



**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**

Paid Leave and Program Integrity

November 19, 2025



Agenda

- Background on Paid Leave program
- Program integrity

Background on Paid Leave

Minnesota's Paid Leave Law

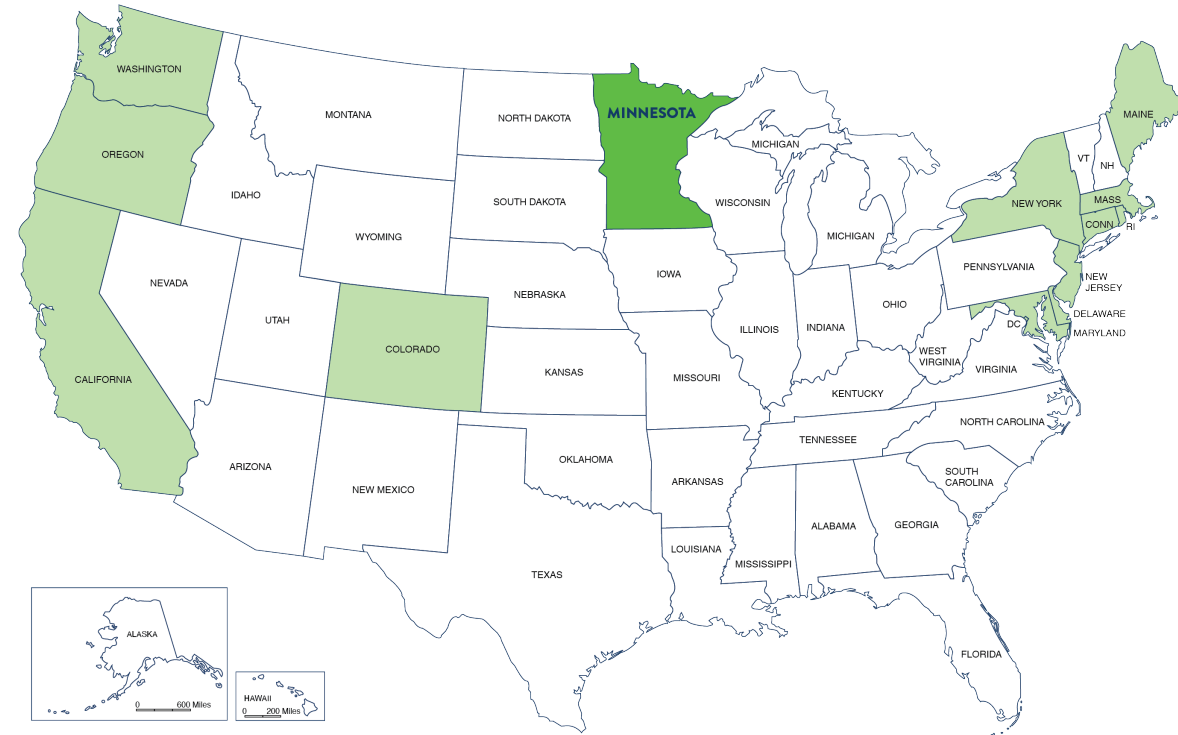
- Minnesota Paid Leave was enacted in 2023 and **begins Jan. 1, 2026.**
- The law provides **job protections and payments** from the state to individuals who need time off to care for themselves or their loved ones.
- **Premiums** made up of contributions from employees and employers will fund Minnesota Paid Leave.
- Paid Leave will **send benefit payments directly** to Minnesotans on leave.



What Paid Leave Means for Minnesota

- Minnesota will be the 13th state to implement Paid Leave
 - Only seven countries worldwide do not have some sort of paid leave program
 - 73% of American workers lack access to paid family leave

- States that have implemented paid leave programs have seen:
 - Stronger employee retention
 - Better health and development outcomes for children
 - Higher labor market attachment for women and labor force participation generally
 - Greater economic security for families



Covered leave

Medical Leave

1 to 12 weeks



Medical

Leave to care for an individual's own serious health condition.

Family Leave

1 to 12 weeks



Bonding

Leave to bond with an individual's child during the first 12 months after the child's birth or after the placement of the child through adoption or foster care.

Military Family



Leave because a family member is on active duty or has been notified of an impending call or order to active duty in the Armed Forces

Caring



Leave to care for a family member with a serious health condition.

Safety

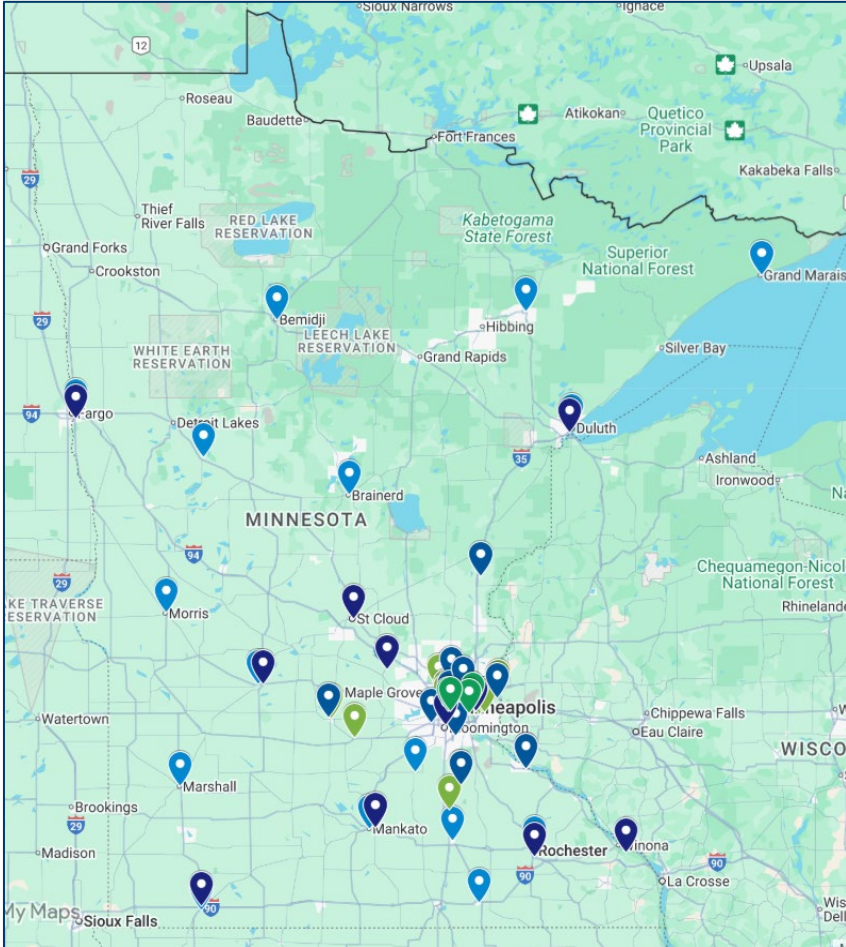


Leave because of domestic abuse, sexual assault, or stalking of the individual or individual's family member.

Maximum of 20 weeks combined in one year if someone qualifies for both medical and family leave

Qualifying conditions must last more than seven days and be certified by a healthcare or other specified provider.

Public engagement since November 2023



Highlight: Employer Engagement Series event and business canvassing locations (Fall 2024, Spring 2025, Fall 2025)

33,000+
individual
connections

320+
engagement
activities

23,000+
employer
connections

210+
employer
events

30% greater MN
70% metro area

52% virtual
48% in-person

93%
employers increased
understanding

91%
employers feel
prepared

Chamber-sponsored
events

Diverse business
canvassing

60%
businesses <100
employees

19%
women/minority
businesses

Presentations and
Q & A

Community events
(State Fair, Pride,
Farmfest)

80+
chamber partners

250+
participant zip codes

Rulemaking and
tribal consultations

Multilingual events

Delivering early and often

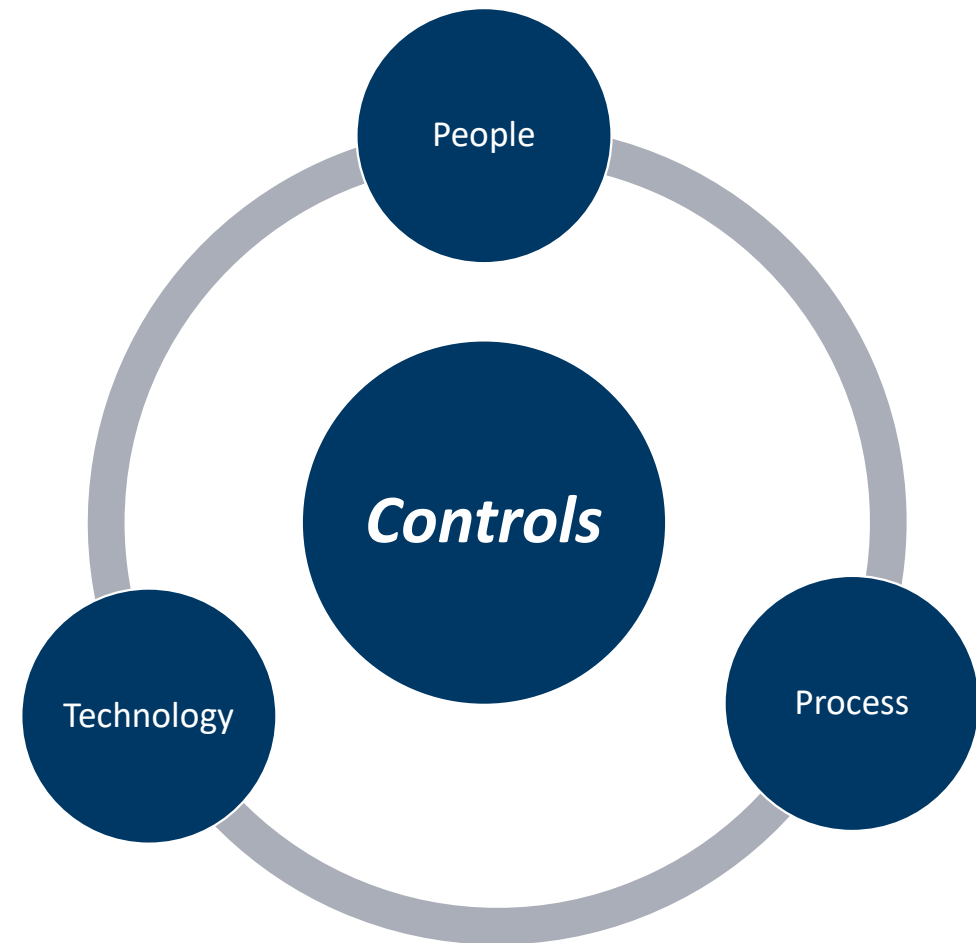
Our strategy for success has been to launch incrementally:

- **Launched combined wage detail reporting** with UI in October 2024.
- **Already opened bonding leave** claim submissions with two of the state's largest employers.
- Aim to **open bonding leave claim submissions to all Minnesotans** in the next few weeks.
- **Leveraging MNIT services** that are already in operation, like LoginMN, to support security and integrity.
- Applied **service design best practices** to get early insights from real people and refine the product.
- **Continuously gathered feedback** to improve the system.

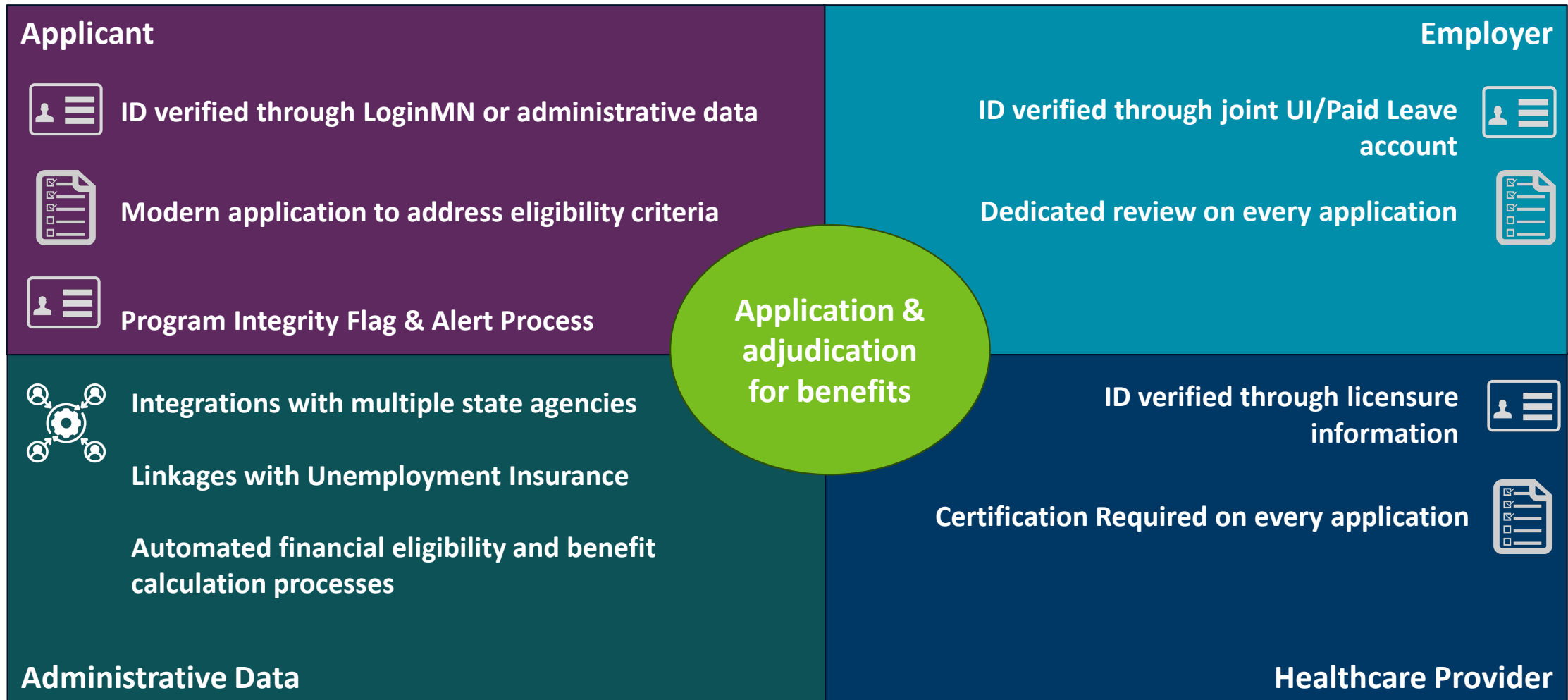
This approach ties into best practices for service delivery management and high program integrity.

Program Integrity

- There is no one silver bullet for program integrity.
- A combination of people, process, and technology are essential.
- The slides that follow outline key program integrity components across all three fronts.



Summary of program integrity components





Security: LoginMN

Jon Eichten | Deputy Commissioner

Enhance customer experience

- Front door to all public-facing, state digital services.
- **One credential:** One username and password to access.
- **User friendly:** Eliminates need for separate logins for multiple state agencies.

Strengthen security

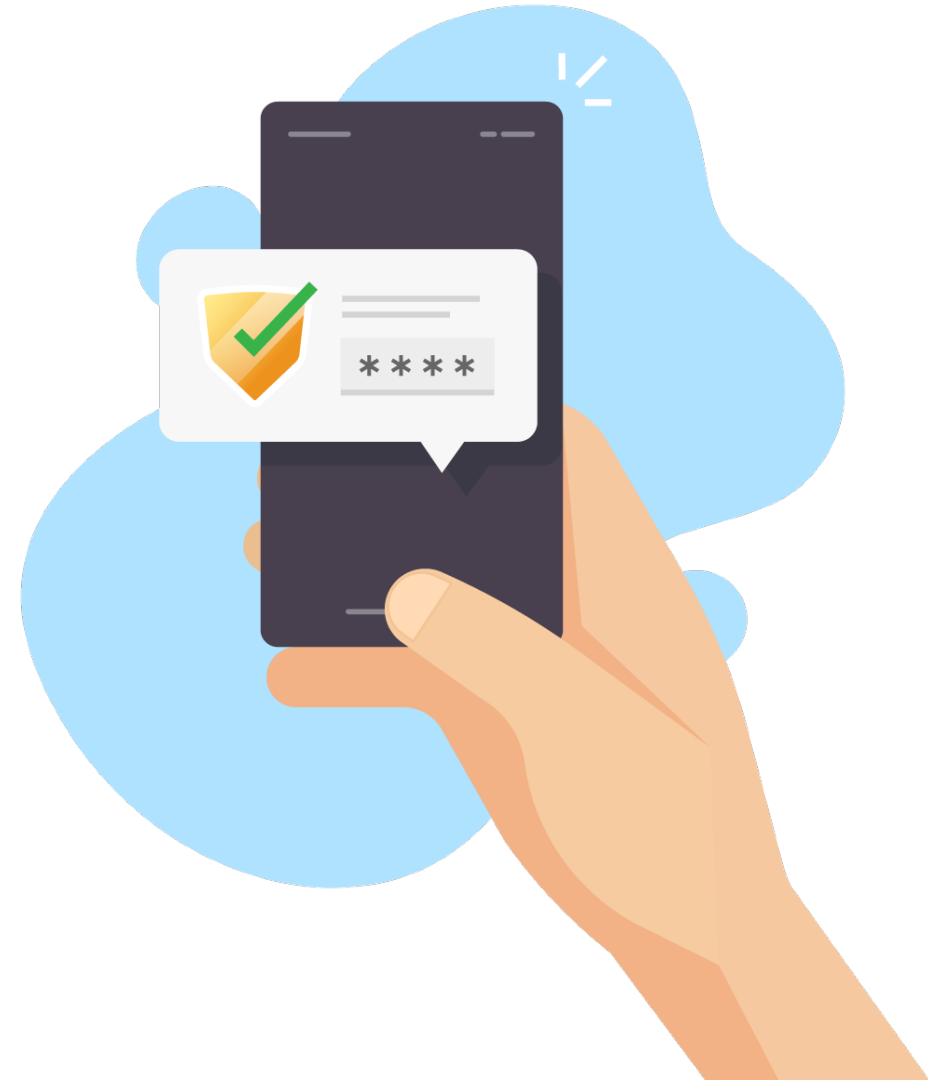
- **Improves fraud detection** with multi-factor authentication. User chooses which MFA method they prefer.
- Three levels of identity proofing to protect users' private information and help prevent fraud.
- Dynamic security that adapts to user's behaviors and risk factors.



LoginMN Strengthens Security

Benefits of MFA and identity proofing

- LoginMN verifies a person is who they say they are **before** granting access to applications and restricted information.
 - **Security:** Prevents identity theft, fraud, and unauthorized access.
 - **Compliance:** Meets federal regulatory requirements for HIPAA, CMS, IRS, and others.
 - **User trust:** Ensures users are interacting with legitimate services securely.
- By verifying each person's identity, organizations can create a secure and trustworthy digital environment for their users.



LoginMN: Built By and For Users

- **Developed with feedback from users**
 - Usability study.
 - Accessibility audits.
 - Constituent focus groups.
- **Reduces barriers**
 - Translated into Minnesota's five most-used languages: English, Hmong, Somali, Spanish, Vietnamese.
 - Chatbot help feature.



Security: Software Testing

Continuous improvement

Testing is a continuous process that ensures quality throughout the development of software. Testing is performed jointly by MNIT, Paid Leave, and our vendor Nava. Our implementation has been reviewed by an independent auditor.

Testing at a glance

- Unit Testing
- Automated Checks and Linters
- Smoke Testing
- Regression Testing
- Load Testing
- Bug Bash
- End-to-End (E2E) Testing
- User Acceptance Testing
- Accessibility Testing
- Usability Testing
- Penetration Testing

Application Controls



Application Controls: Application Process

The employee, employer, and Paid Leave all play a role in the application process.

The Paid Leave application process

1. **Employee** notifies **Employer** about intention to take leave.
2. **Employee** starts an application for Paid Leave.
3. **Employee** submits application for Paid Leave.
Paid Leave Administrator is asked to review the application.
4. **Paid Leave division** adjudicates the application.
5. **Employee** and **Paid Leave Administrator** are notified of determination.

The screenshot shows the 'MINNESOTA PAID LEAVE' application interface. It includes a section for 'Employment Information' and a question: 'Have you told your employer that you are taking leave?'. There are two radio button options: 'Yes' (selected) and 'No'. Below this is another question: 'When did you tell them?' with a text input field and a calendar icon. The format for the date is specified as 'mm/dd/yyyy'. At the bottom, there are 'Back' and 'Save and continue' buttons.

Application Controls: People



- Claims review teams are fully staffed and are reviewing applications.
- Team is supported by robust internal processes and integrity tools, including data analytics.
- Trainings and information sharing.

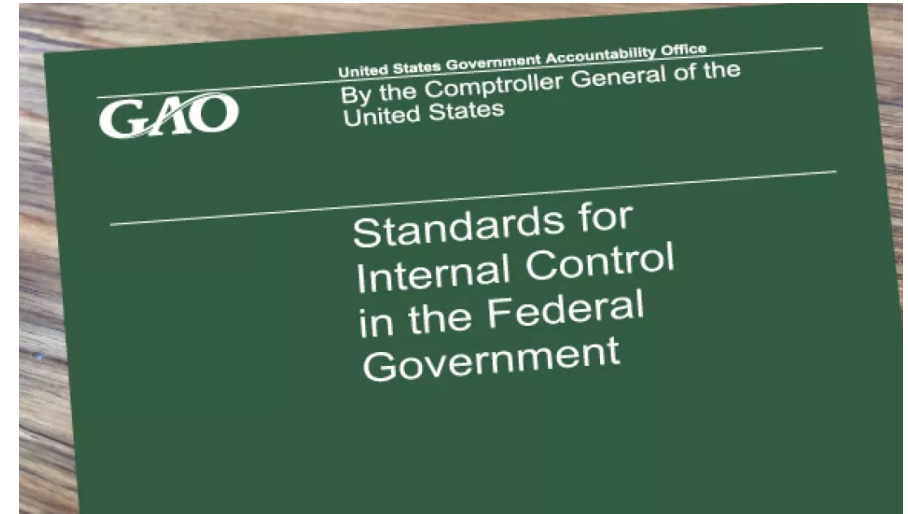
Application Controls: Business Logic

- Business logic and application design support accuracy and integrity.
- Good application design makes it easy for applicants to do the right thing and harder for fraudsters to do the wrong thing.



Application Controls: Process

- Internal controls plan and risk management policies provide structure to the work.
- Annual risk assessments for business activities ensure updated posture.
- Risk committees and information sharing address incipient issues.
- Variety of business processes and controls built into the application.
- Random audits, administrative and criminal penalties for malfeasance.
- Collaboration with BCA, CISO, LoginMN, OLA, and other appropriate parties.



Application Controls: Employer Role

Employers will be able to:

- **Review leave applications** submitted by employees
- **Confirm the information** submitted by employees is correct
- **Track the status** of applications
- **View past determinations** from Paid Leave
- **Access benefit information** for tax purposes

The screenshot shows the Minnesota Paid Leave web application interface. At the top, the header includes the Minnesota Paid Leave logo and a user greeting: "Welcome back, Justin P. My Account". Below the header, a navigation bar displays "Company, Inc. | FEIN: 12-3456789" and a "Change organization" button. A left sidebar contains navigation links: "Home", "Employee Leave Applications", and "Equivalent Plan Substitutions". The main content area shows a "Back to all applications" link and a yellow alert box stating "Review and submit by: January 1, 2025 at 11:59 p.m. CT". The title of the application is "Application for Bob Smith" with ID "PLA-3H5-8SU-L28". A blue box provides instructions on how to review the application, emphasizing careful review and the use of the "Submit review" button. A note at the bottom states that questions marked with a red asterisk require a response. The section "Employee Information" is partially visible at the bottom.

mi MINNESOTA PAID LEAVE

Welcome back, Justin P. My Account

Company, Inc. | FEIN: 12-3456789

Change organization

Home

Employee Leave Applications

Equivalent Plan Substitutions

← Back to all applications

Review and submit by: January 1, 2025 at 11:59 p.m. CT

Application for Bob Smith

Application ID: PLA-3H5-8SU-L28

How should I review this application?

Please review this application carefully and compare it to your records. If there are any discrepancies, please add comments to explain.

Once you have finished reviewing, select the **Submit review** button to send your review to the state, where Minnesota Paid Leave staff will make a final determination.

All questions marked with a red asterisk * require a response.

Employee Information

Application Controls: Reporting

- Confirmation of facts as represented – multiple points of validation.
- Appealable records.
- Fraud reporting portal (see right) and call center and email access.

Report fraud

Report suspected fraud

Minnesota Paid Leave allows people to take the time they need to care for themselves and their loved ones in some of life's most important moments. To ensure the program is available when people need it, it is essential that program funds are managed responsibly.

Minnesota Paid Leave works hard to prevent and detect fraud. We accept tips about potential fraud from all sources, and we investigate all reports.

If you suspect fraud related to Paid Leave, please report it to us.

What is fraud?

Fraud takes place when someone knowingly misrepresents the truth or deliberately hides important information.

Examples of fraud can include, but are not limited to:

- An individual applies for Paid Leave using someone else's name.
- An individual lies about their situation when applying for Paid Leave.
- A Paid Leave grant recipient knowingly files inaccurate reports about their work.
- An employer submits false records to cheat the program.

How to report suspected fraud

If you suspect fraud related to Minnesota Paid Leave, please fill out the Minnesota Paid Leave Fraud Reporting Form:

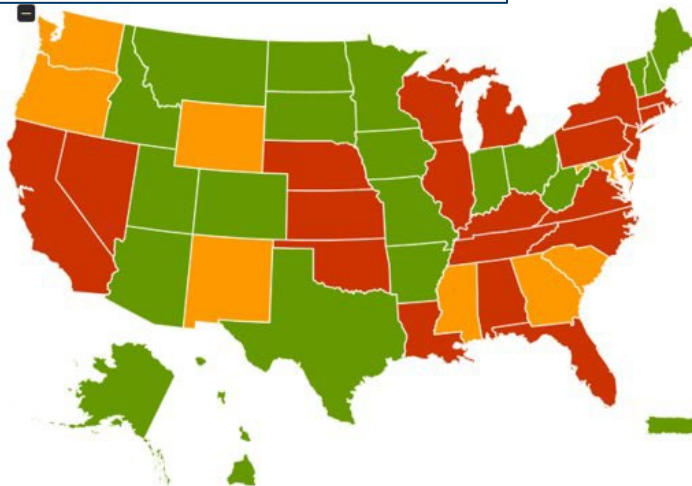
[REPORT FRAUD](#)

Application controls: provider certification

- All claims are required to be certified by a healthcare provider (or appropriate professional).
- We review and validate provider information, and will conduct analyses on the data.
- Coming soon (early 2026): integrations with Electronic Health Records systems, and access to ICD-10 codes to help with duration estimation.
- Minnesota will be the *first* state in the country to integrate directly with EHRs – many process and integrity benefits.



April 7, 2025



- As we presented to this committee in April, Minnesota is a top-performing state in unemployment insurance program integrity.
- 2022 OLA Report: “The UI Division regularly conducts data analyses to identify and lock accounts with suspicious characteristics that indicate they may have been opened by imposters or hijackers. These processes were effective in quickly identifying and locking the suspicious accounts in our sample.”
- We are leveraging the UI program’s expertise and data to validate requests and enhance Paid Leave program integrity.
- Integrations with other agencies to provide additional support.

In Summary

- Paid Leave has multiple layers of controls in place to ensure high program integrity.
- Controls encompass people, process, and technology, and leverage tools and data from UI and across the state.
- Our work is never done – we'll continue to develop and deliver solutions that further strengthen the program.
- This all works together to ensure that Minnesotans will be able to count on Paid Leave in the moments that matter.



Questions?