Washington Paid Family & Medical Leave







The Path to Paid Family & Medical Leave





Why Paid Family and Medical Leave



- ✓ An essential benefit that gives every Washingtonian support when they need it most.
- ✓ Strengthens companies of every size by making it possible to give every employee a way to be there for care.
- ✓ Share the costs associated with leave among employers and workers.





Rollout Timeline

2019

Premium Collection Reporting Hours & Wages 2020

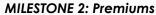
Benefits Available



Implementing in Phases







Jan. 1, 2019 Premiums begin to be assessed – opt-in available



April 30, 2019

Q1 premium submission

July 2019

Phase 4 rules in effect:

- Continuation of Benefits
- Fraud

MILESTONE 3: Benefits

Jan. 1, 2020 Benefits claims may begin to be filed



Late 2019

Phase 6 rules in effect:

Appeals

Nov. 2018

Phase 2 rules in effect: **Employer** responsibilities, small business assistance, penalties

April 2019

Phase 3 rules in effect:

- Benefit applications
- Benefit eligibility

Late 2019

Phase 5 rules in effect:

- Job Protection
- **Benefit Overpayments**
- Miscellaneous



Who Does This Apply To?



Workers & their employers in Washington



Self Employed

- Can elect to participate
 - Sole proprietor, independent contractor, partner, or joint venture
- Opt-in for 3 years initially, 1 year after initial period
 - Must work for 820 hours to qualify for benefits
- Must pay employee portion of premium
 - Must report wages and hours worked if you opt-in





Collective Bargaining Agreements

"Nothing in this chapter requires any party to a collective bargaining agreement in existence on **October 19, 2017**, to reopen negotiations of the agreement or to apply any of the rights and responsibilities under this chapter unless and until the existing agreement is reopened or renegotiated by the parties or expires."



Qualifying Events



Caring for family members

Family Leave



Birth or placement of a child



Certain military-related events

Medical Leave



Your own medical condition



Eligible for Care in Family Leave?

Eligible

- Child (step)
- Grandchild
- Spouse/Domestic Partner
- Sibling (step)
- Parent (step, in-law)

Loco Parentis

Legal Guardian

De Facto Parent

Grandparent (in-law)

Not Eligible

- **X** Godparents
- **X** Aunts or Uncles
- **X** Cousins
- **★** Distant relatives
- **X** Roommates
- Neighbors
- **X** Coworkers
- **★** Live-in non-family members
- **X** Pets

This is not an exhaustive list, and you should consult ESD for specific or special circumstances.



Benefits





Weekly wage replacement Proportion of weekly wages from \$100 to \$1,000

Typical leave of up to 12 weeks, 18 weeks in exceptional circumstances.



Eligibility



820 Hours

worked during the qualifying period. Portable across employers.

20 Hours/week -> 41 Weeks 40 Hours/week -> 20.5 Weeks

Qualifying period is the first four of the last five completed calendar quarters from the leave date.



• Worked 820 hours

Qualification

Receive Benefits

- Claim approved & benefit extended
- Up to 12 weeks as needed with partial wage replacement
- Up to 18 weeks in exceptional circumstances
- Max weekly benefit of \$1,000





Eligibility

• Experiences a covered reason for leave



Planned Leave

File Claim

START Unplanned Leave



Paid Sick Leave and FMLA

► Paid Sick Leave and Paid Family and Medical Leave can not be used at the same time.

► In most cases Paid Family and Medical Leave runs concurrently with FMLA.



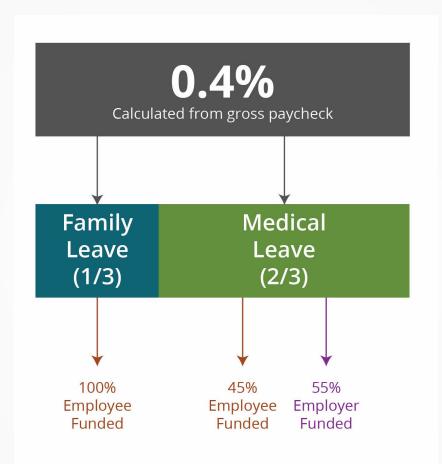
Benefit Questions



Up Next:
Premium Collection &
Remitting



Premiums



\$50,000/year wage ⇒ Employee: \$126.67 • Employer: \$73.33 **Small businesses with fewer than 50 employees don't pay employer premium.** Still required to remit employee portion of premium and all reporting requirements



Premium Calculation

- 1. Calculate Premium
 - ► Total Premium = Gross Wages * .004
- 2. Calculate Employer & Employee Portion
 - ► Employer Portion = Total Premium * .3667
 - ► Employee Portion¹ = Total Premium * .6333

¹Fewer than 50 employees: Employer not required to pay employer portion.

Calculations for state plan only. Voluntary Plan employers will use different method.



Calculating Business Size

Quarter 1 20 employees Quarter 2 40 employees Quarter 3 40 employees Quarter 4 140 employees

Average: 60 employees

Calculated September 30 each year.

- Headcount, not FTE or other counting method
- Based on required quarterly reporting
- Once counted, set for year



Small business assistance



\$3,000

Grants if you hire a temporary employee to replace an employee on leave for more than seven days.



Up to \$1,000

Grants for significant additional wage-connected costs.

Who is eligible?

- ► Employers with between 50-150 employees
- Employers with between 1-49 employees who elect to pay the employer share of premiums



Reporting

- ► Rules submitted to Office of the Code Reviser 11/2
 - Set to be final in December, unlikely to change
- ▶ Benefit is portable between employers
 - All Washington workers with 820 hours are eligible.
- Penalties for missing or misreporting
 - Reporting starts in 2019



Reporting Fields

In General

- **►**UBI
- ► Business Name
- Quarter reporting for
- ► Total premiums collected
- ► Who prepared the report

Each Employee

- ► SSN/ITIN
- ► Last Name
- ► First Name
- ► Middle Initial
- ► Hours worked in quarter
- ► Wages paid in quarter



Reporting: Anticipated Process in 2019

- First report April 2019
 - ► Report wages and hours worked
- Department then calculates premium bill
 - ▶ Based on employer reporting
- Submit payment to department
 - ► Separate from UI payment



Reporting/Remitting Calendar

Reporting Quarter	Report/Remit By
January, February, March	April 30 th
April, May, June	July 31st
July, August, September	September 30 th
October, November, December	January 31 st



Premiums & Remitting Questions



Up Next: Voluntary Plans & Employer Toolkit

Voluntary Plans

- Employer-operated paid family and medical leave program
 - Like your existing plan? Turn it into a Voluntary Plan.
- Must apply to all employees
 - You can choose Family, Medical, or both for voluntary plan.
- Benefits must be equal or better than state plan
 - Duration of leave, premium amount, weekly benefit, and more.
- Download guide at paidleave.wa.gov/voluntary-plans



Employer Toolkit

EMPLOYER TOOLKIT CONTENTS:

- ► About This Toolkit
- ► About the Program
 - ► Employer Responsibilities
 - **▶** Premiums
 - ► Reporting
 - ► About the Benefit
- ► Readiness Checklist
- ► Sample Employee Communications
 - ► Employee Handbook Materials
 - ► Sample text for a blog, newsletter or email
 - ► Sample paystub insert/attachment
- ▶ Document Change Log

Washington's Paid Family and Medical Leave program is starting soon.

Let's all get ready to be there for care.

Starting January 2019 Washington employees and many employers will begin investing in a statewide property will provide paid leave to give or receive care.

), Paid Family and Medical Leave will support Washingtonians, m a serious illness or injury, caring for a new child or helping Ta serious illiness or injury, caring for a new crinia or freiping 'S won't have to choose between a paycheck and caring for

Your contribution: To build this Insurance program, on January 1, 2019 you may see a premium set aside

Medicare. The total premium is 0.4% of your wages and may be shared between an employee and employer. For an employee earning \$50,000 a year, the maximum premium is just \$2.42 a week





Paid Family & Medical Leave

Employer readiness checklist

- Review our Voluntary Plan Guide (<u>www.paidleave.wa.gov/employers</u>), participate in a webinar, and decide whether a voluntary plan is right for your business.
- If you're interested in offering employee benefits through a voluntary plan, apply online
- ☐ Calculate employee and employer premiums to prepare for Jan. 1, 2019, withholding. Share this toolkit with your payroll administrator.
- ☐ Share the paystub insert with your employees (page 14 of this toolkit).

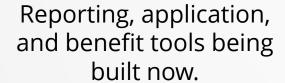
- ☐ Starting Jan. 1, 2019, document in your own system the number of hours worked by each of your employees, regardless of whether they are full-time employees or not.
- Begin withholding your employees' share of the premium, unless you choose to pay your employees' share, from paychecks beginning Jan. 1, 2019.
- Share the paystub insert with your employees (page 14 of this toolkit).

- Access the Paid Family and Medical Leave employer account management system at www.paidleave.wa.gov. You will use your existing Secure Access Washington (SAW) account (or create one if you don't have one already).
- Beginning Apr. 2019, remit all premiums and report employee hours and wages to ESD ☐ Share the paystub insert with your employees (page 14 of this toolkit).



More To Come







Rulemaking is ongoing.
Benefits phase open now.



Customer Care Team taking now about Voluntary Plans. Later open to public.



Learn More







Employer Toolkit
Paidleave.wa.gov/employers



Getting ready for 2019

- 1. Prepare to withhold premiums.
- 2. Prepare to report wages and hours worked.
- 3. Choose State Plan or Voluntary Plan.





General Questions



Up Next: Contact Information



Continue the Conversation



Give us Feedback: <u>SURVEY LINK</u>



Email us: paidleave@esd.wa.gov



Call us: 833-717-2273



Our Website: paidleave.wa.gov



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Public Comment Forum: bit.ly/CommentForum