

# MAINE APPROVES 12 PRIVATE INSURANCE PLANS FOR PAID FAMILY AND MEDICAL LEAVE PROGRAM: WHAT EMPLOYERS MUST KNOW ABOUT PRIVATE PLAN SUBSTITUTIONS

Insights  
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The Maine Department of Labor (MDOL) just announced that it has certified 12 fully insured, private policies providing paid family and medical leave (PFML) coverage that employers may use to meet their obligations under the state's new PFML law. Employers that wish to use a private plan for this purpose must apply for (and ultimately obtain) approval from the MDOL, and may submit such applications starting April 1. We'll give you some quick background and explain everything you need to know about your options for PFML private plan substitutions.

## Quick Background on Maine's PFML Program

Governor Janet Mills signed a Maine budget bill into law last year that included the [creation of a statewide PFML program](#) that will, starting in May 2026, provide eligible workers up to 12 weeks of paid time off for qualifying family, medical, safe, or military leave. PFML benefits are financed by payroll "premiums" – the employer contribution mandate kicked in on January 1, requiring any employer with at least one employee in the state to submit quarterly premiums and withhold up to 0.5% of employee wages to split the cost (or cover it entirely, depending on the size of the employer).

Premiums and contribution reports must be submitted quarterly, and the first submission is due no later than **April 30**. We covered these requirements more in depth [here](#).

## What's a PFML Private Plan Substitution?

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Under [Section 850-H](#) of Maine's PFML law, an employer may use a private insurance plan to meet its PFML obligations, so long as the plan meets certain conditions and the employer applies for and obtains approval from the MDOL for such private plan substitution.

### What's the Latest?

The MDOL [announced](#) Feb. 20 that it has certified 12 fully insured, private PFML insurance plans, which employers may use in applying for an approved private plan substitution. The MDOL said it certified these 12 policies after determining they met several criteria, including that the benefits of these private plans are substantially equivalent to the benefits offered by the state's PFML plan.

The MDOL had not authorized private carriers to market PFML plans prior to achieving certification from the PFML program. The department may add additional private plans to this list as it receives approval from the Maine Bureau of Insurance and the PFML program.

### What Should Employers Do Now?

Now that these 12 carriers are permitted to market PFML plan offerings, we recommend that employers interested in exploring private plan options do so as soon as possible. Purchasing a private plan is the first step required for an employer to apply for plan substitutions with the MDOL, and employers may submit applications for substitution approvals through Maine's [Paid Leave Portal](#) starting **April 1**. If you plan to use a private plan, you should apply for substitution as soon as possible to minimize how long you must continue to pay the state plan premiums.

### Conclusion

We will continue to monitor further developments on Maine's new PFML program and provide updates on this and other labor and employment issues affecting Maine employers, so make sure you are subscribed to [Fisher Phillips' Insights](#) to gather the most up-to-date information. If you have questions, please contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in [our Portland, Maine, office](#).

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