

Advisory Committee Meeting- February 16, 2024

Attendance

Committee Members Present

- Justin DeFour, Director ESD Leave and Care
- Edsonya Charles, PFML Ombuds

Employee Representatives

- Samantha Grad, Teamsters 117
- Maggie Humphries, Moms Rising
- Joe Kendo, Washington State Labor Counsel
- Gabriela Quintana, Economic Opportunity Institute

Employer Representatives

- Bob Battles, Association of WA Business
- Julia Gorton, Washington Hospitality Association
- Rose Gunderson, Washington Retail Association (Interim for Christine Brewer)

ESD Staff

- John Mattes, Leave and Care Operations Manager
- Alison Eldridge Leave and Care Transformation Manager
- Eve Sheng- Managing Actuary
- Brian Kennedy- Forecast & Economic Analyst
- April Amundson- Leave and Care Policy Manager
- Amanda Siemandel, Administrative Assistant 5- running slides
- Rachel Turner, Administrative Assistant 3- taking notes

Agenda

- *Introductions & approval of January minutes*
- *Job protection study: Dr Hill and Team*
- *Actuarial update*
- *Legislative Update*
- *Open comment & adjourn*

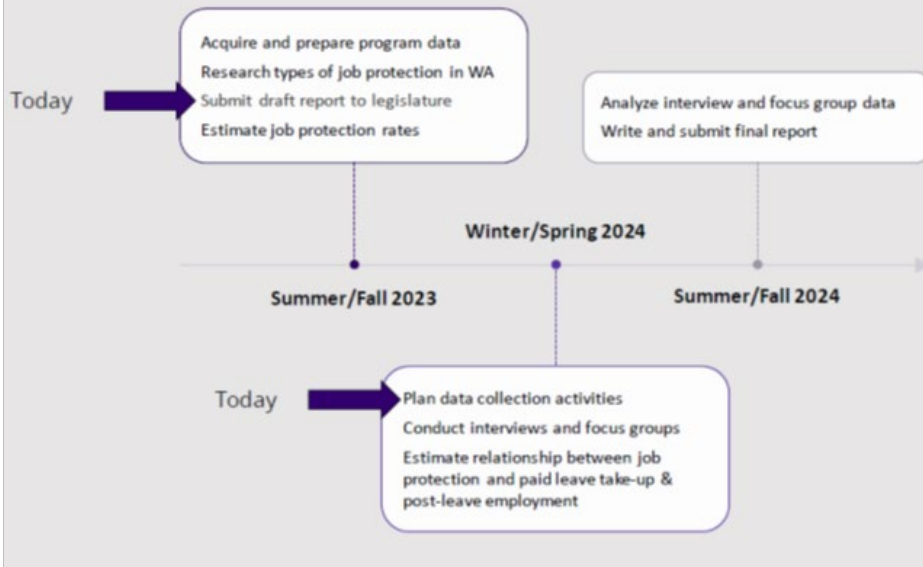
Introductions & Approval of January Minutes

DISCUSSION	Start time -2:01 PM
<ul style="list-style-type: none">• Bob Battles motions to approve January 2023 advisory minutes• Samantha Grad motions 2nd• All in favor of approving-January 2024 Advisory Notes are approved	

Job Protection Study: Dr. Hill and Team

DR. HEATHER HILL, TOM LINDMAN AND DIANE RUCAVADO	
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STUDY TIMELINE



Preliminary Legislative Report: Key Findings

- Several federal and state laws and programs offer job protection for shorter leaves related to health or caregiving.
- No other program or policy offers WA workers job-protected paid leave for longer durations and for bonding with new children.
- FMLA has similar requirements for job protection as WA Paid Leave.
- FMLA studies suggest that the WA eligibility requirements for job protection will disadvantage women, less educated workers, and workers of color.

Questions/Comments:

Bob Battles-How is it that you have 40 hours accrued on Wa Paid Sick Leave but it accrues to 7 days?

Dr. Hill-It accrues by the hour but has max carryover. We possible overlooked.

Rose-Is this an apples to apples comparison between Paid Leave and FMLA?

Dr. Hill-This is focused on job protection. Rules between both are nearly identical. FMLA is just job protection and is the closest thing to Paid Leave.

SAMPLE OF LAWS OFFERING JOB PROTECTED FAMILY OR MEDICAL LEAVE TO WA WORKERS

	Length/year	Paid	Bonding	Family Care	Medical
WA Paid Leave	12-18 weeks	Yes	Yes	Yes	Yes
WA Family Care Act	<i>Depends on employer provided leave</i>	Yes		Yes	
WA Paid Sick Leave Law	<i>40 hours (accrued)</i>	Yes		Yes	Yes
ADA & WA extension	<i>Depends on employer provided leave</i>	Maybe			
FMLA	12 weeks	No	Yes	Yes	Yes

WA Workers are eligible for job protection during paid leave if they:

- Work for an employer with 50 or more employees.
- Have worked for that employer for 12 months or longer and at least 1,250 hours In the year before the first day they take Paid Leave

Questions/Comments:

Dr. Hill. These numbers based on wage report date to estimate percentage of workers using job protection now (WA worker analysis) In firnal report (December) we will bring in claims data limited to those who received Paid Leave (demographic data).

Bob Battles-It is critical to be consistent to budget.

Dr. Hill-We had to prepare quickly and used first sample of data available.

Preliminary Legislative Report: Key Findings

- Most WA firms (94%) are not covered by Paid Leave job protection because they have fewer than 50 employees.
 - Firm coverage rates vary from 3-30% by industry
- About 50% of WA Workers have the job tenure and hours needed to meet those components of job protection qualification.

Planned Data Collection Activities:

- Interviews with paid leave users
- Focus groups with workers in 3 industries in 3 locations
- Key features of qualitative research:
 - Sample “purposively” to hear from people with specific experiences or characteristics.
 - Try to understand individual experience not the average experience.
 - As open-ended questions. Follow up with probes for details and explanation.
 - Focus on subjective experience – Feelings, understandings, thought processes, etc..

Interviews with Paid Leave Users:

- Identify paid leave recipients in program data whose leave period ended between October 2022 and June 2023 (Our most recent data).
- Stratify sampling frame by whether we’ve estimated they would have job protection at time of leave.
- Select a random sample of 60 individuals, 30 with job protections, 30 without.
- ESD will send an email inviting them to participate in interviews with UW researchers about the program and offer \$30 incentive.
- Conduct interviews on Zoom.

Questions/Comments:

Tammie Hetrick-We have a lot of small employers providing job protection. Should we specify if required by employer?

Dr. Hill-Right to reinstate is the legal term. It is possible employers are providing informal job protection. We could acknowledge but have no way to know unless we hear about it in focus groups and interviews which will then give us the data to use.

Interviews: Sample Questions

1. When you used Paid Leave for benefits, what work were you doing at that time?
2. What events led you to take leave from work?
3. What discussions did you have with your supervisor or your coworkers about taking leave?
4. How did you know whether your job would be waiting for you when you returned from leave?
5. What was your experience at work when you returned from leave?

Questions/Comments:

Dr. Hill-These questions are set up to hopefully provide us with more details.

Focus Group with Workers:

- Focused on agricultural workers (Yakima), service-sector workers (Centralia) and construction and manufacturing (Bellingham area).
- Partner with area organizations willing to host and/or help us to recruit participants.

Examples:

- OIC of Washington in Yakima
- Community Action Council of Lewis, Mason, and Thurston Counties
- **Let us know if you have ideas/contacts you are willing to share.**
- Advertise focus group and provide a QR code and phone number to sign up.
- Recruit ~10 people for each focus group.
- Offer \$20 incentive payment, printed materials about Paid Leave, and dinner.
- In-person, 1.5 hours total, 1 focus group in Spanish.

Questions/Comments:

Tammie Hetrick-Can employers be involved in this to challenge on if/when they can return?

Dr. Hill-We could think about a complimentary study with employers about their experience navigating paid leave.

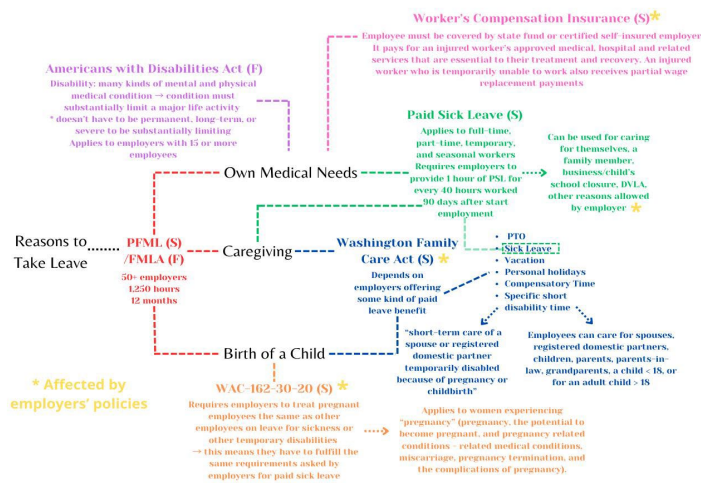
Tammie Hetrick-Any info ESD can gather to help?

Dr. Hill-Reaching out to community partners to advertise focus groups with fliers, emails, QR codes.

Gabriela Quintana-We have Spanish speaking workers in Yakima to e-mail.

Focus Group: Sample Questions

1. Introductions: Tell us your name and what you do for work.
2. Can you describe a time when you've taken more than one day off from work to get well, go to the doctor, or help someone in your family who was sick?
3. Can you describe a time when you needed time off for your own health or a family member's health but it wasn't possible?
4. What do you know about the Washington Paid Leave program? Probe: Job protection with Paid Leave? (Describe basics for anyone in room who is unfamiliar)
5. Would you consider using the program to take care of your own or a family member's health? Why or why not?



Questions/Comments:

Rose-How will this explain the basics of the program? How is this not bias?

Dr. Hill-Interviews are only with those who used leave. Focus groups are for those who have and/or have not.

Maggie Humphreys-We are concerned about the experience of workers that don't have right to reinstatement.

Dr. Hill-This data is designed to help us understand how/if the protection helped them.

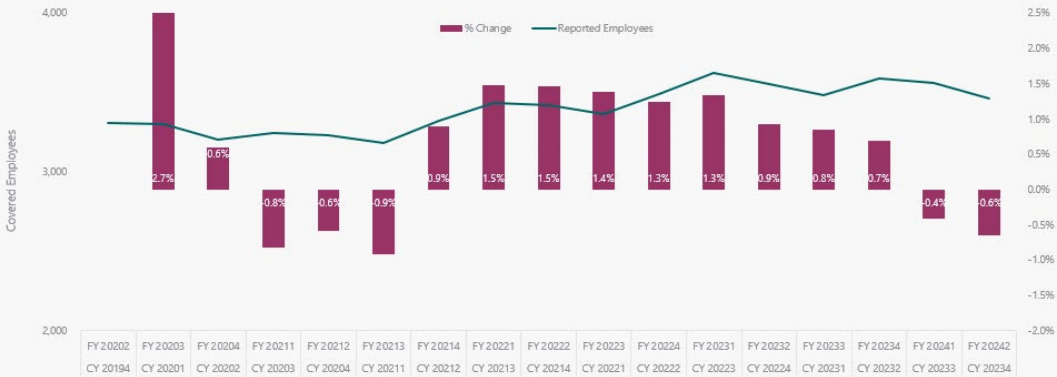
Bob Battles-We have several chambers to reach out to for engagement, can meet outside of advisory if you would like.

Dr. Hill-Great, we can set something up.

Actuarial Update

KARISSA BURGESS & EVE SHENG

Covered Employees Not Grown in Recent Quarters



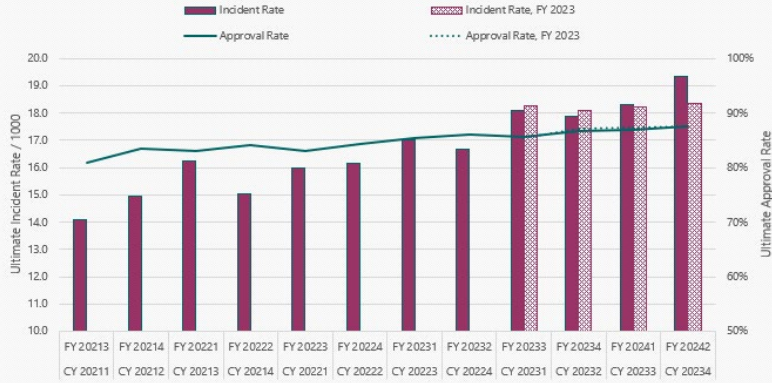
Most recent quarter shows a larger drop in covered employees than expected. Enrollment is seasonal so could expect some offset in future quarters.

Average Wages, Actual to Projected



Most recent quarter shows larger gap between gross wage and premium wage.

Incident Rate and Approval Rate

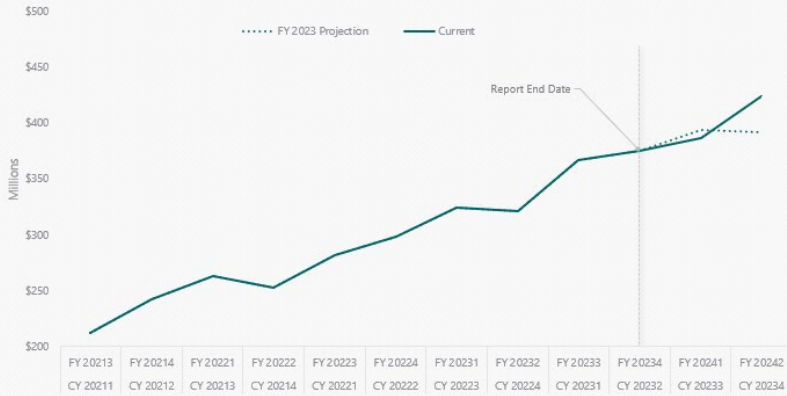


Larger increase in incident rate in most recent quarter. Incident rates are increased across most benefit types.

2023 & 2024 are actuarial estimates
Claims shown by leave start date

Leave Benefit by Fiscal Quarter

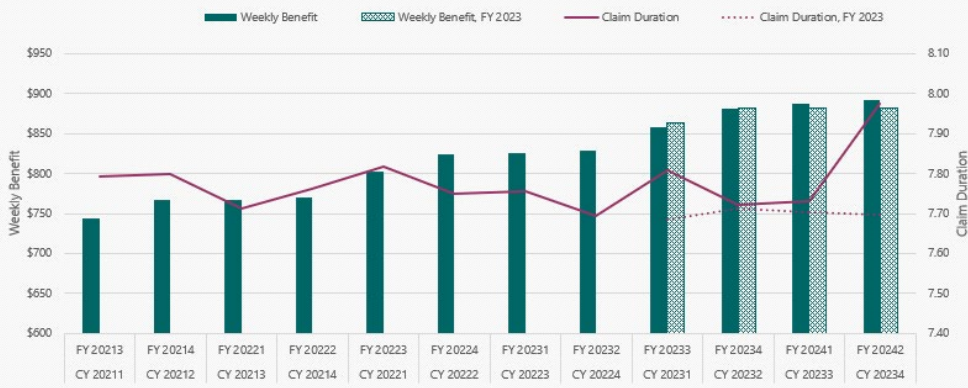
Estimated ultimate payout for all the leaves first started in the quarter



- Most recent quarter shows higher claims than projected with some offset in the previous quarter.
- Both Medical and Family benefits contribute to the difference.

2023 & 2024 are actuarial estimates
Claims shown by leave start date

Weekly Benefit and Duration



2023 & 2024 are actuarial estimates
 Claims shown by leave start date

Claim duration in most recent quarter shows an increase.

Small differences in weekly benefits from what was projected, however seasonality difference could be driver.

Account Balance Update:

- Ending CY 2023 account balance close to projected:
 - \$284M Actual
 - \$272M FY 2023 Projection
- Current Cashflows won't reflect all of CY 2023 Q4 experience:
 - Premiums have quarter lag
 - Claims with leave start dates in Q3 & Q4 are still developing

Next Month Topics:

- Deeper dive into developing experience
- Set the stage for the upcoming fall rate update

Legislative Update

CAITLYN JEKEL

Bills we're tracking

Passed house of origin cutoff

- **SHB 2102** – Requirements for the disclosure of health care information for qualifying persons to receive paid family and medical leave benefits.

Did not advance beyond house of origin cutoff

- **SB 6145** – Continued health benefits for firefighters of small fire districts.
- **HB 1959** – Extending certain requirements in the state paid family and medical leave program to employers with fewer than 50 employees.

Next Advisory Committee Meeting

- Next advisory meeting Friday, March 22, 2024
- Proposed agenda topics for March meeting:
 - Legislative Update
 - Others?

OPEN COMMENT

No Open Comments.

Justin reminded this is not a time for personal questions about your claim, please call in to speak to a specialist.

Justin advised due to time constraint we are unable to get through rest of powerpoint, but the info is still available on the slides.

Meeting ended at 3:02 PM