

Thurston County Fire Protection District 8

DISTRICT POLICY MANUAL



POLICY TITLE:	Workers' Disability Compensation
POLICY NUMBER:	3-16-PO-00
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BOARD APPROVAL SIGNATURE:	

This Policy shall act as a guideline for the District and its (career) employees regarding on-the-job illness, injury and exposure (disability) workers' compensation benefits and time loss procedures. Refer also to District *Standard Response Guideline 2-01-01 "Injury, Illness, Exposure Documentation"*, *Policy 2-20 "District Health & Safety Program"*, *Policy 3-11 "Employee Sick Leave Donations"*, *Policy 3-12 "Annual & Sick Leave"*, and *Policy 3-15 "Emergency Responder Fit for Duty Status"*.

Volunteer emergency responders are covered under the Washington State Board of Volunteer Firefighters and Reserve Officer relief plan.

- 1) **Filing Requirements:** When any on-the-job disability event occurs, the employee must ensure their supervisor is immediately notified and that a claim for workers' disability compensation is filed by the attending physician/hospital/medical care facility (or other appropriate person/entity) in accordance with State law and regulations. The Washington State Department of Labor & Industries (L&I) is the agency charged with the responsibility for administering the workers' compensation program.
- 2) **Three Options:** When an employee is unable to perform their essential job functions due to an eligible on-the-job disability, the District may choose (if determined appropriate in its discretion) to utilize one or more of three options in conjunction with L&I. Those options are: (1) light duty in conjunction with L&I's "Stay at Work" program; (2) off-duty medical status in conjunction with L&I's "Keep on Salary" program; or (3) a combination of light duty and/or off-duty medical status in conjunction with L&I's time loss and supplemental compensation program(s). In the event the District determines any of the foregoing options is appropriate to a particular case, it will proactively work with the employee and L&I (to the extent necessary) to ensure the District fully complies with all applicable requirements.
- 3) **Labor & Industries Time Loss Payments:** Per L&I's guidelines, time loss compensation is paid to eligible employees if they are unable to work more than three (3) days immediately following the date disability event. Disabled employees are not compensated for those first three days unless they are still unable to work on the fourteenth (14th) day following the disability event. Therefore, employees must immediately begin drawing accrued paid time off (sick leave or annual leave) for time loss from work. Time loss payments from L&I are not subject to Federal income tax, social security taxes, and other payroll taxes/deductions.
- 4) **LEOFF Disability Leave Supplement:** For employees participating in the State Law Enforcement Officers and Firefighters Retirement Plan 2 (LEOFF2), and, in accordance with RCW 41.04.550, disabled employees receiving workers' disability compensation are eligible for a wage supplement benefit. The supplement shall be an amount which when added to the time loss benefits, will result in wages equivalent to that which the employee would have received based on their regular schedule.

The disability leave supplement shall begin with the sixth (6th) calendar day from the date of the disability event which entitles the employee to benefits under RCW 51.42.090. For the purposes of this Policy, the date of the disability event shall constitute the first calendar day. One half (1/2) of the supplement shall be paid by the District and one half (1/2) of the supplement shall be charged to the employee's accrued paid time off in the following order: sick leave, then, annual leave. The supplemental benefits shall continue as long as the employee is receiving time loss benefits, to a maximum of six (6) months.

Per RCW 41.04.530 if an employee's accrued sick leave is exhausted during the period of disability, the employee may, per a period of two (2) months following their return to active service, draw prospectively upon sick leave the employee is expected to accrue up to a maximum of three (3) shifts worth. Any sick leave drawn prospectively as provided in this Policy shall be charged against the disabled employee's earned sick leave until such time as the employee has accrued the amount needed to restore the amount used. In the event an employee terminates active service without having restored sick leave drawn prospectively, the District shall deduct the actual cost of any payments made under this Policy from compensation or other money payable to the terminating employee, or otherwise recover such payment.

After six (6) months, if the disabled employee is unable to perform the essential job functions of their position (with or without a reasonable accommodation), or, the disabled employee continues to receive time loss benefits beyond the supplemental benefits period of six (6) months, the disabled employee may cash out their remaining paid time off (including annual leave and holiday time), and may be terminated as a District employee, or as otherwise provided for in the current District-IAFF Local 2903 Collective Bargaining Agreement (CBA) if in the Bargaining Unit.

- 5) **PERS Temporary Disability Leave:** For employees participating in the State Public Employees Retirement System Plans 2 and 3 (PERS2-3) receiving workers' disability compensation due to any occupational related disability may use accumulated paid time off to supplement workers' compensation payment to the level of their normal wage amount, less any voluntary deductions. In such instances, the total wages shall not exceed the regular amount. The accumulated leave is subject to regular Federal payroll taxes.
- 6) **Medical & Dental Insurance:** Employees receiving supplemental benefits will continue to be eligible for medical benefits per the District's insurance plan for a maximum of six (6) months. At the end of six (6) months, the employee may choose to be placed into "COBRA" coverage (if otherwise eligible), where the employee is responsible for the policy premiums.
- 7) **Leave Accruals During Periods of Disability:** Vacation, holiday or sick leave shall not accrue during the period that a disabled employee receives supplemental payments as defined in this Policy except for the portion of any payment attributed to the use of the employee's accrued leave.
- 8) **Seniority During Periods of Disability:** When a disabled employee is on paid time off, they shall retain their position on the seniority list as if continually employed for duty if they return to work full-time within six (6) months of the date of the disability event.
- 9) **Department of Retirement System Service Credit:** In accordance with the Washington State Department of Retirement Systems (DRS) regulations, workers' compensation time loss benefits are not considered eligible for service credit, therefore are not reportable. Also, per RCW 41.04.525, disability leave supplement payments for LEOFF 2 covered employees not

attributable to the employee's use of his/her accrued leave are not considered as wages therefore are not eligible for service credit and not reportable. LEOFF 2 covered employees may apply for optional service credit while on "temporary duty disability" by applying to the DRS.

Accumulated paid time off used to supplement workers' compensation time loss payments for employees covered under the PERS 2-3 plan are wages and are reportable for service credit with the DRS.

- 10) **Deferred Compensation:** District deferred compensation payments shall not be deducted and remitted to DRS from a disabled employee's wages during the period in which they are receiving workers' compensation benefits.
- 11) **Re-injury After Returning to Work:** If after returning to full-duty an employee becomes disabled again within thirty (30) days, and it is determined by competent medical authority to be due to the (same) previous disability, the schedule/calendar for the original six (6) month timeframe (from the original disability event) shall apply.
- 12) **Full Disability:** In accordance with this Policy and the provisions of the current CBA as appropriate, when a disabled employee is unable to perform their essential job functions, with or without a reasonable accommodation, for a period of six (6) months the District shall consider whether separation of employment is appropriate, taking into account the particular circumstances applicable to the employee's situation.
- 13) **Overpayments:** Any over-payment to a disabled employee for supplemental paid leave (beyond the amount equal to their normal wages for that time period) will be deducted from that employee's wages and corresponding hours of service (if applicable) will be credited to their paid time off balance(s). In no event shall the employee receive more in combined benefits under this Policy than he/she would have received if the employee was actively working.