

Arch Insurance Company, a primary leader in the statutory disability and paid family leave markets, is currently watching the developments of the Maryland PFML program to determine if a private plan option will be available. Enacted April 9, 2022, Maryland Time To Care Act (TTCA) (2022 Ch. 48, SB 275) establishes a paid family and medical leave (PFML) insurance program with proposed contributions starting January 1, 2027.

## FAMILY AND MEDICAL LEAVE TIMETABLE

### DATE

June 1, 2023	MDOL expects to issue claim procedure regulations, set contribution rates and determine employer/employee cost sharing.
January 1, 2027*	Contributions to the state plan are set to begin.
by January 3, 2028*	Benefits are set to begin.

\*Proposed dates as of April 2025 legislative vote.

## MARYLAND PAID FAMILY AND MEDICAL LEAVE (TTCA) PLAN COVERAGE\*

### EFFECTIVE

Benefits are set to begin by January 3, 2028.

### COVERED EMPLOYEE

Full and part-time employees are eligible for PFML if they worked at least 680 hours in 12 months immediately before the leave starts. Self-employed individuals may opt into the program.

### COVERED EMPLOYERS

The law applies to all employers (including state and local governmental employers) with at least one employee working in Maryland. An employer does not include the sole owner of a sole proprietorship or limited liability company or a C or S corporation whose owner is the only employee.

### LEAVE REASONS

- Parental leave: birth, adoption, foster care placement or kinship care (an undefined term) of an employee's child during the first year.
- Family caregiving: care for a family member with a serious health condition, as defined by the statute.
- Military qualifying exigency: attending to a qualifying exigency arising out of the deployment of a service member who is a family member, as defined by the statute.
- Service member caregiving: care for an employee's next of kin who is a service member with a serious health condition.
- Medical: an employee's serious health condition causing inability to perform the functions of his or her position.

## FAMILY MEMBER

Covered family members include:

- Employee's biological, step, adopted, or foster children
- Employee's children in legal or physical custody or under guardianship
- Employee's children for whom an employee stands in loco parentis (no age limit)
- Employee's spouse
- Employee's biological, step, adoptive, or foster grandparents or grandchildren
- Employee's or spouse's biological, step, adoptive, or foster parents
- Employee's legal guardian or employee's or spouse's ward
- Individuals who acted as a parent or stood in loco parentis to an employee or the employee's spouse during childhood
- Employee's biological, step, adoptive, or foster siblings

## LEAVE DURATIONS

Employees may be entitled to one of the following leaves each year:

- Up to 12 weeks of family leave (includes active duty family military leave, & bonding time).
- Up to 12 weeks of care of family member with a serious health condition.
- Up to 12 weeks of personal medical leave.
- A total of 12 weeks for a combination of paid family and medical leave ; however, employees who experience a serious health condition and qualify for parental leave (as described above) may receive another 12 weeks of benefits in a single application year.

## BENEFITS

Benefits will become available by January 3, 2028, with a \$50 weekly minimum and \$1,000 weekly maximum benefit. No benefit waiting period will apply. The weekly maximum will be adjusted yearly by the annual percentage growth in the Consumer Price Index for All Urban Consumers (CPI-U), Washington–Arlington– Alexandria area.

A covered employee's wage replacement benefit depends on the employee's average weekly wage (AWW) — total wages paid over the last 680 hours ÷ the number of weeks worked — relative to the state average weekly wage (SAWW):

- If the covered employee's AWW is 65% of or lower than the SAWW, the benefit is 90% of the AWW.
- If the covered employee's AWW is greater than 65% of the SAWW, the benefit is 90% of the AWW up to 65% of the SAWW and 50% of the covered employee's WW that is greater than 65% of the SAWW.

Employees receiving workers' compensation for reasons other than a permanent partial disability are not eligible for PFML benefits.

## THE ARCH ADVANTAGE

- Excellent claim service; most claims are processed in four days or less.
- Arch has a history of success working with state mandated STD and PFL lines.
- Access to Arch's online claims reports.

## Contact Us:

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\*This information has been compiled from: [https://mgaleg.maryland.gov/2022RS/chapters\\_noln/Ch\\_48\\_sb0275E.pdf](https://mgaleg.maryland.gov/2022RS/chapters_noln/Ch_48_sb0275E.pdf)

The Arch private plan specifics are subject to change to comply with any new refinements and/or definitions of the Maryland Paid Family Leave Insurance Law (TTCA). Insurance coverage described is underwritten by Arch Insurance Company, NAIC #11150, a member company of Arch Insurance Group Inc. The policy contains reductions, limitations, and termination provisions. Full details of the coverage are contained in the policy. If there are any conflicts between this document and the policy, the policy shall govern. Not all coverages are available in all jurisdictions. Please refer to your policy for detailed terms and conditions.