

**FAMILY LEAVE INSURANCE AND
TEMPORARY DISABILITY INSURANCE
COMBINED ANNUAL ACTIVITY REPORT
2021**

New Jersey Department of Labor and
Workforce Development
Office of Research and Information
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HIGHLIGHTS

Temporary Disability Insurance and Family Leave Insurance are wage replacement programs that work together to provide increased economic security to working families in New Jersey. Enacted in 1948, the Temporary Disability Insurance program, provides cash benefits to New Jersey workers suffering a non-work-related physical or mental illness, injury, or other disability that prevents them from working. The Family Leave Insurance program was enacted in 2009 and provides cash benefits for New Jersey workers who need to take short-term leave, to bond with a newborn, newly adopted, newly placed foster child, provide care for a seriously ill or injured family member, or cope with domestic or sexual violence. Both programs are operated by the Division of Temporary Disability and Family Leave Insurance at the New Jersey Department of Labor and Workforce Development.

The report provides a summary of workload activity and other data during 2021 for the Family Leave Insurance (FLI) and State Plan for the Temporary Disability Insurance (TDI), with comparative information from prior years. While this analysis is primarily concerned with data movements during the past five years, any significant longer-term trends are also noted. The data are derived from New Jersey's Disability Automated Benefits System (DABS), which was developed in 1989.

Highlighted findings from this report indicate that new FLI claims received and initial dispositions both increased in 2021, following the upward trend experienced in the past four years. About 84 percent of eligible FLI claims were filed to bond with a newborn, newly adopted child or newly placed foster child, with the remainder of claims to care for a seriously ill family member. FLI gross benefit payments for 2021 claims totaled \$334.8 million, with an average weekly benefit amount for all claims of \$782. Benefits rose by more than 79 percent compared with 2020. Claims processing times decreased in 2021. The 14-day and 28-day time lapse performance measures were 67 and 90.6 percent respectively. About 72 percent of total family leave claims were initiated by women. Data by type of claim for education level and race/ethnicity showed that the highest number of claims in 2021 were for individuals with an associate or bachelor's degree, followed by high school graduates. Just over half of all claimants were Caucasian (56%), with Hispanic/Latino and African American individuals comprising approximately 17 and 13 percent of claimants, respectively.

Highlighted findings from this report indicate that during 2021, new TDI claims received and initial dispositions both increased. Gross benefit payments rose by about 23 percent in 2021, driven by the increase in claims volume. Claims processing times decreased in 2021 for the fourth consecutive year. The 14-day and the 28-day time lapse performance measures were 69 and 91 percent, respectively. Lack of medical evidence was again the most frequently cited reason for denial, comprising 32 percent of all denials. More than 69 percent of total disability claims were by females. Data by type of claim for educational level and race/ethnicity showed that the highest number of claims in 2021 were for high school graduates and for Caucasian claimants. Claims for benefits due to pregnancy and complications of pregnancy and childbirth continued to be the largest single category for both new eligible claims and completed cases, comprising about 25 percent of each group. These percentages have been consistent since 2001 when morbidity data (type of injury or illness) for eligible claims and completed cases became available.

The Division continues to monitor all facets of the claims process. Our timely responsiveness to claimants is paramount, thus we have embarked upon several initiatives to improve customer service. In addition, NJDOL has made significant efforts to build infrastructure within the Department and to partner with community-based organizations to disseminate information about the rights and responsibilities of employers and employees regarding temporary disability and family temporary disability benefits. Additional information related to these efforts is provided in the report.

FAMILY LEAVE INSURANCE PROGRAM – 2021

Overview

The enactment of P.L. 2008, chapter 17 on May 2, 2008 created the New Jersey Family Leave Insurance Program. This report provides a summary of workload activity for the State Plan for Family Leave Insurance (FLI) during calendar year 2021, with comparative information from calendar years 2017 - 2020. The data are derived from New Jersey's Disability Automated Benefits System (DABS), which was developed in 1989.

The report tables for 2021 incorporate the data elements required by the enactment of P.L. 2019, chapter 37 on February 19, 2019. Table 1 provides data on claims received, initial dispositions and benefits paid for family leave claims. Tables 2 and 3 contain information on the time it takes to process claims and reasons for denial, respectively. Claim statistics by type of claim including sex, education and race/ethnicity can be found in Table 4. A list of definitions for key workload items is included on page 13 of this report.

Background

With the enactment of P.L. 2008, chapter 17, on May 2, 2008, New Jersey extended the Temporary Disability Insurance program to provide family leave insurance benefits, a monetary benefit (not a leave entitlement), for covered individuals bonding with newborn or newly adopted children or caring for seriously ill family members.

Beginning July 1, 2009, claimants became eligible for up to six weeks of family leave benefits per 12-month period. Workers could receive weekly family leave benefits equal to two-thirds of their average weekly wage, up to a maximum weekly benefit determined annually. Leave could be taken either for six consecutive weeks, for intermittent weeks or for up to 42 intermittent days per 12-month period.

With the enactment of P.L. 2019, chapter 37 on February 19, 2019, New Jersey expanded the family leave program in a number of ways. In the beginning of the program, a family member was defined as the claimant's child, spouse, domestic partner, civil union partner or parent. For claims after February 19, 2019, the definition of child was expanded to include the claimant's biological or adopted child, foster child, stepchild, legal ward, the child of the claimant's domestic or civil union partner or the child of a gestational carrier, with a writer agreement in place. Family leave was also expanded to cover coping with domestic or sexual violence situation. Claimants could provide care for themselves, a victim/survivor or a family member of a victim/survivor.

The definition of family member was expanded for claims after February 19, 2019 to also include parent-in-law, sibling, grandparent, grandchild, domestic partner and any other individual related by blood to the employee or any other individual who has a close association with the employee which is equivalent of a family relationship.

P.L.2019, c.37 also established and required annual reporting on new goals to make timely determinations and prompt payments of benefits to claimants who meet eligibility criteria. These new goals were based on the premise the Division would be modernizing their claims processing system. Those goals for the Family Leave Insurance program are as follows:

Timely determination and prompt payment of:

- 80% within 7 days
- 85% within 14 days
- 90% within 21 days
- 95% within 28 days

Funding Structure

The family leave program is funded entirely through worker contributions, which were equal to 0.28 percent of taxable wages in 2021, up from 0.16 percent of taxable wages in calendar year 2020. Worker contributions were based on a taxable wage base equal to 107 times the statewide average weekly wage (SAWW). The worker contribution rate is adjusted annually to a rate sufficient to maintain an account balance needed to pay benefits.

For 2021, claimants were eligible for family leave benefits equal to 85 percent of their average weekly wage, up to a maximum weekly benefit rate in 2021 of \$903. The maximum FLI benefit period was 12 consecutive weeks and the maximum intermittent FLI leave was 56 intermittent days per 12-month period.

All New Jersey employers covered by the Unemployment Compensation Law are also subject to the Family Leave Insurance provisions of the Temporary Disability Benefits Law, including certain government entities (for example, school districts and municipalities) which are not automatically covered by temporary disability insurance. Federal government employers, as well as faith-based organizations, are exempt from the provisions of this law. A subject employer is automatically covered under the State Plan for family leave insurance unless it has covered its workers under an approved FLI private plan. Estimated State Plan covered employment for family leave insurance averaged 3,685,000 workers in 2020 and 3,727,600 in 2021. Private plan covered employment averaged 10,787 workers in 2020 and 14,595 in 2021.

Claims and Benefits

During calendar year 2021, new claims received and initial dispositions both increased, continuing the upward trend of recent years (see Table 1). The number of claims initiated online increased for the sixth consecutive year, surpassing the number of paper claims received, while the number of paper claims received annually continued to decline.

Eligible dispositions comprised about 88 percent of total dispositions in 2021, compared with 83 percent in 2020 and 81 percent in 2017.

P.L. 2019 requires a reporting of the number and percentage of ineligible claims received with insufficient information; the portion of those claims that were deemed ineligible because of failure of claimants to provide sufficient information; and the portion of those claims that were deemed ineligible because of failures of medical providers of claimants to provide sufficient information. This information can be found in Table 1. The law also requires reporting of those claims deemed ineligible because of failures of employers to provide sufficient information. These data are not available or collected in the DABS system, as claims for this program are not deemed ineligible due to lack of employer information.

Gross benefit payments made in 2021 rose to \$334.8 million, an increase of 78.9 percent from 2020 when benefit payments totaled \$187.1 million. Similarly, the average weekly benefit amount saw an increase in 2021, rising from \$659 in 2020 to \$782.

Time Lapse Data

The percentage of initial determinations made within two weeks of receipt of the claim decreased to 67 percent in 2021 from 70.9 percent in 2020 (see Table 2). The annual number of cases increased from 52,982 in 2020 to 56,905 in 2021 (+7.4%).

The percentage of initial determinations that occurred within four weeks was 90.6 percent, an increase from the level attained in 2020 of 89.5 percent and up from 50.6 percent in 2017. The service goal for processing initial determinations within four weeks is 95 percent.

While the Division recognizes the percentage goals of Family Leave Insurance (FLI) claims to receive an original determination has fallen short of the specified thresholds, we would point to the percentage increases from CY 2017 to CY 2021. For FLI claims in 2017, the percentages of original determinations for 7-day, 14-day, 21-day and 28-days were 20.6%, 32.9%, 42.6% and 50.6% respectively. In 2021, those percentages are as follows with the percentage increases from 2017 – 2021 in parentheses, 31.8% (+11.2%), 67.0% (+34.1%), 83.9% (+41.3%), and 90.6% (+40.0%). The Division recognizes these percentages are still short of the goals set forth by the law. The Division's progress towards achieving these goals continues to be a top priority.

Reasons for Denial

The primary reasons for denial of a family leave claim at the time of initial determination are shown in Table 3. Lack of medical evidence was the most frequently cited reason for denial in 2021, comprising 14.8 percent of all reasons for denial. For caregiving claims, medical certification is required from the patient's medical provider.

"Other" reasons were cited in 80.4 percent of denials in 2021, compared with 79.5 percent in 2020. "Other" reasons include late filing, employment by an uncovered governmental agency, disability that is the result of committing a crime, disability with duration of less than seven days and state government employment when the individual has accrued sick time available.

Claimant Characteristics

Table 4 includes data on the number of eligible claims by sex, education level and race/ethnicity for all eligible family leave claims, bonding claims, claims for bonding with a newborn, claims for bonding with an adopted child, family care claims, claims for care of a sick child, claims for care of an ill spouse and claims for care of other sick family members. Table 4 also includes claimant characteristics totals for all claims, including both eligible and ineligible claims.

There were 46,160 eligible family leave claims in 2021, of which 20,907 claims, or 45.3 percent, were intermittent claims. Approximately 84 percent of eligible claims were for bonding (38,856) with the remaining 16 percent for care of ill family members (7,304).

Females comprised 71.8 percent of family leave claims, while males totaled 28.2 percent of all eligible claims. For claimants taking leave to bond with a newborn or newly adopted child, females comprised 72 percent of eligible claimants, while males comprised 28 percent. The majority of FLI claimants taking leave to care for a seriously ill family member were female (70.8%). Males comprised 29.2 percent of family care claimants, compared with 28 percent of bonding claimants.

Individuals with an associate or bachelor's degree accounted for 38.9 percent of eligible family leave claims, followed by high school graduates (30.4%) and claimants with graduate degrees (24.6%). Individuals taking leave to care for a sick family member were more likely to be high school graduates

(42.8%), followed by those with an associate or bachelor's degree (32.2%). The percentages of bonding claimants by educational level were similar to those for all eligible family leave claimants.

The largest group of family leave claimants by race/ethnicity were Caucasian (55.9%), followed by Latino/Hispanic (17.2%), African American (12.5%) and Asian (9.3%).

Of the \$274.9 million paid for total family leave claims filed in 2021, \$247 million were for bonding claims (89.9%) while \$27.9 million were paid to family care claimants (10.1%). The average weekly benefit amount for all claims in 2021 was \$758 with bonding claims averaging \$796 per week and family care claims averaging \$733 per week. Average days paid per claim were higher for bonding claims (66 days) compared with family care claims (46 days). Claims for all types of family leave averaged 65 days.

FLI Revenues, Benefits and Administrative Expenses

Table 5 contains a summary of revenues, benefits and administrative expenses during 2020 and 2021. It should be noted that State Plan benefit totals in Table 5 are reported on a cash basis and do not match the benefit payment data in Table 1, which are compiled by type of claim from monthly disability workload reports.

The State Plan for FLI is financed entirely through worker contributions, which totaled \$269.1 million in 2020 and \$628.1 million in 2021. The worker contribution rate was 0.14 percent of taxable wages in 2021, compared with the rate of 0.16 percent in 2020. The worker contribution rate is calculated annually and adjusted as necessary based on the balance in the fund and expected benefits and expenses for the upcoming year.

Total FLI State Plan benefits during 2021 were \$354.7 million, which was an increase from 2020 when benefits were \$200.3 million. Benefit payments for family leave during unemployment were \$0.7 million in 2021 and \$0.8 million in 2020. FLI administrative expenses increased from \$7.3 million in 2020 to \$9.0 million during 2021.

The total number of personnel in the division is 185. The total cost of salaries and benefits for those personnel in fiscal year 2021 was approximately \$20,172,422. The number of personnel who are processing FLI claims is 21, with an approximate budgeted cost of salaries and benefits of \$1,890,000**.

The personnel cost of staff who are solely processing FLI claims is 5.7% of the Division's total administrative cost, which in fiscal year 2021 was \$33,202,102. The maximum administrative amount permitted is \$10M over the appropriated budgeted administrative amount per fiscal year, but this amount is subject to the approval of the Director of the Division of Finance and Accounting.

**This amount accounts for staff assigned to the direct processing of FLI claims. Personnel in other units assist in the claims processing system indirectly and are therefore not included in this total.

TEMPORARY DISABILITY INSURANCE PROGRAM – 2021

The enactment of P.L. 1948, chapter 110 created the New Jersey Temporary Disability Program. Provided in this report is a summary of workload activity and other data during 2021 for the State Plan for Temporary Disability Insurance (TDI), with comparative information from prior years. While this analysis is primarily concerned with data movements during the past five years, any significant longer-term trends are also noted. The data are derived from New Jersey's Disability Automated Benefits System (DABS), which was developed in 1989.

The report tables for 2021 incorporate the data elements required by the enactment of P.L. 2019, chapter 37 on February 19, 2019. Tables 6, 7 and 8 provide data from 2017 through 2021 on workload activity, time lapse statistics and reasons for denial of disability claims. Information on the sex, education level and race/ethnicity of claimants for 2021 can be found in Table 9. Morbidity data for eligible claims and completed cases in 2021 are contained in Tables 10 and 11. A list of definitions for key workload items is included on page 13 of this report.

Background

Since its enactment in 1948, the New Jersey Temporary Disability Benefits Law has provided benefits to workers affected by non-work-related injuries or illnesses.

With the enactment of P.L. 2019, chapter 37 on February 19, 2019, New Jersey expanded the Temporary Disability Insurance program. P.L.2019, c.37 also established and required annual reporting on new goals to make timely determinations and prompt payments of benefits to claimants who meet eligibility criteria. These new goals were based on the premise that the Division would be modernizing its claims processing system. Those goals for the Temporary Disability Insurance program are as follows:

Timely determination and prompt payment of:

- 40% of claims within 7 days
- 75% within 14 days
- 85% within 21 days
- 90% within 28 days

Funding Structure

All employers, except local government, for which coverage is optional, are subject to the provisions of this law when their quarterly payrolls are at least \$1,000. Federal government employers, as well as faith-based organizations, are exempt from the provisions of this law. Employers may choose the State's insurance plan or obtain private coverage equal to or better than the State Plan. The temporary disability program is funded by a combination of employer and worker contributions. Employer contribution rates vary from 0.10 percent to 0.75 percent of taxable wages, depending on the employer's disability experience rating.

For 2021, the worker contribution rate was 0.47 percent, up from a rate of 0.26 percent in 2020. Since 2012, the worker contribution rate has been adjusted annually based upon a legislative formula.

In 2021, the number of State Plan employers rose to 235,079 from 233,104 in 2020. In addition, 629 employers were covered by a combination of state and private plans, while private plan employers

totaled 5,729. State Plan covered employment increased by 0.5 percent in 2021, averaging 2,471,696 in 2021 and 2,459,441 in 2020.¹ Private plan covered employment increased by 0.2 percent in 2021, averaging 843,747 in 2021 and 842,462 in 2020.

Claims and Benefits

New claims received and initial dispositions both increased in 2021 (see Table 6). The number of web claims received increased for the sixth consecutive year, surpassing the number of paper claims received for the first time, while the number of paper claims received annually continued to decline.

Eligible dispositions comprised 67 percent of total dispositions in 2021, compared with 67 percent in 2020 and 73 percent in 2017.

P.L. 2019 requires a reporting of the number and percentage of ineligible claims received with insufficient information, the portion of those claims that were deemed ineligible because of failure of claimants to provide sufficient information and the portion of those claims that were deemed ineligible because of failures of medical providers of claimants to provide sufficient information. This information can be found in Table 1. The law also requires reporting of those claims deemed ineligible because of failures of employers to provide sufficient information. These data are not available or collected in the DABS system, as claims for this program are not deemed ineligible due to lack of employer information.

P.L. 2019 also requires a reporting of the number and percentage of claims for which determinations were delayed because of employer failure to make the notifications or disclosures to employees and the division within the required amount of time; the number of complaints received related to employer noncompliance with those requirements; and the number of employers which have been, because of the failures, required, pursuant to section 31 of P.L.1948, c.110 (C.43:21-55), to pay fines or penalties to the division or added amounts to claimants; the total amount of payments to the Division; and the total amount of payments to claimants. However, due to changes made to the law, which provided the Division the ability to use wage data already available to DOL, this issue has largely ceased to exist. If wage data is not available, the Division will ask for paystubs from the claimant to prove wages earned during a certain timeframe.

Gross benefit payments increased by 23.3 percent in 2021 compared with 2020. The increase was largely due to the increase in claims volume. Similarly, the average weekly benefit amount also saw a significant increase in 2021, rising from \$562 in 2020 to \$701.

Time Lapse Data

The percentage of initial determinations made within two weeks of receipt of the claim rose to 68.6 percent in 2021 from 66.4 percent in 2020, the fourth consecutive annual increase. The two-week time lapse measure exceeded the Disability Insurance Service performance goal of 65 percent for processing initial determinations within two weeks for the second consecutive year (see Table 7).

The percentage of initial determinations that occurred within four weeks also increased over the year to 90.5 percent from 88.4 percent in 2020. This second performance measure was above the Disability Insurance Service goal of 90 percent for processing initial determinations within four weeks of receipt of claim for the third consecutive year.

¹ Actual data for State Plan and private plan covered employment and employers became available again beginning with the third quarter of 2011 due to the development of a new reporting methodology.

While the Division recognizes the percent goals of Temporary Disability Insurance (TDI) claims to have an original determination has fallen short of the 7-day, 14-day and 21-day thresholds, we would point to the percentage increases from CY 2017 to CY 2021. For TDI claims, in 2017 the percentages of original determinations for 7-day, 14-day, 21-day and 28-days were 1.9%, 19.9%, 33.0% and 56.8% respectively. In 2021, those percentages are as follows with the percentage increases from 2017 – 2021 in parentheses, 29.1% (+27.2%), 68.6% (+48.7%), 82.3% (+49.3%), and 90.5% (+33.7%). The Division recognizes these percentages are still short of the goals set forth by the law. The Division’s progress towards achieving these goals continues to be a top priority. The primary focus includes a commitment to modernizing the DABS claims processing system, which was developed in 1989. The limitations of the system impact processing time since it requires staff to complete additional manual processes to address processing needs that cannot be handled or updated in the system itself.

Reasons for Denial

The primary reasons for denial of a claim at original disposition from 2017 to 2021 are shown in Table 8. As in past years, lack of medical evidence was the most frequently cited reason for denial in 2021, comprising 32 percent of all reasons for denial.

The next most frequently cited reason for denial was eligibility for benefits under the Disability During Unemployment Program (4(f)).² This reason was cited in 15 percent of all denials. Coverage of a disability by the Workers’ Compensation program and coverage by a private plan were given as reasons for denial in 2.8 and 7.4 percent, respectively, of all reasons for denial. Coverage under these three programs comprised about 25 percent of reasons for denial in 2021, increasing from 23.1 percent in 2020.

“Other” reasons were cited in 39.6 percent of denials in 2021, compared with 42.8 percent in 2020. “Other” reasons include late filing, employment by an uncovered political subdivision, disability that is the result of committing a crime, disability with duration of less than seven days and state government employment when the individual has accrued sick time available.

Claimant Characteristics

Table 9 includes data on the number of claims by sex, education level and race/ethnicity for eligible disability claims, pregnancy related disabilities and non-pregnancy related disabilities. Table 9 also includes claimant characteristics totals for all claims, including both eligible and ineligible claims.

Females represented 69.6 percent of eligible disability claims and 58.1 percent of non-pregnancy related disabilities.

High school graduates were the largest group of claimants by educational level for eligible claims (45.5%) and for non-pregnancy related disabilities (49.3%). For pregnancy related disabilities, high school graduates and individuals with either an associate or bachelor’s degree accounted for 35.4 and 36.2 percent of claims, respectively.

The largest group of claimants for all three categories was Caucasian (48.9%), followed by Latino/Hispanic (18.4%) and African American (15.4%).

²Persons who become disabled while unemployed may be eligible for up to 26 weeks of benefits under the disability during unemployment provisions of the State’s Unemployment Compensation Law (R.S.43:21-4(f)). Individuals also eligible for regular unemployment benefits in a benefit year may receive benefits for up to 39 weeks for the two claims combined.

Eligible Claims by Morbidity

The distribution of eligible claims by morbidity (type of injury or illness) has remained fairly stable since 2001 (the first year these data were produced). Table 10 contains data for 2021, along with revised data for 2020.

Claims for benefits due to pregnancy and complications of childbirth were the largest single category of claims again in 2021 out of the 17 major morbidity groups, comprising 27.1 percent of all eligible claims, compared with 26.9 percent in 2020. As in prior years, disabilities related to bones and organs of movement and disabilities resulting from accidents, poisoning and violence were the next most frequently reported categories, based on the physician's initial diagnosis, constituting 16.3 and 11.2 percent, respectively, of all eligible claims in 2021.

Claims for disabilities due to infectious and parasitic diseases (5.9%) and diseases of the respiratory system (4.8%) about the same percentages of total eligible claims in 2021 compared with 2020 due to the COVID-19 pandemic.

Completed Cases by Morbidity, Duration and Benefits

Table 11 contains a summary of average claim duration and average benefit payment data by major morbidity group for cases which were completed in 2021. Completed cases include those claims formally closed in the TDI database, as well as those with no payment activity for 90 days.

The distribution of completed cases by morbidity has been stable from year to year and there are only minor differences in the percentages of completed cases by morbidity compared with the percentages of eligible claims by morbidity (Table 10). As with eligible claims, pregnancy and complications of childbirth were the largest single category of completed cases in 2021 (27.1%), followed by disabilities related to bones and organs of movement (16.2%) and disabilities resulting from accidents, poisoning and violence (11.2%).

For all morbidities, the average number of days paid per completed case was 66 days in 2021. Average duration has fluctuated between 66 and 71 days since 2001 when the data were first computed. Average gross benefits paid in 2021 increased to \$6,561, reflecting the increase in claims volume in 2021.

TDI Revenues, Benefits and Administrative Expenses

Table 12 contains a summary of State Plan revenues, benefits and administrative expenses during 2020 and 2021. The State Plan for TDI is financed by a combination of worker and employer contributions, which in 2021 totaled \$644.8 and \$311.5 million, respectively. During 2021, worker contributions increased by \$375.1 million compared with 2020. The worker contribution rate decreased from 0.26 percent to 0.14 percent over the same period. The State Disability Fund also had \$34.1 million in other income during 2021, including interest income.

Total TDI State Plan benefits paid during 2021 were \$535.6 million, with benefit payments for disability during unemployment of \$17.2 million. TDI administrative expenses were \$23.9 million during 2021.

The average weekly benefit amount (AWBA) for all TDI eligible claims during 2021 was \$701, an increase of 24.7 percent compared with 2020 (\$562). The AWBA is not available separately for pregnancy and other claims.

The total number of personnel in the division is 185. The total cost of salaries and benefits for those personnel in fiscal year 2021 was approximately \$20,172,422. The number personnel processing temporary disability claims is 68 with an approximate budgeted cost of salaries and benefits of \$6,120,000.**

The personnel cost of staff who are solely processing TDI claims is 18.4% of the Division's total administrative cost, which in fiscal year 2021 was \$33,202,102. The maximum administrative amount permitted is \$10 million over the appropriated budgeted administrative amount per fiscal year, but this amount is subject to the approval of the Director of the Division of Finance and Accounting.

**This amount accounts for staff assigned to the direct processing of TDI claims. Personnel in other units assist in the claims processing system indirectly and are therefore not included in this total.

Strategic Plan and Outreach for the Temporary Disability and Family Leave Insurance Program

The Division recognizes that it is critical to provide information to claimants in a timely fashion. To that end, we have embarked upon several initiatives to improve customer service. In addition, NJDOL has made significant efforts to build infrastructure within the Department and to partner with community-based organizations to disseminate information about the rights and responsibilities of employers and employees regarding temporary disability and family temporary disability benefits.

Since 2018, the Division has worked to make the claims process easier to understand by simplifying language on forms, updating informational pages on our website, and partnering with advocates and stakeholders to identify issues and collect feedback based on their experience supporting individuals who seek benefits. The Division also partners with the New Jersey Office of Innovation on human-centered design initiatives to improve the claimant experience, including a new, interactive [maternity timeline tool](#) and the [“What happens after I apply?”](#) webpage, which were developed based on research with users, staff, and claims examiners.

In 2018, the Division launched MyLeaveBenefits.nj.gov. The website makes it easier for claimants/customers to access information regarding how to apply for benefits and some of the issues involved when applying for benefits, particularly for TDI and FLI caring claims which require a medical professional to complete certification of the disability. The website pages include Temporary Disability Insurance, Family Leave Insurance, Maternity Coverage, Timeline Tool, Information for Victims/Survivors of Domestic and Sexual Violence and an Employer Toolkit. NJDOL tracks the website metrics. Between July 2021 and June 2022, there were 4,261,394 views on the website as indicated in the table below:

Website Metrics

Page Visits/Page Views from July 1, 2021 – June 30, 2022		
Page	Audience	Views
Temporary Disability Insurance	Workers	2,403,554
Family Leave Insurance	Workers	1,039,881
Maternity Coverage	Workers	791,460
Timeline Tool Welcome Page	Workers	8,899
Information for Victims/Survivors of Domestic and Sexual Violence	Workers	2,650
Employer Toolkit	Employers	14,950
Total Views		4,261,394

Just over half of the views were related to workers seeking information related to temporary disability insurance, 24% of the views were related to workers seeking information related to family leave insurance and an additional 19% of the views were related to maternity coverage. There were 14,950 views of the Employer Toolkit.

Early in 2022, the Division created an Outreach Team that provides information to employees and employers through engagement events and speaking requests. The team also dedicates time to speak to medical providers to provide feedback on how they can help claimants receive benefits in a shorter period of time.

As mandated under P.L. 2019, chapter 37, in June 2022 NJDOL awarded \$600,0000 in grant funds to community-based organizations to conduct culturally relevant and language-specific outreach and education on TDI/FLI to workers and service providers. The grant aims to increase equitable awareness of and access to TDI/FLI and consider input from grantees on strategies to improve

accessibility to these programs. NJDOL released a second round of funds March 2023, with employers included as a focus population for targeted outreach and education.

In early 2023, the Division contracted with a third-party vendor to supply a much-needed call center to improve the availability of live agents to connect with customers. In conjunction with this, the Division is improving its current Interactive Voice Response (IVR) so as to more quickly direct callers to where they need to go to talk to a live agent or receive automated services.

Additionally, in 2023, the Division expects to begin the process of modernizing the current, claims processing system, which is almost 40 years old. This change is expected to allow the Division to continue to improve the processing of claims, with a goal to meet the law's expectations for processing times.

Definitions of Terms

Completed Cases – Includes those claims formally closed during the year, as well as those with no payment activity for 90 days.

Formally Closed Claims – Those claims that have been paid to benefit exhaustion, to the 180-day maximum claim duration, or until the claimant recovered, returned to work or died. If notification of recovery, return to work or death is not received, then the claim is not formally closed.

Maximum Weekly Benefit Amount – For disability claims prior to July 1, 2020, the maximum weekly benefit amount was set each year at 53 percent of the statewide average weekly wage (SAWW) in the second preceding calendar year. Beginning July 1, 2020, the maximum weekly benefit amount was set at 70 percent of the SAWW. The maximum weekly benefit amount for 2021 was \$903.

State Plan Covered Employees – Employee coverage is the average of covered jobs in the last month of each of the four quarters in the year and includes all workers covered by the State Plan as well as the State Plan portion of combination plans.

State Plan Covered Employers – Employer coverage is the annual average and excludes firms with a combination of State and private plans.

Table 1
FAMILY LEAVE INSURANCE SUMMARY REPORT
Calendar Years 2017 - 2021

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total New Claims Received	51,168	51,304	56,225	61,614	68,475
Paper Claims Received (FL1 and FL2)	43,142	35,926	35,617	29,286	30,460
Web Claims Received (WF1 and FL2)	8,026	15,378	20,608	32,328	38,015
Total Initial Dispositions	38,410	40,408	46,973	50,677	52,577
Eligible	31,226	31,176	38,407	41,833	46,160
Ineligible	7,184	9,232	8,566	8,844	6,417
Total Initial Ineligible for Insufficient Information	11,745	13,287	9,429	8,927	11,965
Total Determined Ineligible for Insufficient Claimant Information	7,933	8,569	5,639	6,256	4,150
Total Initial Ineligible for Lack of Medical Information	1,532	1,711	2,059	3,009	1,795
Gross Benefit Payments (millions)*	\$93.8	\$99.2	\$119.6	\$187.1	\$334.8
Average Weekly Benefit Amount	\$538	\$544	\$556	\$659	\$782
Maximum Weekly Benefit Amount**	\$633	\$637	\$650	\$667/\$881	\$903
Number of Claimants with both TDI & FLI Claims in Same Year	14,559	15,743	16,944	12,725	16,269

* Gross Benefit Payments for 2021 include any payments from 2020 claims that were made in 2021.

** Maximum weekly benefit rate for January 1 - June 30, 2020 calculated as 53% of Statewide Average Weekly Wage.

** Maximum weekly benefit rate for July 1 - December 31, 2020 calculated as 70% of Statewide Average Weekly Wage.

** Maximum weekly benefit rate for Calendar Year 2021 calculated as 70% of Statewide Average Weekly Wage.

Table 2
FAMILY LEAVE INSURANCE SUMMARY REPORT
TIME LAPSE CLAIM DISTRIBUTION
Eligible and Ineligible Decisions
Calendar Years 2017 - 2021

	<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>	
	Cumulative		Cumulative		Cumulative		Cumulative		Cumulative	
<u>Number of Days</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
7 or less	7,898	20.6%	7,836	19.4%	9,959	21.2%	22,069	41.7%	18,088	31.8%
8 - 14	4,721	32.9	4,042	29.4	4,071	29.9	15,498	70.9	20,013	67.0
15 – 21	3,738	42.6	6,683	46.0	10,307	51.9	6,685	83.5	9,638	83.9
22 – 28	3,064	50.6	8,602	67.3	11,687	76.8	3,184	89.5	3,794	90.6
29 – 35	4,387	62.0	4,422	78.2	6,003	89.6	3,705	96.5	2,768	95.4
36 – 43	5,938	77.5	2,994	85.6	2,189	94.2	856	98.1	1,719	98.4
44 – 49	2,310	83.5	2,268	91.2	1,506	97.4	510	99.1	558	99.4
50 – 56	1,405	87.2	1,269	94.4	580	98.7	214	99.5	192	99.8
57 or more	4,922	100.0	2,269	100.0	629	100.0	261	100.0	135	100.0
TOTAL CASES	38,383		40,385		46,931		52,982		56,905	

Table 3
FAMILY LEAVE INSURANCE SUMMARY REPORT
REASONS FOR DENIAL
Calendar Years 2017 - 2021

[illegible]

Table 4
FAMILY LEAVE INSURANCE SUMMARY REPORT
ELIGIBLE CLAIM STATISTICS BY TYPE OF CLAIM
Calendar Year 2021

	Bonding Newborn		Bonding Adopted Child		Total Bonding Claims		Care of a Sick Child	Care of a Sick Spouse	Care of Other Sick Family Members	Total Family Care Claims		Total Eligible Family Leave Claims		Total All Family Leave Claims (Eligible + Ineligible)	
	Number	Number	Number	Percent	Number	Number	Number	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Number of Claims	38,718	138	38,856	100.0%	1,897	2,027	3,380	7,304	100.0%	46,160	100.0%	52,577	100.0%		
Number of Intermittent Claims**	16,275	77	16,352	42.1	1,184	1,227	2,144	4,555	62.4			20,907	39.8		
Sex															
Male	10,835	37	10,872	28.0	314	951	866	2,131	29.2	13,003	28.2	14,893	28.3		
Female	27,883	101	27,984	72.0	1,583	1,076	2,514	5,173	70.8	33,157	71.8	37,684	71.7		
Education															
Did Not Graduate High School	457	0	457	1.2	79	105	91	275	3.8	732	1.6	945	1.8		
High School Graduate/GED	10,874	38	10,912	28.1	813	970	1,344	3,127	42.8	14,039	30.4	16,764	31.9		
Associate/Bachelor Degree	15,553	58	15,611	40.2	592	590	1,173	2,355	32.2	17,966	38.9	19,950	37.9		
Graduate Degree	10,337	39	10,376	26.7	286	200	499	985	13.5	11,361	24.6	12,164	23.1		
Undefined	1,497	3	1,500	3.9	127	162	273	562	7.7	2,062	4.5	2,405	4.6		
Race/Ethnicity															
Caucasian	22,469	89	22,558	58.1	806	1,010	1,444	3,260	44.6	25,818	55.9	28,550	54.3		
African American	4,582	25	4,607	11.9	335	245	601	1,181	16.2	5,788	12.5	7,145	13.6		
Latino/Hispanic	6,442	13	6,455	16.6	475	369	622	1,466	20.1	7,921	17.2	9,376	17.8		
Asian	3,469	8	3,477	8.9	151	247	440	838	11.5	4,315	9.3	4,877	9.3		
Native Hawaiian/Pacific Islander	101	0	101	0.3	5	7	11	23	0.3	124	0.3	149	0.3		
American Indian/Alaskan Native	132	0	132	0.3	11	8	13	32	0.4	164	0.4	195	0.4		
Undefined	1,523	3	1,526	3.9	114	141	249	504	6.9	2,030	4.4	2,285	4.3		
Gross Benefits Paid (millions)*	\$246.2	\$0.8	\$247.0		\$6.7	\$8.1	\$13.1	\$27.9		\$274.9		\$274.9			
Average Days Paid Per Claim	67	64	66		42	47	50	46		65		65			
Average Weekly Benefit Amount	\$793	\$799	\$796		\$728	\$745	\$725	\$733		\$782		\$782			
*Gross Benefits Paid for Total Family Leave Claims includes only 2021 claims and payments made on the 2021 claims.															
**Number of Intermittent Claims include both Eligible and Ineligible.															
Revised: June 2023															

TABLE 5
FAMILY LEAVE INSURANCE SUMMARY REPORT – STATE PLAN
REVENUES, BENEFITS AND EXPENSES
(Millions)
Calendar Years 2020 and 2021

	<u>2020</u>	<u>2021</u>
<u>FLI Income</u>		
FLI Worker Contributions	\$269.1	\$628.1
Other Income (including interest)	\$1.1	\$5.0
Total FLI Income	\$270.2	\$633.1
<u>FLI Benefits and Expenses</u>		
FLI State Plan Benefit Payments	\$200.3	\$354.7
Benefit Payments for Family Leave During Unemployment	\$0.8	\$0.7
FLI Administrative Expenses	\$7.3	\$9.0
Total FLI Benefits and Expenses	\$208.4	\$364.4

Table 6
TEMPORARY DISABILITY INSURANCE SUMMARY REPORT
Calendar Years 2017 - 2021

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total New Claims Received	157,834	147,005	142,186	136,401	160,119
Paper Claims Received (DS1)	131,607	103,791	86,646	60,139	56,849
Web Claims Received (WD1)	26,227	43,214	55,540	76,262	103,270
Total Initial Dispositions	113,051	108,730	113,444	102,989	122,907
Eligible	82,039	72,981	71,604	69,038	81,844
Ineligible	31,012	35,749	41,840	33,951	41,063
Total Initial Ineligible for Insufficient Information	44,595	31,718	30,367	25,206	27,637
Total Determined Ineligible for Insufficient Claimant Information	16,982	13,893	13,987	6,010	12,612
Total Initial Ineligible for Lack of Medical Information	6,755	6,894	7,017	7,557	9,354
Gross Benefit Payments (millions)	\$418.1	\$405.0	\$429.5	\$432.9	\$533.7
Average Weekly Benefit Amount	\$465	\$474	\$491	\$562	\$701
Maximum Weekly Benefit Amount*	\$633	\$637	\$650	\$667/\$881	\$903
Number of Claimants with both TDI & FLI Claims in Same Year	14,559	15,743	16,944	12,725	16,269

* Maximum weekly benefit rate for January 1 - June 30, 2020 calculated as 53% of Statewide Average Weekly Wage.

* Maximum weekly benefit rate for July 1 - December 31, 2020 calculated as 70% of Statewide Average Weekly Wage.

* Maximum weekly benefit rate for Calendar Year 2021 calculated as 70% of Statewide Average Weekly Wage.

Table 7
TEMPORARY DISABILITY SUMMARY REPORT
TIME LAPSE CLAIM DISTRIBUTION
Eligible and Ineligible Decisions
Calendar Years 2017 - 2021

	<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>	
		Cumulative		Cumulative		Cumulative		Cumulative		Cumulative
<u>Number of Days</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
7 or less	2,166	1.9%	7,967	7.3%	19,906	17.6%	26,850	24.0%	36,783	29.1%
8 - 14	20,340	19.9	40,979	45.0	43,958	56.5	47,348	66.4	49,988	68.6
15 – 21	14,814	33.0	15,819	59.6	22,426	76.3	18,857	83.3	17,232	82.3
22 – 28	26,911	56.8	14,431	72.8	10,449	85.5	5,743	88.4	10,437	90.5
29 – 35	10,722	66.3	15,892	87.5	8,391	92.9	5,078	93.0	7,707	96.6
36 – 43	10,324	75.4	6,465	93.4	3,512	96.0	2,910	95.6	1,646	97.9
44 – 49	9,353	83.7	3,128	96.3	2,069	97.9	2,192	97.6	897	98.6
50 – 56	6,890	89.8	1,769	97.9	1,255	99.0	969	98.4	571	99.1
57 or more	11,525	100.0	2,279	100.0	1,154	100.0	1,767	100.0	1,185	100.0
TOTAL CASES	113,045		108,729		113,120		111,714		126,446	

Table 8
TEMPORARY DISABILITY INSURANCE SUMMARY REPORT
REASONS FOR DENIAL
Calendar Years 2017 - 2021

	<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>	
<u>Reason for Denial</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
4 (f) Family Leave During Unemployment	7,907	14.6%	7,959	13.5%	9,818	13.0%	12,441	12.6%	16,835	15.0%
Insufficient Weeks or Wages	2,523	4.7	2,150	3.7	2,059	2.7	1,914	1.9	2,555	2.3
Medical evidence Not Submitted	13,057	24.2	18,001	30.6	20,853	27.6	30,784	31.2	35,879	32.0
Workers' Compensation Coverage	3,004	5.6	2,785	4.7	2,942	3.9	3,310	3.4	3,154	2.8
Private Plan Coverage	3,967	7.3	4,551	7.7	5,403	7.1	7,053	7.1	8,249	7.4
Receipt of Continuation Pay from Employer	647	1.2	590	1.0	783	1.0	987	1.0	991	0.9
Other Reasons*	22,961	42.5	22,711	38.7	33,823	44.7	42,252	42.8	44,387	39.6
TOTAL REASONS FOR DENIAL	54,066	100.0	58,747	100.0	75,681	100.0	98,741	100.0	112,050	100.0

*Other reasons include late filing, state government employment when the individual has accrued sick time available, employment by an uncovered political subdivision, disability resulting from commission of a crime and disability with duration of less than 7 days.

Table 9
TEMPORARY DISABILITY INSURANCE SUMMARY REPORT
ELIGIBLE CLAIM STATISTICS BY TYPE OF CLAIM
Calendar Year 2021

	<u>Total Temporary Disability Claims</u>		<u>Pregnancy Related Disabilities</u>		<u>Non-Pregnancy Related Disabilities</u>		<u>Total All Temporary Disability Claims (Eligible + Ineligible)</u>	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Number of Claims	81,844	100.0%	22,550	100.0%	59,294	100.0%	96,498	100.0%
Sex								
Male	24,863	30.4	24	0.1	24,839	41.9	40,532	42.0
Female	56,981	69.6	22,526	99.9	34,455	58.1	55,966	58.0
Education								
Did Not Graduate High School	3,504	4.3	309	1.4	3,195	5.4	5,093	5.3
High School Graduate/GED	37,218	45.5	7,974	35.4	29,244	49.3	46,698	48.4
Associate/Bachelor Degree	22,685	27.7	8,171	36.2	14,514	24.5	26,213	27.2
Graduate Degree	8,604	10.5	4,686	20.8	3,918	6.6	7,530	7.8
Undefined	9,833	12.0	1,410	6.3	8,423	14.2	10,964	11.4
Race/Ethnicity								
Caucasian	40,024	48.9	12,149	53.9	27,875	47.0	45,877	47.5
African American	12,580	15.4	2,796	12.4	9,784	16.5	17,296	17.9
Latino/Hispanic	15,027	18.4	4,189	18.6	10,838	18.3	18,067	18.7
Asian	4,441	5.4	1,593	7.1	2,848	4.8	4,600	4.8
Native Hawaiian/Pacific Islander	191	0.2	56	0.2	135	0.2	282	0.3
American Indian/Alaskan Native	327	0.4	171	0.8	156	0.3	417	0.4
Undefined	9,254	11.3	1,596	7.1	7,658	12.9	9,959	10.3

Revised: June 2023

Table 10
TEMPORARY DISABILITY INSURANCE SUMMARY REPORT
MORBIDITY DATA FOR ELIGIBLE NEW CLAIMS
Calendar Years 2020 and 2021

<u>Major Morbidity Group (code)</u>	<u>2020</u> <u>(REVISED)</u>		<u>2021</u>	
	<u>Number of Cases</u>	<u>Percent of Cases</u>	<u>Number of Cases</u>	<u>Percent of Cases</u>
Infectious and parasitic diseases (01)	3,967	5.1%	4,753	5.9%
Neoplasms (02)	5,169	6.6	5,042	6.2
Allergic, endocrine, metabolic and nutritional (03)	1,808	2.3	1,599	2.0
Diseases of blood and blood forming organs (04)	225	0.3	181	0.2
Mental, psychoneurotic and personality disorders (05)	5,426	6.9	5,497	6.8
Nervous system and sense organs (06)	2,466	3.2	2,759	3.4
Circulatory system (07)	3,919	5.0	3,690	4.6
Respiratory system (08)	4,608	5.9	3,911	4.8
Digestive system (09)	3,842	4.9	4,081	5.1
Genitourinary system (10)	1,520	1.9	1,570	1.9
Pregnancy and complications of childbirth (11)	21,000	26.9	21,908	27.1
Skin and cellular tissue (12)	596	0.8	665	0.8
Bones and organs of movement (13)	12,282	15.7	13,170	16.3
Congenital malformations (14)	60	0.1	61	0.1
Hysterectomy (15)	524	0.7	592	0.7
Accidents, poisoning and violence (17)	8,369	10.7	9,025	11.2
Other ill-defined and unknown causes (16 & 18)	2,336	3.0	2,264	2.8
Total	78,117	100.0%	80,768	100.0%
Total non-pregnancy/childbirth	57,117	73.1%	58,860	72.9%

Table 11
TEMPORARY DISABILITY INSURANCE SUMMARY REPORT
MORBIDITY DATA FOR COMPLETED CASES
Calendar Year 2021

<u>Major Morbidity Group (code)</u>	<u>Number of Cases*</u>	<u>Percent of Cases</u>	<u>Average Duration (days)</u>	<u>Average Gross Benefits</u>	<u>Total Gross Benefits (Millions)</u>
Infectious and parasitic diseases (01)	4,761	5.9%	45	\$4,459	\$21.2
Neoplasms (02)	5,103	6.3	77	7,758	39.6
Allergic, endocrine, metabolic and nutritional (03)	1,601	2.0	58	5,709	9.1
Diseases of blood and blood forming organs (04)	196	0.2	72	7,028	1.4
Mental, psychoneurotic and personality disorders (05)	5,523	6.8	72	7,498	41.4
Nervous system and sense organs (06)	2,741	3.4	68	6,773	18.6
Circulatory system (07)	3,729	4.6	83	8,278	30.9
Respiratory system (08)	3,947	4.9	43	4,255	16.8
Digestive system (09)	4,054	5.0	48	4,800	19.5
Genitourinary system (10)	1,602	2.0	54	5,203	8.3
Pregnancy and complications of childbirth (11)	22,014	27.1	59	5,794	127.5
Skin and cellular tissue (12)	656	0.8	53	5,086	3.3
Bones and organs of movement (13)	13,164	16.2	82	8,293	109.2
Congenital malformations (14)	55	0.1	99	9,700	0.5
Hysterectomy (15)	602	0.7	50	4,811	2.9
Accidents, poisoning and violence (17)	9,095	11.2	78	7,528	68.5
Other ill-defined and unknown causes (16 & 18)	2,355	2.9	61	5,961	14.0
Total	81,198	100.0%	66	\$6,561	\$532.8
Total non-pregnancy/childbirth	59,184	72.9%	69	\$6,847	\$405.2

* Completed cases include those claims formally closed in the TDI database in 2021, as well as those with no payment activity for 90 days.

TABLE 12
TEMPORARY DISABILITY INSURANCE SUMMARY REPORT – STATE PLAN
REVENUES, BENEFITS AND EXPENSES
(Millions)
Calendar Years 2020 and 2021

	<u>2020</u>	<u>2021</u>
<u>TDI Income</u>		
TDI Worker Contributions	\$269.7	\$644.8
TDI Employer Contributions	\$249.7	\$311.5
Other Income (including interest)	\$28.0	\$34.1
Total TDI Income	\$547.4	\$990.4
<u>TDI Benefits and Expenses</u>		
TDI State Plan Benefit Payments	\$429.2	\$535.6
Benefit Payments for Disability During Unemployment	\$20.6	\$17.2
TDI Administrative Expenses	\$25.9	\$23.9
Total TDI Benefits and Expenses	\$475.7	\$576.7