

HEALTHCARE SERVICES GROUP, INC.
EMPLOYEE HANDBOOK

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INTRODUCTION

Welcome! Healthcare Services Group, Inc. ("Healthcare" or "the Company"), since its inception in 1977, has been in the forefront of providing housekeeping, laundry, linen, facility maintenance, and food services which improve quality and reduce costs to our clients in the health care industry. Our clients include:

- Nursing Homes
- Rehabilitation Centers
- Assisted Living Facilities
- Retirement Facilities
- Hospitals

Healthcare has established itself as a leader in providing cost-effective means of outsourcing indirect patient/resident care services. As a result, our clients can maximize the attention paid to their direct care responsibilities.

Healthcare has been able to bring a high level of professionalism to managing these ancillary services. Healthcare prides itself on creating a partnership with our clients to focus on delivering the highest quality care to the patients/residents of health care facilities.

This Employee Handbook is an extension of that professional approach. It shows our commitment to quality operations using an approach that will deliver the best service possible. This Handbook is intended to provide you with information about some of the working conditions, employee benefits, and Company policies effecting your employment. Obviously, the information, policies, and benefits described here are subject to change, without prior notice. Accordingly, this Handbook is not intended to be a contract. Furthermore, where this Handbook is inconsistent with a collective bargaining agreement, the terms of the collective bargaining agreement will govern. Similarly, Healthcare operates in many different states. Should any portion of this Handbook be inconsistent with the law of a particular state, that state law will govern.

FINALLY, IT IS IMPORTANT THAT ALL EMPLOYEES UNDERSTAND THAT THEIR EMPLOYMENT IS FOR NO DEFINITE PERIOD OF TIME AND THAT, JUST AS AN EMPLOYEE MAY TERMINATE HIS/HER EMPLOYMENT AT ANY TIME WITHOUT NOTICE OR CAUSE, SO TOO MAY THE COMPANY TERMINATE OR MODIFY THE EMPLOYMENT RELATIONSHIP AT ANY TIME, WITHOUT PRIOR NOTICE OR CAUSE, EXCEPT AS OTHERWISE PROVIDED BY LAW.

THE COMPANY

The Company is dedicated to four simple business principles:

1. Service. To provide our clients (patients, residents, families, visitors, and employees) with the best service possible with a concentration on consistency, quality control, and systems operations. Our standardized operation methods are set and never compromised.
2. Professionalism. To bring to our industry and our services a professional approach. All employees will be professional at all times.
3. Cost Efficiency. To operate the department in the most cost-effective manner possible. By standardizing operations, maintaining controls, and planning schedules, the cost of operations can be controlled.
4. Growth. To expand our operations through a satisfied client base and a strong management team, preferably developed by promoting from within.

EMPLOYMENT AT-WILL

It is the policy of the Company that all employees are employed at the will of the Company. Employees are subject to termination at any time, for any reason, with or without cause or notice. At the same time, employees may terminate their employment at any time and for any reason.

No Company representative is authorized to modify this policy for any employee or to enter into any agreement, oral or written, that changes the at-will relationship.

PROBATION PERIOD

The first ninety (90) days of employment with Healthcare will be called the Probation Period. During this time, your supervisor will pay extra attention to your training progress, the quality of your work, your attendance/tardiness record, your attitude, and your ability to cooperate with co-workers, residents, patients, and visitors.

Completion of the Probation Period does not change the employee's status as an at-will employee or in any way restrict the Company's right to terminate the employee or change the terms and conditions of employment.

POLICY AGAINST HARASSMENT, DISCRIMINATION, AND RETALIATION

Purpose

The Company is committed to providing a work environment in which all individuals are treated with respect and dignity. This commitment includes a work environment free of unlawful harassment and unlawful discrimination. It also includes a work environment free of retaliation for reporting claims of harassment and/or discrimination, or for participating in an investigation of a complaint of harassment or discrimination. Our policy is to educate employees as to the behaviors that constitute harassment, sexual harassment, and discrimination, and to make them aware of reporting procedures and consequences for those who engage in these prohibited behaviors. Harassment, discrimination, and/or retaliation will not be tolerated.

Coverage

This policy applies to all persons involved in the operation of the Company, and prohibits harassment, discrimination, retaliation or other unprofessional conduct by or toward all employees at all levels of the Company, as well as applicants, unpaid interns, volunteers, independent contractors, temporary workers, vendors, client representatives and other customers.

Individual Employee Liability for Harassment

All employees at all levels in the Company (non-supervisors, supervisors, managers, directors, vice presidents, etc.) who engage in unlawful harassment not only violate this policy, but can be held personally liable/responsible for monetary damages that stem from the harassing conduct.

Workplace Harassment is a Form of Discrimination

Unlawful harassment is a form of employment discrimination that violates Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, (ADEA), and the Americans with Disabilities Act of 1990, (ADA). Please be aware that some state laws may provide for enhanced protection.

Unlawful harassment is unwelcome conduct based on a person's legally protected characteristics, including those listed in this policy where 1) enduring the offensive conduct becomes a condition of continued employment, or 2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive.

Offensive conduct may include, but is not limited to, offensive jokes, slurs, epithets or name calling, physical assaults or threats, intimidation, ridicule or mockery, insults or put-downs, offensive objects or pictures, and interference with work performance. Harassment can occur in a variety of circumstances, including, but not limited to, the following:

- The harasser can be the victim's supervisor, a supervisor in another area, an agent of the employer, a co-worker, or a non-employee.
- The victim does not have to be the person harassed, but can be anyone affected by the offensive conduct.
- Unlawful harassment may occur without economic injury to, or discharge of, the victim.

Prohibited Conduct and Examples of Harassment in Violation of this Policy

In keeping with this commitment, the Company maintains a strict policy prohibiting all forms of unlawful harassment and discrimination of any kind, as defined under federal law, state law, or any other applicable local law or ordinance. This includes sexual harassment, and harassment based on sex (including pregnancy, childbirth, breastfeeding or medical conditions related to pregnancy, childbirth or breastfeeding), race (including, but not limited to, hair texture and protected hairstyles), religion, religious creed (including observance, practice, beliefs, and practices such as, religious dress and grooming practices), color, gender (including gender identity, gender expression, transgender status, transitioning or perceived to be transitioning), national origin (including physical, cultural or linguistic characteristics, marriage to or association with persons of a national origin group, tribal affiliation, membership in or association with an organization identified with or seeking to promote the interests of a national origin group, name that is associated with a national origin group, accent, language use, immigration status, citizenship, and other definitions under state laws), ancestry, physical or mental disability, medical condition, genetic information, age, sexual orientation, military and veteran status, union status, or any other basis protected by federal, state or local law or ordinance or regulation. It also prohibits harassment, disrespectful or unprofessional conduct based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

This policy prohibits unlawful harassment in any form, including verbal, physical, and visual harassment. It also prohibits retaliation of any kind against individuals who file complaints of harassment or discrimination, or who assist in an employer investigation. Employees who violate this policy are subject to discipline up to and including immediate termination.

This policy also strictly prohibits sexual harassment, which is defined as (i) unwelcome sexual advances or unwelcome conduct of a sexual nature; (ii) requests for sexual favors or conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; or (2) submission to or rejection of such conduct by an individual is used as the basis for any employment decision affecting the individual; or (3) such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment; or (iii) sexual misconduct, which means any behavior of a sexual nature which also involves coercion, abuse of authority, or misuse of an individual's employment position. Sexual harassment includes many forms of offensive behavior, and is not excused because the harasser is attracted to the victim of the harassment. The following is a partial list of the types of conduct which could constitute sexual harassment:

1. Verbal conduct, such as epithets, derogatory comments, slurs, or unwanted sexual advances, invitation or comments and comments about any employee's body or clothing, verbal sexual propositions via notes, letters or e-mails.
2. Visual conduct, such as leering, making sexual gestures, displaying of derogatory posters, cartoons, drawings, or gestures.
3. Physical conduct, such as assault, unwanted touching, or interference with work directed at an employee because of the employee's sex or other protected characteristics.

4. Threats or demands to submit to sexual requests in order to keep one's job or avoid some other loss, and offers of job benefits in return for sexual favors.
5. Any conduct, whether intentionally harassing or not, that has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.
6. Communication via electronic media of any type that includes any harassing conduct that is prohibited by state and/or federal law, or by company policy.
7. Making or threatening reprisals after a negative response to sexual advances.

Complaints, Investigation Procedures, Response and Corrective Action

If you believe that you have been the subject of harassment, discrimination or other prohibited conduct, or if you learn that another individual covered by this policy may have been the subject of conduct prohibited under this policy, you should immediately report the situation to the Healthcare Human Resources Department (via the HR Hotline at **833-HR4-HCSG (833-474-4274)** or **internal complaint form found on the HUB**) if the individual(s) engaged in the inappropriate conduct is either your direct supervisor or manager, or another Company supervisor, manager or higher level employee to whom you do not report. If the individual(s) who engaged in the inappropriate conduct is your co-worker, you should immediately report the situation to either your supervisor, or if not comfortable doing so, to the Healthcare Human Resources Department. Your complaint will be taken very seriously, and you accordingly will be asked to provide details of the incident or incidents, the names of individual(s) involved, and names of any witnesses.

Upon receiving an oral or written complaint, or information that harassment may have occurred, the Company will undertake an effective, thorough and objective investigation of the allegations.

During the course of an investigation of the complaint or reported situation, steps may be taken, when appropriate, to minimize contact between the complaining employee and the alleged harasser. Such actions may include schedule changes, temporary transfers or investigatory leave, usually for the alleged harasser.

All complaints of harassment and/or discrimination shall be maintained discreetly, consistent with the disclosure that is necessary to fully, fairly and promptly investigate the complaint or situation that was reported. Complaints shall be investigated in a fair, timely and thorough manner that provides all parties appropriate due process, and reaches reasonable conclusions based on the evidence collected.

If the Company determines that harassment or other prohibited conduct has occurred, effective remedial action will be taken in accordance with the circumstances involved. This may include immediate termination of employment, when warranted.

Disciplinary action will be taken against any employee(s), supervisor(s) or manager(s) who attempt to discourage or prevent any harassment victim, victim of discrimination or retaliation, or witness to such conduct, from using the Company's complaint procedure to report the conduct.

If the person who engaged in harassment is not employed by the Company, then the Company will take whatever corrective action is reasonable and appropriate under the circumstances.

Filing of Complaints Outside of Our Company

The federal Equal Employment Opportunity Commission (EEOC) and other state and local agencies investigate, seek to resolve and provide remedies for illegal harassment. Employees may contact the EEOC at 1-800-669-4000 or www.eeoc.gov. The nearest office of the EEOC or other agency may be found online or in the local telephone directory.

Prohibition Against Any Form of Retaliation

Acts of retaliation made against an individual who reported sexual harassment or discrimination are against the law. The Company will not tolerate any form of retaliation against any employee or individual who has complained of being a victim of or a witness to harassment or discrimination. Nor will the Company tolerate retaliation against any employee, independent contractor, intern or other individual doing business with the Company because the individual participated in the investigation of a complaint. All individuals should feel free and safe to report claims and participate as a witness in the investigation of complaints without fear of retaliation of any kind.

If you believe that you have suffered retaliation for making a good faith complaint about discrimination or harassment, or because you participated as a witness in an investigation of a complaint, please immediately report the situation to the Healthcare Human Resources Department. Any finding of retaliation shall result in disciplinary action, up to and including termination of employment.

If there are any questions concerning this policy, please contact the Healthcare Human Resources Department.

Acceptance of Policy

Everyone at the Company has a personal responsibility to conduct themselves in compliance with this policy and to report any conduct inconsistent with this policy. If you have any questions concerning this policy, please contact your immediate supervisor or the Healthcare Human Resources Department.

EMPLOYEE CONDUCT AND WORK RULES

To ensure orderly operations and provide the best possible work environment, the Company expects employees to follow rules of conduct that will protect the interests and safety of all employees and the Company.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The performance standards listed below, and others which may be established from time to time obviously are not all-inclusive, but are intended only to indicate some of the types of actions that are unacceptable in the workplace. These performance standards are merely examples of the types of misconduct for which employees may be disciplined or dismissed. By providing these examples, the Company in no way restricts its legal discretion to discipline employees or terminate the employment relationship at will. Unacceptable conduct not specifically listed may, nonetheless, result in disciplinary action, up to and including discharge. If an employee needs clarification of a specific issue related to these standards, she/he should seek clarification from his/her immediate supervisor, or the Healthcare Services Group, Inc. Human Resources Department.

Employees should understand that discipline is directed at the specific act, not the individual.

Employees should be aware that engaging in the following actions or violating other Company rules while on Company property or during the performance of their duties will subject an employee to disciplinary action, up to and including suspension or immediate termination:

- 1) Violation of the Company's rules, policies, or practices as set forth in this handbook or elsewhere.
- 2) Making or knowingly using a falsified document (e.g., time card, delivery receipt, etc.) or the filing of a fraudulent document or claim for benefits.
- 3) Possession, distribution, sale, transfer, use, or working under the influence of alcohol or illegal drugs or misuse of prescription drugs, or any substance that could impair judgment or motor skills while on duty, or while operating the Company vehicles or equipment.
- 4) Fighting (verbal and physical) or threatening violence or bodily injury to another in the workplace.
- 5) Negligence or improper conduct leading to damage or loss of the Company property or the property of others.
- 6) Insubordination.
- 7) Sexual or other harassment, retaliation or discrimination.
- 8) Discourtesy in dealing with clients, residents/patients, or visitors to a facility.
- 9) Possession of dangerous or unauthorized materials, such as explosives or firearms or other weapons while on duty.

- 10) Excessive absenteeism or tardiness (excluding legally protected absences) or any absence without appropriate notice.
- 11) Smoking in prohibited areas.
- 12) Giving, selling, publishing or assisting in the giving, selling or publishing, or otherwise disclosing any confidential, proprietary or trade secret information of the Company or any information of Company processes, operations, or prices unless authorized by Company Management.
- 13) Unsatisfactory performance or conduct.
- 14) Failure to cooperate fully or provide truthful information in the Company investigation.
- 15) Dishonesty.
- 16) Failure to return from leave.
- 17) Violation of any law while performing work for the Company or on Company property.
- 18) Theft of Company property or the property of others.
- 19) Engaging in malicious mischief, horseplay, rough-housing, boisterous, or disruptive activity in the workplace, whether or not it endangers another or results in injury to another.
- 20) The inappropriate use of profane or obscene language toward a supervisor, resident/patient, facility guest or another employee.
- 21) Sleeping on duty.
- 22) Conducting personal business while on duty, excluding break time.
- 23) Failure to observe safety rules as posted and common sense safety in the operation of equipment and general performance of duties.
- 24) Theft of Company money, properties, or supplies.
- 25) Theft of client or patient/resident money, property, or supplies.
- 26) Accepting money or gifts from patients/residents.
- 27) Not following proper cash handling procedures.
- 28) Not securing moneys, locking doors or not setting the alarm that may result in the loss of moneys and property.
- 29) Not showing up for a scheduled shift or walking out on a shift.
- 30) Failure to attend meetings in which you are scheduled to attend by management.
- 31) Failure to report any accidents occurring on Company premises to management immediately.

Please remember that employment with the Company is at the mutual consent of the Company and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice. Any question regarding these and other rules should be discussed with the appropriate supervisor, your immediate supervisor, or the Healthcare Services Group Human Resources Department.

HOURS OF WORK

The workweek is Sunday through Saturday. The normal workday generally will include an unpaid meal period of at least 30 minutes, during which the employee must be completely relieved from duty. Rest or coffee breaks of short duration will be counted as paid hours worked.

The schedule of work hours for employees will be determined by their supervisor. The supervisor will inform each employee of their daily schedule of hours to work, including meal periods and rest/coffee breaks. **Employees are not permitted to work overtime without the prior approval of their supervisor.**

Employee attendance at meetings and in-service training programs will be considered hours worked, and therefore will be compensated time if attendance is requested by their supervisor.

All non-exempt (hourly paid) employees are required to punch a time clock or complete an individual time record showing the daily hours worked. Time records cover one workweek and must be completed by the close of each workday. The following procedures must be followed in filling out time records:

- 1. Employees must record their starting time, time out for meal periods, time in after meal periods, and quitting time for each workday.**
- 2. Employees are not permitted to punch in, sign in, or begin work seven (7) or more minutes before their scheduled start time, or to punch out, sign out, or continue to work for seven (7) or more minutes after the end of their scheduled quitting time, without the prior approval of their supervisor.**
- 3. Work time will be rounded based upon an employee's start and stop time to the nearest quarter (1/4 or 15 minutes) of an hour.**
- 4. Employees are required to take scheduled meal breaks, and must record the time out for meal breaks and the time in after meal breaks.**
- 5. Employee time records must be checked and approved by their supervisor before submitting for payroll processing. Employee time records missing time in or time out recordings (including meal breaks) must be corrected and then signed by the employee as agreeing to the correction prior to submission for payroll processing.**
- 6. Employees will be counseled about their responsibility for recording their hours worked accurately.**
- 7. Punching in another employee's time card, filling out another employee's time record, or falsifying any time record is prohibited and will result in immediate discharge.**
- 8. Under no circumstances, are employees to work off the clock (all work time must be properly recorded).**

CALL-IN REQUIREMENTS

Reporting to work on your scheduled workdays and being on time are very important, and excessive absences or lateness can lead to discharge. If for any reason you will not be able to work a scheduled shift, or you will be getting to work late, you must call-in as soon as possible so that your supervisor will have time to try to make adjustments to the schedule.

Your supervisor will give you a form with specific instructions about the call-in requirements for the facility you are working in. You must follow those instructions. If you lose that form, or never received it, be sure to get one from your supervisor. Note that you must talk to your supervisor directly as part of your call-in responsibilities.

OVERTIME

In most instances, overtime compensation will be calculated on the basis of the federal law requiring payment on the basis of a 40-hour workweek, with no daily overtime rules. Each work week begins on Sunday and ends on the following Saturday, each week independent of the other for overtime pay.

State laws and collective bargaining agreements may provide for a more favorable lower daily threshold (e.g. over 7.5 hours in a day) or a lower weekly threshold (e.g. 37.5 hours in a workweek) requiring overtime pay. Affected employees must be paid overtime pay based upon the more favorable daily or weekly threshold.

The company is not eligible to use the eighty (80) hours worked in a two (2) workweek period as a basis for paying overtime. Any collective bargaining agreement citing the eighty (80) hour overtime rule must not be used and overtime payments must be based upon the 40-hour workweek rule.

REQUESTING, BORROWING, OR ACCEPTING MONEY, TIPS, OR GIFTS FROM PATIENTS/RESIDENTS OR THEIR FAMILY MEMBERS

To avoid even the appearance of inappropriate conduct, Healthcare strictly prohibits requesting, borrowing, or accepting money, tips, or gifts from patients/residents or their family members.

VACATION

Paid vacation is not accrued. It is granted only to employees who are continuing their employment. Therefore, employees will not be paid for "unused" vacation resulting from their termination for any reason, including termination of the Company's service agreement. No payments will be made for forfeited vacation days.

The amount of vacation time will be determined based upon the Company's policy at each facility. All vacation is to be taken during the year following the anniversary date of employment, and it may not be accumulated.

The following steps should be followed when requesting vacation:

1. Decide when you would like to take your vacation.
2. Inform your supervisor in writing, at least thirty (30) days before the desired time period (the sooner the better).
3. Your supervisor will make the final determination as to the availability of the desired time. (Because of operational requirements, not all vacation requests can be granted.)
4. If your desired time is unavailable, select another time.

HOLIDAYS

Eligible full-time employees shall be entitled to pay for designated holidays. The particular holidays and determination of eligibility will be based upon the Company's policy at each facility. Company holidays normally include:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

SICK DAYS

An eligible full-time employee (as defined by Company policy at each facility) will be paid for a limited number of sick days missed due to illness. The amount of paid sick days will be based upon continuous employment and will be determined based upon Company policy at each facility.

Whether you are eligible for a paid sick day or not, the following steps must be followed when reporting off sick:

1. You must telephone your facility and notify your supervisor of your absence at least one (1) hour prior to the start of your shift. Note that you must talk to your supervisor directly as part of your call-in responsibilities.
2. If you are out for an extended sick period of time (i.e., absent for 5 or more consecutive days that you would have been scheduled to work), a doctor's note will be required upon returning to work. (Unless otherwise agreed with your supervisor, each day out sick you must follow Step 1.)
3. Failure to provide a doctor's note upon returning to work from an extended sick period (i.e., absent for 5 or more consecutive days that you would have been scheduled to work) could result in termination.
4. Medical clearance from your doctor will be required, in writing, before you can return to work from an extended sick period (i.e., absent for 5 or more consecutive days that you would have been scheduled to work).

Sick days may not be accumulated from year to year. Employees will not be paid for unused sick days resulting from their termination for any reason, including termination of the Company's service agreement with the facility. No payments will be made for forfeited sick days. No pro-rated sick days will be issued to part-time employees.

JURY DUTY

The Company recognizes the need to provide this community service and employees will receive their regular rate of pay for normal hours scheduled, up to a maximum of 10 days of jury service per calendar year. Jury duty will be granted to employees upon prompt notification to their supervisor of a jury summons and subsequent notice of selection to serve as a juror. Employees will be allowed to retain any mileage and other compensation paid by the respective court jurisdiction.

BEREAVEMENT LEAVE

In the event of the death of a member of a full-time employee's immediate family (spouse, child, parent, brother, or sister), the employee will receive paid time off based upon the Company's policy at each facility, but not to exceed three (3) days off.

In the event of the death of a grandparent, aunt, uncle, niece or nephew, the employee will receive the day of the funeral off with pay.

UNPAID LEAVES OF ABSENCE

Healthcare provides three types of unpaid leaves of absence, depending upon the circumstances of the employee's need and the employee's employment status: Military Leave, Family and Medical Leave, and Personal Leave. Each is described below.

Requests for any type of unpaid leave of absence must be submitted to your supervisor at least one (1) month in advance of the expected starting date, or as soon as reasonably possible. You will need to state the reason for the leave, the requested date of the beginning of the leave, and the date you expect to return from the leave. Requests normally will be approved or denied within ten (10) days of receipt of the request.

Employees who have been granted unpaid leave are prohibited from working elsewhere in any capacity that is inconsistent with the reason for their leave, without the written permission of their supervisor. Violators may be discharged.

A. MILITARY LEAVE

Employees will be granted Military Leave in accordance with applicable law.

B. FAMILY AND MEDICAL LEAVE

Pursuant to the Family and Medical Leave Act (FMLA), eligible employees may take an unpaid family or medical leave of absence (Family/Medical Leave) of up to 12 weeks in a 12-month period. Eligible employees may take up to 26 weeks (less other FMLA-covered leave already taken) of unpaid FMLA leave in a single 12-month period to care for a Covered Service member, as described below. To be eligible for a Family/Medical Leave, an employee must have worked for the Company for at least 12 months, worked at least 1,250 hours during the 12 months prior to taking the leave, and work at a worksite with 50 or more employees located within 75 miles. Hours worked means actual hours worked and generally does not include paid or unpaid time off. However, periods of absence from work due to or necessitated by qualifying military service are counted towards an employee's eligibility for FMLA leave.

The "12-month period" for determining FMLA eligibility is a rolling period, measured backward from the date an employee uses any FMLA leave. With the exception of Covered Service member Leave, discussed below, this 12-month period is measured backward from the date any leave under this policy is taken. Any leave taken pursuant to this policy, other Company policies, or law which qualifies as leave under the FMLA will be counted against the employee's available leave under the applicable Company policy(s) and law, as well as the available leave under the FMLA, to the extent permitted by applicable law.

Reasons For Leave

If eligible, an employee may take Family/Medical Leave for any of the following reasons:

Birth/Placement. The birth of an employee's child, or the placement of a child with an employee for adoption or foster care.

Employees must conclude Birth/Placement Leave within one year following the child's birth or placement.

Family Care. To care for an employee's spouse, child, or parent, as defined below under "Definitions", with a serious health condition.

Employee Medical. When due to an employee's own serious health condition, which makes the employee unable to perform one or more of the essential functions of the employee's job. Pregnancy-related disability, pre-natal medical care and childbirth are covered under the FMLA.

Qualifying Exigency. Due to a qualifying exigency as defined in the FMLA final regulations, arising out of the fact that an employee's parent, child or spouse is on active military duty or has been notified of any impending call or order to active duty in the Armed Forces in support of a contingency operation as a member of the National Guard or Reserves. Qualifying Exigency Leave is not available to employees whose military family members are in the Regular Armed Forces. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, attending post-deployment reintegration briefings, and other activities associated with the family member's call or order to service. Contact the Healthcare Human Resources Department for additional information regarding what constitutes a qualifying exigency.

Covered Service member. To care for a parent, child, spouse or individual for whom the employee is next of kin, who is a current member of the Armed Forces, including the National Guard and Reserves, and who is receiving treatment for or recovering from a serious illness or injury incurred in the line of active duty. Such leave may be taken for up to 26 weeks in a single 12-month period, which period begins on the first day an employee takes leave for this purpose and ends 12 months after that date. An eligible employee who takes Covered Service member Leave may not take more than a combined total of 26 weeks of FMLA Leave in a 12-month period, including any leave taken for other FMLA-covered reasons. Under such circumstances, no more than 12 weeks of FMLA Leave in a 12-month period may be taken for reasons other than to care for a Covered Service member.

An employee may not be granted a Family/Medical Leave to gain employment or work elsewhere, including self-employment. If an employee misrepresents facts in order to be granted a Family/Medical Leave, he/she will be subject to immediate termination.

Definitions

CHILD - For Family Care and Birth/Placement Leaves, a child is a biological, adopted, foster, or stepchild or a legal ward or a child of a person standing in the place of the child's parent, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability. For Covered Service member and Qualifying Exigency Leaves, a child is a biological,

adopted, foster, or step child or a legal ward or a child for whom the employee stood in the place of a parent, who is on active duty or call to active duty status, and who is of any age.

SPOUSE - A spouse is a husband or wife as recognized under state law, including common law marriage where it is recognized.

PARENT - A parent is a biological, foster, or adoptive parent, step-parent, legal guardian, or an individual who stood in the place of a parent to an employee when the employee was a child. It does not include parents-in-law.

SERIOUS HEALTH CONDITION - A serious health condition is an illness, injury, impairment, or a physical or mental condition that involves (1) inpatient care (i.e., an overnight stay) in a hospital, hospice or residential care facility, including any period of incapacity or any treatment in connection with such inpatient care; (2) any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities) of more than three consecutive calendar days that also involves continuing treatment by a health care provider; (3) any period of incapacity or treatment due to a chronic health condition requiring periodic treatment; (4) any period of incapacity which is permanent or long-term for a condition for which treatment may not be effective and the employee or family member is under the continuing supervision of a health care provider; (5) any period of absence to receive multiple treatments for restorative surgery or for a condition that likely would result in incapacity of more than three consecutive calendar days if left untreated; or (6) incapacity due to pregnancy or for prenatal care.

COVERED SERVICEMEMBER - A Covered Service member is a member of the Armed Forces, including the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disabled retired list, for a serious illness or injury. For purposes of Covered Service member Leave, "serious illness or injury" means an injury or illness incurred in the line of duty while on active duty in the Armed Forces that may render the service member medically unfit to perform the duties of his or her office, grade, rank or rating.

NEXT OF KIN - A next of kin is the nearest blood relative of a Covered Service member, other than the Service member's spouse, parent, or child.

Notice of Leave

If the need for Family/Medical Leave (other than Qualifying Exigency Leave, explained below) is foreseeable, employees must give the Company at least 30 days' prior notice of the need for leave, if possible, or as much notice as practicable under the circumstances. Employees are required to make reasonable efforts to schedule a foreseeable leave to avoid disruption of Company operations, subject to the approval of the appropriate health care provider. If the need for leave is not foreseeable, employees are expected to notify the Company as soon as practicable under the circumstances. Failure to provide such notice may be grounds for delaying or denying the leave. An employee requesting Qualifying Exigency Leave should provide as much notice as is reasonable and practicable under the circumstances. An employee should submit a written request for Family/Medical Leave of Absence, which includes the anticipated date(s) and duration of the

requested leave. No Family/Medical Leave will be granted without the approval of the Healthcare Human Resources Department.

Certification

If a leave is requested because of the employee's or a covered family member's serious health condition or to care for a Covered Service member, the employee and the relevant health care provider must supply appropriate medical certification. Medical Certification Forms may be obtained from the Healthcare Human Resources Department. If the need for leave is foreseeable, the medical certification should be provided to the Company prior to the commencement of the leave. If the need for leave is not foreseeable, then the medical certification must be provided within fifteen (15) days after it is requested, or as deadline extensions are granted in writing by Healthcare's Human Resources

Department. It is the employee's responsibility, not the health care provider's, to ensure that Healthcare's Human Resources Department receives the fully completed medical certification by the deadline. Failure to provide requested medical certification in a timely manner may result in delay or denial of leave. Under certain circumstances, the Company, at its expense, may require an examination of the employee by a second health care provider designated by the Company. If the second health care provider's opinion conflicts with the original medical certification, the Company, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. The Company also may require medical recertification periodically during the leave and may ask for clarification of any medical certification submitted.

Certification also is required for Qualifying Exigency Leave. Certification forms are available from the Healthcare Human Resources Department.

The Genetic Information Nondiscrimination Act (GINA) prohibits employers and other entities covered by GINA Title II from requesting or requiring genetic information of an individual or family member of the individual, *except* as specifically allowed by this law. To comply with this law, we are asking that you not provide any genetic information when responding to a request for medical information. "Genetic information," as defined by GINA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

Reporting While on Leave

During a Family/Medical Leave, employees may be required to contact their supervisors periodically to report on their status and intention to return to work.

Leave Is Unpaid/Substitution of Paid Leave

FMLA leave is unpaid leave, except that employees will be required to use any available paid sick time during their leave. The receipt of disability, workers' compensation, or the substitution of paid leave for unpaid leave time does not extend the maximum Family/Medical Leave period.

Medical and Other Benefits

During an approved Family/Medical Leave, the Company will maintain an employee's group health benefits as if the employee had continued to be actively employed, for up to a total of 12 weeks (or 26 weeks if Covered Service member Leave is taken) in a 12-month period. If an employee takes more than 12 weeks (or 26 weeks if applicable) of approved Family/Medical Leave in a 12-month period, then the employee may elect to continue coverage at the employee's sole expense through COBRA for up to 18 months or until the employee returns to work. If paid leave is substituted for unpaid Family/Medical Leave, the Company will deduct the employee's portion of the health plan premium as a regular payroll deduction. If the leave is unpaid, an employee must pay his/her portion of the premium during the leave. Group health care coverage may cease for the remainder of the leave if the premium payment is more than 30 days late. If an employee does not return to work at the end of the leave period, he or she may be required to reimburse the Company for the cost of the premiums paid by the Company for maintaining coverage during unpaid leave, unless the employee cannot return to work because of a serious health condition or other circumstances beyond the employee's control.

Intermittent Or Reduced Schedule Leave

Intermittent leave is leave taken in separate blocks of time. A reduced work schedule leave is a schedule that reduces an employee's usual number of hours per workweek or hours per workday.

1. Leave to care for a newborn or for a newly placed child (sometimes referred to as "baby-bonding" leave) may be taken on an intermittent basis only if mutually agreed to, in writing, by Healthcare Human Resources Department, but may not be taken on a part-time or reduced work schedule basis;
2. Leave due to an employee's own serious health condition, to care for an employee's spouse, child or parent with a serious health condition, or to care for a Service member relative with a serious injury or illness, may be taken all at once or, where medically necessary, intermittently or on a reduced work schedule;
3. Leave because of a qualifying exigency due to the covered active duty or impending call to duty of a spouse, son, daughter or parent may be taken all at once or on an intermittent or reduced work schedule.

If leave is unpaid, the Company will reduce your remuneration based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave for foreseeable, planned medical treatment, you must make a reasonable effort to schedule the treatment so as to accommodate the Company's needs and not disrupt unduly the Company's operations. When you take intermittent or reduced work schedule leave for foreseeable, planned medical treatment, the Company may temporarily transfer you to an available alternative position for which you are qualified and which better accommodates your recurring leave and has equivalent pay and benefits.

Returning From Leave

Generally, upon return from Family/Medical Leave, employees will be reinstated to the same position or to an equivalent position with equivalent pay, benefits, and other employment terms, subject to any applicable exceptions. In addition, employees have no greater rights to reinstatement or to other benefits and conditions of employment than if they had not taken the Family/Medical Leave. As provided by law, under certain other circumstances, reinstatement following Family/Medical Leave may be denied. In addition, any right to reinstatement terminates if an employee fails to return to work at the end of an approved leave, in accordance with applicable law.

If leave is taken because of the employee's own serious health condition, then the employee must provide medical certification addressing the employee's ability to perform the essential functions of the job. Employees failing to provide a release to return to work when required to do so will not be permitted to resume work until such certification is provided.

Legal Compliance

This policy will be interpreted and applied in accordance with applicable federal, state and local laws, and to the extent that this policy may conflict with those laws, they are controlling over this policy. Further, the Company retains all available rights and defenses under applicable law, whether or not specifically set forth in this policy.

C. PERSONAL LEAVE

Employees who have completed their probationary period may apply for a Personal Leave for a period up to three (3) months for reasons other than those listed above. Personal Leave may also be requested by employees who have completed their probationary period but who do not meet the eligibility requirements for FMLA leave, or who have exhausted their FMLA leave, or by employees who need a period of leave due to a "disability" within the meaning of the Americans with Disabilities Act (or similar state law).

Personal Leave requests are not granted automatically; rather, the decision whether to grant a request for Personal Leave is within the sole discretion of the Company. Factors that the Company will consider include: the employee's work history, including attendance records; the Company's operational/staffing needs; and requirements under the Americans with Disabilities Act (and comparable state laws).

An employee returning from Personal Leave usually will be restored to his/her former position and shift or to a position with similar pay, benefits, and other terms and conditions of employment. However, Healthcare cannot guarantee that an employee out on a Personal Leave will be returned to his or her former position.

Employees on a Personal Leave shall not accrue vacation, holiday, or sick leave. Employees on a Personal Leave of more than one month who are covered under the Company's health insurance plan at the start of that Personal Leave shall be offered the opportunity, under COBRA, to continue that coverage at their own expense, provided they make timely payments.

CONFLICTS OF INTEREST

Your judgment is one of your most valuable assets. You should avoid any activity or association which conflicts or appears to conflict with your independent judgment and Healthcare's best interest. Conflicts can arise in many situations, and it is impossible to cover them all here. In doubtful cases, consult your supervisor before taking any action.

These guidelines apply to the most common conflict situations:

1. Do not make investments that might affect your business decisions.
2. Do not accept gifts, loans, or preferential treatment from anyone doing business with Healthcare.
3. Get clearance from the Compliance Officer (at 1-800-523-2248) before doing business on Healthcare's behalf with any company in which you, or a close family member, may benefit from your actions.
4. Do not work for a supplier, client, or competitor while working for Healthcare or do any work for a third party that may adversely affect your performance or judgment on the job.
5. Do not become involved in non-company business related interests which require time during regular business hours. Even charitable activities during business hours require prior approval of the employee's supervisor.
6. Do not misuse company information to which you have access as an employee, whether or not confidential or proprietary.

PATIENT/RESIDENT ABUSE/NEGLECT

"Abuse" is the infliction of physical or mental injury, or the causing of the deterioration of a patient/resident, by any means including, but not limited to, sexual abuse, exploitation, or extortion of funds or other things of value, to such an extent that his/her health, morale, or emotional wellbeing is endangered.

"**Neglect**" is the failure to provide the proper or necessary medical care, nutrition, or other services necessary for a patient/resident's well-being.

If You Abuse A Patient/Resident You May Be Prosecuted

Patients/Residents are to be treated with dignity and respect at all times and under all circumstances. Mistreatment in the form of verbal or physical abuse of any nature will not be tolerated. Any employee guilty of abusing a patient/resident is subject to immediate discharge. Local and State authorities will be notified immediately and criminal charges may be filed against any employee guilty of abuse. Employees found guilty of abuse and/or neglect may be fined and/or imprisoned as prescribed by applicable law.

If You See Abuse Or Neglect You Must Report It

Any employee who has actual knowledge of the abuse or neglect of a patient/resident shall immediately submit a complaint to the employee's supervisor (or if the employee's supervisor is not immediately available, to the Administrator or Nursing Supervisor).

Immunity

Any employee reporting abuse or neglect in which they are not involved is immune from discipline. Any employee making a bad faith, malicious, or reckless report, however, may be subject to discipline by the Company, in addition to possible criminal penalties and/or civil liability.

PATIENTS'/RESIDENTS' RIGHTS

As a service provider for health care facilities, Healthcare endorses and respects the patients'/residents' right to privacy and the protection and preservation of their dignity, individuality, and independence. The facility is the home of the patient/resident and all employees must conduct themselves accordingly.

All employees are required to become familiar with, and follow, the patients'/residents' rights policy of the facility. Healthcare will provide training on the facility's particular patients'/residents' rights policy and procedures. A typical policy provides for, among other things, the following patient/resident rights:

Consideration, dignity, and respect in treatment and care.

1. Privacy related to personal care, treatment, visits with family and friends, and communication.
2. **Use and quiet enjoyment of his/her room**, including the right to close the door, and retain and use personal clothing and possessions.
3. Participation in the **planning of total care and medical treatment**, including being fully informed of medical condition, selecting a doctor, and refusing treatment.
4. Participation in **patient/resident councils** to make complaints and recommend facility policy changes.
5. Management of the patient's/resident's **own financial affairs**.
6. **Confidentiality** of patient/resident records.

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

HIPAA PRIVACY RULE AS IT RELATES TO OUR SERVICES

The federal government's HIPAA Privacy Rule ensures that Personal Health Information about patients/residents is protected and kept private and secure. Under HIPAA's privacy and information security section, it is illegal to release health information to inappropriate parties or fail to adequately protect Personal Health Information from release. The HIPAA Privacy Rule applies to covered entities — most health care providers — including long term care facilities and assisted living facilities.

Most health care providers do not carry out all their health care activities by themselves. Instead, they often use the services of a variety of other persons and businesses. These other persons and businesses are called Business Associates in the HIPAA law. Business Associates perform functions on behalf of the health care provider and are bound by the HIPAA Privacy Rule. From time to time, a Business Associate in performing its duties will come in contact with Personal Health Information. Rules governing the use and disclosure of Personal Health Information apply to Business Associates, as well as health care providers.

Healthcare is not a Business Associate when it provides Housekeeping/Laundry/Maintenance services. HIPAA specifically excludes entities that provide Housekeeping/Laundry/ Maintenance services from the law because the work being performed does not involve the use or disclosure of Personal Health Information. However, since our Housekeeping/Laundry/ Maintenance employees may inadvertently come in contact with Personal Health Information, they need to have a general awareness of the law.

Healthcare is a Business Associate when it provides Food Services and is required to comply with HIPAA. Food Service consists of the development of a meal plan that meets the patients/residents dietary needs in connection with the over all medical plan developed in conjunction with the health care facility. In meeting its responsibilities, Healthcare's Food Service department on a regular basis comes in contact with residents'/patients' Personal Health Information and must keep this information confidential.

The HIPAA Privacy Rule creates national standards to protect individual's medical records and other Personal Health Information.

- It gives patients/residents more control over their health information.
- It sets boundaries on the use and release of health records.
- It establishes appropriate safeguards that workers in a health care facility must follow to protect the privacy of health information.
- It holds violators accountable.

Violations of the HIPAA Privacy Rule carry both civil and criminal penalties for "wrongful disclosure" that can include fines and jail time in certain circumstances. Failing to protect residents'/patients' information and records by not following our privacy and security policies may result in disciplinary action.

What Is Confidential Personal Health Information?

Patients/residents expect that only the people who are caring for them will see their health information and that it will only be used to help care for them. Confidential Personal Health Information includes:

- Patient/Resident Identity
- Address
- Age
- Social Security Number
- Any other personal information that patients/residents are asked to provide.
- Diagnosis, treatments, and medications that patients/residents may receive, and other observations about their conditions or past health conditions.

The facility collects Personal Health Information so it can care for the patient/resident and perform other related functions. Depending upon your job responsibilities, if you do not need to know confidential Personal Health Information, you will not be given access to it. That means that you should not look at medical records, either in the computer or in paper form.

There are occasions when you will have access to confidential Personal Health Information. For example, if a patient/resident is placed in isolation, you may become aware of why he/she is there or you may suspect you know why. You may see confidential Personal Health Information about patients/residents in various places throughout the facility. Remember this information is confidential and must not be communicated to anyone else. This information is not to be used by you in any way or told to anyone, including coworkers, other patients/residents, visitors, or anyone else who may ask you about it.

Ways to Protect Confidentiality

Housekeeping/Laundry/Maintenance and Food Service Employees:

- Employees should knock on the door and ask to enter before entering a resident's/patient's room.
- If you find you are overhearing someone discuss patient/resident care information remember to keep it confidential.
- If visitors ask you for information about a patient/resident, direct them to the information desk for assistance rather than giving out information yourself.
- Anytime you come in contact with Personal Health Information, whether part of your job responsibilities or not, remember to keep it confidential.

Food Service Employees:

- Patient/resident care or discussion about the resident's/patient's care is kept private by closing room doors or drawing privacy curtains and conducting discussions so that others may not overhear them.
- Patient/resident medical records must not be left where others can see or have access to them. Keep residents'/patients' records locked away and out of public areas. If you find records unattended, give them to your supervisor.
- Paper records must be treated as though they contain Personal Health Information and are confidential.
- Employees who use computerized records must not leave their computers logged into resident information while they are not at their workstation.
- Computer screens containing patient/resident information should be turned away from the view of the public or people passing by.
- Do not write your password down, post it, or keep it where others can find it.
- Do not store Personal Health Information in common files.
- Never remove written records or computer equipment, disks, or software from the facility.

Protecting confidentiality depends on you. You must not share information that you overhear or see in the course of your work. Doing so is a violation of the law. When you do see or hear information in the course of doing your job, remember that the information is confidential and you are not allowed to repeat it or share it with others. This applies even when you no longer work at the facility.

Reporting Non-Compliance

Employees are encouraged to report non-compliance to your immediate supervisor. If you feel that corrective action has not been taken concerning your report, you should contact Healthcare's Corporate Compliance Officer at 1-800-523-2248. Employees will not be punished for reporting violations. It is considered part of your job responsibilities to report instances where you suspect that the privacy or confidentiality policies have been broken.

CHEMICAL USE

Like most jobs, there are possible hazards that you should be aware of before beginning employment. The chemicals that you use are never dangerous when used in their proper dilution and for the use for which they are intended. However, if a patient/resident were to swallow a chemical, or you were to accidentally spray yourself in the eye, adverse reactions can and will occur. Always follow these guidelines:

1. Never use a chemical for something other than for what it is intended.
2. Always make sure that all bottles have proper labels. If not, report it immediately to your supervisor.
3. Avoid using old bottles for new chemicals. Even though the bottle may appear dry, a residue of the previous chemical often remains and could cause a chemical reaction.
4. Each housekeeping cart has a lockbox. All chemicals are to be stored in the lockbox. Do not leave your cart unattended. Store it properly while you are on break.
5. If you leave chemicals in the janitor's closets, the door must be locked!
6. **NEVER MIX CHEMICALS!!!!**

FIRE PROCEDURE AND EVACUATION PLAN

As a service provider for health care facilities, Healthcare's employees must be aware of the fire procedure and evacuation plan of the facility in which they work. Employees will be required to assist facility personnel as instructed. Healthcare will provide training on the facility's particular fire procedure and evacuation plan, including:

1. Location and use of fire extinguishers.
2. Location and operation of the fire alarm system.
3. Patient/resident evacuation procedures and your responsibilities.
4. Notification procedures and actions to be taken if you are the person who located the fire.

In the event of a fire:

1. Evacuation of patients/residents from the area comes first.
2. Notification should be made to the designated facility person as soon as possible after the patients/residents have been evacuated. Be prepared to:
 - Identify the location of the fire by room or location.
 - Describe the size of the fire (large or small) and what is on fire.
3. Never use the word FIRE when notifying facility personnel. Instead, use the facility's Fire Code (generally a number or color).
4. Locate and use the fire alarm when warranted.
5. Determine whether you can extinguish the fire with the available fire extinguishers and fire blankets.
6. After being notified, the facility will take charge and notify the Fire Department, Police Department, and Evacuation Center as necessary.
7. The facility will coordinate its evacuation procedures, including your role, if any.

SAFETY AND HEALTH POLICY

It is the responsibility, commitment and policy of Healthcare to provide and maintain safe and healthful working conditions throughout our organization. All employees are responsible for complying with safe and healthy work practices. Our system of ensuring that all employees are aware of and comply with these practices include the following:

- New employee orientation covering safety and health policies and procedures (i.e. Hazard Communications, Bloodborne Pathogen (including Hepatitis B vaccination), TB Awareness, Personal Protective Equipment, etc.).
- New employee training and routine re-training of existing employees on safety and health practices.
- On-going evaluation of the safety performance of all employees.
- Re-training and disciplining (if necessary) employees for failure to comply with safe and healthful work practices.
- Initial and routine facility inspection to identify and evaluate workplace hazards.
- Establishing open communications so that all employees are encouraged to inform their supervisor of any safety or health hazards.

Healthcare will provide comprehensive training to all employees through our in-service programs. Workplace safety and health training is essential, and attendance at these training sessions is mandatory and must be documented.

IN-SERVICE TRAINING PROGRAMS

It is the policy of the Company to provide job training to new employees and to provide training on safety and health issues on an on-going basis to all employees. Training will be conducted during regular working hours and employees are required to attend.

In-Service Training programs will be conducted for the following programs, among others:

- Occupational Exposure to Bloodborne Pathogens
- Hazard Communication Program
- TB Awareness Program
- Personal Protection Equipment

PERSONAL PROTECTIVE EQUIPMENT

All employees must comply with applicable Occupational Safety and Health Act regulations. Each employee will be trained in the use of Personal Protective Equipment. Employees must follow operating practices that will safeguard all employees, and result in a safe working environment and efficient operation.

Any employee who is provided with safety equipment is required to wear such equipment at all times when doing the work for which the equipment was provided.

NEEDLE STICK INJURY PROGRAM

Needle stick injuries require special handling. Healthcare has engaged Corporate Wellness, Inc. ("CWI") to provide a national program to include an information resource and to administer the program. **If you should incur a needle stick on the job, you need to do the following to protect yourself:**

1. Immediately notify your supervisor of the incident.
2. Go to the nearest handwashing facility and thoroughly wash the exposed area with soap and warm water as quickly as possible.
3. Your supervisor will complete a Needle Stick Injury Report and fax it directly to CWI.

Needle sticks should be reported within one (1) hour of an incident, whenever possible. CWI is available by pager 24-hours per day, seven days a week. After receiving the Needle Stick Injury Report, CWI will contact you and provide you with good, accurate information about the situation. That information includes:

1. The availability of counseling.
2. The need to be tested for HIV, Hepatitis B, or both.
3. Physician selection options.
4. Treatment options.
5. Risk of infection.
6. Prevention of transmission.
7. Recommended treatments following exposures.

INFECTION CONTROL

Because many of the patients/residents of a health care facility have weakened defenses and are more prone to getting sick, it is important that our employees use extra care to maintain as sanitary an environment as possible. By protecting the patients/residents from any harmful germs, employees are also protecting themselves. There are five ways to transmit bacteria that can cause infection:

1. Direct contact with infected person.
2. Indirect contact with objects contaminated by the infected person.
3. The inhalation of air-borne dust or droplets contaminating the infected agents.
4. Spread through insects.
5. Inoculation.

Some Things to Remember:

1. Use an effective quaternary germicidal solution along with systematic cleaning of all resident rooms and bathrooms.
2. All surfaces must be exposed to the chemical agent. Anything short of actual contact will not do the job.
3. Always dilute properly: too little will be ineffective, too much will be wasteful.
4. Never use a chemical on any surface until you are sure that it is safe for that purpose.
5. Since chemicals are liquid and could be swallowed, all bottles must be labeled with contents, ingredients, and antidote.
6. No cleaning or working around food while it is being served.
7. Change water often. Failure to do this will result in cloudiness and sedimentation which will lessen the effectiveness of the germicidal solution.
8. Complete routine cleaning of closets and drawers to eliminate insect breeding grounds.
9. Follow all isolation procedures for linen and laundry.
10. Linen and laundry procedures must be designed to prevent cross-contamination.
11. Where required, schedule and receive initial chest x-ray or Tine Tests to detect any communicable disease.
12. Use hand lotion. It is a good practice to use hand lotion after cleaning because the disinfecting agents are still at work on your skin.
13. Make sure all equipment is kept clean or it could be a breeding ground for germs.

SUBSTANCE ABUSE

In order to fulfill our responsibility to provide reliable and safe service to our clients and a safe working environment for our employees, employees of Healthcare must be physically and mentally capable to perform their duties in a safe and efficient manner. Therefore, no employee shall work or report to work while under the influence of alcohol, illegal drugs, or drugs which would affect their ability to perform the job in a safe and efficient manner.

No employee shall consume, display, or have in his/her possession any alcoholic beverages or illegal drugs at any time during the work day, including in the workplace, in Company vehicles, during lunch, breaks, and on-call hours. To do so could jeopardize the safety of other employees, the public, Company equipment, and the Company's relationships with its clients and the public, and will result in disciplinary action, up to and including dismissal.

Should employees be required to take any kind of prescription or nonprescription medical treatment which may potentially affect their job performance, they are required to report this to their supervisor, who will determine if it is necessary to temporarily place them on another assignment to ensure their safety and the safety of other employees and the public.

To protect the best interests of employees and the public, Healthcare will take whatever measures are necessary to determine if alcohol or illegal drugs are located in, or are being used at, the workplace. These measures will not be taken unreasonably, but when the Company believes them to be justified and necessary. Measures that may be used will include, but not be limited to, searches of people and of personal property located at the workplace, possibly by law enforcement authorities, as well as drug and/or alcohol tests to be conducted when there is reasonable suspicion of substance abuse. In addition, employees who suffer, or contribute to, a work-related accident requiring medical treatment for any employee or facility patient/resident, will be required to submit to drug and/or alcohol testing if it is possible that an impaired condition could have contributed to the accident.

When urinalysis and/or blood tests are requested or necessary, samples will be taken under the supervision of an appropriate health care professional. The searches and drug tests will not be conducted if an individual refuses to submit to them. However, refusal to submit will result in immediate removal from service and normally will result in termination.

Employees experiencing problems with alcohol or other drugs are urged to voluntarily seek assistance to resolve such problems before they become serious enough to require management referral or disciplinary action. A portion of the cost of treatment may be covered by your medical insurance program. Successful treatment will be viewed positively. However, participation in a treatment program will not prevent normal disciplinary action for a violation which may have already occurred, nor will it relieve an employee of the responsibility to perform assigned duties in a safe and efficient manner.

WORKERS COMPENSATION INSURANCE

Healthcare provides a workers' compensation program at no cost to employees for any injury, death, or occupational disease arising out of, and in the course of, employment.

It is very important that proper procedures be followed by all employees when injured on the job. Although the amount of benefit coverage varies from state to state, the injured employee may receive three basic types of benefits: medical care costs, temporary disability income, and rehabilitation costs.

All employees who are injured or ill resulting from a work-related incident must inform their supervisor immediately. Supervisors are required to report immediately, or as soon as practical, to their designated Risk Manager — Workers Compensation, all incidents involving employees under their supervision.

HEALTH/DENTAL INSURANCE CONTRIBUTION BY EMPLOYEES ON WORKER'S COMPENSATION OR AN APPROVED LEAVE OF ABSENCE

An employee who is covered by the Company's health/dental insurance who is out on Worker's Compensation or an approved leave of absence is responsible for reimbursing the Company for the employee deduction (employee's cost) for health/dental insurance during the first 30 days of absence.

If the employee's absence extends past 30 days, the employee will be responsible for the full amount of health/dental insurance premium. If the employee does not pay the monthly premium due within 30 days of the date specified in their Notification Letter, the health/dental insurance will be terminated.

Eligible employees taking leave under the Family and Medical Leave Act of 1993 will be entitled to continue their health/dental insurance coverage for up to 12 weeks of leave, provided the employee makes the required employee-contributions for coverage. Employees must notify their supervisor of this request.

The District Manager must communicate the details of an employee's leave to the Corporate Benefits Department so that the department may administer the collection of payments.

SOLICITATION AND DISTRIBUTION

In order to avoid unnecessary annoyances and interruptions during your work, solicitation by an employee of another employee is prohibited while either person is on working time. Furthermore, employees are prohibited from distributing any kind of written or printed materials (e.g., handbills, handouts, pamphlets, advertising materials, etc.) during working time or in work areas.

In addition, employees are prohibited at any time from engaging in solicitation or distribution of any kind of written or printed materials in patient/resident-care areas. Such areas include: patient/ resident rooms, all places where patients/residents receive treatment, all corridors next to any of the above rooms and places, and any other place designated for exclusive use of patients/residents.

Finally, non-employees may not trespass, solicit, or distribute any kind of written or printed materials on facility premises at any time.

SMOKING REGULATIONS

Smoking is permitted only in areas of the facility that are specifically designated as smoking areas. Employees are allowed to smoke only when on break, and only in the specifically designated areas.

Smoking is prohibited in any room or area where flammable liquids, combustible gases or oxygen are used or stored, or in any other hazardous location.

PERSONNEL RECORD CHANGES

Each employee should notify their supervisor immediately of any changes in their mailing address or telephone number.

EMPLOYEE HANDBOOK RECEIPT

By signing below, I acknowledge that I have received a copy of Healthcare's Employee Handbook, and that it is my responsibility to read and comply with the policies contained in this Handbook. I understand that if I have any questions about anything in this Handbook, I should direct them to my supervisor.

Date: _____

Employee's Signature

Employee's Name Printed

NOTES

