

Changes to Your Arch New York Disability Policy Starting January 1, 2018

New York's Paid Family Leave program provides job-protected, wage replacement to employees when time is needed to bond with a child, care for a close relative with a serious health condition, or help relieve family pressures when someone is called to active military service.

The Paid Family Leave program starts January 1, 2018 with a maximum leave duration of 8 weeks and a benefit payout of 50% of an employee's average weekly wage. As demonstrated below, the number of weeks and benefit payout are phased in over the next four years.



In 2018, the maximum payout is \$652.96 (50% of the state average weekly wage). This maximum will increase each year until 2021. Employees may take the maximum benefit weeks in any given 52-week period. The 52-week clock starts on the first day the employee takes Paid Family Leave.

Paid Family Leave coverage will be included under the Arch Disability policy and will be added as a rider (to be delivered later in 2017). The premium for Paid Family Leave will be fully funded by employees through payroll deductions. You will see a separate line item on your 2018 Arch invoice for Paid Family Leave payments. Employers may now begin collecting employee contributions to help offset up front premium payments for 2018 policies billed annual in advance.

The employee contribution rate is set by New York State each year. The weekly 2018 employee contribution rate for Paid Family Leave is 0.126% of the employee's average weekly wage capped at New York State's current average weekly wage (NYSAWW) of \$1,305.92. This equals a maximum contribution of a \$1.65 per week.

Calculating Employee Contributions:

Employees Making Less than *NYSAWW (\$1,305.92)

Weekly Contribution =
Weekly wage X 0.00126

Example:

Weekly wage: \$1,000/wk
 $\$1,000 \times 0.00126 = \1.26

Employees Making More than NYSAWW (\$1,305.92)

Weekly Contribution = \$1.65

* **NYSAWW** = New York State Average Weekly Wage

<< Do not remit paid family leave premium until you are invoiced >>

Eligibility: All employees covered under the NYS Disability policy as long as they meet the following criteria:

Employees who work 20 or more hours per week: Employees must be employed for 26 consecutive weeks (with current employer)

Employees who work less than 20 hours per week: Employees must work 175 days in a 52 week consecutive period (with current employer)

Family Leave Waiver: An employee who will not meet the above criteria may file a waiver and therefore will not be eligible for PFL benefits and will not be required to make contributions. If an employee's status changes and they now meet the eligibility criteria, their waiver will be revoked and they will be required to make contributions, including any retroactive amounts due from date of hire.

New York Disability benefits and Paid Family Leave benefits can not run concurrently.

More announcements to follow on remitting premium payments and submitting claims.