

Paid STD Leave FAQs

Table of Contents

	Page #
I. Understanding Short Term Disability (STD) Leave.....	1
II. The Application Process.....	3
III. Managing Your STD Leave.....	4
IV. Payment, Benefits, and Time Off Coordination.....	6
V. Special Circumstances & Other Leave Types.....	8
VI. Returning to Work.....	9

I. Understanding Short Term Disability Leave

What is Short Term Disability (STD) Leave?

STD Leave provides paid time off for eligible Microsoft U.S. employees who are unable to work due to illness or injury not covered by workers' compensation. Prudential administers and pays STD leave on Microsoft's behalf.

Who is eligible for STD Leave?

Eligible employees are defined in Microsoft's Welfare Plan's Summary Description. Interns and "t-" classified workers are not eligible for STD leave but may qualify for unpaid leave under FMLA or state law. For the definition of eligible employee and participating employer, visit the Benefits site and refer to the Eligibility section of the Summary Plan Description.

How does Prudential coordinate with Microsoft for paid STD leave?

Prudential Financial, Inc. ("Prudential") is Microsoft's agent for the purpose of administering and issuing payment for STD paid leave under Microsoft's Short Term Disability Leave of Absence Policy for Microsoft U. S. Employees. In this capacity, Prudential reviews applications for paid STD, requests and gathers information it deems appropriate for determining eligibility, determines whether and for what period the employee is eligible for paid STD, and engages in any other action it deems appropriate to administer this policy.

How long must I be out of work before I am eligible for paid Short Term Disability (STD) leave?

You are eligible to apply for paid STD leave on or after your date of hire, and will be required to meet the 5-day paid elimination period described in the Short Term Disability Leave of Absence Policy for Microsoft U. S. Employees. After you apply for STD leave, Prudential will determine if you meet the paid STD criteria. Prudential STD pay is pending receipt and review of all medical information necessary for a decision on initial or continued STD pay. Upon approval, STD leave time and pay begins after you satisfy the 5-day elimination period. If your medical condition allows you to continue working a partial work schedule, and you apply for a partial STD leave, you will still need to meet the 5-day elimination period.

How Long Must I Be Disabled Before my STD Leave Begins?

Employees must satisfy an elimination period (also known as the waiting period), which is the amount of time that must pass after an illness or injury before you can begin receiving paid STD leave. Your elimination period is 5 paid working days paid on the Microsoft payroll as regular wages and will appear on your Microsoft paystub as "paid sick." You must be continuously disabled throughout this period for it to count toward your eligibility for STD paid leave.

Paid STD Leave FAQs

What are the criteria for STD leave?

- Unable to perform material and substantial duties of your regular occupation
- Minimum 20% earnings loss (if working)
- Under regular care and treatment of a qualified health care provider
- Medical documentation reviewed by Prudential
- Agree to reimburse overpayments if necessary

For additional details, please review the Short Term Disability Leave of Absence Policy for Microsoft U.S. Employees

Am I eligible for paid Short Term Disability (STD) leave if I need to miss work occasionally due to illness or sickness?

If you are capable of working part-time and have at least a 20% or more earnings loss, you may be eligible to receive partial STD pay. See Full STD Leave section above.

You are Partially Disabled when:

- You are not **Totally Disabled**; and
- While actually working in your **Regular Occupation**, and as a result of your sickness or injury, you are unable to earn 80% or more of your weekly earnings.

STD leave (pay and duration) will be prorated based on the employee's reduced work schedule, at the time they file their claim. Weekly STD leave payments will be as follows:

- Multiply your **Weekly Earnings** by the length of your leave period as shown below to determine what a Gross Disability Payment would be.
 - 100% of your Weekly Earnings for leave periods less than 8 weeks.
 - For leave periods of 9-26 weeks, 100% of your Weekly Earnings for weeks 1-8, plus 75% of your Weekly Earnings thereafter.
- Subtract any Deductible Sources of Income from your Gross Disability Payment. This is your Weekly Payment.
- Your Weekly Payment will be offset by any Disability Earnings, as follows:
 - While working, add your weekly Disability Earnings to your Gross Disability Payment.
 - If this amount is less than or equal to 100% of your Weekly Earnings, your weekly payment will not be further reduced.
 - If this amount is more than 100% of your Weekly Earnings, your weekly payment will be reduced by the amount that is more than 100% of your weekly earnings.

After the elimination period, if you are disabled for less than 1 week, we will send 1/5 of your payment for each day of disability. If you are an hourly employee working an irregular work schedule, we will send 1/7 of your payment for each day of disability.

For additional details on calculating weekly STD pay, please visit the **Microsoft Short Term Disability Policy and FAQ for US Employees**.

Paid STD Leave FAQs

II. The Application Process

How do I submit my STD application to Prudential?

Call Prudential at 1-877-673-8562 -and follow the voice prompts.

Alternatively, you can enter your claim into Prudential's Online System. We ask that you apply for leave 15-calendar days before your leave starts, when feasible, and submit medical documentation within 30 days of leave commencement. If you do not apply for STD leave in advance, it may result in Microsoft overpaying your wages, and in such case, Microsoft payroll will send you a notice with repayment options.

Prudential will collect information for your STD Leave Review. Please have the following information ready:

- Employee ID number
- Health care provider's name, phone number and fax number
- Your last day worked and your first day out due to this condition
- The date you are estimated to return to work if know
- The Microsoft Control number for Prudential is **43994**

What is a Control Number?

The control number is a unique 5-digit number assigned to Microsoft. This number is 43394 and is required to set up your access to the Web Portal. The control number will be on all correspondence you receive from Prudential.

What documentation is required?

Medical certification from your provider is required. For consideration of STD leave, the Prudential Attending Physician Statement is required. Prudential may request additional documentation or evaluations during your leave. If documentation is not received within 30 days of leave start, paid leave may be denied.

When will I be contacted by a Prudential Disability Claims Manager?

After you have submitted your claim on the web portal or over the telephone, your claim will be assigned to a Claim Manager within 1 business day. You should expect to hear from your Claim Manager within 2 business days of submission. Once a Disability Claim Manager has been assigned to your claim, you will be provided with their extension. Outside of business hours, you may speak with a customer service representative or use the automated system to get status updates. Your assigned Disability Claim Manager will also provide their email address for ease of access.

Once I submit my paid STD Leave application, how long will it take to get a decision?

Once a completed application and any necessary medical information for paid STD leave is submitted, a Disability Claim Manager will review the information within 5 – 7 business days. If a delay in a decision is necessary due to an incomplete submission, the Disability Claim Manager will alert you and provide guidance on what information remains outstanding.

Paid STD Leave FAQs

III. Managing Your STD Leave

Who is my point of contact during STD leave? Your Prudential Disability Claims Manager (DCM) will be your main contact throughout your paid leave.

How often will medical records be needed to support my paid STD benefit? Medical records or forms may be required during the course of your STD claim to support ongoing impairment. Prudential will request records and forms on your behalf. Your Disability Claim Manager will alert you to the information needed, from whom, and by what date. To expedite records to Prudential, it is often helpful for you to follow up with your medical provider(s). You can upload records via the Prudential MyBenefits Portal, email directly to your assigned claims manager or text information to Prudential. Failure to provide the necessary information by the due date can result in a claim closure.

Can I work or check email while on STD leave?

Microsoft's policy is that you should not perform work while on leave. You may read email to stay connected but should not respond to work issues.

What are my responsibilities during STD leave?

You must be reachable, keep contact information updated, respond to Prudential within three business days, and provide medical updates as needed.

What if I have other Microsoft benefit questions while I am on leave?

If you have non-leave related questions, please reach out to benefits@microsoft.com.

What if I have paycheck questions while I am on leave?

If your question is about STD pay, please seek answers from your Prudential Claims Manager. If you have non-STD pay questions, please reach out to Payroll@microsoft.com.

Will I still be eligible for Microsoft healthcare and other Benefits while on disability leave?

Your Microsoft benefits coverage will continue when you are on STD leave. However, if you wish to make changes to your HSA or 401(k) contribution election(s), review the following resources to update your preferences as needed before or during your leave.

Health and Wellness benefits: Your medical, prescription drug, dental, and vision coverage will continue while you are on STD leave. All of your [Medical](#) and [Wellbeing](#) benefits are here for you during this difficult time. Whether you need counseling services to support your emotional wellbeing, professional coaching services for nutrition and sleep, or parenting support and back up care, we have you covered.

Elected benefits deducted from your paycheck on a post-tax basis, such as supplemental **life insurance, group legal, AD&D and supplemental LTD** will pause during your disability leave. The deductions you missed will be recouped from any available pay you receive while on leave. When you return from leave, missed deductions will catch up resulting in your paycheck being less than usual upon your return to work.

Health Savings Account – STD leave pay and LTD benefits are paid through Prudential. If you set regular pre-tax contributions from your paycheck to your health savings account (HSA), these contributions will pause for the duration of your disability leave. When you return from leave, unless you choose to change your HSA election, any missed employee HSA

Paid STD Leave FAQs

contributions for that calendar year will be recouped from any available pay you receive for the remainder of that calendar year.

Any missed HSA employee contributions that are not recouped by the end of the calendar year will not be made up. For information on adjusting your contributions while on leave (or any time), simply go to [Fidelity NetBenefits](#), select Change My Benefits. Microsoft contributions to your HSA will continue as usual while you're on leave regardless of your HSA contribution election. You may withdraw HSA funds on a tax-free basis for eligible healthcare expenses at any time, including during a leave of absence.

401(k)

STD pay and LTD benefits paid by Prudential are not eligible compensation under the Microsoft Corporation Savings Plus 401(k) Plan ("Microsoft 401(k) Plan"). Therefore, no 401(k) contributions will be deducted from those Prudential payments. For pay that you do receive through Microsoft payroll—like your regular paycheck, performance-based bonuses, sales commissions, or pay for HHTO, vacation or floating holidays for hourly employees—your elected 401(k) contribution will continue to be deducted.

If you want to stop or change your 401(k) contribution election, to ensure money isn't taken out of any pay you might get through Microsoft payroll during or after your leave, you can do so by going to [Fidelity NetBenefits](#), choosing Contributions, and clicking Change Contributions. Any changes you make to your contribution election will usually take effect within two pay periods.

If you have a 401(k) loan and are on disability leave, loan payments won't be deducted from your Prudential disability payments. You will be excused from making 401(k) loan payments for the first 12 months of disability leave but interest will continue to accrue during that timeframe (please note that 401(k) loan payments will be deducted from any eligible pay you receive through Microsoft payroll during your leave). If your leave extends beyond 12 months, or you would like to make loan payments during the initial up-to-12-month leave period, contact Fidelity at 888-810-MSFT. Upon returning to active paid status, your loan will be re-amortized if necessary, and future loan payments will be deducted from your Microsoft paychecks. Please review the Summary Plan Description for the Microsoft 401(k) Plan for more information, and note that time on STD and LTD leave is treated as "unpaid" for this purpose due to the payments being administered and issued through Prudential rather than Microsoft payroll.

ESPP

Contributions to ESPP will pause until you return from leave or otherwise receive any eligible compensation through Microsoft payroll, such as HHTO or bonus pay. For information on managing ESPP contributions, visit [Manage my contributions](#)

Stock Awards

Stock Award vesting continues while you are on STD leave.

Flexible Spending Accounts If you participate in a health care or dependent care Flexible Spending Arrangement (FSA), you can keep using your FSA funds as usual while you're on STD leave. However, your regular pre-tax contributions to the FSA will pause and accumulate during your leave, similar to HSA contributions. When you come back from STD leave within the same calendar year, your pre-tax FSA contributions will resume, and any missed contributions for that year will be recouped. If and to the extent that you don't have sufficient earnings following your return from leave to recoup your missed contributions before the end

Paid STD Leave FAQs

of the year, or if your STD leave period begins in one year and ends in the next year, any accumulated unpaid pre-tax contributions after the end of the year will be permanently waived .

Perks+: [Perks+](#) eligible expenses may be reimbursed via Microsoft payroll as usual while on leave. Keep in mind that your paused regular benefit deductions accrue while you are on leave, and any accrued benefit amounts or other overpayments of regular salary will be deducted from any pay you receive via Microsoft payroll, including Perks+ reimbursements.

Benefits resources You have access to a wide range of [Health](#) benefits in which you remain enrolled during your medical leave. Use the [Embold Health Provider Guide](#) to find highly rated healthcare providers. Microsoft also covers services for specialty support such as [Second Medical Opinion](#) and [Cancer navigation](#). While on leave, you also have access to multiple [Life and Family](#) caregiver resources for you and your eligible dependents.

IV. Payment, Benefits, and Time Off Coordination

How long can I receive STD pay and how is it calculated?

You may receive up to 26 calendar weeks of STD paid leave, subject to approval and eligibility.

- Weeks 1–8: 100% of base pay
- Weeks 9–26: 75% of base pay Pay is based on your salary just prior to your date of disability and does not include bonuses, overtime, or stock.

Eligibility and duration are determined by Prudential based on medical documentation.

When will I be paid?

STD pay is distributed by Prudential, not through Microsoft payroll. Your paystub will show “unpaid leave” during STD, even if you are receiving STD pay.

Disability pay from Prudential can be sent via EFT direct deposit (preferred) or by hard copy check. Once STD is approved, payments will be made within one week, then biweekly. STD leave decisions awaiting approval will be unpaid until Prudential receives necessary medical information and makes an approval determination.

If you are unable to work and do not meet STD policy eligibility requirements for STD leave, you may still be eligible for unpaid medical leave administered by Prudential.

How will I receive my disability pay from Prudential?

Disability pay from Prudential can be sent via EFT direct deposit (preferred) or by hard copy check. Once STD is approved, payments will be made biweekly. STD leave will be unpaid until medical documentation is received and reviewed, and your paid leave is approved. If you are not eligible for paid STD, you may qualify for unpaid medical leave, which will also be managed by Prudential. Follow one of the below options to enroll in EFT. If you do not enroll in EFT, Prudential will mail STD payments via paper check to your home address listed on your claim.

Option 1: Follow these steps to submit the EFT form via the Prudential MyBenefits Portal:

1. Log in to the MyBenefits portal: [Log in | Workplace Benefits - Prudential Financial](#)
2. Select “**Check your claim status**”
3. Click on your **claim number**

Paid STD Leave FAQs

4. Select **“Payment Method : Direct Deposit”**
5. Provide your banking information

Option 2: Email your Microsoft Concierge

1. Download and fill out the Group Insurance Electronic Funds Transfer Authorization form: [EFT Form](#)

Email the completed form to Microsoft.Concierge@Prudential.com

What will I see on my Microsoft paychecks when I start receiving pay directly from Prudential?

When you are on STD leave, your Microsoft paystub will indicate those leave hours as “unpaid leave” even though you may be receiving STD leave pay from Prudential. This happens because the regular hours you would normally be paid for time worked must be substituted with unpaid time on the Microsoft payroll to avoid overpayment.

How will I manage my year-end taxes?

STD leave earnings that are administered and paid through Prudential are considered taxable income for federal purposes, and you will receive a Form W-2 from Prudential reporting these earnings for state and federal purposes for the calendar year they are received. As a result, you may receive two Form W-2s for the year in which you receive STD payments from Prudential - one from Microsoft reflecting wages paid when you were not on leave and one from Prudential reflecting the STD payments they made to you. Prudential will withhold and remit applicable Social Security and Medicare (FICA) taxes. The Social Security wage base will restart with respect to payments from Prudential, even if you met the limit with respect to payments made by Microsoft. This may result in an overpayment of Social Security taxes, which may be accounted for on your personal income tax return. If you are an employee who is exempt from federal income or FICA taxes, please contact Prudential to find out how your exemption status can be applied to your STD payments. Prudential does not withhold state income taxes from STD payments; you are responsible for reporting and remitting these taxes. You are encouraged to consult with a tax advisor regarding your personal circumstances.

Can I request to use my Microsoft HHTO, accrued vacation time or floating holidays while on STD leave?

You may use HHTO, vacation time (hourly/non-exempt employees only) or floating holidays (hourly/non-exempt employees only) during unpaid medical leave only. You may not substitute or augment paid STD with HHTO, vacation time or floating holidays.

Am I required to use my Holistic Health Time Off (HHTO) during the 5-day elimination period?

No, the 5-day, paid elimination period is separate from your existing HHTO balance. It is the minimum disability period to qualify for an STD leave of absence. The elimination period is reviewed by Prudential as part of your claim application for STD leave and the 5 days are paid by Microsoft as regular wages.

Are Microsoft holidays included in STD leave?

STD leave is not extended for Microsoft designated holidays. You are paid at your STD rate on holidays during leave. If you are on unpaid leave after STD, holidays are not paid.

Paid STD Leave FAQs

How does a leave of absence affect Microsoft's Rewards allocation?

For more information on how taking a leave impacts annual rewards, please visit Microsoft's HRweb for the following resources:

[Bonus eligible salary](#)

[Company guide to understanding how leave impacts Annual Rewards](#)

[Impact on rewards for new hires, leaves, or promotions](#) (7-min video)

[Summary of Benefits and Base Compensation while on a US leave of absence](#)

[Short-term disability](#)

For additional questions about rewards, please contact AskHR@microsoft.com

V. Special Circumstances & Other Leave Types

What if I am pregnant?

Prenatal STD leave is still administered and paid by Microsoft. Do not contact Prudential for the two weeks of Prenatal STD leave you are eligible for under Microsoft. Birth mothers/persons who desire may request to take STD paid leave starting up to 14 days preceding the anticipated/scheduled delivery date (assuming a routine pregnancy) without being required to submit a Physician's Statement of Impairment.

What if I am found to be ineligible for paid STD leave?

Provided you meet policy provisions, you may be eligible for unpaid medical leave if you are ineligible for paid STD leave. Your Prudential Claims Manager will transition your case to unpaid medical leave.

If you disagree with the decision Prudential has made regarding your STD leave, you have the option to appeal this decision. If you choose to do so, your appeal must be made in writing by you or your authorized representative and submitted within 180 days of the date of receipt of Prudential's decision letter. Your appeal should contain:

- Your name, Microsoft control number -43994, and your claim number
- The reasons that you disagree with Prudential's determination
- Medical evidence or information to support your position such as:
- Copies of therapy treatment notes
- Any additional treatment records from physicians
- Actual test results (e.g., EMG, MRI)

You may submit with your appeal any other written comments, documents, records, or information related to your claim. You may receive, upon request and free of charge, reasonable access to, and copies of, documents, records, and other information relevant to your claim. Your written appeal should be submitted to the Appeals Review Unit at the address or fax number listed at the top of the cover letter.

Prudential typically requires 45-90 days to make an STD appeal determination. While Prudential does

Paid STD Leave FAQs

strive to make a decision as quickly as possible, there are variables that factor into decision timeframes such as the ability to procure needed medical records and the requirement for independent medical review. You will receive written notice of the date by which the Appeals Review Unit expects to render a decision within the initial 45-day period, and updates thereafter if an extension of time is needed. If the Appeals Review Unit requests additional information, the extension may be delayed until you provide the requested information.

Who pays State leave benefits? Leave taken under Microsoft's Short Term Disability policy is counted as (that is, runs concurrently with) leave under state paid medical leave laws. In states where Microsoft has a private or "voluntary" state plan, Prudential administers and pays state paid medical leave benefits. These states include Washington, New York, New Jersey, and Hawaii. In all other states, the state administers and pays benefits under the state paid family & medical leave program. If you receive both a state medical leave benefit either from Prudential or from the state, as applicable, any STD pay approved by Prudential will be offset by your state benefit. For additional information, see [Microsoft's state notices](#) and speak to your Prudential claims manager.

What happens if I exhaust STD leave?

If you exhaust STD and remain unable to return to work, Microsoft will periodically review your circumstances to determine employment status. You may be eligible for long-term disability or other leave options.

How does STD leave interact with FMLA and state leave laws?

STD leave runs concurrently with FMLA and applicable state laws. Time away on STD counts against FMLA entitlement.

What should I do if I have a garnishment from a state or local jurisdiction?

If you have an existing garnishment, please contact the issuing agency directly to inform them of this change. They will advise you on any additional steps required to ensure the garnishment order remains in effect.

VI. Returning to Work

How do I report my return to work? You should notify your Disability Claim Manager and your Microsoft manager of your return to work date or any changes to the date. The Disability Claim Manager will communicate the date to Microsoft. If you require a [Workplace Accommodation](#) for your return to work, you should notify your Disability Claim Manager who will in turn notify a Microsoft Accommodation Specialist. An Accommodation Specialist will be in touch with you. Consider scheduling time to talk to your manager ahead of your return to get caught up on what you may have missed.

Keep in mind, while your benefits continue to support you during leave, all regular benefit deductions that are paused during leave accumulate and are required to be repaid when you return to work and are receiving regular Microsoft pay. So you may not have a typical paycheck following your return. To estimate your accrued deductions for your return to work, See your [Microsoft Benefits Statement](#).

Paid STD Leave FAQs

What happens if I return to work and need to go out of work again for the same or related condition?

A subsequent leave for the same, related, or concurrent condition taken within 6 months following return to active employment from STD leave will be considered an extension of the original STD leave. A condition will be considered “related” or “concurrent” if (a) it in whole or part arose from, was triggered by, or gave rise to the condition(s) for which the original STD leave was taken, or (b) the employee received treatment or medical consultation for the secondary condition while on the original STD leave. Microsoft and/or Prudential will determine in its sole discretion whether a condition meets this definition of “related” or “concurrent.” If determined the conditions are “related” or “concurrent”, your prior STD will resume and a new STD leave will not be opened for the secondary condition. The 5-day paid elimination period does not apply when you resume STD leave as a recurrence.

Prudential will review your medical to determine if your current disability is related or concurrent (see (a) and (b) above). If not related or concurrent or you have returned to work for more than 6 months, Microsoft and/or Prudential will treat your current disability as a new leave. Subsequent leaves—whether for the same or a different condition—are subject to the eligibility requirements as described in Microsoft’s Short Term Disability Policy for Corporate Employees.

Additional Resources

Short Term Disability Leave of Absence Policy and FAQ for Microsoft U. S. Employees
STD Appeal

Microsoft Benefits site is at aka.ms/benefits

Get answers to Microsoft employee questions with the [Employee Self-Service Agent](#)