

Temporary Disability Insurance (TDI) and Family Leave Insurance (FLI)

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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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NJ Temporary Disability (TDI) and Family Leave Insurance (FLI) Basics

Is my business required to offer TDI and FLI benefits to employees?

Yes. Currently, private employers with employees working in the state of NJ are required to offer TDI and FLI. Employment covered under the New Jersey Unemployment Compensation Law, including state and local government employment, is also covered for Family Leave Insurance.

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

No, while private employers are required to offer TDI and FLI, they may choose to participate in the state-run program, or they can self-insure or fully insure a private plan if they want to offer the same benefits or better to all employees through private insurance.

How is the program funded?

TDI is a combination of employee and employer funding. FLI is 100% employee funded, but employers may choose to fund on behalf of their employees or may take payroll deductions*.

Private plans can be funded by both employee and employer contributions. Employee contributions are capped at the same rate as the state program.

NJ TDI (for 2022)	NJ FLI (for 2022)
No more than 0.14% per week up to cap	No more than 0.14% per week up to cap
Max annual contribution: \$212.66	Max annual contribution: \$212.66
0.14% subject to wage cap \$151,900	0.14% subject to wage cap \$151,900

*Payroll deduction must start day one of employment.

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

Premium = wages x 0.14% each for TDI and FLI payroll deduction up to the annual wage cap of \$151,900. When the **cumulative total** of the employee's contributions** reaches **\$425.32** (\$212.66 x 2) for the 2022 calendar year, the payroll deductions stop.

	Employee A	Employee B	Employee C	Employee D
Annual salary	\$45,000	\$75,000	\$147,000	\$180,000
Employee TDI Contribution rate = 0.14%	\$63.00	\$105.00	\$205.80	\$252.00
Employee FLI Contribution rate = 0.14%	\$63.00	\$105.00	\$205.80	\$252.00
Total annual contribution	\$126.00	\$210.00	\$411.60	\$425.32
Weekly payroll deduction for TDI and FLI	\$2.42	\$4.04	\$7.92	\$8.18

**The state will collect the contributions quarterly bases in arrears. Private plans contributions can be aligned to billing frequency of other coverages.

Private Plan Option

What are the private plan requirements?

NJ TDI and FLI private plans can be self-insured or fully insured. Private plans must be available to all covered workers and contain the same or better benefits and protections. TDI and FLI can be split. Employers primarily use the state-run program for NJ FLI coverage.

What do I need for private plan exemption?

To qualify for a private plan exemption, you need to apply for private plan exemption with an approved private plan. MetLife can provide a summary of the process. Ask your MetLife representative for additional details.

What are the planned annual changes?

Annual changes will be published in November of each year.

Do employers with private plans need to re-file or re-apply with the state?

No, however if you make a material change to your plan you will need to resubmit to the private plan operations for approval before it takes effect.

MetLife's Private Plan Solution

What are MetLife's private plan solutions?

MetLife currently offers TDI fully insured and self-insured plan administration. MetLife does not offer claims administration for FLI at this time.

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

Fully Insured: TDI is underwritten based on the customer. For 2022, employee contribution is 0.14% up to the cap of \$212.66 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 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. Since NJ requires the contribution to be assessed on every dollar earned, 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 state leave benefit. We can 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.

NJ PFML Benefit Details

Who is eligible for coverage?

All employees working for a covered employer are eligible for benefits.

TDI/FLI

An employee*** is covered if they:

- Either have 20 base weeks of work in covered employment during the base year with earnings of at least \$240 in each week (equivalent to 20 times the minimum wage); or \$12,000 of annual earnings.

***Individual employees are not allowed to opt out of the program.

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

Eligible workers can receive wage replacement benefits for the below qualifying events, but no job protection****:



TDI	FLI	
Own Disability Employee's own medical need	Child Bonding Including newborn, adoption, and foster placement	Family Caregiver When a covered family member has a serious health condition
Up to 26 weeks 7 days unpaid waiting period. If disability continues more than 3 weeks. The employee will be paid retroactively for the first 7 days.	Up to 12 weeks No waiting period	
Combined maximum duration 26 weeks TDI and FLI		

****Job protection may be received under the New Jersey Family Care act (NJ FLA), New Jersey's Security and Financial Empowerment (SAFE Act) or the federal Family and Medical Leave (FMLA). These programs should run concurrent with TDI/FLI when applicable.

How much of a benefit can an employee receive?

Benefits are paid as a percentage of an employee's wages up to max.

Maximum Weekly Benefit (For 2022)	
TDI	FLI
\$993	\$993
Wage replaced at 85% of average weekly wage, subject to a maximum of 70% of the statewide average weekly wage.	

An employee can have more than one benefit each year, but no more than 26 weeks combined TDI and FLI in a benefit year.

Leave Request Process

How do employees file for benefits?

1 Notify employer	2 Apply for benefits	3 Submit supporting documentation	4 Stay connected until return to work
Up to 60 days prior if leave is foreseeable or as soon as the employee can if unforeseeable	<ul style="list-style-type: none"> Contact claim administrator within 60 days prior or within 30 days after leave starts MetLife can accept claims via web, telephone, or paper claim. The method is dependent on the employer's coverage plan 	<ul style="list-style-type: none"> Proof may be required before the claim decision can be made MetLife will make a claim decision within 15 calendar days of receiving all information (or the first day of leave, whichever is later) 	Employer and MetLife 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:

The New Jersey Family Care Act (NJ FLA), New Jersey's Security and Financial Empowerment (SAFE Act) or the federal Family and Medical Leave (FMLA) can be taken at the same time and should be taken at the same time when applicable.

Can an employee qualify for more than one benefit?

Leave reason	NJ TDI/FLI		FMLA	Company	Other
	NJ TDI	NJ FLI			
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, or fostering 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	
Employee needs to care for other family members: parents-in-law, siblings, grandparents, grandchildren, domestic partners, chosen family, any other individuals related by blood, any other individuals with whom you consider to be family with a serious health condition.	No	Yes	No	Sick leave, PTO	
Former employee receiving unemployment (more than 14 days post termination) has a qualifying event	Maybe	Maybe	No	No	Unemployment
Former employee not working and not receiving unemployment has a qualifying event	Maybe	Maybe	No	No	

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

For one's disability (when the claimant is sick or hurt and cannot work for an extended period of time):

- Certification of a Serious Health Condition form filled out by the claimant and their healthcare provider. It can take two weeks or more for the doctor's office to process this paperwork, so the claimant should be sure to submit it to them as soon as possible; or
- A doctor's note or Attending Physician Statement (APS). Please make sure it includes the same information as the Certification of Serious Health Condition form.

For child bonding for a newborn:

- A copy of the child's Birth Certificate, or
- A statement from the child's health care provider stating child's date of birth, or
- A statement from the mother's health care provider stating child's date of birth.

For child bonding for adoption or foster care placement:

- A copy of court documents finalizing the adoption; or
- Documentation from the child's healthcare provider; or
- Foster/adoption agency paperwork containing adoption or placement.
- Please note: If the claimant is not the parent named in the court documents, they may also be asked to provide proof verifying the relationship to the parent in locos named in the court documentation, such as, but not limited to, marriage certificate, civil union, or domestic partnership documentation.

For leave to care for a family member with a serious health condition, including medical events related to pregnancy or childbirth, the claimant must provide ONE of the following:

- Certification of a Serious Health Condition form filled out by the claimant and their healthcare provider. It can take two weeks or more for the doctor's office to process this paperwork, so the claimant should be sure to submit it to them as soon as possible, or
- A doctor's note. or Attending Physician Statement (APS). Please make sure it includes the same information as the Certification of Serious Health Condition form.
- Please note: In some cases, a statement confirming the relationship between the covered employee and the family member may also be requested.

Claims Processing

Can NJ FLI be taken intermittently?

Yes, NJ FLI can be taken in full day increments as requested by a qualified claimant.

Can an employee who is out on maternity leave in the fall of 2021 wait until 2022 to take NJ FLI-child bonding to receive the paid benefits?

Yes, under NJ FLI law, covered employees can take FLI for bonding with a new child at any time within the first 12 months of the child's birth, adoption, or foster care placement.

Why do we recommend the employee give a 30-day advance notice of foreseeable leave?

The 30-day advance 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?

If a claim administered by MetLife has been denied, the claimant may reach out to MetLife to have the claim reconsidered, especially if there is new information to support the claim. If, after a second review and the claim is still denied, the claimant may file an appeal. The denial letter will provide the appeal filing instructions.

Who is a covered family member?

Family member means sibling, grandparent, grandchild, child, spouse, domestic partner, civil union partner, parent-in-law, or parent of a covered individual, or any other individual related by blood to the employee, and any other individual that the employee shows to have a close association with the employee which is the equivalent of a family relationship.

General Tax Questions

Are benefits taxable?

Only a portion of the Temporary Disability Insurance benefits paid are taxable by the federal government. They are considered third-party sick pay or other wages.

Are taxes automatically withheld from benefits?

FLI: Family Leave Insurance benefits are considered taxable income for purposes of the federal income tax. They are not considered taxable for purposes of the New Jersey gross income tax. When the claimant applies, they can choose to have 10% of their benefits withheld for federal income tax. At the end of each calendar year, the employee will need to obtain a 1099-G form online.

TDI: Temporary Disability Insurance benefits are considered taxable income for purposes of both the federal income tax and FICA (Social Security). Federal income tax will not be withheld from benefit payments issued by the state. There is a process to have the state withhold taxes. [Click here](#) for more information.

Private plan: MetLife does withhold for federal tax and FICA and will issue a W2 for benefits paid to the employee.

Resources



Need more information? Visit:

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

For NJ State PFML 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 these 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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