



GROUP HEALTH PLAN ADVISORY

May 9, 2019

Massachusetts Paid Family and Medical Leave Law

The Massachusetts Paid Family and Medical Leave (MAPFML) law creates a state insurance program that provides Massachusetts workers with paid leave to welcome a new child, for their own serious illness or injury, to take care of a sick relative, or in relation to certain military-related circumstances.

Employers and Businesses Compliance with the Law

- Mandatory for any employer that employs one or more Massachusetts employees
- Self-employed individuals are can elect coverage for an initial minimum period of 3 years and cannot collect benefits until they have contributed premium for at least 2 calendar quarters

Effective Date

- The effective date is July 1, 2019. Workers will not be eligible to take paid family and medical leave until 2021.

Employer and Employee Contribution Rates

- Combined 0.63% of the maximum taxable earnings as established by the Social Security Administration (currently \$132,900)

Employers with 25 or More Employees			
Medical Leave		Family Leave	
Employer	Employee	Employer	Employee
Minimum Share – 60%*0.52% of Payroll = 0.31%	Maximum Share – 40%*0.52% of Payroll = 0.21%	Minimum Share = \$0	Maximum Share – 0.11% of Payroll

Employers with Fewer Than 25 Employees			
Medical Leave		Family Leave	
Employer	Employee	Employer	Employee

Exempt from Paying	Maximum share – 40%* 0.52% of Payroll = 0.21%	Minimum Share = 0%	Maximum Share – 0.11% of Payroll
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Exemptions for Approved Private Plans

- Private plans with benefits offered to employees greater than or equal to the MAPFML benefits may be granted an exemption
- Annual exemptions can be applied for through [MassTaxConnect](#) account beginning April 29

Types of Leave Covered

Family leave – Up to 12 weeks of family leave may be taken to:

- Care for a family member with a serious health condition
- Bond with a child within the first 12 months after its birth
- Bond with a child within the first 12 months after adoption or foster care placement
- Manage family affairs when a family member is on active duty in the armed forces

Medical leave – Up to 20 weeks of medical leave may be taken while employee is unable to work due to their own serious health condition

Workers Eligible for Benefits

- Employees working for a Massachusetts business or a state or federal governmental agency
- Employees whose employer doesn't offer a private paid leave plan with benefits that are equal to or greater than the state's coverage
- Independent contractors performing work for a business that issues 1099-MISC tax forms for more than 50 percent of its workforce
- Self-employed individuals
- Earnings requirements – employees must have:
 - Approximately 15 weeks or more of earnings
 - Earned at least \$4,700 in the previous 12 months

Maximum Amount of Paid Leave Available

- Family leave – up to 12 weeks
- Medical leave – up to 20 weeks
- Combined – up to 26 weeks

Weekly Benefits

- Equal to 80% of employee’s average weekly wages for wages up to 50% of the Massachusetts’ average weekly wage; maximum weekly benefit starting January 31, 2021 is \$850

Notice Requirements

Employer’s must notify their workforce about the MAPFML program, including its benefits and protections that apply to them. This notification includes:

- Displaying the MAPFML poster in a highly-visible location; available [here](#)
- By June 30, 2019 provide written notice of contributions, benefits, and workforce protections to Massachusetts W2 employees and Massachusetts 1099-MISC contractors. The state has posted notices for employees and independent contractors, which are available for download [here](#)
- Collecting signed acknowledgments of receipt of such notice from Massachusetts W2 employees and Massachusetts 1099-MISC contractors

Timeline

Date	Requirements
April 29, 2019	Employers can begin to apply for annual exemptions
June 30, 2019	<p>Employers and other covered entities must provide written notice to current employees and other covered individuals (both W-2 and 1099-MISC workers) of their rights and obligations under the MAPFML law and obtain signed acknowledgments.</p> <p>For newly hired employees, notice must be provided within 30 days of hire; for 1099-MISC workers, notice must be provided upon entering into a contract for service.</p>
July 1, 2019	<p>Final regulations issued.</p> <p>Employers begin making payroll deductions to fund employees’ share of contributions. Deductions from payments made to independent contractors also begin.</p> <p>Employers and other covered entities must display the state provided MAPFML poster in a conspicuous location.</p>
September 20, 2019	Deadline to file for and receive a private plan exemption before making the initial contribution.
October 31, 2019	1 st quarterly contribution and report due – July-September

January 1, 2021	Available paid family leave benefits – bonding with a new child, addressing needs related to a family member who is a covered service member of the Armed Forces and leave resulting from personal serious health conditions
July 1, 2021	Expansion of available paid family leave benefits – in addition to the above benefits, benefits become available for care for any family member with a serious health condition

Please contact your Oswald client team representative for further information.

Oswald Companies | Health Care Reform Implementation

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Disclaimer: Materials are solely for informational purposes as an educational resource. Please contact counsel to obtain advice with respect to any specific issue.