

# University of California



# Partial Disability: Stay At Work/Return to Work Factsheet

## Short-term Disability Plan and Supplemental Disability Plan

The University of California's Short-term and Supplemental Disability plans allow you to stay at work or return to work on a part-time basis while still receiving partial disability benefits. This factsheet explains the Stay-at-Work/Return-to-Work provisions. Use this factsheet in conjunction with your disability plan booklet(s), as the booklets contain important definitions and general plan details.

The Stay At Work/Return To Work (SAW/RTW) provisions allow you to work and collect partial benefits in several ways. Benefits will be payable if the amount you earn from working is less than or equal to 80 percent of your original salary. Under SAW/RTW you may:

- Stay at work part time during the initial phases of a disability. This will help you if you have not yet become totally disabled and can work part time.
- Return to work part time after a period of time off due to total disability, with the goal of increasing your hours to your previous work schedule.
- Work full time, but at a job with a lower salary that better matches your capabilities while partially disabled.
- Earn more money from the combination of salary, disability benefits and other income than you would be entitled to if you were on total disability.

SAW/RTW is an option if your illness or injury allows you to work part time and your supervisor agrees to the reduced work schedule. Further information is outlined in the disability plan booklets.

Note: The SAW/RTW provisions apply whether you work for the University or another employer.

## What is a Partial Disability?

“Partial Disability” or “Partially Disabled” means that as a result of the injury or sickness, you are:

- Able to perform one or more, but not all, of the material and substantial duties of your own or any other occupation on a full time or a part time basis; or
- Able to perform all of the material and substantial duties of your own or any other occupation only on a part-time basis.

If your disability continues for more than 12 months, the definition of partial disability changes. In this case, partial disability means you are unable to perform the material and substantial duties of any occupation for which you are qualified.

## Who is Eligible for SAW/RTW?

You must be working no more than 80 percent of your regular schedule, or receiving no more than 80 percent of your pre-disability earnings to be considered eligible. Your benefits under the disability plan and from all other sources of income may not exceed 100 percent of your eligible earnings prior to your disability.

## Waiting Period

The Short-term and Supplemental disability plans require that you complete the waiting period you selected (7, 30, 90 or 180 days) before benefits are payable. Under SAW/RTW, you may satisfy your waiting period with any combination of consecutive partial or total disability days. Any day of partial disability will count as a full day towards satisfaction of your disability benefits waiting period. The first day of the waiting period will be the day following your last full day at work. If you return to work full time

during your waiting period, you may be required to begin your waiting period again if you become partially or totally disabled.

## How to Apply for SAW/RTW

Eligibility for SAW/RTW is dependent on your department's ability to accommodate a reduced work schedule, your ability to safely work, and the insurance carrier's acceptance of your request for SAW/RTW. To apply for SAW/RTW:

1. Discuss your interest in working with your department supervisor. All SAW/RTW scheduling must be approved by your supervisor. Your UC location may have disability management resources available to help you and your supervisor identify job accommodation options and/or work out the details of your SAW/RTW assignment and schedule. Contact your Benefits Office for information about disability management resources.
2. Discuss your interest in returning to work with your physician and obtain a release to return to work. It will be important that you work with your physician to be sure that your SAW/RTW plan is appropriate for your condition.
3. Request and complete an application for SAW/RTW from the insurance carrier's disability benefits case manager. If you do not have a disability benefits case manager, contact your local Benefits Office.

## After You Have Been Approved for SAW/RTW

The insurance carrier will continue to request and review medical information about your condition, and will review your SAW/RTW progress on a regular basis.

## How Long Does SAW/RTW Continue?

If you are enrolled in the Short-term Disability plan only, you may be eligible for up to 26 weeks (about six months) of SAW/RTW benefits. If you have the Supplemental Disability plan, your benefits may last up to age 65. However, after 12 months, the applicable definition of "disability" changes, and claims are reviewed accordingly.

In all cases, partial disability benefits cannot continue longer than total disability benefits would continue based on the provisions of the plan, or beyond the point at which your department can no longer accommodate your partial work schedule or alternate work activities.

### Benefits from Other Sources:

Both the University of California Retirement Plan (UCRP) and Social Security have return-to-work programs. If you receive disability benefits from either of these organizations, contact them regarding return-to-work benefits for which you may be eligible.

UCRP Disability Unit: 1-800-888-8267

Social Security Administration: 1-800-772-1213

## What are my Disability Benefits under SAW/RTW?

Your partial disability benefits under SAW/RTW will be calculated based on your eligible earnings. Your eligible earnings will be reduced by earnings you receive while working part time, and if applicable, other sources of income you receive while you are on SAW/RTW status. This determines your lost earnings. If you have the Short-term Disability

plan only, your benefit will be 55 percent of the lost earnings, up to a monthly maximum of \$800. Under the Supplemental Disability plan, your benefit will be approximately 70 percent of your lost earnings. Employees on SAW/RTW cannot earn more than 100 percent of their pre-disability earnings from benefits and all other income.

### Example #1: Employee with Short-term Disability only:

Esther has been diagnosed with breast cancer, which her doctor feels can be treated while she remains at work, as long as she limits work to five hours per day. After completing her application for SAW/RTW

benefits, the insurance carrier approves her claim for partial disability. Esther begins working five hours per day and submits a time sheet every two weeks. This is how her benefit is calculated.

<b>Step 1: Calculate Your Lost Earnings</b>	Monthly Pre-Disability Earnings	\$4,000
	– Part-time Earnings	–\$2,500
	– Other Earnings	\$ 0
	= Lost Earnings	\$1,500
<b>Step 2: Figure the SAW/RTW Benefit Amount</b>	Lost Earnings	\$1,500
	x Benefit %	x 55%
	= Benefit Amount	\$ 825
<b>Step 3: Maximum Benefit Allowed</b>		\$ 800
<b>Step 4: Determine the Actual Benefit</b>	Take the lesser of Steps 2 or 3	
	Step 2	\$ 825
	Step 3	\$ 800
<b>Monthly SAW/RTW Benefit</b>		<b>\$ 800</b>

## Example #2: Employee with Short-term and Supplemental Disability:

Mary had some complications after a car accident and her doctor suggests that she reduce the hours that she works to no more than four per day. After she submits her application for SAW/RTW benefits, the

insurance company approves Mary's claim for partial disability. She begins working four hours per day and submits a time sheet every two weeks. This is how Mary's benefit is calculated.

<b>Step 1: Calculate Lost Earnings</b>	Monthly Pre-Disability Earnings	\$4,000
	– Part-time Earnings	–\$2,000
	– Other Earnings	<u>\$ 0</u>
	= Lost Earnings	\$2,000
<b>Step 2: Figure the SAW/RTW Benefit Amount</b>	Lost Earnings	\$2,000
	x Benefit %	<u>x 70%</u>
	= Benefit Amount	\$1,400
<b>Step 3: Calculate the Maximum Benefit Allowed</b>	Pre-Disability Earnings	\$4,000
	x Maximum Benefit %	<u>x 100%</u>
	= Maximum Earnings Allowed	\$4,000
	– Other Earnings	\$ 0
	– Part-time Earnings	<u>–\$2,000</u>
	= Maximum Benefit	\$2,000
<b>Step 4: Determine the Actual Benefit</b>	Take the lesser of Steps 2 or 3	
	Step 2	\$1,400
	Step 3	\$2,000
<b>Monthly SAW/RTW Benefit</b>		<b>\$1,400</b>

### Example #3: Employee with the Short-term Disability plan, Supplemental Disability plan and Workers' Compensation:

Dave has been off work for several weeks due to an injury at work. His doctor suggests that he could return to work part time, at four hours per day. After completing his application for SAW/RTW benefits,

the insurance company approves Dave's claim for partial disability. He begins working four hours per day and submits a time sheet every two weeks. This is how Dave's benefit is calculated.

<b>Step 1: Calculate Lost Earnings</b>	Monthly Pre-Disability Earnings	\$4,000
	– Part-time Earnings	–\$2,000
	– Other Earnings (from Workers' Compensation)	–\$1,320
	= Lost Earnings	\$ 680
<b>Step 2: Figure the SAW/RTW Benefit Amount</b>	Lost Earnings	\$ 680
	x Benefit %	x 70%
	= Benefit Amount	\$ 476
<b>Step 3: Calculate the Maximum Benefit Allowed</b>	Pre-Disability Earnings	\$4,000
	x Maximum Benefit %	x 100%
	= Maximum Earnings Allowed	\$4,000
	– Other Earnings (from Workers' Compensation)	–\$1,320
	– Part-time Earnings	–\$2,000
	= Maximum Benefit Amount	\$ 680
<b>Step 4: Determine the Actual Benefit</b>	Take the lesser of Steps 2 or 3	
	Step 2	\$ 476
	Step 3	\$ 680
<b>Monthly SAW/RTW Benefit</b>		<b>\$ 476</b>

## Frequently Asked Questions

### **I have been on total disability for several weeks. Can I return to work under the SAW/RTW program with restrictions (shorter hours)?**

Yes. If your doctor has released you to return to work but restricted your hours to part time, and your supervisor agrees, you are a candidate for receiving benefits under the partial disability SAW/RTW program.

### **I would like to try to stay at work as long as I can. I have 64 hours of accrued sick leave and a seven day waiting period. My doctor has indicated that I should only work four hours of my regular, daily eight-hour schedule. How is my waiting period calculated? Must I use all my sick leave before I can begin to participate in the SAW/RTW program?**

Regarding your waiting period, any day of partial disability will count as a full day toward satisfying your chosen disability waiting period. If you continue your four-hour per day schedule for one calendar week, you will have met the plan waiting period.

In addition to completing your waiting period, you also must use up to 30 calendar days (176 hours) of accrued sick leave before Short-term/Supplemental Disability benefits can begin. If you do not have 176 hours, you must use what you have before benefits can begin. This does not change under the SAW/RTW program. In your case, you would need to use all 64 hours of your sick leave, after which your benefits could begin.

### **Can I apply for this program, regardless of the cause of my disability ?**

Yes. If you are eligible for Short-term or Supplemental Disability plan benefits, you are eligible to apply for SAW/RTW.

### **Are special forms/paperwork required to start the SAW/RTW program?**

Yes. SAW/RTW status must be approved in advance. You must request and complete an application for SAW/RTW from your disability benefits case manager. You must also have approval from your supervisor.

### **How will the insurance company know how many hours I actually work during SAW/RTW?**

During SAW/RTW, you must complete time sheets to verify your hours worked. Once this time sheet is approved by your supervisor, you must forward it to the insurance company so the benefit can be calculated.

### **How often will I need to send my time sheets? How often are benefits paid?**

The process differs depending on which period of your disability benefit is currently paying (short-term period or long-term period). The insurance company will provide you with specific deadlines once you are approved for SAW/RTW participation. Because of the nature of this program, benefits cannot be calculated and paid until the insurance company receives your approved time sheets.

### **Will I be eligible to accrue vacation and sick leave during a SAW/RTW period?**

If your hours at work are equal to or exceed 50 percent time, you will be eligible to accrue vacation and sick leave, in accordance with applicable personnel policies.

### **If I work less than 17.5 hours per week time during SAW/RTW, will my health insurance end?**

No. During an approved SAW/RTW, individuals will maintain their eligibility for benefits at their regular appointment level, even if their hours worked are below the level that would qualify them for these benefits. Ask your local Benefits Office about how to initiate this process and for information about limitations on the University's contributions.

### **Will I be required to pay my premiums for Supplemental Disability during SAW/RTW?**

No. While on SAW/RTW status—as with total disability benefit status—employees are not required to pay monthly Supplemental Disability premiums even though they may be on partial University pay status. Individuals should request that their Payroll Departments refund any Supplemental Disability premiums that are automatically deducted from their University pay.

**My original schedule required me to work eight hours per day, five days per week. My doctor has reduced my schedule to four hours per day, five days per week. What if I need to take a day off work during my SAW/RTW period, either for vacation or a personal illness? What if there is a holiday?**

The Short-term and Supplemental Disability plans allow for vacation pay and sick pay, but only if benefits are suspended. Therefore, if you take one of these paid days during your SAW/RTW period, your Short-term or Supplemental Disability plan benefit will be suspended and you will be charged vacation/sick accrual for your full, eight-hour per day schedule. Once you return to work on your SAW/RTW reduced schedule, your partial benefit will resume.

**Vacation Example:** You have been on a SAW/RTW program and you would like to take three vacation days. You should complete your time sheet, indicating the three days to be paid as eight-hour vacation days. During the three vacation days, your benefits will be suspended and you will receive eight hours of pay per day from the University and 24 total hours will be deducted from your vacation accrual. No disability benefits will be paid for these three vacation days. When you return to work on your SAW/RTW reduced schedule, your benefit will begin again.

**Disability Example:** During your third week on SAW/RTW, you have a flare-up in your disabling condition and aren't able to work your 50 percent schedule for two days. In this situation, you should report the two full eight-hour days to the insurance company; full benefits will be payable if they determine that these absences were due to your disabling condition.

**Sick Leave Example:** During your third week on SAW/RTW, your child comes down with the chicken pox and you aren't able to work your 50 percent schedule for two days. In this situation, you may use two eight-hour days of accrued sick leave for family illness and your SAW/RTW benefit will not be paid. If you don't have accrued sick leave, these days may be covered by full disability benefits if the insurance company determines that your disabling condition still exists.

**Holidays:** The insurance company treats holidays the same as work days and will provide benefits for lost wages.

**I received a merit increase while on disability. Now that I am attempting to return to work using SAW/RTW, will my benefit be adjusted to reflect my salary increase?**

No. Benefits during SAW/RTW status will be based on your "eligible earnings" on your first day of disability regardless of whether merit increases or other changes to pay occur during a period of partial disability. (See your plan booklet for the definition of eligible earnings.) However, the pay you receive for working will be adjusted based on your merit increase, so any salary changes should be reported to the disability insurance carrier to ensure that your benefits are calculated correctly.

**My current job as supervisor cannot be modified to allow me to work with my medical restrictions. However, my manager is willing to temporarily assign me to an analyst position that will allow me to work my full schedule while still allowing for my medical restrictions. The pay rate for an analyst is less than that of a supervisor. Will SAW/RTW benefits help make up the difference?**

Yes. As long as the temporary analyst position pays you no more than 80 percent of your previous supervisory position, SAW/RTW partial benefits may be paid on your lost wages.

**What if I try returning to work and find that I'm not able to do it?**

That's okay. The Short-term and Supplemental Disability plans both allow for successive periods of disability, during which you can resume total disability benefits without the need to complete a new waiting period. These periods do have limitations, so if you have returned to work full time for a certain period of time (depending on how long you were originally off work), your return to work at UC may be considered successful and any future periods of disability may be considered new periods, requiring completion of a new waiting period.

**If my disability is a “chronic/permanent disability” and my physician forwards documentation stating that I am only to work a four-hour day, how long can I stay on the SAW/RTW program—assuming that my supervisor continues to approve my part-time schedule?**

Partial disability benefits under SAW/RTW can last up to age 65. Benefits may end before this if you don't qualify for total long-term disability benefits.

**I've been on total disability and am not able to return to my job at UC. However, my doctor and I have been discussing my ability to work and I'd like to try working at a local crafts store. Will I be eligible for SAW/RTW benefits?**

Yes. SAW/RTW partial disability benefits are possible if you work for any employer, not just UC. Contact your disability insurance case manager for the appropriate forms.

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The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

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