

#### Paid sick time

### Frequently asked questions

#### Q1: Why is HonorHealth implementing PST?

**A1:** This is a legislative mandate that applies to employers of all sizes in the state. In November 2016, Arizona voters passed a proposition that increases minimum wage and mandates employees receive PST.

At HonorHealth, all regular and seasonal, part-time and full-time employees already receive a PTO benefit that can be used for any purpose including when an employee is sick. However, to comply with the law, **beginning on June 25, 2017**, HonorHealth must create a separate PST bank that will accrue some of the time that would have been accrued in the PTO bank.

#### Q2: What is PST?

**A2**: It is sick time accrued by an employee that is compensated at the same hourly rate as the employee normally earns during hours worked.

#### Q3: How does PST accrual work?

**A3:** All employees will earn one hour of PST for every 30 hours worked. PST only accrues on hours worked, not when using PTO or PST, and, for non-exempt employees, will continue to accrue even if more than 40 hours are worked in a week, up to 40 hours annually from Sept. 1 to Aug. 31.

#### Q4: Will unused PST carry over?

**A4:** Yes, employees can carry over up to 40 hours of PST to the next accrual year, but will still only be able to use 40 hours per accrual year. As with PTO, employees are encouraged to watch their PST balances so they won't lose additional time over the 40 hour maximum when carried over on Sept. 1. It is recommended to use PST first, then PTO to avoid losing any hours.

#### Q5: Why is the PST accrual year running on a September to August timeframe?

**A5:** The summer season in Arizona provides us with a great vacation time that aligns with a slower, lower census giving the best option to take time off prior to the start of the new accrual year. Employees must use any hours in excess of 40 prior to Sept. 1 or lose them at the beginning of the new accrual year.

#### Q6: What can employees use earned PST for?

**A6:** While the law states PST is to be used when an employee is sick, HonorHealth has decided to allow employees to use PST for any purpose, just like PTO.

#### Q7: When do employees begin accruing earned PST?

**A7:** Employees will begin accruing earned PST starting with the June 25, 2017 pay period. For new hires with a start date after July 1, they'll begin accruing sick time as soon as they start. HonorHealth will restart the accrual year on Sept. 1.

#### Q8: When can employees start using PST?

A8: Earned PST can be used as soon as it is accrued.

#### Q9: What is the smallest increment of earned PST that employees can use?

**A9:** PST can be used in increments of 15 minutes or greater. The law does not distinguish between exempt and non-exempt employees. However, in reality, exempt employees will take PST in increments equal to their standard work day/shift as they do when using PTO.

#### Q10: How will PST affect my PTO benefit that I currently have?

**A10:** Because employees will begin receiving a PST accrual beginning on June 25, 2017 accruing up to 40 hours annually, the PTO accrual rate will be reduced by up to 40 hours per year (for full time employees). Existing balances in PTO banks will not change.

#### Q11: How do employees request earned PST?

**A11:** Employees can request to use earned PST verbally, in writing or by entering a request into LaborWorkx or Kronos. When possible, the request to use earned PST should include the expected duration of the absence. Employees should follow notification procedures in the Time and Attendance Policy.

#### Q12: How will employees enter PST in LaborWorkx?

**A12:** Choose the PST code, similar to how you choose the PTO code. If you don't have enough PST in your bank to cover your time off, additional hours to cover your shift will be taken from your PTO bank. If you don't have enough PTO in the system, then the remaining time off will show as an excused unpaid absence.

#### Q13: How will employees enter PST in Kronos?

**A13:** Your manager will enter this for you. If you don't have enough PST in your bank to cover your time off, additional hours to cover your shift will be taken from your PTO bank. If you don't have enough PTO in the system, then the remaining time off will show as an excused unpaid absence.

### Q14: Do employees need to give their manager/supervisor advance notice to use earned PST?

**A14:** When possible, employees should provide advance notice of the need to use earned PST and should schedule the leave in a manner that does not unduly disrupt your department's operations. At a minimum, notification is required as defined under the Time and Attendance Policy.

### Q15: Do employees have to provide documentation for any absence when PST is used?

**A15:** HonorHealth has chosen to not require any medical documentation for the use of PST. Employees will need to select either PTO or PST in LaborWorkx or Kronos when taking time off.

## Q16: What happens if employees don't have enough PST to cover what they have requested or entered into LaborWorkx or Kronos?

**A16:** If you don't have enough PST in your bank to cover your time off, additional hours to cover your shift will be taken from your PTO bank. If you don't have enough PTO in the system, then the remaining time off will show as an excused unpaid absence.

#### Q17: Will unused PST be paid out if I leave HonorHealth?

**A17**: Although the law does not require it, in order to keep our employees as whole as possible during this transition, full and part-time employees who have a PTO bank will also be able to receive a distribution of their PST bank should they leave HonorHealth. Employees who are not eligible for PTO will not have a PST payout upon termination.

#### Q18: Can employees use PST for FMLA?

**A18:** Yes.

Q19: I am about to go out on a paid leave, such as short-term disability. Should I use PST for the seven calendar days before they're eligible for disability benefits? A19: Yes, use your PST first, then PTO if your sick time doesn't cover the elimination period.

# Q20: Will HonorHealth allow employees to make a donation of PST to another employee?

**A20:** No, HonorHealth is not allowing a donation of PST for another employee, however, we will continue to allow donations of PTO.

## Q21: What happens to accrued earned PST if an employee transfers to a non-benefited position?

**A21:** PTO and PST would be distributed at transition, and PST would continue to accrue in the new position.

<sup>\*\*</sup>HonorHealth reserves the right to change or terminate plans or programs at any time.