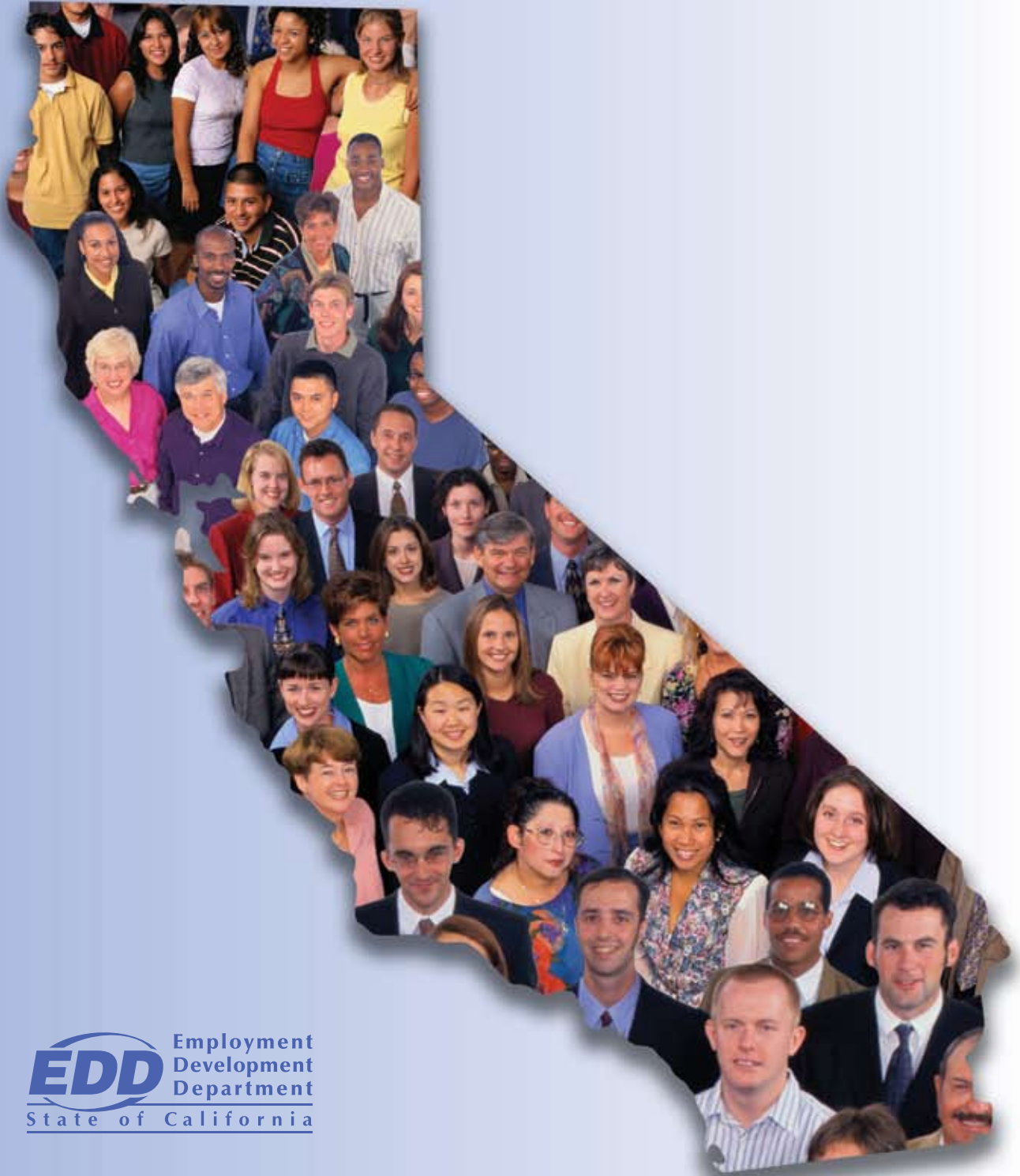


DISABILITY INSURANCE BRANCH

STRATEGIC BUSINESS PLAN 2007-2011



EDD Employment
Development
Department
State of California

TABLE OF CONTENTS

Deputy Director's Message	2
Mission, Vision, and Guiding Principles	3
Program Overview	4
Organizational Structure.	6
The Planning Process	7
Strategy Map	8
Perspective Areas	9
Strategic Objectives	10
The ScoreCard: Perspectives, Objectives, and Initiatives	12
Initiatives	13
Initiatives Timeline	18
Glossary of Terms	19
Appendices	21
• Comparison of the Employment Development Department Strategic Plan and the Disability Insurance Branch Strategic Business Plan	
• Program Data/Charts	

DEPUTY DIRECTOR'S MESSAGE



I am very pleased to present the Disability Insurance Branch Strategic Business Plan for 2007-2011.

For over 60 years, the State Disability Insurance (SDI) program has helped to minimize the financial hardship for millions of disabled workers in California by providing timely and affordable benefits. The Disability Insurance (DI) program provides benefits to workers who are unable to work due to non work-related illness, injury, or pregnancy. The Paid Family Leave (PFL) program (which began paying benefits in July 2004) provides benefits to eligible workers

who need to take time off work to care for a family member or bond with a new minor child. Approximately 13 million California workers are covered by the SDI program. Over the last year, we touched the lives of close to one million California workers who have filed claims with the SDI and PFL programs. We recognize the tremendous responsibility the Disability Insurance Branch (DIB) has to effectively and efficiently administer these programs and, through this administration, support California's economic stability. We take this responsibility very seriously.

Enhanced customer service and continuous improvement in program performance is at the core of our operation and the hallmark of this Strategic Business Plan. This plan sets aggressive goals for the SDI Program to continually improve program performance and customer service and, thereby, better serve California workers. This plan supports and aligns with the Employment Development Department's Strategic Plan, as depicted in the appendices attached.

Over the next several years the DIB faces several challenges including the need to build human resource capacity so that staff have the skills necessary to be responsive to our customers' needs and to increase customer access to our services and information through improved technology. This Strategic Business Plan provides the strategic vision and the road map for implementing new and innovative ways to meet these challenges.

I am optimistic about the opportunities we have over the next few years to demonstrate that California's SDI program is a universally recognized leader in the Disability Insurance and Paid Family Leave industries. We look forward to working with all of our program stakeholders to ensure that this vision is achieved.

On behalf of the hundreds of dedicated DIB professionals throughout California, this plan represents our ongoing commitment to build on past successes and pave the way to greater opportunities for supporting California workers.

A handwritten signature in black ink that reads "Sandra O. Poole".

Sandra O. Poole

Deputy Director, EDD Disability Insurance Branch

MISSION, VISION, AND GUIDING PRINCIPLES



Mission

The California State Disability Insurance Program minimizes financial hardships by providing timely benefits and services to eligible workers and families while supporting California's economy.



Vision

The California State Disability Insurance Program will continue to be a recognized leader in the Disability Insurance industry. We will be responsive to our customers and a model of excellence, innovation, and integrity.

Guiding Principles

- We value open, honest, and timely communication
- We treat each other respectfully at all times
- We seek collaborative solutions through partnership and joint problem solving
- We promote a culture of inclusiveness and shared responsibility
- We embrace change
- We challenge each other to unleash our creativity and innovative ideas

PROGRAM OVERVIEW

The Employment Development Department's (EDD) Disability Insurance Branch administers the State Disability Insurance program which provides partial wage replacement benefits to approximately 13 million California workers. The SDI program, sometimes referred to as State Plan coverage, is mandatory for insured workers unless an employer, with the consent of his/her employees, opts to choose a Voluntary Plan (VP) in lieu of the State Plan. The Branch provides oversight of the VPs to ensure compliance with statute and regulations.

The worker-funded SDI program requires coverage for employees working for employers with payrolls in excess of \$100 in a calendar quarter. Employees pay for the SDI benefit through a payroll deduction from their earnings. The withholding amount is set by law. Employee contributions are deposited into the Disability Fund.

For business owners and self-employed individuals not covered by SDI, the option to elect SDI is available through the Disability Insurance Elective Coverage (DIEC) program. This program is funded by employer-paid premiums calculated using a net profit formula. The DI Branch, in conjunction with the EDD Tax Branch, provides administrative oversight of DIEC.

Within the SDI program are two partial wage replacement benefit programs: Disability Insurance (DI) and Paid Family Leave (PFL). Workers covered by SDI (including VP or DIEC) are covered for both of these benefit programs.

Disability Insurance

The DI program was added to the California Unemployment Insurance Code in 1946 to provide disability insurance benefits to California workers. It provides eligible workers, who suffer a wage loss and cannot work due to pregnancy or a non work-related illness/injury, benefits ranging from \$50 to \$882¹ a week for a maximum of 52 weeks. Benefits are calculated to replace approximately 55 percent of a worker's earnings lost due to pregnancy, illness, or injury.

California is only one of six states that offer a short-term disability insurance program. California has become a model in DI implementation and a pioneer in the development of innovative programs and procedures.

Paid Family Leave

Legislation enacted in 2002 extended disability compensation to individuals who take time off work to care for a seriously ill child, spouse, parent, domestic partner, or to bond with a new minor child. The PFL program provides weekly benefits ranging from \$50 to \$882¹ for a maximum of 6 weeks within a 12 month period. California was the first state in the nation to implement a paid family leave benefit. Benefit payments began July 1, 2004.

¹ This is the benefit level in 2007 and will increase to a maximum of \$917 in 2008.

PROGRAM OVERVIEW

Non-Industrial Disability Insurance

In addition to the SDI program, the DI Branch administers the Non-Industrial Disability Insurance (NDI) program for the Department of Personnel Administration. This short-term wage continuation program is for state employees who are active members of the Public Employees Retirement System, State Teachers' Retirement System, State Officers, and employees of the Legislature not covered by SDI. The DIB maintains a claims management office, located in Stockton, dedicated to processing NDI claims. The NDI program provides benefits for workers who are unable to work due to non work-related injuries, illnesses, or pregnancy. The maximum weekly benefit is determined by the employees' bargaining unit, and benefits are payable for a maximum of 182 days. The DI Branch authorizes NDI benefits; however, benefits are paid by the State Controller.

DI Branch Stakeholders

The DI Branch has many internal and external customers. The key internal customers include the other EDD program branches and the Director's Office. Key external customers include California taxpayers, employers, claimants, the medical community, the California legislature, advocacy groups, voluntary plan administrators, and other state entities.

ORGANIZATIONAL STRUCTURE

The Employment Development Department's Disability Insurance Branch has over 1,200 employees. Staff are located in field offices throughout California and at administrative headquarters in Sacramento.

The [Disability Insurance Branch Central Office \(DICO\)](#), under the supervision of the Assistant Deputy Director, provides operational support to the DI Branch Executive Staff and Field Operations. Staff in the DICO develop policies, procedures and, training materials; oversee program quality and integrity; and act as liaison to coordinate efforts to obtain services from EDD support entities including Fiscal Programs, Business Operations, and Information Technology.

The [Field Operations Division](#) staff provide direct services to eligible workers seeking wage replacement benefits. There are 16 Claims Management Offices that process DI claims, administered under the auspices of Northern and Southern regional offices. In addition, there is a Claims Management Office devoted solely to processing PFL claim forms and handling PFL calls. Three Customer Service Centers handle all calls related to DI claims. Together, these operations process claims and receive calls from customers including claimants, workers' compensation carriers, employers, and medical providers.

The [Office of the Medical Director \(OMD\)](#) is responsible for reviewing and advising on department-wide reasonable accommodation requests and fitness for duty examinations. The office is responsible for direct oversight of the medical-related aspects of DI claim processing including, but not limited to, the Independent Medical Examination (IME) panelist application and appointment process; maintenance of the IME database; processing out-of-state IME requests from the field offices; developing curriculum content; providing medical training to claims examiners; administering education and outreach activities to the medical community regarding the DI Program; managing duration control activities; updating the Doctor's table; and monitoring usage of the Medical Disability Advisor reference tool. The OMD responds to medical questions and provides guidance on medical-related issues to DIB's Central Office and field staff as needed.

THE PLANNING PROCESS

The 2007-2011 Strategic Business Plan process began with a two-day offsite meeting with the DIB senior management team. The DIB strategic planning team used planning concepts from the Balanced ScoreCard methodology, which was developed in the early 1990s by Dr. Robert Kaplan and David Norton of Harvard Business School.

The Balanced ScoreCard is a management tool that provides stakeholders with a comprehensive measure of how the organization is progressing towards the achievement of its strategic goals. The Balanced ScoreCard enables an organization to clarify its vision and strategy and translate them into action. By modeling the DI Strategic Planning process on Balanced ScoreCard methodology and concepts, DI Branch leaders were able to see how strategic objectives, initiatives, and performance measures aligned.

The senior management team identified initiatives that will move the organization toward its strategic objectives. Strategies, objectives, and initiatives were viewed from the following perspectives: Customer, Internal Processes, Enabling Investments, and Financial Viability. The following questions were asked in each perspective area in order to identify areas needing improvement.

Customer: From the point of view of those who use the DIB services, what processes must we excel at to meet customer needs?

Internal Processes: What improvements can be made to our internal systems and processes to better meet customer expectations?

Enabling Investments: What type of culture, training, and technology is required to support our business processes?

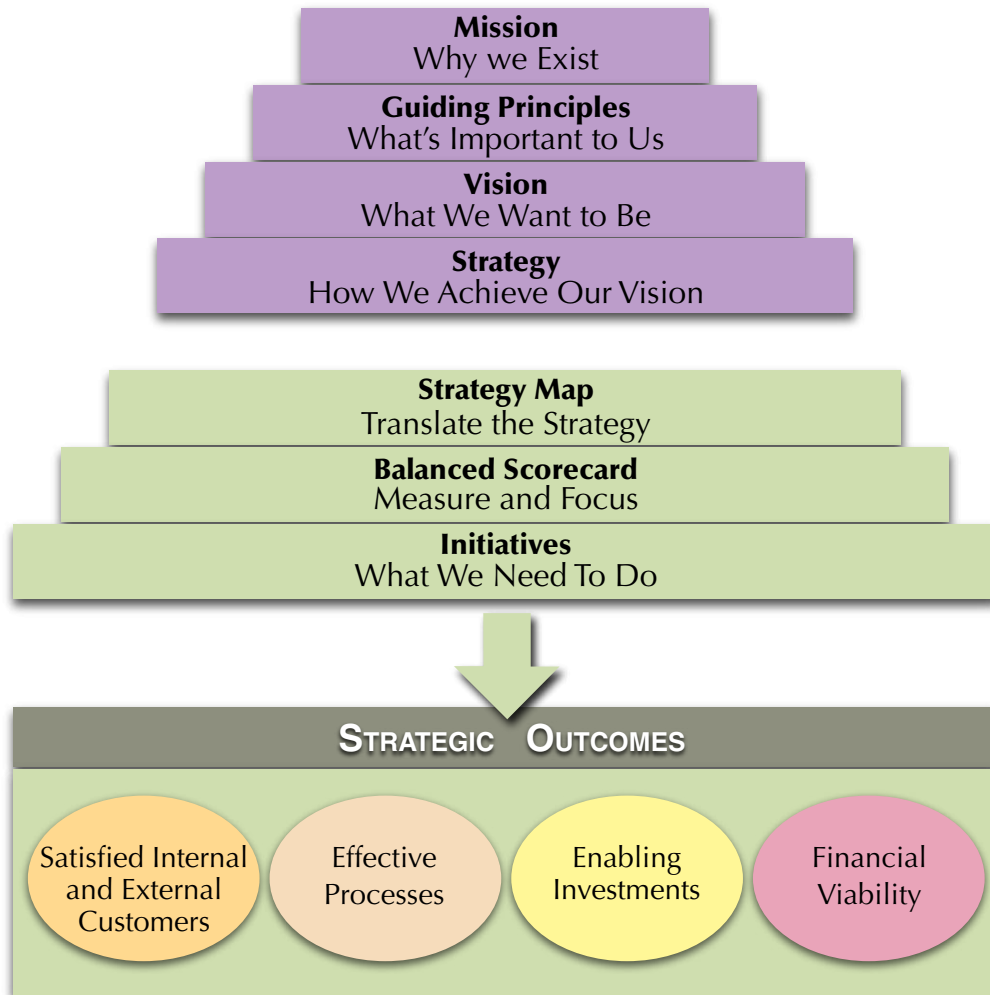
Financial Viability: How does the DI Branch support the financial viability of the DI Fund?

The planning process included identifying initiatives which are essential to the Disability Insurance Branch. The initiatives and initiative owners were identified. The assigned initiative owners and their teams developed measures with outcomes and outputs for each initiative. Disability Insurance Branch Guiding Principles were also developed and will form the basis for an emphasis on cultural transformation over the next four years.

Throughout the various phases of plan development managers and supervisors shared strategic plan information and solicited feedback from line staff throughout the Branch. The input and recommendations from Disability Insurance Branch staff are reflected in the Strategic Business Plan.

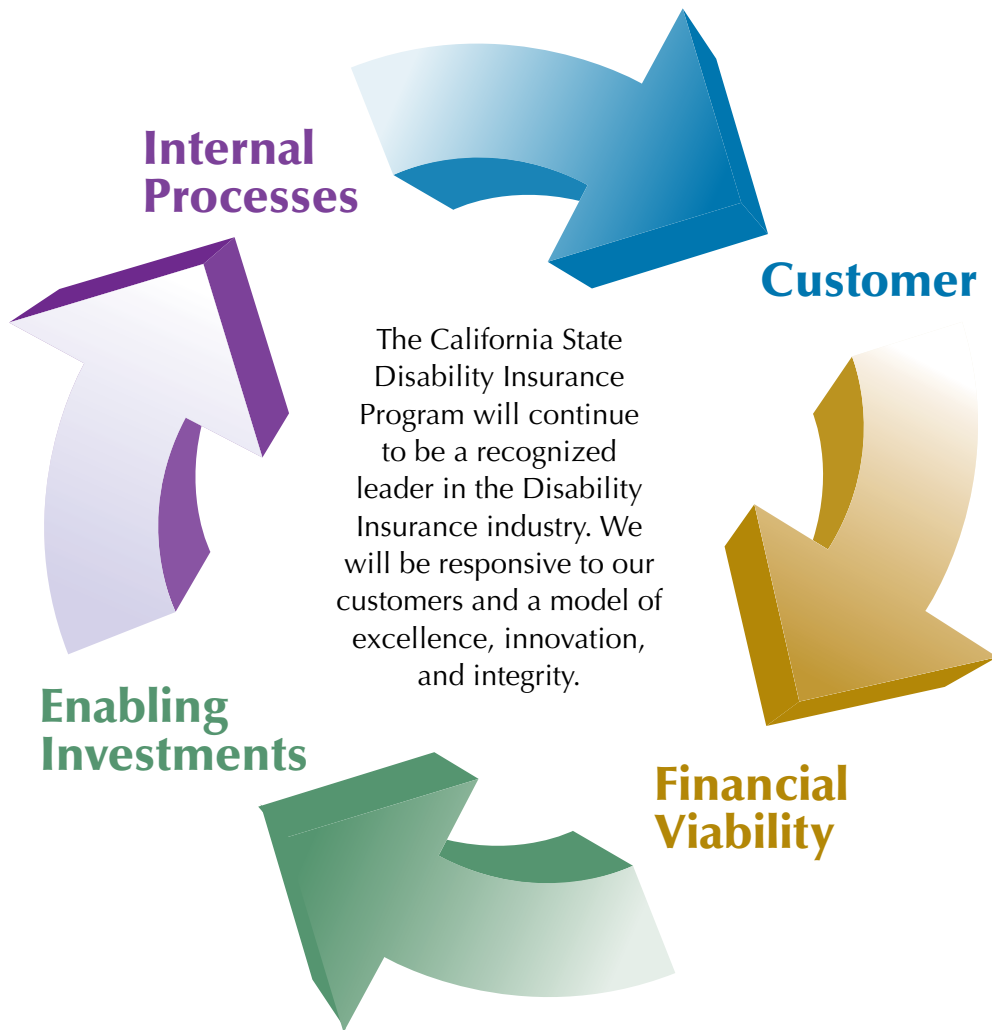
STRATEGY MAP

DISABILITY INSURANCE BRANCH STRATEGY MAP



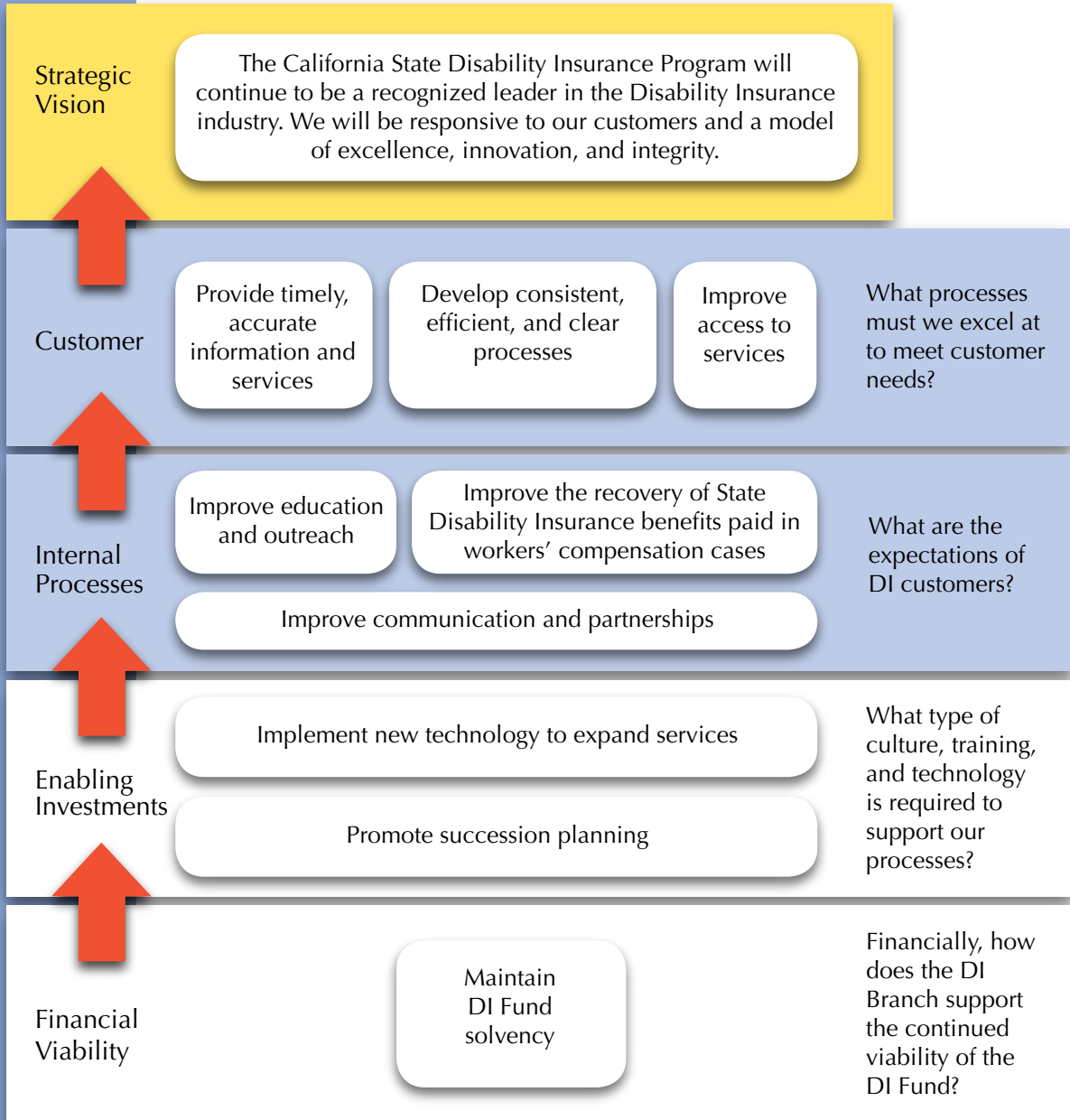
Using the Balanced ScoreCard management tool, the DIB Senior Management Team built a strategy map that provides alignment of key business strategies, initiatives, and measures that will guide the Branch for the next four years. The successful completion of key initiatives leads to desired strategic outcomes in the four perspective areas.

PERSPECTIVE AREAS



The four perspective areas are interrelated and provide a continuous chain of cause and effect relationships. The successful completion of initiatives in key performance areas will move the organization toward its strategic objectives.

STRATEGIC OBJECTIVES



The Strategic Objectives in each perspective area align Branch strategies with the Branch Strategic Vision.

STRATEGIC OBJECTIVES LIST

- Improve access to services
- Provide timely, accurate information and services
- Develop consistent, efficient, and clear processes
- Improve education and outreach
- Improve communication and partnerships
- Improve the recovery of State Disability Insurance benefits paid in workers' compensation cases
- Implement new technology to expand services
- Promote succession planning
- Maintain DI Fund solvency

THE SCORECARD: PERSPECTIVES, OBJECTIVES, AND INITIATIVES

	Perspective	Objective	Initiatives
A	Customer	Improve access to services	Expansion of DI customer access
A	Customer	Provide timely, accurate information and services	Improve service provided to DIB customers via DI Customer Service Centers
A	Customer	Develop consistent, efficient, and clear processes	Develop a formal customer satisfaction survey and data collection process
B	Internal Processes	Improve education and outreach	Develop and design education and outreach strategies
B	Internal Processes	Improve communication and partnerships	Develop a culture of partnership and collaboration within EDD
B	Internal Processes	Improve the recovery of State Disability Insurance benefits paid in workers' compensation cases	Develop processes, partnerships, and tools that will facilitate a more timely recovery of SDI benefits paid in workers' compensation cases.
C	Enabling Investment (Employees) "Learning and Growth"	Implement new technology to expand services	Disability Insurance Automation Project
C	Enabling Investment (Employees) "Learning and Growth"	Implement new technology to expand services	Remote Call Monitoring Project
C	Enabling Investment (Employees) "Learning and Growth"	Promote succession planning	Develop and implement the DI Leadership Academy

INITIATIVES

A. PERSPECTIVE AREA

CUSTOMER

OBJECTIVE: Improve access to services

INITIATIVE: Expand Disability Insurance Program customer access

The goal of this project is to improve customer access to individuals who speak the top seven most frequently requested languages: English, Spanish, Tagalog, Cantonese, Armenian, Vietnamese, and Punjabi. Improvements will enable these customers to have questions answered and obtain claim and check information through self-service, Interactive Voice Response systems.

The project begins approximately January 2008 and ends approximately December 2010.

MEASURES:

- Data indicating increased access by customers using the top most frequently requested languages
- Data indicating use of the language voice form boxes
- Data indicating improved service levels

A. PERSPECTIVE AREA

CUSTOMER

OBJECTIVE: Provide timely, accurate information and services

INITIATIVE: Customer Service Centers assessment

The first goal of this project is to secure an approved Request for Offer (RFO) and distribute it to vendors. The vendor is to provide an assessment of the current operations, management, and service level performance of the Disability Insurance Branch Call Centers. The second goal is to secure final offers for evaluation, select the most qualified vendor, and have a signed contract. The third goal is to receive a written report of findings and recommendations from the vendor.

The finalized contract was executed October 2007 and the written report is expected by February 2008.

MEASURES:

- Approved and distributed RFO
- Contract awarded
- Written report with recommendations approved and submitted

INITIATIVES

A. PERSPECTIVE AREA

CUSTOMER

OBJECTIVE: Develop consistent, efficient, and clear processes

INITIATIVE: Improve customer satisfaction

The goal of this project is to develop and implement a consistent and efficient data collection mechanism that can be replicated every other year. The data collection tool will provide a systematic approach to collection of customer satisfaction data in order to improve program operations. The project team will collaborate with the Disability Insurance Automation Project team to design an automated solution to collect customer satisfaction data.

The project began August 2007 and ends approximately July 2008.

MEASURES:

- Survey participation rates at 40 percent or greater
- Final report submitted with results

B. PERSPECTIVE AREA

INTERNAL PROCESSES

OBJECTIVE: Improve education and outreach

INITIATIVE: Develop/design education and outreach strategies

The goal of the project is to create greater public awareness of SDI programs.

The project began July 2007 and ends February 2008.

MEASURES:

- Distribute new DI Notice
- Complete Education and Outreach Plan
- Data indicating increased number of claims filed
- Data indicating increased number of presentations
- Data indicating improved customer awareness with SDI programs

INITIATIVES

B. PERSPECTIVE AREA

INTERNAL PROCESSES

OBJECTIVE: Improve communication and partnerships

INITIATIVE: Develop a formal internal customer satisfaction measurement process

The goal of this project is to improve DI Branch internal communication and Department-wide collaboration.

The project began August 2007 and ends approximately December 2008.

MEASURES:

- Communication protocol document completed
- Data indicating staff training completed
- Data indicating protocols followed
- Data indicating partnerships outside DI Branch improving

B. PERSPECTIVE AREA

INTERNAL PROCESSES

OBJECTIVE: Improve the recovery of State Disability Insurance benefits paid in workers' compensation cases.

INITIATIVE: Develop processes, partnerships, and tools that will facilitate a more timely recovery of SDI benefits paid in workers' compensation cases.

The goal of this project is to increase the recovery of SDI benefits paid in lieu of conflicting workers' compensation liability for the same illness or injury.

The project began July 2007 and ends approximately December 2011.

MEASURES:

- Data indicating percent increase in number of liens
- Data indicating a reduction in the amount of payments issued to claimants receiving workers' compensation benefits

INITIATIVES

C. PERSPECTIVE AREA

ENABLING INVESTMENT "LEARNING AND GROWTH"

OBJECTIVE: Implement new technology to expand services

INITIATIVE: DI Automation Project

The goals of the DI Automation Project are:

- Health Insurance Portability and Accountability Act (HIPAA) compliant electronic communications through direct e-interface
- Three new intake channels: Direct e-interface, Web-based intelligent forms, and imaging and data capture
- Self-service options for claimants
- Program to limit fraud and abuse
- A modern, user-friendly interface for claim examiners

The project is currently underway and is scheduled to end June 2011.

MEASURES:

- Obtain 40 percent transactions electronically by the end of the first full year
- Issue at least 50 percent of initial claim payments automatically, 20 percent by the end of the first year
- Data indicating HIPAA compliance

C. PERSPECTIVE AREA

ENABLING INVESTMENT "LEARNING AND GROWTH"

OBJECTIVE: Implement new technology to expand services

INITIATIVE: Improve call service quality via remote call monitoring and recording

The goal of the project is to improve the quality of customer service and to identify areas of improvement and training for the customer service representatives.

The project start and end dates are dependent upon CALNET II implementation in 2008.

MEASURES:

- Data indicating an increase in the number of randomly recorded calls
- Data indicating areas of improvement for individual customer service representatives
- Data indicating improved customer service

INITIATIVES

C. PERSPECTIVE AREA

ENABLING INVESTMENT “LEARNING AND GROWTH”

OBJECTIVE: Promote succession planning

INITIATIVE: DI Leadership Academy

The goal of the project is to develop leaders who can contribute to the DI Program, understand organizational principles and practices, embrace and manage change, and make sound decisions.

The project is currently underway and is due to continue on an annual basis.

MEASURES:

- Data indicating all first level supervisors in the Branch are trained
- Pre and post assessment data to indicate increased knowledge

D. PERSPECTIVE AREA

FINANCIAL

OBJECTIVE: Maintain DI Fund solvency

INITIATIVE: All the initiatives identified will contribute to the overall integrity of the program. For example, improvements to program integrity by modernizing processes and implementing further automation solutions will provide additional safeguards that protect the DI fund.

INITIATIVES TIMELINE

Perspective Area	Project Name	Qtr 3 2007	Qtr 4 2007	Qtr 1 2008	Qtr 2 2008	Qtr 3 2008	Qtr 4 2008	Qtr 1 2009	Qtr 2 2009	Qtr 3 2009	Qtr 4 2009	Qtr 1 2010	Qtr 2 2010	Qtr 3 2010	Qtr 4 2010	Qtr 1 2011	Qtr 2 2011
Customer	Expansion of DI customer access																
Customer	Customer Service Center assessment																
Customer	Improve customer satisfaction																
Internal Processes	Develop/design education and outreach strategy																
Internal Processes	Develop a culture of partnership																
Internal Processes	Improve workers' compensation collection process																
Enabling Investments	DI Automation Project																
Enabling Investments	Improving call center service quality																
Enabling Investments	DI Leadership Academy																

GLOSSARY OF TERMS

Balanced ScoreCard - An integrated framework for describing strategy through the use of linked performance measures in four balanced perspectives: Financial, Customer, Internal Processes, and Enabling Investments. Balanced ScoreCard is a tool that translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system. The Balanced ScoreCard acts as a measurement system, strategic management system, and communication tool.

Customer Perspective - One of the four standard perspectives used with the Balanced ScoreCard. Measures are developed based on the answer to two fundamental questions - Who are our target customers and what is our value proposition in serving them?

Enabling Investments Perspective - One of the four perspective areas used with the Balanced ScoreCard. Measures in this perspective typically deal with the supporting technology, human resources, and perception of cultural environment by workers and customers.

Financial Perspective - One of the four standard perspectives used with the Balanced ScoreCard. Financial measures inform an organization whether strategy execution, which is detailed through measures in the other three perspectives, is leading to improved bottom line results.

Guiding Principles - An organization's guiding principles articulate those shared values that are of importance to all. They are the embodiment of the organization's philosophy for doing business and treating people.

Initiatives - The specific programs, activities, projects, or actions an organization will undertake in an effort to meet performance targets. It is key action programs developed to achieve objectives or close gaps between performance measures and targets. Initiatives differ from objectives in that they are more specific, have stated boundaries (beginning and end), have a person/team assigned to accomplish them, and have a budget. Several initiatives taken together may support a specific objective or theme.

Internal Processes Perspective - One of the four standard perspectives used with the Balanced ScoreCard. Measures in this perspective speak to the effectiveness and efficiency of internal systems and processes as evidenced by the customer satisfaction with products and services.

Measure - A standard used to evaluate and communicate performance against expected results. Measures are normally quantitative in nature capturing numbers, dollars, percentages, etc. Reporting and monitoring measures helps an organization gauge progress toward effective implementation of strategy. Measures are written statements of WHAT we will track and trend over time, NOT the actual targets such as direction and speed. A measure should include a statement of the unit to be measured (\$,% , rating).

GLOSSARY OF TERMS

Mission Statement - A mission statement defines the core purpose of the organization - why it exists. The mission examines the “reason for existence” for the organization beyond simply increasing the bottom line, and reflects employees’ motivations for engaging in the organization’s work. Effective missions are inspiring, long-term in nature, and easily understood and communicated.

Objective - A concise statement describing the specific things an organization must do well in order to execute its strategy/what is critical to its success. Objectives often begin with action verb such as increase, reduce, improve achieve, etc. and may include the means and/or desired results as well as the action. Each perspective usually contains three to six primary objectives that state a key aspect of the strategy to be achieved over the next three to five years.

Perspective - In Balanced ScoreCard vernacular, perspective refers to a category of performance measures. Most organizations choose the standard four perspectives (Financial, Customer, Internal Processes, and Enabling Investments), however, the Balanced ScoreCard represents a dynamic framework and additional perspectives may be added as necessary to adequately translate and describe an organization’s strategy. Other possible perspectives include Regulatory and Environmental. The perspectives, when taken together, permit a complete view of the strategy and tell the story of a strategy in a clearly understandable framework.

Succession Planning - The process of succession planning typically involves identifying critical jobs and positions in the organization, identifying projected attrition from these jobs and positions, and planning for future staffing needs. Succession planning involves collection and analysis of workforce data, and identification of necessary interventions to provide for the development of staff and the provision of adequate pools of competitors for vacant positions throughout the organization.

Strategic Plan - When taken together, all of the Balanced ScoreCard components represent a strategic plan. This form of strategic plan ensures the linkage between an organization’s strategy and its activities. It also ensures consistency across the organization from a framework and definitional standpoint.

Strategy Map - Balanced ScoreCard architects Kaplan and Norton coined this term to describe the inter-relationships among measures that weave together to describe an organization’s strategy. A strategy map is a visual representation of an organization’s strategy and the processes and systems necessary to implement that strategy.

Vision - A powerful vision provides everyone in the organization with a shared mental framework that helps give form to the often abstract future that lies ahead. A vision is a concise written statement defining the mid-long term (3-5 year) strategy of the organization. The vision is the summary statement of how the organization wants/intends to be perceived by the world. The vision statement should not be abstract - it should contain as concrete a picture of the desired state as possible, and also provide the basis for formulating strategies and objectives.

APPENDICES

Comparison of Employment Development Department Strategic Plan and Disability Insurance Branch Strategic Business Plan

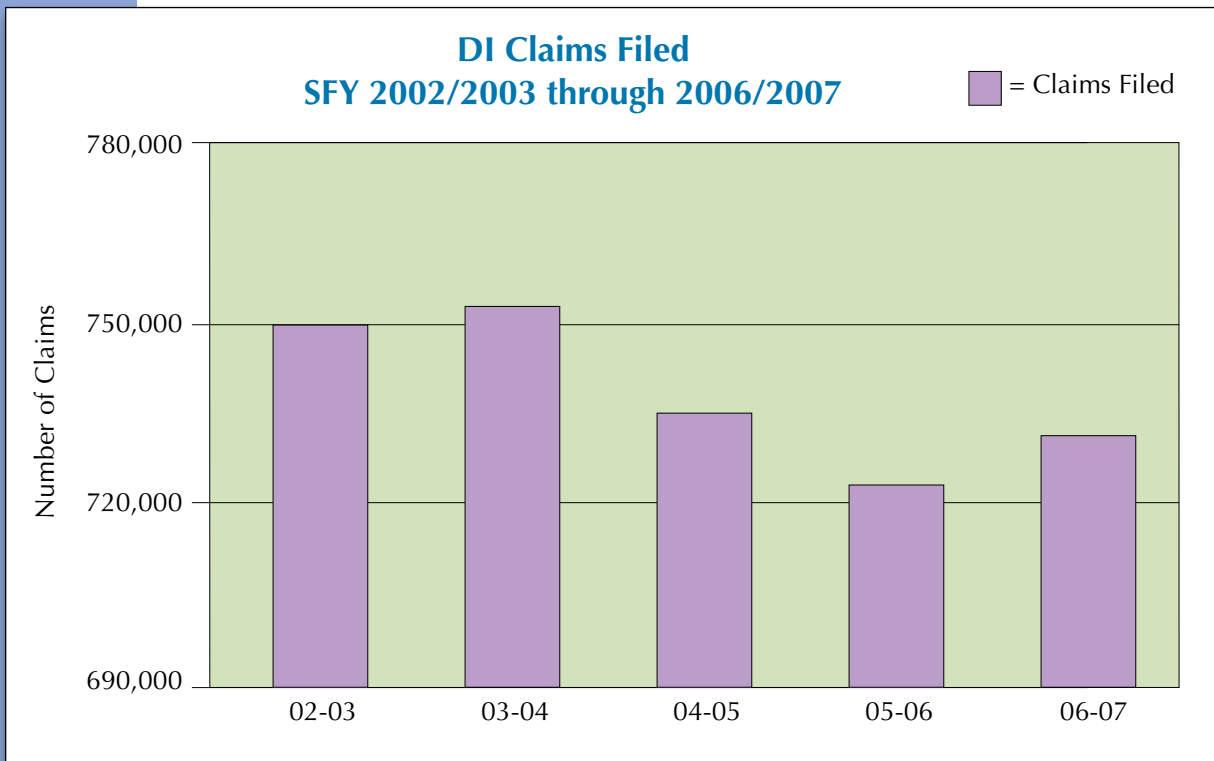
The following chart displays the similarities and alignment of the Disability Insurance Branch Strategic Objectives and Initiatives with the Employment Development Department Goals for the period 2007– 2011.

EDD Goal I	Improve access to services and information through the use of information technology and partnerships	DI Branch Strategic Objective	Implement new technology to expand services
		DI Branch Strategic Objective	Improve communication and partnerships
EDD Goal II	Develop an integrated approach across EDD to improve customer satisfaction with EDD services	DI Branch Strategic Initiative	Develop a culture of partnership and collaboration within EDD
		DI Branch Strategic Objective	Improve access to services
		DI Branch Strategic Initiative	Develop a formal customer satisfaction survey and data collection process
Goal III	Improve business processes to enhance results and reduce costs	DI Branch Strategic Objective	Improve the recovery of State Disability Insurance benefits paid in workers' compensation cases
		DI Branch Strategic Objective	Develop consistent, efficient, and clear processes
Goal IV	Build human resource capacity so that staff has the skills necessary to meet the challenges of the changing environment	DI Branch Strategic Objective	Promote succession planning
Goal V	Ensure the integrity of EDD's programs, services and information assets	DI Branch Strategic Objective	Implement new technology to expand services
		DI Branch Strategic Initiative	Disability Insurance Automation Project

APPENDICES

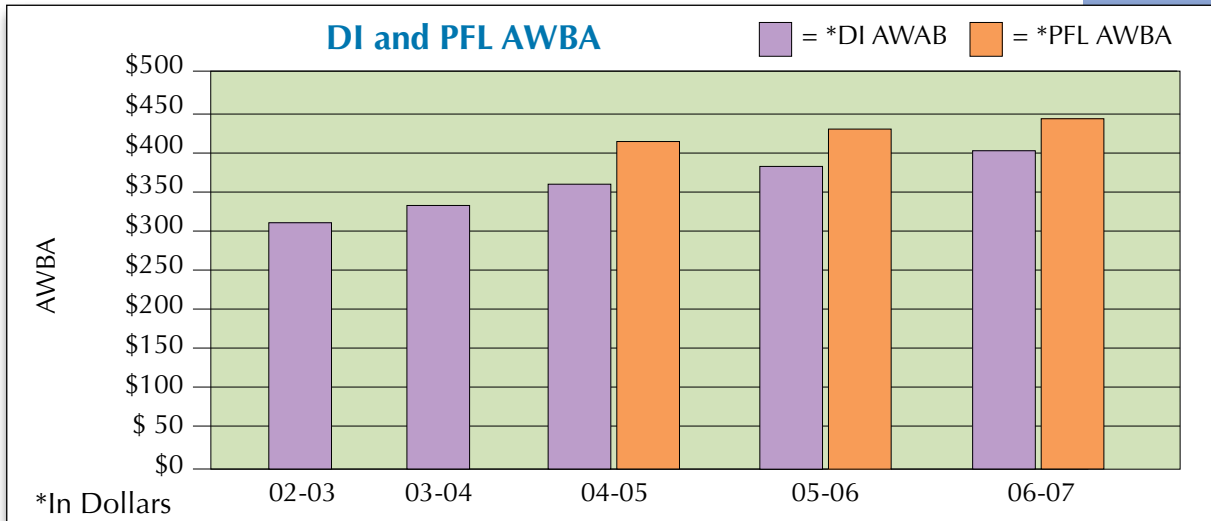
Introduction to Workload Charts

The following six charts display key workload and fund balance data over the past three to five years. Each chart is followed by a brief description of the chart contents. The charts include the Disability Insurance (DI) Claims Filed, the DI/Paid Family Leave (PFL) Average Weekly Benefit Amount (AWBA), Paid Family Leave (PFL) Claims Filed, Disability Fund Balance, DI Call Volume, and the DI Maximum Weekly Benefit Amount (MWBA).



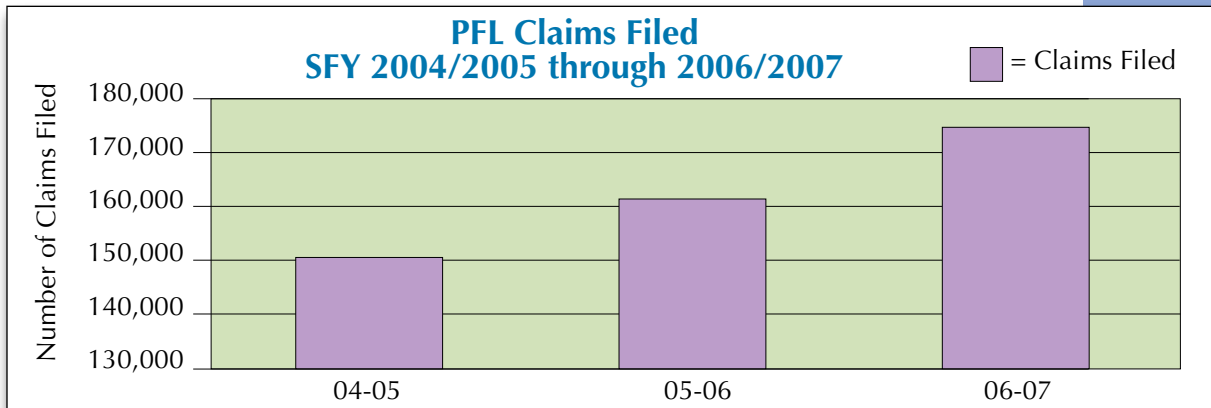
SFY	02-03	03-04	04-05	05-06	06-07
Claims Filed	749,989	751,942	733,934	723,521	731,492

DI claims filed are claims received and processed by DI field offices. The chart above provides a five-year comparison of the claims filed in Disability Insurance field offices by state fiscal year (SFY) beginning with SFY 2002/2003 and ending in SFY 2006/2007. The 2.5 percent difference in claims filed between SFY 2003/2004 and 2004/2005 does not represent a significant change.



SFY	02-03	03-04	04-05	05-06	06-07
DI AWBA	\$308.14	\$332.09	\$358.90	\$383.11	\$397.34
PFL AWBA	\$0.00	\$0.00	\$410.57	\$431.75	\$441.39

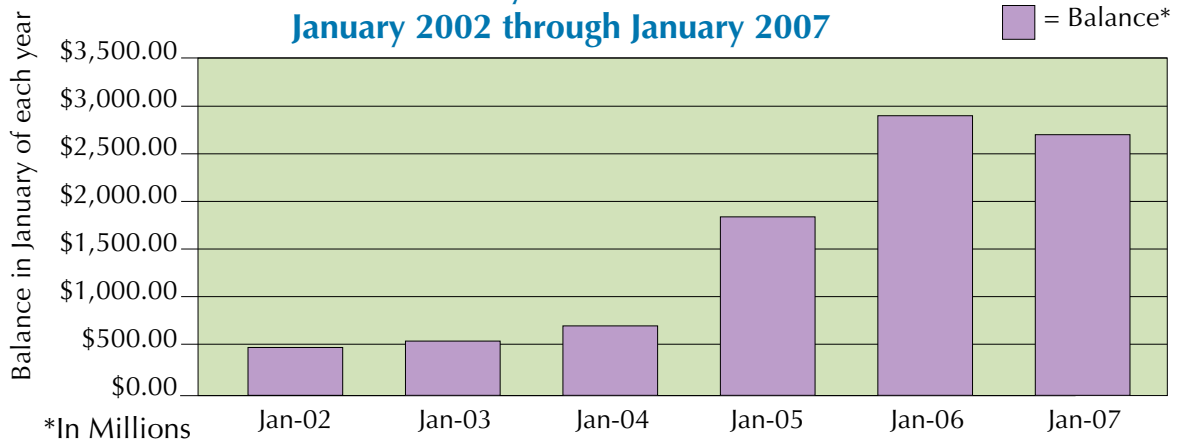
The average weekly benefit amount is the average weekly benefit authorized to an eligible DI or PFL recipient. The chart above provides a comparison of the average weekly benefit amounts for PFL and DI recipients beginning with State Fiscal Year (SFY) 2004/2005 and ending in SFY 2006/2007. PFL was implemented on July 1, 2004.



SFY	04-05	05-06	06-07
Claims Filed	150,514	160,988	174,838

PFL was implemented on July 1, 2004, to extend disability compensation to individuals who take time off work to care for a seriously ill child, spouse, parent, domestic partner, or to bond with a new minor child. The chart above graphically displays the number of PFL claims filed by SFY comparing each full fiscal year since the implementation of the program.

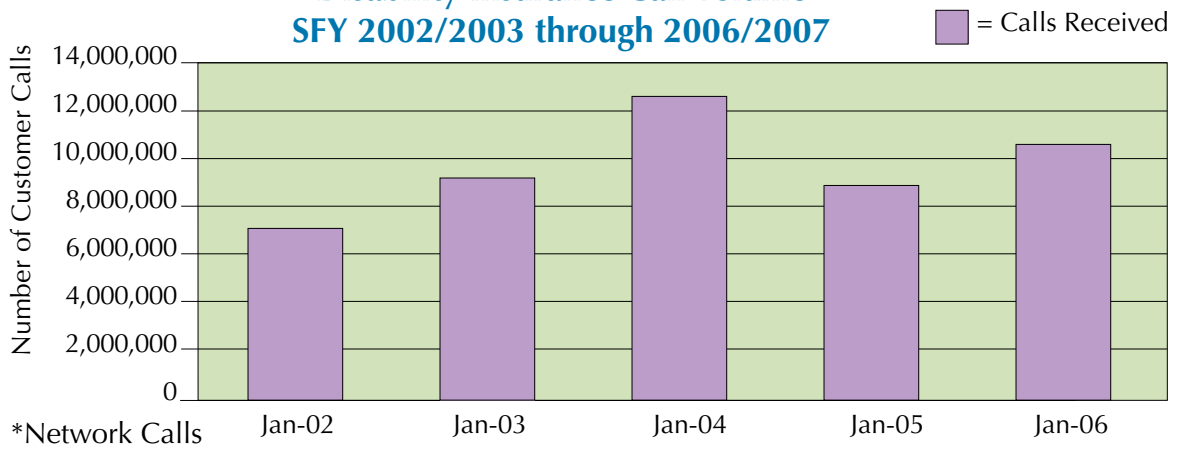
Disability Fund Balance January 2002 through January 2007



Months	Jan-02	Jan-03	Jan-04	Jan-05	Jan-06	Jan-07
Balance*	\$445.70	\$530.60	\$675.90	\$1,837.30	\$2,875.40	\$2,680.30

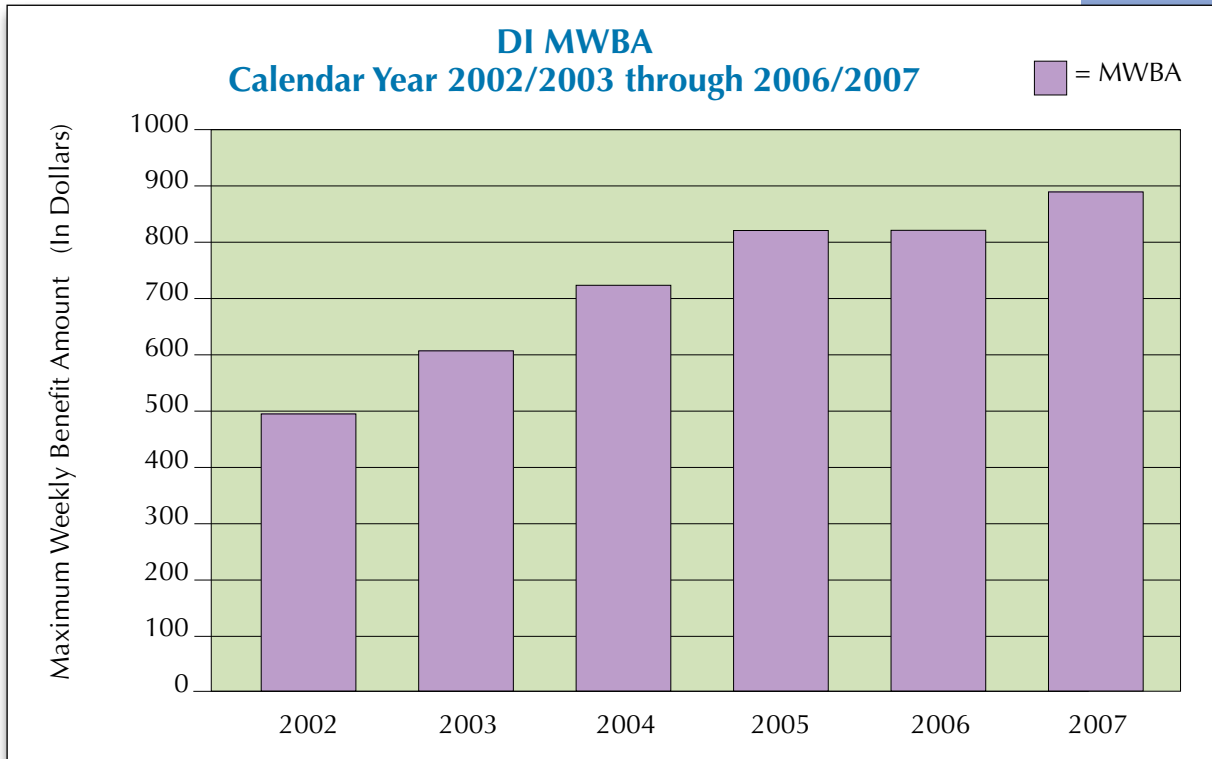
The SDI Program is state mandated and funded through employee payroll deductions. The fund balance is the amount that remains in the DI Fund after all DI and PFL benefits have been paid. The chart above provides a comparison of the fund balance in January of each year beginning with 2002 and ending in 2007. The contribution rate increased in 2004 with the implementation of the PFL program. The Maximum Weekly Benefit Amount also increased.

Disability Insurance Call Volume SFY 2002/2003 through 2006/2007



SFY	02-03	03-04	04-05	05-06	06-07
Calls Received	6,896,659	9,129,527	12,484,266	8,728,861	10,572,560

The DI call volume counts represented in the chart above include calls received by PFL, Non Industrial Disability Insurance, and State Disability Insurance for State Employees. The chart provides a five-year comparison of the calls received beginning with SFY 2002/2003 and ending in SFY 2006/2007.



CY	2002	2003	2004	2005	2006	2007
MWBA	490	602	728	840	840	882

The maximum weekly benefit amount is the maximum amount that can be paid to an eligible DI or PFL program recipient. The chart above provides a six-year comparison of the weekly benefit amounts beginning with SFY 2002/2003 and ending in SFY 2006/2007. Beginning 1/1/2008, the maximum weekly benefit increases to \$917.



STATE OF CALIFORNIA
Arnold Schwarzenegger, Governor

LABOR AND WORKFORCE DEVELOPMENT AGENCY
Victoria L. Bradshaw, Secretary

EMPLOYMENT DEVELOPMENT DEPARTMENT
Patrick W. Henning, Director

DISABILITY INSURANCE BRANCH
Sandra O. Poole, Deputy Director

The Employment Development Department (EDD) is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats may be made by calling 1-800-480-3287 (voice), or TTY 1-800-563-2441