

Arch Insurance Company, a leading provider of statutory disability and insured private plan solutions for paid family and medical leave programs, is closely monitoring the development of Paid Family and Medical Leave in Minnesota. Minnesota legislature passed the Family and Medical Benefit Insurance program (Paid Leave) into law in 2023. Rulemaking began in January 2024 with final draft rules to be published in late Fall 2024 for public comment.

## PAID LEAVE TIMETABLE\*

### DATE

January 1, 2024	Rulemaking begins.
Fall 2024	Final Draft rules published for public comment.
January 1, 2026	Benefits are set to begin and state plan contributions begin.

\*Dates subject to change.

## MINNESOTA PAID LEAVE COVERAGE\*\*

### EFFECTIVE

Benefits begin January 1, 2026

### COVERED EMPLOYEES

All full-time and part-time employees having wage credits of 5.3% of the state average annual wage (SAAW) over the most recent four quarters, and who are employed in MN for 50% or more of the calendar year, who reside in MN 50% of the year, or whose employment is controlled by the state. Self-employed individuals and independent contractors may opt into the state plan.

### COVERED EMPLOYERS

All employers (including state and local government employers) with at least one employee working in MN. Small employers with 30 or fewer employees will be eligible for reduced premiums and may be eligible for small business assistance funding under the state plan.

### LEAVE REASONS

- Medical leave for an employee's own serious health condition.
- Caregiver leave to care for a family member with a serious health condition.
- Bonding leave within 12 months of the birth, adoption, or foster placement of a child.
- Qualifying exigency leave for a military family member's active-duty service or call to active duty.
- Safe leave for the employee or family member.

## FAMILY MEMBER

An employee's spouse or domestic partner, child (including biological adopted, foster, stepchild, or child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent), parent or legal guardian, sibling, biological grandchild, grandparent or spouse's grandparent, son-in-law, daughter-in-law, and any individual who has an expectation of care from the employee regardless of residence.

## LEAVE DURATIONS

- Medical leave: up to 12 weeks
- Caregiver leave: up to 12 weeks
- Bonding leave: up to 12 weeks
- Exigency leave: up to 12 weeks
- Safe leave: up to 12 weeks

Employees may take up to 12 weeks for each type of leave, up to a combined maximum of 20 weeks in a benefit year.

Leaves may be taken continuously or intermittently. An employer may cap intermittent leave at 480 hours (12 weeks) per 12-month period and require the employee to take any remaining leave continuously.

## BENEFITS

- All leaves except for child bonding are payable after seven calendar days from the leave start date.
- The state has a tiered benefit structure based on the employee's average weekly wage (EAWW) as compared to the state average weekly wage (SAAW):
  - 90% of the EAWW for wages that are less than or equal to 50% of the SAAW.
  - 66% of the EAWW for wages that are more than 50% but less than 100% of the SAAW.
  - 55% of the EAWW for wages that are more than 100% of the SAAW.
  - There is no minimum weekly benefit.

## THE ARCH ADVANTAGE

- Excellent claim service; most claims are processed in four days or less.
- Arch has a history of success working with state mandated STD and PFL lines.
- Access to Arch's online claims reports.

## Contact Us:

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\*\* This information has been compiled from: <https://www.house.leg.state.mn.us/bills/info/HF2#> and <https://paidleave.mn.gov>

The Arch private plan specifics are subject to change to comply with any new refinements and/or definitions of the Minnesota Paid Family Leave Insurance Law (TTCA). Insurance coverage described is underwritten by Arch Insurance Company, NAIC #11150, a member company of Arch Insurance Group Inc. The policy contains reductions, limitations, and termination provisions. Full details of the coverage are contained in the policy. If there are any conflicts between this document and the policy, the policy shall govern. Not all coverages are available in all jurisdictions. Please refer to your policy for detailed terms and conditions.