



THE E.Z.T.D.B CENTER LTD

NICHE INSURANCE SPECIALIST
SINCE 1976

EZ TDB

NJ TEMPORARY DISABILITY BENEFIT

NJ TDB BASICS

- ▶ **Waiting Period:** 8 days. If the benefits last longer than 3 consecutive weeks, the waiting period is waived. disability
- ▶ **Period of Disability:** 26 weeks in any 52 week period
- ▶ **When is an Employee Eligible?:** Earns a minimum of \$172 in 20 weeks of the last 52 weeks (NJ earnings 2019) \$8,600 annually dating back from the 1st day of disability.
- ▶ **Statutory Benefits:** 66 2/3 of the Average weekly Wage to a maximum weekly benefit of \$650 per week (as of 01/01/19) 1/3 Total Wages for Base Year or 26 X Benefit (whichever is less).
- ▶ **What is the Cost State Plans:** Based on the annual taxable wages (\$34,400 for 2019) New Employer – .50 Cents per \$100 of taxable wages for the 1st 3 years. Established Employer – Experience rates from \$.10–\$.75 (cents). Also subject to the cost of Assessments and Taxes
- ▶ **What is the Cost Private Carrier:** The cost of the Temporary Disability Benefits program is based on prior experience of the group.

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- ▶ **NJTDB BASICS**: The New Jersey Temporary Disability Law (TDB) requires most employers in New Jersey to provide *Short Term Disability Benefits* to their eligible employees who are unable to work due to an *off-the-job injury* or *illness*.
- ▶ **Covered Employees**: All Part Time and Full Time employees
- ▶ **Who is not Eligible**: Municipalities, Ministers, Priests, Rabbis, members of religious orders.
- ▶ **What are the Benefits?** Temporary disability benefits coverage provides a weekly benefit amount that is *determined on the basis of the claimant's average weekly earnings*. Benefits are 66 2/3% of the claimant's average weekly salary, up to a maximum weekly benefit determined annually by the New Jersey Department of Labor.
- ▶ **2019 Benefit**:: 66 2/3% of average weekly salary. Maximum benefit is currently \$650.00 per week.
- ▶ **2019 Taxable Wages**: \$34,400

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- ▶ Costs to the employee: (contribution is changed yearly): 2019
Contribution rate – \$.17 per \$100 of taxable Wages. Under a Private Plan the employer has the option to pay the full cost, and waive the employees contribution.
- ▶ Underwriting Information Needed to Quote: AC174.1 – Notice of employer Contribution Rates (annual report) which the state sends to the employer in late August (most current 3 yrs) Number of employees (males/females) salaried census (gender/salary). If they are currently with a Private Carrier, we need premium, rate and claims history for 3 years.
- ▶ What is Needed if a Private Plan is Sold? TDB Application, State DP1 form, DP1 – Application to State for Private Plan, either an Approval or Modification. Please make sure that a corporate officer signs the application and the DP-1 form. Wherever applicable, the corporate office should include his or her title. The only acceptable officers for the purpose of the State of New Jersey are: *Owners, Partners of Corporate officer (President, Vice President, Secretary * Treasurer.)* If a person with any other title signs the forms, the State will reject the application. In addition, all forms must have an original signature.
- ▶ **APPLICATIONS CAN NOT BE BACK DATED IN NEW JERSEY**

NJ TDB BASICS

- ▶ **Advantages of Writing With a Private Carrier:**
Employer advantages: Competitive Rates, The carrier picks up the Assessments/Taxes, Claim service, quicker, personalized, better.
- ▶ **Advantages to You:** Dealing with Professionals, Strength of the A rated carriers, and Competitive Rates.