

CARESTAT, LLC

Employee Handbook

Implemented 1/01/2004

Revision to:

Pay Practices: Payroll Period, Overtime Pay

Holiday/Leave of Absences: Holidays, Paid Time Off (PTO leave)

Employment Classifications/Guidelines: Employment Categories, Initial Employment Probation Period

Personal Responsibilities: Attendance, Transportation, Company Vehicles

CARESTAT, LLC HOME HEALTH

TYPE OF MANUAL: Compliance Manual (Rules and Regulations)	
SECTION: VI. Personnel Policies	
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INTRODUCTION

This Employee handbook is a brief description of the personnel policies, benefits, rules of conduct, and safety regulations of **CareStat, LLC**. It has been adopted by the Governing Body of **CareStat, LLC**, and is designed as a guide; subject to the terms and conditions of other standard operation procedures, medical guidelines, insurance policies and various regulations. There are additional policies and procedures for out other programs, such as PHC/CBA.

These policies, practices and benefits are continuously reviewed and we expect them to change from time to time, in which case employees will be notified. Agency benefits are further defined in legal documents, insurance policies and plan descriptions.

Nothing in this Employee Handbook creates an implied or express contract of employment. The employment relationship may end at any time by the agency or an employee in accordance with the **Texas "At Will" doctrine**. This edition of the Employee Handbook replaces all previous personnel policy manuals and Employee Handbooks.

PAY PRACTICES

CareStat, LLC, believes in “pay for performance”. Wages and salaries are based on education, training, licensing, certification, skill level, experience, performance evaluations, and our competition.

PAYROLL PERIOD The weekly payroll period begins on Sunday and ends on Saturday for hourly employees. Time sheets are turned in every Tuesday by noon for Bi-Weekly paid employees. Paychecks are distributed every other Friday. Time sheets are turned in on the 1st and 16th of each month by both hourly and salaried employees, for Semi-Monthly employees. Paychecks are distributed twice a month, on the 10th and the 25th of the month. If a payday falls on a weekend, then paychecks will be distributed on the Friday before or the Monday after.

There are three methods used to calculate employee pay, depending on the type of work begin done:

- 1. HOURLY EMPLOYEES** are paid for each hour worked at a base rate per hour. Paychecks are issued twice a month for Semi-Monthly, and every other Friday for Bi-Weekly employees.
- 2. SALARIED EMPLOYEES** are paid a set amount per year. Paychecks are issued twice a month for Semi-Monthly, and every other Friday for Bi-Weekly employees.
- 3. PER VISIT PAY** is paid to a direct patient care provider, which include Contract Personnel and could include Hourly and Salary employees who exceed their goals. Please refer to your original contract and or the **Pay Per Visit Rate Agreement**. This is paid in addition to their regular pay.

NOTE: Actual hours worked in any semi-monthly pay period will be held in arrears until the next pay period. **Examples:** any actual work performed between the 1st through the 15th of the month will be paid on the following 28th, 29th, 30th or 31st of the month, and any actual work performed between the 16th through 31st will be paid on the following 14th or 15th of the month.

TIME SHEETS Hourly and salaried employees, including both Direct Patient Care and Office employees, are required to record working time on a time sheet. Direct Patient Care employees also complete a Daily Activity/Time Sheet that records each patient visit, which should match the Daily Schedule. Any delay in submitting time sheets will cause a delay in providing paychecks.

The agency depends on the accuracy of time sheets. The employee and the supervisor must initial any corrections, errors, changes or exceptions before turning in the time sheet. Falsifying payroll records is a serious matter that will not be tolerated and result in disciplinary action.

TIME CLOCK All hourly employees need to clock in at 8:00 am and leave promptly at 5:00 pm. Six tardies of clocking in after 8:05 am in a 1 year period may be grounds for dismissal. 3 Absences on your Probationary Period (3 months) will be grounds for dismissal. If the time clock is not working or is giving you an inaccurate total or name; it is the staff's responsibility to report it to the HR department immediately by phone or e-mail. Failure to do so will result to time not being credited.

OVERTIME PAY Only hourly employees are paid for overtime. Certain jobs, such as executive, administrative and professional, are excluded from overtime regulations, in accordance with the U.S. Department of Labor and the Fair Standards Act of 1938, as amended. Everyone must leave at 5:00pm. If you log out after 5:15pm without prior authorization, your time will be rounded back to 5:15 pm. All overtime under one hour will require prior authorization from the immediate supervisor. All overtime over one hour will require prior authorization from the CEO or COO of the company.

For any purposes, overtime includes hours *actually worked* in excess of 40 hours per weekly payroll period. Overtime is paid at 1.5 times the base hourly rate for Full-Time hourly employees. Holidays, vacation, sick leave or other paid time off is not considered as time worked for overtime calculations.

Pay Per Visit Employees and Contracted Personnel, please refer to your original contract and or the **Pay Per Visit Rate Agreement**.

PAYROLL DEDUCTIONS Certain payments are automatically taken out of each paycheck; some are required by law and others are for the convenience of the employees:

- a) Federal Withholding Tax
- b) Social Security Tax
- c) Medicare Insurance Tax
- d) Group Health and Life Insurance Premiums
- e) Optional Insurance that may be available
- f) Court Ordered Child Support Payments, IRS Taxes, or Bankruptcy Payments
- g) Other agreed deductions

PAY ADVANCES AND LOANS **CareStat, LLC**, does not have a program for loaning money or advancing pay before it is earned. In case of emergencies or for new employees, special requests will be considered for early pay of wages or salary already earned. Any employee requesting advancement on wages or salary will be required to have a Wage Deduction Authorization Agreement filled out and signed for consideration.

Performance Bonuses It is the practice of **CareStat, LLC** to distribute performance bonuses at the discretion of the CEO. While this is not a “policy” which applies to all, and is not guaranteed or automatic, we will continue this practice so long as possible.

Holiday / Leave of Absences

It is sometimes necessary for employees to be away from work. Absences may be paid or unpaid time, depending on the circumstances. Part-time and temporary employees do not receive paid absences or other benefits. A full-time employee is defined as one who is categorized as **full-time** and works 40 hours per week on a regularly scheduled basis.

HOLIDAYS The following days are granted as paid holidays for full-time employees:

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| * New Year's Day | * Memorial Day | * July 4 |
| * Labor Day | * Thanksgiving Day | * Christmas Day |

Holidays are determined by the Governing Body, and are subject to change each year. In January a list of holiday dates will be posted for the current year.

Holiday pay is calculated as an 8-hour day at the regular pay rate for hourly, salaried and pay per visit employees. The office will be closed on holidays and will observe Saturday holidays on Friday before the holiday and Sunday holidays on Monday after the holiday. A Full-Time Per Visit Employee who is required to perform visits on a holiday will be paid 2 time the per visit rate, not exceed 8 visits without advance approval from supervisor. Contract Personnel who is required to work on a holiday will be paid at 1.5 times the base contracted rate. Request for time off the day before and the day after a holiday must be submitted no later than one week in advance and approved by the CEO.

CareStat, LLC, will make every effort to accommodate employee requests for time off on holidays by rotating staff to meet patient needs. However, management retains the right to schedule work in accordance with operational needs.

PAID TIME OFF (PTO leave) is a benefit provided by the agency for **full-time** employees, which is accumulated at the rate of 8 hours per month the first year. New employees do not accrue PTO leave during their first 3 months of employment. The 4th month has to be worked in full in order to use their first PTO leave, which can be used at the end of each month of continuous employment. PTO leave may be used for vacation, sick leave or personal days with supervisor's approval. Call-Ins sick/absents must be called into the office manager by 8:10 am on the morning of the absent. Please do not call the Answering Service.

PTO's may be used for vacation, sick leave, and personal days with supervisor's approval.

PTO leave will be issued as followed: January through June's PTO time will be advanced at the beginning of January (the advanced but not yet earned statement on the following page applies), which can used any time within the year. July through December's PTO time will be earned as 8hrs per month. Each month has to be worked in full in order to be credited the 8hrs, only then can the time be requested off as paid. PTO time can be accumulated to a maximum of 80 hours on December 31st of each year. This means that if an employee has accumulated 80 hours, then a vacation must be taken before the end of the year. PTO leave is calculated as 8 hours per day or

40 hours per week at the regular pay rate. Only December's PTO time of each year may be rolled over to each New Year. All other PTO time will be lost if not taken before the end of the year. Any rollover time not used by the end of February of the New Year will be lost. PTO times that are advanced but not yet earned will be deducted from the employee's paycheck(s) if for any reason the employee is to part ways with the agency.

Personal Leave Request Forms for scheduled procedures or vacations should be submitted at least 2 weeks in advance to the HR Department; and must be approved in writing by management/supervisor. PTO request forms that are not submitted to the HR department within this time could be subject to denial for paid time off. PTO leave may be used as little as 4 hours at a time. However, PTO leave that exceed one week are discouraged and must be approved by the CEO and be based on the availability of other staff members to cover the work. All other Approved Personal Leave Request forms should be submitted to the HR department within 48 hours of returning to work. PTO request forms that are not submitted to the HR department within this time will be subject to denial for paid time off. Management reserves the right to schedule vacation days in accordance with agency operational needs, but will make every effort to approve individual requests. Scheduling of PTO leave will be on a first come, first serve basis; however, seniority will be used if all other considerations are equal.

A doctor's statement is required if 3 days or more are missed due to being absent from work for personal or immediate family illness. The agency may require a doctor's excuse from an employee who repeatedly misses work for medical reasons or has a pattern of absences on Mondays or Fridays. Employees with excessive tardiness or absences will be counseled about attendance. If an illness lasts longer than an employee's available PTO time, then Personal Leave Without Pay applies.

CareStat, LLC, does not pay accrued vacation leave to employees who leave employment. Any unused vacation leave is forfeited upon an employee's work separation.

NOTE: Any payment made under this provision will be subject to set-offs and deductions for any amounts due or owing pursuant to legal requirements and to any Wage Deduction Authorization Agreement signed by the employee.

CareStat, LLC, does not pay accrued sick leave to employees who leave employment. Any unused sick leave is forfeited upon an employee's work separation.

PERSONAL LEAVE WITHOUT PAY Full-time employees may be granted an unpaid leave-of-absence for a valid personal reason. Management on an individual basis will consider each request, which must be in writing. Personal Leave is limited to 30 days of unpaid leave. Group health insurance premiums for the employee's family must be paid in advance through payroll deduction. Vacation and sick leave do not accrue while on Personal Leave Without Pay.

FUNERAL LEAVE Full-time employees are eligible for up to 3 days off with pay, after 3 months of employment, in the event of a death in the immediate family; which is defined as mother, father, brother, sister, spouse, child, or grandparents of the employee. The time off must be taken

between the date of passing and the funeral service. Additional time off may be requested as vacation/ sick leave or unpaid leave.

FAMILY/MEDICAL LEAVE OF ABSENCE In general, a leave of absence is an official authorization to be absent from work without pay for a specified period of time. Eligible employees may be entitled to job-protected family or medical leaves of absence if they are unable to come to work due to pressing family or medical concerns as described under the following Family/Medical Leave Policy, which shall be administered in accordance with applicable state and federal laws:

- Employees are eligible if they have been actively employed for 12 months, and worked at least 1,250 hours (an average of 25 hours per week) during those 12 months. Salary continuation during any leave period shall depend upon the employee's qualifying for disability pay under our Disability Leave Policy.
- Under the circumstances set forth below, each eligible employee shall have up to a total of 12 weeks leave during any one year period.
- A family leave shall be granted upon the birth or adoption of a child of the employee, or upon the serious illness of the employee's child, spouse, or parent.
- A medical leave shall be granted upon the employee's own serious illness.
- Whenever possible, and subject to your health care provider's approval, absences for planned medical treatment should be scheduled so as not to unduly disrupt company operations.
- In appropriate circumstances, we may require you to be examined by a company-designated physician, at company expense.
- In the event of a serious illness to the employee or his/her child, spouse, or parent, creating a need for unforeseeable family or medical leave, the employee should provide us with notice, as soon as practicable, of any needed time off, and a written doctor's certificate indicating the expected duration and nature of the illness, particularly as it relates to the employee's ability to come to work or the need for that employee's presence at home to care for a seriously ill family member.
- Employees shall be required to give 30 days advance notice in the event of a foreseeable medical treatment. To assist us in arranging work assignments during your absence, we ask that you give us prior notice, to the extent possible, of an expected birth or adoption, as well as an indication, to the extent known, of your expected return date. To facilitate your return to work, we also ask that you provide us with two weeks advance notification of your intended return date. Failure to do so may delay your return date.
- For purposes of this policy, a child is defined as a natural, adopted, or foster child, a stepchild or a legal ward. If the child is over 18, he/she must be unable to care for himself/herself due to a serious illness.
- A parent is defined as the employee's or his/her spouse's natural, adoptive, or foster parent, stepparent, or legal guardian.

- A serious illness is defined as a disabling physical or mental illness, injury, impairment, or condition involving (1) inpatient care in a hospital, nursing home, or hospice- or (2) outpatient care requiring continuing treatment or supervision from a health care professional.
- Leave of absence rights available to you under other sections of our policy shall be counted towards the total time off available under this section.
- Upon completion of a leave granted under this section, you shall be reinstated to your original position, or an equivalent one.
- If, due to your own medical circumstances, you are no longer able to perform your original job, we will attempt to transfer you to alternate suitable work, if available.
- While on a leave of absence provided for under this policy, we will continue your group health insurance benefits under the same terms as provided to other employees, for up to a maximum of 12 weeks leave time during any one year period. If your leave extends beyond 3 months, you shall be offered the opportunity to purchase continuing coverage under state and federal COBRA continuation rules.
- Other accumulated fringe benefits such as seniority, retirement, sick pay, vacation pay, etc., shall be preserved at the level earned as of commencement of the leave, but shall not accrue further during any such leave period.
- The pay allowances while on disability leave are based on an employee's length of service, as well as the state in which he or she is employed. Disability laws may vary from state to state, and at all times our disability leave policy will be in compliance with the laws of the Commonwealth of Pennsylvania.
- During a period of disability, you may be eligible for disability pay benefits. Please refer to the applicable plan documents for details on eligibility, benefit amounts, and other particulars
- Should you require an extended leave beyond the period of time described in this policy, we will seek to return you to a suitable position, but cannot guarantee that one will be available. Nevertheless, you may be eligible for continuing disability pay benefits during this period in accordance with applicable insurance coverage.
- Should you seek a leave of absence for reasons other than described above, we will evaluate such a request based on particular circumstances present at that time, including but not limited to your current and anticipated work responsibilities, performance, company needs, etc. **CareStat LLC**, reserves the right to refuse such a request at its sole discretion.

JURY DUTY When a full-time employee is required to serve on a jury, **CareStat, LLC**, will continue to pay regular pay, less the amount that the court pays for jury service. Agency pay is based on 8 hours per day and is limited to 5 days per year.

Notify your supervisor as soon as you are informed about a jury appearance and continue to call in daily. Such duty must be noted on time sheet and a copy of the jury summons and jury paycheck must be submitted to the office. The Clerk-of-the-Court will provide a letter of service upon request. Employees are expected to return to work as soon as released from duty, including partial days.

MILITARY LEAVE OF ABSENCE Military leave of absence is granted as required by the Military Selective Service Act of 1974, the Veterans Reemployment Rights Law of 1994 (USERRA), found in Title 38 of the United States Code starting at Section 4301 and other applicable regulations. Such leave is excused and without pay. If you are a full-time employee and are inducted into the U.S. Armed Forces, you will be eligible for re-employment after completing military service, provided:

- You show your orders to your supervisor as soon as you receive them.
- You satisfactorily complete your active duty service.
- You enter the military service directly from your employment with **CareStat LLC**.
- You apply for and are available for re-employment within ninety (90) days after discharge from active duty. If you are returning from up to six (6) months active duty for training, you must apply within a reasonable time (usually thirty (30) days) after discharge.

MILITARY RESERVE OR NATIONAL GUARD LEAVE OF ABSENCE Employees who serve in U. S. military organizations or state militia groups may take the necessary time off without pay to fulfill this obligation, and will retain all of their legal rights for continued employment under existing laws. These employees may apply accrued personal leave and unused earned vacation time to the leave if they wish; however, they are not obliged to do so.

You are expected to notify your supervisor as soon as you are aware of the dates you will be on duty so that arrangements can be made for replacement during this absence.

COFFEE BREAKS There are no regularly scheduled breaks. However, employees are permitted to take a break as long as it does not interfere with work, deadlines or other priorities. Breaks cannot exceed 15 minutes in the morning and 15 minutes in the afternoon; with the afternoon break beginning sometime after 2 o'clock p.m. Breaks cannot be taken immediately before or after the lunch period.

LUNCH PERIODS Full-Time Office personnel must take a one hour lunch break. Office personnel will stagger their lunch hours so that all departments are continuously covered between 8:00 a.m. and 5:00 p.m., Monday through Friday. Supervisors will be responsible for the scheduling of employees' lunch hour. Lunches will be scheduled between 11:00am thru 2:00pm. Employees are responsible for clocking out for lunch and back in. Any violation of this policy could result in disciplinary action and may include termination.

VOTING Registered voters usually have time to vote without interfering with work schedules. However, an employee is entitled to time off to vote, without pay, if the polls are not opened at least 2 hours before or after their scheduled work hours.

INSURANCE

GROUP HEALTH AND LIFE INSURANCE Full-time employees and their families are eligible for health and life insurance after 3 months of employment, beginning the first day of the 4th month. The cost of insurance for each employee is paid by the agency (to be determined by the Governing Body). The employee may buy the coverage and pay the premiums for the spouse and children, through payroll deduction.

The insurance program will be fully explained to new employees, including coverage's, deductibles, and claims processing. Insurance policies, rates, terms and benefit levels are subject to review, and may change in accordance with regulations, claims experience or changing economic conditions.

HEALTH INSURANCE CONTINUATION (COBRA) A 1986 Federal law, known as the Congressional Omnibus Budget Reconciliation Act (COBRA), gives employees and their dependents an option to continue in the group health insurance plan, even after termination of employment.

Certain qualifying events, such as termination (except for gross misconduct), death, divorce, disability, becoming eligible for Medicare or dependents reaching certain age limits, makes the employee, spouse and dependents eligible to continue their insurance. The continuation period varies from 18-36 months, depending on the circumstances.

The employee, spouse or dependents must pay premiums for continuation of the group health insurance. Additional information about continuation of group health insurance under COBRA is available from the Administrator and our group health insurance company. Employees (or their spouse or dependents) must notify the agency when a qualifying event occurs that makes them eligible for COBRA benefits.

WORKERS' COMPENSATION INSURANCE IS NOT PROVIDED CareStat, LLC, does not provide Workers' Compensation Insurance coverage. The agency is known as a non-subscriber under Texas State Insurance regulations. However, every injury, no matter how small, must be reported immediately to the employee's supervisor or manager; and a written report must be submitted within 24 hours. This is to make certain that proper medical treatment is received, and that employees are fully recovered and released by the doctor before returning to work.

GOVERNMENT REQUIRED COVERAGE

SOCIAL SECURITY The United States government operates a system of contributory insurance known as Social Security. As a wage earner, you are required by law to contribute a set amount of your weekly wages to the trust fund from which benefits are paid. As your employer, **CareStat LLC**, is required to deduct this amount from each paycheck you receive. In addition, **CareStat LLC** will match your contribution dollar-for-dollar, thereby paying one-half of the cost of your Social Security benefits.

UNEMPLOYMENT COMPENSATION **CareStat LLC**, pays a percentage of its payroll to the Unemployment Compensation Fund according to **CareStat LLC**, employment history and state regulations.

If you become unemployed, you may be eligible for unemployment compensation, under certain conditions, for a limited period of time. Unemployment compensation provides temporary income for workers who have lost their jobs. To be eligible, you must have earned a certain amount and be willing and able to work. You should apply for benefits through your local State Unemployment Office as soon as possible.

CareStat LLC, pays the entire cost of this insurance.

EQUAL EMPLOYMENT OPPORTUNITY

NON-DISCRIMINATION POLICY CareStat, LLC, is an Equal Opportunity Employer and does not discriminate in providing services or employment because of race, color, religion, age, sex, national origin, disability, marital status or veteran status.

This policy applies to all actions, conditions and privileges of employment; including compensation, benefits, promotions, transfers, training, social activities and discipline.

Our policies are intended to reflect and comply with the Equal Pay Act of 1963, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination In Employment Act of 1967, the Pregnancy Act of 1978, the Immigration Reform and Control Act of 1986, the Americans With Disability Act of 1990, the Older Workers Benefit Protection Act of 1990, the Civil Rights Act of 1991, and their implementing regulations. The Equal Employment Opportunity Coordinator for the agency is Eva Elena Barrera, Chief Operation Officer of **CareStat, LLC**.

THE AMERICANS WITH DISABILITIES ACT OF 1990 (ADA) makes it unlawful to discriminate in employment against a qualified individual with a disability. Under the ADA, a person has a disability if he/she has a physical or mental impairment that substantially limits a major life *activity* such as hearing, seeing, speaking, breathing, performing manual tasks, walking, caring for oneself, learning or working.

CareStat, LLC, does not intend to discriminate against individuals with disabilities; but rather, intends to provide *reasonable accommodation* to them on an individual basis. Reasonable accommodation is defined as *“any change or adjustment to a job or work environment that permits a qualified applicant or employee with a disability to participate in the application process, to perform the essential functions of the job, or to enjoy benefits and privileges of employment equal to those enjoyed by employees without disabilities.”*

IMMIGRATION LAW COMPLIANCE CareStat, LLC, employs only United States citizen or persons legally admitted and authorized to work in the United States. This is in compliance with the Immigration Reform and Control Act of 1986. Each employee must have on file a completed and signed Form I-9, Employment Eligibility Verification form.

HARASSMENT Employees are expected to treat each other with dignity and respect. The agency will not tolerate any form of harassment by employees, vendors or customers.

Harassment prohibited by this policy includes statements or actions based on sex, race, national origin, citizenship, age, religion or disability, which unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

Sexual Harassment, in particular, includes physical, verbal, written or visual annoyance and includes any form of sexual advance: requests for sexual favors; kidding, teasing or joking; foul or obscene language; display of revealing or obscene printed material; physical contact such as pinching or brushing the body; or staring or winking.

Conduct is considered to be harassment when **a)** submission to such conduct is made a condition of employment, **b)** it is the basis for an employment decision, or **c)** it has the purpose or effect of unreasonably interfering with an individual's work performance.

If you feel like the victim of any form of harassment, tell your supervisor, the Office Manager, the Director of Professional Services, the Primary Home Care Director, or the Administrator. Complaints will be quickly and completely investigated. Confidentiality will be maintained; however, if it is determined that harassment has occurred, and then appropriate corrective or disciplinary action will be taken. Please refer to the separate **Harassment Policy**, which must be signed by every employee.

CARESTAT, LLC

Harassment Policy

Romantic or sexual relationships between co-workers can lead to unhappy complications and significant difficulties at work. This is especially true when one employee is in a position to supervise the other. Accordingly, the Company strongly discourages all close personal relationships and any conduct that may reasonably be expected to lead to the formation of a close personal relationship. If a close personal relationship should develop, it shall be the responsibility and mandatory obligation of the employee to promptly disclose the existence of the relationship to the immediate supervisor, Office Manager, or Administrator. Employees are required to behave in an appropriate and professional manner at all times in relation to fellow employees, patients or clients, and vendors.

The term "close personal relationship" can have a variety of meanings. However, either or both of the parties to such a relationship will appreciate the meaning of the term as it applies to either or both of them and must act in a manner consistent with this policy.

Upon being informed or learning of the existence of such a relationship, **CareStat, LLC**, Management may take all steps that it, in its discretion, deems appropriate. Particularly if problems with work performance occur, either or both employees may be reassigned, or may suffer termination of their employment.

Termination of employment may occur without any prior warning.

All employees are encouraged to report any problems which cause them to believe that they have been adversely affected by a close personal relationship. This applies whether or not the person has previously disclosed the relationship. The report of any problem should be made to the employee's immediate supervisor, or if uncomfortable with reporting to the immediate supervisor, to a supervisor or manager with whom the employee feels comfortable. The matter will be investigated and acted upon as promptly as possible, and with as much confidentiality as possible. If no action is taken within a reasonable time, the person should make the report to another supervisor or manager, until action is taken. This policy shall apply without regard to gender and without regard to the sexual orientation of the participants in a relationship of the kind described.

I, _____ on this _____ day of _____, _____, have read and understand the guidelines and the consequences of the Harassment Policy provided to me by **CareStat, LLC**.

EMPLOYMENT CLASSIFICATIONS/GUIDELINES

EMPLOYMENT CATEGORIES

There are 3 categories of employment:

Hourly Employees are paid by the hour, which include:

- a) **Part Time Employees** are hired and generally scheduled to work fewer than 32 hours per week. Part-Time employees are not eligible for company benefits. Part-Time Pay per visit employees please refer to the separate **Pay Per Visit Rate Agreement**.
- b) **Full Time Employees** are hired and generally scheduled to work 40 hours per week on a regular basis. Full-Time Pay per visit employees please refer to the separate **Pay Per Visit Agreement**.

Salary Employees are paid a set yearly rate and could include goals that are to be met. Please refer to separate **Pay Per Visit Rate Agreement**.

Contract Personnel are paid a set per visit rate. Please refer to the separate **Pay Per Visit Rate Agreement**.

There are 2 major work classifications of employees:

- a) **Direct Patient Care Employees**, which include Contract Personnel and could, include Hourly and Salary Employees.
- b) **Employees Who Do Not Provide Direct Patient Care (Office)**

INITIAL EMPLOYMENT PROBATION PERIOD The first 3 months of employment is a time of training and adjustment for the employee and a time of evaluation by the manager. There are no benefits during the initial employment period. The Initial Employment Period may be extended for an additional 30 days by management/supervisor. Furthermore, employees may be placed on a 30 day probation period at any time that management feels it is necessary for counseling, evaluation or discipline issues. Please understand that completion of the Probationary period does not guarantee continued employment for any specified period of time, nor does it require that an employee be discharged only for "cause."

PHYSICAL EXAMS Applicants may be asked to complete medical examination after an offer of employment has been made, but before starting work. The purpose of this examination is to determine an individual's capability to perform the essential functions of the job, with or without reasonable accommodation. The cost of the physical exam will be paid by the agency.

Employees may be asked to take a physical exam, and/or a drug screen, when there is a question about health, safety or security with regards to job performance or behavior. There is a separate

Alcohol and Drug Abuse Policy, which fully explains the agency's concerns; it must be read and signed by each employee.

Nursing Personnel will be required to sign an affidavit, upon hire, stating that they are free from any communicable diseases and that they received HIV/AIDS information. A **TB Skin Test** will be administered to any employee, with Direct Patient Care at the time of hiring, unless lab records are provided that a previous skin test or a chest X-ray had been performed. If Skin Test results are positive, perspective employee is to schedule a chest X-ray at their expense. **TB Skin Test is required to be renewed yearly if test is negative, if test is positive, chest X-rays are to be renewed every two years (this applies to current employees only.)**

Employees must be in good physical condition, with no infectious or communicable diseases and must not be a danger or threat to patients or other employees.

PERSONNEL RECORDS It is necessary for the agency to keep accurate employee files. Please notify the office whenever there is a change in:

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|--------------------------------|--|
| a) address or telephone number | f) person to notify in emergency |
| b) marital status/name change | g) beneficiary for 401K |
| c) number of dependents | h) completion of training or education |
| d) W-4 changes | i) drivers license status |
| e) auto insurance information | j) cancelation or change to medical, dental, or vision insurance |

Any employee may review his/her personnel file by requesting an appointment with the Administrator that does not interfere with work. All files are the property of the agency and are treated as confidential information.

REQUESTS FOR REFERENCES only the **Chief Executive Officer and the Chief Operating Officer will authorize** qualified personnel to provide references or information about current or former employees. All requests (in writing, by fax or by telephone) should be forwarded to the office for processing. It is very important that only authorized personnel provide information about current or former employees.

REFERENCES Employment backgrounds, certificates and licenses will be checked before the beginning of employment. Family/Friend references are not acceptable, but previous employers are required. References must be positive in order for new employees to obtain or retain employment. The HR department is responsible for making certain that nursing licenses are current.

CRIMINAL HISTORY CHECK All employees and applicants considered for hire are required to have a criminal history check conducted. A Criminal History Check (CHC) will be conducted prior to employment; and the response from the Texas Department of Public Safety (DPS) will be reviewed by the Governing Body of **CareStat, LLC**, to determine the employability of the individual.

CareStat, LLC, will not keep an unlicensed employee who was convicted of an offense as specified in Section 250.006, Convictions Barring Employment, or the facility determines is a contraindication to employment.

Employees may appeal to the Texas Department of Public Safety (DPS) Error Resolution Center at (512) 465-2520, if it is felt that the information provided is not correct. Limited patient contact will occur during the waiting period for such reports or appeals.

PERFORMANCE EVALUATION A written evaluation of job performance will occur at the end of the initial employment period of 3 months and annually on the date-of-hire anniversary. The Performance Evaluation becomes part of the employee's personnel file.

RESIGNATION It is recommended that an employee who decides to leave give 2 weeks written notice. The letter should include:

- * The reason for leaving
- * The last day worked
- * Future plans
- * Signature and the date

A terminating employee must return all equipment, supplies, forms, files, lists, keys, identification badges and agency owned materials. **CareStat, LLC**, reserves the right to terminate employment immediately upon notification, with or without pay.

Resignation without notice is discouraged because of the disruption to the services we provide. Employees who terminate their employment or are terminated for any reason will not be paid for any unused accumulated PTO time.

The last day actually worked is always the official termination date. The Supervisor will attempt to conduct an Exit Interview with the departing employee. Any employee who is not actively at work for 3 months for any reason and or has not shown up for work or called within 3 days may be terminated because of non-availability for work.

Personal Responsibilities

CONFIDENTIAL INFORMATION Employees are required to protect and properly use patient, agency and personnel information available to them. Do not discuss, copy, print or distribute data about patients, suppliers or other employees unless it is for official business purposes. Salaries, wages, expenses, funding sources and other such information are **not** to be discussed under any circumstances. Information can only be used within the context of professional discussions, official business and the legitimate need-to-know. This issue is particularly important in the medical and health care field; any violation could result in disciplinary action and may include termination.

ATTENDANCE Every employee is needed when scheduled. Regular attendance—*on time and to the end of the assignment*—is required by management and expected by co-workers and those served.

For Direct Patient Care employees, the supervisor must be notified at least an hour before the scheduled starting time if absence is necessary. On the day of the absence, call in before 12:00 noon to notify the supervisor if absence will be necessary the following day. This should be repeated for each day of absence. Employees who do not provide direct patient care are to call their supervisor by 8:10 the morning of the absence. All employees must fill out an Absent from work/Personal Leave Form (separate form, not included in the employee handbook), have their office manager/supervisor sign, then fax the form to the HR Dept within 48 hours of returning to work.

SCHEDULING Normal **CareStat, LLC**, business hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday. Forty hours is considered a normal work week. However, because of the nature of our industry, patient care may be required at other times. The following guidelines are provided to insure high quality service and proper coverage.

- a) Employees are expected to report to the office punctually at 8:00 a.m. or to the first patient's home according to the Daily Schedule. Tardiness or poor attendance will not be tolerated.
- b) If an employee will be arriving at a patient's home late or at a different time than scheduled, it is the employee's responsibility to notify the patient before the time of arrival.
- c) When an employee determines that more time is needed than has been allowed in the schedule to adequately care for a particular patient, the employee should notify the supervisor so that an appropriate schedule can be developed.

ON-CALL An **RN, LVN** and a **PHC Personnel** will be On-Call beginning on Fridays at 5:00 p.m. and ending on the following Friday at 8:00 a.m. On-Call personnel will be assigned on a rotating basis. There are separate procedures for On-Call responsibilities: such as handling calls, documenting the calls, performing the service, submitting reports and being compensated for the work.

TELEPHONE CALLS Each telephone call should be answered promptly and clearly. Agency telephones are to be used for business purposes only. Personal telephone calls are discouraged and must be kept to a minimum.

Personal long-distance telephone calls are not permitted and will be charged to the employee if discovered. Management may monitor telephone calls in order to assure that agency quality standards are maintained. Telephone records and billing records may also be analyzed in order to insure compliance with this policy.

PROFESSIONAL RELATIONSHIPS Employees who have patient contact are required to maintain a professional relationship at all times. The following guidelines are provided:

- a) Refrain from sharing **any** personal life problems with patients.
- b) Refrain from sharing **any** employment related problems with patients.
- c) Refrain from taking family members or friends to patient's homes.
- d) Refrain from accepting tips or gifts of **any kind** from patients. **CareStat, LLC**, does not want to be a burden to any of our patients. If it is judged that refusing a token of gratitude would hurt the patient's feelings, then use professional judgment and consult the Director or Professional Services or the Administrator for advice.

This is not an all-inclusive list of concerns about employee/patient relations. Please seek advice if a difficult or uncertain situation arises.

UNACCEPTABLE ACTIVITIES Generally speaking, we expect each person to act in a mature and responsible way at all times. However, to avoid any possible confusion, some of the more obvious unacceptable activities are noted below. Your avoidance of these activities will be to your benefit as well as the benefit of **CareStat, LLC**. If you have any question concerning any unacceptable activities listed, please see your supervisor for an explanation.

Occurrences of any of the following violations, because of their seriousness, may result in immediate dismissal without warning.

- Willful violation of any company rule; any deliberate action that is extreme in nature and is obviously detrimental to **CareStat, LLC's** effort to operate profitably.
- Willful violation of security or safety rules or failure to observe safety rules or **CareStat LLC's** equipment or safety equipment.
- Negligence or any careless action which endangers the life or safety of another person.
- Being intoxicated or under the influence of controlled substance drug while at work; use, possession, or sale of controlled substance drug in any quantity while on company premises except medications prescribed by a physician which do not impair work performance.
- Unauthorized possession of dangerous or illegal firearms, weapons, or explosives on company property or while on duty.

- Engaging in criminal conduct or acts of violence, or making threats of violence toward anyone on company premises or when representing **CareStat, LLC**; fighting, horseplaying, or provoking a fight (both physical and verbal) on company property, or negligent damage of property.
- Insubordination or refusing to obey instruction properly issued by your supervisor pertaining to your work; refusal to help out on a special assignment.
- Threatening, intimidating, or coercing fellow employees on or off the premises at any time, for any purpose.
- Engaging in an act of sabotage; willfully or with gross negligence causing the destruction or damage of company property, or the property of fellow employees, patients, suppliers, or visitors in any manner.
- Theft of company property or the property of fellow employees; unauthorized possession of any company property, including documents, from the premises without prior permission from management; unauthorized use of company equipment or property for personal reasons; using company equipment for profit.
- Dishonesty-willful falsification or misrepresentation on your application for employment or other work records; lying about sick or personal leave; falsifying reason for a leave of absence or other date requested by **CareStat, LLC**; alteration of company records or other company documents.
- Giving confidential or proprietary **CareStat, LLC** information to competitors or other organizations or to unauthorized **CareStat, LLC** employees; working for a competing business while an employee of **CareStat, LLC**; breach of confidentiality of personnel information.
- Malicious gossip, false statements and/or spreading rumors about agency, employees, contractors, or contract Entities; engaging in behavior designed to create discord and lack of harmony; interfering with another employee on the job; willfully restricting work output or encouraging others to do the same.
- Immoral conduct, indecency, conduction a lottery, and gambling on company premises.

Occurrences of any of the following activities, as well as violations of any **CareStat, LLC** rules or policies, may be subject to disciplinary action, including possible immediate dismissal. This list is not all-inclusive and, notwithstanding this list, all employees remain employed “at will.”

- Unsatisfactory or careless work; failure to meet production or quality standards as explained to you by your supervisor; mistakes due to carelessness or failure to get necessary instructions.
- Any act of harassment (sexual, racial or other); telling sexist or racial-type jokes; making racial or ethnic slurs. Leaving work before the end of a workday or not being ready to work at the start of a workday without approval of you supervisor; stopping work before time specified for such purposes.
- Leaving you workstation during your work hours without the permission of your supervisor, except to use the rest room.
- Smoking in restricted areas or at non-designated times, as specified by department rules.
- Creation or contributing to unsanitary conditions.
- Posting, removing, or altering notices on any bulletin board on company property without permission of an Officer of **CareStat, LLC**.

- Failure to report an absence or late arrival; excessive absence or lateness.
- Obscene or abusive language toward any supervisor, employee, or patient/client; indifference or rudeness towards a patient/client or fellow employee; any disorderly/antagonistic conduct on company premises.
- Causing patient/client complaints regarding clinical performance or competency.
- Soliciting during working hours and/or in working areas; selling merchandise or collecting funds or any kind for charities or others without authorization during business hours, or at a time of place that interferes with the work of another employee on company premises.
- Failure to follow Universal Precautions/infection control practices.
- Borrowing from patient/clients. Borrowing from client is conflict of interest and can be construed as exploitation of the elderly.

Unacceptable behavior, which does not lead to immediate dismissal, may be dealt with in the follow manner:

Verbal Warning
 Written Warning
 Dismissal

All pertinent facts will be carefully reviewed, and the employee will be given a full opportunity to explain his or her conduct before any decision is reached. The CEO or another member of senior management will give a second opinion concerning the unacceptable behavior before dismissal occurs.

OUTSIDE ACTIVITIES Employees of **CareStat, LLC** may not participate in any outside activity or employment that creates a conflict of interest (or the appearance of a conflict of interest) or hinders their ability to perform the duties and responsibilities of the job. The following are examples of such activities:

- a) Being employed, in any capacity, by another health agency unless approved by the Chief Executive Officer.
- b) Being employed, in any capacity, by a **CareStat, LLC** patient.
- c) Engaging in any business activity with a patient (such as buying or selling an item from or to a patient.)

DRESS AND APPEARANCE Dress must be appropriate for the work assignment and encourage a professional presentation. In particular, the following apply:

- a) **Office Employees** are not required to wear a particular style of clothing, but clothes must be tasteful and business-like. Please do not wear tank tops, tightly fitted clothing, blouses that expose the mid chest or abdomen area, T-shirts, shorts, denim jeans/skirts, sunglasses, beach thongs or other inappropriate attire. Nursing smocks and pants can be worn if approved by office manager prior to wearing.

b) **Nursing Personnel** should wear casual clothing with a white lab coat and Agency nametag while providing patient care. Denim jean/skirts, cut-off shirts, shorts, sandals, house shoes, or open-toe shoes are not allowed, low pumps are allowable, but high heels are not. Dresses and skirts should be below the knees and appropriate hosiery must be worn. Male/Female's hair must be neat and clean, away from the face and above the neckline. Un-groomed beards and mustaches, or non-prescribed sunglasses are not permitted.

c) **Casual Day** is permitted on Friday; all employees may wear good-condition denim jeans/skirts, with appropriate tops and shoes. Nametags and lab coats are still required during working hours for licensed personnel.

Management reserves the right to discuss dress, grooming and hygiene with any employee.

EQUIPMENT AND SUPPLIES/ Equipment and supplies provided for employees are for official business purposes only and may not be borrowed or used for other purposes. All such equipment and supplies remain the property of **CareStat, LLC**, even if issued or assigned to individual employees; and must be returned upon request or termination. Please refer to the separate **Equipment/Supplies Form**, not included in the employee handbook.

- a) **General Equipment** must be used in a safe and appropriate manner. Employees **must** report any breakage or malfunction to the office so that repairs or replacements can be ordered.
- b) **Cell Phones** that are issued to full-time nursing personnel and other selected individuals **must** be kept on at all times, calls are to be returned as soon as possible after receiving a missed call.
- c) **Losses** employees are responsible for the reimbursement of any lost receipt(s) that was paid with company funds. Reimbursements will be taken from employee's paycheck. If any equipment issued is lost, stolen or damaged, the employee will be responsible for its cost of repair or replacement. Please refer to separate **Policy on Portable Computers form** for laptops.

INTERNET, E-MAIL AND COMPUTER USAGE POLICY The use of **CareStat, LLC**, automation systems, including computers, fax machines, and all forms of Internet/Intranet access, is for company business and for authorized purposes only. Brief and occasional personal use of the electronic mail system or the Internet is acceptable as long as it is not excessive or inappropriate, occurring during personal time (lunch or other breaks), and does not result in expense to the Company.

Use is defined as "excessive" if it interferes with normal job functions, responsiveness, or the ability to perform daily job activities. Electronic communication should not be used to solicit or sell products or services that are unrelated to the Company's business; intimidate, or harass co-workers or third parties; or disrupt the workplace.

Use of Company computers, network, and internet access is a privilege granted by management and may be revoked at any time for inappropriate conduct carried out on such systems, including, but not limited to:

- Sending chain letters or participating in any way in the creation or transmission of unsolicited commercial e-mail ("spam") that is unrelated to legitimate Company purpose;
- Engaging in private or personal business activities, including excessive use of instant messaging and chat rooms (see below);
- Misrepresenting oneself or the Company;
- Violating the laws and regulations of the United States or any other nation or any state, city, province, or other local jurisdiction in any way;
- Engaging in unlawful or malicious activities;
- Deliberately propagating any virus, worm, Trojan horse, trap-door program code, or other code or file designed to disrupt, disable, impair, or otherwise harm either the Company's network or systems or those of any other individual or entity;
- Using abusive, profane, threatening, racist, sexist, or otherwise objectionable language in either public or private messages;
- Sending, receiving, or accessing pornographic materials;
- Becoming involved in partisan politics;
- Causing congestion, disablement, alteration, or impairment of Company networks or systems;
- Maintaining, organizing, or participating in non-work-related Web logs ("blogs"), Web journals, "chat rooms", or private/personal /instant messaging;
- Failing to log off any secure, controlled-access computer or other form of electronic data system to which you are assigned, if you leave such computer or system unattended;
- Using recreational games; and/or
- Defeating or attempting to defeat security restrictions on company systems and applications

Using Company automation systems to access, create, view, transmit, or receive racist, sexist, threatening, or otherwise objectionable or illegal material is strictly prohibited. "Material" is defined as any visual, textual, or auditory entity. Such material violates the Company anti-harassment policies and is subject to disciplinary action. The Company's electronic mail system, Internet access, and computer systems must not be used to violate the laws and regulations of the United States or any other nation or any state, city, province, or other local jurisdiction in any way. Use of company resources for illegal activity can lead to disciplinary action, up to and including dismissal and criminal prosecution. The Company will comply with reasonable requests from law enforcement and regulatory agencies for logs, diaries, archives, or files on individual Internet activities, e-mail use, and/or computer use.

Unless specifically granted in this policy, any non-business use of the Company's automation systems is expressly forbidden.

Ownership and Access of Electronic Mail, Internet Access, and Computer Files

The Company owns the rights to all data and files in any computer, network, or other information system used in the Company. The Company also reserves the right to monitor electronic mail messages (including personal/private/instant messaging systems) and their contents, as well as any and all use of the Internet and of computer equipment used to create, view, or access e-mail and Internet content. Employees must be aware that the electronic mail messages sent and received using Company equipment are not private and are subject to viewing, downloading, inspection, release, and archiving by Company officials at all times. The Company has the right to inspect any and all files stored in private areas of the network or on individual computers or storage media in order to assure compliance with policy and state and federal laws. No employee may access another employee's computer, computer files, or electronic mail messages without prior authorization from either the employee or an appropriate Company official.

The Company has licensed the use of certain commercial software application programs for business purposes. Third parties retain the ownership and distribution rights to such software. No employee may create, use, or distribute copies of such software that are not in compliance with the license agreements for the software. Violation of this policy can lead to disciplinary action, up to and including dismissal.

Confidentiality of Electronic Mail

As noted above, electronic mail is subject at all time to monitoring, and the release of specific information is subject to applicable state and federal laws and Company rules, policies, and procedures on confidentiality. Existing rules, policies, and procedures governing the sharing of confidential information also apply to the sharing of information via commercial software. Since there is the possibility that any message could be shared with or without your permission or knowledge, the best rule to follow in the use of electronic mail for non-work-related information is to decide if you would post the information on the office bulletin board with your signature.

It is a violation of Company policy for any employee, including system administrators and supervisors, to access electronic mail and computer systems files to satisfy curiosity about the affairs of others. Employees found to have engaged in such activities will be subject to disciplinary action.

Electronic Mail Tampering

Electronic mail messages received should not be altered without the sender's permission; nor should electronic mail be altered and forwarded to another user and/or unauthorized attachments be placed on another's electronic mail message.

Policy Statement for Internet/Intranet Browser(s)

The Internet is to be used to further the Company's mission, to provide effective service of the highest quality to the Company's customers and staff, and to support other direct job-related purposes. Supervisors should work with employees to determine the appropriateness of using the Internet for professional development, and work-related communications. Limited personal use of Internet resources is a special exception to the general prohibition against the personal use of computer equipment and software.

Employees are individually liable for any and all damages incurred as result of violating company security policy, copyright, and licensing agreements.

All Company policies and procedures apply to employees' conduct on the Internet, especially, but not exclusively, relating to: intellectual property, confidentiality, company information dissemination standards of conduct, misuse of company resources, anti-harassment, and information and data security.

Personal Electronic Equipment

The Company prohibits the use or possession in the workplace of any type of camera phone, cell phone camera, digital camera, video camera, or other form of image-recording device without the expressed permission of the Company and of each person whose image is recorded. Employees with such devices should leave them at home unless expressly permitted by the Company to do otherwise. This provision does not apply to designated Company personnel who must use such devices in connection with their position of employment.

Employees should not bring personal computers to the workplace or connect them to Company electronic systems unless expressly permitted to do so by the Company. Any employee bringing a personal computing device or image recording device onto Company premises thereby gives permission to the Company to inspect the personal computer or image recording device at any time by personnel of the Company's choosing and to analyze any files, other data, or data storage media that may be within or connectable to the personal computer or image recording device in question. Employees who do not wish such inspections to be done on their person computers or imaging devices should not bring such items to work at all.

Violation of this policy, or failure to permit an inspection of any device covered by this policy, shall result in disciplinary action and possibly including immediate termination of employment. In addition the employee may face both civil and criminal liability from the Company or from individuals whose rights are harmed by the violation.

TRANSPORTATION **CareStat, LLC**, employees are responsible for their own transportation to from work. Such transportation must be dependable because of the services that are performed during the work day and the scheduling that is done in advance. Employees are required to provide proof of auto insurance. **CareStat, LLC** is not responsible for traffic-related accidents, injuries, tickets or fines.

Employees who travel on agency business will be reimbursed at the currently established agency rate per mile. However, reimbursement *cannot* include commuter miles, which are miles that would have normally been traveled by the employee to get to work at the office and to return home. The measurement for commuter miles is the distance between an employee's home and the **CareStat, LLC** office. On a daily basis; any miles less than or equal to the commuter miles for each employee will not be reimbursed; any miles greater than the commuter miles will be reimbursed.

In order to receive mileage reimbursement, an employee must properly maintain and submit travel records. Mileage reimbursement will be paid on regular paydays; but cannot be processed or paid without proper documentation and timely submission.

COMPANY VEHICLES are for official business use only by authorized employees. Proper use is required:

- a) Operators must have a valid Texas driver's license.
- b) Gas tickets or other expenses must be clearly marked and accounted for.
- c) The vehicles and the keys must be safeguarded.
- d) No passengers are allowed to ride, except as authorized.
- e) The Texas Motor Vehicle Record (MVR) must be acceptable to the insurance company.
- f) No company vehicle will be operated at any time by an employee who is under the influence of alcohol or drugs.
- g) Drivers are responsible for scheduling regular maintenance on the company vehicle in which they drive. Regular maintenance would include oil and filter changes, rotate tires, check coolant hoses and clamps, replacement of air filter, spark or glow plugs, lubricate suspension and universal joints, change transmission fluid and inspect breaks. Maintenance performed by the driver should be recorded on the separate **Automobile Maintenance Schedule Form** located in all Company vehicles. Regular maintenance expenses are reimbursable if vehicle information is provided on the receipt.
- h) All vehicles are to be neat and clean at all times this includes exterior washing and interior cleaning/detailing. This is reimbursable if vehicle information is provided on the receipt.
- i) All major repairs need to be report immediately to the Office Administrator.
- j) All incidents that occur in a company vehicle should be reported immediately to the office administrator/supervisor. Please follow these procedures:
 - Check condition of others involved
 - Call police to scene so that an assessment of the damage/injury can be made, give insurance information to officer, request a copy of the police report to provide to the administration office
 - Call office administrator/supervisor
 - If possible take pictures of the damage to all vehicles involved
 - Return to office immediately, fill out a **Vehicle Incident Report** and fax to the administration office

An employee observed or ticketed for driving a company vehicle carelessly, recklessly or illegally will be subject to disciplinary action, up to and including dismissal; and will be responsible for any ticket, fine or damage.

EXPENSE REIMBURSEMENT

You must have your supervisor's authorization prior to incurring an expense on behalf of CareStat LLC. To be reimbursed for all authorized expenses, you must submit an expense report/voucher accompanied by receipts and approved by your supervisor. Please submit your expense report the Tuesday before payroll is submitted, as you incur authorized reimbursable expenses.

Full-time employees who attend conferences or meetings that are deemed of pertinent value to their job shall receive payment for or reimbursement of reasonable expenses incurred while attending a conference. No employee shall attend meetings without the prior approval of their department supervisor the Administrator, or CEO, or incur extra expenses without pre-approval from administration. If CareStat LLC, paid for the training, all information obtained through the training is the property of CareStat LLC, and needs to be shared with the office for all employees' use.

If CareStat LLC, paid for the training/travel-hotel arrangements and an employee is unable to attend he/she will be responsible for reimbursing the company the balance that will not be credited back to the company.

HOUSEKEEPING is everyone's responsibility. The appearance of our offices and grounds is a reflection of our standards. All personnel are expected to contribute to the cleanliness of work all areas, conference rooms, break areas, restrooms and grounds. Each employee's immediate work area must be kept neat, safe and uncluttered.

PROBLEM SOLVING It is normal for problems to occur at work. Complaints, misunderstandings, personality conflicts and other concerns should be taken care of as soon as possible. A complaint is anything that an employee feels is wrong, unfair, illegal or against policy. Each problem should be discussed within three working days of its occurrence.

The immediate supervisor should be the first to hear about the problem, and should be able to solve it within a reasonable time. If the supervisor does not satisfy the employee, or if the supervisor is part of the problem, then a written explanation of the problem should be submitted so that a conference can be held with the supervisor and the Administrator. Hopefully, after a careful investigation and a three-way discussion, a solution will be found. Use of the Problem Solving process will not be used as a reason to discipline, dismiss or otherwise harm the employee who submitted the complaint or problem.

BEHAVIOR AND DISCIPLINE

CareStat, LLC, is very concerned about its image, reputation and the quality of service to its patients, to the general public and to the community. Management will review any action or activity that is determined to hurt the agency, its reputation or its normal operation.

It is not practical to list every type of unacceptable behavior at work, but conduct should be guided by common sense, safe work habits and honesty. Behavior, which is illegal, unsafe, unethical or non-productive, will be cause for disciplinary action. Disciplinary action includes counseling, warning, suspension, demotion, transfer, probation or termination.

WORK RULES Managers and supervisors are responsible for maintaining an orderly and efficient operation and will take disciplinary action in case of the following types of behavior:

- Tardiness or absent without notification
- Excessive tardiness or absence
- Failure to use the time clock/sheets as instructed
- Abuse of time off or other benefits
- Falsification of any agency record, document or file
- Unauthorized copying, discussion or use of confidential information; particularly the disclosure of medical information or wages and salaries
- Unauthorized use of agency equipment, supplies or facilities
- Wasting time or performing personal work on agency time
- Insubordination or disobedience, such as refusing to work as instructed
- Unacceptable quality or speed of work; low productivity; incompetence or neglect of patients
- Failure to dress properly for the job or to maintain proper hygiene
- Failure to follow safety or security regulations; especially endangering the safety of patients or others through negligent, carelessness or willful acts
- Failure to report any accident, injury or damage immediately; no matter how small
- Possessing, distributing, using or being influenced at work by alcohol, marijuana or other illegal drugs

- Theft or misuse of agency, patient or employee property
- Failure to report knowledge of theft, destruction of property, falsification of documents or the unauthorized disclosure of confidential information
- Using profanity or foul language; especially when directed at a fellow employee, a patient or a patient's family member
- Possessing or displaying weapons or firearms on agency property
- Competing against the agency in a similar occupation or business
- Smoking in unauthorized areas
- Failure to maintain a clean and orderly work area, or to follow instructions for disposing of trash or biomedical waste
- Failure to use the sign in sign out sheet provided

Management will consider the circumstances of each situation, including seriousness, frequency, cost of damage or loss and employment history. Discipline will be fair and in accordance with the nature and frequency of the offense. Serious infractions will be cause for termination; especially absence without leave, insubordination, incompetence or neglect of patients, endangering the safety of patients, falsification of documents, unauthorized disclosure of confidential information or the unauthorized discussion of wages and salaries.

SECURITY

LOSS CONTROL: CareStat, LLC, is concerned about protecting the equipment, supplies and property of the agency, its employees and its patients. Employees must immediately report any suspicion of knowledge of employee dishonesty, theft or fraud. If an employee fails to report an incident, that employee becomes part of the problem!

INSPECTIONS: The agency reserves the right to inspect the property and person of all individuals while on agency premises. This right includes, but is not limited to, vehicles, packages, purses, lunch boxes, lockers, desks and work areas. Please do not bring personal items to work that are not job related. This would include weapons, expensive jewelry, pornographic materials, auto-visual equipment, hobby items, alcohol, drugs, etc.

SOLICITATION: Employees are not permitted to buy, sell, solicit, distribute or circulate non work-related materials or products during scheduled working time. This disrupts the work time of the employee soliciting and the one being solicited. Please **do not** conduct personal business at work.

Persons not employed by the agency may not enter the property to solicit or distribute anything to employees on behalf of any business, group or organization. There may, however, be management-approved activities such as United Way or blood drives.

SAFETY

It is the intention of **CARESTAT, LLC**, to provide a safe and healthful workplace for its employees by the use of modern technology, equipment and facilities; and by the enforcement of safety rules and regulations. Department Heads are responsible for safety, but every employee must develop safe habits and work practices.

SAFE PRACTICES No list can include every possible safety rule, but the following are some guidelines to be used:

- Incorporate safety into the planning, design, purchase, construction, use and maintenance of all equipment, services and facilities.
- Use protective clothing and devices when required.
- Follow government regulations, which relate to fire, hazardous materials, chemicals, working conditions and accident prevention.
- Report every incident or injury, damage, loss or near miss, not matter how small.
- Use first aid and medical supplies only when necessary.
- Running, horseplay or practical jokes are not allowed.
- Good housekeeping is required, keeping work areas clean from hazards.
- Keep aisles, exits and stairways clear at all times.
- Loose or torn clothing, gloves, jewelry or long hair may not be worn when using or working near power equipment or moving parts.
- Follow safe practices and regulations regarding the medical profession.
- Use proper lifting procedures; **bend your legs – not your back.**
- Cooperate fully with accident and injury investigations.
- Wear seat belts and obey traffic laws while driving on agency business.
- Use only approved ladders or platforms to climb; do not use boxes, barrels, chairs or other objects.
- Smoke in approved or designated areas only.
- Comply with informational, instructional, hazard and warning signs.

Safety rules must be followed. An unsafe act will result in disciplinary action; which could include counseling, warning, suspension, demotion, transfer, probation or termination.

HAZARD COMMUNICATION PLAN CARESTAT, LLC, has established a procedure for providing information and training to employees who handle, use, store or are likely to be exposed to chemical products, blood borne pathogens, biomedical waste, or other hazardous materials. This plan is intended to meet the requirements for a written Hazard Communication Program under the Occupational Safety and Health Administration (OSHA) Standard 29CFR 1910.1200.

Department Heads and supervisors are responsible for maintaining safe working conditions and for properly instructing each employee in the safe labeling, use, storage and disposal of chemical products found in their work areas. Employees have a personal responsibility to understand, promote and follow safe work practices that ensure they will not cause injury to themselves or to others.

MATERIALS SAFETY DATA SHEETS (MSDS) are maintained in a central file at the office and are available in each area where hazardous materials are used or stored. Each MSDS includes the safety and health precautions to be followed for the safe application of the product, as well as its contents, exposure, reactivity, fire and explosion characteristics, medical treatment and disposal.

Department Heads will maintain a current inventory of MSDS for products in their areas of responsibility and make them available in the work area to employees who request them.

ALCOHOL AND DRUGS CARESTAT, LLC, does not allow the possession, use, sale, transfer or encourage the use of alcohol, marijuana or other non-prescribed drugs while on our premises or in the performance of our jobs, including while driving on business.

Violations of the above will be cause for immediate disciplinary action. Any person caught possessing, using, promoting or distributing alcohol, or drugs while on duty will be terminated and reported to the police or other proper authorities. If it is necessary to take prescribed medication, please notify the, the CEO, the Administrator or the Office Manager about possible side effects.

Please refer to the separate **Employee Acknowledgement** form, which fully explains the Agency's concerns. It must be read and signed by every employee.

SMOKING IN THE WORKPLACE Smoking has become a recognized health hazard and an irritation to many people. Agency policy is to control the quality of indoor air, to provide for the health, safety and comfort of all employees and to limit the use of tobacco at work.

- Smoking is not permitted in any agency facility or vehicle, including meetings.
- Smoking material must be disposed of properly in approved containers outside.
- Signs "no smoking allowed" will be posted in every major area of the facility.

BACK SUPPORT BELTS Employees performing work which includes heavy lifting, pushing, stooping, bending or twisting may be required to wear a back support; also known as a body belt or flex belt, which may be purchased at employee's expense thru the company. The employee is then responsible for cleaning and maintaining it.

Proper lifting techniques, along with safe work habits, will help prevent back injuries.

NOTE: PLEASE SIGN AND DATE THE SEPARATE HANDBOOK ACKNOWLEDGEMENT PAGE



3201 W. Alberta Rd. Edinburg, Texas 78539
Ph: (956) 664-1213 Fax: (956) 664-2449

Handbook Acknowledgement Form

By my signature, I, an employee of CareStat, LLC, whether contract, fulltime or part time status, do hereby verify that I have received, read and fully comprehend the CareStat, LLC employee handbook/manual.

I have received a copy of the employee handbook for my own records, and have been given the opportunity to ask any questions regarding CareStat LLC's employee handbook and it's policies.

Employee Signature

Date