

## Paid Time Off Administrative House Wide Policy and Procedure

Applicable Campus	Department Name	Approval Authority
Salem Health and West Valley Hospital	Human Resources – Compensation and Benefits	Director, HR Operations
<b>Effective Date: April 2022</b>		<b>Next Review Date: March 2025</b>
List Stakeholders Position or Committee	Document Status	Date of Approval
SH Director, HR Operations	Revised	11/2021
SH Manager, Compliance and Infrastructure	Reviewed	03/2022
WVH Director, Clinical Operations	Reviewed	03/2022
SH Vice President, Human Resources	Reviewed	03/2022
SHMG Director, HR	Revised	04/2022
<b>Final Approval Date SH &amp; WVH</b>	<b>Final Review</b>	<b>04/2022</b>

**Describe briefly the most recent revision made to this policy, procedure or protocol and why:**

Updated to remove pre-designated PTO cash out option. Added language clarifying 401(k) contribution eligibility to non-PTO eligible status changes. Standardized use of PTO cash out vs. PTO payout terminology.

### Policy Content

The purpose of this policy & procedure is to define the Hospitals' provision of paid time off to eligible employees for rest, relaxation and missed work due to short-term absence and illness.

It is the policy of Salem Health to provide eligible employees with paid time off hours in the form of PTO and OPL for rest and relaxation, and for occasional missed work time due to short-term absence caused by personal illness, injury or other personal reasons. PTO benefits apply only to regular full-time and part-time employees. All employees are eligible for Oregon Paid Sick Leave. Employed provider Paid Time Off is outlined in a separate policy, Paid Time Off – SHMG Employed Providers

Salem Health generally provides the following paid time off for full-time benefit eligible employees annually. Part time employees receive a prorated amount. Employees in a status other than regularly scheduled full-time and regularly scheduled part-time are only eligible for Oregon Paid Sick Leave. See policy details below.

Continuous Employment (based on seniority date)	Regular FT PTO	Oregon Paid Leave	Birthday Accrual	Service Accrual	Organizational Paid Holidays*	Total Annual Allotment of Paid Time Off Hours
90 days through year 4, (3 – 48 months)	88 hours	40 hours	8 hours	16 hours	48 hours	200 hours
Years 5 through 9, (49 - 108 months)	128 hours	40 hours	8 hours	16 hours	48 hours	240 hours
Years 10 through 14, (109-168 months)	168 hours	40 hours	8 hours	16 hours	48 hours	280 hours
Years 15 and beyond, (169 months and beyond)	208 hours	40 hours	8 hours	16 hours	48 hours	320 hours

\*See Holiday Policy for additional details

## Steps/Key Points Procedure

### **Oregon Paid Leave Time:**

- All employees will accrue 0.033334 hours of OPL per hour worked.
- The maximum amount of OPL accrual per OPL year is 40.
- Unused OPL hours at the end of the 52 week year will roll over to the next year.
- The maximum OPL hours an employee can have at any time is 80. In the event an employee is at the maximum balance but has not yet accrued 40 hours for the calendar year, they will forfeit the accrual they would have otherwise been eligible to receive that pay period, resulting in an accrual of less than 40 hours for that calendar year.

**OPL Use:** If an employee misses time for an Oregon Paid Leave reason and has OPL hours available, they must use OPL hours to cover the time away to bring them up to their weekly FTE hours. If the employee meets their FTE hours for the week, then it is optional to cover the time missed with OPL hours. In any case, time missed not covered by OPL hours or other protected reasons may fall under the attendance policy.

Oregon Paid Leave reasons include:

- For an employee's mental or physical illness, injury or health condition, need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition, or need for preventive medical care.
- For care of a family member with a mental or physical illness, injury or health condition, care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition, or care of a family member who needs preventive medical care.
- To care for an infant or newly adopted child under 18 years of age, or for a newly placed foster child under 18 years of age, or for an adopted or foster child older than 18 years of age if the child is incapable of self-care because of a mental or physical disability. Leave for this reason must be completed within 12 months after birth or placement of the child, and an eligible employee is not entitled to any period of leave for this reason after the expiration of 12 months after birth or placement of the child.
- To care for a qualifying family member with an eligible serious health condition.
- To recover from or seek treatment for an eligible serious health condition that renders the employee unable to perform at least one of the essential functions of the employee's regular position.
- To care for a child of the employee who is suffering from an illness, injury, or condition that is not a serious health condition but that requires home care.
- To deal with the death of a qualifying family member within 60 days of the date on which the eligible employee receives notice of the death of the family member by:
  - Attending the funeral or alternative to a funeral of the family member;
  - Making arrangements necessitated by the death of the family member; or
  - Grieving the death of the family member.
  - Employee may use bereavement benefit hours, if eligible, as outlined in the bereavement leave policy, before using OPL hours to cover bereavement.
- To seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's minor child or dependent, including preparing for and participating in protective order proceedings or other civil or criminal legal proceedings related to domestic violence, harassment, sexual assault or stalking.
- To seek medical treatment for or to recover from injuries caused by domestic violence, sexual assault, harassment or stalking of the eligible employee or the employee's minor child or dependent.
- To obtain or to assist a minor child or dependent in obtaining, counseling from a licensed mental health professional related to an experience of domestic violence, harassment, sexual assault or stalking.
- To obtain services from a victim services provider for the eligible employee or the employee's minor child or dependent.
- To relocate or take steps to secure an existing home to ensure the health and safety of the eligible employee or the employee's minor child or dependent.
- Due to a public health emergency, including but not limited to:
  - Closure of the employee's place of business, or the school or place of care of the employee's child, by order of a public official due to a public health emergency;
  - A determination by a lawful public health authority or by a health care provider that the presence of the employee or the family member of the employee in the community would jeopardize the health of others, such that the employee must provide self-care for the family member; or
  - The exclusion of the employee from the workplace under any law or rule that requires the employer to exclude the employee from the workplace for health reasons.
- Regularly scheduled full and part-time employees may also use OPL hours to cover other approved time off, including scheduled vacation days, furlough days, and time missed as a result of being called off a regularly scheduled shift.
- The maximum amount of OPL hours an employee can use in an OPL year is 80.
- Whenever possible, employees will give at least a 10 day notice of their need to miss time from work for OPL reasons.

- Whenever possible, employees will schedule time away so that it does not disrupt the work flow of their department (i.e. schedule appointments during non-peak business hours).
- OPL hours cannot be donated to another employee.
- OPL hours cannot be cashed out during employment.
- Upon termination of employment of a regularly scheduled employee, any remaining balance of OPL hours will be paid out on the employee's final paycheck, provided they have completed the required 90 day wait period. For unscheduled employees, any balance not paid out will be re-instated in the event the employee is rehired within 6 months of their separation date.
- Accrued OPL hours become available for employees to use the first day of the pay period in which they complete 90 days of continuous employment in an eligible position.
- If a regularly scheduled employee transitions to a non-regularly scheduled status, they will retain their OPL balance but forfeit their eligibility for their OPL hours to be paid out at termination.
- Employees cannot use OPL hours to cover periods of time missed that will be paid by short or long term disability or worker's compensation pay.

**PTO/Vacation Time:**

PTO hours accrue each pay period beginning with the first pay period of employment, during all active employment, according to the following schedule. If an employee experiences a status change during the pay period, the eligibility for and level of PTO accrual will be based on the status the employee was in on the last day of the pay period\*\*:

<b>Continuous Employment (based on seniority date)</b>	<b>Reg. FT PTO Accrued Per Pay Period (must have at least 70 accrual generating hours paid during the pay period to receive accrual)</b>	<b>Reg. PT PTO Accrued Per Accrual Generating Hour Paid</b>
90 days through year 4, (3 – 48 months)	3.3840 hours	0.0423 hours
Years 5 through 9, (49 - 108 months)	4.9200 hours	0.0615 hours
Years 10 through 14, (109-168 months)	6.4640 hours	0.0808 hours
Years 15 and beyond, (169 months and beyond)	8.0 hours	0.1000 hours

- A. Regular part-time employees accrue PTO benefits based on the number of accrual generating hours they are paid each pay period.
- B. Regular full-time employees will accrue PTO at the Reg. FT PTO accrual rate unless they have less than 70 PTO accrual generating hours during the pay period, in which case the PTO accrual will be pro-rated using the Reg. PT PTO accrual rate.
- C. The maximum number of PTO accrual generating hours allowed per pay period is 80.
- D. Employees classified at the manager level or above (based on the position held on the last day of the pay period) accrue PTO at one level above staff employees. For example, a new full-time manager would begin accruing PTO at the rate of 4.9200 hours per pay period.
- C. Accrued PTO becomes available for employees to use the first day of the pay period in which they complete 90 days of continuous employment in a regular full-time or part-time position.

\*\*If an employee changes from a PTO eligible status to a non-PTO eligible status (except for a change to extended leave), any available PTO balance will be paid out on the bi-weekly paycheck that is for the corresponding dates that include the date of the status change (or on the final paycheck if the status change is due to employment ending), provided the employee has completed 90 days of continuous employment in a regular full-time or regular part-time position; if the employee has not fulfilled this requirement, the accrued PTO hours are deleted from the accrual bank and are not paid out. When PTO payout is triggered by a transition to a non-PTO eligible status other than termination, that PTO payout will not be eligible for 401(k) employee or employer contributions. For more information, review the 401(k) Summary Plan Description.

**Additional Annual Accruals**

➤ **Service PTO Accrual**

In recognition of a regularly scheduled full or part-time employee's seniority date, 16 hours of PTO, (prorated for part-time employees based on FTE status on the last day of the pay period prior to the seniority date), are added to the employee's

PTO balance. Service accrual is generated during the payroll processing of the pay period prior to the seniority date so that the accrued hours are available for use during the pay period in which the seniority date occurs. To be eligible for Service Accrual, an employee must be in a regularly scheduled full or part-time position on the last day of the pay period prior to their seniority date.

➤ **Birthday PTO Accrual**

In recognition of a regularly scheduled full or part-time employee's birthday, 8 hours of PTO (prorated for part-time employees, based on FTE status on the last day of the pay period prior to the birth date), is added to the employee's PTO balance. Birthday accrual is generated during the payroll processing of the pay period prior to the birth date so that the accrued hours are available for use during the pay period in which the birthday occurs. To be eligible for birthday accrual, an employee must be in a regularly scheduled full or part-time position on the last day of the pay period prior to their birth date.

**PTO Use:**

- A. Employees are required to submit PTO to cover all 'time away' (as defined in this policy) that isn't being paid using OPL, up to their weekly FTE hours, except in the following situations (use of available PTO is optional in these situations):
1. When called off or placed on stand-by,
  2. Furlough day recognized by the employee's department (refer to Furlough Days policy),
  3. When time away results from a holiday falling on a regularly scheduled day and the employee does not work, but the holiday benefit is less than the number of hours normally scheduled to work (refer to Holidays Policy),
  4. When a day off without pay is requested by the employee due to the employee having worked on a paid holiday or the paid holiday falling on a regular day off of the employee (refer to Holidays Policy),
  5. Time off under certain types of approved leave of absence such as military leave and crime victim & domestic violence leave (refer to Leave of Absence Policy and Leave of Absence FAQ sheet),
  6. Time loss resulting from expressing breast milk,
  7. Veterans honorably discharged after serving a minimum of 6 months on active duty in the Armed Forces or who served a minimum of 6 months active duty in a reserve or National Guard who are otherwise scheduled to work on Veteran's Day and takes the day off (documents establishing eligible veteran status and 21 days advance notice of request for time off may be required),
  8. Any time loss not identified in this policy that is covered under state or federal law prohibiting the requirement that paid time off be submitted.
- B. Regularly scheduled full-time and regularly scheduled part-time employees who are off work due to their own medical condition are not eligible to submit PTO for periods of time away that may be covered under short-term or long-term disability benefits, except to cover the waiting period. If a disability claim is denied for reasons other than lack of sufficient information, the employee will be required to submit PTO for that period of time loss (or EIB if applicable) if OPL is not available.

**Scheduling and Submitting PTO Hours**

- A. Time away from work is to be taken on a basis which is mutually convenient to the employee and Salem Health.
- B. PTO hours are not to be entered for time away for Oregon Paid Sick Leave reasons if Oregon paid sick leave hours are available.
- C. An employee who wishes to schedule PTO must adhere to the PTO request and approval process identified by their supervisor. In the event of conflict over requested time off, and in the absence of an established, department specific method to resolve the conflict, preference will be given to the employee with longer continuous service. A part-time employee with longer years of service has preference over a full-time employee with less years of service. See the Service Awards and Years of Service Policy.
- D. Each department shall establish procedures for assuring that vacations are scheduled with appropriate lead time, so that department work is minimally impacted. For unexpected time off, the employee is expected to give as much advance notice as is possible.
- E. Exempt employees are paid for the whole job and not by the hour; therefore, exempt employees shall only utilize PTO when a full work shift is missed.
- F. It is the responsibility of the employee to submit time off hours each pay period (before the end of the last day in the pay period in which the time away occurs) using the available methods established by Salem Health. (Refer to the Time and Attendance Policy.) PTO hours can be entered in advance to accommodate PTO submission for planned time off.
- G. If the event that an employee does not have a sufficient time off balance to cover all time away, available time off hours will be applied in the order in which the time away occurred. For example, if an employee missed two hours on Monday and 3 hours on Friday of the same work week, available PTO would first be applied for the time away on Monday, with any remaining balance applied to Friday.
- H. Time off hours are to be entered with a start time equal to the nearest quarter hour that the time away occurred. For example, if an employee's normal schedule is to work from 0700 to 1930, 12 paid hours, but misses the shift and does

not pick up any extra hours during that work week, that employee's time off hours would need to be submitted with a start time of 0700 for 12 hours. In this example, under no circumstances should an employee submit time off hours for time between 1900 and 0700, resulting in night shift differential being generated with the time off hours, unless the time away occurred during these hours.

- I. In the event an employee fails to successfully enter their time off hours before the end of the pay period, they must notify their supervisor or time card approver as quickly as possible. It is the responsibility of the time card approver to verify that employees have appropriately entered required time off hours before the time card approval deadline.
- J. Paid time off is included on regular, bi-weekly pay checks. In the event that an employee does not successfully submit time off hours for time away and it is not added by the time card editor or approver, resulting in time off hours missing from the corresponding paycheck, the supervisor or time card approver must email a request to Payroll, so that the time off hours' time can be added to the next paycheck. Employees are expected to check their time card routinely, including at the end of each pay period for accuracy. Typically, a manual check will not be issued for time off hours.

**PTO Cash Out**

- A. Although Salem Health encourages employees to take time away from work in order to have a more balanced lifestyle, PTO can be cashed out as outlined below:
  - 1. PTO Cash Out - Time Card Entry: At any time during a pay period, full-time employees with a PTO balance exceeding 40 hours (20 hours for part-time employees) may elect to submit PTO cash out hours on their time card which will be paid on the bi-weekly paycheck for the pay period in which the PTO cash out was submitted.
    - a. Employees may cash out any number of PTO hours they choose, provided they retain a balance of 40 hours (20 for part-time employees).
    - b. PTO cash out hours paid under this method will be issued at a rate equal to 80% of the employee's base rate which is the rate of pay in effect for the date the employee uses to submit the request on the time card.
    - c. It is the responsibility of the employee to submit their PTO cash out hours as outlined in the Time and Attendance policy and to check the time card after the entry to ensure the hours were properly submitted. Manual checks will not be issued for PTO cash out entries that were not submitted on the time card or were incorrectly submitted.
    - d. Employees who have elected to receive PTO cash out utilizing 'method one' will remain able to utilize method two if they meet the eligibility requirements.

**PTO/OPL Maximum Amounts**

Employees are expected to manage their PTO and OPL hours in a way that allows them to receive their eligible accrual each pay period. It is the employee's responsibility to maintain a balance low enough to allow for the accruals, including for seniority and birthday accruals. Any hours elected to be cashed out under PTO cash out method will not be held in the employee's PTO bank and therefore, will not apply toward the maximum limit rules outlined below. Hours not accrued as the result of an employee reaching the balance maximum will not be credited to the PTO or OPL balance at a later time. Hours will not accrue in excess of the maximum limits shown below for both PTO and OPL.

**Annual Amounts (1 day = 8 hours)**

<b>Continuous Employment</b>	<b>Regular PTO and OPL Days</b>	<b>Service PTO</b>	<b>Birthday PTO</b>	<b>Maximum Balance for PTO - FT/PT</b>	<b>Maximum Balance for OPL hours</b>
90 days to 5 years	16 days	2 days	1 day	264 hours	80 hours
After 5 years	21 days	2 days	1 day	344 hours	80 hours
After 10 years	26 days	2 days	1 day	424 hours	80 hours
After 15 years	31 days	2 days	1 day	504 hours	80 hours

**Employees Grandfathered with EIB Balance**

Current, regularly scheduled full and part-time employees who were employed with Salem Health prior to January 1, 2006 may have an extended illness bank (EIB) which can be utilized in the following situations:

- A. During periods of continuous absence due to the employee's non-work related illness or injury, following the use of PTO for the first 24 hours of time away, prorated based on FTE for part-time employees, per episode.

1. EIB time can only be utilized for time away exceeding 24 hours, pro-rated for part-time employees based on FTE, except in cases where an employee is off work for an approved leave, applicable under the Oregon Family Leave Act, and does not have 24 hours of PTO available to use prior to accessing EIB.
  2. In some cases when PTO is unavailable, EIB may be accessed for reasons other than an employee's own illness or injury. Eligibility for such use is determined by the Leave and Return to Work Specialist.
  3. EIB balances cannot be cashed out at any time, including at the time of separation from employment.
- B. If an employee attempts to return to work after an illness/injury episode, but is not able to complete that shift, the employee would not have to satisfy another 24 hour PTO usage rule. However, after completing one full shift, a new 24 hour PTO usage rule would apply for later absences, even if the absences were for the same reason (unless otherwise approved through the Leave of Absence process). For time loss resulting from work related illness or injury, PTO is to be submitted for the first day time loss is incurred as well as for time loss incurred during the next two calendar days only. Example: Mary experiences a work related injury on Monday, but completes her shift without missing time from work. She also works Tuesday without missing time. On Wednesday, she completes half her shift, and then goes home due to pain from her Monday injury. She is not scheduled to work Thursday, and misses her entire shift on Friday due to her injury. Wednesday is Mary's first day of time loss. Therefore, she will submit PTO for any time loss that occurs from the period of time of Wednesday through Friday.
- C. For periods of time away that are eligible for EIB use, if OPL hours are available, OPL hours will be submitted and exhausted before EIB hours can be utilized.

### **Partial Return to Work**

See the Human Resources Department

### **Time Off Without Pay**

- A. Requests for time off for reasons that would normally require the submission of PTO or OPL hours, when the employee does not have sufficient PTO or OPL hours to cover the time off may be granted at the manager's discretion, provided staffing needs can be appropriately met.
1. Time off without pay is to be used infrequently, for short durations of time, and for special circumstances.
  2. Available PTO and OPL hours must be exhausted before time off without pay may be granted and any newly accrued PTO or OPL hours must be submitted each pay period to cover periods of ongoing time away.
- B. Time off without pay for periods that exceed 14 consecutive calendar days are considered a personal leave of absence if not covered by another leave of absence type (see Leaves of Absence Policy).

### **Additional Information**

- It is the responsibility of the employee to submit the correct OPL and/or PTO hours to cover eligible time loss. If the employee fails to enter in their time off hours by 1:00 PM on the Sunday following the pay period in which the time away occurs, it will be at the discretion of the time card editor or approver to submit OPL and/or PTO hours to cover the time away, with OPL hours being submitted before PTO hours for all eligible time loss if OPL hours are available.
- If an employee experiences time away for an eligible OPL reason and the employee submits PTO hours when OPL hours are available, or submits OPL hours for time away that is not eligible for OPL use, the time card editor/approver may adjust the time record to the correct pay type.
- Retro-active adjustments will not be made in order to change time away from one pay type to another. Documentation supporting the need to miss time for OPL reasons may be required, to the extent allowed by law.

### **Definitions – Insert N/A if not applicable**

- Accrual generating hours: Hours paid that result in the accrual of PTO time for that pay period. This includes time worked, holiday pay, PTO (excluding cash out), jury duty and bereavement.
- Called Off: When an employee is instructed by management to not arrive for a scheduled shift or instructed to work a shorter period of time than originally scheduled or expected, as the result of business need (typically driven by low census, temporary lack of work, or fiscal issues). In some cases the employee may be required to remain on standby for a designated period of time (refer to the standby and call pay policy)
- Oregon Paid Sick Leave (OPL): A bank of hours specifically designated to be used for time away from work for an employee's absence covered under the Oregon Paid Sick Leave law and/or other reasons defined in this policy. OPL Year: A 52 week period of time that starts with the first day of the first pay period that will be paid in the new calendar year.
- Paid Time Off (PTO): A benefit intended to provide employees with time away from work to meet personal needs which may include scheduled vacation time, appointments, and short-term illness for self or family member, leave of absence, etc.

<ul style="list-style-type: none"> <li>• PTO Cash Out: PTO that is paid out in cash for the purposes of receiving payment above the employee's weekly scheduled hours and reducing PTO accrued balance.</li> <li>• Seniority date: The date that reflects the amount of time an employee has been in a regularly scheduled full-time or regularly scheduled part-time position (does not include time spent in an unscheduled, temporary, or extended leave of absence status).</li> <li>• Time Away: Any time an employee was scheduled to work and did not.</li> <li>• Time off hours: Refers to PTO and/or OPL hours.</li> <li>• Weekly FTE hours: The established hours an employee is typically scheduled to work in a work week, determined by the employee's FTE in Lawson. 1.0 FTE = 40 weekly FTE hours. All other weekly hours are pro-rated based on FTE (i.e. FTE = .5 in Lawson = 20 weekly FTE hours. This may be a rotating schedule within the same pay period, such as 30 hours week 1 and 10 hours week 2 to equal the total pay period FTE.</li> </ul>
Equipment or Supplies - Insert N/A if not applicable
N/A
Form Name and Number or Attachment Name - Insert N/A if not applicable
N/A
Expert Consultants Position
HR Business Partners,
References – Required for Clinical Documents – Insert N/A for Administrative Policies
N/A
Policy, Procedure or Protocol Cross Reference Information – Insert N/A if not applicable
N/A
Computer Search Words
PTO, birthday holiday, , time off, EIB
<b>Is there a Regulatory Requirement? No</b>
N/A

Review and Revision History		
History	Review or Revision	Date
Updated to remove pre-designated PTO cash out option. Added language clarifying 401(k) contribution eligibility to non-PTO eligible status changes. Standardized use of PTO cash out vs. PTO payout terminology.	Revision	04/2022
Updated to reflect changes to pre-designated PTO cash-out option.	Revised	08/2020
Reviewed and cleaned up	Review	02/2020
Changed annual maximum OPL usage to 80 hours from 40.	Reviewed	12/2016
	Reviewed	06/2016
	Reviewed	12/2013, 04/2014 12/2015
	Revision	07/2005, 07/2009 01/2010
New Policy	Review	05/2005