

April 28, 2021

To: Mayor and Members of City Council
From: Paula Boggs Muething, City Manager 202100679
Subject: City Paid-Leave Program for Live Organ and Bone Marrow Donors

REFERENCE DOCUMENT #202000807

On June 24, 2020, the Budget and Finance Committee referred the following item for report:

MOTION, submitted by Councilmember Sittenfeld, WE MOVE that the Administration provide a report on the feasibility on implementing a City paid-leave program for organ and bone marrow donors.

The following report assesses the feasibility of creating a new City paid-leave program for organ and bone marrow donors.

CURRENT CITY OF CINCINNATI POLICY

Employees who need time off to recover from a living organ or bone marrow donation are covered by existing Sick Leave provisions in the Human Resources Policies and Procedures manual or applicable union contract. In each instance, employees may use accrued sick leave. Employees who exhaust sick leave may be eligible for Sick Without Pay or can request Donated Time.

CITY OF CINCINNATI EMPLOYEES

Anthem, the City of Cincinnati's health insurance provider, reported that over the last five years, eight members of the City's plan received transplants from deceased donors and no members received live donor transplants. The average cost to the City was approximately \$240,000 per transplant, or approximately \$386,000 per year. Anthem is unable to provide data showing how many City employees have donated a living organ or bone marrow since the medical insurance provider of the recipient of a living organ or bone marrow donation would cover those costs.

IMPACT OF NEW LEAVE PLAN ON CITY EMPLOYEES

The immediate costs to create a new paid-leave program may be relatively low; however, the cost of supplemental overtime and eventual cash out retirement payments of sick or vacation balances not expensed would be extensive.

Establishing a new bank of time to replace the use of an existing, accrued bank of time could create a future liability, with the new paid leave program replacing instant usage of sick leave or vacation time. Unused sick leave is eligible for cash out at a 2:1 ratio upon an employee's retirement. Unused vacation is eligible for cash out at a 1:1 ratio upon separation from City services. Because sick leave

would be the most appropriate bank of time for an employee to use if making a living organ donation or a bone marrow donation, vacation time would only be used once an employee's sick leave is exhausted. Accordingly, if an employee were to be provided with an additional bank of paid time to provide for leave taken in recovery from a living organ or bone marrow donation, a likely cost would be the one half of the allotted time off, in cash, at their future date of retirement.

Costs associated with absenteeism may have a more immediate effect based on the loss of work provided by the employee. This includes overtime and temporary transfer/promotion pay to complete the work of the temporarily empty position and, in the absence of a replacement worker, a loss of productivity.

Should a living organ and bone marrow donation leave program be created, administrative safeguards will be necessary to limit extensive direct or indirect costs. Such safeguards would include:

- Requiring appropriate proof of donation.
- Limiting the program to permanent full-time employees.
- Basing compensation on an employee's regular rate of pay like Parental Leave.
- Creating the new leave to have no accrual or cash value at retirement.
- Requiring sick leave usage before vacation usage.
- Requiring notice of an employee's intent to donate so management can prepare for coverage during the absence.

SUMMARY

Given the overall low percentage of donors, and the unlikely chance that a City employee would become a living organ donor, the Administration does not see the merit in creating a new leave program. Additionally, the creation of a new bank of time would replace the use of existing sick leave or vacation balances, thereby creating a future financial liability for the City. Currently, employees who need time off to recover from living organ or bone marrow donation are covered by existing Sick Leave provisions in the Human Resources Policies and Procedures manual or applicable union contract.

cc: William M. Brown, Human Resources Director
Karen Alder, Finance Director