

NEW YORK

Justworks Guide to Parental Leave

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Salary Continuation Programs

When it comes to parental leave following the birth, adoption, or foster care placement of a child, there are three different salary continuation programs to consider in addition to your company's own policy: New York Statutory Disability, Short-Term Disability, and New York Paid Family Leave. For Justworks customers, all of these benefit programs are administered by MetLife. In addition to these programs, the Family and Medical Leave Act may also apply. In each scenario, employees should give 30 days' notice or as much notice as is practicable in advance of their leave.

Scenario One:

Employee does not give birth

New York Paid Family Leave Benefits

For an employee taking parental leave and disability does not apply, the first day out of office marks the start of the NYPFL benefit period. At this point, the employee should submit a claim form directly to the insurance carrier. Benefits will be backdated to the start of leave for a period of up to 12 weeks.

In order for Justworks customers to administer their company's own parental leave benefit, the employee's pay must be reduced by the amount of the NYPFL benefit. Employees cannot collect more than 100% of their standard salary from both their company and the program while on NYPFL. The employee is still responsible for their own benefits contributions. On Justworks, any unpaid premiums will be automatically deducted from the employee's first paycheck upon their return from leave.

Scenario Two:

Employee gives birth

Disability Benefits

Only employees giving birth are eligible for disability benefits. The first day the birthing parent is medically required to be out of office, whether before or after the birth, is the first day of disability and the time at which they should claim that benefit. Two types of disability insurance can be claimed and collected at the same time: New York Statutory Disability (DBL) and Voluntary Short-Term Disability (STD). Disability periods can vary significantly in length; however, industry standards offer 6 weeks as a rough estimate for a healthy vaginal birth with no complications.

For example, if a company's parental leave policy offers 12 weeks fully paid, the first 6 weeks of leave are concurrent with DBL and STD. These two disability policies will generally work in tandem. At the start of both these disability policies is the elimination period, which is the first 7 calendar days of disability during which no disability benefit monies are paid. During the elimination period (week 1 of the claim), the company would issue the employee's full salary.

New York Paid Family Leave Benefits

Birthing parents may be eligible to take short-term disability and NYPFL — but not concurrently. Typically, birthing parents will begin NYPFL at the conclusion of disability. That means, in the above example, that the six weeks remaining in the company's parental leave benefit would start to overlap with NYPFL. After the company's leave policy ends, NYPFL benefits become the only salary collected for weeks 13 through 18 of the employee's leave.

Programs at Play

NEW YORK STATUTORY DISABILITY (DBL)

A statewide mandated policy that provides 50% salary continuation for eligible employees who are disabled, up to a maximum benefit amount of \$170 weekly. DBL can run concurrently with STD and is typically taken before NYPFL.

NEW YORK PAID FAMILY LEAVE (NYPFL)

A statewide mandated policy that provides 67% salary continuation for eligible employees up to a maximum weekly benefit amount equal to 67% of the New York State Average Weekly Wage (determined annually). For new parents, NYPFL may be claimed any time within the first 12 months following the birth, adoption, or foster placement of a new child.

SHORT-TERM DISABILITY (STD)




A policy that provides partial salary continuation for eligible, enrolled employees who are disabled, up to a maximum benefit amount. STD can run concurrently with DBL and is typically taken before NYPFL. The STD benefit amount will be reduced by the amount issued via NY DBL.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

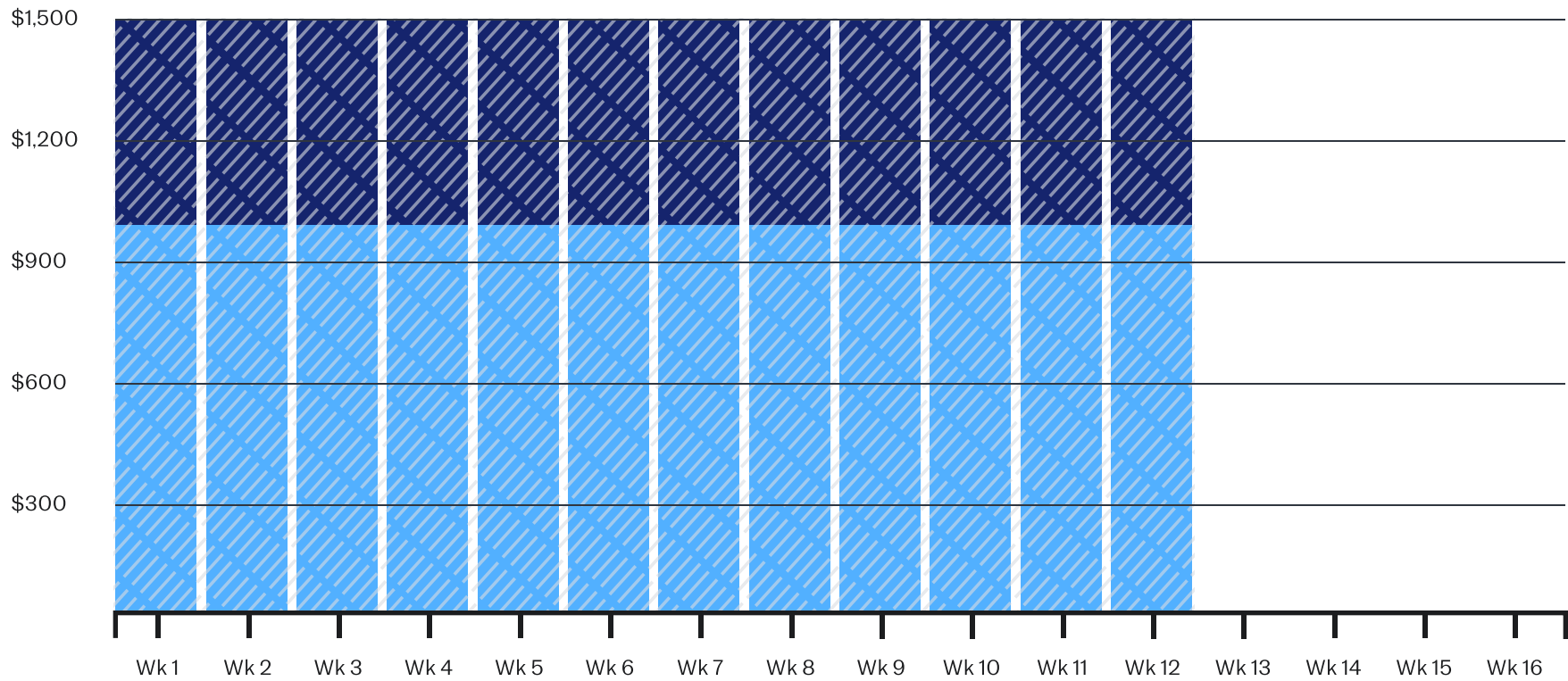
A federal program that provides unpaid, job protected leave to eligible employees for up to 12 weeks within the first 12 months following the birth, adoption, or foster placement of a new child. FMLA applies to employees working at a site with 50 or more employees in a 75-mile radius. FMLA can run concurrently with the programs mentioned on this page.

Parental Leave: Employee Does Not Give Birth

This is a hypothetical scenario in which the company offers 12 weeks of fully paid compensation to an employee who makes \$78,000 annually.

-  **Employer Contribution**
balance remaining after deductions
-  **New York Paid Family Leave (NYPFL)**
67% or max benefit
-  **Family and Medical Leave Act (FLMA)**
unpaid protective leave, if applicable

Employee's Weekly Income



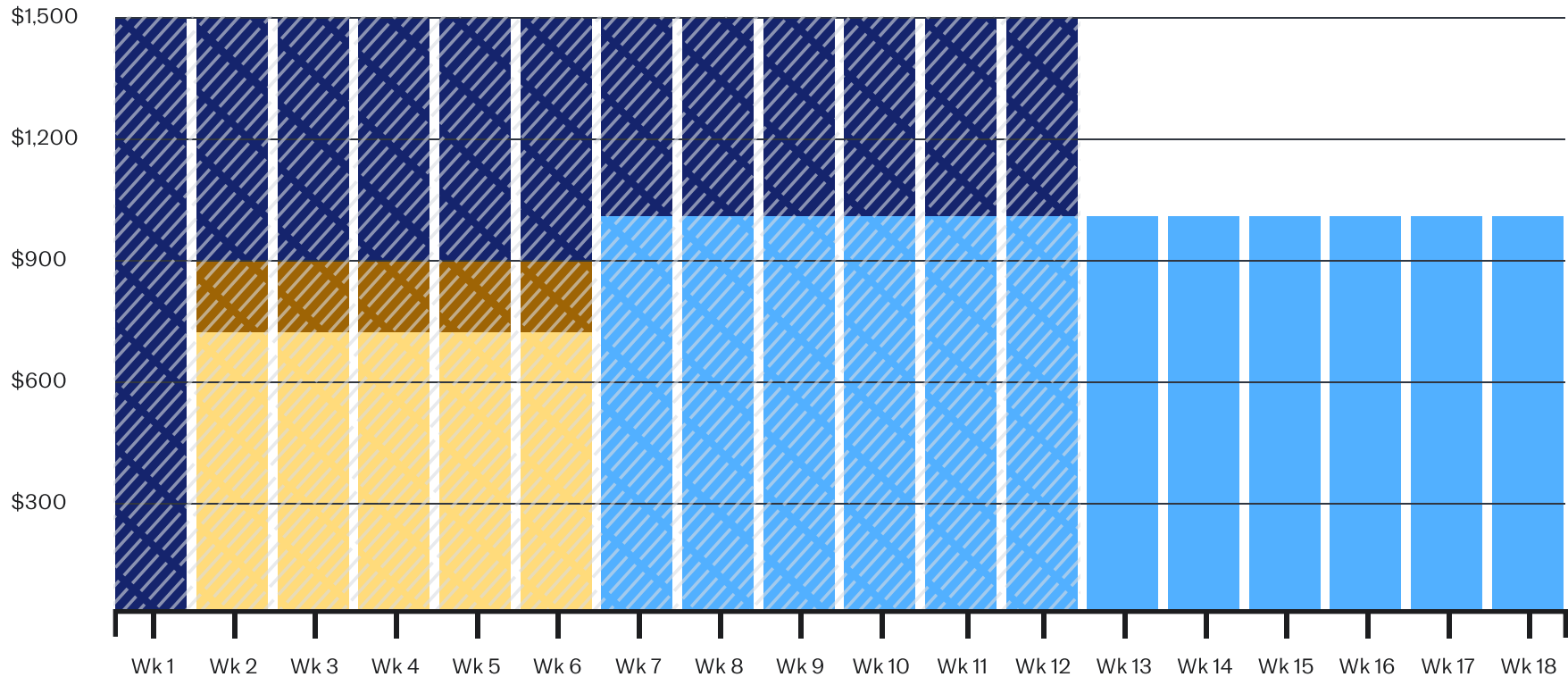
Weeks of Leave

Parental Leave: Employee Gives Birth

This is a hypothetical scenario in which the company offers 12 weeks of fully paid compensation to an employee who makes \$78,000 annually.

Employee's Weekly Income

- Employer Contribution**
balance remaining after deductions
- Voluntary Short Term Disability (STD)**
60% or max benefit
- New York Statutory Disability (DBL)**
50% or max benefit
- New York Paid Family Leave (NYPFL)**
67% or max benefit
- Family and Medical Leave Act (FLMA)**
unpaid protective leave, if applicable



Weeks of Leave

Sample Leave Policy

We've created a sample parental leave policy for employers who wish to provide salary continuation to their employees that goes above and beyond their disability and NYPFL benefits. As a reminder, company-paid salary continuation should never cause the employee to receive greater than 100% of their standard salary.

It's vital to keep in mind that employees can claim NYPFL any time within the first 52 weeks of the arrival of a new child. However, companies offering salary continuation are able to trade the benefit they're providing in exchange for predictability in their staffing needs, by making the company benefit contingent upon the employee claiming NYPFL at the earliest point of eligibility. For birthing parents this means at the conclusion of the disability period, and for non-birthing parents as soon as the new child arrives.



Parental Leave

[Company] will provide new parents with (#) weeks of paid leave on the basis of 100% salary continuation. Salary continuation provided by [Company] will be reduced by the amount of any benefit received from disability or paid family leave so that employees do not receive more than 100% of their standard salary.

Optional: In order to benefit from [Company]'s paid parental leave policy, employees must claim all disability and paid family leave benefits at the earliest point of eligibility.

All health insurance benefits [Company] provides will remain active while the employee is on parental leave. Regular employer contribution to premiums for the employee and all enrolled dependents will remain the same.

Justworks Has Your Back

Justworks gives you access to HR professionals, as well as resources and tools to help manage your most important assets — your employees.

Fast, Reliable Answers

Speak to a qualified HR professional for answers to any of your HR questions, for free.

Build Your HR Tools

Access templates and training materials to build and integrate HR best practices and policies.

Stay Compliant

Receive updates about changes to employment regulations and laws so you can stay compliant.

Top Features

- Speak to an HR Consultant
- Employee handbook builder
- Compliance assistance
- Performance review tool
- Compensation tool

What Questions Can HR Consultants Answer?

HR Consultants offer tailored guidance around a wide variety of issues, including questions like:

- Can you provide best practices for complying with leaves of absence requirements?
- How can Justworks help me track PTO and sick leave?
- I might need to terminate an employee; what should I be thinking about, and how do I let them know?

Additional Resources

- Do your employees have questions about the New York Paid Family Leave Policy? [Direct them here.](#)
- Wondering how the New York Paid Family Leave will affect your business? [Check out our help article.](#)

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