



Seven Best Practices for Leave of Absence Administration

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Yes, managing FMLA and other highly regulated government leaves of absence (LOAs) can be a real headache. But, if you don't effectively manage these programs, LOAs can have serious consequences: in dollars, in lost productivity and in exposure to legal actions.

The question is, how to manage them well? In my years of advising companies on strategic ways to improve their LOA management, I've compiled a list of seven best practices. How does your LOA administration stack up? Are you doing all you can to stem losses and curb abuse?

#1 Communicate to Employees

This is the most basic practice. Employers are required to make sure their employees know their entitlements under regulated leave laws. Employers must:

- Post notices in the workplace
- Have a documented process for reporting and managing LOAs
- Communicate to employees their roles, rights and responsibilities, and their obligations when on leave
- Train supervisors and human resources staff in processes for leave reporting, employee entitlement to leave, and employee return to work after leave

#2 Provide Guidelines for Paid Benefits

Many employers are finding that the cost and disruption to operations created by employer-sponsored leaves necessitate tighter parameters for paid leave entitlement. For employer-sponsored leaves, the employer must provide guidelines for eligibility, entitlement, medical documentation, Return-to-Work (RTW) and offers of modified duty. Make the parameters crystal clear.

#3 Maintain Detailed Policies

As an employer, you should develop and maintain detailed internal policies and processes that:

- Comply with all regulations and guide internal process and decisions
- Distinguish between regulated and employer-sponsored leaves
- Allow management of leaves to be consistent across the workforce to reduce litigation exposure

#4 Develop and Maintain LOA Educational Materials

There's a wealth of information available to help you develop these. Get them done, get them out there, and be sure to keep them updated. Be sure to include:

- Good general information, using printed handbooks or web-based information tools
- Detailed information pieces or an employee communication packet to provide an employee when he/she applies for a leave

#5 Document and Track

The law requires employers to document, track and maintain all records for FMLA leaves for at least three years.

- Documentation and administration needs to be detailed and accurate with meticulous attention to dates and requirements of notice, forms, certification, remaining leave entitlement and return to work dates

- Errors or oversights often work to the benefit of the employee, increasing entitlement or exposing the employer to fines and judgments for non-compliance

#6 Run Disability Programs Concurrently

As an employer, you should run occupational and non-occupational disability programs concurrently with applicable state and federal leaves. Concurrent leave like Workers' Compensation or short-term disability can still be managed to the extent needed for medical information, including diagnosis, modified duty job offers and employers' policies and standards for return to work.

Remember:

- FMLA rules govern entitlement and management of unpaid leave
- If an employee violates rules or law regarding paid leaves, the employer should look to standard internal processes, employer-defined eligibility and any applicable laws to determine if pay while on leave should continue

#7 Use a Holistic Approach to Manage Intermittent Absences

Research shows that 11 percent of employees who take intermittent absences for their own serious health condition will have an approved disability sometime in the following six months (Source: Reed Group Research 2009).

If an employee experiences intermittent absences for a chronic health condition, integration of LOA with health management programs can ultimately improve the employee's health as well as reduce the need for LOAs. In these cases, using a 'compliance stick' will only go so far to solve the intermittent absence problem. A more holistic approach should produce better results.

Leave No Stone Unturned

Good LOA management means using every practice at your disposal, both to make sure that your employees get what they're legally due (which reduces your risk of legal actions) and to make sure they don't abuse or overuse LOAs. A strong partnership between employer and administrator to implement these best practices can go a long way toward reducing risk, expense and lost productivity. ■



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