



HR-Alert: Massachusetts Paid Family and Medical Leave Updates

Massachusetts Paid Family and Medical Leave is designed to provide job protection and partial wage replacement when employees need it the most. Benefits for all leaves, except to care for a family member, became available to eligible employees in Massachusetts on January 1, 2021. Benefits to care for a family member became available on July 1, 2021. Annually, the Department of Paid Family and Medical Leave updates contribution and benefit amounts; in addition, this year the requirements around an employee's ability to use accrued paid time off during MA PFML have also been updated.

Supplementing MA PFML with Paid Time Off

Effective November 1, 2023, the MA PFML law will permit employees to utilize their accrued paid time off to "top off" the partial wage replacement received from the Commonwealth of Massachusetts. This includes any accrued vacation time, sick time, or paid time off.

Currently, employers participating in the state's public plan can only allow employees to use accrued paid time off in one block of time at the beginning or end of the MA PFML leave to avoid an interruption in MA PFML benefit payments. Since these limitations no longer apply employees can choose, but the employer cannot require, to "top off" their weekly state benefits with accrued paid time off up to 100% of their weekly pay.

Employers with a private plan already had the option to allow employees to use paid time off to "top off" their MA PFML benefit payments. With this update to MA PFML, employers with a private plan that does not currently provide this option must now allow employees the opportunity to use their paid time off in conjunction with MA PFML but cannot require them to do so.

Benefit and Contribution Updates

Each October 1st, the Department of Family and Medical Leave is required to update employer and/or employee contribution rates and benefit amounts for the upcoming year. The change in benefit amounts is based on the average weekly wage in the Commonwealth and the change in contribution rates is made to ensure the Fund's ability to pay out benefits.

Effective January 1, 2024, the following updated [contribution rates and benefit amounts](#) take effect. The maximum weekly benefit amount increases to \$1,149.90 per week from the current \$1,129.82 per week. The benefit contribution rates increase as follows:

- Businesses with more than 25 employees – the contribution increases from 0.63% to 0.88% of eligible wages. Of this, 0.18% goes to the family leave portion and must be paid by the employee; the remaining 0.77% goes to the medical leave portion and up to .28% can be paid by the employee with the remaining 0.42% required to be paid by the employer
- Businesses with less than 25 employees – the contribution increases from 0.318% to 0.46% of eligible wages. Employers are not required to pay any portion of this and can choose to charge employees the full contribution amount

Employer Next Steps

- Employers should await guidance from the Massachusetts Department of Family and Medical Leave on how to calculate the “top off” payments. In the meantime, [here](#) is a calculator that can help estimate the employee’s benefit amount
- By November 1, 2023, all employers must ensure their MA PFML policies and payroll systems reflect these changes and allow employees the choice of utilizing paid time off to “top off” their MA PFML benefit payment
- By December 2, 2023, all employers must provide employees with written notice of the updated contribution rates. As a reminder, employers are required to provide contribution rate notice both at the time of hire and 30 days in advance of any contribution rate change. Once the state updates their contribution rate notice it can be [found here](#)
- By January 1, 2024, all employers will need to adjust their MA PFML policies and payroll systems to reflect the new employee contribution rates and maximum benefit amounts

If you have any questions regarding this HR-Alert, please [email us](#).