

Massachusetts Updates Paid Family and Medical Leave Contribution Rates, Maximum Benefit Payment Limits for 2022

By Brian E. Lewis

October 5, 2021

Meet the Authors



Brian E. Lewis

(He/Him)

Principal

617-367-0025

Brian.Lewis@jacksonlewis.com

Related Services

Disability, Leave and Health
Management

The Massachusetts Department of Family and Medical Leave has announced the employer contribution rates and benefit amounts under the state Paid Family and Medical Leave Act (PFMLA) beginning January 1, 2022.

The Department of Family and Medical Leave is required to update employer contribution rates and maximum benefit amounts each October 1 for the upcoming year. The change in benefit amounts is based on the average weekly wage in the Commonwealth and the change in contribution rates is to be made to ensure the Fund's solvency for paying out benefits.

Following are the changes to the PFMLA effective January 1, 2022:

1. *The maximum weekly amount of benefits available to eligible individual has been raised to \$1,084.31 per week.* This is an increase from the current \$850 per week. The reason for the increase is because the average weekly wage in Massachusetts has risen to \$1,694.24 per week, and the PFML benefit is based on the Commonwealth's average weekly wage.
2. *The benefit contribution rate for employers has been reduced to .68% of eligible wages.* Currently, the benefit contribution rate is .75% of eligible wages (which are wages up to the Social Security contribution limit).

The specific benefit contribution rates are as follows.

- a. For employers with 25 or more covered individuals, for the family leave contribution, the employer can withhold .12% of eligible wages. As for the medical leave contribution, the employer can withhold .224% of eligible wages and is responsible for paying .336% of eligible wages directly.
- b. For employers with 24 or fewer covered individuals, for the family leave contribution, the employer can withhold .12% of eligible wages. As for the medical leave contribution, the employer can withhold .224% of eligible wages. For these smaller employers, the employer has no obligation to pay the employer share for medical leave.

These new maximum weekly benefit amounts and contribution rates apply equally to employers that have private plans. Therefore, all employers must review and update their private plans and contribution rates for January 1, 2022, to ensure the plans meet the new benchmarks. In addition, when hiring new employees, employers are required to provide new employees with notice of the PFMLA and the deductions from pay. These notices will have to be revised to reflect the new contribution rates.

For additional guidance, please contact a Jackson Lewis attorney.

©2021 Jackson Lewis P.C. This material is provided for informational purposes only. It is not intended to constitute legal advice nor does it create a client-lawyer relationship between Jackson Lewis and any recipient. Recipients should consult with counsel before taking any actions based on the information contained within this material. This material may be considered attorney advertising in some jurisdictions. Prior results do not guarantee a similar outcome.

Focused on employment and labor law since 1958, Jackson Lewis P.C.'s 1,000+ attorneys located in major cities nationwide consistently identify and respond to new ways workplace law intersects business. We help employers develop proactive strategies, strong policies and business-oriented solutions to cultivate high-functioning workforces that are engaged and stable, and share our clients' goals to emphasize belonging and respect for the contributions of every employee. For more information, visit <https://www.jacksonlewis.com>.