



Human Resources Manual

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1412 - Industrial Disability Leave

Category

Benefits and Insurance

Audience List

- Health and Safety Officers
- Personnel Officers
- Personnel Transactions Supervisors
- Return-to-Work Coordinators

Synopsis

This policy clarifies directions related to Industrial Disability Leave (IDL), Enhanced Industrial Disability Leave (EIDL), and Industrial Disability Leave with Supplementation (IDL/S).

Introduction

The workers' compensation system provides benefits to employees for work-related injuries or illnesses. These benefits may include medical treatment, payments for lost wages, payments that compensate the injured employee for having a permanent impairment or limitation, vouchers to pay for retraining, and death benefits.

All state employees are covered by workers' compensation. The cost of this protection is paid by the State of California, the employer. Workers' compensation benefits are tax free and are not subject to Social Security deductions.

The California Department of Human Resources' (CalHR) Workers' Compensation Program manages the State's Master Agreement with State Compensation Insurance Fund (State Fund) to provide workers' compensation claims processing and legal representation for all the participating departments. The Master Agreement is an Interagency Agreement. Not all State of California agencies, departments, boards, and commissions are participants in the Master Agreement. Some have opted to purchase an insurance policy from State Fund to cover the risks inherent to the workers' compensation system.

Statement

To qualify for IDL benefits, an employee must be eligible for workers' compensation benefits and be an active member of the California Public Employees' Retirement System (CalPERS) or the California State Teachers' Retirement System (CalSTRS).

The Workers' Compensation Appeals Board (WCAB) has jurisdiction over disability benefit timeframes. The other rules and limitations governing IDL are not subject to WCAB's jurisdiction, but may be subject to the grievance process.

IDL benefits are paid by the employer after notice from State Compensation Insurance Fund (State Fund).

Industrial Disability Leave – Effective July 1, 2014

IDL benefits are payable for a maximum of 52 weeks, or 2080 work hours (40 hours/week x 52 weeks = 2080 hours for a full-time employee), within a two year period from the first date of disability. The number of eligible work hours must be prorated for employees on a different time base.

Prior to the start of IDL, the employee must serve a waiting period of three calendar days. The three calendar days do not need to be consecutive days or scheduled work days. The waiting period begins with the first day of disability confirmed by State Fund. The date of injury is never part of the waiting period because any time lost on that day is paid as Administrative Time Off (ATO).

The waiting period is waived if the employee is hospitalized at any time as a result of the injury or illness, temporary disability continues for more than 14 calendar days, or the injury is the result of a criminal act of violence. To track the waiting period and 14 calendar days, any day on which the employee is temporarily disabled, whether for one hour or eight hours, counts as one day of disability.

IDL payments are based on the employee's current wages. For the first 22 work days or

maximum of 176 hours (22 days x 8 hours/day = 176 work hours for full-time employees and prorated for different time bases), an employee receives their full net salary. Thereafter, IDL payments are based on two-thirds of the employee's normal gross salary. Although IDL is not taxable and IDL benefits are not reported as taxable wages or other compensation on the employee's W-2 form, the amount of IDL paid for the first 22 work days (maximum of 176 hours for full-time employees and prorated for other time bases) is reduced by the amounts that would have been withheld for taxes (federal, state, Social Security/Medicare, SDI). This is called the "reduced gross" and it is the amount reflected on the warrant register and the earnings statement. The reduced gross is calculated because the statutory intent of the IDL benefit is to provide continuation of the employee's net compensation for the period of time they are disabled and unable to work. IDL was not designed to provide the employee with more money on disability than they would otherwise make while working.

Industrial Disability Leave – Prior to July 1, 2014

IDL benefits were payable for a maximum of 52 weeks, or 365 calendar days within a two year period from the first date of disability. Any time paid as IDL, whether one hour or eight hours, constitutes one date of IDL applied to the maximum time limits.

Prior to the start of IDL, the employee must serve a 24-hour waiting period (three calendar days). If an employee works less than full-time, the waiting period is prorated. The waiting period may begin the day following the date of injury and need not be consecutive days. Partial days of absence for doctor appointments or authorized periods of disability may be accumulated to equal full days and charged to the 24-hour waiting period.

The waiting period is waived if the employee is (1) hospitalized at any time as a result of the injury or illness, (2) unable to work for more than 14 calendar days, or (3) the injury is the result of a criminal act of violence. However, the aggregate hours over the 14-day period must, at a minimum, exceed the 24 hours needed to meet the three-calendar-day waiting period for a full-time employee and prorated for a fractional time-base employee.

IDL payments are based on the employee's current wages. For the first 22 working days of disability, an employee receives full net salary. Thereafter, the payments are based on two-thirds of the employee's normal gross salary without any reduction for taxes. Even though IDL is not taxable, the gross amount for IDL during the first 22 working days is reduced by the amounts that would have been taken for taxes (federal, Social Security/Medicare, and state). This is called the "reduced gross" and it is the amount reflected on the warrant register and the earnings statement. The reduced gross is calculated because the statutory intent of the IDL benefit is continuation of the employee's

net compensation for a period while he or she is disabled and unable to work. It is not designed to provide the employee with more money on disability than he or she would otherwise make while working.

Industrial Disability Leave – All dates

The only mandatory deduction taken from IDL payments is the full retirement contribution, which is based on the employee's actual gross income. In addition, IDL payments may be subject to the following deductions: survivor's benefits, accounts receivable, child support, spousal support, conservatee support, CalPERS arrears contributions, etc. (Refer to Payroll Procedures Manual section E 009 for additional information on deductions.)

All voluntary deductions continue unless the employee cancels them. Since IDL is not taxable, all pre-tax deductions (e.g. health/dental premiums, co-pays, etc.) revert to regular deductions. Tax deferred deductions (e.g. deferred compensation, tax-sheltered annuities, flex reimbursement accounts, State Disability Insurance, etc.) stop during the IDL period.

An employee's eligibility for IDL ends if any of the following occur:

- The employee is no longer an active member of CalPERS or CalSTRS, due to separation or retirement.
- The available hours of IDL benefits are exhausted or the two year time limit is exceeded.
- The employee is no longer temporarily disabled due to the work-related injury or illness.
- The employee's condition has reached a point of maximum medical improvement.

Industrial Disability Leave with Supplementation

Employees in all Bargaining Units (except Bargaining Unit 5) who meet the eligibility requirements for IDL are eligible for IDL/S.

When an injury or illness is determined to be work related and workers' compensation benefits are approved, the employee's Personnel Office is required to send the employee an "Industrial Disability with Supplementation Information and Selection" form (STD 618S). The employee has 15 calendar days in which to choose to supplement their IDL payments. The 15 calendar day "election period" commences on the day the agency informs the employee that they are eligible for workers' compensation benefits by providing the employee with the STD 618S. Employees who fail to respond within 15

calendar days after notification shall be placed on IDL without supplementation, and forfeit the right to supplement IDL at any future time.

An employee may choose to supplement up to their reduced gross pay (100% supplementation), or to an amount that is less than full supplementation. Once the supplementation level is selected, the employee may decrease the amount at any point in the future, but they may not increase the supplementation amount. Any subsequent reduction in the supplementation will be made on a prospective basis only.

Supplementation levels can not include fractions of hours. The employee may terminate the supplementation at any point. The effective date of any change will be the first day of the following pay period.

Leave credits needed for supplementation are drawn in the following order unless the employee requests a different order:

- Sick Leave
- Compensating Time Off (CTO)
- Vacation/Annual Leave
- Other leave credits (Personal Leave, Holiday Credit, etc.)

When an employee's leave credits fall below the selected supplementation amount, the supplementation will be reduced to the amount of available leave credits (whole numbers only).

When an employee is on IDL for a portion of the month, and the amount of supplementation selected exceeds the amount necessary to obtain their reduced gross pay, the Personnel Office must adjust the supplementation amount to ensure the employee's disability payment does not exceed full net pay. Supplementation income is taxed at the current flat tax rates and will be reported on the employee's W-2 form at the end of the year.

Accounts receivable that the state has not already deducted from IDL pay, or any other pay that period, will be taken from the supplementation pay, if there is a sufficient amount to do so. All established mandatory and voluntary deductions will be withheld from supplementation pay, if not already taken from another payment in the pay period. For example, an employee who has a deferred compensation deduction would not have the deduction taken from the two-thirds IDL payment, because you cannot defer taxes on tax-exempt income. However, if the supplementation gross is sufficient, the deferred compensation can be deducted from the supplementation payment. Partial deductions cannot be taken from supplementation. Employees must cancel any voluntary deductions that they do not wish to have withheld from supplementation pay.

Enhanced Industrial Disability Leave

EIDL was established in 1984 through memoranda of understanding between the state and exclusive representatives for rank-and-file employees in specific bargaining units. Excluded employees are also eligible if they are in a classification responsible for the supervision of represented employees who are eligible for enhanced benefits.

Except for Bargaining Unit (BU) 8, to qualify for EIDL benefits, there must be a provision in the employee's memorandum of understanding (MOU) and the employee must be temporarily disabled as a result of a physical injury incurred in the official performance of their duties. See the appropriate MOU for information on qualifying physical injuries. Separate rules and criteria specified by Government Code section 19871.3 apply to members of BU 8 for all injuries occurring on or after January 1, 2018.

EIDL benefits only apply to physical injuries and medical complications directly related to one of the circumstances outlined in the MOU. EIDL does not apply to presumptive, stress-related disabilities or physical disabilities of mental origin. Each appointing power or their designee has the final decision regarding an employee's eligibility for EIDL. If specifically allowed in the MOU, employees can appeal the denial of EIDL to CalHR. Eligibility determinations are based on the specific circumstances of each case.

EIDL is an extension of IDL and has most of the same requirements. However, permanent intermittent employees in Bargaining Unit 6 may be entitled to EIDL even if they are not active CalPERS members.

Since full IDL is paid for the first 22 work days (or maximum of 176 hours of disability after July 1, 2014), EIDL begins on the 23rd working day of disability and continues payment as full IDL for the remaining period of eligibility. EIDL can be received for one year or longer, depending on specific provisions in each MOU.

EIDL eligibility for excluded employees is two years after the date of the injury. The MOUs specify the eligibility period for rank-and-file employees. Refer to the appropriate MOU for the eligibility period that applies.

If the appointing power determines that an injured employee is no longer eligible for EIDL because the physical injury has healed, the employee may still be eligible to receive IDL for psychiatric disabilities associated with the qualifying event.

An employee can return to work part time and still receive EIDL for the remaining period of time off work, provided that this period is confirmed by State Fund.

FlexElect Enrollment

If an employee goes on IDL while enrolled in the Cash Option, the Cash Option will remain in effect. The employee will receive a separate check for the Cash Option.

If the employee is enrolled in a FlexElect reimbursement account, the account deductions will cease for as long as the employee is on IDL. If the employee returns to regular pay within the FlexElect plan year, their reimbursement account deductions will resume. However, if the employee is on IDL/S, these account deductions will be taken from the supplementation income if that amount is sufficient to cover them.

Application

Effective July 1, 2014, the rules governing Industrial Disability Leave (IDL) changed. The most significant changes were:

- IDL will be tracked in hours instead of days.
- IDL will no longer be paid for time lost to attend medical appointments after the employee returns to work or is deemed able to return to work.

Eligible employees who lose medically substantiated time from work as a result of an industrial injury may receive IDL for up to 52 weeks. For time lost after July 1, 2014, 52 weeks of IDL will be calculated in hours using the employee's time base. A full time employee would be eligible for up to 2080 hours of IDL and a one-half time employee would be eligible for up to 1040 hours of IDL.

Before July 1, 2014, 52 weeks of IDL entitlement were tracked as 365 calendar days.

Departments provided this notice and conversion worksheet to their employees who were receiving IDL benefits before July, 1, 2014:

Dear (*Injured Worker*),

Effective July 1, 2014, the rules governing Industrial Disability Leave (IDL) will change.

The most significant change is IDL will no longer be paid for medical appointments after you return to work or are deemed able to return to work. IDL will be paid for medically substantiated periods of disability only. As in the past, State Fund is responsible for notifying your personnel office about the periods of temporary disability. Your personnel office is still responsible for tracking the eligible hours and paying the IDL benefit.

The other change is the time will be counted in hours instead of days. You are still entitled to 52 weeks of IDL to be paid within two years of the first time lost, but in the past we counted that 52 weeks as 365 days (which included weekends and regular days off). Now we will count that 52 weeks as 2080 work hours for a fulltime employee and prorated for different time bases.

Here is the calculation of *your* available IDL: (personnel office to complete)

First time lost was _____. Your eligibility for IDL will expire _____ (2 years from the first time lost).

State Fund verified a total of _____ days of disability.

Put the total verified days into the formula below to find hours available:

$$\underline{365} - \underline{\quad} = \underline{\quad} \div \underline{7} = \underline{\quad} \times \underline{\quad} = \underline{\quad}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks remaining) x (weekly hours*) = (hours available)

If you have any questions, please contact me.

Sincerely,

(YOUR contact information or RTWC contact information)

CC: (State Fund Claims Adjuster)

CONVERSION EXAMPLES by TIME BASE

Full-time

$$\underline{365} - \underline{350} = \underline{15} \div \underline{7} = 2.14 \times \underline{*40} = \underline{86} \text{ (85.6 round to 86)}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks) x (hours in week) = (hours available)

7/8 time

$$\underline{365} - \underline{350} = \underline{15} \div \underline{7} = 2.14 \times \underline{*35} = \underline{75} \text{ (74.9 round to 75)}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks) x (hours in week) = (hours available)

5/6 time

$$\underline{365} - \underline{350} = \underline{15} \div \underline{7} = 2.14 \times \underline{*33.33} = \underline{71} \text{ (71.32 round to 71)}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks) x (hours in week) = (hours available)

4/5 time

$$\underline{365} - \underline{350} = \underline{15} \div \underline{7} = 2.14 \times \underline{*32} = \underline{68} \text{ (68.48 round to 68)}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks) x (hours in week) = (hours available)

3/4 time

$$\underline{365} - \underline{350} = \underline{15} \div \underline{7} = 2.14 \times \underline{*30} = \underline{64} \text{ (64.2 round to 64)}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks) x (hours in week) = (hours available)

1/2 time

$$\underline{\underline{365}} - \underline{\underline{350}} = \underline{\underline{15}} \div \underline{\underline{7}} = 2.14 \times \underline{\underline{*20}} = \underline{\underline{43}} \text{ (42.8 round to 43)}$$

(eligible days) - (verified days) = (days remaining) ÷ (week days) = (weeks) x (hours in week) = (hours available)

*Weekly hours based on employee's current time base. The most common are listed here:

Time Base: Full Time

- Hours worked per day: 8
- Hours worked per week: 40
- Hours worked per year: 2,080

Time Base: 7/8 Time

- Hours worked per day: 7
- Hours worked per week: 35
- Hours worked per year: 1,820

Time Base: 5/6 Time

- Hours worked per day: 6.66
- Hours worked per week: 33.33
- Hours worked per year: 1,733

Time Base: 4/5 Time

- Hours worked per day: 6.4
- Hours worked per week: 32
- Hours worked per year: 1,664

Time Base: 3/4 Time

- Hours worked per day: 6
- Hours worked per week: 30
- Hours worked per year: 1,560

Time Base: 1/2 Time

- Hours worked per day: 4
- Hours worked per week: 20
- Hours worked per year: 1,040

Time Base: Permanent Intermittent (PI)

- Hours worked per day: Varies
- Hours worked per week: Varies
- Hours worked per year: No change in how IDL is calculated, tracked or paid.

Authorities

- [California Code of Regulations, title 2, sections 599.756 to 599.769](#)
- [Government Code section 19869 to 19877.1](#)

Resources

FAQs

- [IDL and Permanent Intermittent \(PI\) Employees](#): Frequently Asked Questions
- [IDL Coordination With Other Benefits](#): Frequently Asked Questions
- [IDL Discipline, Layoff, and Denial of IDL Benefits](#): Frequently Asked Questions
- [IDL Special Pay Provisions](#): Frequently Asked Questions
- [IDL Time Calculation and Eligibility Determination](#): Frequently Asked Questions

Forms

- [STD 618s](#): Industrial Disability Leave with Supplementation Benefits Information and Option Selection Form

Related Policies

- [1414](#): Temporary Disability
- [1415](#): Workers' Compensation
- [1416](#): Workers' Compensation Administrative Time Off
- [1417](#): Workers' Compensation Liability Between Departments

Web Pages

- [Pay Differentials](#): List of Pay Differentials

Authorized By

Benefits Division

Benefits Division Inquiries

Benefits Division

Contact Person

Workers' Compensation Program

CalHR

Phone: 916-909-2863

Email: WorkComp@calhr.ca.gov

Superseded Policies

Not Applicable.

History

[View History](#)

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