

Colorado Family and Medical Leave Insurance Program (FAMLI)

Scenarios and benefit calculations.

New York Life Group Benefit Solutions (NYL GBS) understands Paid Family and Medical Leave (PFML) leave programs often have benefit calculation methods that are more complex than disability benefits. This guide includes several examples to assist in determining how leave benefits will be calculated.

Colorado Family and Medical Leave Insurance (CO FAMLI) is the official name for the Colorado PFML law effective for benefits as of January 1, 2024.

CO FAMLI Benefit calculation as defined by the state:

- › Individuals with an average weekly wage less than or equal to 50% of the state average wage will receive 90% income replacement.
- › When the individual's average weekly wage is above 50% of the state average weekly wage, the employee will receive 90% of 50% of the state average weekly wage plus 50% of any amount over the 50% of the state average weekly wage, up to the maximum benefit of \$1,100 in 2024.

Key information needed to guide the calculation of CO FAMLI benefits:

- 1 State Average Weekly Wage (SAWW) is \$1,421.16 (effective 7/1/23 to 6/30/24).
- 2 From this SAWW there are a few additional figures to reference:
 - › 50% of the SAWW = \$710.58.
 - › 90% of 50% of the SAWW = \$639.52.
 - › Maximum weekly benefit = \$1,100.
- 3 Individual Average Weekly Wage (AWW) is calculated by taking the individual's base period earnings (in which the total wages were highest) before leave begins and dividing by 13. The base period is the first four of the last five completed calendar quarters before leave begins. If someone has not completed five calendar quarters, the alternate base year is the four completed calendar quarters (in which the total wages were highest) before the leave begins. Wages include, but are not limited to, salary, wages, tips, commissions, and other compensation.
 - › Example: The individual's highest quarter completed is quarter 2 (out of the 5) where their gross wages are \$19,800. Their AWW is \$1,523.08.
 - » $\$19,800 \div 13 = \$1,523.08$.



Last 5 Quarters Completed

Q1	Q2	Q3	Q4	Q5
\$17,500	\$19,800	\$18,750	\$18,950	\$18,880

If an individual has not completed at least 4 quarters with their current employer, then you will take the highest quarter they have completed and divide by 13.

› Example: An individual has completed 2 quarters prior to taking CO FAML I, and the highest quarter was quarter one at \$12,050. You may use these gross wages and divide by 13: $\$12,050 \div 13 = \926.92 (AWW).

Q1	Q2
\$12,050	\$11,970

Sample Leave Scenarios and Calculations

Scenario #1

Nick is scheduled for carpal tunnel surgery on February 5, 2024, and he will need minimum of 4 weeks off work to recover. He has worked for his employer for 3 years. Per the chart below, his last 5 completed quarters earnings reveal that his highest wage earnings were in quarter 2 in the amount of \$8,800.

Last 5 Quarters Completed

Q1	Q2	Q3	Q4	Q5
\$8,500	\$8,800	\$8,725	\$7,950	\$7,900

- 1 Calculate Nick's AWW: $\$8,800 \div 13 = \676.92 .
- 2 Given Nick's AWW is lower than the SAWW (\$710.58), his CO FAML I benefit will be 90% of his AWW: $\$676.90 \times .90 = \609.21 .

Scenario #2

Conner and his wife have adopted a baby boy as of November 1, 2023. Conner is planning to take 12 weeks to bond with his new child as of January 25, 2024. Conner has been employed with his current employer for a little over a year. Per the chart below, his last 4 completed quarters earnings reveal that his highest wage earnings were in quarter 2 in the amount of \$29,480.

Last 4 Quarters Completed

Q1	Q2	Q3	Q4
\$24,000	\$29,480	\$28,120	\$25,950

- 1 Calculate Conner's individual AWW: $\$29,480 \div 13 = \mathbf{\$2,267.69}$.
- 2 Conner's AWW is higher than the SAWW (\$710.58), therefore he will qualify for 90% of 50% of the SAWW plus 50% of the difference of Conner's AWW and the SAWW.
Here are additional details on Conner's benefit calculation:
 - › Using Conner's AWW: $\$2,267.69 - \710.58 (50% SAWW) = **\$1,557.11**.
 - › Determine 50% of \$1,557.11 = **\$778.55**.
 - › Add \$639.52 (90% of 50% of SAWW) + \$778.55 (50% of the amount of the AWW above the 50% of the SAWW) = **\$1,418.07**.
- 3 Since \$1,418.07 is more than the state maximum weekly benefits of \$1,100, Conner's weekly benefit for CO FAML I will be capped at the state maximum **\$1,100**.

Scenario #3

Jenny needs time off to care for her spouse after open heart surgery for 6 weeks starting January 2, 2024. She has worked for her current employer for 11 months and has completed 3 full quarters of earnings. Since Jenny has not completed at least 4 quarters with her employer, we can use the highest quarter she has completed to calculate her AWW. Based on the chart below, her highest quarter is quarter 3 in the amount of \$12,200.

Last 3 Quarters Completed

Q1	Q2	Q3
\$11,000	\$10,900	\$12,200

- 1 Calculate Jenny's individual AWW: $\$12,200 \div 13 = \mathbf{\$938.46}$.
- 2 Jenny's AWW is higher than the SAWW (\$710.58), therefore she will qualify for the 90% of 50% of the SAWW plus 50% of the difference of Jenny's AWW and the SAWW.
Here are additional details on Jenny's benefit calculation:
 - › Using Jenny's AWW: $\$938.46 - \710.58 (50% SAWW) = **\$227.88**.
 - › Determine 50% of \$227.88 = **\$113.94**.
 - › Add \$639.52 (90% of 50% of SAWW) + \$113.94 (50% of the amount of the AWW above the 50% of the SAWW) = **\$753.46**.
- 3 Since \$753.46 is less than the SAWW benefits of \$1,100, Jenny's weekly benefit for CO FAML I will be **\$753.46**.

Scenario #4

Dan had total knee replacement on November 27, 2023, he took 6 weeks off work to recover. He will need to take 8 weeks of intermittent leave to complete physical therapy twice a week, 2 hours each for each visit. He has been employed with his current employer for 4 years. Based on the earnings chart below, his highest quarter is quarter 1, in the amount of \$20,000.

Last 5 Quarters Completed

Q1	Q2	Q3	Q4	Q5
\$20,000	\$18,950	\$17,500	\$17,900	\$19,800

- 1 Calculate Dan's individual AWW: $\$20,000 \div 13 = \mathbf{\$1,538.46}$.
- 2 Dan's AWW is higher than the SAWW (\$710.58), therefore he will qualify for the 90% of 50% of the SAWW plus 50% of the difference of Dan's AWW and the SAWW.
Here are additional details on Jenny's benefit calculation:
 - › Using Dan's AWW: $\$1,538.46 - \710.58 (50% SAWW) = **\$827.88**.
 - › Determine 50% of \$827.88 = **\$413.94**.
 - › Add \$639.52 (90% of 50% of SAWW) + \$413.94 (50% of the amount of the AWW above the 50% of the SAWW) = **\$1,053.46**.
- 3 Since \$1,059.46 is less than the state maximum weekly benefits of \$1,100, Dan's weekly benefit for CO FAMLII will be **\$1,059.46**.
- 4 Dan is taking intermittent time off (twice a week, 2 hours each appointment, total of 4 hours per week), he will receive an hourly rate for actual time he misses from work. Prior to his leave, Dan's regular work schedule was a total of 40 hours a week, Monday through Thursday (4 days a week).
 - › Dan will need to satisfy an 8-hour threshold of intermittent time, before benefits will be payable.
 - › Dan will meet his 8-hour threshold after 4 physical therapy appointments (2 hours each). Thereafter, benefits can be paid in hourly increments.
 - › \$1,059.46 (Dan's CO FAMLII benefit) \div 40 (regular hours per week) = **\$26.49** per hour.
 - › $\$26.49 \times 4$ (intermittent hours taken per week) = **\$105.95** intermittent time payable.

Hypothetical examples are for illustrative purposes only. Benefits are determined by the plan administrator.

Colorado state leave regulations were obtained from publicly available information: <https://famli.colorado.gov/>. The information is believed to be factual, and its accuracy cannot be guaranteed. Please consult applicable state websites for the most current state leave regulation information.

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