

Operating Procedure

Title: **SICK & DISABILITY LEAVE**
Effective Date: February 21, 1986
Revised Date: January 1, 1997

Number: **21-005**
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A. POLICY

This policy applies to management and TCU technically-covered employees: union employees are governed by their collective bargaining agreements.

1. Short Term Sick Leave ("STS"): In their first year of service, employees will be allowed one sick day per calendar month. Thereafter, on January 1st of each succeeding calendar year, full-time employees will be credited with twelve STS leave days; part-time employees will be allowed STS leave on a pro rata basis.

a. This leave may be used for absence due to the employee's own illness or non-occupational injury or to care for an ill or injured family member (spouse or domestic partner, child, sibling, parent, parent-in-law, grandparent or grandchild), or the family member of a domestic partner. Employees injured on-the-job should refer to the Risk Management Department for information about short-term sick leave benefits.

b. Sick days may be carried over from one calendar year to the next with unlimited accumulation.

c. During STS leaves, vacation, personal and sick balances accrue and medical and other benefits continue.

2. Short Term Disability Leave ("STD"): Metro-North provides 100% pay for up to 26 weeks (130 days) of leave required for an employee's prolonged, major or catastrophic illness.

a. All short-term sick leave and all vacation and personal leave over ten days must be used before commencing STD. If the disability continues beyond 26 weeks, the employee may apply for long-term disability insurance payments pursuant to this Policy.

b. Each employee is limited to a maximum of 52 weeks of STD at full pay over the term of their employment at any one MTA agency or at a combination of multiple MTA agencies. During STD leaves, vacation, personal and sick balances accrue.

c. Metro-North will continue payment (less required employee contributions) of health insurance, life insurance and long-term disability premiums for full-time employees during the period of short-term disability. Employees are expected to continue to contribute their portion to continue other programs or benefits.

d. This policy must be coordinated with the Employer's Liability Act, the Americans with Disabilities Act, the Family and Medical Leave Act, requirements associated with New York State, Military Leave Law and policies, and similar requirements affecting employee disability.

3. Long Term Disability ("LTD"): If absence extends beyond 26 weeks, an employee may apply for income payments from the MTA Metro-North Long Term Disability Insurance Program.

a. No short-term sick, vacation or personal leave accrues during LTD.

b. A vested employee on LTD continues to be covered by the Company's hospitalization/major medical insurance beyond age 65; an unvested employee is covered up to age 65. Full life insurance coverage continues for all employees for the duration of LTD, up to age 65.

c. Employees expecting to be absent for more than 26 weeks due to injury or illness should apply for LTD.

4. Unpaid Medical Leave: For an employee who has used all available sick leave but is not eligible for LTD, unpaid leave may be granted at the discretion of Metro-North.

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- a. No short-term sick, personal or vacation leave accrues during unpaid medical leaves.
 - b. Hospital/major medical insurance continues for 90 days, after which the employee may purchase health insurance under COBRA, as provided by Federal law.
5. Employees granted LTD will have their employment terminated one year after the last day worked.
6. Employees eligible to apply for LTD who fail to do so will have their employment terminated one year after the last day worked.
7. Employees who have been denied LTD by the insurance carrier will have their employment terminated one year after the last day worked.
8. Cash-Out of Accumulated Sick Leave: Employees with ten years or more of service who retire, resign or separate from Metro-North, MTA or another MTA agency, may be eligible for a cash payment related to accumulated unused sick leave. An employee's entitlement to such a payment is at the sole discretion of Metro-North.
- a. The daily rate applied to this cash-out will be the employee's rate of pay as of the separation date.
 - b. The cash-out value will be calculated for two circumstances and payment will be for whichever is greater.
 - i. Employees may receive payment of one day for every two days accumulated, up to a maximum payment of 120 days for 240 days banked.
 - ii. If, within five years prior to separation or retirement in good standing, an employee has experienced a catastrophic illness which depleted his/her entire sick bank, the employee will be paid an amount equal to one twelfth of the annual salary for each full ten years of aggregate active service. Employees with more than ten, but less than 20, 30, 40, etc. years of service, will be paid for that additional period on a pro rated basis of three days of pay for each year of service. The amount of this cash-out is not in addition to sick leave balances accumulated after the catastrophic illness.
 - c. Employees are eligible for this cash-out at any time after the date marking ten years of aggregate active service with Metro-North, MTA or other MTA agencies, providing there are no gaps in active service longer than 12 months for reasons other than illness, disability or approved leaves. Transfers from one MTA agency to another do not create an opportunity for this cash-out.
 - d. Employees who receive severance payments or early retirement incentives may be eligible for this benefit.
 - e. Employees who left service on or after December 1, 1996 may receive a sick leave cash-out benefit in accordance with this policy.
 - f. Unused sick leave balances of employees who die while in service will be treated as if they had resigned on the date of death: any cash-out benefits will be paid to their beneficiaries.
 - g. Employees who move between management and union positions or who transfer from other MTA agencies will carry their sick leave balances with them. Cash-out benefits will be based on the job held at separation.



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B. STEPS

1. Short Term Sick Leave: The employee notifies his/her manager, who charges the absences against accumulated short term sick days. If the employee's STS balance is exhausted, the STD leave request process begins.
2. Short Term Disability Leave: The manager notifies the Medical Department ("Medical") of the extended absence and mails an MD-1 form to the employee, requesting that it be completed by a health service provider and returned to Medical. At the same time, if accrued sick leave is exhausted, the Department Head recommends STD leave, signs form HR-9 and forwards it to Medical. A Metro-North physician reviews the request with all medical information provided on the returned MD-1 and, if satisfied, recommends approval by the Director, Human Resources, of the leave request. Human Resources staff calculate the approved rate of pay, and pass the HR-9 to Payroll, and to the Department Head. At or about the 18th week of the combined STS and STD leave, the manager writes to the employee, identifying the options (return to work or long term disability or an unpaid leave of absence) if the absence extends to 26 weeks and the next steps to take for each option. All referenced forms are available from the Human Resources Department.
3. Long Term Disability/Unpaid Sick Leave: Employees must request information from Human Resources's Employee Benefits Unit to apply for partial salary replacement from the Company's insurance carrier. The Railroad Retirement Board also administers a Disability Retirement program for permanently disabled employees. Employees whose applications are denied may then apply for unpaid medical leaves.
4. When employees separate from Metro-North, their accumulated unused sick leave is calculated and any approved cash-out added to final wage payments.

C. ADMINISTRATION

1. The Medical and Human Resources Departments and department managers will maintain and keep confidential all medical information and documentation relating to employees.
2. Managers are responsible for monitoring employees' absences due to illness or injury and for timely initiation of the STD and LTD processes, as well as for arranging for return-to-work medical examinations.
3. The Director, Human Resources is responsible for the administration of this procedure.
4. The Executive Vice President must approve any exceptions to this procedure.

This Policy sets forth only guidelines and does not constitute a contract, express or implied. Metro-North expressly reserves the right to change or cancel this Policy at its sole discretion at any time.

Approved: *Signed by Celia Ussak, Director, Human Resources, on 3/10/98*

Signed by Genevieve Firnhaber, Executive Vice President, on 3/18/98