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A Guide for Paid Leave Oregon for Employers

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A Guide for Paid Leave Oregon for Employers

Employers in Oregon can choose a private plan option to protect their workers with Paid Family and Medical Leave.

Under Oregon 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 Paid Leave Oregon 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 Paid Leave law, provided that the employer files and the state approves that private plan. Arch Insurance Company has approved Paid Leave Oregon plans available that meet the requirements of the Paid Leave Oregon law.

How It Works

- Arch will work with you to develop a plan for your employees and issue policy documents.
- Submit an application for exemption and include the initial $250 application fee ($150 for reapplication). See below for details.
- Once approved, your plan will go into effect the 1st day of the next quarter.
- In order to keep your exemption, you will need to refile annually for the first three years.

Employer FAQs

Why Choose a Private Plan?

The Paid Leave Oregon plan that is run by the state assesses 1% of taxable wages up to the 2024 Social Security annual wage cap of $168,600 (as indexed annually for inflation). Arch's rates 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?

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?

Employers can access applications online through their Frances Online account. They can also download and print an application (to submit by mail) on the Paid Leave website, or request by phone at 833-854-0166.

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 questionnaire that is needed 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 Policy to show that it meets the legal requirements for a compliant plan and pay an application fee.

Once approved, employers will need to refile annually for the first three years as proof of coverage.

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

In order to comply with Paid Leave Oregon law, employers have the following responsibilities:

- Display the Paid Leave Oregon poster in a conspicuous place on your premises.
- Provide written notice to your workforce of Paid Leave Oregon 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 Paid Leave Oregon 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.
- Set up payroll deductions or other methods of collection to ensure covered individual contributions, if applicable.

How does the state determine plan size?

The state looks at last year's average size based on employees in all states and will determine if employers will be responsible for paying an employer's share of the contributions.

Small employers (less than 25 workers) are not responsible for paying the employer share of contributions in the state-run program. Arch's private plan may require the employer to contribute if premiums are more than the state cap for employee contributions.

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

For 2024, 1% of each employee's taxable gross wages, up to the Social Security (SS) annual wage cap of $168,600 will be charged. Arch's Paid Leave Oregon rates may differ. The state contribution rate is set annually and will not exceed 1% of gross wages. The maximum annual wage is also adjusted annually for inflation. Employees pay 60% of the Paid Leave contribution rate (1% of wages), and employers pay 40%.

Paying Premiums

Employers may choose to pay for all the premiums for their employees or collect employee contributions via payroll deduction.

When will I be billed?

Arch billing will occur at the end of each quarter.

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)
- Safe leave
- Own serious medical condition

14-week benefits

- Benefits may be extended an additional 2 weeks to care for one's own pregnancy-related medical leave.

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Who is eligible for Paid Leave Oregon benefits?

Individuals are eligible for benefits if they meet earning requirements and are:

- Employees working for an Oregon employer with 1 or more employees are automatically eligible for benefits.
- Self-employed individuals, independent contractors, and Tribal council employers may opt into the state program.
  - Employees of Tribal councils may opt into the state plan if their Tribal council elects to not opt into the plan.

What are the Earnings Requirements?

Covered individuals must also meet an earnings requirement to be eligible for benefits. Before applying for benefits, employees must have earned at least $1,000 during the prior base year.

What is the maximum benefit payable under Paid Leave Oregon?

The maximum weekly benefit amount for any individual will be 120% of the state average weekly wage. The state average weekly wage is $1,307.17 from July 1, 2024, through June 30, 2025, resulting in a maximum benefit of $1,568.60 and minimum benefit of $65.36. The Oregon Employment Department updates the average weekly wage each July.

How is the Paid Leave Oregon benefit calculated?

Benefit payments depend on the employee's weekly wages compared to the statewide average weekly wage. Many will receive 100% wage replacement.

State Plan Pricing Estimates

Arch's Paid Leave Oregon policy rates may differ from the state plan rates shown below.

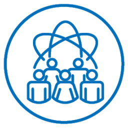
Benefit Calculations	Worker 1 Annual Income: $25,000	Worker 2 Annual Income: $75,000	Worker 3 Annual Income: $168,600*
Weekly Income	$480.77	$1,442.31	$3,242.31
Benefit	$480.77	$1,145.99	$1,568.60
Income Replacement Ratio	100%	79.5%	48.4%
State Assessment Rate	1%	1%	1%
Annual Total Contribution	$250	$750	$1,686
Employee Contribution	$150	$450	$1,011.60
Employer Contribution	$100	$300	$674.40

*2024 Social Security wage cap

THE ARCH DIFFERENCE

Growth Minded

Consistency



Relationship Oriented

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Types of Benefits and Protections

Paid Family Leave

Eligibility

All employees (full-time, part-time, or seasonal) are eligible for Paid Leave benefits.

Self-employed individuals, independent contractors, or Tribal council employers may opt in to the state plan.

Employees of Tribal councils may opt into the plan if their Tribal council elects to not opt in to the state plan.

Weekly Benefit

The weekly paid benefit amount from Arch is equal to the amount paid by the Paid Leave program administered by the state. The maximum weekly benefit as of July 1, 2024, is $1,568.60.

Job Protection

An employee's job is protected by law when on a qualified paid leave if they have worked at least 90 consecutive days for their employer.

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.

Family Bonding

Up to 12 weeks of paid leave to bond with a child during the first 12 months after a child's birth, adoption or foster placement.

Safe Leave

Up to 12 weeks of paid leave for employees to care for themselves or their children who are survivors of sexual assault, domestic violence, harassment, stalking or bias crimes.

Presumptions

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

Paid Medical Leave

Eligibility

All employees (full-time, part-time, or seasonal) are eligible for Paid Leave benefits.

Self-employed individuals, independent contractors, or Tribal council employers may opt in to the state plan.

Employees of Tribal councils may opt in to the plan if their Tribal council elects to not opt in to the state plan.

Employer contributions to employment related health insurance benefits must be maintained at the level and under the conditions of coverage.

Job Protection

An employee's job is protected by law when on a qualified paid leave if they have worked at least 90 consecutive days for their employer.

Own Serious Health Condition

The Arch Insurance private plan offers a maximum of 12 weeks of paid medical leave within a 12-month period if a covered individual is unable to work due to a serious health condition. An additional 2 weeks may be taken for maternity related complications.

Intermittent Leave

Leave may be taken a week or a single day off at a time based on your serious health condition needs. Leave may not be taken on a reduced schedule basis. However, leave may be taken all at once (consecutive) or in separate blocks of time (non-consecutive), such as one day every week for 6 weeks of chemotherapy.

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.

Contributions

The total contribution rate cannot exceed 1% of total wages. Employees contribute 60% of the contribution rate, and employers contribute 40%, up to the annual average wage limit ($168,600 for 2024).

Small employers (less than 25 workers) are not responsible for paying the employer share of contributions in the state-run program. Arch's private plan may require the employer to contribute if premiums are more than the state cap for employee contributions.

[1]These scenarios are based on hypothetical facts, provided for illustrative purposes only and is not based on real claims adjudicated.