

## Did You Know?

All New Jersey employers are required to offer disability insurance to their employees?

Employers can “opt out” of the New Jersey state plan and move their coverage to an Arch Insurance disability plan. The simple move could save you money year after year.

## Why should I move to an Arch Disability Plan?

Many employers will see a significant savings by moving to Arch. You can become part of an insurance pool that helps stabilize rates and control your costs.

Arch will pay your annual assessment fee, and there’s no additional cost to employees for Arch coverage.

You will receive faster claim payments with this benefit program. The New Jersey state plan takes, on average, two weeks to pay a claim\*. Arch pays its claims in four days or less.

You will have the ability to set up online access to FICA and claims reporting and see real time benefit payments, as well as, being able to remit premium payments online.

## Temporary Disability Insurance FAQs

### What is New Jersey Temporary Disability Insurance Coverage (TDI)?

Under the New Jersey Temporary Disability Benefits Law, all covered employers in New Jersey must provide temporary disability coverage to their employees. Disability benefits provide temporary cash benefits payable when a covered individual is disabled as the result of an accident or sickness not arising out of and in the course of the individual’s employment, resulting in the individual’s total inability to perform the duties of employment. The most common use of disability coverage is maternity.

### As an employer, do I have this coverage today?

Yes. As an employer in the state of New Jersey, it is required by law. If you have received a Notice of Employer Contribution Rates from the New Jersey Department of Labor and Workforce Development Employment Security Agency, and that form has a Final Disability Insurance Rate between 0.10% and 0.75%, then your coverage is currently with the N.J. State Plan.

### Why am I covered by the State of New Jersey for Disability Benefits Coverage?

When an employer registers to do business in New Jersey, their state mandated Temporary Disability Benefits coverage automatically defaults to the New Jersey State Plan coverage.

### Do I have an option to have my NJ State Disability Coverage with a Private Carrier?

Yes. The State of New Jersey allows any covered employer to establish a Private Plan of disability benefits in lieu of the benefits of the State Plan established. Arch Insurance Company is approved to write Private Plans for disability benefits in New Jersey.

### Will my coverage be less under an Arch Private Plan?

No. Under State law, Arch must provide at least the same benefits to your employees that they are receiving through State Plan coverage.

## Temporary Disability Insurance FAQs

**Why would an employer want to move their coverage from the State Plan to a Private Plan?**

Depending on the employer rate with the N.J. State Plan, Arch may be able to offer significant savings for their required state Disability coverage. Additionally, employees benefit from an Arch Plan because, on average, Arch makes a claim determination within 4 days while the State makes a claim determination on average within 14 days\*. Arch also offers exceptional and personalized customer service to our policyholders and claimants.

**Does it cost employees more money to participate in a Private Plan?**

No. The State of New Jersey does not allow employers to deduct any greater amount in contributions from their employees regardless of whether coverage is with the State Plan or a Private Plan Carrier.

**What are the requirements to set up a Private Plan?**

The State of New Jersey requires that an employer complete an application form.

**Do I need to notify the state that I'm moving my coverage to Arch?**

No. Arch will notify the State of the coverage move. The State will then approve the Arch Private Plan and send the approval certificate to you.

**Do I need to notify my payroll carrier that I am moving to a private disability plan?**

Yes, you will need to notify your payroll carrier so they will no longer remit any contributions from the Employer or Employee to the state of New Jersey after the effective date of the private plan.

## Contact Us:

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