

## Model Policy: Catastrophic Leave Program

### Why you need this policy:

At first glance, a leave-sharing program appears to be a win-win-win solution for employer, donating employee, and receiving employee.

But despite all of the positives, employers need to be careful when implementing a program like this to avoid some potential administrative, managerial, and tax problems.

### How this policy helps you:

Rules regarding an employee's right to various types of leave differ from state to state, but most of the rules require that a leave-sharing program be in writing.

### How to use this program:

Check with your state law to learn what type of leave may be donated, and adapt this Model Policy to suit the specifics of your state and your organization.

## Model Policy: Catastrophic Leave Program

Effective [date], [name of firm] will establish and maintain a Catastrophic Leave Bank to assist employees during times of serious illness or injury when all available leave has been exhausted. Employees who become members may apply for leave time to offset a period of unpaid leave due to their own serious illness or injury, or that of a family member that they must provide care for.

### To be eligible to join the bank, the employee must:

- Have completed a minimum of one year of benefit eligible service;
- Accumulated a minimum of 80 hours of sick and/or vacation leave; and

- Donate a minimum of eight hours of leave time to the bank by signing a leave donation authorization. The leave donation does not require the supervisor's signature.

Enrollment in the bank is optional. All employees who earn leave benefits tracked by HR will be given the opportunity to participate. A maximum of 24 hours total may be donated by each participant. Once an employee makes a donation, they are a member of the bank. Annual re-enrollment is not required; however, additional amounts, up to the 24-hour maximum, may be made during the annual open enrollment.

Catastrophic leave requests will be reviewed in a timely manner by the Catastrophic Leave Request Committee. Leave time could be approved for up to six months, not to exceed the medically required time off or the maximum number of hours available in the leave bank. Family and Medical Leave Act (FMLA) guidelines regarding serious health condition will be used for determinations (excludes maternity leave without medical complications and adoption leave where no health issues are involved).

The requesting employee will be required to submit a request form and medical verification that the leave of absence is medically required. Elective or cosmetic surgery will generally not be eligible. The employee is not eligible for leave if they have been disciplined for leave abuse within the past year.

All information regarding requests and the outcome of requests will remain confidential to protect the privacy of the employee.

### **Employees will have several opportunities to join the bank:**

- A special initial enrollment will be held from [date] to [date] to allow employees who wish to donate unused leave from [current year] (including leave they won't be able to carry over), as well as to allow 20\_\_ [upcoming year] hours to also be available.
- Employees who do not currently meet the minimum one year requirement will be offered an opportunity to join at their one year anniversary.
- Anyone who is eligible but has not joined previously will have an opportunity to enroll during the Open Enrollment for all benefits next November.

