

# Dealing with the unexpected

## Incapacity for work and invalidity

### Incapacity for work

#### Definition

- Physical incapacity is observed by a doctor who prepares a sick leave certificate.
- Sick leave cannot exceed 3 years. After 3 years:
  - either the employee is reinstated,
  - or their incapacity is changed to invalidity (subject to confirmation by the social security system),
  - or the employee is eligible for retirement..

#### Return to work

- To prevent withdrawal from professional life, the HRBP must contact the employee (after at least 30 days of leave) to help them prepare their return to work.
- The occupational doctor can also contact the employee.

### Invalidity

#### Definition

- The employee is considered invalid when they have a disability that prevents them working or earning by at least two thirds (Art. L341-1 of the Social Security code).
- There are 3 categories of invalidity:
  - Category 1: the employee is capable of paid employment,
  - Category 2: the employee is theoretically incapable of paid employment,
  - Category 3: the employee is incapable of returning to any type of work and their conditions requires help from a third person.

#### Duration of cover

(for incapacity for work and invalidity)

Seniority	Duration of salary support and % of coverage				
	Non Executive		Executive		
	1 <sup>st</sup> period	2 <sup>nd</sup> period	1 <sup>st</sup> period	2 <sup>nd</sup> period	3 <sup>rd</sup> period
	100 % SS + employer	100 % Klesia	100 % SS + employer	50 % SS + employer + 50 % Klesia	100 % Klesia
1 year – 5 years	90 days	up to 62	90 days	90 days	up to 62
5 years – 10 years	120 days		120 days	120 days	
10 years – 15 years	150 days		150 days	150 days	
> 15 years	180 days		180 days	180 days	

#### The allowance is paid by the social security system

- The social security system pays daily allowances (IJ).
- There is no waiting period for Schneider Electric employees with over 1 year of seniority.
- The basic monthly salary is calculated as follows:
  - the average of 3 gross monthly salaries preceding leave
  - or 12 months for seasonal or discontinuous activity, limited to 1.8 x the minimum wage.

Advise your HRBP of changes in your situation to ensure your file is accurate.

#### Invalidity allowance

- The social security system pays an invalidity allowance which is calculated depending on the invalidity category.
  - Category 1: 30 % of average basic salary
  - Category 2: 50 % of average basic salary
  - Category 3: 50 % of average basic salary, with an additional third-person allowance (approx. €1,200 per month)
- The basic salary is calculated on the average of the 10 best years of activity (capped at 1 PASS i.e. approx. €46,000).
- While the employee's salary (total or partial) is maintained by the employer, the social security allowances are paid by Schneider Electric, shown on the payslip (subrogation).
- When the employer has finished paying, the social security system pays the allowances directly into the employee's bank account. Klesia pays the difference to reach the full net salary.

