

Paid Family Leave

Frequently Asked Questions on Employee Contributions & Eligibility



Which employees are eligible for Paid Family Leave? Are part time employees eligible?

- A.** Almost ALL employees in New York State, both full and part-time, are eligible for Paid Family Leave. To see for full eligibility requirements and exceptions visit the Paid Family Leave guide from HR One.

Who pays the benefit to the employee?

- A.** The benefits of Paid Family Leave are paid by the employer's NYS Disability insurance carrier. Employees will need to submit a claim form to the insurer before receiving their benefit. The insurance company also has responsibility for determining the validity of the claim and either approving or denying it.

I understand employees are having contributions deducted from their pay, but how does the actual premium get paid to the insurance company?

- A.** Paid Family Leave is a rider on the employer's NYS disability policy, so the premium will be paid by the employer at the same time they pay their disability premium.

Within Payentry Paid Family Leave is simply a withholding for the weekly amount from an employee's after-tax wages. The money never comes out of the employer's account, and therefore is available when paying the insurance premium.

Will Payentry automatically calculate the employee's contribution rate from their weekly wage? If so, will it also cap deductions once the maximum has been taken out?

- A.** Yes, Payentry is set up to automatically calculate and deduct the correct contribution rate from the employee's wage each week. It will also stop deductions for those employees who reach the maximum contributions for the year.

For 2018 the weekly employee contribution rate is 0.126% of their wages, capped at \$85.56 for the year. These numbers are subject to change year to year.

When should Payentry users set up these deductions?

- A.** For the vast majority of employers in New York who pay their disability insurance (and therefore PFL) premium quarterly, the deductions should be set up prior to the first payroll in January 2018. Employers who pay their disability insurance annually or who self-insure should contact HR One at **(315) 252-9150**.

What if we end up taking the deductions from all employees, regardless of eligibility?

- A.** If an employee who is not eligible for PFL has deductions taken from them then the employer would need to pay back that amount to the employee. For 2018 the maximum amount the employer would need to pay back is \$85.56.

Can an employee opt-out of Paid Family Leave?

- A.** Only employees who do not meet the eligibility requirements (or aren't anticipated to meet the requirements) may opt-out by completing the waiver form. If their eligibility status changes the waiver is revoked and they must begin contributing and would be responsible for any contributions back to their date of hire.

Can an employee who is not eligible opt-in to Paid Family Leave?

- A.** No. If an employee does not work for an employer for 26 weeks (if they work at least 20 hours per week) or 175 days (if they work fewer than 20 hours per week) they cannot opt-in to Paid Family Leave.

If an employee's status changes from ineligible to eligible for Paid Family Leave, does their eligibility to take PFL begin on the date of hire or the date their status changed?

- A.** PFL eligibility is always calculated from the date of hire. If an employee is hired as a seasonal employee and at the time of hire and is not expected to become eligible for Paid Family Leave, they would complete the waiver form to opt-out. However if after twenty-six weeks the organization decides to make that employee an offer of year-round employment, they would need to begin contributing towards Paid Family Leave on that date AND the waiver would be revoked and the employee would be responsible for contributing any backdated premium.

Is there a document I can use to share this information with my employees?

- A.** Yes, HR One has developed a sample letter that can be customized. Clients can log into www.peopletopayroll.com and find it in the "Forms" section under "NYS Paid Family Leave." If you need your user ID and password email trossi@peopletopayroll.com