

# THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT DEPARTMENT OF FAMILY AND MEDICAL LEAVE

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## FY2023 Annual Report for the Massachusetts Paid Family and Medical Leave program Department of Family and Medical Leave

The enactment of the Family and Medical Leave Law, M.G.L. c. 175M on June 28, 2018, created Paid Family and Medical Leave (PFML) in Massachusetts.

The program provides benefits to covered individuals. A covered individual includes:

- (a) an employee who meets the financial eligibility requirements of M.G.L. c. 151A, § 24(a); provided, however, that all such employment shall have been with an employer in the Commonwealth;
- (b) a self-employed individual:
  - 1. who has elected coverage under M.G.L. c. 175M, § (2)(j);
  - 2. whose reported earnings to the Massachusetts Department of Revenue from self-employment meet the financial eligibility requirements of M.G.L. c. 151A, § 24(a) as if the individual were an employee; and
  - 3. who has made contributions as required by M.G.L. c. 175M, § 6, for at least two of the previous four calendar quarters;
- (c) a covered contract worker.

The Department of Family and Medical Leave (DFML) is required to issue annual reports containing information about applications for PFML benefits made to DFML (M.G.L. c. 175M s. 7(e)).

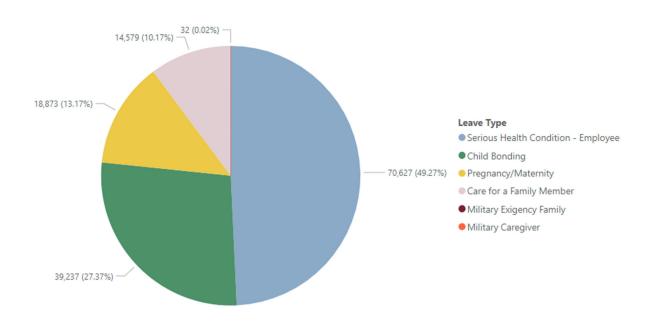
This report provides a summary of data on applications for paid leave benefits from July 1, 2022, to June 30, 2023 (FY23), including cases subsequently approved through the appeals process. The data used in this report is derived from various sources, including DFML's claims processing system and the Massachusetts Department of Unemployment Assistance. The report provides information on benefits, applications, and certain covered individual demographics during FY23.

#### **Approved Applications Information**

#### In FY23:

- 143,356 applications were approved.
  - That represents a **27.39%** increase in approved applications over FY22, when the Department approved 112,531 applications. Additionally, the approval percentage for applications in FY23 increased by **3.16%**, to **83.72%**.
- Medical leave accounted for 62.55% of approved applications (89,500 approved applications).
  - Medical Leave due to one's own serious health condition accounted for **49.36%** of approved applications (**70,627** approved applications).
  - Leave associated with standard recovery from childbirth or pregnancy are categorized as Medical Leave claims. Those leaves accounted for 13.19% of approved applications (18,873 approved applications). In FY23, 62.88% of covered individuals with an approved medical leave claim to recover from childbirth or due to pregnancy also had an approved child bonding family leave claim.
- Family leave to bond with a child following birth, adoption or foster care placement accounted for 27.37% of approved applications (39,237 approved applications).
- Family leave to care for a family member with a serious health condition accounted for 10.17% of approved applications (14,579 approved applications).
- Military exigency leave accounted for .02% of approved applications (32 approved applications).
- Leave to care for a family member who is a covered service member accounted for .01% of approved applications (8 approved applications).

#### Approved Claims by Leave Type



## **Denied Applications Information**

As of June 30, 2023:

- 27,863 applications were denied, which was 16.27% of all filed applications that received a decision from PFML.
  - That represented a 17.16% reduction in the percentage of filed applications being denied from FY22, when 19.64% of all filed applications were denied.

#### **Reasons for Denials**

The following categories accounted for the denials issued by DFML in FY23:

Eligibility	The applicant's employer was either covered by an approved exempt plan or was exempt from the requirements of the PFML statute entirely	7,649 applications		
	The applicant had not satisfied the financial eligibility test under M.G.L. c. 175M in that they did not earn 30 times their weekly benefit amount over the 12 months preceding the individual's application	3,591 applications		
	The applicant had wages too low to qualify for PFML	s too low to qualify for PFML 1,698 applications		
	The applicant was ineligible due to being unemployed for more than 26 weeks at the time they applied	109 applications		
Documentation	The applicant did not submit the required documents	7,559 applications		
	The documents submitted by the applicant did not comply with DFML requirements	3,807 applications		
Information from employers	The employer provided disqualifying information about the applicant to DFML (e.g., that applicant had taken prior leave during the benefit year)	442 applications		
	The employer was not notified by the applicant of their need for leave in accordance with the timeliness requirements established under M.G.L. c. 175M	222 applications		
Family leave	The leave did not fall within one year of the child's birth or placement	103 applications		
	The applicant did not establish that they were caring for a covered family member	12 applications		
	The applicant applying for benefits or the family member they were caring for passed away prior to the start of the leave	9 applications		
Other	The application was submitted more than 90 days after the leave began	894 applications		
	The requested leave exceeded the amount allowed for family leave	804 applications		

Other Cont.	The requested leave exceeded the amount allowed for medical leave	685 applications
	The requested leave exceeded the total allowed for both family and medical leave	234 applications
	The application contained false statements	45 applications

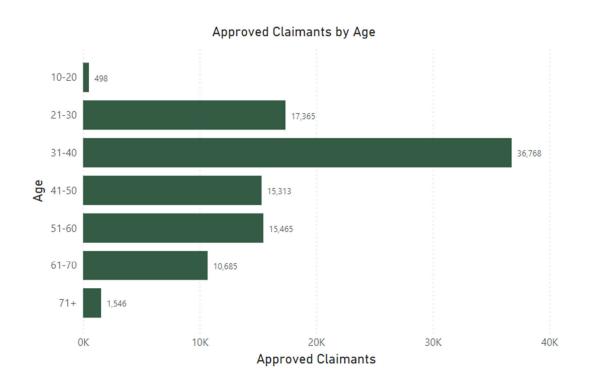
#### **Abandoned Claims**

In FY23, of the **7,559** applications that were denied for "The applicant did not submit the required documents", **3,948** applications were denied because an individual started an application in the portal but did not complete and submit the application.

#### **Demographics for Approved Covered Individuals**

\*Demographic information is provided for all covered individuals with approved leaves.

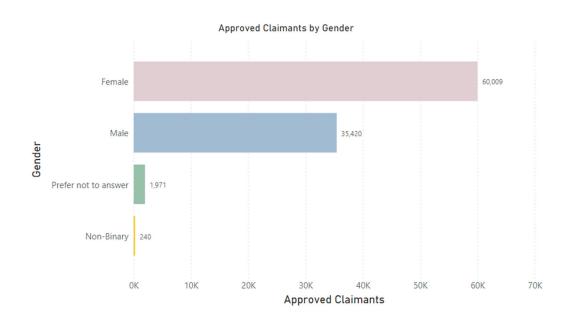




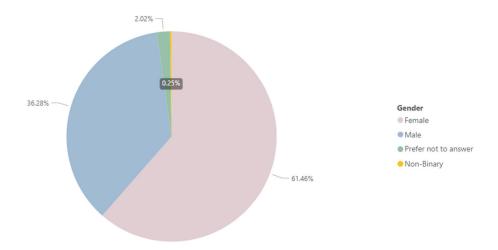
<sup>\*\*</sup>The total number of covered individuals does not equal the total number of approved claims because covered individuals can file for multiple leaves within a year.

#### Gender

Demographic information for gender is optional for covered individuals to disclose to DFML. In FY23, 61.46% (60,009) of covered individuals identified as female, 36.28% (35,420) of covered individuals identified as male, 2.02% (1,971) of covered individuals preferred not to answer, and 0.25% (240) identified as non-binary.

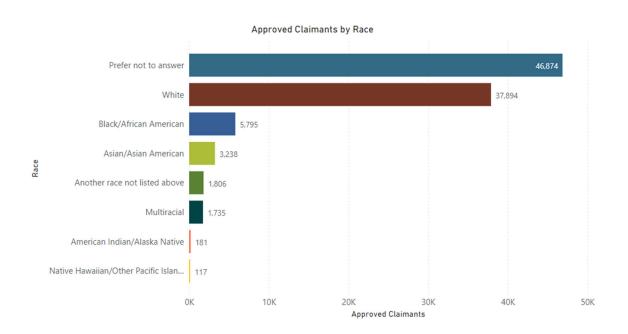




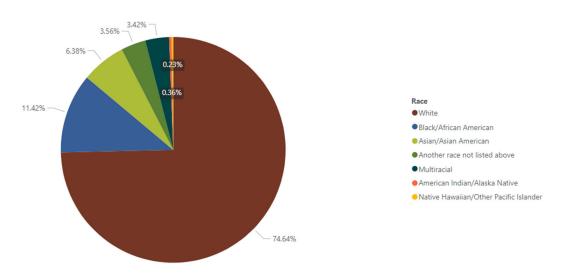


#### Race

Demographic information for race is optional for covered individuals to disclose to DFML. In total, 48% (46,874) of covered individuals preferred not to answer. After excluding covered individuals that preferred not to answer, 74.64% (37,894) of covered individuals selected White as their race; 11.42% (5,795) of covered individuals selected Black/African as their race; 6.38% (3,238) of covered individuals selected Asian/Asian American as their race; 3.56% (1,806) of covered individuals selected "Another Race not Listed Above" as their race; 3.42% (1,735) of covered individuals selected Multiracial as their race; and less than 1% (298) of covered individuals selected American Indian/Alaska Native or Native Hawaiian/Other Pacific Islander as their race.







<sup>\*</sup>The above pie chart excludes "Prefer not to answer" responses.

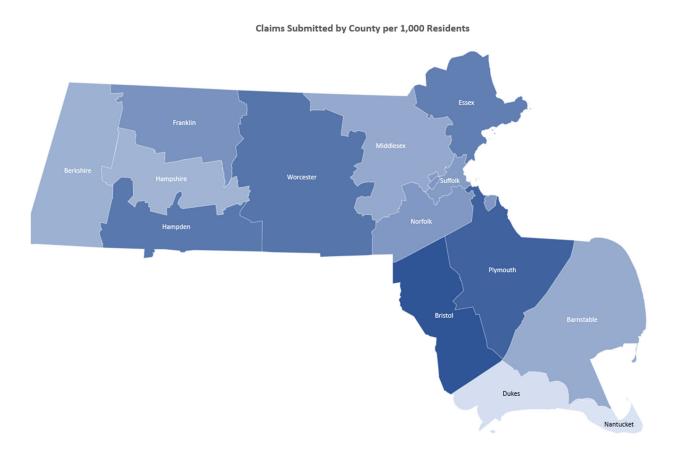
### **Occupation**

Covered individuals for paid leave worked in a wide variety of industries, and the top 40 occupations are listed below. This data is derived from occupational information that employers self-disclosed to the Department of Unemployment Assistance.

Occupation	Approved Claimants
Waiters and Waitresses	412
Retail Salespersons	
Cashiers	400
Personal Care Aides	361
Nursing Assistants	355
Sales Managers	319
Medical Assistants	289
First-Line Supervisors of Retail Sales Workers	282
Stock Clerks and Order Fillers	266
Preschool Teachers Except Special Education	211
Bus Drivers School or Special Client	209
Medical Secretaries and Administrative Assistants	207
Combined Food Preparation and Serving Workers Including Fast Food	201
Home Health Aides	200
Maids and Housekeeping Cleaners	196
Cooks Restaurant	195
Dental Assistants	189
Electricians	189
Licensed Practical and Licensed Vocational Nurses	183
Construction Laborers	181
Social and Human Service Assistants	181
Laborers and Freight Stock and Material Movers Hand	177
Bartenders	173
Heavy and Tractor-Trailer Truck Drivers	165
Food Service Managers	162
Light Truck Drivers	155
Packers and Packagers Hand	154
Receptionists and Information Clerks	153
Carpenters	149
Hairdressers Hairstylists and Cosmetologists	149
Secretaries and Administrative Assistants Except Legal Medical and Executive	142
Janitors and Cleaners Except Maids and Housekeeping Cleaners	140
Sales Representatives Wholesale and Manufacturing Except Technical and Scientific Products	132
Security Guards	130
Dental Hygienists	129
Office Clerks General	129
Team Assemblers	122
First-Line Supervisors of Food Preparation and Serving Workers	119

#### Geography

The below figure shows utilization of PFML by county. Since population size varies by county, the data is presented on a scale of number of approved claims per 1,000 residents in each county. The darker colors indicate more claims submitted versus the lighter colors which indicate fewer claims submitted per 1,000 residents. **13.60** % of claims were submitted with an out-of-state mailing address.



County	Claims per 1,000 Residents
Barnstable	15.12
Berkshire	14.59
Bristol	24.01
Dukes	9.90
Essex	19.71
Franklin	17.68
Hampden	20.39
Hampshire	14.28
Middlesex	15.39
Nantucket	9.40
Norfolk	17.08
Plymouth	22.52
Suffolk	16.68
Worcester	20.76

#### Weekly Wages

The average Individual Average Weekly Wage (IAWW) for PFML approved claims was \$1,155.48.

• In FY22, the Individual Average Weekly Wage (IAWW) for PFM approved claims was \$1,421.80, representing an 18.70% decrease in the average wage of approved PFML applicants from FY22 to FY23.

#### **Average Weekly Benefit**

During FY23, the average weekly benefit was:

- \$774.01 for family leave. In FY22, the average weekly benefit for family leave was \$793.55.
- \$791.36 for medical leave. In FY22, the average weekly benefit for medical leave was \$754.84.

#### **Processing Times**

To apply for paid leave benefits, a covered individual must submit an application and upload supporting documentation. The application is then sent to their employer, which has 10 business days to review and respond. After the employer responds, or the 10 business days have lapsed, the application is adjudicated by DFML, and a decision is reached within 14 business days.

- The median response time from employers was 3 calendar days.
  - In FY22, the median response time from employers was **2.75** calendar days.
- The median initial determination (from application submission to initial decision) was 17 calendar days.
  - The median initial determination was unchanged from FY22 to FY23. In FY22, the median initial determination was 17 calendar days.
- The median final determination (from application submission to final decision, including the appeals process) was 27 calendar days.
  - That represents a decrease of 27% from FY22, when the median final determination was **37** calendar days.

#### **Leave Duration**

Assuming a five-day work week, the average duration of a leave completed in FY23 was **9.40** weeks.

- For medical leave, the median duration of a leave completed in FY23 was 8.74 weeks.
- For family leave, the median duration of a leave completed in FY23 was 10.44 weeks.

#### **Open Cases**

At the end of FY23, there were **25,455** open leave requests, where covered individuals were in the midst of taking their leave. There were **117,844** closed leave requests, where the leave had been completed.

At the end of FY22, there were **25,718** open leave requests, where covered individuals were in the midst of taking their leave. There were **96,900** closed leave requests, where the leave had been completed.

#### **Total Benefits Distributed**

In FY23 (July 1, 2022-June 20, 2023), DFML paid out a total of \$832,556,023.75 in family and medical leave benefits.

• In FY22 (July 1, 2021-June 20, 2022), DFML paid out a total of \$602,767,692.31 in family and medical leave benefits, which resulted in a 37% increase in total benefits paid between FY22 and FY23.

#### **Employer Reimbursement**

Employers may qualify for reimbursement of benefits paid to their employees if they offer a paid temporary disability, family or medical leave policy, or an extended illness leave bank that provides equal or more generous benefits than those provided under the PFML law.

In FY23 DFML paid out a total of \$1,316,929.75 in family and medical leave reimbursements across 109 employers. The total employer reimbursement payment is included in the total benefit's distributed for FY23.

- \$692,766.37 for family leaves
- \$624,163.38 for medical leaves

#### **Previous Fiscal Year Comparison at a Glance**

Metric	FY22*	FY23	Percent Change
Approved Applications	112,531	143,356	27.39% Increase
Average Leave Duration	12 Weeks	9.40 Weeks	21.66% Decrease
Average Weekly Benefit - Family Leave	\$793.55	\$774.01	2.46% Decrease
Average Weekly Benefit - Medical Leave	\$754.84	\$791.36	4.84% Increase
Calendar Days to Final Determination	37 Calendar Days	27 Calendar Days	27.03% Decrease
Calendar Days to Initial Determination	17 Calendar Days	17 Calendar Days	0% Change
Covered Individuals	79,898	97,640	22.21% Increase
Denial Rate	19.64%	16.28%	17.16% Decrease
Denied Applications	27,507	27,863	1.30% Increase
Individual Average Weekly Wage	\$1,421.80	\$1,155.48	18.73% Decrease
Total Applications	140,038	171,219	22.26% Increase
Total Benefits Paid Out	\$602,767,692.31	\$832,548,618.16	38.12% Increase

#### **Fiscal Year Improvements**

The Department saw an increase of 27.39% in approved applications in FY23:

- The increase in approved applications was brought on by a 22.26% increase in total applications and a 17.16% decrease in the percentage of applications that were denied.
- The 17.16% decrease in the percentage of applications that were denied was the result of a decrease in the percentage of applications that were denied for insufficient documentation.
  - Despite claims increasing by 22.26%, the overall number of applications denied for having insufficient documentation decreased by 45.5%.

The number of unique covered individuals accessing PFML benefits increased by 22.21%.

The Department issued final determinations faster, reducing the average time it takes to issue a final determination by 10 calendar days.

• Overall, there was a 27.03% decrease in the time it takes the Department to issue a final determination.

The average wage for a covered individual decreased by 18.73%.

<sup>\*</sup>FY22 was the department's first full operational fiscal year.