ANNE FUSTACIJO DEPUTY DIRECTOR



## STATE OF HAWAII **DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS** 830 PUNCHBOWL STREET, ROOM 321 HONOLULU, HAWAII 96813

www.labor.hawaii.gov

May 28, 2020

TO:

The Honorable Senate Special Committee COVID-19 Members

FROM:

Scott T. Murakami

Director, Department of Labor and Industrial Relations (DLIR)

SUBJECT:

RESPONSE TO MEMO DATED MAY 27, 2020 REGARDING TEMPORARY

DISABILITY INSURANCE

I am writing to respond to the questions you posed regarding Temporary Disability Insurance (TDI) in light of the COVID-19 Pandemic. The law (Chapter 392, HRS) requires employers to provide partial "wage replacement" insurance coverage to their eligible employees for nonwork-related injury or sickness, including pregnancy.

This means that if an employee is unable to work because of an off-the-job injury or sickness and the employee meets the qualifying conditions of the law, the disabled employee will be paid disability or sick leave benefits to partially replace the wages lost. TDI, however, does not include medical care.

Section 392-23, HRS, restricts benefits payment past 26 weeks:

Duration of benefit payments. Temporary disability benefits shall be payable for any period of disability following the expiration of the waiting period required in section 392-24.

The duration of benefit payments shall not exceed twenty-six weeks for any period of disability or during any benefit year.

Chapter 392 does not address extensions. The Department notes that employers are continuing to pay TDI benefits during this pandemic. However, some employees on TDI have chosen to file for unemployment benefits (presumably for greater benefits) and dropped their TDI claim. The Department anticipates that some of these individuals will reapply for TDI especially when they are able to obtain medical care.

An eligible claimant may receive TDI benefits for up to twenty-six weeks during a benefit year, which means the one-year period beginning with the first day of the first week of disability with respect to which the individual first files a valid claim for TDI.

DLIR notes any extension of the TDI benefits would impact insurance policies and collective bargaining agreements that cap out at twenty-six weeks per year.