



August 2019

## Preparing for Massachusetts Paid Family and Medical Leave (MA PFML) Act

Dear Valued Customer:

As a valued Guardian customer, we want to ensure that you are well-informed and properly prepared to provide your employees and contracted workers with the new mandated benefits under the Massachusetts Paid Family and Medical Leave (MA PFML) Act. Under the law, all private employers with one or more eligible employees must provide the mandated benefits either through the state-administered plan or through a private plan, that is, a plan administered through a MA-licensed carrier, such as Guardian, or one self-insured by the employer.

The statute provides job protected paid family and medical leave benefits to all covered individuals working in the Commonwealth of Massachusetts. Benefits through the program will begin on January 1, 2021. We recommend that you take the time now to review the statutory and regulatory requirements to familiarize yourself with your obligations under the law and determine your approach to ensure compliance.

### WHAT GUARDIAN IS DOING

- We're educating and developing informational materials to ensure our clients have access to resources to properly prepare for implementation of the MA PFML Act. For more details, visit [Guardian's MA PFML webpage](#).
- We're reviewing our inforce disability income policies to ascertain the impact of the MA PFML Act.
- We've developed a private plan product option for MA Paid Family and Medical Leave. **If you are interested in a private plan option, please reach out to your Guardian Broker, as soon as possible, to request a Guardian private plan quote.**
- As a reminder, Guardian has a robust, flexible portfolio that includes both traditional benefits and supplemental health insurance products. [Traditional insurance](#) includes Dental, Vision, Life, and Disability. [Supplemental Health Insurance](#) includes Accident, Cancer, Critical Illness, and Hospital Indemnity. In addition, we offer [Absence Management Outsourcing](#) solutions to assist you in complying with the ever-changing state and federal leave laws.

### WHAT YOU NEED TO KNOW

- **Massachusetts Paid Family and Medical Leave (MA PFML) – New State Mandated Benefit:**
  - MA PFML offers job-protected paid leave available to employees to:
    - Bond with a newborn, adopted or foster care child – Up to 12 weeks
    - Take qualifying military leave – Up to 12 weeks
    - Care for a service member – Up to 26 weeks
    - Care for a family member with a serious medical condition – Up to 12 weeks
    - Manage employee's own serious health condition – Up to 20 weeks
  - Benefits for all leaves, with the exception of care for a family member, begin effective January 1, 2021, while benefits to care for a family member begin July 1, 2021.
  - Employers have the option to provide the mandated benefits through the state-run program, through a private plan with an insurance carrier, or via a self-insured employer. Prior state

approval by the Department of Paid Family Leave via [MassTaxConnect](#) is required for private plan exemption. The application deadline for the private plan exemption is December 20, 2019.

- For employers not providing the mandated PFML coverage through a private plan, contributions through payroll deductions for the state-administered program begin October 1, 2019.

## WHAT YOU NEED TO DO NOW

- **Educate yourself and your administrative teams on MA PFML benefits and employer requirements.**
- **Review and initiate internal discussions as to your preferred program options** – Review options and decide whether you plan to meet your obligation to provide MA PFML to your MA employees through the state-run program or a private plan.
- **Review updated Implementation Timeline to ensure your compliance with the statutory deadlines:**
  - **Display MA PFML Workplace Poster by September 30, 2019** – The poster provides explanation of benefits and job protection that is available to covered individuals under the law.
  - **Provide written notices to covered individuals by September 30, 2019** – You are required to provide written notice to all your covered individuals of the PFML benefits, contribution rates, job protections, and other applicable provisions. In addition, you must collect signed acknowledgements of receipt of the written notices and retain copies on file.
  - **Initiate Payroll Deductions as of October 1 for state-administered plans only** – If you choose to provide the state-mandated PFML coverage through the state, you will be responsible for taking the appropriate withholdings and paying contributions to the Massachusetts Department of Family Leave.
  - **File for Private Plan Exemption by December 20, 2019** – If you choose to provide the state-mandated coverage through a private plan, you must file for state approval for an exemption from the state plan. If approved, you will be exempt from initiating the payroll deductions for the contribution scheduled to begin October 1, as premium for a private plan will not be required until the plan effective date of 01/01/2021.

For more details concerning MA PFML and your benefits and responsibilities, visit [Guardian's MA PFML webpage](#) or visit the MA website, [Guide to MA PFML for Employers](#).

We appreciate your business and are here to help you and your employees.

Sincerely,

The Guardian Life Insurance Company of America

*The information in this letter is intended as a general overview of Massachusetts Paid Family and Medical Leave benefits and requirements, and is not intended as legal advice. Please consult with the appropriate professionals for legal, tax, and compliance advice. In the event of any conflict between our presented materials and the relevant insurance policy, the policy will control.*