

**Department of Finance and Administration
Office of Personnel Management**

Policy Title: **Workers' Compensation**

Policy Number: **60**

Authority: **Ark. Code Ann. §§ 21-4-208 and 21-5-417**

Revised: **July 1, 2017**

Employees who encounter an injury or illness on-the-job and are entitled to workers' compensation benefits, upon proper application, may utilize their accrued sick leave as a supplement to such benefits.

The combination of workers' compensation benefits and sick leave pay shall not exceed the employee's normal pay period salary. Employees receiving workers' compensation benefits for a permanent disability are eligible for full pay from both sources.

The option will reduce the employee's accrued sick leave on a proportional basis. For example, an employee's normal salary is \$150.00. The employee receives \$75.00 workers' compensation benefits and elects to receive an additional \$75.00 per week in sick leave payments. Thus, the employee uses sick leave at a rate of one-half the weekly salary which is equivalent to 2-1/2 days of sick leave for each week of disability.

The sick leave used to supplement workers' compensation will be reinstated in reverse order from which absence due to sick leave is charged for that portion of time taken that was covered by workers' compensation. For example, absence due to sick leave is charged in the following order: earned sick leave, earned annual leave, leave without pay. Reinstated leave will then be annual leave, then sick leave. Leave without pay is not covered by workers' compensation and therefore is not re-established.

In the event an employee receives workers' compensation payments as a salary benefit in addition to sick leave payments and the combined payments exceed the employee's normal weekly pay, the employee shall pay the excess amount to the agency for deposit in the agency's fund from which the sick leave has been paid. Upon receipt of the excess amount of pay, the agency shall then restore to the employee's credit that amount of sick leave that was used in a proportion that the workers' compensation payment is to the employee's weekly pay.

Agencies must continue to remit the employer's contribution to the State Employees/Public School Employees Insurance Program when an employee is on leave without pay and receiving workers' compensation benefits as a result of a work-related injury or illness.