

Washington  
**Paid Family & Medical Leave**



**Employment Security Department**  
WASHINGTON STATE

# Advisory Committee Meeting

Wednesday, May 31, 2023

# Agenda



Introductions & approve minutes



2024 Legislative session planning



Discussion: New legislative proposals 2024



Current program priorities



Open Comment



Program Update (if time)

# Meeting structure

Only Advisory Committee members and presenters will be unmuted during the meeting, prior to the open comment period.

Public to hold all feedback until open comment.

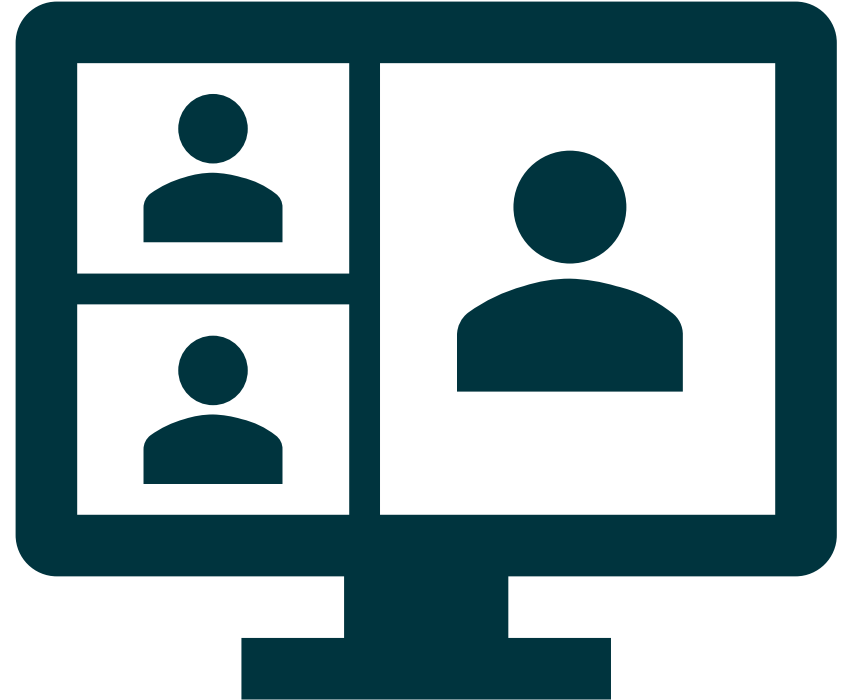
Comments and questions in the chat won't be reviewed as part of the meeting structure.

- Open comments will be taken at the end of the meeting.

# Introductions

Advisory Committee Members

*(Note: We will use Zoom to identify call-in participants rather than announcing names during the meeting)*



# Approve April minutes



# Current program priorities

Matt Buelow, Deputy Director

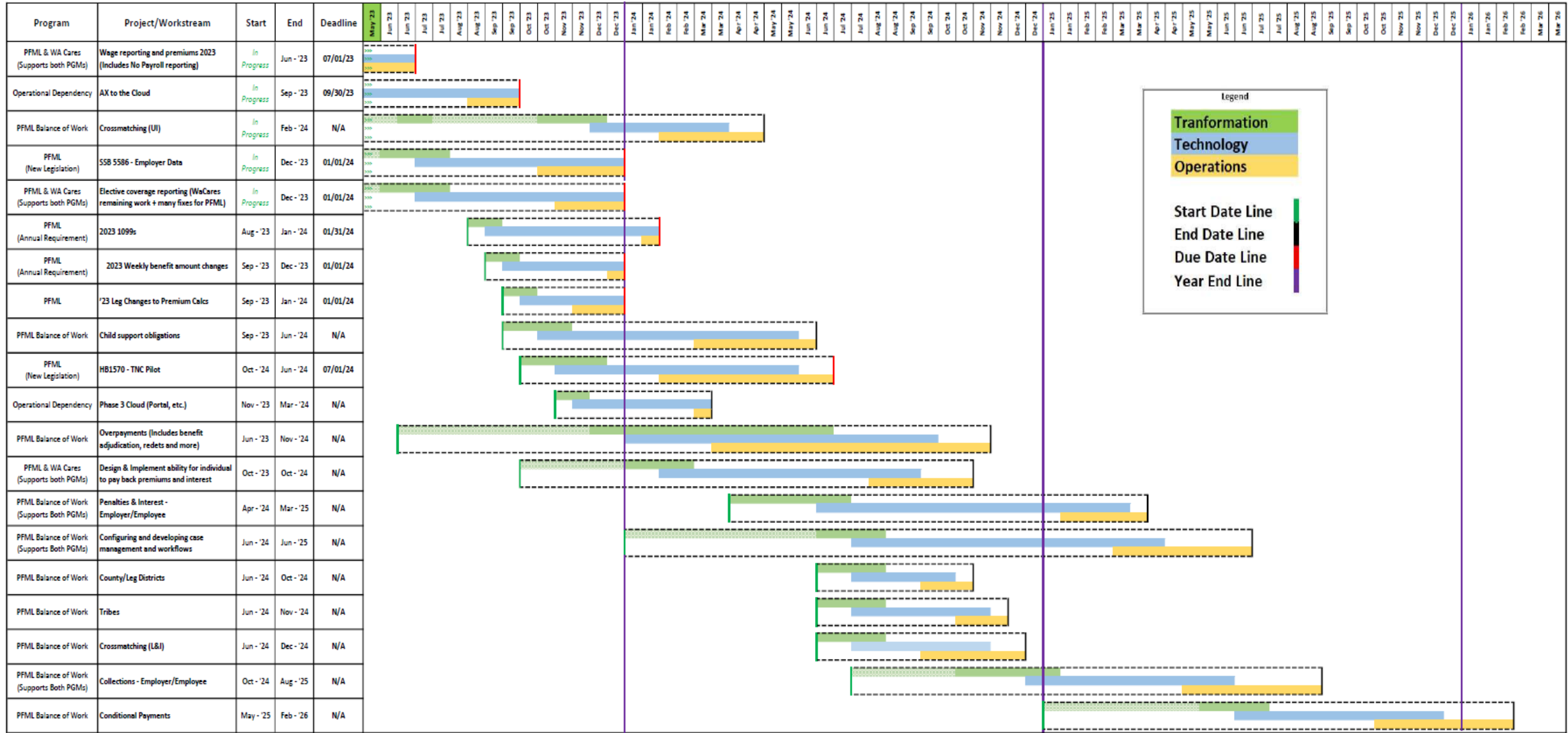
# Proposed priority

## Now

- Crossmatch Paid Leave benefit customers with UI and L&I (*in progress*)
- Child support withholding from Paid Leave benefits (*in progress*)
- Employer data sharing (SSB 5586)
- Premium rate change (SB 5286)

## Next

- TNC Pilot (HB 1570)
- Benefit overpayments
- Penalties & interest (employers)
- Collections
- Conditional payments
- Reporting requirements (county & legislative district)
- Elective coverage for tribes





# 2024 session planning

Caitlyn Jekel, Government Relations Director

# Key deadlines

<b>June 21</b>	Financial Services completes meeting with each ESD Division for budget planning
<b>June 30</b>	Complete agency request legislation and decision package proposals are submitted for consideration
<b>Mid-July</b>	Ideas that meet internal approval proceed to drafting
<b>August 31</b>	Bill and Decision Package summaries, including bill z-drafts are complete
<b>Early Sept.</b>	Proposals are submitted to the Governor's office and OFM
<b>Early Dec.</b>	OFM approval of Agency Request Legislation
<b>Mid Dec.</b>	Governor's budget release



# Discussion: New Legislative Proposals 2024

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# June meeting

## Details

- Wednesday, June 28, 1 to 3 p.m. (*In person option Olympia*)

## Agenda

- Presentation by ESD Actuary Eve Sheng
- Proposed Topics

Open comment

# Open comment

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Reminders Please frame your questions as a comment.

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“Raise your hand” virtually if you have a comment.

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The meeting host will unmute you

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# Continue the conversation

**Justin DeFour**

Director, Paid Family & Medical Leave  
Employment Security Department

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Visit us online at  
[www.paidleave.wa.gov](http://www.paidleave.wa.gov)



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# Program update

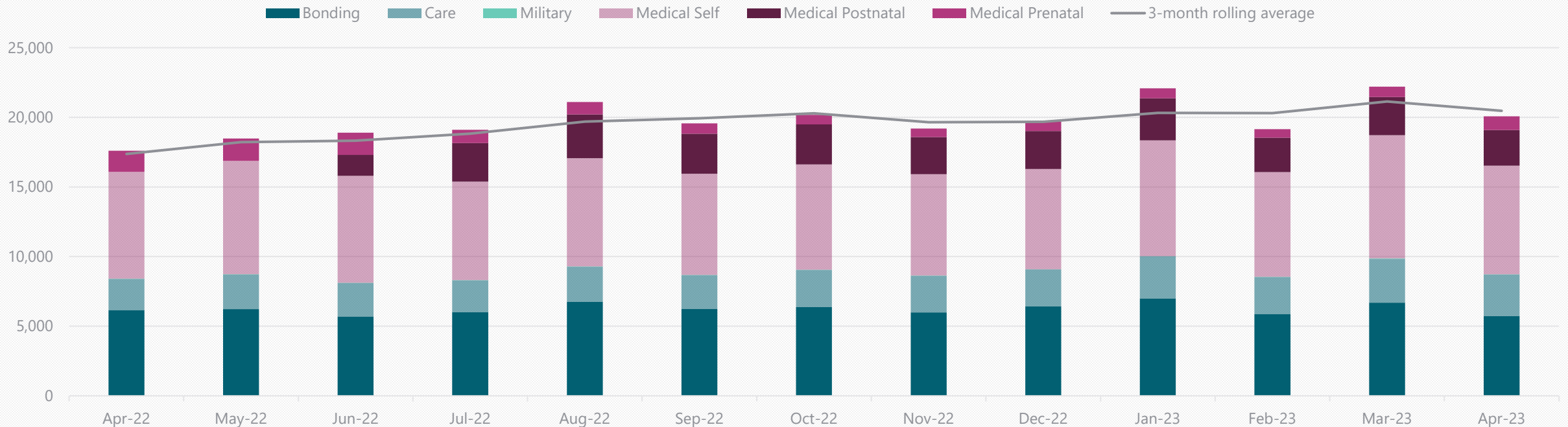
Jose Hernandez, Operations Research Specialist

Steve Zawoysky, Treasury Manager

John Mattes, Operations Manager



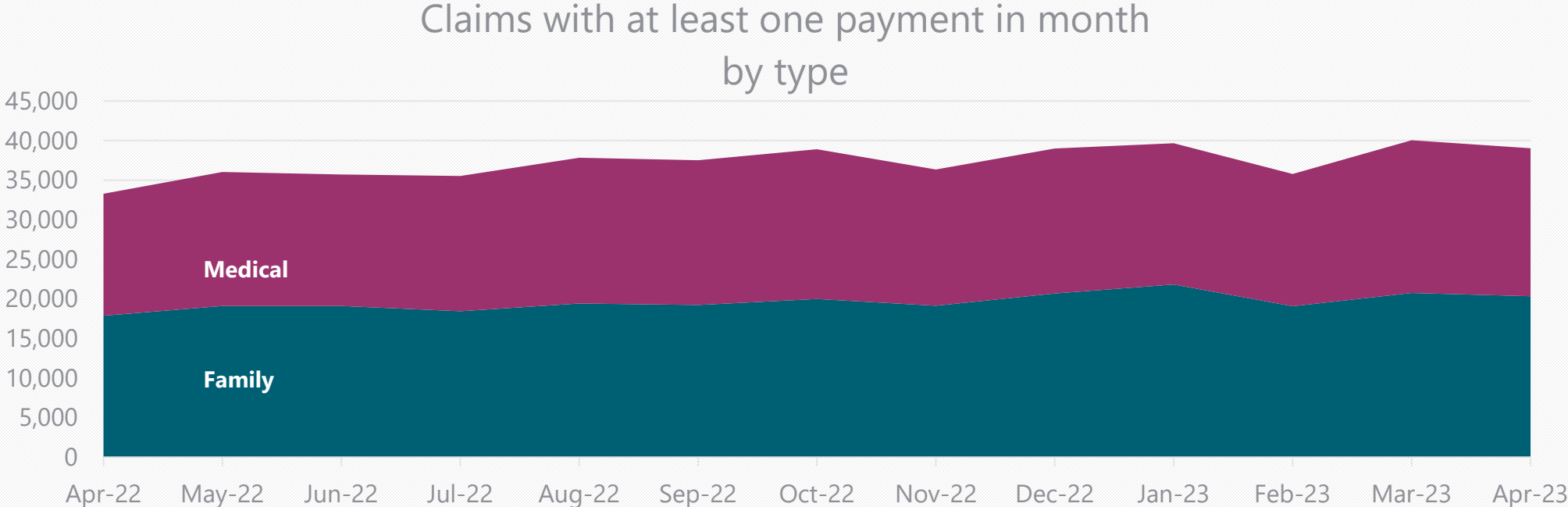
# Claim applications submitted by type



- April 2023, we received 20,068 applications
  - 10% less than last month
  - 14% more than April of last year
- Continue to see shift towards medical leave types ~ 57% medical, 43% family
- Three-month rolling average back to 20K claim applications

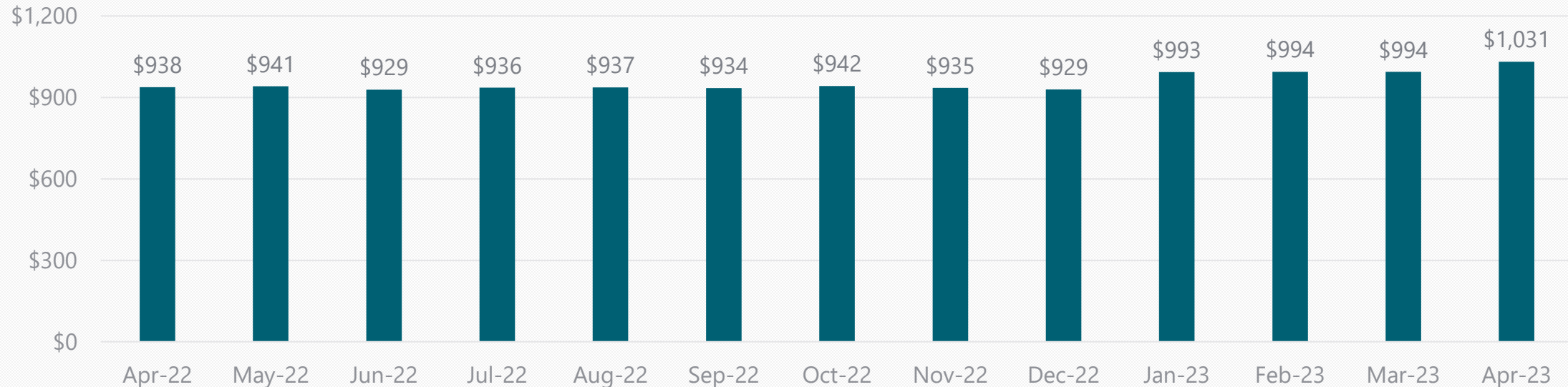
# Approval rate and monthly claims with payment(s)

- Percentage of claims approved continues to be relatively stable in past year
  - About 85% approved overall
- Unique leave claims in the last 12 months – 104,341 family and 111,256 medical
- April 2023 total unique paid leave claims: 39,040
  - 33% more than April of last year



# Weekly benefit levels

- 2023 Jan-Apr average: \$999
  - 7% higher than 2022 Jan-Apr, \$932
- Weekly benefits increased in January
  - Data starting to stabilize around \$1,000

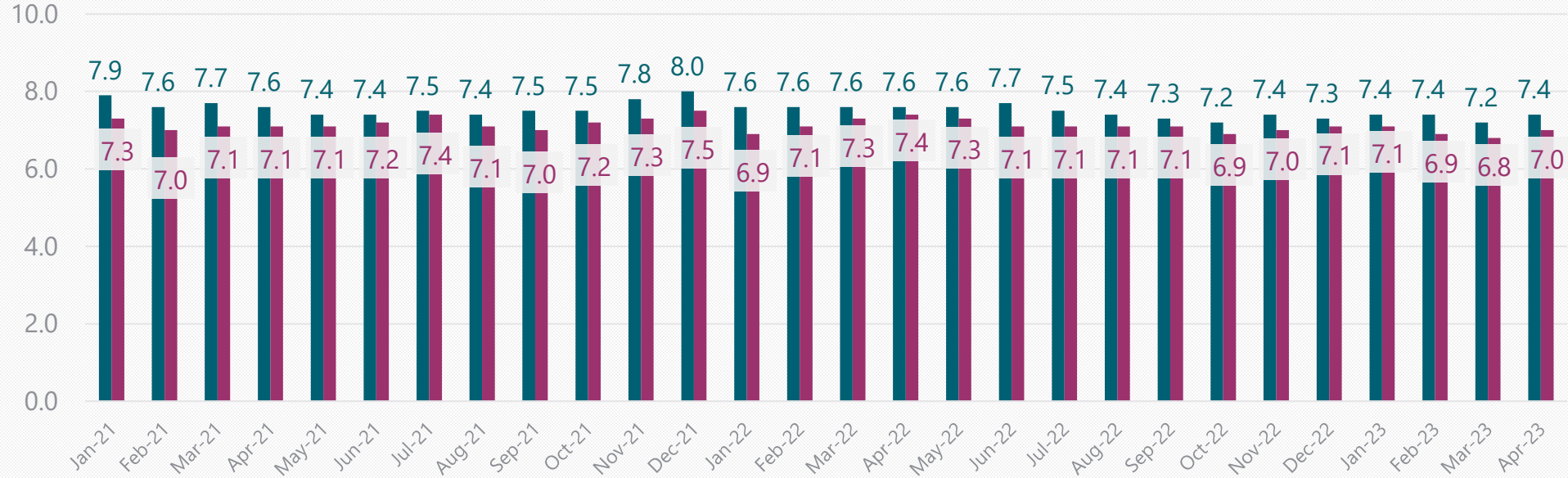


*Technical note: Average weekly benefit amount for approved claims grouped by claim year start month, most recent months typically drop slightly as data matures.*

# Lengths of leave

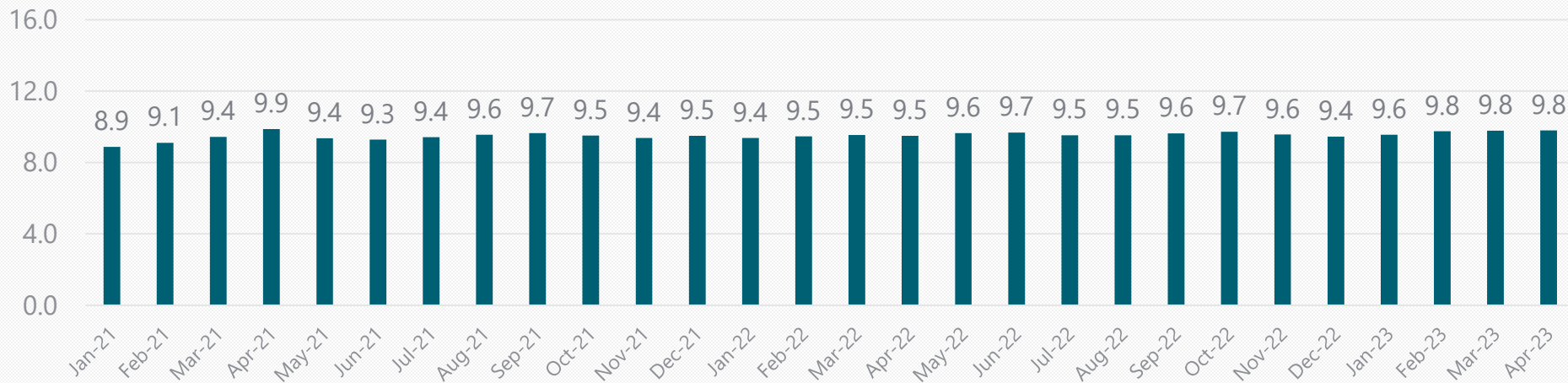
## Claims: lengths of Leave

- 2022 Family: 7.6 weeks
- 2022 Medical: 7.3 weeks



## Claim Year: lengths of leave

- 2022: 9.6 weeks



# Fiscal projections

## Last Deficit

- Began: March 7<sup>th</sup>
- Last through April (55 days)
- Max negative balance: \$140.8 million

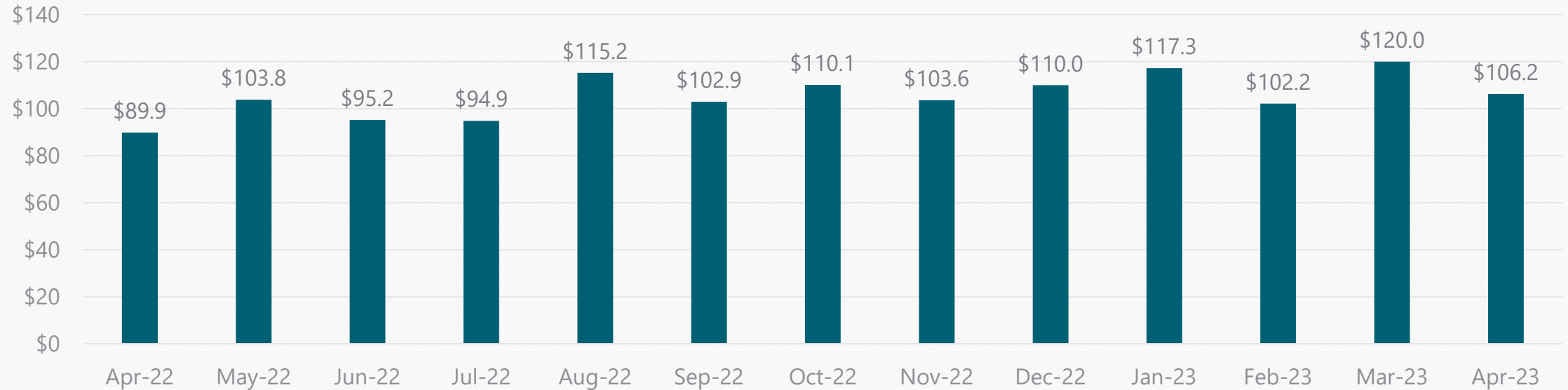
## Model Includes \$200 million

- No defined day yet, but before end of the biennium.
- Model incorporates it week ending June 10<sup>th</sup>
- Expected end of biennium balance: ~ \$180 - \$200 million

Paid Leave Account Balance: Cash Flow Projections  
Historical data through week ending 05-13-23



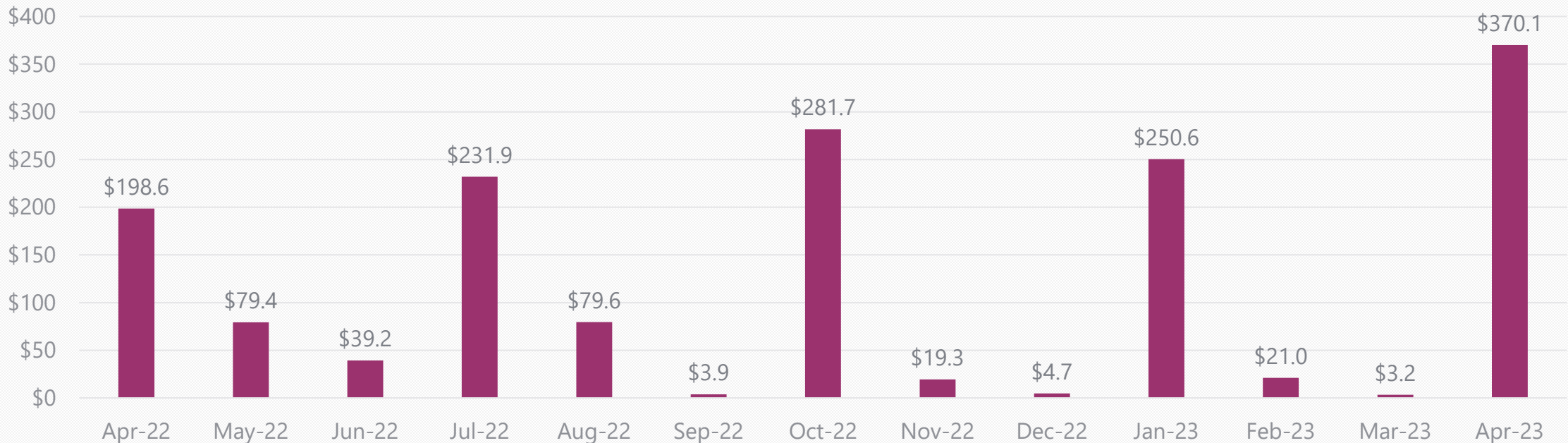
# Monthly benefits paid



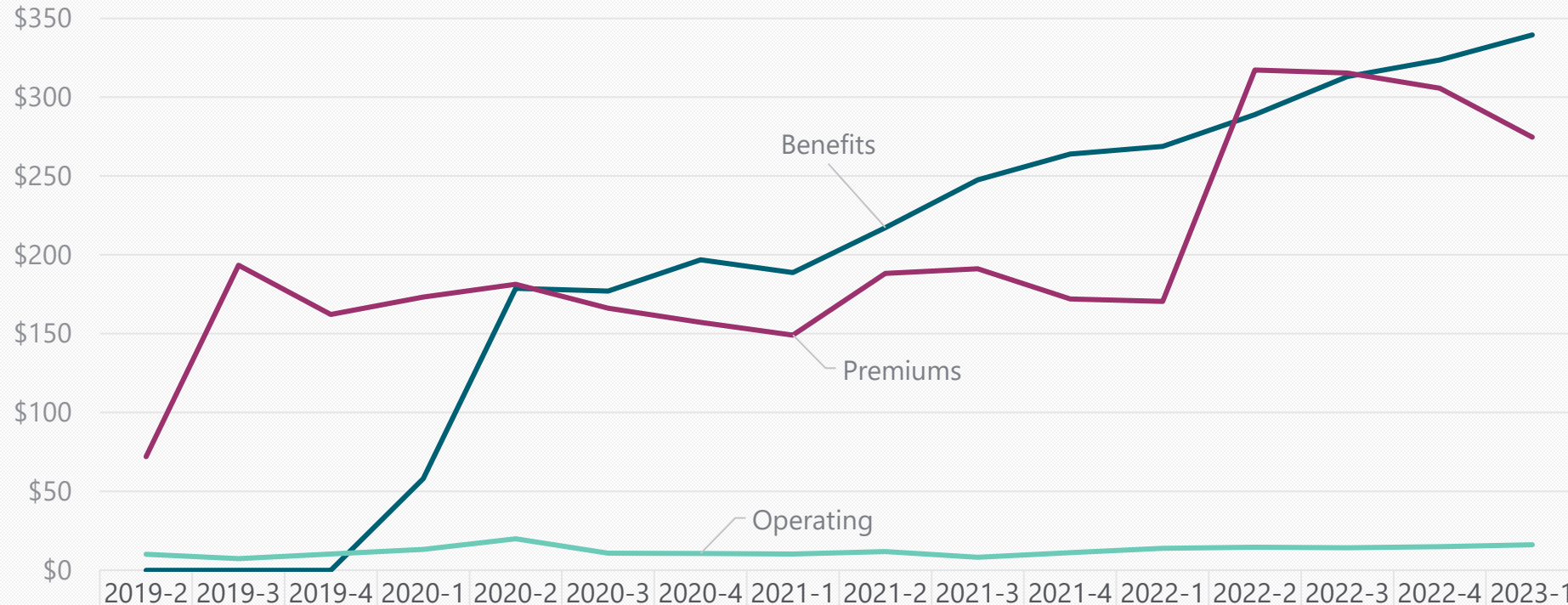
- April 2023, \$106.2 million
  - 18% more than April of last year
  - 11% less than last month
- \$445.7 million in benefits paid in 2023 so far
  - \$87.1 million more, or 24% more than 2022 Jan-Apr

# Monthly premium invoices (millions)

- Cyclical pattern with highest monthly premium transactions occurring at end of quarterly reporting months
- Premiums assessed for each quarter are remitted in the following quarter
- April wage reporting was the first at the 0.8% premium rate
  - \$370.1 million in premiums invoices in April 2023
  - \$171.5 million (86%) more than April 2022



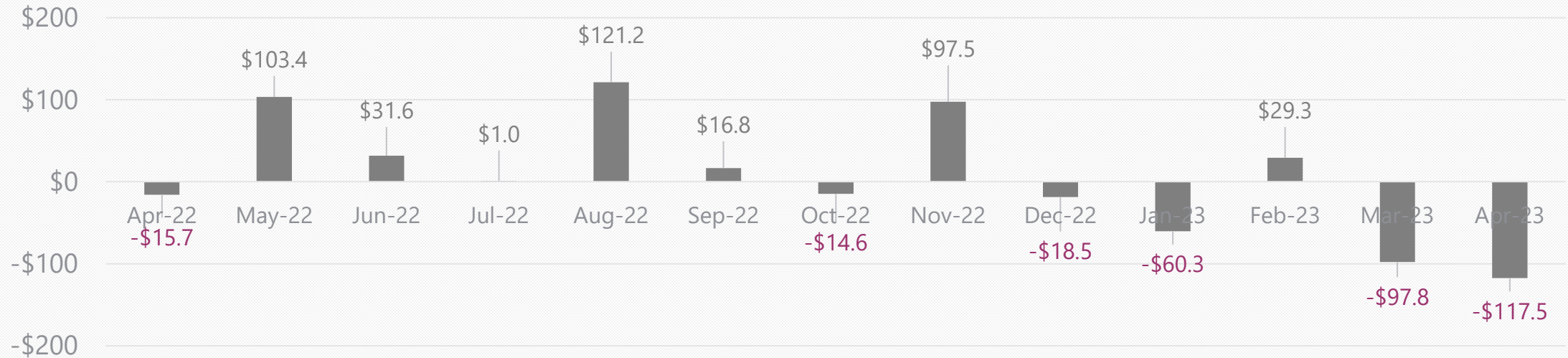
# Premiums, benefits, operating expenses, and account balance by quarter (millions)



	2019-2	2019-3	2019-4	2020-1	2020-2	2020-3	2020-4	2021-1	2021-2	2021-3	2021-4	2022-1	2022-2	2022-3	2022-4	2023-1
Benefits	\$0.0	\$0.0	\$0.0	\$58.1	\$178.7	\$177.0	\$196.9	\$188.7	\$217.2	\$247.6	\$264.0	\$268.7	\$289.0	\$313.0	\$323.7	\$339.5
Premiums	\$72.0	\$193.4	\$162.2	\$173.3	\$181.4	\$166.2	\$157.2	\$149.2	\$188.3	\$191.2	\$172.1	\$170.4	\$317.2	\$315.4	\$305.8	\$274.7
Operating	\$10.2	\$7.3	\$10.3	\$13.2	\$19.9	\$10.8	\$10.6	\$10.3	\$11.8	\$8.3	\$11.2	\$13.9	\$14.7	\$14.3	\$15.0	\$16.2
Account Balance	\$26.8	\$209.8	\$372.1	\$467.2	\$454.2	\$426.8	\$376.4	\$326.6	\$286.5	\$221.5	\$123.0	\$19.1	\$31.6	\$16.8	-\$18.5	-\$97.8



# Monthly ending account balance (millions)



- Fund balance at the end of April was -\$117.5 million
- \$82.4 million in premium remittance received in April
- \$382.3 million premium remittance received in May through May 24<sup>th</sup>
- Fund balance on May 24<sup>th</sup> was \$153.7 million
- FY23 Supplemental Budget will provide additional \$200 million by June 30<sup>th</sup>

# Time from application submission to first payment

Month	Average weeks	Median weeks
Apr 2022	4.0	2.7
Apr 2023	4.2	3.0

Month	Average weeks	Median weeks
July 2022	4.2	2.6
Aug 2022	4.0	2.6
Sept 2022	4.1	2.7
Oct 2022	4.1	2.7
Nov 2022	4.3	3.0
Dec 2022	4.3	3.0
Jan 2023	4.5	3.3
Feb 2023	4.3	3.3
Mar 2023	3.9	2.9
Apr 2023	4.2	3.0

# Phones

Month	Percentage of calls into queue*	Percentage of calls answered from Paid Leave queue	Queue time for Paid Leave**
August 2022	81%	75%	08:52
September 2022	81%	78%	08:30
October 2022	81%	73%	09:23
November 2022	81%	69%	09:26
December 2022	78%	65%	08:16
January 2023	79%	68%	08:27
February 2023	81%	65%	09:42
March 2023	85%	66%	04:12
April 2023	84%	62%	05:59

## Since April 2022:

- 29% increase in calls into queue.
- 2% decrease in calls answered