

PFMLI Advisory Committee

April 6, 2022

1:00 pm – 3:00 pm

ZoomGov - <https://www.zoomgov.com/j/1603758108>

Agenda

<i>Members</i>		Time	Docket #	Topic	Purpose	Presenter
Karen Humelbaugh David Gerstenfeld Jeannine Beatrice Amanda Dalton Jenny Dresler Linda Herrera Eric Hunter		1:00 pm	1.0	Welcome	Inform	Karen Madden Humelbaugh &
			1.1	Member Roundtable		David Gerstenfeld
			1.2	Agency & Program Updates		
			1.3	Approval of Jan-March Meeting Notes		
Andrea Paluso		1:30 pm	2.0	FAST demo	Inform	Kris Araki
Eva Rippeteau		1:55 pm	3.0	Legislative Concepts Updates	Discuss	Shannon Ball
Paloma Sparks		2:30 pm	4.0	Equivalent Plans Update	Inform	Kaitlynn Chritton
Jessica Giannettino			5.0	Supplemental Documents	Inform	
			5.1	Communications Update		

PFMLI Advisory Committee Docket

Docket Item:

1.3 – Previous Advisory Committee Meeting Notes (January, February, March)

Docket Summary:

Karen Madden Humelbaugh asks committee members if they have any edits to the notes from the January, February or March meeting notes. After feedback is addressed, the committee will vote on whether to approve the notes.

Docket Materials:

PDF – PFMLI Advisory Committee Notes Jan-March

Staff Recommendation:

Approve notes.

Meeting:	Advisory Committee						
Date/time:	1/5/2022 1:00 pm (Virtual)						
Location:	<p>Advisory Committee meetings are open to the public with the ability to listen by audio via Zoom. If you have questions about the PFML program, please Email us</p> <p>Join ZoomGov Meeting https://www.zoomgov.com/j/1611695979?pwd=Zis5LzdNUDF5dVBNNs9zY1E0cElqQT09</p>						
Attendees:	P (Present)	A (Absent)	C (Conference Caller)	F (Facilitator)			
F	Karen Humelbaugh (Chair)	P	Linda Herrera (Member)	P	Eva Rippeteau (Member)	P	David Gerstenfeld (Executive Sponsor)
P	Amanda Dalton (Member)	P	Eric Hunter (Member)	A	Paloma Sparks (Member)	P	Jeannine Beatrice (Executive Sponsor)
A	Jenny Dresler (Member)	P	Andrea Paluso (Member)	P	Jessica Giannettino Villatoro (Member)	P	Kaitlynn Chritton (Staff)
P	Jason Bouley (Staff)	P	Shannon Ball (Staff)	P	Mackenzie Hanley (Staff)	P	Dean Johnson (Staff)
A	Rebeka Gipson-King (Staff)	P	Kelley Ofoni (Staff)	P	Cameron Buzzell (Staff)		

Agenda

Time	Docket #	Topic	Presenter
1:00 pm	1.0	Welcome	Karen Madden Humelbaugh & David Gerstenfeld
	1.1	Agency and Program Updates	
	1.2	Approval of December 1, 2021 Meeting Notes	

David Gerstenfeld shared agency-wide updates. The agency is in process of building the budget and is working with the Governor’s Racial Justice Council (RJC) to create a racial equity impact statement for the agency budget. OED is in the process of building the Contributions Division that will handle all contributions for both UI Tax and PFML. Lori Graham, who has been serving as the Deputy Director of UI Tax, will serve as the interim Contributions Division Director. UI Benefits are doing well compared to other states in how quickly they are paying benefits and doing adjudication. OED has partnered with Google and LinkedIn workforce pilot programs. Google helps people get free training and credentialing which will help them move into IT fields with long term career paths. Legislative session involved a lot of conversation about what is needed for the workforce and workers. OED’s Research Division is looking at what the underlying issues are and finding solutions.

Amanda Dalton asked David when he anticipates seeing his legislative council bill draft, or if he knows if senate business will talk about it next week? David did not anticipate discussion about the LC in the January legislative committee day but later in the meeting received an alert that they may be asked to come talk and provide context about the LC next week.

Karen Madden Humelbaugh shared PFML Division updates. She emphasized her commitment to utilize everyone’s time effectively and let the committee know that PFML is looking to make some changes to the meeting format and the way information is shared in an effort to be clearer about where the team is just sharing info and where they need action/input from the committee members.

Karen outlined the three frontline directives she received from David Gerstenfeld when she was hired and the progress she has made thus far:

- Hire leadership team

- Welcome Juan Serratos, PFMLI’s new Deputy Director
- Team is conducting final round of interviews for 3 PEM-E positions this week. These three positions will be overseeing policy, operations and outreach. Hope to have them begin February 1st.
- Plan to open a series of policy analysts, including a position that specializes in DEI.
- Improve internal culture
- Reemphasize DEI in our work and hire third party vendor
 - Hired a third party DEI consultant company, Subduction. They will be working with PFMLI, MOD and the Contributions Division. They will be doing organizational assessment to look at team dynamics, get baseline and determine next steps. Subduction will also be providing executive coaching and leading strategy sessions with staff.

The 2022 legislative concept (LC) is expected to be limited to the benefit year. The team anticipates having at least one conversation during the 2022 Legislation on a progress report for PFMLI. A group of policy analysts are also working on identifying additional items for future legislative sessions. Their report is due to Karen on Jan 14th and she will share with the AC at a later date what LC’s we are looking to move forward with for the 2023 legislative session.

No comments or edits from committee members to previous meeting notes, notes approved.

1:25 pm	2.0	Policy Updates	Shannon Ball
	2.1	Batch 2 Rules Update	

Shannon Ball thanked the committee members for all the time, effort and dedication. The team has gone through every comment received during the public comment period and RAC meetings, and has made changes to rules based on the feedback received. Shannon then provided an update on Batches 1, 2 and 3 administrative rules and the upcoming schedule.

Based on the feedback, there were several changes made to the Batch 2 administrative rules and the Statements of Need and Fiscal Impact Considerations since the last RAC meeting. Following the meeting, Shannon will send committee members a document with track changes and requests members let her know by Monday morning if there are any major concerns with the changes before the rules are posted for the public comment period.

1:35 pm	3.0	Communications Update	Diane Goodwin & Saerom England
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Diane Goodwin and Saerom Yoo from Brink Communications presented their year one communications plan, which is focused on the audience of employers. The Advisory Committee will have access to full communications plan but were debriefed on a high-level overview today.

Andrea Paluso asked if there are specific activities directed toward employees, separate from through their employer? Brink has recommended an employer tool kit with content provided to employers to give their employees along with content online. For the first year, employees will mostly be interested in understanding why money is being taken from their paychecks. Doing an employee-focused communications strategy during year one would be too early in the cycle to reach them effectively.

Andrea stated the need for dedicated strategies around the self-employed demographic who don’t have an employer, with plans on how they will be reached and have an opportunity to opt in. She also mentioned the need for explicit explanations of how eligibility is determined.

Andrea asked if Brink is setting goals for levels of participation among BIPOC employers/employees. Brink assured they would loop back with Andrea and the committee with more information about their research and strategy. Andrea’s recommendation is to set clear benchmarks for participation that over-reflect the populations.

<p>Post meeting, Diane followed up with the PFMLI team to share with the Advisory Committee: the employee survey will include an oversample of BIPOC employees, with an emphasis on Latino's who are Spanish-speaking employees in Oregon.</p> <p>Eva Rippeteau asked if the union outreach was part of employee outreach or for understanding bargaining. This would be part of employee outreach.</p>			
1:55 pm	4.0	Division Equity Framework Executive Summary	Kaitlynn Chritton
<p>Due to bandwidth issues the team was not able to bring the completed Equity Framework to the meeting today, but Kaitlynn Chritton was able to present an executive summary.</p>			
2:05 pm	5.0	Intro to Benefits Claims	Kelley Ofoni
<p>Kelley Ofoni provided an introduction to PFMLI benefits claims.</p> <p>Andrea Paluso asked what the communication to the employee looked like when their eligibility and their wages are determined? What happens when an employee feels their benefit amount isn't correct? If employees believe there is an error, they'd be provided an opportunity to explain what they believe is incorrect and provide any supporting documentation. When a decision is made, employee would receive a single letter with the information they need to know and contact information in case they have questions. Andrea asked if this letter will go out in multiple languages. This is the intention.</p>			

Action Items

Action	Assigned	Date Due	Completed
<i>Send equity framework documents to members once finalized</i>	<i>Karen Humelbaugh</i>		
<i>Send document to committee with track changes to batch 2 rules for review.</i>	<i>Shannon Ball</i>		<i>1/5/22</i>

Meeting:	Advisory Committee						
Date/time:	2/2/2022 1:00 pm (Virtual)						
Location:	Advisory Committee meetings are open to the public with the ability to listen by audio via Zoom. If you have questions about the PFMLI program, please Email us Join ZoomGov Meeting https://www.zoomgov.com/j/1611695979?pwd=Zis5LzdNUDF5dVBNNs9zY1E0cElqQT09						
Attendees:	P (Present)	A (Absent)	C (Conference Caller)	F (Facilitator)			
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A	Amanda Dalton (Member)	P	Eric Hunter (Member)	A	Paloma Sparks (Member)	P	Jeannine Beatrice (Executive Sponsor)
A	Jenny Dresler (Member)	P	Andrea Paluso (Member)	A	Jessica Giannettino Villatoro (Member)	P	Shannon Ball (Staff)
P	Kelley Otoni (Staff)	P	Ayesha Khalid (staff)	A	Sergey Kukharik (Staff)		

Agenda

Time	Docket #	Topic	Presenter
1:00 pm	1.0	Welcome	Karen Madden Humelbaugh & David Gerstenfeld
	1.1	Member Roundtable	
	1.2	Agency and Program Updates	
	1.3	Approval of December 1, 2021 Meeting Notes	

David Gerstenfeld provided agency updates. The Employment Department has been working hard on core performance metrics including how quickly they are able to provide first payments to claimants and how quickly they are able to resolve issues that need to be adjudicated. In relation to these core performance metrics, Oregon outperformed 29 states. There are a few legislative proposals related to the agency, including the Future Ready Oregon bill which looks at potential investments around the workforce system, in addition to a bill for essential worker pay and one around overtime for agricultural workers.

Karen Madden Humelbaugh shared program updates. The team is hiring for multiple positions including a support staff, a number of operations and policy analysts, and staff for outreach and DEI. Leadership from PFMLI, MOD and Contributions have been meeting with Subduction Consulting for DEI training. Subduction will soon begin listening sessions with PFMLI staff and has interest in doing the same with the Advisory Committee members.

The 35 Batch 1 administrative rules have been filed with the Secretary of State. On Tuesday afternoon, Karen and David will be testifying before the Ways and Means Subcommittee on Transportation and Economic Development on the budget note for HB 5007.

Karen informed members that the team will likely be requesting a second Advisory Committee meeting in March due to the large volume of content they are needing to cover.

The committee did not reach quorum and was unable to approve meeting notes at this time. January notes will be presented again at the March meeting for approval.

1:30 pm	2.0	Calculation of Benefit Amounts	Kelley Ofoni
<p>Kelley Ofoni walked the committee through the provided Calculation of Benefit Amounts presentation.</p> <p>Eva Rippeteau asked if benefits would be adjusted if the claimant owed child support. The team is still learning about these particularities, but David shared that for UI benefits there are federal prohibitions against most debts being able to intercept UI benefits. Child support, however, is an exception and it's that the child support is taken from UI benefits (up to a certain percentage).</p>			
2:00 pm	3.0	Contributions Rate	Ayesha Khalid
<p>Ayesha Khalid presented the provided Contribution Rate information.</p> <p>Andrea Paluso mentioned that she had always assumed for the first year or multiple years, the contribution rate would need to come in at the top of the range due to the need to pay back the startup costs, build up a reserve and prepare to pay benefits. According to the forecast, the rate could possibly go down the second year.</p>			
2:25 pm	4.0	Model Rules	Shannon Ball
<p>Shannon Ball shared with the committee the provided presentation on Model Rules.</p> <p>Andrea Paluso asked what the process will be for making decisions if we are not following the model rules? David explained that if PFMLI received an exemption from the Attorney General, the team would do rulemaking to determine the procedural rules.</p> <p>Eva Rippeteau commented that it can feel intimidating navigating government agencies and processes, and asked how it can be set up to allow people to make appeals without fear? David shared that the Office of Administrative Hearings has created videos and other tools to try and make it more accessible for people. The Oregon State Bar also has some self-help materials and would likely be a good partner to provide with information about PFMLI appeal processes so they can answer questions from constituents.</p>			
	5.0 5.1	Supplemental Information Communications Update	Sergey Kukharik

Action Items

Action	Assigned	Date Due	Completed
<i>Send equity framework documents to members once finalized</i>	<i>Karen Humelbaugh</i>		

Meeting:	Advisory Committee						
Date/time:	3/2/2022 1:00 pm (Virtual)						
Location:	Advisory Committee meetings are open to the public with the ability to listen by audio via Zoom. If you have questions about the PFMLI program, please Email us Join ZoomGov Meeting https://www.zoomgov.com/j/1611695979?pwd=Zis5LzdNUDF5dVBNNs9zY1E0cElqQT09						
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P	Amanda Dalton (Member)	P	Eric Hunter (Member)	P	Paloma Sparks (Member)	P	Jeannine Beatrice (Executive Sponsor)
P	Jenny Dresler (Member)	P	Andrea Paluso (Member)	P	Jessica Giannettino Villatoro (Member)	A	Kaitlynn Chritton (Staff)
A	Jason Bouley (Staff)	P	Shannon Ball (Staff)	P	Mackenzie Hanley (Staff)	A	Cameron Buzzell (Staff)
A	Rebeka Gipson-King (Staff)	P	Kelley Ofoni (Staff)	P	Leslie Chartier (Staff)	P	Xann Culver (staff)
P	Ayesha Khalid						

Agenda

Time	Docket #	Topic	Presenter
1:00 pm	1.0	Welcome	Karen Madden Humelbaugh
1:05 pm	2.0	Contribution Rate	Ayesha Khalid
<p>Ayesha Khalid shared a brief update on PFMLI’s Trust Fund Forecast (presentation provided). Since her previous presentation to the Advisory Committee, Ayesha has received additional information from Washington state in addition to the recently released Economic and Revenue Forecast for the first quarter of 2022.</p> <p>The most recent projections show that the number of months reserved has decreased from 6.1 to 5.7 at the 1% contribution rate. This change is largely based on WA state seeing a higher percentage of claims in the second year and more employers having their own plans.</p> <p>Paloma Sparks shared concerns about comparing WA state and Oregon programs because in WA, employers with 50 or fewer employers are not contributing.</p> <p>The PFMLI team shared they have been researching out to other states with similar programs, in addition to WA.</p> <p>The legislative concepts being discussed during this meeting were not factored in to the formula. For the high income earner, the calculation is based on up to \$132,900 per employee.</p> <p>Amanda Dalton notes that based on data and conversations, it’s likely that the contribution rate will need to start at 1% and can be reassessed after the first year. She suggested that an official decision should be made as soon as possible to allow people to prepare accordingly. The committee moved that a decision be made to set rate at 1%, sooner rather than later.</p>			
1:15 pm	3.0	Legislative Concepts	Shannon Ball

Shannon Ball shared that yesterday at 5:00pm the public comment period ended for Batch 2 administrative rules. The PFMLI team is reading through all comments they received. Batch 3 rules, related to benefits, will be sent the Advisory Committee tomorrow to discuss at the RAC meeting on March 10th.

Shannon reviewed the 13 provided legislative concepts with the group to receive feedback. PFMLI intends to group these legislative concepts in to two or three different legislative bills.

Andrea Paluso shared that she needs to further review these one-pagers, and will provide input via email within a week to 10 days.

Concerns, requests, and questions regarding the legislative concepts were captured:

Eligible Employee

- No vocalized concerns

Defining Employment

- Amanda Dalton – Some concern with the terms, would like to see if there are other statutory references to fall back on.
- Jenny Dresler– Issues raised by manufacturers and concerns from farm side.
- Paloma Sparks – Definition needs work.

Maximum Wages per Employer

- Paloma Sparks – Concerns with the department doing something in rule before having statutory authority. Employees may be paying into a program they will never benefit from and this would make that worse.
- Amanda Dalton – Curious to find legislative intent to set a statutory salary maximum that wasn't meant to be a salary tied to an employee. Doesn't recall conversation that it would be \$132,900 per employer.

Use of OAH for Disputes

- No vocalized concerns

Final Orders

- No vocalized concerns

Statutory Reference Change

- No vocalized concerns

EP Penalty Provisions

- Jenny Dresler – Would like to know the process EPs will go through in order to be certified as equivalent.
- Amanda Dalton – Could include clarifications about the violation when the plan is determined to be out of compliance.
- Andrea Paluso – Agrees with this concept

Confidentiality

- Paloma Sparks – Wants this concept to include more specific content around public records requests and what can and can't be disclosed. This text says a lot of what can be disclosed and not much about what can't be, which causes uncertainty.

Minimum Benefit Payments

- Amanda Dalton – Recalls conversation about the increment usage but needs additional time to review notes.
- Andrea Paluso – Agrees with this concept if the department feels the administrative cost would not be too burdensome

Small Balance Adjustments

- No vocalized concerns

Annual Filer

- No vocalized concerns

EP New Hire Coverage

- Paloma Sparks – Has serious concerns. Suggests that previous employer cover the employee for 30 days.

Simultaneous coverage for EPs

- Amanda Dalton – Not necessarily concerned but worried that removing 657B.210(10)(a) may be a concern to legislative council.

Shannon Ball will send the Advisory Committee an email with instructions and a timeline for members to provide additional input.

Amanda Dalton mentioned that she hopes to continue with the broader discussions on collections and alignment of PFMLI and OFLA over the next 6 months and put them in a bill for the 2023 session.

Action Items

Action	Assigned	Date Due	Completed
<i>Send equity framework documents to members once finalized</i>	<i>Karen Humelbaugh</i>		
<i>Send committee email with instructions/timeline for providing additional input on LCs</i>	<i>Shannon Ball</i>		<i>3/4/22</i>

PFMLI Advisory Committee Docket

Docket Item:

3.0 – Legislative Concepts Updates

Docket Summary:

The PFMLI Division analyzed all the feedback received after the March 2, 2022 Advisory Committee meeting, made some minor changes, and are continuing to move forward with the following legislative concepts:

- PFMLI 2023 potential legislative concepts
 - Eligible Employees
 - Use of OAH for Equivalent Plan Disputes
 - Final Orders
 - Statutory Reference Change
 - Equivalent Plan Penalty Provisions
 - Confidentiality
 - Minimum Benefit Payments for Work Day Increments
 - Small Balance Adjustment
 - Equivalent Plan Simultaneous Coverage
 - Equivalent Plan – New Hire Coverage and Portability of Benefits
 - Department of Revenue Information Sharing
 - Department of Correction Information Sharing
 - Collections

The PFMLI Division has pulled the three legislative concepts:

- Proposed removed concepts:
 - Defining Employment
 - Maximum Wages per Employer
 - Annual Filers

Docket Materials:

None

Staff Recommendation:

PFMLI Division recommends the Advisory Committee approve the agency to continue moving forward to the Governor's Office the 13 legislative concepts and don't move forward the three legislative concepts.

PFMLI Advisory Committee Docket

Docket Item:

4.0 – Equivalent Plans Update

Docket Summary:

The PFMLI Policy work stream is continuing to focus efforts on completing the policy work relating to equivalent plans in order to launch the equivalent plan focused unit and the equivalent plan applications in September 2022. FAST is continuing to finalize the configuration of the equivalent plan application within Frances and testing will begin in May 2022. The Batch 2 Administrative Rules relating to equivalent plans will be finalized this month, and additional rules relating to equivalent plans are included in the Batch 4 Administrative Rules that are under initial internal review.

The Department has established a process for employers who intend to offer an equivalent plan, but who aren't ready to complete their equivalent plan application the ability to submit a Declaration of Intent to Offer an Equivalent Plan. This process is in addition to, and not in place of the complete equivalent plan application and is intended to support employers as they secure or develop equivalent plans. Both the application and the declaration of intent will go live in September 2022. If an employer completes a Declaration of Intent, but does not end up with an approved equivalent plan in effect on September 3, 2023 they will be liable for all contributions as of Jan 1, 2023.

Progress is continuing with the Department of Business and Consumer Services (DCBS) on the product standards they will be releasing for fully-insured product approval for fully-insured equivalent plans, the two agencies are continuing ongoing collaboration and DCBS intends to release their first draft of the product standards after incorporating the rules included in the Batch 4 Administrative Rules. The PFMLI Policy and Outreach teams, along with DCBS will be continuing to work with and engage with equivalent plan stakeholders to ensure advanced communication of both the process and requirements for employers who intend to apply for approval of an equivalent plan.

Docket Materials:

None.

Staff Recommendation:

None, this is an informational item only.

PFMLI Advisory Committee Docket

Docket Item:

5.1 – Communications Update

Docket Summary:

Communications contract is in implementation phase as of February 2022. Work has been ongoing for two deliverables: 1.) Program branding, with expected completion at the end of April 2022. and 2.) Interim website redevelopment, expected completion at the end of May 2022.

During program branding development, the vendor will engage employers and employees and gather feedback about proposed program branding and visual identity. The final deliverables will provide PFMLI with visual identity and brand guidelines.

In parallel to program branding, vendor is also working on redesigning PFMLI website with the focus on answering questions about upcoming program for employers and employees.

PFMLI policy and OED communications teams are working on creating plain language program guides and FAQ by program topics, (Program overview, Contributions, Benefits, Equivalent Plans, Self-Employed, etc.). PFMLI engagement and outreach events will begin when program branding and outreach materials are finalized.

Docket Materials:

None.

Staff Recommendation:

None, this is an informational item only.