



City of Avondale

Date: November 27, 2012

Public Safety Worker's Compensation Policy Number: AP-54

To: All Employees

From: Charlie McClendon, City Manager

Re: AP-54 Public Safety Worker's Compensation

***** Required by State Law *****

Background

A law was passed by the 2012 Arizona Legislature and signed by the governor requiring the establishment of a Supplemental Benefits Plan for public safety employees injured while on duty, to the extent the employee cannot perform the functions of his/her position. The Supplemental Benefits Plan must be designed so as to yield for the eligible employee approximately the identical base salary (less applicable taxes) the employee made while on regular duty, for up to a six-month period. The Plan must be in place and be in effect August 2, 2012. The law was passed with a delayed-repeal provision, which means the law will automatically be repealed effective September 30, 2014.

Purpose

The purpose of this City of Avondale Supplemental Benefits Plan for Public Safety Employees is to meet the requirements of A.R.S. §38-961 and provide economic benefits to sworn Police, Fire Department employees covered under Public Safety Personnel Retirement System (PSPRS) and Detention employees covered under the Correction Officers Retirement Plan (CORP) who experience a work-related injury and who are deemed eligible for a specific category of workers' compensation benefits.

Eligibility

The City of Avondale has sole discretion to determine eligibility of an employee to participate, or to continue to participate in this Plan. To be eligible for benefits under this Plan initially and to continue in the Plan as described, the employee must meet all of the following criteria:

1. Be a full-time Police or Fire Department employee who is a member of the Arizona Public Safety Personnel Retirement System (PSPRS) or full-time Detention employee under the Correction Officers Retirement Plan (CORP).
2. Be injured as a result of such employment and be eligible for workers' compensation benefits pursuant to A.R.S. §23-1021.
3. Be receiving workers' compensation lost-time wage replacement benefits pursuant to A.R.S. §23-1021, §38-961, and related statutes.

4. Submit an application for the Supplemental Benefits Plan in writing to the City's Human Resources Department as described in this policy within 72 hours of sustaining a work related injury. Pursuant to A.R.S. §23-1021, §38-961, and related statutes.
5. Comply with all Risk Management requirements, including evaluation for alternate-duty options and rehabilitation programs, and direction to participate in these programs.
6. Be mentally and/or physically unable to return to work for the City of Avondale in any capacity, including alternate or light duty assignments as determined by the City and as supported by the City's workers' compensation insurance carrier physician(s) or through an independent medical examination (IME) as ordered by the City. The employee's inability to perform his/her normal duties or any other capacity assigned by the City, including the inability to perform alternate or light duty assignments, must be supported by appropriate medical documentation in order for the employee to remain eligible under this Plan. The availability of alternate-duty assignments is at the sole discretion of the City and in accordance with the restrictions from the physician(s).
7. Remain a full-time City employee during the time period the employee is receiving the supplemental benefits.

An employee will be ineligible for any and all benefits under this Plan, regardless of any other determination under workers' compensation or any other benefit, if the employee's injury results from or is worsened in whole or in part by:

- a) Gross negligence

Any dishonesty surrounding the cause of the work related injury shall be cause to terminate benefits under this plan.

All benefits of this Plan will be provided while the employee meets all eligibility criteria, for a period of up to six months from the date the employee becomes eligible for the payment of workers' compensation lost-time wage replacement benefits pursuant to A.R.S. §23-1021, §38-961, and related statutes. The City may extend benefits beyond six months upon the recommendation of the City's workers' compensation insurance carrier physician(s). The benefits of this plan will not be extended beyond one year from the date the employee became eligible for the payment of workers' compensation lost-time wage replacement benefits pursuant to A.R.S. §23-1021, §38-961, and related statutes. Acceptance of an employee into this Plan is contingent upon meeting the criteria established within this policy. No benefits under this plan shall be extended for injuries sustained outside of City of Avondale employment.

Plan Benefits

Benefits under this Plan include:

1. Payment by the City of the difference in compensation between the employee's base compensation pre-injury, less applicable taxes, and the workers' compensation benefit paid to the employee under Arizona law.
2. Continued payment of the City's (employer) portion of premium for the health insurance benefit package as is paid for other similarly enrolled employees. The employee remains responsible for paying the same portion of his/her health insurance benefit package as was paid pre-injury and/or as is paid by similarly enrolled employees, and remains responsible for any elective health care plan deductions, health-related optional deductions or optional life insurance deductions.

3. Payment by the City for both employer and employee contributions to the Arizona Public Safety Personnel Retirement System (PSPRS), or Correction Officer Retirement Plan (CORP) as based on employee's pre-injury salary.
4. Credit for service in the PSPRS or CORP at the same accrual rate as pre-injury.
5. Maintenance of accrued leave balances at pre-injury level, including sick and vacation leave. Employee accrual of sick and vacation leave, however, shall be suspended during the time of eligibility and participation in this Plan.
6. To the extent the employee is eligible for pay or benefit changes while eligible and receiving benefits under this Plan, the Plan benefits will be adjusted accordingly.

If an employee is eligible for salary changes while receiving benefits under this plan, the salary will be adjusted accordingly. If changes in the City's benefits occur while an employee is receiving benefits under this plan, the employee will be responsible for any additional costs for the City's benefits. For instance, if all employees are provided automatic salary adjustments as part of an annual process, the employee will receive salary increases under this plan based on his/her new adjusted compensation as he/she would receive if not injured. If the City's costs for providing employee benefits increase, the appropriate costs will be the responsibility of the employee. Such adjustments may or may not benefit the employee. For instance, if during the benefit period under this plan, the City changes employer health care benefits contributions from 80 to 70 percent, the employee shall be required to pay additional premiums as would any other employee.

PROCEDURE

- The Human Resources Department will receive all requests for Plan Benefits, in writing, on the proper form from the employee outlining the request and any relevant information needed for decision making by the Department. Such request must be made within 72 hours of the employee's receipt of his or her first lost-time wage replacement benefit paid under workers' compensation, unless incapacitated and unable to communicate. Failure to make a request with the timeframe established herein shall be construed as a waiver of any rights under A.R.S. 38-961.
- The Human Resources Department will review the written request, the circumstances surrounding the injury, employee eligibility for workers' compensation, and any other relevant factors. Within fourteen (14) calendar days of receipt of request for benefits under this Plan, the Human Resources Department shall provide the employee with written determination of benefits eligibility under this Plan.
- All benefits of this Plan will be provided while the employee meets all eligibility criteria, for a period of up to six months from the date the employee becomes eligible for the payment of workers' compensation lost-time wage replacement benefits pursuant to A.R.S. §23-1021, §38-961, and related statutes. The City may extend benefits beyond six months upon the recommendation of the City's workers' compensation insurance carrier physician(s) or through an independent medical examination (IME) as ordered by the City. The benefits of this plan will not be extended beyond one year from the date the employee became eligible for the payment of workers' compensation lost-time wage replacement benefits pursuant to A.R.S. §23-1021, §38-961, and related statutes. Acceptance of an employee into this Plan is contingent upon meeting the criteria established within this policy. No benefits under this Plan shall be extended for injuries sustained outside of City of Avondale employment.

- Employees granted benefits under this Plan will cooperate fully with the City, the Human Resources Department, and others working to coordinate benefits.
- The employee's leave accounts will be frozen as of date of injury until conclusion of participation in the Plan.
- If an employee is denied participation in the Plan for any reason, he or she may appeal such denial. The process for doing so is, exclusively, the following:
 - Within ten (10) working days from receipt of denial of benefits under this plan file a written appeal with the City Manager or designee, stating the reason for the appeal and facts that the employee wishes to have considered.
 - Within five (5) working days the City Manager or designee will render a written decision affirming or denying eligibility in the Plan.

Miscellaneous

An employee who is accepted into this Plan is not precluded from disciplinary action under the provisions of the City of Avondale Personnel Policy, Memorandum of Understanding (MOU) or the policies of the employee's assigned department.