



OUR TECHNOLOGY IS YOUR FUTURE



New York State

PAID FAMILY LEAVE

{ AGENT / BROKER HIGHLIGHTS }

PFL EFFECTIVE DATE	01/01/18
PFL BENEFITS DATE	01/01/18
HIGHLIGHTS UPDATE	08/01/17

New York State **Paid Family Leave**

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EMPLOY-ER Considerations

SERIES VII

COVERED EMPLOYERS

New York State has and will continue to provide additional information and details to employers in order for them to review, prepare and implement Paid Family Leave on behalf of their covered employees on or before its effective date of January 1st, 2018, subject to the following considerations.



- Employers will be covered in accordance with the number of their eligible employees as follows:
 - A.** Groups 49 Lives or less | **B.** Groups 50 to 499 Lives | **C.** Groups 500 plus Lives
 - Employers subject to the New York State Statutory Disability Law (DBL) are equally mandated to provide their eligible employees Paid Family Leave (PFL).
 - Employers covering employees in the private sector with at least 1 employee (not counting the owner).
 - Employers in the public-sector that may elect to choose their participation under the Paid Family Leave, while being excluded from New York State Disability.
 - Partners, members of an LLP, Sole proprietors, or other self-employed individuals may elect to be covered under Paid Family Leave (PFL).
 - Paid Family Leave (PFL) coverage may be offered to out-of-state employees covered by a New York State employer, subject to the underwriting carrier's considerations and approval.
 - Employers failing to collect employee paid family leave contributions will be liable for payments of Paid Family Leave benefits, and will waive their right to collect employee contributions for the period in which contributions went uncollected.
 - Employers will be required to collect the cost of premiums through employee contributions paid through payroll deductions on behalf of all eligible covered employees.
 - Employers are required to post a notice of coverage on behalf of their employees in their place of business in accordance with New York State guidelines.
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- Employers may terminate health insurance coverage for employees who are more than 30 days late in paying their share of the premium
 - Employers must mail a notice to those employees at least 15 days before their health insurance coverage is to be terminated

New York State Paid Family Leave

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EMPLOY-ER Considerations-Cont'd

SERIES VII

HEALTH INSURANCE

- Employers will be required to continue and maintain health coverage on behalf of any eligible employee while using their PFL benefit.
- The Affordable Care Act rules apply to employer groups with under and over 50 employees. Employers may obtain additional information from their health care advisor on their health plan and PFL benefits.
- Employers will be billed by their insurance providers in accordance with rates determined by NY State guidelines, subject to the billing frequency available through insurance providers based on the number of eligible employees for each employer.

FAMILY LEAVE WAIVER



Employers must provide employees **the option to file a waiver to exempt them from making contributions for PFL**. This occurs when an employee's regular employment schedule is 20 hours or more per week, but they will work less than 26 consecutive weeks or their regular employment schedule is less than 20 hours per week and they will work less than 175 days in a 52 consecutive week period.

- Employers may make deductions from the pay of employees, who choose not to file such a **waiver**.
- If an employer hires an employee who (i) is ineligible for PFL benefits and (ii) **enters into a waiver, the waiver shall be deemed revoked within eight weeks** of change to the employee's schedule that requires an employee continue working for 26 weeks or 175 days in a 52 consecutive week period.
- After the employer notifies the employee that his or her waiver has been revoked, the employer should begin immediately taking contributions from the employee and shall make contributions for PFL coverage, including any retroactive amounts due from the employee's date of hire.
- The covered **employer shall keep a copy of the fully executed waiver** on file to be produced at the request of the Chair, for as long as the employee remains in employment with the covered employer.

New York State Paid Family Leave

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EMPLOY-ER Considerations-Cont'd

SERIES VII

CONTRIBUTIONS

- Employers may elect to subsidize and share the cost or a portion of the cost required for the PFL premiums on behalf of their eligible covered employees.
- Employers may be responsible for payment of premium prior to collection of all employee contributions for a policy year.
 - > Under these circumstances, the covered employer may collect employee contributions after the premium payment in order to cover the cost of the Paid Family Leave coverage.
- A covered employer shall use his or her employees' contributions to provide PFL benefits to employees and shall promptly return to employees any surplus in employee contributions that exceed the annual premium.
- An employer will be required to refund to its employees any contribution collected for paid family leave and disability benefits coverage that corresponds to any policy coverage period cancelled by the insurance carrier.



Employers are permitted, but not required, to collect the weekly employee contribution on July 1, 2017 for paid family leave coverage beginning on January 1, 2018.

- Employers may deduct employee contributions prior to the effective date of the policy and prior to an employee's eligibility for Paid Family Leave.

EMPLOYEE INFORMATION & GUIDE

- If a covered employer maintains written guidance for employees concerning employee benefits or leave rights, such as in an employee handbook, information concerning leave under PFL and employee obligations under PFL shall be included in the handbook or other written guidance.
- If a covered employer does not have written policies, manuals, or handbooks describing employee benefits and leave provisions the employer shall provide written guidance to each of his or her employees concerning all of the employee's rights and obligations under PFL, including information on how to file a claim for Paid Family Leave.
- Employers are required to sign their business up for PFL insurance as part of their DBL (Statutory Short-Term Disability) coverage (if they are self-insured they can get stand-alone PFL insurance).
- Employers with employees returning from PFL are required to provide their employees with the same or comparable position without loss of benefits that they would have accrued otherwise.
- **An employer that fails to provide Paid Family Leave** under the PFL **will be subject to a fine** of up to .5% of the employer's weekly payroll, plus an additional sum of not more than \$500.

New York State **Paid Family Leave**

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EMPLOY-ER Considerations-Cont'd

SERIES VII

VACATION PAID TIME OFF

Employers may offer eligible employees an option to apply accrued vacation time or charge all or part of their leave to PFL, enabling the employee to elect to receive their full salary in lieu of the percentage provided by PFL benefits alone.

- When an Employer offers, and the eligible employee exercises an option to charge all or part of his or her family leave time to unused accruals or other paid time off and receive full salary,
 - > The employer may request reimbursement out of any family leave benefits due or to become due by filing its claim for reimbursement with the carrier prior to the carrier's payment of such family leave benefits.
 - > The actual reimbursement amount may be computed after family leave is complete.

EMPLOYER PFL PREPARATION

The new PFL benefit will require **employers and their insurance advisor to work together** to ensure that they take the appropriate steps **to increase awareness and education** for their employees.

As well employers will need to review their internal administrative process to **accommodate changes in maintaining eligibility, payroll contributions, billing, policy documents and informational bulletins** on behalf of their employees.

Employers must follow all federal and state laws for notices provided to sensory-impaired individuals. Employers may consider the deductions for the funding of contributions July 1st 2017, in advance of the effective date January 1st 2018.

- **Employers should review their current protocols and or procedures** with respect to their leave policies, and the submission of disability claims to determine any changes that may be needed or desired to administer the Paid Family Leave benefits.
- Employers should start preparing for these new requirements by **reviewing and revising current policies and practices** and creating new comprehensive policies to ensure full compliance with the law's requirements, including the leave of absence and job reinstatement provisions.

EMPLOYEE COMMUNICATION

Employers must be aware that the proposed regulations require employers to display or post a notice in plain view where all employees and applicants can readily see it with information about PFL, including on how to file a complaint.

- If many of the employers' employees do not read and write in English, the notice also must be in a language in which the employees can read and write.



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EMPLOY-ER Considerations-Cont'd

SERIES VII



NY STATE DISABILITY NON-COMPLIANCE REVIEW

An employer who has had New York State employment with one or more employees on each of at least 30 days in any calendar year shall be a "covered employer" subject to the Disability Benefits Law after the expiration of four weeks following the 30th day of such employment.

- A "covered employer" under the law is required to provide for the payment of Disability Benefits to all eligible employees, which includes full-time and part-time employees.
- If an employer fails to obtain and maintain NYDBL for all eligible employees, it may result in non-compliance with NYDBL law.
- In the event of loss of coverage, an employer may be subject to fines and / or penalties, subject to the Workers Compensation Board review.

Avoid Non-Compliance and Loss of Coverage, Contact LiDAC for Assistance 516-482-2696



- Eligible Full-time employees working 20 hours a week or more may be eligible for PFL **after 26 consecutive weeks** of employment.
- Eligible Part-time employees working less than 20 hours a week may be eligible to PFL **after 175 days** of regular employment.

DOCUMENTATION

Employer should contact their insurance advisor to review the selection of their current NY DBL insurance carrier to confirm that they will continue to offer coverage. As well, your insurance advisor will work with the insurance carrier to obtain the necessary PFL documentation that will include but may not be limited to:

- Policy Contract Rider
- Certificates of Insurance
- Posting Notice
- Claim Forms
- Billing Invoices

NY STATE DISABILITY & PAID FAMILY LEAVE SERVICES

NY-PFL BULLETIN 08/01/17

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