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# COMPLIANCE CONNECTION

PFL Release 2C - 2021

## What you need to know about Paid Family Leave (PFL) for 2021

### What is PFL and how does it relate to DBL?

In January 2018, Paid Family Leave (PFL) took effect for New Yorkers. Generally, employees at private sector organizations with at least one employee (who currently have NY statutory disability insurance, commonly referred to as DBL) were required to receive PFL coverage. PFL coverage allows employees to take paid time off for certain qualifying events while their job and health insurance are protected. PFL is a mandatory rider added to the DBL policy.

Full-time employees must be employed at least 26 weeks at their current employer to qualify for PFL. Part-timers must be employed at least 175 consecutive days at their current employer to qualify. DBL and PFL benefits may not be collected at the same time. Combined, they must stay within the 26-week benefit maximum during any 52 consecutive calendar weeks.

For 2021 employees will receive payments as shown in the schedule below:

| Effective Date: | Maximum Length of Paid Leave | Maximum Benefit Amount***                   |  |  |
|-----------------|------------------------------|---|--|--|
|                 |                              | Payable % of Employee's Average Weekly Wage | To the Maximum % of NY Average Weekly Wage | \$ Max based on NY AWW of \$1,450.17** |
| 1/01/2021       | 12 weeks                     | 67%   | 67%  | \$971.61                               |

This chart applies to full-time employees and those part-time employees who take leave in weekly increments. If part-timers take PFL in daily increments their benefits are pro-rated proportionately based on hours worked.

\*\*\*Individual business owners (who don't have employees) and self-employed people with voluntary coverage will be subject to a different Benefit Schedule.

### Premium Information: Single Tier as a Percent of Salary

Employees pay for PFL through payroll deduction, but employers may choose to share the responsibility for the payment of PFL premiums. There is no fixed rate as it is based on the employee's salary. The **2021 weekly contribution rate for Paid Family Leave is 0.511% (up from 0.273% in 2020)** of the employee's weekly wage (capped at New York State's current average weekly wage of \$1,450.17). This translates into a maximum contribution of \$385.34 per year per employee in 2021.

There are 3 main categories of qualifying events for which employees can take paid leave



To provide care for a family member with a severe health condition



To bond with a child after birth, adoption, or to welcome a child into foster care



To cope with a military exigency leave event



Contact Your PGP Employee Benefits Consultant for additional information.

LI: 631.951.9200 • NYC: 212.840.4949 • NJ: 908.276.9399 • CT: 203.413.2740