



Quick Reference Guide

PAID FAMILY MEDICAL LEAVE (PFML)

FLAGSHIPHR

HR@FlagshipInsuranceServices.com



PREPARING
MINNESOTA
BUSINESSES FOR
PFML 1.1.26



MN Paid Family Medical Leave (PFML)

What it is:

- Minnesota's Paid Family Medical Leave (PFML) provides paid time off for eligible employees to care for themselves or their family members or for certain military or personal safety needs.

When it starts:

The program is set to begin on January 1, 2026.

Types of leave:

- Family Leave: To care for a family member with a serious health condition or to bond with a new baby or child.
- Medical Leave: When an employee's own serious health condition prevents them from working.
- Other Leave: This includes leave for certain military-related events or certain personal safety issues.

Leave duration:

- Employees can take up to 12 weeks of paid family leave and 12 weeks of paid medical leave per year, with a combined maximum of 20 weeks in a single year.

Employer responsibilities:

- Employers will need to track employee wages and benefits, and they will need to submit reports to the state.





Eligibility:

- Employees earning 5.3% or more of the State Annual Average Wage (SAAW), \$71,344.00 in 2024, or more in the previous 4 quarters; approximately \$3,781.00 in 2024
- Employees who worked 50%+ of the prior year in MN or Employees who did not work 50%+ in any one state who live in MN
- Coverage begins 90 calendar days from the date of hire

Benefit Waiting Period:

- 0 Days Bonding
- 7 Days All Other

Benefit Maximum:

- The maximum benefit an employee can receive is the State Average Weekly Wage (SAWW) \$1,372.00 in 2024

Benefit Schedule:

- 90% of the first 50% of the SAWW (\$686.00 for 2024) = **\$617.40**
- 66% of the next 50% - 100% of the SAWW (\$686.00 for 2024) = **\$452.76**
- 55% of the amount over 100% of the SAWW (\$548.80 for 2024) up to the Benefit Maximum (\$1,372.00 for 2024) = **\$301.84**

Maximum Covered Earnings:

- $\$686.00 + \$686.00 + \$548.80 = \$1,920.80/\text{week}; \$99,881.60/\text{year}$ for 2024

State Average Annual and Weekly Wage Re-Determination Date:

October 2025



State Rate Structure:

.88% (\$0.0088) Covered Payroll = Standard

.66% (\$0.0066) Covered Payroll = <30 eligible with avg. salaries equal to or less than 150% (\$107,016.00 for 2024) of the SAAW (\$71,344.00 for 2024)

Maximum Employee Contribution:

.44% (\$0.0044) of annual income up to OASDI maximum, \$176,100 in 2025

Private Plan Oversight Fees:

< 50 eligible employees = \$250

50 – 499 eligible employees = \$500

500+ eligible employees = \$1,000

Private Plan vs State Coverage – Small Group Comparisons:

15 employees - \$1,000,000 Annual Payroll

State = 1,000,000 x \$0.0066 = \$6,600/year; ee = \$4,400, ER = **\$2,200**

Private = 1,000,000 x \$0.0059 = \$5,900/year; ee = \$4,400, ER = **\$1,500**

15 employees - \$1,750,000 Annual Payroll

State = 1,750,000 x \$0.0088 = \$15,400/year; ee = \$7,700, ER = **\$7,700**

Private = 1,750,000 x \$0.0059 = \$10,325/year; ee = \$7,700; ER = **\$2,625**

15 employees - \$2,000,000 Annual Payroll

State = 2,000,000 x \$0.0088 = \$17,600/year; ee = \$8,800, ER = **\$8,800**

Private = 2,000,000 x \$0.0059 = \$11,800/year; ee = \$8,800; ER = **\$3,000**

For a Private Plan Quote, please fill out the following request form -

<https://form.jotform.com/250853699526168>