



Council of the District of Columbia
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Elissa Silverman
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December 9, 2020

Dr. Unique Morris-Hughes, Director
Department of Employment Services
4058 Minnesota Avenue, NE
Washington, DC 20019

Dear Director Morris-Hughes:

This summer, your agency successfully launched the District's new universal paid family and medical leave program. Congratulations, and thank you for your hard work. The Committee on Labor and Workforce Development is thrilled that this program is now underway and providing economic security to working families when they bring a new child into their family or deal with their own or a family member's medical issue.

As the program has been underway for some months, the Committee would like to learn more about who is using the program and other matters of operation. Please see the questions below. Please note that providing these questions now will reduce the number of performance oversight questions the Committee submits to the agency during the 2021 performance oversight season.

Thank you again for your leadership in making paid family leave a reality here in DC. It is a huge accomplishment for the agency and a great benefit for our workers. Thanks for your attention to this matter. I would appreciate a response by January 8, 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Elissa Silverman".

Elissa Silverman
Chair, Committee on Labor and Workforce Development
Council of the District of Columbia

Universal paid family and medical leave questions

Data: claimants

1. Please complete the following table with information on claims through Dec. 31, 2020

Type of leave	Number of claims filed	Number claims approved	Number claims denied	Number claims pending	Percent of claims determinations issued more than 10 days after filing	Average number days from determination to first payment made
Family caregiving leave						
Parental leave						
Medical leave						

2. How many of the claim denials were due to lacking “current employment,” for each type of leave (parental, medical, family)? What were other reasons for denials?
3. How many claims were filed for reasons related to COVID/coronavirus, by leave type (family, medical)?
4. How many claims were filed by telephone? By paper? Online?
5. Please complete the following table with information on benefits paid on claims through Dec. 31, 2020.

Benefits Paid and Weeks of Leave

Type of leave	Number claims paid	Total benefits paid (\$)	Number claimants paid maximum \$1,000 per week benefits	Average weekly benefit amount	Percentage of paid claims that utilized maximum number of weeks of leave to which employee was eligible	Average number of weeks of leave taken
Family caregiving leave						

Parental leave						
Medical leave						

6. Please provide a description of what demographic information is collected on claimants (such as state of residence, DC Ward, race, gender, income level). Please provide data on state of residence, DC Ward, and race, as well as any other demographic information collected, for each type of leave and disaggregated by claim approved, claim denied, and claim pending.
7. The following language is in the UPLA law (D.C. Code § 32–551.01(k): “By October 1,2018, and annually thereafter, the Mayor shall submit a report to the Council about the financial management, claim management, operation, and use of the Fund and the paid-leave program established pursuant to the Act.” Please provide the expected date of submission of this report about the program in 2020 (fiscal year or calendar year).

Businesses and Taxes

8. How many businesses have requested tax relief of some sort (a waiver, delay in payment, or other)? For how many employees? How many businesses received relief? For how many employees?
9. How many businesses claimed employee exemptions? For how many employees? How many businesses received an exemption? For how many employees?
10. The financial system shows 46 companies with a transaction code “revenue refund payable” and an invoice description “PFL tax refunds” (see Attachment 1).
 - a. Please explain why these companies were provided a refund for taxes paid.
 - b. If these refunds were due to policy matters (such as employer coverage), please explain.
 - c. Please also explain the specific reasons for each of four largest transactions, for Fannie Mae (\$621,000), DC Water and Sewer Authority (\$369,000), Gryphon Technologies (\$17,000), and Donal Cardinal Wuerl Roman Cat (\$49,000).
11. How many businesses have been assessed penalties for failure to pay? Please provide total amount assessed, total amount collected, total amount outstanding.
12. The regulations provide that DOES may waive penalties and interest for good cause. What is the process and timeline for requesting such a waiver? Where in the public-facing materials is this process and timeline described in detail? How many good cause waivers have been issued?

Staffing

13. In June 2020, DOES entered into a contract with DigiDoc for \$360,000 to provide medical examiners (CW83633). Please explain why this work is being contracted out rather than provided directly by DOES staff. What is the estimated cost per hour to

directly hire a staffperson to do this work, and how does that compare to the contract rate of \$65.18 per hour?

IT system

14. During summer 2020, claimants reported to the Committee that their selection of direct deposit was changed back to check payment without claimant action. Why did this occur? Has this problem been fixed? If not, when will it be fixed?
15. Does the agency plan any upgrades to the self-employment portal? Will the upgrade to the Unemployment Insurance Tax System (which uses the same Employer Self Service Portal) result in upgrades to the paid leave portion of the ESSP? Please describe what will be upgraded and the timeline.
16. It has been reported to the committee that the self-employment portal is confusing and difficult to use. Will OPFL create a step-by-step guide with screen shots and directions and/or create a video to show new users how to set up an account, file reports, and make payments?

Outreach

17. It has come to the Committee's attention that when asked, DOES will not provide claimants with information on the taxability of benefits. DOES wrote to one claimant in September:

“PFL benefits may be subject to federal, state, and local income taxes. No taxes will be taken when benefits are paid however claimants will receive a 1099 to be used for tax purposes. Claimants are advised to refer to their local taxing authorities to inquire about the taxable status of benefits. If more guidance becomes available OPFL will release any updated information.”

As this is a definitive answer according to the District's Office of Tax and Revenue (yes, the benefits are taxable at the federal level and in DC), please explain why DOES will not provide this information to District residents. Additionally, please describe any plans to provide this in the future.

18. How did the agency promote open enrollment for the self-employed in Fall 2020? If a contractor was hired, please provide the name, contract number, and copies of any deliverables.
19. Can and will OPFL create a Frequently Asked Questions or similar document to answer questions for claimants who are teleworking due to the pandemic?

Workplace leave navigators grant program

20. The RFAs for the Workplace Leave Navigators grant program, newly approved in the Budget Support Act of 2020, were released on Oct. 30, and a conference was held on

Nov. 13. However, local organizations were not informed of a pre-application meeting until 6pm on Nov. 12.

- a. Were local organizations informed of the RFA release prior to Nov. 12? On what date?
 - b. Please provide a list of organizations that were informed of the RFAs.
 - c. Please explain why less than 24 hours' notice was provided for the pre-application meeting.
21. The maximum funding under the grants is \$400,000 for assistance to employers and up to \$300,000 for assistance to employees. Further, the reimbursable rate is \$10 per hour higher for assistance to employer groups (up to \$60) than to employee groups (up to \$50).
- a. Please explain why more overall grant funding is being provided to employer groups than to employee groups. Provide a copy of any analysis done to make this decision.
 - b. Please provide the specific information and provide the source name and url from the Bureau of Labor Statistics that the RFA cites as providing the "average rate for similar services" that underlie the reimbursable rates for services hours.

Contracts

22. In April 2020, DOES entered into a contract with Metropolitan Strategies and Solutions for \$785,000 for "data analytics and business transformation services" (CW81839). Please provide a detailed description of what this work entails, what the outcomes are expected to be, and how this information will be utilized by OPFL. Please attached a project plan, including timetable of deliverables, and copies of all deliverables.
23. In May 2020, DOES entered into a contract with DigiDoc for \$856,912 for "all service continuous process improvement." The contract was for both OPFL and unemployment insurance. Please provide a detailed description of what this work entails, what the outcomes are expected to be, and how this information will be utilized by OPFL. Please attached a project plan, including timetable of deliverables, and copies of all deliverables.
24. DOES contracted with Geographic Solutions to build the benefits system. Section C.5.17 of the Geographic Solutions contract discusses service level agreement (SLA) and states GSI "shall provide a monthly summary report for SLA performance via e-mail to the Contract Administrator." Please provide all SLA reports received since the launch of the Paid Family Leave Benefits Administration System (PFLBAS).
25. Attachment J.7 of the PFLBAS RFP (and by inclusion, of the Geographic Solutions contract) is "the initial set of Reports required to support the Office of Paid Family Leave and the administration of the PFLBAS...." Using the identifier numbers in the attachment as reference, which reports is the PFLBAS currently able to produce? Are there are any other "canned" or "static" reports that the PFLBAS can produce currently?

Expenditures

26. Please explain the following FY2020 expenditures from local funds, including what specific goods or services each vendor provided to OPFL and any associated contract numbers. Also, please explain why the Codice and Sagitec expenditures were not from capital funds.

ABC TECHNICAL SOLUTIONS INC	\$81,755
AD BOX PROMO AGENCY, LLC	\$78,066
CORPORATE SYSTEMS RESOURC	\$52,517
DC CHAMBER OF COMMERCE	\$5,686
HEALTH IT 2 DBA CODICE	\$498,512
MVS INC	\$145,537
REINGOLD LINK LLC	\$250,603
SAGITEC SOLUTIONS LLC	\$415,188
SYDAR OF DC LLC	\$102,137

Attachment 1 re Question 10: Financial report showing “revenue refund payable” and “PFL Tax Refunds”

Agy Title		DEPARTMENT OF EMPLOYMENT SERVICES		
Sum of Trans Amt	Column Labels	2020	2021	Grand Total
(blank)		(\$1,014,652)	(\$48,984)	(\$1,063,636)
CHARGES FOR SERVICES - PUBLIC		(\$1,014,652)	(\$48,984)	(\$1,063,636)
REVENUE REFUND PAYABLE		(\$1,014,652)	(\$48,984)	(\$1,063,636)
PFL TAX REFUNDS		(\$1,014,652)	(\$48,984)	(\$1,063,636)
340B Health		(\$1,170)		(\$1,170)
AMERICAN PLANNING ASSOC		(\$31)		(\$31)
Amy Konigsburg LLC		(\$100)		(\$100)
BARCO ENTERPRISES INC		(\$61)		(\$61)
BLUES ALLEY JAZZ LLC			(\$49)	(\$49)
BYRON S ADAMS		(\$223)		(\$223)
Change And Innovation Agency L		(\$333)		(\$333)
CHEVY CHASE CIRCLE CLEANERS		(\$97)		(\$97)
Claster Consulting		(\$37)		(\$37)
Crave LLC		(\$47)		(\$47)
D C WATER & SEWER AUTHORITY(DC		(\$368,831)		(\$368,831)
Donal Cardinal Wuerl Roman Cat			(\$48,776)	(\$48,776)
EVERETT REED MEETINGS EVENTS L			(\$59)	(\$59)
FANNIE MAE		(\$621,057)		(\$621,057)
FEDERAL RESERVE BANK OF RICHMO		(\$56)		(\$56)
Fenwick & West LLP		(\$125)		(\$125)
Gakyu LLC		(\$246)		(\$246)
Gryphon Technologies Inc		(\$17,163)		(\$17,163)
INA S BECHHOEFER		(\$92)		(\$92)
JEFFREY SINGER DDS		(\$69)		(\$69)
JOE TRIPPI & ASSOCIATES INC.		(\$536)		(\$536)
L ENFANT PLAZA DENTAL ARTS PLL		(\$150)		(\$150)
LAOGAI RESEARCH FOUNDATION			(\$100)	(\$100)
Madeleine Media, Inc		(\$100)		(\$100)
MARGARET M RICHARDSON		(\$6)		(\$6)
MARK S POPFASKY		(\$100)		(\$100)
maru solutions incorporated		(\$1,271)		(\$1,271)
Mital Desai		(\$100)		(\$100)
NAHU		(\$560)		(\$560)
NC4 SOLTRA LLC		(\$64)		(\$64)
NCSJ		(\$64)		(\$64)
PAIGE INTERNATIONAL INC		(\$157)		(\$157)
PAUL A LONDON		(\$82)		(\$82)
ROUNDTREE KNOX HUNTER PARKER L		(\$283)		(\$283)
Sensible Goods, Inc.		(\$79)		(\$79)
STEMQUEST LLC		(\$199)		(\$199)
Sublime Kidz LLC		(\$100)		(\$100)
SUSAN AKMAN		(\$88)		(\$88)
SUSAN CONTI		(\$83)		(\$83)
Susan Elisabeth S. Wagenger		(\$56)		(\$56)
Tenax Aerospace, LLC.		(\$142)		(\$142)
The Spyglass Group, LLC		(\$159)		(\$159)
TRIUNE SOLUTIONS LLC		(\$193)		(\$193)
VAL HAWKINS ARCHITECT, LLC		(\$48)		(\$48)
WILLIAMS & CONNOLLY LLP		(\$15)		(\$15)
WOMEN IN FILM & VIDEO INC		(\$280)		(\$280)
Grand Total		(\$1,014,652)	(\$48,984)	(\$1,063,636)