



## COVID-19 EMPLOYMENT FAQ

### What is The Families First Coronavirus Response Act (FFCRA)?

The FFCRA requires certain employers to provide employees with expanded family and medical leave for specified reasons related to COVID-19.

**Covered Employers:** Certain public employers, and private employers with fewer than 500 employees. (Note: does not exclude employers with less than 50 employees as the FMLA does)

**Effective Dates:** April 1, 2020 – December 31, 2020

### Emergency Paid Sick Leave Act (For Employee)

*Eligibility: All employees are eligible.*

**Two-weeks (up to 80 hours) at the employee's regular rate of pay :**

- Where the employee is unable to work/telework because the employee is quarantined and/or experiencing COVID-19 symptoms and seeking a medical diagnosis
- Full-time (FT) employees are eligible for 80 hours while Part-time (PT) employees are eligible for the average number of hours worked over a two-week period
- This leave is in addition to any paid leave already provided
- Cap: \$511/day or \$5,110 aggregate (over a two-week period)

### Emergency Family and Medical Leave Expansion Act

*Eligibility: Employee must be employed for at least 30 calendar days.*

**Two-weeks (up to 80 hours) paid leave per the Emergency Paid Sick Leave Act . The employee may also elect to use paid sick or other leave.**

- Due to the fact that the employee is unable to work because of a need to care for an individual subject to quarantine or to care for a child whose school or child care provider is unavailable for reasons related to COVID-19, and/or the employee is experiencing a substantially similar conditions to employment. Employers should work directly with their broker/carrier about their situations. Life and Disability eligibility should also be a consideration.



## **Emergency Family and Medical Leave Expansion Act, cont.**

*Eligibility: Employee must be employed for at least 30 calendar days.*

### **Up to an additional 10 weeks at two-thirds the employee's regular rate of pay (Expanded Family Medical Leave)**

- Employee is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is unavailable for reasons related to COVID-19.
- Cap: \$200/day or \$12,000 aggregate (over 12 week period)

### **Will there be exemptions for businesses with fewer than 50 employees?**

Small businesses may qualify for exemption if the leave requirements would jeopardize the viability of the business as a going concern. The Department of Labor will provide more information soon.

### **Will there be exemptions for Health Care Providers and Emergency Responders?**

An employer may elect to exclude such employees. More information to come.

### **Can an employee take other paid leave instead of these new types of leave?**

Yes, employees may elect to substitute other accrued leave time and/or sick leave. Employers cannot mandate this.

### **Will there be a tax credit for employers?**

Yes, there will be refundable payroll tax credits which are designed to immediately and fully reimburse Employers. This will include the cost of paid leave and costs to maintain health insurance coverage for the eligible employee during the leave period. More guidance will be released from the IRS soon.



## Unemployment

### **What is the status of Unemployment for Maryland?**

If an employee is unable to work due to no fault of their own, including closure due to COVID-19, they are generally eligible for unemployment benefits. This includes those self-employed- some of whom would not have been included in the past. Employees in this situation should contact the Maryland Division of Unemployment. The Federal Stimulus Act will provide an additional \$600/week and extension of benefits to 39 weeks.

### **Will a business' experience rating go up as a result of COVID-19 unemployment claims?**

The State of Maryland has said that unemployment claims due to COVID-19 will NOT increase a business' experience rating.

## Employee Benefits

### **Are there any provisions that allow employees to access their 401K funds without penalty?**

There are some changes expected in 401K programs which allow plan participants to access up to \$100,000 without the 10% withdrawal penalty. There is a 3 year pay back period.

### **What is the protocol regarding health, life and disability benefits?**

Carriers are being flexible regarding eligibility given potential layoffs and changes to employment. Carriers are also relaxing reinstatement policies. Employers should work directly with their broker/carrier about their situations. Life and Disability eligibility should also be a consideration.

### **If a daycare is closed and parents continue to work, can they make a change to a dependent care FSA?**

Yes, you can make changes to your FSA due to your daycare/school being closed as this would be considered a qualifying event. Those who have a status change (e.g. not working or reduced hours) can also make changes.