Washington Paid Family & Medical Leave

Advisory Committee Meeting Minutes January 25, 2022, 4:00 p.m. – 5:00 p.m.

Location	Zoom
Advisory Committee	Director, Leave and Care: Justin DeFour
Members	Paid Family & Medical Leave Act Ombuds: Edsonya Charles
	Employer's Interests Representative: Bob Battles
	Employer's Interests Representative: Christine Brewer
	Employer's Interests Representative: Julia Gorton
	Employee's Interests Representative: Samantha Grad (not present)
	Employer's Interests Representative: Tammie Hetrick
	Employee's Interests Representative: Maggie Humphreys
	Employee's Interests Representative: Joe Kendo (not present)
	Employee's Interests Representative: Gabriela Quintana
Employment	ESD Commissioner: Cami Feek
Security	Deputy Director, Leave and Care: Matt Buelow
Department Staff	Chief Financial Officer, ESD: Danielle Cruver
	Public Affairs Director, ESD: Clare DeLong
	Government Relations Director, ESD: Caitlyn Jekel
	Leave and Care Treasury Manager: Steve Zawojsky
	Operations Manager, Leave and Care: John Mattes
	Research & Data Manager, Leave and Care: Rebecca Grady
Guests	Economic Analyst 3, Leave and Care: Brian Kennedy
	Customer Service Manager, Leave and Care: Rob Rohrer
	Legislative Coordinator, Leave and Care: Roberta Kowald
	Transformation Manager, Leave and Care: Alison Eldridge
Notes by	Alison Sosa, Court Reporter

Agenda	Introductions
	Approval of December Minutes
	Program and Financial Update
	Current Priorities
	Legislative Session Check-In
	Open Comment
	Workgroup Updates
	February Meeting Topics
	Adjourn

MR. BUELOW: So good afternoon, Everyone. My name is Matt Buelow and I'm the Deputy Director of the Leave & Care Division, the division that administers the Paid Family and Medical Program at the Employment Security Department. Thank you for joining us on this late afternoon for our January Advisory Committee meeting.

We've got a relatively packed agenda in an hour today. So we'll do the best we can to get -- get through things. But, of course, we have to have the conversations that we need to have. And if we

get pressed for time at the end, we'll start -- I will have the conversation with the Committee about whether we want to continue on or open public comment at that point, that sort of thing. I hope we don't end up there, but I will -- we'll go there if and when we need to. Because we definitely need to have and want to have our open comment period. So if we could advance slides, please.

This is our agenda today. So we'll do a lot of the normal stuff. And then we want to talk about our legislative session, check in. We'll tell you kind of what's going on with us, and then give you all the opportunity to tell us what you're hearing if you'd like. If we can advance slides, please.

Meeting structure: Same as always. The main thing on this is if you are not a presenter or a Committee member, please keep yourself on mute. And we will have open comment period at the end where we will open it up and you can provide comments for the Committee to consider. And if we can advance slides.

Introductions – Matt Buelow and Advisory Committee Members

Okay. So I want to do introductions as we always do, but we've got a couple of different -- different introductions to do this month. So before we dive into the Committee, I want to take the opportunity to introduce a new employee at the Leave & Care Division. Roberta Kowald joined us at the beginning of January. And the reason why I wanted to introduce her to the Committee, is she has a lot of roles in our organization. But the two main things are to be our Division's Legislative Coordinator.

So see her in legislative stuff. Not as much this year. She's in learning mode. And we're also -- she's also going to take over the logistics around these meetings; making sure that materials are getting out, that we're getting agenda items, that we're being responsive to you. So you're lucky. You'll stop getting emails from me largely on those things. Right? I'm not going anywhere. You can still reach out to me, but Roberta will be taking over the coordination of all of this.

Roberta, can you say hi really quickly?

MS. KOWALD: Hi everybody. I'm Roberta Kowald. You'll start getting emails from me. And let me know if there's anything that we can do to support you. That's pretty much what my job is going to be. Thank you all for doing this. It's going to be an interesting session.

MR. BUELOW: Thanks, Roberta. Okay. Let's go around and we will introduce the Advisory members. First I'm going to call on Gabriela Quintana. She a new member of the Committee. This is her first official meeting. We're excited to have you. If you wouldn't mind introducing yourself, where you're from. Maybe tell us a couple words about yourself.

MS. QUINTANA: Hi, everybody. Super excited to be here and part of this Committee. Gabriela Quintana from the Economic Opportunity Institute. A little bit -- nobody can ever replace Marilyn

Watkins but, you know, I will do my best. But I've worked with Marilyn Watkins for over ten years on the Family Medical Leave program trying to get it passed and working on that campaign. And as she exits that, I continue to do some of the legislative work. And, yeah.

So I'm really glad and very honored to be part of this Committee. So thanks for having me.

MR. BUELOW: Awesome. And thank you. And thank you for your work on this program. We appreciate it.

I'm just going to go down and call on people as I see them, if that's okay, in the order they're on my screen.

October Minutes were approved unanimously

MR. BUELOW: All right. Let's jump into the meeting because, again, we have an hour today. So I'm going to hand it over to Steve Zawoysky, our treasury manager, to give an update on the account. Brian Kennedy will give an update on some of the statistics and metrics we have going. And then John Mattes didn't make the slide here, but he will give an update on some of our operational measures. So with that, Steve, you're up, please.

MR. ZAWOYSKY: All right. Thanks, Matt.

Afternoon. I'll go through these slides maybe a little quicker than usual just because of our time constraints today. But we see our monthly ending account balance here in December. We went into deficit on the 28th, and hit a deficit of negative 18.5 million on the 31st, which was expected.

We talked about last month. We expected to be in the deficit position until January 31st when the quarter four premiums are due. And probably hit about a maximum deficit of 65 million before that date. All right. That's it for this slide. Next slide, please.

On our quarterly numbers here, we can see that our benefits for the fourth quarter were 323.7 million, which is the highest benefit level to date. That's 3.4 percent higher than quarter three. It's 22 percent higher than the fourth quarter of 2021.

We go also see that our premiums came in at 305.8 million, slightly lower than quarter three which was expected due to more employees hitting the Social Security wage gap. That number was 77 percent higher than the premiums reported in quarter four of 2021 primarily due to premium increase, and so certainly good.

And so if we look at the second, third, and fourth quarters of 2022 when that premium rate was applied, we see that we're getting pretty close to the two breaking even between our premiums and benefits going forward. So that's certainly a good sign.

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And, again, these premiums that we're assessing are for the previous quarter, so there is essentially a one-quarter lag here. We had 4.7 million premiums in December. A total of 305.8 again in quarter four, which was, again, a significant increase over the previous quarter four.

We came in with about 1.1 billion dollars in total premiums collected in 2022, which is a 57 percent increase over 2021 where we collected 701 million dollars in premiums. So, again, a positive on the revenue side of the program. Next slide, please.

And here we see our monthly benefits paid. December was 110 million, the third highest monthly benefit amount to date. 29 percent higher than the previous December.

In total calendar year 2022 we see 1.194 billion in benefits paid, which is very close to what we had our revised projections at. And this amount compared to 2021 was 30 percent higher. So 2021 we saw 917 million in benefits paid, and it increased by 30 percent to that 1.1 million 4, so we're still seeing some growth certainly in claimant benefits at his point.

And I think that's it for me. Brian, pass it along to you.

MR. KENNEDY: I'm jump in here. So this is looking at our updated fiscal projections out through the end of the biennium again. Caution looking that far out, we're kind of focusing in on the current deficit and kind of the next period that we'll go into deficit.

As you can and as we've talked about, we are in current deficit position. I think today we were at negative 73 million in deficit. And the max that we're kind of expecting moving forward that we've projected was about negative 80 million.

So we're slightly better position than we had done in our earlier projections of that. And like Steve said, we'll be sitting in a negative position until premiums get remitted on the 31st, is mostly when they come in.

That's all I know. We think that we should see that all posted into 1st and we'll start to be in a positive position again.

Again, this will move us into our next deficit period, which will be about late February, early March. And as Steve were saying, this collection that we'll be getting at the end of the month is from the assessed period of Q4 of last year, so at the .6 percent rate, the last time we'll be collecting that.

And it is typically our lowest amount collected in a quarter, so it won't kind of stretch as far as it has in the past, but it will get us into a positive space in the near future.

So this next deficit that will be happening in the early springtime will probably be a bit larger than we had seen in the past due to these issues. And, again, we'll persist through April until we get that first quarter assessed premium at the new higher rate, .8. We can jump to the next slide.

Here we have claim applications by type. As you can see, similar to what we saw earlier, December was another high month. We received 19,685 applications, which, again, was our third highest on

record outside of that first month when the program launched, so once we'd kind of stabilized. This has been the third highest.

It's about 3 percent more than November and about 19 percent more than we saw in December of last year. So still seeing that upward trend. And this is also starting to show a little more clearly that shift towards medical where we're seeing 54 percent of applications in medical and 46 as family. And then it's keeping our three-months average of applications just shy of 20,000 claims.

To kind of give you a tease into what may happen next month, January, is so far as we've been seeing it's another high month. So that three-month rolling average might tip over into 20,000 or higher. So we can jump to the next.

And here we're looking, you know, at our approval rate and then the claims that we're actually making payments on. Again, same story. We've been relatively stable with approving about 85 percent of our claims. And we're seeing unique claims in the last 12 months, again, shifting a little in favor of medical.

And then December we saw a total 38,945 claims being paid on, which is about 27 percent more than December of last year. So still kind of on that upward trend. And jump to the next one.

And then here we have our average weekly benefits and length of leave. Our average weekly benefit averaged out for 2022 at about 936. Again, still some of this data is preliminary so it will shift a little bit. But that's generally where we're at right now.

And this was about 7.5 percent higher than 2021, which was 870 average weekly benefit. And, again, it's the same consistency. We'll see that jump in January, which we're starting to see. And then it will stabilize.

We're expecting the new average weekly benefit based on the new benefit growth our payment in January to be about 5 percent higher than they were in 2022. So just kind of an idea where we're headed with that.

And then down at Length of Leave we have been relatively stable for a long period of time at about 7.4 weeks per claim. As we're seeing the second half of 2022, that has been kind of dropping. So we're -- the second half was about 7.2 average weeks per claim. And if you looked at the first half, it was still at that 7.4 weeks per claim.

So we're seeing a slight downward trend in that, but it's kind of stabilizing around 7.2. And it's right around -- like it corresponds a little bit with the timing of postnatal being a medical claim now as a -- instead of a distinct bonding claim.

So it's right in that same time frame. And we can jump to the next slide. And I'll pass it off to John.

MR. MATTES: Thank you, Brian. Good afternoon, everyone. My name is John Mattes and I'm the Operations Manager for the Paid Family Medical Leave program. On the slide here today, you'll see kind of our standard operational metric for application processing.

So this is the time from application submission to when we are releasing that first payment. For December you will see at the bottom of the screen there that we stayed pretty consistent with what we've done in recent months, although we did have kind of a slight decrease in average, which is great to see there. And the median stayed the same as it was in November.

I will say the number of applications that we processed in December was up from November. As I mentioned the last time, we did do our cloud migration for our CRM platform in November. It took staff a little bit of time to become familiar with that new interface.

And we did see kind of application processing increase in December, which was great to see. And next slide for me, please.

All right. And here is our telephony data on the screen here. For December everything was in line with what we've done kind of in recent months. The connect rates were about the same as we've done in recent rates. Slightly worse, but in line with kind of recent months.

The connect rates were about the same as we've done in recent rates. Slightly worse, but in line with kind of recent months. And our average queue time did decrease in the month of December.

And one thing I'll just mention, our phones, that I observed in the data, in December we answered the most calls in our program history in Spanish for our Spanish-speaking customers, which was really great to see.

And with that, I'll just pause to see if there's any questions. Bob?

MR. BATTLES: And this is not about the phone calls. And it may -- and correct me if you want to answer at some other time. But earlier when we were talking about the rates and the deficits, with the new rates that are being assessed -- maybe I didn't -- maybe you said this and I didn't hear it.

With the new rates being assessed do you see that taking care of the deficits for next year? And knowing what we're looking at for the purposes of the legislature -- and it's, again, maybe part of the legislative update -- but assuming that bill that has been heard and dropped and moving, do you feel like that's going to help eliminate this deficit that's been happening?

Are we going to be able to comply with not having a deficit and keeping that reserve?

MR. KENNEDY: Yeah. I can jump on there. In the short term we expect deficits to continue, even at the higher rate, until we get to a position where we can kind of cover enough funds to dig out of some of these short-term deficits.

It's going to continue to persist as we've been seeing. It's just kind of the way the rate structure is built up. As you know, we're solving to zero at this point.

With changes in the bills that are kind of coming forward, we do see a -- it depends on how the funding gets aligned to us. If they end up appropriating the 350, we are in a better situation.

But if they just give us the negative balance at the end of the biennium as the bill is stated, it will take a little time to build up a reserve to get us in a place where we're not running into these short-term deficits. But currently we're still seeing them.

MR. BATTLES: And so I understand, if you get, you know, whatever is necessary for the threemonth reserve within that 350 million, if you got that, then you're -- you think the short term, that's going to be able to keep you from having to hit the deficits, assuming all else stays equal?

MR. KENNEDY: Yeah. Yeah, that is -- that is our assumption on that.

MR. BATTLES: Okay. Thank you.

MR. BUELOW: And, Brian, I'll just let you keep it since you're up next.

MR. KENNEDY: So this is kind of a preliminary look at the expansion of the family member definition, as you may recall back in the legislative session of 2021, 5097 passed with expanding how we determined what defined as family members.

And as you can see here, the bolded sections are kind of the amended to that where we expanded it to individuals who regularly reside with the employee, where there is a relationship that creates an expectation of care.

And that expectation of care is kind of the key defining part of that. You can just simply be a roommate that doesn't have that. So that's kind of what was expanded upon. So it's just kind of a recap of that change. Jump to the next slide.

And in addition to that, the bill had two other parts where there was a cost-sharing portion. And then the reporting side of things.

As far as the cost sharing goes, in any calendar year where there was 500 individuals that utilized this expansion of the family member, then the general fund would kick in and start covering the cost of those.

So it's kind of a shared cost. We -- paid

leave footed the bill until that 500 mark, and then anything after that we would be reimbursed for. That cost sharing is effective until July of this year. So kind of the end of this biennium. So we're seeing the tail end of that.

And then the additional part and kind of why we're here is there are two reports included in that just looking at the usage of this expansion, as well as how that impacted the rate setting. The first one was due June 30th of last year, and then another one will be coming due on June 30th of this year. So we're kind of taking a first look at what that expansion looks like. Jump to the next slide.

And here is a table breaking down basically overall approved claims, unique customers, and benefits that we've approved. The table on the top shows this since its inception, so effective date is July 25th, 2021, through 2022.

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And these only are those that had the expanded family member definition. So we approved 591 claims for 567 unique customers and paid out about 2.4 million in benefits. And the shares you see there are the shares of the claim customers and approved benefits over that same time period. So quite small in comparison to the overall.

And then the table below that is really looking at that cost sharing portion of it, so what it looked like in the 12 calendar months.

As you can see, approved claims were 441 and 427 unique customers, and we paid out just shy of, you know, almost 1.8 million in benefits, which is, you know, fell short of general fund reimbursement by about 73 individuals utilizing this expansion.

And I'll pause. You have a question, Julia?

MS. GORTON: Yes. Thank you. Can you talk a little bit about what type of customers or what are going on with the folks that are claiming more than one leave in this area?

MR. KENNEDY: Yeah, and it could be -- I haven't looked directly at, like, the types of individuals that are claiming for -- like, for an example, it could be, you know, a household with long-care Covid where they may be caring for one person, and then, you know, six months down the road someone else gets it.

That could be an example of how one person would be filing a claim for two different -- one person having two different care claims. So that can be an example of it. But that -- things like that will be included in the final results. But other than anecdotal information, that's kind of where I'm at.

MS. GORTON: Okay. Great thank you.

MR. KENNEDY: Like I said, this -- this last calendar year we fell short by about 73 individuals utilizing this expansion, so no need for cost reimbursement in that situation. We can jump to the next slide.

And here is a look at who is -- the relationship of those that have been provided care. So it's looking at if I had a claim, who was I taking care of and who benefited from this expansion.

As you can see, about three out of four claims came from those unmarried partners or significant others. As you see, significant others, which would be, you know, fiancée, live-in girlfriend, boyfriend that sort of thing are all listed there in significant others.

And there's also registered domestic partnerships in there. As you probably know, registered domestic partners fall into the standard family member definition. But those unregistered domestic partnerships would be captured here, and we were seeing a fair number of unregistered domestic partnerships. The other bigger section here is extended family.

These are the aunts, uncles, you know, great aunts, great uncles, that sort of thing. We're seeing a big portion there as well. And then a few family in-laws.

Very few family friends. And then this other category is kind of a catchall. There's a surprising number of ex-spouses included in this, whether it's taking care of exes, and then roommates that they take care, as well as just individuals they're caring for. So that's that last catchall. And then you can jump to the next slide.

MS. GORTON: I have one more. Is it fair to assume that an unregistered domestic partner could also fit into the significant other or are there other types of relationship that fit under that definition? I just can't recall what domestic partner covers.

MR. KENNEDY: Yeah. Yeah. So we look at these claims and when we're doing the reporting, there's a fair number of individuals that are just writing "domestic partnership." And I think that's kind of a sign of, like, the times changing of, like, individuals referring to their significant other as a partner.

We do look into these to see if their claim has any documentation where they actually are registered domestic partnership. And then we remove those out. So we make sure not to include those that shouldn't be here.

MS. GORTON: So this is like a self-identified description of the relationship?

MR. KENNEDY: Correct.

We can jump to the next slide. So just kind of some key takeaways from this preliminary look at the data. It's a relatively small number of claims that we're seeing.

And really those unmarried partnerships are the ones benefiting the most from this, as you can see from the relationship status. Benefit payments are really small in comparison, so there's been no impact on rate setting.

And then just kind of a last note here is the last chance for any reimbursement under these claims comes in midway through this year. We didn't hit it in a full calendar year last year. It's not expected that we can hit it this year, but that potential is still out there. Just a very highly unlikely situation.

And I will pass it off if there are no further questions.

MR. BUELOW: Okay. Thanks, Brian.

Let's advance one more slide, please. We'll talk about our current program priorities. It's the same category but it's a little bit different this time. Because what we wanted to do -- we will talk about our priorities as well.

But we also -- you know, we just ended 2022. So we want to talk with you all and share some data and also some of our accomplishments that we were able to achieve in 2022. We're proud of the work we do. Right?

So you'll see up on the slide in front of you these are numbers around claims people, benefits paid, small business assistance grants. Happy to talk about any of those that you'd like. I just don't think you want me to read you numbers, so I'm not going to, unless you'd like me to.

So, yeah, I mean, we paid over a billion dollars in benefits last year, which is awesome. Advance slides.

Talk about some of our other accomplishments. I won't dive into all of these either but I'll highlight a couple of these. So we implemented the postnatal medical leave, the waiting week change, and the Covid data collection that passed during the last legislative session.

We improved off weekly claims and made payment history available to the customers of those sorts of things. We moved our internal system that our customer care staff uses to manage cases to the cloud, which gives us a lot of benefits. And, of course, we implemented new premium rates, that sort of thing.

We also completed 14 of our projects that we capture in our division's portfolio. We talked a little bit here earlier last year about multi-factor authentication. That's a way to help protect data and ensure that the right people have access to the right things.

We did the family member expansion that Brian talked about. Voluntary plan cost report. And we did the small employer premium opt-in, the first iteration of that. Any questions before I go into our current priorities?

So we've got several active projects impacting the Paid Family Medical Leave program. We're doing our 1099's, which are due at the end of every year. I assume that the next question is have we heard anything from the IRS. That's what I would be asking if I was you. And the answer is no, we have not. And we're still operating under the same assumptions and lack of guidance.

We are working on getting our AX system into the cloud. That's our financial system. So that's where we track all of our finances. We're working on the better iteration of small employer premium opt-ins. We are working on elective coverage, which is -- has more to do with WA Cares.

Same with premium and wage reporting. There will be some impacts to program, but it's because of WA Cares that we're doing these things. We have to implement premiums and wage reporting. That starts in July.

So we are working on a project to increase paid leave support in WorkSource centers. We want to make the benefits more readily available, accessible, equitable for people.

And so we are working with our Employment Connections team to sort of figure out how can they be supportive of our work and make sure that customers are getting what they need. So that's really exciting work.

We are -- have some projects for partnership to increase equitable benefit access, and we are developing a community engagement model for the benefits.

All right. So legislative session check-in from the Department side. And I'm sorry. I just got blocked by the clouds. So there's two main bills that I wanted to talk to you about today, neither of which will be a surprise.

We wanted to talk about the employer privacy draft that's been going around. And what I wanted to do here -- I hope this is okay with you all. If not, please let me know. We have some questions from some of you about the language of how we might interpret that.

And I thought talking about that here would probably be the most effective use of time rather than going back and forth on email or setting other meetings. We know how busy you are during legislative session.

So if that's okay with you, I'd like to dive into some of those questions -- or all of those questions and talk about them here. And then I also want to talk about the transportation network company bill and what we're doing there.

And, in fact, I'll start with that one. Because at this point the update is we are in the middle of our analysis, policy, operational, and fiscal analysis. So more to come on that. But we are actively working through what it will take to implement that compromise.

MS. JEKEL: Can we get a little bit of the context just for new members that weren't necessarily involved in the advisory Committee?

MR. KENNEDY: Absolutely. You want to do that or do you want me to?

MS. JEKEL: Sure. We can share it. But just for everybody's visibility, a reminder of some of the work that the agency supported over interim and that a number of you helped us get through -- has led to the bill, Bill 1570, which is a result of last year's House Bill 276 had contemplated the way in which transportation network company drivers interact with various provisions of state law.

And in that bill it charged Employment Security Department to work with a group of work groups comprised of transportation network companies, drivers, statewide business, statewide worker organizations, the way in which drivers would access Paid Family Medical Leave, Unemployment insurance, and WA Cares and make recommendations to the Legislature.

And so thank you for those of you that were deeply involved with us in that work. I think you'll see the outcomes of the recommendations of the report reflected in the bill draft.

But for others who weren't involved, we can send around a link to that report for anyone who hasn't seen that yet. And also happy to sort of answer questions on the recommendations pertaining to Paid Family Medical Leave if people are interested.

MR. BUELOW: Thanks, Caitlyn. That's really helpful. Okay. So I want to dive into the questions that we received from you all about the draft language for the employer privacy bill. And we've looked at that language. I know you all looked have looked at it. We're good with it as well.

One question was: Can we define interested party in statute? Is there a reason the Department proposes kicking it to rule?

Yes, we could. It's defined in rule today. So the concept of an interested party definition is not in the statute. So when we implemented the program, we defined interested party via rule.

That was the vehicle that we used, which it is what you think it is -- right -- employers, third-party administrators, the Department and the customer. Right?

And so we just thought it's already there. So, you know, if we want to get it into statute, we don't have an issue with that. I will say if it's in rule, it gives us some flexibility to talk about it as we implement this bill to see whether or not any changes or modifications, deletions, additions, things like that need to happen.

So if it stays in the rule making process, you know, we'll look at it and maybe recommending some modifications.

Second question is around enforcement with 3D, which I know the language is not up in front of people. But that is a provision in the bill that says -- this is not verbatim by the way -- but that employers can only use this data to operate their benefits and things like that.

So the question is around enforcement. And so the way that we are thinking about this is generally in the Paid Family Medical Leave statute there is the ability for someone who believes that their employer has not operated appropriately under the law to file a complaint with the Department where we do an investigation and come -- and make a determination.

And we thought that that process is probably what we would do here. That's what we're thinking.

And then there was another question around interested party. I took that in the first one, so I won't dive into that one again.

And then there's a question around, you know, one employer getting info regarding second employment, and that sort of thing. And, you know, I -- I'll be honest. It's something we're grappling with too.

I'm not here with the answers for you all today. We're going to work that out through implementation and that sort of thing. We know that everyone is on the same page about that, and so we'll -- we'll work through -- work through that.

And then the last question is how do we envision sharing information with employers. So I'm going to answer this in a couple of different ways. So ultimately long term, I think the obvious approach is employers could access it on-line through the portal and get information that they can.

The reality is we're not going to be able to do that by the time this bill takes effect. We don't even have all of that information available to the employee taking leave on-line yet.

So that is our ultimate goal. But please understand it's not something we think we can do immediately. So we want to work with you to sort of figure out what that looks like.

And we have ideas. I mean, it could be a form someone fills out. It could be people call in. It could be, you know, a web form request. I mean, there's all sorts of different ways that we could go about doing that. So we are open on that.

That's all the -- my apologies if I missed any of your questions. I think I got them all. Any questions, comments?

Christine?

MS. BREWER: I'm just wondering could you get a little context for those that are on the Advisory Committee for what we're doing here?

MR. BUELOW: Absolutely. As you may recall, last month we talked through an issue that had been brought to many of our attention that employers are not getting enough information in order to operate their benefit programs, leave, you know, supplemental benefits, those sorts of things.

So we agreed in the last Advisory Committee meeting to have a work group put together to dive into that, which we did. And what came out of that is some draft legislation that -- and you said this, Christine. And, you know, we worked back and forth a little bit on what works.

And I think we landed in a place where it works for everyone. And, yeah, so really excited that we'll be able to hopefully continue to protect privacy, but give employers information that they need to run the business.

Anything else you want me to add to that, Christine?

MS. JEKEL: I can't recall if you'd mentioned this, but it is scheduled for a hearing on February 2nd. And the other thing I would add to everything Matt said is just one of the biggest barriers that we've heard and is reflected in the last Advisory Committee meeting is that right now the way the statute is constructed that if somebody reaches out and says we are trying to even reconcile something.

We're trying to figure out a critical piece of information to understand if we're aligned with what this person needs to do for job protection of a continuation of a benefit or something. The statute as written wouldn't even allow us to engage in that question and answer with the employer.

And so while I think you're hearing Matt describe that we anticipate the sort of journey to final delivery on the right way that we should all be sharing information ultimately, acting now frees up the ability to at a minimum be answering those questions and not have the privacy statutes getting in the way of being able to engage.

Really appreciate everybody's quick work on it and helping support this thing that we have all heard about and move to action. Really appreciate it.

MR. BUELOW: Maggie? If you're talking, you're on mute. You can start it if you're on the phone, I think. Okay. Looks like -- looks like you're off mute right now. I'm not getting anything.

Looking around at people on camera, I don't think anyone is. I think we're having a technical issue, Maggie. Are you able to type it into the chat? Not sure if you're on a computer.

MS. BREWER: She says she's going to work on typing it into the chat.

MR. BUELOW: Okay. Awesome. Thank you.

Christine?

MS. BREWER: Thanks, Matt. And I would love to hear or see what Maggie is typing because I was hoping her or Joe were on today. So hopefully we can get that relayed.

But I have two questions. I guess, Caitlyn, are you guys planning to testify? And I understand there's parameters for which you can support something. But is that something the Department is planning on doing? And really simply just saying what you just said would be really beneficial for the Committee to hear.

MS. JEKEL: Yeah. So let us finish our internal analysis which just started today. But at minimum I'm happy to commit to saying we're available. I'll be in the room and speak to sort of technical questions on behalf of the agency.

But, yeah, need to finish the analysis as far as in what way we're signing in. But I'll be there available on behalf of the agency.

MS. BREWER: And my second question -- comment was -- oh, I just would like to encourage those employers that are on today to sign up in support of the bill. We've heard, you know, multiple different -- I think -- I'm trying to remember last Advisory Committee there were several different public employer groups that were looking for, you know, access to this data.

So my hope is that you're on today -- and the hearing is next week -- and that you could at least sign in in support of the bill. And, you know, our hope is that business and labor supports this bill together, but hoping to hear from Maggie if we can.

MR. BUELOW: Okay. So there's been a couple of questions that have come through on the chat. And, of course, the chat's not working either, so you can't see what people are typing. The good news is we have a person who can who is messaging them to me.

So I haven't seen what Maggie typed yet, but one of the questions was from Gabby asking for the bill number, and that's 5586.

And then we have an employer asking where can we sign up. I presume that's to your ask, Christine. I'll kick it over to you if that's okay.

MS. BREWER: Yeah, it's on the legislative website. I could put the link in the chat and then maybe you could have -- or get this person's email address and I can email them or however best.

MR. BUELOW: Yeah. If you could put your email address in chat, we'll get it over to Christine.

Okay. So Maggie wanted to reaffirm Labor's concerns about secondary employment and information getting out about that.

MS. BREWER: I mean, you know, the intent is that it's -- you know, we've heard that it's for the current claim. And so I think, you know, tightening up the language around that you must have an active or current claim and that that information would only be tied to that is something we should talk about, because that's the intent.

MR. BUELOW: Okay. Maggie also asks -- she wanted to clarify that the bill as interpreted by us would allow us to share the type of leave limited to medical or family, rather than the specific family member. And that's correct. That's how we are looking at it.

I got an email address for you, Christine. I'll send that to you after this meeting. I won't say it out loud.

And then there was also a question from the audience on can we please advise again what date the privacy bill is? And it's February 2nd. That's correct, Caitlyn, right. Okay.

MS. BREWER: I just sent the link in the chat. I don't if that's a way you can share with everyone but on how you could sign up.

MS. JEKEL: Christine, there was an issue with the chat, so I don't if that's still -- everyone experiencing that? But it's not working for me either or else I would drop it in as well. But it is 8:00 o'clock on February 2nd in front of Labor and Commerce Committee.

MS. BREWER: And if folks want more information, email Matt and then he can get it to me and then we can connect with you.

MR. BUELOW: Absolutely. Again, apologies about the chat. We're going to look into that and see what's going on. And Maggie also says she appreciates everyone's work on this, as do we all, right?

MS. JEKEL: Absolutely.

MR. BUELOW: Okay. So that is almost the end of this. I do want to take the opportunity really quickly. We have eight minutes until 5:00 o'clock. No problem staying late, but we are scheduled until 5:00. But I want to ask the Committee do we want to keep going until we're done.

Would you like to pause and do open comment until 5:00? Would you like to keep the rest until the next meeting? Basically what would you like us to do? Happy to do whatever works. Any opinions?

All right. I'll make it up on the fly. Why don't we go to open comment in case there's people that need to leave a 5:00 and then we'll continue the rest of the agenda. We're close to being done. So if you have a comment to make and you can use the raise-your-hand feature and speak, we'll call on you that way.

If you have to use the chat feature, again, we do have a person who is getting them. So apologies in advance and thank you for your patience. She'll grab them, send them to me, and then I can read them out loud.

Looks like we have a comment from Jacob.

MR. KIRSTEAD: Hi, everyone. Thank you for the time. My name is Jacob. I'm not representing an employer directly but I'm in the industry so, anyway, this concerns me super personally on a day-to-day basis.

One of the things that was -- in terms of the slide presentation, there wasn't a percentage of the denial reasons, which I think would be interesting, whether claims are being denied due to no documentation or not being eligible for a program or something like that. I think that would be an interesting population statistic.

Also the abandon rate of calls when measuring call wait times I think would also be super interesting. I think -- the first thing that came to mind, though, in all of this was the three- to four-week delay before first payment. What -- what are the reasons behind that?

Is it due to just waiting for documentation? Is it, you know, a delay from receiving the documentation to just approving, you know, and being able to get to the claim? You know, what -- what kind of is there?

And then on top of that, then, the program itself, prevents an employer from, you know, utilizing sick or PTO and those sorts of things. And if we're talking about, you know, employees out in the workforce, you know, most of them are getting paid either weekly or bi-weekly and most people are living paycheck to paycheck.

So as these programs are -- you know, as paid leave is expanded to encompass a greater part of the population, that's super concerning for me for somebody who, like, you know, all the sudden I've got cancer and I'm living paycheck to paycheck. What do I do? I can't work. I'm in the hospital, stuff like that.

So I think that those would be awesome things to look at. And I'm super happy that we're looking at getting employers more information in terms of being able to reconcile absences and also benefits and making sure that those protections are in place because that's super difficult to do as is -- as has been known since that piece of legislation was written. Thank you.

MR. BUELOW: Think I'd know to unmute by now. Thank you for those comments, Jacob. Really appreciate it.

Okay. Let's go back to the presentation. And, in fact, I want to go back to the legislative priorities or the legislative check-in slide and give the opportunity for members not with Employment Security.

Washington Paid Family & Medical Leave

Is there anything that -- legislatively that we should talk about here? Anything that you want to inform people about?

MR. BATTLES: This is Bob Battles. Just to let you know that the bill is moving forward. Joe Kendo and I testified on the bill that would be a rate setting on the panel and -- and that we continue to work with the legislature to ensure that there is the additional funding put into the budget to be able to cover that reserve as well.

There's a commitment on that. And there will be pushes from, I think -- I know from our side to make sure that the legislators keep this on the track moving forward.

MR. BUELOW: Awesome. Thanks, Bob. I'm going to hand it over to Alison Eldridge to talk about some things we're doing with work groups.

MS. ELDRIDGE: Thanks, Matt.

I'm going to actually skip the privacy provision part because we mostly covered that in the legislative priorities piece. And the information on the slide is a little bit outdated at this point anyway.

So the small employer premium option, we launched sort of the manual kind of Phase 1 process for small employers to opt in to paying the employer share of the premiums at the end of December.

And we are continuing to plan for a solution that is integrated into the technology. As Matt went over, we have a number of priorities that we're working on. And so we will work to fill this in as soon as we can.

Likely sometime in the summer, which is what we covered in the last work group meeting. And as soon as we have a better sense of what that might look like in terms of mockup prototypes, things like that, we will schedule another workgroup meeting to go over those things and get feedback.

MR. BUELOW: Okay. We did it. It's 4:59. Let's advance slides and talk about next meeting. So next meeting will be on February 22nd from 4:00 to 5:00. And are there any agenda items outside of our standing items? I'm also going to keep legislative session check-in a standing item just during legislative session. Just FYI.

Are there other topics of interest for the Committee for us to bring to the meeting?

Okay. We'll plan to do our standard agenda. If anything comes up or you think of anything, as always, just don't hesitate to reach out to me and we'll get something added to the agenda if we need to. Happy to do that.

I do have a couple of email addresses that I'll be sending to you, Christine. All right. Well, with that, I'll respect everyone's time in that it's 5:00 o'clock.

Thank you so much for attending today and participating if you did. We really appreciate it. And we'll talk to you next month. Thanks again.