



# MARYLAND EMPLOYMENT LAW Workers' Compensation – Employer Responsibilities

Workers' compensation is a system of no-fault insurance that provides wage replacement and medical benefits to employees (or their survivors) for work-related injuries, diseases and deaths.

The Maryland Worker's Compensation Act (WCA) sets forth employer responsibilities relating to workers' compensation in the state. The [Maryland Workers' Compensation Commission](#) (Commission) monitors and enforces employer compliance with the WCA.

## STATE RESOURCES

**Maryland Workers' Compensation Commission [website](#)**

### FAQs

The Commission answers frequently asked questions about workers' compensation [here](#).

### Workplace Poster

Employers must display this workers' compensation [poster](#) in their employees' workplaces.

### Employer's First Report

Employers may report their employees' work-related conditions [here](#).

## COVERAGE REQUIREMENTS

Employers may not obtain any license or permit to conduct business in Maryland unless they first [apply](#) for and obtain a certificate of WCA compliance from the Commission. To comply with the WCA, employers must either purchase workers' compensation insurance from an authorized insurer or obtain permission to self-insure. An employer's insurance policy or self-insurance must be sufficient to cover the benefits prescribed by the WCA.

The WCA defines "employer" as any person, governmental unit or quasi-public corporation that uses the services of **at least one employee**. The definition of a covered "employee" includes most workers, including minors.

The WCA prohibits employers from making employees fund any part of their workers' compensation premiums.

## SELF-INSURANCE

Employers that wish to self-insure must prove to the Commission that they are financially able to meet their obligations under the WCA. This includes depositing security and letters of credit with the Commission. Self-insured employers must also:

- Designate competent individuals who have knowledge and experience to handle claims in the state;
- Establish toll-free telephone numbers for employees to make direct inquiries about workers' compensation;
- Submit reports about their financial responsibility at least once per year;
- Pay an annual fee of \$1,500; and
- Submit case payment reports every quarter.

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### POSTING COVERAGE NOTICES

Employers must post a [notice](#) in each workplace to inform employees about their rights under the WCA. The Commission may send the notices for employers to post, or employers or insurance carriers may prepare them.

### REPORTING REQUIREMENTS

Employers must [report](#) to the Commission any work-related employee death or disability that lasts for **three or more days**. Employers must submit this report within **10 days** after receiving oral or written notice of the work-related disability or death. Employers must also report any employee disabilities caused by an occupational disease **promptly** after learning of them.

### WAGE STATEMENT

The WCA requires employers to file a [Wage Statement](#) as soon as practicable for every employee that files a workers' compensation claim. The statement must include the injured employee's earnings over the 52 weeks prior to the date of injury.

### PAYING BENEFITS OR DENYING A CLAIM

The WCA prohibits employers from paying any benefits or denying a claim until the Commission sends notice that a workers' compensation claim has been filed. After receiving notice of a claim, employers have **21 days** to either begin paying benefits to the injured employee or file an [Issues Form](#) with the Commission to contest the claim.

If the Commission makes an award for workers' compensation benefits, the employer must begin providing compensation benefits within **15 days** after the award is issued. Medical expenses must be paid within **45 days** after the Commission approves them.

### TERMINATING BENEFITS

An employer may stop paying temporary total disability (TTD) benefits to an employee when:

- The employee returns to work in the pre-injury employment;
- The employee's treating physician indicates the employee has reached maximum medical improvement (MMI) for the work-related disability; or
- The Commission orders a termination of benefits.

An employer may refuse to continue paying medical expenses if:

- The treatment was not authorized by the employer (or insurer, if applicable); or
- The employee's treating physician or health care provider has indicated that the employee reached MMI.

Employers that wish to terminate any benefits for any other reason must provide advanced written notice to the employee. The notice must state the reasons for the termination, along with information about the employee's right to request a Commission hearing. For refusals to make medical expense payments, the employer must attach any medical record supporting the refusal and provide a copy of the notice and supporting document to the medical provider whose bills are denied.

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### MORE INFORMATION

Contact Heffernan Insurance Brokers or visit the Commission [website](#) for more information on workers' compensation laws in Maryland.