

## NONINDUSTRIAL DISABILITY INSURANCE PROVISIONS

The Nonindustrial disability Insurance (NDI) program, administered by the Employment Development Department, provides eligible employees with disability benefits for a disability or injury, which is not work-related, or disability due to pregnancy, childbirth, or related medical conditions. Eligibility to receive benefit payments under the NDI program is based on a “wage-loss” concept. The employee must have suffered a wage loss in order to be eligible to receive this benefit.

To apply for NDI, you must schedule an appointment with Human Resources to obtain a claim form. Information regarding the program is contained in the attached NDI Claim form and Summary of NonIndustrial Disability Insurance. Additional information has been outlined for you below.

1. **WAITING PERIOD** Prior to receiving any NDI benefits, there is a **seven (7) calendar day waiting period**, commencing on the first full day of disability. If confined to a hospital or EDD approved nursing home for one full day, the waiting period may be waived. The waiting period may be with or without pay depending upon whether the employee has accrued sick leave, vacation, CTO, etc. NDI benefits begin paying on the 8<sup>th</sup> day at the earliest or at the exhaustion of approved leave accruals.
2. **PAYMENTS** Do not expect payment for approved NDI to be disbursed with regular monthly payroll, although if you are on Direct Deposit, your NDI check will be sent directly to the bank. Disbursal of NDI payments should be reviewed. Contact Payroll Services for any changes to receiving payments while away from the University.
3. **QUALIFYING PAY PERIOD** An employee receiving regular pay for at least 11 days will be credited with a month of qualifying service. This qualifying pay period affects Service Salary Increases, probationary periods, accruals (vacation and sick leave).
  - a. **SICK LEAVE** It is mandatory that all sick leave credits to which an employee is entitled be exhausted before NDI benefits can be paid. If you and your doctor feel your disability will end before your sick leave credits run out, you need not file an NDI application. No additional sick leave credits are earned while receiving NDI.
  - b. **VACATION** Use of accrued vacation is optional with the employee. This option is to be selected at the time of application. If one opts to use the accrued vacation, all time must be used before NDI benefits are paid. If one opts to not use this accrued time, the hours will remain on the books until the employee returns to regular pay status. No additional vacation credits are earned while receiving NDI. In the event you choose not to expend this credit, you will not be eligible for Catastrophic Donated Time.
4. **CTO** Use of accrued CTO is optional with the employee. This option is to be selected at the time of application. If one opts to use the accrued CTO, all time must be used before NDI benefits are paid. If one opts to not use this accrued time, the hours will remain on the books until the employee returns to regular pay status. In the event you choose not to expend this credit, you will not be eligible for Catastrophic Donated Time. Exempt employees should contact Human Resources, if they have CTO that was not paid out and remains as a balance on their leave accruals.
5. **PERSONAL HOLIDAY** Use of accrued personal holiday is optional with the employee. This option is to be selected at the time of application. If one opts to use the accrued personal holiday, all time must be used before NDI benefits are paid. If one opts to not use this accrued time, the hours will remain on the books until the employee returns to regular pay status. (Personal Holiday credit earned in January has to be used by December 31 each year.) In the event you choose not to expend this credit, you will not be eligible for Catastrophic Donated Time.

6. **PROBATION PERIOD** If you have earned permanency in your current position, NDI will not affect your status. If you are earning tenure for permanency, you may be delayed in receiving your tenure due to non-qualifying pay period(s).
7. **SSI** (Service Salary Increase or Anniversary date) If you go on NDI and you are not at the top step of your classification, your current SSI date may be set back due to non-qualifying pay period(s), as NDI time does not give you service credit.
8. **SENIORITY POINTS** When receiving NDI benefits check your Collective Bargaining Agreement for interpretation of seniority points.
9. **DEDUCTIONS**
  - a. **HEALTH/DENTAL/VISION/LIFE/LTD** As long as regular pay or NDI pay is issued to you during your month(s) of absence(s) you should be covered for your health, dental, vision, life and long-term disability (if eligible) insurances. When payment is received for months on NDI, **ALWAYS CHECK YOUR EARNING STATEMENT FOR CONFIRMATION OF DEDUCTION.** For further assistance, contact Human Resources.
  - b. **VOLUNTARY DEDUCTIONS** All voluntary deductions shall continue to be made unless cancelled by the employee. With the reduction in salary while on NDI, you want to review all miscellaneous deductions to assure coverage for all the payments you have signed up for. All deductions, if not taken from your regular pay or NDI payments, will be your responsibility which may entail dealing with your credit union and/or deduction companies to insure timely payment(s). Generally, all health insurances have priority and will be taken from either regular pay or NDI payments (see next item listed). If there are not enough net monies in either check, the deduction will be dropped. The two payments will not be merged to accommodate miscellaneous deductions.
  - c. **RETIREMENT** The PERS contribution shall not be deducted from the NDI benefit payment since the employee does not earn service credit while on NDI. For information on how NDI may affect your retirement benefits, contact CalPERS at 1-877-7720-7377.
10. **WITHHOLDING TAXES** While you are on NDI; your salary received per month may be substantially reduced. It may be beneficial to reassess your situation and review your current withholding exemptions. If you need assistance in changing your exemptions claimed or need to know how a change will affect you, contact Payroll Services at Ext. 8-3960. All earnings while on NDI are considered a salary and will be reported as earnings for tax purposes.
11. **RETURN TO WORK REQUIREMENTS**
  - If disability is due to pregnancy, a release form from your doctor is not required unless the leave is extended beyond the 6-8 week disability period.
  - When you return to work, you must provide Human Resources with a doctor's note **prior** to returning to work. Check with your department for their return to work requirements.
  - If you return sooner than indicated on the NDI claim form, you must provide Human Resources with your new release date.
  - If your doctor extends your original return to work date, an updated doctor's note must be provided to Human Resources. In addition, an extension of NDI benefits will need to be submitted by the employee (form 8500B) which must be completed by the doctor and sent to EDD/NDI.