

CITY OF CHESAPEAKE, VIRGINIA

NUMBER: 2.19 (21.6)

ADMINISTRATIVE REGULATION

EFFECTIVE DATE: 03/10/04

SUBJECT: DEPARTMENT OF HUMAN RESOURCES SUPERSEDES: 01/28/04
WORKER'S COMPENSATION
SUPPLEMENTAL BENEFITS FOR CERTAIN DISABLED EMPLOYEES

I. PURPOSE

To establish a method of supplementing basic Worker's Compensation benefits to allow certain disabled employees to receive the equivalent of 100% of their net pay while on Worker's Compensation status.

II. DEFINITIONS

- **Worker's Compensation status** - The leave status in which an employee is placed if his/her absence exceeds seven (7) calendar days and such absence is caused by an injury or other disabling condition which is found to be comparable under the Virginia Worker's Compensation Act. An employee shall not be placed in such a status until either an Agreed Statement of Fact is signed by the City and the employee establishes that he/she is eligible for such compensation, or a final order is entered by the Industrial Commission establishing that the employee is eligible for such compensation.
- **Injury on the job** - An injury or other disabling condition which: (1) is compensable under the Virginia Worker's Compensation Act, and (2) occurs or manifests itself in a specific incident occurring while the employee is on the job, or which can be directly linked to a specific event occurring while the employee is on the job, with that event being found by the city to be the cause of the injury or other disabling condition.
- **Net pay** -
 1. For an employee who has sustained an "injury on the job," net pay is the monetary compensation received prior to going on Worker's Compensation plus any cost-of-living increases granted by the City during the period of absence, less Federal, State, and FICA taxes.
 2. For an employee who has not sustained an "injury on the job" as defined above, net pay is the monetary compensation received prior to going on Worker's Compensation status less Federal, State, and FICA taxes.

III. POLICY:

It is the desire of the City that an employee on "Worker's Compensation status" will not experience a decrease in "net pay" while he or she is receiving Worker's Compensation

benefits. Therefore, such employees will be allowed to supplement the basic Worker's Compensation benefits with their accrued sick leave and annual leave balances up to the level of the "net pay."

IV. PROCEDURE:

- A. An eligible employee will be placed on "Worker's Compensation status" if the disability results in an absence which exceeds seven (7) calendar days. If the disability results in an absence of (7) calendar days or less, sick leave must be used by the disabled employee. If the sick leave balance is exhausted, the employee may use annual leave. All medical bills relative to the disability will be paid by the City.
- B. Beginning on the eighth (8th) calendar day of the absence, the disabled employee will be placed on "Worker's Compensation status" and compensated as follows:
 1. The employee will receive 66 2/3 % of his average weekly gross wages at the time of disability.
 2. If the employee's disability is due to an "injury on the job," he will receive the following additional benefits, while on "Worker's Compensation status":
 - (a) Continued accrual of annual leave and sick leave. Annual leave balances will not exceed forty-two (42) days on January 1 of any year.
 - (b) Cost-of-living increases granted by the City.
 3. If the combined value of items #1 and #2 (b) above equal less than the "net pay" of the employee, he/she can elect to supplement his/her payment with the accrued sick leave (or annual leave, if sick leave balance is depleted). The supplement will be allowed on an hour-per-hour basis until the total of items #1, #2b, and #3 equals but does not exceed 100% of "net pay." This supplement will cease if employment with the City is terminated. It will also cease if Worker's Compensation payments are terminated for any reason.
- C. If the disability results in an absence of more than twenty-one (21) calendar days, "Workers Compensation Status" will revert to the first day of absence, and the employee will receive the benefits outlined in Section B above for each work day missed. Sick or annual leave previously charged to the employee's balance during the first seven (7) calendar days will be reinstated less any portion the employee elects to use as a supplement.
- D. The benefits outlined in item "B", #2 and #3 will continue, contingent upon the employee's sick leave and annual leave balances for so long as the physician or qualified therapist, specifically approved by the city to treat the employee, determines that the employee is not fit to return to light or full duty as a result of the employee's

work-related condition. Such benefits will cease on the day the employee is fit, in the judgment of said physician or therapist, to return to light or full duty, regardless of the opinion of any other physician or therapist and regardless of the status of any claims, proceedings, or determinations regarding the employee's right to continued Worker's Compensation payments.

V. DUTIES AND RESPONSIBILITIES:

The Department of Finance will administer the Worker's Compensation Program and distribute all relevant instructions and forms. They, along with the department heads, are responsible to insure that the provisions of this regulation are implemented.