State Disability Insurance

Disability Insurance

Paid Family Leave
Mission
The California State Disability Insurance Program minimizes financial hardships by providing timely benefits and services to eligible workers and families while supporting California’s economy.

Vision
The State Disability Insurance Branch will be a recognized leader and a model of excellence, innovation, and integrity.
What is SDI?

- State Disability Insurance (SDI) is a partial, short-term, wage-replacement insurance plan for California workers.

- SDI provides coverage for two program components:
  - **Disability Insurance** provides partial wage replacement benefits for up to 52 weeks per claim
  - **Paid Family Leave** provides partial wage replacement benefits for up to six weeks (within a 12-month period)
California is one of six U.S. locations with Disability Insurance or Paid Family Leave

- Hawaii - DI
- New Jersey – DI, PFL
- New York - DI
- Rhode Island - DI
- The Commonwealth of Puerto Rico - DI
Key Points of SDI

- Provides coverage for approximately 13 million California workers

- Provides partial wage replacement of approximately 55% of employee’s income

- Requires employees have qualifying wages in the base period and be in the labor market when the disability or family leave began
Key Points of SDI

- Requires a seven day, non-payable waiting period for both DI and PFL benefits

- Provides benefits starting on the 8th day

- Requires employees file a timely claim (no later than the 49th day after the disability or family leave began)
Key Points of SDI

- Allows employees to apply without regard to length of employment with their current employer

- Does not provide entitlement to leave nor job protection while on leave as does the Family and Medical Leave Act and California Family Rights Act
Can a Claimant Work Part-time?

- Individuals who normally work full-time but due to a disability or family leave have a reduced work schedule, may be eligible to collect State Disability Insurance benefits

- Individuals who normally work part-time but are suffering a loss of wages resulting from a disability or family leave, may be eligible to collect State Disability Insurance
How is SDI Funded?

- Employees pay into SDI through State-mandated payroll deductions
  - 2012 withholding rate of 1.0%
  - 2012 taxable wage limit = $95,585
  - 2012 maximum yearly employee contribution = $955.85
### Weekly Benefit Amounts (WBA)

<table>
<thead>
<tr>
<th></th>
<th>1946</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Minimum Weekly Benefit Amount</strong></td>
<td>$10</td>
<td>$50</td>
</tr>
<tr>
<td><strong>Maximum Weekly Benefit Amount</strong></td>
<td>$20</td>
<td>$1,011</td>
</tr>
</tbody>
</table>

Base period of 12 months considered for calculating maximum and weekly benefit amounts.
Weekly Benefit Amounts are determined by the Quarter in the base period with the highest wages earned. In this case, the WBA for DI is $663. For PFL, the WBA remains the same. (CED = Claim Effective Date)
## State Disability Insurance Data

### State Fiscal Year 2010/2011

<table>
<thead>
<tr>
<th></th>
<th>DI</th>
<th>PFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total claims filed</td>
<td>734,650</td>
<td>204,893</td>
</tr>
<tr>
<td>Average weekly benefit amount</td>
<td>$446</td>
<td>$488</td>
</tr>
<tr>
<td>Total benefits authorized</td>
<td>$4,414,575,335</td>
<td>$498,438,584</td>
</tr>
</tbody>
</table>
SDI - Employer Responsibilities

- Provide SDI Brochure to employees who are new or may need to file a claim
- Post EDD ‘Notice to Employees’
- Complete and return the ‘Notice to Employer’ within two working days
To deter fraud, please respond immediately to the Notice to Employer if you are not the employer shown or if the claimant:

- Is not your employee
- Has quit his/her job
- Is receiving wages
- Has not stopped working
- Is known to be working for another employer
- Has filed for Workers’ Compensation or is believed to be planning to do so
- Is using a Social Security Number incorrectly
- Is working under another name
Key Points
Disability Insurance

- Provides wage loss benefits for employees who cannot work due to a non-work-related illness or injury

- Includes: Elective surgery, alcoholism, drug addiction treatment and recovery, pregnancy, childbirth or other related conditions
Key Points
Disability Insurance

- Requires employees be unable to perform their regular or customary work
- Requires employees be under the care of a physician or practitioner
- Requires certification from the treating physician or practitioner of the illness, injury or disability
Key Points Paid Family Leave

- Paid Family Leave (PFL) is a component of State Disability Insurance and applies to all employees covered by State Disability Insurance (SDI)

- Helps ease the financial burden of a wage loss by providing up to six weeks of benefits due to Bonding or Caregiving needs

- PFL Benefits are payable at the same rate as DI
Two Basic PFL Claim Types

Bonding
- Requires written proof of the new child such as birth certificate, adoption papers, or foster care placement document
  - Must be claimed within 12 months of the child entering into family
  - Child must be under 18 years of age
Two Basic PFL Claim Types

Care

- To care for seriously ill spouse, registered domestic partner, parent, or child
  
  • Requires doctor certification of serious illness and a need for care
  
  • Requires the signature of person receiving care or his/her authorized representative
Key Points Paid Family Leave

- Payments are limited to six weeks over a consecutive rolling 12-month period

- Mothers transitioning from DI for maternity to PFL for bonding benefits do not have to serve a second seven day waiting period (considered same claim)

- Employers may require employees to use up to two weeks vacation leave before receiving Paid Family Leave benefits
## How Disability Insurance Differs from Paid Family Leave

<table>
<thead>
<tr>
<th>Disability Insurance</th>
<th>Paid Family Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 52 weeks per claim</td>
<td>Up to six weeks per 12-months</td>
</tr>
<tr>
<td>Employee’s personal illness, injury, or disability</td>
<td>Caring for a seriously ill family member or to bond with a new child</td>
</tr>
<tr>
<td>Not required to use vacation benefits</td>
<td>Employers <em>may</em> require employees to use up to two weeks of vacation</td>
</tr>
<tr>
<td>Vacation pay is not in conflict with DI</td>
<td>Vacation pay conflicts with PFL when employer requires employee to use</td>
</tr>
<tr>
<td>Benefits are not reportable to IRS (unless in lieu of UI)</td>
<td>Benefits are reportable to IRS</td>
</tr>
<tr>
<td>Service</td>
<td>Contact Information (English)</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>Disability Insurance</td>
<td>800-480-3287</td>
</tr>
<tr>
<td>Paid Family Leave</td>
<td>877-238-4373</td>
</tr>
</tbody>
</table>
To Report Fraud

To report Disability Insurance, Paid Family Leave or Unemployment Insurance fraud:

- Submit an online Fraud Reporting Form at [www.edd.ca.gov](http://www.edd.ca.gov)
- Call the EDD Fraud Tip Hotline at 1-800-229-6297

To report Payroll fraud:

- Submit an online Fraud Reporting Form at [www.edd.ca.gov](http://www.edd.ca.gov)
- Call 1-800-528-1783
- Email [ueo@edd.ca.gov](mailto:ueo@edd.ca.gov)
- Fax (916) 227-2772
- Mail an Underground Economy Operations Form DE 660
Go to www.edd.ca.gov/ for more information about State Disability Insurance
File DI/PFL Claims Online

**Claimants:** Will be able to securely file Disability Insurance and Paid Family Leave claims and submit required documentation related to their claim online.
Coming Summer 2012

Submit DI/PFL Information Online

- **Employers**: Will be able to securely submit employee information (wages earned, last day worked, etc.) online.

- **Physicians/Practitioners**: Will be able to securely submit patient information (including the information required for the doctor’s certification) online.
Questions?