



Short-Term Disability

Short-term disability is an income replacement benefit provided to the eligible employee who is medically unable to work for at least fifteen days due to a non-work-related injury or illness. Benefits are paid up to 60% of the employee's base rate of pay for a maximum of 26 weeks.

Policy

Short-term disability is a self-funded and self-managed program. The compensation benefit replaces a part of an employee's salary when the employee's health care provider (HCP) directs a medically necessary absence from work and/or restricts the employee's activity to the point where the employee is not able to perform the essential functions of their current position due to a non-job-related illness/injury.

Definitions

Health care provider: any health care provider recognized by UnityPoint Health Des Moines or its group health plan's benefits manager. RHCP may include doctors of medicine or osteopathy authorized to practice medicine or surgery (as appropriate) by the State in which the doctor practices; podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice in the State and performing within the scope of their practice under State law; nurse practitioners, nurse-midwives, and clinical social workers authorized to practice under State law and performing within the scope of their practice as defined under State law.

Review Panel: persons with resources to special bodies of knowledge to objectively evaluate claim for medical absence. Includes but is not limited to: Disability Coordinator, Supervisor, Employee Health, and HR Representative. During review of the claim, personal data and information is blinded in order to conform with HIPAA regulations

Final Appeal Panel: persons selected to serve as objective evaluators of a disputed appeal decision. Includes, but is not limited to: Vice President of Medical Affairs, Vice President of Human Resources and the HR Manager or other designee(s) of the President of IH – DM. Personal data and information is blinded during review of the appeal for reconsideration in order to conform with HIPAA regulations.

Supervisor: any individual who is accountable for overseeing, directing, managing others.

Eligibility and Waiting Period

Regular full-time and part-time employees become eligible for short-term disability benefits beginning the first of the month following 90 days of employment, provided the employee averaged at least 16 hours per pay period during the six pay periods before the date of the claim.

Eligibility ends on the date an employee terminates employment or changes to an ineligible employment status.

Elimination Period

The first fourteen consecutive days of a non-job-related illness/injury are considered an elimination period and are not paid with the short-term disability compensation benefit. An employee is considered disabled for the first day of the fourteen-day elimination period if they work four hours or less of the scheduled shift. If the scheduled shift is less than 8 hours, the employee is considered disabled if they work less than half the shift.

If an employee attempts to return to work during the fourteen day elimination period and is unable to complete a full shift due to the same or related illness/injury, a new elimination period may not begin. This type of situation can occur only once in a fourteen day elimination period and will be reviewed on a case-by-case basis by the Disability Coordinator. If a full shift is completed, a new elimination period will begin.

Accrued paid time off (PTO) benefits must be used by eligible employees for the elimination period days. If an employee does not have any accrued PTO, these days are unpaid time.

Benefits Begin

Short-term disability benefits begin for the eligible employee on the fifteenth (15th) consecutive day of a covered illness/injury provided the employee:

- meets eligibility guidelines, and
- is under the care of a health care provider (HCP), and
- the employee submits the claim form to the Disability Coordinator prior to payroll processing days and within 30 days of the first date of medically directed absence.
- In the event completed documents are received more than 30 days after the first date of a medically directed absence, **and** the claim meets all other requirements, the employee will be eligible for STD benefits beginning with the date of submission **provided** the need for absence continues

NOTE: The claim form must be completed in its entirety and signed by the HCP and employee prior to submitting to the Disability Coordinator. Incomplete documents will be returned to the employee and processing delayed.

Calculation of Benefit

The short term disability benefit is calculated using 60 percent of the employee's base hourly rate of pay. Hours differential or other premiums are not included.

The biweekly benefit for the eligible employee is based on the average number of hours per pay period actually paid over the most recent six pay periods before the date of the claim, not to exceed 80 hours per pay period, and not to exceed a maximum of \$2500 per week. Biweekly benefit hours are divided by 14 to determine the daily average hours. Following the elimination period, the STD benefit is paid for each calendar day using the calculated daily average hours paid. Calculation of daily average hours is the same for use of "Sick Leave Reserve" dollars.

In the event an UnityPoint Health affiliate transfer has less than 6 full pay periods with UnityPoint Health Des Moines, the calculation of average hours will include the hours paid at the previous affiliate and be obtained from central payroll.

Payment of Benefit

Short-term disability benefits are paid through regular payroll and are taxed like other earnings. Deductions for benefits such as medical insurance continue while an employee is receiving short-term disability benefits.

Benefits are paid on a biweekly basis on UnityPoint Health Des Moines regular paydays. The benefits period will coincide with normal UnityPoint Health Des Moines pay periods.

If an employee believes their tax liability is affected by the disability pay, a new W-4 form may be completed to change the withholding.

If dollars are available in an eligible employee's "Sick Leave Reserve" (SLR) bank, they will be used to compensate the eligible employee at 100% of their base rate of pay.

If the employee's "SLR" bank becomes exhausted and the 26-week short-term disability maximum is not reached, the employee continues to be eligible for short-term disability coverage at 60% of base rate of pay until the 26-week maximum is reached. The 26-week plan maximum is calculated based on the employee's first day of disability regardless of how the employee is paid.

Payment of short-term disability benefits are shown on an eligible employee's paycheck stub as dollars and hours. Payment of short-term disability dollars will be indicated as "Short term dis" on the check stub. "Sick Leave Reserve" dollars will be indicated as "Sick pay old" on the check stub.

Continuation of Benefits

Benefits are paid for any continuous period of disability due to the same or a related cause. Once the initial claim form is submitted to and approved by the Disability Coordinator, the maximum benefit amount is 26 weeks, including the elimination period for each period of short-term disability. Where the disability absence exceeds 4 weeks or the period of anticipated absence has expired, supplemental claim forms are required on a regular basis. Further benefits will not be paid until the required supplementary information is submitted.

If an employee returns to work for at least 30 days and then becomes disabled again due to the same or related cause, a new benefit period will begin requiring another elimination period. If an employee returns to work for less than 30 days, the second absence is considered a continuation of the first disability. Both periods of absence count toward the 26-week maximum.

Any two or more unrelated illnesses/injuries separated by less than one full shift of work/availability for work will be considered one disability. Any two or more unrelated illnesses/injuries separated by a full shift or more will be considered a new period of disability requiring another elimination period.

Partial STD

Partial STD benefits may be available for the employee when:

- their condition is improving but is not at full capacity, and
- their HCP has released the individual to work but at reduced hours, **AND**
- where the absence has exceeded 15 calendar days.

Partial STD benefits will not exceed 6 weeks. The combination of continuous STD and partial STD will not exceed the 26 week maximum.

Calculation for payment of partial STD

The employee will receive their base rate of pay for hours worked and STD benefit at 60% of their base hourly wage for hours not worked. Should the employee desire full pay, they may use PTO for hours not worked instead of the partial STD benefit.

Benefit Plan Maximum

Short-term disability benefits are paid to eligible employees for a maximum of 26 weeks for each qualified period of short-term disability, provided program requirements are met. The 26-week plan maximum is calculated based on the employee's first day of disability regardless of how the employee is paid. Should the employee be medically restricted from working beyond the 26 week plan maximum, employment status will be evaluated.

Old Sick Leave/Long-term Sick Banks

Employees with "old sick leave" at Iowa Lutheran, or "long-term sick leave" at Iowa Methodist accumulated under sick leave programs in effect prior to January 1995, have had those hours converted to a UnityPoint Health Des Moines "Sick Leave Reserve" bank. Hours remaining in an employee's "old sick leave" or "long-term sick leave" bank on January 1, 1995, were multiplied by the employee's hourly base rate of pay in effect on January 1, 1995. The resulting dollar amount was placed in a Unity Point Health Des Moines "Sick Leave Reserve" bank. Dollars available in an employee's "Sick Leave Reserve" bank will be used in place of short-term disability benefits.

If the employee's "Sick Leave Reserve" bank becomes exhausted and the 26-week short-term disability maximum is not reached, the employee continues to be eligible for short-term disability coverage at 60% of their base rate of pay until the 26-week plan maximum is reached. The 26-week plan maximum is calculated based on the employee's first day of disability regardless of how the employee is paid.

If an employee terminates from UnityPoint Health Des Moines, the value of the "Sick Leave Reserve" bank is eliminated. No payment will be made to the employee.

Using Paid Time Off (PTO)

Paid time off (PTO) benefits provided by Unity Point Health Des Moines must be used by an eligible employee during the elimination period to compensate for the number of days/hours regularly scheduled to work in those fourteen days (of a non-job-related illness/injury). If an employee does not have any accrued PTO, the elimination period is unpaid time.

An eligible employee may choose to use PTO to supplement short-term disability benefits. PTO may be used to supplement STD pay, up to the equivalent of 100% pay, based on the employee's status hours. For example: Employee's status is 80 hours per payperiod. The employee may supplement STD with up to 32 hours PTO (40% of 80 hours).

Following the elimination period, any further use of PTO must be approved by the Disability Coordinator. The employee **must** inform the Disability Coordinator, prior to payroll processing, if the employee wishes to supplement STD with PTO.

The 26-week plan maximum is calculated based on the employee's first day of disability regardless of how the employee is paid.

PTO Accrual While on Short-Term Disability

Paid time off (PTO) does not accrue on short-term disability, SLR, or PTO paid.

Return to Work

An employee will notify their supervisor of release to work immediately upon notification by the health care provider.

A work release signed by the health care provider is required in order for the employee to resume work duties. The completed document is to be submitted to the supervisor and Disability Coordinator. Return to work with restrictions may be allowed, but **must** be coordinated through the Disability Coordinator.

Where absences exceed 14 days, a *fitness for duty* exam may be required, in which case a completed and signed *Fitness for Duty* report must be submitted.

An employee who fails to be available for work upon being released to return to work will be subject to disciplinary action which may include termination.

Reduced hours duty

In the event an employee is released to work reduced work hours (at the discretion of the HCP), reduced hours work may be available depending upon the business needs of the department at the time of the employee's need for such. Hours worked and PTO hours used shall not exceed the individual's budgeted FTE. Weekly progress/status reports may be required.

Exclusions

No STD payments shall be made under this policy for:

- Illness or injury sustained;
 - in the course of any employment, including self-employment;
 - while serving in the armed forces or for disability resulting from war;
 - while actively participating in a riot,
 - during the commission of or attempt to commit a crime, or to which a contributing cause was the employee's being engaged in an illegal occupation;
- Cosmetic and elective surgery. Any cosmetic or elective surgery medically necessary as a direct result of illness or injury, such as surgery for congenital defects or breast reconstruction is covered.

Denial of claim

Benefits under the Short Term Disability policy are not paid when:

- the employee does not see a HCP or
- the claim forms are submitted more than 30 days after the initial date of absence and the medical need for leave no longer exists, or
- absences are associated with conditions excluded by UnityPoint Health Des Moines policy (see Exclusions).

Written notice of denial will be provided to the employee within 10 business days of receiving the claim.

Questionable or disputed disability claims will be referred to the Review Panel for reconsideration.

UnityPoint Health Des Moines reserves the right to request that an employee receive a second opinion from a **physician** selected by UnityPoint Health Des Moines. If UnityPoint Health Des Moines - requests a second opinion by a **physician** it is at no cost to the employee.

Appeal Procedure

- Appeal of a denial must be made in writing to the Disability Coordinator within 60 days of the date of the denial letter and include any additional documentation or information that would support the appeal

- Appeal of a disputed claim must be made in writing to the Disability Coordinator within 30 days of the medical release to work.

The Review Panel will decide the appeal within 45 days after receipt of same.

Should the employee disagree with the Review Panel's decision, one additional written request for reconsideration of the appeal may be submitted to the Disability Coordinator. The request must be received within 30 days of the date of the letter informing you of the Review Panel's decision.

The Final Appeal Panel will decide the request for reconsideration within 45 days after receipt of same and their decision will be final.

Failure to follow the proper procedures may jeopardize coverage of a claim and make an employee ineligible for benefits under the Short Term Disability program.

Procedures

Employee Responsibilities

- Inform supervisor and Disability Coordinator of the need for an absence due to health concerns.
- Complete & submit to supervisor a Request for Leave of Absence.
- Complete the claim form and submit to your health care provider for them to complete their section
- Submit the completed claim form in its entirety to the Disability Coordinator. Failure to submit required documents within 30 days of the date of absence may result in denial of the disability claim.
- Notify the Disability Coordinator should PTO usage be desired to supplement STD benefits.
- Contact Human Resources for assistance with the W-4 to change the tax withholding in the event tax liability is affected by the STD benefit pay.
- Regularly inform supervisor and Disability Coordinator of status and progress during absence.
- Notify the supervisor and Disability Coordinator of release to return to work immediately upon release by the health care provider.
- Provide a copy of the signed work release to your supervisor prior to scheduling hours or returning to work. Send a copy to the Disability Coordinator.
- Participate in discussions in the event restrictions are placed upon activity.
- Submit a written request to the Disability Coordinator to appeal the denial or dispute of an STD claim.

Failure to follow the proper procedures may jeopardize coverage of a claim and make an employee ineligible for benefits under the Short Term Disability program.

Supervisor Responsibilities

- Receive employee's request/concern.
- Inform Disability Coordinator of employee's request
- Submit completed Leave of Absence form to Disability Coordinator
- Code employee time as directed by the Disability Coordinator for PTO on days the employee was scheduled to work in the elimination period

- Code employee time during absence as PTO only if directed by Disability Coordinator to do so.
- Collaborate with Disability Coordinator during employee absence to ensure appropriate handling of the absence.
- Receive the call and written notice from employee being released to return to work.
- Coordinate employee's return to work with Disability Coordinator.
- Determine if follow-up needed
- Collaborate with Disability Coordinator and employee in transitional duty.

Disability Coordinator

- Receive communication from employee and/or supervisor
- Discuss policy and procedures with employee
- Provide documents to employee if they have not obtained them.
- Receive completed documents from employee or health care provider.
- Determine employee's eligibility
- Determine first date of disability.
- Calculate average hours per pay period prior to date of disability.
- Prepares information for the payroll system to process benefit payment
- Direct supervisor to code PTO for elimination period and in the event the individual chooses to use PTO in lieu of STD/SLR.
- Communicate with employee and health care provider as needed during disability
- Send supplementary claim forms as needed
- Discuss Long Term Disability (LTD) with employee if applicable at approximately 12 weeks absence
- Submit documents for LTD as indicated based on merits of the situation.
- Collaborate with supervisor and employee for employee's safe return to work.
- Ensure all appropriate documents are on file.
- Provide written notice of claims denial and all review panel decisions.
- Coordinate meeting of the Review Panel and Final Appeal Panel (where applicable) to evaluate denials or disputed claims.
- Administer reduced hours/transitional duty program in collaboration with manager of employee's home department.

Related Human Resources Policies:

Family and Medical Leave - Time Off
 Employee Retirement Plans – Benefits
 Employee Insurance Benefits – Benefits
 Paid Time Off - Time Off
 Reinstatement – Employment
 Termination of Employment – Employment
 Work-Related Injury/Illness - Health
 Workers' Compensation - Health
 Personal Leave of Absence - Time Off

Related Forms:

Certification of Health Care Provider, Family Medical Leave Act
 Request for Leave of Absence
 Return to Work
 Short Term Disability Medical Certification

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