Office of the Comptroller One Ashburton Place 9th Floor Boston, MA 02108

Commonwealth of



Massachusetts

Human Resources Division 100 Cambridge Street 6th Floor Boston, MA 02114

TO: Agency Heads, Chief Fiscal Officers, Payroll Directors, and Human Resource

Officers

FROM: Kevin McHugh, Assistant Comptroller

Jeff McCue, Assistant Secretary and Chief Human Resources Officer

DATE: November 20, 2020

SUBJECT: Paid Family and Medical Leave ("PFML")

EXECUTIVE SUMMARY

On June 28, 2018, the Massachusetts Legislature enacted M.G.L. c. 17 5M, which established Paid Family and Medical Leave ("PFML") for Massachusetts employers and eligible employees. Most provisions of this law become effective on January 1, 2021.

This memo provides an overview of PFML and instructions for how to process PFML for Commonwealth employees in HR/CMS. Executive Department agencies should refer to the Executive Department's Family and Medical Leave Handbook for detailed instructions and policies on administering leave.

PFML Overview

Paid Family and Medical Leave ("PFML") is a statewide program that will provide eligible employees job protection and temporary income replacement during qualifying leaves.

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 other existing leave benefits offered by the Commonwealth as an employer.

PFML Leaves:

Family Leave (12 weeks, unless otherwise indicated)

Paid Family and Medical Leave ("PFML") November 20, 2020 Page 2

- For an eligible employee to bond with a child during the first 12 months (birth, adoption, or placement)
- For an eligible employee to care for a family member with a serious health condition
- For an eligible employee to address a qualifying exigency due to active duty or notification of impending call or order to active duty of a family member in the Armed Forces/National Guard
- For an eligible employee to care for a family member who is a covered service member with a serious health condition (26 weeks)

Medical Leave (20 weeks)

• For an eligible employee who is incapacitated from work due to their own serious health condition

Under the PFML, the definition of a "family member" includes:

- Spouse
- Child (biological, adopted, foster child, stepchild, legal ward or a child to whom the eligible employee stands or stood in the place of a parent)
- Parent (biological, adoptive, step or foster mother or father of the eligible employee)
- Domestic partner
- Parent of spouse or parent of domestic partner
- Person who stood in the place of a parent to the eligible employee when the employee was a minor child
- Grandchild
- Grandparent (parent of the eligible employee's parent)
- Sibling (biological, adoptive, step-brother or step-sister of the eligible employee)

PFML benefits take effect as follows:

- <u>January 1, 2021</u> for leaves related to the eligible employee's own illness/injury; the birth, adoption or placement of a child in foster care; to care for a covered service member or qualifying (military) exigency due to a family member's call to active duty
- <u>July 1, 2021</u> for leaves to care for a family member with an illness/injury

Paid leave benefits for Commonwealth employees:

Employees can elect to use their accruals or apply to take the temporary income replacement from the Department of Family and Medical Leave ("DFML").

If approved for an income replacement benefit from the DFML, employees will:

- Be on a job protected, but unpaid, leave from their agency
- Have their benefit amount determined by the DFML

Paid Family and Medical Leave ("PFML") November 20, 2020 Page 3

- Not accrue additional sick or vacation leave or creditable service while receiving the income replacement from the DFML
- Be direct billed for their GIC insurance premiums

NOTE: Employees cannot be paid by both their Agency and the DFML for the same period of time.

Change to the Benefit Year:

Employees are eligible for 12 weeks of family leave and 20 weeks of medical leave per Benefit Year. The maximum amount of combined family and medical leave benefits is capped at 26 weeks per Benefit Year.

The new PFML law changed how the Benefit Year is determined. Beginning on January 1, 2021, the Benefit Year will be the 52 consecutive weeks beginning on the Sunday prior to an employee's first day of the Family and Medical Leave. After the completion of a Benefit Year, the next 12-month Benefit Year will begin the next time FMLA/PFML leave is taken.

Further information on PFML:

To learn more about PFML qualifying reasons, covered family members, time limits, and other program stipulations, please refer to the <u>Department of Family and Medical Leave ("DFML")</u> website.

Processing PFML for Approved Employees

Action/Reason Codes

Effective January 1, 2021, there will be two new action/reason codes in HR/CMS:

- Paid Family Medical Leave PFML (to be used for continuous PFML leaves)
- Paid Fam Med Ly Intermittent (to be used for intermittent PFML leaves)

The new action/reason codes are to be used for employees while out on an approved qualifying PFML leave. All employees on an approved leave should be placed on the appropriate leave in HR/CMS. If known, the employee's estimated return to work date should be entered in the 'Estimated Return to Work' field in Job Data.

<u>Note</u>: There will be instances where an employee's leave will be concurrent under both PFML and FMLA. When this occurs, employees should be placed on leave under the PFML action/reason. This will allow for tracking both leaves simultaneously. A comment should be entered on the Notepad to include the approved PFML and FMLA periods.

All employees returning from leave should be placed back on active status with the action/reason code Return from Leave.

Paid Family and Medical Leave ("PFML") November 20, 2020 Page 4

Time Reporting Codes

New time reporting codes ("TRCs") have been created to track hours for employees receiving a temporary income replacement from the Department of Family and Medical Leave (DFML):

- PFML Paid Family Medical Leave (to be used for a continuous PFML leave)
- PFMLI Paid Fam Med Lv Intermittent (to be used for an intermittent PFML leave)

Both TRCs are unpaid; the employee will receive the temporary income replacement directly from the DFML.

<u>Note</u>: These TRCs should not be used when an employee uses their own leave accruals while on an approved PFML leave instead of the DFML temporary income replacement. In such cases, the appropriate leave TRC should be used.

Earnings Code

These two the time reporting codes will roll up to a new earnings code:

• PFM – Paid Family Leave

Please review the Paid Family Medical Leave resource document that is now available under the <u>Human Resources Job Aids and Reference Materials</u> on the HR/CMS Knowledge Center for more information and FAQs on how to place eligible and approved employees on PFML leave.