

Employers in Colorado (CO) can choose a private plan option to protect their workers with Paid Family and Medical Leave Insurance (FAMLI).

Under CO law, private plans must contain the same or more favorable benefits when compared to the state-run program. These benefits must be available to all covered workers under the FAMLI law and can be self-insured or fully insured. By providing such a paid leave benefit to their workforce, an employer may be eligible to receive an exemption from collecting, remitting, and paying contributions for paid family or medical leave under the state's FAMLI law, provided that the employer files and the state approves that private plan. Arch Insurance Company has approved plans available to cover paid family leave, paid medical leave or both that meet the requirements of the FAMLI law.

How it Works

- 1** Arch will work with you to develop a plan for your employees.
- 2** Submit an application through the CO Department of Labor and Employment's website (famli.colorado.gov/employers/private-plans) to file an exemption.
- 3** Once approved, your plan will go into effect the 1st day of the next quarter.
- 4** Private plan approval expires eight (8) years from the date that the private plan went into effect. Employers must submit another approval application once their initial approval expires.

Employer FAQs

Why Choose a Private Plan?

The CO FAMLI plan that is run by the state assesses 0.9% up to a maximum limit tied to the Social Security Administration (SSA) wage limit. Arch's plans may be 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?

If an employer files for an exemption by 10/31/2023 for a 1/1/2024 effective date, they may be entitled to a refund of 2023 contributions, less administration fees. Thereafter, 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.

How does an employer file for a private plan?

Using the famli.colorado.gov/employers/private-plans website, employers can file for a CO FAMLI compliant private plan.

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.

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.

What is the process for filing for an exemption?

On the state's website, there is an online form for completion to prove that the private plan you are offering is equal to or more favorable than the state program. You will also need to upload a copy of your private plan's Policy to show that it meets the legal requirements for a compliant plan along with the CO FAMLI Program Notice.

After the initial eight (8) years, employers must submit another approval application.

Are there policy change notice requirements?

An employer shall notify the Division, in writing, of any material change to an approved private plan at least sixty (60) days before the change is to take effect.

What are the employer responsibilities for complying with the new FAMLI law?

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

- Display the CO FAMLI Poster in a conspicuous place on your premises.
- Provide written notice to your workforce of FAMLI 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 CO FAMLI 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 current state rate or private plan rate, if different.
- Set up payroll deductions or other methods of collection to ensure covered individual contributions, if applicable.

How does the state determine plan size?

All employers with one (1) or more employees must register for the plan on the My FAMLI+ Employer link on famli.colorado.gov.

Small employers (less than 10 workers) are not responsible for paying the employer share of contributions in the state-run program.

For the state run program, how much are the premium contributions?

For 2024, a 0.9% assessment will be charged up to a maximum tied to the SSA wage limit. Arch's CO FAMLI rates may differ.

Paying Premiums

Employers may choose to pay for all of the premiums for their employees. Arch's private plan may require the employer to contribute if premiums are more than the state wage cap for employee contributions.

When will I be billed?

Arch billing will occur at the end of each quarter.

State Plan Pricing Estimates

Arch's CO FAMLI policy rates may differ from the state plan rates.

Benefit Calculations	Worker 1 Annual Income: \$25,000	Worker 2 Annual Income: \$75,000	Worker 3 Annual Income: \$168,600
Weekly Income	\$480.77	\$1,442.31	\$3,242.31
Benefit	\$432.69	\$1,005.39	\$1,100.00
Income Replacement Ratio	90%	69.7%	33.9%

Contribution Calculations	Worker 1 Annual Income: \$25,000	Worker 2 Annual Income: \$75,000	Worker 3 Annual Income: \$168,600
Assessment Rate	0.9%	0.9%	0.9%
Annual Total Contribution	\$225.00	\$675.00	\$1,517.40
Minimum Employer Contribution	\$112.50	\$337.50	\$758.70
Maximum Worker Contribution	\$112.50	\$337.50	\$758.70

Benefit Availability

Unless otherwise noted, benefits will be available upon the effective date of the policy.

12-week benefits

- Care for sick family member
- Bond with a child (newborn, adoption or foster)
- Military exigency
- Safe leave
- Own serious medical condition

16-week benefits

- Up to an additional 4 weeks may be taken for pregnancy/childbirth complications, for a total of 16 weeks.

Maximum Limit

- The maximum number of weeks an employee can take between medical and family leave is 12/16 weeks in a rolling 12-month period.

Who is eligible for CO FAMLI benefits?

Individuals are eligible for FAMLI benefits if they are:

- Employees working for a CO employer.
- Self-employed individuals, including 1099 and contract workers, may opt into the state plan.
- Local government groups may opt into the state plan.
- Employees of local governments that have not opted into the state plan may opt into the state plan as individuals.

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 \$2,500 during the last four completed calendar quarters.

What is the maximum benefit payable under the CO FAMLI Law?

Benefits are paid at a rate up to 90% of the employee's average weekly wage with lower wage earners receiving a higher percentage. Benefits are calculated on a sliding scale using the individual's average weekly wage from the prior five calendar quarters in relation to the average weekly wage in CO and may increase over time. Benefits are capped at \$1,100/week for 2024.

How is the CO FAMLI benefit calculated?

For 2023 the CO average weekly wage is \$1,421.16. An average weekly wage up to \$710.58 shall be replaced at 90%. An average weekly wage greater than \$710.58 shall be replaced at 50%.

The state of CO has an online calculator to help you run specific scenarios at famli.colorado.gov.

Types of Benefits and Protections

The private plan offered by Arch will meet the requirements detailed by the state of CO, as outlined below.

Paid Family Leave

Eligibility

All employees who earned at least \$2,500 during the last 4 completed calendar quarters are eligible.

Self-employed individuals, including 1099 and contract employees, may opt into the state plan.

Local government groups may opt into the state plan.

Employees of local governments that have not opted into the state plan may opt into the state plan as individuals.

Weekly Benefit

The weekly paid benefit amount from Arch is equal to the amount paid by the CO FAMLI program administered by the state. In 2024, the maximum weekly benefit is \$1,100.

Job Protection

During a qualified leave, a covered individual who has worked for their employer at least 180 days will have job protected leave.

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.

Military Exigency

The plan includes up to 12 weeks of paid leave for an employee whose qualified family member is a member of the Armed Forces and is on covered active duty or notified of an impending call or order to covered active duty.

Family Care

Arch Insurance's private plan includes up to 12 weeks of paid leave to provide care to a family member with a serious health condition.

Safe Leave

Up to 12 weeks to address the immediate safety needs and impact of domestic violence and/or sexual assault.

Family Bonding

The Arch plan includes up to 12 weeks of paid leave to bond with a child during the first 12 months after a child's birth, or the first 12 months after adoption or foster placement of a child under the age of 18, or between the age of 18 and 21 and under jurisdiction of a juvenile court.

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.

Employee Contributions

Employee contributions cannot exceed 0.45% of their annual wages, up to the SSA limit (\$168,600 for 2024), with a maximum contribution of \$758.70.

Paid Medical Leave

Eligibility

All employees who earned at least \$2,500 during the last 4 completed calendar quarters are eligible.

Self-employed individuals, including 1099 and contract employees, may opt into the state plan.

Local government groups may opt into the state plan.

Employees of local governments that have not opted into the state plan may opt into the state plan as individuals.

Weekly Benefit

The weekly paid benefit amount from Arch is equal to the amount paid by the CO FAMLI program administered by the state. In 2024, the maximum weekly benefit is \$1,100.

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.

Job Protection

During a qualified leave, a covered individual who has worked for their employer at least 180 days will have job protected leave.

Own Serious Health Condition

The Arch Insurance private plan offers a maximum of 12 weeks of paid medical leave if a covered individual is unable to work due to a serious health condition. Up to an additional 4 weeks may be taken for pregnancy/childbirth complications.

Intermittent Leave

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

Presumptions

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

Contributions

Employee contributions cannot exceed 0.45% of their annual wages, up to the SSA limit (\$168,600 for 2024), with a maximum contribution of \$758.70.

Contributions for FAMLI can be shared between the employee and employer (50% employee and 50% employer).

Contact Us:

dbl@archinsurance.com | (888) 439-0377 | www.archinsurance.com/disability | www.famli.colorado.gov