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# Department of Family and Medical Leave Issues Guidance for Employers

## Background

Final regulations for Massachusetts's Paid Family and Medical Leave (PFML) law went into effect on July 1, 2019, the state Department of Family and Medical Leave (DFML) and Division of Insurance (DOI) have been keeping employers and insurance carriers up to date on the law's deadlines and timeline. PFML payroll withholdings began on October 1, 2019, and benefits are scheduled to become available to eligible employees on January 1, 2021 (for medical leave) and July 1, 2021 (for family leave).

One key provision of the PFML law is that employers who are willing to offer equivalent or greater paid-leave benefits to their employees through a private plan can submit an exemption application through [MassTaxConnect](#), the Department of Revenue's web-based filing system. Employers whose applications are approved can be exempted from collecting PFML payroll withholdings and other contributions. These exemption applications will be processed for approval on a rolling quarterly basis. For example, employers seeking an exemption for the first

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quarter of contributions (October – December 2019) needed to submit an exemption application for approval by December 20, 2019. Otherwise, their contributions were due for payment January 1, 2020.

On April 3, 2020, the DFML issued additional guidance on how to file for an exemption, and the deadline and process for private insurance carriers to submit their compliant PFML plans to the DOI for review and approval.

## Summary

With all the COVID-19 related regulations going into effect right now, it's easy to forget that there are other compliance-related matters for employers to be mindful of. On April 3, the DOI gave us a friendly reminder of this fact by issuing guidance for Massachusetts employers seeking to meet PFML insurance requirements with a private plan. See below for an overview of the DOI's updated guidance for private plans:

- The DOI has issued a [PFML Policy Template](#), which outlines the provisions that all private insurance policies must include to meet the exemption requirements.
- The DOI has set a deadline of **June 3, 2020**, for all insurance carriers to submit their policy forms for review. Previously, insurance carriers had issued an Insurance Declaration Document (IDD) stating that they will offer a compliance policy by the DOI deadline.
- The DOI will review policies for approval using this [PFML Policy Forms Checklist](#).
- Exemption applications that have been previously approved will be required to verify that the policy they are putting into place has been approved by the DOI, based on these published regulation requirements.
- Employers who have secured compliant private PFML insurance for their employees but have not yet requested an exemption should submit their request through MassTaxConnect [here](#).
- New exemptions will be reviewed and processed on a rolling quarterly basis for employers who wish to transition from the state-offered PFML plan to a compliant private insurance plan.

## Employer Next Steps

- Massachusetts employers should review the [updated DOI guidance](#) on filing for a PFML private insurance exemption, especially those who have applied or intend to apply for this exemption.

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- If you have submitted an exemption application or wish to submit an exemption application, applications are accepted on a rolling basis and specific deadlines and timelines are explained further [here](#).
- If HR Knowledge is your broker and you would like assistance in filing for an exemption or have additional questions, please [email us](#).

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