Help employees maintain a steady income when they can't work.

Maryland Family and Medical Leave Insurance (MD FAMLI) and Short-term Disability (STD)

Your Short-term Disability policy offers important benefits that can help prevent financial hardships for your employees when they're experiencing a disabling condition. It can fill in when the MD FAMLI benefits end.

What You Need to Know

- The MD FAMLI program caps payments and can create potential coverage gaps for your employees.
- STD can fill those gaps and provide important income replacement for your employees above and beyond what the state program provides.
- For employers with Maryland employees, your STD premium rates may actually go down. That's because the MD FAMLI benefit directly offsets (reduces) the benefit amount your fully insured STD pays out.

Caps

Higher-wage earners who hit the estimated state-required maximum weekly FAMLI benefit cap of $1,000 could receive additional wage replacement income through The Hartford's STD policy.

Gaps

If an employee has a serious medical condition requiring an extended absence, MD FAMLI benefits may end long before Long-term Disability (LTD) payments can begin, leaving the employee without income for several weeks. For example:

- MD FAMLI will pay up to 12 weeks of combined Family or Medical Leave and potentially up to 12 additional weeks for leaves for one's own serious health condition and bonding when they occur in the same application year.
- If the LTD benefit begins 26 weeks after an eligible employee first becomes disabled, without STD protection to fill that gap, the employee could have no replacement income for at least 14 weeks.

Additionally, the MD FAMLI benefit duration is based on a shared entitlement for Family and Medical Leaves, and certain military-related leaves, combined. The maximum benefit payable is 12 weeks in a 12-month period plus up to 12 additional weeks for leaves for one's own serious health condition and bonding when they occur in the same application year.

- For example, if an employee takes Family Leave to care for a family member, and then later in that same application year becomes disabled and takes Medical Leave, the allowable Medical Leave will be reduced by the number of weeks previously taken for Family Leave. Without STD coverage, there may be weeks in which an employee receives no income.

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Examples of a Coverage Gap Filler			
Family Leave	**Medical Leave**	**Combined FAMLI Cap**	**Income Gap Until LTD Begins**
Up to 12 weeks	Up to 12 weeks	12 weeks in a 12-month period	14-26 weeks

Example: An employee with elderly parents takes time off to deal with her mother's serious health condition. She uses up all 12 weeks of Paid Family Leave to care for her mother. Later that year, the employee becomes critically ill and may eventually qualify for her employer's Long-term Disability policy. She wouldn't have any MD FAMLI time left for that application year. Since she does have Short-term Disability insurance for which she's eligible, she could have income replacement for up to 26 weeks until Long-term Disability insurance kicks in.

STD benefit durations are not limited based on any prior unrelated leave that may have been taken.

STD protection from The Hartford helps you provide a more comprehensive income replacement benefit for your employees while also providing financial protection for longer duration claims.

Additional Key Differences Between MD FAMLI and STD	
Paid Family & Medical Leave Insurance (FAMLI)	**Short-term Disability (STD)**
Paid Family and Medical Leave is limited to up to 12 weeks in a 12-month period*	Limited to own disabling condition (i.e., illness or injury) and not impacted by any family needs
Serious Health Condition Definition	Test of Disability Own Occupation or Own Job
Intermittent use in no less than 4 hours per day	Doesn't cover intermittent and sporadic needs
Replenishes overall benefit on a 12-month period	Full benefit is standardly available on a per claim basis if unrelated or outside the successive period for related conditions
Up to 90% of the employee's average weekly wages, up to 65% of the statewide average weekly wage, plus 50% of anything greater. The weekly maximum benefit beginning January 1, 2028, is $1,000.	Flat percentage for covered employees regardless of earnings, as selected by the employer
Not coordinated with Long-term Disability insurance creating what could be a sizeable gap without wage replacement to an employee	Standardly serves as a waiting period for Long-term Disability insurance, transitioning the employee without an interruption in benefits

* Plus up to 12 additional weeks for certain leaves for one's own serious health condition and bonding in the same application year.

To learn more, visit TheHartford.com/paid-family-medical-leave/md

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Paid Family & Medical Leave Form Series includes GBD-1862.

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