Washington State
Employment Security Department
Paid Family and Medical Leave

Paid Family and Medical Leave Program:

Rule Implementation Plan

Definitions, Assessing and Collecting Premiums, Voluntary Plans, Small Business Assistance, Dispute Resolution, Employee Notice to Employer, Initial Application for Benefits, Weekly Benefits, and Appeals.

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Project Information

Project Information	
Title	Paid Family and Medical Leave Project
Executive Sponsor	Suzi LeVine, Commissioner Employment Security Department
Business Sponsor	Carla Reyes, Director Paid Family and Medical Leave
Team Management	Matt Buelow, Business Systems Product Manager April Amundson, Rules & Policies Manager Clare DeLong, Communications Manager Lisa Engelhart, Treasury Manager Craig Franchuk, IT Core Lead Lisa Kissler, Technology Manager Raul Leal-Trujillo, Training Manager Beth Marchand, Organizational Change Manager John Mattes, Operations Manager Xia Zhan, Budget Manager
Program Director	Carla Reyes, Director Paid Family and Medical Leave
Project Manager	Elizabeth Wheat, Project Manager, Paid Family and Medical Leave

Why are we doing this project?

The Washington State Legislature passed SSB 5975 on 6/30/2017 and it was signed into law on 7/5/2017 (codified as Title 50A RCW). This law sets an aggressive timeline for the Employment Security Department (ESD) to implement a statewide Paid Family and Medical Leave (PFML) program. Premium assessments began on 1/1/2019 with benefits being paid starting January 2020. This is an entirely new statewide program, so everything needs to be built including policies and rules, business processes, outreach and education efforts, along with program staffing and governance structures.

What are we going to get done?

The scope for the PFML project will deliver the services as set forth in RCW. The project consists of various work streams which will develop and maintain more detailed delivery scope and implementation plans. Our goal is to make benefits available to qualified and eligible workers. To do that, we have done or plan to:

- Establish the new PFML operating division;
- Open a new operating facility with a workspace strategy that supports collaboration, team-work, and openness;
- Develop formal rules, policies, and standards for the state's Paid Family and Medical Leave services and program integrity;
  - Collective Bargaining Agreements
  - Employer Responsibilities
  - Initial Application for Benefits
  - Overpayment of Benefits
  - Collection and Recovery of Overpayments
  - Employment Restoration
  - Practice and Procedure
  - Receiving Public Comment;
    - 1 Listening Session prior to drafting rules

- Advise public about timeline
  - Posted 1ˢᵗ draft of Rules on Public Comment forum
    - Shared 1ˢᵗ draft with PFML Advisory Committee
    - Held Stakeholder meeting
  - Posted 2ⁿᵈ draft of Rules on Public Comment forum
    - Shared 2ⁿᵈ draft with PFML Advisory Committee
    - Held Stakeholder meeting
  - Filed CR 102 Proposed Rules
    - Posted final draft of Rules on Public Comment forum accepting comment until 5:00PM 11/12/2019
  - Formal Rules Hearings:
    - Lacey, WA 11/07/2019
    - Spokane, WA 11/12/2019
  - Filed CR 103 11/18/19
- Build out all the necessary supporting technology and processes for program administration, including processes to properly account for Paid Family and Medical Leave funds;
- Continue to establish systems to accept election, withdrawal, and cancellation of coverage for applicable parties.
- Conduct outreach statewide to employers, employees and health care providers to build awareness of the program and to collect feedback on the services supplied.
  - Inform employers of reporting requirements and premium assessment obligations.
- Establish mechanisms for future outreach initiatives.
- Prepare employers, employees, and ESD staff to use the program.

How will we know we are successful?

The program implementation project will use data points and measures that align with agile to measure our progress and validate successful outcomes. These include:

- The program is self-sustainable and collects the necessary funds for implementation.
- The project establishes a culture and philosophy of continuous improvement.
- The project delivers exceptional services on time and within budget for the citizens of Washington.
- The project can report successfully on all required success measures as defined in RCW 50A.05.050.

How are we going to deliver the project?

Delivery of the Paid Family and Medical Leave program will be the result of an integrated, collaborative partnership that includes people with expertise in both technology and business. The project team is mutually responsible for the Integrated Project Management Plan, which will be managed by a core program leadership team and updated and maintained by the Paid Family and Medical Leave Program Management Office.

The primary project delivery method selected is Agile, a mature delivery approach that delivers business value early in systems development and proactively enables input from the business. This approach supports adept and flexible business decision-making about system needs. The modern architectural approach of designing systems in decoupled

components with system communications and business rules managed within an integration layer reduces the future cost of system changes and enables ESD information technology to be more responsive to business needs as well as deliver value quickly as required by the aggressive timeline.

In addition to Agile work methods, such as Scrum and Kanban, operational work streams will also be guided by an integrated Microsoft project schedule that will serve as a sequenced punch list of work items that span the project lifecycle, which are mapped to legislated product scope and service delivery milestones.

What is our timeline?

The project has a legislatively mandated timeline to be ready for premium assessments, benefit claims and payments, and annual legislative reporting. Other service components are also included in the mandated scope of services that must be offered by Paid Family and Medical Leave, e.g. Voluntary Plans. These mandated milestones for scope and schedule logically suggest other deadlines critical for program success that are baselined in the project plan here.

- RCW 50A.30.010: Employers may propose Voluntary Plans. This milestone was met September 2018.
- RCW 50A.10.030: Premiums for Paid Family and Medical Leave collection began Spring of 2019.
- RCW 50A.15.020: Benefit claims for Paid Family and Medical Leave services can be filed by 1/1/2020. The external portal, customer support, and back office accounting and finance programs will be operational at this point.
- RCW 50A.05.050: First report on Program Health is due to the legislature 1/1/2020.
- Monitor and control of Paid Family Medical Leave systems, including stabilization and transfer to full operations will be completed. Project will be closed with a Lessons Learned and Post Implementation Report filed with the OCIO on 8/15/2020.

Objectives and Key Deliverables

Completion of project objectives and product deliverables below are planned to deliver the mandated scope for the project. The project is using multiple methods for managing the schedule of work, including product backlog creation, grooming, and tracking, along with an integrated milestone plan. The Schedule Management Plan in the Appendix outlines the process.

1) Employers can file Voluntary Plans in September 2018.	
Key Deliverables	**Description**
Milestone Release #1: Voluntary Plans These features focus on voluntary plans and elective coverage. At a minimum, this Milestone Production Release must contain Integration Services for these features:	- Employer account creation and administration; - Employers can securely correspond with ESD regarding their account; - Employers and 3rd party administrators can correspond with ESD; - Employers and 3rd party administrators can submit documentation to ESD; - Employers can submit voluntary plan applications and payment; - Employers can appeal of voluntary plan decisions; and - Self-employed individuals can submit elective coverage.
OCS Security Design Review	Design for Voluntary Plans and Premium Assessments is reviewed and approved.

Education and Outreach	• External stakeholder and citizen engagement to support launch • External training • Usability and accessibility testing
Operations	• Accounting and Finance • Call Center Operations Initiated • Internal Training to support operations • Hiring to support operations
Rules and Policies	• Voluntary Plans and Collective Bargaining Agreements rules completed.

2) Employers began assessing premiums January 1, 2019.	
Key Deliverables	**Description**
Milestone Release #2: Premium Assessments This Production Release was targeted for early 2019. This Production Release contained Integration Services for these features:	• Employers can now submit wage reports to ESD; • Employers can receive information about the amount of premiums owed; • Employers can submit payment to ESD; • Employers and employees can appeal premium decisions; • Employers can correspond with ESD with increased functionality; • Third party administrators can act on behalf of employers relating to PFML; • Employers can submit requests for conditional waivers; and • Employers can notify ESD of any Collective Bargaining Agreement (CBA) coverage.

| **3) Benefits payments for employees will begin January 1, 2020.**	
Key Deliverables	**Description**
Milestone Release #3: Benefits Payments This Production Release must be in production prior to January 1, 2020. At a minimum, this Production Release must contain Integration Services for these features:	• Employee can perform ongoing account administration; • Employees can submit initial benefit request and any ongoing requests for payment; • Employees and employers can appeal benefit decisions; • Employees can communicate with ESD; and • Employees can track status of benefit claim.

External Dependencies

The following work is necessary for a successful implementation of the Paid Family and Medical Leave Program and will be the result of successfully partnering with organizations and agents outside direct control of the Paid Family and Medical Leave Project.

• Establish data-sharing agreements, develop necessary systems interfaces, and test them.
• Service sustainability is dependent on employer and employee compliance rates that enable sufficient premiums to be collected for program sustainability.
• Certified medical providers cooperation with the program for benefits payments.

Communications and Outreach Objectives

- Communicate and educate employers throughout the state regarding their rights and responsibilities. Include informing them about employer responsibilities such as reporting, premium collection, penalties for unpaid premiums and remittance rules. Also, inform small businesses about the ability to request small business grants when an employee takes leave.
    - Attended multiple presentations throughout the state about general PFML information
    - Held employer general PFML and voluntary plan webinars
    - Developed a Voluntary Plan Guide available on our website
    - Continuing to improve the Employer Tool Kit that will be available on our website
    - Developing and improving an Employee Tool Kit
    - Launching a marketing campaign aimed at educating employers and employees of premium responsibilities and reporting
- Educate employees about their rights and responsibilities under this law, including premium associated costs that will be reflected as wage deductions.

High Level Outreach Timeline
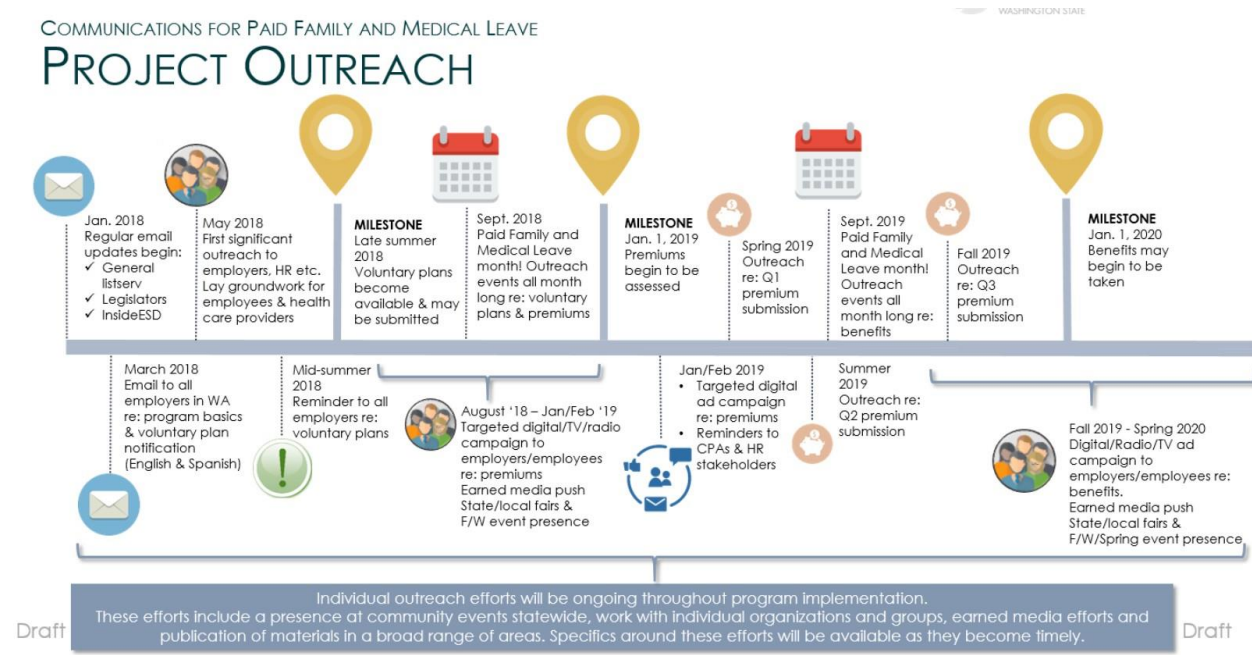
Outreach Requirements in Statute

The department shall develop and implement an outreach program to ensure that employees who may be qualified to receive family and medical leave benefits under Title 50A RCW are made aware of these benefits. Outreach information shall explain, in an easy to understand format: eligibility requirements, the application process, weekly benefit amounts, maximum benefits payable, notice and certification requirements, reinstatement and nondiscrimination rights, confidentiality, voluntary plans, and the relationship between employment protection, leave from employment, and wage replacement benefits under this chapter and other laws, collective bargaining agreements, and employer policies. Outreach information shall be available in English and other primary languages as defined in RCW 74.04.025.

Training Plan

Summary

- Our training audience is constituted of Internal and External Stakeholders. Our External Stakeholders are divided in three main groups: Employers, Employees and other External Customers. A training needs analysis was performed through stakeholder interviews. The data shows the need for the following themes for external stakeholders:

  - Voluntary Plans Training for Employers
  - Assessing Premiums Training for Employers
  - Applying for Benefits Training for Employees
  - Paid Family and Medical Leave Training for Health Care Providers and Community Centers
  - Paid Family and Medical Leave Training for Non-Profits and other Public Organizations (including out of state governments)

Advisory Committee

Resource and Role	Team	Project Responsibilities
Carla Reyes, Acting PFML Program and Business Director **Bob Battles**, Association of Washington Business **Christine Brewer**, Associated General Contractors of Washington/Avista **Julia Gorton**, Washington Hospitality Association **Tammie Hetrick**, Washington Retail Association **Joe Kendo,** Washington State Labor Council **Samantha Grad,** UFCW 21 **Maggie Humphreys**, MomsRising **Marilyn Watkins,** Economic Opportunity Institute **Edsonya Charles**, Paid Family and Medical Leave Act Ombud	**Advisory Committee**	❖ Business, Labor, and Advocacy risk identification ❖ Supplies program with critical stakeholder input ❖ Represents employers and employees for State of Washington ❖ Supplies forum for transparent citizen and constituent engagement ❖ Comments on rules, policies, and other specified matters ❖ Designates PFML study issues as the committee determines