Help employees maintain a steady income when they can't work.

Oregon Paid Family and Medical Leave Insurance (Oregon PFMLI or Paid Leave Oregon) and Short-term Disability Coverage

Your Short-term Disability coverage offers important benefits that can help prevent financial hardships for your employees when they are experiencing a disabling condition.

What You Need to Know

- The Oregon PFMLI (OR PFMLI or Paid Leave Oregon) program caps payments and can create potential coverage gaps for your employees.
- Short-term Disability (STD) insurance can help fill those gaps and provide important income replacement for your employees above and beyond what the state program provides.
- Your STD premium rates may actually go down. That's because the OR PFMLI benefit directly offsets (reduces) the benefit amount your fully-insured STD insurance pays out.

Caps

Short-term Disability insurance can help fill any gaps beyond the tiered calculation. Even high-wage earners who hit the weekly max (120% of the state's average weekly wage (SAWW)), could still receive additional replacement income through The Hartford's STD plan.

Gaps

If an employee has a serious medical condition requiring an extended absence, OR PFMLI benefits may end long before Long-term Disability (LTD) payments can begin, leaving the employee without income for several weeks.

For example:

- OR PFMLI will pay up to 12 weeks[1] of a personal Medical Leave.
- If the LTD benefit begins 26 weeks after an eligible employee first becomes disabled without STD protection to fill that gap, the employee could have no replacement income for at least 12-14 weeks.

Additionally, the benefit duration is based on a shared entitlement for Family Leaves, Medical Leaves and Safe Leaves. The maximum benefit payable is 12 weeks[1] in a 52-week period.

- For example, if an employee takes Family Leave, and then later that same year becomes disabled and takes Medical Leave, the allowable Medical Leave will be reduced by the number of weeks previously taken for Family Leave. Without STD coverage, there may be weeks in which an employee receives no income.

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Examples of Coverage Gaps			
Family Leave	**Medical Leave**	**Combined PFML Cap**	**Income Gap**
Up to 12 weeks	Up to 12 weeks	12 weeks[1] in a 52-week period	14-26 weeks[2]

Example 1: A new father takes 10 weeks of Paid Family Leave to bond with his child. He returns to work for a while, but then suffers a serious injury during an off-work accident and will need extensive recovery time. Since he's already used up 10 weeks for Paid Family Leave, he only has two weeks remaining for Paid Medical Leave. Without Short-term Disability insurance, he will have no income replacement once his two weeks of Paid Medical Leave are over.

Example 2: An employee with elderly parents takes time off to deal with her mother's serious health condition. She uses up all 12 weeks of Paid Family Leave to care for her mother. Later that year, the employee becomes critically ill and may eventually qualify for her employer's Long-term Disability policy. Since she does have Short-term Disability insurance for which she's eligible, she'll have income replacement for the next 26 weeks until Long-term Disability insurance kicks in.

STD benefit durations are not limited based on any prior unrelated leave that may have been taken.

STD protection from The Hartford helps you provide a more comprehensive income replacement benefit for your employees while also providing financial protection for longer duration claims.

Additional Key Differences Between OR PFMLI and STD	
Paid Family and Medical Leave Insurance (PFMLI)	**Short-term Disability (STD)**
Combined entitlement of up to 12 weeks[1] for all reasons including family needs, reducing what's left for medical leave	Limited to own disabling condition (i.e., illness or injury) and not impacted by any family needs
Serious Health Condition Definition	Test of Disability Own Occupation or Own Job
Intermittent Use in full days – certain chronic conditions as needed; frequency can be similar to absences covered by unpaid leave	Doesn't cover intermittent and sporadic needs
Replenishes overall benefit on a rolling forward 52-week claim year	Full benefit is available on a per claim basis if unrelated or outside the successive period for related conditions
Lower earners (based on state average weekly wage) will receive up to 100% of their pre-leave earnings; higher earners have a sliding scale overall wage replacement percentage	Flat percentage for covered employees regardless of earnings
Not coordinated with Long-term Disability insurance, creating what could be a sizeable gap without wage replacement to an employee	Serves as a waiting period for Long-term Disability insurance, transitioning the employee without an interruption in benefits

To learn more, visit **TheHartford.com/paid-family-medical-leave/or** or call your representative at The Hartford.

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Statutory Paid Family and Medical Leave Form Series Includes GBD-1858 PFML (OR).

[1] Plus two additional weeks for limitations related to pregnancy.

[2] This scenario assumes LTD coverage would begin at week 27.

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