

FAQ: Temporary Disability Insurance



Temporary Disability Insurance provides cash benefits to workers who suffer an illness, injury, or other disability that prevents them from working, and was not caused by their job. In addition, if your healthcare provider certifies that you are unable to work because you were diagnosed with COVID-19 or are at high risk for COVID-19 due to an underlying health condition, you may be eligible for Temporary Disability benefits. Most employers in New Jersey are required to have Temporary Disability Insurance for their employees.

After You Receive Your Decision

My claim was determined eligible (approved). Why do I keep receiving forms in the mail?

We send you forms in case you need to update any of your information, provide medical proof to continue receiving benefits, or let us know you recovered and returned to work.

I disagree with the decision made. Can I file an appeal?

The decision you receive in the mail comes with a written statement explaining your appeal rights. For more information, see [Appeals](#).

I got a notice to report to a state-appointed doctor for an impartial medical exam. Do I have to go even though I have my own doctor?

This exam is a routine procedure to make sure benefits are paid properly. It does not affect the relationship between you and your doctor. There is no charge to you for the exam and the results will be kept confidential. You will be referred to a doctor located as close as possible to your home. Failure to keep the appointment could cause your benefit payments to be stopped.

Are Temporary Disability Insurance benefits taxable?

Temporary Disability Insurance benefits are considered taxable income for purposes of both the federal income tax and FICA (Social Security). Federal income tax will not be withheld from your benefit payment each week unless you request it when you file or submit [IRS form W-4S](#) to us (for state plan claims) or your employer (for private plan claims). Your share of FICA and Medicare is automatically deducted from state plan benefit payments. Garnishments and any refunds owed from a previous disability or family leave claim will also be withheld from your benefit payments. The amount of your benefits that is taxable will be reported to your employer in January of the year following the receipt of your benefits. Your employer will include that information on your W-2 annual earnings statement.

I have exhausted my benefits, but I am still disabled. What do I do now?

If you have received your maximum benefit amount but are still unable to return to work, [click here](#) to see other programs that may be of assistance to you.