



**To:** Leidos California Employees

**From:** Karen Kanjian, Director of Corporate Benefits

**Date:** December 21, 2020

**Re:** California Voluntary Disability Plan (CA VDP) Benefits - Year 2021

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#### **California State Disability Insurance (SDI)**

The State announced that effective **January 1, 2021**, the State Disability Insurance (SDI) Plan tax rate **will increase to 1.2%** and the taxable wage base **will increase to \$128,298** of an employee's annual earnings. The maximum annual deduction **will increase to \$1,539.58**. The SDI Plan maximum weekly benefit **will increase to \$1,357**.

*Leidos, Inc. employees located in California are covered by our self-insured California Voluntary Disability Plan (CA VDP), which is a state-approved replacement of the State Plan. Effective January 1, 2020 the following provisions will take effect for the CA VDP:*

#### **Contributions:**

The LEIDOS CA VDP employee contribution rate mirrors the SDI employee contribution rate and **will remain 1.2% of the taxable wage base of the first \$128,298**. This means Leidos CA VDP **2020** maximum employee annual contribution **will increase to \$1,539.58**.

#### **Maximum Benefit:**

The Leidos CA VDP will provide:

1. Benefit Class 1 – The amount of weekly benefit a Benefit Class 1 Employee will receive (subject to Limitations and Exclusions) is 60% of the Employee's Current Weekly Wage subject to a maximum weekly benefit of \$1,357.00 and a minimum weekly benefit of \$50.
2. Benefit Class 2 - The amount of weekly benefit a Benefit Class 2 Employee will receive (subject to Limitations and Exclusions) is 70% of the Employee's Current Weekly Wage subject to a maximum weekly benefit of \$1,357.00 and a minimum weekly benefit of \$50.

*Paid Family Leave Benefits* will be paid the same amount as the maximum and minimum weekly Disability benefit under the Leidos CA VDP.

## REGULATORY/LEGISLATIVE CHANGES IMPACTING VOLUNTARY PLANS –2021

### SB-1123      Disability compensation: paid family leave

(An act to amend, repeal, and add Sections 3301, 3302.1, 3303, and 3303.1 of, to add Sections 3302.2 and 3307 to, the Unemployment Insurance Code, and making an appropriation therefor, relating to paid family leave.)

This bill would, on and after January 1, 2021, expand the scope of the family temporary disability insurance program to include time off to participate in a qualifying exigency related to the covered active duty, as defined, or call to covered active duty of the individual's spouse, domestic partner, child, or parent in the armed forces of the United States, as specified. The bill would, when an employee for the first time requests leave because of a qualifying exigency arising out of the covered active duty or call to covered active duty, or notification of an impending call or order to covered active duty, of the employee's spouse, domestic partner, child, or parent in the armed forces of the United States, authorize the Employment Development Department to require the employee to provide a copy of the covered active duty orders or other documentation issued by the military that indicates that the employee's spouse, domestic partner, child, or parent is in the armed forces of the United States, is on covered active duty or call to covered active duty, and the dates of the covered active duty service.

In accordance with the California Unemployment Insurance Code, employees who are participating in the Company's California Voluntary Disability Plan have the right to discontinue their coverage under this Plan by notifying the Company, in writing, of their decision **within ten (10) days** following the effective date of any amendment to the Plan.

**QUESTIONS?** If you have any questions about this new Voluntary Plan benefit or your disability benefits in general, please contact HR Services at 1-855-553-4367, option 3.

Additionally, if you wish to enroll in or withdraw from the Voluntary Plan, please contact HR Services no later than **January 11, 2020**.