

Advisory Committee Meeting- 4/23/2025

Attendance

Committee Members Present

- JR Richards, Director
- 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

- Rose Gundersen, Washington Retail Association
- Lindsey Hueer, Association of WA business
- Tammie Hetrick, Washington Food Industry Association

ESD Staff

- Alison Eldridge, Leave and Care Deputy Director
- Josh Dye, Interim Government Relations Director
- John Mattes- Leave and Care Assistant Director
- Nicole Ross, Leave and Care Employer Customer Services Manager
- Mike Juhl- Leave and Care IT Senior Manager
- Karissa Burgess- Actuary 2
- Rebecca Grady, Leave and Care Research& Data Manager
- Steve Zawoysky, Leave and Care Treasury Manager
- April Amundson, Leave and Care Policy Manager
- Brian Kennedy, Leave and Care Legislative Manager
- Amanda Siemandel, MA3- Running Slides
- Erika Ayala, Administrative Assistant 4- Taking Notes

Agenda

- *Introductions & approval of February minutes*
- *Program and financial update*
- *Program performance goals*
- *Ombuds report*
- *IRS guidance*
- *Paid Leave budget*
- *Legislative update*
- *Open comment*
- *Adjourn*

Introductions & approval of February Minutes

DISCUSSION	
<ul style="list-style-type: none"> • Meeting started at 3:02pm • Motion to Approve- Lindsey Hueer • Second to Approve- Tammie Hetrick • All in favor, February meeting minutes are approved 	

Program and financial update

NAME	Rebecca Grady, LCD Research and Data Manager and Steve Zawoysky, LCD Treasury Manager
<p>Rebecca Grady</p> <ul style="list-style-type: none"> • Claim applications submitted by type <ul style="list-style-type: none"> ○ March 2025, we received 28,215 applications <ul style="list-style-type: none"> ▪ 12% more than the previous month ▪ 16% more than March 2024 ○ 5% family, 55% medical ○ Three-month rolling average ~ 27K claim applications • Approval rate and monthly claims with payments <ul style="list-style-type: none"> ○ 84% of claims were approved in March 2025 <ul style="list-style-type: none"> ▪ 86% the previous month ○ March 2025 total unique claims that received payment: 58,995 <ul style="list-style-type: none"> ▪ 20% more than March of 2024 • Weekly Benefit Levels <ul style="list-style-type: none"> ○ March 2025 average weekly benefit for new claim years: \$1,104 <ul style="list-style-type: none"> ▪ 7% higher than March 2024 ▪ Continuing on trend • Length of leave <ul style="list-style-type: none"> ○ March 2025 <ul style="list-style-type: none"> ▪ Family: 7.6 weeks ▪ Medical: 6.2 weeks ○ March 2025 <ul style="list-style-type: none"> ▪ 9.7 weeks ○ Rose Gundersen- 9.7 weeks when family is 7.6 and medical is 6.2, how does that number work? ○ Rebecca Grady- 9.7 weeks is the total leave someone has taken for a combination of both family and medical together rather than 7.6 weeks and 6.2 weeks are for the individual leave types. <p>Steve Zawoysky</p>	

- Monthly Benefits Paid
 - March 2025 \$176.8 million in benefits paid
 - 10% more than the previous month
 - 25% more than March of the previous year
 - \$160.3 million average monthly benefits paid over last twelve months
 - We are continuing to see a 20% growth each year
- Premiums, benefits, operating expenses, and account balance by quarter
 - Q4 2024 Benefits- \$490 million
 - Q4 2024 Premiums- \$419 million
 - Q4 2024 Operating- \$19 million
 - Q4 2024 Account Balance- \$97 million
- Monthly premiums remitted
 - Cyclical pattern of highest monthly premium transactions occurring at end of quarterly reporting months
 - Premiums assessed for each quarter are remitted in the following quarter
 - \$4 million in premiums remitted in March 2025
- Monthly ending account balance
 - Paid Leave account balance went negative in March 2025: -\$19.2 million
 - \$166 million less than the previous month
- \$240.9 million less than March 2024
- There was a deficit anticipated at the beginning of 2025
- We think it is just a short-term deficit. We anticipate that with the premiums coming in, in this quarter, we should revert to a positive balance once funds are received May 1, 2025

Program performance goals

NAME	John Mattes, LCD Assistant Director
<ul style="list-style-type: none"> • Customer- focused performance goals • Goals are broken into 3 main categories <ul style="list-style-type: none"> ○ Benefits wait time <ul style="list-style-type: none"> ▪ Time to application decision ▪ Time to first weekly claim processed ○ Customer contact response time <ul style="list-style-type: none"> ▪ Phone hold time ▪ Secure message & email response time ○ Employer accounts <ul style="list-style-type: none"> ▪ Full account access • Benefit wait time (2goals) <ul style="list-style-type: none"> ○ Time to application decision goal: 75% within 14 days (historical two weeks) ○ Time to first weekly claim processed goal: 75% within 21 days • Leave benefits processing times • Application with initial decision within 14 days (Goal: 75%) <ul style="list-style-type: none"> ○ March 2025: Met goal with 81% of leave applications having initial decision within 14 days 	

- 72% the previous month
 - 62% in March 2024
- Applications with first weekly claim processed within 21 days (Goal: 75%)
 - March 2025: Under goal with 67% of applications having first weekly claim processed within 21 days
 - 64% the previous month
 - 63% in March of 2024
- Maggie Humphries- Can you share more about what you all observed between June and December, the dramatic difference?
- John Mattes- Application volume has grown, we pull our work from oldest to newest and we see this in the summer and into fall because staff leave usage is also up. Last year it took all of winter to get caught up to this.
- Rose Gundersen- Thank you for the impressive improvement the last couple months. Your answer to why there is a trend in getting to applications. Staffing is somewhat controllable. I think in the world of staffing management, is it possible to control the staffing?
- John Mattes- We have procedures and processes in place for staff requesting time off and we also want to balance when staff are requesting time off as needed. We continue to hire when we can to limit vacancies which can contribute.
- Rose Gundersen- We need more stringent policies to meet business needs.
- JR- We have created staffing models that can mitigate this at other agencies and John and I are already looking into this and what it looks like for PFML.
- Samantha Grad- I've been very vocal regarding getting people paid and I want to thank you and give a lot of gratitude to your team for meeting these goals and operationalizing this. I would love to dig into the staff not meeting goals and why are they meeting the metric so we may be able to assist in ways that we can. Is it staff not meeting metrics, staffing, or is it applicants not applying correctly.
- John Mattes- We can look into this and bring it back to this group.
- JR- We are looking at applying different workload thresholds. We are looking at changing from always doing everything the same to see how we can change what we are doing to accommodate.
- Tammie Hetrick- From an employer standpoint, we do want employees paid timely. The transition between medical and family leave when someone gives birth can be a transitional challenge. I think there is a way we can make that more smooth by maybe asking; do you plan to apply for bonding when they are applying for medical leave?
- Samantha Grad- We would love to work with you on that Tammie, because we agree.
- John Mattes- There is definitely work we can do to help in that area.
- **Customer contact response time (broken into 3 goals)**
- Phone hold time
 - Goal: 80% within 10 minutes
 - With zero receiving "high call volume" message
- Secure message & email response time
 - Goal: 80% within 1 business day (or 2 calendar days)
 - Will need new tech functionality to track
 - We don't have a great way to track the secure message and e-mail data at this time
- Overall responsiveness goal
 - 80% of contacts meeting response time goals
 - Split out tracking by contact type and customer
- **Phone responsiveness**
- Phone hold time less than 10 minutes (Goal: 80%)

- March 2025: 44% of Paid Leave phone calls answered within 10 minutes
 - 2 percentage points less than the previous month
 - 3 percentage points less than March 2024
- With no calls receiving "high call volume message" - percentage of calls into queue*
 - March 2025: 57% of calls to Leave & Care went into a queue
 - Compared to 47% the previous month
 - And 38% in March of 2024
 - 43% didn't receive the high call volume message
- **Coming Soon...**
- Monthly tracking of progress toward
 - 80% of emails responded to within 1 business day
 - 80% of secure messages responded to within 1 business day
- Possible refinement of "high call volume" message measurement (under investigation)
 - Current proxy due to telephony system limitation is percentage of calls into queue
- **Employer Accounts**
- For now- percent of employers with full access to their account
 - Goal: 65% of employers
 - Full access-Set up additional users on accounts, apply for grants, report and remit payments, etc
- Later- Something around reporting timeliness, balances due, or Later penalties and interest as summary indicator
 - Will work with Customer Compliance Division on future shared goals
- **Portal employer accounts- full access**
- Goal: 65% of employers with quarterly reporting had full employer account access
- Number of employers has grown, but percentage has remained relatively stable in past year
 - 34% for Q4 2024
- Samantha Grad- I just want to say thank you again John for the hard work on reaching all those other goals
- Rose Gundersen- Diddo on the accolades for achieving the goals. About the employer accounts, In February when you shared the data, I asked why the rate was so low and you said some employers have a TPA and the security level can be a challenge getting those accounts approved. Did have a chance to look at improvement opportunities?
- Alison Eldridge- We have a number of things we are planning to increase the amount of employers. Our system relies on data fed from the Department of Revenue. We are looking at things to simplify this. We are putting together a number of communication pieces to get to employers to assist with getting employers access. We are even trying to work around system feed without making substantial technical changes which take more time.
- **Adoption of formal program performance goals**
- Performance metric-Time to application decision
 - Performance goal- 75% of application with initial decision within 14 days
 - Current status- 81%
- Performance metric- Time to first weekly claim processed
 - Performance goal- 75% of application with initial decision within 21 days
 - Current status- 65%
- Performance metric- Phone hold time
 - Performance goal- 80% of customers with less than 10-minute hold time and no customers receiving high call volume message
 - Current status- 44% met hold time goal, 57% went into phone queue

- Performance metric- secure message and email response time
 - Performance goal- 80% customers receiving a response in 1 business day
 - Current status- TBD
- Performance metric- full account access
 - Performance goal- 65% of employer accounts with full access
 - Current status- 34%
- JR- We want to allow for additional questions regarding the goals. Our ask today is for formal adoption of these goals.
- Samantha Grad- I feel great about them and really appreciate you all heard us and took that back and took time to come up with this. I am comfortable with these goals.
- Maggie Humphries- I echo what Sam says
- Rose Gundersen- I am good with these goals, what I want to see is when you take these measurements and get an average not just a snap shot when doing reports.
- Tammie Hetrick- I am definitely good with these goals and happy to see we've made some progress. I really hope we can get employer accounts higher than 65%.
- Joe Kendo- The goals seem right and achievable. I am curious on the cadence for reassessment. Annual or what do you imagine? If you hit them too easily, how do you want to reset or if its too hard, how do you want to handle that?
- JR- When I look at performance metrics, it's not what's achievable but is it acceptable for the customers we are serving. This is similar to customer service metrics in UI. What you can expect is more alignment. If we are meeting it then we can look deeper into are we over sourced, etc. If we aren't then we can dig into the why.
- Edsonya Charles- These look great. I am wondering if the performance goal attached to the weekly claim process is correct.
- Rebecca Grady- Time to application decision is nested within the time to weekly claim processed. Time most important for the customer is time from application submitted to weekly claim processed. We added time from application submitted to decision because that's an earlier indicator that we might be lagging and where we have the most work and make the most improvement. It's important for us to internally look at this.
- JR- We will move forward today with formally adopting these goals.

Ombuds report

NAME	Edsonya Charles, Paid Leave Ombuds
<ul style="list-style-type: none"> • 2024 Contact Data • 1,194 total times contacted <ul style="list-style-type: none"> ○ 926 employee ○ 39 employer/employer account ○ 46 human resources ○ 13 self-employed ○ 8 referrals from constituent services ○ 40 other (including advocates, HCP's, etc.) • Contact Method 	

- 849 phone calls
- 302 emails
- 43 both called and emailed
- Topics
 - Educate and inform- 440
 - Submitted application (approved, denied, etc.)- 91
 - Application assistance- 34
 - Weekly Claims- 60
 - Delay- 24
 - Unlawful Acts complaints against employer- 37
 - Access (technical troubleshooting of SAW, etc.)- 71
 - Redeterminations- 30
 - Employer reporting- 9
 - Tax 1099-G- 7
 - Appeals and appeal status- 6
 - Fraud- 7
 - Other topic- 117
 - No topic included in message, and voicemail left for customer (or customer was able to resolve their issue prior to contact) -261
- **Ongoing issues and concerns**
- Mostly unchanged through the last 4 years
- Not Implemented
 - Employer problems with receiving notifications; i.e., not available through portal; desire for all electronic access (partially implemented 1/2024)
 - No benefit overpayment process, employer penalties and interest, or child support withholding
 - UI/LNI crossmatch
 - Pre-approval/conditional approval
 - Conditional payments
- Room for improvement
 - FMLA/Paid Leave stacking (addressed by E2SHB 1213)
 - Transition from medical to bonding leave for birthing parent
 - Redeterminations (some improvements made in 2024 and 2025)
 - Short-term disability providers
 - Confusion about application: Employees mistakenly believe employer or provider applied for them
 - Confusion about elective coverage
 - Unlawful acts (will increase if E2SHB 1213 passes)
 - Healthcare provider/medical certification issues (addressed by SHB 2102, now codified as RCW 70.02.370)
 - Compliance audits
 - Predetermination fraud process
 - Fraud detection and response
 - Employers' failure to report
 - Coordination with voluntary plans
 - Coordination and data-sharing with other states
 - Payment records for employers in SAW
- Leg. Change/ ESD interpretation

- FMLA/Paid Leave stacking (addressed by E2SHB 1213)
- Adoption/placement
- Employer problems with notification -privacy rules
- SSA premium cap
- 10-day allowance for employers to respond to disputed hours/wages
- Localization
- Eight consecutive hours requirement (addressed by E2SHB 1213)
- **Hardship and accommodation requests (foreclosure, utility shut off, etc)**
- Jan1- Dec 31, 2024
 - Total Requests- 1250
 - Approved- 166
 - Denied (financial)- 426
 - Denied (<one week)- 88
 - Other- 274
- Reasonable accommodation requests (Disability or other circumstance that doesn't allow someone to apply online)
- Jan 1- Dec 31, 2024
- 337
- >100% increase over 2023
- Rose Gundersen- What kind of help did they receive from your office in addressing these concerns?
- Edsonya Charles- We work closely with the hardship and reasonable accommodation team to ensure hardship and accommodations are necessary. We work closely with Customer Support Leads to correct or assist. The customer signs and release under privacy law so the ombud can connect with the department- CDL to get the issue fixed.
- *Employer problems with notification privacy rules*
- Edsonya Charles- We also educate the employers. Employers want information that the law doesn't allow the department to give them but it's the # thing employers want.
- *Healthcare provider/medical certification issues (addressed by SHB 2102, now codified as RCW 70.02.370)*
- Maggie Humphries- Is there from the ombuds standpoint anyway the department can enforce penalty fees?
- Edsonya Charles- It was an amendment to a Health Department Law. Since ESD doesn't have authority over Health Care Providers, then I'm sure what the remedy would be.
- Maggie Humphries- Without enforcement it will be difficult to push for the Serious Health Condition form to be given back in a timely manner.
- Samantha Grad- I had to call your office (ombud office) to help a worker, and they were really appreciative of the work your office does. Making the authorized rep process more simple may help with some of this.

IRS guidance

NAME	April Amundson, LCD policy manager
<ul style="list-style-type: none"> ○ We will send out a follow up regarding this topic 	

Paid leave budget summary

NAME	Danielle Cruver, CFO
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Legislative Update

NAME	Josh Dye, Director Government Relations
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Next meeting

NAME	
<ul style="list-style-type: none">• 1 to 2pm on Wednesday May 28th, 2025 (hybrid)• Proposed topics<ul style="list-style-type: none">○ Legislative wrap up	

Open comment

NAME	
<ul style="list-style-type: none">• Kevin- I am curious about the phone call statistics and data. I was one of those individuals that called in and got this high call volume message. If I was on the phone for 30 minutes and have to go but haven't gotten the high call volume message, I'm assuming that if I hang up, that data does not count towards your statistics.• Alison Eldridge- I will drop my e-mail in the chat and respond to Kevin<ul style="list-style-type: none">○ alison.eldridge@esd.wa.gov Leave and care deputy director	

- John Mattes- The high call volume message is only at the start. If you are in the queue, you won't receive the high call volume message. If you abandon your call once in the queue, that data is collected.

NAME	
• Adjourn at 4:02pm	