

# California Statutory Disability and Paid Family Leaves

## CA SDI & CA PFL

### CA Statutory Disability and Paid Family Leave (CA SDI/PFL) Basics

#### Is my employer required to offer CA SDI/PFL benefits?

Currently, employers that employ one or more workers and who pay more than \$100 in wages in any quarter are required to offer paid family leave and statutory disability coverages. Excluded employers are a subset of non-profit organizations, railroad and government employers, and real estate sales employers, among others described in the law.

#### Is my employer required to use the state-run CA SDI/PFL program?

No, employers may choose to offer CA SDI/PFL benefits or better to all employees through a self-insured voluntary plan that contains at least one feature that is better than the state's plan. An employee vote is required with a simple majority to approve the voluntary plan before applying for the state's approval. Once approved, the voluntary CA SDI/PFL plan will include a state tax exemption from contributing into the state's CA SDI/PFL fund.

#### How is the program funded?

The state-run program is 100% funded by employee contributions.

CA SDI/PFL	
CA Taxable Wage Cap	\$145,600
Percentage of Contribution to CA SDI/PFL	1.1%
2022 Maximum Employee Contribution	\$1,601.60

#### How are voluntary disability and paid family leave (VDI/PFL) programs funded?

Voluntary plans can be funded by employer contributions. However, the employee contributions are capped at the same rate as the state program. Employee contributions withheld for VDI/PFL coverage and any income derived from this fund should be placed in a separate bank account for the VDI/PFL trust funds. This bank account must only be charged with benefits and allowable administrative costs incurred from plan operations. In addition, it must show all income to the plan, the payment of benefits, and allowable costs, separate and apart from all other operations of the employer. Any interest and dividend income earned under this account must be credited to the fund and reported to CA on an annual basis (Report Form- DE2568V).

## CA SDI/PFL Benefit Details

### Who is eligible for coverage?

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

CA SDI/PFL
<p>An employee is covered if they:</p> <ul style="list-style-type: none"> <li>• Are employed or actively looking for work at the time leave begins</li> <li>• Have earned at least \$300 from which DI/PFL deductions were withheld during the base period</li> <li>• Have lost wages due to a qualifying event for disability or paid family leave</li> </ul>
San Francisco Paid Parental Leave Ordinance
<p>An employee is covered if they:</p> <ul style="list-style-type: none"> <li>• Began employment with the covered employer at least 180 days prior to the start of the leave</li> <li>• Perform at least 8 hours of work/week for the employer in San Francisco</li> <li>• Have worked at least 40% of their total weekly hours for the San Francisco employer</li> <li>• Are eligible to receive PFL-child bonding compensation under the California Paid Family Leave law</li> </ul>

### 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:



Disability Insurance	Paid Family Leave		
<p><b>Own Serious Health</b> Employee's own medical need leading to incapacitation including pregnancy / childbirth</p>	<p><b>Child Bonding</b> Including newborn, adoption, and foster placement  San Francisco Paid Parental Leave</p>	<p><b>Family Caregiver</b> When a covered family member has a serious health condition</p>	<p><b>Military Exigency</b> When a covered family member is called to active service overseas</p>
Benefit Duration			
<p>Up to 52 weeks 7 day waiting period</p>	<p>Up to 8 weeks No waiting period</p>		
<p><b>DI/PFL can be taken intermittently, on a reduced leave or continuous leave schedule</b> <b>Total of 52 weeks in a 52-week period combined for paid family and disability benefits</b></p>			

## How much of a benefit can an employee receive?

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

Maximum Weekly Benefit cap at \$1,540/week	
Benefit Calculation:	
60% for individuals who earn one-third or more of the State's Average Quarterly Wage	or
	70% for individuals who earn less than one-third of the State's Average Quarterly Wage
State Average Weekly Wage: \$1,570.00	

San Francisco Paid Parental Leave
When a Covered Employee gets 8 weeks of PFL, that employee is also entitled to 8 weeks of PPLO Supplemental Compensation raising the employee's benefit to 100% pre-disability earnings.

## Leave Request Process

### How do I file for benefit?

1 Notify employer	2 Apply for benefits	3 Submit supporting documentation	4 Stay connected until employee returns to work
At least 30 days prior if leave is foreseeable or as soon as employee can if unforeseeable	<ul style="list-style-type: none"> <li>Contact claim administrator within 41 days prior or within 41 days after leave starts</li> <li>MetLife can accept claims via web, telephone or paper claim. Method dependent on employer's coverage plan</li> </ul>	<ul style="list-style-type: none"> <li>Proof may be required before the claim decision can be made</li> <li>MetLife will make a claim decision within 10 calendar days of receiving all information (or your first day of leave whichever is later)</li> </ul>	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

CA SDI/PFL, CA Family Rights Act (CFRA), and the federal FMLA can be taken at the same time and should be taken at same time, when applicable.

### Can I 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	CA SDI/PFL		FMLA	Company	Other
	CA DI	CA PFL			
Employee has complications due to pregnancy	Yes	No	Yes	STD	
Employee has a serious health condition requiring multiple days-weeks-months away from work	Yes	No	Yes	<b>STD-continuous or reduced leave schedules with partial disability</b> No intermittent leave	Social Security benefits received may reduce the amount of CA DI/PFL received

Leave reason	CA SDI/PFL		FMLA	Company	Other
	CA DI	CA PFL			
Employee is injured at work	No	No	Yes	No	Workers Comp
Employee is fostering and/or adopting a child	No	Yes	Yes	Maybe (Parental/ Bonding leave)	Additional paid leave if employee works in San Francisco
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, grandparent, sibling, grandchild	No	Yes	No	Sick leave, PTO	
Former employees	No	No	No	No	Unemployment

**If my employer has a voluntary plan for parental leave that pays 100% salary for a designated number of weeks how would MetLife coordinate the voluntary plan with the CA SDI/PFL benefit?**

CA DI/PFL is a wage replacement benefit. If the employee is not losing wages the CA SDI/PFL may begin after the company paid leave ends. As part of our benefit coordination process, MetLife’s claims team will reach out to the employer to coordinate dates of the company leave that directly overlap with the state leave (i.e., Company’s parental leave and PFL-child bonding).

**If I take an employer sponsored paid benefit for a similar leave, can my employer be reimbursed for state benefits I am also qualified to receive?**

No. Per the state law the CA SDI/PFL benefits cannot be reimbursed.

**What proof or supporting documentation is needed to support my claim?**

**For an employee’s own disability (when they are sick or hurt and cannot work for an extended period of time):**

- Certification of a Disability/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 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 your 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 Disability/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.

**For qualifying military exigency needs, the claimant will need to verify their family member's service with one of the following:**

- Covered family member's active-duty orders, or
- Letter from the military unit documenting impending call or order to covered duty, or
- Documentation of military leave signed by the approval authority for the military member's Rest and Recuperation.
- If leave is requested to meet with a third party, such as a school official, counselor, or attorney, the claimant must provide documentation of the meeting that includes:
  - The name, address, and contact information of the individual or entity with whom you are meeting
  - A description of the meeting

**For caring for a Family Member who is a covered service member:**

- Certification of a Disability/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.
- An alternative form of certification can be Invitational Travel Order (ITO), or Invitational Travel Authorization (ITA) issued by the Department of Defense to any family member to join an injured or ill service member at his or her bedside.
- Please note: In some cases, a statement confirming the relationship between the Covered Employee and the Family Member may also be requested.

## Claims Processing

### What happens if I am out on STD or approved absence starting in 2021, which extends into 2022?

Benefits are paid based on the first day of absence for PFL or first day of disability if DI.

### Can CA DI/PFL be taken intermittently or on a reduced leave schedule?

Yes, CA DI/PFL can be taken intermittently or on a reduced leave schedule. Proof of need may be required.

### If I am out on maternity leave in the fall of 2021 can I wait until 2022 to take CA PFL-child bonding to get the paid benefits?

Yes, under CA DI/PFL law, covered employees can take DI in 2021 and fall under the 2021 benefit caps and then wait to take PFL-bonding until 2022 using the 2022 cap, recognizing that the benefit would need to be taken within the first 12 months of the child's birth, adoption, or foster care placement.

### Why should I give 30-days advance notice of foreseeable leave?

The 30-day advance notice is a best practice 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.

### Who is a covered family member?

Family member means child, parent, grandparent, grandchild, sibling, spouse, or registered domestic partner.

## General Tax Questions

### Are benefits taxable?

Federal – Yes. State – maybe. Disability Insurance (DI) benefits are not reportable for tax purposes. However, if the claimant is receiving Unemployment Insurance (UI) benefits, becomes unable to work due to a disability, and begins receiving DI benefits, a portion of their DI benefits will be reported for tax purposes.

### Are taxes automatically withheld from benefits?

State administered claims – No. Taxes will not automatically be withheld from benefits. If benefits were reported to the IRS, the state will issue a 1099-G.

Self-insured voluntary plans – Many plans run through an employer's normal payroll, which has taxes taken out similar to other wages. If MetLife cuts benefit checks on behalf of the voluntary plans, we do withhold taxes and issue a W2 similar to traditional STD benefit payments.

## Resources



### Need more information? Visit:

The MetLife PFML [website](#) regarding state mandated benefits.  
For CA SDI/PFL Resources [click here](#).

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