

## Paid Time Off (PTO)

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### Applicability

This policy applies to all regular full-time and part-time employees of the family of professional corporations, professional associations and medical groups managed by Optum and its affiliates (“Practice”).

**The Optum Partner Services (OPS) PTO Policy is applicable to the Practices that participate in the OPS Benefit Program (Appicare, OCMG, Monarch, NAMM, WellMed, TeamMD, OC Supportive Care, OC-Nevada, OC-Arizona, SMA, USMD)**

### Overview

The Practice provides you with a Paid Time Off (PTO) program that combines vacation and sick leave into a single bank of time off. The program is designed to offer the flexibility you need to balance home life with work, whether you are going on a planned vacation, have a family member who is ill, or are satisfying a variety of other personal or family needs. The PTO program provides you with paid time away from work throughout the calendar year, with your manager's approval and in consideration of business needs. This policy outlines the PTO benefits.

You are eligible for PTO benefits if you are a regular full-time employee or a part-time employee regularly scheduled to work a minimum of 20 standard hours per week. PTO is accrued each pay period based on years of service and your regular standard hours based on the following schedule:

Service Years	PTO Grant Per Standard Hour	Maximum Annual Grant* (Based on 40 Standard Hours Per Week)
Year 0	0.076923	160 hours
Year 1	0.080769	168 hours
Year 2	0.084615	176 hours
Year 3	0.088462	184 hours
Year 4	0.092308	192 hours
Year 5	0.096154	200 hours
Year 6	0.100000	208 hours
Year 7	0.103846	216 hours
Year 8	0.107692	224 hours
Year 9	0.111538	232 hours
Year 10+	0.115385	240 hours

\*Maximum is prorated based on standard hours per week.

To calculate PTO grants multiply your standard weekly hours by the “PTO Grant Per Standard Hour” for the applicable years of service. Multiply this number by 2 (2 work weeks in each pay period) to determine the total grant for the pay period.

<b>EXAMPLE:</b> An Employee working standard hours of 24 hours per week with 3 years of service:	
Grant per Work Week	24 hours x 0.088462 = 2.123 hours
Grant per Pay Period	2.123 hours x 2 = 4.246 hours
Maximum Annual Grant	4.246 hours x 26 pay periods = 110.4 hours

## Process

### Managing your PTO:

You must use PTO for both planned and unplanned absences, and it is up to you to decide how it will be used, for example:

- planned vacation
- medical, dental or other appointments
- religious observances
- Illnesses
- personal business or emergencies
- the care of a sick family member
- weather-related time off

Your manager must approve your request for PTO. To use PTO for planned time away from work, you must schedule it according to the procedures established for your location. If business needs or other employee requests conflict with your request, your manager may ask you to schedule your time away from the Practice at a more convenient time.

You can take PTO in half-day increments. However, employees who are approved for intermittent Family and Medical Leave may take such leave in one-hour increments.

If you take planned or unplanned time off and you have PTO available, you must use PTO to cover the absence. The only exception to mandatory use of PTO would be if your absence is covered by the leaves of absence policy that allow you to choose whether or not to apply PTO to the absence (e.g., Family and Medical Leave).

Personal leave is unpaid. However, you must first use any available PTO balances to pay for as many hours of your personal leave as possible before taking any hours as unpaid.

PTO is separate from jury duty, military leave, and bereavement leave. Those absences are covered under separate policies.

PTO hours used when added to your regular hours worked may not exceed your regular standard hours.

## Reporting PTO:

You report PTO as either planned or unplanned PTO. All employees are required to report accurately their time away from work and use of PTO. Not submitting an accurate report of time away from work is considered falsification of your timesheet and is grounds for discipline up to and including termination.

Exempt employees record PTO time on an exception basis (only time away from work, such as PTO or FMLA must be recorded).

## Accumulating PTO:

Following are important details about how you will accumulate PTO:

- When you are hired and eligible, you begin to accumulate PTO from your first pay period of employment.
- Additional PTO is granted after reaching the next tier for years of service; you will start to receive the larger grant on your check for the first pay period after your anniversary date.
- For annual granting purposes, the PTO year is the same as the calendar year; it runs from January 1 through December 31. You will receive your grant on each pay day throughout the calendar year.
- The PTO grant is given to you on the payday following the completion of each pay period. You must be actively employed on the last day of that pay period in order to receive the grant.
- Your current PTO balance is shown on each pay statement and can be viewed on: OPS Portal > Global Self Service > My Time Away From Work.
- PTO accruals are added to your balance prior to the deduction of any PTO that was reported during that pay period.

## Changes that Affect PTO:

- Changes to your standard hours worked will affect your PTO accrual rate.
- When you have a milestone service anniversary that increases your PTO grant, you will start to receive the larger PTO rate on your check for the first pay period after your anniversary date. Other changes become effective during the pay period in which the change was effective.
- If you're regularly scheduled standard hours fall below 20 hours per week, you will no longer receive PTO and any accumulated PTO hours will be frozen.
- You will not receive PTO grants while you are on a leave of absence.

California based employees: if you accept a new position or relocate to a different state with the practice, your unused PTO grant will be paid to you at the time of your move.

## Using PTO before it is granted:

With your manager's approval, you can borrow up to one week of your standard hours before the PTO has been granted. Your manager reserves the right to deny your request.

Employees who are on any type of continuous leave of absence may not borrow against future PTO grants during the leave.

### **Carry Over:**

If employees do not use all of their accrued PTO by the end of a calendar year, the PTO balance will carry over to the next calendar year up to a maximum of 40 hours. Any unused PTO that exceeds one week of your standard hours will be forfeited at year-end.

If you have borrowed PTO and have a negative balance at year-end, you will carry over a negative balance to the New Year.

### **California employees:**

As required by the state of California, unused PTO will not be forfeited. However, the maximum accrual will be capped at 1.5 times the employee's total annual accrual. Employees will stop accruing until the PTO balance is less than the maximum accrual.

### **Applying PTO to leaves of absence:**

For any FMLA leave of absence that is not due to your own medical condition, you are not required, but may choose to apply your available PTO. If you have a Workers' Compensation claim, you are not required, but may choose to apply your available PTO balances during the waiting period. If you have an approved short term disability (STD), you must use available PTO to cover the waiting period (1 week), except in Wisconsin where it is the employee's choice.

## **Other Provisions**

### **Adjusted Service Rehire:**

Full-time rehires who had worked for at least 1 one year in previous employment and whose break in service is less than 12 consecutive months will accrue PTO based on their original date of hire.

### **PTO upon leaving the organization:**

What happens to your PTO balance depends on how you leave the company. PTO is a grant and not earned compensation. Therefore:

- If you are laid off from the company, you are eligible to receive up to one week based on your standard hours of unused PTO time not to exceed 40 hours.
- If you are released from the company, remaining balances are not paid out unless required by state law (i.e., California, Colorado, Illinois, Louisiana, Massachusetts, Montana, Nebraska, North Dakota, Rhode Island, or Wyoming).
- If you resign, remaining balances are not paid out upon termination unless required by state law (i.e. California, Colorado, Illinois, Louisiana, Massachusetts, Montana, Nebraska, North Dakota, Rhode Island, or Wyoming). If state law requires payment, your remaining balance will be issued and distributed in accordance with the law.
- PTO cannot be taken after notice of termination has been given, even if it has been pre-approved.



PTO cannot be used to extend termination date and accrue additional PTO.

## Resources

- Optum Partner Services at [optumpartnerservices@optum.com](mailto:optumpartnerservices@optum.com)
- Human Capital Partner