



Paid Family Medical Leave of Absence

Policy Analysis

Massachusetts
Rhode Island
New Hampshire
Connecticut
Vermont
New York

Fall 2021

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Executive Summary

Implementation of Paid Family Medical Leave of Absence (PFMLA) laws provide both benefits to employees and challenges for employers.

Massachusetts implemented an expanded PFMLA law in 2021, during the COVID-19 pandemic, and the impact on employers has been significant. The Organization of Nurse Leaders developed this brief report to summarize the state of PFMLA policy in the Northeast as a reference for nurse leaders in the context of a significant nursing shortage.

The benefits to workers are clear, and utilization of PFMLA aligns with employee well-being strategies. However, leave of absences increase as more expansive PFMLA policies are implemented. An increase in leaves of absence in turn, creates substantial challenges for employers who struggle to cover work responsibilities while employees are out of work.

If states are moving toward expanded PFMLA policies, employers must assess the potential impact for their organization and plan accordingly. Leaders should be prepared for an increase in leave taking if expanded PFMLA policies become state law.

PFMLA laws vary state to state in the Northeast region of the country, a summary table is provided on [page 4](#).

At a Glance: PFMLA Policy Summary

State	Paid Weeks of Leave	Compensation Calculations	Rate of Leave Increase
Massachusetts	12 Weeks for Family 20 Weeks for Medical (26 Weeks Total)	If AWW is less than \$743.89, 80% of wages are replaced. If AWW is greater than \$743.89, 50% of wages are replaced. Maximum: \$850	53-60%* (Similar to New York, slightly more comprehensive)
Connecticut	12 Weeks for Family or Medical	If AWW is less than or equal to Connecticut minimum wage x40, 95% of AWW is replaced. If AWW is greater than Connecticut minimum wage x40, 60% of AWW is replaced. Maximum: \$780	53%*
New Hampshire (Voluntary Policy)	6 Weeks for Family or Medical	60% of AWW Maximum: \$1,588	26-30%* (Slightly more leave available than Rhode Island)
Rhode Island	4 Weeks for Family or Medical	60% of AWW Maximum: \$978	26%
Vermont	N/A	N/A	N/A
New York	12 Weeks for Family or Medical	67% of AWW Maximum: \$961.61	53%

AWW = Average Weekly Wage

Asterisk (*) entail anticipated increases in rates of leave; extrapolated from states with similar paid FMLA policies that are already in effect.

Key Takeaways



Labor markets are highly competitive, American workers are increasingly selective in their employment decisions. There is strong support among the public for paid family and medical leave, and significant workforce shortages. These opposing ideas are shaping the PFMLA landscape.



There appears to be a direct correlation between availability/comprehensiveness of leave, and the rate of leave taking. As PFMLA policies become more comprehensive and offer more time off, the rate of leave taking increases.



While passage of federal PFMLA expansion is uncertain, some states are implementing more comprehensive PFMLA. Employers should be prepared for an increase in leave taking as state PFMLA policies are implemented. Employers that do not anticipate the increase in leaves will find their organizations understaffed.



Helping employees access paid time off is important to support worker well-being. At the same time, planning for increased leaves of absence will be critical to organizational performance.

Perspective

Global

Globally, 94 percent of countries have guarantees of permanent, national paid sick leave; the US is one of just eleven countries that does not, alongside Somalia, Sri Lanka, six small Pacific Island states, India, and South Korea [1]. In contrast to other high-income countries, the US does not ensure any paid leave. By failing to provide a paid Family and Medical Leave policy nationally, the US is an outlier among high-income countries. However, public support for paid family medical leave is increasing in the United States, and PFMLA policy is on the agenda at the state and federal levels.

National

The US has no national paid sick leave policy, and even unpaid leave via the Family and Medical Leave Act (FMLA) of 1993—often viewed as a foundation for new paid leave legislation—is often inaccessible to workers [1]. According to the Pew Research Center, 85% of Americans believe that workers should receive paid family and medical leave [2]. US workers rely on a patchwork of state and local paid sick, family and medical leave policies, or on their employers' voluntary benefits when coverage is needed. In 2021 just 11 states and 30 cities had passed paid sick leave policies, and nine states and the District of Columbia had passed paid family and medical leave (PFML) laws [3].

Although expanded PFMLA policy has not passed on the federal level, some states are moving forward with expanding PFMLA policy. A table summarizing the characteristics of PFMLA policy in the Northeast is on [page 4](#).

Background

Paid Family Medical Leave Act: FMLA

The United States lags behind many industrialized countries when it comes to paid time off. Currently, federal level FMLA provides employees with certain conditions up to 12 weeks of **unpaid, job-protected leave** per year and requires that health benefits to be maintained during the leave [4].

- FMLA applies to all public agencies, all public and private elementary and secondary schools, and companies with 50 or more employees.
- To access FMLA benefits, employees must have worked at the company for at least a year, and worked 1,250 hours within that year.
- FMLA benefits are only accessible in certain medical circumstances; for the birth and care of the newborn child of an employee; an adopted or foster care child is placed with the employee; to care for an immediate family member (i.e., spouse, child, or parent) with a serious health condition; or to take medical leave when the employee is unable to work because of a serious health condition.

There has been some momentum towards providing more comprehensive support, and paid time off for families in the event of medical emergencies. Under the American Families Plan [5], President Biden proposed expanding the federal PFMLA. Proposed expansion would guarantee 12 weeks of paid parental, family, and personal illness/safe leave by year 10 of the program, and also ensure workers receive three days of bereavement leave per year, starting in year one. It would provide workers up to \$4,000 a month, with a minimum of two-thirds of average weekly wages replaced, rising to 80 percent for the lowest wage workers. However, the political viability of federal policy addressing PFML appears tenuous, at best.

PFMLA by State

Massachusetts

Massachusetts has a paid leave program in the form of Paid Family and Medical Leave (PMFL) [6]. PFML was signed by Governor Charlie Baker on June 28, 2018, went into partial effect on January 1st, 2021, and was fully implemented on July 1st, 2021. This was a significantly faster implementation timeline than other states, such as New York.

PMFL is a state-offered benefit program for eligible employees in Massachusetts. Eligible employees can take up to 26 weeks of paid leave for medical or family reasons. PFML is funded through a Massachusetts tax, and is separate from both the federally mandated benefits offered by the Family Medical Leave Act (FMLA) and from leave benefits offered by many employers [6].

Starting January 1st, 2021, eligible employees could be entitled to up to 20 weeks of paid leave to manage their own serious health conditions. Eligible employees may also receive up to 12 weeks of paid leave to bond with a child who is newly born, adopted, or placed in foster care. Additionally, starting July 1st, 2021, employees were able to receive up to 12 weeks to care for a family member with a serious health condition [6].

In aggregate, employees may not receive more than 26 weeks of paid medical leave in a benefit year. The maximum weekly benefit from PFML is \$850 per week, derived from the average wage in Massachusetts. The average weekly wage in Massachusetts in 2020 was \$1,487.78. Currently, any amount of a weekly wage that is less than or equal to half of the Massachusetts average weekly wage (\$743.89) will be replaced at a rate of 80%. Any part of an average weekly wage that is greater than \$743.89 will be replaced at a rate of 50%, up to the maximum allowed benefit amount (\$850) [6].

Connecticut

Connecticut has a Paid Family Medical Leave program (PFMLA) that provides employees 12 weeks of paid family and medical leave, plus two additional weeks of benefits for a serious health condition that results in incapacitation during pregnancy [7]. The act was signed into law on June 25th, 2019.

Contributions to the program began on January 1st, 2021, and employees are eligible for benefits starting January 1st, 2022.

Covered employees in Connecticut are eligible for benefits under the PFMLA if they have earned wages of at least \$2,325 in the highest quarter of the first four of the five most recently completed quarters and are currently employed, or have been employed within the last 12 weeks, or are self-employed, a sole proprietor and a Connecticut resident enrolled in the program. Circumstances that qualify for PMFLA benefits are childbirth, a serious medical condition (yourself or family member), domestic abuse, caring for an injured veteran or active duty member [7].

If wages are less than or equal to the Connecticut minimum wage multiplied by 40, the weekly benefit rate under the PFMLA will be 95% of your average weekly wage. If wages exceed the Connecticut minimum wage multiplied by 40, the weekly benefit rate will be 95% of the Connecticut minimum wage multiplied by 40 plus 60% of the amount the average weekly wage exceeds the Connecticut minimum wage multiplied by 40. The benefit rate is capped at 60 times the Connecticut minimum wage. The maximum benefit is \$780 per week, increasing in coming years [7].

Rhode Island

Rhode Island has a Paid Family and Medical Leave program named Temporary Caregiver Insurance (TCI) [8]. TCI was signed into law in 2013, and went into effect in 2014. The TCI program provides up to 4 weeks of wage replacement benefits to workers who need to be out of work in order to care for a seriously ill child, spouse, domestic partner, parent, parent-in-law or grandparent or to bond with a newborn child, adopted child, or foster child. Workers are eligible for TCI benefits if wages were earned in Rhode Island, paid into the TDI/TCI fund, the employee earned at least \$13,800 in either their Base Period or an Alternate Base Period. The weekly benefit rate for this program is 60% of the average weekly wage, up to a maximum of \$978 [8]. As a result of this policy, Rhode Island saw the rate of leave taking increase by 26% from 2014 to 2015 [9].

New Hampshire

New Hampshire has a Paid Family and Medical Leave Act named Granite State Paid Family Leave Plan (GSPFLP) [10]. This program was signed into law on June 25th, 2021, and is projected to go into effect on January 1st, 2023.

This program is voluntary, so the plan will be open to employees of participating employers. It provides 6 weeks of paid family leave for workers who have to be out of work for the birth of a child or caring for a newborn child for the first year; for newly adopted or fostered children within the first year; care for an employee's spouse, child, or parent with a serious health condition; care for a spouse, child, or parent who is in the military; or personal serious health condition that is independent of employment (if the employer does not offer short-term disability insurance) [10].

Eligible employees will be paid 60% of their average weekly wage during the benefit period. Wages used to determine the 60% GSPFLP coverage shall be capped at the amount of the Social Security Taxable Wage Maximum, (\$1,588 weekly) [10].

Vermont

Vermont appears to lack a state paid family leave program, though the impact of the pandemic may be a catalyst to reignite that discussion. In 2019 the Vermont legislature passed a universal family and sick leave plan for all employers, but they were unable to overcome veto by Governor Scott, who is ardently opposed mandatory paid family leave. Efforts to implement a voluntary paid family leave program were put on hold during the COVID-19 pandemic. It is reasonable to anticipate PFMLA policy discussions will resurface during the 2022 legislative session.

New York

In 2016, Governor Cuomo signed into law the New York State Paid Family Leave policy that requires employers to offer paid leave for eligible non-academic staff members to bond with a new child, care for a family member with a serious health condition, or for a qualifying military exigency [10]. The timeline called for a phased rollout over four years, with the benefit level starting at 8 weeks with 50 percent pay in 2018. By 2021, employees will receive 12 weeks with 67 percent pay. The maximum benefit payment is \$971.61 per week. Non-academic staff who work 20 or more hours per week are eligible to request the leave after 26 weeks of employment, and non-academic staff who work less than 20 hours per week are eligible to request the leave after 175 days worked (not consecutive days employed) [11].

A study by the Bureau of Economic Research [12] found that, by the second year of the policy, leave taking had increased by 53.3% relative to the pre-policy mean. By providing long term, paid family and medical leave, there is a distinct increase in the rate of leave taking.

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