted accordingly to the allowed length of leave remaining in their claim year.

determined based on whether they are salaried or otherwise at the time of filing the initial application. For salaried employees, their typical workweek hours are 40 hours, regardless of the number of hours worked in the qualifying period. For all other employees, the department determines typical workweek hours by dividing the sum of all hours reported in the qualifying period by fifty-two and rounding down to the nearest hour. Once an individual is approved to take paid leave, they must file weekly claims at a minimum of eight consecutive hours to receive benefits. For each week they are claiming, individuals must report any hours worked or if they used any other paid time off. These data points are compared to the customer's typical workweek hours to calculate their weekly payment amount. If they do report any hours worked or use any other paid time off, their weekly payment amount is prorated.

Average Length of Leave, Claim Level

At the claim level, average length of leave was calculated by dividing the sum of all leave hours used across approved weekly claims by each customer's typical workweek hours, including any hours reported during the wait week. The result was averaged across all claims within the sample. The average length of leave at the claim level was 7.5 weeks as denoted by the orange line in Figure 8.A. below, which shows the average length of leave at the claim level for each leave subtype. Those who took family care and family military leave had the shortest lengths of leave, while those who took bonding and pregnancy complication leave had longer leaves.



Figure 8.A. Average Length in Weeks by Claim Subtype (Claim Level)

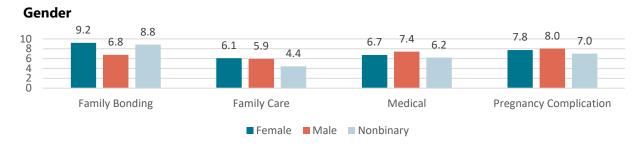
Figure 8.B. illustrates the average length of leave across various subgroups, compared to the average overall length of 7.5 weeks, denoted by the dotted black line. Lengths of leave tended to be shorter for customers between the ages of 40-49 and 50-59, for those who identified as male and nonbinary, and for those with higher wages. However, length of leave did not vary much between white and nonwhite customers, customers who worked for small (fewer than 49 employees) and large (more than 50 employees) employers, and customers who had one employer versus multiple employers.

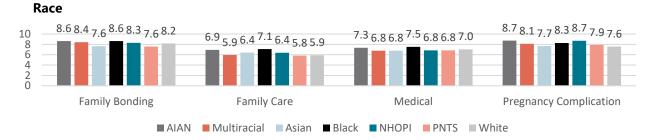
10.0 9.0 8.0 7.0 6.0 5.0 4.0 3.0 2.0 1.0 8.2 7.8 7.5 7.3 7.1 7.7 7.0 6.5 7.8 _{7.5 7.0 7.0} 7.8 7.6 7.4 7.5 7.3 7.4 7.5 Male White Female \$50/hr+ Small Employer Ages 18-29 Age 60+ Nonbinary Up to \$15/hr \$15-\$19/hr \$19-\$29/hr One Employer \$29-\$50/hr Large Employer Multiple Employers Ages 30-39 Nonwhite Ages 40-49 Ages 50-59

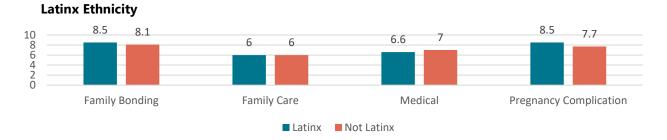
Figure 8.B. Average Length in Weeks Across Subgroups (Claim Level)

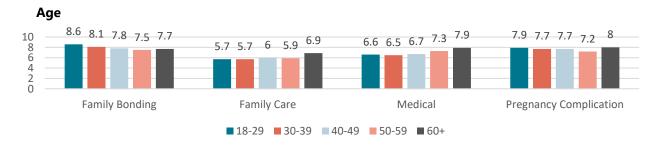
Figure 8.C examines average lengths of leave in more detail at the claim level, by demographic, employment characteristics, and leave type. Those with multiple claims may be represented more than once. Because military claims account for less than one percent of claims overall, they have been excluded.

Figure 8.C. Average Lengths of Leave by Demographic and Employment Characteristics (Claim Level)



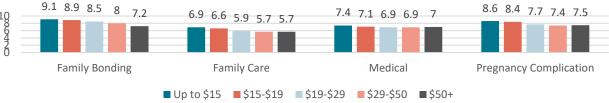




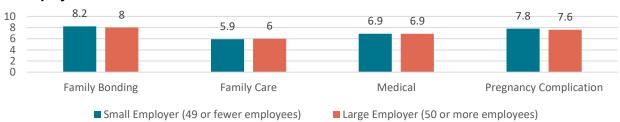




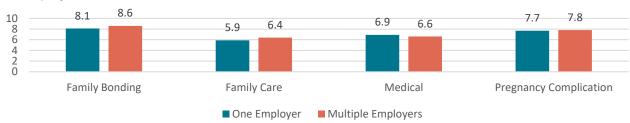
Average Hourly Wage 9.1 8.9 8.5 8 7.2



Employer Size



Employer Count



Average Length, Customer Level

The maximums allowed under the law are set at the customer level, not the claim level. Customers may have multiple leave claims within a year. For example, someone taking medical leave and bonding leave in the same twelve months may take up to a maximum of 16 weeks of leave. More than half of customers in the sample are still within their claim year and could file another claim to take additional leave if they experience another qualifying event and still have leave available to them. Therefore, it is also useful to examine average lengths of leave at the customer level for those who have completed their claim year.

Approximately 39 percent of customers within the sample have completed their claim year. The average length of leave for this group was 9.3 weeks (as noted by the orange line in Figure 8.C) compared to 8.2 for all customers. Figure 8.D shows the average length of leave by the most common leave type combinations. The shorter length of leave for those who took family care leave persists at the customer level. Only 3 percent of customers who completed their claim years used the legal maximum amount of leave, which may be indicative of a wider trend that customers do not tend to exhaust their leave hours. That said, we do not know how much leave medical providers certified for medical and family care claims, so a higher percentage of customers may have exhausted the approvable leave available to them.

Family Bonding + Pregnancy Complications 16.1 Family Bonding + Medical 14.7 Pregnancy Complication Only 9.3 Family Bonding Only 8.9 Medical Only 7.7 Family Care Only 6.3 2 6 8 10 12 14 16

Figure 8.D. Average Length of Leave in Weeks by Customer (Claim Year Ended)

Intermittent Leave Use

As part of understanding how customers utilized paid leave in the first year, we looked at the extent to which they used their leave intermittently. To categorize each claim, the first and last weeks of leave were excluded for each customer, because leaves could start and end mid-week, which would not be considered intermittent. However, those weeks were brought back into the later analysis, when looking at average leave hours used per week, average lengths of leave, and average duration of claims.

Definition of Intermittent Leave

For this study, four possible definitions of intermittent leave were considered:

• <u>Less than Workweek Hours:</u> claims with associated weekly claims where leave hours used are less than the customer's typical workweek hours.

A customer may file a weekly claim where leave hours used are less than typical workweek hours because they worked or because they used other paid time off, in which case their weekly payment is prorated according to their typical workweek hours less hours worked and paid time off hours.

No Leave Hours Used: claims with associated weekly claims with no leave hours used.

A customer is required to file a weekly claim regardless of whether they use leave hours. This definition includes any claims with associated weekly claims that were approved with no hours used and denied with no hours used. When benefits launched in January, the policy was to approve weekly claims with no leave hours reported. However, to streamline the process and prevent an invoice from being created for weekly claims with no payments, in October, the policy was changed to deny any weekly claims where no leave hours were reported. Thus, both types of claims are included in this definition.

A weekly claim might be denied for several different reasons, including: the employee is receiving unemployment insurance or L&I, the employee is working or using other paid time off, the employee is out of leave hours, the employee did not meet the minimum weekly claim requirement of eight consecutive hours, or the employee requests to backdate their weekly claim but is unable to establish good cause.

- <u>Both:</u> claims with associated weekly claims where no leave hours are used AND with associated weekly claims with leave hours reported that are less than the customer's typical workweek hours; and,
- <u>Any Intermittency:</u> claims with associated weekly claims where no leave hours are used OR with associated weekly claims where leave hours are less than the customer's typical workweek hours

There are many reasons why customers may use Paid Leave program benefits intermittently. For some, having intermittent Paid Leave benefits does not necessarily mean they were experiencing their leave as intermittent. If, for example, the customer received employer-provided paid time off, they may have received intermittent Paid Leave benefits but did not go back to work during that time. One limitation of this analysis is that it is not possible to distinguish from the data why a customer isn't using leave hours or why their leave hours appear less than their typical workweek hours. However, it is important to consider these claims because otherwise it appears that the customer may have a gap in their weekly claim filings, when they are in fact still filing. Another limitation is that a customer's typical workweek hours do not always reflect their current workweek hours. Typical workweek hours are generally determined using hours worked in the qualifying period. Nevertheless, it is the best measure available of workweek hours for each customer.

Intermittent Leave Findings

Figure 9.A shows the number of claims that met each of these definitions, as well as the distribution by leave type compared to all claims. There is a higher percentage of family care leave claims than in the overall distribution. Approximately 23 percent of claims had at least one weekly claim where leave hours used were less than typical workweek hours, while 16 percent of claims had at least one weekly claim where no leave hours were used. Approximately 28 percent of claims met at least one of the conditions described above and only 10 percent met both conditions.

Figure 9.A. Claim Distribution by Leave Type and Definition

	Intermittent Leave Claims	All Claims
Family Bonding	41%	44%
Family Care	13%	9%
Family Military	< 1%	< 1%
Medical	39%	38%
Pregnancy Complication	6%	9%

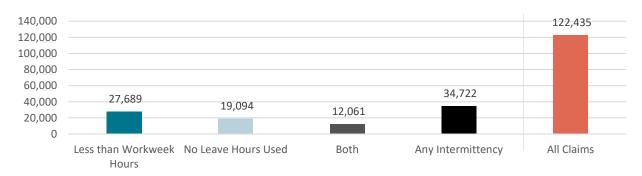


Table 9.B shows a detailed breakdown of the demographic and employment characteristics of those who used their leave intermittently, by leave type.

Table 9.B. Intermittent Leave Sample Percentage Breakdown by Demographic, Employment Characteristics, and Leave Type

	Family Bonding	Family Care	Military	Medical	Pregnancy Complication
Female	52%	68%	95%	68%	97%
Male	48%	32%	5%	31%	2%
Nonbinary	< 1%	< 1%	-	1%	-
American Indian/Alaska Native	< 1%	1%	-	1%	< 1%
Multiracial/Another racial-ethnic identity	18%	17%	5%	15%	18%
Asian/Asian American	8%	6%	11%	5%	8%
Black/African American	3%	5%	-	4%	4%
Native Hawaiian/Other Pacific Islander	1%	2%	-	1%	1%
Prefer not to say	3%	4%	5%	3%	2%
White	66%	65%	79%	72%	66%
Latinx	12%	12%	5%	10%	12%
Not Latinx	85%	84%	89%	87%	85%
Prefer not to say	3%	4%	5%	3%	2%
Ages 18-29	18%	5%	21%	10%	18%
Ages 30-39	67%	23%	42%	24%	59%
Ages 40-49	13%	9%	21%	22%	13%
Ages 50-59	1%	9%	16%	24%	5%
Ages 60+	< 1%	17%	-	20%	4%
Up to \$15/hour	5%	5%	16%	6%	6%
\$15-\$19/hour	10%	15%	5%	15%	13%
\$19-\$29/hour	28%	34%	21%	33%	29%
\$29-\$50/hour	40%	33%	58%	32%	37%
\$50+/hour	17%	12%	-	14%	15%
Small Employer (49 or fewer employees)	18%	12%	11%	12%	14%
Large Employer (50 or more employees)	75%	81%	84%	82%	81%
One Employer	89%	87%	95%	90%	90%
Multiple Employers	5%	7%	-	5%	6%

Figure 9.C. shows the distribution of leave type for each definition compared to all claims. Bonding and medical claims are the most commonly occurring leave type, and so appear more predominantly as a result. However, the high proportion of bonding claims where no leave hours were used might suggest that those who take bonding leave were more likely to skip whole weeks of leave than those using medical leave. Medical leave customers appear to be more likely to take partial weeks of leave.

4% 5% 6% 9% 100% 6% Military Military Military Military Military 80% 32% < 1% 33% < 1% < 1% < 1% 40% 39% 38% < 1% 60% 18% 15% 9% 14% 13% 40% 46% 46% 44% 20% 40% 41% 0% Less than Workweek No Leave Hours Used All Claims Any Intermittency Both Hours ■ Family Bonding ■ Family Care Family Military Medical ■ Pregnancy Complication

Figure 9.C. Claim Subtype Breakdown

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 9.D shows the average hours worked and average paid time off hours for those who used their leave intermittently, within each leave type, as reported by customers on their weekly claims. Those who took family care leave worked more hours on average than customers who took other types of leave. Customers who took additional leave for pregnancy-related complications reported more paid time off than other customers.

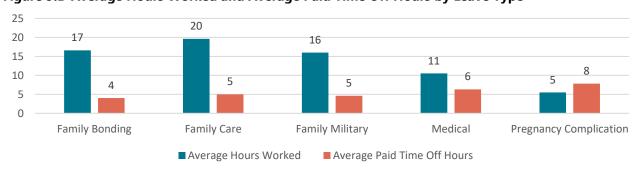


Figure 9.D Average Hours Worked and Average Paid Time Off Hours by Leave Type

There were some differences in how intermittent leave customers used their leave as well. Figure 9.E shows average leave hours used per week for each leave type and category. Those who took family care used less leave per week on average, but all categories used significantly less leave hours per week than the overall sample. This trend persists on a lesser scale across intermittent leave definitions.

Family Care Familiy Military Family Bonding Medical **Pregnancy Complication** All Claims Less than Workweek No Leave Hours Used Both All Claims Any Intermittency Hours

Figure 9.E. Average Leave Hours Used per Week by Subtype and Definition

Figure 9.F shows the average length of leave in weeks for each leave type and category for claims with intermittent leave compared to all claims. The average length of leave for those who took intermittent leave was slightly less than the overall sample, but for those who took family care and pregnancy complication leave, it was longer. Those who skipped weeks tended to take longer leaves, however those who used their leave intermittently do not necessarily have longer lengths of leave than the overall sample.



Figure 9.F. Average Length of Leave in Weeks by Leave Type and Definition

Source: WA Paid Leave Administrative Data 1/4/2020-12/26/2020, retrieved 4/27/2021

Figure 9.G. shows the average duration of claims in terms of calendar weeks: those who took intermittent leave stretched their claims out for more weeks on average than did the overall sample. Average duration of claims in calendar weeks is the length of time that customers are filing weekly claims, not necessarily the length of their leave hours used, because it includes partial weeks, waiting weeks, and skipped weeks where they did not report any leave hours used.

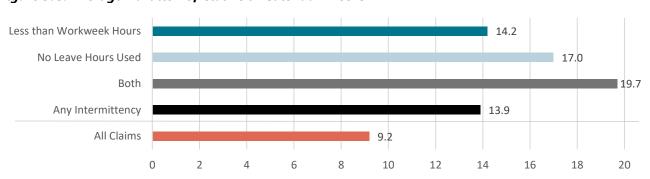


Figure 9.G. Average Duration of Claims in Calendar Weeks

Given the limitations described above, further analysis of intermittent leave could involve examining the reasons why a weekly claim might be denied: doing so may reveal useful insights as to whether individuals are working, using employer-provided paid time off or other state benefits, such as unemployment insurance or L&I for a workplace injury, or when they are skipping weeks of leave. In addition, it may be helpful to link customer records across Paid Leave and Unemployment Insurance to examine the customer's interaction with both programs within their claim period. Finally, it would be useful to survey customers directly to determine to what extent they view themselves as using their leave intermittently.

Conclusion and Future Research

This analysis revealed patterns of program utilization which can be used as a starting point to explore awareness and challenges or barriers to using Paid Family and Medical Leave. The program will continue to examine the leave application and weekly claims process to identify points of confusion and make improvements. In the future, we aim to conduct a customer benefit process evaluation and awareness survey to identify further areas for improvement. An implementation study may also prove useful to identify any lessons learned or best practices for other state governments who are looking to implement their own paid leave programs.

More specifically, moving forward, it may be useful to look at how the current job protection measures and wage replacement levels influence decisions to take leave for eligible workers across wage levels and employer sizes. Moreover, for customers whose second language is English, it may be useful to explore utilization as it relates to primary language to determine what challenges customers experience. Finally, given the unique time that benefits first became available, during a global pandemic and recession, it will be important to continue to track program utilization as data from the first year may not necessarily be indicative of future trends.



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