

POLICY: Military Leave of Absence

Implementation 06/2015 Re	Date Reviewed/ 4/18/23 Revised:	Area of Responsibility:	Human Resources	Version:	3	
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PURPOSE: Sun Health (SH) is committed to protecting the job rights of team members absent on military leave. This policy outlines the eligibility and rights of team members who serve active military with regards to maintaining their employment at SH.

POLICY: In accordance with federal and state law, it is SH's policy that no team member or prospective team member will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Specifically, no person will be denied employment, reemployment, promotion, or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or this policy. If any team member believes that he or she has been subjected to discrimination in violation of this policy, the team member should immediately contact Human Resources.

Eligibility: Team members taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include but are not limited to leaves of absence taken by members of the uniformed services, including Reservists, National Guard members for training, periods of active military service, and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of cumulative (not counting periods of required training) leave of absence.

Procedures for Military Leave

- 1. Unless military necessity prevents it, or is otherwise impossible or unreasonable, a team member should provide SH with notice of the need for leave and length of time as far in advance as is reasonable under the circumstances. Written notice is preferred, but not required under the law or this policy, nor is the team member required to await permission or to decide at that time whether reinstatement will be sought following the period of military service.
- 2. In the event an extension of leave is necessary, the team member should notify Human Resources so they can collect any applicable benefit premiums from the team member, generate necessary documents, and process accordingly.
- 3. Team members on temporary or extended military leave may elect, but is not required, to use any or all accrued Paid Time Off (PTO) and Paid Sick Time (PST) during their absence.
- 4. When the team member intends to return to work, he or she must apply for reemployment to Human Resources within the application period set forth below.
- 5. If the team member does not return to work, the supervisor must notify Human Resources so that appropriate action may be taken.

Benefits: If a team member is absent from work due to military service, benefits will continue as follows:

 A team member on extended military leave may elect to continue group health insurance coverage for the team member and covered dependents under the same terms and conditions for a period not to exceed 31 days from the date the military leave of absence begins. The team

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member must pay, per pay period, the premium normally paid by the team member. After the initial 31 day period, the team member and covered dependents can continue group health insurance up to 24 months at 102% of the overall (both employer and team member) premium rate. Be sure to elect your coverage and make the required payments to Human Resources in a timely manner to continue your coverage.

- 2. The group term life/AD&D insurance provided by SH will terminate the day the team member becomes active military, unless the team member chooses to pay the premiums for the term life only. AD&D is not eligible for continuation upon a team member moving to active military.
- 3. The group long term disability and short-term disability insurance either voluntary or provided by SH will terminate the day the team member becomes active military.
- 4. Team members do not accrue PTO or PST while on military leave of absence status unless they choose to use accrued PTO or PST.
- 5. With respect to SH's 401K retirement plan upon reemployment, the team member may elect any or all contributions that they would have been eligible to make had employment not been interrupted by military service. Such contributions must be made within a period that begins with the team member's reemployment and that is not greater in duration than three times the length of the team member's military service. Team members will receive all associated company match for such contributions.
- 6. Voluntary supplemental life/AD&D insurance will terminate the day the team member becomes active military. Converting to an individual policy may continue voluntary dependent life insurance coverage. To exercise this conversion option, dependents must submit a written application and the first premium payment within 31 days immediately following the termination of coverage.

Reemployment: Upon a team member's prompt application for reemployment (as defined below), a team member will be reinstated to employment in the following manner depending upon the team member's period of military service:

- 1. Less than 91 days of military service (i) in a position that the team member would have attained if employment had not been interrupted by military service; or (ii) if found not qualified for such position after reasonable efforts by SH, in the position in which the team member had been employed prior to military service.
- 2. More than 90 days and less than 5 years of military service (i) in a position that the team member would have attained if employment had not been interrupted by military service or a position of like seniority, status and pay, the duties of which the team member is qualified to perform; or (ii) if proved not qualified after reasonable efforts by SH, in the position the team member left, or a position of like seniority, status and pay, the duties of which the team member is qualified to perform.
- 3. Team member with a service-connected disability if after reasonable accommodation efforts by the employer, a team member with a service-connected disability is not qualified for employment in the position he or she would have attained or in the position that he or she left, the team member will be employed in (i) any other position of similar seniority, status and pay for which the team member is qualified or could become qualified with reasonable efforts by SH; or (ii) if no such position exists, in the nearest approximation consistent with the circumstances of the team member's situation.

Application for Reemployment: A team member who has engaged in military service must, in order to be entitled to the reemployment rights set forth above, submit an application for reemployment according to the following schedule:

1. If service is less than 31 days (or for the purpose of taking an examination to determine fitness for service) - the team member must report for reemployment at the beginning of the first full

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regularly scheduled working period on the first calendar day following completion of service and the expiration of eight hours after a time for safe transportation back to the team member's residence.

- 2. If service is for 31 days or more but less than 181 days the team member must submit an application for reemployment with Human Resources, no later than 14 days following the completion of service.
- 3. If service is over 180 days the team member must submit an application for reemployment with Human Resources, no later than 90 days following the completion of service.
- 4. If the team member is hospitalized or convalescing from a service-connected injury the team member must submit an application for reemployment with Human Resources, no later than two years following completion of service.

Exceptions to Reemployment: In addition to the team member's failure to apply for reemployment in a timely manner, a team member is not entitled to reinstatement as described above if any of the following conditions exist:

- 1. The team member's employment prior to the military service was merely for a brief, non-recurrent period and there was no reasonable expectation that the employment would have continued indefinitely or for a significant period.
- 2. SH's circumstances have so changed as to make reemployment impossible or unreasonable.
- 3. The necessary training or other accommodations needed to successfully reemploy would impose an undue hardship upon SH.
- 4. The team member did not receive an honorable discharge from military service.

General Benefits Upon Reemployment: Team members reemployed following military leave will receive seniority and other benefits determined by seniority that the team member had at the beginning of the military leave, plus any additional seniority and benefits the team member would have attained, with reasonable certainty, had the individual remained continuously employed. A team member's time spent on active military duty will be counted toward their eligibility for FMLA leave once they return to their job at SH. Additionally, upon reemployment, a covered team member will not be discharged except for cause for up to one year following reemployment.

Documentation: A team member's manager will, upon the team member's reapplication for employment, request that they provide SH with military discharge documentation to establish the timeliness of the application for reemployment, the duration of the military service, and the honorable discharge from the military service.

RELATED SH RESOURCES: Employee Handbook; Leave of Absence Guide; POLICY: Attendance; POLICY: Non-FMLA Medical and Personal Leave of Absence; POLICY: Paid Time Off: Exempt (Salaried) Employees Director Level and Above Unlimited; POLICY: Paid Time Off: Exempt (Salaried) Employees Non-Director Level and Above; POLICY: Paid Time Off: Non-Exempt (Hourly) Employees; POLICY: Paid Sick Time/POLIZA: Tiempo de Enfermedad Pagado.

RELATED FEDERAL/STATE RESOURCES: <u>The Employee's Guide to the Family Medical Leave Act</u>, <u>Arizona Fair Wages and Healthy Families Act</u>.