Administrative Policies and Procedures
Manual - Policy 3430: Catastrophic Leave Program

Date Originally Issued: 07-01-2003

Effective Date: 07-01-2018

Authorized by RPM 6.3 ("Privileges and Benefits")
Process Owner: Vice President for Human Resources

1. General

The University’s catastrophic leave program allows salary and benefits continuation for eligible staff employees who are experiencing a catastrophic condition and have exhausted their sick and annual leave. The catastrophic condition may be for the employee or for an immediate family member as defined below. The program is funded through voluntary donations of annual leave.

The University has contracted with a Third Party Administrator (TPA) to provide an independent medical review of employee requests for catastrophic leave. The TPA will review the employee’s application and health care provider statement in conjunction with the provisions of this policy.

2. Eligibility

Regular staff employees who work twenty (20) hours or more per week (.50 FTE or greater) are eligible to elect to participate in the program if they:

- Have completed a full year of employment at the University;
• Have an illness or injury, or a member of their immediate family has an illness or injury, that meets the definition of a catastrophic condition (see Section 3);
• Have made a donation of annual leave for that fiscal year;
• Have exhausted their own sick and annual leave;
• Have an illness or injury unrelated to Workers’ Compensation benefits; and
• Have no written record of disciplinary action for misuse of leave within the past twelve (12) months.

An immediate family member means an employee's:

• Spouse or domestic partner;
• Children (natural, step, adopted, and foster);
• Parents; or
• Grandchildren or siblings, but only if the employee is the primary custodian and caregiver.

Only one University employee may use catastrophic leave at a time to provide care to the same immediate family member.

3. Catastrophic Condition

“Catastrophic condition” is defined as a serious, life-threatening illness or injury that results in a period of incapacity, whether continuous or intermittent.

Examples of a catastrophic condition include a:

• Debilitating illness, impairment, or physical/mental condition that involves continuing treatment;
• Chronic or long-term condition requiring high-intensity or high-frequency treatment; or
• Terminal illness.

Intermittent absences due to a catastrophic condition are allowed in four (4) or eight (8) hour increments, such as in connection with chemotherapy, dialysis, or care for an immediate family member.

The supervisor will determine basic non-medical eligibility for the program. The TPA will determine whether the medical condition is catastrophic based on the information it receives from the employee’s health care provider.

3.1. Exclusions

The following exclusions apply; however, complications related to these exclusions may qualify as a catastrophic condition. A list of examples that constitute exclusions is shown below for guidance only, and is not considered an all-inclusive list.

An immediate family member means an employee's:

• Spouse or domestic partner;
• Children (natural, step, adopted, and foster);
• Parents; or
• Grandchildren or siblings, but only if the employee is the primary custodian and caregiver.
• Elective surgery
• Pregnancy
• Tubal ligation/vasectomy
• Hysterectomies not related to cancer treatments
• Cosmetic surgery
• Knee and hip replacement
• Shoulder/rotator cuff tear surgery
• Carpal tunnel/hand/finger surgery
• Ankle and foot surgery
• Organ donation
• Bariatric surgery
• Sprains/strains (wrist, hand, knee, ankle, back)

**4. Donations to the Catastrophic Leave Program**

The catastrophic leave program is funded by donations from participating employees’ annual leave banks. Each fiscal year, the University may withhold annual leave in an amount up to one-fifth (1/5) of the employee’s weekly work hours. For example, this would amount to eight (8) hours for an employee working forty hours (40) per week. Donations are made to the common catastrophic leave bank annually in an amount and on a date specified by the Division of Human Resources.

Prior to fiscal year-end, the Division of Human Resources notifies all regular staff working a .5 FTE or greater that donations will be taken automatically unless the employee completes the catastrophic leave opt-out process. If an employee opts-out of donating, then the employee is not eligible for catastrophic leave for the upcoming fiscal year.

The catastrophic leave plan year is July 1st through June 30th. Employees can participate if they have donated to the program and meet the eligibility requirements noted in Section 2, above.

Employees with less than one year of service can donate to the program, but are ineligible to apply for program benefits until they have completed one year of employment.

**5. Requesting Catastrophic Leave**

To request benefits, an employee (or individual acting on the employee’s behalf) must complete and submit an [Application for Catastrophic Leave Program and Health Care Provider Statement](#) to the employee’s immediate supervisor. The immediate supervisor must verify that the employee meets the non-medical criteria listed on the application form. If the application meets the required criteria, the application and health care provider statement is forwarded to an HR Consultant.

The HR Consultant will create a case and upload the employee’s application and health care provider statement to the TPA website. The application includes a release for the TPA to speak with the employee’s health care provider, if additional information is needed.
The application must include an estimate of the number of hours of catastrophic leave needed based on the health care provider’s statement, generally not to exceed three (3) months (520 hours for full-time employees). Requests from part-time employees will be pro-rated based on the employee's FTE. The TPA may grant a lesser number of hours than initially requested, depending on the situation. Applications for recertification may be made for additional leave up to the maximum defined below. The University reserves the right to request periodic updates or other medical information as needed.

Employees with a terminal disease may be approved for up to the maximum leave coverage without having to recertify.

5.1. Maximum Leave Coverage

Maximum continuous catastrophic leave will be 1040 hours, prorated based on the employee’s FTE. Catastrophic leave will terminate when the maximum hours are reached (see Section 7).

Maximum intermittent catastrophic leave will be 520 hours, prorated based on the employee’s FTE. In no case will the combined use of continuous and intermittent catastrophic leave exceed 1040 hours.

Employees who have exhausted the maximum allowable catastrophic leave will accrue up to an additional 173 hours toward their bank of available catastrophic leave, per year of active service after exhaustion of the leave. The accrual of additional hours will commence with the date the employee last exhausted the maximum allowable catastrophic leave. The amount of additional accrual is prorated based on FTE, and is separate from the employee’s annual and sick leave banks. The employee is only eligible for this additional catastrophic leave time if the employee’s donations to the catastrophic leave program continue on an annual basis.

5.2. Payment of Leave

The pay for the hours withdrawn from the catastrophic leave bank will be based on the employee's regular rate of pay. Existing payroll deductions including benefit premiums will continue to occur.

6. Appeals

The initial determination on whether a condition qualifies as catastrophic, as defined in this policy, is made by the TPA’s health care professionals.

6.1. Denial Based on Medical Review

Employees may request an appeal of the TPA’s health care provider decision. Employees shall submit notification requesting an appeal along with additional medical information, if applicable. All documents shall be submitted to HR. HR will submit the request for appeal and the employee’s medical information through the TPA’s website. The TPA will assign a different
health care professional from its roster to review the initial health care provider statement and any subsequent medical information.

6.2. Denial Based on Documented Abuse of Sick Leave

An employee may submit a written request for appeal to the next level supervisor.

6.3. Appeal to the Vice President for Human Resources

Any denial for reasons outlined in Sections 6.1 and 6.2 may be appealed to the Vice President for Human Resources.

Any written request for an appeal to the Vice President for Human Resources must be submitted within fifteen (15) calendar days of the denial and include all documentation supporting the request.

The decision of the Vice President for Human Resources may be appealed under Regents’ Policy Section 1.5.

7. Termination of Leave

Catastrophic leave terminates when the:

- Employee is separated from the University;
- Condition no longer qualifies as catastrophic (see Section 3); or
- Maximum catastrophic leave benefit has been exhausted (see Section 5.1).

If the maximum catastrophic leave benefit has been exhausted and employees are not released to return to work, employees should contact their immediate supervisors to discuss the possibility of medical leave without pay; see UAP 3420 (“Leave Without Pay”) and UAP 3440 (“Family and Medical Leave”).

7.1. Return to Work

Employees on continuous or intermittent catastrophic leave for incapacity illness/injury must be cleared by their health care provider to return to work, with or without restrictions, and must provide substantiating documentation to UNM Employee Occupational Health Services (EOHS). If returning with limitations, the employee should request accommodation and must be able to perform the essential functions of the position, in accordance with UAP 3110 (“Reasonable Accommodation for Employees with Disabilities.”) Employees returning to work must contact EOHS to schedule a return to work appointment.

8. Family and Medical Leave
All leave received by an employee under this policy will count towards the employee's Family Medical Leave (FML) entitlement, if the employee is eligible for FML. In the event that catastrophic leave is denied, an employee may still be eligible for unpaid time under FML. Refer to UAP 3440 ("Family and Medical Leave"). An employee enrolled in the short-term or long-term disability programs should contact the Division of Human Resources for more information on the use of such plans.

9. Administration of Catastrophic Leave Bank

Catastrophic leave payments are charged to the University catastrophic leave bank account and will include an amount sufficient to cover the University's share of the employee's health benefit premiums and other benefits. Departments will not incur any charges. The employee receiving the donated leave will remain on "regular" status during this period.

Any unused and undistributed hours donated to the catastrophic leave bank will remain in the bank and roll over at the end of each fiscal year. Hours will not be returned to donating employees.

10. Confidentiality

All information received on catastrophic leave program applications, health care provider statements, and any additional related information is confidential. The sole use of such information is to determine eligibility for the program.

11. Exceptions

Exceptions to this policy must be approved in writing by the Vice President for Human Resources.

12. References

Applications, forms, and additional information can be found on HR’s website.

UAP 3420 (“Leave Without Pay”)

UAP 3440 (“Family and Medical Leave”)