

Estimating the Usage, Costs, and Benefits Contribution of Paid Family and Medical Leave in West Virginia

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SB 306 (Introduced)	SB 306 (Revised)
Eligibility	
<p>Monetary eligibility is set at \$10,000 in earnings OR 40 weeks of work in the base period.</p> <p>(Look back for the simulation model is 12 months.)</p>	<p>Monetary eligibility is set at \$2,200 in earnings AND 14 weeks of work in the base period.</p> <p>(Look back for the simulation model is 12 months.)</p>

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

SB 306 (Both Introduced & Revised)

Workers covered

Workers for private employers, state government, and local governments are included. Self-employed workers can opt-in.

Waiting period

There is a one week waiting period.

Weekly benefit calculation

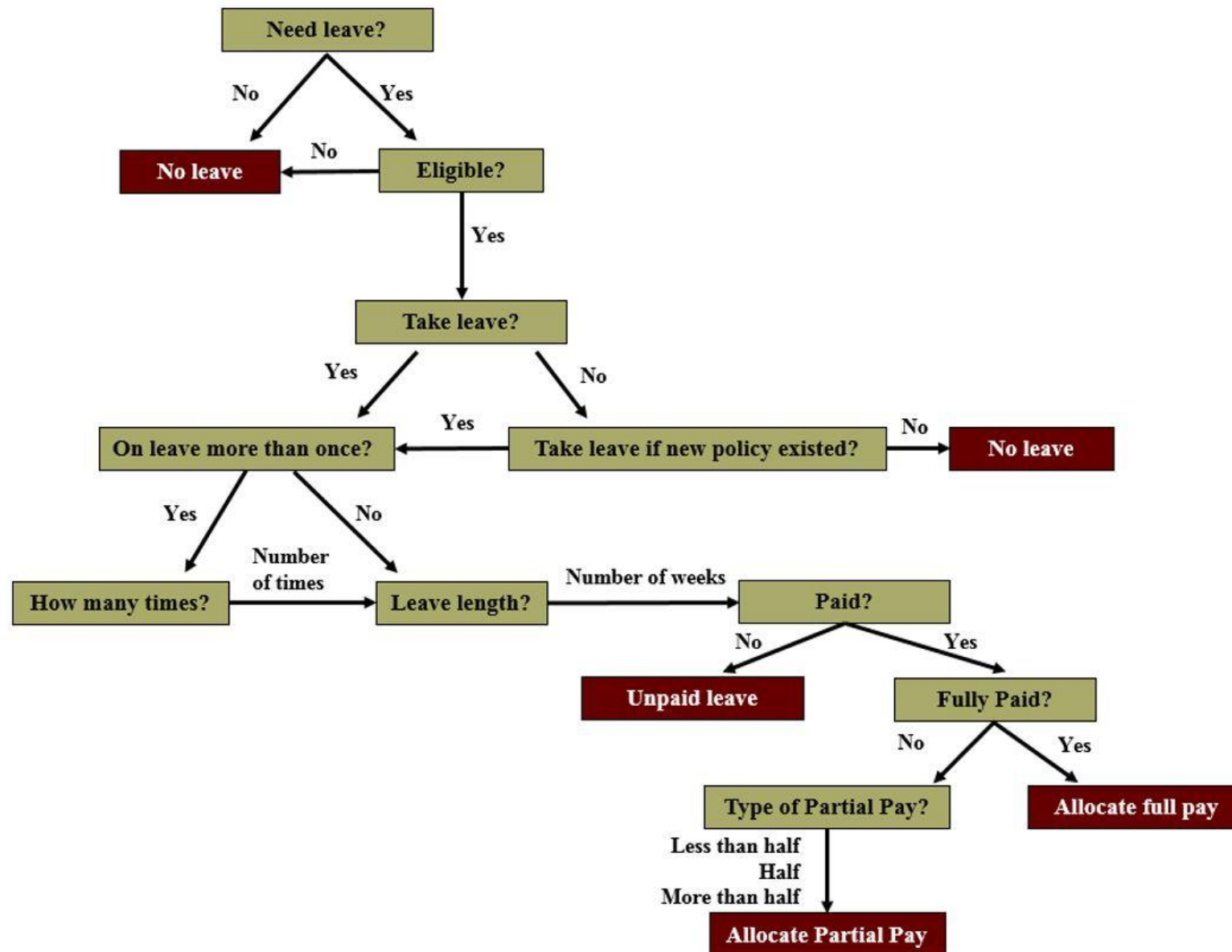
Two-thirds of usual wages up to a maximum weekly benefit of \$1,000.
Minimum weekly benefit is \$250.

Maximum annual weeks benefits may be received

12 weeks for all FMLA reasons

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 1: Simplified Simulation Model Flow



Simulation Cost Modeling

	\$10,000 in earnings OR 40 weeks worked in base period (previous 12 months using ACS)	\$2,200 in earnings AND 14 weeks worked in base period (previous 12 months using ACS)
Percent Workforce Eligible	82%	95%
Number of Leaves Taken and Receiving FMLI Benefits		
Own Serious Health Condition	23,040	27,980
Maternity/Parental	13,374	15,447
Family Care	1,571	2,068
Total	37,985	45,494
Weeks Receiving Program Benefits		
Own Serious Health Condition	7.8	7.7
Maternity/Parental	7.5	7.4
Family Care	3.5	3.8
Overall	7.9	7.9
Average Weekly Benefit	\$512	\$480

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 November 2019).

Simulation Cost Modeling

	\$10,000 in earnings OR 40 weeks worked in base period (previous 12 months using ACS)	\$2,200 in earnings AND 14 weeks worked in base period (previous 12 months using ACS)
Benefit Cost (\$millions, 2017)		
Own Serious Health Condition	\$93.3	\$104.4
Maternity/Parental	\$48.8	\$52.0
Family Care	\$2.6	\$3.5
Total Benefit Cost (\$millions)	\$144.6	\$159.9
Administrative (5 percent, \$millions)	\$7.2	\$8.0
Total Cost (\$millions, 2017)	\$151.9	\$167.9
Cost as a Percent of OASDI Taxable Earnings	0.58%	0.64%
Cost as a Percent of Total Earnings	0.56%	0.62%

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 November 2019). OASDI Taxable Maximum in 2017 is \$127,200.

Five Percent for Administration

California

October 2018 Disability Insurance (Di) Fund Forecast – Table 1

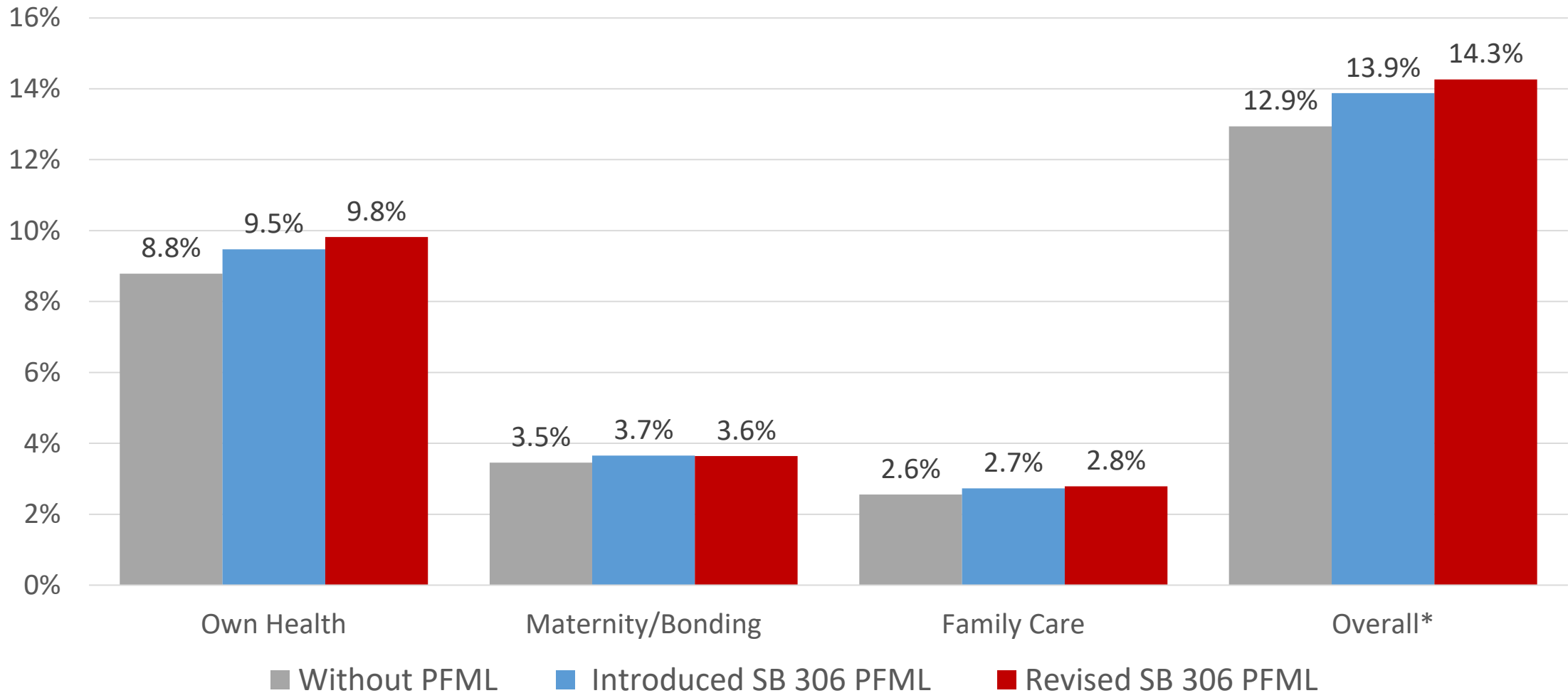
	2017 (\$Ms)
Total Disbursements	\$6,313.4
Net Benefits	\$6,038.4
Administration & Misc. Disbursements	\$275.0
Admin/Benefits	4.6 percent

Rhode Island

Statistical & Fiscal Digest 2017 – p. 12

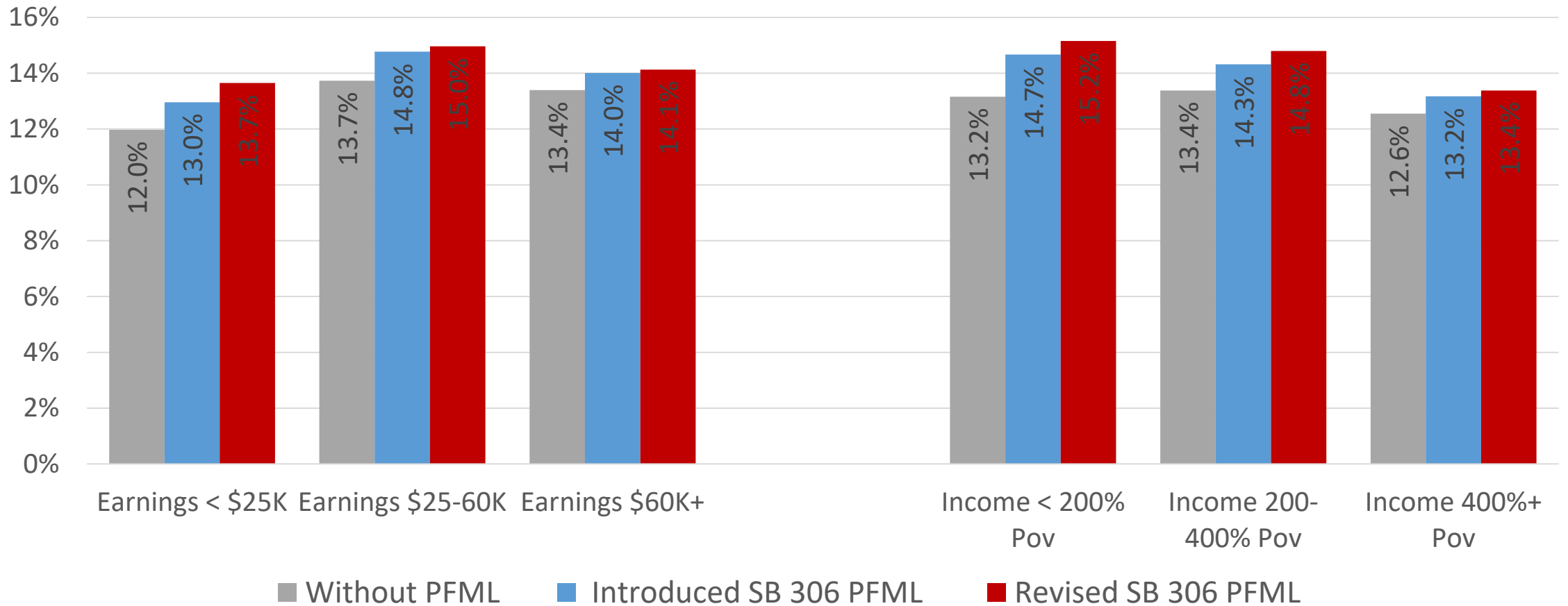
	2017
Total Disbursements	\$190,562,219.11
Transfers to Insurance Fund	\$182,286,031.99
Transfers to Administration Funds	\$8,276,187.12
Admin/Benefits	4.54 percent

Figure 2: Share of West Virginia Workers Taking Family and Medical Leaves in a Calendar Year



Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 3: Share of West Virginia Workers Taking Family and Medical Leaves in a Calendar Year by Earnings and Family Income Relative to Poverty Line



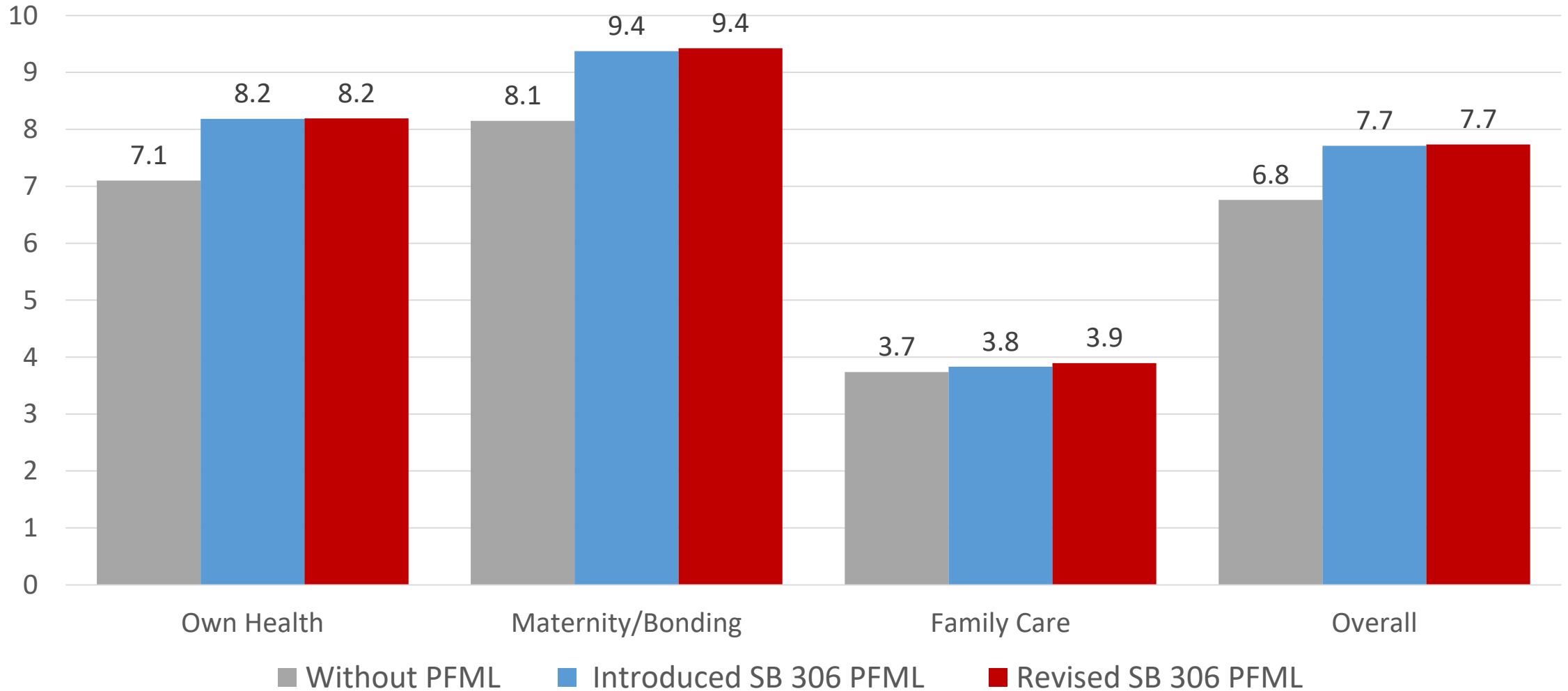
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Number of Leaves Taken By West Virginia Workers in a Calendar Year

	All Family & Medical Leaves Taken (Paid or Unpaid)			PFML Benefit Claims Paid	
	No PFML Program	Introduced SB 306 PFML	Revised SB 306 PFML	Introduced SB 306 PFML	Revised SB 306 PFML
None	87.1%	86.1%	85.7%	94.6%	93.6%
One Leave	9.9%	10.7%	11.0%	5.0%	5.9%
Two or More	3.0%	3.2%	3.3%	0.4%	0.5%
Total	100%	100%	100%	100%	100%

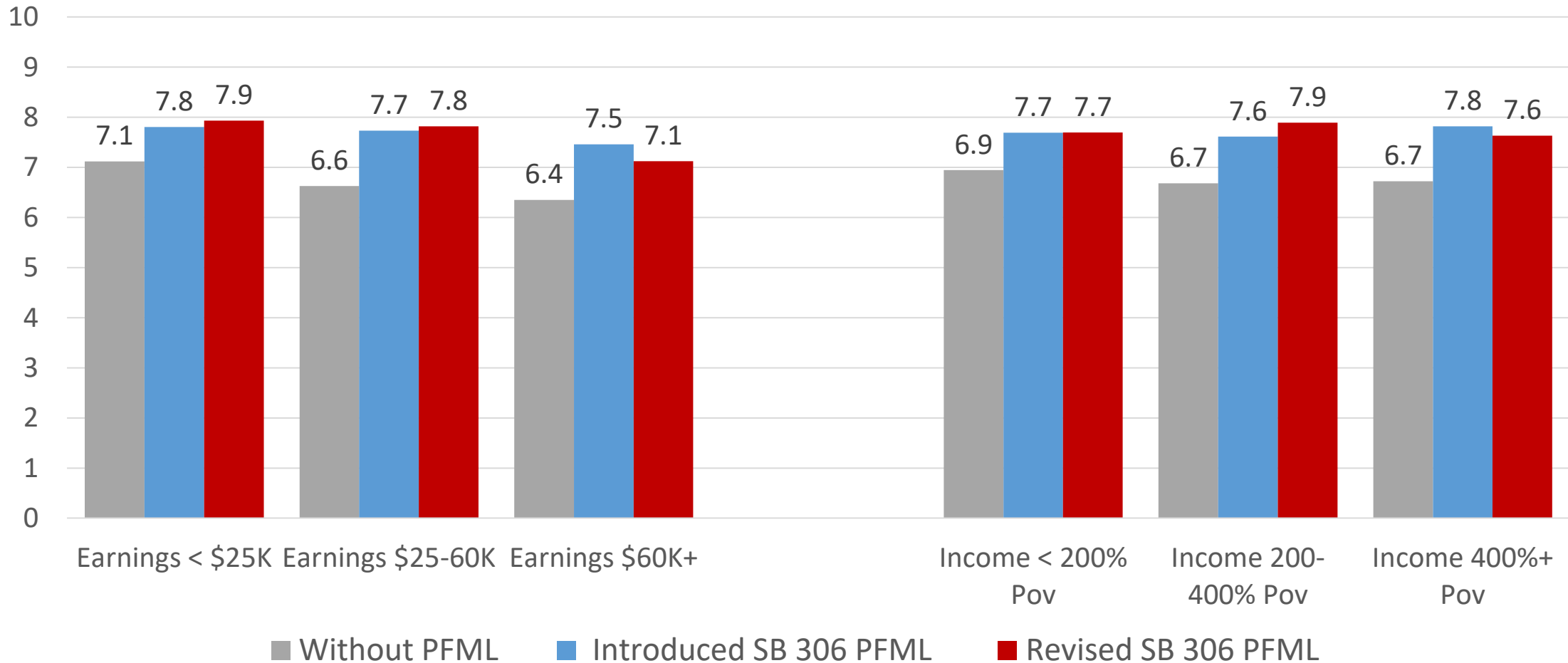
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 4: Average Number of Weeks Taken for Family and Medical Leave in a Calendar (Including Unpaid Leave or Paid Leave from Employer or PFML Program)



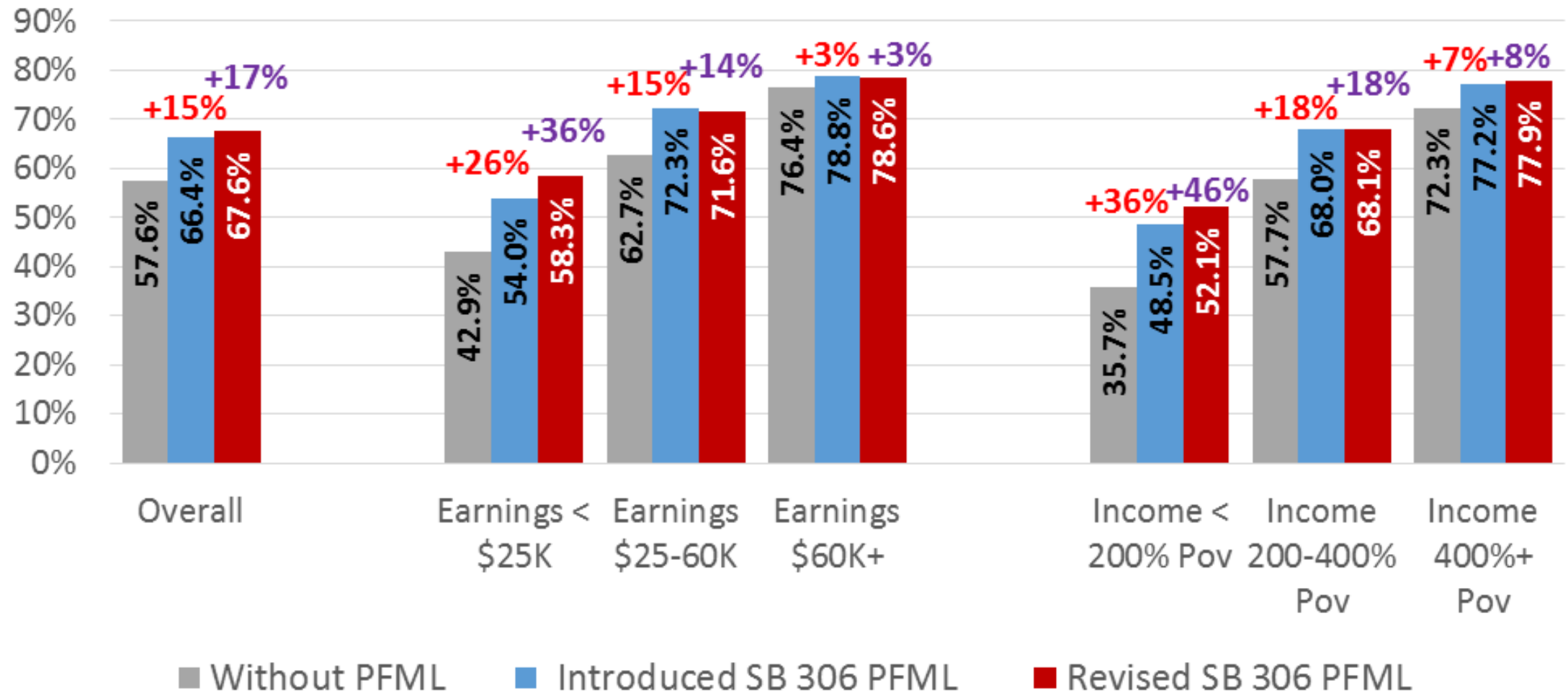
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 5: Average Number of Weeks Taken for Family and Medical Leave in a Calendar (Including Unpaid Leave or Paid Leave from Employer or PFML Program)



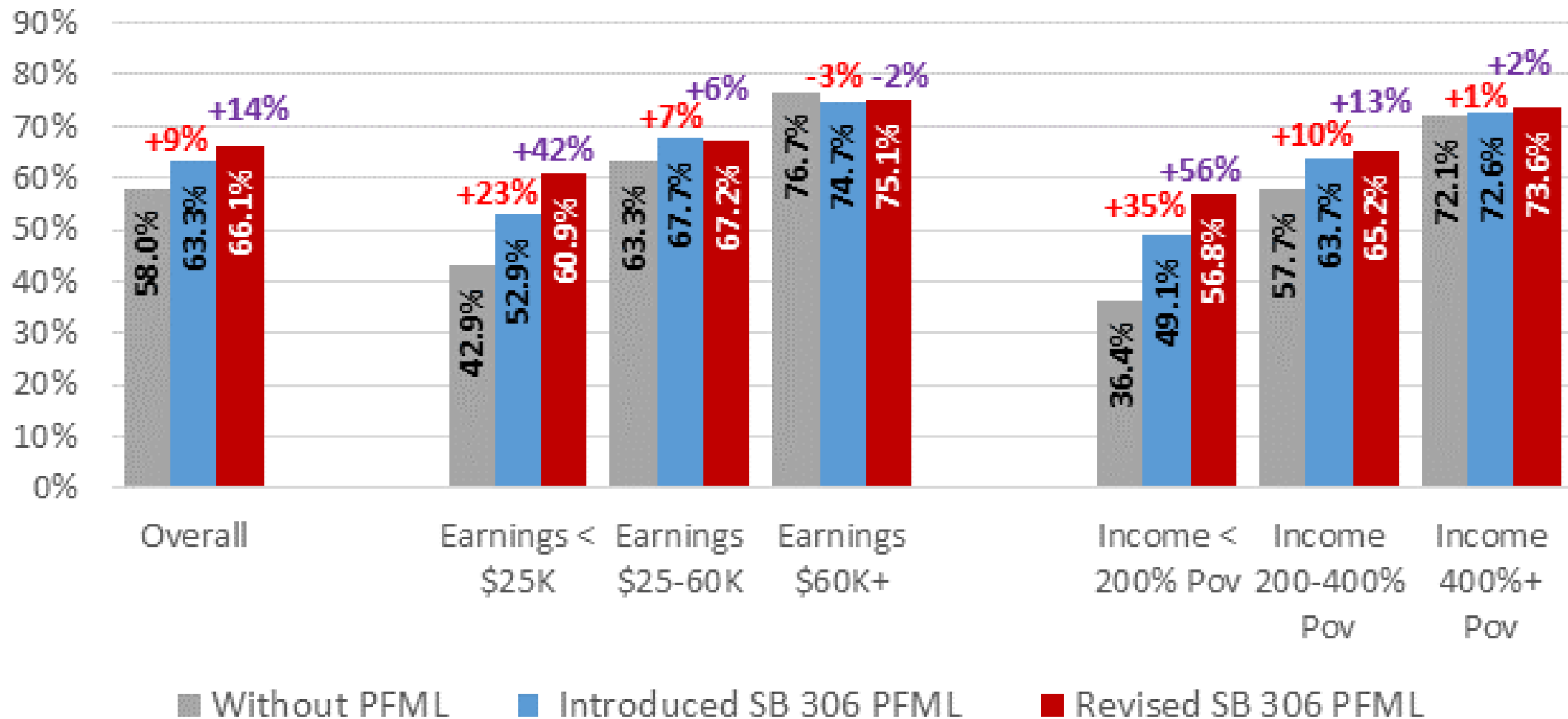
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 6: Share of Worker Leaves Taken Receiving Any Wage Replacement (Employer-Provided or PFML Benefits)



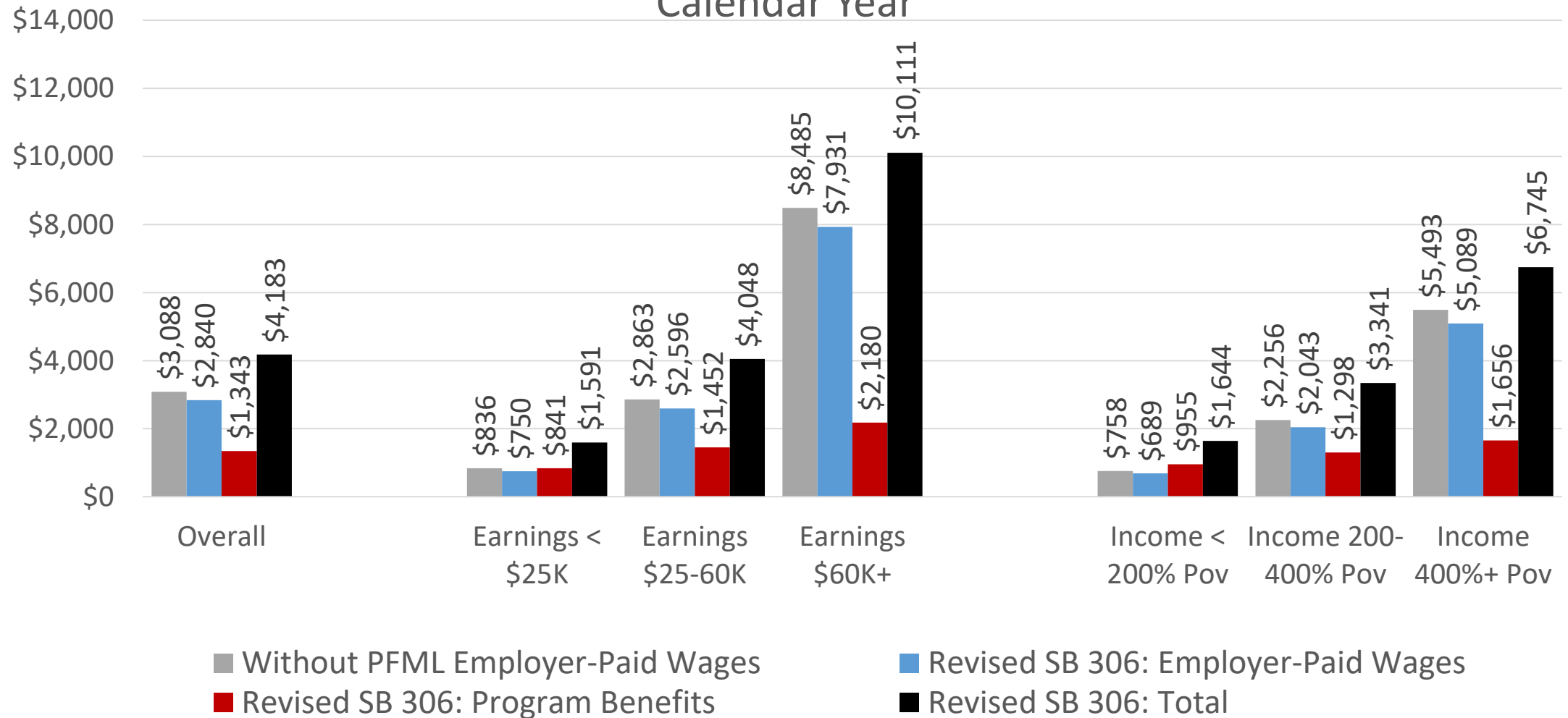
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 7: Share of Usual Weekly Earnings Replaced During Worker Leaves (Employer-Provided or PFML Benefits)



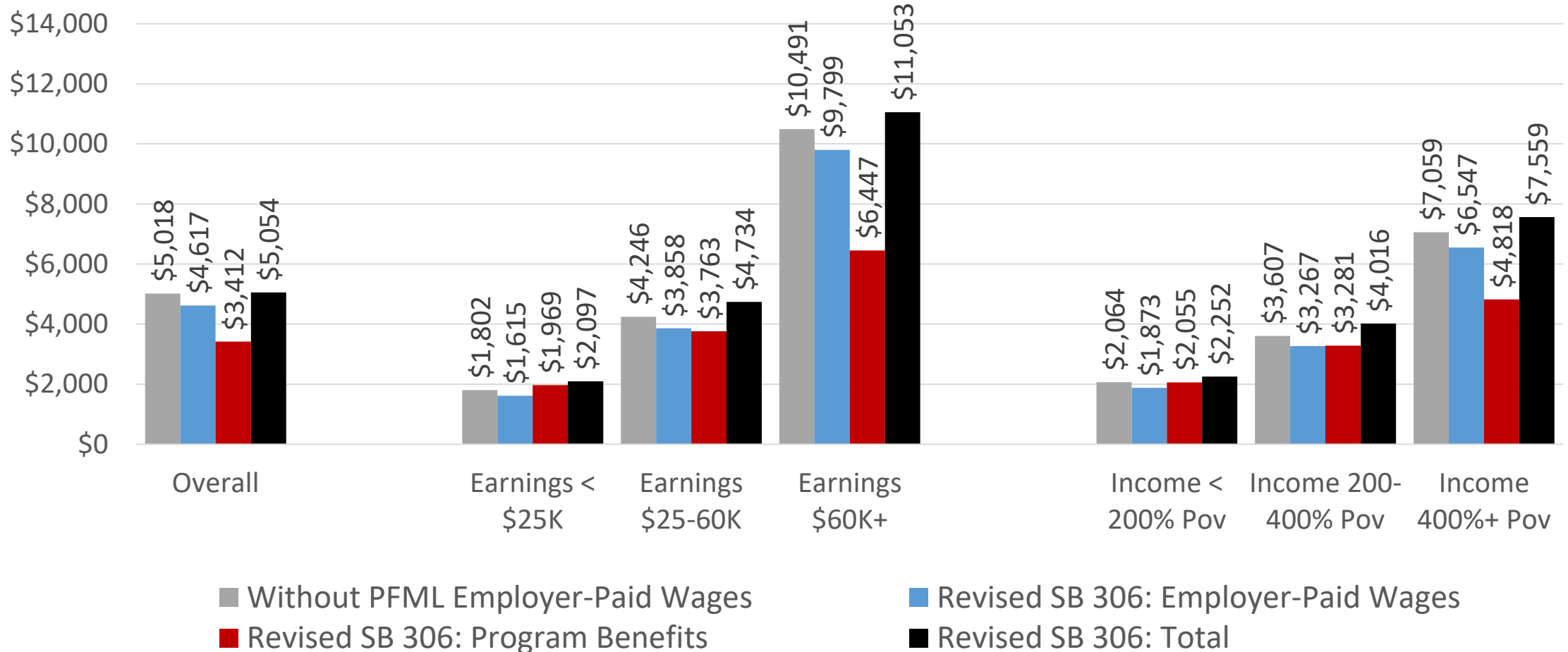
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Figure 8: Average Amounts Received, Including Zeros, for Employer-Provided or PFML Benefits for Family and Medical Leaves Taken in a Calendar Year



Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Average Amounts Received, if Received (Excluding Zeros), for Employer-Provided or PFML Benefits for Family and Medical Leaves Taken in a Calendar Year



Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model based on 2013-2017 American Community Survey (ACS) and 2012 FMLA Employee survey (5 replications run 30 Nov 2019).

Discussion

- Paid family and medical leaves can be well-targeted to vulnerable workers
- Important for discussions around future of work and portable benefits
- Model based estimates should be higher than expected in a new program:
 - Benchmarked to established programs for likelihood of claiming benefits, but awareness is likely higher than in initial years of PFML.
 - Applied options that increase the effects of PFML benefits on likelihood of claiming & duration of leaves taken under PFML program.

Thank you.

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