

Colorado Paid Family and Medical Leave (CO PFML)

Private plan checklist

Last updated December 27, 2022

If you're considering a private plan to comply with CO PFML, this guide will help you keep track of key dates and understand program expectations and the implementation process.

Stage 1: Understanding CO PFML and Lincoln's private programs

Lincoln's CO PFML private plan offering

Lincoln's claims professionals carefully manage your company's private CO PFML program, ensuring it adheres to all aspects of the state's legislation. We offer:

- One comprehensive program, inclusive of paid family leave and medical leave
- Fully insured and self-funded options
 - The self-funded offering includes advice-to-pay, with or without calculations, and check-cutting options.
- Plan design fully compliant with state's program requirements
- Single intake of all paid family and medical leave, disability, and absence events for programs Lincoln administers
- Time tracking, entitlement, and benefit coordination with all Lincoln-managed disability and absence programs
- Operational reporting
- End-to-end assistance throughout all phases of approval, setup, and ongoing administration

Colorado's private requirements

- You must receive approval from the Family and Medical Leave Insurance Program (FAMLI) Division to opt out of the state plan.
- Separate applications must be submitted for each business entity.
- Private plans must fully meet or exceed the state's plan. This includes:
 - Allow CO PFML benefits to be taken for all reasons allowed by the state plan
 - Provide benefits for covered employees up to the maximum allowed by the state plan
 - Cover all reasons allowed in the state plan
 - Provide the same level of wage replacement as required by the state plan
 - Allow intermittent and reduced schedule leave
 - Impose no additional conditions or restrictions

- Allow eligible employees to receive benefits under the private plan
- Charge employees no more than the cost charged to employees under the state plan

Stage 2: Preparing for compliance requirements

As you prepare for the launch of CO PFML, you'll need to consider a few things regarding a private plan.

Employers must:

- Apply for and receive approval for a private plan, which are approved for eight years
- Meet all employee communication and notice requirements
- Begin remitting contributions to the FAMLI Division in 2023

Stage 3: Applying for a private plan

Register on FAMLI+

All employers with employees in Colorado are required to register their business on **My FAMLI+ Employer**.

Registration is open as of December 1, 2022, and must be complete prior to submitting Q1 2023 contributions, which are due April 30, 2023. Detailed instructions on how to register are available on famli.colorado.gov under the **My FAMLI+ Employer** page.

Submitting your private plan application

The application process is not yet open. Additional details about the timeline and process will be shared in the coming weeks. Here's what we know now:

- Separate applications must be submitted for each entity.
- The application will require:
 - Federal employer identification number (EIN)
 - Employer name
 - Business address
 - Mailing address
 - Designated contact person and contact information
 - An attestation that the certification forms used are no more onerous than the forms used under the state plan
 - A copy of the posted notice
 - Certification forms that must be provided to the FAMLI Division 30 days prior to making them available to employees for usage.
- For self-funded private plans:
 - A copy of the plan document (a template will be provided by the FAMLI Division)
 - A surety bond equal to one year of total calculated premiums, with supporting payroll documentation
 - An attestation that the employer has complied with separate account requirements (for example, holding and depositing contributions in a separate account from which benefits and private plan administrative costs are paid)
- For fully insured private plans:
 - A copy of the insurance policy form]
- \$500 application fee for each entity that will be covered under the plan

As a reminder, employers cannot yet complete the private plan application.

Maintaining your private plan status

Private plans are approved for eight years. Employers must fulfill these requirements annually:

- An attestation that the private plan meets or exceeds the state plan
- A maintenance fee to be determined by the FAMLI Division

Modification of a private plan

- A statement describing how material changes do not reduce benefits or impose new requirements beyond what would be provided and required under the state plan must be submitted to the FAMLI Division. Material changes include but are not limited to:
 - Changing from one private plan to another
 - Reducing benefits or leave types
 - Increasing claims adjudication timeframes
 - Increasing benefit payment timeframes
 - Increase the information collected from employees
- Material changes do not include:
 - Updating the private plan benefits application form in a way that does not make the form more onerous than the state form
 - Changing benefit or contact information
 - Correcting typographical errors
 - Increasing benefits or leave types

Stage 4: Manage employee contributions under your private plan

An employer may only withhold employee contributions up to the applicable employee amount allowed under the state plan. Contributions may only be used for insurance premium in fully insured plans or to cover administrative and claim funding costs for self-funded plans.

The state requires you to begin taking employee contributions as of January 1, 2023, even if you plan to offer a private plan. Employee and employer contributions must be remitted to the FAMLI Division on a quarterly basis. Contributions are remitted through **My FAMLI+ Employer**.

Employers wishing to pursue a private plan with an effective date of January 1, 2024, must apply no later than October 31, 2023. Employers with a private plan approved for January 1, 2024, will be eligible to apply for a refund of 2023 premiums remitted. If a refund is issued, employee contributions must be returned unless otherwise allowed under the private plan. Employers with a private plan effective date after January 1, 2024, will not be eligible for this refund.

Stage 5: Implementation

Your designated implementation manager will provide helpful guidance and direction as your CO PFML plan is set up with Lincoln. During your implementation, we will:

- Walk you through a review to discuss the private plan application process, state plan highlights, and the specifics of your private plan
- Discuss the opportunity to enhance your eligibility file, if applicable, to support the claim experience

- Review Lincoln's robust suite of reports to track CO PFML claim status, absences, and benefit pay calculations and checks
- Schedule time to review the employee experience from intake through claims processing and benefit coordination to ensure understanding of the program before coverage begins
- Provide resources, including employer and employee program guides and videos that outline claims and billing expectations. Your Lincoln contact will leverage these key resources during the implementation stage to keep you in the know and prepare you for your effective date.

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