

THE MOUNT SINAI HEALTH SYSTEM, NEW YORK STANDARD: POLICY	SUBJECT NO. HR-03.21-NBU
DEPARTMENT: HUMAN RESOURCES SUBJECT: PAID TIME OFF PROGRAM (PTO)	

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### **Definition**

Paid Time Off (PTO) is an innovative benefit program that combines vacation, sick and personal time into one bank of hours giving employees greater flexibility in the use of their time off. We recognize that taking time away from work contributes to employees' overall health and wellness, and therefore, encourage employees to make use of the PTO they accrue. All paid time, is earned during the course of a year, but may be available for use before it is earned subject to supervisor approval and departmental need. Please note: all employee requests for PTO require department managers' and/or supervisors' approval prior to the time off depending on the scheduling and operational needs of the department. Unscheduled, last minute call outs are subject to the notice requirements of the applicable attendance responsibility policy.

The terms of this policy shall be read in a manner consistent with applicable law, and in the event of a conflict, the applicable law shall prevail. See also HR Policy 3.25 regarding the New York State Paid Sick Leave Law and NYC Earned Safe and Sick Time Act (ESSTA).

**NOTE:** paid holidays, condolence days, marriage days, jury duty days, and military days shall continue to be administered in accordance with existing policies and are not incorporated into the PTO Program.

### **Effective Date**

PTO became effective January 1, 2001.

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**A. Eligibility**

1. All regular (non-temporary), non-union, non-physician staff of The Mount Sinai Health System with scheduled base hours of more than 7.5 hours per week are eligible to participate in the program.
2. Regular temporary employees retained for more than three months are entitled to PTO time retroactive to their first day of employment after three months of temporary employment.
3. Participation in the program begins on the first day of the month coincident with or immediately following the employee's date of hire or change to eligible status. The initial PTO allowance and Savings Account deposit are prorated based on the number of full months remaining within the first year.

**B. PTO Allowance**

At the beginning of each calendar year, a PTO allowance, to be earned over the course of the upcoming year, is deposited into the employees' PTO "Bank". The annual PTO allowance for full-time employees, based on classification and years of service, is illustrated in the table, below:

<b>Staff Classification</b>	<b>Less than 4 years</b>	<b>4 thru 23 years *</b>	<b>24 or more years *</b>
<b>Non-Exempt Staff</b>	19 days	29 days	34 days
<b>Exempt Staff</b>	29 days	29 days	34 days
<b>RN Leadership with direct patient care responsibilities and Managerial and Professional positions which require RN licensure, MSWs, Dieticians</b>	31 days	34 days	34 days

\*see Section P, #4 for definitions

Eligible part-time employees receive a prorated portion of the above days. At no time will the amount of PTO allowance exceed that designated for a full-time employee in any category.

Perfusionists and Physicians Assistants will receive the same PTO allowance as Exempt Staff.

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### **C. Earning of PTO**

The PTO allowance provided at the beginning of each calendar year is "earned" over the course of the year. All non-overtime work is considered when calculating PTO earnings, as are the following paid absences: PTO time, sick savings time (paid during short-term disability or workers compensation), holidays, jury duty time, marriage and condolence leaves. Time that is not considered in calculating PTO earnings include unpaid leave of absence, premium pay overtime hours, any unpaid hours, on-call hours, call-in hours paid as overtime.

### **D. PTO Usage**

1. PTO may be used on a scheduled or unscheduled basis. Time off approved in advance by the supervisor in accordance with the department's regular policies is considered scheduled PTO time. Generally, scheduled PTO is used for vacations and personal appointments. For non-exempt employees (those employees eligible for premium pay overtime), scheduled PTO time for personal appointments may be used in increments of one hour or more. Unscheduled PTO, such as personal emergencies or occasional days off due to illness, are handled in accordance with each department's existing attendance policies.
2. To the extent permitted by law, supervisors may request medical documentation for unscheduled PTO days where an employee's attendance record shows excessive days, patterns of absence or other suspected abuse of time off.
3. An employee with an unscheduled absence must notify their supervisor within at least one hour of the start of the employee's shift or within the reporting requirements established by the respective department. To the extent the foregoing notice is not practicable, the employee must notify their supervisor as soon as practicable.
4. PTO may not be used to cover lateness.
5. The PTO program does not affect the way FMLA is applied. In all applicable cases, existing policies and procedures governing FMLA must be followed. The current policy on Family and Medical leave will be distributed separately.
6. The department may approve an unpaid Leave of Absence (LOA) in accordance with the scheduling needs of the department and relevant hospital policy. The department may, at its discretion allow the employee to use some or all of the unearned PTO time. Departments should do so only if there are reasonable assurances that the employee will return to work.

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### **E. Sick Savings account**

Effective January 1, 2022, at the beginning of each calendar year, staff will receive fifteen (15) days deposited into their Sick Savings Account. These allowances will continue to be prorated for part-time staff. Prior to 2022, at the beginning of each calendar year, staff with less than five (5) years of services received seven (7) sick savings days deposited into their Sick Savings Account. Staff with five (5) or more years of service received ten (10) days. These allowances were prorated for part time staff. A maximum of 130 days may be accrued in the Sick Savings Account after which no further time is deposited.

### **F. PTO and Sick Savings Days Related to Illness or Injury**

1. For occasional days off due to illness, regular PTO time is used.
2. When an employee is absent due to a documented illness or injury for eight (8) or more consecutive calendar days, the entire absence, including that within the first seven calendar days, is charged to the Sick Savings Account, subject to approval through the leave process.
3. If there are no more days in the Sick Savings Account, any further absence is charged to the remaining earned PTO allowance, and then up to five (5) unearned PTO days with supervisor's approval. Once all Sick Savings Account and applicable PTO days have been used, any further absence is unpaid but may be covered by non-occupational Short Term Disability. Employees are covered by the Short Term Disability Plan up to a maximum of twenty-six weeks from the first day of the medical leave. Time charged against either the Sick Savings Account or PTO is considered part of the twenty-six week period.
4. All employees who are disabled are encouraged to file for Short Term Disability as soon as possible, but no later than two weeks from the start of the employee's Leave of Absence.

### **G. PTO for Staff Member on Disability**

For an employee on a disability Leave of Absence (LOA), including the disability portion of any FMLA Leave:

1. Sick Savings Account time is used first until exhausted.
2. Earned PTO time is used next, until exhausted.
3. Unearned PTO time (up to 5 days) can be used with supervisor's approval.

If all the above time is exhausted and the Medical LOA continues, the employee may be eligible for NYS Disability benefits.

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Employees on Medical LOA shall be given the option (with their supervisor's approval) of using up to five (5) unearned PTO days before beginning to receive NYS Disability benefits but will not be required to use this time.

**H. Conversion of Sick Savings Days to Parental Days**

Effective January 1, 2022, eligible full time and part time Employees shall be entitled to convert up to thirty (30) days from their Sick Savings Account (prorated for part time eligible Employees), if such time is available, to parental days to care for and/or bond with the newborn/child within one (1) year of the event ("MSHS Paid Parental Benefit"). Employees must work fifteen (15) hours or more per week and be employed for at least once (1) year prior to the eligible event (e.g., birth, adoption, surrogate, or foster care placement event) in order to be eligible for the MSHS Paid Parental Benefit. For more information about the applicability and requirements of the MSHS Paid Parental Benefit, please see HR Policy 03.18 – Federal Family and Medical Leaves of Absence and New York Paid Family Leave.

**J. PTO for Staff Member on Worker's Compensation**

For an employee on Worker's Compensation:

1. Sick Savings Account time is used until exhausted.

Then, the Worker's Compensation Office will ask the employee whether they wish to use earned PTO time or to begin receiving Worker's Compensation benefits. If the employee chooses to use earned PTO time:

2. Earned PTO time is used next, until exhausted.
3. Up to five (5) days of unearned PTO may then be used (with supervisor's approval).

An Employee who is out on paid or unpaid leave, FMLA or non-FMLA, is not entitled to be paid for holidays that occur during the period of the employee's leave.

**K. PTO Year End Options**

1. Earned but unused PTO hours at year-end are either retained in an Overdraft Account, transferred to the Sick Savings Account, or forfeited.
2. The first five days of earned but unused time will be retained in an "Overdraft Account".

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*Overdraft time may be used only after the annual PTO entitlement for the year has been exhausted.* The maximum amount of time that can be retained in the Overdraft Account is five days.

3. If there is still additional PTO remaining after the employee's Overdraft Account has been filled, up to five days of earned but unused PTO time will be transferred to the staff member's Sick Savings Account, unless the Account is already at the maximum of 130 days, in which case the time is forfeited.
4. Any earned but unused PTO hours that cannot be transferred to the Overdraft Account or the Sick Savings Account will be forfeited.

#### **L. PTO During Probation**

Probationary staff may use PTO time as soon as the allowance is deposited, on the first of the month following hire, at the discretion of their supervisor or manager.

#### **M. Negative PTO Balances**

Under the following circumstances, staff may exceed their PTO allowance during the fourth quarter of a calendar year and carry a negative PTO balance of up to five days (prorated for part-time staff).

1. Overuse may be the result of a reduction in base scheduled hours during the year.
2. Overuse may be the result of a prudent staff member using time to attain a zero balance at the end of the year, only to be out due to illness or injury at the end of the year. The employee will be allowed to have a negative PTO balance provided there are no issues regarding their attendance, as determined by the supervisor in consultation with Labor and Employee Relations.

Negative balances will be deducted from the following year's PTO allowance at the beginning of the calendar year.

#### **N. PTO Upon Separation of Employment**

Staff who end employment with Mount Sinai will be paid for all earned but unused PTO time. Staff must have been employed for at least one year to be eligible for such payment. Staff who resign must give proper notice to receive such payment. Sufficient notice is time at least equal to the amount required by the employee's current job classification. (Notice was formerly determined by the employee's vacation entitlement). Terminating Staff will not be paid for days in the Overdraft or Savings Accounts, upon separation from service.

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1. Sufficient notice is 10 working days for those whose yearly PTO balance is 19 days.
2. Sufficient notice is 20 working days for those whose yearly PTO balance is 29 days.
3. Sufficient notice is 22 working days for those whose yearly PTO balance is 31 days.
4. Sufficient notice is 25 working days for those whose yearly PTO balance is 34 days.

## **O. Transfers**

1. A transfer from Hospital PTO position to an internal (i.e., within the same hospital) PTO position, or School PTO to School PTO transfer, requires that the original department document the employee's PTO and Sick Savings allowance and notify the new department upon transfer.
2. A transfer from Hospital PTO position to another Hospital (i.e., within the Mount Sinai Health System) PTO position, requires that any earned but unused PTO time be paid to the transferring employee by the employee's original department. Sick Savings times will transfer to the receiving department.
3. Non-PTO position to a position covered by the PTO program:
  - a) The employee's Sick bank will be doubled, up to a maximum of 130 days, and credited to their Sick Savings Bank.
  - b) Unused, but accrued vacation and free time will be paid to the transferring employee by the employee's original department.
4. PTO covered position to a position not covered by the PTO program:
  - a) The employee's Sick Savings bank will be reduced by one-half, and credited to their non-PTO Sick Bank.
  - b) Any earned, but unused PTO time, will be paid to the transferring employee by the employee's original department.
  - c) If the employee is PTO negative, the employee will not begin to **earn** time until all time is repaid. (An overpayment letter will be issued to the employee by the original department, with a copy to Payroll and the new department.)
5. For MSHS employees covered by the PTO program transferring to a School position covered under PTO, or a School PTO covered employee transferring to a MSHS position covered by the PTO program:
  - a) The original department should document the employee's PTO allowance and notify the new department upon transfer.

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- b) The Sick Savings bank transfers with the employee.

## **P. PTO Calculations**

### **1. Calculating PTO for New Hires**

A full-time new hire shall receive a PTO allowance that provides one twelfth of the regular annual PTO allowance for each full month remaining in the year. This shall also apply to employees who transfer to PTO eligible positions from non-eligible positions.

**Example:** A full-time employee is hired on March 15th into a position that provides for an allowance of 29 PTO days. The amount of PTO time that will become available on April 1 (the first day of the month following hire) shall be 29 (the annual PTO allowance) divided by 12, times 9 (the number of full months remaining in the year, i.e., April - December). The result is 21.75 days.

$$(29 / 12) \times 9 = 21.75 \text{ PTO days}$$

Likewise, the initial Sick Savings Account deposit shall also be prorated to provide one twelfth of the regular annual deposit (7 days for a new hire) for each full month remaining in the year.

$$(7 / 12) \times 9 = 5.2 \text{ Savings Account days}$$

### **2. Calculating PTO for Part-Time Staff**

Part-time staff must be scheduled to work 7.5 hours or greater per week to be eligible for PTO. Eligible part-time staff receive a prorated portion of the applicable PTO allowance based on scheduled base hours. To determine the PTO allowance for a part-time employee, the employee's scheduled base hours per week are divided by the number of hours regularly scheduled for a full-time employee in the category and the result is multiplied by the number of PTO days provided to full-time staff.

**Example:** A full-time employee works 35 hours per week and earns 20 PTO days per year. For a part-time employee in the same category scheduled to work 21 hours per week: 21 (the employee's scheduled base hours) is divided by 35 (the usual full-time hours for the category) and the result is multiplied by 29. The result is 17.4 PTO days.

$$(21 / 35) \times 29 = 17.4 \text{ PTO days}$$

Savings Account deposits shall also be prorated for part-time staff. Assuming that the employee has been on staff less than five years and would be entitled to 7

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days of Savings Account time at the beginning of each year if full-time, then a 21hour/week employee would be entitled to:

$$(21 / 35) \times 7 = 4.2 \text{ Savings Account days}$$

### 3. Calculating PTO for Changes in Hours

Annual PTO allowances shall be recalculated when an employee transfers from full-time to part-time status or from part-time to full-time status, or when an employee's regularly scheduled hours are increased or reduced. Such recalculations shall be effective on the first of the month coincident with or following the date of the change.

**Example A:** A full-time employee in a category with a normal workweek of 37.5 hours receives 34 PTO days per year. On July 15th, the employee's hours are reduced to 22.5 per week. The employee will be working 60% of the normal full-time workweek ( $22.5 / 37.5 = .6$ ) for the last five full months of the year. The employee's PTO bank for the year is recalculated to provide 100% of the PTO allowance for the first 7 months of the year and 60% for the last five months. The full-time PTO allowance (34 days) is divided by 12 to determine the monthly PTO earnings. The monthly PTO earnings are multiplied by 7 to determine the PTO days earned within the first 7 months. The monthly PTO earnings are then multiplied by 5 AND by 60% to determine the reduced PTO days earned in the last 5 months following the reduction in hours. By totaling the two figures, the recalculated annual PTO allowance is derived.

$$(34 / 12) \times 7 = 19.83$$

PLUS

$$(34 / 12) \times 5 \times 60\% = 8.50$$

**Total 28.33 PTO days**

**Example B:** A part-time employee is classified in a category which has a normal workweek of 35 hours and which received a PTO allowance of 29 days per year. For the beginning of the year, the employee works 21 hours per week, or 60% of the normal workweek ( $21 / 35 = 60\%$ ). On July 15th, the employee's hours are increased to 28 hours per week, or 80% of the normal workweek ( $28 / 35 = 80\%$ ). The employee's PTO bank for the year is recalculated to provide 60% of the normal PTO allowance for the first 7 months of the year and 80% for the last five months.

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$$(29 / 12) \times 7 \times 60\% = 10.15$$

**PLUS**

$$(29 / 12) \times 5 \times 80\% = 9.67$$

**Total 19.82**

The Sick Savings Account deposit for the year should also be recalculated when an employee's hours change.

**NOTE:** An employee shall retain any excess earned time in their PTO bank, subject to the other provisions of the PTO Program, when transferred to a part-time status or when hours are reduced. Only terminating employees may be eligible to be paid for earned but unused time.

#### **4. Recalculating PTO for Increased PTO Allowance**

Depending on classification, an employee's PTO allowance may increase on the employee's fourth anniversary (at the beginning of the fifth year of employment) and/or on the twenty-fourth anniversary (at the beginning of the twenty-fifth year of employment). Additionally, a reclassification may result in a change in the amount of PTO allowance to which the employee is entitled. The recalculations in these circumstances shall be effective on the first of the month coincident with or following the change.

**Example:** A staff member is employed in a classification that provides for 29 PTO days with an increase to 34 days on the twenty-fourth anniversary. Such anniversary occurs on October 15th of this year. The beginning PTO allowance (29 days) is divided by 12 to determine the initial monthly PTO earnings for the first 10 months of the year. The new PTO allowance (34 days) is divided by 12 to determine the monthly PTO earnings for the last two months of the year. The resulting figures are combined for the new annual total.

$$(29 / 12) \times 10 = 24.2$$

$$(34 / 12) \times 2 = 5.7$$

**Total 29.9**

#### **5. PTO Upon Termination**

For employees entitled to receive payment for PTO upon termination, the amount they will be paid shall be equal to the amount of earned PTO time minus the amount of PTO time used over the course of the calendar year. The amount of earned PTO time is calculated by dividing the number of PTO days to which the employee is entitled (based

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on classification and length of service) by 12 and multiplying the result by the number of months worked in the year. For purposes of this calculation, the employee is given full credit for the month in which the last day of work occurs. (Terminating employees are NOT entitled to compensation for any unused Sick Savings Account or Overdraft time.)

**Example A:** An employee working in a classification that provides 34 PTO days per year resigns with a last work date of March 15th. The amount of earned PTO time is obtained by dividing 34 by 12 (to determine the monthly PTO earnings) and multiplying by 3 (months including March) = 8.5 PTO days. Assuming the employee has used six PTO days during the year, the remaining 2.5 days would be paid out upon termination.

$$(34 / 12) \times 3 = 8.5$$

$$8.5 - 6 = 2.5 \text{ days due the employee}$$

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