Financial Analysis & Trust Fund Forecasts in the Time of COVID-19

Connecticut Paid Family & Medical Leave Insurance Authority

Introduction

- Update to *Implementing Paid Family and Medical Leave Insurance Connecticut*, produced in 2016
- Focus Areas
  - Actuarial analysis of likely uptake
  - Revenue forecasts
  - Trust fund projections
- Reasons for Update
  - Previous report was created prior to Public Act No. 19-25 passing
  - COVID-19 related concerns

Scope of Work & Methodology

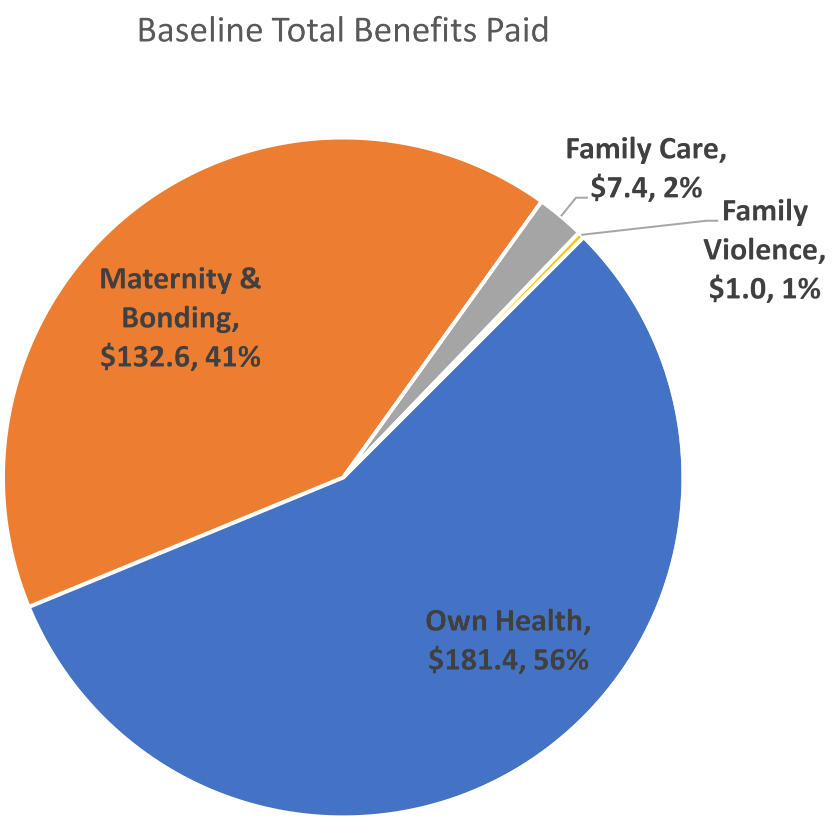
- Institute for Women's Policy Research (IWPR)
  - Model usage and cost of benefits provided under Public Act No. 19-25
    - Use the IWPR-ACM Paid Leave simulation model
    - Estimate additional leave benefits resulting from family violence

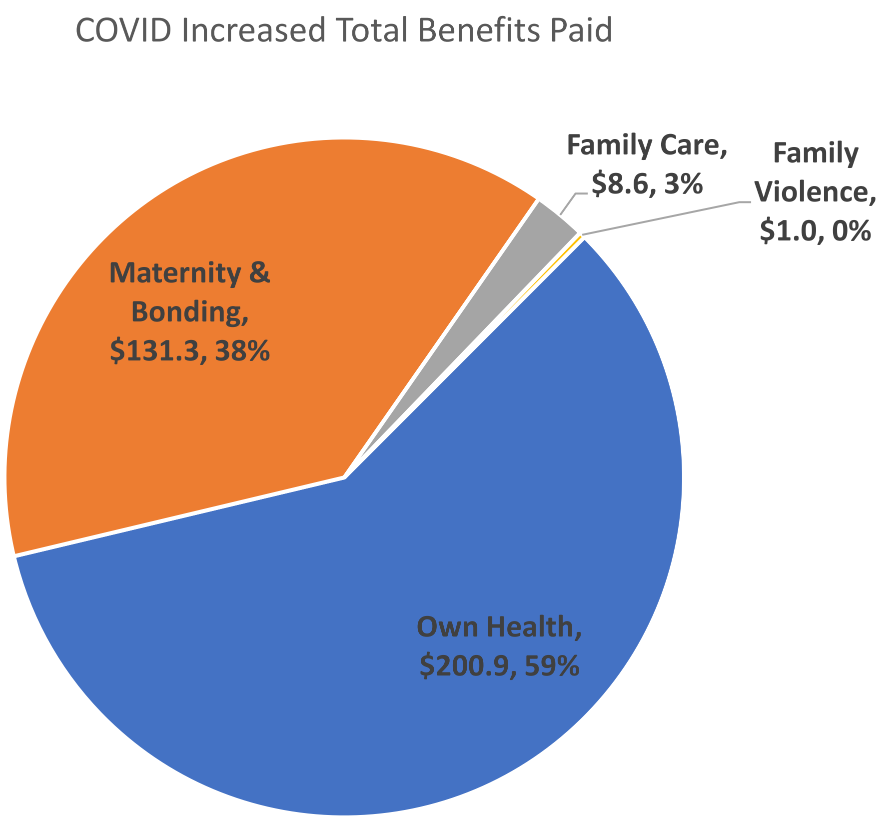
- WildFig Partners
  - Financial projection of the Paid Family and Medical Leave Insurance (PFMLI) Trust Fund
    - Includes a five-year forecast with multiple scenarios
    - Annual benefit payment expenditures based on IWPR simulation model

Overview of Program Usage & Costs

- Reported behaviors of the workers in the 2012 FMLA survey at the national level
- Predicted leave behaviors and characteristics of workers with similar characteristics working in Connecticut in the 2013-2017 American Community Survey
- Simulated for each leave taking reason:
  - Employee's own serious health condition
  - Maternity-related disability
  - Bonding with a new child (includes some new children as of 2021 in year 1 benefits starting in January 2022)
  - Caring for a spouse, child, parent (etc.) with a serious health condition
  - Family Violence

Total benefits paid is estimated as 6% higher under COVID-19 take-up compared to baseline.





Many of the additional leaves are for family care which tend to be shorter in duration.

Estimated Program Usage & Costs Based on Legacy Program Reports for Jan – May 2019 & 2020

Table 1: Simulation Model Cost Annual Estimates for Paid Family and Medical Leave Insurance Under Connecticut PA 19-25 With Increased Benefit Take-Up Based on California and Rhode Island Reported for January-May 2019 and 2020.

	Private	State & Local Government*	Self-Employed**	Total
Number of Leaves Taken & Receiving Program Benefits				
Own Health	52,002	2,023	3,380	57,406
Maternity & Bonding	29,191	1,238	2,585	33,014
Family Care	4,825	179	370	5,374
Total	86,019	3,440	6,335	95,793
Weeks Receiving Program Benefits				
Own Health	7.0	7.0	7.0	7.0
Maternity & Bonding	7.8	8.2	7.9	7.9
Family Care	3.3	3.7	2.9	3.3
All Reasons	7.1	7.3	7.1	7.1
Average Weekly Benefit	$503	$537	$482	$503
Benefit Cost ($millions)				
Own Health	$182.0	$7.5	$11.3	$200.9
Maternity & Bonding	$116.1	$5.6	$9.6	$131.3
Family Care	$7.8	$0.3	$0.5	$8.6
Family Violence (Non-medical, see Table 2)	--	--	--	$1.0
Total Benefit Cost ($millions)	$305.9	$13.5	$21.4	$341.7

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model, 2012 FMLA Employees survey and 2013-2017 American Community Survey. (August 2020, 10 replicates.) * Based on data for Connecticut state employment, estimating 25 percent of state and local workers covered for PFMLI. ** Estimating 40 percent of Self-employed opting-in with an adjustment for adverse selection.

Increased Bonding Claims in 2022 (Year 1)

- New child bonding leave may be taken up to a year after birth or adoption. Thus, some claims in CY 2022 will be from the prior year. Data from Washington State was used to estimate Connecticut's parental bonding benefit payments in CY 2022.
- Roughly 13% more bonding claims are expected in the program's first year (CY 2022) due to the carryover of eligible claims from the prior year – claims that would likely have been filed earlier had the program been active (based on Washington State's experience).
- This report assumes 25% more bonding claims in CY 2022, which amounts to about $29M in additional benefit payments.

Estimated Program Usage & Costs Based on Legacy Program Reports for Jan – May 2019 & 2020 with Increased Bonding Claims in 2022

Table 2: Simulation Model Cost Estimates for Paid Family and Medical Leave Insurance Under Connecticut PA 19-25 With Increased Benefit Take-Up Based on California and Rhode Island Reported for January-May 2019 and 2020 and Increased Bonding Claims (2017 Dollars).

	Private	State & Local Government*	Self-Employed**	Total
Number of Leaves Taken & Receiving Program Benefits				
Own Health	52,002	2,023	3,380	57,406
Maternity & Bonding***	35,575	1,508	3,150	40,233
Family Care	4,825	179	370	5,374
Total	92,402	3,710	6,900	103,013
Weeks Receiving Program Benefits				
Own Health	7.0	7.0	7.0	7.0
Maternity & Bonding	7.8	8.2	7.9	7.9
Family Care	3.3	3.7	2.9	3.3
All Reasons	7.1	7.3	7.1	7.1
Average Weekly Benefit	$503	$537	$482	$503
Benefit Cost ($millions)				
Own Health	$182.0	$7.5	$11.3	$200.9
Maternity & Bonding	$140.4	$6.6	$12.0	$159.0
Family Care	$7.8	$0.3	$0.5	$8.6
Family Violence (Non-medical, see Table 2)	--	--	--	$1.0
Total Benefit Cost ($millions)	$330.2	$14.5	$23.8	$369.4

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model, 2012 FMLA Employees survey and 2013-2017 American Community Survey. (August 2020, 10 replicates.) * Based on data for Connecticut state employment, estimating 25 percent of state and local workers covered for PFMLI. ** Estimating 40 percent of Self-employed opting-in with an adjustment for adverse selection. ***Based on new child bonding claims from children born the calendar year before benefits start (2021). Increased program take-up increased benefit claiming by 10 percent for the worker's own health and 20 percent for family care based on a comparison of administrative data reported for California and Rhode Island for changes in benefit claiming in their paid family and medical leave programs in the first 6 months of 2019 and 2020.

Description of Family Violence Leave

- Previously (CT G.S. Sec. 31-51ss), time off was not required to be paid
- Federal Family & Medical Leave Act does not provide unpaid, job protected family violence leave
- CT G.S. Sec. 31-51ss provides only 12 days of family violence leave
- PA 19-25 can provide at least partial wage replacement to workers who
  - seek medical care or psychological or other counseling for physical or psychological injury or disability for the victim
  - to obtain services from a victim services organization on behalf of the victim
  - relocate due to such family violence
  - participate in any civil or criminal proceeding related to or resulting from such family violence

Program Usage & Benefit Costs for Family Violence Leave

Table 3: Estimating the Non-Medical Usage and Costs of Safe Leave Under PA 19-25

A	CT Eligible Women in Covered Employment	770,699
B	Number of Potential Claims Using Annual Prevalence of Experiencing Family Violence **AND** Missing At Least One Day of Work (0.4 Percent)	3,083
C	Exclude Potential Family Violence Claims for Medical Reasons (Covered in Simulation Model Estimates) Based on Share of Lifetime Family Violence Costs for Medical Care (58.8 Percent) to Get Nonmedical Claims	1,270
D	Lost Days per Family Violence Claim (Simple Average)	7.6
E	Average Daily benefit	$101
F	Benefit Costs (2017) = C * D * E	$977,960

Assumptions for Program Usage & Costs

- Participation in private plans – similar to California
- Self-employed – relatively low uptake, but usage estimated with adverse selection
- State and local workers – Primarily those not covered by union contracts
- Family Violence
  - Estimate includes only costs for women experiencing family violence – may be low
  - However, estimate also assumes a very high take up rate for program benefits – may be high
- Military exigency leave is considered negligible for program costs based on reported usage in national FMLA survey and from data on Connecticut state workforce.

Revenue Forecast & Trust Fund Projections

- Estimation of 2021 PFMLI contributions are based on Connecticut income tax data for all filers, capped at the Social Security integration rate.
- Future year income tax data is based on historical five-year average growth rate with an adjustment calculation to factor in higher unemployment rates.
- Adjusted income tax data with appropriate assumptions and calculations are multiplied by 0.5% to get the PFMLI tax base.
- Five-year forecasts include multiple scenarios based on alternative assumptions.
- A 25% increase in claims for bonding is assumed in the initial program year to account for eligible “carry over” claims that would likely have been filed in the prior year had the program been active.
- The fiscal 2021 starting balance includes bond and seed money funding provided to the Authority for program start-up implementation and operations.

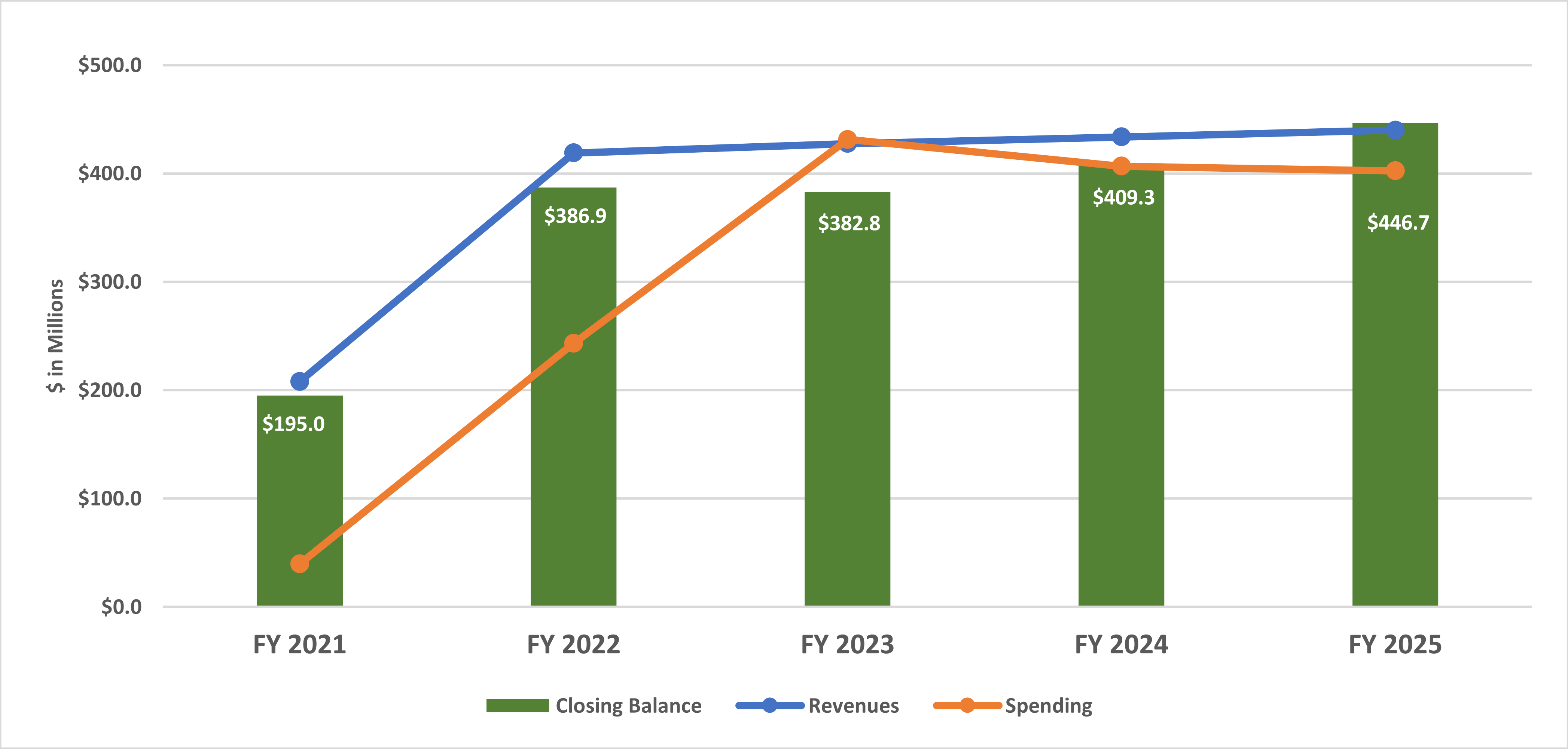
Overview of Fund Forecast Scenarios

- Each of the four scenarios include increased benefit utilization expenditures due to the pandemic with benefit utilization returning to non-pandemic activity levels in the final two years of forecast.
- Each scenario includes start-up, major IT, and ongoing administration expenditures based on agency estimates. Certain scenarios assume higher than expected costs.
- Graphs are included for each scenario showing revenue (blue line), expenditures, (orange line), and year-end Fund balance (green column).
- Cost categories – including benefit expenditures – include an annual inflation factor.
- Debt service costs included in each scenario average $3.3 million per year.
- Non-compliance assumed to reduce collections by 1% annually.

Scenario 1: Economic Conditions have Limited Impact on Collections; No Cost Overruns

- Heighted unemployment levels as of the spring and summer of 2020 are not sustained over multiple years or do not significantly depress collections.
- Implementation and major costs align with projections provided by the CT PFMLI Authority in May, 2020.
- Ongoing costs of administration are assumed to be a roughly two times higher than those of neighboring Rhode Island’s PFLMI program.

Scenario 1: Revenues Exceed Spending – Large Fund Reserves



- Revenues collected far exceed spending in first two years resulting in a large reserve balance.
- Decreased benefit utilization in years four and five result in further growing reserves in the Fund.

Scenario 1 – Revenue and Expenditure Breakdown

Connecticut FMLI Program - Projected Fiscal Activity

FY 2021 - FY 2025

($ in millions)

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Opening Balance	**$27.5**	**$212.4**	**$386.9**	**$382.8**	**$409.3**
Revenues					
Payroll Contributions	$208.1	$419.1	$427.7	$433.8	$440.0
Interest	$1.1	$3.0	$3.8	$3.9	$4.3
Subtotal Revenues	**$209.2**	**$422.0**	**$431.5**	**$437.7**	**$444.3**
Spending					
FMLI Benefits	$0.0	$201.8	$391.8	$372.2	$367.7
Administration	$38.1	$36.3	$33.2	$31.4	$31.7
Debt Service	$0.0	$3.4	$3.3	$3.2	$3.1
Start-up Cost Repayment	$1.6	$1.9	$3.2	$0.0	$0.0
Subtotal Spending	**$39.7**	**$243.3**	**$431.4**	**$406.8**	**$402.5**
Non-compliance	*-$2.1*	*-$4.2*	*-$4.3*	*-$4.3*	*-$4.4*
Closing Balance	**$195.0**	**$386.9**	**$382.8**	**$409.3**	**$446.7**

- Administration spending includes major IT development, other start-up costs, and ongoing operations.
- Decreased benefit utilization in years four and five result in further growing reserves in the Fund.

Scenario 1 - Administrative Cost Breakdown

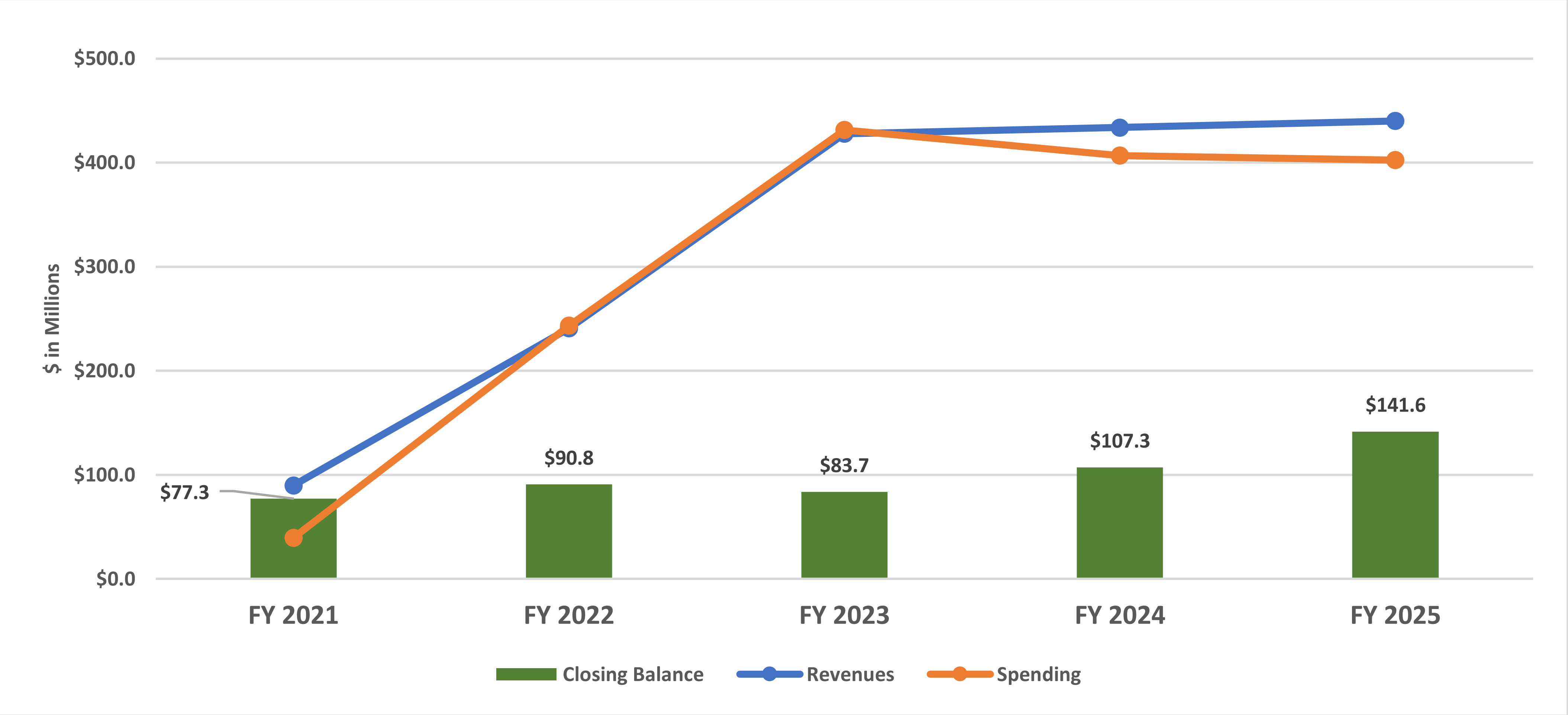
Expenditure Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Salary and Wages	$3.4	$3.5	$3.7	$3.8	$4.0
Equipment	$0.3	$0.0	$0.0	$0.1	$0.1
Supplies and Materials	$0.0	$0.0	$0.0	$0.0	$0.0
Outreach and Routine Travel	$0.1	$0.1	$0.1	$0.1	$0.1
Fixed Charges	$0.2	$0.2	$0.2	$0.2	$0.3
Utilities	$0.0	$0.0	$0.0	$0.0	$0.0
Admin. Services/Maintenance	$1.8	$3.0	$3.1	$3.3	$3.4
Repayment of Operating Costs	$1.6	$1.9	$3.2	$0.0	$0.0
Contractual Services	$32.3	$29.3	$25.9	$23.8	$23.8
Claims/Benefits Administration	$12.0	$20.0	$20.9	$21.8	$22.8
Major IT Costs	$20.2	$9.3	$5.0	$2.0	$1.0
Outside Services - Other	$0.0	$0.0	$0.0	$0.0	$0.0
Grand Total	**$39.7**	**$38.2**	**$36.4**	**$31.4**	**$31.7**

- Approximately $20.2 million in major IT costs incurred in year 1. IT costs decrease significantly in out years.
- Cost for third party administrator begin in year 1 and are annualized at about $20 million in year two.

Scenario 2: Economic Conditions Reduce Collections

- Heighted unemployment levels are sustained over multiple years and significantly depress collections deposited into the Fund.
  - Sustained high unemployment, for the purposes of this projection, means a rate of approximately 10% annually.
- Implementation and major costs align with projections provided by the CT PFMLI Authority in May, 2020.
- Ongoing costs of administration assumed to be a roughly two times higher than those of neighboring Rhode Island's PFLMI program.

Scenario 2: Sustained High Unemployment



- Revenues far exceed spending in first two years.
- Decreased benefit utilization in years four and five result in further growing reserves in the Fund.
- Limited collections reduce Fund's reserve balance, but a substantial balance exists in all years.

Scenario 2 – Revenue and Expenditure Breakdown

Connecticut FMLI Program - Projected Fiscal Activity

FY 2021 - FY 2025

($ in millions)

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Opening Balance	**$27.5**	**$94.7**	**$90.8**	**$83.7**	**$107.3**
Revenues					
Payroll Contributions	$89.8	$240.9	$427.7	$433.8	$440.0
Interest	$0.5	$0.9	$0.9	$1.0	$1.2
Subtotal Revenues	**$90.3**	**$241.9**	**$428.6**	**$434.7**	**$441.2**
Spending					
FMLI Benefits	$0.0	$201.8	$391.8	$372.2	$367.7
Administration	$38.1	$36.3	$33.2	$31.4	$31.7
Debt Service	$0.0	$3.4	$3.3	$3.2	$3.1
Start-up Cost Repayment	$1.6	$1.9	$3.2	$0.0	$0.0
Subtotal Spending	**$39.7**	**$243.3**	**$431.4**	**$406.8**	**$402.5**
Non-compliance	*-$0.9*	*-$2.4*	*-$4.3*	*-$4.3*	*-$4.4*
Closing Balance	**$77.3**	**$90.8**	**$83.7**	**$107.3**	**$141.6**

- Payroll collections are significantly lower compared to Scenario 1 due to sustained high unemployment in first two years.
- Spending totals are the same as those in Scenario 1.

Scenario 2 - Administrative Cost Breakdown

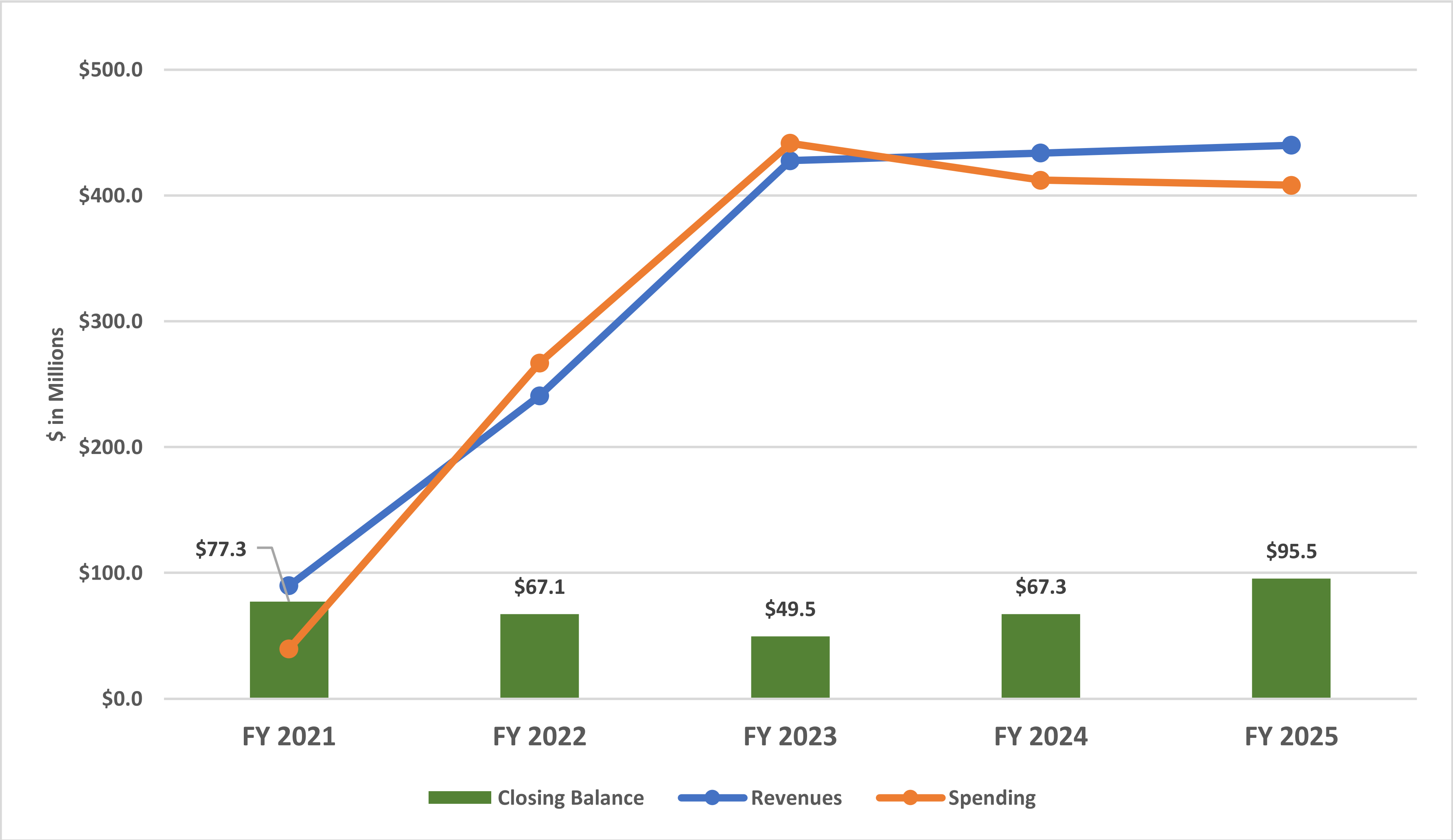
Expenditure Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Salary and Wages	$3.4	$3.5	$3.7	$3.8	$4.0
Equipment	$0.3	$0.0	$0.0	$0.1	$0.1
Supplies and Materials	$0.0	$0.0	$0.0	$0.0	$0.0
Outreach and Routine Travel	$0.1	$0.1	$0.1	$0.1	$0.1
Fixed Charges	$0.2	$0.2	$0.2	$0.2	$0.3
Utilities	$0.0	$0.0	$0.0	$0.0	$0.0
Admin. Services/Maintenance	$1.8	$3.0	$3.1	$3.3	$3.4
Repayment of Operating Costs	$1.6	$1.9	$3.2	$0.0	$0.0
Contractual Services	$32.3	$29.3	$25.9	$23.8	$23.8
Claims/Benefits Administration	$12.0	$20.0	$20.9	$21.8	$22.8
Major IT Costs	$20.2	$9.3	$5.0	$2.0	$1.0
Outside Services - Other	$0.0	$0.0	$0.0	$0.0	$0.0
Grand Total	**$39.7**	**$38.2**	**$36.4**	**$31.4**	**$31.7**

- Administrative costs are the same as those in Scenario 1.

Scenario 3: Significantly Reduced Collections and Moderate Cost Overruns

- Heighted unemployment levels are sustained over multiple years and significantly depress collections deposited into the Fund.
  - Sustained high unemployment, for the purposes of this projection, means a rate of approximately 10% annually.
- Implementation and major costs exceed projections provided by the CT PFMLI Authority in May, 2020.
- Ongoing costs of administration are assumed to be nearly 2 times higher than those of neighboring Rhode Island’s PFLMI program.

Scenario 3: High Unemployment, Moderate Overruns



- Limited collections combined with increased start-up and administration costs reduce growth in the Fund's reserve balance.
- Reserve balance begins to grow to a healthier level in years four and five.
- Decreased benefit utilization in years four and five result in further growing reserves in the Fund

Scenario 3 – Revenue and Expenditure Breakdown

Connecticut FMLI Program - Projected Fiscal Activity

FY 2021 - FY 2025

($ in millions)

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Opening Balance	**$27.5**	**$94.7**	**$67.1**	**$49.5**	**$67.3**
Revenues					
Payroll Contributions	$89.8	$240.9	$427.7	$433.8	$440.0
Interest	$0.5	$0.8	$0.6	$0.6	$0.8
Subtotal Revenues	**$90.3**	**$241.7**	**$428.3**	**$434.3**	**$440.8**
Spending					
FMLI Benefits	$0.0	$201.8	$391.8	$372.2	$367.7
Administration	$38.1	$59.8	$43.4	$36.9	$37.4
Debt Service	$0.0	$3.4	$3.3	$3.2	$3.1
Start-up Cost Repayment	$1.6	$1.9	$3.2	$0.0	$0.0
Subtotal Spending	**$39.7**	**$266.9**	**$441.6**	**$412.3**	**$408.2**
Non-compliance	*-$0.9*	*-$2.4*	*-$4.3*	*-$4.3*	*-$4.4*
Closing Balance	**$77.3**	**$67.1**	**$49.5**	**$67.3**	**$95.5**

- Payroll collections are significantly lower compared to Scenario 1 due to sustained high unemployment in first two years.
- This scenario assumes increased costs for start-up activities and administration.

Scenario 3 - Administrative Cost Breakdown

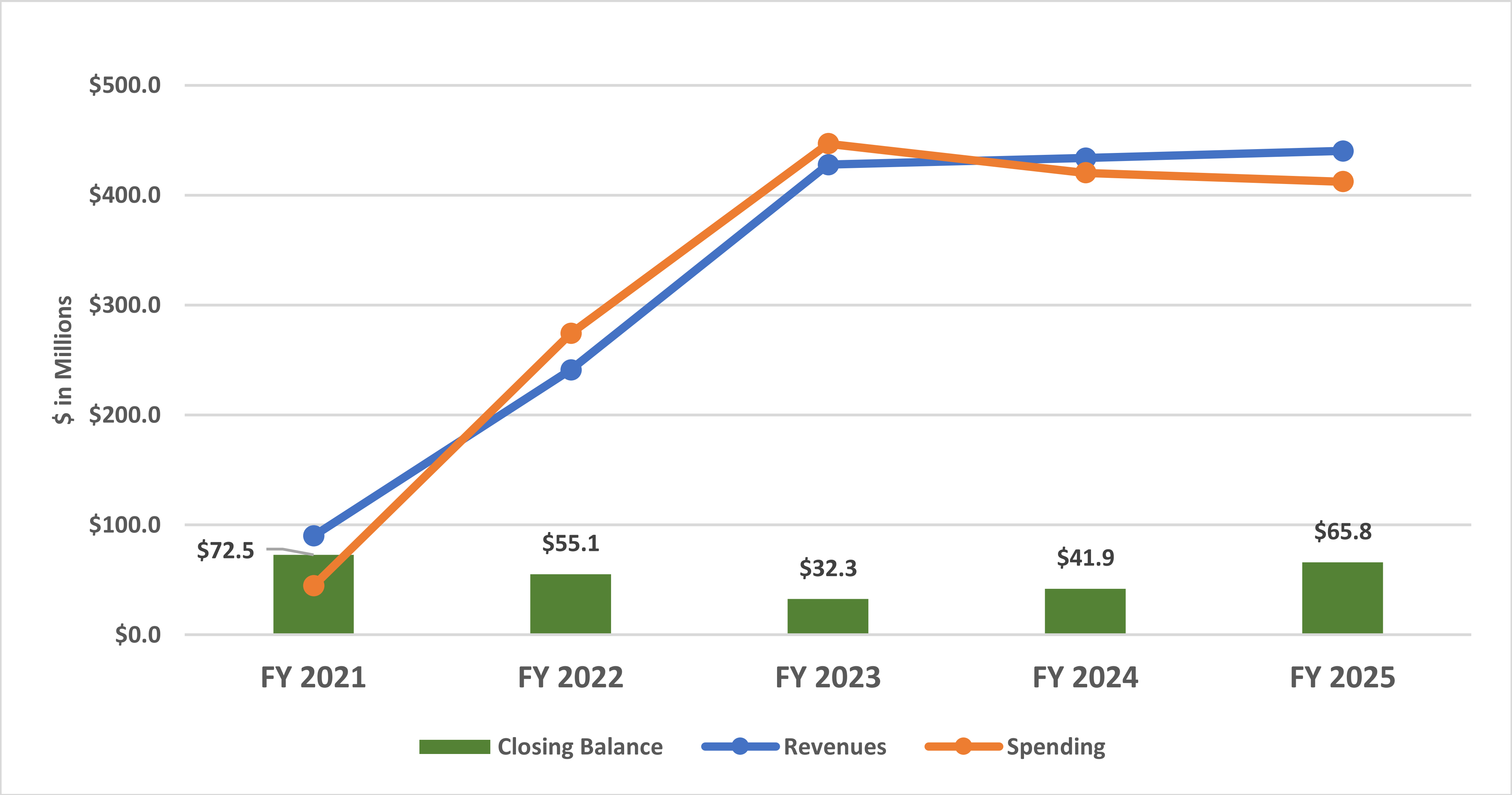
Expenditure Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Salary and Wages	$3.4	$3.5	$3.7	$3.8	$4.0
Equipment	$0.3	$0.0	$0.0	$0.1	$0.1
Supplies and Materials	$0.0	$0.0	$0.0	$0.0	$0.0
Outreach and Routine Travel	$0.1	$0.1	$0.1	$0.1	$0.1
Fixed Charges	$0.2	$0.2	$0.2	$0.2	$0.3
Utilities	$0.0	$0.0	$0.0	$0.0	$0.0
Admin. Services/Maintenance	$1.8	$3.0	$3.1	$3.3	$3.4
Repayment of Operating Costs	$1.6	$1.9	$3.2	$0.0	$0.0
Contractual Services	$32.3	$52.9	$36.1	$29.3	$29.5
Claims/Benefits Administration	$12.0	$25.0	$26.1	$27.2	$28.4
Major IT Costs	$20.2	$27.8	$10.0	$2.0	$1.0
Outside Services - Other	$0.0	$0.0	$0.0	$0.0	$0.0
Grand Total	**$39.7**	**$61.7**	**$46.6**	**$36.9**	**$37.4**

- Major IT costs are higher than those included in the first two scenarios.
- Costs for claims/benefits administration is also higher than those included in the first two scenarios.

Scenario 4: Significantly Reduced Collections and Major Cost Overruns

- Heighted unemployment levels are sustained over multiple years and significantly depress collections deposited into the Fund.
  - Sustained high unemployment, for the purposes of this projection, means a rate of approximately 10% annually.
- Implementation and major costs significantly exceed projections provided by the CT PFMLI Authority in May, 2020.
- Ongoing costs of administration are assumed to be nearly 2 times higher than those of neighboring Rhode Island's PFLMI program.

Scenario 4: High Unemployment, Major Overruns - Much Lower Reserves



- Limited collections combined with significantly increased start-up and administration costs reduce growth in the Fund's reserve balance.
- Reserve balance begins to grow to a healthier level in years four and five due to decreased benefit utilization.

Scenario 4 – Revenue and Expenditure Breakdown

Connecticut FMLI Program - Projected Fiscal Activity

FY 2021 - FY 2025

($ in millions)

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Opening Balance	**$27.5**	**$89.9**	**$55.1**	**$32.3**	**$41.9**
Revenues					
Payroll Contributions	$89.8	$240.9	$427.7	$433.8	$440.0
Interest	$0.5	$0.7	$0.4	$0.4	$0.5
Subtotal Revenues	**$90.3**	**$241.6**	**$428.1**	**$434.1**	**$440.5**
Spending					
FMLI Benefits	$0.0	$201.8	$391.8	$372.2	$367.7
Administration	$42.9	$67.0	$48.4	$44.9	$41.4
Debt Service		$3.4	$3.3	$3.2	$3.1
Start-up Cost Repayment	$1.6	$1.9	$3.2	$0.0	$0.0
Subtotal Spending	**$44.4**	**$274.0**	**$446.6**	**$420.3**	**$412.2**
Non-compliance	*-$0.9*	*-$2.4*	*-$4.3*	*-$4.3*	*-$4.4*
Closing Balance	**$72.5**	**$55.1**	**$32.3**	**$41.9**	**$65.8**

- Payroll collections are significantly lower compared to Scenario 1 due to sustained high unemployment in the first two years.
- This scenario assumes significantly increased costs for start-up activities and administration.

Scenario 4 - Administrative Cost Breakdown

Expenditure Type	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Salary and Wages	$3.4	$3.5	$3.7	$3.8	$4.0
Equipment	$0.3	$0.0	$0.0	$0.1	$0.1
Supplies and Materials	$0.0	$0.0	$0.0	$0.0	$0.0
Outreach and Routine Travel	$0.1	$0.1	$0.1	$0.1	$0.1
Fixed Charges	$0.2	$0.2	$0.2	$0.2	$0.3
Utilities	$0.0	$0.0	$0.0	$0.0	$0.0
Admin. Services/Maintenance	$1.8	$3.0	$3.1	$3.3	$3.4
Repayment of Operating Costs	$1.6	$1.9	$3.2	$0.0	$0.0
Contractual Services	$37.0	$60.0	$41.1	$37.3	$33.5
Claims/Benefits Administration	$12.0	$25.0	$26.1	$27.2	$28.4
Major IT Costs	$25.0	$35.0	$15.0	$10.0	$5.0
Outside Services - Other	$0.0	$0.0	$0.0	$0.0	$0.0
Grand Total	**$44.4**	**$68.9**	**$51.6**	**$44.9**	**$41.4**

- Major IT costs are significantly higher than those included in the other scenarios.
- Costs for claims/benefits administration is also higher than those included in the other scenarios.

Assumptions – Revenue Forecasts & Trust Fund Projections

- Start-up Costs
- “High” Unemployment Rate
- Closing Balances & Reserves
- Increased Bonding Claims in FY 2022 & FY 2023

Conclusion

- Even in the most extreme worst-case scenario that we could project, the Fund will remain solvent over the course of the upcoming 5 years.
- If the Fund’s reserve balance dips below a desirable level, there are mechanisms to prevent an untenable fiscal condition.

Reference Slides

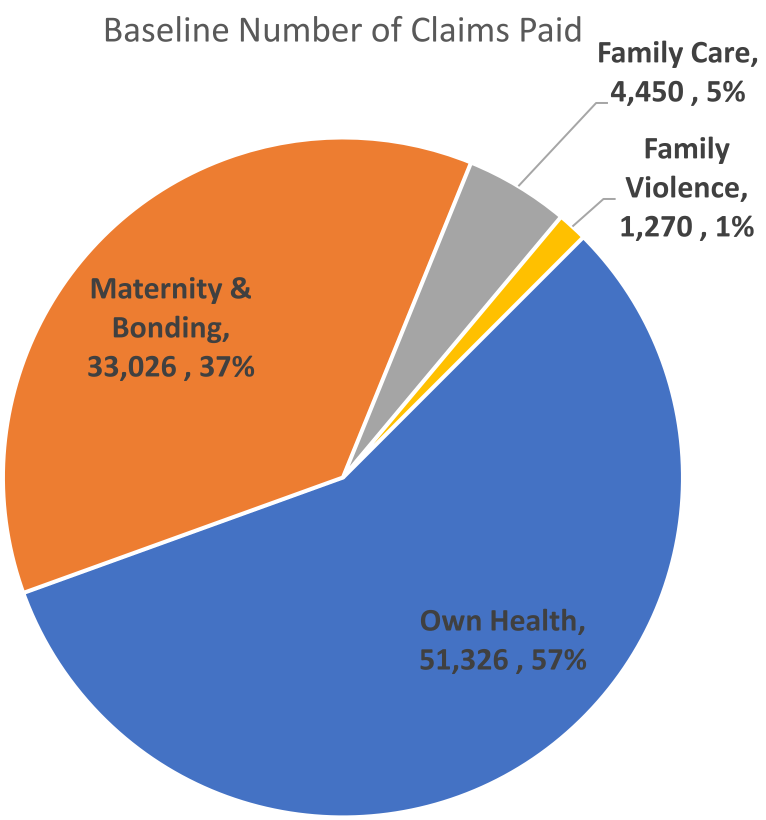
Estimated Program Usage & Costs Pre-Pandemic

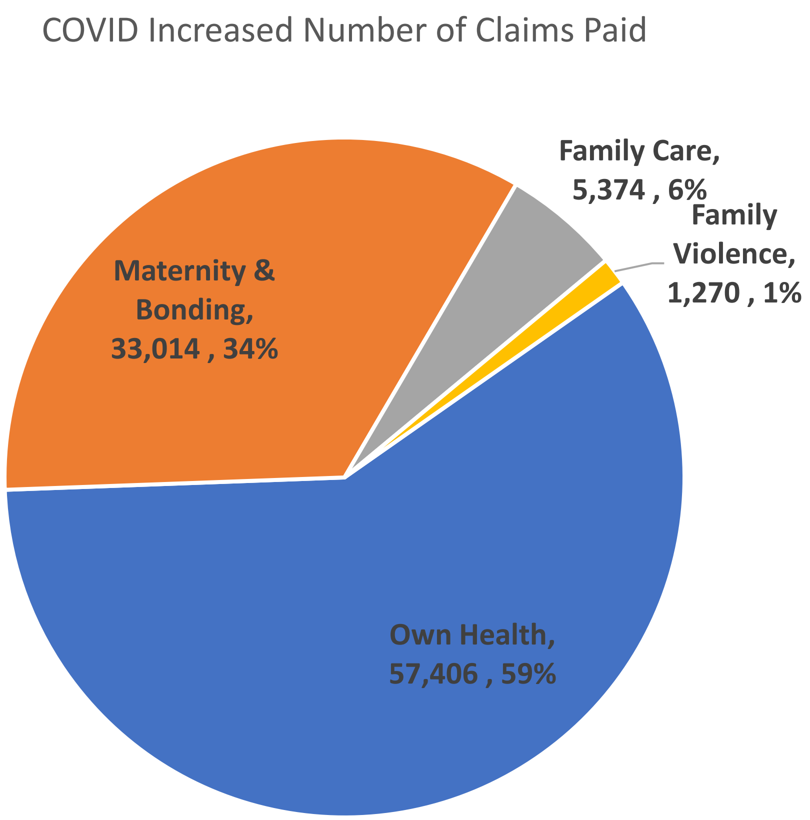
Table X. Estimated Annual Benefit Usage and Costs for Connecticut Public Act 19-25 (2017 Dollars)

	Private	State & Local Government*	Self-Employed**	Total
Number of Leaves Taken & Receiving Program Benefits				
Own Health	46,906	1,825	2,594	51,326
Maternity & Bonding	29,429	1,247	2,350	33,026
Family Care	4,035	148	267	4,450
Total	80,371	3,220	5,212	88,802
Weeks Receiving Program Benefits				
Own Health	7.0	7.1	7.1	7.0
Maternity & Bonding	8.0	8.1	7.8	8.0
Family Care	3.3	3.2	3.3	3.3
All Reasons	7.2	7.3	7.2	7.2
Average Weekly Benefit	$504	$541	$485	$505
Benefit Cost ($millions)				
Own Health	$165.6	$6.9	$8.9	$181.4
Maternity & Bonding	$118.3	$5.6	$8.6	$132.6
Family Care	$6.7	$0.2	$0.5	$7.4
Family Violence (Non-medical, see Table 2)	--	--	--	$1.0
Total Benefit Cost ($millions)	$290.6	$12.7	$18.0	$322.3

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model, 2012 FMLA Employees survey and 2013-2017 American Community Survey. (July 2020, 10 replicates.) * Based on data for Connecticut state employment, estimating 25 percent of state and local workers covered for PFMLI. ** Estimating 40 percent of Self-employed opting-in with an adjustment for adverse selection.

Overall, number of claims paid is 8% higher under COVID-19 take-up compared to the baseline





Estimated Program Usage & Costs Pre-Pandemic with Increased Bonding Claims in 2022

Table X. Estimated Benefit Usage and Costs for Connecticut Public Act 19-25 and Increased Bonding Claims (2017 Dollars).

	Private	State & Local Government*	Self-Employed**	Total
Number of Leaves Taken & Receiving Program Benefits				
Own Health	46,906	1,825	2,594	51,326
Maternity & Bonding***	35,858	1,519	2,863	40,241
Family Care	4,035	148	267	4,450
Total	86,800	3,492	5,725	96,017
Weeks Receiving Program Benefits				
Own Health	7.0	7.1	7.1	7.0
Maternity & Bonding	8.0	8.1	7.8	8.0
Family Care	3.3	3.2	3.3	3.3
All Reasons	7.2	7.3	7.2	7.2
Average Weekly Benefit	$504	$541	$485	$505
Benefit Cost ($millions)				
Own Health	$165.6	$6.9	$8.9	$181.4
Maternity & Bonding	$144.8	$6.7	$10.8	$162.3
Family Care	$6.7	$0.2	$0.5	$7.4
Family Violence (Non-medical, see Table 2)	--	--	--	$1.0
Total Benefit Cost ($millions)	$317.1	$13.8	$20.1	$352.1

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model, 2012 FMLA Employees survey and 2013-2017 American Community Survey. (July 2020, 10 replicates.) * Based on data for Connecticut state employment, estimating 25 percent of state and local workers covered for PFMLI. ** Estimating 40 percent of Self-employed opting-in with an adjustment for adverse selection. ***Based on new child bonding claims from children born the calendar year before benefits start (2021).