

**SUN LIFE**

# Self-Bill Administration for NY Disability Benefits Law Clients with NY Paid Family Leave Coverage effective January 1, 2021

In order to offer NY Paid Family Leave to our NY Disability Benefits Law Clients, Sun Life requires premium billing to be self-administered and paid in arrears. As a self-bill Client, you may complete the invoice online or in paper form. This document provides the information that you need to report premium accurately.

You will be able to pay bills electronically via Sun Life Connect. Information about the site can be found at [www.sunlife.com/nypfl](http://www.sunlife.com/nypfl).

## Things to know before you get started

- Premium for NY DBL and NY PFL will be billed together. However, the methods to determine the cost of each product are slightly different.
- Most NY DBL Coverages are billed on a per employee per month basis split by gender\*.
- NY PFL coverage is always billed as a percentage of covered payroll. (We bill premium in arrears for this reason.) For NY PFL, this amount is determined as a percentage of each employee’s weekly covered payroll.
- You may need monthly and weekly earnings for each employee in order to calculate premium for both NY DBL and NY PFL.

\*Unless your DBL benefit is calculated using a different rate basis. Please refer to your contract and reach out to your Client Relationship Executive for any additional support.

## Calculate your bill

### STEP 1: Determine NY DBL premiums

For DBL rates that do not include a volume, no volume cap is needed. For rates based on per employee per month or per employee split by gender per month, the calculation is straightforward:

**Monthly Rate x Employee Population (or gender population) = Premium Due**

#### DBL Formula (Gender Rates)

Number of Employed Males	x Male Rate	Premium cost for coverage of Male Employees
Number of Employed Females	x Female Rate	Premium cost for coverage of Female Employees
<b>Total monthly cost</b>		<b>Add Male and Female premium cost</b>

### STEP 2: Identify any employees who need to have their annual contributions capped.

NY Paid Family Leave premiums are based on eligible payroll amounts.\* An employee’s annual contributions may hit the maximum annual cap if the employee earns more than the State Wide Annual Average Wage. For benefits paid in 2021, NY uses the State Wide Average Weekly Wage (SWAWW) of \$1,450.17 to determine the State Wide Average Annual Wage of \$75,408.84. (Ex. \$1,450.17 x 52 weeks = \$75,408.84). Employees earning more than \$75,408.84 will cease paying NY PFL premiums once they’ve had \$385.34 withheld from the first \$75,408.84 they earn.

- **NY PFL Capped Annual Payroll Amount Formula:** SWAWW x 52 weeks x Statutory PFL Rate = Capped annual premium amount  
**Example:** \$1,450.17 SWAWW x 52 weeks x 0.511% = \$385.34

Once you have the capped payroll amount, you can calculate employee premium.

### STEP 3: Determine NY PFL Premium

NY Paid Family Leave premium is a straight percentage of payroll, up to the capped payroll amount. To calculate the premium for NY PFL, multiply the employee's payroll by the statutory rate (and apply the payroll cap for high wage earners). See example in STEP 4.

### STEP 4: Populate the Summary Statement (see next page for sample view of Summary Statement)

The Self Admin Summary Statement will reflect monthly rates for PFL effective 1/1/21. In order to update the statements based on the calculations completed above, the lives and volumes need to be the provided/updated for the month. Please note the rates used are for example purposes only.

**NY DBL rate example** (assuming DBL lives as follows)

Month	Male EE	Mo. Rate	Mo. Premium	Female EE	Mo. Rate	Mo. Premium
January	8	2.54	\$20.32	12	5.39	\$64.68

The Summary Statement would be populated as follows:

Benefit	Option	Age	Lives	Rate	Calculate	Current Period
NY DBL Basic (Unit)	50% to \$170, Min \$20	00-99	8	2.54	Per Unit	\$20.32
NY DBL Basic (Unit)	50% to \$170, Min \$20	00-99	12	5.39	Per Unit	\$64.68

### NY PFL rate examples

**Employee 1:** Salaried and will earn \$50,000 this year

$$\begin{array}{r} \$961.54 \\ \text{(weekly earnings)} \end{array} \times \begin{array}{r} 2.214\% \\ \text{(0.511\% x 52 weeks / 12 months)} \end{array} = \$21.29 \text{ monthly premium for this employee}$$

**Employee 2:** Salaried and will earn \$80,000 this year

$$\begin{array}{r} \$1,450.17 \\ \text{(capped weekly earnings)} \end{array} \times \begin{array}{r} 2.214\% \\ \text{(0.511\% x 52 weeks / 12 months)} \end{array} = \$32.11 \text{ monthly premium for this employee}$$

Assuming that there are 10 employees earning \$50,000 this year and 10 employees who exceed the cap, the volume would be reported as:

$$(\$961.54 \times 10) + (\$1,450.17 \times 10) = 24,117.00 \text{ (rounded to the nearest 1)}$$

The amount of monthly premium for the quarter is:

$$(\$21.29 \times 10) + (\$32.11 \times 10) = \$534.00$$

The Summary Statement would be populated as follows:

Summary Statement		Sun Life	
<b>Client Number</b> 999999	<b>Client Services</b> 800-247-6875	<b>Payment Address</b> Send your payment to the address listed in your statement	
<b>Billing Group Number</b> 12345-0000	<b>Web Site</b> www.sunlife.com/us	<b>Payment Due Date</b> mm/dd/yyyy	

  

Benefit	Option	Age	Lives	Rate	Calculate	Volume	Current Period	Adjustments	Total
NY DBL Basic (Unit)	50% to \$170, Min \$20	00-99	8	2.54	Per Unit	-	\$20.32	\$ -	\$20.32
NY DBL Basic (Unit)	50% to \$170, Min \$20	00-99	12	5.39	Per Unit	-	\$64.68	\$ -	\$64.68
NY PFL	NY PFL Basic	00-99	20	2.214	Per 100	24,117	\$534.00	\$ -	\$534.00
								<b>Total</b>	<b>\$619.00</b>

Visit [www.sunlife.com/nypfl](http://www.sunlife.com/nypfl) for updates about NY Paid Family Leave. If you have any questions, please call your Sun Life Client Relationship Executive. If you have fewer than 100 employees, please call Client Services at 1-800-247-6875.

\*The eligible payroll amounts are Wages as defined by the NY PFL regulations Section 355.9 Paid Family Leave Definitions # 19. 19. "Wages" means the money rate at which employment with a covered employer is recompensed by the employer as more fully set forth in section 357.1 of this chapter. For the purposes of paid family leave, the computation shall include the reasonable value of board, rent, housing, lodging or similar advantage received where such are withheld by the employer during the period of family leave and shall not include the cash value of benefits, the receipt of which by an employee is not subject to the New York State personal income tax. Wages for an individual business owner, as that term is defined in paragraph (11) herein, shall be earnings subject to federal self-employment tax. The capped payroll amount are the wages defined above, capped at the State Wide Average Weekly Wage for the current benefit year. For example NY PFL premium contributions for 2021 are capped at 0.511% of the State Wide Average Weekly Wage. Wages in excess of this level are not counted for premium payment purpose.

In New York, Disability Benefit Law policies are underwritten by Sun Life and Health Insurance Company (U.S.) (Lansing, MI) under Policy Form Series 06P-NY-DBL.

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