I. POLICY STATEMENT AND RATIONALE

A. It is the policy of Houston Methodist to provide eligible employees paid or unpaid leaves of absence to attend to family and medical needs, either for self or an immediate family member. Reasons for leaves of absence include personal, family, medical, or military and will commence on the first day of absence.

B. A Leave of Absence (LOA) may be granted to employees who provide the appropriate documentation, including supervisor approval. Generally, continuous leaves of absence of any kind when combined should not exceed six (6) months in any rolling twelve (12) month period, measured backward from the date the leave begins.

C. All employees requesting personal leave under this policy must provide the completed LOA Request Form to their management.

D. LOA will end when the employee is returned to work (including modified work duty) or at six (6) months (whichever occurs first). The maximum amount of time an employee may be in a continuous leave status is six months excluding Military LOA. LOA and employment will be terminated if the employee fails to return to work at the end of the approved leave period, unless a request for extension is granted as a
reasonable accommodation for a disability or the employee becomes protected under FMLA. See System_HR36 ACCOMMODATIONS FOR DISABILITIES POLICY.

E. Termination for leave exhaustion will be handled by HR Benefits to ensure fair and consistent administration of this policy.

F. The maximum amount of time an employee may be off (paid or unpaid) without moving to a Leave of Absence status is 31 calendar days. See section II.D Personal Leave of Absence.

G. If the employee is missing time from work that would be covered under an LOA as described in this policy, he/she is required to submit an applicable claim to Cigna to help ensure fair and consistent administration of this policy and that all employees are treated equitably and fairly.

H. If the employee returns from LOA to find his/her position has been filled or eliminated, the employee will be referred to the Human Resources Department at their business unit for instructions on next steps. With the exception of those situations described within the different types of leaves (Section II), these employees will have thirty (30) days to look for an alternative position within Houston Methodist. If an alternative position cannot be located within thirty (30) days, the employee will be terminated. An employee’s refusal to accept an appropriate job offer within Houston Methodist will be reviewed by Human Resources and may result in termination prior to 30 days provided all legal requirements have been met. If a position is found within the first thirty (30) days after termination, the employee may be reinstated without a change to his/her Current Hire Date (EOD) (HR Glossary). Should the employee find a position within Houston Methodist after 30 calendar days from termination the employee will be considered a rehire and the employee’s EOD and CSD will be adjusted accordingly; see also System_HR17 PRIOR EMPLOYMENT CREDIT POLICY.

I. Under a personal or medical LOA, the employee must pass the end of leave date in the following year for the time to fall off and not be included in the calculation of total days in a continuous leave status in a rolling twelve month period. For example, the employee was on a continuous LOA beginning February 1st and returned to work May 5th. The following year the employee goes out on March 2nd. The time from the previous year’s LOA will be included in the calculation of total days in a continuous leave status in a rolling twelve month period. The employee would have to go out on a continuous LOA May 5th or later the following year for the time from the previous year’s LOA to not be included. Please note that this does not apply to FML nor Military LOA.

J. Failure to follow the guidelines outlined in this policy and accompanying procedure while on leave may result in disciplinary action up to and including termination of employment.
II. TYPES OF LEAVE

A. FAMILY AND MEDICAL LEAVE (FML)
   1. At all times, Houston Methodist complies with federal laws regarding Family and
      Medical Leaves (FML) are complied with. It is our policy to grant up to 12 weeks
      of unpaid job protected leave commencing from day one of a qualified event (480
      hours if used intermittently) during any 12-month period to eligible employees, in
      accordance with the Family and Medical Leave Act (FMLA) of 1993 and
      amended versions. The leave may be paid, unpaid, or a combination of paid and
      unpaid leave, depending on the circumstances of the leave and as specified in
      this policy. The twelve weeks are measured in a “rolling” 12-month period
      measured backward from the date an employee uses any FML leave
   2. To be eligible for FML, an employee must:
      a. Have been employed by Houston Methodist for at least twelve (12) months; and
      b. Have worked for at least 1,250 hours during the 12-month period
         immediately preceding the start of the leave.
   3. To qualify for FML, an employee must be taking leave for one of the following
      reasons:
      a. Birth of a child and to care for that child
      b. Placement of a child for adoption or foster care and to care for the
         newly placed child
      c. Care for a spouse, child or parent with a serious health condition
      d. Serious health condition of the employee
      e. If the employee is the immediate family member (spouse, son,
         daughter or parent) of military personnel or reservists who have “any
         qualifying exigency” arising out of the service member’s active duty, or
         if the service member has been notified of an impending call or order
         to active duty in the Armed Services in support of a contingency
         operation.
      f. If the employee is the spouse, son, daughter, parent, or next of kin
         who is caring for a covered service member who is injured in the line
         of duty. Covered employers are required to provide up to a combined
         total of 26 work weeks of unpaid leave during a 12 month period for
         eligible employees who meet the criteria.
   4. The FML Administrator, CIGNA, will notify the employee in writing whether or not
      the leave will be designated as FML or provisionally designated as FML until all
      requirements are met.
   5. While an employee is on leave, the employee’s benefits during the leave period
      are at the same level and under the same conditions as if the employee had
      continued to work, as long as any required premium is paid timely.
   6. Employees are required to use their Paid Time Off (PTO) while off during
      FML/LOA events if not covered by Short-Term Disability or Worker’s
      Compensation (for related policies see Section VII. References).
7. The employee’s Continuous Service Date (CSD) will not be changed by the number of days the employee is on FML.

8. Any time absent from work while on FML will not result in a proration of any merit increase for the subsequent merit review period. See Section III.C Employee Responsibilities for additional return-to-work responsibilities.

9. An employee who is off work because of the employee’s own serious health condition or work-related illness or injury greater than seven continuous days must apply for Short-Term Disability benefits. FML will run concurrent with Short-Term Disability if eligible. FML will also run concurrently if the employee is taking leave because of an occupational injury or illness (Workers’ Compensation). The disability carrier for Houston Methodist, CIGNA, requires certification of the serious health condition. The employee is given 15 days from written notification to return completed forms or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of FML.

10. An employee’s standard hours will be used to determine the amount of intermittent FML hours. Employees with Standard Hours of 40 would receive 480 hours, all other eligibility is prorated based upon Standard Hours. Based upon your Standard Hours you may take FML in 12 consecutive weeks, may use the leave intermittently (480 hours) or under certain circumstances may use the leave to reduce the work week or work day, resulting in a reduced hour schedule. In all cases, the leave may not exceed a total of 12 work weeks over a 12-month period. Exempt employees’ intermittent use of FML should be tracked to the same extent as non-exempt employees (regardless of impact on pay).

11. If the employee is eligible for FML protection and the employee’s previous job is filled the employee must be returned to an equivalent position. An equivalent position must be offered to the employee, unless the employee’s position was eliminated as part of a formal workforce restructuring action, or if the employee cannot perform the essential functions of his/her job.

12. Employees who give unequivocal notice that they do not intend to return to work lose their entitlement to FML.

B. MEDICAL LEAVE OF ABSENCE

1. Medical leaves of absence are granted in conjunction with claims for Short-Term Disability, Workers’ Compensation/occupational injury or illness claims and continuous FMLA claims. Medical leaves may be covered all or in part under FML as described above in Section II.A depending upon eligibility, reason and duration of the leave.

2. Employees who work at other organizations while on Medical LOA are subject to review by CIGNA and their wage replacement benefits may be impacted.

3. Employee requests for additional time off after recovery and release by a physician will be treated as a request for a PERSONAL LEAVE OF ABSENCE, subject to management approval.
4. All reasonable steps in medical treatment and rehabilitation to regain physical and/or mental capacity to return to work in the regular capacity or in any assigned temporary light duty task must be followed by the employee.

5. The employee’s Continuous Service Date (CSD) will be changed by the number of days the employee is on a continuous Leave of Absence (LOA) that exceeds 90 days.

C. MILITARY LEAVE OF ABSENCE

1. Military leaves of absence are allowed for in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) to employees who are Military Reserve and National Guard ordered to active duty in the U.S. Armed Forces as a result of required training, or active duty call-up. Where Military LOA is anticipated to exceed a two week period, leave is allowed for a specific period of time. Calling in the LOA to Cigna and notifying management at least 30 days prior if possible and foreseeable is required. If 30 days is not possible or foreseeable, notify management and Cigna as soon as possible. Use of the Military LOA Information Form is encouraged. Discharge papers must be provided upon returning from active duty to HR Benefits.

2. A special supplement is provided as a benefit to an activated employee (excluding Military Reserve training when less than two weeks) by paying any difference between the Houston Methodist base salary and the total military pay if the military pay is the lesser amount.

3. Copies of active duty orders or equivalent documentation must be provided to HR Benefits to be eligible for payment of the special supplement. Payment of PTO while on military LOA will make an employee ineligible for the special supplement.

4. Employees who are called up to active duty or completing Military Reserve training may use Paid Time Off (PTO) or take time off without pay.

5. At the time of making a request for a Military LOA, including Military Reserve training, employees may select to have their PTO Balance up to applicable payout limits cashed out in a lump sum payment. Employees on an approved Military LOA are not required to use their PTO. PTO will not accrue or be earned while in a LOA status. Missed PTO accruals will be restored upon return to work from active duty with appropriate military release orders.

6. The employee’s Continuous Service Date (CSD) will not be changed by the number of days the employee was on military leave.

7. While on a Military LOA, employees may continue their current benefits at the active employee rates for the entirety of their active duty. Basic Life Insurance will remain in force for two years from beginning date of leave. Payment for benefits must be made timely for continuation of the benefits (i.e. health, optional life, etc.).

8. Time absent from work while on a Military LOA will not result in a proration of any merit increase for the subsequent merit review period. See Section III.C. Employee Responsibilities for additional return-to-work responsibilities.
9. Upon return from Military LOA, the employee will be credited with military service time for purposes of participation and vesting in the retirement plans. For the Defined Contribution Plan (DCP), the employer will make additional contributions equal to the contributions to which the employee would have been entitled to if he/she had been actively at work. Employee contributions to the 403(b) can be made up when the employee returns to work. The maximum period allowed to make up these contributions is the lesser of (a) 3 times the period of absence due to military leave, or (b) 5 years. If applicable, match contributions will be credited to the employee's account as the employee deferrals are credited.

10. Military LOA will end as of the date specified on military discharge orders, or other appropriate military document but not to exceed 5 years. Reasonable travel time back to Houston after release from active duty will be allowed.

11. An employee returning from Military LOA is entitled to be returned to the employee's former position or to an equivalent position. If an employee's former position was eliminated as part of a formal workforce-restructuring plan or if the employee can no longer perform the essential functions of the job, management and/or the employee should contact the Human Resources Department at their business unit.

12. Employees who fail to return to work or secure a leave extension at the end of the approved Military LOA period will be assumed to have resigned as of the date discharged from active duty. Failure to follow this policy may result in loss of supplemental salary benefit and the returning to the same or an equivalent position, up to and including, termination of employment.

D. PERSONAL LEAVE OF ABSENCE

1. A Personal LOA may be granted to employees for time off (paid or unpaid) to pursue education or training considered to be valuable to Houston Methodist and the employee, or for other extenuating circumstances including extended vacations. Duration of leave must be approved by management prior to the first day of leave. Any request for an extension must also be approved by management but cannot exceed the policy limit of six months.

2. Personal time away from work that exceeds 31 calendar days and that is not covered by other Leave categories must be classified as a Personal LOA. The leave period will be effective on the first day absent.

3. If the employee’s previous job is filled or eliminated, the employee will be referred to the Human Resources Department at their business unit for assistance. See Section I.H for more information.

4. The employee’s Continuous Service Date (CSD) will be changed by the number of days the employee is on Leave of Absence (LOA) that exceeds 90 days.

E. EXCEPTION FOR PERSONAL LEAVES OF ABSENCE

If HR, in conjunction with Business Practices, verifies that a current employee has been excluded from participation in federal and/or state funded programs
and that the term of the employee’s exclusion has ended but the employee cannot produce written evidence of reinstatement, the employee may be placed on a Leave of Absence without salary and benefits until the employee can produce such written evidence and that evidence can be verified. This leave without salary and benefits is described in Corporate Procedures BP10 and HR42. The following apply:

a. The employee may not use PTO to continue his/her pay.
b. The employee is not eligible for re-classification as an “active employee” until producing written evidence of reinstatement to federal and state funded programs and this written evidence has been verified by Corporate Business Practices.
c. An employee whose period of exclusion has not ended and who is not eligible for reinstatement may not be put on leave and must be terminated.

III. EMPLOYEE RESPONSIBILITIES

A. BEFORE TAKING AND/OR WHEN INITIATING A LEAVE OF ABSENCE:
   1. Discuss Leave of Absence plans with department management and contact HR regarding any questions.
   2. Report all Requests for Leave of Absences, FML or Intermittent FML to CIGNA by calling 1-800-351-3510. If Intermittent FML, report each absence to your manager in accordance with your department’s call in procedure. Advise your manager that the absence is related to your Intermittent FML. Also report same absence(s) to CIGNA within 24 hours.
   3. Complete the appropriate forms provided by CIGNA and return them within 15 days from date of written notification to provide required completed forms/documentation.
   4. Complete the Information or Request for LOA Form available on myHR.HoustonMethodist.org in the Disability section of the HR Hub Forms page or the HR Hub Library.

B. WHILE ON LOA
   1. Employees must contact management on a weekly basis (or as arranged) regarding current work status.
   2. If an employee’s expected Return to Work is modified, notify management immediately and contact Cigna to apply for an extension.
   3. Employees are responsible for ensuring that Cigna has all required documents to approve his/her claim.
   4. Employees are required to pay the active employee premium to continue their employee benefits for the duration of the leave. Employees being paid through their PTO, STD or another form of income replacement paid through Houston Methodist payroll will have benefit premiums and any arrears owed taken from their Houston Methodist pay checks. Any benefit premiums missed, regardless
of how the employee was paid during LOA, will be setup in arrears upon return to work. Please note that benefit arrears come out of all checks made through Houston Methodist payroll. Employees who terminate with an outstanding arrears balance will be given a period of time to make payment. If payment is not made within the required timeframe, benefit coverage will be terminated back to the date of last payment and all claims paid reversed for the employee and covered dependents (including claims paid under the employee medical plan).

5. Employees should be aware the following conditions apply:
   a. Paid Time Off will not accrue or be earned. Employees on Military LOA will have missed PTO accruals restored upon return to work from active duty or training with appropriate military release orders.
   b. The employee’s Continuous Service Date (CSD) will be changed by the number of days the employee is on a continuous Leave of Absence (LOA) that exceeds 90 days unless such leave is protected by USERRA.
   c. Time absent from work will result in a pro-ration of any merit increase for subsequent merit review period unless the leave is protected by FMLA and USERRA. In order to receive a timely merit increase that may have been due while on leave, employees must meet all responsibilities in Section III.C below.

C. RETURNING FROM LOA
   1. Employees are required to notify CIGNA of their return to work and submit appropriate and required documentation in order to return to work, as outlined below.
      a. If out on LOA due to a personal health condition or work related illness or injury, a work release must be provided from the physician stipulating either return to work with or without restrictions. Any work release with restrictions must also include expected duration of restrictions. This information should be turned into management and/or the entity’s Employee Health Clinic, following the entity’s return to work practice.
      b. If out on a Military LOA, discharge papers must be provided upon returning from active duty to HR Benefits.

2. Upon return from LOA, employees have 14 calendar days to complete required safety in-services and medical testing examinations (i.e. TB skin test). Failure to do so will result in a delay of any applicable merit increase that may have been due during the leave period, and/or may subject the employee to disciplinary counseling.

D. ADDITIONAL RESPONSIBILITIES
   1. Read and comply with all sections of this policy and follow instructions on related forms and documents used to support the activities supported by this policy.
2. If, as a result of a routine Excluded Parties Screening, an employee is notified that his/her name has shown up as a match, the employee immediately must provide written documentation proving that s/he has been reinstated for participation in federal and state funded programs in accordance with Section II.E of this policy.

IV. MANAGEMENT RESPONSIBILITIES

A. Have a pre-LOA discussion with the employee to set expectations that the employee should contact management weekly (or as is appropriate) while out on a Leave of Absence.

B. Advise employee to call in claims to the CIGNA to report Short-Term Disability, Leaves of Absence and/or Family Medical Leave (continuous) 30 days in advance of planned leave or no later than the 4th day of absence for an unexpected or emergency leave. Initial Intermittent FML events must be called in and all associated absences must be reported in accordance with department call in procedure and to CIGNA within 24 hours of each absence.

C. Remind the employee to 1) complete and return any forms sent to them by the CIGNA, 2) communicate with the CIGNA representative on a regular basis and 3) ensure Cigna has all needed documentation to approve his/her claim.

D. Reply to CIGNA’s “Eligibility Request” and “Return to Work” emails promptly.

E. Accurately and timely enter appropriate PTO, STD, and FML codes in LaborWorkx.
   1. If the employee’s claim is pending or the employee is appealing a denial, code the timecard as if the claim is approved so that the employee is not overpaid.
   2. If the claim is ultimately denied, the employee should be held accountable to the time and attendance policy.

F. Identify light duty opportunities within the department that will allow employees to return to work prior to their regular duty release when applicable.

G. Remind employees to notify CIGNA of their return to work.

H. Review email notifications from HR Benefits advising of upcoming leave exhaustion dates for LOA (6 months in a rolling 12 month period) and remind employee of the dates as well. Contact the HR Generalist to assist with sending “Notice of Termination” letters to employees when required. Collect all Houston Methodist Property in accordance with the Management Checklist for Employee Terminations on the employee’s last day of work.

I. In the case of employees being placed on Personal LOA as a result of a routine Excluded Parties Screening, Human Resources, Business Practices, as well as the employee’s manager/director will be involved in determining the appropriate action(s) taken.

J. See also: Management Checklist for STD, LOA and FML
V. HUMAN RESOURCES RESPONSIBILITIES

A. Provide guidance, support, and direction to both staff and management employees regarding the administration and procedures involved with any Leave of Absence.

B. Assuring that the employee understands all aspects of their benefits as they apply to time away from work (Paid Time Off, Extended Leave, Workers’ Compensation, Disability, etc.).

C. Providing explanations of the employee’s responsibilities (whom to call, completion of forms, returning to work, obtaining medical care, etc.).

D. Providing a smooth transition between leaving and returning to work.

E. Processing all information that affects the claim process in a timely manner.

VI. REFERENCES

- System HR17 PRIOR EMPLOYMENT CREDIT POLICY
- System HR18 OCCUPATIONAL INJURY AND ILLNESS POLICY
- System HR25 PAID TIME OFF POLICY
- System HR26 SHORT-TERM AND LONG-TERM DISABILITY POLICY
- System HR42 EMPLOYMENT
- System BP10 Excluded Parties
- System HR36 ACCOMMODATIONS FOR DISABILITIES POLICY
- HR FORMS – LEAVE OF ABSENCE / DISABILITY
- HR FORMS – ADA REQUEST FORM

VII. SIGNATURE OF APPROVING EXECUTIVE

_________________________  ______________________
Carole Hackett          Date Signed
Senior Vice President, Human Resources

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<th>Revision</th>
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<tr>
<td>8</td>
<td>July 2013</td>
<td>Janay Andrade</td>
<td>Updated language in accordance with new HR System implementation (MARS) and associated processes and updated name to Houston Methodist.</td>
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<td>Holly Smoot</td>
<td>Updated font, system name, links, and approving executive. Ensured consistency in references to the varying LOA types and other terms and corrected small grammatical issues. Clarified who discharge paperwork should be supplied to for Military LOA. Removed reference to HR Disability and updated the forms name and process when initiating a LOA and the Returning to Work section under Employee Responsibilities. Updated the material under Management Responsibilities for return to work and LOA exhaustion. Updated responsibilities under Human Resources Responsibilities to be in line with other associated policies.</td>
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<tr>
<td>9</td>
<td>July 2016</td>
<td>Holly Smoot</td>
<td>Clarified when to call in a claim to Cigna, various processes, when medical LOA’s are used and the Military LOA process, Updated responsibilities for employees and managers and phone number for Cigna.</td>
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