

Washington DC's new Paid Family Leave law

Effective July 1, 2020



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Background

- Walmart offers a variety of options to associates who need time away from work.
- Sedgwick, our administrator for leave of absence, disability, and ADA, works directly with associates who request a leave or an accommodation.

Leave of Absence 101

What's Leave of Absence?

Leave of absence (LOA) is when an associate takes time away from work for a specific reason. An LOA must be requested and approved, and it can be paid or unpaid based on the reason for the leave and the benefits offered. Associates on leave may have job protection through federal or state laws.

Types of leave

Family and medical leave

Eligible associates can take leave due to:

- The birth and care of a child within 12 months of birth
- The adoption or foster placement and care of a child within 12 months of placement
- Caring for a family member with a serious health condition
- Their own serious health condition

Military leave

Associates in the military can take leave due to:

- Active duty
- Training
- Full-time National Guard duty
- Examinations to determine fitness for duty
- Funeral honors duty
- Homeland security duty
- Attending a military service academy
- Any other military duty or training under orders from appropriate federal or state authorities

Types of leave

Personal leave

Associates who don't qualify for a federal or state leave law can still request leave for a variety of reasons:

- Medical, Family Care, or Extended Family Member care not covered by federal or state laws because benefits or eligibility have been used up
- Workers' Compensation
- Expatriate Spouse
- Military Spouse/Partner
- Reassignment due to ADA
- Pharmacy Intern
- Bereavement
- Transfer
- Education
- Compelling Reason

What's the Washington DC Paid Family Leave (PFL) Law?

- DC PFL is a **PAID** leave managed by the District. It provides time away for bonding, caring for a family member, or caring for your own health condition.
 - Bonding: 8 weeks
 - Caring for a family member: 6 weeks
 - Caring for your own condition: 2 weeks
- Benefits start **July 1, 2020**.
- The weekly benefit for PFL may be **up to 90%** of the associate's gross wages. There's a weekly cap at \$1,000. Sedgwick will coordinate pay based on what the District pays.
This helps ensure that the associate gets the same benefit amount they would under the Walmart benefits.
- To be eligible, associates must spend more than 50% of their working time in DC.
- DC PFL is **NOT** job-protected, but the associate may still qualify for job protection through FMLA or one of Walmart's Leave policies.
- DC PFL is funded by contributions made by employers.

Details for DC PFL

Eligibility	<p>You need to spend 50% or more of your time working in the District in the qualifying period to receive paid leave benefits. The qualifying period is either:</p> <ul style="list-style-type: none">• The first four of the last five completed calendar quarters;• or the last four completed calendar quarters
Entitlement	<ul style="list-style-type: none">• Medical leave-up to 2 weeks: Care for your own serious illness or injury• Bonding leave-up to 8 weeks: Caring for and bonding with a child after the birth or placement of a child younger than 18• Family care leave-up to 6 weeks: Care for a qualified family member with a serious health condition or injury
Qualifying reasons	<p>An associate's qualifying family member can be a:</p> <ul style="list-style-type: none">• Child (biological, adopted, foster child, stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status)• Parent (biological, adoptive, de facto, foster parent, stepparent, or legal guardian of an employee or the employee's spouse, or an individual who stood in loco parentis to an employee when the employee was a child)• Spouse (husband, wife, or state-registered domestic partner) of an associate• Sibling (biological, half-, step-, adopted, foster, or sibling-in-law of the eligible associate)• Grandparent (the associate's parent's parent)
Usage	<p>Leave can be taken continuously or intermittently. For intermittent leave: the minimum claim duration is one day. When claims are reported, intermittent dates must be reported at the start of the claim. No work can be done on days reported as intermittent absences.</p>

Reminder:

- ✓ If an associate has multiple events in a year, the associate is only eligible to receive up to eight weeks of leave per rolling 52 weeks.
- ✓ Associates who have 12 months of service and have worked 1,250 hours in the year before the first date of leave are job-protected: they are entitled to reinstatement and are entitled to continue their health insurance if they pay their share of the premiums.

Associate impact and payment

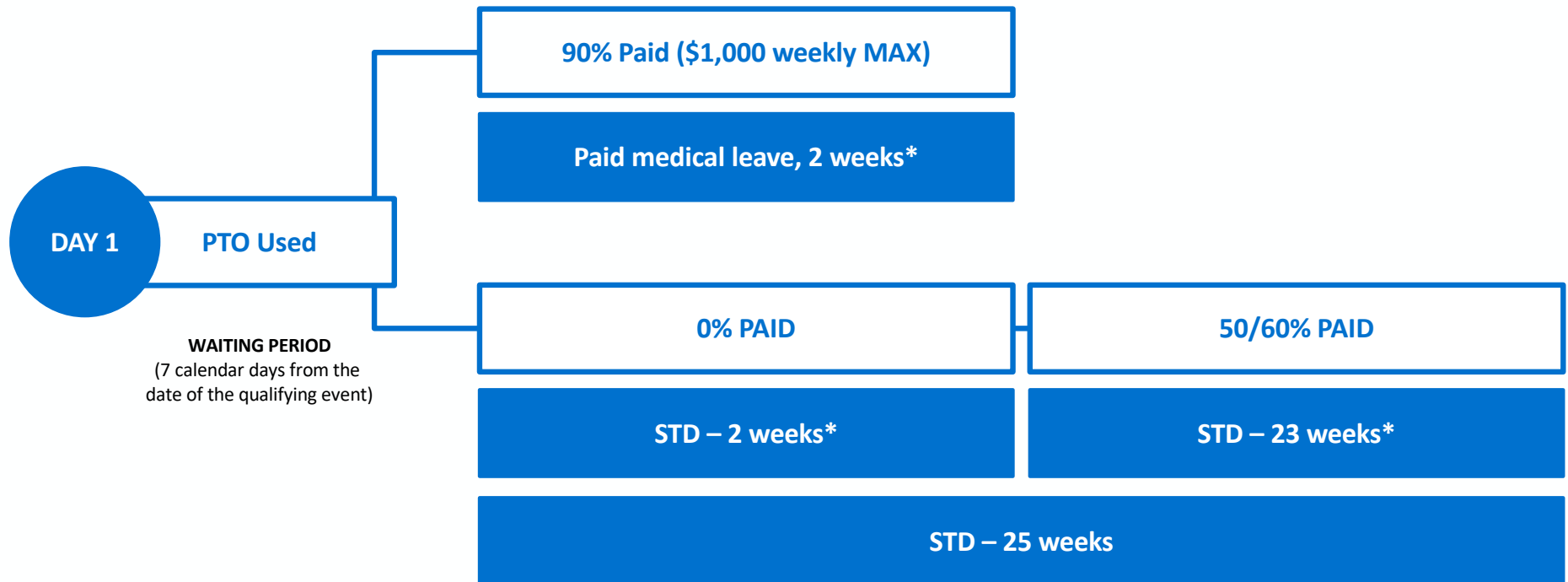
- Part-time and temporary associates who have a qualifying event can now take paid leave.
- Full-time hourly, salaried, and driver associates keep their same benefits, but may receive two payments—one from Walmart and one from the District.
- For full-time associates in Washington DC, short-term enhanced disability rates will decrease starting 7/1/2020.
- In the District, associates must file for family or medical leave within **90 days** of the qualifying event to get the paid leave benefit. They have up to **52 weeks** to file a claim for a qualifying parental leave event. However, the associate must still contact Sedgwick after missing three days of work.

How pay works with DC PFL

- Waiting Period: associates must meet a seven-calendar day waiting period before receiving paid leave benefits from the District.
 - Those are the seven days immediately following the qualifying event.
 - There may be times when the waiting period is met before the associate applies for leave. For example, if an associate has a qualifying injury on 8/1 that requires surgery, and they work up until the surgery on 8/15, then the waiting period has already been met.
 - There's only one waiting period per rolling 52 week.
 - If an associate has multiple paid leaves within a year, they'll only have one waiting period following their first leave.
 - PTO can be used during the waiting period if the associate is unable to work.
- Eligible associates can get partial wage replacement through DC PFL. Pay for short-term disability and other Walmart paid benefits will still be available for associates to use along with their DC PFL, not to exceed 100% of their earnings.
- Because the Walmart benefits will be reduced by the amount of the DC benefits, associates need to make sure they can cover their benefit premiums with their paycheck or through payments to People Services.
- Sedgwick will begin reducing the company benefit by the estimated amount of the DC benefits from the beginning of the leave, regardless of whether the associate applies with the district. Therefore, it's important that the associate applies for benefit as soon as possible, so they receive their full benefit amount.

What's the new pay process?

DC Full Time Hourly STD example



* Time could vary depending if multiple events occur in a year.

How to take leave with DC PFL

- Step one: contact Sedgwick
 - As with all leaves, talking to Sedgwick is the first step. If the absence is planned, notify Sedgwick 30 days before the leave. If it's unplanned, notify Sedgwick within three days of the first absence.
 - Sedgwick may require supporting documentation.
 - Sedgwick will pay the associate their Walmart benefits at a reduced rate, coordinating with the District benefits. They'll be estimating what the District pays until the associate provides the award letter they receive from the District.
 - Sedgwick will continue to communicate with the associate about the leave.
 - Sedgwick will help with the associate's return to work, including any requests for accommodation.

How to take leave with DC PFL (contd.)

- Step two: contact the district
 - After a qualifying event, associates can file a claim for paid leave benefits with the Office of Paid Family Leave via the online portal (dcpaidfamilyleave.dc.gov)
 - The District will require associates to submit supporting documentation and proof of ID either online or by mail.
 - When filing, the associate will be asked for the contact name and email address of a supervisor. The District uses this information to notify Walmart about the associate's application and status of the leave. Please make sure your associate has the correct email address when they apply for DC PFL.
 - If applying online or downloading online documents, associates will need to set up an account.
 - The District will notify Walmart of leave dates and leave type for the DC PFL benefit. The District will notify the associate of the benefit amount they're eligible for.
 - The District will make a determination on the claim within 10 business days of being filed. If approved, the first payment will be made within 10 business days of the determination of eligibility.

What do you need to do?

- Visit the Leave of Absence playbook at One.Walmart.com/LeadershipGuide for general information about leaves. You'll also find the DC PFL Talking Points for more details.
- Be aware that eligible associates who have a leave that started before July 1, 2020 with a continuation after July 1, 2020, may be eligible to receive benefits under this new program, including intermittent leaves.
- Post the notice about Paid Family Leave in a place that's accessible for all associates.
- Talk to your associates about Paid Family Leave when they're hired, as an annual reminder, and whenever the need for PFL comes up.

Thank you.

