

MN Paid Leave Claims Administrative Guide

Employer – Claims Administration Only

Table of Contents:

Purpose	3
How to Use This Guide	3
The MN Paid Leave Claim Lifecycle: An Employer View	4
Employer Roles & Responsibilities at a Glance	5
Employer Responsibilities	5
Claims Administrator Responsibilities	5
Shared Responsibilities	6
Key Timing Rules & Employer Triggers	6
Key Timing Rules	6
Approved Triggers for Employer Action	6
Scope of This Guide	7
Section 1: Claims Administration Roles & Boundaries	8
Section 2: The MN PL Claim Lifecycle — Moments That Matter	9
Moment 1: Employee Signals Need for Leave	9
Moment 2: Claim Is Filed	10
Moment 3: Employer Certification & Wage Validation	11
Moment 4: Documentation Review	11
Moment 5: Claim Decision & Payment	12
Moment 6: Ongoing Leave (Intermittent / Reduced Schedule)	13
Moment 7: Return to Work	13
Employer Payroll & PTO Coordination Guide for MN PL	14
Purpose of This Section	14
Key Principles to Understand First	14

When Payroll Should — and Should Not — Change	15
Coordinating PTO, ESST, and Salary Continuation	15
Employer Discretion Still Applies	15
Salary Continuation While a Claim Is Pending	16
Common Payroll Coordination Mistakes	17
Using Estimated Benefits for Planning Purposes	17
Intermittent and Reduced Schedule Leave: Special Considerations	18
Why Retroactive Payroll Adjustments Are Normal	18
The Payroll Trigger You Should Rely On	19
Overpayments and Corrections	19
Employer Wage Continuation & Reimbursement During MN Paid Leave	19
Purpose of This Section	19
Understanding Employer Wage Continuation	20
When Employer Reimbursement May Be Available	20
Important Timing Considerations	20
What Reimbursement Does <i>Not</i> Cover	21
How Reimbursement Is Processed	21
Key Risks to Understand	22
Best Practices for Employers	22

Purpose

This guide explains how Minnesota Paid Leave (MN PL) claims are administered from an employer perspective. It provides an overview of the MN Paid Leave claim lifecycle, outlines employer responsibilities at each stage, and sets clear expectations around timing, payroll and benefit coordination, portal use, and employer reimbursement.

The goal of this guide is to help employers understand **when action is required, when it is not**, and how employer decisions and response times can impact the administration of MN Paid Leave claims.

How to Use This Guide

Minnesota Paid Leave is a statutory benefit with defined rules, timelines, and documentation requirements. Claims administration involves multiple parties - including the employee, the employer, and the claims administrator - and no single party controls the full timeline of a claim.

This guide is intended to support employers once MN Paid Leave claims begin. It is designed to be used as a reference throughout the life of a claim and during active coordination with HR, payroll, and employees.

Employers can use this guide to:

- Understand their role and responsibilities during each stage of a MN Paid Leave claim
- Know what information is required and when it is needed
- Identify appropriate triggers for payroll, PTO, ESST, and salary/wage coordination
- Set realistic expectations with employees about claim timing and payments
- Avoid common missteps that lead to delays, corrections, or escalations

This guide focuses on **claims administration**. It does not replace employer payroll procedures, internal leave policies, or state-issued guidance.

The MN Paid Leave Claim Lifecycle: An Employer View

MN Paid Leave claims follow a defined lifecycle governed by statute. While employees experience this process through notices, documentation requests, and payments, employers experience it through **specific moments that require action, coordination, or restraint**.

Understanding the full lifecycle of a claim - and where employer involvement fits – helps employers:

- support timely claim decisions,
- coordinate payroll and benefits appropriately,
- manage employee expectations, and
- reduce rework and avoidable delays.

The lifecycle overview below provides a high-level, employer-focused view of the MN Paid Leave claim process. Each stage is explained in greater detail throughout this guide, along with the employer responsibilities associated with it.

Claim Lifecycle Overview

01	02	03
Employee identifies the need for leave	Claim is filed and created	Employer certification and wage validation
04	05	06
Documentation review	Claim determination	Payment and ongoing leave administration
07		
Return to work and claim closure		

Key takeaway: MN Paid Leave works best when employers understand the full claim lifecycle and wait for the appropriate trigger before taking payroll or benefit action.

Employer Roles & Responsibilities at a Glance

Minnesota Paid Leave claims administration is a shared process involving the employee, the employer, and the claims administrator. Each party has defined responsibilities that support timely and accurate claim outcomes.

This section provides a high-level overview of employer responsibilities. Detailed guidance is provided in later sections of this guide.

Employer Responsibilities

Employers support MN Paid Leave claims administration by:

- Providing accurate employee census and contact information
- Responding timely and accurately to employer certification requests
- **Disclosing overlapping wages, PTO, ESST, or salary continuation**
- Coordinating payroll and benefits **after** claim approval
- Tracking attendance and return-to-work internally
- Communicating with employees about internal policies and expectations

Employer response times and accuracy directly impact claim timelines.

Claims Administrator Responsibilities

The claims administrator is responsible for:

- Intake and adjudication of MN Paid Leave claims
- Communication with employees regarding eligibility and documentation
- Review of certifications and supporting materials
- Issuance of claim determinations
- Payment of MN Paid Leave benefits
- Ongoing claim management through return to work or claim closure

Claims decisions, benefit amounts, and payment timing are governed by MN PL statute.

Shared Responsibilities

Employers and the claims administrator share responsibility for:

- Timely communication
- Accurate information exchange
- Managing employee expectations throughout the claim lifecycle

Key takeaway: Employers support the claim process but do not control claim decisions or statutory timelines.

Key Timing Rules & Employer Triggers

Understanding timing rules and approved triggers for action is essential to avoiding delays, rework, and payroll corrections.

Key Timing Rules

The following rules apply throughout the MN Paid Leave claim lifecycle:

- Filing a claim does not mean it has been approved
- Claim status updates are not payroll triggers
- Documentation timelines are governed by statute and claimant responsiveness
- MN Paid Leave payments do not align with employer payroll cycles
- Retroactive benefit adjustments are common and expected

These timing realities are normal and do not indicate an issue with claim processing.

Approved Triggers for Employer Action

Employers should take action only at the following points:

- **Employer certification request received** → Complete and return certification promptly

- **Formal claim determination issued** → Coordinate payroll, PTO, ESST, wage continuation, or reimbursement as applicable
- **Return-to-work notification received** → Resume payroll and reinstate the employee as appropriate

These timing principles apply throughout the detailed claim stages described in the sections that follow.

Key takeaway: Acting before these triggers often creates additional work and delays later in the process.

Scope of This Guide

This Employer Claims Administrative Guide supports employers during the **administration of MN Paid Leave claims**.

This Guide Covers

- The MN Paid Leave claim lifecycle from an employer perspective
 - Employer responsibilities at each stage of a claim
 - Timing expectations and approved triggers for action
 - Payroll, PTO, ESST, and wage coordination
 - Employer reimbursement when wages are continued
 - HR portal access and best practices
-

This Guide Does Not Cover

- Employer payroll system setup or configuration
- Internal PTO, leave, or attendance policy design
- Tax advice or tax withholding elections
- Employer-sponsored disability or paid leave programs
- Legal or compliance interpretation outside MN Paid Leave

Key takeaway: This guide supports MN Paid Leave claims administration. Employer-specific payroll and policy decisions remain the responsibility of the employer.

Transition to Detailed Claim Administration

The next sections that follow provide detailed guidance on employer responsibilities, payroll coordination, portal use, reimbursement, and best practices at each stage of the MN Paid Leave claim lifecycle.

Section 1: Claims Administration Roles & Boundaries

We do:

- Intake MN PL claims
- Communicate directly with employees about their MN PL claim
- Request and review required documentation
- Determine eligibility and benefit amounts
- Issue MN PL benefit payments to employees
- Support employer contacts with claim-related questions, notifications, and timing coordination

We do not:

- Control employer payroll
- Apply PTO, ESST, or salary continuation
- Align payments to payroll cycles
- Override statutory timelines

MN Paid Leave is a **statutory benefit paid directly to employees, in most cases.** Employer payroll actions must be coordinated **after** claim decisions are made.

Employer payroll, PTO, and ESST decisions should not be made based on claim status alone and should wait until formal claim approval is issued.

Section 2: The MN PL Claim Lifecycle — Moments That Matter

The MN PL Claim Lifecycle — Moments That Matter

Understanding the claim lifecycle helps employers know when to act and when to wait. Each moment has specific implications for employer responsibilities and timing.



The following sections detail each critical moment in the MN PL claim lifecycle, explaining what's happening, what actions employers should take, and key messages to remember.

The following section walks through each stage of the MN Paid Leave claim lifecycle in more detail, highlighting employer actions, timing expectations, and common pitfalls.

Moment 1: Employee Signals Need for Leave

What's happening

- Employee notifies HR/manager
- Claim may not yet exist

Employer actions

- Acknowledge request
- Follow normal attendance procedures
- Do **not** assume approval or payment

Key message

MN PL benefits do not begin until a claim is filed and approved.

Moment 2: Claim Is Filed

What's happening

- Employee files via portal, phone, or emailed/faxed claim form Part A
- Claim is opened in the system
- The claim is acknowledged with a preliminary designation within two business days. This notice confirms that the claim has been opened and outlines the certification needed to proceed.
- Employees may submit a completed WH-380 if they already have one. If additional information is required, we will contact the employee directly for follow-up documentation.
- Employers will also receive an initial notification with high-level claim details, such as the requested start date. Final dates and benefit amounts are provided only after the claim has been fully documented, reviewed, adjudicated, and the approval decision has been issued.
- Initial eligibility review begins here

Employer actions

- Be ready to complete employer certification – claim form Part B
- Do not finalize payroll, PTO, or ESST changes while the claim is pending or under documentation review.
- If you desire to have an estimated benefit amount ahead of full claim adjudication, you may use the state website to generate a **planning estimate only** for internal modeling purposes.

- Estimated benefits should not be used to finalize payroll, PTO, or ESST decisions and are not a substitute for an approved claim determination.

Common misunderstanding

Filing a claim does **not** mean it is approved.

Moment 3: Employer Certification & Wage Validation

What's happening

- Employer is asked to confirm:
 - Employment details
 - Wages
 - Work schedule
 - Other pay the employee is receiving during the leave period (WC, Salary Continuation, PTO, ESST)

Employer actions

- Respond promptly and accurately to the details needed on claim form Part B. Deadline is within 15 calendar days from receipt.
- Identify overlapping employer-paid wages during the leave period.

Why this matters

Incomplete or delayed employer responses directly delay claim decisions and payments.

Moment 4: Documentation Review

What's happening

- Medical/family documentation is reviewed

- Follow-ups may be requested
- Statutory deadlines apply

Employer actions

- Usually none
- Answer clarifying questions if contacted

Critical expectation

Documentation timelines are governed by statute and claimant responsiveness. As a result, claim decisions often do not align with employer payroll schedules.

Moment 5: Claim Decision & Payment

What's happening

- Claim is approved, denied, or administratively closed due to incomplete documentation
- MN PL benefits, if payable, are paid directly to the employee; or to the employer if reimbursement has been elected.
- The employer notification contacts will also be on copy of the decision letter. The letter contains the approved duration of the leave as well as the expected benefit amounts. This notification is the appropriate trigger for payroll and benefit coordination.

Trigger: Receipt of the formal claim decision

Employer actions

- Coordinate payroll changes **after approval**
- Apply PTO/ESST top-ups per employer policy

Key reminder

MN PL payments do not align to weekly or biweekly payroll cycles.

Moment 6: Ongoing Leave (Intermittent / Reduced Schedule)

What's happening

- Employee reports time taken
- Payments follow reported time and may require follow-up regarding wages earned during intermittent leave periods.
- Initial Benefit payments are made only after the employee has satisfied the 7-Day Qualifying Period and are made retrospectively back to the initial date of leave (Bonding is excluded from the 7-Day Qualifying Period).

Employer actions

- Track attendance internally
- Avoid manual payroll adjustments before claim time is finalized
- Intermittent leave often results in retroactive benefit adjustments based on reported time.

Key reminder

Employers should expect intermittent leave claims to involve retroactive benefit and payroll adjustments.

Moment 7: Return to Work

What's happening

- The claim administrator begins performing RTW outreach 7 day prior to the expected RTW date.
- Employee reports return to work
- Employers receive return-to-work status notifications beginning seven days prior to the scheduled return date.
- Claim closes once the approved claim end dates have been reached.

Employer actions

- Resume payroll as appropriate

- Reinstatement employee per policy, as appropriate

Employer Payroll & PTO Coordination Guide for MN PL

Purpose of This Section

This section explains how and when employers should coordinate payroll, paid time off (PTO), and Earned Sick and Safe Time (ESST) with Minnesota Paid Leave (MN PL) benefits.

Payroll coordination is one of the most common areas of confusion during MN Paid Leave claims. Acting too early or without complete claim information frequently results in overpayments, corrections, and employee frustration. The guidance below is designed to help employers avoid those issues.

Key Principles to Understand First

Before reviewing specific timing scenarios, it is important to understand the following core principles:

- MN Paid Leave benefits are **paid directly to the employee (in most circumstances)**, not through employer payroll.
- MN PL benefits are determined and paid based on **statutory rules**, not employer payroll cycles.
- The statutory guidelines for return documentation are very generous. Although we ask for documentation to be completed within 15 calendar days and will administratively close a claim if documentation is not received, statutory guidelines allow an employee to reopen and provide documentation at a later date, even after their leave may have ended.
- Employers control PTO, ESST, and salary continuation policies, but those decisions should be coordinated **after** claim approval.
- Claim status alone (e.g., “filed” or “pending”) is **not** a trigger for payroll changes.

Key reminder

Payroll, PTO, and ESST actions should wait until a formal MN Paid Leave claim decision has been issued.

When Payroll Should — and Should Not — Change

The table below summarizes appropriate payroll actions at each stage of the MN PL claim process.

Claim Stage	Should Payroll or PTO Change?	Why
Employee requests leave of their employer	✗ No	No claim exists; eligibility not determined
Claim filed	✗ No	Filing does not mean approval
Employer certification pending	✗ No	Wages and benefit amounts not finalized
Documentation review	✗ No	Statutory timelines apply
Claim approved	✓ Yes	Benefit amount and dates are confirmed and communicated
Intermittent leave ongoing	⚠ Case-by-case	Depends on reported time
Claim denied or closed	✗ No	No MN PL benefits payable

This timing discipline is essential to avoid rework.

Coordinating PTO, ESST, and Salary Continuation

Employer Discretion Still Applies

MN Paid Leave does **not** automatically replace employer-paid wages. Employers retain discretion over:

- Whether their Leave policy allows wages are topped up with PTO or ESST
- How employer-paid benefits are coordinated

However, **all overlapping employer-paid wages must be disclosed** during employer certification in claim form Part B, to ensure accurate benefit determinations.

Salary Continuation While a Claim Is Pending

When an employee files a Minnesota Paid Leave claim, employers must decide whether to continue paying wages while the claim is under review.

If an employer chooses to continue pay, the employer must clearly identify **what type of pay is being provided** and whether reimbursement is being requested.

There are only two acceptable classifications:

PTO / ESST (Not Reimbursable)

If wages paid during a pending MN Paid Leave claim are provided through PTO, ESST, vacation, or sick time:

- MN Paid Leave benefits are **not payable** for the same period
- The employer is **not eligible for reimbursement**
- The payment is treated as employee-elected paid time off

This must be clearly disclosed during employer certification (Claim Form Part B).

Salary Continuation (Reimbursable Only If Requested)

If the employer continues regular wages **outside of PTO or ESST**, this is considered **salary continuation**.

Salary continuation:

- **May be reimbursable**, but only if:
 - it is clearly identified as salary continuation on Claim Form Part B, **and**
 - reimbursement is requested **before** MN Paid Leave benefits are paid

If salary continuation is not disclosed or reimbursement is not requested:

- MN Paid Leave benefits will be adjusted to reflect **no benefits payable** for the overlapping period

- The employer remains responsible for resolving any resulting overpayment with the employee

Important Timing Rule

Employers should not continue paying full wages after receiving acknowledgment that a MN Paid Leave claim has been filed unless they are prepared to:

- clearly disclose salary continuation on Claim Form Part B, and
- request reimbursement before claim payment is issued.

MN Paid Leave benefits are **not post-adjusted** once approved. Overpayments resulting from employer wage decisions must be addressed by the employer.

Common Payroll Coordination Mistakes

The most frequent issues we see include:

- Continuing full wages during a pending MN Paid Leave claim without identifying whether the pay is PTO/ESST or salary continuation
- Applying PTO or ESST before claim approval
- Estimating benefit amounts and finalizing payroll based on those estimates
- Attempting to “true up” payroll weekly while a claim is pending
- Treating MN Paid Leave like Short-Term Disability

These actions often result in retroactive corrections and employee dissatisfaction.

Using Estimated Benefits for Planning Purposes

Employers may choose to use the Minnesota Paid Leave state website to generate **estimated benefit amounts** for internal planning purposes only.

The website can be found here: <https://pl.mn.gov/resources/calculators/estimate-your-payments>

Important limitations:

- Estimates are **not guaranteed**

- Estimates do **not** replace an approved claim decision
- Payroll, PTO, or ESST decisions should **not** be finalized based on estimates

Estimated benefits may be helpful for planning discussions but should never be used as the basis for payroll action.

Intermittent and Reduced Schedule Leave: Special Considerations

Intermittent and reduced schedule MN PL claims require additional coordination.

Key points for employers:

- Payments are based on **reported time**, not scheduled time
- Wages earned during intermittent leave periods may impact benefit amounts
- Retroactive benefit and payroll adjustments are common and expected

Employers should:

- Track attendance internally
- Avoid manual payroll overrides until reported time has been processed and finalized

Intermittent MN Paid Leave often involves retroactive adjustments. This is normal and does not indicate an error.

Why Retroactive Payroll Adjustments Are Normal

MN Paid Leave claims are adjudicated based on verified eligibility, documentation, and reported time. Payroll systems often move faster than claims administration timelines.

As a result:

- Payroll may need to be adjusted after claim approval
- PTO or ESST balances may need to be corrected
- Employees may receive MN PL payments retroactively

These adjustments are a normal part of MN Paid Leave administration.

The Payroll Trigger You Should Rely On

The **only reliable trigger** for payroll and benefit coordination is **Receipt of the formal MN Paid Leave claim decision letter**.

This letter confirms:

- Approved leave dates, frequency and duration if appropriate
- Benefit amounts
- Claim status

Employers should use this notification as their signal to coordinate payroll, PTO, and ESST actions.

Overpayments and Corrections

If an employee receives employer-paid wages for the same period that MN Paid Leave benefits are payable, corrections may be required, unless the employer has requested reimbursement up front.

Employers are responsible for managing payroll corrections, including recoupment or balance adjustments, in accordance with their internal policies.

MN Paid Leave benefits will not be retroactively adjusted to accommodate employer wage decisions that were not disclosed prior to payment.

Employer Wage Continuation & Reimbursement During MN Paid Leave

Purpose of This Section

This section explains how employer-paid wages may be reimbursed under Minnesota Paid Leave when an employer chooses to continue wages **before MN Paid Leave benefits are issued**.

Wage continuation is an employer's decision. Reimbursement is available only under specific conditions and must follow established claim administration requirements.

Understanding Employer Wage Continuation

Some employers choose to continue paying wages to employees while an MN Paid Leave claim is pending. This may be done to:

- support employees financially during the review period
- avoid interruptions to regular payroll
- align with internal leave or pay practices

While this approach can benefit employees, it introduces important timing and coordination considerations.

Employer-paid wages issued before claim approval are considered an advance and are not guaranteed to be reimbursed.

Employer-paid wages must be clearly classified as PTO/ESST or salary continuation at the time of employer certification to be considered for reimbursement.

When Employer Reimbursement May Be Available

Employer reimbursement may be available **only if all of the following conditions are met:**

- The MN Paid Leave claim is approved.
- Employer-paid wages overlap with the approved MN PL benefit period.
- The employer has disclosed **salary continuation (not PTO or ESST)** during employer certification.
- The employer has requested reimbursement in accordance with MN PL requirements.
- Reimbursement is limited to the MN PL benefit amount payable for the same period.

Reimbursement cannot exceed what would have been payable to the employee under MN Paid Leave.

Important Timing Considerations

Reimbursement requests must be identified **before a claim is paid.**

Employers should:

- Indicate wage continuation on the employer certification (Claim Form Part B)
- Notify us if reimbursement is being requested
- Avoid waiting until after claim approval to raise reimbursement expectations

Reimbursement requests identified after benefits have been approved or paid cannot be applied retroactively.

What Reimbursement Does *Not* Cover

Employer reimbursement does **not** apply to:

- Wages paid outside the approved MN PL period
- Amounts exceeding the MN PL benefit payable
- PTO or ESST payments
- Salary continuation paid without disclosure
- Claims that are denied or partially approved
- Employer payroll taxes or benefit contributions

Employers remain responsible for managing payroll records, corrections, and tax reporting.

How Reimbursement Is Processed

When reimbursement is approved:

- MN PL benefits are issued to the employer instead of the employee for the applicable period
- Payments follow MN PL statutory timelines
- Reimbursement is processed only after claim approval and validation

Employers should not assume reimbursement timing will align with payroll cycles.

Key Risks to Understand

Employers choosing to continue wages before claim approval assume the following risks:

- The claim may be denied or approved for a shorter duration.
- Documentation delays may extend the review period.
- Reimbursement amounts may differ from wages paid.
- Timing of reimbursement may be later than expected.

Employers should carefully consider these risks before continuing wages in advance of claim approval.

Best Practices for Employers

To minimize risk and delays:

- Wait for MN Paid Leave claim approval before coordinating wages whenever possible.
- Clearly disclose **salary continuation (if applicable)** and reimbursement intent on employer certification.
- Maintain detailed payroll records for overlapping periods.
- Avoid retroactive reimbursement requests.

Key Reminder

Employer reimbursement is available **only for approved MN Paid Leave benefits**, must be disclosed before the claim is paid, and is limited to the MN PL benefit amount. Wage continuation before claim approval is an employer's decision.