

Manager Talking Points and Frequently Asked Questions Washington Pay Transparency RCW 49.58.110 (Not for distribution to employees)

Background and context:

- Beginning January 1, 2023, employers with one employee in WA or 15 or more employees will be required to post a wage scale or salary range in job postings. Postings must include a general description of all the benefits and compensation such as paid time off, offered for that position. These requirements only apply to job postings that include qualifications for applicants.
- Qualifications are, but are not limited to, specific knowledge, skills, or abilities requested of the applicant for suitability of the position.
- This law is not applicable to transfers for current employees if there is no job posting, but employers will still need to disclose this information to employees they offer an internal transfer or promotion *if* asked (as required by current law).

Q: What is the purpose of the new law?

The intent of the requirement to post pay scales in job postings is to promote pay equity, and to help close the wage gap for those who are disadvantaged in the job market through no fault of their own. Job postings with pay ranges are shown to get significantly more applicants, and generally streamline the compensation and hiring process. It is estimated that by the end of 2023, 25% or more of all private employers will be required to post pay ranges in their jobs.

Q: Is this just an expansion of the current state law on pay transparency?

Yes. As a reminder, under the existing law RCW 49.58.100, employers cannot seek the wage or salary history of an applicant or require that an applicant's salary history meet certain criteria. This still applies. Applicants can choose to disclose their wage or salary history to an employer but only if the disclosure is voluntary.

Q: How will this be implemented at Northwest Kidney Centers?

The HR team has reviewed pay ranges for NKC jobs and will be re-posting all active jobs with pay ranges and benefit information in anticipation of the new law. If a new job is created, a job description will need to be created and the HR team will set a new pay range based on market data.

Q: How much detail on benefits will need to be included in job ads?

A "general" description of benefits includes, but is not limited to, health care benefits, retirement benefits, paid time off (including more generous paid sick accruals, parental leave, and paid time off) and any other benefits that must be reported for federal tax purposes such as 401k. Specific health and welfare benefits should be listed including medical, vision, dental, life, and disability insurance.

The following examples are considered a job posting because they include qualifications and reference a specific position for a desired applicant.

1. An electronic social media posted that reads "Seeking applicants for a Billing Specialist position. Must have 2 years of medical bill processing experience. \$20.00-30.00/hour and includes medical, dental, vision and 401k retirement plan.
2. An online job board that reads "We are looking for a qualified applicant who has experience with use of spreadsheets and database software for a Data Analyst role. Salary range is \$60,000-68,000 per year. Medical, dental, vision benefits, tuition reimbursement available."

Q: What reaction should I expect from my staff?

It's hard to say how staff will react. You should anticipate that employees will see job ads and react to pay scales provided. In many cases, employees will begin discussing this new information with their coworkers. Employees are permitted to discuss wages and this right is is protected by both federal and WA state law.

Q: How do I respond when an employee asks why they are at the low end of the pay range?

Remember, this is new territory for everyone. It is important not to be defensive or pass the buck because you didn't personally set the pay range for the role. A better response is to remain calm and respond with something like "I can see this is important to you. Let's get a meeting on the calendar." This will give you time to prepare for the conversation and have it in a private setting. Please feel free to reach out to HR for further guidance.

Q: How are pay rates determined?

A good answer here is an established pay range for this position which is determined by factors such as skills, level of experience required, title and location (in some cases). Your pay is based on the position you've been hired for and the education and experience you bring to the table.

Q: What is meant by salary range and how does the company decide where my pay fits in this range?

A salary range is the span between the minimum and the maximum base pay rate an organization is willing to pay for a specific job or group of jobs. Where your pay fits in the range is determined by various factors including supply and demand for the role, your experience and education, sometimes location, company budget and in-demand skill sets.

Q: How does the company determine if my pay is competitive and what's done if you discover it's not?

We monitor our pay practices in several ways including participating in salary surveys to ensure we are keeping up with the market. Sometimes, market pay adjustments are warranted if pay is lagging and if market conditions have changed. These decisions are made on an individual basis and can factor in years licensed or certified, job performance, and other factors.

Please reach out to the HR team if you have specific questions about this topic.