

**HAMILTON HEALTH CARE SYSTEM, INC.
ORGANIZATIONAL POLICY**

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|------------------------|---------------------------------------|------------------------------------|
| TITLE: | Short Term Disability Program | POLICY #: HR 9.6 |
| EFFECTIVE DATE: | September 2011 | PAGE: 1 of 4 |
| REFERENCES: | None | SUPERCEDES: January 2010 |
| ATTACHMENTS: | Application for Short-Term Disability | |
| AUTHORED BY: | Director of Human Resources | |

Purpose:

To establish a procedure to administer benefits under the Short-term Disability (STD) Program for associates of Hamilton Health Care System, Inc.

Policy:

The objective of STD is to provide partial replacement of income lost during absences due to "physician certified" disabilities. The Senior Vice President / Chief Financial Officer may amend or terminate this program at any time and any such amendment or termination will apply to associates then receiving disability benefits.

Method of Implementation:

A. Eligibility Requirements

1. Eligible associates must meet the continuous employment (actively at work) requirement as specified below. The requirement for continuous employment will include approved time off such as PAL, jury duty and funeral leave, but does not include absences of greater than two weeks for an injury or sickness which requires a change in the associates regular full-time status.
2. Eligibility Length of Service Requirements:
 - a. Non-exempt associates: requires continuous employment of one (1) year or more as a regular full-time associate.
 - b. Exempt associates: requires continuous employment of six (6) months or more as a regular full-time exempt associate.
3. Physician certification required of the associate's incapacity to perform essential job functions.
4. Non-exempt associates are not eligible if certified disability is less than fourteen (14) calendar days.
5. STD benefits will end on the 180th calendar day of certified disability. Following the 180th day, associates qualifying will be encouraged to apply for long-term disability and/or Social Security disability benefits.
6. An associate who is disabled due to a work related illness or injury and receiving compensation for this illness or injury is not eligible for short-term disability benefits.
7. Associate may not receive Paid Annual Leave (PAL) and/or extended illness hours benefits concurrent with STD benefits.

8. Waiting Period

- a. Non-exempt and exempt associates: requires a minimum 14 day waiting period for STD benefits, during which time no STD benefits will be paid. Associates will first be paid extended illness leave (EXIL) if applicable and then paid annual leave (PAL) during the waiting period and before short-term disability payments begin. If an associate has extended illness hours these will be exhausted before short-term disability will begin paying wages. After payment of all EXIL, but not earlier than the 14th day of disability, associates may begin receiving STD benefits.

9. Supervisors and the Associate Health office may request examination of the associate and certification of disability by physician of the employer's choice to verify eligibility or continued eligibility.

B. Short-Term Disability Benefit

1. Non-Exempt Associates: will be paid 60% of current base rate of pay for "physician certified" disability beginning after payment of all PAL and extended illness hours and not earlier than the 14th day of disability.
2. Exempt Associates: will be paid 100% of current base salary for "physician certified" disability beginning after payment of all extended illness hours.
3. STD benefits will be paid up to an aggregate (PAL, Extended Illness hours, and STD benefits) of 180 calendar days from the date of disability so long as the associate remains disabled (as defined herein).
4. Notwithstanding anything to the contrary herein, a disabled associate's benefits will be terminated as of the date the disabled associate's employment with Hamilton Health Care System, Inc. is terminated for any reason other than the disability (including but not limited to a layoff, elimination of the disabled associate's position, acquisition by another employer of assets or a division with which the disabled associate was last associated).

C. Application

1. All applications for STD must be made on the Application for Short-Term Disability available in the Human Resources office.
2. All applicable sections must be completed.
3. Benefit payments will be made only on recommendations of the appropriate associate health representative and department director.
4. STD benefit applications are valid for a period of six (6) weeks. A new application will be required every six (6) weeks to continue payment of STD benefits.
5. Associates who return from STD leave prior to reaching the 180 calendar day maximum may use only the remainder of the 180 days for another STD leave (whether for the same or different disability) during the following twelve (12) month period. In the event an associate returns to work and subsequently requests another STD leave, another application for STD benefits must be completed and submitted for approval.

Approved:

Senior Vice President / Chief Financial Officer

Date

HAMILTON HEALTH CARE SYSTEM, Inc.

APPLICATION FOR SHORT TERM DISABILITY- *ASSOCIATE STATEMENT*

I am declining STD and wish to continue receiving PAL at this time. **Please submit this form to HR to ensure you are paid appropriately. This form must be submitted before your STD/PAL will begin.**

- Non-Exempt Associates: will be paid 60% of current base rate of pay for "physician certified" disability beginning after payment of all PAL and extended illness hours and not earlier than the 14th day of disability.
- Exempt Associates: will be paid 100% of current base salary for "physician certified" disability beginning after payment of all extended illness hours.

1. Name _____ Age _____ Sex _____ SS# _____
Address _____ Phone _____
City _____ State _____ Zip Code _____

2. Date sickness began or injury occurred: _____ 3. Date first medical expense incurred: _____

4. Nature of illness or injury _____

5. If injured, state fully how injury occurred: _____

6. Did injury occur while on duty? _____

7. Has or will this claim be filed under Workers' Compensation or similar law? _____

8. Last day worked: _____ PAL Hours accrued: _____ Date leave begins: _____

I hereby authorize the release to and the use by Hamilton Health Care System of any medical or other information needed in processing this application.

Associate Signature

Date

ATTENDING PHYSICIANS STATEMENT

9. Nature of illness or injury: _____

10. Complications (if any): _____

11. Date of first treatment: _____ Date of most recent treatment: _____ Frequency of treatments: _____

12. Patient has been continuously unable to work from _____ to _____ and should be able to return to work on _____.

13. Patient status remains unchanged until: _____ Next office Visit _____

I (Print Physician Name) _____ do hereby acknowledge that any person who knowingly with intent to defraud or deceive Hamilton Health Care System, submits any information in conjunction with a claim containing fraudulent, false, misleading, incomplete or deceptive information commits a fraudulent act, which is a crime. These actions will result in denial of the patient's claim, and is subject to prosecution under state and/or federal law.

Physician's Signature

Specialty

Date

Office Address

Office Phone

Date

HUMAN RESOURCES APPROVAL

Director, Human Resources

Date

Associate Name: _____

