

**A Review of the Administrative Costs of
Establishing a State Paid
Family and Medical Leave Program**

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United States Department of Labor
Chief Evaluation Office

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A REVIEW OF THE ADMINISTRATIVE COSTS OF ESTABLISHING A STATE PAID FAMILY AND MEDICAL LEAVE PROGRAM

INTRODUCTION

This is a companion document to the Worker Paid Leave Usage Simulation model, or Worker PLUS model, and is part of two supplementary resources on administrative costs. The second supplementary resource is an Excel template, titled “Administrative Cost Excel Template,” which presents a starting template of standard administrative cost categories observed in paid family and medical leave (PFML) programs as a platform to plan, estimate, and test the administrative costs of running a new program. The Excel template is available to users when they download the model.

The Worker PLUS model was developed by IMPAQ International and the Institute for Women’s Policy Research, contracted by the Chief Evaluation Office at the U.S. Department of Labor. The Worker PLUS model is a simulation tool built to assist in the design of paid leave programs and to forecast leave-taking behavior at national and state levels. It allows the user to simulate and explore different PFML program designs for benefit outlays (e.g., How much would it cost to offer PFML benefits to all private workers in the state?) and different payroll tax scenarios to fund the program (e.g., How much tax revenue would we raise with a payroll tax rate of 1%?). The two supplementary resources on administrative costs help the user to understand start-up requirements, such as the cost of building a new information technology (IT) system, and ongoing costs, such as the salary costs of a claims processing unit. Together with the simulation results from the Worker PLUS model, these resources can help the user account for all potential costs (benefits and administrative) as well as test the program funding options via payroll tax revenue scenarios.

This document reviews the different types of administrative costs observed in planned and extant state-level PFML programs and how these costs vary across states. The key audience for this document is state policy practitioners with the objective of learning from the experiences of other states about how to estimate the potential administrative costs of a new PFML program.ⁱ Data that we collected will also be helpful to academic researchers who study paid leave programs and also to taxpayers who fund the programs to understand the full cost of these initiatives.

The new frontier of PFML programs

The early implementers of state PFML programs—California, New Jersey, Rhode Island, and New York—built their programs upon an existing temporary disability insurance (TDI) system in their states.ⁱⁱ California began issuing paid family leave benefits in 2004, New Jersey in 2009, Rhode Island in 2014, and New York in 2018.ⁱⁱⁱ The most recent states to implement PFML programs are doing so without an existing TDI infrastructure. In order of program launch, these are Washington State, the District of Columbia, Massachusetts, Connecticut, Oregon, and Colorado. These states expect to start issuing benefits in 2020 through 2024.^{iv} States that are planning to implement a PFML program without an existing TDI system will have to consider different approaches to build a program from scratch or leverage other existing state program infrastructure.

How to use this document

This document compiles information on program administrative costs from two types of publicly available resources: planning documents and actual cost data. Planning documents sketch out the administrative costs of a hypothetical program. The second resource type represents historical data published by states with

existing PFML programs. When available, we present both the cost estimates from planning documents and actual cost data from an enacted program, offering the reader an understanding of the degree to which states underestimate or overestimate their costs at the planning stage. The list below defines the two types of sources for cost data in this report: planning documents and actual cost data. Figure 1 below also summarizes the states mentioned in this document and the data available (publicly-available) for analysis.

1. Planning documents:
 - a. Information from legislative fiscal notes, which are estimates generated by state legislatures of costs to administer a proposed PFML program.
 - b. PFML feasibility studies conducted by states that have considered implementing a paid leave policy. Some of these studies were conducted by private research firms under contract.
2. Actual cost data: Historical actuals from program reports or approved budgets from the websites of states who have a paid family leave program currently in place.

Figure 1. Summary of States Mentioned in This Document and Available Data

State	Year from which PFML benefits issued (or when they will start)	Year of planning document (feasibility study or fiscal note)	Start-up costs reported in this document	Ongoing costs reported in this document
California	2004	N/A		X
New Jersey	2009	N/A		X
Rhode Island	2014	N/A		X
New York	2018	N/A		
Washington State	2020	2016	X	X
District of Columbia	2020	2016	X	X
Massachusetts	2021	N/A		
Connecticut	2022	2016	X	X
Oregon	2023	N/A		
Colorado	2024	2018	X	X
Minnesota	N/A	2015	X	X
Montana	N/A	2015		X
Nebraska	N/A	2017	X	X
Vermont	N/A	2017	X	X

Source: Data on year from which benefits were (or will be) first issued is from <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/state-paid-family-leave-laws.pdf> and <https://www.abetterbalance.org/resources/paid-family-leave-laws-chart>.

The information synthesized in this document is only meant to provide states with a starting point as they build their administrative cost estimates. It is not meant to be exhaustive. It does not cover every possible cost item to account for under any given implementation approach. States will have to consider their technological readiness, current benefit system infrastructure, benefit systems, policy environment, access to human capital, etc., as part of their cost analysis while using this document. Moreover, the data in this document have been aggregated as consistently as possible across the various source documents to present value ranges in cost categories across states. However, some subjectivity inevitably exists when combining data across documents, and the user may want to refer to the source documents for greater detail. ^v

Structure of this document

States categorize their administrative costs into two components, which are also often considered as two different program phases.

1. *Start-up costs*: The start-up phase occurs before the program begins disbursing leave benefits. Program start-up activities include building the programmatic and IT infrastructure to run a new program.
2. *Ongoing costs*: Ongoing costs are incurred when the program is operational. Ongoing administrative activities include managing the program and processing claims.

The remainder of this document is organized by these two program phases. Part 1A is an overview of the key components of start-up costs, and Part 1B summarizes how start-up costs vary across states. Part 2A is an overview of the key components of ongoing administrative costs, and Part 2B summarizes how these ongoing costs vary across states.

The appendices provide additional reference materials. Appendix A is a list of citations by state for the administrative cost figures. Appendix B provides an example of the full start-up and ongoing cost profile for a PFML program from the Washington State House Bill (HB) 1273 Fiscal Note. Appendix C is a compilation of planned administrative staffing units extracted from fiscal notes and feasibility studies.

PART 1: START-UP COSTS

1A. What are start-up costs?

Broadly, states have considered the following items as part of their program start-up costs:

- *Program management and planning staff*: Salaries and benefits for employees involved in the initial planning before the program goes into effect. Some of these employees may be onboard only during the start-up phase (e.g., rulemaking staff, physician consultants), and others may be permanent staff during the program's operations phase.
- *IT implementation*: Information technology, including hardware, software, and programming.
- *Claims processing and review staff*: Claims staff are typically hired at the end of the start-up period to receive some training before the actual claim assessment begins. This includes appeals and program integrity/fraud units.
- *Outreach*: Initial outreach and education efforts to raise awareness of the program. The intensity of outreach can vary over time.
- *Additional expenses*: Overhead and capital needs, including office space, phone lines, and computers for staff.

Start-up requires multiple years. Fiscal notes and feasibility studies from Colorado, Connecticut, the District of Columbia, Nebraska, Vermont, and Washington State assume two to three years of start-up costs for program development before the program is ready to disburse program benefits.^{vi} For example, it can take a year or more to develop the needed technology infrastructure to support the program. In these studies, the last year of start-up costs also includes resources to hire and train the claims processing staff in the latter part of the year. The new District of Columbia PFML program has a three-year start-up period in Fiscal Years (FY) 2018, 2019, and 2020.^{vii} The District of Columbia program began collecting payroll taxes to fund the program in July 2019 and disbursing benefits in July 2020. Similarly, the Washington State program, which was enacted in June 2017, started collecting payroll taxes to fund the program in January 2019 and began issuing benefits beginning in January 2020.^{viii,ix,x} New York, which built its program on their TDI program, moved more quickly. It passed the budget for the paid family leave add-on in April 2016^{xi} and started paying the new paid family leave benefits in January 2018.^{xii}

Information technology is the largest start-up cost. In fiscal notes and feasibility studies, IT costs, including spending on hardware, software, and program staff, is the largest component of start-up costs (see Figure 3). Programs must identify a solution for both the collection of payroll taxes and a benefits disbursement system. The IT requirements and level of costs are unique to the environment of each state. The District of Columbia’s Fiscal Impact Statement assumed the IT costs for their paid leave program to be similar to past IT projects for other programs.^{xiii} States often plan to link their program IT systems to the existing unemployment insurance (UI) infrastructure to collect wage data and process benefit payments (as noted in planning documents from Connecticut, Montana, Nebraska, and Washington State).^{xiv} In addition to modernizing in some cases, any new addition to the IT infrastructure to serve the paid leave program would likely need to be integrated or linked to other data systems for data sharing purposes.

States often try to find cost efficiencies by housing their new programs within a related state agency. States consider opportunities for efficiencies by co-locating their PFML programs in agencies that administer other social insurance benefits, such as UI programs (e.g., Connecticut^{xv}) or workers’ compensation units (e.g., New York).^{xvi} Establishing a PFML program within a system that already performs similar functions such as adjudicating claims, processing checks, and reporting can make a technology system much faster to implement. For example, the Washington State Fiscal Note directed the new program to find cost savings by combining the PFML and UI reporting and payment functions.^{xvii} The plan proposed a cost-sharing agreement to share IT costs and staff time as relevant. UI staff were also designated as part of the program planning team during start-up. The Connecticut and Minnesota studies also discuss opportunities to partner with their tax revenue collection agencies.^{xviii}

1B. How do start-up costs vary across states?

Section 1B presents the projected start-up costs of PFML programs collected from planning documents for hypothetical programs (state fiscal notes and feasibility studies), as well as the actual start-up costs of existing programs (data from program reports and approved budgets). The start-up costs and full-time equivalent (FTE) data in this section represent the total start-up period, which spans multiple years. We present projected costs for Colorado, Connecticut, the District of Columbia, Minnesota, Nebraska, Vermont, and Washington State. We also display actuals for the District of Columbia and Washington State. The scope of our cost analysis, i.e., the specific states included, is limited to information that we could obtain from public sources.

As displayed in the top panel of Figure 2, estimated start-up costs for programs in fiscal notes and feasibility studies range widely, from \$5 million in Vermont to \$60 million in Minnesota. The total FTE staff projected over start-up vary from 27 FTEs in Nebraska to 99 FTEs in Connecticut. In the bottom panel, we display actuals as available for the new District of Columbia and Washington State programs. The Washington State PFML program’s actual start-up budget is \$82 million, which is six times higher than the projected \$13 million in the 2016 Fiscal Note due to higher IT costs (see Figure 3 below).

Figure 2. Total Start-Up Costs and FTEs (over all start-up years)

	Data Source	Total Start-Up Cost (\$M)	Total FTEs	# of Start-Up Years
Projected Costs	CO Fiscal Note (2018)	\$47.2	85.0	2
	CT Feasibility Study (2016)	\$13.6	99.4	2
	DC Fiscal Note (2016)	\$47.1	56.5	2–3 ¹
	MN Feasibility Study (2015)	\$60.0	not listed	3
	NE Fiscal Note (2017)	\$14.1	27.1	2
	VT Feasibility Study (2017)	\$5.4	47.9	3
	WA Fiscal Note (2016)	\$12.8	49.9	2–3 ²
Actual Costs of Existing Programs	DC 2018 Q4 Progress Report	not listed	49.0 ³	2–3 ¹
	WA 2017–19 Operating Budget ⁴	\$82.0	147.9	2

1. The District of Columbia Fiscal Note and current implementation plan has two years devoted exclusively to program start-up. Year 3 is both a start-up year and a year when benefit disbursement is expected to begin.
2. The Washington Fiscal Note has devoted two years exclusively to program start-up. It also considers the subsequent year to have some limited start-up costs, which are included in the estimate in this table. The third year of start-up is also the first year when benefits are disbursed. However, the first year of benefit disbursement was limited to “claims taken to bond with child or relative.” In the following year, benefit disbursement opened up to all eligible claims.
3. The 49 FTEs include 33 government staff and 16 contractors.
4. The Washington budget document does not break down the \$82 million into cost categories. It simply lists the total dollar amount and total FTEs. The Washington State program is required to pay back the \$82 million loan to the state government in 2019 using the premiums collected.

Information Technology Start-Up Costs

Figure 3 shows that IT implementation drives the wide variation in start-up costs. IT implementation represented 48% to 91% of projected start-up costs in fiscal notes and feasibility studies (top panel). We also display the actual IT budget for the new District of Columbia and Washington State programs (bottom panel). Both actual budgets are higher than estimated: the District of Columbia’s IT budget is \$21 million higher, and Washington State’s is \$52 million higher.

**Figure 3. IT Implementation Costs as Share of Start-Up Costs
(includes IT staff for development/implementation, hardware, software)**

	Data Source	IT Costs (\$M)	IT Costs as % of Total Start-Up Costs
Projected Costs	CO Fiscal Note (2018)	\$40.8	86.40%
	CT Feasibility Study (2016)	\$7.7	56.65%
	DC Fiscal Note (2016)	\$40.0	84.92%
	MN Feasibility Study (2015)	\$45.0	75.00%
	NE Fiscal Note (2017)	\$12.8 ¹	91.15%
	VT Feasibility Study (2017)	\$3.7	68.18%
	WA Fiscal Note (2016)	\$6.1	48.02%
Actual Costs of Existing Programs	DC Capital Budget (2019)	\$61.0	N/A
	WA Project Investment Plan (2018) ²	\$58.0	70.72%

1. The Nebraska Fiscal Note estimate assumes that new IT hardware will cost \$10 million. The fiscal note also explains that the estimate will be \$6 million lower for IT implementation if the program is able to leverage the existing UI benefits system to process and pay PFML program claims.
2. In addition to \$58 million in IT start-up funds, the Washington Project Investment Plan includes an additional \$25 million in IT maintenance funding to cover five years of ongoing operations.

Salaries and Benefits Start-Up Costs

As shown in Figure 4, salaries and benefits (excluding IT development staff members' salaries and benefits) represented between 4% and 35% of projected start-up costs in fiscal notes and feasibility studies. We could not find actual cost data on this metric that was publicly available for existing programs.

**Figure 4. Salaries and Benefits Costs as Share of Start-Up Costs
(excluding IT implementation staff)**

	Data Source	Staffing Costs (\$M)	Salaries & Benefits as % of Total Start-Up Cost
Projected Costs	CO Fiscal Note (2018)	\$3.8	8.11%
	CT Feasibility Study (2016)	\$4.8	35.14%
	DC Fiscal Note (2016)	\$5.4	11.52%
	NE Fiscal Note (2017)	\$0.5	3.65%
	VT Feasibility Study (2017)	\$1.2	21.67%
	WA Fiscal Note (2016)	\$2.8	21.72%

Distribution of Start-Up Costs

Figure 5 shows the distribution of projected start-up costs across the fiscal notes and feasibility studies. We could not find actual cost data on these metrics that were publicly available for existing programs.

Figure 5. Start-Up Cost Decomposition (%)

	IT Implementation (development/ implementation, hardware, software)	Program Management & Planning (salaries and benefits)	Claims Processing & Review (salaries and benefits)	Outreach (salaries and benefits, outreach materials)	Other Expenses (office supplies, workstations, rent, utilities)	Total (\$M)
CO Fiscal Note (2018)	86.40%	*	8.11%	0.33%	5.16%	\$47.17
CT Feasibility Study (2016)	56.65%	12.20%	17.64%	7.81%	5.70%	\$13.64
DC Fiscal Note (2016)	84.92%	*	11.52%	0.63%	2.92%	\$47.10
NE Fiscal Note (2017)	91.15%	*	3.65%	0%	5.20%	\$14.08
VT Feasibility Study (2017)	68.15%	13.44%	5.90%	2.87%	9.65%	\$5.37
WA Fiscal Note (2016)	48.02%	13.63%	0% ¹	16.66%	21.69%	\$12.78

*Planning team budget combined with claims processing and review

1. The Washington State Fiscal Note hired claims staff in their first year of disbursing claims. It did not consider claims staff as part of start-up costs.

PART 2: ONGOING ADMINISTRATIVE COSTS

2A. What are ongoing administrative costs?

Generally, states have considered the following items as part of a program's ongoing administrative costs:

- *Program management staff*: Salaries and benefits for program management and their support staff.
- *Claims processing and review staff*: Salaries and benefits for the claims processing staff. This includes appeals and program integrity/fraud units.
- *Information technology*: This includes IT staff that support the program in the operational phase and ongoing capital costs, such as software subscriptions.
- *Outreach*: Continued outreach and education efforts to raise awareness of the program.
- *Additional expenses*: Overhead and capital needs, including office space, phone lines, and computers for staff.

Claims processing and review staff are the largest component of ongoing administrative costs once the program begins disbursing benefits. The number of claims processing staff needed depends on the expected number of claims and the time to process each claim. As Figure 10 highlights later in this document, claims processing includes both approving and denying applications. Some state programs deny 10% to 20% of claims. The feasibility studies for Montana, the District of Columbia, Connecticut, and Colorado use the processing times for UI claims as starting points for the time it will take to process PFML claims.^{xix}

The complexity of program rules may influence the claim processing time. For example, the Connecticut feasibility study explains that California's plan has a larger staff because it allows for opt-outs from the state PFML program to instead use private PFML insurance options.^{xx} The study notes that California's program has a separate team that oversees the private plan option.^{xxi} Other states that allow employers to obtain PFML insurance from private companies include New Jersey, New York, and Washington.^{xxii} Alternatively, Rhode Island and the District of Columbia offer only a single state PFML social insurance fund. The examples of staffing units from planning documents of hypothetical programs are in Appendix C. These teams often include nurses or other medical experts, an appeals unit, and a program integrity/fraud unit.

Administrative costs grow over time. Fiscal notes and feasibility studies often plan for rising costs over time. The Vermont feasibility study assumes salary inflation each year for the administrative staff.^{xxiii} The Connecticut study assumes that the number of claims filed will increase over time, which can require additional staff.^{xxiv} The Minnesota study also assumes that administrative costs will increase with claims in the first few years but level off as the program reaches a steady state.^{xxv} The steady-state PFML programs in California, New Jersey, and Rhode Island see small year-over-year variation, positive and negative, in the number of claims filed each year (see Figure 10).

2B. How do ongoing administrative costs vary across states?

Section 2B displays the projected ongoing costs of PFML programs collected from planning documents for hypothetical programs (state fiscal notes and feasibility studies), as well as the actual ongoing costs of existing programs (data from program reports and approved budgets). These data in this section represent the first year of steady-state operations. We present projected costs for Colorado, Connecticut, the District of Columbia, Minnesota, Montana, Nebraska, Vermont, and Washington State. We also display actuals for the following existing programs: California, the District of Columbia, New Jersey, and Rhode Island. The scope of our cost analysis, i.e., the states included, is limited to information that we could obtain from public sources.

As shown in the top panel of Figure 6, the projected ongoing administrative costs for programs in feasibility studies and fiscal notes ranged from \$2 million per year in Vermont to \$19 million per year in Connecticut and the District of Columbia. The cost-per-claim metric (ongoing costs per year divided by the number of expected new claims processed per year) varied from a projected \$30 per claim in Nebraska to \$186 per claim in Montana. Notably, many cost projections only estimate the number of expected leaves granted (approved claims), which underestimates the costs, as staff must also spend time reviewing and managing denied claims. For more information about denial rates, see Figure 10.

The bottom panel of Figure 6 shows that the ongoing costs for existing programs ranged from \$8 million per year in Rhode Island to \$239 million per year in California. We have both the projected (\$19 million per year) and the actual ongoing costs (\$23 million budgeted in FY 2021) in the first full year of benefit disbursements in the District of Columbia. Across existing programs, the cost per claim (IMPAQ calculation) ranged from \$155 per claim in Rhode Island to \$256 per claim in California.

Figure 6. Summary of Ongoing Administrative Costs and Number of Claims Processed

	Data Source	Ongoing Costs (\$M) Per Year	# of New Claims Processed Per Year	Cost Per Claim Processed (IMPAQ Calculation)
Projected Costs	CO Fiscal Note (2018)	\$16.0	(# leaves = 93,388) ¹	N/A ¹
	CT Feasibility Study (2016)	\$18.7	(# leaves = 100,000) ¹	N/A ¹
	DC Fiscal Note (2016)	\$19.1	(# leaves = 34,850) ¹	N/A ¹
	MN Feasibility Study (2015)	\$13.9	(# leaves = 131,665) ¹	N/A ¹
	MT Feasibility (2015)	\$2.9	15,500	\$186
	NE Fiscal Note (2017)	\$3.1	105,139	\$30
	VT Feasibility Study (2017)	\$1.9	15,525	\$124
	WA Fiscal Note (2016)	\$15.8	(# leaves = 39,863) ¹	N/A ¹
Actual Costs of Existing Programs	CA expenditures in 2015 ²	\$238.6	932,428	\$256
	NJ expenditures in 2015 ²	\$32.5	143,689	\$226
	RI expenditures in 2015 ²	\$7.5	48,387	\$155
	DC FY 2021 Approved Budget	\$23.1	unavailable	unavailable

1. The study only mentions the expected number of leaves granted, rather than the total number of new claims processed. The cost per claim processed is not calculated.
2. Source: DC Fiscal Impact Statement. Reflects the full PFML program, which includes the original TDI program and the family leave add-on. Retrieved from <https://lims.dccouncil.us/downloads/LIMS/34613/Other/B21-0415-Economic-and-Policy-Impact-Statement-UPLAA3.pdf>

Ongoing administrative costs are commonly presented as a percentage of the annual PFML benefit disbursements. These metrics are shown in Figure 7. Across cost projections (top panel), the ongoing administrative costs varied between 1% and 8% of expected benefit disbursements. For existing PFML programs (bottom panel), ongoing administrative costs ranged from 4% and 6% of benefit disbursements.

Figure 7. Ongoing Administrative Costs as a Percentage of Benefit Disbursements

	Data Source	Ongoing Administrative Costs as % of Benefit Disbursements	Annual Benefit Disbursements (\$M)
Projected Costs	CO Fiscal Note (2018)	3.34%	\$480.7
	CT Feasibility Study (2016) – Minimum Benefit Cost Scenario ¹ Maximum Benefit Cost Scenario ¹	7.97%	\$234.6
		4.25%	\$440.3
	DC Fiscal Note (2016)	5.33%	\$358.0
	MN Feasibility Study (2015)	7.00%	\$199.0
	MT Feasibility Study (2015)	4.00%	\$72.0
	NE Fiscal Note (2017)	1.06%	\$297.3
	VT Feasibility Study (2017) – Minimum Benefit Cost Scenario ¹ Maximum Benefit Cost Scenario ¹	5.11%	\$37.7
2.61%		\$73.8	
WA Fiscal Note (2016)	5.04%	\$314.4	
Actual Costs of Existing Programs	CA expenditures in 2015 ²	4.40%	\$5,419.7 ²
	NJ expenditures in 2015 ²	6.43%	\$505.4
	RI expenditures in 2015 ²	4.33%	\$17.4

1. The feasibility studies provided benefit cost estimates for several different policy scenarios.
2. Source: Economic and Policy Impact Statement (2016). Reflects the full PFML program, which includes the original TDI program and the family leave add-on. Retrieved from <https://lms.dccouncil.us/downloads/LIMS/34613/Other/B21-0415-Economic-and-Policy-Impact-Statement-UPLAA3.pdf>

Staff Salaries and Benefits as Part of Ongoing Costs

Staffing costs are typically the largest component of ongoing administrative costs. In feasibility studies and fiscal notes, staffing salaries and benefits are projected from 58% to 98% of ongoing administrative cost estimates (see Figure 8). See Appendix C for a listing of staff units across fiscal notes and actual programs. We could not find actual cost data on this metric that was publicly available for existing programs.

Figure 8. Salaries and Benefits Costs as Share of Ongoing Costs (includes IT support staff)

	Data Source	Staffing Costs as % of Total Ongoing Costs	Staffing Costs (\$M)
Projected Costs	CO Fiscal Note (2018)	71.15%	\$11.4
	CT Feasibility Study (2016) ¹	97.86%	\$18.3
	DC Fiscal Note (2016)	58.01%	\$11.1
	MN Feasibility Study (2015)	59.03%	\$1.7
	VT Feasibility Study (2017)	91.22%	\$1.8
	WA Fiscal Note (2016)	84.40%	\$13.4

1. Connecticut’s feasibility study does not include ongoing IT costs. As a result, staffing costs are nearly the entire planned budget.

Distribution of Ongoing Administrative Costs

Figure 9 shows the distribution of projected ongoing administrative categories across hypothetical programs. We could not find actual cost data on this metric that was publicly available for existing programs.

Figure 9. Ongoing Cost Decomposition (%)

	Claims Processing & Review (salaries & benefits)	IT Implementation (development/implementation, hardware, software)	Program Management & Planning (salaries & benefits)	Outreach (salaries & benefits, outreach materials)	Other Expenses (office supplies, workstations, rent, utilities)	Total (\$M)
CO Fiscal Note (2018)	66.82%	7.41%	*	0%	25.77%	16.05
CT Feas. Study (2016)	91.23%	0%	5.00%	1.62%	2.14%	18.69
DC Fiscal Note (2016)	59.18%	34.44%	*	0%	6.38%	19.09
VT Feas. Study (2017)	65.20%	7.57%	15.87%	5.29%	6.07%	1.93
WA Fiscal Note (2016)	58.59%	5.05%	18.23%	4.21%	13.93%	15.84

*Included within the “claims processing and review” column

Factors Influencing Claims Processing Costs

In general, the size of the claims staffing unit needed to process claims depends on (1) the number of claims and (2) how long it takes to process each claim (or the desired processing time per claim). To calculate the number of claims to be processed by the ongoing staff, programs must also estimate the total number of new claims that will be filed each year, which includes both approved and denied claims. Programs should also consider the workload needed to process claim redeterminations and reconsiderations (e.g., managing name changes and updating medical certification forms). Notably, the Worker PLUS model only estimates the number of leaves paid (approved). Figure 10 shows the historical record of original claims filed, approved, and denied^{xxvi} in California, New Jersey, and Rhode Island. It also highlights how the number of claims filed and approved changed year over year. The figure also shows historical data on redeterminations and reconsiderations in New Jersey, the only state of the three that posts this information publicly.

Figure 10. Historical Claims Filed, Claims Approved, and Denial Rates in California, New Jersey, and Rhode Island

a. California Fiscal Years (began issuing PFML benefits in 2004)

CA TDI Program <i>Only</i> ¹	FY 10–11	FY 11–12	FY 12–13	FY 13–14	FY 14–15	FY 15–16	FY 16–17	FY 17–18	FY 18–19
Claims Filed	734,650	732,812	678,263	695,182	697,485	705,513	698,935	689,656	720,446
Claims Approved	656,292	655,822	611,193	633,586	634,357	645,101	640,432	634,985	666,555
Claim Denial Rate ³	10.5%	9.9%	8.9%	9.1%	8.6%	8.4%	7.9%	7.9%	7.5%
Claims Filed % Change Year over Year		-0.3%	-7.4%	2.5%	0.3%	1.2%	-0.9%	-1.3%	4.5%
Claims Approved % Change Year over Year		-0.1%	-6.8%	3.7%	0.1%	1.7%	-0.7%	-0.9%	5.0%
CA Paid Family Leave Program <i>Only</i> ²	FY 10–11	FY 11–12	FY 12–13	FY 13–14	FY 14–15	FY 15–16	FY 16–17	FY 17–18	FY 18–19
Claims Filed	204,893	210,167	215,830	227,830	237,246	246,810	260,303	271,344	291,146
Claims Approved	194,777	200,246	202,624	213,779	224,822	233,113	245,387	256,894	275,261
Claim Denial Rate ³	4.9%	4.7%	6.1%	6.2%	5.2%	5.5%	5.7%	5.3%	5.5%
Claims Filed % Change Year over Year		2.6%	2.7%	5.6%	4.1%	4.0%	5.5%	4.2%	7.3%
Claims Approved % Change Year over Year		2.8%	1.2%	5.5%	5.2%	3.7%	5.3%	4.7%	7.1%

1. Source: Employment Development Department (EDD) Disability Insurance Program Statistics. Retrieved from https://www.edd.ca.gov/About_EDD/pdf/qsdi_DI_Program_Statistics.pdf;
2. Source: EDD Paid Family Leave Program Statistics. Retrieved from https://www.edd.ca.gov/About_EDD/pdf/qspfl_PFL_Program_Statistics.pdf
3. IMPAQ calculations for Claim Denial Rate: (Claims Filed – Claims Approved)/(Claims Filed)

b. New Jersey Calendar Years (CYs) (began issuing PFML benefits in 2009)

NJ PFML (includes paid family leave program)¹	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
Claims Filed (original determinations)	121,541	119,027	116,251	116,080	112,133	108,396	106,851	113,051	108,730
Claims Approved (eligible original determinations)	99,011	96,029	94,000	92,617	86,772	86,686	82,526	82,039	72,981
Claim Denial Rate (original determinations) ^{3,4}	19%	19%	19%	20%	23%	20%	23%	27%	33%
Claims Filed % Change Year over Year ⁴		-2.1%	-2.3%	-0.1%	-3.4%	-3.3%	-1.4%	5.8%	-3.8%
Growth Claims Approved % Change Year over Year ³		-3.0%	-2.1%	-1.5%	-6.3%	-0.1%	-4.8%	-0.6%	-11.0%
Redeterminations ⁵	6,915	7,657	7,260	8,542	9,909	7,145	7,928	10,090	14,272
Redeterminations as % of Approved Claims	7.0%	8.0%	7.7%	9.2%	11.4%	8.2%	9.6%	12.3%	19.6%
Reconsiderations ⁵	202,115	187,996	178,390	179,422	178,437	158,378	152,044	131,271	125,082
Reconsiderations as % of Approved Claims	204.1%	195.8%	189.8%	193.7%	205.6%	182.7%	184.2%	160.0%	171.4%

NJ Paid Family Leave Program Only²	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
Claims Filed (original determinations)			33,236	34,491	35,062	35,293	35,634	38,410	40,408
Claims Approved (eligible original determinations)			29,653	30,508	30,075	29,662	29,731	31,226	31,176
Claim Denial Rate ⁴			10.8%	11.5%	14.2%	16.0%	16.6%	19.0%	23.0%
Claims Filed % Change Year over Year ⁴				3.8%	1.7%	0.7%	1.0%	7.8%	5.2%
Growth Claims Approved % Change Year over Year ⁴				2.9%	-1.4%	-1.4%	0.2%	5.0%	-0.2%
Redeterminations ⁵			1,617	1,909	2,371	2,705	2,730	3,118	4,338
Redeterminations as % of Approved Claims			5.5%	6.3%	7.9%	9.1%	9.2%	10.0%	13.9%
Reconsiderations ⁵			9,303	9,013	8,751	7,965	8,320	7,810	8,043
Reconsiderations as % of Approved Claims			31.4%	29.5%	29.1%	26.9%	28.0%	25.0%	25.8%

1. Source: Temporary Disability Insurance Workload in 2014, 2016, & 2018 Summary Reports. Metrics include “original determinations (eligible and ineligible)” and exclude redeterminations. Retrieved from <https://myleavebenefits.nj.gov/labor/myleavebenefits/about/stats/>
2. Source: Family Leave Insurance Workload in 2016 & 2018 Summary Reports. Metrics include “original determinations (eligible and ineligible)” and exclude redeterminations. Retrieved from <https://myleavebenefits.nj.gov/labor/myleavebenefits/about/stats/>

3. In New Jersey, claims were ineligible due to 4(f)-disability during unemployment; insufficient weeks or wages; medical evidence not submitted; workers' compensation; private plan coverage; receipt of continuation pay from employer; and other reasons.
4. IMPAQ calculations for Claim Denial Rate: (Claims Filed – Claims Approved)/(Claims Filed). These data are original applications only. They exclude reconsiderations (i.e., claim review that does not change eligibility status, such as updating someone's name due to marriage) and redeterminations (i.e., claim review that changes eligibility status).
5. Redeterminations and reconsiderations processed includes both those ultimately deemed eligible and ineligible. In 2018, for the TDI component, 92.0% of redeterminations and 92.5% of reconsiderations were deemed eligible (and the rest were ineligible). In 2018, for the family leave component, 96.5% of redeterminations and 94.5% of reconsiderations were deemed eligible (and the rest were ineligible).

c. Rhode Island Calendar Years (began issuing PFML benefits in 2014)

RI PFML (includes paid family leave program) ¹	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
Claims Filed	45,820	48,387	46,940	45,132	46,233	46,259
Claims Approved	39,680	38,956	41,463	Not available		
Claim Denial Rate ^{2,3}	19.5%	13.4%	11.7%			
Claims Filed % Change Year over Year		5.6%	-3.0%	-3.9%	2.4%	0.1%
Claims Approved % Change Year over Year		-1.8%	6.4%	Not available		

1. Sources: TDI Annual Update 2014, 2015, 2016, 2017, 2018, & 2019. The reports for CY 2017–2019 report “pending claims” so we cannot calculate the final claim denial rate for these years. Reports retrieved from <https://dlt.ri.gov/lmi/datacenter/uitdi.php>
2. In Rhode Island, claims were ineligible due to insufficient wages, technical requirements of the program, or the illness being “non-disabling.”
3. IMPAQ calculations for Claim Denial Rate: (Claims Filed – Claims Approved)/(Claims Filed)

Figure 11 displays a range of assumptions across states on the time required to process PFML claims.

Figure 11. Claim Processing Time Assumptions

	Data Source	Claim Processing Assumptions
Projected Programs	MN Feasibility Study (2015)	Process the majority of claims within 14 days
	MT Feasibility Study (2015)	2 claims per day per division employee, based on the processing time for claims in their UI division
Existing Programs	NJ program ¹	Goal: Process 65% of family leave initial determinations within 2 weeks of receipt
	RI program ²	Customer service reps process 9 paper or 12 online applications per hour
	WA program ³	Goal: Process all claims within 14 days

1. Source: Family Leave Insurance Workload in 2016 Summary Report: <https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/TDI%20Report%20for%202016.pdf>
2. Source: Connecticut Feasibility Study (2016). Retrieved from <https://fmli.files.wordpress.com/2014/09/implementation-study.pdf>
3. Source: <https://www.columbian.com/news/2020/jan/28/washingtons-paid-family-leave-program-gets-many-applicants>

Figure 12 displays the claims-per-FTE-per-year metric across states (IMPAQ calculation). This metric takes into account the full program staff, including non-claims-processing staff like the program director and IT support staff. In the top panel, the claims-per-FTE-per-year metric ranged from 425 to 2,311 in fiscal notes

and feasibility studies. For existing program (bottom panel), the claims-per-FTE-per-year ranged from 717 in California to 1,130 in New Jersey.

Figure 12. Average Claims-Per-FTE-Per-Year

	Data Source	Claims Processed Per FTE ⁶ (IMPAQ calculation)	FTEs	# of New Claims Processed
Projected Costs	CO Fiscal Note (2018)	N/A ¹	211.1	(# leaves = 93,388) ¹
	CT Feasibility Study (2016)	N/A ¹	121.0	(# leaves = 100,000) ¹
	DC Fiscal Note (2016)	N/A ¹	113.0	(# leaves = 34,850) ¹
	MT Feasibility (2015)	534	29.0	15,500
	NE Fiscal Note (2017)	2,311	45.5	105,139
	VT Feasibility Study (2017)	425	36.5	15,525
	WA Fiscal Note (2016)	N/A ¹	111.4	(# leaves = 39,863) ¹
Existing Programs	CA program in 2015 ²	717	1,300	932,428
	NJ program in 2014 ³	1,130	182	205,598
	RI program in 2016	809	58 ⁴	46,940 ⁵
	DC 2019 Q1 Progress Report	unavailable	124 ⁷	unavailable

1. The study only mentions the expected number of leaves granted, rather than the number of new claims processed (leaves granted + claims denied). The claims-processed-per-FTE metric is not calculated.
2. Source: DC Fiscal Impact Statement. Reflects the full PFML program, which includes the original TDI program and the family leave add-on. Retrieved from <https://cfo.dc.gov/release/fiscal-impact-statement-universal-paid-leave-amendment-act-2016>
3. Source: Minnesota Feasibility Study (2015). Includes the original TDI program and the family leave add-on. The staff of 182 FTEs includes 142 FTEs for the state plan and 41 FTEs for the voluntary/private plan.
4. Source: Connecticut Feasibility Study (2016). Reflects the full PFML program, which includes the original TDI program and the family leave add-on. Retrieved from <https://fmli.files.wordpress.com/2014/09/implementation-study.pdf>
5. Source: TDI Annual Update 2017. Retrieved from <http://www.dlt.ri.gov/lmi/pdf/tdi/2017.pdf>
6. All program FTEs are included in the calculation. This includes non-claims-processing staff like the program director and IT support staff.
7. Anticipated staffing to be in place by July 1, 2020 and anticipated number of claims.

APPENDIX A: DATA SOURCES BY STATE

State	Source
California	<p>Employment Development Department (EDD) Disability Insurance Program Statistics. Disability Insurance Program Statistics. Retrieved from https://www.edd.ca.gov/About_EDD/pdf/qsdi_DI_Program_Statistics.pdf</p> <p>EDD Paid Family Leave Program Statistics. Paid Family Leave (PFL) Program Statistics. Retrieved from https://www.edd.ca.gov/About_EDD/pdf/qspfl_PFL_Program_Statistics.pdf</p>
Colorado	<p>Fiscal Note (2018). TrackBill. (2018). CO-HB1001. Retrieved from https://trackbill.com/bill/colorado-house-bill-1001-famli-family-medical-leave-insurance-program/1514906</p>
Connecticut	<p>Feasibility Study (2016). Glynn, S. J., Goldin, G. Hayes, J. (2016). Implementing Paid Family and Medical Leave Insurance Connecticut. Retrieved from https://fmli.files.wordpress.com/2014/09/implementation-study.pdf</p>
District of Columbia	<p>Fiscal Impact Statement (2016). DC Office of the Chief Financial Officer. (2016). Fiscal Impact Statement: Universal Paid Leave Amendment Act of 2016. Retrieved from https://cfo.dc.gov/release/fiscal-impact-statement-universal-paid-leave-amendment-act-2016</p> <p>Economic and Policy Impact Statement (2016). Office of the Budget Director, Council of the District of Columbia. Universal Paid Leave Amendment Act of 2016. Retrieved from http://lims.dccouncil.us/Download/34613/B21-0415-Economic-and-Policy-Impact-Statement-UPLAA3.pdf</p> <p>FY 2020–FY 2025 Capital Improvements Plan (2019). Office of the Chief Financial Officer. Retrieved from https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/DC_2020_OCFO_Budget_Vol_5.pdf</p> <p>FY 2021 Approved Budget and Financial Plan Volume 6 Operating Appendices (2020). Office of the Chief Financial Officer. Retrieved from https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/DC_OCFO_Budget_Vol_6-Bookmarked-9-1-2020.pdf</p> <p>Progress Reports (2018): DC Department of Employment Services. Paid Family Leave Quarterly Progress Reports (2018). Retrieved from Universal Paid Family Leave Q1 FY 18 Report Universal Paid Family Leave Q2 FY 18 Report Universal Paid Family Leave Q3 FY 18 Report Universal Paid Family Leave Q4 FY 18 Report Universal Paid Family Leave Q1 FY 19 Report Universal Paid Family Leave Q2 FY 19 Report Universal Paid Family Leave Q3 FY 19 Report Universal Paid Family Leave Q4 FY 19 Report</p>
Minnesota	<p>Feasibility Study (2016). University of Minnesota. (2016). Paid Family & Medical Leave Insurance: Options for Designing and Implementing a Minnesota Program. Retrieved from https://mn.gov/deed/assets/paid-family-medical_tcm1045-300604.pdf</p>
Montana	<p>Feasibility Study (2015). Montana Budget and Policy Center. (2015). Helping People Balance Work And Family: It’s Within Montana’s Reach. Retrieved from https://montanabudget.org/report/helping-people-balance-work-and-family</p> <p>Error! Hyperlink reference not valid.</p>
Nebraska	<p>Fiscal Note (2017). Nebraska Legislature. (2017). LB305 - Adopt the Paid Family Medical Leave Insurance Act. Retrieved from https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=30964</p>
New Jersey	<p>Family Leave Insurance Workload Summary Reports 2016 & 2018. New Jersey Department of Labor and Workforce Development. Family Leave Insurance Workload Summary Report. Retrieved from https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/FLI%20Summary%20Report%20for%202016.pdf https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/FLI%20Summary%20Report%20for%202018.pdf</p>

	<p>Temporary Disability Insurance Workload Summary Report in 2014, 2016, & 2018. New Jersey Department of Labor and Workforce Development. Temporary Disability Insurance Workload Summary Report. Retrieved from https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/TDI%20Report%20for%202014.pdf https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/TDI%20Report%20for%202016.pdf https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/TDI%20Report%20for%202018.pdf</p>
Rhode Island	<p>TDI Annual Update 2014, 2015, 2016, & 2017. Rhode Island Department of Labor and Training. TDI Annual Update. Retrieved from https://dlt.ri.gov/documents/pdf/lmi/2014.pdf https://dlt.ri.gov/documents/pdf/lmi/2015.pdf https://dlt.ri.gov/documents/pdf/lmi/2016.pdf https://dlt.ri.gov/documents/pdf/lmi/2017.pdf</p>
Vermont	<p>Feasibility Study (2016). IMPAQ International. (2016). Vermont Paid Family and Medical Leave Feasibility Study. Retrieved from http://women.vermont.gov/node/740</p>
Washington State	<p>Fiscal Note (2016). Washington Office of Financial Management. HB 1273 Family & Medical Leave Insurance Fiscal Note (2016) Final. Retrieved from https://fnspublic.ofm.wa.gov/FNSPublicSearch/GetPDF?packageID=43932</p> <p>2017–19 Operating Budget. Washington Office Budget Bills and Documents. (2017, June 30). SSB 5883. Retrieved from http://leap.leg.wa.gov/leap/Budget/Detail/2017/2017195883-S.PL.pdf</p> <p>2017–19 Operating Budget Supplemental Operating Budgets Agency Detail. (2017, June 30). PSSB 5883. Retrieved from http://leap.leg.wa.gov/leap/Budget/Detail/2017/hoAgyDetail_0630.pdf</p> <p>HB 1109: 2019–20. Making 2019–2021 biennium operating appropriations. Bill As Passed Legislature. (2019). Retrieved from http://lawfilesexternal.leg.wa.gov/biennium/2019-20/Pdf/Bills/House%20Passed%20Legislature/1109-S.PL.pdf</p> <p>Washington Investment Plan (2018). Washington Office of the Chief Information Officer. (2018). Retrieved from https://waocio.secure.force.com/ProjectDetail?id=a060P00000hVirDQAC</p>

APPENDIX B: EXAMPLE OF AN ADMINISTRATIVE COST TABLE

WA State Fiscal Note: HB 1273 Family & Medical Leave Insurance	FY 17		FY 18		FY 19		FY 20		FY 21		TOTAL
	FTEs	\$K	FTEs	\$K	FTEs	\$K	FTEs	\$K	FTEs	\$K	\$
Program Implementation & Admin											
Family leave program planning staff	4.5	453	4.5	453							\$ 906
UI staff assistance	1.4	171	1.4	171							\$ 342
Rulemaking & policy	2.5	266	1.0	126							\$ 392
One-time printing				48							\$ 48
Start-up communications and outreach	1.5	193	2.0	748	1.0	1,189					\$ 2,130
One-time medical consultant		102									\$ 102
One-time facilities' costs	-	1,424	-								\$ 1,424
Rent & utility	-	555		549							\$ 1,104
Indirect-cost allocation	1.9	123	1.8	73							\$ 196
IT Systems											
IT staff (development, testing, warehouse)	13.6	1,649	12.8	1,535	-	-					\$ 3,184
IT contract project manager & quality assurance (QA) consultant	-	0	-	0	-	-					
IT equipment	-	2,129	-	413	-	413					\$ 2,955
Totals:	25.4	\$7,065	23.5	\$4,116	1.0	\$1,602					\$12,783

Ongoing (\$ in thousands)	FY 17		FY 18		FY 19		FY 20		FY 21		TOTAL
	FTEs	\$K	FTEs	\$K	FTEs	\$K	FTEs	\$K	FTEs	\$K	\$K
Benefits											
Claims handling and document mgmt.					57.6	4,362	88.3	6,689	93.1	7,050	18,101
Phones and language lines						228		378		408	1,014
Appeals											
Appeals					2.3	1,879	3.7	2,139	4.0	2,309	6,327
Fraud/Collections											

	FY 17		FY 18		FY 19		FY 20		FY 21		TOTAL
Investigations and collections					3.3	278	5.5	449	6.0	478	1,205
Program Implementation & Admin											
Communications and outreach							1.0	667	1.0	667	1,334
Printing and mailing						784		1,279		1,382	3,445
Treasury					0.7	57	1.2	92	1.2	92	241
Rent and utilities						549		549		549	1,647
Advisory Committee											-
Indirect-cost allocation					4.8	1,874	7.3	2,794	7.7	2,941	7,609
IT Systems											
IT staff (ongoing maintenance)					4.4	534	4.4	535	4.4	535	1,604
IT equipment maintenance					-	-	-	250	-	250	500
Data sharing and transactions					-	-	-	14	-	14	28
Totals:	-				73.1	\$10,545	111.4	\$15,835	117.4	\$16,675	\$43,055

SUMMARY	FY 17		FY 18		FY 19		FY 20		FY 21		Total
	FTEs	\$K	FTEs	\$K	FTEs	\$K	FTEs	\$K	FTEs	\$K	\$K
Start-up	25.4	\$7,065	23.5	\$4,116	1	\$1,602	-	\$0	-	\$0	\$12,783
Ongoing	-	\$0	-	\$0	73.1	\$10,545	111.4	\$15,835	117.4	\$16,675	\$43,055
Totals:	25.4	\$7,065	23.5	\$4,116	74.1	\$12,147	111.4	\$15,835	117.4	\$16,675	\$55,838

Source: Washington Office of Financial Management. HB 1273 Family & Medical Leave Insurance Fiscal Note (2016) Final. Retrieved from <https://fnspublic.ofm.wa.gov/FNSPublicSearch/GetPDF?packageID=43932>

APPENDIX C: STAFFING UNITS
Figure C1. Washington State Fiscal Note Staffing Units

Description	Total FTEs During 3 Years of Start-Up
Family-leave program planning staff	9.0
UI staff assistance	2.8
Rulemaking & policy	3.5
Start-up communications and outreach	4.5
IT staff (development, testing, warehouse)	26.4
IT contract project manager & QA consultant	0.0
Other admin (indirect-cost allocation)	3.7
Total	49.9
Description	Annual FTEs Ongoing Operations (Year 4)
Claims handling and document mgmt.	88.3
Appeals	3.7
Fraud investigations and collections	5.5
Communications and outreach	1.0
Treasury	1.2
Advisory Committee	0.0
Indirect-cost allocation	7.3
IT staff (ongoing maintenance)	4.4
Total	111.4

Source: Washington Office of Financial Management. HB 1273 Family & Medical Leave Insurance Fiscal Note (2016) Final. Retrieved from <https://fnspublic.ofm.wa.gov/FNSPublicSearch/GetPDF?packageID=43932>

Figure C2. Nebraska Fiscal Note—Claims Processing Staff in Operational Phase

Position Title	Annual FTEs Ongoing Operations
Labor Law Specialist	2.0
Field Representative	2.0
Adjudicator	24.0
Claims Specialist	2.0
Program Supervisor	2.0
Benefits Administrator	1.0
Accountant II	0.5
Accountant III	1.0
Attorney III	1.0
Staff Assistant I	1.0
Total	36.5

Source: Nebraska Legislature. (2017). LB305 - Adopt the Paid Family Medical Leave Insurance Act. Retrieved from https://nebraskalegislature.gov/bills/view_bill.php?documentid=30964

Figure C3. Rhode Island TDI Program Staff (Source: Connecticut Feasibility Study)

Position Title	Annual FTEs Ongoing Operations
Customer service reps	24
Medical unit that reviews medical claims	12
Record & document management	7
Registered nurses	3
Front desk	2
Outreach, administrative, internal functions (legal, human resources)	10
Total	58

Source: Glynn, S. J., Goldin, G. Hayes, J. (2016). Implementing Paid Family and Medical Leave Insurance Connecticut. Retrieved from <https://fmli.files.wordpress.com/2014/09/implementation-study.pdf>

Figure C4. Colorado Fiscal Note Positions Listed

Position Title
Program Director
Deputy Director
Director's Assistant
Management-level staff
Initial eligibility & claims clerks
Appeals clerks
Research analysts
Employer payment clerks
Outreach support staff
Auditors
Administrative assistants
File clerks
Hearings Division

Source; TrackBill. (2018). CO-HB1001. Retrieved from <https://trackbill.com/bill/colorado-house-bill-1001-family-medical-leave-insurance-program/1514906>

Figure C5. DC Fiscal Note Positions Listed

Position Title
Claims specialists
Customer service
Medical/insurance experts
Management

Administrative law judges
Tax processors
Claims specialists

Source: DC Office of the Chief Financial Officer. (2016). Fiscal Impact Statement: Universal Paid Leave Amendment Act of 2016. Retrieved from <https://cfo.dc.gov/release/fiscal-impact-statement-universal-paid-leave-amendment-act-2016>

Figure C6. Connecticut Feasibility Study: Staff at Full Operating Capacity

Description	Annual FTEs Ongoing Operations (Year 4)
Director	1
Assistant to Director, clerical	1
Labor Market Statistician	1
Customer service supervisors	3
Customer service representatives	65
Clinical customer service representatives	26
Registered nurses	5
Physician Consultant	1
Record/document management	10
Program coordination with UI and Workers' Comp.	4
Board of Review	1
Communications/Outreach	1
Legal	2
Total	121

Source: Glynn, S. J., Goldin, G. Hayes, J. (2016). Implementing Paid Family and Medical Leave Insurance Connecticut. Retrieved from <https://fmli.files.wordpress.com/2014/09/implementation-study.pdf>

Figure C7. Vermont Feasibility Study

Description	Total FTEs During 2 Years of Start-Up	Annual FTEs Ongoing Operations (Year 3)
Program Staff		
Director	2.0	1.0
Office Manager	2.0	1.0
Policy Development Team	4.0	2.0
Communications & Outreach Coordinator	2.0	1.0
Administrative Support	2.0	1.0
Health Systems Physician	1.0	0.0
IT Administrator (a systems administrator to maintain the claims processing infrastructure)	0.3	1.0
IT Analyst & Information Coordinator (a database analyst for producing reports on the PFML program)	0.3	1.0
IT Support (desktop support person for supporting the unit's staff)	0.3	1.0
IT Implementation (during start-up)		
IT Staff (development, testing, warehouse)	27.0	0.0
Ongoing Claims Administration		
Customer Service Supervisors	0.5	2.0
Claims Specialist	3.8	15.0
Claims Adjudicator	1.9	7.5
Clinical Consultants/Registered Nurses	0.5	2.0
Compliance & Fraud	0.3	1.0
TOTAL	47.9	36.5

Source: IMPAQ International. (2016). Vermont Paid Family and Medical Leave Feasibility Study. Retrieved from <http://women.vermont.gov/node/740>

ENDNOTES

ⁱ The specifics of PFML programs vary across states, but these programs generally provide partial wage reimbursement for a set number of weeks in the leave categories covered under the Family and Medical Leave Act of 1993. Source: United States Department of Labor Wage and Hour Division. Family and Medical Leave Act. Retrieved from <https://www.dol.gov/whd/fmla>

ⁱⁱ Glynn, S. J., & Bradley, A. L., & Veghte, B. W. (2017). Paid Family and Medical Leave Programs: State Pathways and Design Options. *National Academy of Social Insurance*. <https://www.nasi.org/research/2017/paid-family-medical-leave-programs-state-pathways-design>

ⁱⁱⁱ National Partnership for Women and Families (2019). "State Paid Family and Medical Leave Insurance Laws. Retrieved from <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/state-paid-family-leave-laws.pdf>

^{iv} A Better Balance (2020). "Comparative Chart of Paid Family and Medical Leave Law in the United States." Retrieved from <https://www.abetterbalance.org/resources/paid-family-leave-laws-chart>

^v For example, Figures 4 and 8 in this document categorize planned budget line items across state documents into the categories of IT, program management/planning, claims processing, outreach, and other expenses. Each document used its own lexicon to describe its planned costs and staffing structure and offers varied levels of detail. The IMPAQ team rolled up costs as consistently as possible. Occasionally a line item was ambiguous, such as "indirect-cost allocation," and the IMPAQ team used the surrounding context to make an educated guess about the most appropriate category for that particular line item.

^{vi} *WA Fiscal Note (2016)*: Washington Office of Financial Management. HB 1273 Family & Medical Leave Insurance Fiscal Note (2016) Final. Retrieved from <https://fortress.wa.gov/ofm/fnspublic/FNSPublicSearch/Search/1273/64>

NE Fiscal Note (2017): Nebraska Legislature. (2017). LB305 - Adopt the Paid Family Medical Leave Insurance Act. Retrieved from https://nebraskalegislature.gov/bills/view_bill.php?documentid=30964

CO Fiscal Note (2018): TrackBill. (2018). CO-HB1001. Retrieved from <https://trackbill.com/bill/colorado-house-bill-1001-famli-family-medical-leave-insurance-program/1514906>

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CT Feasibility Study (2016): Glynn, S. J., Goldin, G. Hayes, J. (2016). Implementing Paid Family and Medical Leave Insurance Connecticut. Retrieved from <https://fmli.files.wordpress.com/2014/09/implementation-study.pdf>

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^{xxi} In addition, the *Minnesota Feasibility Study (2015)* notes that California has 12 dedicated staff positions for the private plan option (separate from 1,200 staff positions for the state plan) and New Jersey has 41 staff positions for its private plan option (separate from 141 staff positions for the state plan).

^{xxii} Glynn, S. J., & Bradley, A. L., & Veghte, B. W. (2017)

^{xxiii} *VT Feasibility Study (2016)*

^{xxiv} *CT Feasibility Study (2016)*

^{xxv} *MN Feasibility Study (2016)*

^{xxvi} Notably, a claim that is denied is different from a fraudulent claim. Claims that are denied are deemed ineligible due to the PFML program rules. Fraudulent claims occur when an applicant provides false information to misrepresent their eligibility. Fraudulent claims are far rarer than denials. For example, the California PFML program investigated 129 claims for fraud in 2016 out of the roughly 900,000 claims approved (California Employment Development Department. Fraud Deterrence and Detection Activities: A Report to the California Legislature. Retrieved from https://www.edd.ca.gov/About_EDD/pdf/Fraud_Deterrence_and_Detection_Activities_2018.pdf