CRC BENEFITS | THRIVE Workplace Benefits Dedicated to Development and Success

MARYLAND

# Regulatory Compliance and Resources by State

## STATE CONTINUATION OF COVERAGE

Chapter 4 addresses Continuation of Coverage for Terminated Employees.

This law is similar to federal COBRA in that it allows for terminated employees to remain insured under the employer's group health insurance for a period of 18 months following the termination of full-time employment. The election period is 45 days.

## PAID FAMILY LEAVE

Any entity that employs at least one individual in Maryland across the public and private sectors.

### Who Can Receive Paid Leave?

An employee who has worked at least 680 hours over the 12-month period immediately preceding the date on which leave is to begin is eligible to receive paid leave. This applies to part-time and full-time employees.

### What Are the Benefits?

There are two main benefits: paid leave and job protection.

**Paid leave** – The law offers up to 12 weeks annually of paid time off to take care of a new child, one's own medical problems, or a family member's serious illness or military deployment. A parent could get up to 24 weeks if medical leave is needed during pregnancy, followed by parental leave after childbirth.

**Job protection** – Employers cannot discharge, demote, or otherwise discriminate or take adverse action against an individual who has filed for, applied for, or received benefits under the new law, inquired about rights and responsibilities under the new law, communicated an intent to file a claim, complaint, or appeal under the new law, or testified or intends to testify in a proceeding under the new law.

## STATE EMPLOYER REPORTING/NA

## PAID SICK LEAVE

**Under Maryland's permanent paid sick time law:** If you regularly work as an employee in Maryland for at least 12 hours per week, you may be covered, whether you are a full-time or part-time worker. However, the law does not cover federal employees, independent contractors, agricultural workers, certain temporary workers, workers under the age of 18 before the beginning of the year, workers that are on-call in a health or human services industry that can reject or accept a shift, are not guaranteed to be called in to work, and are not employed by a temporary staffing agency, and a few other narrow groups.

**Under the Maryland Essential Workers' Protection Act:** If you perform a duty or work responsibility during an emergency that cannot be performed remotely or is required to be completed at your work site and provide services that your employer determines to be essential or critical to its operations, then you are probably covered. However, the law only applies to industries and sectors identified by the Governor or a federal or state agency as critical to remain in operation during the emergency.

### How much sick time can I earn under Maryland's permanent paid sick time law and receive under Maryland's Essential Workers' Protection Act?

Under Maryland's permanent paid sick time law: You earn one hour of sick time for every 30 hours worked, up to a





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maximum of 40 hours per year. If your workplace has 15 or more workers, that time must be paid. If your workplace has fewer than 15 workers, your sick time may be unpaid—but you can’t be fired or punished for taking it.

## MANDATORY 401K

Under Maryland law, established businesses that use an automatic payroll system are required either to offer a retirement plan or to sign their employees up for the MarylandSaves program. Employers will have no payment or fiduciary obligations, have no federal reporting requirements and will pay nothing to MarylandSaves for the service, according to the news release.

Employees will be automatically enrolled in the program. The initial contribution rate is 5% of pay, and participants can elect lower or higher rates, or opt out. Default contributions will automatically escalate one percentage point annually to a maximum of 10%.

MarylandSaves is the first state-backed auto IRA program in the country that will provide options designed to help after someone retires, according to the news release. The default option for participants will be a monthly payment calculated, but not guaranteed, to last a saver’s lifetime.

## SURPRISE BILLING/NA

## RESOURCES

https://insurance.maryland.gov/Pages/default.aspx