

TEXAS PRIME HEALTHCARE INC.

EMPLOYEE HANDBOOK

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I. PHILOSOPHY

The owners and management of Texas Prime Healthcare Inc operate on the principle that the services we provide are an expression of the dignity and worth of every employee. We exist to meet the physical and emotional needs of our clients, to the full extent of our education, training and licensing.

II. MISSION STATEMENT

Texas Prime Healthcare inc. mission is:

1. To provide a broad base of services based on our client's needs, involving clients in establishing, implementing & evaluating services.
2. To maintain clients in their homes as long as possible by providing nursing care and related health services.
3. To assist clients in using all restorative methods, tools and procedures to return to their normal pattern of living as soon as possible.
4. To provide cost competitive, quality services.
5. To develop a relationship with referral sources to effectively meet the home care needs of clients.
6. To serve as a link between clients and available community resources.

III. VISION STATEMENT

We value our clients above all. As the driving force behind our mission, our clients and their caregivers are to be treated with compassion, respect and integrity by a highly trained team of health care professionals who treat them as they would members of their own family.

IV. INTRODUCTION

This Employee Handbook is a brief description of the personnel policies, benefits, rules of conduct and safety regulations of Texas Prime Healthcare Inc. It is designed as a guide; subject to the terms and conditions of other standard operating procedures, medical guidelines, insurance policies and various regulations. These policies, practices and benefits are continuously reviewed and may change from time to time.

Nothing in this Employee Handbook creates an implied or expressed contract of employment. The employment relationship may end at any time by Texas Prime Healthcare Inc or any employee in accordance with the "at will" doctrine of Texas.

V. EMPLOYMENT GUIDELINES

PROBATIONARY PERIOD

All employees will be subject to a ninety (90) day probationary period from their date of hire. Probationary periods may be extended at the discretion of Texas Prime Healthcare Inc. An employee is not eligible for benefits during this probationary period.

At this time the agency does not provide compensation for vacation and sick leave. Full-time office and field staff are eligible for vacation and sick leave benefits. Vacation time and sick leave will accrue from the date of hire. However, an employee may not take advantage of sick benefits until after the ninety (90) day probationary period and vacation benefits after six (6) months from the date of hire.

During the probationary period. Texas Prime Healthcare Inc may terminate any employee who has not met the expectations of Texas Prime Healthcare Inc or fulfilled their job responsibilities.

ORIENTATION

New employees will receive a comprehensive orientation and review of personnel policies, benefits, procedures, job descriptions, safe practices, universal precautions, work rules, forms and other matters. This orientation will start the first week of employment and include a variety of documents, schedules, forms, affidavits and instructions. All employees to assure that changes are communicated and understood, will attend staff meetings.

CRIMINAL HISTORY CHECK, EMPLOYEE MISCONDUCT AND NURSE AIDE REGISTRY

Applicants for employment and new employees who are non-licensed will have their criminal history checked within 7 hours of date of hire. A Criminal History Check (CHC) will be done to determine the employability of the individual and management will review the response from the Texas Department of Public Safety (TDPS). Texas Prime Healthcare Inc, will not keep an unlicensed employee who was convicted of an offense as specified in Section 250.006, Convictions Barring Employment, or if the facility determines there is a contradiction of employment. Employees may appeal to the Texas Department of Public Safety (TDPS) Error Resolution Center at (512) 465-2520, if it is felt that the information provided is not correct.

The agency will also conduct a search of the Employee Misconduct and the Nurse Aide Registry prior to the offer of employment for all unlicensed staff that has direct contact with the agency's clients. If an individual is listed in these registries as having committed an offense of abuse, neglect or exploitation, the agency will not hire this individual.

DRESS CODE POLICY

Non-compliance with the dress code will result in disciplinary action or termination by the Agency.

Apparel in General:

Any employee may not wear the following while on duty during business hours:

Hair rollers, house slippers, midriff tops, thongs, spaghetti strap, platform shoes, tube tops, T-shirts, or any shirts containing printed maker of obscene jesters or logos.

The agency's management staff reserves the right to determine if the employee's attire is appropriate.

FEMALES:

1. Dress length should be no shorter than 2 inches above the knee.
2. Slacks are acceptable when made of material heavy enough so as to not be transparent and fitting loosely enough to permit freedom of movement and showing good taste.

MALES:

1. Street clothes clean and free of holes and tears.

DRESS CODE BY CLASSIFICATION:

1. Field Staff - scrubs, traditional uniforms, or street clothes with lab coat. Nametags required.
2. Office Personnel - street clothes
3. All professional field staff will be provided with a nametag.

TRAINING AND MEETINGS

Staff meetings, seminars, in-service training and continuing education workshops will be offered and scheduled periodically. They serve the purpose of improving communication, enhancing knowledge, improving skills for the delivery of home health services and licensing.

- a) Other personnel may attend seminars that relate to their specific job duties as assigned.
- b) Management Personnel may attend meetings, seminars and classes that improve their ability to supervise and administer their areas of responsibility, or that enhance government, provider or public relations. Reading newsletters, journals, periodicals and regulations is an on-going part of staying current.
- c) Licensed Staff are required to maintain a current licensure. The expense of maintaining compliance with employees appropriate Board is the responsibility of the employee.
- d) Home Health Aides must receive twelve (12) hours of in-service training per calendar year. In-service may be in or out of the office, but is subject to the approval of management.

Attendance records and certificates must be turned into the office upon receipt. Texas Prime Healthcare Inc will reimburse for one (1) continuing education workshop per year for full-time licensed personnel. Such training is usually scheduled during regular work hours. For meetings or workshops that are out of town or require overnight stays, eight (8) hours of pay will apply, mileage will be reimbursed and hotel costs will be paid.

PERSONNEL RECORDS

It is a requirement that Texas Prime Healthcare Inc keep accurate employee files. Please notify the office whenever there is a change in any of the following:

- | | |
|-------------------------------|-------------------------------------|
| a. address or phone number | f. person to notify in emergency |
| b. marital status/name change | g. beneficiary for life insurance |
| c. number of dependents | h. completion of training/education |
| d. tax changes for IRS taxes | i. driver's license status |
| e. auto insurance information | j. licenses or medical condition |

Confidential personnel records are maintained on each employee. An employee may review his/her personnel file by requesting an appointment with the Administrator that does not interfere with work. All files are property of Texas Prime Healthcare, Inc, and are treated as confidential information. All personnel records must be maintained in a locked filing cabinet at all times.

PERFORMANCE EVALUATION

A written performance review will be scheduled annually from the employee's initial date of hire. These evaluations will be completed by the employee's immediate supervisor and reviewed/approved by the Administrator. Texas Prime Healthcare Inc's personnel must make arrangements to complete mandatory orientation with the Director of Nurse or designee at least thirty (30) days before their probationary period ends.

RESIGNATION

An employed who decides to leave the agency, must give two (2) weeks written notice. The letter should include:

1. The reason for leaving
2. The last day of work
3. Future Plans
4. Signature and date

A terminating employee must return all equipment, supplies, files, keys, identification pin and any and all materials to Texas Prime Healthcare Inc. Resignation without notice is discouraged because of its disruption to the services we provide. Terminating employees will be paid for accumulated vacation leave only if two (2) weeks written notice is given and they are leaving under favorable circumstances. Employees who are terminated for acts of dishonesty, violence, drug abuse or other serious causes will not be paid until all notes are turned in correctly. The last day actually worked is always the official termination date. The Administrator or designated representative will conduct an Exit interview with the departing employee.

TELEPHONE CALLS

Every call Should be answered promptly and clearly. Texas Prime Healthcare Inc, telephones are to be used for business purposes only. Personal telephone calls are discouraged and must be kept to a minimum. Personal visits at work should also be limited. Please tell family and friends of this policy. Personal long distance telephone calls are not permitted and fees will be collected from the employee. Management may monitor telephone calls in order to assure that Texas Prime Healthcare Inc's quality standards are maintained. Telephone records and billing records may also be analyzed in order to ensure compliance with this policy.

VI. PAY PRACTICES

Texas Prime Healthcare Inc, believes in "pay for performance." Wages and salaries are based on education, training, skill level, experience, licensing, certification, performance evaluation and other factors. Compensation will not be paid during natural disasters or if there is any interruption to our business and we cannot provide patient services.

PAYROLL PERIOD

The payroll period is every two weeks. Paychecks will be distributed on the Friday one (1) week after the end of the pay period. If the payday falls on a holiday, the paychecks will be distributed on the day prior to the holiday. If the payday falls on a Saturday, checks will be distributed on Friday; if on Sunday, they will be distributed on Monday.

TIME SHEETS

Employees are required to record working time on a time/activity sheet. Any delay in submitting time sheets may cause a delay in providing payroll paychecks. Texas Prime Healthcare Inc, depends on the accuracy of time sheets. The employee and supervisor before turning in the time/activity sheet must initial errors, changes or exceptions. Falsifying payroll records is a serious matter that will result in disciplinary action.

SCHEDULING

Texas Prime Healthcare Inc's business hours are 9:00 AM to 5:00 PM, Monday through Friday. However, patient care may be required at other times. If a nurse or aide has a normal patient load, all visits should be completed within an eight (8) hour time frame. Certain conditions require a patient load to be seen prior to 9:00 AM and after 5:00 PM, these patients' visits will be included in the patient load and time should be scheduled accordingly to accommodate the difference in hours.

OVERTIME PAY

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 Labor Standards Act of 1938, as amended. Hourly employees are not permitted to work overtime unless scheduled and approved in advance by their supervisor.

ON CALL

There will be an RN and On-Call from 5:00 PM until 8:00 AM the following morning every day. On-Call duty will be assigned on a rotating basis. On-Call nurses must carry a beeper, mobile phone and an on-call box. Their responsibilities include documenting all calls, performing visits as required and submitting reports. For this, they will get compensated.

PAYROLL DEDUCTIONS

Certain payments will be automatically deducted from each paycheck, as required by law and others for the convenience of the employee:

1. Federal Withholding Tax
2. Social Security Tax
3. Medicare Insurance Tax
4. Group Life/Health Insurance Premiums
5. Court-Ordered Child Support, IRS Taxes or Bankruptcy Payments

VII. TIME AWAY FROM WORK

When it becomes 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.

HOLIDAYS

At this time, the agency does not provide compensation for paid Holidays.

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

1. New Years Day
2. Good Friday
3. Independence Day
4. Memorial Day
5. Labor Day
6. Thanksgiving Day
7. Christmas

Holiday pay is calculated as an eight (8) hour day at regular pay rate for full-time hourly and salaried employees. The office will be closed on holidays, however when a holiday falls on a weekend, employees will be granted another day off. Hourly employees will be paid at a regular rate of pay; if the employee works on the holiday, he/she will also be paid an hourly rate for any visits performed on the holiday. RNs are paid a fee per visit rate in addition to the holiday. In order to receive Holiday pay, employees must work their regular schedule on the day before and after the holiday. Texas Prime Healthcare Inc 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 LEAVE

At this time, the agency does not provide compensation for Paid Leave.

- A. Employees will accumulate vacation time at the rate of six (6) hours per pay period. Employees are eligible to use vacation time after six (6) months of employment.
- B. An employee that is determined by administration to cause a hardship with his/her absence may be paid vacation in lieu of days off. This pay will be regular base pay and will not be considered overtime when paid. This action will be determined by the administrator in conjunction with the employee's supervisor.
- C. Requests for vacation time off and/or vacation time paid, must be requested at least two weeks in advance. This is for administration to process paperwork for pay.

SICK LEAVE

At this time, the agency does not provide compensation for Sick Leave. Texas Prime Healthcare Inc, will require medical evidence of illness when the employee has been out for three (3) consecutive days or more through a written physician's statement before granting pay for sick leave, however Texas Prime Healthcare Inc, reserves the right to require medical evidence at any time. The Administrator and/or DON must be notified by the employee of absence due to illness before 9:00AM on the first sick day and on each day of illness thereafter. Clinical employees must notify the DON or RN On-Call one (1) hour prior to work schedule. RN On-Call will be responsible for scheduling any visits needing to be made before 9:00AM

and will notify staffing personnel at 9.00AM of employee's absence and request remaining visit(s) be rescheduled. Clinical personnel must then notify the DON of absence during business hours. Failure to report can result in leave without pay.

Sick pay shall be granted for illness of the employee, spouse or children. Sick leave cannot be carried over. There is NO sick leave entitlement during the initial probation period.

PERSONAL LEAVE WITHOUT PAY

Full time employees may be granted an unpaid leave of absence for valid personal reasons after paid leave has been exhausted. Management on an individual basis will consider each request, which must be in writing. New employees are not eligible for Personal Leave Without Pay during the first year. Group health insurance premiums for the employee and the employee's dependents must be paid in advance through payroll deduction.

MEDICAL LEAVE OF ABSENCE

A Medical Leave of Absence shall be granted after the Administrator approves it only after medical evidence is submitted by a licensed physician indicating that it is necessary. The maximum amount of time allowed for a Medical Leave of Absence is three (3) months. Any employee on Medical Leave who is not able to return to work after this period must have an extension approved by the Administrator. When an employee is on Medical Leave of Absence, he/she may return to work only with the consent of the attending physician in writing. Employee benefits do not accrue during the time an employee is on Medical Leave of Absence.

JURY DUTY

At this time, the agency does not provide compensation for Jury Duty.

When a full-time employee is required to serve on a jury, Texas Prime Healthcare Inc, will continue to pay regular pay, based on eight (8) hours per day up to forty (40) hours per week. Notify the Administrator or DON as soon as being informed about a jury appearance and continue to call in daily if you are selected to serve on a jury. Such duty must be noted on the time sheet and a copy of the jury summons and a letter of service from the Clerk of the Court must be turned in to the office. Employees are expected to return to work as soon as released from duty, including partial day and all fees paid by the court shall be submitted to the agency in order to receive compensation for Jury Duty leave pay.

FUNERAL LEAVE

At this time, the agency does not provide compensation for Funeral Leave.

An employee will be granted up to three (3) days of leave with pay, for time off due to family death of spouse, child(ren), mother, father, brother, sister, grandparents, father-in-law, or mother-in-law. Proper notification will be required.

MILITARY LEAVE OF ABSENCE

At this time, the agency does not provide compensation for Military Leave of Absence.

Military Leave of Absence is granted as required by the Military Selective Service Act of 1974, the Veterans Re-Employment Rights Law of 1994 and other applicable regulations. Such leave is excused and without pay.

VIII. INSURANCE

GROUP HEALTH, DENTAL & LIFE INSURANCE

At this time, the agency does not provide Health, Dental or Life Insurance.

Full time employees are eligible for Health, Dental and Life Insurance after ninety (90) days of employment. The cost of insurance for each employee is paid by Texas Prime Healthcare Inc, and may occasionally change due to regulations, claims experience or economic conditions. Dependent coverage is available at the employee's expense.

HEALTH INSURANCE CONTINUATION (COBRA)

Consolidated 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. 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 Plan Administrator.

WORKER'S COMPENSATION INSURANCE

At this time, the agency does not provide Worker's Compensation Insurance.

Texas Prime Healthcare Inc, is a non-subscriber under the Texas State Insurance regulation. However, every injury, no matter how small must be reported immediately to the Administrator or DON and a written report submitted the same day.

IX. BEHAVIOURS AND DISCIPLINE

Texas Prime Healthcare Inc, is very concerned about its image, reputation and quality of service to its patients, to the general public and to the community. Any action or activity which is determined to hurt Texas Prime Healthcare Inc, reputation or its normal operation will be reviewed by management: It is not practical to list every type of unacceptable behavior at work, but conduct should be guided by common sense, save work habits and honesty. Behavior that is illegal, unsafe, unethical or non-productive will be cause for disciplinary action. Disciplinary action includes counseling, warning, suspension, demotion, probation or termination. Each employee will receive a copy of the work rules and sign an agreement.

PROFESSIONAL RELATIONSHIPS

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

1. Refrain from sharing any personal life problems with patients.
2. Refrain from sharing any employment related problems with the patients.
3. Refrain from taking family members or friends to patient's homes. If circumstances require that someone else travel on a patient visit, that person must wait in the car, which should be parked out of view. This is so that the patient will not realize that someone is waiting. Do not inform the patient that someone is waiting.
4. Refrain from accepting tips or gifts of any kind from patients. Texas Prime Healthcare Inc 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 good judgment and consult the DON or Administrator for advice.

PROBLEM SOLVING

Complaints, misunderstandings, personality conflicts and other concerns should be taken care of as soon as possible. A complaint is anything that an employee feel is wrong, unfair, illegal or against Texas Prime Healthcare Inc, policies Each problem should be discussed within three (3) working days of its occurrence. The DON should be the first to hear about the

problem and should be able to solve it within a reasonable time. If the DON does not satisfy the employee or if the DON is part of the problem, then a written explanation of the problem should be submitted to the Administrator.

DISCIPLINARY ACTION

Failure to perform assigned duties or substandard performance will result in disciplinary action. Agency Work Rules will be enforced on all employees who are subject to disciplinary action. Before a disciplinary action is written, the DON should check the personnel file for any other current disciplinary action on the specific employee. Disciplinary action will not remain in effect for longer than twelve (12) months. Each employee will be interviewed and asked to sign a disciplinary action. The employee's signature does not indicate agreement with the disciplinary action, but only verifies that the interview took place. The employee will be given a copy of the disciplinary action and the original will be placed in the employee's personnel file. The Administrator will review the specific situation along with the employee's entire performance record before termination. The Administrator or DON is the only person with the authority to discharge an employee thus terminating the employee's position with the agency.

X. SAFETY

It is the intention of Texas Prime Healthcare Inc to provide a safe and healthy workplace for its employees by the use of modern technology, equipment and facilities and by the training and enforcement of safety rules. Managers are responsible for safety but every employee must develop safe habits and work practices.

SAFE PRACTICES

No list can include every possible safety rule, the following are but a few:

- a. Use protective clothing and devices when required.
- b. Follow Texas Prime Healthcare Inc. policies which relate to fire, hazardous materials, chemicals, blood-borne pathogens, biomedical waste, working conditions and accident prevention.
- c. Report every incident of injury, damage, loss or near miss, no matter how small.
- d. Use first aid and medical supplies only when necessary.
- e. Running, horseplay or practical jokes are not allowed.
- f. Good housekeeping is required, keep work areas clean from hazards.
- g. Keep aisles, exits and stairways clear at all times.
- h. Follow safe practices and regulations for the medical services profession.
- i. Use proper lifting procedures.
- j. Cooperate fully with accident and injury investigations.
- k. Wear seat belts and obey traffic laws while driving on agency business.
- l. Use only approved ladders or platforms to climb; do not use boxes, barrels, chairs or other objects.
- m. Smoking is not allowed on Texas Prime Healthcare Inc, premises or in vehicles. If you must smoke, do so only in designated areas.

Comply with informational, instructional, hazard and warning signs. Safety rules must be followed. An unsafe act will result in disciplinary action, which includes counseling, warning, suspension, probation or termination. See Sec. 97.281

HAZARD COMMUNICATION PLAN

Texas Prime Healthcare Inc has established procedures for providing information and training to employees who handle, store or are likely to be exposed to chemical products, blood borne pathogens, biomedical waste or other hazardous materials. This plan is designated to meet the requirements for a written Hazard Communication Program under the Occupational Safety and Health Administration (OSHA) Standard 29CFR 1910, 1200. OSHA designees 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.

TRANSPORTATION

Texas Prime Healthcare Inc employees are responsible for their own transportation to and from work. Such transportation must be dependable because of the services performed and the scheduling that is done in advance. Employees are required to provide proof of auto insurance in accordance with Texas State Laws. Texas Prime Healthcare Inc is not responsible for traffic related accidents, injuries, tickets or fines.

Employees who travel on Texas Prime Healthcare Inc's business will be reimbursed at the current established rate per mile. However, in keeping with IRS regulations, reimbursement cannot include commuter miles, which are miles that would have normally been traveled by the employee to get to the office and to return home. In order to receive mileage reimbursement, an employee must properly complete and submit travel records.

MATERIALS SAFETY DATA SHEETS (MSDS)

MSDS are maintained in a central file at the main 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 explosions characteristics, medical treatment and disposal. OSHA designees 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.

CONCEALED WEAPONS

The possession of a handgun under the authority of Texas Concealed Handgun Permit Law, Texas Civil Status, Article 4413 (29ee), is prohibited on Texas Prime Healthcare Inc's premises. If at any time, Texas Prime Healthcare Inc has a reasonable suspicion that a concealed weapon or firearm is being carried, maintained or stored in violation of this policy, Texas Prime Healthcare Inc reserves the right to conduct a reasonable search of the person or property which it suspects to possess or contain a concealed firearm. The violation of this policy may lead to termination of employment as set forth in the established work rules of Texas Prime Healthcare Inc. This policy is also a term and condition on continued employment.

SMOKING IN THE WORKPLACE

Smoking has become a recognized health hazard and an irritant to many people. Texas Prime Healthcare Inc's policy is to control the quality of indoor air, to provide for health, safety and comfort of all employees and limit the use of tobacco at work.

- a. Smoking is not permitted in any Texas Prime Healthcare Inc facilities or vehicles, including meetings.
- b. Smoking material must be disposed of properly in approved outside containers.
- c. Smoking is limited to outdoor areas only.

DRUG FREE WORKPLACE

The manufacture, distribution, dispensing, possession, sale, purchase or use of a controlled substance on Texas Prime Healthcare Inc property is prohibited. Being under the influence of alcohol or illegal drugs on company property is prohibited. The unauthorized use or possession of prescription drugs on Texas Prime Healthcare Inc, property is also prohibited. It is the responsibility of all Texas Prime Healthcare Inc employees to report to their immediate supervisor or to higher management

any persons in violation of this policy. A positive test shall mean either the presence of drugs and/or alcohol and will be the basis for discharge. Refusing a drug test is grounds for discharge.

Employees testing may be conducted when:

- a. Employees are not drug tested at the time of hire but employees who operate vehicles for Texas Prime Healthcare Inc and transport clients will be tested on a random basis.
- b. Individual testing shall be required when there is reasonable suspicion that drugs or alcohol is affecting job performance and conduct in the workplace.
- c. Any employee involved in an on-the-job accident may be tested.
- d. All employees may be tested on a random basis by urine test at a designated clinic.

XI. PROGRESSIVE DISCIPLINARY PLAN

The following set of work rules are designed to serve as a guideline. The guidelines are subject to everyday common sense. The spirit of these rules is to create a safe, healthy and productive work environment at Texas Prime Healthcare Inc.

Texas Prime healthcare Inc realizes that no single set of rules in isolation can cover every aspect of conduct on the job. Therefore, the intent of these rules is to represent a common-sense guide and that those specific cases outside these rules will be considered and weighed on an equal and fair basis after which corrective actions will be administered.

ADMINISTRATION

- a. Before a disciplinary action is written, Management should check with the Human Resources Department for any current disciplinary action on the specific employee.
- b. Counseling actions will not remain in effect for longer than twelve (12) months.
- c. Each employee will be counseled and be asked to sign the counseling form. The employee's signature does not indicate agreement with the content of the counseling but only verifies that the counseling took place.
- d. The employee will be given a copy of the counseling and the original will be placed in the employee's personnel file.

MULTIPLE VIOLATION

If the employee violated more than one of these rules, the employee may be charged with one, more than one or all of the violations. Discipline may be only based on one of the violations to be decided by management.

These rules will remain in effect until changed or replaced by Texas Prime Healthcare Inc.

Management's failure to enforce these rules or to impose the prescribed disciplinary actions, will not cancel, amend or waive any rules, as written or implementation of these work rules, past practice will have no bearing on future discipline.

EFFECT AND USE OF FINAL WARNING

Final Warning notice may be issued:

- a. In connection with any violation of the work rules whereby repetition of the offenses could result in discharge.
- b. In connection with the issuance of any two (2) work rule violations within a twelve (12) month period.

FINAL WARNING will remain in effect for twelve (12) months from the date the final warning is issued. A repeat of the same offense will naturally result in termination. Also, during this time, the receipt of another Final Warning for any other offense will also result in termination.

GROUP I - Disciplinary Action = Termination

1. Blatant refusal to perform assigned work or any form of insubordination.
2. Threatening, intimidating or abusive language or behavior towards Management, Employees, Patients or Visitors.
3. Carrying weapons of any kind on company premises.
4. Conviction of a felony while employed with Texas Prime Healthcare Inc
5. Possession or use of intoxicants and/or illegal drugs during work hours or reporting for work under the influence of, as determined by management.
6. Theft of patient, employee or agency property.
7. Collusion between or among employees to give false evidence or testimony.
8. Falsification of any reports required by the agency.
9. Falsification of time sheets or production records required by the agency.
10. Racial epithets, ethnic slurs or sexual harassment.
11. Endangering a patient's safety or well-being with adverse outcome.
12. Unprofessional behavior as deemed by management.
13. Sleeping during assigned duties.
14. Any willful behavior that endangers an employee of the agency and/or the agency's good standing.
15. Any disclosure of confidential information regarding a patient or employee of Texas Prime Healthcare Inc.

GROUP II - Disciplined by:

- a. Verbal Warning
- b. Written Warning
- c. Written/Discharge

1. Profanity or discourtesy towards any employee, patient, customer or visitor.
2. Failure to complete work assignments completely and/or accurately unless approved by management.
3. Negative attitude demonstrated by lack of cooperation with another employee or management.
4. Failure to follow orders or instructions of a supervisor.
5. Failure to attend mandatory Education programs.
6. Blatant invasion of privacy of property on company premises.
7. Failure to report a personal injury/accident immediately to immediate supervisor.

GROUP III - Disciplinary action same as GROUP II occurring within a calendar year

1. Absenteeism: Defined as missing one or more hours of one's scheduled work shift.
2. Occurrence: Defined as one or more consecutive work hours away from the job. An employee will get an occurrence for each time he/she is absent from work when their sick leave benefits have been exceeded. An occurrence does not include vacations, holidays, jury duty, on the job injury, funeral leave or authorized leave of absence.

