



TESTIMONY OF ERIN CHOQUETTE
CHIEF EXECUTIVE OFFICER OF THE CT PAID LEAVE AUTHORITY

HOUSE WAYS & MEANS COMMITTEE
March 1, 2023

The CT Paid Leave Authority administers the CT Paid Leave program, an employee-funded program that provides income replacement benefits to eligible workers who are on leave to receive treatment for and recovery from their own illness, to care for a sick family member, to bond with a newborn or newly placed child, to address qualifying exigencies arising from a family member's deployment, or to handle certain circumstances related to domestic violence.

The CT Paid Leave Act was signed in July 2019. We began registering employers in the fall of 2020 and the obligation for employers to deduct and remit employees' contributions began on January 1, 2021. Employees who work for covered employers pay 0.5% of their wages up to the Social Security Contribution cap to the Paid Leave Trust. Sole proprietors and self-employed individuals who choose to enroll in our program pay 0.5% of their self-employment earnings. Since January 1, 2021, we have collected over \$820 million in contributions.

We began accepting claim applications on December 1, 2021 in connection with leaves that were to occur on or after January 1, 2022. In our first year of processing claims, we paid almost \$250 million to approximately 44,000 CT workers. On average, we receive about 7,500 claims per month, with an approval rate of about 70%.

We are a quasi-public agency with a relatively small staff. Our team can be divided into the following categories: Administration, Finance, Outreach & Engagement, Legal, IT & Claims Management. We have two significant vendor partnerships, which work under our close supervision:

- Aflac serves as our third-party claim administrator, and
- United Way/211 staffs our Contact Center, responding to inquiries from employers, payroll processors, workers and others about various elements of our program.

Building and managing a paid leave program is complicated. It involves a number of moving parts from developing our policies, to building the private plan application and audit process, to ensuring that employers actually deduct and remit the employee

contributions and that employees understand what documentation they need to provide in support of their claims.

In closing, I offer three suggestions:

- First, do not underestimate the need for robust - and ongoing - outreach and education to your workers and employers.
- Second, be prepared that it may take your applicants longer than you anticipate to provide the complete and sufficient documentation necessary to validate their claims.
- Third, think critically about the data already available within your state agencies and try to capitalize on that data as you build your program.

Thank you for your attention this morning. I would be happy to answer any questions you may have.