



## GENERAL CONTRACTORS ASSOCIATION OF HAWAII

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January 1, 2008

### GENERAL CONTRACTORS ASSOCIATION OF HAWAII TEMPORARY DISABILITY INSURANCE PROGRAM

**EFFECTIVE JANUARY 1, 2008**

#### NOTICE TO PARTICIPANTS

- PREMIUM RATE FOR GCA PLAN WILL REMAIN THE SAME FOR CALENDAR YEAR 2008  
The TOTAL premium rate under the GCA's Temporary Disability Insurance Program, as underwritten by Pacific Guardian Life Insurance Company, will remain at **\$.45 per \$100** of covered payroll for calendar year 2008. Up to one-half of this total premium cost may be deducted from the wages of covered employees but not more than .5% of the weekly wage earned by the employee.
- COVERED WAGES  
In December of each year, the State of Hawaii Department of Labor & Industrial Relations computes the amount of "covered wages" on which premiums must be paid. This is determined by use of a formula which is contained in the TDI law. For Calendar Year 2007, "covered wages" were **\$820.26** per week (**\$3,554.46** per month).  
  
FOR CALENDAR YEAR 2008, IT WILL BE \$842.56 PER WEEK (\$3,651.09 PER MONTH).
- MAXIMUM BENEFIT AMOUNT  
The amount of weekly TDI benefits which are payable is also determined by use of a formula contained in the law. For calendar year 2008, the **maximum weekly benefit amount will be \$489.00.**
- DEDUCTIONS FROM EMPLOYEES COVERING THEIR SHARE OF THE COST  
Because of the change in "covered wages" on which premiums must be paid, the amount to be deducted from employees covering their share of the cost must be adjusted beginning **January 1, 2008**, as shown below.

**EFFECTIVE JANUARY 1, 2008**

**MAKING DEDUCTIONS FROM THE WAGES OF EMPLOYEES COVERING  
THEIR SHARE OF THE COST OF TDI COVERAGE AS REQUIRED  
BY ACT 148 (STATE OF HAWAII, 1969)**

**APPLICABLE ONLY TO GCA PLAN PARTICIPANTS**

**COMPUTING THE AMOUNT OF THE EMPLOYEE DEDUCTION**

FOR EMPLOYEES WHO ARE PAID WEEKLY:

*If the Employee's earnings are **\$842.56** or more that week:*

DEDUCT **\$1.89** that week as the Employee's share.

*If the Employee's earnings are less than **\$842.56** for that week:*

Determine the proper deduction for that week by multiplying actual earnings by  
**.00225**

FOR EMPLOYEES WHO ARE PAID TWICE-A-MONTH:

*If the Employee's earnings are **\$1,825.54** or more:*

DEDUCT **\$4.10** as the Employee's share for that pay period.

*If the Employee's earnings are less than **\$1,825.54**:*

Determine the proper twice-a-month deduction by multiplying actual earnings by  
**.00225**.

FOR EMPLOYEES WHO ARE PAID ONCE-A-MONTH

*If the Employee earns **\$3,651.09** or more per month:*

DEDUCT **\$8.21** per month as the Employer's share

*If the Employee earns less than **\$3,651.09** per month:*

Determine the proper deduction by multiplying actual monthly earnings by **.00225**

**NOTE:** You CANNOT, by law, make deductions from the wages of an employee who does not meet the Law's eligibility requirements. Employee must have been employed by one or more employers in the State of Hawaii for at least 14 weeks with 20 or more hours of paid work each week and earned wages of at least \$400), during the 52 weeks immediately preceding the first day of disability.

After said employee becomes eligible for benefits, you may then withhold the employee's share of premium cost.