

Temporary Disability Benefits in New Jersey

The description was approved by Renee C. Ricciardelli, Administrative Supervisory Judge of the Division of Workers' Compensation in the New Jersey Department of Labor and Workforce Development, in April 2009.

Temporary total disability benefits are provided to a worker who is unable to work due to a work-related injury or disease. The benefits are only paid if the worker is unable to work for more than 7 days. The temporary total disability benefits stop under three circumstances: (1) the period of temporary total disability has reached 400 weeks; or (2) the worker returns to work; or (3) the worker has reached the date of maximum medical improvement when additional treatment will no longer improve the worker's medical condition. The weekly temporary total disability benefit is 70 percent of the worker's weekly wage on the date of injury, subject to a maximum weekly benefit that is 75 percent and a minimum weekly benefit that is 20 percent of the state's average weekly wage of all New Jersey employees covered by the New Jersey Unemployment Compensation Law. In 2009, the maximum weekly benefit is \$773 and the minimum weekly benefit is \$206. Thus for a worker who earned \$500 per week prior to the date of injury, the weekly temporary total disability benefit is \$350.

Temporary partial disability benefits are not included in the New Jersey workers' compensation statute and that term is not used in the state. Although the matter has never been adjudicated, the Division of Workers' Compensation interprets the New Jersey statute to entitle some workers to benefits that correspond to temporary partial disability benefits in other states. The New Jersey temporary partial disability benefits are provided to a worker who has been released for light duty work by the authorized treating doctor while receiving curative treatment and because of the work-related injury or disease the worker earns less than he or she did prior to the injury or disease. The benefits are only paid if the worker has a reduction in earnings for more than 7 days. The temporary partial disability benefits stop under four circumstances: (1) the period of temporary disability has reached 400 weeks; or (2) the worker returns to full-duty; or (3) the doctor releases the worker for full-duty work; or (4) the worker has reached the point of maximum medical improvement when additional treatment will no longer improve the worker's medical condition. The weekly temporary partial disability benefit is the amount that, in combination with the worker's earning, are equal to the benefits the worker would have received if totally disabled. Thus a worker who earned \$500 per week on the date of injury and who earns \$200 a week in light-duty work while receiving curative treatment would receive temporary partial disability benefits of \$150 a week, for a total of \$350. A worker who earned \$500 per week on the date of injury and who earns \$300 a week in light-duty work while receiving curative treatment would receive temporary partial disability benefits of \$50 a week, for a total of \$350. A worker who earned \$500 per week on the date of injury and who earns at least \$350 a week in light-duty work while receiving curative treatment is not entitled to temporary partial disability benefits.