

The New Massachusetts Paid Family Medical Leave and Changes to Short Term Disability in 2021

• SHARE Questions and Answers •

This information is intended to help answer questions SHARE members have had about whether to keep or sign up for Short-Term Disability. Please refer to the Open Enrollment information from Benefits for details of cost and coverage.

Note that you can sign up for, or cancel, STD coverage at any time. You do NOT have to make this decision during open enrollment.

What's true right now?

- Massachusetts Paid Family and Medical Leave law passed and you are paying in to it. People can begin using the leaves of absence in 2021. Short Term Disability (STD) is optional and you have to pay extra for it. Some SHARE members choose to have it, some don't.

What happens on January 1, 2021?

- Most SHARE members will have access to the Mass PFML benefits. (The fine print: To be eligible for benefits under the new Massachusetts Paid Family and Medical Leave (PFML), you must have earned at least \$5,100 during the last four completed calendar quarters and at least 30 times more than how much you would be eligible to receive each week in Paid Family and Medical Leave benefits from one or more Massachusetts employers.)
- The ability to take a paid personal medical leave starts January 1, 2021; the family leave part starts July 1, 2021.
- STD is still an option to purchase, but there will be some changes to the structure because of PFML.

A reminder about what PFML is:

- PFML is a new law in Massachusetts, and the leaves of absence are just now going into effect.
- PFML is paid for by payroll deduction: \$0.38 per \$100 of pay is deducted for employees, and the employer pays the other portion. Employees are already having this amount deducted.
- Depending on your earnings, PFML will cover up to 80% of pay for approved absences with a maximum benefit of up to \$850 per week.
- PFML gives you paid leave of absence for up to 20 weeks for the employee's own health condition (beginning January 1, 2021).
- PFML gives you paid leave of absence for up to 12 weeks to care for a family member who has a serious health condition (beginning July 1, 2021).
- PFML gives you paid leave of absence for up to 12 weeks to bond with a child during the first 12 months after the child's birth or the first 12 months after the placement of the child with you for adoption or foster care (beginning January 1, 2021).

- PFML gives you paid leave of absence for up to 12 weeks for affairs related to a family member on active military service abroad (beginning January 1, 2021).
- PFML gives you paid leave of absence for up to 26 weeks to care for a family member that has suffered military-related injuries (beginning January 1, 2021).
- You can use a combination of these leaves, with a maximum of 26 weeks combined in a benefit year.
- The total allotment of job protected time includes a 7-day waiting period during which time no PFML benefits are paid.
- PFML will extend job protection for the length of the leave of absence, which may be longer than the FMLA 12-week limit.
- You can check out a PFML calculator [here](#).

Since I have PFML, why would I pay for STD too?

- STD coverage is changing in 2021 to provide benefits in the amount of 70% of your base pay with a maximum benefit of \$1,500 at the Medical Center. The STD waiting period has been reduced to seven days from 14 days. The new STD coverage will cost less.
- If your PFML weekly benefit is less than 70% of your base pay, STD can supplement your benefits so that you get 70% of your regular base pay. For example, if someone makes \$1,442/week, MA PFML will be paid at the maximum benefit of \$850/week, which is 59% of your weekly earnings. If you are enrolled in STD, the STD benefit payable would be \$159.62. Your total benefits between MA PFML and STD would be \$1,009.62, or 70% of your base pay.
- Long Term Disability (LTD) kicks in at 26 weeks. Using PFML without STD, you could have some weeks not paid (if you don't have enough earned time to cover).
 - For example, PFML for a personal medical condition lasts 20 weeks, and STD would cover the last 6 weeks before LTD begins.
 - As a more complicated example, if you use a family leave of 12 weeks, then the amount of PFML you could use for yourself would be reduced if you had a personal medical condition later in the same year. STD would cover the extra weeks until you get to LTD.

Is it worth it? The answer will be different for each person's specific situation based on:

- Your pay rate and what percent will be covered.
- How comfortable you are with the potential gaps, if you had a long-term personal illness and need to be paid until you get to 26 weeks for LTD.
- How much the STD costs for you. It will be lower than it was in the past because it does not need to cover as much – it will supplement and cover gaps – but the rates will be different for each person.

Weighing the Options

Timing: You can sign up for, or cancel, STD coverage at any time. You don't have to make this decision during open enrollment.

- STD has a pre-existing condition limitation. If you are disabled during the first 12 months from your STD coverage effective date and are determined to have a pre-existing condition, your benefits could be limited to four weeks of benefits.

PFML is the same or better than STD in several ways:

- Everyone is required to pay into the system, so there's no additional cost.
- STD does not cover family illness, only a personal medical illness.
- Lower paid people get less benefit from STD, more from PFML.
- They both have the same 1 week waiting period.

There are potential gaps in PFML that STD would help with:

- If you needed 26 weeks for a personal medical issue to get you to Long-Term Disability, PFML would not cover the whole time. You could use STD or your own time to cover the extra weeks.
- STD comes with \$10,000 of voluntary accidental death and dismemberment. If you don't have the STD, you would have to elect accidental death and dismemberment coverage separately.

How do PFML, STD and Paid Time Off Fit Together?

Can I use PFML and then top-off or double-dip with earned time/ sick time/vacation time?

- Short-term disability can supplement PFML, but the total cannot be more than 70% of your base pay.
- Earned time and vacation time cannot be used to "top off" PFML benefits.
- You can use your own paid time off once you have used up your PFML. For example, if you use PFML, you would have a 7 day waiting period (you can use your earned time for the 7-day waiting period for PFML) and then up 19 weeks of the PFML benefits (total of 20 weeks of job protected time). Long-term disability starts after 180-days of disability (approximately 26 weeks). If you want, you can use your PTO after the PFML runs out, to pay you for the gap weeks. You would have to start taking the paid time off as soon as the PFML ran out. Or you could choose to go unpaid. If you have STD, its benefits are payable for 26 weeks (excludes the 7-day waiting period).

Can I ignore the PFML and use my earned time /sick time/vacation time instead?

- Yes. Everyone has the right to use the Massachusetts Paid Family Medical Leave for an approved leave of absence for either themselves or a family member. However, a SHARE member may choose to use their paid time off instead. If you chose to use paid time off instead of receiving a MA PFML benefit, your job will be protected for the PFML time period, counting the time you were using paid time off.

Can I use STD instead of PFML?

- Benefit amount: You would not receive the full STD amount. Short-term disability allows you to collect up to 70% of your wages, subtracting the amount you are eligible for from Massachusetts PFML from that 70%. STD will pay you the difference, whether or not you actually collect the PFML.
- Job Protection: Being paid through PFML is optional. However, if you are out for an approved leave of absence, your job is still protected according to the PFML guidelines. The leave of absence will count towards your annual allotment, even if you don't get paid through the PFML program.

If I use STD, can I top-off or double-dip with earned time /sick time/vacation time?

- Currently, Medical Center and Medical Group SHARE members can collect full amounts from their short-term disability plan AND use their earned time/ sick time at the same time. This will continue to be true, except that the STD benefit will be reduced by the amount of PFML benefit you are entitled to receive, whether you take it or not.

How does “2 for 1” earned time fit into this?

- SHARE members in the Medical Center and Medical Group can currently use their earned time for an extended personal illness at a rate of 2 for 1 (use one hour of ET and get paid for 2 hours) after the first week. Nothing will change about that going forward.

Some people have STD thru Colonial, not through UMass Memorial. How are they impacted by these changes?

- If you purchase your short-term disability coverage from Colonial, then you need to check with them directly for questions about how your coverage relates to the new PFML leaves. (The combined total amount of your PFML benefit and STD benefit(s) cannot be greater than your average weekly wage prior to your leave of absence. If they are, any amount over your average weekly earnings will reduce your PFML benefit.)

A Few More Questions

Does PFML include over-time and differentials when they calculate your weekly benefit?

- PFML leave pay is calculated based on the prior 4 quarters of pay you have earned at UMass Memorial, including all pay – over-time, vacation pay, differentials, etc. This is how unemployment works too. (If you worked somewhere else part of that time, you need to file a claim there too.)

Does STD include over-time and differentials when they calculate your weekly benefit?

- STD is based on base pay and budgeted hours only.

Who administers UMass Memorial’s PFML program?

- Absence One is the third party that UMass Memorial hires to manage all of their leaves of absence. Employees call them to start a leave of absence. UMass Memorial gives your pay history to Absence One, who administers the UMass Memorial PFML pay.