

Arch Insurance Group, a primary leader in the statutory disability and paid family leave markets, has an insured product to meet the specifications of the Massachusetts PFML law. The product is built specifically for Massachusetts employers who wish to file for a private plan exemption.

## Massachusetts Law

All Massachusetts employers are automatically enrolled into the state plan for PFML coverage. MGL c. 175M Paid Family Medical Leave establishes a system for paid family leave.

Employers who file for a private plan exemption and receive approval from the state will be exempt from state contributions beginning the first date of the quarter immediately following. Employers will remain exempt from state contributions for any future quarters in which they retain an approved private plan for their employees. Employers who file for an exemption that is approved by the state must show proof of a private plan.

## Arch Private Plan Features

- Compliant with MA PFML laws.
- The Arch MA PFML Product will be sold as a standalone product; no other Arch products are required to purchase this plan.
- Companies who opt out of the state plan and place coverage with Arch will not be required to make quarterly contributions to the state fund.
- Each policy is underwritten using company-specific demographic and employee census data.
- Rates guaranteed for one year.

## The Arch Advantage

- Excellent claim service; most claims are processed in five days or less.
- Arch has a history of success working with state mandated STD and PFL products.
- Access to Arch's online claims reports, and the online claim submission and management portal.

## How it Works

- 1** Arch will work with you to develop a plan for your employees.
- 2** Submit an application through the Massachusetts Department of Revenue's MassTaxConnect website to file an exemption.
- 3** Once approved, your plan will go into effect the 1st day of the next quarter.
- 4** In order to keep your exemption, you will need to refile annually.

## Massachusetts Paid Family Medical Leave (MA PFML) Plan Coverage

### Earnings Requirement

Employee must have earned an amount set by the state annually during the last 4 completed calendar quarters, and at least 30 times more than how much you would be eligible to get each week from your Paid Family Medical Leave benefits in the 12-month period before application for leave.

### Required Employers

All private employers with eligible employees working in Massachusetts. Law covers all employers (1 or more employees). Self-employed individuals are not required to participate.

### Leave Benefits

#### Family Leave

- Bonding (birth, adoption, foster placement).
- Qualifying military exigency.
- Family member's serious health condition.

#### Medical Leave

- Employee's own serious health condition.

### Paying Premiums

Employers may choose to pay for all of the premiums for their employees, or collect payroll deductions up to 100% of the paid family leave benefit and 40% of the paid medical leave benefit.

### Health Care Benefits

Employer contributions to employment-related health insurance benefits must be maintained at the level and under the conditions of coverage that would have been provided if the employee had worked continuously during the qualified leave.

### Covered Relationships

Family member is defined as spouse, domestic partner, child, parent or parent of a spouse or domestic partner; a person who stood in loco parentis to the employee when the employee was a minor child; or a grandchild, grandparent, or sibling of the employee.

### Benefit Duration

Employees may be entitled to one of the following leaves each year:

- Up to 12 weeks of bonding leave.
- Up to 12 weeks for military exigency.
- Up to 12 weeks of care of family member with a serious health condition.
- Up to 20 weeks of personal medical leave.
- Up to 26 weeks to care for sick family member with an illness or injury due to military service.
- A total of 26 weeks for a combination of paid family and medical leave.

During the leave period, eligible employees will be paid a percentage of their gross wages, not to exceed the annual maximum state benefit.

### Job Protection

During a qualified leave, the covered individual has job protection.

### Intermittent Leave

Leave may be taken intermittently or on a reduced leave schedule, with the weekly benefit amount being prorated.

### Presumptions

The private plan must state that all presumptions shall be made in favor of the availability of leave and the payment of leave benefits.

## Employer FAQs

### Why Choose a Private Plan?

Arch's plans may cost less than the state plan and offer excellent customer service.

### Can I change to an Arch private plan if I've already started to take payroll deductions for the state plan?

Because private plan state-approved exemptions go into effect the first day of the new quarter, contributions collected in the current quarter will be due to the state. Arch premiums will begin upon the effective date of your policy.

### When will a private plan become effective after you are approved for an exemption?

If approved, the private plan will become effective on the first day of the following quarter in which your plan was approved.

### How does an employer file for a private plan?

Using the MassTaxConnect website, employers can file for a MA PFML compliant private plan. Fully insured plans can use the Confirmation of Insured Policy Form provided by Arch along with the Arch policy as proof that a private plan will meet the state requirements for the exemption.

### What is the process for filing for an exemption?

On the Commonwealth's website, there is an online form of 25 questions that is needed to prove that the private plan you are offering is equal to or more favorable than the Commonwealth program. You will also need to upload a copy of your private plan to show that it meets the legal requirements for a complaint plan. This can be shown using the Confirmation of Insured Policy Form.

Once approved, employers will need to refile annually using the Confirmation of Insured Policy form as proof of coverage.

### When will I be billed?

Arch billing will occur at the end of each quarter.

### Can an employer submit different plans for different classes of workers (e.g. full time employees, part time workers, seasonal workers)?

No. A private plan must apply to all covered individuals within the businesses.

### What are the employer responsibilities for complying with the new PFML law?

In order to comply with PFML law, employers have the following responsibilities:

- Display the MA PFML Poster in a conspicuous place on your premises.
- Provide written notice to your workforce of PFML law, benefits, contribution rates, and other provisions. The notice may be electronic or printed and must include the opportunity for an employee to acknowledge receipt of the information, and must identify your chosen method of coverage (the state plan or a private plan).
- Prepare for MA PFML Statutory Reports for wages paid, payment for contract services rendered, and other information about their workforce.
- Determine contribution amounts for your workforce and for any contribution due as the employer using the new state assessed rate up to the social security cap.
- Set up payroll deductions or other methods of collection to ensure covered individual contributions, if applicable.

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Once approved, employers will need to refile annually using the Confirmation of Insured Policy form as proof of coverage.

### What are the Earnings Requirements?

Covered individuals must also meet an earnings requirement to be eligible for benefits. Before applying for benefits, you must have earned at least:

- An amount set by the state annually during the last 4 completed calendar quarters, and
- At least 30 times more than how much you would be eligible to get each week from your Paid Family Leave Benefits.

### What is the maximum benefit payable under the MA PFML Law?

The maximum weekly benefit amount for any individual will be 64% of the Commonwealth average weekly wage. Before October of each year, the department will establish a maximum weekly benefit amount at a level that is 64% of the then-applicable Commonwealth average weekly wage. The adjusted maximum weekly benefit amount will take effect on January 1 of the year following the new calculation.

### Who is eligible for MA PFML benefits?

Individuals are eligible for PFML benefits if they are:

- Employees working for a Massachusetts business or a state agency.
- Self-employed individuals for whom an employer is required to report payment for services on IRS form 1099-MISC and required to make contributions under the MA PFML law.

Before applying for benefits, workers must have earned an amount set by the state annually during the last 4 completed calendar quarters and at least 30 times more than how much you would be eligible to get each week from your Paid Family Medical Leave benefits.

### How is the MA PFML benefit calculated?

The portion of an individual's average weekly wage that is equal to or less than 50% of the Commonwealth average weekly wage will be replaced at a rate of 80%; and the portion of an individual's average weekly wage that is more than 50% of the Commonwealth average weekly wage will be replaced at a rate of 50%.

For state contribution rates, maximum benefits, average weekly wages, and benefit calculators, [visit here](#).

### Contact Us:

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\* This information has been compiled as of January 2025. Please refer to <https://www.mass.gov/info-details/paid-family-and-medical-leave-pfml-overview-and-benefits> for more detailed information.

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