

NONINDUSTRIAL DISABILITY INSURANCE (NDI) SUMMARY

PROGRAM: An employer-paid short term disability program designed to provide a fringe benefit wage continuation program to eligible employees.

ELIGIBILITY: Full time, permanent or probationary employees, who are members of the Public Employees' Retirement System (PERS) or State Teachers' Retirement System (STRS) and who are in compensated employment, are eligible to apply for nonindustrial disability (NDI) benefits when disabled from work due to illness or physical injury which is not work related. Part time employees who are members of PERS or STRS may be eligible if they are appointed half time or more for one year of service or one academic year or more.

BENEFITS: Benefits may vary according to compensation level and/or collective bargaining unit. Generally, the maximum weekly benefit is \$125; however, the maximum weekly benefit for employees in Bargaining Units 2, 5, 7 and 9 and Confidential (C99) and Management (M80) is \$250.00.

FILING A CLAIM: A claim form, #DE 8501, must be obtained from the Benefits Office and submitted to the Employment Development Department via the employee's attending physician.

- 1) The employee completes the employee portion of the claim statement and the Payroll Office completes the upper half of the claim statement. The employee submits the claim to the attending physician. All sick leave must be exhausted prior to commencement of NDI benefits. Employees have the option to use accrued vacation. If using vacation, they must exhaust all accrued vacation before the NDI benefit will start.
- 2) The attending physician completes the "Doctor's Certificate" on the reverse side of the form.
- 3) The physician submits the form directly to the Employment Development Department (EDD) for determination of benefits.

PAYMENT PROCESS: The Employment Development Department determines the period of eligibility and authorizes claims. Once the Payroll Office receives authorization, they will request payment to the State Controller's Office. Payment is then prepared on a monthly basis through the Payroll Office and distributed via direct deposit or by the individual department. Employees may request that the Payroll Office send the payment directly to their home address.

WAITING PERIOD: The waiting period varies according to employment status and/or collective bargaining unit. Generally the waiting period is seven calendar days. The waiting period or any unserved portion may be waived if hospitalization is required.

(Reverse)

CONTINUATION OF EMPLOYEE BENEFITS: Voluntary deductions for employee benefits plans including health/dental/vision insurance, credit union, parking fees, etc. will be automatically deducted from the NDI benefits;

However, employees may cancel voluntary deductions if desired. If benefit plans are continued, the employer contribution and employee contribution, if any, will also continue. The Internal Revenue Service has ruled that NDI benefits are taxable wages, and as a result, state and federal taxes and Social Security contributions will be withheld. Employees will not earn retirement service credit and retirement contributions will not be deducted from NDI benefits. NDI payments are not affected by other disability or wage loss insurance.

APPEAL RIGHTS: Employees may appeal NDI determinations in writing and obtain a hearing before an administrative law judge by informing the NDI office or any EDD office.

DISABILITY DETERMINATION SUMMARY:

1. All full-time employees are eligible for sick leave at the rate of eight (8) hours per month. Part-time employees accrue sick leave on a prorated basis. Employees may be required to provide a physician's statement for absence charged to sick leave.

2. Once sick leave is exhausted, employees may be eligible to receive NDI benefits for a maximum duration of six (6) months.

3. Once NDI benefits are exhausted, employees who are disabled may be eligible for a leave of absence without pay. Employees may also apply for disability retirement benefits if accumulated service credit equals five (5) years or more.

4. During and after receipt of NDI benefits, employees may receive benefits from other voluntary disability plans if enrolled prior to the onset of disability.

5. Employees shall provide their supervisor, and the Benefits Office written authorization from their personal physician for return to work.