

Washington  
**Paid Family & Medical Leave**



**Employment Security Department**  
WASHINGTON STATE

# Advisory Committee Meeting

February 11, 2022



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# Agenda

Introductions and approve minutes

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Cash flow

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Legislative updates

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Bill analysis – SSB 5649

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Advisory Committee engagement

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Rulemaking update

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Phone update

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Agenda items for March meeting

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Open comment and adjourn

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# Meeting structure

- Only Advisory Committee and the presenters will 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:
  - Open comments will be taken at the end of the meeting.
  - 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 open comment.

# Introductions

- Advisory Committee

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

# Approve December and January minutes

- Discussion

# Cash flow

Carole Holland, Chief Financial Officer

# ESD's recommendation

- \$350 million reserve for the biennium.
  - This ensures we won't be in deficit position as of June 30, 2023, under middle ground scenario.
  - Provides assurance that any advance would be covered.
- Any unused funds in the current biennium could be repurposed by the legislature to address any underlying issues related to rate setting and solvency.

# Preventing deficit and creating cash reserve

<b>Prevent cash deficit</b>	<b>Baseline</b>	<b>Middle ground</b>	<b>Pessimistic</b>
FY22-FY23	\$125 million	\$325 million	\$405 million

<b>Cash reserve</b>	<b>Baseline</b>	<b>Middle ground / Pessimistic</b>
1 month	\$106 million	\$116 million
2 months	\$211 million	\$231 million
3 months	\$317 million	\$347 million



# Spending during a deficit

- Under the Budget and Accounting Act [RCW 43.88.260(2)(b)], we can request the authority to spend when we expect the trust fund to have a cash deficit.
- Authorized by the Director of the Office of Financial Management.
- No interest applied to advances from the treasury.
- Any cash deficit must be resolved by the end of the biennium.

# Legislative update

Stasha Espinosa, Government Relations

# High priority bills

SSB 5649

Changes to the Paid Leave law

HB 1613

Allows data sharing between programs; ESD request bill

SB 5959

Temporary rate buy-down; Adds COVID funds

SSB 5873/HB 2031

Premium relief for employees

SHB 2076

Elective coverage for transportation network drivers

HB 1816/SB 5693

Budget

# Bill analysis

SSB 5649

# Summary of topics

- Creates a compassionate end to benefits
- Defines postnatal medical leave to recover from birth before bonding leave
- Changes to collective bargaining agreement provision
- Requires ESD to publish a list of VP employers
- Creates an actuarial office in the department; related reports
- Requires ESD to collect data on COVID-related leave
- Requires a legislative task force and reporting

# Compassionate end to benefits

- Allows benefits to continue for seven days following the death, miscarriage or stillbirth of the employee's child.

# Postnatal

- Clarifies that for the parent who gives birth:
  - The first six weeks of leave are medical unless the employee chooses otherwise.
  - Does not need certification of a serious health condition for medical leave.

# Collective bargaining agreements

- All employees covered by a CBA will be part of the program effective January 1, 2024, regardless of CBA status.



# Voluntary plan employers

- We will publish and maintain a list of all employers with a voluntary plan.

# Office of Actuarial Services

- Creates an Office of Actuarial Services within ESD.
- Requires periodic reporting to the legislature and Advisory Committee.

# COVID data collection

- Requires us to ask benefit applicants whether their leave is related to COVID.

# Legislative reporting

- Creates a legislative task force regarding premiums to issue a report making any recommendations for legislative modifications to the governor by Dec. 30, 2022.
- Requires a report to the legislature regarding condition of the trust fund, any recommended changes, and a comparison with other states' trust funds by Dec. 31, 2023.
- JLARC, ESD, Advisory Committee conduct a joint performance audit with recommendations by Oct. 1, 2024.

# Implementation costs

FY22	FY23	FY24	FY25
\$539,588	\$1,180,018	\$554,930	\$514,872

# Rate impacts

Rate Year	Baseline	SB 5649	SB 5649 vs Baseline
2022	0.6%	0.6%	0.0%
2023	0.8%	0.8%	0.0%
2024	0.7%	0.7%	0.0%
2025	0.6%	0.6%	0.0%
2026	0.7%	0.7%	0.0%
2027	0.7%	0.8%	0.1%
2028	0.8%	0.6%	-0.2%
2029	0.6%	0.8%	0.2%
2030	0.8%	0.7%	-0.1%
2031	0.7%	0.7%	0.0%

# Advisory Committee engagement

# Next steps

- Connect with each member one-on-one by April 15.
- Review themes and collect feedback at May meeting.
- Recommendations for Advisory Committee improvements and charter refresh at June meeting.

# Rulemaking update



# Waiting week

- Medical leave taken upon the birth of a child is not subject to a waiting week.
- Hours claimed during a waiting week are not deducted from the employee's total leave available.

# Other changes

- Small business assistance grants
- Commissioner's Review Office

# Telephony update

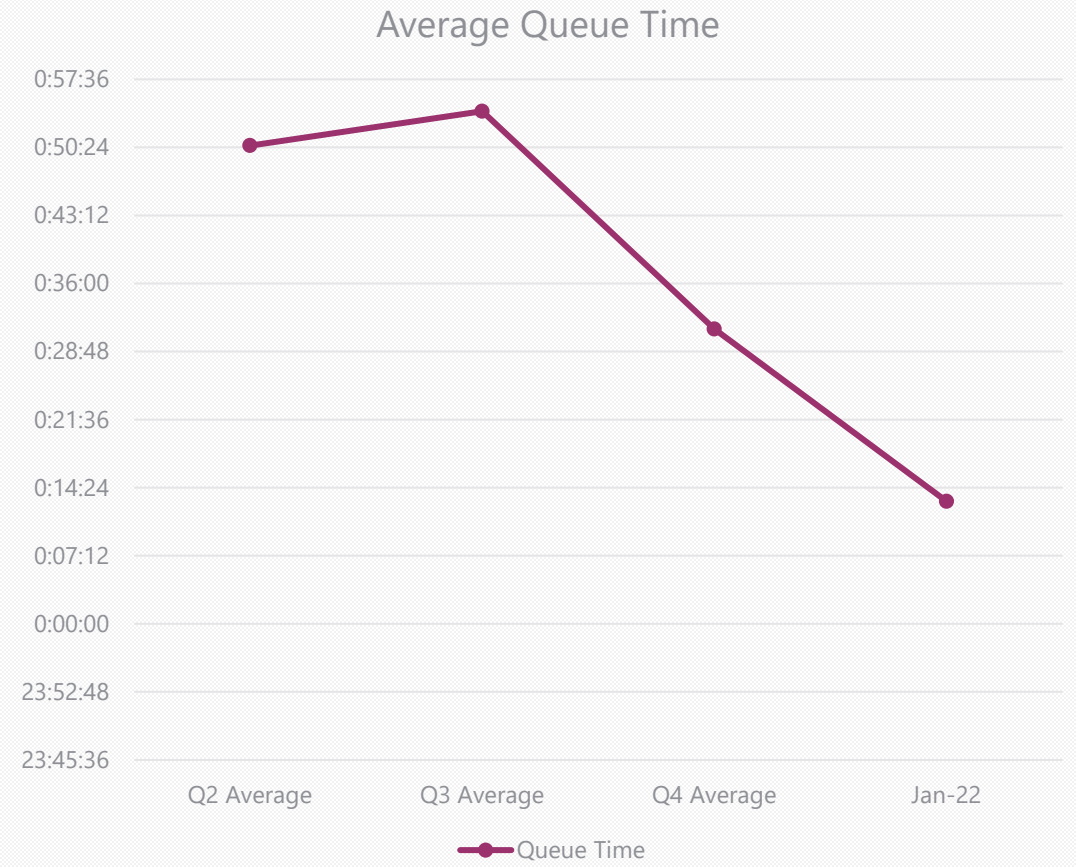
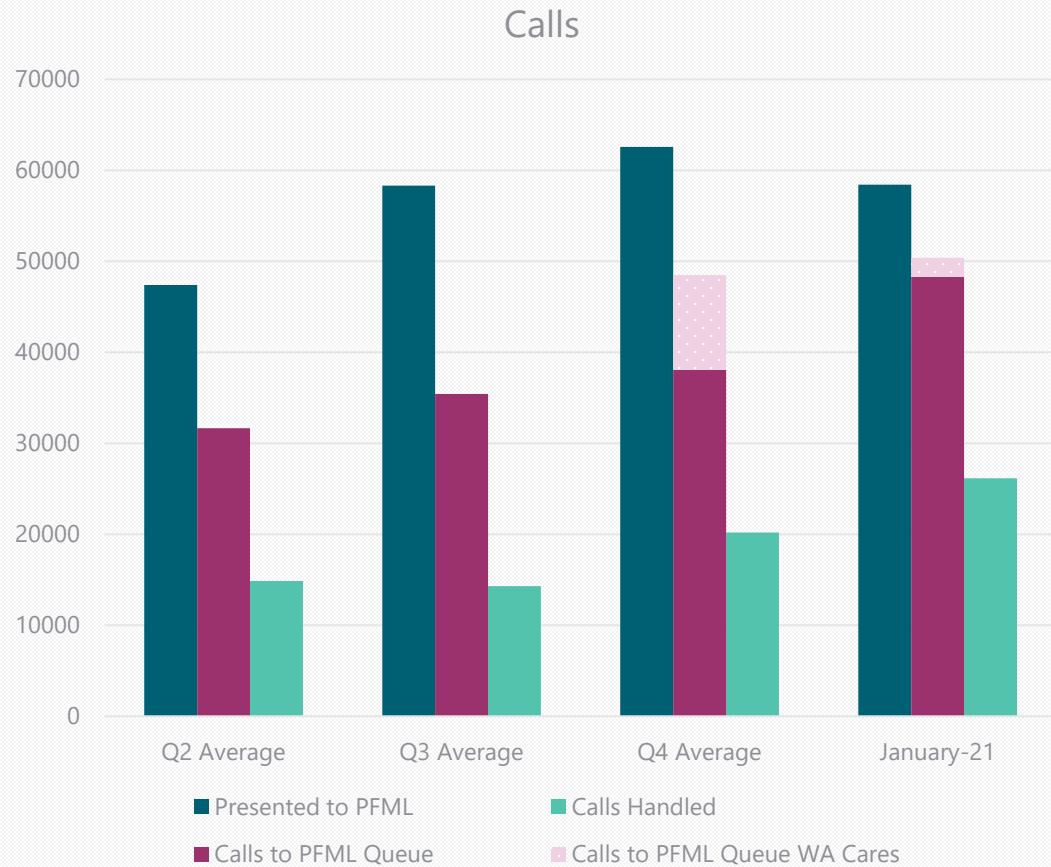
John Mattes, Operations Manager

# Telephony data

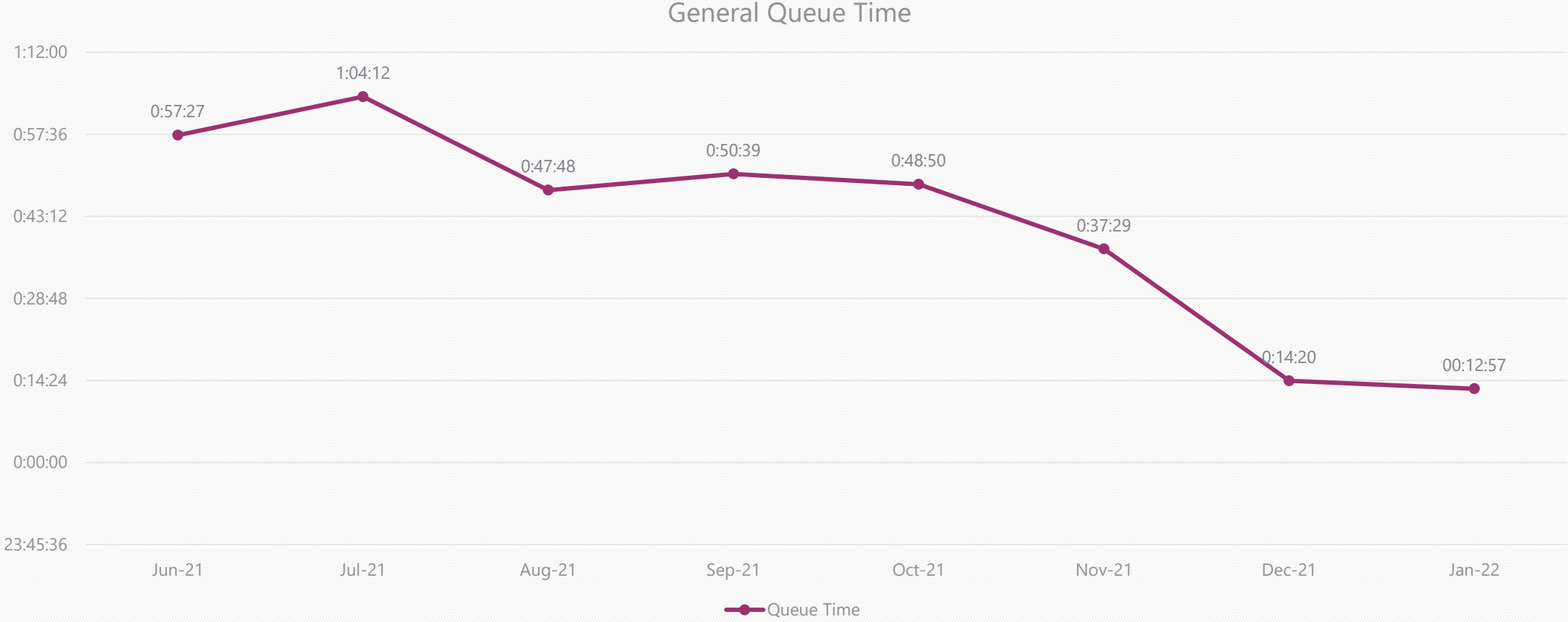
	Percentage of calls into queue*	Percentage of calls answered from Paid Leave queue	Queue time for Paid Leave*
July	47%	40%	1:04:12
August	69%	41%	47:48
September	69%	40%	50:39
October	55%	37%	48:50
November	59%	56%	30:23
December	73%	70%	14:20
January 2022	83%	54%	12:57

*\* includes calls for WA Cares Fund*

# Telephony data



# Telephony data



# Multi-factor authentication

John Mattes, Operations Manager

# Multi-factor authentication (MFA)

## What

- We're implementing MFA for the Paid Family and Medical Leave service in SecureAccess Washington.
- MFA requires customers to use verification factors in addition to their username and password to log in.
- This change impacts all Paid Leave customers with online accounts.
- We're doing proactive communication to customers; Prioritizing those most likely to experience barriers to access, payment, etc.

## When

- March 1, 2022

## Why

- MFA increases security and protects customers' personal and business information.
- We're required by the state Office of Cyber Security to implement by April 30, 2022.



# March meeting

## Details

- 1 – 3 p.m., Friday, March 11, 2022

## Agenda

- Topics?

# Open comment

# Continue the conversation

**Lisa Kissler**

Director, Paid Family & Medical Leave  
Employment Security Department

[lisa.kissler@esd.wa.gov](mailto:lisa.kissler@esd.wa.gov)

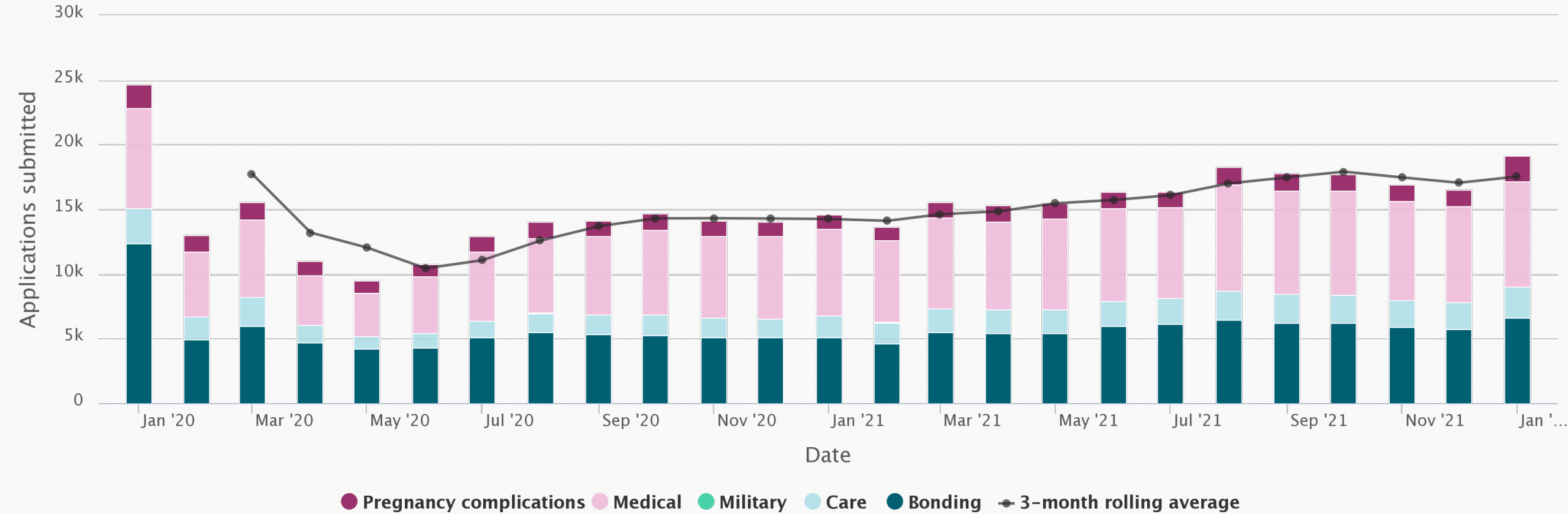


Visit us online at  
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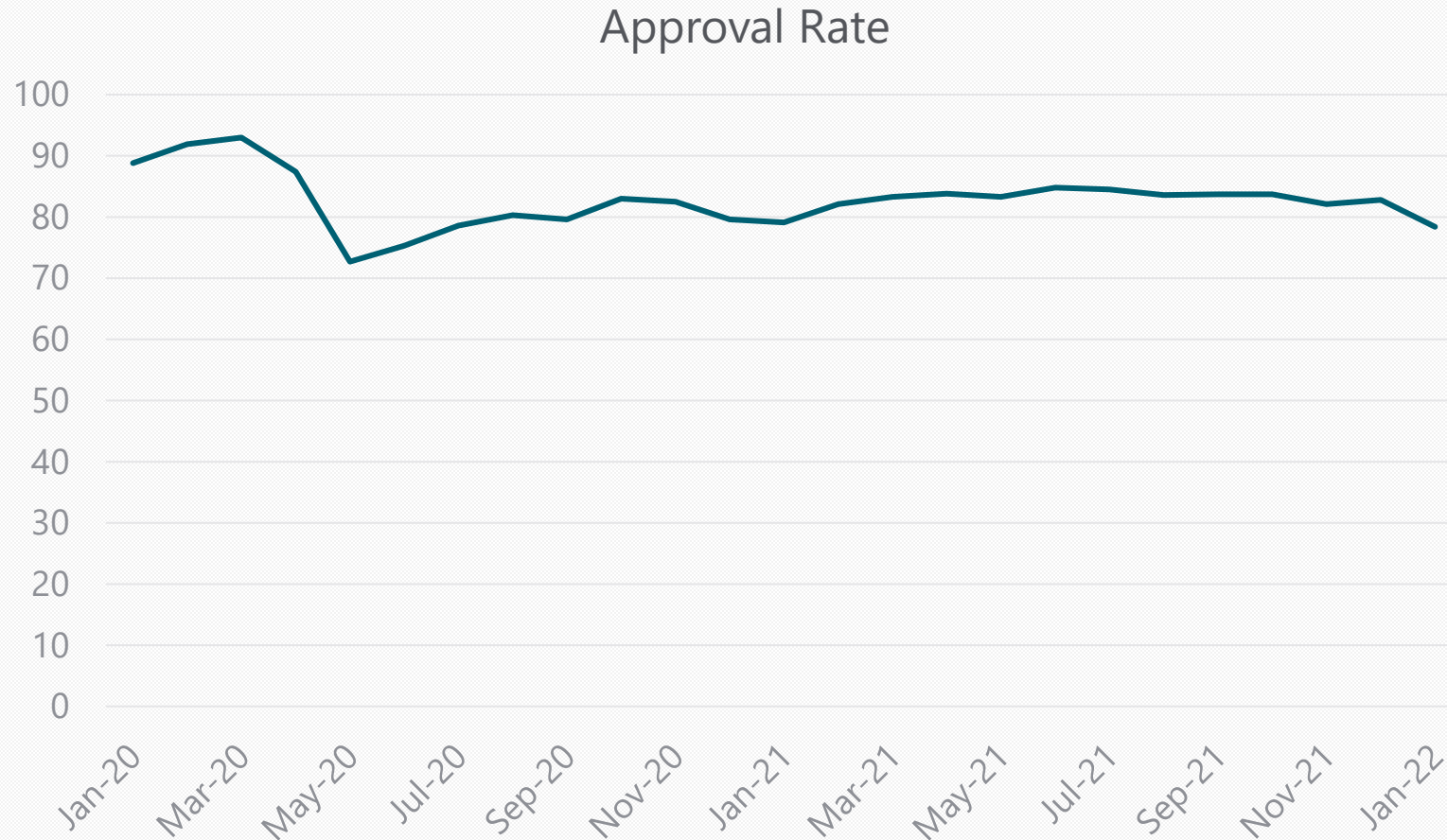


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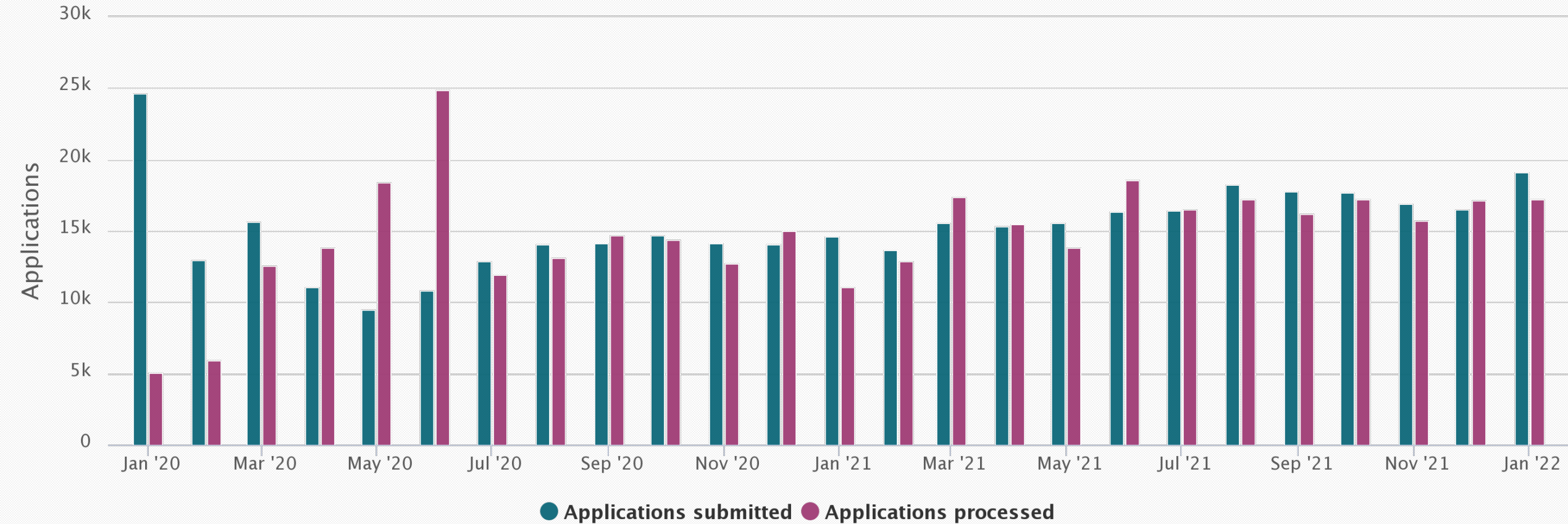
# Application & Weekly Claim data through January 2022



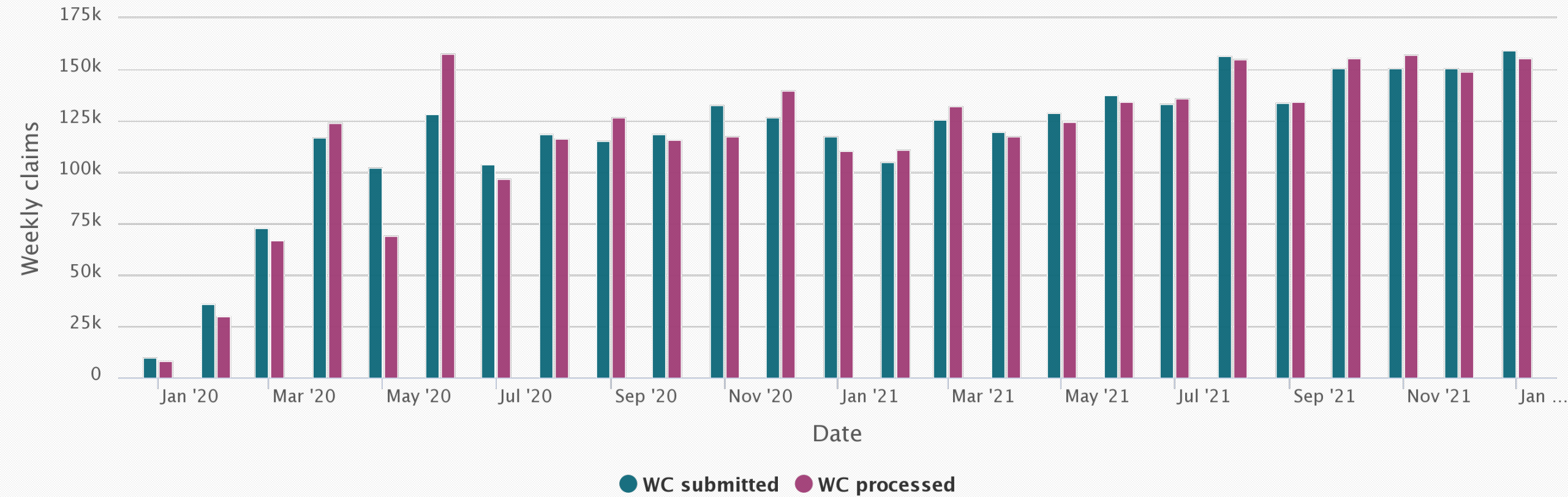
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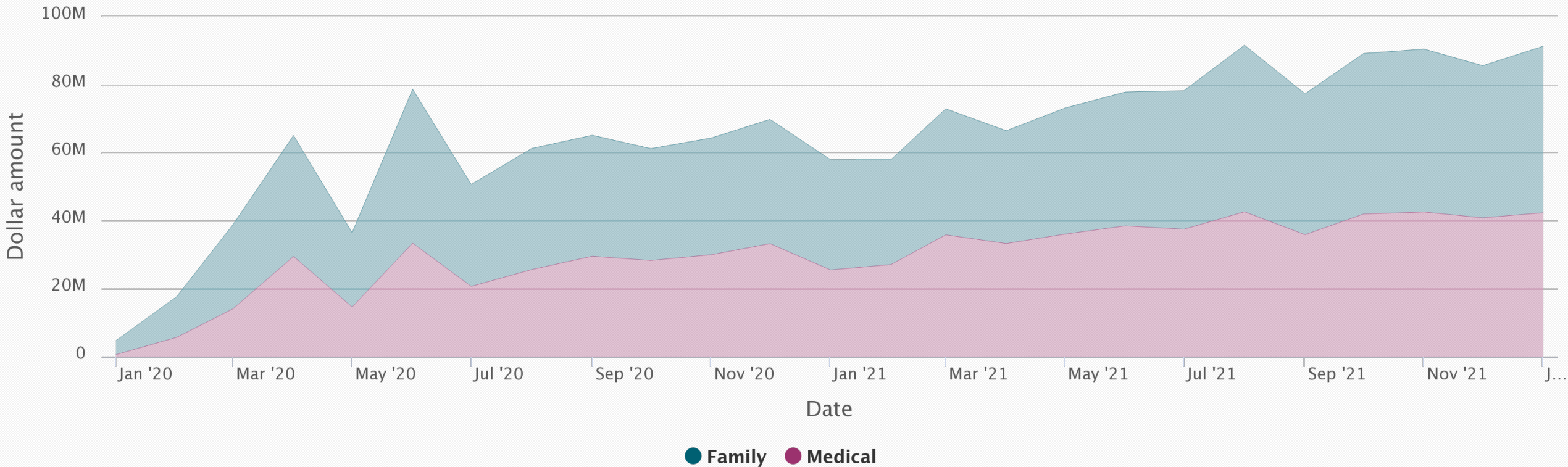
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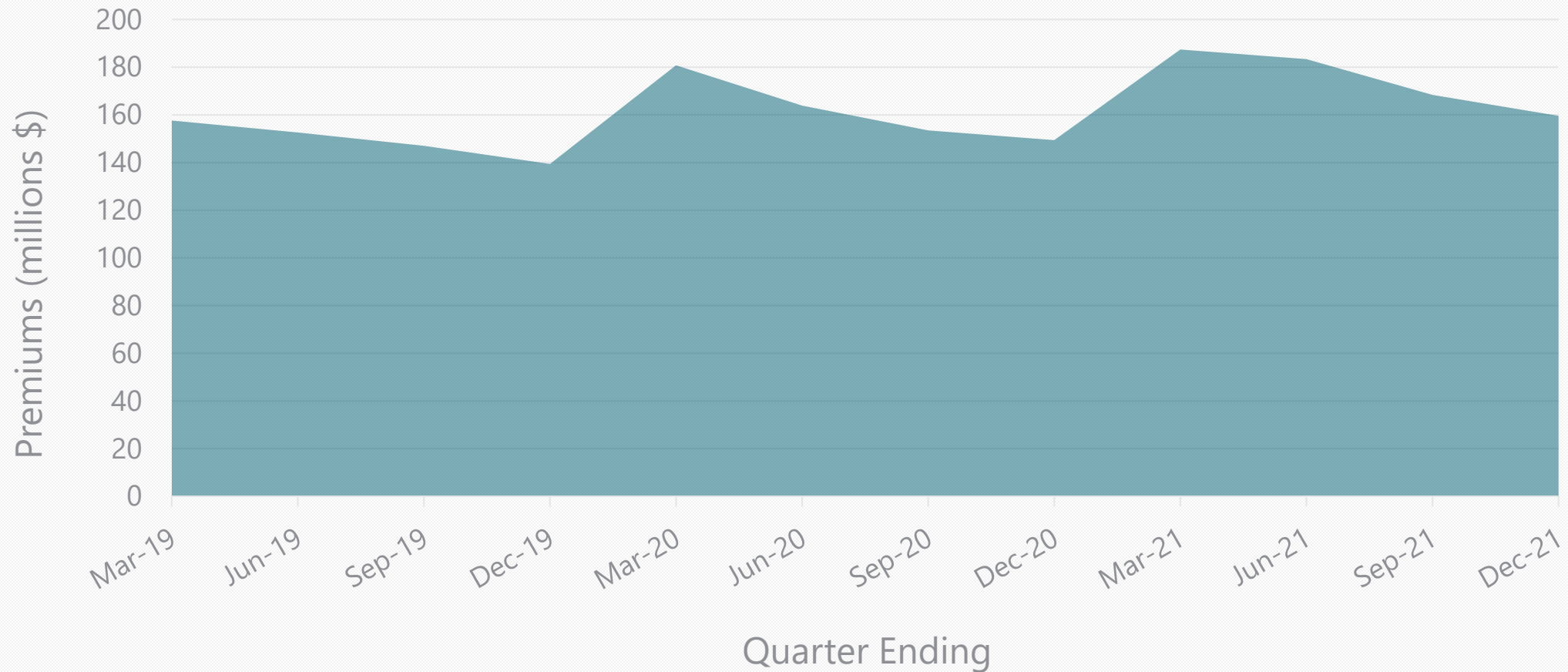
# Benefits payments approved – through January 2022





# Premiums assessed – through January 2022

Collected in following quarter



# Time from application submission to first approved payment– past 12 months

	Median weeks	Average weeks
Jan-21	4.1	5.8
Feb-21	3.9	5.4
Mar-21	3.9	5.0
Apr-21	3.4	4.8
May-21	3.6	4.9
Jun-21	3.7	4.7
Jul-21	3.4	4.8
Aug-21	3.3	4.6
Sep-21	3.6	4.8
Oct-21	3.6	4.9
Nov-21	3.6	5.0
Dec-21	3.6	4.9
Jan-22	3.9	5.2