



Vermont Family & Medical Leave Insurance

September 8, 2023  
Lake Champlain Chamber



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# Meet the Presenters



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Assistant Vice President, Product  
Management for Paid Family and Medical  
Leave (PFML)  
The Hartford



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New England Regional Sales Director  
and National PFML Sales Lead  
The Hartford



# How We Got Here

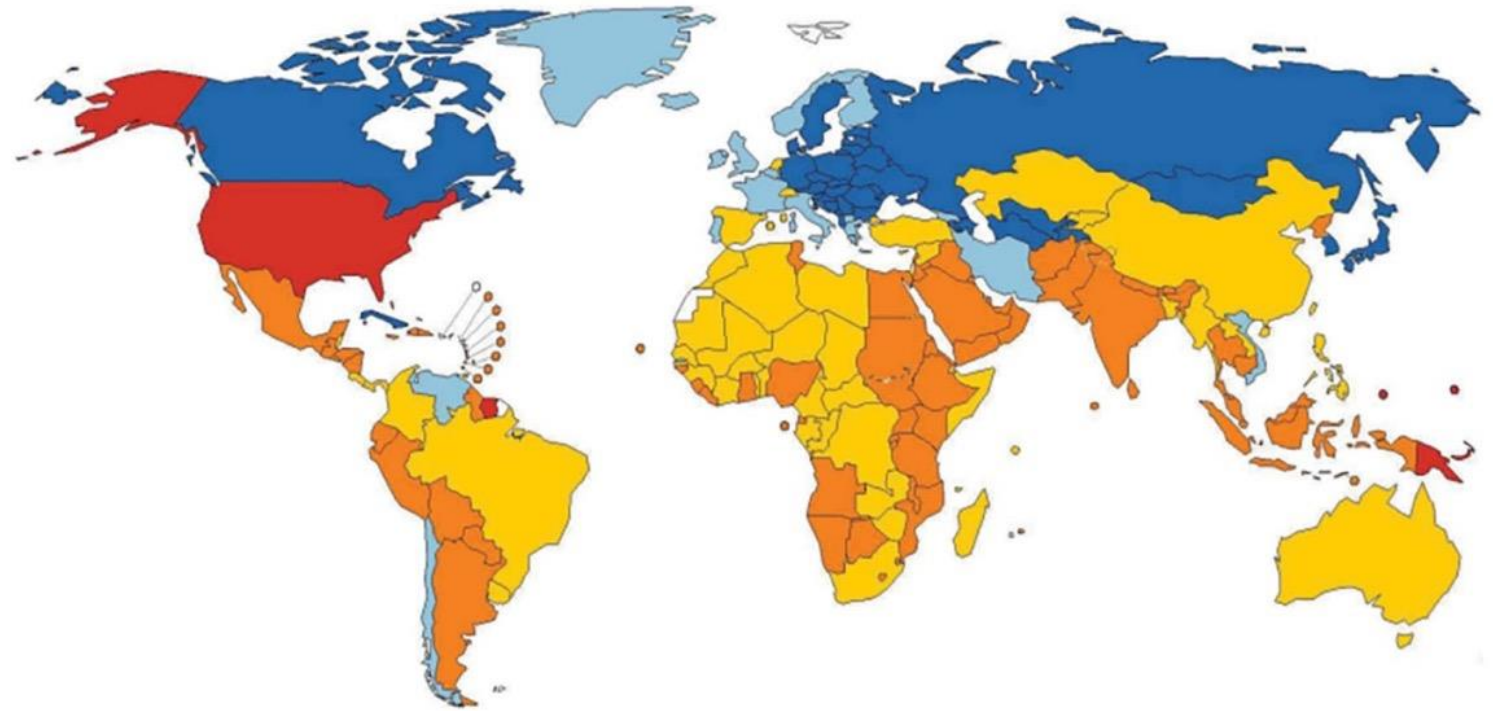
## Paid Leave in the United States

### The Need

Only industrialized country without a national Paid Family Leave Policy

### Taking Care of Our Workforce

In this country, we have the talent and technology to make just about anything - except paid time off for family.



# Putting Our Size and Experience To Work For You

Providing statutory coverage since 1950

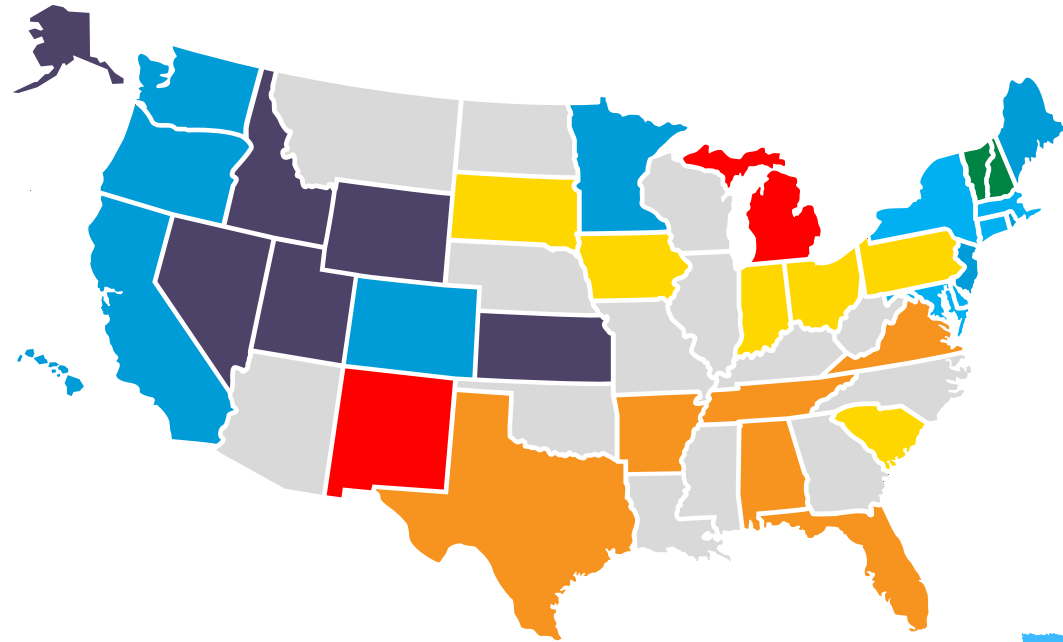
## Offering fully insured coverage in:

- Colorado (PFML 1/1/24)
- Connecticut (PFML)
- Hawaii (TDI)
- Massachusetts (PFML)
- New Jersey (TDB/FLI)
- New York (DBL/PFL)
- Oregon (PFML 9/3/23)

## Offering administrative services for self-insured plans in:

- California (CAVPDI/CAVPFL-approved plans > 500 lives)
- Colorado (PFML 1/1/24)
- Connecticut (PFML)
- Hawaii (TDI)
- Massachusetts (PFML)
- New Jersey (TDB/FLI)
- New York (DBL/PFL)
- Oregon (PFML 9/3/23)
- Washington (PFML)

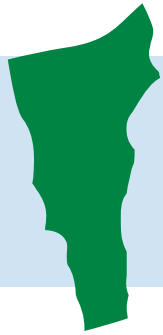
\* The programs in ME, MN, MD and DE are new legislative mandates. The Hartford intends to provide an offering.



July 12, 2023

## Paid Family and Medical Leave Programs

- PFML mandates:
  - CO, CT, DE\*, MA, MD\*, ME\*, MN\*, NJ, NY, OR – either insured or self-insured
  - CA and WA may only be self-insured
  - RI and Washington D.C. do not allow private plans
  - HI and PR have Temporary Disability Insurance only
- Voluntary/Optional FMLI insurance plan:
  - NH, VT
- Voluntary/Optional FLI insurance plan only:
  - AL, AR, FL, TN, TX, VA,
- Likely to pass PFML mandate in next two years
- Interested in Voluntary/Optional PFML insurance plan
- PFML legislation introduced since 2019
- Has **not** introduced PFML program



## What we've heard from VT Employers and Brokers about VT FMLI

Vermont  
Employers

Between FMLA, Mandated PFML, Employer, and the Governor's Program, I'm very confused

When it comes to caregiving, I'm not sure how to set up and provide leave

I haven't heard about Family Medical Leave Insurance

Family Medical Leave Insurance Seems straightforward like Short-term Disability Insurance

Vermont  
Brokers

The customization/variability that VT FMLI offers is important in designing a plan that works for employers

VT FMLI needs to integrate well with my client's existing leave programs

I would recommend a 100% employer-paid plan

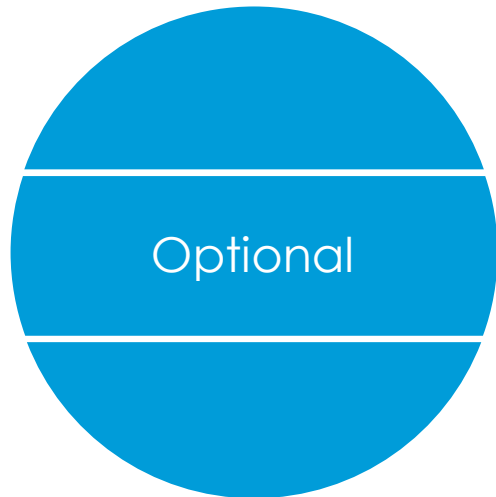


# Leave Simplified

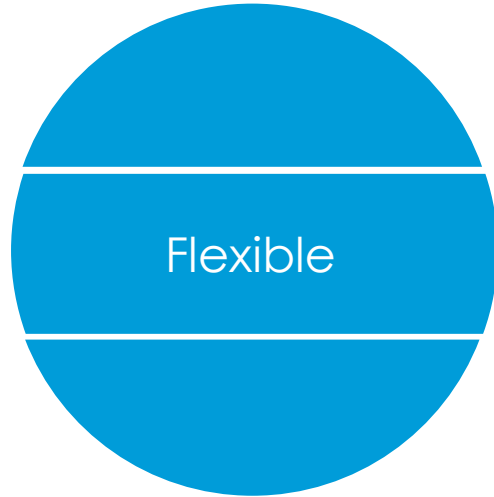
(Video to play at this point of presentation)



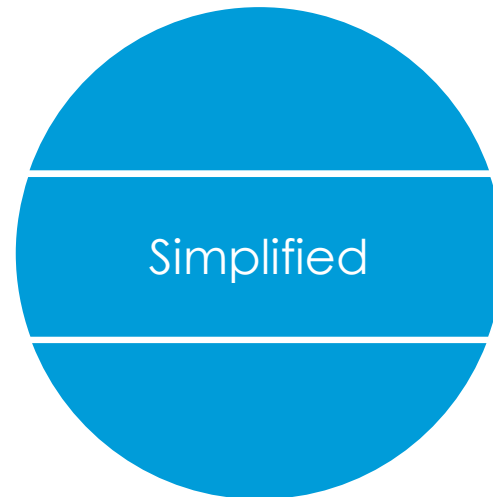
# Vermont Family & Medical Leave Insurance Differs From Mandated PFML



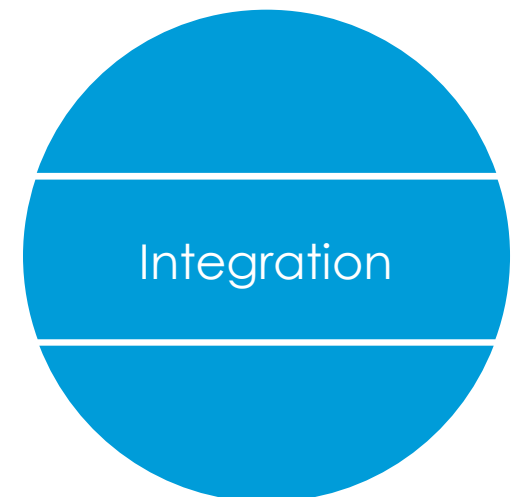
Employers have the option of offering this benefit to employees vs. mandated or being required by state law



Design a program that: addresses your unique business needs and the needs of your employees



A less-complicated structure than statutory PFML programs.



Recognizes existing employee benefits like STD/salary continuation programs and allows integration with FMLI or FLI





# How is Vermont's Family and Medical Leave Insurance Program Being Rolled Out?

## Phase 1:

State of Vermont government employees became covered under a non-contributory Family and Medical Leave policy of insurance on July 1<sup>st</sup> of this year.

## Phase 2:

Non-State Public and Private Employers may purchase or sponsor FMLI plans with effective dates of July 1, 2024, and later. The Hartford will begin offering quotes in February of 2024.

## Phase 3:

Vermont workers who do not have access to coverage through their employers will be able to access coverage through an individual purchasing pool beginning on July 1, 2025.

# Why Employers Need Vermont Family & Medical Leave Insurance



- Aids in employee retention and recruitment
- Promotes employee wellbeing
- Provides similar leave reasons to the statutory programs in surrounding states
- Provides the flexibility to design a plan that aligns with your unique business requirements and your employees' needs
- Can be designed to work together with other employee benefit programs (Salary Continuation/STD/LTD/PTO)
- Standalone Family Leave insurance can round out an employer's benefit package
- This insurance may lessen the employer's financial risk versus providing a salary continuation program

# Why Employees Need Vermont Family & Medical Leave Insurance



- Helps replace lost income when your employee needs to care for themselves or a loved one
- Provides support for your employees who need to take leave for certain caregiving reasons
- Provides employees with peace of mind so that they can focus on what matters most
- Gives the employee flexibility in how they take their time off. Allows for non-continuous time-off.
- Helps foster employee wellness

# Vermont Family & Medical Leave Insurance: Two Offerings



## Allows employees to receive a portion of wages to:

- Bond with a new child (newborn, adoption and/or foster placement)
- Care for a family member with a serious health condition
  - Military Exigency
- Care for military service member

**FLI is available as a stand-alone offering**



## When combined with FLI, MLI allows employees to receive a portion of their wages to:

- Recover from childbirth
- Recover from their own serious health condition



# Employer Choice

Flexibility in Plan Design	
Eligibility:	The ability for the employer to define employee's eligibility waiting periods
Elimination Waiting Period:	Variations on benefit elimination periods and whether they apply to the overall available leave durations (a short period of time, 7 calendar days, at the beginning of a leave that is unpaid)
Coverage Amount:	A range of benefit percentages beginning at 60% and going up
Leave Duration:	A range of leave durations beginning at 6 weeks and going up to 26 weeks (durations can be separate or shared)
Maximum Benefit Amount:	A maximum weekly benefit expressed in a flat \$ amount or indexed annually based on the Social Security taxable wage cap
Contribution Options:	<p>A variety of ways to pay for the coverage:</p> <ul style="list-style-type: none"> <li>• employer pays all;</li> <li>• employer and employee share in the cost</li> <li>• employee pays all.</li> </ul> <p>For 100% employee-pay-all plans, an eligibility waiting period may be required</p>
Product Options:	<p>The ability to purchase/sponsor only the Family Leave insurance</p> <p>Fully Insured and self-insured (with ASO services that include check cutting available)</p>
Integrating with Other Employer Sponsored Benefits:	Options for integration with other employer sponsored benefits and salary continuation programs



## I offer Short-Term Disability to my employees, do I need FMLI?



### Consider the following:

- FMLI provides coverage for family events that STD does not, such as:
  - ✓ Time to bond with a newborn, adopted or foster child
  - ✓ Time to care for an ill family member
- FMLI can be designed to wrap around STD, providing additional coverage in terms of durations and benefit amounts.
- Intermittent leave available

## Phase 1– FMLI Highlights

### FMLI Product Development

- Leveraged our resources and expertise for new product designed specific to the needs of Vermonters
- Updates to internal systems ready for go live and support of phase 2

### Collaboration

- State of Vermont HR
- Department of Financial Regulations on policy/rate filing

### Delivering on our promise

- Ready to take early notice claims as of 6/1/23
- Claim payment ready on effective date of 7/1/23

# Moving forward together



Questions?

Learn more at [fmlt.thehartford.com](https://fmlt.thehartford.com)

