Cross-Training Plan

Sample Template & Instructions for Employers

Part 1: How to Create a Cross-Training Plan

Step 1: Find Where You Are at Risk

Start by finding the jobs and tasks that only one person can do:

- Which jobs have no backup if that person is out sick, on leave, or quits?
- Which tasks stop completely when one person is not there?
- Which skills live only in one person's head and are not written down anywhere?

Tip: Ask managers, "If [employee] took two weeks off starting tomorrow, what would fall apart?"

Step 2: List the Skills You Have Now

Build a skills chart — a simple grid with:

- Rows = your employees
- Columns = the main tasks or skills the team needs
- Boxes = how well each person can do it (0 = never done it, 1 = needs help, 2 = can do it alone, 3 = can teach others)

This lets you see your gaps and your strengths at a glance.

Step 3: Decide What Comes First

You do not need to cross-train on everything. Start with what matters most:

- Impact — what causes the biggest problem if no one can cover it?
- How often — daily and weekly tasks matter more than once-a-year tasks
- How hard it is — some skills take months to learn, so start those early
- Risk of losing the person — is your expert about to retire, transfer, or leave?

Step 4: Match Trainers with Trainees

Think about:

- Time — do not pile more work on your busiest people
- Teaching ability — your best worker is not always your best teacher
- Interest — cross-training works better when people want to do it

Step 5: Pick How You Will Train

Most employers use a mix of these:

- Watching — the trainee watches the expert do the task
- Doing while watched — the trainee does the task and the expert corrects them
- Job rotation — the trainee fills the role for a short time

- Written steps — step-by-step guides the trainee can follow on their own
- Short videos — helpful for tasks people repeat often
- Mentoring — regular check-ins over a longer stretch of time

Step 6: Set Dates and Checkpoints

Break the training into steps with dates (for example: Week 1 watch, Week 2 practice with help, Week 3 work alone with spot checks, Week 4 sign-off). Avoid open-ended plans with no end date — they usually never get finished.

Step 7: Check That the Training Worked

Do not just assume the training happened. Make sure it worked:

- Have the trainee do the task alone while someone watches
- Use a simple checklist
- Have both the trainee and the trainer sign off

Step 8: Keep Skills Fresh

Skills fade when people do not use them. Plan refreshers (for example, every six months), or let the backup person cover the role for a short time so the skill stays current.

Step 9: Write It All Down

Keep the skills chart, written steps, and training records in one shared place (shared drive, HR system, or team site) so the plan keeps working even when people change jobs.

Part 2: Sample Cross-Training Plan

Cross-Training Plan [Department/Team Name]

Plan Owner: [Name/Title]

Date Created: [Date]

Review Cycle: [e.g., Quarterly]

1. Goal

Example: “Make sure at least two people can handle each important task in the Customer Support team on their own, so service does not stop when someone is out.”

2. Skills Chart

Employee	Task A: Order Processing	Task B: Refund Handling	Task C: Escalation Mgmt	Task D: Reporting
J. Smith	3	2	1	3
A. Lee	2	3	0	1
R. Patel	1	1	3	2

Scale: 0 = Never done it, 1 = Needs help, 2 = Can do it alone, 3 = Can teach others

3. Biggest Gaps

1. Task C (Escalation Management) — only one person can do it; high risk to the business
2. Task D (Reporting) — only one person knows how, and that person is close to retiring

4. Who Is Training Whom

Trainee	Skill to Learn	Trainer	Method	Start Date	Target Completion
A. Lee	Escalation Mgmt	R. Patel	Shadowing + SOP review	[date]	[date, +4 wks]
J. Smith	Reporting	R. Patel	Walkthrough + supervised practice	[date]	[date, +3 wks]

5. Checkpoints and Check-ins

Week	Milestone	How We Will Check
1	Watching phase done	Trainer confirms the trainee saw every part of the task
2	Practice with help	Trainer signs off on three finished tasks
3	First try on their own	Trainee does the task alone; trainer reviews the work
4	Final sign-off	Manager confirms the person is ready; skills chart updated

6. Records and Resources

- Written steps created or updated for each task
- Training logged in the HR system or shared tracker
- Skills chart updated after training

7. Keeping Skills Fresh

- Refresher check-ins every six months
- Backup person covers the role one week each quarter to keep the skill active

Part 3: Quick Tips for Success

- ☐ Keep it voluntary when you can. People stick with cross-training when they see how it helps their own career, not when it feels like extra unpaid work.
- ☐ Give credit to the trainers, not just the trainees. Teaching takes time away from their own work, so plan for it or recognize it.
- ☐ Start small. Try it with one team or one key task before rolling it out company-wide.
- ☐ Check back after it's used. Once someone has covered for a co-worker, talk about what worked and what was still missing.

Flexible Staffing Strategies

A Plain-Language Guide to Staffing Models and Building Per Diem Pools

Part 1: Flexible Staffing Models Explained

Flexible staffing isn't one thing — it's a set of tools. Most organizations use several of these models at once, matched to different jobs and different kinds of ups and downs in workload — seasonal, daily, or unexpected.

1. Per Diem / PRN Staff (pro re nata – as needed)

Employees who work only when you need them, with no guaranteed hours. Common in health care, hotels, and events. They are your employees, not contractors, but they choose which shifts to take instead of being put on a set schedule.

- Best for: filling in when someone calls in sick, covering busy stretches, and handling seasonal rushes you can see coming
- Trade-off: because staff aren't committed to set hours, you need a big enough group to be sure shifts get covered

2. Float Pools

A group of employees trained to work in more than one area. They move to whichever department or site is busiest instead of staying in one place.

- Best for: organizations with several departments or locations where some are busier than others
- Trade-off: takes more training time, and each person needs to learn how each area works

3. On-Call Staff

Employees who aren't on the schedule but must be reachable and able to come in within a set time (say, one to two hours) if you call them.

- Best for: emergencies and needs that don't come up often but can't wait
- Trade-off: in many states you have to pay people for being on call even if you never call them in

4. Job Sharing

Two or more employees share one full-time job, splitting up the hours, days, or duties.

- Best for: keeping experienced staff who want fewer hours — parents, people easing into retirement, students
- Trade-off: you need a clear way to hand off work so nothing gets missed between the two people

5. Seasonal / Temporary Staff

Staff you hire for a set stretch of time when you know work will pick up — holiday retail, tax season, tourist season, harvest, and so on.

- Best for: busy periods you can count on year after year
- Trade-off: you have to hire and train again each season unless the same people come back

6. Contract, Temp, and Gig Workers

Independent contractors, temp agency workers, or app-based gig workers you bring in for a specific project or to fill a gap. They are not your employees.

- Best for: short-term specialized skills, project work, and ramping up fast
- Trade-off: the rules for who counts as a contractor differ by state, and getting it wrong can cost you legally and financially

7. Compressed and Flexible Schedules

This doesn't add people — it gets more out of the staff you already have. Examples: four 10-hour days instead of five 8-hour days, staggered start times, or letting staff pick their own hours within limits you set.

- Best for: keeping staff longer and covering shifts without hiring more people
- Trade-off: overtime math gets trickier, and you need a clear written policy so it's applied the same way for everyone

8. Cross-Trained Backup Staff on Your Own Team

Employees who normally do one job but are trained to fill in on another when needed (see your cross-training plan). This is like a float pool, except people stay within their own team instead of moving around the organization.

- Best for: small teams and organizations too small to run a full float pool

Choosing the Right Mix

A simple way to start:

- Busy periods you can predict (seasons, known busy days) → seasonal or temporary staff
- Day-to-day gaps you can't predict (callouts, sudden rushes) → per diem pool or float pool
- Needs that are rare but urgent → on-call staff
- Specialized or project work → contract or gig workers
- Keeping experienced staff who want fewer hours → job sharing or flexible scheduling

Part 2: How to Create a Per Diem Staffing Pool

Step 1: Define the Scope and Roles

Decide which jobs the per diem pool will cover, and why. Be specific about:

- Which jobs and departments can use per diem staff
- What makes you post a per diem shift — someone calls in sick, you hit a busy stretch, or a job is open while you recruit
- Minimum qualifications — should per-diem staff be able to work on their own from day one, or is some training on the job okay?

Step 2: Set the Employment Terms

Per diem is its own job category — it isn't the same as part-time. Decide and write down:

- Whether staff must work a minimum number of shifts to stay in the pool (for example, two a month)
- Pay rates — per diem workers are often paid more per hour than regular staff because they don't get benefits
- Whether they get any benefits — usually few or none, but check your state's rules, since some benefits are required once someone works a certain number of hours
- Whether staff pick up open shifts themselves or you offer and assign them

Have HR or a lawyer confirm how you classify these workers. Wrongly treating per diem staff as exempt from overtime or benefits rules is a common and costly mistake.

Step 3: Build the Recruiting Pipeline

Two common places to find people — and most organizations use both:

- Hiring from outside specifically for per diem work. This appeals to people who want flexibility: students, semi-retired workers, parents, and people working more than one job
- Current staff — let employees switch to per diem status, or offer per diem work to people who are leaving instead of losing them entirely

Per diem work often appeals to people who would never apply for a full-time job. Look beyond your usual job posting.

Step 4: Set Onboarding and Credential Standards

Per diem staff need to be ready to work sooner than regular new hires, but you can't skip the basics:

- Required training, licenses, and certifications checked before the first shift
- A short but real orientation — the systems they'll use, safety rules, and who to ask for help
- One named person to go to for help during their first few shifts
- A regular process for tracking when licenses and certifications expire

Step 5: Build the Scheduling System

This is the heart of how a per diem pool works day to day. Decide:

- How you post open shifts — scheduling software, a shared calendar, or a group text or chat
- How far ahead you post shifts, and how you fill shifts when someone calls in at the last minute
- Who gets the shift when more than one person wants it
- How you confirm shifts and handle it when someone cancels or doesn't show up

Step 6: Set Pay and Incentive Structure

Pay Lever	Purpose
Base per diem premium	Makes up for having no guaranteed hours or benefits
Shift differentials	Encourages people to take hard-to-fill shifts: nights, weekends, holidays
Short-notice bonus	Encourages people to cover shifts on short notice
Loyalty/retention bonus	Rewards people who keep taking shifts over time

Step 7: Keep the Pool Engaged

Per diem staff quietly stop taking shifts if they feel forgotten. Keep the pool going with:

- Regular shifts — monthly, for example — so people stay in the habit
- Occasional check-ins from a manager, not just automatic shift notices
- Including them in team updates and recognizing their work
- An easy way to move to more hours or a full-time job if they want one

Step 8: Track How Well the Pool Is Working

Keep an eye on numbers like these:

- Fill rate — what share of posted shifts actually get covered
- Total pool size compared with how many are actually taking shifts
- How long it usually takes to fill a last-minute shift
- How long people usually stay in the pool before they stop taking shifts

If you keep coming up short, it's usually one of three things: the pool is too small, the pay isn't good enough for the shifts you're posting, or signing up for a shift is too much hassle. Check all three before deciding you simply need more people.

Step 9: Review and Adjust Regularly

Review the pool's size, pay rates, and rules on a set schedule — quarterly, for example — and especially after any busy season when you leaned on per diem staff. Ask people who left why they stopped taking shifts. Their answers are usually the fastest way to fix the problem.

Quick Reference: Per Diem Pool Checklist

- ☐ Decided which jobs are eligible and what prompts posting a shift
- ☐ Written down the job classification and pay structure, and had them legally reviewed
- ☐ Set up ways to recruit both outside hires and current staff
- ☐ Created a short onboarding process and a way to track licenses and certifications
- ☐ Chosen a scheduling system and set the rules for posting shifts
- ☐ Set extra pay for hard-to-fill shifts
- ☐ Made a plan to keep people active in the pool
- ☐ Started tracking and reviewing the numbers on a regular schedule

Leave Forecasting & Overlap Planning

A Planning Tool for Staff Absences and Coverage Gaps

Why Planning Ahead for Leave Matters

Most staffing problems aren't surprises. They happen when several people are out at the same time and no one saw it coming. One person out is easy to cover. Trouble starts when absences pile up: two people's vacations overlap, someone starts parental leave that same month, and a fourth person calls in sick that week. Each one is easy to predict on its own. Together, they're a crisis.

The goal of this plan is to spot coverage gaps weeks or months early and agree on what you'll do about them before they become urgent.

Part 1: Build a Centralized Leave Calendar

Step 1: Consolidate All Leave Types in One Place

When leave is tracked in different places — one manager's inbox, another's spreadsheet, a paper calendar on the wall — overlaps get missed. Put every kind of leave on one shared calendar everyone can see:

- Planned vacation / PTO
- Parental, medical, and other extended leave (FMLA or equivalent)
- Jury duty, bereavement, and other short unplanned leave
- Training days, conferences, and off-site commitments
- Absences you know will repeat (for example, National Guard duty or school-year schedules)

Step 2: Track at the Right Level of Detail

For each entry, capture more than just dates:

- Employee name, role, and team/unit
- Leave type and whether it's confirmed or tentative
- Whether covering the role takes a specific skill or certification, or anyone can fill in
- Anyone already lined up as that person's backup

Step 3: Review the Calendar on a Set Schedule

A calendar only helps if you look at it on a schedule. Set a routine:

- Weekly: review the next 2–4 weeks for near-term gaps
- Monthly: look at the next three months for overlaps building up
- Quarterly or yearly: look at the full year for busy leave seasons (holidays, school breaks, other predictable peaks)

Step 4: Require Advance Notice Where Possible

Tell staff how far ahead to request planned leave — for example, 30, 60, or 90 days depending on the type. Set a limit, or at least a review step, when too many people ask for the same week. First-come, first-served isn't always fair, and saying nothing about it guarantees surprises.

Part 2: Plan for the Worst Week

Most organizations skip this step. Knowing who's out and when isn't enough. You also need to work out what happens if the worst realistic set of absences lands in the same week, and decide ahead of time whether you could handle it.

Step 1: Set Your Minimum Staffing Level

For each team, set the floor: the fewest people — and which skills — you need to keep working safely and legally, not just comfortably. Use that number in every calculation below.

Step 2: Put Confirmed and Likely Absences on One Timeline

For any given week or month, lay out:

- Confirmed leave (already approved)
- Tentative/requested leave (pending approval)
- Unplanned absences you can expect — use past sick-day and call-out rates for that team and season instead of guessing

Step 3: Calculate the Worst-Case Overlap

For each week, ask: if everyone with approved leave is out and the usual number of people call in sick that same week, how many people are left — and is that above or below your minimum staffing level?

Answering that one question early turns a surprise crisis into a risk you can plan for.

Step 4: Score and Flag Risk Windows

Risk Level	Definition	What To Do
Green — Low	Even at worst, staffing stays at or above your minimum	Monitor only
Yellow — Moderate	Staffing dips a little below the minimum for a short time	Line up named backup coverage ahead of time
Red — High	Staffing falls well below the minimum, or no one can cover a critical skill	Raise it now; pause new leave approvals for that week if needed

Step 5: Check Critical Skills, Not Just Head Count

The number of people can look fine while no one on duty can do one essential job — the only certified staff member, or the only person who can approve a certain payment. Look at overlap two ways:

- Total people per team or shift
- Coverage for each hard-to-replace skill or certification

Step 6: Build the Response Plan Before You Need It

For every yellow or red week, decide what you'll do before you're in it:

- Which on-call, floating, or cross-trained staff you'd call first
- Whether you'd approve overtime, extra pay, or temporary staff — and who signs off
- Whether any leave requests should be moved or spread out before you approve them
- Who makes the call if you can't close the gap

Part 3: Planning Template

A. Leave Calendar — Sample Entries

Employee	Team/Role	Leave Type	Status	Dates	Backup Identified?
J. Smith	Support / Tier 2	Vacation	Confirmed	Aug 4–15	Yes — A. Lee
A. Lee	Support / Tier 2	Vacation	Requested	Aug 10–17	No
R. Patel	Support / Escalations	Parental Leave	Confirmed	Aug 1–Oct 1	Partial — 2 of 3 tasks covered
M. Chen	Support / Tier 1	Conference	Confirmed	Aug 12–14	Yes — floater

Flag: Aug 10–15 has three Support staff out at once, including one request with no backup (A. Lee) that falls inside R. Patel's extended leave. Score this week before approving A. Lee's request.

B. Worst-Case Overlap Worksheet

Week Of	Team	Minimum Staff	Confirmed Out	Expected Unplanned Out	Worst-Case Available	Risk Level
Aug 10	Support	5	2	1	2	Red
Aug 17	Support	5	1	1	3	Yellow
Aug 24	Support	5	0	1	4	Green

C. What You'll Do in Flagged Weeks

Week Of	Risk Level	Action Owner	Planned Response	Deadline to Confirm
Aug 10	Red	[Manager name]	Call in 1 per diem, hold A. Lee's request pending review	[date, 1–2 wks before]
Aug 17	Yellow	[Manager name]	Confirm floater availability; no schedule changes needed yet	[date, 1–2 wks before]

Quick Reference: Leave Planning Checklist

- ☐ All leave types consolidated into one shared calendar
- ☐ Minimum staffing level set for each team
- ☐ Past unplanned-absence rates on file for each team and season
- ☐ Weekly and monthly reviews on the calendar
- ☐ Worst-case overlap figured for upcoming weeks, not just approved leave
- ☐ Critical skill coverage checked separately from head count
- ☐ Yellow and red weeks have a named owner and an agreed response
- ☐ Advance-notice rules in place to catch too many requests for the same week

Smart Incentives for Covering Leave

How to Get Staff to Pick Up Extra Hours — Without Burning Them Out

Why Incentive Design Matters Here

Sooner or later you will need staff to cover for a colleague on leave. How you ask makes the difference between building goodwill and burning people out. A weak incentive either gets no takers, or it gets the same few dependable people every time — until they quit. A good one spreads the work around, feels fair, and makes picking up a shift feel like a win instead of a favor you pressured someone into.

The goal isn't just to fill the shift. It's to build a system people still trust the tenth time you use it.

Part 1: The Main Types of Incentive

Financial Incentives

- Shift differentials — a flat premium for covering nights, weekends, holidays, or last-minute call-outs
- Tiered short-notice bonuses — the less notice given, the higher the bonus (e.g., +10% for 1-week notice, +25% for same-day)
- Overtime alternatives — for salaried staff who can't earn overtime, a stipend or bonus once they cover an agreed number of shifts
- Milestone bonuses — a bonus after covering a set number of extra shifts in a quarter, not just per-shift

Time-Based Incentives

- Time banking — extra hours worked convert to banked time off at a bonus rate (e.g., 1 hour worked = 1.25 hours banked)
- First pick of future schedule — staff who cover gaps get priority choice on their own future shift preferences or vacation dates
- Compressed trade — offer a later start or early release on a different day in exchange for the extra shift

Recognition and Career Incentives

- Visible recognition — shout-outs, a running team leaderboard of coverage contributions (opt-in, never shaming non-participants)
- Skill building — treat covering a different shift or role as a chance to learn, not just a favor
- Credit in reviews and promotions — count flexibility and reliability as real factors, instead of taking them for granted

Choice and Control Incentives

- Open shift list — let people browse and claim open shifts themselves instead of being asked one by one, so no one has to turn down a direct request

- Let them choose — give the employee who covers a few options to pick from: extra pay, banked time off, or first say on their schedule

Part 2: Creative Ideas Worth Trying

These ideas go beyond the basics. They work because they deal with how covering a shift feels, not just what it pays.

1. The Coverage Auction

Post the open shift with a starting bonus. If no one claims it in a set time, the bonus goes up automatically — say, every four hours — until someone takes it. Managers no longer have to haggle. Staff learn that waiting sometimes pays off, which is fine: the shifts that always go to the top price are the ones that need a real fix, not just more money.

2. Buddy Coverage Credits

Let two employees pair up as each other's backup. When one covers for the other, they earn a credit to use when they need coverage themselves. Good teams already do this informally. Writing it down means it survives when someone leaves.

3. Coverage Points → Choice Rewards Catalog

Instead of one fixed reward, let extra shifts earn points people spend from a short list: a half-day off, a parking spot for a month, a schedule swap they want, a gift card, or a donation to a charity they choose. People want different things, so let them pick.

4. Team-Level Coverage Bonus

Along with individual rewards, offer the whole team a small bonus if a busy leave period — one specific month, for example — goes by with every shift filled. This encourages people to help each other and makes it harder for one person to quietly carry all the covering while everyone else sits out.

5. "Cover Now, Choose Later" Leave Priority

Staff who pick up shifts move up the line when they request their own leave during busy stretches like holidays and popular vacation weeks. That rewards the help you need most, right when conflicts are worst.

6. Manager-Covers-Too Visibility

When you can, have supervisors pick up a covering shift now and then where staff can see it. It costs nothing, but it shifts the message from "staff are asked to sacrifice" to "we all pitch in" — and that changes whether people feel used or included.

7. Early-Warning Volunteer List

Let employees sign up in advance for the kinds of extra shifts they'd take — for example, "I'm usually open to weekend shifts this summer." When a gap opens, you go to those people first instead of emailing everyone. That saves repeated asks to people who were never going to say yes.

Part 3: How to Design the Program

Step 1: Understand What Actually Motivates Your Staff

Don't assume money is what everyone wants most. Ask them, or watch what they already trade among themselves — time off, schedule choice, credit for good work. A short anonymous survey tells you more than guessing.

Step 2: Set Clear, Fair Rates

Write the rates down and share them with everyone. Secret or person-by-person deals cause resentment fast. Base the size of the reward on how hard the shift is to fill — short notice, holidays, nights — not on who is asking or how desperate they sound.

Step 3: Let People Volunteer, Don't Just Assign

Where you can, let people volunteer for shifts instead of having a manager single them out. It keeps goodwill and avoids the sense that the same dependable people always get asked first.

Step 4: Rotate Fairly and Track Who's Covering

Keep a simple record of who covers what. If two people are filling most of the gaps, your schedule looks fine but you have a burnout problem underneath it. Step in before you lose them.

Step 5: Set Limits to Prevent Overwork

- Cap how many extra shifts one person can pick up in a week/month, even if they're willing
- Require a minimum rest period between a regular shift and a covering shift
- Notice when someone takes extra shifts because they need the money, not because they want to — that's a sign to look at base pay, not just bonuses

Step 6: Pilot, Measure, and Adjust

Try a new incentive for a set period — three months, say — before you make it permanent. Track how many shifts got filled, how widely people took part, and what they tell you. Then adjust based on what happened, not what you expected.

Step 7: Revisit Regularly

An incentive that worked at first can stop working once the novelty wears off or pay expectations change. Review the program on a schedule — every six months is a good rule — at the same time you review staffing and expected leave.

Sample Incentive Menu

Scenario	Suggested Incentive	Notes
Planned gap, 30+ days notice	Standard shift differential	Lowest premium; plenty of time to fill
Planned gap, 1–2 weeks notice	Moderate differential + schedule choice credit	Balance cost with fairness
Unplanned, same-day call-out	Highest short-notice bonus + banked time option	Reward the hardest asks the most
Extended leave (parental, medical)	Team-level bonus + individual milestone bonus	Keeps people motivated over a longer stretch
Holiday/weekend coverage	Premium differential + leave-priority credit	Aims straight at the shifts nobody wants

Quick Reference: Smart Incentive Design Checklist

- ☐ Rates are written down and the same for everyone, not negotiated case by case
- ☐ People can volunteer for shifts, not just be assigned to them
- ☐ At least one non-cash option is offered (time, choice, recognition)
- ☐ You track who covers what, so you catch overload early
- ☐ Limits and rest-period rules are in place to prevent burnout
- ☐ New incentives are tested and measured before they become permanent
- ☐ You review the program regularly, along with staffing and leave planning

Minnesota Paid Leave: Frequently Asked Questions

Answers to common questions from Central Minnesota employers and employees about the Minnesota Paid Leave (MNPL) program. Last updated July 2026.

Applying for Leave

If an employee applies for Paid Leave and their work hours change, do they need to update their application?

It depends on the type of leave:

- Continuous leave — incorrect or outdated hours will not affect the payment.
- Intermittent leave — if the intermittent schedule the employee submitted no longer matches their work hours, they should update their application for leave dates beginning when the new work schedule takes effect. Paid Leave cannot approve payment for hours that are not part of the approved leave schedule.

What if an employee uses PTO first and then applies for Paid Leave?

This can happen when an employee is out for a medical reason, the length of the absence is unknown, and company policy requires PTO to be used before unpaid time off. If the employee later applies for Paid Leave, there are two options:

- The employee pays the employer back for the PTO, and the employer restores the PTO balance to the employee.
- The employee keeps the PTO payment and reports the PTO to Paid Leave. Paid Leave will adjust the employee's benefit payment to account for the PTO use.

How far in advance can an employee apply, and when will they receive a decision?

Applicants can apply for the state's Paid Leave program up to 60 days in advance for all leave types. If the application is complete and all supporting documentation has been provided, the state has 14 days to issue a determination, regardless of when the leave starts.

Leave Balances and Multiple Employers

Can we tell whether a new employee already used part of their leave with a prior employer?

Applicants may take up to 12 weeks of family leave or medical leave, or up to 20 weeks of combined family and medical leave, within a benefit year. If an individual changes employers during that benefit year, the leave available to them at the new employer is limited to the remaining Paid Leave balance for that year. Paid Leave tracks leave balances at both the employer and applicant level to ensure employees do not take more leave than they are allotted per benefit year.

What happens when an employee moves between an employer on the state plan and an employer with a private plan?

Individuals whose new employment is covered by a different plan than their previous employment begin a new Paid Leave benefit year and are entitled to the full leave balance available under that new plan.

Does the state have records of leave taken under private plans?

No. The state system does not have records of leave activity in private vendor systems.

What Paid Leave Covers

Does Paid Leave pay for holidays?

If a holiday falls during a typical workweek and the employee is on Paid Leave for the holiday as well as the surrounding days, the holiday will be paid. For intermittent leave, the holiday is paid if it falls on a day the employee is typically on leave.

If an employee takes FMLA for an event that also qualifies for Paid Leave but does not apply for Paid Leave, does that time count against future Paid Leave?

As an employer, you may choose whether to require Paid Leave to run at the same time as unpaid leave under FMLA or Pregnancy and Parental Leave (PPL) when the leaves are for the same reason. If you decide to run the programs at the same time, you must follow Paid Leave requirements for informing your employees. When an employee applies for Paid Leave, you can also request that the amount of Paid Leave time available be reduced to reflect overlapping FMLA or PPL leave.

More information: Coordinating Paid Leave with other benefits

Getting Paid

How long does it take to get paid after a leave is approved?

Timelines cannot be guaranteed for private vendors. For the state's Paid Leave program, it depends on the type of leave:

- Continuous leave — once the employee reaches the seventh day of leave, the payment can be included in the state's payment file. The money is typically in the applicant's bank account two days later.
- Intermittent leave — the employee must have seven unique days of leave and at least eight total approved hours before the payment is included in the state's payment file. The money is typically in the applicant's bank account two days later.

Taxes

Will employees who take leave receive tax statements for their benefit payments?

Paid Leave benefits are taxable, but the federal government treats family leave and medical leave differently for tax purposes.

Family leave

Family leave benefits are not considered wages, so they are not subject to employment taxes. The benefits are treated the same regardless of the share of the premium covered by the employer. Paid Leave reports benefit amounts to the IRS annually and issues a 1099 to the person taking leave. When applying for Paid Leave, Minnesotans have the option to withhold state and federal taxes from their weekly benefit.

Medical leave

Medical leave benefits are treated two different ways for federal tax purposes. The portion attributable to the employer contribution is treated as wages; the portion attributable to the employee contribution is excluded from the employee's federal gross income and is not taxable. For small employers, 33% of benefits are treated as wages; for other employers, 50% are treated as wages.

The share of medical leave benefits that counts as wages is treated as third-party sick pay, as described by the IRS in Notice 2015-6. This portion is subject to federal income tax withholding, Social Security, Medicare, and Federal Unemployment Tax Act (FUTA) taxes. The state deducts Social Security and Medicare taxes from the claimant and sends them to the IRS on the same frequency it sends payroll tax deposits. The state provides information about these payments to the employer on a frequent basis so the employer can pay its portion of Social Security and Medicare taxes. The employer must include these payments as wages on the W-2 it issues to the employee.

Program Funding

Will employer and employee premium rates increase?

An actuarial study is being completed to determine the premium rate. The new premium rate is scheduled to be announced on July 31, 2026.