



## Washington State Legislature

November 13, 2007

### *MEMORANDUM*

**TO:** Subcommittee on Implementation  
Joint Legislative Task Force on Family Leave Insurance

**FROM:** Jill Reinmuth, Counsel  
House Office of Program Research

**RE:** Additional Information on Voluntary Plans

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During the meeting on November 2, Subcommittee members requested additional information about voluntary plans under California's Temporary Disability Insurance and Paid Family Leave programs. The following information is provided in response to that request.

1. One of the required conditions for approval of a voluntary plan is that a majority of employees who are eligible for coverage must consent to the voluntary plan. Subcommittee members asked when and how often consent is given.

According to California Employment Development Department staff, employees generally participate in an enrollment process prior to an employer submitting an application for a voluntary plan for approval. Consent is not required on a regular basis (e.g., annually) thereafter.

2. Another required condition is that employees who are eligible for coverage must be given the right to reject the voluntary plan and instead be covered by the state plan. Subcommittee members asked about how this provision works.

According to California staff, during an enrollment period, employees indicate their choice of coverage under the voluntary plan or the state plan. For employees hired subsequent to the effective date of the voluntary plan, eligibility for coverage under the plan depends on whether or not the plan has automatic coverage or if the employee needs to provide written consent to be covered under the plan.

If you have further questions about voluntary plans, please let me know.