

Hawaii Temporary Disability Insurance

HI TDI

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This document is meant to answer some of the questions that employers may have and provide them with a quick summary of information related to the law and the state-mandated plan as of January 1, 2022.

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HI Temporary Disability Insurance (HI TDI) Basics

Is my business required to offer HI TDI benefits to employees?

Yes. All employers are required to provide partial “wage replacement” insurance coverage to their eligible employees for non-work-related injury or sickness, including pregnancy.

Is my business required to use the state-run paid leave program?

HI does not have a state-run program. Employers may choose to purchase a fully insured private plan or self-insure. Self-insured plans must be approved by the HI Disability Compensation Division before it takes effects.

How is the program funded?

Private plans can be funded by both employee and employer contributions. The employer may also choose to pay the entire cost. The employee contribution is 0.5% of their weekly pay, up to a maximum weekly wage base of \$1,200, to a maximum of \$6.00 per week (\$312 per year). The employer must pay the balance of the cost.

How do you calculate HI TDI premium amounts due for each employee in 2022?

Wages x 0.5% = HI TDI payroll deduction. When the cumulative total of the employee’s contributions reaches **\$312** for the 2022 calendar year, the payroll deductions stop.

Employee Taxes	Employee A	Employee B	Employee C	Employee D
Annual Salary	\$25,000	\$50,000	\$65,000	\$80,000
Contribution Rate for 2022	0.5%	0.5%	0.5%	0.5%
Total Annual Premium	\$125	\$250	\$312	\$312
Weekly Payroll Deduction	\$2.40	\$4.81	\$6	\$6

Private plans contributions can be aligned to billing frequency of other coverages.

Private Plan Option

What are the private plan requirements?

HI TDI private plans can be self-insured or fully insured. The plan must be available to all covered workers under the HI TDI law and contain the same or better benefits and protections than the minimum required by the law.

What do I need for a self-insured plan?

- A self-insured plan must be approved by this Division. As a self-insurer, the employer must show proof of financial solvency and ability to pay benefits by:
 - Furnishing this Division with the latest audited financial statements for review. Following the initial approval, the audited financial statements must be submitted annually for continued approval of the employer’s self-insured plan,
 - Depositing securities, or
 - Posting surety bonds in an amount determined pursuant to sections 12-11-69 and 12-11-70, Hawaii Administrative Rules.
- By a collective bargaining agreement that contains sick leave benefits at least as favorable as required by the HI TDI Law.
- All self-insured plans must be submitted (FormTDI-15) to this Division for review and approval before they can be put into effect.

What are the planned annual changes?

Annual changes will be published in December of each year.

MetLife's Private Plan Solution

What is MetLife's premium rate for fully insured or self-insured HI TDI coverage?

Fully Insured: HI TDI is underwritten based on the customer. The employee contribution is 0.5% up to the cap per year, and the employer funds the balance of the cost if there is any.

Self-Insured: MetLife's prices are based on a service fee for administering the program. Employee contributions cannot be used to pay the service fee. However, employers may collect the contribution to help fund benefits payable under the HI TDI program.

How do I remit MetLife's premium?

MetLife uses the Self-Administer Premium Billing (SAP) method and can be aligned with the frequency of other coverages offered. As premiums are collected, they should be submitted to MetLife. See example above for payroll deduction.

How will MetLife coordinate employer-paid benefits?

Your MetLife service team can help you review your employer-paid benefit that may overlap with the HI TDI benefit. We document overlaps and your preferred contact and action when the overlap happens on a Claim Benefit Coordination Tip Sheet. The same Tip Sheet can be used for multiple states with paid leave programs.

HI TDI Benefit Details

Who is eligible for coverage?

To be eligible for HI TDI benefits, you must have at least 14 weeks of Hawaii employment during each of which you were paid for 20 hours or more and earned no less than \$400 in the 52 weeks preceding the first day of disability. The 14 weeks need not be consecutive nor with only one employer.

What are the state benefits and what life events can they be used for?



- Eligible workers can receive wage replacement benefits for one's own medical health condition, or the employee's own medical needs including sickness, childbirth, pregnancy complications and injuries.
- There is a 26-week benefit duration, with a 7-day waiting period.
- Job protection may be provided through other federal or state laws such as the federal Family and Medical Leave Act (FMLA) or the Hawaii Family Leave Law (HI FLL). These should run concurrent with HI TDI when applicable.

How much of a benefit can an employee receive?

Benefits are paid as a percentage of an employee's average weekly wage.

Benefit calculation
Maximum weekly benefit capped at \$697.00
58% of the average weekly wage, up to the cap

Leave Request Process

How do employees file for benefits?

Claims are processed in Hawaii. MetLife uses FiRMS as the claim administrator.

1 Notify employer	2 Apply for benefits	3 Submit supporting documentation	4 Stay connected until return to work
<ul style="list-style-type: none"> At least 30 days prior if leave is foreseeable or as soon as the employee can if unforeseeable Notify the employer immediately of the disability 	<ul style="list-style-type: none"> Contact claim administrator within 90 days after leave starts FiRMS can accept claims via paper claim 	<ul style="list-style-type: none"> Proof may be required before the claim decision can be made FiRMS will make a claim decision within 15 calendar days of receiving all information (or the first day of leave, whichever is later) 	Employer and FiRMS will need to have the employee's anticipated return to work date scheduled or an intermittent leave plan on file to efficiently manage the claim

Coordination with Other Benefits

HI TDI, the Hawaii Family Leave Law (HFLL), and the Federal FMLA can be taken at the same time and should be taken at the same time when applicable.

The Hawaii Family Leave Law (HFLL) currently mandates four-weeks of unpaid Family Leave to qualified workers of employers with 100 or more employees.

Can an employee qualify for more than one benefit?

Employees may qualify for more than one benefit based on the leave reason. Some common events are listed below:

Leave reason	HI TDI	HFLL	FMLA	Company	Other
Employee has complications due to pregnancy	Yes	No	Yes	STD	
Employee has a serious health condition requiring multiple days/weeks/months away from work (including acting as a bone/organ donor)	Yes	No	Yes	STD-continuous or reduced leave schedules with partial disability No intermittent leave	
Employee is injured at work	No	No	Yes	No	Workers Comp
Employee is bonding with newborn, fostering and/or adopting a child	No	Yes	Yes	Maybe (Parental/Bonding leave)	
Employee needs to care for a parent, child, spouse with a serious health condition	No	Yes	Yes	Sick leave, PTO	

Leave reason	HI TDI	HFLI	FMLA	Company	Other
Employee needs to care for other family members: reciprocal beneficiary, sibling, parent-in-law; a stepparent; a legal guardian; a grandchild, a grandparent; or a grandparent-in-law with a serious health condition	No	Yes	No	Sick leave, PTO	
Former employee receiving unemployment has a qualifying event	No	No	No	No	Unemployment
Former employee not working and not on unemployment has a qualifying event	Maybe (2 Weeks)	Yes	No	No	

What proof or supporting documentation is needed to support a claim?

For disability or pregnancy, as part of the claim form (HI TDI – 45), a doctor’s statement is required.

Claims Processing

Why does the law say the employee must apply for benefit within 90 days of disability?

The 90-day notice requirement is for the employee to alert their supervisor/employer that they will be absent. This may help with staffing and identify back up training to cover while the employee is out for an extended period of time. There is no requirement for the insurance claim to be submitted early.

What if a claim is denied?

An employer or insurance carrier is required to send the employee a written notice (three copies of Form HI TDI-46) if the claim is denied. If the employee disagrees with the denial, the employee may appeal by explaining why he or she disagrees on the notice and send two copies of this to the Division in Honolulu or the nearest Department of Labor & Industrial Relations District Office. The employee has 20 calendar days from the mailing date of the denial notice to appeal.

General Tax Questions

Are benefits taxable?

Yes.

Are taxes automatically withheld from benefits?

HI TDI: Yes. It is a disability income, and taxes are automatically withheld from benefits.

Resources



Need more information? Visit:

The MetLife PFML [website](#) regarding state mandated benefits.

For HI State TDI resources [click here](#).

For details regarding your coverage, contact your MetLife Representative.

Please Note: The information presented in this brochure is not legal advice and should not be relied upon or construed as legal advice. It is not permissible for MetLife or its employees or agents to give legal advice. The information in this brochure is for general informational purposes only and does not purport to be complete or to cover every situation. You must consult with your own legal advisors to determine how the Hawaii leave laws will affect you. Like most insurance policies, insurance policies offered by MetLife and its affiliates contain certain exclusions, exceptions, waiting periods, reductions, limitations, and terms for keeping them in force. Please contact MetLife or your plan administrator for complete details.

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