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HOUSE BILL NO. 1717

Offered January 13, 1999

A BILL to amend and reenact §§ 51.1-1110 and 51.1-1121 of the Code of Virginia, relating to short-term disability benefits.

Patrons—Jackson, Stump and Tate

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That §§ 51.1-1110 and 51.1-1121 of the Code of Virginia are amended and reenacted as follows:**

§ 51.1-1110. Short-term disability benefit.

A. Short-term disability benefits for participating employees shall commence upon the expiration of a seven-calendar-day waiting period. The waiting period shall commence on the day following the commencement of a disability or a period of maternity leave. If an employee returns to work for one day or less during the seven-calendar-day waiting period but cannot continue to work, the periods worked shall not be considered to have interrupted the seven-calendar-day waiting period.

B. Except as provided in subsection D and § 51.1-1131, short-term disability coverage shall provide income replacement for a percentage of a participating employee's creditable compensation during the period specified below that an employee is disabled, on maternity leave, or takes periodic absences due to a major chronic condition, as determined by the Board, based on the number of months of service as an eligible employee, as follows:

	Work days of 100%	Work days of 80%	Work days of 60%
	replacement	replacement	replacement
Months of	of creditable	of creditable	of creditable
service	compensation	compensation	compensation
Less than 60	5	20	100
60 to 119	25	25	75
120 to 179	25	50	50
180 or more	25	75	25

The period of 100 percent creditable compensation may be extended, at the employee's option, as set forth in subsection D.

C. Creditable compensation during periods an employee receives short-term disability benefits shall include salary increases awarded during the period of short-term disability coverage.

D. An employee's disability credits may be used, on an hour-for-hour basis, to extend the period an employee receives short-term disability benefits paid at 100 percent of replacement of creditable compensation.

E. Short-term disability benefits shall be payable only during periods of (i) total disability, (ii) partial disability, (iii) maternity leave, or (iv) periodic absences due to a major chronic condition as defined by the Board or its designee. Short-term disability benefits shall be payable for each instance of absence due to a major chronic condition, as defined by the Board or its designee, after the participating employee has satisfied one seven-calendar-day waiting period in each calendar year.

§ 51.1-1121. Supplemental short-term disability benefit.

A. Payments of supplemental short-term disability benefits payable under this article shall be reduced by an amount equal to any benefits paid to the employee under the Act, or which the employee is entitled to receive under the Act, excluding any payments for medical, legal or rehabilitation expenses.

B. Supplemental short-term disability benefits for participating employees shall commence upon the expiration of a seven-calendar-day waiting period. The waiting period shall commence on the day following the commencement of a disability. If an employee returns to work for one day or less during

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the seven calendar days following the commencement of a disability but cannot continue to work, the periods worked shall not be considered to have interrupted the seven-calendar-day waiting period.

C. Except as provided in subsection E and § 51.1-1131, supplemental short-term disability coverage shall provide income replacement for a percentage of a participating employee's creditable compensation during the period specified below that an employee is disabled, based on the number of months of service as an eligible employee, as follows:

	Work days of 100%	Work days of 80%	Work days of 60%
	replacement	replacement	replacement
Months of	of creditable	of creditable	of creditable
service	compensation	compensation	compensation
Less than 60	65	20	35
160 to 119	85	25	15
120 to 179	85	40	0
180 or more	85	40	0

The period of 100 percent creditable compensation may be extended, at the employee's option, as set forth in subsection E.

D. Creditable compensation during periods an employee receives supplemental short-term disability benefits shall include salary increases awarded during the period of short-term disability coverage.

E. An employee's disability credits may be used, on an hour-for-hour basis, to extend the period an employee receives supplemental short-term disability benefits paid at 100 percent of replacement of creditable compensation.

F. Supplemental short-term disability benefits shall be payable only during periods of (i) total disability, (ii) partial disability as determined by the Board, or (iii) periodic absences due to a major chronic condition as defined by the Board or its designee. Short-term disability benefits shall be payable for each instance of absence due to a major chronic condition, as defined by the Board or its designee, after the participating employee has satisfied one seven-calendar-day waiting period in each calendar year.