

Parental Benefits

Effective January 1, 2020

Frequently Asked Questions

Thank you for visiting the 2020 Parental Benefits Frequently Asked Questions page. This site will be updated as needed, so check back frequently.

Atrium Health offers a robust suite of benefit programs that support the uniqueness of each teammate and their families. In addition to the host of benefits in place to support ALL families, Atrium Health is expanding financial support for families by offering Parental Benefits for all parents and financial assistance for adoption.

Overview

1. What are the Parental Benefits offered by Atrium Health?

For all teammate parents:

- **New in 2020!** Four weeks of paid parental leave for parents
- **New in 2020!** Financial assistance for adoption in the amount of \$3,500
- Up to 30 days transitional child care while new parents transition back to work

For teammates who give birth:

- A combined **total of six weeks of paid leave** for birth parents (combining paid parental leave and additional time for recovery)

2. Who is eligible for the Parental Benefits?

Teammates with at least 30 standard hours per week and who are parents welcoming a new child to their home through a birth, adoption or legal placement are eligible for the Parental Benefits. Eligibility begins upon hire or effective date of standard hours of at least 30 per week and is for birth, adoption or legal placement events that take place during employment with Atrium Health; there is no waiting period. *Temporary teammates and contract workers are ineligible.*

Paid Parental Leave

3. How does the teammate request their paid parental leave?

The paperwork to request the paid parental leave will be submitted to Leave of Absence Administration. Contact Leave of Absence Administration by email at HRLeave@AtriumHealth.org with questions. The benefit provides a maximum of one paid parental leave per calendar year.

4. When does the paid leave begin?

The paid parental leave begins as soon as the teammate's approved leave begins. The parental leave can be taken immediately or at a later mutually agreed upon time, requested within six months of the birth, adoption or legal placement of the child. *Note: teammates who qualify for FMLA can request FMLA leave within 12 months of the event to care for and bond with their child; however, the paid parental leave must be requested within 6 months of the event. FMLA leave will run concurrently with paid parental leave, as described in the response to question #10 below.*

5. Do teammates have to take their approved paid leave consecutively or can they break it up?

Paid parental leave must be taken consecutively. Paid parental leave is continuous leave to support teammates as they care for and bond with their child.

6. If both parents are Atrium Health teammates who meet eligibility for the Parental Benefits, are both teammates allowed to take the paid parental leave?

Yes, if both parents are Atrium Health teammates and meet eligibility, each can take paid parental leave. They can take their paid parental leave at the same time, but it is not required. The leave time is a continuous leave-that can be taken immediately or at a later mutually agreed upon time, requested within six months of the birth, adoption or legal placement of the child.

7. Are teammates who become parents before January 1, 2020, the effective date of the Parental Benefits, eligible for the benefit?

It depends on the date of the event. The paid parental leave is to be requested within six months of the birth, adoption or legal placement of the child and taken at a mutually agreed upon time. Parents can initiate the request for Parental Benefits due to a birth, adoption or legal placement that took place July 1 – December 31, 2019. Completed paperwork will be accepted from 1/1/2020 until 2/29/2020. Teammates who became parents July 1 – December 31, 2019 will have until 6/30/2020 to take advantage of this benefit.

8. How does the teammate get paid for their leave?

Teammates will be paid 100% of their base pay while on an approved paid leave under the Parental Benefits program. Bi-weekly teammates who are birth mothers will be paid 100% of their base pay for six weeks through a combination of paid parental leave under the Parental Benefits program and the Short-Term Disability benefit. Teammates who require longer leaves of absence due to medical complications or other qualifying disabilities should contact Leave of Absence Administration to determine whether they may be eligible for additional benefits.

9. Does the teammate have a waiting period in which they will need to use PTO before the 100% compensation begins?

No, there is no waiting period before the 100% compensation begins. The teammate will not use PTO for compensation during their paid parental leave.

10. If the teammate is eligible and approved for FMLA leave of absence, when does that leave begin?

An approved continuous FMLA leave of absence for the purpose of caring for and bonding with a child due to birth, adoption or legal placement runs concurrently with the paid parental leave (and, if applicable, with Short-Term Disability for bi-weekly teammates). The FMLA leave of absence usually has the same beginning date as the paid parental leave and can be up to a total of 12 weeks. For example, if a teammate who delivers a baby is approved for 12 weeks of FMLA leave, and 4-6 weeks of short-term disability, the recording of the leave time will be:

- Weeks 1 – 4 FMLA, paid parental leave and, if applicable, Short-Term Disability for bi-weekly teammates
- Weeks 5 – 6 FMLA and, if applicable, Short-Term Disability for bi-weekly teammates
- Weeks 7 – 12 FMLA and PTO, if applicable*

**In weeks 7-12, the teammate may elect to use PTO, provided the Short-Term Disability benefit has ended for this event.*

If a teammate who adopts a child is approved for 12 weeks of FMLA leave, the recording of the leave time will be:

- Weeks 1 – 4 FMLA and paid parental leave
- Weeks 5-12 FMLA and PTO, if applicable*

**In weeks 5-12, the teammate may elect to use PTO.*

Adoption Assistance

11. At what point does the teammate receive the financial assistance for adopting a child?

Teammates can request the \$3,500 in adoption assistance upon notice of placement of adoption; the paperwork to request the benefit is to be submitted to the Benefits Service Center no later than six months after the notice of placement of adoption or once the adoption is finalized. Payment will be made as soon as administratively possible. Email as an attachment to HRBenefitsOnline@AtriumHealth.org or fax to 704-446-6623.

12. If a teammate adopts multiple children in the same year, are they eligible for the financial assistance for each adopted child?

The financial assistance of \$3,500 is the maximum benefit payable per family per calendar year.

13. Is a teammate who is adopting a child eligible for both the paid parental leave and the financial assistance?

Yes, the adopting parent is eligible for four consecutive weeks of paid parental leave to care for and bond with their child, and \$3,500 in financial assistance for adoption.

14. If both adopting parents are Atrium Health teammates who meet eligibility for the Parental Benefits, are both teammates eligible for the \$3,500 financial assistance?

No, the financial assistance of \$3,500 is payable once per family, per calendar year. However, both parents are eligible for the four weeks paid parental leave.

Transitional Child Care

15. What is Transitional Child Care?

This benefit provides up to 30 days of transitional child care to eligible parents, who are returning to work following their leave for the arrival of a child to their home through a birth, adoption or legal placement. The benefit must be requested within six months of the child's birth, adoption or legal placement.

16. How does the teammate utilize Transitional Child Care?

The post-leave transitional child care is available through LifeCare. Teammates register by calling 1-866-621-7687 or go to [LifeCare online](#) and schedule child care up to 30 days in advance. The registration code is ATRIUM.

Tax Implications

17. Is the \$3,500 adoption assistance taxable?

For most teammates, the \$3,500 adoption assistance is not taxable. However, for certain highly paid teammates, the adoption assistance is taxable. If the adoption assistance is not taxable, it will not be included in the teammate's wages that are subject to federal income tax withholding, but it is subject to FICA taxes. The payment will be reported on the teammate's W-2. Teammates are encouraged to consult with their tax advisor to determine how the financial assistance for adoption might impact their specific tax responsibilities.

18. If a teammate has a new addition of a child to their family, is that a Qualifying Event for the teammate to enroll/make changes to the Dependent Care Flexible Spending Account?

Yes, the birth, adoption or legal placement of a child is a Qualifying Event that allows a teammate to enroll or make changes to the Dependent Care Flexible Spending Account (DCFSA) within 31 days of the event. Teammates can contribute up to \$5,000 pre-tax to a DCFSA and use the funds to pay for any work-related dependent daycare expenses they incur.

Please note, a teammate can contribute to a DCFSA and utilize up to 30 days Transitional Child Care; however, if the value of the days used for Transitional Child Care and their DCFSA contribution amount combined are more than \$5,000 in the calendar year, any amount over \$5,000 becomes taxable. The amount over \$5,000 is known as imputed income meaning the value or dollar amount is added to the teammate's taxable wages in order to properly withhold income taxes and employment taxes from wages. It is highly advisable to consult with a tax advisor.

19. If a teammate falls into the IRS definition of a "highly compensated employee", is there a different maximum contribution to the Dependent Care Flexible Spending Account?

Yes, the IRS limits the pre-tax contributions to the DCFSA by "highly compensated employees". The IRS currently defines a "highly compensated employee" as anyone with gross annual compensation greater than \$120,000. For 2019, the contribution limit is \$1,300. Any amount contributed by a "highly compensated employee" above \$1,300 is taxable. Additionally, if the value of the days of Transitional Child Care the teammate may have used, when combined with the DCFSA contributions, exceeds \$1,300 then the excess amount is taxable as imputed income. Teammates are encouraged to consult with their tax advisor to determine what impact the benefits may have on their specific tax responsibilities. The limits for "highly compensated" may change each year, so it is advisable to consult a tax advisor.

20. If a teammate utilizes the Transitional Child Care but does not contribute to a Dependent Care Flexible Spending Account, is the value of the benefit considered taxable imputed income?

It depends. If the teammate falls under the IRS definition of a "highly compensated employee", which is currently anyone with gross annual compensation greater than \$120,000, then the value of the days used for Transitional Child Care that is above \$1,300 will be taxable imputed income. If the teammate is not considered by IRS definition to be a "highly compensated employee", then the value of the days used for Transitional Child Care that is above \$5,000 will be taxable imputed income.

If the value of the days used for Transitional Child Care falls below the IRS limits (\$1,300 and \$5,000 respectively), then they will not experience taxable imputed income in this situation.

21. What should teammates consider when utilizing Atrium Health benefits that support families?

If teammates are utilizing the financial assistance for adoption, up to 30 days of Transitional Child Care, and/or the Dependent Care Flexible Spending Account, there may be a tax event depending on the teammate's situation. Teammates are encouraged to consult with their tax advisor to determine what impact the benefits may have on their specific tax responsibilities. The Fair Market Value of 30 days of transitional child care is \$3,750.

[Benefits While on Leave](#)

22. How does a teammate pay their benefits premiums while on a paid parental leave?

Premiums will be deducted from the teammate's paycheck while on a paid parental leave, just as they are when the teammate is actively at work.

If the teammate is on an approved FMLA leave of absence, once the paid parental leave ends, benefits premiums will continue to be payroll deducted when teammates use PTO for income. If PTO is not used and there is no payroll generated for the teammate for the remainder of their FMLA, teammates are responsible for paying their portion of their benefits bi-weekly. Teammates will receive a Benefits Billing Statement for their core benefits and additional benefits. Contact Benefits Administration for specific questions regarding payment of premiums for all benefits at: HRBenefitsOnline@AtriumHealth.org or 704-631-0263.

23. If the teammate chooses to enroll the child in their benefits, what is the process and what is the deadline to complete enrollment?

The birth, adoption or legal placement of a child is a Qualifying Event that allows the opportunity for teammates to make changes to their benefits, such as adding the child as a covered dependent. Requests for changes must be submitted within 31 days of the Qualifying Event, using the [Benefits Enrollment Change form](#), along with supporting documentation.

24. What supporting documentation will the teammate need to submit when adding a child as a dependent to their health, dental and/or vision plans?

The required documentation is the child's birth certificate notice of adoption or legal placement.

[For More Information](#)

25. How can teammates get more information and answers to their specific questions?

- Benefits Administration – HRBenefitsOnline@AtriumHealth.org or 704.631.0263
- Leave of Absence Administration – HRLeave@AtriumHealth.org or 704.631.0262