



Overview of California's PAID FAMILY LEAVE PROGRAM

2020



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Cover



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Executive Summary

Paid Family Leave programs continue to be part of state and national policy discussions. As a result, this document was designed to provide policy makers, program administrators, and stakeholders with an overview about this successful program. Paid Family Leave provides more than 18.7 million California workers with benefits to care for an ill family member or to bond with a new child by birth, adoption, or foster care placement.

The overview discusses the program's financing structure, eligibility requirements, demographic and program statistics, state operations, and legislative history. It also provides the history of Paid Family Leave, including how it was designed to be a component of California's State Disability Insurance program. Since 1946, State Disability Insurance has provided benefits to workers experiencing a non-work related illness, injury, pregnancy, or disability.

As interest in creating statewide and federal Paid Family Leave programs continues to increase, we hope this information illustrates how an effective program can flourish in the United States.



State Operations

Employment Development Department's Organizational Structure

As one of the largest state departments, the Employment Development Department (EDD) has employees located at hundreds of service locations throughout the State who provide services to millions of Californians each year.

The EDD is responsible for administering the Unemployment Insurance, State Disability Insurance, payroll tax collection, and job training/workforce programs.

For more information, visit [About the EDD](http://edd.ca.gov/About_EDD/About_EDD.htm) (edd.ca.gov/About_EDD/About_EDD.htm).

Disability Insurance Branch

Within the EDD, the Disability Insurance Branch is responsible for the administration of the State Disability Insurance program. The Disability Insurance Branch is comprised of two divisions: Central Office Division and Field Office Division.

Central Office Operations

The Central Office Division provides administrative support to the Disability Insurance Branch executive staff and field operations. The staff develops, oversees, and coordinates the following:

- Program related telecommunications, software, and hardware
- Administrative duties, personnel, and facility services
- Customer guidance and problem resolution
- Program quality and integrity
- Procedures, forms, and training manuals
- External website content and publications
- SDI Online and Voluntary Plan
- Communication efforts with internal and external stakeholders

Central Office is comprised of four areas, and each area includes multiple sections and units:

- **Administration and Outreach:** Administrative Section and Outreach Development Section.
- **Business Integration and Technology and Customer Relations:** Technology and Customer Relations Section, and Technology and Business Integration Section.
- **Policy and Compliance:** Compliance, Integrity, and Assurance Section and Policy and Procedures Section.
- **Voluntary Plan, Data, and Business Process:** Business Process and Organizational Change Section, Voluntary Plan Section, and Program Research and Systems Section.



Field Operations

The Field Operations Division includes Customer Service Centers, Claims Management Offices, the Paid Family Leave office, and Training and Management Staff Development.

Paid Family Leave has one claims management office for oversight and administration of the Paid Family Leave program for California workers. The office is comprised of the following sections:

- **Customer Service Center:** Answers telephone inquiries from claimants, employers, and the medical community.
- **Determinations:** Program representatives process new, continued, and reestablished claims, employer forms, and miscellaneous information, and set up and process overpayments if a customer is paid incorrectly.
- **Specialty:** This includes the following units:
 - ◆ Appeals: Processes all appeals, determines eligibility, and transmits to the California Unemployment Insurance Office of Appeals for a hearing.
 - ◆ Workers' Compensation: Investigates claims when a customer is filing for Paid Family Leave benefits and receiving workers' compensation benefits simultaneously.
 - ◆ Voluntary Plan: Processes and refers claims that may be covered by a voluntary plan.
 - ◆ Training: Paid Family Leave internal training oversees six to seven weeks of classroom training covering claims processing, types of claims (transitional bonding from pregnancy disability, regular bonding, and care claims), and a general overview of overpayments, appeals, workers' compensation, and program integrity.
- **Office Support:** Process incoming and outgoing mail and other various administrative duties such as attendance, copying, and customer service.

Access to Services – SDI Online, Call Centers, In-Person

SDI Online:

In fall 2012, the EDD implemented SDI Online, an electronic claim filing system for Paid Family Leave benefits to be used by:

- Claimants: To file a Paid Family Leave claim and review previously submitted claims.
- Physicians/practitioners and their authorized representatives: To file a medical certification for Paid Family Leave care claims and review previously submitted medical certifications.
- Voluntary Plan employers and Third Party Administrators: To report Voluntary Plan claims and respond to Voluntary Plan referrals.

SDI Online reduces claim processing time, provides online confirmation of submitted forms, decreases costs in paper and postage, and includes security safeguards to detect and manage fraud and abuse.

Call Centers:

The EDD's Customer Service Centers answer phone inquiries from claimants, employers, and medical providers. There are a total of 13 toll-free numbers that enter the network and use Interactive Voice Response and Virtual Contact Center technology. There are a total of nine Paid Family Leave numbers, with direct numbers in seven languages. However, the EDD can provide service for most other languages as needed. For more information, visit [SDI toll-free numbers](#) (edd.ca.gov/Disability/Contact_SDI.htm).

In-Person:

Customers can visit one of the 17 State Disability Insurance offices throughout California to submit or pick up a claim form, to address individual claim questions, or provide additional documentation for their claim. For more information, visit [Office locations](#) (edd.ca.gov/Disability/Contact_SDI.htm).

Overview of California's Paid Family Leave Program

Chapter One: History of the State Disability Insurance Program

While this document was created to provide policy makers, program administrators, and stakeholders with an overview of California's Paid Family Leave program, it is important to recognize that Paid Family Leave was established as a component of an existing benefit program known as State Disability Insurance. This chapter briefly discusses the creation of State Disability Insurance before providing an overview of Paid Family Leave.

In the early 1940s, Governor Earl Warren wanted to create a health insurance and disability insurance system to help fill the gap between workers' compensation and Unemployment Insurance. While there was resistance to "state operated health insurance" at the time, a disability insurance program that provided a partial and temporary wage replacement to workers experiencing a non-work related injury or illness was more acceptable.

In 1946, California enacted the State Disability Insurance program. Although it was reported that the concept for disability insurance originated in California, the State of Rhode Island was actually the first state in the nation to create a disability insurance program in 1942. Other disability insurance programs have been established in New Jersey in 1948; New York in 1949; Puerto Rico in 1968; and Hawaii in 1969.

Unlike Unemployment Insurance, which is based on a federal-state partnership, California's State Disability Insurance is operated solely on state law with no involvement by the federal government. While Unemployment Insurance is financed by payroll taxes paid by employers, State Disability Insurance is financed by covered workers through payroll deductions. These payroll deductions, also referred to as "State Disability Insurance contributions," are deposited into a dedicated fund that is used to pay benefits to eligible workers and finance the program's operating costs. California's EDD is the state agency responsible for administering State Disability Insurance.

The State Disability Insurance program's financing structure will be discussed in greater detail in the following chapter.

Enacting America's First Paid Family Leave Program

In 2002, Senate Bill 1661 was signed into law by Governor Gray Davis, creating the first Paid Family Leave program in the nation. California's Paid Family Leave leverages the financing structure of State Disability Insurance to provide up to eight weeks of benefits to covered workers who need time off work to care for a seriously ill family member or to bond with a new child.

Although the legislation was enacted in 2002, Paid Family Leave benefits officially became available to covered workers on July 1, 2004. To cover the initial costs to provide these new benefits, workers provided additional contributions into the State Disability Insurance Fund in calendar years 2004 and 2005.

"When you first become a new parent you shouldn't have to worry about money.

Thanks to PFL, I didn't!"

Andy C.

Sacramento, California

As a result of this newly enacted legislation, State Disability Insurance offers two types of benefits, Disability Insurance and Paid Family Leave. Both benefits are financed by workers and paid from the State Disability Insurance Fund.

Chapter Two: State Disability Insurance Program Financing Structure

Background Information

The State Disability Insurance program's financing structure uses a statutory formula to set an annual contribution rate that is applied to covered workers' wages to determine how much the workers would pay into the State Disability Insurance Fund. For example, if the contribution rate was set at 0.5 percent and a worker earned \$25,000 in annual income which was subject to State Disability Insurance deductions, then the worker would contribute \$125 annually ($\$25,000 \times 0.005$) to the State Disability Insurance Fund.

In calendar years 1985 and 1986, California's State Disability Insurance Fund experienced deficits. While the existing formula for setting the contribution rate was intended to maintain a year-end fund balance between 25 and 50 percent of the prior year's disbursements (e.g., benefit and administrative costs), it was unable to do so with the existing contribution rates (0.6 and 0.9 percent respectively) in those years. As a result of experiencing two consecutive years of deficits, the existing statutory formula for calculating the contribution rate was adopted on January 1, 1987.

In 1992, the State Disability Insurance program experienced another deficit which prompted the EDD to initiate a study to identify the exact cause of the deficit. The study found the contribution rate was working, but the maximum contribution rate allowed under state law was not robust enough to adequately address an increase in benefits, an economic downturn, or a potential increase in duration of benefits being paid. As a result, legislation was enacted (Senate Bill 4) that increased the maximum rate from 1.2 to 1.25 percent beginning in 1993, and to 1.3 percent beginning in 1994.

When Senate Bill 1661 was enacted authorizing the first Paid Family Leave program in the nation, the maximum contribution rate was again increased to 1.5 percent. Since that time, the State Disability Insurance Fund has remained solvent, even when California experienced the Great Recession where a record number of workers lost their jobs and were no longer contributing to the State Disability Insurance program.

The following sections discuss the different components that make up the State Disability Insurance program's financing structure in greater detail. These components include the:

- Contribution rate formula and its statutory requirements
- Taxable wage ceiling formula
- Adequacy rate

Contribution Rate Formula and Statutory Requirements

The existing statutory formula and limitation are cited in Section 984 of the California Unemployment Insurance Code. The formula is based on several fund conditions that occurred over the previous 12-month period beginning October 1 and ending September 30. The formula as stated in section 984(a)(2) of the California Unemployment Insurance Code are as follows:

1.45 x Disbursements from the Fund – Fund Balance **State Plan Taxable Wages**

The 1.45 variable is a key factor for ensuring the State Disability Insurance Fund retains a year-end reserve in the range of 25 to 50 percent of the prior year's disbursements. The term disbursements includes benefits paid to eligible workers, administrative costs to operate the program, and any other minor charges to the Fund. State plan taxable wages includes all wages that were subject to State Disability Insurance contributions or deductions.

Because the different variables in the financing formula consider increases and decreases in the disbursements and changes in the Fund balance, they help set an appropriate contribution rate to cover the program's costs without accumulating excess funds. For example, if there are significant increases in disbursements from the prior year resulting in a much lower Fund balance, those two fund conditions would likely result in a higher contribution rate. Conversely, if the disbursements decrease causing the Fund balance to increase, then the contribution rate would likely decrease when compared to the prior year's rate.

Other key provisions that discuss statutory requirements includes the following:

- The contribution rate shall be rounded to the nearest one-tenth of one percent pursuant to section 984(a)(2) of the California Unemployment Insurance Code.
- The contribution rate shall not exceed 1.5 percent or be less than 0.1 percent pursuant to section 984(a)(3) of the California Unemployment Insurance Code.
- The contribution rate shall not decrease from the rate in the previous year by more than two-tenths of one percent pursuant to section 984(a)(3) of the California Unemployment Insurance Code.
- The Director may increase or decrease the rate by 0.1 percent if he or she determines the adjustment is necessary for the payment of benefits or to prevent the accumulation of excess funds pursuant to section 984(d) of the California Unemployment Insurance Code.

Taxable Wage Ceiling Formula

As with the contribution rate, the maximum amount of wages subject to the contribution rate is adjusted annually by a statutory formula. This component of the financing structure is referred to as the taxable wage ceiling. Section 985 of the California Unemployment Insurance Code sets the taxable wage ceiling using the following statutory formula:

$$(4 \times \text{the Maximum Weekly Benefit Amount} \times 13) / 0.55$$

Whenever there is an increase in the maximum weekly benefit amount, it automatically triggers an increase to the taxable wage ceiling. This trigger allows the State Disability Insurance program to generate additional revenue to pay for the higher maximum weekly benefit amount. Furthermore, the maximum weekly benefit amount also increases annually by an equal percent increase in the state average weekly wage. This allows the maximum weekly benefit amount to keep pace with increases in wages.

In summary, as the state average weekly wage increases it will automatically cause an increase in the State Disability Insurance program's maximum weekly benefit amount, which then triggers an increase in the program's taxable wage ceiling. Both the contribution rate and taxable wage ceiling



work in tandem to generate revenue to operate the State Disability Insurance program. The formulas and triggers serve as means to automatically adjust the financing structure to keep pace with increased benefits, Fund balance changes, etc.

In calendar year 2020, the contribution rate is one percent for all wages earned up to \$122,909. The maximum amount a worker would contribute to the State Disability Insurance program is approximately \$1,229.09. For more information, visit [Current Benefit Rates](https://edd.ca.gov/about_edd/quick_statistics.htm) (edd.ca.gov/about_edd/quick_statistics.htm).

Adequacy Rate

Many insurance programs use different methods to measure solvency and ensure there is sufficient revenue to meet their obligations to pay claims. The method used by the State Disability Insurance program is called the “Adequacy Rate.” Simply stated, a State Disability Insurance Fund balance that equals 25 to 50 percent of the prior 12-months of disbursements is considered adequate for the Fund to remain solvent through different economic conditions and fluctuations in revenue and benefit volume.

If the Adequacy Rate falls below 25 percent during a typical year, it would raise concerns that the Fund could become insolvent. Conversely, if the Adequacy Rate was above 50 percent there are concerns that the Fund has accumulated excessive reserves paid by covered workers. It is in these situations that the Director could use their authority to increase the contribution rate by 0.1 percent so additional revenue is generated to bring the Adequacy Rate above 25 percent, or decrease the contribution rate by 0.1 percent to bring the Adequacy Rate at or below 50 percent and reduce costs for covered workers.

FINANCING DATA — CALENDAR YEARS 2004–2019

Calendar Year	Contribution Rate	Taxable Wage Ceiling	Total Contributions	Other Income ^B	Year-End Fund Balance	Adequacy Rate
2004 ^A	1.18%	\$68,829	\$4,706,300,000	\$70,600,000	\$1,770,200,000	49%
2005	1.08%	\$79,418	\$4,792,300,000	\$116,800,000	\$2,796,200,000	72%
2006	0.80%	\$79,418	\$3,759,600,000	\$182,500,000	\$2,678,000,000	66%
2007	0.60%	\$83,389	\$3,034,200,000	\$178,500,000	\$1,570,600,000	36%
2008	0.80%	\$86,698	\$3,947,700,000	\$121,200,000	\$894,300,000	19%
2009	1.10%	\$90,669	\$5,158,800,000	\$74,300,000	\$1,075,900,000	21%
2010	1.10%	\$93,316	\$5,500,500,000	\$66,000,000	\$1,540,900,000	30%
2011	1.20%	\$93,316	\$5,772,500,000	\$86,600,000	\$1,967,300,000	44%
2012	1.0%	\$95,585	\$5,278,400,000	\$50,200,000	\$1,886,800,000	49%
2013	1.0%	\$100,880	\$5,524,100,000	\$41,600,000	\$2,240,300,000	55%
2014	1.0%	\$101,636	\$5,816,300,000	\$53,100,000	\$2,575,300,000	58%
2015	0.9%	\$104,378	\$5,576,700,000	\$63,300,000	\$2,557,000,000	56%
2016	0.9%	\$106,742	\$5,925,200,000	\$64,900,000	\$2,839,700,000	52%
2017	0.9%	\$110,902	\$6,181,100,000	\$82,700,000	\$2,864,300,000	49%
2018	1.0%	\$114,967	\$7,344,912,000	\$113,821,000	\$3,112,375,000	43%
2019	1.0%	\$122,909	\$7,878,784,000	\$129,471,000	\$3,294,082,000	41%

A. Employees' contributions to the Disability Fund increased on January 1, 2004 to cover the costs for Paid Family Leave benefits. However, benefits were not available until July 1, 2004.

B. Other income includes interest earned on the fund balance, interest from Unemployment Insurance loans of 2011 and 2012, assessments on voluntary plans, and uncollected benefits by claimants.

Note: Total contributions, other income, and year-end fund balance are rounded to the nearest \$100,000. Fund balances do not include DI fund forecasts (which exclude UI loan payments).

Chapter Three: Eligibility Requirements

Monetary Requirements

Paid Family Leave benefits are payable to a customer who is attached to the labor market prior to their family care or bonding period, has a loss of wages as a result of the family leave, and has sufficient prior earnings in a 12-month period called the “base period” (5 to 18 months before the claim begins). To be attached to the labor market they must be employed, looking/registered for work, or have an active Unemployment Insurance claim in payment status within 90 calendar days from their last day of work. A customer who is not attached to the labor market is not eligible for Paid Family Leave benefits.

Length or tenure of employment with an employer does not affect eligibility. If a customer works part-time or intermittently prior to their Paid Family Leave claim and they are unable to perform their regular work and have a loss of wages due to their family leave, they are still eligible to receive Paid Family Leave benefits. Additionally, the employee must have earned at least \$300 from which State

Disability Insurance deductions were withheld during their base period.

“Paid Family Leave provided the peace of mind when it provided benefits to me, so I can focus on my family.”

Russ D.

Cameron Park, California

If a customer is misclassified by their employer (e.g., independent contractor), the EDD will investigate the misclassification issue and the employee may submit supporting documentation to the EDD (e.g., paystubs, Wage and Tax Statement, or W-2 form). If they did not contribute to State Disability Insurance via payroll deductions from their current or past employer(s) in the 5 to 18 months prior to their claim start date, they will

not be eligible for benefits. Benefits can only be paid if the employee contributed to State Disability Insurance and is otherwise eligible.

Qualifying Conditions – Bonding and Care Claims

Customers are eligible for up to 8 weeks of Paid Family Leave benefits within a 12-month period. The eight weeks of benefits can be paid consecutively or may be split up while the customer is working part-time or intermittently as a result of their family leave.

Caregiving: Available to customers to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner.

Paid Family Leave defines “seriously ill” as an illness, injury, impairment, or physical or mental condition that requires:

- At-home care or in-patient care in a hospital, hospice, or residential medical facility.
- Continuing treatment by a physician or health care provider.

Bonding: Available to parents welcoming a new child into the family through birth, adoption, or foster care placement within the past 12 months. Foster and adopted children must be under the age of 18.

A “parent” is defined as an individual, spouse, or registered domestic partner who will be serving as a parent for the child.

Effective January 1, 2021, the Paid Family Leave program will expand to include new eligibility for employees who take time off work due to a “qualifying military event” arising out of the overseas military deployment of the employee’s family member.

Claim Filing Requirements

Care Claims: The customer must complete the *Claim for Paid Family Leave (PFL) Benefits (DE 2501F) (PDF)* which includes the care recipient’s authorization. The care recipient’s treating physician/practitioner must also certify on the claim form that the care recipient requires care and the length of time care is required. However, the EDD may require the customer to submit a written verification of relationship if there is reason to question the validity of the relationship.

Bonding Claims: The customer must complete the *Claim for Paid Family Leave (PFL) Benefits (DE 2501F) (PDF)* and provide a proof of relationship document when they file. This document may be a birth certificate, declaration of paternity, foster care placement record, adoptive placement agreement, independent adoption placement agreement, or other documentation that shows evidence of the relationship. California Code of Regulations, Title 22, section 2708(c)-1 specifies the requirements for supporting documents.

To learn how to file a claim, view the following how-to videos:

- **How to file a Paid Family Leave Claim using SDI Online (YouTube)**
- **How to file a Paid Family Leave Claim by Mail (YouTube)**
- **How to file a Disability Insurance Claim using SDI Online(YouTube)**
- **How to transfer from Disability Insurance to Paid Family Leave (YouTube)**

These how-to videos are also available in Spanish.

Claim Processing

Section 2701.5 of the California Unemployment Insurance Code requires the EDD to pay initial claims within 14 days from receiving a properly completed claim if the customer is deemed eligible.

A customer generally receives a *Notice of Computation (DE 429DF)* within a couple days of receipt of a properly completed claim. The DE 429DF informs the customer that the EDD has received their Paid Family Leave claim and their potential weekly benefit amount. Receipt of this notice does not confirm eligibility and the EDD may need additional information before making a determination of eligibility.

Care Claims: The care recipient’s treating physician/practitioner must certify that the care recipient requires care. The EDD interfaces with the Department of Consumer Affairs to verify the licenses of physicians/practitioners who are providing medical certification on Paid Family Leave care claims. If a physician/practitioner’s license cannot be verified, the customer’s eligibility is affected.

Benefit Payments

Paid Family Leave provides benefits that are approximately 60 percent of an employee’s salary for higher income earners and 70 percent for lower income earners. The weekly benefit amount is based on a seven-day calculation, therefore, benefits are payable on weekends.

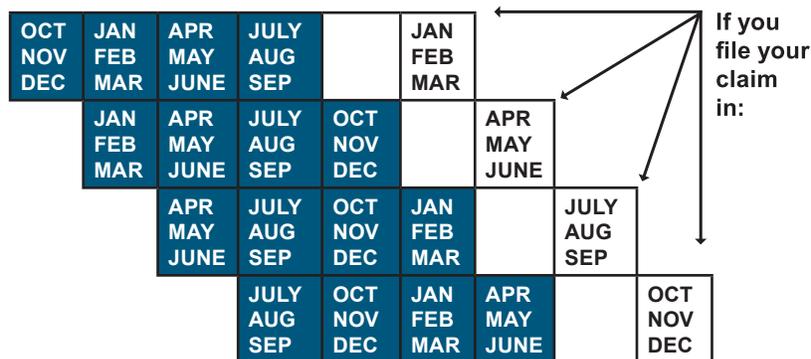
The EDD will send an *Electronic Benefit Payment (EBP) Notification* (DE 2500E) when payment is issued. Benefit payments are deposited on an EDD Debit CardSM issued by Bank of America unless the customer requests to be paid by check. Once the debit card is received, all authorized benefit payments are deposited to the card account. To reach Bank of America regarding the debit cards, visit the Bank of America EDD Debit CardSM website, or call 1-866-692-9374 (voice) or 1-866-656-5913 (TTY).

Customers who use all eight weeks of benefits consecutively will receive payments every two weeks for the duration of their claim. Customers returning to work before using all eight weeks are paid through the day prior to their return to work date. If the customer is working intermittently, they should report the intermittent work on their claim form.

Weekly Benefit Amounts and Calculations

The EDD calculates a customer’s weekly benefit amount from wages earned within their base period. The customer’s base period includes wages reported by their employer(s) that were subject to State Disability Insurance withholding and earned approximately 5 to 18 months before their claim begins. The customer’s base period is a 12-month period of time (or 4 consecutive quarters of 3 months each) and is determined by the start date of their claim. The base period does not include wages paid at the time their claim begins.

The following information may be used to determine the base period for a claim:



Refer to the chart above. The shaded area represents the base period. The non-shaded area represents the month the claim is filed. For example, when a customer files a claim in January, February, or March, the base period is the 12 months ending September 30. Therefore, a claim beginning February 14 has a base period that starts October 1 and ends September 30.

The quarter with the highest earnings in the base period is used to calculate the weekly benefit amount. Once the quarter with the highest earnings is determined, that amount is divided by 13 (number of weeks in a quarter) and multiplied by 0.60 or 0.70 (wage replacement rate) and rounded up to the nearest dollar. The formula used to determine the wage replacement rate is based on the state average quarterly wage. For 2020:

- If the customer’s highest quarterly earnings are less than \$929, their weekly benefit amount is \$50.
- If the customer’s highest quarterly earnings are between \$929 and \$5,741.66, their weekly benefit amount is approximately 70 percent of their earnings.
- If the customer’s highest quarterly earnings are more than \$5,741.66, their weekly benefit amount is approximately 60 percent of their earnings.

Conflicting Wages

Certain types of income, if received at the same time as Paid Family Leave benefits, could be in conflict. The following income should always be reported to the EDD:

- Sick leave pay
- Paid time off
- Employer required vacation
- Military pay
- Residuals
- Holiday pay
- Self-employment income
- Commissions
- Bonuses
- Insurance settlements
- Workers' compensation benefits
- Wages, including modified duty or part-time earnings

If conflicting wages are received by the customer, their benefit amount may be decreased depending on the amount and type of wages being received. If conflicting wages are received but not reported, and the customer receives more than 100 percent of their regular pay, an overpayment, penalties, and a false statement disqualification may result.

Ineligibility

A Paid Family Leave customer would be deemed ineligible for benefits if the customer:

- Is receiving Disability Insurance, Unemployment Insurance, or workers' compensation benefits.
- Is not working or looking for work at the time they begin their family leave.
- Does not have a loss of wages.
- Is in custody due to conviction of a crime.
- Does not have at least \$300 of wages in their base period.
- Does not contribute to the State Disability Insurance Fund.
- Does not have a qualifying bonding or caregiving event.

Appeals Process

If a customer does not agree with all or part of a denial of benefits or the *Notice of Computation* (DE 429DF) they have the right to file and appeal or contest their benefit amount to an administrative law judge. The appeal does not need to be formal, but it must be in writing. The appeal must be submitted within 30 days of the mailing date on their enclosed notice. The EDD will review and process the appeal. If the determination is reversed after the review, the customer is paid if otherwise eligible. If the determination is not reversed, the appeal is forwarded to the Office of Appeals for a hearing before an administrative law judge.

Chapter Four: Metrics
PAID FAMILY LEAVE PROGRAM STATISTICS – CALENDAR YEARS 2004-2019

Calendar Year	Total First Claims Filed	Total Benefits Authorized	Average Weekly Benefits Paid	Maximum Weekly Benefit Amount (Offered by the EDD for PFL)
2004 (July to Dec)	75,776	\$162,915,720	\$415	\$728
2005	156,249	\$343,731,507	\$431	\$840
2006	166,174	\$374,729,374	\$444	\$840
2007	183,344	\$427,006,273	\$459	\$882
2008	200,102	\$482,701,743	\$474	\$917
2009	187,916	\$469,339,424	\$491	\$959
2010	200,921	\$506,428,264	\$499	\$987
2011	205,833	\$519,587,715	\$502	\$987
2012	214,091	\$554,221,807	\$517	\$1,011
2013	217,259	\$582,048,866	\$537	\$1,067
2014	238,576	\$652,528,964	\$546	\$1,075
2015	237,862	\$670,947,796	\$560	\$1,104
2016	256,839	\$752,844,672	\$581	\$1,129
2017	259,751	\$797,315,859	\$609	\$1,173
2018	284,218	\$971,574,173	\$670	\$1,216
2019	297,447	\$1,049,420,684	\$702	\$1,300
Grand Total	3,382,358	\$9,317,342,569	NA	NA

CLAIMANT DEMOGRAPHICS – PFL TOTAL FIRST CLAIMS FILED CALENDAR YEARS 2004-2019

Calendar Year	Bonding Claims					Care Claims					Total PFL Claims Filed				
	Female	Male	Unknown*	Total		Female	Male	Unknown*	Total		Female	Male	Unknown*	Total	
2004	56,279	10,178	54	66,511		6,460	2,788	17	9,265		62,739	12,966	71	75,776	
2005	112,155	24,810	110	137,075		13,325	5,799	50	19,174		125,480	30,609	160	156,249	
2006	118,112	28,223	124	146,459		13,663	6,020	32	19,715		131,775	34,243	156	166,174	
2007	127,754	33,804	146	161,704		14,994	6,613	33	21,640		142,748	40,417	179	183,344	
2008	137,566	39,833	176	177,575		15,454	7,038	35	22,527		153,020	46,871	211	200,102	
2009	129,024	38,775	149	167,948		13,708	6,220	40	19,968		142,732	44,995	189	187,916	
2010	130,564	46,541	220	177,325		16,292	7,248	56	23,596		146,856	53,789	276	200,921	
2011	130,862	49,660	236	180,758		17,162	7,856	57	25,075		148,024	57,516	293	205,833	
2012	132,781	54,533	269	187,583		18,026	8,433	49	26,508		150,807	62,966	318	214,091	
2013	133,584	57,516	257	191,357		17,627	8,232	43	25,902		151,211	65,748	300	217,259	
2014	143,668	66,144	268	210,080		19,377	9,090	29	28,496		163,045	75,234	297	238,576	
2015	142,538	66,945	293	209,776		19,100	8,950	36	28,086		161,638	75,895	329	237,862	
2016	148,189	75,772	306	224,267		21,922	10,606	44	32,572		170,111	86,378	350	256,839	
2017	146,933	80,769	281	227,983		21,606	10,111	51	31,768		168,539	90,880	332	259,751	
2018	150,913	93,775	345	245,033		26,455	12,671	59	39,185		177,368	106,446	404	284,218	
2019	155,192	100,367	347	255,906		27,905	13,555	81	41,541		183,097	113,922	428	297,447	

*"Unknown" denotes that the claimant did not respond.

Chapter Five: Employers and Physicians/Practitioners Roles and Responsibilities

Employers

Employers are required to provide new hires or employees who may need to file for Paid Family Leave benefits with the ***Paid Family Leave (DE 2511) (PDF)*** brochure, and display the ***Notice to Employees (DE 1857A) (PDF)*** in an area accessible to employees.

After a claim is filed, the employer receives the *Notice of Paid Family Leave Claim Filed* (DE 2503F) to complete and return to the EDD. The law requires that employers respond within two business days of receiving the notice. The form provides the employer with the employee's name, Social Security number, reported last day of work, and the claim start date.

It is the responsibility of the employer to determine their own policy concerning how their employees notify them of their family leave.

Physicians/Practitioners

Physicians/practitioners must determine whether their patient's physical or mental health condition requires physical care or emotional support from a family member and how long that care is required.

The physician/practitioner or their authorized representative must complete Part D – Physician/Practitioner's Certificate of the ***Claim for Paid Family Leave (PFL) Benefits (DE 2501F) (PDF)*** for care claims only (bonding claims do not require medical certification).

The medical certificate must include their patient's diagnosis and corresponding International Classification of Diseases code, the estimated date their patient no longer requires care, estimated duration (including number of hours per day) their patient will need care provided by a family member, and their medical license number.

If the physician/practitioner provided a recovery date for their patient that was less than eight weeks and their patient requires additional care/support from their family member, they must complete a *Paid Family Leave (PFL) Supplemental Claim Certification* (DE 2525XFA).

“PFL was an amazing opportunity to help my wife and I transition into becoming new parents. The bonding time it allowed me to have with my newborn son was priceless.”

Nephi L.

Nephi, Utah

Chapter Six: Paid Family Leave Legislative History

The following bills are the legislation pertinent to the path Paid Family Leave has taken from the inception of the program in 2002 to current status:

Senate Bill 1661

Senate Bill 1661 (Chapter 901, Statutes of 2002), signed by Governor Davis on September 25, 2002. The legislation provided up to six weeks of wage replacement benefits to workers who take time off of work to care for a seriously ill child, spouse, parent, or domestic partner, or to bond with a new child. The law took effect July 1, 2004.

Senate Bill 727

Senate Bill 727 (Chapter 797, Statutes of 2003), signed by Governor Davis on October 10, 2003. Senate Bill 727 made clarifying and technical changes to Paid Family Leave which included defining “disability benefits” to include Paid Family Leave benefits, differentiating between receipt of vacation pay for purposes of Disability Insurance and Paid Family Leave, and specifying that Paid Family Leave customers must provide a medical certificate for the care recipient even if receiving workers’ compensation. These changes took effect on January 1, 2004, for claims starting on or after July 1, 2004.

Assembly Bill 2188

Assembly Bill 2188 (Chapter 378, Statutes of 2010), signed into law by Governor Schwarzenegger on September 25, 2010. The legislation took effect immediately on urgency status, and clarified conditions in which a Nurse Practitioner may certify to State Disability Insurance benefits in collaboration with a physician or surgeon. It also removed the requirement to pay Disability Insurance benefits by check to allow for electronic benefit payments.

Assembly Bill 2778

Assembly Bill 2778 (Chapter 399, Statutes of 2010), signed into law by Governor Schwarzenegger on September 25, 2010. The legislation authorized third party administrators to administer voluntary plans on behalf of clients (must be majority small employers).

Senate Bill 770

Senate Bill 770 (Chapter 350, Statutes of 2013), signed by Governor Brown on September 24, 2013. Senate Bill 770 expanded California’s Paid Family Leave benefits to workers who take time off work to care for a seriously ill parent-in-law, grandparent, grandchild, or sibling. The new law took effect July 1, 2014.

Senate Bill 852

Senate Bill 852 (Chapter 25, Statutes of 2014), signed by Governor Brown on June 20, 2014, appropriated federal funds received by the state and deposited in the State Treasury. The Legislature approved a three year plan to fund outreach activities for the EDD’s Paid Family Leave program. This included \$1 million in state fiscal year 2014-15, \$2.5 million in state fiscal year 2015-16, and \$3 million in state fiscal year 2016-17.

Senate Bill 1083

Senate Bill 1083 (Chapter 438, Statutes of 2014), signed into law by Governor Brown on September 18, 2014. Senate Bill 1083 took effect January 1, 2017 and authorized physician assistants to certify State Disability Insurance claims under the supervision of a physician or surgeon.

Senate Bill 667

Senate Bill 667 (Chapter 357, Statutes of 2015), signed into law by Governor Brown on September 28, 2015, and took effect on July 1, 2016. The legislation redefined a single disability benefit period. Two consecutive disability periods separated by no more than 60 days for the same or similar disability/injury will be determined to be a single disability period. It also asserted the waiting period requirement will not apply to claimants who have previously met the waiting period requirement on their initial claim and file a subsequent claim within 60 days of the initial benefit period.

Assembly Bill 908

Assembly Bill 908 (Chapter 5, Statutes of 2016), signed into law by Governor Brown on April 11, 2016, and took effect on January 1, 2018. Assembly Bill 908 increased the Disability Insurance and Paid Family Leave wage replacement rate from approximately 55 percent to approximately 60 to 70 percent (depending on income) of past earnings. It also eliminated the 7-day, non-payable waiting period for Paid Family Leave which decreased the length of time to file a timely claim from 49 to 41 days.

Assembly Bill 2886

Assembly Bill 2886 (Chapter 276, Statutes of 2016), signed into law by Governor Brown on September 9, 2016, and took effect on March 1, 2018, extended the claimant appeal submission deadline from 20 days to 30 days from the mailing or personal service of the determination.

Senate Bill 83

Senate Bill 83 (Chapter 24, Statutes of 2019), signed into law by Governor Newsom on June 27, 2019 and took effect on July 1, 2020. This legislation extended Paid Family Leave from six weeks to eight weeks of wage replacement benefits to workers who take time off work to care for a seriously ill family member or to bond with a new child.

Senate Bill 1123

Senate Bill 1123 (Chapter 849, Statutes of 2018), signed into law by Governor Brown on September 27, 2018 and will take effect on January 1, 2021. This legislation expands the scope of the Paid Family Leave program to include eligibility for employees who take time off work due to a “qualifying military event” arising out of the overseas military deployment of the employee’s family member.

Chapter Seven: Current Outreach and the “Moments Matter” Campaign

To educate the general public about State Disability Insurance, including Paid Family Leave, the EDD created the Outreach Development Section within the Disability Insurance Branch.

Current Outreach

The Outreach Development Section is comprised of two Outreach Units, the Education and Outreach Unit and the newly formed Paid Family Leave Outreach Unit. The Education and Outreach Unit, as well as Disability Insurance field office staff, attend conferences that target audiences such as social workers, palliative care, adoption, women’s health, and human resources. The unit provides monthly webinars to physicians/practitioners, customers, and employers with a general overview of the programs. The goal of the new Paid Family Leave Outreach Unit will be to educate and create partnerships with stakeholders (e.g., hospitals, medical providers, employers, and community groups) in all California counties to increase Paid Family Leave awareness. The Public Affairs Branch oversees the marketing efforts through Digital Marketing, which includes social media, such as Facebook, Twitter, Instagram, and YouTube.

To schedule a monthly webinar, visit the [Outreach Events Calendar](http://edd.ca.gov/Disability/Events_Calendar.htm) (edd.ca.gov/Disability/Events_Calendar.htm).

“Moments Matter” Campaign

Beginning July 2014, the legislature approved a total of \$6.5 million over a span of three years to increase Paid Family Leave awareness and inform Californians about the availability of benefits. The funding was provided over the following years:

- State Fiscal Year 2014-15: \$1 million
- State Fiscal Year 2015-16: \$2.5 million
- State Fiscal Year 2016-17: \$3 million

CALIFORNIA
PAID FAMILY LEAVE
moments matter.



In September 2016, the EDD entered into a contract with Mercury LLC and its subcontractor Misfit to implement a statewide media outreach campaign titled “Moments Matter.”

For this campaign the EDD and Mercury/Misfit:

- Developed and released digital and print advertisements, publications, ethnic focused creative assets to reach the diverse, multicultural population of California, and partnerships with the employer and medical provider communities.
- Launched the Paid Family Leave microsite, californiapaidfamilyleave.com and the **Calculator - Disability Insurance and Paid Family Leave** (edd.ca.gov/Disability/PFL_Calculator.htm).
- Recorded and aired English and Spanish radio ads promoting bonding, caregiving, and the changes with Assembly Bill 908.
- Developed partnerships with media outlets including Univision, California Black Media, and the What to Expect website.
- Participated in Paid Family Leave media briefings, television and radio interviews, outreach events, and conferences targeting human resource professionals, medical providers, and adoptive/foster care organizations and parents.
- Created videos promoting the Paid Family Leave program. To view a few of these videos, visit californiapaidfamilyleave.com and select the **Media** option from the Menu.

Paid Family Leave Advocates

The EDD partners with a coalition of Paid Family Leave advocacy groups to promote the Paid Family Leave program. The EDD and Paid Family Leave advocates meet quarterly to collaborate and discuss Paid Family Leave outreach goals. Participants include representatives from the EDD, legislative staff, researchers, community based organizations, and statewide groups, including but not limited to, employer, labor, caregiver, health care, elderly, and legal services organizations. The advocates serve as a resource for ideas and assistance to the EDD for the continuous improvement of the program. Paid Family Leave advocates collaborate statewide and in their local communities to provide information and educate the general public about the program and legislation that impacts Paid Family Leave benefits. A list of the advocacy groups can be found under our Program Resources in Chapter Nine.

Upcoming Changes to Paid Family Leave

Effective January 1, 2021, the Paid Family Leave program will expand to include a new eligibility component, known as “qualifying military event,” pursuant to Senate Bill 1123. In addition to bonding with a new minor child and/or taking care of a seriously ill family member, employees who take time off work to assist a military family member who is deployed overseas will be eligible for up to eight weeks of benefits.

Chapter Eight: Program Integrity – Fraud Prevention and Detection Efforts

The EDD uses a number of tools to prevent and detect fraud. The EDD's claim filing system alerts staff of potential fraud while data mining, analysis of demographic data, and quality control reviews detect fraud. Staff, employers, physicians/practitioners, customers, and the public are requested to report suspected fraud by phone, fax, or email. For more information, visit [Report Fraud](http://edd.ca.gov/disability/Report_Fraud.htm) (edd.ca.gov/disability/Report_Fraud.htm).

As a deterrence tool, the EDD may proceed with criminal prosecution and assess a monetary penalty or a loss of future benefits to anyone who commits fraud. The Disability Insurance Branch's Program Integrity Unit works closely with the EDD Investigation Division. They conduct both internal and external criminal investigations to determine if fraud or embezzlement against the EDD benefit programs has been committed for the Disability Insurance, Tax, and Unemployment Insurance branches.

For more information on fraud prevention and detection efforts, visit [Recent Fraud Convictions](http://edd.ca.gov/About_EDD/EDD_Actively_Prosecutes_Fraud.htm) (edd.ca.gov/About_EDD/EDD_Actively_Prosecutes_Fraud.htm) and [Annual Fraud Reports](http://edd.ca.gov/Payroll_Taxes/annual_fraud_reports.htm) (edd.ca.gov/Payroll_Taxes/annual_fraud_reports.htm).

Chapter Nine: Paid Family Leave Program Resources

The following sections contain links to additional Paid Family Leave information.

Frequently Asked Questions and Answers

For more information, visit [State Disability Insurance Frequently Asked Questions](http://edd.ca.gov/Disability/FAQs.htm) (edd.ca.gov/Disability/FAQs.htm).

Fact Sheets, Brochures, and Publications

For a full list of publications, visit [State Disability Insurance Forms and Publications](http://edd.ca.gov/disability/Forms_and_Publications.htm) (edd.ca.gov/disability/Forms_and_Publications.htm). For ordering instructions, visit [Online Forms and Publications](http://edd.ca.gov/Forms) (edd.ca.gov/Forms).

- *Paid Family Leave Brochure (DE 2511) (PDF)*
Also available in **Armenian, Cantonese, Mandarin, Punjabi, Spanish, Tagalog, and Vietnamese.**
- *Paid Family Leave Flyer (DE 8519) (PDF)*
Also available in **Armenian, Cantonese, Mandarin, Punjabi, Spanish, Tagalog, and Vietnamese.**
- *Paid Family Leave Booklet (DE 8520) (PDF)*
- *Paid Family Leave Fact Sheet (DE 8714CF) (PDF)*
Also available in **Spanish.**
- *Guide for Completing a Claim Form for Paid Family Leave (PFL) Benefits (DE 2475) (PDF)*
Also available in **Armenian, Cantonese, Mandarin, Punjabi, Spanish, Tagalog, and Vietnamese.**
- *Important Information for Paid Family Leave Claimants (DE 2515PF) (PDF)*
- *Claim for Paid Family Leave (PFL) Benefits (Sample Form) (DE 2501F) (PDF)*
Also available in **Spanish.**
- *Notice to Employees (DE 1857A) (PDF)*
Also available in **Armenian, Cantonese, Mandarin, Punjabi, Spanish, Tagalog, and Vietnamese.**



- [Appeal Fact Sheet \(DE 1001\) \(PDF\)](#)
- [Disability Insurance and Paid Family Leave Weekly Benefit Amounts \(DE 2588\) \(PDF\)](#)
- [State Disability Insurance Program Fact Sheet \(DE 8714C\) \(PDF\)](#)
Also available in **Armenian, Cantonese, Mandarin, Punjabi, Spanish, Tagalog, and Vietnamese.**
- [SDI Online Tips for Claimants \(DE 8515\) \(PDF\)](#)
Also available in **Spanish.**
- [SDI Online Tips for Physicians and Practitioners \(DE 8516\) \(PDF\)](#)
- [SDI Online Tips for Employers \(DE 8518\) \(PDF\)](#)

Significant Web Pages

- [Employment Development Department](#)
(edd.ca.gov)
- [About Paid Family Leave](#)
(edd.ca.gov/disability/About_PFL.htm)
- [How to File a Paid Family Leave Claim in SDI Online](#)
(edd.ca.gov/disability/How_to_File_a_PFL_Claim_in_SDI_Online.htm)
- [How to File a Paid Family Leave Claim by Mail](#)
(edd.ca.gov/disability/How_to_File_a_PFL_Claim_by_Mail.htm)
- [State Disability Insurance \(SDI\) Online Informational Tutorials](#)
(edd.ca.gov/disability/SDI_Online_Tutorials.htm)
- [The EDD Debit CardSM](#)
(edd.ca.gov/About_EDD/The_EDD_Debit_Card.htm)
- [Disability Insurance \(DI\) Fund Forecast](#)
(edd.ca.gov/About_EDD/Quick_Statistics_Overview.htm)
- [Quick Statistics](#)
(edd.ca.gov/About_EDD/Quick_Statistics.htm)
- [Paid Family Leave Social Impact Study \(PDF\)](#)
(edd.ca.gov/disability/pdf/PFL_Economic_and_Social_Impact_Study.pdf)

- **Paid Family Leave Market Research (2015) (PDF)**
(edd.ca.gov/disability/pdf/Paid_Family_Leave_Market_Research_Report_2015.pdf)
- **State of California Unemployment Insurance Appeal Board**
(cuiab.ca.gov)
- **California Unemployment Insurance Code**
(leginfo.legislature.ca.gov)

Paid Family Leave Program Advocates

The Disability Insurance Branch partners with the following Paid Family Leave advocate organizations:

- **AARP California**
(states.aarp.org/region/california)
1-888-687-2277
- **ACLU of Southern California**
(aclusocal.org)
1-213-977-9500
- **Assembly Appropriations Committee**
(apro.assembly.ca.gov)
1-916-319-2081
- **Assembly Budget Committee**
(abgt.assembly.ca.gov)
1-916-319-2099
- **Assembly Committee on Labor and Employment**
(albr.assembly.ca.gov)
1-916-319-2091
- **Breastfeed LA**
(BreastfeedLA.org)
1-323-210-8505
info@breastfeedLA.org
- **California Black Health Network**
(cablackhealthnetwork.org)
1-916-333-0613
- **California Budget & Policy Center**
(calbudgetcenter.org)
1-916-333-0613
- **CA Commission on the Status of Women and Girls**
(women.ca.gov)
1-916-651-5405
info@women.ca.gov
- **California Employment Lawyers Association**
(cela.org)
1-818-703-0587

- **California Hospital Association**
(calhospital.org)
1-916-552-7620
- **California Labor Federation**
(calaborfed.org)
1-916-444-3676 (Sacramento)
1-510-663-4000 (Oakland)
info@calaborfed.org
- **California Legislative Women’s Caucus**
(womenscaucus.legislature.ca.gov)
- **California Partnership to End Domestic Violence**
(cpedv.org)
1-916-444-7163
- **California Rural Legal Assistance, Inc.**
(crla.org)
1-831-757-5221 ext. 1411
- **California Small Business Majority**
(smallbusinessmajority.org)
1-866-597-7431 (San Francisco)
1-818-470-0377 (Los Angeles)
1-916-479-1045 (Sacramento)
- **California WIC Program**
(calwic.org)
1-916-572-0700
- **California Work and Family Coalition**
(workfamilyca.org)
1-510-473-2216
info@workfamily.ca.org
- **Center for Economic and Policy Research**
(cepr.net)
1-202-293-5380
info@cepr.net
- **Center for Law and Social Policy (CLASP)**
(clasp.org)
1-202-906-8000
- **Center for WorkLife Law**
(worklifelaw.org)
1-415-565-4640
- **Child Care Law Center**
(childcarelaw.org)
1-415-558-8005
info@childcarelaw.org

- **Gap, Inc.**
(gapinc.com/en-us)
1-415-427-5874
- **Human Impact Partners**
(humanimpact.org)
1-510-452-9442
- **Legal Aid at Work**
(legalaidatwork.org)
1-415-864-8848
- **Los Angeles Care Giver Resource Center**
(fcsc.usc.edu)
1-855-872-6060
- **Los Angeles LGBT Center**
(lalgbtcenter.org)
1-323-993-7400
- **Parent Voices**
(parentvoices.org)
1-415-882-0234
Mary@ParentVoices.org
Jennifer@ParentVoices.org
- **San Francisco Department of Public Health**
(sfdph.org)
1-213-487-7211
- **SEIU Local 99**
(seiu99.org)
1-213-487-7211
- **Senator Maria Elena Durazo**
(sd24.senate.ca.gov)
1-916-651-4024
- **Small Business Majority**
(smallbusinessmajority.org)
1-916-479-1045
- **Western Center on Law and Poverty**
(wclp.org)
1-213-487-7211

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 1-866-490-8879 (voice). TTY users, please call the California Relay Service at 711.