EMPLOYEE HANDBOOK

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WELCOME

Welcome to Therapy Management Services, d.b.a. KidsCare Therapy! We are pleased that you are joining us and we know that your contributions will assist us in remaining a leader in this community and in our industry.

Therapy Management Services, Inc. dba KidsCare Therapy is dedicated to providing the best quality therapy services to the pediatric population in Dallas, Fort Worth, and surrounding areas. Our “kids” come in many shapes, sizes, ages, colors, and disabilities, and each one is special to us. Our kids all have their own unique story to tell, and we want to provide them with someone who will listen to that story and help them on their journey. Therapy Management Services Inc., dba KidsCare Therapy provides therapeutic services for children with a wide range of disabilities: autism, Cerebral Palsy, Down’s syndrome, mental retardation, traumatic brain injury, learning disabled, fluency disorder, birth defects, and so many others.

We believe that children make the most progress when therapy is conducted one-on-one in their familiar environment. That’s why we go to them! We are able to focus on progress and carry-over right from the start, without the distractions of group therapy. Therapy Management Services Inc., dba KidsCare Therapy is committed to providing each child with the tools they need to succeed.

You have joined a team of dedicated and enthusiastic people who have chosen to be a part of the health care delivery services in our community. Only by working as a team do we do our best in serving our patients-enjoying the growth of the agency as well as growing in career development.

Personal best effort is the springboard for job satisfaction and career development. We expect unquestioned commitment to our patients and Therapy Management Services Inc., dba KidsCare Therapy We depend upon the loyalty of each member of our staff. We anticipate each person's dedication and commitment to excellence in personal and team performance.

This Handbook gives our Company some needed structure. As an employee of Therapy Management Services Inc., dba KidsCare Therapy, you will want to know what you can expect from us and what we expect from you. This Handbook will give you some of that information by outlining our current benefits, practices and policies.

Please keep this Handbook as a guide and reference throughout your employment here. If you have questions as you read through this Handbook, please do not hesitate to discuss them with your supervisor. Your supervisor is a very important source of information and will be more than happy to assist you.
INTRODUCTION

The objective of this Employee Handbook is to give you a brief overview of policies and practices that will affect you as an employee of Therapy Management Services Inc., dba KidsCare Therapy, (referred to as “KidsCare”). It is organized in sections covering such matters as employment topics, general policies, employee conduct, benefits, time away from the office, and compensation issues. Discussed in these policies will be Therapy Management Services Inc. dba KidsCare Therapy’s expectations of you with respect to professional and appropriate conduct and performance. It is our primary objective to provide a working environment that is conducive to both personal and professional growth. By consolidating this information in this Handbook, Therapy Management Services, Inc. dba KidsCare Therapy is encouraging consistent standards, expectations, and application of policies and practices across the organization. This Handbook describes many of your privileges and benefits as a Therapy Management Services, Inc. dba KidsCare Therapy employee. You are required to fully read, understand, and comply with all provisions of the Handbook. If for any reason you do not understand any portion of this Handbook, you must bring any and all questions to your Manager/Supervisor or the Human Resources Department for clarification.

Employee Handbooks are not always designed to handle unanticipated or unforeseen circumstances or problems that a changing company may encounter. As Therapy Management Services, Inc. dba KidsCare Therapy continues to grow and as laws change, the need may arise to change or update the Handbook. The policies and procedures described in this Handbook do not create any rights or obligations that differ from or exceed those created by law. Therapy Management Services Inc., dba KidsCare Therapy Inc., reserves the right to modify, change, rescind, supplement, revise, or eliminate terms of the policies, benefits and procedures summarized herein, at any time, with or without notice. If, however, Therapy Management Services, Inc. dba KidsCare Therapy decides to exercise its right to change the employee Handbook, all employees will be given notice of the change(s) and the effective date of implementation. Therapy Management Services, Inc. dba KidsCare Therapy retains the discretion to decide whether these policies and procedures apply to a specific situation, and how they should be interpreted.

This Handbook applies to all employees. However, where it conflicts with any contractual agreement made in the interest of doing business with vendors, brokers, carriers, etc., the contractual agreement shall control (for example, in the case of the insurance carrier, the insurance contract is controlling).

While this Handbook describes many important aspects of your employment with Therapy Management Services, Inc. dba KidsCare Therapy, it is not a promise or a contract of employment for any general or specific period of time. This Handbook does not alter the fact that employment by Therapy Management Services, Inc. dba KidsCare Therapy is at will and may be terminated by you or by the company at any time, and for any reason, with or without cause or notice. This Handbook supersedes all prior Handbooks, policies, memorandums or other communication of policy modifications.

The Handbook was created to be a guide for Managers/Supervisors and employees. We have tried to communicate our basic philosophy – the moral and ethical principles and ideals that guide our business actions. Every employee in every position is a representative of KidsCare Therapy, your words and deeds should reflect the things we strive to accomplish as a business.
Everything in this Handbook concerns PEOPLE. Nothing that Therapy Management Services, Inc. dba KidsCare Therapy does or hopes to do can be accomplished without the wholehearted support of our people working within the framework of our policies – carrying out their responsibilities in ways which will assure meeting our mutual objectives.
SECTION I: ALL ABOUT THERAPY MANAGEMENT SERVICES INC., DBA KIDSCARE THERAPY

WELCOME TO THERAPY MANAGEMENT SERVICES INC., DBA KIDSCARE THERAPY

KIDSCARE THERAPY HISTORY AND OUR OWNER

PATIENT RELATIONS

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WELCOME TO THERAPY MANAGEMENT SERVICES INC., DBA KIDSCARE THERAPY

As the Owner of Therapy Management Services Inc., dba KidsCare Therapy, I fully realize that our most valuable asset is you, our employees. To our current employees, this Handbook is intended to make your life easier and more pleasant. Our management team cannot provide you with the support you need without us all "signing off on the same page." I encourage you to take the time and read the Handbook carefully. You will find the Handbook full of information that will make your home away from home a better place. If you are a new employee, I welcome you to the Therapy Management Services Inc., dba KidsCare Therapy Team.

Although your paycheck says Therapy Management Services Inc., dba KidsCare Therapy at the top, our patients really provide your paycheck. Every patient we have the privilege of serving is a precious commodity that we must protect. Referral business will allow us to grow and prosper. We must provide exceptional service and attention to each patient and his or her family and let each one know that we TRULY appreciate their business. Always remember that our patients have many choices in service providers and we should always thank them for choosing us.

I appreciate you all for your dedication to our team here at Therapy Management Services Inc., dba KidsCare Therapy. Please accept my heartfelt thanks for all your hard work.

Sincerely,

Cortney Baker, M.S., CCC/SLP
President
KIDSCARE THERAPY HISTORY AND OUR OWNER

Therapy Management Services Inc., dba KidsCare Therapy’s owner, Cortney Baker, grew up in the Dallas area and graduated from Cedar Hill High School. While attending Southern Illinois University at Carbondale, she discovered speech therapy was a natural fit and went on to earn her Master’s degree in Communication Disorders & Sciences. After graduating from SIUC, Cortney worked in the school system for a year to complete her CFY, but longed for something different. In 2002, she discovered home health from a friend and fellow speech pathologist, and she decided to make a career change.

Cortney quickly realized she’d found her true calling in pediatric home health. She loved all aspects of what the setting had to offer—parent involvement in the child’s familiar environment, individualized attention and carryover from the initial visit. For the first time, she felt like she was actually making a difference with each of her patients. Cortney was able to provide personalized, quality care and focus on individual patients’ specific needs because all sessions were one-on-one.

In 2003, as a result of multiple reasons, Cortney decided to start her own agency. Cortney wanted to allow other therapists the same opportunity to provide quality therapy services to the pediatric population in Dallas and surrounding areas. KidsCare became a reality with the sole intent of creating a supportive, positive work environment where therapists felt they could excel in their careers while being valued and heard. She envisioned a great place to work, while supporting therapists in what she believes is the best avenue of providing therapy—home health. Cortney says she has been thoroughly amazed at what Therapy Management Services Inc., dba KidsCare Therapy has been able to accomplish since opening on October 27, 2003.

Therapy Management Services Inc., dba KidsCare Therapy began in a house in Garland with 10 patients, and has since grown into a successful agency with branches currently in Dallas and Fort Worth. When Therapy Management Services Inc., dba KidsCare Therapy opened in 2003, Cortney envisioned buying gifts for each of the patients during the holiday season, but had no idea that the company would ever grow so much that this tradition would become impossible. The Family Holiday Party, held for the first time in 2009, was an incredible chance to meet the patients and families that KidsCare therapists are fortunate enough to treat. She was able to hear parents explain how much their therapist meant to them and how therapy had changed their child’s life. This only reiterated the importance of Therapy Management Services Inc., dba KidsCare Therapy’s role in the Dallas/Fort Worth area.

She is thankful to those who have supported the vision of Therapy Management Services Inc., dba KidsCare Therapy and have put so much time, effort and energy into what it is today—an indication that people really care about what the company is doing in the community. Therapy Management Services Inc., dba KidsCare Therapy has surpassed all of the goals and expectations that Cortney originally had for the company and she is truly amazed at how it continues to grow daily!
PATIENT RELATIONS

Our most important goal is patient satisfaction. Our patients are the most important people in the world. Let's face it - without them, we would not be here.

Patients appreciate attentive service. It lets them know they are important to our company. They are never to be treated as if they are an interruption, no matter how busy you may be. A pleasant manner and helpful attitude are to be extended, whether in person, by telephone, by e-mail or by letter.

Even simple errors on the part of Therapy Management Services Inc., dba KidsCare Therapy’s employees or representatives can cause patients unnecessary inconvenience and irritation. Furthermore, the time required to correct them is wasteful and expensive. It is therefore important that the quality of your work be your highest priority, with focus being on accuracy as well as respect for everyone you encounter.

EMPLOYEE RELATIONS

Each of our employees is important and we are committed to attracting and retaining quality employees like you. To accomplish this, we are committed to maintaining a competitive wage and benefits program, as well as to making Therapy Management Services Inc., dba KidsCare Therapy a pleasant and rewarding place for you to work. We sincerely believe that our success is dependent upon a cooperative relationship between the company and our employees.
SECTION II: COMPLIANCE & RELATED PROCEDURES

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DISPUTE RESOLUTION

NON-DISCRIMINATION OF INDIVIDUALS WITH DISABILITIES

SOLICITATION OF PATIENTS
COMPLIANCE WITH ALL APPLICABLE LAWS

Therapy Management Services Inc., dba KidsCare Therapy will fully comply with all applicable state and federal laws relating to employment, including but not limited to medical, family or military leave; equal opportunity; safety; health; and laws which govern benefits and payroll. If you have any questions about a particular policy or its interpretation, please contact your immediate supervisor or the Human Resources department. Similarly, we expect our employees to comply with all laws applicable to their jobs and responsibilities. We also expect our employees to comply with Therapy Management Services, Inc. dba KidsCare Therapy’s policies as a condition of their continued employment.

AT-WILL EMPLOYMENT

All employees of Therapy Management Services Inc., dba KidsCare Therapy are employed on an at-will basis. This means employees have the right to terminate their employment at any time, for any reason, and Therapy Management Services Inc., dba KidsCare Therapy can also terminate the employment at any time with or without cause and with or without notice. This Handbook does not constitute a contract between Therapy Management Services Inc., dba KidsCare Therapy and the employee. All policy statements, procedures, manuals or documents as well as statements by an employee or representative shall not in any way modify this at-will status.

INTRODUCTORY PERIOD

For every new employee, the Introductory Period of employment is an important stage for both you and Therapy Management Services Inc., dba KidsCare Therapy. During this time, you are able to learn about KidsCare, your job, and your new surroundings. The Introductory Period is the first ninety (90) days of your employment.

During the Introductory Period, your supervisor will review your job performance, attendance, attitude, overall interest in your job, and other factors. Your supervisor will also evaluate your overall performance and make a decision concerning your continued employment. After you complete your Introductory Period, your supervisor will continue to review your overall job performance. Completion of the Introductory Period does not change your at-will employment status.

If for any reason you are absent from work during your Introductory Period, it is required that you submit a doctor’s excuse to your supervisor. If, as a result of an illness or injury, you are absent from work for more than three days during your Introductory Period, Therapy Management Services, Inc. dba KidsCare Therapy may choose to extend your Introductory Period as necessary to give you an opportunity to demonstrate your ability to perform your essential job functions. In addition, if after the first 90-days of employment and based on your performance, your supervisor feels that you need additional training or more time for development to meet performance expectations, the Introductory Period may be extended to accomplish that goal. In either case, the length of the extension will be at your supervisor’s discretion.
EQUAL EMPLOYMENT, HARASSMENT, AND DISCRIMINATION

Federal, state, and local governments have enacted laws that protect the civil rights of employees and applicants for employment. Many of these laws prohibit discrimination in recruitment, employment, termination, promotions, compensation or any other such employment practice on the basis of a protected class. Therapy Management Services Inc., dba KidsCare Therapy provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin, age, disability, sexual preference, or status as a veteran or a disabled veteran in accordance with applicable federal laws. In addition, Therapy Management Services, Inc. dba KidsCare Therapy complies with all applicable federal, state and local laws governing nondiscrimination in employment in every facility. This policy applies to all terms and conditions of employment, including, but not limited to: recruitment, hiring, promotions, terminations, layoffs, transfers, benefits, compensation, and training. Improper interference in the ability of any Therapy Management Services, Inc. dba KidsCare Therapy employee to perform their expected job duties will not be tolerated.

As used in this policy, the term “sexual harassment” refers to unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when such conduct has the purpose or effect of unreasonably interfering with an employee’s work performance, or creates an intimidating, hostile or offensive work environment. Such actions are prohibited whenever:

- Submission to such conduct is made either, explicitly or implicitly, a term or condition of employment; or
- Submission to or rejection of such conduct is used as a basis for employment decisions affecting an individual’s employment, promotional advancement, or compensation; or
- Such conduct has the purpose or effect of creating an intimidating, hostile, offensive, or otherwise intolerable working environment; or
- Conduct on the part of one employee subjects another employee to offensive comments, lewd or offensive jokes, innuendos, and other sexually oriented or offensive statements or actions that would create a hostile working environment.

Examples of the types of conduct expressly prohibited by this policy include, but are not limited to, the following:

- Repeated requests for dates or other social encounters.
- Mandating sexual favors in return for promotions, salary increases, etc.
- Sexually suggestive touching or brushing against another’s body.
- Foul, vulgar, or obscene language; or language which includes “slurs” offensive to one’s race or national origin; gender bashing; negative or offensive religious references; or offensive mocking of one’s speaking or language patterns.
- Suggestive or sexually-explicit posters, screensavers, calendars, photographs, graffiti, cartoons, etc.
- Leering, staring, or stalking.
- Questions about one’s sex life.
- Offensive email or voice-mail messages.
- Sexually oriented or explicit remarks, including written or oral references to sexual conduct, gossip regarding one’s sex life, sexual activities, deficiencies, or prowess.
- Conduct that would be deemed as insensitive and/or offensive to another employee due to age, race, color, disability, veteran status, gender, sexual orientation, nationality, religious affiliations, and disabled veterans (in accordance with all federal laws).
- Any other conduct, statements, or behavior deemed inappropriate by Therapy Management Services, Inc. dba KidsCare Therapy management.

**DATING IN THE WORKPLACE**

Therapy Management Services, Inc., dba KidsCare Therapy does not permit immediate supervisors to date or be romantically linked to their subordinates that work directly under their supervision. In the event that a relationship of this capacity is found to exist, disciplinary action up to and including termination may occur.

**REPORTING HARASSMENT AND/OR DISCRIMINATION**

Each member of Therapy Management Services, Inc. dba KidsCare Therapy staff is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. Further, employees are responsible for respecting the rights of their co-workers. If an employee experiences any type of harassment or discrimination based on their sex, race, national origin, disability, or another factor, or if any employee believes they have been treated in an unlawful, discriminatory manner the following procedure should be followed:

- If a situation is created wherein the sexual harassment is severe, such as touching, groping, or physical assault, the offended employee should go directly to the Human Resources department to report the incident. If appropriate, law enforcement authorities will be notified and an investigation will begin.

The offended employee should adhere to the following protocol:

1. Report the incident of discrimination or harassing conduct immediately to their Supervisor, Human Resources department, Administrator, President, or CFO. The complaint will be kept confidential to the maximum extent possible.
2. Upon being informed of an allegation of harassment or discrimination, the Human Resources department will conduct an investigation of the matter.
3. If it is determined that an employee is guilty of harassing or discriminating against another individual, appropriate disciplinary action will be taken against the offending employee, up to and including termination of employment.
4. The offended employee will be notified of the outcome of the investigation and the Human Resources department will advise the employee whether corrective action or preventative action against further incidents has been taken.

Therapy Management Services, Inc. dba KidsCare Therapy prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy or for assisting in a complaint investigation. However, if, after investigating any complaint of harassment or discrimination, Therapy Management Services, Inc.
Services, Inc. dba KidsCare Therapy determines that the complaint is not legitimate and was not made in good faith or that an employee has provided false information regarding the complaint, disciplinary action may be taken against the individual who filed the complaint or who gave false information.

GENERAL COMPLAINT RESOLUTION

Misunderstandings or conflicts can arise in any organization. To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, if a situation persists that an employee believes is detrimental to themself or to Therapy Management Services Inc., dba KidsCare Therapy, the employee should bring the complaint to the attention of the appropriate parties by following the procedure as outlined below:

- First, discuss the problem with your immediate Supervisor or Manager. If, however, you do not believe a discussion with your immediate Supervisor/Manager is appropriate or you do not feel comfortable bringing the matter to their attention, you should contact a member of the Human Resources department.

- In an effort to resolve the problem, the facts will be considered and a brief investigation may occur, in order to understand all perspectives of the problem. A response (written or verbal) to your complaint will be received within ten working days of filing the complaint.

- If you are not satisfied with the decision and wish to pursue the problem or complaint further, you may prepare a written summary of your concerns and request the matter be reviewed by the Human Resources department, the Administrator and/or Ownership. After full examination of the facts (which may include a review of the written summary of your statement, discussions with all individuals concerned, and further investigation, if necessary), you will normally be advised of their decision within fifteen working days. The decision made by the Administrator and/or Ownership shall be final.

Therapy Management Services, Inc. dba KidsCare Therapy does not tolerate any form of retaliation against employees. The procedure should not be construed, however, as preventing, limiting, or delaying Therapy Management Services, Inc. dba KidsCare Therapy from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, attitude, or demeanor) where Therapy Management Services, Inc. dba KidsCare Therapy management deems disciplinary action is appropriate.

DISCIPLINARY ACTION

In the event that the investigation reveals that sexual harassment, discrimination, or other inappropriate or unprofessional conduct (even if not unlawful) has occurred, further action will be taken, including disciplinary action, such as but not limited to reprimand, change in work assignment, loss of privileges, mandatory training or suspension and/or immediate termination, and such other possible actions described in the Employee Handbook. In addition, if during the process of investigating a complaint, the plaintiff is found to have fabricated, exaggerated, misrepresented or falsified facts of the complaint or circumstances which led to the complaint, disciplinary action can be taken against the plaintiff for filing a false grievance.
CONFIDENTIALITY
All actions taken to investigate and resolve complaints through this procedure shall be conducted with as much privacy, discretion and confidentiality as possible without compromising the thoroughness and fairness of the investigation. All persons involved are to treat the situation with respect. To conduct a thorough investigation, the Investigator(s) may discuss the complaint with witnesses and those persons involved in or affected by the complaint, and those persons necessary to assist in the investigation or to implement appropriate disciplinary actions.

INVESTIGATIONS
Investigations will be handled through the Human Resources department. The Human Resources Manager is charged with investigating complaints of sexual harassment and discriminatory issues for Therapy Management Services Inc., dba KidsCare Therapy, and may be contacted to initiate an investigation. Therapy Management Services Inc., dba KidsCare Therapy will reserve the right to retain the services of an outside investigator, if necessary. This policy and the complaint process outlined in this Handbook does not preclude the filing of a charge with the Equal Employment Opportunity Commission or any other federal agency.

DISPUTE RESOLUTION
KidsCare recognizes that there may be a circumstance wherein an employee is simply not satisfied with the final resolution of his or her problem. To promote the just, speedy and inexpensive resolution of any unresolved legal dispute between Therapy Management Services Inc., dba KidsCare Therapy and an employee, any dispute of a legal nature (i.e., a dispute arising under federal, state or local law) will be submitted to mediation before any party may instigate a lawsuit, or an arbitration proceeding. The parties will agree on a mutually acceptable neutral third party mediator. In the event the parties cannot agree on a mediator, the parties will seek judicial assistance for the appointment of a neutral mediator.

In addition to the above, employees who believe that they may have been subjected to sexual harassment or unlawful discrimination, may file a formal complaint with the local office of the EEOC. It should be understood that using Therapy Management Services Inc., dba KidsCare Therapy’s complaint process does not prohibit an employee from filing a complaint with any agency, nor does this preclude the filing of a charge with any federal agency.

NON-DISCRIMINATION OF INDIVIDUALS WITH DISABILITIES
The Americans with Disabilities Act (ADA) requires employers to reasonably accommodate qualified individuals with disabilities. Therapy Management Services Inc., dba KidsCare Therapy will comply with all federal and state laws concerning the employment of persons with disabilities. KidsCare will not discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment. Therapy Management Services, Inc. dba KidsCare Therapy will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job. An
individual who can be reasonably accommodated for a job without undue hardship will be given the
same consideration for that position as any other applicant.

All employees are required to comply with safety standards. Applicants who pose a direct threat to the
health or safety of other individuals in the workplace—when such threat cannot be eliminated by
reasonable accommodations—will not be hired. Current employees who pose a direct threat to the
health or safety of the other individuals in the workplace will be placed on appropriate leave until an
organizational decision has been made in regard to the employee’s immediate employment situation.
The HR department is responsible for implementing this policy, including resolution of reasonable
accommodation, safety and undue hardship issues.

**DISABILITIES AND REASONABLE ACCOMMODATIONS:**

As used in this policy, “Disability” means a physical or mental impairment that substantially limits one or
more major life activities of the individual; a record of such an impairment; or being regarded as having
such an impairment. Major life activities include the following:

- **In general**—Major life activities include, but are not limited to, caring for oneself, performing
  manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking,
  breathing, learning, reading, concentrating, thinking, communicating and working.

- **Major bodily functions**—A major life activity also includes the operation of a major bodily
  function, including, but not limited to, functions of the immune system, normal cell growth,
  digestive, bowel, bladder, neurological, brain, respiratory, circulatory, endocrine and
  reproductive functions.

In the event that an employee needs a reasonable accommodation to be made in effort to perform their
essential job functions, they are required to discuss their needs with the Human Resources department.

**SOLICITATION OF PATIENTS**

In accordance with state laws, the solicitation of patients is illegal and is considered a Class A
misdemeanor under state statutes. Therefore, Therapy Management Services Inc., dba KidsCare
Therapy complies with all state and federal guidelines governing the solicitation of patients. It is
imperative that all employees comply with Occupations Code, Chapter 102 concerning the solicitation of
patients. For the purposes of this policy all patients are also considered clients.

A person commits an offense if the person knowingly offers to pay or agrees to accept, directly or
indirectly, overtly or covertly any remuneration in cash or in kind to or from another for securing or
soliciting a patient or patronage for or from a person licensed, certified, or registered by a state health
care regulatory agency.

A person commits an illegal offense if the person, in a manner than otherwise permitted under state
laws, accepts any payment, business arrangement, or payment practice to secure or solicit a patient or
patronage for an individual holding a license, certification, or registration by a state health care
regulatory agency; and does not, at the time of the initial contact, or at the time of referral, disclose to
the patient: (1) the person’s affiliation, if any, for whom the patient is secured or solicited; and (2) that the person will receive, directly or indirectly, remuneration for securing or soliciting the patient.

Any form of solicitation of patients for or by therapists or employees of Therapy Management Services Inc., dba KidsCare Therapy, other than those sanctioned by laws and guidelines set forth by the State of Texas, is illegal and will not be tolerated. Disciplinary action up to and including immediate termination will result.
SECTION III: GENERAL POLICIES AND PROCEDURES

GENERAL POLICIES AND PROCEDURES

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GENERAL POLICIES AND PROCEDURES

This section of the Employee Handbook discusses the employee’s responsibilities to Therapy Management Services Inc., dba KidsCare Therapy and provides guidelines for achievement of success in your role as a KidsCare employee. These are basic work rules and provide you with an indication of what is and is not acceptable performance and conduct. We believe you can perform with confidence in the execution of your duties if you fully understand what is expected of you. Our most important guideline is to always use “good sense or good judgment”. If you are unsure, you are encouraged to ask your supervisor or a member of the Human Resources staff. Violation of these policies and procedures can result in disciplinary action, up to and including termination.

EMPLOYMENT STATUS

Therapy Management Services Inc., dba KidsCare Therapy has established the following categories for both non-exempt and exempt employees:

Regular Full-Time Employee: Administrative full-time employees are those who work a forty (40) hour work week.

Full-time therapists complete thirty or more (30+) patient visits per week.

Regular Part-Time Employees: Administrative part-time employees are those who work less than thirty-two (32) hours in a work week.

Part-time therapists complete twenty-two to twenty-nine (22-29) patient visits per week.

Quarter-time Therapists: Therapists who work on a PRN or “as needed” basis are eligible for only limited benefits. Quarter-time therapists must complete a minimum of eight (8) patient visits per week.

Temporary Employee: Temporary employees may be hired as substitutes, or to assist in heavy workloads. Pay for temporary employees will be commensurate with the level for the position being filled. Temporary employees will not be entitled to paid time off, holiday pay, leaves-of-absence, group insurance, or other benefits provided by Therapy Management Services Inc., dba KidsCare Therapy.

If a temporary employee is retained on a full-time basis, the time served as a temporary employee will be considered part of the employee’s Introductory Period. However, it should be noted that the decision to hire the temporary employee does not have to occur within the Introductory Period or prior to the Introductory Period expiring.
EMPLOYEE CLASSIFICATIONS

KidsCare employees are designated as either “Exempt” or “Non-exempt” according to federal law and the Fair Labor Standards Act (FLSA) of 1938. As with all state and federal statues, KidsCare follows these guidelines when classifying our employees.

Classifications, job titles, exemption status, job descriptions, essential job responsibilities, etc., are extremely important to the valuation, pricing, and compensation of each position within KidsCare. These appropriate classifications and exemption statuses, along with the job descriptions, keep KidsCare in compliance with state and federal laws. There are a number of both state and federal compliance issues that must be considered when any of these items are changed. Therefore, there cannot be ANY CHANGES made regarding the items stated above without discussion with and approval of the Human Resources department and the Chief Financial Officer.

HOURS OF OPERATION/ON-CALL PROCEDURE/AFTER-HOURS CARE

The business office is open from 8:00am to 5:00pm, Monday through Friday, except for designated holidays. Occasionally, KidsCare office facilities are open for CEUs and other training activities, but these are always pre-arranged when after working hours and weekends. Unless it is otherwise pre-arranged with your supervisor, you are expected to be at work promptly at 8:00am. A staff member is on-call 24 hours a day, 7 days a week for any emergencies. The on-call telephone numbers are: Dallas (214) 450-7756; Fort Worth (817) 734-6438. The numbers are also available on the voicemail message of the Therapy Management Services Inc., dba KidsCare Therapy office phones. During regular hours of operation, a registered nurse is available for consultation or questions.

Therapy Management Services Inc., dba KidsCare Therapy provides speech therapy, physical therapy, and occupational therapy services. After-hours care is available 24 hours a day, 7 days a week using an answering system, and on-call procedures after regular business hours, weekends, and holidays. Patients/families are able to leave confidential voice mail messages on Therapy Management Services Inc., dba KidsCare Therapy telephone after normal business hours and/or call the telephone number listed for emergencies. Messages are checked by the on-call staff, and the call is returned as quickly as possible. The on-call staff member is required to return the call within 20 minutes of receipt of the call. If the staff member feels that the call should be elevated to a member of management, they are to contact the Administrator or Alternate Administrator. If the patient is experiencing a true medical emergency, the family/caregiver is directed to call 911.

There may be occasions where additional hours may be necessary to complete a task. Your supervisor will notify you and make appropriate arrangements if such an occasion arises.

YOUR SUPERVISOR

Your supervisor has accepted the responsibility of guiding you in the completion of your work and as a result, needs to hear your questions, suggestions, and constructive ideas. Mutual understanding is important to doing the best job possible. Cooperative attitudes lead to productive teamwork. If you
have questions regarding any aspect of your assignment, job duties, or any policy or practice of Therapy Management Services Inc., dba KidsCare Therapy, please consult your supervisor for a complete explanation.

Your supervisor is also your first line of contact with regards to questions, policies, and company guidelines. They are also there to listen to any concerns you may have. You should always utilize your supervisor as your primary contact for any necessary clarifications.

WORK SCHEDULE

We serve our patients and their families 7 days a week, 365 days a year. Therefore, we schedule our employees the same way. Our normal work week is Monday through Friday, 8:00am to 5:00pm. Your supervisor will set and/or approve your schedule if it is outside of these times.

LUNCH AND REST BREAKS

If your work schedule permits and it is permitted by your supervisor/manager, a KidsCare Therapy employee can take a paid break of up to 15 minutes in each four hour shift. Any employee taking a paid break should be back at their work space at the end of the 15 minutes. Since these are paid breaks, employees are not to leave the building without approval from their supervisor/manager.

Breaks are provided at the discretion of your supervisor/manager due to work scheduling and will be managed within each Department. Disciplinary action will result if abuse of this policy occurs.

Lunch Periods for non-exempt employees are for one hour in length and are unpaid time. You may take your lunch period as assigned by your supervisor/manager. Your assigned lunch period is to be taken away from your assigned work area. If you are clocked out for your lunch period, you are not permitted to be working during this time. If you are required to work through your lunch period due to work schedules, you will be paid for that time.

KidsCare Therapy will also allow reasonable break times for a nursing mother for the purpose of expressing breast milk for her baby during the first year following the birth of the child. Please notify your supervisor/manager or the Human Resources department to discuss in more detail.

STAFF MEETINGS

Staff meetings will be held monthly, or more often as needed, within regularly scheduled working hours. All employees are expected to attend all meetings, unless prior arrangements have been made with your supervisor’s approval. In that event, you will be required to schedule a time during the week of the meeting to review the details of the meeting with your supervisor.
OFFICE MAINTENANCE AND SECURITY OF INFORMATION

KidsCare expects employees to maintain the office in a neat, professional, and acceptable manner. Each employee is expected to maintain his/her own area, and all employees are expected to maintain the common areas. All papers, books, and other documents should be filed away neatly and kept out of the common areas such as hallways, conference rooms, TRC rooms, etc. It is also important to note that all areas of Therapy Management Services, Inc. dba KidsCare Therapy offices are subject to search by KidsCare Therapy management and/or ownership for any reason. No prior notification is necessary to search the premises, and nothing within the offices should be deemed or considered private property.

At some time during a day, most employees will work with confidential information. This information will most likely pertain to our patients or our employees. Therefore, as employees work with confidential information, they should be aware that the security of that information is their responsibility. It is required that paperwork be kept secured or covered while on your desk, and if you must be away from your work station, be sure that all information is secured until you return. The security of employees’ and patients’ confidential information and treatment records should be secured when not in use. This is required in compliance with federal and state privacy laws.

KEYS

Employees who need keys to the office, locked cabinets, or other secured storage will be issued keys by a supervisor. Keys must be safeguarded. If employment is terminated, either voluntarily or involuntarily, Therapy Management Services, Inc. dba KidsCare Therapy requires all keys be returned prior to the issuance of the last paycheck. KidsCare prohibits making duplicate sets of keys or letting someone outside the office borrow a key for any reason. In the event you lose a key, immediately notify your supervisor. If the loss of a key results in the necessity to re-key the office, the employee may be required to pay that cost.

EMPLOYMENT OF RELATIVES- NEPOTISM

It is the policy of Therapy Management Services Inc., dba KidsCare Therapy that no employee may hire or cause to be hired, nor supervise, any relative of the employee otherwise employed by Therapy Management Services Inc., dba KidsCare Therapy except with the prior approval of the Administrator or the Human Resources department. In enforcing this policy, it is important to keep in mind that any appearance of impropriety should be avoided. All questions concerning the hiring of any individual who may be related to another employee should be referred to the Human Resources department.

OUTSIDE EMPLOYMENT OR “MOONLIGHTING”

KidsCare understands it may be necessary for our employees to seek additional employment on a part-time basis. It is necessary that all employees know that accepting outside employment is their
responsibility, and as a regular full-time employee of KidsCare, their first priority must be to their full-time position with Therapy Management Services, Inc. dba KidsCare Therapy.

Before accepting an offer of outside employment, an employee must submit a written notice of intent to obtain outside employment to their Manager/Supervisor. This notice is to be approved, signed and dated by their Manager/Supervisor, and then sent to the Human Resources department to be placed in the employee’s personnel file.

CONDITIONS and TERMS
There will be no accommodation made for outside employment with regards to amending an employee’s work schedule with KidsCare. Outside employment must not conflict with the employee’s responsibilities for Therapy Management Services, Inc. dba KidsCare Therapy, including the ability to work overtime, if the position at KidsCare requires it. Outside employment must not interfere with an employee’s performance and must not prove to be detrimental to the interests and business operations of KidsCare.

Outside employment must not involve a conflict of interest, such as working for a competitor, vendor, or patient’s family. If excessive lateness or absenteeism results from an employee moonlighting, appropriate disciplinary action, up to and including termination may result.

MEDIA INQUIRIES
From time to time, as an employee of Therapy Management Services Inc., dba KidsCare Therapy you may receive inquiries from the media (e.g., newspapers, television or radio stations, trade journals, or other publications). All requests for interviews and/or comments regarding KidsCare and its business operations, policies, practices, procedures, customers and employees must be approved by Cortney Baker before the interview may be granted or comments made. There should be no direct communication by any employee with the media. Violation of this policy will result in appropriate disciplinary action being taken, up to and including termination.

SOCIAL NETWORKING POLICY
Therapy Management Services Inc., dba KidsCare Therapy takes no position on your decision to start or maintain a blog or participate in other social networking activities. However, it is the right and duty of Therapy Management Services Inc., dba KidsCare Therapy to protect itself from unauthorized disclosure of information. KidsCare’s social networking policy includes rules and guidelines for company-authorized social networking and personal social networking and applies to all employees and management staff.

GENERAL PROVISIONS
Blogging or other forms of social media or technology include but are not limited to video or wiki postings, sites such as Facebook and Twitter, chat rooms, personal blogs or other similar forms of online journals, diaries or personal newsletters not affiliated with Therapy Management Services Inc., dba KidsCare Therapy.

Unless specifically instructed, employees are not authorized, and are therefore restricted, to speak on behalf of KidsCare Therapy. Employees may also not publicly discuss clients/patients or anything
regarding the care provided (for example: patients’ families, patients’ living conditions, services provided, etc.) Employees are expected to protect the privacy of Therapy Management Services Inc., dba KidsCare Therapy and its employees and patients, and are prohibited from disclosing KidsCare Therapy trade secrets or any other proprietary and non-public information to which employees may have access. Such information includes but is not limited to patient information, services provided, employee information, financial information and strategic business plans.

EMPLOYER MONITORING
Employees are cautioned that they should have no expectation of privacy while using the Internet. Your postings can be reviewed by anyone, including KidsCare management and ownership. Therapy Management Services Inc., dba KidsCare Therapy reserves the right to monitor comments or discussions about Therapy Management Services Inc., dba KidsCare Therapy, its employees, patients/clients and the industry, including services and competitors, posted on the Internet by anyone, including employees and non-employees.

Employees are encouraged to consider who might read what is written on social media sites and how it may reflect KidsCare Therapy prior to posting it.

REPORTING VIOLATIONS
KidsCare requests and strongly urges employees to report any violations and/or possible or perceived violations to their supervisor or the Human Resources department. Violations include discussions of KidsCare patients/clients as well as any discussion of Therapy Management Services, Inc. dba KidsCare Therapy proprietary information and any unlawful activity related to blogging or social networking.

DISCIPLINE FOR VIOLATIONS
Therapy Management Services Inc., dba KidsCare Therapy investigates and responds to all reports of violations of the social networking policy and other related policies. Violation of Therapy Management Services Inc., dba KidsCare Therapy’s social networking policy will result in disciplinary action up to and including immediate termination. Discipline or termination will be determined based on the nature and factors of any blog or social networking post. KidsCare reserves the right to take legal action where necessary against employees who engage in prohibited or unlawful conduct.

AUTHORIZED SOCIAL NETWORKING
Authorized social networking and blogging is used to convey information about Therapy Management Services Inc., dba KidsCare Therapy by promoting and raising awareness of KidsCare in the marketplace and in the industry, search for potential new markets, communicate with employees, physicians, active and potential patients and their families, to issue or respond to breaking news or negative publicity, and discuss corporate activities and events.

When social networking, blogging or using other forms of web-based forums, KidsCare must ensure that use of these communications maintains our identity, integrity and reputation while minimizing actual or potential legal risks, whether used inside or outside the workplace.

RULES AND GUIDELINES
The following rules and guidelines apply to social networking and blogging when authorized by KidsCare and done on company time. The rules and guidelines apply to all KidsCare-related blogs and social networking entries.
Only authorized employees can prepare and modify content for KidsCare’s blog located on the KidsCare website and/or the social networking entries located on the KidsCare website. Therapy Management Services Inc., dba KidsCare Therapy has definite goals and purposes for the development of this form of communication and sharing of information; therefore, the content must be relevant, add value and meet at least one of the specified goals or purposes. If uncertain about any information, material or conversation, discuss the content with your supervisor prior to posting.

All employees must identify themselves as employees of Therapy Management Services Inc., dba KidsCare Therapy when posting comments or responses on KidsCare’s blog or on the social networking site. Any copyrighted information where written reprint information has not been obtained in advance cannot be posted on KidsCare’s blog.

Therapy Management Services Inc., dba KidsCare Therapy expects all guest bloggers to abide by all rules and guidelines of this policy. KidsCare reserves the right to remove, without advanced notice or permission, all guest bloggers’ content considered inaccurate or offensive. KidsCare also reserves the right to take legal action against guests who engage in prohibited or unlawful conduct.

PERSONAL BLOGS
Therapy Management Services Inc., dba KidsCare Therapy respects the right of employees to write blogs and use social networking sites as a medium of self-expression and public conversation and does not discriminate against employees who use these media for personal interests and affiliations or other lawful purposes. Employees are expected to follow the guidelines and policies set forth to provide a clear line between you as the individual and you as the KidsCare employee. Employees cannot use employer-owned equipment, including computers, company-licensed software or other electronic equipment, nor facilities or company time, to conduct personal blogging or social networking activities. Therefore, all personal blogging or social networking needs to be done outside of Therapy Management Services Inc., dba Therapy Management Services Inc., dba KidsCare Therapy business hours unless authorized by the Owner.

PERSONAL PHONE CALLS
KidsCare recognizes that occasionally an employee may need to receive or make a personal call from their workstation. However, these calls should be for emergencies only. We have a limited number of telephone lines and we must keep these lines open for business calls. Excessive time spent on personal calls takes time away from Therapy Management Services, Inc. dba KidsCare Therapy business and the employee’s responsibilities. Frequent and/or excessive violation of this policy will result in appropriate disciplinary action up to and including termination. Personal calls should also not be made or received on personal cellular phones during office hours. Please see the specific policy for more detailed information.

LONG DISTANCE CALLS
No personal long-distance calls are to be made from a KidsCare phone by an employee. When these calls are found on our billing, the employee will be expected to reimburse Therapy Management
Services Inc., dba KidsCare Therapy in full for those charges. If the practice continues, the employee will be subject to appropriate disciplinary action up to and including termination. Long distance calls made for business purposes are acceptable and appropriate.

PERSONAL MAIL

All mail delivered to Therapy Management Services Inc., dba KidsCare Therapy is presumed to be related to our business and will be opened by the office and routed to you. Employees are not allowed to receive mail at Therapy Management Services Inc., dba KidsCare Therapy unless related to your job. All outgoing mail should have the sender’s initials so that in the case the mail gets returned, it can be given to the appropriate sender.

USE OF PERSONAL CELLULAR PHONES

Therapy Management Services Inc., dba KidsCare Therapy recognizes the convenience and accessibility of cellular phones. However, the use of personal cellular phones for either receiving incoming or making outgoing calls or text messages is discouraged in the workplace. Incoming personal calls can be very distracting in the workplace, as well as being non-productive, due to the fact that many of our work areas are open and shared by the entire staff.

The same guidelines apply to making calls on a cellular phone that apply to personal calls in general. All personal conversations are considered to be time away from the job, and if these conversations are excessive and/or lengthy, they may impact the employee’s job performance. Therefore, these calls must be kept to an absolute minimum. However, if an emergency arises, and personal calls must be made or received, Therapy Management Services Inc., dba KidsCare Therapy prefers that these calls be made and received in the least distracting way possible. If you must use your cell phone, you should leave your workstation or desk and go to the break-room or go out in the hallway.

An employee is not prohibited from using their own cellular equipment if they are outside the building or in a break area, and if the time used for their call is a part of the regular break time or lunch period. However, if an employee continually receives personal calls or makes an excessive number of personal calls on the cellular equipment (this includes text messaging), which distracts focus from their work and responsibilities, the employee will be subject to disciplinary action, up to and including termination. The only cellular equipment which is authorized and approved for use in work areas, is the equipment issued by Therapy Management Services Inc., dba KidsCare Therapy, used by specific personnel which require this technology in the execution of their job duties.

VISITORS TO KIDSCARE THERAPY

VISITORS DURING REGULAR BUSINESS HOURS

For safety and security reasons, personal visits to KidsCare offices during business hours by relatives, friends, and former employees is discouraged. However, visitors of any kind who enter our facilities, including prospective patients, current patients, patients’ families, vendors, and applicants, should be acknowledged by the receptionist at the front desk.
If the individual(s) has an appointment with a member of the KidsCare Therapy staff, the receptionist should let that staff member know their guest(s) has arrived. All visitors should remain in the lobby area until the KidsCare staff member arrives to receive them. Visitors should be accompanied by an employee of KidsCare at all times while on the premises. Visitors must comply with all company policies, including safety and security regulations. Employees who accompany any visitor(s) are responsible for assisting those visitor(s) in compliance with this policy.

VISITORS AFTER REGULAR BUSINESS HOURS

You are only allowed on KidsCare Therapy premises during your scheduled work hours, unless otherwise authorized by a supervisor. Under no circumstances should any employee have relatives, friends, and/or former employees on KidsCare property after the conclusion of regular business hours.

If for any reason it is deemed necessary for any employee to be on the premises of a KidsCare office after regular business hours, the employee’s direct supervisor must be notified prior to the employee’s arrival on KidsCare property or entering one of the Therapy Management Services, Inc. dba KidsCare Therapy facilities. You are prohibited from going into work areas other than your own, except on Company business. KidsCare discourages entry onto Company premises at night, and you should never enter premises alone. If you do so, you must enter only your assigned work area for no longer than is necessary to complete your assignment. Again, your immediate supervisor should be notified if you are on company premises outside of normal business hours. All doors should be locked upon entering and exiting KidsCare premises, and all documentation including patient information, personnel information or other confidential data should be properly secured when not in use.

CHILDREN IN THE WORKPLACE

Employees are welcome to bring their children to visit their worksite, provided that the visits are infrequent, brief and planned in a fashion that limits disruption to the workplace. However, the presence of children in the workplace with the parent/employee during the employee’s workday is inappropriate and is to be avoided except in emergency situations. This policy has been established to avoid disruptions in job duties of the employee and co-workers, reduce property and personal liability, and to help maintain a professional work environment for all KidsCare employees.

SUPERVISOR MUST BE CONSULTED

If bringing a child to work with the employee is unavoidable, the employee must contact his/her supervisor prior to bringing the child into the workplace. The employee is responsible for discussing the situation with the supervisor and obtaining permission to have the child accompany the employee while working. Factors that the supervisor will consider are: the age of the child, how long the child needs to be present, the work environment in the employee’s area, and any possible disruption to the employee’s and co-workers’ job duties and work. A supervisor has every right to deny a request to bring a child into the work environment. If this procedure is not followed, the employee will be asked to leave the workplace and will not be paid for the remainder of the day. There will be no consideration given to allowing a child with an illness into the workplace with their parent/employee.

While children are in the workplace, they must be directly supervised by the parent/employee at all times. This does not mean that the parent/employee can neglect their job responsibilities in order to
supervise their child. If the frequency, length or nature of visits becomes problematic, the employee will be advised of the situation and will be expected to take corrective action, up to and including leaving Therapy Management Services, Inc. dba KidsCare Therapy without pay for the remainder of the day.

Employees are provided paid time off benefits which should be used for personal reasons or to care for a sick child. If an employee does not have available paid time off, then they will have to take the time away from the office without pay. This policy is not to be utilized as a backup childcare arrangement.

**REPORTING WORKPLACE INJURIES AND ACCIDENTS**

All accidents should be reported. Even minor accidents which do not involve serious injury should be reported. Any accident involving a patient MUST be reported immediately to your supervisor and the Quality Assurance Department. Only through a full knowledge of such incidents can KidsCare become a safer, healthier place to work for everyone. Please be sure to report any unsafe conditions, defective equipment, or other hazards to your supervisor. Each employee is expected to assist KidsCare in maintaining safe working conditions. Safety is a state of mind, and requires constant vigilance and common sense. Safety is everyone’s responsibility.

**SLEEPING AND INATTENTION**

To protect the safety of all employees and to properly serve our patients, everyone needs to be fully alert while on the job. Drowsiness, fatigue, and inattention can be significant factors in accidents and/or the ability to react to a situation as quickly as we should. KidsCare cannot tolerate sleeping or inattention in the workplace or in the homes of our patients.

**TIME KEEPING**

All non-exempt employees are required to clock-in and clock-out at the beginning and end of their assigned work schedule. All employee clock-ins and clock-outs should be at your assigned work station computer; clocking in or out from personal PDAs, cell phones, iPads, netbooks, or tablets is not permissible. Employees are also required to clock-in and clock-out for their lunch period. If you have difficulty clocking-in, please notify your supervisor/manager immediately. If you are not clocked-in and you are asked to perform work-related tasks, please ensure that you clock-in prior to completing those tasks.

You will have a window of 7 minutes prior to your start time to clock-in. The system will automatically round up to your start time of 8:00 a.m. If you clock-in prior to being 7 minutes late, the system will automatically round down to 8:00 a.m. If you clock-in more than 7 minutes late, but up to the quarter hour, the system will automatically round to the nearest quarter hour, which would be 8:15 a.m. You are not permitted to clock in prior to 7 minutes before your start time, unless you have prior authorization from your supervisor/manager.

You are not allowed to leave the premises or be away from your assigned work area during your work schedule, other than your lunch period. Leaving the premises on the clock without prior approval from
your supervisor/manager is not permissible; this is considered an act of dishonesty and theft of time. Also, clocking-in or out for another employee is never allowed.

The supervisor/manager will address any abuse of time clock issues that arise with disciplinary action, up to and including termination.

OVERTIME

The purpose of this policy is to comply with federal and state overtime provisions and to control labor costs by managing the expense of overtime pay to non-exempt employees.

KidsCare Therapy will pay time and one half to non-exempt employees who exceed 40 hours of work time in a workweek. However, based on Texas payday laws, paid leave such as holidays, sick or vacation days will not apply toward time worked for purposes of calculating overtime payment. Under Texas law, the employee must physically work 40 hours in a given pay period to be eligible for overtime payment. Only non-exempt employees are eligible for overtime payment.

Employees are required to obtain approval from managers prior to the use of overtime to complete their work assignments. Employees who anticipate the need for overtime to complete the week’s work must notify their supervisor in advance and obtain written approval prior to working hours that extend beyond their normal schedule. Employees failing to obtain approval prior to working hours that extend beyond their normal 40-hour workweek will be subject to disciplinary action, up to and including termination.

During busy periods, KidsCare Therapy may require employees to work extended hours. Overtime is considered a condition of employment, and refusal to work overtime when reasonable notice has been given is cause for disciplinary action up to and including termination. Reasonable notice is considered to be not less than 24 hours.

INCLEMENT WEATHER

Occasionally weather, particularly ice and snow storms, make driving impossible and necessitate closing the office for the safety of the staff. In preparation for these occasions, should they arise, the following applies:

- Any decision to close the office will be made by the owner/Administrator a minimum of two hours prior to opening for that day. Ownership or the Administrator will activate the call tree between 6:00am and 6:30am.

- Should the office be closed, Therapy Management Services, Inc. dba KidsCare Therapy will pay for the administrative staff’s lost time according to their scheduled work hours for that day. Employees may use PPD days or Accrued Vacation time for any additional time lost.

- Employees are responsible for ensuring that KidsCare Therapy has current working means of communicating with them in the event that the decision tree is activated.

Unless otherwise notified, our office will always be considered open. It is each employee’s responsibility to determine if it is safe for her/him to drive to work. If the office is open but you believe conditions are
unsafe to drive, we encourage you to use your judgment in determining whether or not to come to work. You may utilize your PPD days or Accrued Vacation time in the event that the office is open but you do not come in.

PERSONNEL FILES

Therapy Management Services Inc., dba KidsCare Therapy maintains a personnel file (virtual and hardcopy) on each employee. These files contain documentation regarding all aspects of the employee’s tenure with Therapy Management Services, Inc. dba KidsCare Therapy, including but not limited to documents such as performance appraisals, beneficiary designation forms, disciplinary warning notices, letters of commendation, changes of personal information, etc. An employee may review their personnel file on an annual basis. If an employee is interested in reviewing their personnel file, you are required to contact the Human Resources department to schedule an appointment.

It is an employee’s right to request a copy of any document in their personnel file which they have signed; however, if an employee’s signature does not appear on a document in their personnel file, they will not be permitted a copy of that document, as those documents are deemed to be the property of Therapy Management Services Inc., dba KidsCare Therapy. This would include any disciplinary documentation which an employee has refused to sign.

Personnel files may be reviewed by the employee, the employee’s manager, the Administrator, or Ownership. All files must be reviewed within the confines of the Human Resources department with a member of the Human Resources staff present – no personnel files will leave the Human Resources area except at the request of Ownership.

UPDATING PERSONAL INFORMATION

To ensure that the personnel file is up-to-date at all times, notify the Human Resources department of any changes in your name, home address, marital status, number of dependents, beneficiary designations, scholastic achievements, individuals to notify in case of an emergency, and so forth. It is the employee’s responsibility to keep the personal information in their personnel file current at all times.

REFERENCE INQUIRIES AND EMPLOYMENT VERIFICATIONS

From time to time, KidsCare may receive inquiries from third parties regarding employees, such as a bank verifying employment for an employee applying for a personal or mortgage loan.

All requests for reference information or employment verification should be directed to the Human Resources department. Normally, KidsCare Therapy will respond only to written inquiries. If a telephone reference inquiry is received, Human Resources will typically only verify whether an individual is employed or no longer employed and will inform the caller that he/she must submit a written request.
for additional information. Generally, information will be released only after a written release has been received from the employee or former employee, whichever the case may be.

However, KidsCare reserves the right to release employment information it deems appropriate at its discretion without authorization. That information may include, but is not limited to: the date of hire; the date of termination; the position title held; and the verification of a base salary by confirmation, only if a figure or amount is provided.

INFECTION CONTROL AND ILLNESS

Seasonal influenza, commonly called "the flu," is caused by influenza viruses, which infect the respiratory tract (i.e., the nose, throat, lungs). The best way to prevent seasonal flu is by getting a seasonal flu vaccination each year.

PREVENTION

1. All employees/students are encouraged to practice frequent hand washing or use of alcohol-based hand cleaner, and perform frequent disinfecting of telephones and computer keyboards and any shared equipment using disinfectant wipes. Therapy Management Services Inc., dba KidsCare Therapy will provide alcohol-based hand sanitizer and disinfectant wipes for such use, as well as soap and water for proper hand washing.
2. Employees/students should cover nose and mouth with tissues when coughing or sneezing, and should immediately dispose of tissue properly.
3. Therapists/students treating patients in the home or school settings will follow Therapy Management Services Inc., dba KidsCare Therapy infection control procedures regarding careful and frequent hand washing, and cleaning equipment after each patient session.
4. Therapy Management Services Inc., dba KidsCare Therapy will encourage all staff to receive low cost flu vaccines provided in the divisional offices.

Flu is a seriously contagious disease that can lead to hospitalization and even death. In 2009–2010, a new and very different flu virus, called H1N1, spread worldwide causing the first flu pandemic in more than 40 years. Flu is unpredictable, but the Centers for Disease Control and Prevention (CDC) expects the H1N1 virus to spread during upcoming seasons along with other seasonal flu viruses. The CDC recommends a yearly flu vaccine as the first and most important step in protecting against flu viruses. While there are many different flu viruses, the flu vaccine protects against the three viruses that research suggests will be most common.

The flu vaccine will protect against an influenza A H3N2 virus, an influenza B virus and the H1N1 virus. As each new flu season approaches, KidsCare will continue to inform, educate and provide low-cost flu vaccinations to our staff, in accordance with guidance from the CDC.

SYMPTOMATIC EMPLOYEES (OFFICE and FIELD)

1. Employees/students must report flu or other infectious illnesses to their supervisor and the Quality Assurance Director, who will enter this information into the infection log.
2. While employee/student privacy will be respected, co-workers and patients’ families will be notified of exposure by the Quality Assurance Director on a “need to know” basis.
3. Employees/students who have symptoms of flu, a flu-like illness, or respiratory illness should be excluded from work until symptoms have resolved. They must be free from fever for at least 24
hours before returning to work. Employees/students may be required to see their physician and follow physician advice regarding returning to work.

4. If the illness is not considered to be contagious (example: ear infection, allergies) the employee/student should follow physician advice regarding returning to work.

5. If the employee/student is treated with antibiotics (example: strep throat, etc.) they should follow physician advice regarding returning to work after starting on prescribed medication.

6. With all febrile illnesses (bacterial or viral), employees/students should be free from fever for 24 hours before returning to work in the office or field setting.

7. Employees/students will be asked to go home if they become symptomatic during the work day.

8. Employees/students who have been exposed to flu may continue to work, but should carefully monitor for fever and flu-like symptoms.

9. Employees/students who are high risk for complications* should consult with their physician regarding testing for flu or other illnesses and possible treatment with antiviral medication.

*Persons at high-risk for complications include individuals with the following conditions:

- Chronic respiratory disease, neuromuscular, neurological, or metabolic disease including diabetes
- Immunosuppressant conditions, including those caused by medications (i.e.: chemotherapy), or by HIV
- Pregnant women
- Persons younger than 19 on long-term aspirin therapy

THERAPISTS

1. Therapists/students with known H1N1 exposure may continue to treat patients, but must monitor for fever and flu-like symptoms. Note: There is no longer a recommendation for prophylactic treatment with anti-viral medication unless the therapist is at high risk for complications due to other existing medical conditions.

2. Therapists/students who become ill with H1N1, seasonal flu, or other contagious/infectious illnesses must refrain from patient care until symptoms subside, and they have been free from fever for at least 24 hours. Therapists/students must notify the QA Director of their illness at the onset, and the QA Director will record this information on the Infection Log.

3. The QA department will notify patient families of the possible exposure to the patient by the treating therapist/student using the suggested script below:

   “Your child may have been exposed to the flu by his/her treating therapist on month/day. While it is unlikely that your child will become ill from this exposure, please keep a close eye on him/her for the following symptoms: fever, cough, runny nose, and lack of energy. If your child develops these symptoms please notify your physician for further instruction, or if your child seems very ill or in distress take him/her to the emergency room or call 911. Please notify Therapy Management Services Inc., dba KidsCare Therapy if your child does become ill. Your treating therapist will not resume care until all of his/her symptoms have resolved.”

PATIENTS

1. Therapists/students will avoid treating patients who are symptomatic for flu-like illness or who have a fever. Patient illness will be reported to the QA Director and will be entered in the infection log.

2. Patients with known H1N1 exposure may continue to be treated, but must be monitored for fever and flu-like symptoms.
3. Patients with known H1N1 or with seasonal flu symptoms will not be treated by KidsCare therapists/students until all symptoms, including fever, subside. Patients must be free from fever for at least 24 hours before resuming treatment by Therapy Management Services Inc., dba KidsCare Therapy personnel.

4. The Quality Assurance department will notify ALL personnel assigned to the affected patient.

PROTOCOL FOR OTHER INFECTIOUS DISEASES
When there is knowledge or an awareness that an infectious disease (other than the flu) has impacted the health and well-being of a KidsCare office employee, therapist, or if one of our patients has been diagnosed with an infectious disease, the same protocol for notification and treatment of that patient that has been described in this policy will be followed.

OVERNIGHT TRAVEL FOR WORK
Travel requiring an overnight stay on behalf of Therapy Management Services Inc., dba KidsCare Therapy shall be properly authorized, reported, and reimbursed, or paid for in advance of the trip being made, depending on the circumstances of travel and the most practical way to address the expenditures involved. Under no circumstances shall expenses for personal travel be charged to, or be temporarily funded by KidsCare. It is the traveler’s responsibility to report his or her actual travel expenses in a responsible and ethical manner, in accordance with the regulations set forth within this Policy. Any exceptions to the Policy must be submitted to the CFO of KidsCare for approval.

APPROVAL OF TRAVEL AND EXPENSES
Travelers may not approve the reimbursement or payment of their own travel expenses. All travel must be approved in advance by the CFO or ownership. Once the travel event has been approved, the Event Coordinator should be consulted for any of the travel arrangements for which he/she is responsible for booking. The cost of transportation, meals and lodging, parking, mileage, ferries and tolls are all expenditures for which the employee may be reimbursed due to travel on behalf of Therapy Management Services Inc., dba KidsCare Therapy.

Under guidelines established by Therapy Management Services Inc., dba KidsCare Therapy, corporate credit cards may be issued to employees who travel on official KidsCare business. Any traveler issued such a card should use the card to pay for all expenses related to official Company business travel, including lodging and meals, except where the card is not accepted. Certain prepaid expenses such as transportation tickets and conference fees may be billed directly to Therapy Management Services Inc., dba Therapy Management Services Inc., dba KidsCare Therapy, at the prerogative of the CFO.

All aspects of travel expenditures must be approved BEFORE travel occurs. When submitting expenses for lodging, a minimum of two proposals with all related costs should be submitted to the CFO or other designated employee for approval. The most economically feasible of the two proposals will be approved.

ACCEPTABLE TRAVEL EXPENSES
A full-day meal allowance should not exceed $40.00 per day, whether the meals are paid for with the corporate credit card or by the traveler and submitted for payment by reimbursement. The employee
will pay the difference for any meal expenditure that exceeds the daily allowable amount. Any personal items, gifts, or souvenirs purchased while traveling on behalf of KidsCare will not be paid for or reimbursed by Therapy Management Services Inc., dba KidsCare Therapy. These personal items are the responsibility of the employee and the expenditure will be theirs alone. Any other activities which fall outside of the specific purpose for the travel event and are not related to the direct business of Therapy Management Services Inc., dba KidsCare Therapy are the responsibility of the traveler and will not be reimbursed by KidsCare Therapy.

**TRANSPORTATION EXPENSES**

Transportation expenses shall be paid by corporate credit card or reimbursed based on the most economical mode of transportation and the most commonly traveled route consistent with the authorized purpose of the trip. All transportation arrangements (outside of the use of the employee’s personal vehicle), will be arranged by the Event Coordinator.

Transportation tickets should be procured in advance in order to obtain any discounts offered by the carrier or negotiated by Therapy Management Services Inc., dba KidsCare Therapy. Such tickets should be purchased directly from the carrier, or if out-of-state travel is necessary, the Event Coordinator will locate the most feasible discounted rates found on websites (such as Expedia or Orbitz). Coach class or any discounted class airfare will be used in the booking flights.

**AUTOMOBILE TRAVEL**

**PRIVATE VEHICLES AND MILEAGE REIMBURSEMENT RATES**

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The employee is required to have current automobile insurance coverage on file with the Human Resources department prior to using their vehicle for company purposes. Therapy Management Services, Inc. dba KidsCare Therapy’s mileage reimbursement rate takes into account all actual automobile expenses such as fuel and lubrication, towing charges, repairs, replacements, tires, depreciation, insurance, etc. Management will decide throughout the year what the current mileage reimbursement rate will be; to determine the current rate, please ask your manager/supervisor. Under IRS regulations, travelers who claim this rate are not required to substantiate the actual costs of operating the vehicle. Employees may be eligible to claim the difference between the Therapy Management Services Inc., dba KidsCare Therapy mileage reimbursement rate and the IRS limits (which vary from time to time) as a deduction on their personal income tax return.

Mileage shall ordinarily be computed between the traveler’s headquarters and the common carrier or destination. Expenses for travel between the traveler’s residence and headquarters (commuting expense) shall not be allowed. However, mileage expenses may be allowed between the traveler’s residence and the common carrier or destination, if company business travel originates or terminates before or after the traveler’s working hours, or if travel originates or terminates during a regularly scheduled day off.

**COMPANY VEHICLES**

Travelers may choose to use a company vehicle for travel within the state of Texas. However, advanced notification may be necessary to ensure a company vehicle is available.
RENTAL CARS
A vehicle may be rented when renting would be more advantageous to KidsCare than other means of commercial transportation, such as using a taxi or other public transportation. Advanced reservations should be made whenever possible and a compact or economy model requested. In the case of car rental, the Event Coordinator is responsible for obtaining the best available rate commensurate with the requirements of the trip. The Event Coordinator should be consulted for these arrangements to be made in advance. Rental car charges should be paid with the traveler’s corporate credit card.

TRAVELING WITH PHYSICAL DISABILITIES
Travelers with physical disabilities who must use specially equipped or modified vehicles may claim reimbursement at the standard $.50 per mile. However, if the traveler incurred higher than standard operating costs, the traveler may seek reimbursement. The traveler must certify in a statement submitted with the request for reimbursement that he or she incurred higher operating costs due to the disability. The actual fixed cost (for a non-disabled individual) and the variation of that cost (for a disabled individual) must be specified in the statement in order for reimbursement to occur.

TOWING CHARGES
If an employee incurs towing charges due to mechanical difficulties, the following applies: (1) if driving their own vehicle, the employee is responsible for towing charges, not Therapy Management Services Inc., dba KidsCare Therapy (2) if driving a company vehicle, Therapy Management Services Inc., dba KidsCare Therapy is responsible for towing charges. In other words, the party responsible for overall vehicle maintenance is the party who pays for towing charges due to mechanical malfunctions.

HOWEVER, PAYMENT OF TOWING CHARGES WHICH RESULT FROM PARKING VIOLATIONS OR VIOLATION OF LAW WILL ALWAYS BE THE RESPONSIBILITY OF THE EMPLOYEE, REGARDLESS OF WHETHER THEY ARE DRIVING THEIR OWN VEHICLE OR A COMPANY VEHICLE.

CORPORATE CREDIT CARDS
Regular, full-time management staff may request a corporate credit card. However, each individual making such a request must have approval from the CFO prior to a corporate credit card being issued. To be eligible for a corporate credit card, an employee must travel in the course of his/her duties, purchase goods and services for use by the employer, or incur other regular frequent business expenses of a kind appropriately paid by credit card. Each card will be limited to a maximum of $1,000 per day. Increases to the established maximum may be made on a case-by-case basis by the Chief Financial Officer. Charges of $500.00 or more must have approval from ownership prior to any charges being made.

Corporate credit card expenditures must be reconciled and submitted with original receipts to the Finance Department within 10 business days of the expenditure being made. Cardholders who have not reconciled and submitted their expenditures within this period will be asked to reconcile and submit their monthly expenditure immediately. Continued or repeated non-conformance to this policy will result in cancellation of the card and other such actions, as deemed appropriate. An employee can be held financially responsible for credit card charges, if an original receipt is not provided as proof of purchase. If the card expenditures are not reconciled and submitted within a month of the expenditure
or a plausible explanation has not been received by the Chief Financial Officer, the employee's corporate credit card will be canceled.

The corporate credit card cannot be used to obtain cash advances, bank checks, traveler's checks, or electronic cash transfers for expenses other than those incurred by the assigned employee named on the card, or for personal expenses. Misuses of the card will result in cancelation of the card and withdrawal of corporate credit card privileges. If the card is used for an employee's personal expenses, the employer reserves the right to recover these monies from the employee cardholder. Cardholders will be required to sign a declaration authorizing Therapy Management Services Inc., dba KidsCare Therapy to recover, from their salary, any amount incorrectly claimed. Lost or stolen cards must be reported immediately to the Chief Financial Officer, who will report the loss to the credit card company.

Upon receipt of being issued a Therapy Management Services, Inc. dba KidsCare Therapy company credit card, it is required that you sit with a member of the Finance Department to review and sign off that you have discussed, understand, and will comply with the KidsCare Therapy policy regarding corporate credit cards.

EMPLOYMENT TERMINATIONS

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated. Please note that this is not an exhaustive list of termination options. Other factors such as death, disability, retirement, or other life events may require that the employee and Therapy Management Services Inc., dba KidsCare Therapy cease their employment relationship.

RESIGNATION
Voluntary employment termination initiated by an employee.

DISCHARGE or DISMISSAL
Involuntary employment termination initiated by Therapy Management Services Inc., dba KidsCare Therapy

JOB ABANDONMENT
A termination that results when an employee is absent from work for two (2) consecutive days without notifying his/her immediate Manager/Supervisor by 8:00 AM. The employee’s failure to report to work or to notify Management is considered unequivocal abandonment from continuing an employment relationship with KidsCare.

LAY-OFF or JOB ELIMINATION
Involuntary employment termination initiated by the organization for non-disciplinary reasons, usually relating to the economic situation of Therapy Management Services Inc., dba KidsCare Therapy

RESIGNATIONS

Occasionally, personal affairs and life adjustments result in an employee’s decision to change jobs or leave their place of employment. In such cases, employees are expected to give their supervisor at least a two week notice in writing. Departing management staff is required to provide as much notice as
possible; a two-month notice is requested. This advance notice will allow KidsCare time to adjust working schedules and secure a replacement. This act of courtesy will be entered favorably on your employment record. Employees who leave in good standing are given favorable consideration, if they wish to return to work at Therapy Management Services, Inc. dba KidsCare Therapy at a later time.

There may be times, due to the nature of the work and responsibilities of the departing employee or because of the position held by that employee, the supervisor may choose to accept the resignation, but release the employee immediately. This is the prerogative of the supervisor; however, the courtesy of the employee’s notice may be honored and the employee may be paid for the two weeks given as notice. This will be done at the discretion of the supervisor, Chief Financial Officer and ownership. Any additional notice given will be paid at the discretion of KidsCare ownership.

**RESIGNATION and EXIT INTERVIEW PROCEDURE**

When providing a resignation to your supervisor, an employee should send a copy of the resignation notice to the Human Resources department. This will allow for an exit interview to be scheduled with the departing employee. If the supervisor chooses to release the employee immediately, the supervisor must notify the Human Resources department of their intent to do so, in order for an exit interview to be scheduled in a timely manner. All employees giving a resignation should complete an exit interview with the Human Resources department, whether in person, by phone, or simply completing the Exit Interview Form and submitting it to the Human Resources department.

**EXIT INTERVIEWS**

Exit interviews provide KidsCare ownership and management with a level of insight for identifying any trends requiring attention or any opportunities for improving Therapy Management Services Inc., dba KidsCare Therapy’s ability to respond to employee issues, in order to retain good employees. All employees who depart Therapy Management Services Inc., dba KidsCare Therapy on a voluntary basis are strongly encouraged to participate in the Exit Interview process. The Exit Interview is analogous to an organizational performance appraisal. It allows us to know, from the employee’s perspective, what we do right and what we can do better. Therefore, if we can understand the employee’s decision to leave KidsCare then we can address opportunities for improvement and become a better, stronger organization for our patients and our employees.
SECTION IV: EMPLOYEE CONDUCT

GUIDELINES FOR APPROPRIATE, PROFESSIONAL CONDUCT

DISRESPECTFUL CONDUCT AND INSUBORDINATION

POOR PERFORMANCE

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CONFLICT OF INTEREST

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USE OF COMPANY VEHICLES

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PROFESSIONAL LICENSES AND RELATED DOCUMENTATION

ATTENDANCE AND PUNCTUALITY

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PERSONAL APPEARANCE
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MISUSE OR UNAUTHORIZED USE OF COMPANY PROPERTY

THEFT

GAMBLING

DRUG-FREE/ALCOHOL-FREE WORKPLACE

FRAUD, DISHONESTY, OR FALSE STATEMENTS

FIGHTING, THREATS, AND WEAPONS

PERFORMANCE REVIEWS AND EVALUATIONS

FEDERAL FALSE CLAIMS ACT (FCA)

PROGRAM FRAUD CIVIL REMEDIES ACT OF 1986
GUIDELINES FOR APPROPRIATE, PROFESSIONAL CONDUCT

As an integral member of the KidsCare team, employees are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that both in your business and in your personal life you refrain from any behavior that might be harmful to you, your co-workers, Therapy Management Services Inc., dba KidsCare Therapy, or that might be viewed unfavorably by current or potential clients, patients, and their families, or by the public at large. It is a goal of Therapy Management Services Inc., dba KidsCare Therapy to provide and maintain a pleasant and productive work environment. We believe that professional behavior encourages mutual respect, promotes civil and congenial relationships among employees, and promotes a working environment that is free from all forms of harassment, intimidation and violence. Each employee is expected to follow all rules and policies of conduct that are in place to protect the interests and safety of all employees and the organization.

Unprofessional behavior in the workplace, such as sexually-related conversations, inappropriate touching of another employee (i.e., touching, hugging, massaging and sitting on laps), and any other behavior of a sexual nature is prohibited. Conversations which are racially or ethnically offensive or participation in activities which would imply racial discrimination or discrimination of any nature is not acceptable and will not be tolerated.

Theft or inappropriate removal or possession of property other than what belongs to the employee is illegal and will not be tolerated.

Whether you are on or off duty, your conduct reflects Therapy Management Services Inc., dba KidsCare Therapy. You are, consequently, encouraged to observe the highest standards of professionalism at all times.

It would be difficult to attempt to include all unacceptable and unprofessional conduct; however, KidsCare wants to establish some very general guidelines for purposes of clarification of this policy. All employees have the right to conduct their work without disorderly or undue interference from other employees. Therefore, this list is inclusive but not limited to the examples provided:

- Fraudulent activity of any kind.
- Falsifying employment or other KidsCare Therapy records.
- Dishonesty or misrepresentation of facts or circumstances.
- Violating KidsCare’s nondiscrimination and/or sexual harassment policy.
- Establishing a pattern of excessive absenteeism or tardiness.
- Soliciting or accepting extravagant gratuities from customers or clients that would exceed gifts in excess of $10.00.
- Engaging in excessive, unnecessary, or unauthorized use of KidsCare supplies or property, particularly for personal purposes.
- Habitual tardiness or early departures that disrespect the time and efforts of co-workers.
- Participation in gossip or the spread of rumors, or initiating malicious, false or harmful statements about others.
- Sabotaging or undermining another’s work.
- Failure to compromise or cooperate.
 Reporting to work and/or being on company premises while intoxicated or under the influence of non-prescribed drugs.
 Illegally manufacturing, possessing, using, selling, distributing, or transporting drugs or other illegal substances, while on or off duty, or while operating employer-owned vehicles or equipment.
 Bringing or using alcoholic beverages on KidsCare property (including the parking areas) or using alcoholic beverages while engaged in KidsCare Therapy business not on KidsCare’s premises, except where authorized.
 Fighting or using obscene, abusive, or threatening language or gestures, or in any way threatening violence in the workplace.
 Use of intimidation tactics or making threats.
 Negligence or improper conduct leading to damage of employer, patient, or co-worker’s property.
 Purposeful misuse or destruction of company property.
 Stealing property from co-workers, patients, or KidsCare Therapy. Theft of identity or use of personal, confidential information of customers and Therapy Management Services Inc., dba KidsCare Therapy employees for purposes of theft and/or personal gain.
 Violation or disregard for safety, health, and/or security regulations; activity that would be physically harmful to others (horseplay or practical jokes).
 Engaging in insubordination, belligerent behavior, and unwillingness to follow supervisory directives.
 Violation of personnel policies.
 Sexual, unwelcomed, or unlawful harassment of another employee or stalking a co-worker.
 Possession of dangerous or unauthorized materials, explosives, or firearms in the workplace or on the premises of KidsCare facilities.
 Failing to maintain the confidentiality of business interests of KidsCare Therapy or the patients and clients of KidsCare. In the case of Human Resources and Payroll staff, failure to maintain the confidentiality of employee information and/or engaging in conduct and activities that in any way compromises the integrity of the position held.
 Discussion of one’s compensation and employment agreement with another KidsCare Therapy employee or an agent of KidsCare Therapy.
 Publicly disclosing another’s private information.

DISRESPECTFUL CONDUCT AND INSUBORDINATION

Regardless of the position we hold at Therapy Management Services Inc., dba KidsCare Therapy, we all have duties to perform and everyone, including your supervisor, must follow directions from someone. Employees must not refuse to follow directives given by their supervisor or a member of management. Insubordination is disrespectful behavior; therefore, failure to follow directives, or failure to complete a task assigned by management is considered to be indicative of insubordination. This is not acceptable conduct and will be construed as insubordination, resulting in disciplinary action up to and including termination.

Use of profanity and/or a raised voice in an argument is considered to be disrespectful. Therefore, disrespectful conduct toward another employee or a patient is inappropriate, and will not be tolerated. Disrespectful behavior or inappropriate communication with a member of KidsCare Therapy's
management staff is prohibited and will result in appropriate disciplinary action up to and including dismissal.

POOR PERFORMANCE

Therapy Management Services, Inc. dba KidsCare Therapy expects all employees to make every effort to learn and know their job, and to perform in a manner that meets the expectations of their supervisor. A satisfactory performance level is required by all employees. Employees who fail to maintain a satisfactory level of performance will be subject to disciplinary action. If the employee’s performance, work habits, overall attitude, conduct, or demeanor becomes unsatisfactory in the judgment of KidsCare Therapy’s management, based on violations either of the above or of other KidsCare policies, rules, or regulations, the employee will be subject to disciplinary action, up to and including dismissal.

BUSINESS ETHICS

Therapy Management Services, Inc. dba KidsCare Therapy expects all staff, whether it is our Directors, Managers, Therapists, or Administrative Employees, to conduct business in accordance with the letter and spirit of relevant laws and refrain from dishonest or unethical conduct. Employees shall, during both working and non-working hours, act in a manner which will inspire trust in their integrity, impartiality, and devotion to the best interests of Therapy Management Services Inc., dba KidsCare Therapy, its patients, their families, and employees.

CONFLICT OF INTEREST

KidsCare Therapy employees should avoid any situation which involves or may involve a conflict between their personal interest and the interests of Therapy Management Services Inc., dba KidsCare Therapy. Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes the framework within which the ownership and management of KidsCare Therapy wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation.

1) To ensure ethical and impartial business practices, KidsCare Therapy employees are prohibited from investing or holding a financial interest, directly or indirectly, in any business entity, transaction, or business endeavor which does business, or seeks to do business with, or is a competitor, of Therapy Management Services Inc., dba KidsCare Therapy. Any association with an outside enterprise that would create a conflict between the employee’s duty to uphold KidsCare Therapy’s business interest and the individual’s private or personal interest is prohibited.

2) An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee, or for a relative, as a result of business dealings for Therapy Management Services Inc., dba KidsCare Therapy. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of
persons who are related by blood or marriage. Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm which competes with KidsCare Therapy, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving KidsCare Therapy.

3) No employee shall enter into any understanding or agreement – whether expressed or implied, formal or informal, written or oral – with a competitor, which may divulge any of the following aspects of the competitive strategy of Therapy Management Services Inc., dba KidsCare Therapy:

- Profits, financial information, service offerings, terms or conditions of treatment, market share, confidential client/patient information, referral source information, confidential personnel information, or any other sensitive information that could adversely impact the growth and profitability of Therapy Management Services Inc., dba KidsCare Therapy and restrict its competitive initiative objectives.

No “presumption of guilt” is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to a member of senior management, or the owner of KidsCare Therapy, as soon as possible, the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

**CONFIDENTIAL INFORMATION**

Employees may, by virtue of their employment, obtain access to sensitive, confidential, restricted and proprietary information about KidsCare Therapy not generally known or made available to the public or competitors and which KidsCare Therapy has made reasonable efforts to keep confidential. This includes but is not limited to: financial records, customer or vendor records and files, referral or mailing lists, personnel information, credit card numbers, plans, calculations, concepts, design sheets, design data, system design, computer programs, software, firmware, hardware, manuals, drawings, processes, specifications, instructions, research, test procedures and results, equipment, identity and description of computerized records, marketing and sales plans, financial information, costs, pricing information, and all other concepts or ideas involving or reasonably related to the business or prospective business of the Employer, or information received by the Employer as to which there is a bona fide obligation, contractual or otherwise, on the Employer's part not to disclose same and not generally available to the public; and similar information whether stored electronically or as documents. Confidential Information also includes Intellectual Property, meaning all inventions, discoveries, concepts, and ideas, and the expressions of all concepts and ideas, whether or not copyrightable, and whether or not patentable, including but not limited to articles, processes, methods, formulas, systems, and techniques, as well as improvements thereof and knowledge related thereto. All Confidential Information which an Employee is exposed to, conceives or develops, either alone or with others shall be the exclusive property of the Employer.

Under no circumstance is any employee authorized to give information to any third party about another employee. Employees shall not, without the prior written consent of the Company, use, disclose, divulge, or publish to others any such confidential information acquired in the course of their employment. The disclosure or use of any confidential information, which includes, but is not limited to:
visit rates, costs, profits, service offerings, terms or conditions of treatment, business volume, market share, referrals, and personnel or any other Confidential or proprietary information of KCT is strictly prohibited.

PATIENT and EMPLOYEE INFORMATION
It is the policy of Therapy Management Services Inc., dba KidsCare Therapy to ensure that the operations, activities, and business affairs of the company, our clients/patients, their families and KidsCare Therapy employees are kept confidential to the greatest extent possible. If, during their employment, employees acquire confidential or proprietary operational or business information about KidsCare Therapy, our clients/patients, their families or KidsCare Therapy employees, such information is to be handled in strict confidence, and should not to be discussed with anyone. Such confidential information shall be used solely by employees in the performance of their job duties for Therapy Management Services Inc., dba KidsCare Therapy and shall not be used in any other manner whatsoever during their employment.

EMPLOYEES’ RESPONSIBILITY
Employees are responsible for their disclosure and/or use of confidential information. The misuse, unauthorized access to, or mishandling of confidential information, particularly personnel and patient information, is strictly prohibited. Such confidential information is the exclusive property of Therapy Management Services Inc., dba KidsCare Therapy and under no circumstances whatsoever shall employees have any rights to use, disclose or publish to others such confidential information subsequent to the termination of their employment.

BREACH OF CONFIDENTIALITY AND POLICY COMPLIANCE
Because of the nature of our work, we cannot tolerate any breaches of our security measures, or of our confidential business relationships. In accordance with the Health Insurance Portability and Accountability Act (HIPAA), information that you acquire about patients and their medical conditions while working for Therapy Management Services Inc., dba KidsCare Therapy is to remain strictly confidential. Any topic concerning the personal lives of patients must be held in the strictest of confidence.

Never leave information where it can be observed by the casual visitor or other patients. All employees must comply with our Confidentiality of Patient Information policy. Information about Therapy Management Services Inc., dba KidsCare Therapy’s employees, their families, finances, or other private matters must also be held in the strictest of confidence. Confidential information should only be provided on a “need to know” basis, and with prior approval from your supervisor.

Any violation of this policy will subject the employee to appropriate disciplinary action up to and including immediate termination. In addition, disciplinary action will be taken, not only against individuals who authorize or participate directly in a violation of this policy, but against:

1) Any employee who may have deliberately failed to report a violation of the policy;

2) Any employee who may have deliberately withheld relevant and material information concerning a violation of this policy.
UNAUTHORIZED USE OR DISCLOSURE OF CONFIDENTIAL INFORMATION MAY RESULT IN DISCIPLINE, UP TO AND INCLUDING IMMEDIATE TERMINATION, PROSECUTION, OR OTHER AVAILABLE ACTION.

Upon termination of employment, employees must deliver to Therapy Management Services Inc., dba KidsCare Therapy any and all confidential information whether stored electronically or as a document, including but not limited to: all copies of such documents prepared or produced in connection with their employment with Therapy Management Services Inc., dba KidsCare Therapy that pertain to KidsCare Therapy's business or the employee's services, whether made or compiled by the employee or furnished to the employee in connection with such services to Therapy Management Services Inc., dba KidsCare Therapy. In addition, at termination, employees must return all of KidsCare Therapy's non-confidential property, documents, or electronic information. This policy does not limit the common law and statutory rights of Therapy Management Services Inc., dba KidsCare Therapy.

COMPENSATION AND CASELOAD CONFIDENTIALITY

Personal employee information is considered confidential and, as such, should be shared only as required and with those who have a need to have access to such information. The rate of compensation you receive whether that be in the form of pay per visit, pay per hour worked, the number of patients in a specific caseload, or salaries of exempt personnel is expected to be kept confidential, and KidsCare Therapy requests that you refrain from disclosing this information to co-workers.

If an employee becomes aware of a breach in maintaining the confidentiality of compensation information, the employee should report the incident to their immediate supervisor or to the Human Resources department. The Human Resources department has the responsibility to investigate the incident and take corrective action. Please be aware that a standard of reasonableness will apply in these circumstances; however, if there is no discussion of compensation there will be no reason to investigate.

THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

In 1996, Congress enacted a law to protect patient’s rights to privacy and confidentiality as a result of healthcare professionals’ increased use of electronic media to transmit/store information. Therapy Management Services, Inc. dba KidsCare Therapy operates with the intention of complying with all aspects of federal law under the Health Insurance Portability and Accountability Act (HIPAA). All employees should refer to company policies regarding HIPAA to learn and understand all procedures and follow the company compliance statement.

HIPAA requires all healthcare providers, payers, and clearinghouses to comply with strict regulations regarding patient privacy. As a result, healthcare professionals must implement reasonable safeguards. State and Federal Law mandates that patient information is to be held in strictest confidence (including patient information that is personal: diagnosis, family information, patient status, patient observations, and family observations). Reproducing patient information is not allowed unless management grants prior permission. This includes but is not limited to: patient notes, evaluations, charts, or any information contained therein.
ELECTRONIC COMMUNICATIONS

This policy contains guidelines for the use, access, monitoring and disclosure of Electronic Communications created, sent, received, transmitted, or stored by employees using any KidsCare Therapy-provided communication system or equipment and employee-provided systems or equipment used either in the workplace or during working time. "Electronic Communications" include: messages, images or any other information contained in e-mail, voice mail, fax machines, computers, personal digital assistants (PDAs), pagers, telephones, cellular and mobile phones, Intranet, or Internet systems (Systems), among other things.

ACCEPTABLE USES OF ELECTRONIC COMMUNICATIONS AT WORK

Employees may use Electronic Communications to communicate internally with co-workers or externally with patients, their families or others necessary to perform the essential functions of the job. Therapy Management Services Inc., dba KidsCare Therapy provides employees with access to our Systems to facilitate these business communications and to enhance productivity.

MANAGEMENT’S RIGHT TO ACCESS ELECTRONIC COMMUNICATIONS

All Electronic Communications contained in Company Systems are Company records, and are therefore property of Therapy Management Services Inc., dba KidsCare Therapy. Although each employee may have an individual password to access these Systems, the Systems belong to KidsCare Therapy and the contents of the Systems and Electronic Communications conducted on the Systems are accessible by KidsCare Therapy at all times for any business purpose. These systems will be subject to periodic unannounced inspections and should be treated like other shared filing systems. The contents of Therapy Management Services, Inc. dba KidsCare Therapy Systems will also be monitored by and disclosed to KidsCare Therapy without further notice to employees. Thus, employees should not assume that Electronic Communications are confidential or private. Back-up copies of Electronic Communications in our Systems will be maintained and referenced.

Therapy Management Services Inc., dba KidsCare Therapy’s right to use, access, monitor and disclose Electronic Communications without further notice applies equally to employee-provided systems or equipment used either in the workplace or during working time.

PERSONAL USE OF KIDSCARE’S SYSTEMS

KidsCare Therapy Systems are provided to assist employees in the performance of their jobs. Therapy Management Services, Inc. reserves the right, and employees agree to permit KidsCare Therapy to use, access, monitor, and disclose all Electronic Communications on our Systems, without regard to content. Since employees' personal communications and information can be accessed without advance notice, employees should not use our Systems for communication or information that employees would not want discussed with, or known to third parties. For example, employees should not use the Systems for: gossip; personal information about themselves or others; for forwarding messages under circumstances likely to embarrass themselves or others; or for emotional responses to business correspondence or work situations. Employees also should not use these Systems for such purposes as soliciting for commercial ventures, religious or personal causes, outside organizations, or other similar, non-job-related situations.

KidsCare Therapy employees should not use their KidsCare Therapy business email address to send personal communications. Any emails sent from a KidsCare Therapy email address contain the KidsCare
domain name in the second half of every email correspondence. Third parties may associate comments and emails of employees about private matters with the employer based on the use of an email address with a business domain in the name. Therefore, it is requested that all employees utilize their personal email accounts to send personal communications via email.

Although incidental and occasional personal use of our Systems that does not interfere or conflict with Therapy Management Services Inc., dba KidsCare Therapy's business is permitted, personal communications in our Systems are treated the same as all other Electronic Communications, and will be used, accessed, monitored, and disclosed by KidsCare Therapy at any time, without further notice. For

Employees may not install any software on any Company-provided System or copy software from any Company-provided System without the prior written permission of our IT Manager. Involving the IT Manager ensures that Therapy Management Services Inc., dba Therapy Management Services Inc., dba KidsCare Therapy can manage the software on its Systems, prevents the introduction of computer viruses, and meets its obligations under any applicable software licenses and copyright laws. Computer software is protected from unauthorized copying and use by federal and state law. The unauthorized copying or use of computer software exposes Therapy Management Services Inc., dba Therapy Management Services Inc., dba KidsCare Therapy and individual employees to substantial fines and/or imprisonment.

FORBIDDEN USES OF KIDSCARE SYSTEMS
Employees may not use our Systems in a manner that violates our Zero-tolerance of Harassment and Discrimination Policy, Equal Employment Opportunity Policy, or any other company policies. In this regard, employees may not use our Systems in any way that may be perceived as insulting, disruptive, obscene, offensive, or harmful to morale. Examples of forbidden transmissions include, among other things, sexually-explicit messages, images, cartoons, or jokes; propositions or love letters; ethnic or racial slurs; or any other message or images that may be construed to be in violation of our Zero-tolerance of Harassment and Discrimination Policy.

In addition, employees may not use our Systems:
- to access, receive, forward or download information from the Internet for personal use;
- to carry any defamatory, discriminatory or obscene material;
- to make online internet purchases for personal use;
- in a manner that violates the terms of any telecommunications license or any laws governing data flow including but not limited to laws dealing with data collection, protection, privacy, confidentiality and security;
- in connection with any attempt to penetrate computer or network security of any Company or other system, or to gain unauthorized access or attempted access to any other person's Electronic Communications systems or equipment;
- in connection with any infringement of another person's intellectual property rights, including but not limited to copyrights;
- to communicate about other’s personal affairs or other business unrelated to work; and,
- in connection with the violation or attempted violation of any law.

ELECTRONIC FORGERY
Electronic forgery is defined as misrepresenting, disguising, or concealing your identity or another's identity in any way while using Electronic Communications; making changes to Electronic
Communications without clearly indicating that you have made such changes; or using another person’s account without prior written approval of the account owner, and without identifying that you are the author. Electronic forgery is not allowed for any purposes and may result in immediate termination.

ELECTRONIC PROPERTY RIGHTS
Employees must always respect copyrights and trademarks of third parties and their ownership claims in images, text, video and audio material, software, information, and inventions. Employees should not copy, use, or transfer proprietary materials of others without appropriate authorization. Downloaded software and other copyrighted material may be subject to licensing obligations or restrictions. Even when software is labeled "freeware" or “shareware”, there may be retained licensing restrictions that prohibit or limit the usage or commercialization of such items. If questions arise in this regard, contact the IT Manager. Therapy Management Services Inc., dba KidsCare Therapy will cooperate with the copyright holder and legal officials in all copyright matters.

SYSTEM INTEGRITY, SECURITY, ENCRYPTION AND POLICY VIOLATIONS
All Systems passwords and encryption keys must be available to Therapy management Services, Inc. dba KidsCare Therapy management. Employees may not install password or encryption programs without the written permission of our IT Manager, and without turning over encryption keys to their supervisor. Further, employees are prohibited from the unauthorized use of passwords and encryption keys belonging to other employees to gain access to the other employee's messages, information, or communications.

Policy violations may result in disciplinary action up to and including immediate termination, as well as possible civil liabilities and criminal prosecution. Where Therapy Management Services, Inc. dba KidsCare Therapy deems it appropriate, we may advise legal officials or other appropriate third parties of any violations.

Therapy Management Services Inc., dba KidsCare Therapy will cooperate with investigations conducted by legal officials or appropriate third parties.

USE OF COMPANY VEHICLES
Therapy Management Services Inc., dba KidsCare Therapy deems it necessary to establish the safe operation of all KidsCare company vehicles, to ensure the safety of our employees, to ensure the safety of the driving public, and to minimize losses, damages and claims against dba KidsCare Therapy.

ELIGIBILITY AND SCHEDULING
To be eligible for driving a KidsCare vehicle, an employee must possess a valid driver’s license, a clear driving record with no convictions for driving under the influence, and must be able to show proof of insurance. The employee must schedule the vehicle with the appropriate member of the office staff: the Office Manager in Fort Worth, and in the Dallas office, the IT coordinator. There is no priority for scheduling and the availability of the vehicle is on a first come, first serve basis. If the vehicle has already been scheduled into service by another member of the staff, the employee must use their own vehicle and will be reimbursed according to IRS guidelines.

The assignment and use of KidsCare company vehicles is a privilege and it is the policy of Therapy Management Services Inc., dba KidsCare Therapy to insist that employees operating company cars do so
in a safe and economical manner. All KidsCare company cars are identified by our name, phone number and logo on both sides of the car and on the back of the car. Each car has also been assigned a numbered decal which is located on both the trunk lid and front passenger-side bumper of each vehicle to assist the driving public in identifying and reporting unsafe and discourteous driving on the part of our employees behind the wheel of a KidsCare car. Remember, KidsCare is associated with that car – therefore, how you drive and what you do behind the wheel of that car will be a reflection on KidsCare as an organization. While driving one of our company vehicles, you must remember that you are a “KidsCare Ambassador” on the road!

Failure to comply with this policy may result in suspension or termination of operating a KidsCare company vehicle, or disciplinary action, up to and including termination of employment. In order to operate a KidsCare company vehicle, you, the driver, must adhere to the following:

- If you have never driven one of KidsCare company vehicles, be sure to familiarize yourself with all controls before beginning your journey.
- Must possess a valid United States driver’s license issued by the Department of Motor Vehicles from the state of Texas or the state in which you previously resided (if you have lived in Texas for less than 6 months).
- Must agree to disclose an accurate driving history for the past three years, or longer if requested.
- Must agree to operate Therapy Management Services Inc., dba KidsCare Therapy vehicle in accordance with applicable local and federal laws and any KidsCare regulations.
- Must be courteous at all times, respecting the rights of other drivers and pedestrians.
- Cell phones should not be used while driving (for texting or for speaking); however, if it is absolutely necessary to communicate by use of your mobile phone while driving, you are requested to pull over to the side of the road to complete your communication.
- Must agree to wear seat belts at all times and require your passengers to wear them. At no time should the number of passengers exceed the number of seat belts available.
- No drinking of alcoholic beverages and/or use of controlled substances shall be allowed in a KidsCare company vehicle at any time.
- The driver must not be under the influence of controlled substances and/or alcohol at any time.
- All traffic violations and citations are the sole responsibility of the driver.
- Must conform to all traffic laws (including speed limits), signals, and road markings; and make proper allowance for adverse weather and traffic conditions.
- Report any change in license status immediately (i.e. if your license has been suspended or revoked) to the Human Resources department within one working day of any such change. If the license is suspended or revoked, operating privileges will be terminated accordingly.
- In the event you are in an accident while driving a company vehicle, if there are no injuries, call your immediate supervisor and then the police. If there are injuries, call the police and then your immediate supervisor.
- Follow the ACCIDENT PROCEDURE for gathering information.

**ACCIDENT PROCEDURE: (at the scene)**

*Do not admit fault.*

1. Acquire information from the other driver(s):
   - Name
- Date of Birth
- Driver's License Number/State
- Address
- Insurance Company/Policy Number, if known
- License Plate Number
- Make/Model/Year of Vehicle
- Damage to Vehicle (what is visible)
- Injury to Driver, if any
- Date, Time, Road (location) and Weather Conditions

2. Acquire information from Passengers or Witnesses:
   - Names
   - Numbers (best contact numbers)
   - Injuries to Passengers

3. Acquire information from the Investigating Officer:
   - Officer’s Name
   - Badge Number
   - Phone Number
   - Report Number

LOSS OF DRIVING PRIVILEGES
In addition to appropriate disciplinary action, the following offenses will result in suspension or termination of driving privileges for those operating a KidsCare company vehicle:

- Operating a company vehicle without a valid driver’s license.
- Failure to report the suspension or revocation of his/her driver’s license.
- Failure to obey state and local traffic regulations resulting in three (3) citations within a 12-month period.
- Operating a company vehicle outside of the specific purpose or destination and/or scope of the related business activity.
- Operating a company vehicle in a reckless or unsafe manner and receiving 3 reported complaints from the public within a 6-month period.
- Failure to report an accident to your supervisor and the local Police.
- Operating a KidsCare vehicle while under the influence of alcohol or controlled substances.
- Having two “at-fault” accidents within a 12-month period while operating a KidsCare vehicle.

USE OF PRIVATE VEHICLES FOR COMPANY BUSINESS

We want to ensure the safety of all KidsCare employees who use their own vehicles for company-related business. It is the responsibility of each employee who uses their own transportation in the execution of their job duties to present a valid driver’s license to the Human Resources department, in addition to proof of insurance for the vehicle that will be used in the line of business on behalf of Therapy Management Services Inc., dba KidsCare Therapy.
REIMBURSEMENT
Therapy Management Services Inc., dba KidsCare Therapy’s mileage reimbursement rate takes into account all actual automobile expenses such as fuel and lubrication, towing charges, repairs, replacements, tires, depreciation, insurance, etc. Management will decide throughout the year what the current mileage reimbursement rate will be; to know the current rate, please contact your manager/supervisor. Under IRS regulations, travelers who claim this rate are not required to substantiate the actual costs of operating the vehicle. In addition, an employee may be able to claim the difference between the KidsCare rate and the IRS limits on their personal tax return.

The Human Resources department will conduct random checks with the DMV for driving records and require that employee present proof of insurance at the appropriate renewal period. In order to operate their own vehicle in the line of doing business for Therapy Management Services Inc., dba KidsCare Therapy the employee must adhere to the following guidelines:

- Agree to operate their vehicle in accordance with applicable local and federal laws and any KidsCare regulations.
- Be courteous at all times, respecting the rights of other drivers and pedestrians.
- Cell phones should not be used while driving (for texting or for speaking); however, if it is absolutely necessary to communicate by use of your mobile phone while driving, it is recommended that you pull over to the side of the road to complete your communication.
- Agree to wear seat belts at all times and require your passengers to wear them. At no time should the number of passengers exceed the number of seat belts available.
- The driver must not be under the influence of controlled substances and/or alcohol at any time.
- All traffic violations, citations and accidents are the sole responsibility of the driver.
- Conform to all traffic laws including speed limits, signals and road markings; and make proper allowance for adverse weather and traffic conditions.
- Report any change in license status immediately (i.e. if your license has been suspended or revoked) to the Human Resources department within one working day of any such change. If the license is suspended or revoked, KidsCare cannot allow an employee to drive their own vehicle to conduct company business.

PROFESSIONAL LICENSES AND RELATED DOCUMENTATION
All Therapy Management Services Inc., dba KidsCare Therapy employees must complete and maintain current up-to-date records and must supply all required documents necessary to work to the Human Resources department. To keep your personnel records up to date and to ensure that KidsCare Therapy has the ability to contact employees, employees must notify the Human Resources department promptly of any change of name, address, phone number, marital status, number of dependents, or other applicable information. If you do not have a phone, please provide us with the phone number of your nearest contact.

It is imperative that up-to-date records be maintained in your employee file. A current copy of the employee’s professional license is required to be on file at all times. Professional licenses will be verified on an annual basis, or more often if necessary. Employees are also required to read, test, and sign off on all required quizzes annually. Clinical staff members as well as those with direct client contact must
provide documentation for negative TB test results at the time of their employment, as well as completion of a yearly screener to determine TB exposure. Proof of current CPR is also required at the time of employment as well renewal at the time of expiration (CPR is valid for 2 years). These records are confidential and only authorized management may access them. Any unauthorized access of an employee’s personnel records by another employee is grounds for disciplinary action, up to and including termination.

FAILURE TO MAINTAIN OR RENEW REQUIRED LICENSES
Failure to renew or keep current any license required by KidsCare or any federal or state regulatory agency for the performance of your job may result in termination. For the period that a license has expired, the therapist is strictly prohibited from conducting patient visits. In the event that it may be necessary, patients may be temporarily or permanently re-staffed as deemed necessary by the Clinical Manager or Administrator.

NOTIFICATION OF REQUIRED DOCUMENTATION
Employees will be notified of upcoming documentation requirements via email from the Human Resources department. Employees will be given approximately two weeks to return the documentation to the HR department via mail, fax, email, or in person. It is imperative to provide the requested documentation to the HR department in effort to prohibit any disruption of work duties. If the employee has submitted for their professional license but has not yet received the current copy, proof of renewal will be accepted for the two weeks after the license has expired. However, proof of the renewal must be on file prior to the expiration of the license.

Employees who do not submit the required documentation to the HR department within the requested two week timeframe will be required to come to the Dallas office to pick up their paycheck. Failure to comply with requests for documentation may result in disciplinary action, up to and including termination.

ATTENDANCE AND PUNCTUALITY
Therapy Management Services, Inc. dba KidsCare Therapy’s office hours are Monday through Friday, 8:00am to 5:00 pm. All KidsCare employees are required to report to work at the time of their scheduled shift, visit, or appointment. Due to the nature of home care, unforeseen circumstances can, and do, occur at times. However, it is the employee’s responsibility to inform their supervisor or patient/family that a situation has arisen. For therapists, attempts to reschedule the visit must be made with the family. All attempts must be documented in Coordination Notes under “Scheduler Notification”.

KidsCare expects all employees to assume diligent responsibility for their attendance and promptness. Recognizing that illnesses and injuries may occur, however, KidsCare has established a Sick and Personal Days policy to compensate full-time regular employees for certain time lost for legitimate medical or personal reasons, including time off to secure treatment for a disability or severe illness. Any leave of absence must be approved by the employee’s immediate supervisor.

If an employee is unable to work because of illness, they must notify their immediate supervisor or the Administrator by 8:00 am on each day of the absence, unless the employee has been granted an authorized medical leave, in which case different notification procedures apply. Notification must be in the form of a telephone call. Texts and/or emails are strongly discouraged. If you attempt to contact
your immediate supervisor but cannot reach him/her, it may be necessary to leave a voice message. When leaving a voicemail message, it is required that you leave a call-back number where you can be reached in the event of an emergency. Contacting a co-worker is not acceptable and will not be considered as appropriate notification.

If, after two (2) consecutive days, an employee has failed to notify their supervisor by 8:00 am each morning that they will not be in attendance, the employee may be terminated on the basis of job abandonment, and the termination of employment will be considered voluntary. Failure to properly notify your supervisor by the designated time will result in an unexcused absence, and could result in additional disciplinary action, up to and including termination.

When an employee fails to report to work as scheduled, it makes it more difficult for us to serve our patients. Every employee plays an important role in our operation, and his/her tardiness places an unnecessary burden on fellow employees, our patients and on KidsCare. Employees are expected to report to work on time as scheduled, to limit breaks and lunch periods to the time allowed, and to stay on the job until the end of his/her scheduled work day. Leaving early or returning late from breaks or lunch is prohibited. Leaving your work station before quitting time to change clothes or make preparations to leave before the end of your scheduled shift is also prohibited. Excessive tardiness or leaving early will result in disciplinary action.

Absenteeism or tardiness that is unexcused or excessive in the judgment of KidsCare’s management is grounds for disciplinary action, up to and including dismissal.

**EXCESSIVE ABSENTEEISM**

Excessive absenteeism is considered three (3) absences or more per month. Excessive absenteeism can cause Therapy Management Services, Inc. dba KidsCare Therapy an undue hardship, and violations of this policy may result in disciplinary action up to and including termination. This policy will be practiced in accordance with applicable federal and state laws.

If an employee is absent for more than three (3) consecutive workdays, a statement from a physician may be required before the employee will be permitted to return to work. In such instances, KidsCare Therapy also reserves the right to require the employee to submit to an examination by a physician designated by Therapy Management Services Inc., dba KidsCare Therapy at its discretion. KidsCare may require the employee to be examined by a company-designated physician at its discretion, such as where abuse is suspected (e.g., where an employee’s record indicates a pattern of short absences and/or frequent, unscheduled absences before or after holidays and weekends).

**PERSONAL APPEARANCE**

KidsCare Therapy’s professional atmosphere is maintained, in part, by the image we present to our patients and their families. We expect all employees to present a neat, well-groomed appearance, and a courteous disposition. These qualities go further than any other factors in making a favorable impression on the public and your co-workers. Both office and field staff should avoid extremes in attire. Flashy, provocative, skimpy, or revealing outfits and other non-business like clothing are unacceptable. Employees should dress in a business-like manner. It is the discretion of your immediate supervisor...
and/or the Administrator to determine if your attire is appropriate, and to determine if any disciplinary action should be taken.

In effort to keep your personal clothing nice, scrubs are recommended for all field employees. Therapists are not required to wear uniforms; however, appropriate dress is required. Clothing should be clean and without holes, with no inappropriate logos.

If office and/or field staff chooses to wear personal clothing, the following applies:

- Dresses are allowed, but no sun-dresses.
- Skirts, including blue jean skirts, are permissible. However, extremely short skirts are NOT appropriate. All skirts should be 2 inches above the knee or longer.
- Pants, capris and blue jeans are allowed.
- Shorts are not permitted.
- Sleeves on dresses, shirts, or blouses must be a minimum of 2" wide from the collar to the end of the sleeve. Sleeveless clothing that does not fit that requirement is only acceptable with appropriate covering.
- T-shirts are allowed, but with no inappropriate slogans, writing or advertisements.
- Tank tops and sleeveless shirts, blouses, or dresses are not permitted.
- No jogging suits.
- Inappropriate tattoos should be covered.
- Flip-flops are not permitted in Head Start programs.

Good personal hygiene and a clean appearance are required at all times, and particularly when you are in contact with a patient. Due to the demands of patient care:

- Hair should be kept clean and groomed.
- Jewelry should be conservative.
- Make-up should be appropriate for the professional environment.
- Cologne/perfume should be worn lightly, or not at all.
- Nails should be kept trimmed and manicured.

Employees are expected to observe our Personal Appearance Policy at all times while at work. Employees who report to work in unacceptable attire or appearance may be requested to leave work and return in acceptable attire or appearance, and are subject to other disciplinary action up to and including termination. For hourly, non-exempt employees, time spent traveling to and from home to change clothing is considered off the clock and will not be compensated.

Employees wearing poor decorum outside of work hours may be disciplined or terminated as well. As such, KidsCare Therapy attire should be worn for work-purposes only.

**PERSONAL HYGIENE**

Therapy Management Services Inc., dba KidsCare Therapy has no desire to become involved with issues as discretionary as personal hygiene. However, there are occasions and situations when KidsCare Therapy management has no choice but to communicate the need for special attention to focus on one’s personal hygiene. It is important that all employees respect the sensitivity of others by
maintaining good habits of bodily cleanliness. Daily use of appropriate products such as shampoo, soap, deodorant, toothpaste, mouthwash, etc., help make employee interactions more pleasant experience.

KidsCare discourages the wearing of strong colognes and strong perfumes that may be irritating to the respiratory ailments of others. Employees should always take care to wear clean clothing. Employees who do not maintain a clean personal appearance will be counseled, and may be required to make the necessary changes to conform to this policy. It is understood that many times there may be medical conditions that cause or result in problematic hygienic concerns. If an employee suffers from such a condition, they should confidentially inform their supervisor, in order to discuss feasible and appropriate accommodations that could be made.

**SOLICITATION**

Employees are not to solicit or be solicited during their working time when performance of job duties is expected. This does not include time before or after work hours, or during breaks or lunch periods. Employees are not to distribute advertising materials, handbills or other literature without express consent of the supervisor. KidsCare Therapy prohibits solicitation and distribution by non-employees on Company premises at all times.

**SMOKING AND USE OF TOBACCO**

To maintain a safe and comfortable working environment and to ensure compliance with applicable laws, smoking and all forms of tobacco products in KidsCare Therapy offices is prohibited. Smoking areas are strictly regulated and employees should familiarize themselves with the areas where smoking is permitted. Smoking and tobacco use is not allowed in the presence of a KidsCare patient or their family members. Smoking and tobacco use on the property of a patient is prohibited, as well. Use of tobacco in any form is permitted only in designated outdoor areas.

**HANDLING OF CASH/PAYMENT FOR SERVICES**

Employees who handle cash or other payment for services as part of their job duties will be held accountable for shortages. Employees who have frequent mishandlings may also be disciplined for such shortages, up to and including immediate termination.

**GIFTS OR GRATUITIES**

A “gift” is considered to be a present, gratuity, property, or service. Employees are not allowed to give or accept any gift of any value greater than $10, or any service which would be greater than $10, from any patient, employee, vendor, or referral source. In no way should a Therapy Management Services Inc., dba KidsCare Therapy employee encourage or solicit a gift or gratuity, or accept a gift with the expectation of something being given or received in return. Violations of this policy will result in immediate action, up to and including possible termination.
MISUSE OR UNAUTHORIZED USE OF PROPERTY

We have made a tremendous investment in facilities and equipment to better serve our patients and to make your job easier. Deliberate, reckless, or careless damage to Therapy Management Services Inc., dba KidsCare Therapy's, patient's, or patient's family's property will not be tolerated. You will be financially liable for the repair and/or replacement of any equipment or property. If appropriate, damage to property will be reported to law enforcement agencies.

THEFT

Stealing or attempting to steal Therapy Management Services Inc., dba KidsCare Therapy's property or property belonging to co-workers, patients, or patient's family members, either by commission or omission, is strictly prohibited. To protect you, your co-workers, and Therapy Management Services Inc., dba KidsCare Therapy, we reserve the right to inspect all purses, briefcases, packages, lockers, desks, cabinets, vehicles, and any other containers or items on Company property, if the need arises. If you wish to remove any Company property from the premises, you must obtain written permission in advance from your supervisor.

GAMBLING

KidsCare employees are not to engage in any form of gambling on Therapy Management Services Inc., dba KidsCare Therapy premises.

DRUG-FREE/ALCOHOL-FREE WORKPLACE

Therapy Management Services Inc., dba KidsCare Therapy's objective is to maintain a safe, healthy working environment for all employees, thereby reducing the incidence of accidental injury to persons or property and to minimize any possibility for inappropriate behavior on the part of KidsCare representatives. KidsCare recognizes its obligation to take such action as considered necessary to ensure the safe and efficient operation of our business.

It is the policy of Therapy Management Services Inc., dba KidsCare Therapy to create a drug-free/alcohol-free workplace in keeping with the spirit and intent of the Drug-Free Workplace Act of 1988. The use of any controlled substances is inconsistent with the behavior expected of KidsCare employees. Arriving at work under the influence of illicit alcohol or illegal drugs is strictly prohibited and will be cause for immediate termination, due to the impairment of the employee to perform their job responsibilities.

Therapy Management Services Inc., dba KidsCare Therapy will not tolerate substance abuse of any kind, including illicit drugs, prescription medications and alcohol. Employees who test positive for the presence of drugs or alcohol on company time may be subject to immediate termination. Substances that may affect an individual’s mood, senses, responses, motor functions, or alter or affect a person’s
perception, performance or behavior when used is a potential safety hazard to the individual and his/her co-workers.

As a condition of consideration for initial and continued employment, KidsCare prohibits employees from reporting to work or performing their duties while under the influence of any unlawful drugs, non-medically prescribed controlled substances, or alcohol. Employees are also prohibited from using, possessing, manufacturing, distributing, or making arrangements to distribute unlawful drugs, non-medically prescribed controlled substances, or alcohol while at work, in a company vehicle, off-site at training or other meetings wherein the employee is representing KidsCare Therapy, on company premises (including being in a personal vehicle on site at a KidsCare Therapy facility), or while on a patient’s property. These guidelines apply to both lunch and break periods, as well.

For the safety of all employees and patients and to enforce this policy, Therapy Management Services Inc., dba KidsCare Therapy may, at any time where lawful, require, as a condition of employment, any employee to submit to a physical examination and/or urine, breath, blood or other test to determine the presence of drugs or alcohol in the employee’s system.

The possible occasions for drug and alcohol testing include, but are not limited to:

- When an applicant applies for employment;
- Company-wide, department-wide, or position-wide random testing;
- Individual testing when KidsCare has a reasonable suspicion that an employee has violated Therapy Management Services Inc., dba Therapy Management Services Inc., dba KidsCare Therapy’s Alcohol and Drug Policy;
- When an employee suffers an on-the-job reportable injury or is involved in an accident on company property or while driving a company vehicle.

Violation of these rules, including:

- A test indicating the presence of unlawful drugs, non-medically prescribed controlled substances, or alcohol in an employee’s system;
- Refusal to cooperate with Therapy Management Services Inc., dba KidsCare Therapy in any test, search or investigation, or failure to execute any paperwork necessary for examinations or tests;
- Possession of, distribution of, consumption of, or attempted consumption of unlawful drugs, non-medically prescribed controlled substances, alcohol, or drug paraphernalia;
- Tampering with, attempting to tamper with, or adulterating a test sample, or
- Unlawful conduct on or off duty involving alcohol or drug use, may result in disciplinary action, up to and including immediate termination.

Employees who refuse to submit to a test, or test positive for unlawful drugs, non-medically prescribed controlled substances, or alcohol may be disciplined and/or terminated, and disqualified for employment benefits, unemployment compensation or worker’s compensation. Although the proper use of medication is not prohibited, employees should consult with the employee’s supervisor when he/she is taking medication that may affect safety or performance. Any prescription medication brought onto KidsCare Therapy property or taken while an employee is operating a Company vehicle must be retained in its original container, labeled with the name of the employee and the prescribing physician. Employees are advised against taking another person’s medication. KidsCare Therapy treats the abuse of prescription medication as unlawful drug use.
SUBSTANCE AWARENESS ASSISTANCE

KidsCare Therapy offers an educational approach to making our employees aware of the dangers of drug and alcohol abuse. For information on educational materials and availability of drug and alcohol abuse training, employees should contact the Human Resources department and ask for information regarding KidsCare’s Employee Assistance Program. KidsCare Therapy also provides employees with substance-related assistance through the availability of counseling and rehabilitative programs through our medical insurance plans. For information on substance-related treatment available, see your medical benefits plan description.

If an employee wants to seek help for drug or alcohol problems prior to being caught in violation of the KidsCare Therapy’s Alcohol and Drug Policy or prior to being asked to undergo a test, he or she may and should seek information from the Human Resources department, the Benefits Administrator, or his/her supervisor.

FRAUD, DISHONESTY OR FALSE STATEMENTS

Therapy Management Services Inc., dba KidsCare Therapy takes fraud very seriously. No employee may falsify or make any misrepresentations on or about any application, resume, document establishing identity or work status, medical history record, insurance form, work-related documentation (including those of visits with patients), paperwork, time sheet, time card, or any other document. If you observe such a violation, please report it to your immediate supervisor or Administrator immediately. Falsification of documents will result in termination.

FIGHTING, THREATS, AND WEAPONS

Therapy Management Services Inc., dba KidsCare Therapy does not allow fighting, threatening words or conduct, loud or abusive language, or any other actions that could injure a patient, patient’s family, fellow employee, or member of the public, regardless of where such words or actions occur.

Therapy Management Services Inc., dba KidsCare Therapy also prohibits employees, staff, and all other persons (other than law enforcement and authorized security personnel) from bringing firearms, ammunition, explosives, or other weapons of any kind onto KidsCare Therapy property or in patient’s homes. This policy applies regardless of whether the employee is entitled to carry a concealed weapon by the law. Any violation of this policy may subject an employee to disciplinary action up to and including immediate termination.

PERFORMANCE REVIEWS AND EVALUATIONS

To ensure that each employee performs their job to the best of their ability, it is important that they be recognized for good performance and that they receive appropriate suggestions for improvement when necessary. All employees’ performance will be reviewed on the following schedule:

- All new employees will have a review completed that assesses their first 90-days of employment. This review should be written and can be a very brief summary of the employee’s
strengths, as well as any suggestions for improvement that may have been observed by the supervisor. This evaluation will be conducted after the employee has been at KidsCare Therapy for approximately 90-days and the review will be made a part of the employee’s personnel file.

- All employees who have been employed for one full year should receive a formal written performance appraisal that will be made a part of their personnel file. This performance review will usually occur on or around the employee’s anniversary date of employment or at a date agreed upon with their supervisor during the last performance review.

All employees should receive a written evaluation of their performance at least once annually, which is generally conducted around the employee’s anniversary date. Some managers or supervisors may choose to evaluate more frequently, which is their prerogative to do so. However, those on-going evaluations may or may not be written. If, however, the manager provides a written evaluation, the employee is requested to sign it and be given a copy. The original must be sent to the Human Resources department, as it will become a part of the employee’s personnel file.

A performance review/evaluation is not a contract or a commitment to provide a salary or other form of compensation adjustment, a promotion, a bonus, or even continued employment. Performance evaluations will be based on your overall performance in relation to your job responsibilities, the quality of your work, and meeting goals established by management. They will also take into account your conduct, demeanor (attitude), appropriate interaction with co-workers, clients and/or patients, and records of attendance and tardiness.

**FEDERAL FALSE CLAIMS ACT (FCA)**

The purpose of the Federal False Claims Act (FCA) is to combat fraud and abuse in government health care programs. False claims laws do so by making it possible for the government to bring civil actions to recover damages and penalties when healthcare providers submit false claims. Specifically, the FCA imposes civil penalties on people and companies who knowingly submit a false claim or statement to a federally funded program, or otherwise conspire to defraud the government, in order to receive payment.

The centers for Medicare & Medicaid Services (CMS) and the Texas Department of Aging and Disability Services (DADS) have specific definitions for several specific key terms. They are as follows:

- An “entity” includes a governmental agency, organization, unit, corporation, partnership, provider, or other business arrangement (including any Medicaid managed care organization), whether for-profit or not-for-profit, which receives or makes payments, under a State Plan approved under Title XIX or under any waiver of such plan, totaling at least $5 million annually.
- An “employee” is any officer, manager, or employee of the entity.
- A “contractor” or “agent” includes any contractor, subcontractor, agent, or other person which or who on behalf of the entity, furnishes or authorizes the furnishing of Medicaid healthcare items or services, performs billing or coding functions, or is involved in monitoring of healthcare provided by the entity.
- “Fraud” is the intentional deception or misrepresentation that an individual knows to be false (or does not believe to be true) and makes, knowing that the deception could result in an unauthorized benefit to himself or another person.
“Abuse” is incidents or practices of providers that are inconsistent with sound medical practice and may result in unnecessary costs, improper payment, or the payment for services that either fail to meet professionally recognized standards of care or are MEDICALLY UNNECESSARY.

“Knowingly” is defined as a person, with respect to information, that has actual knowledge that a claim is false, knowingly ignores facts which may reveal false information or disregards the need to check the truth or accuracy of the information extends to any payment requested of the federal government (note: no proof of specific intent to defraud is required).

More specifically, the FCA applies to billing and claims sent from Therapy Management Services Inc., dba KidsCare Therapy to any government payer program, including Medicare and Medicaid. The FCA also includes ANY PERSON WHO:

- Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval
- Knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved
- Conspires to defraud by getting a false or fraudulent claim allowed or paid; or
- Knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid or decrease an obligation to pay or transmit money or property to the government. Under the Federal False Claims Act, any person or entity that knowingly submits a false or fraudulent claim for payment of United States Government funds is liable for significant penalties and fines. The fines include a penalty of up to three times the Government’s damages, civil penalties ranging from $5,500 to $11,000 per false claim, and the costs of the civil action against the entity that submitted the false claims.

The Attorney General of the United States is required to diligently investigate violations of the FCA, and may bring a civil action against a person. Before filing suit, the Attorney General may issue an investigative demand requiring production of documents and written answers and oral testimony. Some examples of what constitutes healthcare fraud include:

- Billing for services or goods not provided;
- Falsifying certificates of medical necessity and billing for services not medically necessary;
- Continuing to see a patient for therapy when they do not qualify for services any longer;
- Billing separately for services that should be a single service (unbundling);
- Falsifying treatment plans or medical records to maximize payments;
- Failing to report overpayments;
- Duplicate billing;
- Misuse of provider ID numbers, which results in improper billing and payments

**PROGRAM FRAUD CIVIL REMEDIES ACT OF 1986**

The Program Fraud Civil Remedies Act (PFCRA) of 1986 is a law that is similar to the FCA. Persons or companies that commit fraud against the federal government, by false claim or statement, can be assessed monetary penalties in addition to the penalties of the FCA as a result of this law. The PFCRA penalties of $5,000 per false claim or statement are applicable if a person or company submits a claim to the federal government that:
➢ The person or company knows or has reason to know is false, fictitious, or fraudulent;
➢ Includes or is supported by written statements containing false, fictitious, or fraudulent information;
➢ Includes or is supported by written statements that omit a material fact, which causes the statements to be false, fictitious, or fraudulent, and the person submitting the statement has a duty to include the omitted fact;
➢ Is payment of property or services that are not provided as claimed;
➢ If a person or company provides written back-up or materials relating to the claim in which the person or company asserts a material fact that is false, fictitious, or fraudulent;
➢ Omits a fact that the individual had a duty to include, the commission causes the statement to be false, fictitious, or fraudulent, and the statement contains a certification of accuracy.

A violation of the PFCRA results in a maximum civil penalty of $5,000 per claim plus an assessment of up to twice the amount of each false or fraudulent claim.

THE TEXAS MEDICAID FRAUD PREVENTION LAW
It is a crime in Texas to bill the Medicaid program fraudulently. Anyone who provides services to a Texas Medicaid beneficiary and seeks or accepts payment for unnecessary or improper services is subject to POSSIBLE IMPRISONMENT AND/OR CRIMINAL FINES under the state law.

The Texas Medicaid Fraud Prevention Law is very similar to the FCA. One specific point of interest, however, is that a person may also be liable if he/she presents a claim for payment under the Medicaid program for a product or service that was rendered by an unlicensed provider or that has not been approved by a healthcare practitioner. Moreover, the Texas law specifies that the civil penalty is greater for unlawful acts that result in injury to an elderly person, a disabled person, or someone younger than 18 years of age. “

“QUI TAM” OR WHISTLEBLOWER SUITS
The FCA also includes provisions intended to protect individuals who report suspected fraud. Any person with direct and independent knowledge, otherwise known as “original source” knowledge, of false claims to the government may initiate a formal complaint or “qui tam” lawsuit on behalf of the government. The plaintiff must notify the US Department of Justice of all information regarding the fraudulent activity. If the USDJ accepts the case and fraud is proven, the qui tam plaintiff is entitled to a portion of the funds recovered by the government. The FCA also protects individuals who assist in an investigation, provide testimony, or participate in the government’s handling of a false claim. If the USDJ declines to accept the case, the individual may still proceed with their suit on his or her own, without the government’s assistance, and at his or her own expense.

A private legal action under the FCA must be brought within six years from the date that the false claim was submitted to the government. However, a government-initiated claim may be brought up to ten years after the false claim, depending on the circumstances.

If an employee is discharged, demoted, suspended, threatened, harassed, or discriminated against in his employment as a result of whistleblowing, they are entitled to reinstatement of their position with the same seniority status, two times the amount of back pay, interest on the back pay, and compensation for any special damages as a result of the discrimination, such as litigation costs and reasonable attorney’s fees.
If the civil action is frivolous, clearly vexatious, or brought primarily for harassment, the plaintiff may have to pay the defendant its fees and costs. If the plaintiff planned or initiated the violation, the share of the proceeds may be reduced and, if found guilty of a crime associated with the violation, no share will be awarded to the plaintiff.

THERAPY MANAGEMENT SERVICES INC., DBA KIDSCARE THERAPY’S POLICIES AND PROCEDURES AND ACTION PLAN AGAINST FRAUD POLICY

Therapy Management Services Inc., dba KidsCare Therapy is committed to fostering a culture of compliance and an environment in which employees, managers, and contractors are educated and knowledgeable about their role in reporting concerns and problems in relation to compliance and ethics. KidsCare Therapy expects employees to uphold the highest standards of honesty and integrity in all areas of practice. All KidsCare Therapy employees, contractors, and agents are expected to immediately report any suspicion of fraud, waste, or abuse in connection with health care services. Any of the following may be contacted to report suspected fraud and abuse within Therapy Management Services Inc., dba KidsCare Therapy:

- Your immediate supervisor;
- Your immediate supervisor’s supervisor (if the concern relates to your immediate supervisor);
- An agency Director;
- The Corporate Compliance Officer (Administrator).

All employees and contractors who suspect fraud and/or abuse have an obligation to bring any potential report to the attention of one of the above listed supervisors. While the original report may be performed orally, it will be requested that the suspected action be documented in writing using the Fraud, Waste, and Abuse form (FWA). Your identity will be kept confidential throughout the process within the confines of Therapy Management Services Inc., dba KidsCare Therapy. If, for any reason, you feel that you cannot confidentially report your claim internally, you may choose to file your claim with the Health and Human Services Officer of the Inspector General hotline at 1-800-447-8477. It is strongly encouraged that internal lines of investigation be utilized prior to contacting external resources. This expectation is intended to allow Therapy Management Services Inc., dba KidsCare Therapy to investigate and correct any issue pertaining to false claims or other aspects of organizational compliance.

In compliance with the FCA and related laws, Therapy Management Services Inc., dba KidsCare Therapy assures that no person will be subject to retaliation as a result of reporting credible misconduct. No employee will be discharged, demoted, suspended, threatened, harassed, or in any other fashion discriminated against in the terms and conditions of employment by Therapy Management Services Inc., dba KidsCare Therapy solely because of actions taken to report potential fraud and abuse or other lawful acts by the employee in connection with internal reporting of compliance issues or an action filed or to be filed under the FCA.

PROCEDURE

Internal as well as external reporting mechanisms are available to any employee or agent who suspects fraud and abuse within KidsCare Therapy. It is KidsCare Therapy’s policy that an employee, contractor, or agent of Therapy Management Services Inc., dba KidsCare Therapy who has knowledge of the submission of a false claim reports the suspicion to one of the above stated supervisors. Actual fraud as well as failure to report actual fraud will be treated equally. An employee and/or contractor who fail to
report properly, when that person knows of conduct constituting a violation under the FCA or related legal provision, will be personally liable and is subject to discipline up to and including termination of employment.

Listed below are some of the ways that Therapy Management Services Inc., dba KidsCare Therapy strives to monitor compliance to prevent fraud and abuse:

- Verification of parent/caregiver signatures during ongoing chart audits (performed in-house)
- Reports run monthly on patients at random to determine length of visits.
- Case conferences performed on patients every 2 months to speak with parents of EVERY patient to determine:
  - Therapists are coming twice weekly
  - Therapists stay a minimum of 30 minutes for EACH session
  - Random auditing of signatures in patient files sent to parents to verify
- Random auditing of daily notes to ensure appropriate documentation is being performed
- Clinical manager, RN, and/or Lead Therapist reads every evaluation submitted to ensure appropriate medical necessity for therapy
- Verification of all licensed employees is performed at time of hire and annually to ensure all employees maintain appropriate certifications
- Applicants or current employees who have been excluded from federal or state programs are not hired or retained
- Orders for treatment from any physician who has been excluded from federal or state programs are not accepted
- Checks and balances system in place for Billing Department to verify accuracy of dates of service billed
- All potential violations of the DRA will be investigated thoroughly and actions will be taken in a timely manner to resolve the identified problem.
- All employees are expected to read and sign a statement that they will comply with the Therapy Management Services Inc., dba KidsCare Therapy Code of Ethical Conduct.
SECTION V: EMPLOYEE BENEFITS

BENEFITS OVERVIEW

BENEFIT ELIGIBILITY

MEDICAL COVERAGE

DENTAL COVERAGE

VISION COVERAGE

DISABILITY COVERAGE

SURVIVOR BENEFITS

RETIREMENT SAVINGS ACCOUNT (401K)

EMPLOYEE ASSISTANCE PROGRAM

WORKER’S COMPENSATION

COBRA COMPLIANCE AND COVERAGE

TRAINING AND EDUCATIONAL ASSISTANCE
BENEFITS OVERVIEW

As a part of your total compensation package, Therapy Management Services Inc., dba KidsCare Therapy offers group health, dental, vision, and other supplemental benefits to our regular, full-time administrative staff, therapists, and eligible dependents. The Chief Financial Officer determines the contribution to the group health plan annually prior to the new plan year which begins each February. Employees are required to pay their portion for health insurance premiums and all other insurance costs through weekly payroll deductions.

Employees will receive a Benefits Decision Guide during Open Enrollment and New Hire Orientation which provides highlights of our group coverage, rates, and eligibility requirements. For more detailed information regarding our group benefits, you may contact the Benefits Administrator to receive a Summary Plan Description (SPD) which describes the covered services, benefit levels, exclusions, and limitations of the plan’s coverage. The SPD may also be referred to as the Certificate of Coverage or the Summary Plan Document in which you are entitled to receive as a participant of a group benefits plan in accordance with the Employee Retirement Income Security Act (ERISA).

All employees must complete the enrollment process during the specified enrollment period to either accept or decline the offered coverage. A newly eligible employee must enroll within 31 days of becoming eligible or during the annual open enrollment period which is scheduled each January. It is the responsibility of the employee to promptly report changes which affect benefit eligibility, such as the number of dependents and marital status, to the Benefits Administrator within 31 days of your status change (also known as a “Qualifying Life Event”).

Changes to medical benefits and other supplemental benefits are only permitted at Open Enrollment or in the event of an official “change of status” as defined under the Health Insurance Portability and Accountability Act (HIPAA) of 1996. Benefit changes, as a result of an official “change of status” must take place within 31 days of the qualifying event. Completed enrollment applications must be sent directly to the Benefits Administrator at the address listed below or to the secured HR Inbox at (214) 635-3795.

Therapy Management Services Inc., dba KidsCare Therapy
9330 LBJ Freeway
Suite 790
Dallas, TX 75243

Upon separation of employment, an employee currently participating in Therapy Management Services Inc., dba KidsCare Therapy’s Group Health Coverage, would cease to have coverage on the last day of the month in which the employee was voluntarily or involuntarily terminated. (For more information, please refer to the COBRA Compliance and Coverage Section).

BENEFIT ELIGIBILITY

Therapy Management Services Inc., dba KidsCare Therapy offers group health, dental, vision, supplemental life and disability benefits to full-time administrative staff, therapists, and eligible dependents.
Benefit eligibility is based on the following criteria:

**HEALTH/DENTAL/VISION/HEALTH SAVINGS ACCOUNT**

Administrative employees must work a minimum of 32 hours per week

<table>
<thead>
<tr>
<th>EMPLOYEE CLASS</th>
<th>ELIGIBILITY (1st of the month after....)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaried Exempt</td>
<td>Completing 30 days of employment</td>
</tr>
<tr>
<td>Hourly Administrative Staff</td>
<td>Completing 30 days of employment</td>
</tr>
<tr>
<td>Therapist/Field Staff</td>
<td>Completing 30 days of maintaining an average of 22 – 30 visits per week</td>
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**BASIC LONG TERM DISABILITY – (COMPANY PROVIDED)**

Administrative employees must work a minimum of 32 hours per week

<table>
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<tr>
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</tr>
<tr>
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<td>Completing 30 days of maintaining an average of 22 – 30 visits per week</td>
</tr>
</tbody>
</table>

**SHORT TERM DISABILITY – (EMPLOYEE PAID)**

Administrative employees must work a minimum of 32 hours per week

<table>
<thead>
<tr>
<th>EMPLOYEE CLASS</th>
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</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
<td>Hourly Administrative Staff</td>
<td>Completing 30 days of employment</td>
</tr>
<tr>
<td>Therapist/Field Staff</td>
<td>Completing 30 days of maintaining an average of 22 – 30 visits per week*</td>
</tr>
</tbody>
</table>

*Note: Salary updates for therapists are adjusted once a year at the beginning of the plan year each February.

**BASIC LIFE / ACCIDENTAL DEATH & DISMEMBERMENT – (COMPANY PROVIDED $15,000)**

Administrative employees must work a minimum of 32 hours per week

<table>
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<th>ELIGIBILITY (1st of the month after....)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Completing 30 days of employment</td>
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<tr>
<td>Hourly Administrative Staff</td>
<td>Completing 30 days of employment</td>
</tr>
<tr>
<td>Therapist/Field Staff</td>
<td>Completing 30 days of maintaining an average of 22 – 30 visits per week</td>
</tr>
</tbody>
</table>

*Note: The AD&D is equal to the Basic Life Benefit.*
**SUPPLEMENTAL LIFE /ACCIDENTAL DEATH & DISMEMBERMENT – (EMPLOYEE PAID)**

Administrative employees must work a minimum of 32 hours per week

<table>
<thead>
<tr>
<th>EMPLOYEE CLASS</th>
<th>ELIGIBILITY (1st of the month after....)</th>
<th>POLICY AMOUNTS AVAILABLE FOR ALL CLASSIFICATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaried Exempt</td>
<td>Completing 30 days of employment</td>
<td>$25,000</td>
</tr>
<tr>
<td>Hourly Administrative Staff</td>
<td>Completing 30 days of employment</td>
<td>$75,000</td>
</tr>
<tr>
<td>Therapist/Field Staff</td>
<td>Completing 30 days of maintaining an average of 22 –30 visits per week</td>
<td>$100,000*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Guarantee Issue Amount</td>
</tr>
</tbody>
</table>

SPOUSE

50% of employee's amount to maximum $50,000

CHILD

10% of employee’s amount to maximum $10,000

Note: For Voluntary Life, an Evidence of Insurability must be completed for any amount above the Guarantee Issue.

Note: For Voluntary Life, an Evidence of Insurability must be completed during open enrollment for any policy amount if you waived this coverage as a new hire.

**Spousal Waiver Provision**

Effective *February 1, 2011*, Therapy Management Services Inc., dba KidsCare Therapy implemented a Spousal Waiver Provision. If your spouse is employed and is eligible for insurance through his/her employer, he/she will need to secure coverage through their employer and will in turn be excluded from KidsCare’s group coverage.

In addition, if your spouse is eligible for an employer group dental or vision plan, they are not eligible to be enrolled in the KidsCare Therapy dental or vision plans. If your spouse is only eligible for their employer’s group medical plan, they may continue enrollment in KidsCare Therapy’s dental and vision coverage if this coverage is not provided by their employer.

Therapy Management Services Inc., dba KidsCare Therapy will randomly audit the continuing eligibility of spouses enrolled in the KidsCare Therapy Program. Allowing ineligible dependents to be covered under the KidsCare Therapy Program constitutes fraud and falsification of company records. At a minimum, the ineligible dependent’s coverage will be canceled and you will be responsible for repaying any claims, premiums, or other expenses that KidsCare Therapy incurred on behalf of the ineligible dependent. Additionally, other appropriate employment action, up to and including discharge, may be taken. If you have any questions about whether your spouse is ineligible under this exclusion, please contact the Benefits Administrator.

**Dependents Eligible for Coverage**

- Legal spouse of the opposite gender (who is not eligible for their group coverage through their employer).
- Your married/unmarried dependent children up to age 26, (includes stepchildren, legally adopted children or children placed with you for adoption, foster children, or the legal guardian of grandchildren).

- Dependent children who are required to be covered as a result of a Qualified Medical Child Support Order.

- Your dependent child regardless of age, provided he/she is incapable of self-support due to a mental or physical disability, is fully dependent on you for support as indicated on your federal tax return, and is approved by your Medical plan to continue coverage past age 26. Please note that verification of eligibility will be required once your dependent is enrolled.

**MEDICAL COVERAGE**

Medical coverage is one of the most important benefits that Therapy Management Services Inc., dba KidsCare Therapy can provide. Medical benefits provide significant support for and protection against potentially large financial expenses as well as covering preventive care. KidsCare Therapy is committed to keeping employees healthy and productive by offering healthcare coverage. For this reason, KidsCare Therapy provides medical coverage options for employees to choose from. Detailed information about these plans is available from the Human Resources department and will be presented during new hire orientation and over annual open enrollment period.

**DENTAL COVERAGE**

Proper dental care plays an important role in your overall good health. Our dental plans are designed to encourage preventative treatment, allowing employees to achieve oral health while striving to minimize dental costs. Therapy Management Services Inc., dba KidsCare Therapy employees have the option to participate in dental plans which are selected each year.

**VISION COVERAGE**

Eye care health is an indicator of overall health. Regular eye exams can detect diseases like glaucoma, diabetes, and blindness. Each year at open enrollment, Therapy Management Services Inc., dba KidsCare Therapy employees have the option to participate in a vision plan.

Premium contributions for vision will be deducted from your paycheck on a pre-tax basis. Your tier of coverage will determine your weekly premium. Please see our Benefits Administrator for plan-specific information.

**DISABILITY COVERAGE**

Disability coverage is an important part of the overall benefits package that Therapy Management Services Inc., dba KidsCare Therapy provides to its valued employees. When you are disabled, this
benefit replaces a portion of your income, helping to ease the burden of meeting your everyday financial obligations.

LONG TERM DISABILITY
Therapy Management Services Inc., dba KidsCare Therapy pays the full cost of your Long Term Disability coverage. The LTD plan covers 60% of your current monthly salary if you suffer from a disabling accident or illness on or off the job. The monthly benefit amounts are described in the plan details currently in effect. Benefit payments will begin after you have been unable to work for 90 days (elimination period) due to disability.

SHORT TERM DISABILITY
You may purchase Short Term Disability coverage on a voluntary basis. Short-Term Disability (STD) insurance pays 60% of your base salary, if you become temporarily disabled, meaning that you are not able to work for a short period of time due to sickness or injury (excluding on-the-job injuries, which are covered by workers compensation insurance).

For additional information on Disability Coverage, please contact the KidsCare Benefits Administrator in the Human Resources department.

SURVIVOR BENEFITS

ACCIDENTAL DEATH and DISMEMBERMENT
Planning your family’s financial well-being in the event of your death can bring you peace of mind. Life and Accidental Death and Dismemberment (AD&D) Insurance can provide financial support to your beneficiaries if you die or to you if you suffer dismemberment.

Therapy Management Services Inc., dba KidsCare Therapy pays the full cost of your Basic Life and AD&D coverage. You may purchase additional Life and AD&D coverage for yourself and Life coverage for your spouse and eligible dependents as outlined in the plan documents. Employees automatically receive Basic Life Insurance coverage equal to $15,000. Therapy Management Services Inc., dba KidsCare Therapy provides this coverage at no cost. Benefits will be paid to the employee’s beneficiary in the event of the employee’s death. The AD&D is equal to the basic life benefit.

Therapy Management Services Inc., dba KidsCare Therapy provides $15,000 Basic Term Life coverage for all full time employees at no cost to the employee. The employee’s Basic Life coverage includes Accidental Death and Dismemberment coverage equal to one times the employee’s life benefits.

VOLUNTARY LIFE
Therapy Management Services Inc., dba KidsCare Therapy offers additional life coverage to employees on a voluntary basis. The employee may elect additional life coverage of $25,000-$100,000 for themselves.

A spouse is eligible for 50% of the employee’s amounts to a maximum of $50,000. Dependent children aged 14 days to 25 years, or 26 if a full-time student are eligible for 10% of the employee’s coverage to a maximum amount of $10,000. See the plan document for details.
RETIRED SAVINGS ACCOUNT (401K)

401(k) plans can be a powerful tool in promoting financial security in retirement. The Therapy Management Services Inc., dba KidsCare Therapy 401(k) plan helps eligible employees save and invest for retirement while receiving certain tax advantages. The employee can choose how their contributions, and how Therapy Management Services Inc., dba KidsCare Therapy’s matching contributions, are invested.

ELIGIBILITY
You will be eligible to participate when you have satisfied the following eligibility condition(s):

- Attainment of age 21
- A full-time employee that has completed one (1) full year of service.

ENTRY DATE
For purposes of salary deferrals, your entry date will be the first of the month following your first anniversary date (the date you satisfy the eligibility requirement); and upon completion of applicable enrollment documents.

CONTRIBUTIONS TO THE PLAN
Deferral is based on a flat dollar amount not to exceed plan limits set by the IRS. Your participation is voluntary.

Funds are contributed to your 401(k) plan account in two ways:

1. Employee Elective Contributions (EEC), also known as “salary-deferral” or “salary-reduction contributions” is a decision you make to have a portion (either flat dollar amount or a percentage) of your pre-tax compensation set aside in the Therapy Management Services Inc., dba KidsCare Therapy 401(k) plan. You are 100% vested in these funds.

2. Employer Matching Contributions (EMC) is a decision Therapy Management Services Inc., dba KidsCare Therapy makes each year to fund additional contributions to your 401(k) plan account. KidsCare is proud of its tradition and history of making EMCs to our employee’s accounts, and like EECs, you are immediately 100% vested in these funds, too. Each year our plan documents will specify what type of Employer Matching Contributions, if any, KidsCare will make to your account.

EMPLOYEE ASSISTANCE PROGRAM
Therapy Management Services Inc., dba KidsCare Therapy will provide confidential and voluntary assistance through its Employee Assistance Program (EAP) to all employees and their family members who may be faced with dynamic challenges of financial concerns, legal issues, alcohol or drug problems, marital problems, illness of a family member, emotional worries, child care problems, etc. For the welfare of employees as well as effective business operations, KidsCare Therapy encourages its employees to take advantage of this valuable benefit. Please ask the HR department for a full list of services offered and contact information.
WORKER’S COMPENSATION

KidsCare Therapy provides worker’s compensation insurance to protect our employees from injuries or illnesses resulting from a work-related incident. The Texas Worker’s Compensation Commission has established a 24-hour toll free number for reporting any unsafe conditions in the workplace that may violate occupational health and safety laws. Employers are prohibited by law from suspending, terminating, or discriminating against any employee because he/she in good faith reports an alleged occupational health or safety violation. The telephone number for the Division of Worker’s Health and Safety is (800) 452-9595.

Worker’s Compensation benefits pay for medical treatment and part of any income you may lose while recovering. Specific benefits are prescribed by law depending on the circumstances of each case. To be assured of maximum coverage, work-related accidents must be reported immediately to your supervisor and the Human Resources department.

COBRA COMPLIANCE AND COVERAGE

Federal law, in the form of ERISA and the Internal Revenue Code, requires Therapy Management Services Inc., dba KidsCare Therapy to offer most terminating employees the opportunity to continue their membership in Therapy Management Services Inc., dba KidsCare Therapy’s group health plan at the employee’s expense, in most circumstances, for up to eighteen months.

ELIGIBILITY

Continuation coverage under COBRA will be offered to each qualified beneficiary. This includes the covered employee and the covered employee’s spouse and dependent children if they are covered under the health plan. In addition, COBRA provides qualified beneficiaries with the same continuation rights if their work hours are reduced and the reduction in hours makes them ineligible for coverage under the employer’s group health plan.

ACCEPTANCE OF COBRA

If covered by the group health plan at the time of their termination, the employee will be provided the opportunity to participate in COBRA. Upon the date of their termination, the group health care provider will be notified. At that time, the COBRA Administrator will generate a COBRA letter that will be sent by mail to the employee. The employee must accept or decline coverage. In either case, the employee must indicate their decision in writing.

COBRA COVERAGE MAY END

If the employee accepts COBRA coverage, payment of the premium will be the responsibility of the employee in order for health care coverage to continue. The premium is subject to change if the rates charged to Therapy Management Services Inc., dba KidsCare Therapy increase or decrease.

Continuous coverage may end, however, if any of the following events occur:

(1) failure to make timely payments of all premiums;
(2) assumption of coverage under another group health plan, which does not exclude or limit coverage to the employee on account of preexisting medical condition unless the preexisting condition does not apply due to the Health Insurance Portability and Accountability Act; or

(3) KidsCare Therapy’s termination of its group health plans. If the employee enrolls in Medicare, the employee will no longer be eligible for continued coverage, however, the spouse and dependent children may be entitled to extend their continuation coverage.

Our COBRA Administrator will contact the employee concerning these options at the time of termination. The COBRA Administrator will contact the designated qualified beneficiaries in the event of death of the employee or the employee’s enrollment in Medicare.

However, in the event of the employee becoming divorced or legally separated, or one of the employee’s dependents ceases to be eligible for coverage under our group health insurance plan, the employee and/or their dependent is responsible for contacting the Human Resources department and the Benefits Administrator to discuss continuation/conversion rights. The employee and the employee’s qualified beneficiaries are also responsible for notifying the Human Resources department within sixty (60) days of qualifying for social security disability benefits.

TRAINING AND EDUCATIONAL ASSISTANCE

Therapy Management Services Inc., dba KidsCare Therapy is an advocate of employee development through education and training. Therefore, we want to support the pursuit of certifications and college degrees by offering a financial assistance program that will provide incentive and motivation for our employees to enhance their knowledge and skills.

To be eligible for participation in this program, an employee must be employed by KidsCare Therapy for one full year and they must be a full-time employee.

Before an employee registers for a class or certification program, they must notify their supervisor of their intent to pursue a class or program that would be qualified for reimbursement by KidsCare Therapy. They must complete the Tuition Reimbursement form and submit it to their supervisor for approval. Once the class or program has been approved, a Reimbursement Agreement between the employee and KidsCare Therapy will be created. This agreement will outline the terms and conditions of the reimbursement. This agreement MUST be prepared and signed before pursuing a class or program and before reimbursement will be made. Employees should understand that by requesting this assistance, they are asking KidsCare Therapy to make a financial investment in them. Enhancement of skills and knowledge adds value to one’s proficiency, competence and the ability to advance their career. KidsCare Therapy wants to provide this opportunity to the employees who are willing to put forth the effort.

Basic reimbursement will be provided as follows:

Certifications: $500.00 total per calendar year
Bachelor’s degree $1,000.00 per year up to four calendar years
Graduate degree $1,500.00 per year up to two calendar years
There will be no carry-over from one year to the next of monies that were not used within that calendar year. The certificates, degree programs, or associated classes must be job-related or be consistent with the business of KidsCare Therapy in order to qualify for reimbursement. Reimbursement will be based on the grade received in a class or in the case of a certification, whether the certification is successfully completed. The reimbursement percentage will be based on the following:

If you receive a grade of:  
- “A” = 100%  
- “B” = 75%  
- “C” = 50%  

Nothing below a grade of “C” will be eligible for reimbursement.

It will be necessary to provide a receipt for the class, program or certification showing payment made by the employee. In addition, you will be required to present a copy of the transcript which will reflect the grade received or the certificate which was received for the completion of the certification program. Only when these items are presented, will reimbursement be paid.
SECTION VI: TIME AWAY FROM WORK

CALLING IN SICK AND EMERGENCY ABSENCES

BEREAVEMENT LEAVE

MILITARY LEAVE

PERSONAL LEAVE OF ABSENCE

FAMILY AND MEDICAL LEAVE ACT (FMLA)

JURY DUTY

WITNESS SUMMONS

VOTING

PAID PERSONAL DAYS (PPD): EXEMPT AND NON-EXEMPT EMPLOYEES

PAID PERSONAL DAYS (PPD): DIRECTORS

VACATION (PTO ACCRUED)

PAID HOLIDAYS

WORKING FROM HOME

REPORTING TIME AWAY FROM WORK
CALLING IN SICK AND EMERGENCY ABSENCES

KidsCare Therapy realizes that there will be times when an employee becomes ill or has an emergency absence for which they cannot plan ahead. In those cases, the employee should follow the guidelines listed below:

If an employee is unable to work because of illness, they must notify their immediate supervisor (for administrative staff) or their Clinical Manager and/or the Administrator (for therapists) by no later than 8:00 am on each day of the absence (unless the employee has been granted an authorized medical leave, in which case different notification procedures apply).

Notification must be in the form of a telephone call in order for the employee to speak directly with their supervisor. Texts and/or emails are strongly discouraged. There should be an explanation of the circumstances in order for the employee’s supervisor to understand the necessity for the absence and when the employee feels they may be able to return to work.

If the employee attempts to contact their immediate supervisor, Clinical Manager, or Administrator but cannot reach him/her, it may be necessary to leave a voice message. When leaving a voicemail message, it is required that you leave a call-back number where you can be reached in the event of an emergency. Contacting a co-worker is not acceptable and will not be considered as appropriate notification of an absence due to illness or an emergency absence.

BEREAVEMENT LEAVE

KidsCare Therapy recognizes the anxiety, grief, and personal difficulties experienced by our employees in connection with the death of a relative. We want to assure our employees of our sensitivity when situations such as this arise by providing time away from the office without excessive loss of pay.

ELIGIBILITY

**Administrative staff:** If an employee is regular full-time, and has successfully completed the 90-day introductory period of employment, the employee is eligible for one day of compensation for bereavement leave for immediate family members.

**Therapists:** Therapists making 30+ visits per week and having completed 90-days employment will be eligible for one day of compensated bereavement leave for the death of an immediate family member.

Therapists having less than 30+ visits per week or who have not completed the first 90-days of employment but need time away due to a death in their immediate family will be granted that time; however, the time away from work will not be compensated.

Employees are eligible to receive 3 days of bereavement leave due to a death of an immediate family member (grandparent, parent, sister or brother). However, only one of these three days will be compensated. The two additional days are to be taken or used only if needed for travel time or emotional recovery. KidsCare Therapy will not compensate for this time; however, the employee can
choose to use available PPD time or accrued vacation to be paid during this time off. In the event of the death of a spouse or a child, the employee will be granted one week of paid bereavement leave.

All time off in connection with the death of an immediate family member should be scheduled with and approved by your supervisor and a copy of the approval submitted to the Human Resources department. KidsCare realizes that not all circumstances surrounding the death of a close relative can be addressed within a policy statement; therefore, the modification and application of this policy will be at the discretion of KidsCare Therapy ownership and management.

Employees who attend funerals of friends or relatives who are not immediate family members, must have approval of their manager prior to attendance and must use PTO or PPD time if they want to be paid for that time away from the office.

Management may request that proof of attendance be provided in the form of a funeral service memoriam brochure, which is usually received at the funeral service.

**MILITARY LEAVE**

Employees who are inducted into the U.S. Armed Forces or who are reserve members of the U.S. Armed Forces/National Guard or state militia groups will be granted Military Leaves of Absence for military service, training, or other obligations in compliance with state and federal laws. KidsCare therapy allows employees who require time off from work to fulfill military duties to meet those commitments in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Employees with such commitments are expected to provide their immediate supervisor and/or the Human Resources department with a copy of their orders as soon as those orders have been received.

**PERSONAL LEAVE OF ABSENCE**

**ELIGIBILITY**

**Administrative Employees:** Only regular, full-time employees are eligible for personal leaves of absence. Employees requesting a personal leave of absence may do so only after completing a minimum of six months of service with KidsCare.

**Therapists:** Only therapists making 30+ visits per week consistently (an average of three months) are eligible to request and receive personal leaves of absence, and may do so after completing a minimum of six months of service with KidsCare.

**DURATION AND RETURN TO WORK**

Personal leave may be granted for a period of up to 30 calendar days in any 12-month period. To obtain a personal leave of absence, other than FMLA, an employee must submit a written request stating the date of when the absence will begin, the length of the absence, the date of return, and the reason for the request to his/her supervisor as far in advance of the absence as possible. Therapy Management
Services Inc., dba KidsCare Therapy, in its sole discretion, may or may not approve the request. If a personal leave of absence is granted, KidsCare Therapy DOES NOT guarantee job protection. A Personal Leave being granted by KidsCare Therapy simply means that if the same or similar position that has been vacated is available when the employee is able to return to work, the employee may resume his/her employment in that capacity. However, KidsCare Therapy is under no obligation to hold a position open for an employee who has requested personal leave. Outside employment during the leave period may result in immediate termination.

When a personal leave ends, every reasonable effort will be made to return the employee to the same position, if it is available, or to a similar available position for which the employee is qualified. However, KidsCare Therapy cannot guarantee reinstatement in all cases.

**BENEFIT ACCRUALS**

Benefit accruals (which are based on the date of hire), such as vacation, PPD time and holiday benefits, will be suspended during the leave and will resume upon return to active employment. Calculation of vacation and sick/personal time will be made in terms of 8-hour days. In the case of personal leaves wherein KidsCare Therapy has made an accommodation of 30 days or more, any fraction of a day will be rounded down.

**MEDICAL PREMIUMS & PAYROLL DEDUCTIONS**

In the case of medical benefit premiums, the employee must assume responsibility for all medical insurance premiums during a personal leave, including dependent coverage. These payments would include all voluntary benefit programs, as well. Payment should be made directly to Therapy Management Services Inc., dba KidsCare Therapy by the first day of the month, in order to maintain medical and all associated benefits. Contact the Benefits Administrator in Human Resources for more information.

**FAMILY AND MEDICAL LEAVE ACT (FMLA)**

Therapy Management Services Inc., dba KidsCare Therapy has adopted this policy to implement the terms of the Family and Medical Leave Act of 1993 (FMLA). Eligible employees are entitled to family and medical leave on the terms and conditions stated in this policy, the regulations issued by the Department of Labor under the FMLA and in Therapy Management Services Inc., dba KidsCare Therapy’s other applicable leave policies.

The Family and Medical Leave Act of 1993 (FMLA) provides that eligible employees must be given a total of up to 12 weeks of unpaid, job-protected leave per year for the following absences:

- Incapacity due to pregnancy, prenatal medical care or child birth;
- The birth, adoption, or foster care placement of a child;
- The care of a spouse, child, or parent with a serious health condition; or
- The employee's own serious health condition which makes the employee unable to perform the employee’s job;
- To address certain qualifying exigencies for a spouse, son, daughter, or parent on call to active duty status in the National Guard or Reserves in support of a contingency operation;
➢ To care for a covered service member who is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty.

An eligible employee is entitled to a total of 26-weeks of unpaid leave during a single 12-month period to care for a parent, son, daughter, spouse or next of kin who is a Covered Service Member, regardless of whether the employee has taken leave for another FMLA qualifying reason in the past 12-months. Any leave taken under one or more of these circumstances will be counted against the employee’s total entitlement to FMLA leave for that leave year.

For purposes of this policy, the following definitions apply:

1. Eligible Employee: an individual who has been employed by Therapy Management Services Inc., dba KidsCare Therapy for at least 12 months, has worked at least 1,250 hours during any rolling 12-month period immediately preceding the commencement of the requested leave, and is employed at a worksite with at least 50 employees within 75 miles of that worksite. The FMLA permits employees to take leave on an intermittent basis or to work a reduced schedule under certain circumstances.


3. Leave Year: any rolling 12-month period measured backward from the date each employee’s leave commenced.

PAID LEAVE BENEFIT COORDINATION with FMLA LEAVE
FMLA leave under this policy is generally unpaid leave. If, however, the employee is eligible for any paid leave under any other benefit programs such as accrued vacation, unused sick or personal days, the employee will be required to exhaust the paid leave upon the commencement of, and concurrently with, FMLA leave (unless the employee’s own serious health condition has caused the leave and the employee is receiving workers’ compensation benefits). Paid leave will run concurrently with and be counted toward the employee’s total 12-week or 26-week period of FMLA leave.

INTERMITTENT or REDUCED SCHEDULED LEAVE
FMLA leave may be taken intermittently or on a reduced work schedule basis. If FMLA leave is taken intermittently or on a reduced schedule basis, then Therapy Management Services Inc., dba KidsCare Therapy may require the employee to transfer temporarily to an available alternative position with an equivalent pay rate and benefits, including a part-time position, to better accommodate recurring periods of leave due to foreseeable medical treatment.

EMPLOYEE NOTICE REQUIREMENT
Employees are required to provide Therapy Management Services Inc., dba KidsCare Therapy with sufficient information to make us aware that the employee needs FMLA-qualifying leave, and the anticipated timing and duration of the leave. Sufficient information may include the following: that the employee is unable to perform his or her job functions; that the employee’s family member is unable to perform his or her daily activities; that the employee or his or her family member must be hospitalized
or undergo continuing treatment; or the circumstances supporting the need for military family leave. When an employee seeks leave due to a FMLA-qualifying reason for which Therapy Management Services Inc., dba KidsCare Therapy has previously provided FMLA-protected leave, the employee must specifically reference the qualifying reason for the leave and the need for FMLA leave.

If the need for leave is foreseeable, the employee is required to provide such notice to the Human Resources Department at least 30 days before the commencement of the leave, unless impracticable to do so under the circumstances. In this case, notice must be given as soon as possible, generally the same or the next business day. The employee also must follow any Therapy Management Services Inc., dba KidsCare Therapy policy requiring advance notice, reasons for leave and anticipated start and duration of the leave. Failure to provide advance notice to Therapy Management Services Inc., dba KidsCare Therapy when the need for leave is foreseeable may result in delay or denial of FMLA leave. If the leave is not foreseeable, the employee must provide notice to the Human Resources Department of need for leave as soon as possible, and must follow the normal call-in procedures, as set forth in the Therapy Management Services Inc., dba KidsCare Therapy Employee Handbook. Failure to follow call-in procedures, absent unusual circumstances, will result in delay or denial of the leave.

APPLICATION and MEDICAL CERTIFICATION
A leave to care for the employee’s own serious health condition, or the serious health condition of a covered family member, must be supported by a medical certification completed by the health care provider for the employee or the covered family member. A qualifying exigency leave or a leave to care for a Covered Service Member with a serious injury or illness must also be supported by a certification.

DENIAL OF LEAVE
A representative from the Human Resources department (not the employee’s direct supervisor) may contact the employee’s health care provider to clarify or authenticate the medical certification submitted for leave for the employee’s own serious health condition or the serious health condition of a family member. If Therapy Management Services Inc., dba KidsCare Therapy has reason to doubt the validity of a medical certification, the employee will be required to obtain a second or third opinion at Therapy Management Services Inc., dba KidsCare Therapy’s expense. Failure to comply with these certification requirements will result in the delay, denial or termination of leave.

CONTINUATION OF GROUP HEALTH BENEFITS
Therapy Management Services Inc., dba KidsCare Therapy will maintain the employee’s coverage under a group health plan during the period of FMLA leave under the same terms and conditions as though the employee were actively working. During the leave, the employee will be required to continue to make all premium payments that he/she otherwise would have had to make if actively employed. Where feasible, Therapy Management Services Inc., dba KidsCare Therapy will advise the employee concerning the necessary arrangements for such payments prior to the commencement of the leave. If the employee fails to return to work following the expiration of FMLA leave for a reason other than a serious health condition or circumstances beyond the employee’s control, Therapy Management Services Inc., dba KidsCare Therapy will be entitled to the repayment by the employee of any premiums paid by KidsCare Therapy during the leave. Failure to make timely premium payments may result in the termination of coverage.

An employee on FMLA leave should deliver payment of the employee’s portion of such premium to the Human Resources department prior to the first day of each month by making a check payable to Therapy Management Services Inc., dba KidsCare Therapy. The premium payment should be mailed to:
Failure to make prompt payment of the employee’s portion of such premium may result in the loss of medical insurance coverage for the duration of the FMLA leave. However, upon the employee’s return to work, the medical insurance will be restored as of the date that the employee returns. If the employee does not return from FMLA leave, or returns to work but does not remain an active employee for at least 30 days, Therapy Management Services Inc., dba KidsCare Therapy may seek to recover the amount paid for such insurance premiums from the employee. An employee on FMLA leave shall be responsible for the payment of the full premium for all other insurance, pensions and other benefits. Failure of the employee to pay the entire premium for such items shall result in their lapse for the duration of the FMLA leave. If the employee returns from FMLA leave, all such insurance, pension and other benefits shall be restored without any break in service. An employee shall not accrue any credit toward vacation or other benefits based upon time worked for the time that he or she is on FMLA leave.

RETURN TO WORK/FITNESS–FOR-DUTY CERTIFICATION
Consistent with Therapy Management Services Inc., dba KidsCare Therapy practice, before returning to work following a medical leave due to the employee’s serious health condition, the employee will be required to present a Fitness-For-Duty Certification from his/her health care provider that the employee is medically able to resume work and to perform the essential functions of his or her job.

JURY DUTY
Therapy Management Services Inc., dba KidsCare Therapy encourages our employees to accept his/her civic responsibilities. As a good corporate citizen, we are pleased to assist you in the performance of your civic duties.

If you receive a call to jury duty, please notify your supervisor immediately so that necessary arrangements can be made in your absence. While on jury duty, Therapy Management Services Inc., dba KidsCare Therapy will pay the difference between your basic rate of pay and any pay from the jury duty for up to three (3) days each year. Employees with jury duty must provide their supervisor and Human Resources with a copy of the notice of jury duty.

Employees who are released from jury service before the end of their regularly scheduled shift or who are not selected to serve on a jury panel are expected to call their supervisor as soon as possible and report to work if requested.

WITNESS SUMMONS
If you are subpoenaed to appear as a witness, please notify your supervisor immediately so we can make necessary arrangements in your absence. We do not pay employees who are subpoenaed to appear as witnesses for third parties. Employees who are subpoenaed to appear as a witness must provide their supervisor and the Human Resources department with a copy of the subpoena.
Employees who are released from their subpoena before the end of their regularly scheduled shift are expected to call their supervisor as soon as possible, and report to work if requested.

VOTING

KidsCare encourages all employees to fulfill their civic responsibility and to vote in all official public elections. Generally, KidsCare Therapy’s working hours are such that employees will have ample time to cast their vote before or after business hours. However, if an employee finds there is insufficient time to get to the polls to vote, the matter should be discussed with their immediate supervisor so that arrangements can be made for you to have the necessary time to get to the polls. KidsCare Therapy complies with all applicable voting-laws of the municipalities in which we have offices located.

PAID PERSONAL DAYS (PPD): EXEMPT AND NON-EXEMPT EMPLOYEES

SICK and PERSONAL TIME
KidsCare Therapy understands that our employees need the ability to attend to personal and family business. We also recognize that when an individual is sick, they need time to recover; therefore, these days have been provided for those purposes. Sick and personal days (PPD) cannot be carried over from one year to the next. Sick and personal days cannot be bought and, if an employee leaves Therapy Management Services Inc., dba KidsCare Therapy, no compensation will be paid for sick and personal days which remain unused.

ELIGIBILITY
To be eligible for PPD, an employee must be full-time (40 hours per week). Part-time employees do not qualify for PPD time. All full-time employees are eligible for PPD time after one full year of employment, based on the original date of hire. However, employees lose all accrued days upon giving notice of resignation.

USE OF SICK and PERSONAL DAYS
Once an employee has exhausted the number of days allotted for sick and personal business, in order to be paid for time away from the work environment, the employee may use any accrued time for vacation, if they have vacation accruals available. If no vacation accruals are available, the employee will not be paid for any time away from the work environment.

Non-exempt employees may take sick and personal days in increments of 4 hours minimum for necessary scheduled time off (i.e., for teacher conferences, doctor’s appointments, etc.), or they may take an entire day.

SCHEDULE FOR PPD
The amount of time a non-exempt or exempt employee may receive is based on completed years of service. The schedule is as follows:

- 1 to 3 years = 2 Paid Personal Days
- 4 to 7 years = 3 Paid Personal Days
REQUESTING PPD TIME
The employee must complete the Out of Office/Away From Work Form and submit it to their manager for approval prior to the PPD being taken. If the day(s) used are due to sudden illness, the form must be completed immediately upon the employee returning to the office.

PAID PERSONAL DAYS (PPD): DIRECTORS

ELIGIBILITY
To be eligible for PPD, the employee must be full-time. All Directors are eligible for PPD time after working their 90-day Introductory Period.

USE OF SICK and PERSONAL DAYS
Once a Director has exhausted the number of days allotted for sick and personal business, in order to be paid for time away from the work environment, the Director may use any accrued time for vacation, if they have vacation accruals available. If no vacation accruals are available, the employee will not be paid for any time away from the work environment. Also, all accrued days will be lost upon resignation of the Director’s position with KidsCare Therapy.

SCHEDULE FOR PPD
The amount of time a Director may receive is based on completed years of service. That schedule is as follows:

- 0 to 3 years = 4 Paid Personal Days
- 4 to 7 years = 5 Paid Personal Days
- 8 years and above = 6 Paid Personal Days

REQUESTING PPD TIME
The Director must complete the Out of Office/Away from Work Form and submit it to their supervisor for approval prior to the PPD being taken. If the day(s) used are due to sudden illness, the form must be completed immediately upon the employee returning to the office.

VACATION (PTO ACCRUED)

Recognizing the importance of vacation time and providing the opportunity for rest, recreation, and personal activities, Therapy Management Services Inc., dba KidsCare Therapy grants annual, paid vacations to its regular full-time administrative staff. Part-time administrative employees are not eligible for vacation time accruals.

ELIGIBILITY, ACCRUAL and USE
All full-time (40 hours per week) regular employees are eligible for ten (10) days of PTO. Accrual of PTO begins on the first day of employment; however, vacation time accrued may only be taken after completing the 90-day Introductory Period. The accrual rate for vacation days is based on a 40-hour
work week (.038462 X 40 hr.) and is accrued per week. If a full-time employee does not use all their
days of vacation, they may carry-over a maximum of 5 vacation days to the next year.

With the observance of their fourth-year anniversary, full-time employees begin the accrual of one
additional day for each subsequent year they are employed by Therapy Management Services Inc., dba
KidsCare Therapy. Full-time administrative employees are eligible to receive one additional day of
vacation for each year worked over four years to a maximum of twenty (20) days paid vacation.

However, it is important to note that all paid time off is lost upon resignation of the employee’s
position.

SCHEDULE OF VACATION PER YEARS OF SERVICE:
5th year anniversary observed = 11 days 10th year anniversary observed = 16 days
6th year anniversary observed = 12 days 11th year anniversary observed = 17 days
7th year anniversary observed = 13 days 12th year anniversary observed = 18 days
8th year anniversary observed = 14 days 13th year anniversary observed = 19 days
9th year anniversary observed = 15 days 14th year anniversary and over = 20 days

UNUSED VACATION TIME AND PAY FOR VACATION DAYS
Employees need time away from the office for relaxation and recreation. Therefore, Therapy
Management Services Inc., dba KidsCare Therapy will not buy vacation time in lieu of employees taking
time off. Upon termination of employment, whether voluntary or involuntary, no unused PTO will be
paid out. Management reserves the right to pay any exiting employee discretionary pay in lieu of notice
or severance.

REQUESTING VACATION TIME
Employees making vacation time requests must complete the Out of Office/Away from Work Form. If
the employee wants to schedule one full week or more of vacation at one time, that request must be
made at least 30 days in advance of the time the vacation days are to be taken. If the employee wants
to take only one or two days of vacation time, the requests must be made at least one week in advance
of the days being taken. Managers/Supervisors must use their own discretion when enforcing advance
notice guidelines, as there may be unusual situations in which exceptions may need to be made.
Employees are not allowed to borrow or have vacation days advanced to them which have not been
accrued.

NON-EXEMPT EMPLOYEES
Non-exempt (hourly) employees may take vacation time in increments of ½ day or a full day but cannot
take vacation in increments fewer than 4 hours.

UNPAID TIME AWAY
Employees cannot take unpaid time away from the office if they have available time – either accrued
vacation days or earned PPD. Management will use available accrued PTO hours to ensure a 40-hour
work week. Unpaid time is taken only when an employee has exhausted their earned or accrued days
and the employee has approval from their manager before the time is taken. While an employee is on a
personal leave of absence or FMLA, there will be no accruals toward vacation time during that period.

Paid holidays that occur during a scheduled vacation will be paid and not charged against vacation time.
SCHEDULING and SENIORITY
Scheduling of vacations should be done as soon as the employee knows when they want time off. The first employee(s) to schedule vacation will have their choice of days away from the office. Priority will be given to the employee who schedules first. In the case where two employees within the same department request the same dates for vacation and make that request at the same time, priority will be given to the employee with service seniority.

KidsCare reserves the right to deny requests for vacations if the time away would impose a hardship on the clinical or operational requirements of Therapy Management Services Inc., dba KidsCare Therapy. Approval of time off is not guaranteed, as KidsCare Therapy must maintain sufficient staff to operate. Therefore, it may not be possible to grant all requests for a particular time period.

VACATION ACCRUAL PRIOR TO January 1, 2011
All administrative employees who have completed 5 full years of service prior to January 1, 2011 will accrue 15 days of vacation in accordance with previous vacation policy guidelines. However, any administrative employee who has not completed 5 full years of service on or before December 31, 2010 will follow the service accrual schedule outlined in the vacation policy which goes into effect January 1, 2011.

PAID HOLIDAYS
All regular, full-time employees who have completed their Introductory Period will receive the following days off with pay whenever the holiday falls on a regularly scheduled workday:

- New Year’s Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day (and the following Friday)
- ½ day Christmas Eve
- Christmas Day
- ½ day New Year’s Eve

Holidays are normally celebrated on the legally observed day. Regular Part-Time exempt employees are eligible for holiday pay as outlined, if the holiday falls on their regularly scheduled work day. Temporary employees are not eligible for holiday pay.

If a designated holiday falls within a scheduled Vacation period, and the employee qualifies for holiday pay, the holiday is not considered paid time off and the employee’s paid time off balance will not be decreased by those holiday hours. Employees must work the scheduled days immediately preceding and following the holiday to be eligible for holiday pay, unless otherwise pre-approved. Absence on these days may be prearranged with your immediate supervisor through the use of PPD or Vacation time.

Employees may take religious holidays, not designated as an agency holiday, as PPD time, Vacation time or without pay. A minimum of one week advance prior approval must be obtained from your immediate supervisor.
WORKING FROM HOME

Therapy Management Services Inc., dba KidsCare Therapy allows administrative and management employees to work from home on occasions when the employee needs to be at home for reasons of personal necessity. The option to work from home is limited to only those employees who have qualifications due to their essential job responsibilities and KidsCare Therapy managers.

Working from home is a privilege granted by KidsCare Therapy’s ownership as matter of understanding that life is full of unexpected occurrences. Work from Home days are not to be used for individual sick days, as that is what PPD or vacation days can be used for (if PPD has been exhausted). Work from Home days are limited to 5 days per calendar year. In order to secure the use of the Work from Home days, an employee must request approval from their supervisor/manager a minimum of 2 days in advance. The Out of Office Request Form must be completed and signed by the manager prior to the Work from Home day being taken. These five days cannot be accumulated and carried over from one calendar year to another, and these days will not be paid if they are unused.

There are events, however, wherein an emergency situation occurs and a 2-day notice is impractical (for example, the employee’s plumbing has flooded their home and no one else is available to be at home for the plumber). In emergency situations the employee would be required to contact their manager/supervisor, speak to them by phone (no emails), and complete the Out of Office Request form immediately upon their return to the office.

REPORTING TIME AWAY FROM WORK

All KidsCare employees (including managers, Clinical Managers, therapists and staff) MUST report the time they spend away from the office or time away from their patients by completing the Vacation/PPD/Work from Home Request Form found on the Therapy Management Services Inc., dba KidsCare Therapy website. After logging into the site, the form can be found in the EMPLOYEE DOCUMENTS section under HUMAN RESOURCES. In that list of documents you will find the Vacation/PPD/Work from Home Request Form. The employee should complete the form online, and email the completed form to their Supervisor/Clinical Manager for approval. Upon their approval, the Supervisor/Clinical Manager will forward the form to the Human Resources department.

All KidsCare employees MUST complete the form mentioned above to ensure a fair and accurate record of time away from the office or from an employee’s work assignment.
CONCLUSION

This Handbook highlights your opportunities and responsibilities as an employee of Therapy Management Services Inc., dba KidsCare Therapy. It is a guide to your employment here. By always keeping the contents of the Handbook in mind, you can be a productive, successful employee at KidsCare Therapy. As with any growing organization, the policies and procedures may change due to business developments and necessity; therefore, KidsCare reserves the right to change or modify any of the policies and procedures contained herein. Any changes or modifications made will be communicated to every employee at the time those changes or modifications are to become effective. Also, there are undoubtedly some company policies that are not incorporated into this Handbook. However, employees are expected to familiarize themselves with those policies as well as abide by them.

We are sincerely appreciative of the fact that you chose Therapy Management Services Inc., dba KidsCare Therapy as your employer!