

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into by and between the Chicago Transit Authority (hereafter the "Employer" or "CTA" or "Authority") and the International Association of Machinists & Aerospace Workers District #8 (hereafter the "Union"), as of the dates set forth below.

WHEREAS, in September 12, 2013, the Illinois Labor Relations Board in Case No. L-RC-13-101 issued a Certification of Representative, which certified the Union as the collective bargaining representative of certain persons employed by the CTA as set forth more fully herein, which Certification of Representative was amended on July 14, 2014 in Case No. L-RC-14-008, to add several additional titles to the bargaining unit; and

WHEREAS, the parties have been engaged in ongoing negotiations to reach agreement on the wages and working conditions of said employees; and

WHEREAS, the parties have reached a tentative agreement on all outstanding items and wish to memorialize that agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises exchanged herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **EMPLOYEES COVERED BY AGREEMENT:** CTA recognizes the Union as the sole and exclusive bargaining agent for the employees in the following job titles – Architect I, II, III & IV; Coordinator, Engineering-Electrical; Coordinator, Quality Assurance Design and Construction; Engineer I; Engineer II; Engineer III (Mechanical; Mechanical/Electrical; Production); Engineer IV (Mechanical/Electrical QC; Rail Equipment; Specification Quality Assurance); Coordinator, Quality Inspections-Materials; Coordinator, Warranty Compliance; Quality Assurance Inspector; Engineering Specification Writer, Project Manager-Rail Capital Oversight; Technician, Quality Improvement-Bus, Technician, Quality Improvement-Rail; Warranty Technician-North.

2. **REFERENCE TO MACHINISTS' CONTRACT:** CTA and the Union are signatory to a Wage and Working Conditions Agreement effective January 1, 2007 through December 31, 2011, as extended and modified by a Memorandum of Agreement by and between the CTA and the Craft Coalition of Trade Unions dated October 25, 2012 (the "Machinists' Contract"). This Agreement adopts certain provisions of the Machinists' Contract, however, the parties agree that the bargaining unit of employees covered herein is not a part of the Craft Coalition of Trade Unions.

3. **TERM OF AGREEMENT:** This Agreement shall become effective as of the date of final ratification by both parties and shall remain in full force and effect through December 31, 2016.

4. **WAGES**

(a) The annual wages for employees either currently employed or hired into the titles which are subject to the terms of this Agreement are set forth in Exhibit 1 attached hereto, to be included in the Agreement under Article 2.1.

(b) New employees shall receive the annual wage rate for persons with less than 18 months service in that job title, and shall thereafter progress to the next higher wage rate corresponding to their continued service in that job title. Nothing herein shall preclude the CTA in its discretion from placing a new employee at a wage rate higher than the initial starting 18 month wage rate should that become necessary to attract and/or retain newly hired employees.

(c) Existing employees shall receive the annual salary which corresponds to their time in service with the Authority in that particular job title. In the event an existing employee currently receives a wage rate higher than that shown on Exhibit 1 for their job, that employee will be red circled at his or her current wage rate.

(d) Employees promoted to a higher rated position will not receive a reduction in pay as a result of a promotion, but instead will be placed at the position on the salary schedule which gives the employee the smallest applicable raise from his or her current salary. Thereafter, the employee will progress on the schedule according to its terms. (For example, an Architect II promoted to Architect III would go from a top salary of \$75,500 to a new Architect III salary of \$80,666.667, and receive another increase after 12 months to \$88,500).

(e) The parties have agreed to implement the salary schedule attached in Exhibit 1 as of May 1, 2013. Any retroactive pay due under this Agreement shall be paid as follows. Employees hired on or after July 1, 2000, will receive retroactive pay in the form of a "non-pensionable bonus" from which all of the other regular deductions will be made, including retiree health care trust contributions. Employees hired prior to July 1, 2000, will receive retroactive pay in the form of "back pay" and treated as pensionable, and further subject to all regular deductions including retiree health care trust contributions. Notwithstanding the foregoing, retroactive payments under this Agreement will only be made to employees who are currently employed by the Authority and on the payroll as of the date of final ratification of this Agreement by all parties.

(e) The parties agree to make a one-time wage adjustment of \$5,000.00 to employee Lee Rogulich in the form of a bonus payment which is in addition to any retroactive pay provided hereunder.

5. **CONTRACT LANGUAGE:** The parties hereby adopt the following contract language:

(a) **MEMBERSHIP:** adopt Article 1.2 of the Machinists' Contract.

(b) **CHECKOFF:** adopt Article 1.3 of the Machinists' Contract.

(c) **UNION STEWARDS/REPRESENTATIVES:** adopt Article 1.4 of the Machinists' Contract.

(d) **NON-INTERFERENCE CLAUSE:** adopt Article 1.5 of the Machinists' Contract.

(e) **NO STRIKE – NO LOCKOUT:** adopt Article 1.6 of the Machinists' Contract.

(f) **EQUAL EMPLOYMENT OPPORTUNITY:** adopt Article 1.7 of the Machinists' Contract.

(g) **COPIES OF AGREEMENT:** adopt Article 1.8 of the Machinists' Contract.

(h) **LAYOFF:** Adopt Article 1.9 of the Machinists' contract and change the text as follows.

"During the term of this Agreement there shall be no layoff of any permanent, full-time bargaining unit employee who on March 1, 2014 had one (1) or more years of continuous service." (New language underlined).

(i) **RETURN TO FORMER CLASSIFICATION:** adopt Article 1.11 of the Machinists' Contract, and add the following new sentence: "CTA agrees that any decision it may make with respect to an employee's return to the employee's former classification will not be arbitrary." In addition, add the following new paragraph: "If an employee accepts a position outside of the bargaining unit and decides to return to the bargaining unit, he or she may do so within 45 days of accepting the position, provided that the CTA approves the return and the position which the employee left is unfilled. Upon return to the bargaining unit, the employee shall receive the appropriate pay rate and benefits for that position, and the employee's seniority for layoff purposes only shall be as if the employee is a new hire." (New language is underlined).

(j) **PROGRESSION AND PROGRESSION RATES:** wage progression shall be according to the chart attached hereto as Exhibit 1.

"Promotion to higher rated positions within the bargaining unit shall be according to the following:

"Time Requirement. The following are the minimum educational and time requirement qualifications for promotion into bargaining unit positions:

"Project Manager – Rail Capital Oversight – must have a Bachelor's Degree in Architecture, Engineering, Construction, or other engineering related disciplines and fifteen (15) years of professional work experience."

"Architect or Engineer II – must have three (3) years of service as an Architect I or an Engineer I."

"Architect of Engineer III - must have four (4) years of service as an Architect II or an Engineer II."

"Architect or Engineer IV - must have four (4) years of service as an Architect III or an Engineer III."

"Promotion into any of these positions requires both meeting the requisites above and passing any testing or interviews. No promotion is guaranteed" (New language is underlined).

"Work Record Review. A 12 month rolling record review will be conducted for any eligible employee. The following criteria will be used regarding record review"

No Suspensions

No AWOL's

No Corrective Case Interviews

No Final Written Warnings

No Safety Violations (24 months)

No Chargeable Complaints

No Chargeable Injuries On Duty

No Chargeable Accidents

No more than 2 instances of absence (i.e., unexcused absence, sick book entry, injury off duty)

No more than 2 instances of Other Time Off

No more than 2 misses tardy

No more than 2 non-safety related violations (i.e., behavioral, procedural, or performance)

Any employee failing to pass the record review will not be reconsidered to test for progression to the next level until a full 12 month period has elapsed. At which time, a 12 month rolling record review will be conducted again for that eligible employee. (New language is underlined)."

"Testing: Once a candidate has met seniority, education and time requirements, and passed the record review, they will be eligible to test for the position. A test will be developed by management and will be specific for each position. It will be altered each time it is given and will reflect the duties and responsibilities that a candidate will be expected to be capable of handling if promoted. These tests may be relevant practical, written and oral questions. A passing score will be 70%. CTA reserves the right to determine whether a vacancy exists before an employee is allowed to test for the position. (New language is underlined)."

"Dual Rating. There shall be no dual rating for employees who are working in bargaining unit classifications. From time to time, employees are expected to perform duties outside of their classification as assigned by management and are not entitled to receive different pay rates as a result of performing duties of a higher rated classification" (New language is underlined)."

(k) **HOURS OF WORK:** adopt the following language as Section 2.5 of the Agreement:

"A. The normal and customary work week for all employees shall consist of five (5) consecutive work days beginning on Monday and ending on Friday, except as provided herein. This regular work day for all employees shall be eight (8) consecutive hours starting at times set by the Authority, and there shall be two (2) paid fifteen minute lunch breaks and one (1) unpaid one-half (1/2) hour for lunch. Employees shall have the option of taking, consecutively, their two (2) paid fifteen (15) minute breaks and one (1) unpaid one-half (1/2) hour for lunch, upon the approval of the Authority. Time and one-half (1 ½) the straight time hourly rate shall be paid for all time worked in excess of eight (8) hours per day from Monday through Friday, and time and one-half (1 ½) shall be paid for all time worked on Saturday and Sunday, or the sixth (6th) or seventh (7th) day in that work week as may be the case, provided that employee must have worked his/her scheduled 40 hours during the work week except if the employee is absent for funeral leave, vacation, holiday, jury duty, injury on duty, military leave or an elected or appointed Union official on Union business, or other paid time off under the Agreement. Nothing herein shall be interpreted to provide a guarantee of hours worked either per day or per week.

B. In its discretion, the Authority shall have the right to change starting times upon reasonable notice to the Union and the Employee.

C. All employees may be required at the option of the Authority, upon twenty-four (24) hours written notice given to the Union and the Employee, to work Saturdays and/or Sundays at straight time. The Authority will schedule such Saturday and/or Sunday work to provide for a workweek of five (5) days at straight time with two (2) days off during that same work week.

D. Upon seven (7) calendar days written notice given to the Union and any affected Employees, Employees may be required at the option of the Authority to work an eight (8) hour shift at straight time (other than the normal work day start times as set forth in paragraph A above), with start times beginning during a 1530--2330 window period ("evening shift"), or beginning during a 2330--0700 window period ("night shift"). Employees whose shift starts during the 1530--2330 evening window period will receive a ten (10%) percent shift differential for all hours worked during such times. Employees whose shift starts during the 2330--0700 night window period will receive a fifteen (15%) percent shift differential for all hours worked during such times. An employee whose shift starts during the 1530--2330 evening window period, and ends during the 2330--0700 night shift window period will receive the shift differential corresponding to the window period during which the majority of his or her hours are worked. In the event that a shift contains equal numbers of hours applicable to both window periods, the higher shift differential shall apply to all hours worked in that schedule.

Additionally, an employee whose shift starts prior to the evening shift window period, or whose shift starts during the night shift period and extends into the day shift, shall receive the appropriate shift differential for all hours worked on that shift if at least 50% of the employee's shift is worked during the evening or night window period as the case may be.

It is understood that in assigning employees to shifts in this Section, the Authority shall first solicit volunteers for such shifts who are qualified to perform the work by order of seniority, and in the event an insufficient number of employees agree to select such shifts, the Authority will assign qualified employees to said shifts by reverse order of seniority (New language is underlined)."

(l) **OVERTIME:** adopt Section 2.6 of the Machinists Agreement with the following changes:

"A. The Authority will make every reasonable effort to distribute overtime work equally among employees in their respective classifications and departments in accordance with seniority. The Authority agrees to give the employees concerned as much notice of scheduled overtime as is reasonably possible, provided however, that in an emergency, overtime may be scheduled by the Authority as required, in its discretion. The Authority further agrees to make available to the Union a record of such overtime work for examination by the Union.

Should an employee refuse to work an overtime assignment, he shall be charged for overtime record purposes, the time worked by other employees to complete the overtime assignment.

B. In order to qualify for overtime for his/her day off, an employee must have worked his/her scheduled 40 hours during the work week except if the employee is absent for funeral leave, vacation, holiday, jury duty, injury on duty, military leave or an elected or appointed Union official on Union business, but daily and weekly overtime shall not be duplicated.

C. A reasonable amount of overtime is required of all employees. Overtime shall be assigned first to employees who are working on the particular assignment, and then to other employees by classification and department by seniority. If an employee refuses overtime, the Authority shall first obtain volunteers by order of seniority, and if insufficient volunteers are obtained, the Authority shall have the right to assign mandatory overtime by reverse order of seniority, within the relevant classification and department." (New language is underlined).

(m) **SENIORITY:** Seniority is based solely on the employee's years of service in the employee's position in the department and section only.

(n) **EMERGENCY WORK:** adopt Article 2.7 of the Machinists' Contract.

(o) **ON-CALL STATUS:** adopt the following language:

"The Authority shall assign employees to be available for call in for special assignments as may be required. Such employee assignments shall be for one calendar week beginning on Fridays and ending on following Friday. Employees shall have the right to swap assignments with other employees upon approval of the Authority. The Authority shall provide company cellular pool phones for the on call personnel. Responses to initial call-ins and reporting to the incident site shall be as soon as practicable. The authority shall reimburse mileage for personal vehicle usage as called for in AP 1403 as it applies to bargained-for employees." (New language is underlined).

Infrastructure group and rail ops/capital oversight employees shall not be on call. (New language is underlined).

(p) **RESIDENCY REQUIREMENT:** Employees covered by this Agreement are not required to reside in the service area.

(q) **TRAVEL TIME:** adopt the following language:

"It is understood that the time spent by an Employee traveling to and from his or her workplace is not considered to be compensable time under this Agreement. If, however, the Authority requires an Employee to travel out-of-town on an assignment which requires the Employee to stay overnight, the Authority will compensate the Employee at his applicable hourly rate for all travel time during his or her normal working hours, even if such travel occurs on the Employee's regular day off." (New language is underlined).

(r) **PROBATIONARY PERIOD:** adopt Article 2.23 of the Machinists' Agreement with the following changes:

"All newly hired employees are subject to a 90 day probationary period. All employees promoted to another position within the bargaining unit shall be subject to a 45 day probationary period, during which the CTA can return an employee to his or her previous position provided there is a vacancy. Upon mutual agreement, the parties may extend a probationary period on a onetime basis for up to 90 days " (New language is underlined).

(s) **FUNERAL ALLOWANCE** adopt CTA Administrative Procedure 1504 attached hereto as Exhibit 2.

(t) **JURY DUTY:** adopt Article 2.17 of the Machinists' Contract.

(u) **STATE SERVICE:** adopt Article 2.18 of the Machinists' Contract.

(v) **LEAVES OF ABSENCE:** adopt Article 2.19 of the Machinists' Contract.

(w) **TEST SCORES:** adopt Article 2.20 of the Machinists' Contract

(x) **DRUG AND ALCOHOL TESTING, EMPLOYEE ASSISTANCE PROGRAM:** adopt Article 2.21 of the Machinists' Contract and attachments referenced therein.

(y) **PAYCHECKS:** adopt Article 2.25 of the Machinists' Contract

(z) **HOLIDAYS AND PERSONAL DAYS:** adopt CTA Administrative Procedure 1003 (as effective January 1, 2016) for holidays and personal days for non-bargained-for employees attached hereto as Exhibit 3.

(aa) **VACATION BENEFITS:** adopt CTA Administrative Procedure 1001 for non-bargained-for employees (effective January 1, 2016) attached hereto as Exhibit 4.

(bb) **COMPENSATORY TIME:** accrued compensatory time will be paid within sixty (60) days of final ratification of this Agreement by both parties.

(cc) **INSURANCE AND SICKNESS BENEFITS:** adopt CTA's health care Proposal as agreed to by Amalgamated Transit Union, Locals 241 and 308, and the Craft Coalition of Trade Unions attached hereto as Exhibit 5.

(dd) **NON-WORK RELATED INJURY OR ILLNESS:** adopt CTA Administrative Procedure 1009 for non-bargained-for employees attached hereto as Exhibit 6

(ee) **RETIREMENT AND DISABILITY ALLOWANCE:** adopt Article 6 of the Machinists' Contract.

(ff) **RETIREE HEALTH CARE TRUST:** adopt Article 7 of the Machinists' Contract.

(gg) **NEGOTIATIONS GRIEVANCES AND ARBITRATIONS:** adopt Article 8 of the Machinists' Contract.

(hh) **RECLASSIFICATION OF WORK/TEMPORARY ASSIGNMENT:** add the following new language.

"CTA shall not reclassify work previously done by a bargaining unit member without approval of the Union." (New language is underlined).

(ii) **TERM OF AGREEMENT:** adopt Article 9 of the Machinists' Agreement with the following changes in the first paragraph of Article 9.1 as follows:

"2.1 TERM OF AGREEMENT This Agreement and the provisions thereof, when signed by the proper officials of the Authority and the Union shall become operative as of the date of final ratification by both parties and shall remain in force until and including December 31, 2016, and shall continue in full force and effect from year to year thereafter, unless written notice is given by either party hereto to the other on or before sixty (60) days prior to December 31, 2016, or sixty (60) days prior to December 31st of any subsequent contract year, requesting that the Agreement be amended or canceled. If amendment is desired, the contents of the amendment shall be submitted by either party to the other not later than sixty (60) days prior to any expiration date, and such amendment shall not become effective until the first day of January following the expiration date, provided changes mutually agreeable to the representatives of both parties may be made at any time

6. **RATIFICATION:** This Agreement is subject to ratification by the Union's membership in accordance with their respective rules and by-laws, and by the Chicago Transit Board, and shall become effective upon such ratification. All changes to wages and benefits shall take effect on the date of final ratification by both parties unless otherwise provided in this Agreement.

EXECUTED this 19~~th~~ day of July, 2016 by the duly authorized representatives of the Employer and the Union

CHICAGO TRANSIT AUTHORITY

By: 

**INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE
WORKERS DISTRICT #8**

By: 

Proposed Wage Range Classifications	First 18 months: xx ⁰⁰	Second 18 months: xx ⁰⁰	Third 12 months: xx ⁰⁰		Thereafter: 100 ⁰⁰
Project Manager	\$70,000	\$78,333.333	\$86,666.667		\$95,000
Coordinator, Engineering -Electrical	\$75,000	\$82,333.333	\$89,666.667		\$97,000
Coordinator and Coordinator, Quality Inspection Materials	\$60,200	\$68,800.000	\$77,400.00		\$86,000
Specification Writer	\$60,200	\$69,466.667	\$78,733.333		\$88,000
Architect Engineer I	\$55,000	\$59,166.667	\$63,333.333		\$67,500
Architect Engineer II	\$60,000	\$65,166.667	\$70,333.333		\$75,500
Architect Engineer III	\$65,000	\$72,833.333	\$80,666.667		\$88,500
Architect Engineer IV	\$70,000	\$77,666.667	\$85,333.333		\$93,000
Technician	\$62,000	\$66,333.333	\$70,666.667		\$75,000
Quality Assurance Inspector	\$46,800	\$55,700.000	\$64,600.000		\$73,500
Coordinator Warranty	\$55,000	\$58,333.333	\$61,666.667		\$65,000

EXHIBIT

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ADMINISTRATIVE PROCEDURE # 1504

Bereavement Leave



Initiating Department:	Finance
Effective Date:	12/19/12
Supersedes:	AP 1504 (6/1/2011)
Number of Pages:	Page 1 of 2

I. PURPOSE AND SUMMARY

To communicate procedures to be followed when an employee requests bereavement leave.

If any provision of this AP conflicts with the terms of any collective bargaining agreement, the collective bargaining agreement shall prevail.

2. SUPPORTS THE FOLLOWING POLICY

It is the policy of the CTA to compensate employees for time off work following the death of an immediate family member.

3. DEFINITIONS

- 3.1 **Bereavement Pay Allowance** – Also known as Funeral Pay Allowance. Employee's paid time off when he or she experiences the death of an immediate family member and is not available to perform his or her usual duties.
- 3.2 **Dependent Relative** – An individual who has been financially supported by the employee and is domiciled in the employee's home or an individual claimed as a dependent in the most recent tax year available.
- 3.3 **Spouse** – An individual who is related by law to the employee by either marriage or civil union.

4. PROVISIONS AND ELIGIBILITY

- 4.1 **Eligibility** – Employees who experience the death of an immediate family member, except members of Ironworkers Local #1, are eligible to receive pay not in excess of 8.0 hours per day at their permanent classified rate as follows:
 - A. **ATU Local 241, Local 308:** Maximum of three (3) days' pay following the death of an employee's spouse, child, step-child, mother, father, step-parent, parent of spouse, brother, sister, grandparent, or any dependent relative;
 - i. A **part-time operator** will be granted an allowance of one and one-half (1-1/2) days off with pay equal to wages the employee would have earned (not to exceed a total of twelve (12) hours) for attending the funeral of his or her spouse, child, step-child, mother, father, step-parent, parent of spouse, brother, sister and any dependent relative domiciled in the employee's home.
 - B. **Teamsters, Local 700:** Maximum of three (3) days' pay following the death of an employee's spouse or child. Employees shall be entitled to two (2) days' pay following the death of the employee's parent, brother, sister, parent of spouse or any dependent relative.
 - C. **Painters, Local 8A-28A; Bricklayers, Local 21; Sheetmetal Workers, Local 73; Plumbers, Local 130; IBEW, Local 9, IBEW, Local 134; IBEW, Local 134-Yardmasters; Roadmasters, Controllers, Pipefitters, Local 597; Automobile Mechanics, Local 701; Carpenters, Local 1027; Blacksmiths, Local 1247; Operating Engineers, Local 399; Sheet Metal Workers, Local 9777; Machinists, District 8** - Maximum of three (3) days' pay following the death of the employee's father, mother, spouse or child. Employees shall be entitled to two (2) days' pay following the death of the employee's brother, sister, father-in-law or mother-in-law.

EXHIBIT

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ADMINISTRATIVE PROCEDURE # 1504

Bereavement Leave



Initiating Department:	Finance
Effective Date:	12/19/12
Supersedes:	AP 1504 (6/1/2011)
Number of Pages:	Page 2 of 2

- D. **Non-Bargained for Employees** - Three (3) days' pay following the death of an employee's spouse, child, step-child, mother, father, step-parent, parent of spouse, brother, sister, grandparent, or any dependent relative.

4.2 Bereavement Pay - Terms of Use -

- A. *Funeral Pay Allowance Request* (Form 8458) must be filled out in its entirety in order to be eligible for Bereavement Pay. CTA may ask for supporting documentation, such as an original or copy of a death certificate, published obituary, funeral program or proof of attendance at a recognized memorial service.
- B. Bereavement Pay will not be paid when an employee is on a leave of absence.
- C. Bereavement Pay will not be paid for time taken that falls on the employee's scheduled day off, holiday, vacation, or day off due to sickness or injury, except for members of ATU Local 241 and ATU Local 308.
- D. Days submitted for Bereavement Pay must be taken together.

5.A PROCEDURES - BEREAVEMENT LEAVE PAY ALLOWANCE

1.	Employee	Following the death of an immediate family member or dependent relative, completes <i>Funeral Pay Allowance Request</i> (Form 8458) and forwards it to immediate supervisor along with any requested supporting documentation.
2.	Immediate Supervisor or designee	Reviews and approves Form 8458.
3.	Timekeeper	Completes <i>Report of Funeral and/or Jury Service Pay</i> (Form 2006) and forwards both documents and any supporting documentation to Payroll.
4.	Payroll	Verifies information and processes payment equal to the employee's scheduled pay.

Approved by:

Title:

Date Approved:


Doug Kucia
Chief of Staff

5.22.13

ADMINISTRATIVE PROCEDURE # 1003

Holidays and Floating Holidays

Initiating Department:	Human Resources
Effective Date:	01/01/2016
Supersedes:	AP 1003 (06/01/2013)
Number of Pages:	Page 1 of 3



1. PURPOSE AND SUMMARY

To communicate the holiday benefits for CTA employees. If any provision of this AP conflicts with the terms of any collective bargaining agreement, the collective bargaining agreement shall prevail for bargained employees.

2. SUPPORTS THE FOLLOWING POLICY

It is the policy of the CTA to provide employees with holiday leave.

3. DEFINITIONS

- 3.1 **Floating Holidays (Bargained Employees)** – Authorized holidays for which bargained employees may receive time off from work. Floating Holidays are granted through collective bargaining agreements and may include: Martin Luther King, Jr. Day, Easter, Veterans Day, Day After Thanksgiving, Employee's Birthday, Employment Anniversary, Good Friday and Scheduled Work Day Preceding Christmas based on each bargained employee's collective bargaining agreement.
- 3.2 **Floating Holidays (Non-Bargained Employees)** – Authorized time for which non-bargained employees may receive paid time off from work. Floating Holidays may include: Martin Luther King, Jr. Day, Presidents Day, Veterans Day, and Day After Thanksgiving.
- 3.3 **Floating Holiday Plan Year (Bargained Employees)** – December 1 to November 30.
- 3.4 **Floating Holiday Plan Year (Non-Bargained Employees)** – January 1 to December 31.
- 3.5 **Holidays** – Legal holidays on which the General Offices are closed and Sunday operating schedules are in effect. The observation date of each Holiday is set by the President's office. Holidays include: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

4. ELIGIBILITY AND PROVISIONS

- 4.1 **Eligibility**
 - A. **Holidays**
 - 1. Bargained employees are eligible for holidays according to the terms of their collective bargaining agreement.
 - 2. All full-time, non-bargained permanent employees are eligible for holidays that occur following the employee's hire date or effective date for benefits in cases of an employee moving into a full-time, non-bargained permanent position.
 - B. **Floating Holidays (for Bargained Employees)**
 - 1. Bargained employees are eligible for floating holidays according to the terms of their collective bargaining agreement.
 - 2. Full time temporary employees and part-time employees are not eligible for floating holidays.
 - 3. Floating holidays cannot be carried over to the next Floating Holiday Plan Year. Any floating holiday not taken by November 30 is forfeited.
 - C. **Floating Holidays (for Non-Bargained Employees)**
 - 1. Non-bargained employees are eligible for the following floating holidays: Martin Luther King, Jr. Day, President's Day, Veterans Day, and Day After Thanksgiving.
 - 2. **Floating Holiday Plan Year**
A new Floating Holiday Plan Year begins every January 1 and grants four (4) floating holidays to the eligible employee.

EXHIBIT

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ADMINISTRATIVE PROCEDURE # 1003

Holidays and Floating Holidays

Initiating Department:	Human Resources
Effective Date:	01/01/2016
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3. **No Floating Holiday Carryover**
Floating holidays cannot be carried over to the next Floating Holiday Plan Year. Any floating holiday not taken by December 31 is forfeited.
4. **Due to the nature of the Authority's operational needs, floating holidays are not required to be taken on any specific date. Floating holidays may also be used consecutively for multiple days off in a row. The taking of floating holidays is subject to the operational needs of the Authority and must be pre-approved according to departmental procedure, but management should make an effort to grant requested floating holiday time off requests.**
5. **Date of Hire until Next Floating Holiday Plan Year (January 1)**
A non-bargained employee is eligible for floating holidays following the employee's date of hire, or effective date for benefits in cases of an employee moving into a full-time, non-bargained permanent position, according to the following proration schedule.

Floating Holiday Proration Schedule	
Month of Hire / Effective Date for Non-Bargained For Benefits	Number of Floating Holidays
January - March	4
April - June	3
July - September	2
October - December	1

4.2 Working on a Holiday

A. Bargained Personnel

Bargained employees must follow the holiday pay procedures established in their applicable collective bargaining agreement.

B. Non-Bargained Personnel

In the event a non-bargained employee is required to work (scheduled or in an emergency situation) on a holiday, he or she may take an equal amount of time off, preferably in one instance, up to the full day increment. The equal time off should be scheduled within the same pay period, subject to approval by the employee's immediate supervisor, who should only deny approval in extraordinary circumstances. Departmental administration shall ensure that the day is rescheduled.

4.3 Sick Time and Holiday Pay

A. Bargained Personnel

A bargained employee who is on any type of sick leave at the time of a holiday shall be paid for the holiday; the employee will not receive sick pay for the day. The employee will not be allowed to receive sick pay on a holiday and then use the holiday at a later date.

B. Non-Bargained Personnel

A non-bargained employee who is on any type of sick leave pay at the time of a holiday shall be paid for the holiday; the employee will not receive sick pay for the day. The employee will not be allowed to receive sick pay on a holiday and then use the holiday at a later date.

4.4 Separation from Service

Employees shall not receive payment for holidays or floating holidays not taken at time of separation from service, whether voluntary or involuntary.

ADMINISTRATIVE PROCEDURE # 1003

Holidays and Floating Holidays

Initiating Department:	Human Resources
Effective Date:	01/01/2016
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4.5 Bargained Employees Becoming Non-Bargained Employees

A bargained employee taking a non-bargained position will be granted as his or her initial floating holiday balance, the greater of either the employee's remaining number of unused floating holidays or the number of floating holidays matching the number based on the Floating Holiday Proration Schedule found in Paragraph 4.1.C.5 based on the effective date of the move into the non-bargained position. Any floating holidays not taken by December 31 following the effective date of the move into the non-bargained position are forfeited and the employee then follows the floating holiday policy as of January 1 following said move. Moves into a bargained position would be subject to the terms of the applicable collective bargaining agreement.

5.A PROCEDURES – REQUESTING TIME OFF

	Responsible Party	Action
1.	Employee	Follows department procedures and terms of any applicable collective bargaining agreement. Completes Time Off Request (Form 8405) and submits it to the Immediate Supervisor.
2.	Immediate Supervisor and Time Keeper	Follows departmental procedures and reviews Form 8405. Confirms eligibility of time off requested. Ensures that area will be covered sufficiently at any work time or day. Completes Form 8405, stating reason(s) if recommending disapproval. Forwards Form 8405 to approver(s) in accordance with departmental requirement.
3.	Approver(s)	Reviews Form 8405, indicating approval or disapproval, and returns it to the Immediate Supervisor.
4.	Immediate Supervisor and Time Keeper	Returns Form 8405 to employee and retains copy for file.

Approved by:

Title:

Date Approved:


Sylvia L. Garcia
Chief of Staff/Chief Operating Officer

12/11/15

ADMINISTRATIVE PROCEDURE # 1001

Vacation Benefits for Non-Bargained Employees



Initiating Department:	Human Resources
Effective Date:	01/01/2016
Supersedes:	AP 1001 (06/01/2013)
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1. PURPOSE AND SUMMARY

To communicate the vacation benefits for full-time permanent non-bargained employees and the procedures for all full-time non-bargained employees with vacation benefits to follow when requesting use of vacation time, and for managers and timekeepers to follow in recording and approving vacation time.

2. SUPPORTS THE FOLLOWING POLICY

It is the policy of the Authority to provide full-time permanent non-bargained employees with vacation leave.

3. DEFINITIONS

- 3.1 **Continuous Service** – The total of an employee's years of service with the Authority based on the employee's full-time permanent start date (for most employees this would be their hire date) or adjusted bridge of Vacation Allowance date (See AP 1002).
- 3.2 **Department Timekeeper** – Employee in each department who is responsible for tracking and maintaining records for vacation for all eligible employees within the assigned department. The Department Timekeeper is also responsible for submitting all attendance records to the Payroll Department.
- 3.3 **Salary Band** – Refers to a job classification system designated in alpha letters that corresponds to positions. Human Resources maintains the list of Salary Bands and corresponding positions.
- 3.4 **Vacation Allowance** – The amount of available paid time off from work designated as vacation time.

4. ELIGIBILITY AND PROVISIONS

- 4.1 **Eligibility**

All full-time permanent non-bargained employees are eligible for a Vacation Allowance. All full-time temporary (FTT) non-bargained employees currently receiving vacation benefits will continue to receive them pursuant to this AP. All other FTT non-bargained employees shall not be entitled to vacation benefits.

Vacation Allowance is based on a calendar year and is subject to a cap and carryover rule (See Paragraph 4.3). The full allotment of an employee's Vacation Allowance is available on January 1 of a given year (special rules for 2016 and new hires are discussed herein).

A non-bargained employee in a non full-time permanent position will be treated as a new hire for Vacation Allowance if transitioning into a full-time permanent position.

Employees may immediately use allotted Vacation Allowance at hire into, or transition into, a full-time permanent position subject to the restrictions contained herein.
- 4.2 **Vacation Rate Schedules**
 - A. Employees are allotted Vacation Allowance pursuant to the Vacation Rate Schedule. Employees earn vacation pursuant to the Earned Vacation Rate Schedule, but have access to the entire annual allotment on January 1 of any given year as described in the Vacation Rate Schedule. (See Paragraph 4.2.B for 2016 exception for employees hired before January 1, 2010.) During an employee's year of hire, the employee follows the Vacation Rate Schedule subject to the Hire Year Vacation Proration Rate Schedule until January 1 following the employee's date of hire.

EXHIBIT

4

ADMINISTRATIVE PROCEDURE # 1001

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VACATION RATE SCHEDULE				
Band	<5 Years of Service	5-10 Years of Service	10-20 Years of Service	20+ Years of Service
	Days Per Year			
A-G	10 days	15 days	20 days	25 days
H-I	15 days	20 days	25 days	25 days
J-M	15 days	20 days	25 days	25 days
N and Above	20 days	25 days	25 days	25 days

Employees progress through the schedule pursuant to their continuous service date with said progression becoming effective at the start of the pay period following the date in which the employee achieves the applicable next level.

EARNED VACATION RATE SCHEDULE										
VAC RATE	Days Earned Based on Number of Complete Months Worked									
	1	2	3	4	5	6	7	8	9	10+
10 days	1	2	3	4	5	6	7	8	9	10
15 days	2	3	5	6	8	9	11	12	14	15
20 days	2	4	6	8	10	12	14	16	18	20
25 days	3	5	8	10	13	15	18	20	23	25

- B. For calendar year 2016, employees hired before January 1, 2010, will receive their 2016 vacation allotment pursuant to the Earned Vacation Rate Schedule with a monthly allotment added to any current vacation time up to the cap. If any month's allotment would cause an employee to exceed the cap, the employee's allotment will be adjusted up to the cap.
- C. Until the following January 1 after an employee's date of hire, the employee will receive a vacation allocation pursuant to the Vacation Rate Schedule, but prorated pursuant to the Hire Year Vacation Proration Schedule.

HIRE YEAR VACATION PRORATION RATE SCHEDULE				
Vacation Days based on Vacation Rate Schedule	Proration Based on Month of Hire			
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec
10 days	10	9	5	3
15 days	15	13	7	4
20 days	20	18	10	5
25 days	25	22	13	6

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4.3 Vacation Allowance Cap and Carryover

Employees are able to maintain up to 25 days of Vacation Allowance. Unused earned vacation is carried over into the next calendar year, but when combined with the employee's Vacation Allowance for the next calendar year may not exceed the 25-day cap. If the combined number exceeds 25 days, the number of days in the annual allotment that is added to the carryover amount is reduced until the total number of days in a person's Vacation Allowance is 25 days. Any vacation time taken will be deducted first from any earned time. Should an employee separate from employment, any carried over earned Vacation Allowance pay-out will be made pursuant to applicable law.

4.4 Vacation Buy-Back

Vacation Buy-Back is not offered.

4.5 Changing Salary Band Classifications

An employee whose level of responsibility has been lowered through organizational or classification changes will continue to earn the employee's Vacation Allowance at the Vacation Rate Schedule for which the employee was previously eligible, and will follow any progression for additional days according to the years of continuous service progression associated with the employee's old band. An employee who voluntarily chooses to change positions will earn future vacation as provided in the provisions of the Vacation Rate Schedule for the new position effective as of the start of the first full pay period after the position change.

4.6 Illness/Injury on Duty

Time lost from work resulting from approved time off for medical reasons for less than 26 weeks will not affect an employee's Vacation Allowance or suspend an employee's ability to continue to earn time pursuant to the Earned Vacation Rate Schedule during the absence. After 26 weeks, employees stop earning vacation until such time as they return to work.

4.7 Leaves of Absence

- A. An employee on personal leave of absence will have his or her vacation allotment adjusted according to the complete number of months worked pursuant to the Earned Vacation Rate Schedule. The adjustment may impact the current year allotment, any earned vacation payout or a subsequent year's allowance amount.
- B. If an employee enters military service, during the time the employee serves in the military, the employee is entitled to vacation pay and credit as required by law. This includes permission, at the employee's request, to use any vacation allocation before beginning military service instead of unpaid leave. However, in accordance with the law, service members may, but are not required, to use vacation time for military service. Payment for earned but unused vacation will be made as described in Paragraph 4.8.

4.8 Payment for Earned but Unused Vacation at the End of Employment

Payment for earned Vacation Allowance will be made pursuant to applicable law. In no case can an employee hold more than 25 days in his or her Vacation Allowance, therefore capping any payment for unused vacation at the end of employment to a maximum of 25 days. Vacation is earned monthly over the course of a given year pursuant to the Earned Vacation Rate Schedule and based on the employee's applicable Band and Continuous Years of Service (as provided in the Vacation Rate Schedule). As such, should an employee leave the employ of the Authority, the employee will be entitled to the vacation the employee has earned, but has not yet used in a given year. This is calculated on an annual basis.

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EARNED VACATION RATE SCHEDULE

VAC RATE	Days Earned Based on Number of Complete Months Worked									
	1	2	3	4	5	6	7	8	9	10+
10 days	1	2	3	4	5	6	7	8	9	10
15 days	2	3	5	6	8	9	11	12	14	15
20 days	2	4	6	8	10	12	14	16	18	20
25 days	3	5	8	10	13	15	18	20	23	25

4.9 Requests for Use of Vacation Allowance

Requests for time off to use available Vacation Allowance are made using the Time Off Request (Form 8405) and by following departmental requirements for requesting time off and submitting forms for proper approval. The taking of vacation time is subject to the approval of management and should only be taken in minimum increments of one-half ($\frac{1}{2}$) day. In extraordinary circumstances, an employee may take up to five days of vacation from the succeeding calendar year's Vacation Allowance upon the approval of his or her Department Head. In addition to completing the Time Off Request (Form 8405), an employee must complete an Early Vacation Request (Form 2133). This borrowed Vacation Allowance will be deducted from the future allotment and should the employee leave the employment of the Chicago Transit Authority, either voluntarily or involuntarily, prior to earning enough vacation time to cover the borrowed time, the remaining deficit will be deducted from the employee's final pay as agreed to by the employee in the Early Vacation Request.

4.10 Department Management Responsibility

It is the responsibility of the employee's Department Head or designee to ensure that an employee is given every opportunity to use the employee's Vacation Allowance for time off of work while still maintaining adequate coverage for departmental and operational needs. Denial of a Time Off Request should only occur when necessary to maintain an efficient operation. It is department management's responsibility that coverage is maintained while ensuring that employees are given the opportunity to use their available Vacation Allowance.

It is the responsibility of the employee's Department Head or designee to ensure that all required attendance documentation is approved through Oracle Time Capture by the due dates established by the Payroll Department.

To ensure employees receive payment for Vacation Allowance time on a timely basis, each Department is responsible for transmitting accurate payroll information to the Payroll Department by the required deadlines.

4.11 Bargained Employees Becoming Non-Bargained Employees

A bargained employee taking a non-bargained position will have all current vacation time plus any Vacation Allowance available for use as of the effective date of the transition. On January 1 following the transition date, the employee will follow the applicable Vacation Rate Schedule and be allotted the employee's Vacation Allowance accordingly. The employee will have one year from said effective date to use any vacation earned in a bargained position and any remaining days will be forfeited on the one-year anniversary of the effective date of the transition. Any vacation time taken

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will be deducted first from any time earned while in a bargained position. Should an employee separate from employment within one year of moving into a non-bargained position and have any remaining earned Vacation Allowance, the employee's earned Vacation Allowance pay-out will be made pursuant to applicable law.


5.A PROCEDURES – TIME OFF REQUEST FOR VACATION

	Responsible Party	Action
1.	Employee	Requests time off for vacation time using <i>Time Off Request</i> (Form 8405) and follows Departmental requirements for requesting time off and submitting form for proper approval.
2.	Department Timekeeper	Reviews Form and ensures employee is eligible for requested time off. Maintains record of scheduled time off. Enters time and attendance information for employees through the approval process in Oracle Self Service.
3.	Department Head	Approves time and attendance information for department employees through Oracle Self Service and submits to the Payroll Department.

Approved by:

Title:

Date Approved:


Sylvia I. Garcia
Chief of Staff/Chief Operating Officer

12/11/15

ARTICLE V - INSURANCE AND SICKNESS BENEFITS

5.1 COVERAGE Each full-time permanent active employee covered by this Agreement or on leave of absence from the Authority to hold office in the Union shall have issued to the employee, at the expense of the Authority, a Summary Plan description certifying that the employee is covered under the CTA employee benefit program.

5.2 LIFE Group Life Insurance in the amount of \$8,000.00 on the life of each full-time permanent active employee who has been in the employ of the Authority continuously for not less than twelve (12) months, but less than five (5) years of service; and \$18,000.00 on the life of each full-time regular employee actively employed who has been in the employ of the Authority continuously for five (5) or more years of service. Effective January 1, 2013, all full-time permanent active employees shall receive Group Life Insurance coverage in an amount equal to 2080 times the active employee's hourly wage rate as of each January 1. Group Life Insurance shall provide double indemnity coverage for accidental death. Group Life Insurance required under this paragraph will be provided at the expense of the Authority.

Employees who are covered by Group Life Insurance coverage will have an option at the employees' expense to purchase additional Life Insurance in an amount equal to the coverage then in effect for them under the Group Life Insurance Plan.

5.3 ACCIDENT AND SICKNESS Group Accident and Sickness Coverage providing no indemnity for the first seven (7) days of incapacity, but providing \$200.00 per week through December 31, 2012 and the amounts listed in the following table thereafter, for not exceeding twenty-six (26) weeks for each full-time regular employee actively employed who has been in the employ of the Authority continuously for not less than twelve (12) months.

Effective January 1, 2013

For employees with 5 years seniority or less	\$210
For employees with 5 but less than 10 years seniority	\$220
For employees with 10 or more but less than 20 years seniority	\$230
For employees with 20 or more years seniority	\$240

Effective January 1, 2014

For employees with 5 years seniority or less	\$220
For employees with 5 but less than 10 years seniority	\$230
For employees with 10 or more but less than 20 years seniority	\$240
For employees with 20 or more years seniority	\$250

Effective January 1, 2015

For employees with 5 years seniority or less	\$230
For employees with 5 but less than 10 years seniority	\$240
For employees with 10 or more but less than 20 years seniority	\$250
For employees with 20 or more years seniority	\$260



The Group Accident and Sickness weekly benefits under this Article shall be paid on a five (5) work day basis. The Group Accident and Sickness Coverage under this Article will be provided at the expense of the Authority.

Said Accident and Sickness Coverage shall not cover any period of incapacity for which the employee is entitled to indemnity or compensation under any Workers' Compensation Act; provided, however, that the Authority shall be liable to the extent of the difference between ~~\$200.00~~ the applicable amount per week above and such weekly compensation allowance, if less than ~~\$200.00 per week~~ the applicable amount, for a period not to exceed twenty-six (26) weeks.

Accident and Sickness benefits will not be paid for any day for which sick pay benefits are paid under the seven (7) day sick pay benefit.

5.4(A) COMPREHENSIVE MAJOR MEDICAL. ACTIVE EMPLOYEES AND ELIGIBLE DEPENDENTS

Comprehensive major medical benefits including hospital, surgical, medical, laboratory, X-ray and ancillary services for each full-time permanent employee and eligible dependents described below, who has been in the employ of the Authority continuously for not less than three (3) months, while necessarily confined in a hospital, as defined in the master policy, because of bodily injuries, sickness or disease and on the advice and under the care of a licensed physician or surgeon, providing eighty (80) percent of full payment of the usual and customary cost of a semi-private hospital room; eighty (80) percent of full payment of the usual and customary cost for services rendered and hospital supplies furnished by the hospital and not included in the hospital room charges; full hospital benefits paid in accordance with above for maternity; provided in all of the above situations the employee or dependent fully complies with the Utilization Review Program (pre-certification, continued stay, utilization review, discharge planning and for surgical procedures in which a second opinion was obtained or waived); eighty (80) percent of full payment for usual and customary cost of emergency hospital out-patient services incurred within seventy-two (72) hours on account of accidental bodily injuries; payment of medical expense incurred by the employee for any treatment rendered to the employee by the attending licensed physician while so confined, but not in excess of (a) eighty (80) percent of usual and customary charges for one (1) visit; (b) one (1) visit in any one (1) day; (c) three hundred and sixty-five (365) visits during any calendar year; however, without limitation of other exceptions and exclusions contained in the master policy of insurance, the aforesaid medical expense shall not include any expense incurred by the employee for: (a) treatment in connection with any dental work or procedure; (b) eye examination for the fitting of glasses or for drugs or medicines; (c) treatment for or on account of: (1) injury sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit or (2) disease for which the employee is entitled to indemnity in accordance with provisions of any Worker's Compensation or similar law; diagnostic laboratory and X-ray out-patient examination expense benefits will be paid at eighty (80) percent of usual and customary charges. In the event the employee or dependent fails to comply with the Utilization Review Program, the above coverage will be provided on a reduced basis equal to eighty (80) percent of the otherwise reimbursable expense. (For example, if the plan pays eighty (80) percent of usual and customary charges, the plan will pay eighty (80) percent of eighty (80) percent = sixty-four (64) percent of usual and customary charges.) Non-emergency comprehensive major medical benefits described

above will be provided at one hundred (100) percent of usual and customary charges after the deductible, if such services are provided by a PPO network physician and at a PPO network hospital selected from a listing maintained by the Benefit Services Department. Subject to meeting the requirements of the Utilization Review Program described above, emergency comprehensive medical benefits will be paid at one hundred (100) percent of usual and customary charges after the deductible if provided by a PPO network hospital or if the emergency care results in a hospital admission, or at eighty (80) percent of usual and customary charges if provided by a non-PPO network hospital or if the emergency care does not result in a hospital admission. Comprehensive major medical expense benefits provide up to a lifetime maximum of one million dollars (\$1,000,000) after a one hundred dollar (\$100) employee calendar year deductible. The two hundred (\$200) family calendar year deductible may be satisfied by any family combination which in aggregate equals two hundred (\$200) excluding costs incurred under the CTA Group Dental Plan. The percentage payable is eighty (80) percent for out-patient hospital pre-admission testing and out-patient surgery provided by non-network physicians at non-network facilities; the percentage payable is one hundred (100) percent for out-patient hospital pre-admission testing and outpatient surgery provided by network physicians at network facilities. Second surgical opinions, well baby and neonatal care are paid at one hundred (100) percent. The deductibles apply to all services. The annual out of pocket limit (deductibles plus co-payments for usual and customary charges) is one thousand two hundred dollars (\$1,200) for employees and two thousand and four hundred (\$2,400) for families. Inpatient and outpatient psychiatric benefits include treatment for mental and nervous conditions and alcohol and substance abuse; the lifetime maximum benefit is twenty-five thousand (\$25,000). Inpatient psychiatric services are treated as any other condition and are subject to the use of network physicians and hospitals and the Utilization Review Program. Outpatient psychiatric services are paid at eighty (80) percent of usual and customary charges to a maximum of thirty (30) visits per year, subject to the use of network physicians and hospitals and the Utilization Review Program.

Opt Out Option

CTA will buy back benefits at \$950/year per eligible active employee. Eligibility requires proof of alternative coverage. The \$950 will be paid on a pro-rata basis each month during the year with payments reflected as a separate item on employees' payroll checks. An employee may opt back into any of the effective Health Care Plan Designs, at any time, subject to proof that a change has occurred in the employee's alternative coverage

Overview of PPO Plan Design Options

BC BS PPO

PPO Option 1 (100% Plan) Available through December 31, 2013	In-Network	Out-of-Network
Effective Date	Coverage effective 5/1/2013 This plan will be discontinued on 12/31/2013.	
Annual Deductible	\$250/\$500	\$500/\$1,000

(Individual / Family)		
Annual Out-of-Pocket Limit* (Individual/Family)	\$0	\$1,500/\$3,000
Plan Payment Level	100%	80%
Emergency Room Services (Waived if Admitted)	\$100 copay / visit	
Office Visits (After Deductible)	100%	\$25 copay, then 80%
Wellness Services (as required under PPACA)	100%, not subject to deductible	Not Covered
Prescription Drugs – Retail (30-Day Supply)	Generic: \$5 Brand Formulary: \$15 Brand Non-Formulary: \$35	
Prescription Drugs – Mail Order (90-Day Supply)	2 X Retail Copayment	
Lifetime Maximum	None	
Monthly Employee Contributions (Individual/Family)	5/1/13: \$105/\$210	

PPO Option 2 (90% Plan)	In-Network	Out-of-Network
Effective Date	Coverage effective 5/1/2013	
Annual Deductible (Individual / Family)	\$350/\$700	\$1,000/\$2,000
Annual Out-of-Pocket Limit* (Individual/Family)	\$1,000/\$2,000	\$2,000/\$4,000
Plan Payment Level	90%	70%
Emergency Room Services (Waived if Admitted)	\$100 copay / visit	
Office Visits (After Deductible)	90%	\$25 copay/visit, then 70%
Wellness Services (as required under PPACA)	100%, not subject to deductible	Not Covered
Prescription Drugs – Retail (30-Day Supply)	Generic: \$5 Brand Formulary: \$15 Brand Non-Formulary: \$35	
Prescription Drugs – Mail Order (90-Day Supply)	2 X Retail Copayment	
Lifetime Maximum	None	
Monthly Employee Contributions (Individual/Family)	5/1/13: \$78/\$158 1/1/14: \$95/\$180 1/1/15: \$105/\$195	
PPO Option 3 (80% Plan)	In-Network	Out-of-Network
Effective Date	Coverage effective 5/1/2013	
Annual Deductible	\$500/\$1,000	\$1,500/\$3,000

(Individual / Family)		
Annual Out-of-Pocket Limit* (Individual/Family)	\$2,500/\$5,000	\$3,000/\$6,000
Plan Payment Level	80%	60%
Emergency Room Services (Waived if Admitted)	\$100 copay / visit	
Office Visits (After Deductible)	80%	\$25 copay/visit, then 60%
Wellness Services (as required under PPACA)	100%, not subject to deductible	Not Covered
Prescription Drugs – Retail	Generic: \$10 Brand Formulary: \$25 Brand Non-Formulary: \$45	
Prescription Drugs – Mail Order (90-Day Supply)	2 X Retail Copayment	
Lifetime Maximum	None	
Monthly Employee Contributions (Individual/Family)	5/1/13: \$50/\$105 1/1/14: \$70/\$140 1/1/15: \$80/\$150	

5.4(B) SUPPLEMENTAL ACCIDENT BENEFITS Accident Expenses are treated as any illness under the Comprehensive Major Medical Program:

(1) Emergency care not resulting in a hospital admission provided at any facilities at eighty (80) percent of usual and customary charges, unless provided at a PPO network hospital, in which case the expenses are paid at one hundred (100) percent.

(2) Emergency care resulting in a hospital admission paid at one hundred (100) percent of usual and customary charges subject to compliance with the Utilization Review Program.

(3) Expenses due to the following are not Covered Accident Expenses:

(i) Treatment not certified by a doctor as being necessary in connection with an accidental bodily injury.

(ii) Treatment received more than three (3) months following the date the injury occurred.

(iii) Treatment on or to the teeth.

5.4(C) GROUP DRUG EXPENSE Coverage is included in the Comprehensive Major Medical Program. After the deductible, prescriptions are paid at eighty percent (80%); no separate prescription drug deductible is required. Drugs covered should mean any drug or medicine which is required to bear the legend, "Caution: Federal Law Prohibits Dispensing Without a Prescription" and is prescribed by a licensed physician, including injectable insulin and contraceptives.

Covered Drug Charges shall not include expenses incurred for drugs:

- (1) obtained without a prescription,
- (2) which are non-legend drugs or for injectable drugs other than injectable insulin,
- (3) to eligible persons while such persons are confined as in-patients in a hospital, extended care facility or any similar institution,
- (4) which an eligible person is entitled to receive without charge from a municipal, state or federal program, except Title XIX of Social Security Amendments of 1965 (Public Law 89-97, 89th Congress, First Session), or any source whether contributory or not,
- (5) which, when taken in accordance with the physician's directions, are in excess of a thirty-four (34) day supply without necessity of a refill, except for one hundred (100) unit doses of a natural thyroid product and nitroglycerin,
- (6) for any prescription refill in excess of the number specified by the physician,
- (7) devices of any type, even though such devices may require a prescription, such as but not limited to, contraceptive devices, artificial appliances, hypodermic needles, syringes or similar devices,
- (8) charges for the administration or injection of any drug,
- (9) any drug which is consumed at time and place of prescription order, or
- (10) drugs for which the reasonable and customary charge is less than the deductible under the plan.

Refills are covered for one (1) year from the date of the physician's prescription. Thereafter, the employee must obtain a new prescription in order for benefits to be payable.

5.4(D) MAIL ORDER PLAN If practicable, a plan will be developed under which certain specified maintenance drugs may be ordered by mail.

5.4(E) EMPLOYEE PREMIUM DEDUCTIONS – PPO Effective subsequent to the January 1, 2015 monthly employee contribution increase, an adjustment to the premium will be made on January 1st of the next year reflecting 75% of the premium increase, 2016 over 2015. A similar adjustment will be made effective January 1 every year thereafter. In no case will any net additional deduction exceed the following amounts: for an employee with single coverage, \$0.13 per hour; for an employee with family coverage, \$0.25 per hour.

5.5(A) DENTAL PLAN The Authority, for each full-time permanent active employee employed and who has been in the employ of the Authority continuously for not less than three months (3) months, shall provide, on a contributory basis, the benefit of a CTA Group Dental Plan.

The Authority shall contribute one-hundred percent (100%) of the premium cost of the employees' own premium, and seventy-five percent (75%) of the premium cost of the dependents' premium.

Payment will be made for the covered dental charges which exceed the deductible amount, described below, up to ~~\$2,000.00~~ three thousand dollars (\$3,000) per calendar year.

A charge will be deemed incurred as of the date the service is rendered or the supply is furnished, except that such charge will be deemed incurred:

(1) with respect to fixed bridgework, crowns, inlays, onlays or gold restorations, on the first date of preparation of the tooth or teeth involved;

(2) with respect to full or partial dentures, on the date the impression was taken; and

(3) with respect to endodontics, on the date the tooth was opened for root canal therapy.

5.5(B) CASH DEDUCTIBLE

(1) The amount of the individual cash deductible is twenty-five dollars (\$25.00). The family cash deductible is fifty dollars (\$50.00). It applies each calendar year, except that:

(a) if the accumulative family deductible is not satisfied in a calendar year, expenses incurred during the last three (3) months of a calendar year will apply toward satisfying the accumulative family deductible for the following year;

(b) if accumulative family deductible is satisfied during a calendar year, a new family deductible must be satisfied for the next calendar year;

(2) Covered dental charges are the charges of a dentist or physician for the services and supplies listed below, required for dental care and treatment of any disease, defect or accidental injury, or for preventive dental care.

(3) Not included is any charge in excess of the charge customarily made:

(a) for similar services and supplies by dentists or physicians in the locality concerned; or

(b) where alternate services or supplies are customarily available for such treatment, for the least expensive service or supply resulting in professionally adequate treatment.

5.5(C) PREVENTIVE SERVICES AND SUPPLIES (Covered at 100%)

- (1) Charges for cleaning and scaling of teeth, but not more than twice in a calendar year.
- (2) Charges for fluoride application to a child's teeth, but not more often than once in a calendar year.
- (3) Charges for space maintainers and their fittings.

5.5(D) DIAGNOSTIC AND THERAPEUTIC SERVICES (Covered at 90%)

- (1) Charges for diagnostic services to determine necessary care, but:
 - (a) charges for full mouth X-rays are covered only once in a 3-year period,
 - (b) charges for bite-wing X-rays are covered only once in a 3-year period; and
 - (c) charges for a diagnostic oral examination are covered only once in a 6-month period.
- (2) Charges for emergency treatment for relief of dental pain on a day for which no other benefit other than for X-rays is payable hereunder.
- (3) Charges for extraction of one or more teeth, cutting procedures in the mouth, and treatment of fractures and dislocations of the jaw, but not including additional charges for removal of stitches or post-operative examination.
- (4) Charges for treatment of the gums and supporting structure of the teeth.
- (5) Charges for root canals and other endodontic treatment.
- (6) Charges for general anesthetics and their administration in connection with oral surgery, periodontics, fractures or dislocations.
- (7) Charges for injectable antibiotics administered by a dentist or physician.

5.5(E) RESTORATIVE SERVICES AND SUPPLIES (Covered at 50%)

Charges for fillings and crowns necessary to restore the structure of teeth, broken down by decay or injury, but:

- (1) the charge for a crown or gold filling will be limited to the charge for a silver, porcelain or other filling unless the tooth cannot be restored with such other material; and
- (2) the charge for replacement of a crown or gold filling is covered only if the crown or filling is over five (5) years old.

5.5(F) PROSTHETIC SERVICES AND SUPPLIES (Covered at 50%)

(1) Charges for full or partial dentures, fixed bridges, adding teeth to an existing denture if required because of loss of natural teeth, while the person is covered for this benefit, and to replace such teeth, or to replace an existing prosthesis which is over five (5) years old and cannot be made serviceable.

(2) Charges for repair and rebasing of existing dentures which have not been replaced by a new denture.

(3) Charges for specialized techniques, involving precision attachments, personalization of characterization and additional charges for adjustments within six (6) months from installation, are not included as covered dental charges. Covered charges for both a temporary and permanent prosthesis will be limited to the charge for the permanent one.

5.5(G) NOT COVERED

Not covered under any section of these benefits are charges for:

(1) Treatment by someone other than a dentist or physician except where performed by a duly qualified technician under the direction of a dentist or physician;

(2) Orthodontic treatment other than for related extractions or space maintainers;

(3) Services and supplies partially or wholly cosmetic in nature;

(4) Facing on pontics or crowns posterior to the second bicuspid;

(5) Training in or supplies used for dietary counseling, oral hygiene or plaque control;

(6) Procedures, restoration and appliances to increase vertical dimension or to restore occlusion; and

(7) Services and supplies in connection with injury caused by war whether declared or not, or by international armed conflict.

5.6 VISION CARE PLAN The Authority will provide a Plan "A" Vision Care Plan. The Authority will pay 75% of the employee's premium, and the employee will pay 100% of the applicable dependent premium if he elects to enroll his dependents. Effective January 1, 2013, an active employee shall be entitled to three hundred dollars (\$300.00) for his or her prescription eyeglasses or seventy-five percent (75%) of cost, whichever is less, every two years. The Authority will provide an annual for employees to enroll in the Vision Care Plan. Once enrolled, employees must remain in the Vision Care Plan for the duration of the Agreement.

5.7(A) HEALTH MAINTENANCE ORGANIZATIONS – HMOs Employees will be permitted to participate in HMOs approved by the Authority and the Union until December 31, 2013 but not thereafter. The following will be provided:

Overview of HMO Plan Design Options

COVERAGE	HMO ILLINOIS	CLASSIC BLUE HMO
Effective Date	Coverage effective 5/1/2013 This plan will be discontinued on 12/31/2013	
Annual Deductible (Individual / Family)	None	None
Annual Out-of-Pocket Limit* (Individual/Family)	None	None
Plan Payment Level	100%	100%
Emergency Room Services (Waived if Admitted)	\$15 copay / visit	
Office Visits – Illness and Accident	\$10 copayment per visit	\$10 copayment per visit
Wellness Services (as required under PPACA)	100%, no copayment	100%, no copayment
Prescription Drugs – Retail (30-Day Supply)	Generic: \$3 Brand Formulary: \$5 Brand Non-Formulary: \$15 Self-Injectable: \$50	Generic: \$3 Brand Formulary: \$5 Brand Non-Formulary: \$15 Self-Injectable: \$50
Prescription Drugs – Mail Order (90-Day Supply)	2 X Retail Copayment	2 X Retail Copayment
Lifetime Maximum	Unlimited	
Monthly Employee Contributions (Individual/Family)	5/1/13: \$34.19/\$73.77	5/1/13: \$21.49/\$55.68

An employee may opt back into any of the effective Health Care Plan Designs, at any time, subject to proof that a change has occurred in the employee's alternative coverage.

Effective 12/31/03, CTA will buy back benefits at nine hundred and fifty dollars (\$950)/year per eligible active employee.

Eligibility requires proof of alternative coverage. The nine hundred and fifty dollars (\$950) will be paid on a pro-rata basis each month during the year with payments reflected as a separate item on employees' payroll checks. An employee may opt back into any of the effective Health Care Plan Designs, at any time, subject to proof that a change has occurred in the employee's alternative coverage.

5.8 DENTAL MAINTENANCE ORGANIZATIONS – DMO's If practical, employees will be permitted to participate in DMO's approved by the Authority and the Union. The Authority shall contribute one-hundred percent (100%) of the premium cost of the employee's own premium or an amount equal to 100% of the employer paid premium for the Dental Plan (Section 5.5(A)), whichever is the lesser amount. The Authority shall contribute seventy-five percent (75%) of the premium cost of the dependents' premium or an amount equal

to seventy-five percent (75%) of the employer paid premium for the Dental Plan (Section 5.5(A)), whichever is the lesser amount.

5.9 PRE-TAX EMPLOYEE CONTRIBUTIONS If practical, the Authority will establish a "premium conversion only" cafeteria plan for employee contributions for dependent dental premiums and, where applicable, any other health program contributions. Each employee eligible for coverage will elect annually to have his or her contributions paid on a pre-tax basis, thereby reducing his or her federal, state and local income taxes to the extent provided by the Internal Revenue Code Section 125.

5.10 DEPENDENTS The term dependent of an eligible employee is limited to:

(a) legal wife or husband,

(b) domestic partner.

(c) civil union partner,

(d) natural children, legally adopted children, domestic partner children, civil union children, and stepchildren up to age twenty six (26) years of age. Any child who is honorably discharged from the military can be covered on the plan up to age 30. Coverage ends on the dependent's birthday. Certified documentation demonstrating the dependent status must be provided for each dependent enrolled in a plan. This certification is required to be submitted to the CTA.

(e) any dependent child who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and who is dependent on the parent for support and maintenance can also be covered under the plan, provided that dependent was covered under the plan prior to the condition occurring. The Authority shall have the right to require proof of the continuance of such incapacity of such child from time to time while said policy remains in force.

It is the sole responsibility of each employee to enroll or remove his eligible dependents.

5.11 ACTIVE EMPLOYMENT REQUIREMENT Changes in this Article shall be applicable immediately to all eligible employees, including employees on leave due to illness or injury.

5.12 TERMINATION OF INSURANCE The group benefits, provided for in this Article on any employee or his dependents covered hereby, shall cease immediately when such employee is laid off or employment is terminated, unless otherwise required and to the extent required by law.

5.13 PLACING OF INSURANCE The insurance specified in this Article shall be provided by a policy or policies written by a reputable insurance company or companies, but this shall be without prejudice to the right of the Authority to provide such coverage through its own Insurance Department, in case the Authority elects to do so.

5.14 7-DAY SICK PAY Should any employee, covered by this Agreement, who has been in the regular employ of the Authority for not less than twelve (12) months, be absent from duty due to sickness or accident not related to his employment and should any employee who has been in the regular employ of the Authority for not less than ninety-one (91) days be absent from duty due to an accident related to his employment, and provided the employee is under the care of a regularly licensed physician for such incapacity, the Authority will pay the employee's regular wages on the following basis:

(a) If the employee's absence is due to an accident, the Authority will pay the employee's regular wages for the first seven (7) days of such incapacity.

(b) If the employee's absence is due to sickness, the Authority will not pay the employee's regular wages for the first two (2) working days of such incapacity, but will pay the employee's regular wages for the third, fourth, fifth, sixth and seventh working days of such incapacity.

Verification of illness by a licensed physician shall constitute proof of claim. Final verification must be approved by the Authority's physician.

5.15 INSURANCE FOR OCCUPATIONAL ACCIDENTAL DEATH AS THE RESULT OF FELONIOUS ASSAULT All employees shall be covered by \$225,000.00 Principal Sum Accidental Death Policy. Such Accidental Death shall be limited to injuries sustained during the course of a felonious assault on the insured employee, provided such death arises while the insured employee is performing the duties of his occupation as assigned by the Authority and with the authorization of the Authority. In addition, coverage will be in force during direct commutation to and from work by the insured employee.

5.16 PARTICIPATION IN EMPLOYEE ASSISTANCE PROGRAM An agreement between the parties concerning employee participation in the Employee Assistance Program, including benefits available to eligible participants, is attached hereto as Attachment H and is incorporated by reference herein.

5.17 THIRD PHYSICIAN DETERMINATION In cases where the Authority's physician does not find that the employee is physically fit to return to duty in his regular job classification of physically fit to return to duty in any job classification, and the employee's personal physician is in disagreement on the question of the employee's fitness to return to work, the Authority and the Union will choose a third physician to examine the employee and their third physician's decision shall be binding on the parties. The cost of the third physician will be borne equally by the Authority and the Union.

5.18 RULES Reasonable rules and regulations shall be promulgated by the Authority to establish a Coordination of Benefits Procedure applicable to the Group Medical and Dental Plan, if enrolled, and to make effective the intent and purpose of the provisions of this Agreement.

5.19 SUBROGATION In the event benefits are paid for charges incurred by a covered individual as a result of accidental bodily injury or illness, and if the covered individual or covered employee makes a recovery (whether by settlement, judgment, or otherwise) from

any person or organization responsible for causing such injury or illness or under any no-fault automobile insurance statute, then the Authority shall have a lien upon any recovery. The covered employee shall reimburse the Authority to the extent of such benefit paid by it, provided that in no event shall the covered employee be required to make reimbursement in an amount exceeding the recovery made by the covered individual against the person or organization responsible for causing the injury or illness.

ADMINISTRATIVE PROCEDURE # 1009

Non-Work Related Injury or Illness for Non-Bargained Employees (Sick Leave and Short Term Disability)



Initiating Department:	Human Resources
Effective Date:	01/01/2016
Supersedes:	AP 1009 (06/01/2013)
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1. PURPOSE AND SUMMARY

To communicate procedures to be followed by non-bargained employees for reporting non-work related injury or illness and for application and payment through CTA's sick leave and short term disability benefits. If an accidental injury or sickness was sustained while performing work on behalf of CTA, the procedures in AP 1012, *Injury On Duty (IOD) and Transitional Return to Work (TRTW)*, are to be followed. For procedures to be followed by bargained employees for reporting non-work related injury or illness and for application and payment of short term disability benefits, see AP 1010, *Non-Work Related Injury or Illness for Bargained Employees*.

2. SUPPORTS THE FOLLOWING POLICY

It is the policy of the Authority to provide sick leave and short term medical leave to an eligible full-time permanent non-bargained employee off work due to a non-work related injury or illness.

3. DEFINITIONS

- 3.1 **Family Medical Leave of Absence (FMLA)** – Twelve (12) weeks of unpaid job-protected medical leave within a 12-month period, when an eligible employee is unable to work because of a serious health condition. Employees are eligible for leave if they have been employed at least 12 months at CTA and have worked at least 1250 hours over the past 12 months (paid or unpaid time off does not count towards the 1250 hours).
- 3.2 **Injury On Duty (IOD)** – An injury, disease, illness, or medical condition sustained by an employee that arises out of and in the course of CTA employment.
- 3.3 **Medical Documentation** – A statement prepared by a licensed physician that includes the name of the employee and the date the employee was seen, provides an objective medical finding including a diagnosis and prognosis, and stipulates any period of partial or total incapacity and functional limitations/restrictions precluding an inability to perform in current job capacity. The notice should also include, if appropriate, the anticipated return to work date or next date of follow-up with the provider if unable to return to work. Medical Documentation may also be referred to as "Disability Notice," "Off Work Notice," "Doctor's Note," and/or "Attending Physician Statement."
- 3.4 **Medical Service Provider** – The company with which CTA has contracted for the purpose of administering comprehensive medical/physical exams and drug testing services.
- 3.5 **Non-Work Related Injury or Illness** – An injury, disease, illness, or medical condition sustained by an eligible employee that did not arise out of or in the course of CTA employment and prevents an employee from performing his or her job duties.
- 3.6 **Short Term Disability (STD)** – A CTA-provided benefit given to eligible employees that provides medical leave with 60% of regularly scheduled pay for a non-work related injury or illness pursuant to and as defined in the provisions of this AP.
- 3.7 **Sick Leave** – A CTA-provided benefit given to eligible employees that provides 100% of regularly scheduled pay for the employee for a non-work related injury or illness. Sick leave will be deducted from the sick time accumulated by the employee.
- 3.8 **Third Party Administrator (TPA)** – The company with which CTA has contracted for the purpose of administering CTA's benefits and managing absence programs such as Short Term Disability (STD), Family Medical Leave of Absence (FMLA), and Injuries On Duty (IOD).

EXHIBIT

6

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- 3.9 **Victims' Economic Security and Safety Act (VESSA)** – Unpaid leave that allows employees who are victims of domestic or sexual violence or who have family or household members who are victims of such violence to seek medical help, legal assistance, counseling, safety planning, and other assistance.
- 3.10 **Waiting Period** – The first seven (7) calendar days that an employee is off of work due to illness or injury before short term disability may begin.
- 3.11 **Work Location** – Work area or department where the employee is assigned.

4. ELIGIBILITY AND PROVISIONS

4.1 Eligibility

All non-bargained employees must follow the procedures outlined in this AP regarding reporting a non-work related injury or illness and providing all medical documentation to substantiate an absence. Only a full-time permanent employee, or a full-time temporary employee who is eligible for full-time permanent benefits, is eligible for sick leave policy benefits and short term disability benefits.

4.2 Sick Leave

An employee accrues sick leave at the rate of one half (1/2) day per pay period. The maximum sick leave accumulation allowed at any one time is twenty-six (26) work days. Sick leave accrued during a given pay period is not available for use until that pay period has ended.

New employees accrue sick leave starting the first pay period following the date of hire. Employees accrue sick leave as long as they are active with the CTA. An employee on a personal leave of absence will not accrue sick leave.

4.3 Short Term Disability (STD)

Once an employee has exhausted his or her available sick leave benefits he or she may transition into short term disability benefits. A seven (7) calendar day waiting period beginning the first day the employee is absent for a non-work related injury or illness must be completed before a short term disability claim can be paid. Approved short term disability benefits commence upon the exhaustion of sick leave benefits or the eighth (8th) calendar day, whichever is later. Short term disability is paid at 60% of the employee's salary for up to 26 weeks.

Should an absence carry over into a new calendar year such that an additional allotment of sick time is granted to the employee and short term disability payments have not begun, said allotment will be considered as part of the original amount available to the employee as of the date the absence began, and approved short term disability benefits will not commence until the exhaustion of the increased sick time. If short term disability payments have begun and a subsequent sick time allotment is added to an employee's sick time, any additional sick leave benefits are unavailable for use until such time as the employee returns to work and a new claim is initiated.

If the employee does not have sufficient sick leave to provide payment for the seven day waiting period, any days of absence not covered by the sick leave benefits are unpaid. An employee may choose to use any available vacation day or floating holiday to cover the waiting period or to receive 100% pay instead of the 60% pay disability payment while on short term disability. Any vacation day or floating holiday taken during the period of time the employee is on short term disability must be taken in full day increments and does not extend the length of time that short term disability payments can be made. (See Paragraph 4.6D.)

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4.4 Notice of Foreseeable Leave

An employee must provide as much advance notice to his or her work location as possible, preferably thirty (30) days, of foreseeable leave if the leave is for a planned medical treatment for which the employee anticipates making a non-work related injury or illness absence claim.

4.5 Non-Work Related Injury or Illness Absences

For the absence from work to be approved as sick leave and/or short term disability, the employee must be under a licensed physician's care for the treatment of the condition that resulted in the absence beginning no later than day five (5) of the absence and continuing during the entire absence, provide all required medical documentation, and follow all terms and provisions of this AP. Upon the direction of the Leave Management Department, an employee may be directed, by the Leave Management Department or through his or her direct supervisor, to seek the care of a licensed physician prior to the 5 day mark. The Third Party Administrator (TPA) will evaluate and review the medical documentation submitted by the employee to determine if the absence is supported.

An employee's failure to call the work location and/or the TPA as instructed herein may result in discipline. All non-work related injury or illness absences not called in to the TPA within **seven (7) calendar days of the first date of absence will be denied.**

Sufficient medical documentation to support an initial absence from work must be received by the TPA within **twenty-one (21) calendar days of the first day of absence.**

Subsequent medical documentation to continue an approved claim for a longer period than initially approved by the TPA must be submitted within **fifteen (15) calendar days** of (1) the end of the time period initially approved by the TPA or (2) the date when the approval was entered by the TPA into its system, whichever is later. Failure to submit sufficient medical documentation within the specified time periods will result in the claim being denied.

CTA may require statements to be submitted at more frequent intervals in cases in which the doctor's first certificate covers a period exceeding fourteen (14) days or when more than one statement is required for benefits approval.

4.6 Payments for Sick Leave and Short Term Disability Claims

Payments are issued by CTA for approved sick leave and short term disability claims. Payment for a non-work related injury or illness beyond the fourth working day of absence will only be paid upon an accepted absence claim that is approved by the TPA.

A. Sick Leave Benefits

For each work day an absence has been approved for payment from the employee's available sick leave time, sick leave benefits are paid at 100% of the regularly scheduled pay for the employee. Sick leave is at no time convertible to paid time for purposes other than a non-work related injury or illness and will not be paid upon termination of employment. Should an employee exhaust his or her sick time, any approved sick leave day off including any day during the waiting period will be without pay unless the employee has and chooses to use some other available paid time off (e.g., vacation day or floating holiday).

B. Short Term Disability Benefits

After the exhaustion of all available sick leave time and the applicable waiting period, payments for short term disability benefits are paid at the rate of 60% of the employee's salary for each work day an absence has been approved. Payments stop at the earliest of the following dates:

- the date the employee returns to work;
- the date the maximum payment period is complete; or
- the date the claim is denied.

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C. Unavailability of Sick Leave While Receiving Short Term Disability Benefits

Once an employee exhausts his or her initial sick leave benefits and begins receiving short term disability benefits, any additional sick leave benefits are unavailable for use until such time as the employee returns to work and a new claim is initiated.

D. Using Vacation or Floating Holiday Pay While Receiving Short Term Disability Benefits.

An employee receiving short term disability benefits may elect to receive 100% of pay on a specific day instead of 60% pay by using an available vacation day or floating holiday to replace the 60% pay disability payment. The use of a vacation day or floating holiday to receive 100% pay for that day does not lengthen the duration of available short term disability benefits (i.e., the date through which a claim has been approved will not be extended by a day and the day will count toward the maximum 26 weeks), must be done in whole day increments, and reduces his or her vacation and/or floating holiday allowance day-for-day.

4.7 Maximum Payment Period for Short Term Disability

The maximum STD payment period is 26 weeks for each STD claim. Successive sick absences separated by less than 5 days of active work on a full-time basis are considered one period unless the later condition is due to a non-work related injury, illness or medical condition entirely unrelated to the causes of the earlier condition. Successive sick absences separated by more than 5 days of active work on a full-time basis are considered separate absences with the new absence subject to a new short term disability claim period even if due to a previously similar non-work related injury, illness or medical condition.

4.8 Leaving Work Due to Illness

A non-bargained employee who works any part of his or her scheduled work day and goes home due to sickness will be paid regular pay for the whole day.

4.9 Denied Non-Work Related Injury or Illness Absence Claim

If a non-work related injury or illness absence claim is denied, an employee must contact his or her work location and inform his or her manager of his or her current status and anticipated return to work date. If at the time of the denial, the employee has a return to work date or release from his or her physician, he or she must follow the procedures in 5.C to return to work. If the employee is unable to return to work the employee must submit additional medical documentation, including the *Physician Statement Regarding Employee Absence*, to CTA's Leave Management Department, which tracks and monitors the employee's ongoing absence. During the ongoing absence, the employee is expected to follow the direction of the Leave Management Department regarding subsequent medical documentation and his or her supervisors regarding calling the work location with status updates. Once the employee is released to return to work from this ongoing absence, he or she must report to CTA's Leave Management Department before following the return to work procedures in 5.C.

4.10 Appealing a Denied Non-Work Related Injury or Illness Absence Claim

An employee whose non-work related injury or illness absence claim is denied may appeal such a denial to the TPA as outlined in 5.D.

Employees are encouraged to keep documentation related to any absence claim and any correspondence with the TPA related to the claim to facilitate an appeal. The employee will be notified by mail of the appeal decision.

4.11 Absenteeism

Not including legally-protected leave under the Family Medical Leave Act and VESSA, employees found to be excessively absent may be disciplined up to and including discharge. In addition,

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patterns of absenteeism may be grounds for identifying abuse and providing employees with discipline in accordance with established guidelines.

CTA retains the right to audit, monitor, and/or investigate employee sick leave usage and administer discipline as warranted.

4.12 Eligible FMLA Entitlement

A non-work related injury or illness absence may also be eligible for entitlement under the Family Medical Leave Act and/or VESSA leave during part or all of the absence, and if so will run concurrently with the non-work related injury or illness absence period. The period of FMLA leave for a personal serious medical condition may also qualify for a sick leave claim and/or short term disability claim status and payment under an applicable pension plan or other applicable provision. If an absence is eligible for both FMLA and a non-work related injury or illness absence leave, it will be so designated. The TPA will notify the employee of the FMLA rights and eligibility upon report of absence.

4.13 Bargained Employees Becoming Non-Bargained Employees

A bargained for employee taking a non-bargained position will be granted five (5) days of sick leave immediately available for use as of the effective date of the transition.

5.A PROCEDURES – DAYS 1 – 7 OF ABSENCE

	Responsible Party	Action
1.	Employee	<p>a) First Day of Absence through Day 4 Contacts the work location to report a non-work related injury or illness on or before the first day of absence from a scheduled working day and <u>at least 1 hour prior to report time</u>. Continues to contact the work location each day of absence unless instructed otherwise by manager.</p> <p>b) Fifth Day of Absence Contacts the work location and the Third Party Administrator (TPA) to report absence. Failure to call the TPA on the 5th day of absence may subject the employee to discipline. In addition, if a claim has not been reported to the TPA within <u>seven (7) calendar days of the first day of absence</u> it will be denied. <u>On Day 5, the employee must be under the care of a licensed physician.</u></p>
2.	Third Party Administrator (TPA)	Mails the employee non-work related injury or illness claim information, which includes an <i>Attending Physician Statement of Claim for Disability Absence</i> (Form 7530), after being contacted by the employee. (A <i>Behavioral Health Treating Provider Statement</i> (Form 7531) will be issued instead of an <i>Attending Physician Statement of Claim for Disability Absence</i> for behavioral health claims.) Contacts the employee to confirm the new claim absence information reported.

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3.	Immediate Supervisor, or designee
4.	Payroll Accounting

a) First Day of Absence through Day 4

Tracks employee's absences and manages employee's attendance as appropriate. Processes payroll through Oracle Time Capture using the proper payroll code and **does not** complete *Employee Off Injured/Sick Bi-weekly Report* (Form 8830).

b) After Day 4 of Absence

Tracks employee's absences and manages employee's attendance as appropriate. Enters employee's absence in Oracle Time Capture using the proper payroll code. Once notified of an approved claim, completes *Employee Off Injured/Sick Bi-weekly Report* (Form 8830) and forwards directly to CTA Payroll Department.

Processes payroll forms accordingly.

5.B PROCEDURES – DAYS 8 AND BEYOND

	Responsible Party
1.	Employee
2.	Third Party Administrator (TPA)

Action

- Continues to call work location each day of absence unless instructed otherwise by manager.
- Submits medical documentation to the TPA, including *Attending Physician Statement of Claim for Disability Absence* (Form 7530), with the top portion completed by the employee and remainder completed by the medical provider to substantiate absence.

All medical documentation forms and other required supporting documents must be received by the TPA via email, fax, or mail within twenty-one (21) calendar days of the first day of absence or the claim will be denied.

- Provides additional medical documentation throughout absence as directed. Sufficient medical documentation must be submitted within fifteen (15) calendar days of the end of the time period initially approved by the TPA or within fifteen (15) calendar days of the date when the approval was entered by the TPA into its system, whichever is later. Any claims not meeting these requirements will be denied. An employee will be promptly notified of denial and of his or her right to appeal by letter.
- In cases of prolonged illness, employees are expected to keep their supervisors informed at regular intervals of their condition and their anticipated return to work date. Employees must follow the directions of their supervisors with respect to contacting their work location during their absence.

Contacts employee while absent and reminds via phone and mail of the medical documentation due date.

Initial Determination

Reviews the medical documents received and makes an initial benefit determination. May contact employee for additional medical documentation.

If medical documentation is not received **within twenty-one (21) calendar**

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		<p>days of the first day of absence, then the claim will be denied. An employee will be promptly notified of denial by letter and also notified of his or her right to appeal.</p> <p>Ongoing and/or Continued Determination Reviews the medical documentation received and makes a benefit determination for an employee's ongoing absence or to continue an approved claim for a longer period than initially approved. Sufficient medical documentation must be submitted within fifteen (15) calendar days of the end of the time period initially approved by the TPA or within fifteen (15) calendar days of the date when the approval was entered by the TPA into its system, whichever is later. Any claims not meeting these requirements will be denied. An employee will be promptly notified of denial by letter and also notified of his or her right to appeal.</p>
3.	Immediate Supervisor, or designee	<p>Tracks employee's absences and manages employee's attendance as appropriate. Enters employee's absence in Oracle Time Capture using the proper payroll code. Once notified of an approved claim, completes <i>Employee Off Injured/Sick Bi-weekly Report</i> (Form 8830) and forwards directly to CTA Payroll Department.</p> <p>Contacts the TPA with an employee's return to work date once an employee reports to work with a full duty release. The person at the work location on the TPA's contact list will receive a call from the TPA to verify the dates of an employee's absence.</p> <p>Contacts employees who have been absent from work for more than two weeks on a weekly or bi-weekly basis to check on their return to work.</p>
4.	Payroll Accounting	Continues to process payroll forms accordingly.
5.	Third Party Administrator (TPA)	Once all sick leave and STD benefits are exhausted, notifies the employee and advises that the TPA will continue to manage the employee's absence and that additional medical documents will be required to support the employee's continued absence from work.

5.C PROCEDURES – RETURNING TO WORK

	Responsible Party	Action
1.	Employee	<p>a) Absent for less than ninety (90) calendar days If released by his or her physician to return to work without restrictions, reports to his or her regular work location and provides the full duty release from physician to his or her manager and the TPA. (For absences less than five (5) days in which the employee can return to work without restrictions, a release from a physician is not necessary unless the employee had been directed to seek the care of a licensed physician as described in Paragraph 4.5.)</p> <p>b) Absent for ninety (90) calendar days or more Reports to CTA's Medical Services Provider Prior to returning to his or her work location after an absence of ninety (90) calendar days or more, the employee must report to</p>

ADMINISTRATIVE PROCEDURE # 1009

Non-Work Related Injury or Illness for Non-Bargained Employees (Sick Leave and Short Term Disability)

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CTA's Medical Services Provider, with CTA Form 7530, *Attending Physician Statement of Claim for Disability Absence* or a similar note from his or her physician that must include the following documentation:

- First date of treatment;
- Diagnosis/Prognosis;
- Length of Disability;
- Any restrictions on the employee's ability to return to full duty; and
- Date, if available, on which employee is fit to resume full duties without restrictions.

Follows directions given by Medical Services Provider and completes any required testing by the Medical Services Provider for a finding of fitness to return to work.

If Found Fit to Return to Work

Reports directly to his or her manager at the work location with completed Work Status Report received from the Medical Services Provider. Employee must also notify the TPA of his or her return to work.

If Found Unfit to Return to Work

An employee found unfit to return to work by the Medical Services Provider is provided a Work Status Report stating he or she is unfit to return to work; is instructed to report to his or her medical care provider to address the reason for unfit status; and is scheduled for a follow-up appointment with the Medical Services Provider to complete the return to work procedures described above.

An employee must also notify his or her manager and the TPA that he or she will not be returning to work.

Employees unable to return to work must submit additional medical documentation to the TPA to substantiate their absence.

In order to continue an approved non-work related injury or illness absence claim, an employee must submit sufficient medical documentation within fifteen (15) calendar days of the end of the time period initially approved by the TPA or within fifteen (15) calendar days of the date when the approval was entered by the TPA into its system, whichever is later. Any claims not meeting these requirements will be denied. An employee will be promptly notified by the TPA of this denial by letter. In addition, an employee may contact the TPA by telephone to learn the status of a claim. An employee is encouraged to keep documentation related to his or her claim and any correspondence with the TPA related to the claim, such as facsimile confirmations.

In cases of prolonged illness, employees are expected to keep their supervisors informed at regular intervals of their condition and their anticipated return to work date. Employees must follow the directions of their supervisors with respect to contacting their work location during their absence.

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2.	Medical Services Provider	<p>Examines employee and his or her supporting documentation:</p> <p>a) If Employee Found Fit to Return to Work Completes Work Status Report, and gives to employee if the employee is found fit.</p> <p>b) If Employee Found Unfit to Return to Work Completes Work Status Report, and gives to employee if the employee is found unfit. Provides the employee specific instructions for any other information required from the attending physician and designates a follow-up date.</p>
3.	Immediate Supervisor, or designee	<p>Contacts the TPA with an employee's return to work date once an employee reports to work with a full duty release. The person at the work location on the TPA's contact list will receive a call from the TPA to verify the dates of an employee's absence.</p> <p>Contacts Workforce Management regarding employees with poor attendance for review and assistance in the development of an action plan to reduce their absences.</p> <p>Contacts employees who have been absent from work for more than two weeks on a weekly or bi-weekly basis to check on their return to work.</p>
4.	Third Party Administrator (TPA)	<p>Reviews the medical documents received and makes a benefit determination. May contact employee for additional medical documentation.</p> <p>Contacts the Immediate Supervisor with an employee's return to work date once an employee reports to work with a full duty release. The person at the work location on the TPA's contact list will receive a call from the TPA to verify the dates of an employee's absence and to verify the employee's return to work date.</p> <p>If no medical documentation is received within twenty-one (21) calendar days of the first day of absence, then the claim will be denied. An employee will be promptly notified of denial by letter and also notified of his or her right to appeal.</p> <p>Reviews the medical documents received and makes a benefit determination for an employee's ongoing absence or to continue an approved claim for a longer period than initially approved. Sufficient medical documentation must be submitted within fifteen (15) calendar days of the end of the time period initially approved by the TPA or within fifteen (15) calendar days of the date when the approval was entered by the TPA into its system, whichever is later. Any claims not meeting these requirements will be denied. An employee will be promptly notified of denial by letter and also notified of his or her right to appeal.</p> <p>Once all benefits are exhausted, notifies the employee and advises that the TPA will continue to manage the employee's absence and that additional medical documentation will be required to support the employee's continued absence from work.</p>

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5.D PROCEDURES – APPEAL PROCEDURE FOR DENIED CLAIM

	Responsible Party	Action
1.	Employee	<p>a) Notice of Appeal Notifies the TPA by phone or in writing within fifteen (15) calendar days from the date of a claim denial letter of his or her desire to appeal the denial.</p> <p>b) Written Appeal Submits a written appeal to the TPA on <i>CTA Short Term Disability Claim Denial Appeal Form</i> (Form 406.08) via mail or facsimile, within thirty (30) calendar days from the date of the claim denial letter, attaching all documentation supporting the appeal. The appeal must demonstrate that, despite the employee's diligent, good-faith efforts, it was not possible under the particular circumstances for the employee to notify the TPA and/or obtain sufficient medical documentation and send it to the TPA within the required time frames.</p> <p>Failure to submit to the TPA a written appeal within thirty (30) calendar days from the date of a claim denial letter will result in the appeal being closed and the claim remaining denied.</p>
2.	Third Party Administrator (TPA)	<p>Makes an initial determination as to whether there is sufficient information to consider an appeal based on the information provided by the employee.</p> <p>If the TPA determines sufficient information does not exist, notifies the employee in writing that the claim remains denied.</p> <p>If the TPA determines sufficient information to consider an appeal does exist, determines whether there is sufficient cause to support approval of a previously denied claim based on the information provided by the employee.</p> <p>Notifies employee by mail of the appeal decision.</p>

Approved by:

Title:

Date Approved:

Sylvia I. Garcia
Sylvia I. Garcia
Chief of Staff/Chief Operating Officer
12/11/15