

Differences Between Paid Family Leave as Modeled in the 2016 Feasibility Study and
As Proposed in H.196 As Passed by the House General Affairs Committee

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Comparison of Assumptions and Parameters: Model vs. H.196 as Proposed

	Feasibility Study Model 3	H. 196, to W&M
Demographics	IWPR-ACM simulation model based on leave-taking of U.S. workers 2011-2012, and experience in CA and NJ	Vermont's population
Type of Leave		
Own health	Serious health condition	Serious illness; in the hospital or under the care of a doctor
Maternity & Bonding Family Care	Spouse, child, or parent	Longer list of "close family"
Length of Leave	12 weeks	12 weeks
Wage Replacement	100%	100%
Upper limit on benefit	Twice VT's livable wage	Twice VT's livable wage
Take-up rate	25%, or 13,465 leaves p.a.	
Eligibility	Has earned \$9,079 in base year, OR has worked 52 weeks or 1500 hours in base year	Has worked in Vermont for 6 of the last 12 months
Waiting period	None	None
Total program costs	\$79.4 million	
Cost as a percentage of total earnings	0.93%	0.93%
Administrative costs	7.5%	7.5%
Start-up time	2 years	1 year
Estimated total earnings	\$11,930,672 (2019)	\$13,154,379 (2016)

Other modeling parameters of interest

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Denial rate	15%	
Number of claims filed p.a.	15,525	
Claims specialists	30 min. per claim	
Claims adjudicator	15 min. per claim	
Compliance and fraud	0.5% of claims fraudulent	
	200% of program costs by year	
Reserves	5?	
CA formula (p.37)	145% of benefit costs	
Length of leave taken overall	7.8 weeks	
For own health	8.1 weeks	
For maternity/bonding	8.6 weeks	
For family care	3.6 weeks	
Average weekly benefit	\$728	
Share of leaves using program benefits overall	25%	
For own health	26%	
For maternity/bonding	53%	
For family care	10%	
Number of leaves, status quo		50,000
If 12 weeks, 100% wg. repl.		53,206