

Equivalent plans: another path to Paid Leave

Paid Leave supports your employees when they need it most and strengthens connections in our families, communities, and workplaces. Employers can choose to meet their responsibilities under Minnesota Paid Leave by providing employees with an equivalent plan that meets or exceeds the coverage offered by the state.

Minnesota Paid Leave is often the least expensive and easiest option for employers. But you know your business best. No matter how you decide to bring paid leave to your employees, the process is easy and intuitive.

For employers who choose to offer an equivalent plan, the information in this document will walk you through the straightforward, user-friendly process to submit your request.

Equivalent plan basics

There are two types of paid leave equivalent plans:

- **Insurance carrier plans** a type of equivalent plan sold by private insurers. The plan must be approved by the Department of Commerce and meet or exceed all statutory requirements.
- **Self-insured plans** a type of equivalent plan where an employer manages employees' paid leave requests and payments themselves, rather than through an insurance carrier or the state. Self-insured plans must be backed up by a surety bond to ensure they can make payments to employees who take leave.

To qualify, your plan must:

- Cover all the same leave types (family, medical, bonding, military, and safety).
- Provide equal or better benefits in length, amount, and eligibility.
- Not cost employees more than the state plan.
- Include job protections and all employee rights provided under the state plan, such as the right to appeal a denial of leave.

Minnesota Department of Employment and Economic Development



How to request an Equivalent Plan Substitution

Step one: Set up your Paid Leave Administrator Account

Before you can create an account on the Paid Leave website, you must designate a Paid Leave Administrator in your Employer Account at <u>uimn.org</u>. Go to the <u>UI website</u> for more information on how to designate a Paid Leave Administrator. You can designate one person, or several.

Once you have designated a Paid Leave Administrator in your Employer Account, that individual is ready to set up their Paid Leave Administrator Account on the <u>Paid Leave website</u>. This person will be able to review leave applications, view determinations issued by Minnesota Paid Leave, and more.

Step two: Gather materials for your Equivalent Plan Request

For insurance carrier plans:

- Policy number, plan number, and insurance carrier
- Coverage effective dates (must cover one full year from the start of a quarter)
- Insurance policy document

For self-insured plans:

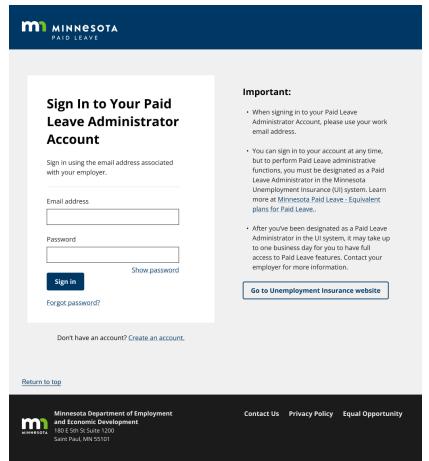
- Surety bond information form
- Self-insured plan document. We recommend using our <u>self-insured plan guide</u> for ease and to reduce processing time. If you prefer to compile plan information on your own, documentation must include:
 - Coverage effective dates (must cover one full year)
 - Plan details showing equivalency to the state program

Provide payment for request processing:

- A nonrefundable fee of \$250, \$500, or \$1000 depending on employer size
- A processing fee that varies based on payment method

Minnesota Department of Employment and Economic Development



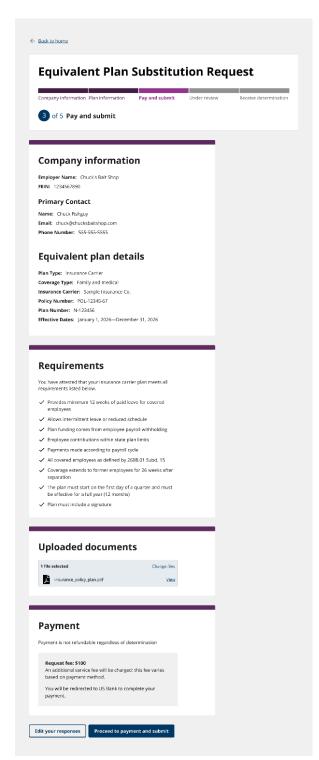


Step three: Submit your request for an Equivalent Plan Substitution

First, sign in to your Paid Leave Administrator Account

Note that you'll need to sign in to your <u>Paid</u> <u>Leave Administrator Account</u> on the Paid Leave website, not the UI website.

Minnesota Department of Employment and Economic Development



Then, follow the prompts to:

- 1. Specify if you are requesting an equivalent plan for Family Leave, Medical Leave, or both.
- 2. Select your plan type (insurance carrier plan or self-insured plan).
- 3. Enter your plan's start date. It must start on the first day of a quarter and be in effect for a full calendar year.
- 4. Provide plan details.
 - For insurance carrier plans: provide the name of the insurance carrier, as well as your plan and policy numbers.
 - For self-insured plans: provide the surety bond number, as well as the name of the bond issuer and their contact information.
- 5. Certify that the plan meets Paid Leave requirements.
- 6. Upload supporting documents.
 - For insurance carrier plans: upload your policy document.
 - For self-insured plans: upload your surety bond information form and plan documentation.
- 7. Attest and sign your request.
- 8. Submit your fee payment. You will be directed to the U.S. Bank portal.

Minnesota Department of Employment and Economic Development



After you submit your request

Once you've submitted your request, you will receive an email from U.S. Bank confirming your payment. You can check the status of your request at any time in your Paid Leave Administrator Account.

Need help?

Employers who have questions or need assistance can reach out to the Paid Leave Contact Center by calling 651-556-7777 or 844-556-0444 (toll-free).

Paid Leave staff are available 9:00 a.m. to 4:00 p.m., Monday through Friday, except state holidays.

Learn more

info.paidleave.mn.gov



Minnesota Department of Employment and Economic Development