

## Domestic Workers Workgroup

### Summary Session Notes

March 29, 2022

#### Work Group Attendees

- Sylvia Gonzalez
- Joe Kendo
- Dana Barnett
- Puja Dhawan
- Margret Diddams

#### Discussion & Review of Supplemental Documents

- Follow up on Action Items from January Meeting
  - Verifying the time loss that covers all the wages and what goes into determining the lost wages
    - Yes, it includes all wages at the time of injury
  - Determining responsible employer for coverage associated with an accumulative exposure, requiring an occupational disease claim
    - L&I looks at the most current employer at the time of filing the claim
- Survey Results
  - 36 responses; all on Spanish version
  - 84.8% were house cleaners
  - The hours worked and the number of households a domestic worker worked for were both reduced due to COVID.
  - No responses showed that an individual worked for the same house 40 hours or more per week
    - Thus no one who responded would have been covered under current system
  - Discussion to reopen the survey

*\*This was completed after the meeting and the survey is now open until August 15\**

- Workers Compensation Overview Document
  - Example – a housecleaner is injured and they file a claim with L&I, what happens?
    - L&I would look for an employer, and do the independent contractor test
    - If it is determined that they are an independent contractor they would not be covered
      - But they could get elective coverage moving forward
    - If they are a domestic worker, the household employer could get elective coverage
    - What happens when a household employer opts for elective coverage?
      - The homeowner can choose to pay the full premium or deduct the employee's portion from their pay.

- An employee cannot get elective coverage only an independent contractor/business owner can
  - Independent contractor test statute – RCW 51.08
- How does a homeowner get elective workers compensation coverage
  - Homeowner needs a UBI from the Department of Revenue when filing for coverage with L&I
  - L&I creates a unique account number but the UBI is used to have uniformity across state agencies
  - There are currently 670 accounts with the Domestic Worker risk class

*\*Discussion point: UBI may act as a functional barrier for homeowners to get coverage, as they are not a typical business. Have heard from homeowners that this is a challenge.\**

- After an account is created L&I will assign a risk class
  - Risk class is determine on the nature of the business and premiums are based off of this, risk class looks at the hazardous nature of a business
  - Domestic workers are in risk class 6510
    - Rates are based off of 4 different funds
      - An accident fund,
      - a medical fund (that pays for the bills of the injured worker),
      - a stay at work fund, and
      - a supplemental fund for workers (who are on pensions)
  - Day Laborers risk class would be determined based on the type of work they are doing
    - A homeowner could have multiple risk classes based on the type of work being performed
  - Once an homeowner has an account they must:
    - Track hours for all workers
    - Report quarterly
    - Pay premiums at the end of each quarter
    - Report 0 hours if no work is performed during that quarter
- How are rates determined?
  - We look at the previous five years –
    - the liability and current cost of claims and
    - what is deemed the cost paid: cost coming in and cost going out.
    - The employer premium is based off the overall cost and employers who have more injuries coming in, they pay a little more.
- How is time loss determined?
  - Time loss is not 100% of the wages; it is a portion. If you have children; it is around 65% of your wages and it is tax free.
  - Look at gross income at the time of injury from all employers

*\*Discussion point: How is time loss affected by changes in hours worked? How does/did COVID play a role in this, since many workers lost hours due to it?\**

- Follow up on State Comparison Document
  - Looked further into how Ohio works
    - Similar to WA, Workers Compensation is obtained through the state
    - The threshold is a domestic workers, who earns \$160 in any 13 week period from a single employer, coverage would be required
    - OH does not do auditing for homeowner employers as they would for other employers
    - They have approximately 3,980 policies with Domestic Workers – Residences assigned to their policy. There are another 275 employers that have other classifications assigned to their policy along with the domestic classification
    - To get coverage employers must fill out an application (with a UBI) and pay \$120
      - Employers pay their annual premium in advance and then true up at the end of the year
      - They use NCCI to determine risk class
    - OH does not do outreach or education on this issue

*\*Discussion point: How does L&I do outreach? \**