Many medical offices are following a popular trend in the business world by replacing employee sick leave, vacation, and any other miscellaneous time benefits with a combination of all of them, collectively referred to as “paid time off.”

There are several reasons why this is a good idea, but you should carefully consider all of the pros and cons before you make such a change in your office. A paid time off (PTO) policy is not without disadvantages. Nevertheless, the advantages are significant. Employees like the concept because most of them are generally healthy and never use all of their sick leave. They enjoy being able to take the difference as extra vacation time, making for a more contented staff and workplace in general. And they appreciate being able to make time-off decisions for themselves and the increased flexibility that comes with that.

Employers like the policy because there is less paperwork and less abuse of sick leave. They don’t have to make decisions about whether an employee is really sick or not, because reasons for absence are now irrelevant. If an employee requests a day off with adequate notice, and there is adequate coverage of that employee’s duties, you don’t need to know the reasons.

However, critics argue that under a PTO system, employees are absent more frequently, which is sometimes true. In addition, employees who never used their full allotment of sick leave will typically use all of their PTO every year. Most of these extra absences can be controlled by requiring preapproval for any PTO except emergencies, though some critics say that requirement effectively replaces decisions about what constitutes an illness with decisions about what constitutes an emergency.

Employees could take salary in exchange for unused PTO, to be paid annually or when employment ends. In general, though, I don’t think that is a good idea. Vacations are necessary and important for good office morale, and they should be taken by all employers and employees.

If you are going to allow PTO to accrue and be paid later, then it’s probably best to allow only a portion—say, 25% maximum—to be taken that way.

A major disadvantage of PTO is the possibility that employees won’t stay home when they are ill. Some businesses that have converted to the system have found that employees tend to view all paid time off as vacation time, so when they are sick, they don’t want to “waste” any of their “vacation” days. The result is that many sick employees who should stay at home, come to the workplace where they risk infecting colleagues and patients and lowering their chances for quick recovery.

So before switching to a paid time off system, weigh all the pros and cons. Should you decide to proceed, try to anticipate potential problems and then establish clear guidelines to counter them.

Make sure everyone knows that, except for emergencies, they have to request PTO in advance. Try to anticipate potential problems and then establish clear guidelines to counter them.

Make sure everyone knows that, except for emergencies, they have to request PTO in advance. Define what is meant by “advance notice.” Is it 24 hours, or is it a week? Then define what constitutes an emergency, and put the definitions in writing. Some employees might regard waking up Monday morning with a bad hangover as an emergency, but you might not. Most would consider a sick child an emergency, but what about a malfunctioning car? Some circumstances will need to be decided on a case-by-case basis, but the more situations you can anticipate and settle in advance, the better.

Finally, make it clear that sick employees should stay home, and that if they come to work sick, then they will be sent home. You have an obligation to protect the rest of your employees, not to mention your patients (especially those who are elderly or immunocompromised), from a staff member with a potentially communicable illness.

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