



Talking points for the new Washington PFML

Paid Family and Medical Leave (PFML) is a statewide paid leave program that gives Washington State associates time away from work to care for themselves and their family members during life's most trying times. As we get ready to officially introduce this new benefit to our associates, we put together these talking points to help you answer their questions.

General Program Details:

- The Washington PFML program is funded by a payroll tax. The cost of this tax is shared by Walmart and our associates.
- PFML deductions started on Jan. 1, 2019.
- How contributions are calculated:
- The total premium for the PFML program equals 0.4% of an associate's gross wages as shown on their biweekly paycheck (premium withholdings are capped at Social Security cap, \$132,900 in 2019). The total premium funds both medical and family care leave. Here's how it's divided.
 - Associate's cost: 63.33%
 - Employer's cost: 36.67%

Example:

An associate earned \$800 gross pay in a single pay period. First, calculate the associate's total premium, 0.4% of their pay:

$$- \$800 \times .004 = \$3.20$$

Second, calculate the maximum associate and minimum employer shares.

Maximum associate share

$$- \$3.20 \times .6333 = \$2.03$$

– \$2.03 is the total maximum associate share of the premium.

Minimum employer share

$$- \$3.20 \times .3667 = \$1.17$$

The associate contributes \$2.03. The employer contributes \$1.17.

- The law requires that all associates working in Washington pay into the program, regardless of length of service or employment classification. Associates who transfer to Washington from another state will not have to pay a deduction for wages they earned before working in Washington.

PFML Benefits

- **Eligibility:** All associates who work in Washington are eligible for PFML if they work 820 hours or more in the qualifying period. The qualifying period is generally the first four of the last five completed calendar quarters starting from when the associate makes a claim for benefits. If eligibility isn't established using that qualifying period, the last four completed quarters before the date of the application for leave will be used.
- **Timing:** Eligible associates can access PFML program benefits starting Jan. 1, 2020, for medical and family care leave reasons.
 - Associates who are on FMLA or LOA before Jan. 1, 2020 and whose leave extends through that date will need to request WA PFML from the state on or after Jan. 1, 2020. Associates will see a reduction in their Walmart paid STD, parental leave, or caregiver leave benefits after Jan. 1, 2020 to accommodate the WA PFML paid benefit. Sedgwick will send a letter to associates letting them know they need to request WA PFML benefits on or after Jan. 1, 2020.
 - If an associate has already taken parental leave with Walmart in 2019, they're still eligible for WA PFML in 2020, as long as it's within 12 months of the birth. Please note, if the associate has already used their Walmart Parental Pay benefit, they won't receive any additional pay from Walmart.
- **Qualifying Leave Events:**
 - Medical Leave: Care for yourself in relation to a serious illness or injury Family Care Leave:
 - Care and bonding after a baby's birth or placement or a child younger than 18
 - Care for a qualified family member experiencing a serious health condition or injury
 - Certain military-related events

There's a waiting period for medical leave following the birth of a child, but not for bonding leave.

- **Length of Leave:** Eligible associates can generally receive a combined total of up to 12 weeks of leave with wage replacement during a 52-week claim period. Time can be taken in a continuous block or intermittently.
 - Medical Leave: 12 weeks
 - Family Care Leave: 12 weeks
 - Military Events: 12 weeks

If an associate has multiple leave events in a year, they may be eligible to receive a total of up to 16 weeks of leave, or 18 weeks if pregnancy is involved.

- **Benefits:** The weekly benefit amount is up to 90% of an associate's earnings, with maximum weekly benefit of \$1,000.
- **Job Protection:** Sedgwick will communicate job protection status to the facility. However, if the facility receives a determination letter from the state, the letter should be shared with Sedgwick so they can make a final determination on job protection.

The weekly benefit amount is based on a percentage of the associate's average weekly wage, which is determined by the Washington State Employment Security Department (ESD).

Associates who have 12 months of service and have worked 1,250 hours in the year before the first date of leave can return to their jobs and continue their health insurance if they pay their share of the premiums while on leave.

Requesting Leave (After Jan. 1, 2020)

- To request leave, associates must contact Sedgwick, who will help them with the PFML process. Depending on the request, supporting documentation may be required. Associates should be sure to follow the normal call-in procedure for absences.
- Associates also need to file a claim with Washington's ESD, including any required medical documentation. The state will accept employer-provided forms for some leave types, but additional medical certification may be needed. The required documents for ESD are identification and the Certification of a Serious Health Condition form. Employees

can also use the federal FMLA form for leave related to their own serious health condition or to care for a family member's serious health condition, but it's not required for bonding leave.

- Associates can expect to be notified of their status within 14 calendar days of filing their application, unless more information is needed.

Benefit Payments (Starting Jan. 1, 2020)

- After an associate files a claim with ESD, the state will provide a determination letter. Once that happens, the associate will need to provide the determination letter to Sedgwick.
- ESD will be delivering payments directly to associates via direct deposit or pre-paid debit card.
- Associates can expect to receive their benefits within 14 calendar days of a decision to approve a claim.
- Walmart can't guarantee payment on behalf of the state.
- Because the payment comes from Washington, any federal tax issues are between the associate and the state.
- Any payments owed by Walmart will continue to be paid on our payroll cycle.

Benefit Coordination

- PFML doesn't replace any existing leave and accommodation laws. We still need to comply with the Family Medical Leave Act (FMLA) and the Americans with Disabilities Act (ADA), when applicable. However, the WA-FMLA will be repealed on Dec. 31, 2019.
- Associates will still be offered short-term disability or short-term disability enhanced coverage for up to 26 weeks, because PFML doesn't cover associates' medical leave beyond twelve weeks, unless pregnancy is involved. Walmart will coordinate short-term disability with the state benefit.
- Short-term disability benefits and WA PFML run concurrently when applicable. Once WA PFML runs out, the Walmart short-term disability benefit will resume until 25 weeks have been used (including the WA PFML duration).
- Associates don't need to exhaust their PTO before applying for PFML. They can, however, use PTO to get paid during the waiting period.
- Associates may use PTO on top of their PFML benefit, but should be aware this will reduce or eliminate the amount of the state benefit.
- If PFML, FMLA, or ADA are applicable, they'll run concurrently.
- Associates can apply for both PFML and Walmart paid leave benefits at the same time. However, we will coordinate Walmart paid leave benefits with the state benefits. The amount of the benefit under Walmart's paid leave benefits will be reduced by the PFML amount. This helps make sure eligible associates don't have a gap in coverage and they don't receive more than 100% of their pay.

Shared Responsibilities

- We're required to give certain types of notice to associates:
 - Compliance will distribute a poster once it's provided by the state. Poster must be placed in an area accessible to all associates.
 - Notice must be provided to all new hires, to associates who indicate they may need leave for a PFL reason, and to all associates annually.
 - Notices are required when associates are out for qualifying reasons.
- You should keep any and all records of PFML requests.
- For more information, go to the state website: <https://esd.wa.gov/paid-family-medical-leave>