



**Employee Handbook**

## Table of Contents

Welcome .....	3
About Us .....	3
Mission Statement.....	3
Resident Rights .....	4
Introduction.....	5
A Guideline to Our Commitments .....	6
<b>EMPLOYMENT.....</b>	<b>9</b>
Drug-Free Workplace Policy .....	9
Education and Training.....	9
Employee Suggestions .....	14
Employment Opportunities / Transfers .....	14
Equal Employment Opportunity .....	15
Individuals with Disabilities .....	15
Lost and Found .....	16
Name Tag.....	16
Overtime .....	16
Payroll Practices.....	17
Personnel Files and Data Changes .....	17
Private Duty Employment.....	18
Problem Solving / Communication Procedure .....	18
Recognition/Caught In The Act .....	18
Rest Periods & Meal Periods .....	19
Separation of Employment.....	19
<b>CONDUCT .....</b>	<b>20</b>
Appearance .....	20
Attendance and Call-Off Procedure .....	20
Communication.....	20
Confidentiality .....	21
Criminal Background Checks .....	22
Emergency Call-Ins.....	22
Energy Conservation.....	22
Code of Conduct .....	24
Guidelines for Appropriate Conduct.....	24
Interpersonal Relationships.....	26
Medical Exams/TB Test.....	26
On-Call Requirements.....	26
Parking .....	26
Personal Visitors and Telephone Calls.....	26
Sexual and Other Unlawful Discrimination or Harassment .....	27
Solicitation & Distribution Policy.....	30
Telephone Courtesy .....	30
Temporary On-Call Personnel .....	30
Third Party Representation .....	30
Tips and Gifts.....	30
Visitors.....	30
Walking Off Duty .....	31

Win-Win Agreements/Goal Setting .....	31
Work Assignments and Schedules .....	31
Workplace Searches .....	31
Workplace Violence.....	32
<b>BENEFITS .....</b>	<b>35</b>
Benefits Eligibility .....	35
Continuing or Converting Group Health Insurance Coverage (COBRA) .....	36
Employee Assistance Program.....	37
Education/Orientation .....	37
Family and Medical Leaves of Absence (FMLA).....	37
401(k) Plan.....	44
Group Health Insurance .....	44
Insurance Benefits.....	44
Life and AD&D Insurance.....	45
Jury Duty.....	45
Military Leaves of Absence .....	45
Paid Personal Days (PTO) .....	47
Personal Leave .....	48
Plan 125 .....	48
Supplemental Insurance .....	49
Worker's Compensation .....	49
Acknowledgement and Receipt of Handbook .....	51

## Welcome

**Welcome to Sun Health!** You were selected based on your qualifications, abilities, and our belief that you wish to be a positive contributor to our community. We are happy that you accepted this challenge and we are committed to making this transition as positive of an experience as possible.

The key to any successful relationship is honest and open communication and respect. We are committed to keeping you informed of changes and opportunities and in turn expect that you will seek a positive solution-oriented path in answering your questions or concerns. We are also committed to respecting you as an important individual and as an important part of our team and expect that same respect for our residents, supervisors, and your fellow co-workers

## About Us

*Sun Health* is a diversified partnership consisting of various health care related communities and properties. Our life-care retirement communities allow a senior the opportunity to address the major concerns remaining in their life: financial concerns, quality health care, a safe and active living environment, and peace of mind. This is accomplished by a community, which has a full range of services (independent, assisted living, and skilled care) that are motivated to keep our residents as healthy, happy and active as possible. Life-care residents are guaranteed that we will care for them for life. Our real-estate division leases and maintains numerous healthcare related office buildings.

## Mission Statement

Sun Health creates and manages exceptional living and working environments, ensuring peace of mind, superior amenities and high value to those we serve.

### **Resident Rights**

As a member of our team it is vital that you understand and respect the rights of all our residents at all times. You have the opportunity to work in their homes; they do not live at your work.

If you wish to retain the actual copy of our resident rights, please contact your supervisor. Otherwise, use the following text as a guide and benchmark for your treatment of our residents:

- *Our residents are the most important people ever in this facility -- in person, by phone, or by mail.*
- *Our residents are not an interruption to our work -- they are the purpose of it. We are not doing them a favor by serving them; they are doing us a favor by giving us the opportunity to do so.*
- *Our residents are not outsiders to our business -- they are a part of it.*
- *Our residents are not cold statistics; they are flesh and blood human beings with feelings, emotions, biases, and prejudices like our own.*
- *Our residents are not people with whom to argue or match wits. Nobody ever won an argument with a customer, which is really what residents are.*
- *Our residents are people who bring us their needs. It is our job to meet them expeditiously.*

## Introduction

This handbook has been prepared to assist you now and throughout your employment. It explains our philosophies, policies, benefits, and more. With the exception of our policy on "at-will" employment, the policies stated in this handbook are guidelines only and are subject to change at the sole discretion of *Sun Health*, as are all other policies, procedures, practices, rules, benefits, and other programs of *Sun Health*. From time to time, you may receive updated information concerning changes in policy.

If you have any questions about a particular subject matter or policy on a situation not mentioned, please contact your immediate supervisor. For easy reference use the Table of Contents located on page 1 or the Index located at the end of this guide. The Index has subject matter listed in alphabetical order referencing the page number.

In no event shall the materials contained in this guide or your hiring be considered as creating an implied employment contract. This guide is for informational purposes only. Nothing contained herein or any written or oral statements by any manager or supervisor shall be construed to establish any contractual relationship between *Sun Health* and yourself. This relationship shall be defined as "employment-at-will", where either party may terminate the relationship at any time for any reason.

In addition to clarifying responsibilities, we hope this handbook gives you an indication of *Sun Health* interest in the welfare of all who work here. Some of the benefits described here are covered in detail in official plan documents. You can refer to these documents for specific information since this handbook only briefly summarizes those benefits. Please note that the terms of the written insurance policies are controlling. If any provisions in this handbook are found to be unenforceable and invalid, such finding does not invalidate the entire handbook, but only the subject provision. This handbook replaces (supersedes) all other previous handbooks or manuals for *Sun Health* as of the effective date shown.

## A Guideline to Our Commitments

### Commitment To Our Residents

- We are dedicated to creating an environment of Love, Support, and Security through a staff with a caring, enthusiastic attitude.
- We guarantee that our residents and their families will be treated with respect, dignity and courtesy at all times by all staff.
- Any staff who receives a question then "owns it" and will either find the answer themselves or direct the resident to the appropriate team member.
- Everyone will use proper telephone etiquette and will answer the phone with a "smile" in their voice. We will answer the phone within three (3) rings and solve the caller's concern and avoid call transfers whenever feasible.
- We will return phone calls before the end of the work day and if a response in writing is necessary, we will see to it that it happens within 48 hours.
- We will handle each resident's concern/complaint on an individual basis and in the strictest confidence. We will listen empathetically to their concern/complaint and attempt to put ourselves in the resident's "shoes".
- As a community, we are available to meet our resident's needs twenty-four (24) hours per day / seven (7) days a week.
- We will provide the best nursing care and service. Requests for assistance will be promptly acknowledged and responded to in a timely fashion
- We promise to maintain a clean living environment for all our residents in all areas. We welcome the "white glove test" and everyone will be quick to recover if an area does not meet our standards.
- Our prospective residents will receive prompt, personalized attention and will be shown all levels of desired service and care. We will not accept a deposit unless they are genuinely interested and understand the commitment and cost of being a resident at a *Sun Health* community.
- We understand that residents newly admitted to our health care facilities may have a "fear of the unknown"...which is why on admission they will be greeted warmly at the door, escorted to their room, and introduced to the staff who will be serving them. We will stay with them to answer questions, alleviate concerns, and make them feel comfortable.
- We are committed to providing our residents with a safe environment at all times.

The grounds will be patrolled by our Security department throughout the night and all doors will be checked and secured.

- We will be a resource of information for our residents and families regarding health insurance, availability of health-related services, and other health issues.
- We will provide a precise bill to our residents in a timely fashion, and answer resident's questions regarding billing concerns.
- We will provide you an enjoyable dining experience seven (7) days a week. This will include a choice of entrees, quality food, timely, and friendly service in beautiful surroundings.

### **Commitment To Our Employees**

- Our management staff is committed to a philosophy focused on customer service and continuous improvement through the empowerment of staff. This participative environment will be promoted through continuous training.
- You will always be treated with the utmost courtesy, dignity and respect. If you are not treated in this manner, please make a member of the management team aware so we may address the concern immediately.
- We will provide you a clean, safe and secure environment in which to work.
- We will listen to your concerns and assist you in solving your problems in a professional and solution-oriented manner.
- We will maintain fair and equitable wages through periodic surveys of our industry and area.
- We will ensure that you have the proper supplies and training you need to perform your job adequately.
- We will periodically review our benefit program to assure we are meeting your needs with the best service at affordable rates.
- We will update the Job Openings list on a weekly basis to keep you aware of current opportunities.
- With a properly completed time sheet or timecard, you will receive your paycheck as free of errors as possible.
- We will promote and encourage staff development through educational programs, seminars and training.



## **Our Obligations To Each Other**

- We will only engage in conversations that have the potential for positive benefit using encouraging and constructive language.
- We will openly acknowledge commendable behaviors/achievements that each of us personally experience with one another and with the group.
- We will make a concerted effort to honestly evaluate the performance of each other in the context of previous performance (distinguishing between isolated issues and trends), keeping in mind each of us wants to be supported.
- We will listen openly and sincerely to one another, accept responsibility for our actions and avoid defensiveness.
- We will model a sense of fun and humor with each other within professional boundaries, recognizing everyone wants to do a good job and contribute to the overall success of Sun Health.
- We will maintain a sense of openness to individual and team growth, helping each other on our ongoing journey.
- We will appreciate and value our individual differences and work constructively to build a cohesive, dynamic and effective team.

## EMPLOYMENT

### **Drug-Free Workplace Policy**

It is the policy of Sun Health to maintain a drug-free workplace in keeping with the spirit and intent of the Drug-Free Workplace Act of 1988. The use of unauthorized controlled substances is inconsistent with the behavior expected of employees, subjects all employees and customers to unacceptable safety risks, and undermines our ability to operate effectively and efficiently. Sun Health complies with all laws relating to medical marijuana and drug testing. Please note that although the use and possession of "medical marijuana" may be authorized by state law, it remains unlawful as a matter of federal law. Under both federal and state law, Sun Health may prohibit, and does prohibit, the use of or possession of medical marijuana in the workplace or on company property.

In order to enhance job productivity and promote the health and safety of employees, Sun Health has adopted a substance abuse policy, the terms of which are set forth as follows:

#### **Policy and Objective**

Compliance with this policy is a condition of employment and continued employment. Sun Health substance abuse policy is applicable to all employees. Sun Health will pay for any drug and alcohol test that it requests or requires.

The illegal use, sale or possession of narcotics, drugs, alcohol or unauthorized controlled substances while on the job or on Sun Health property is prohibited and is a dischargeable offense. Failure to cooperate with the Company in its implementation of this policy may also be grounds for discipline, up to and including discharge. Any illegal or unauthorized substance found on Company property or on a resident or client site will be turned over to the appropriate law enforcement agency and may result in criminal prosecution.

Employees are prohibited from bringing drug paraphernalia onto Sun Health's property at any time. An employee who possesses or distributes such paraphernalia while on company property or business shall be subject to disciplinary action, up to and including discharge.

Off-the-job illegal drug use which could adversely affect an employee's job performance or which could jeopardize the safety of others, the public, or Sun Health equipment, may result in administrative or disciplinary action up to and including termination of employment.

Employees who are arrested for off-the-job drug activity may be considered to be in violation of this policy. In deciding what action to take, management will take into consideration the nature of the charges, the employee's present job assignment, and the employee's record with Sun Health and other factors relating to the impact and circumstances of the employee's arrest.

**Disclosure of Drug Use:** If you notify a member of management of your unauthorized drug use prior to being tested, you will be subject to written formal warning and must contact an Employee Assistance Program counselor within seven (7) days of notification and subject to follow-up drug testing. This may include immediate discharge depending on the circumstances (other company violations).

It is each employee's responsibility to immediately report unsafe working conditions or hazardous activities that may jeopardize his or her safety or the safety of fellow employees. This responsibility includes immediately reporting any violation of the Drug-Free Workplace policy. An employee who fails to report such a violation is subject to disciplinary action, up to and including discharge. No employee may report to work impaired by any drug or alcohol, regardless of whether lawfully obtained or prescribed.

### **Drug and Alcohol Testing**

- *Pre-Employment Drug Testing:* Each applicant for employment will be required as a condition of employment to undergo a urine drug screen. If an applicant tests positive and is determined to be in violation of this Policy or the law, the applicant will be ineligible for employment. It is preferred that a new employee be tested prior to reporting for work. All offers of employment are conditional upon passing a drug test.
- *Reasonable Suspicion Testing:* Subsequently, each employee, as a condition of continued employment, is subject to medical or physical examinations or tests, including urine drug screen, at the determination of the responsible supervisor and concurrence of another Sun Health supervisor/manager to whom the employee reports, providing the following conditions are met:
  1. If the employee's supervisor has reasonable cause to suspect that the employee is in violation of this policy; or
  2. If the employee's job performance is deficient in a manner which suggests a possible violation of this policy.
- *Post-Accident Testing (Including Job-Related Injury or Accident):* Sun Health reserves the right to require a drug and alcohol screening test immediately after an on-the-job accident or incident to either confirm or refute drug or alcohol use as a possible cause.
- *Commercial Drivers License (CDL):* All of the Drug and Alcohol tests, administered to employees who are required to possess a CDL as a condition of employment, will comply with established Department of Transportation (DOT) guidelines. This includes; Pre-employment, Post-accident, Reasonable suspicion, Random and Return-to-duty and follow-up testing. Employees who are required to have a CDL will be required to submit to Random Drug and Alcohol Testing as outlined by the (DOT) guidelines.

*Over the Counter and Prescribed Drugs:* Employees may be required to provide evidence of medical certification (such as a prescription) if they test positive for drug use or are found to be in possession of prescription drugs on *Sun Health Management and Development* property. Medical marijuana may not be brought on to company or client property at any time. Using prescription drugs in a dosage or manner, other than as prescribed, is a

violation of this Policy. Reporting to work impaired or taking any medication that makes an employee impaired while working, is a violation of this policy, regardless of whether the medication was properly acquired.

- *Follow-up Testing:* If it has been determined that you previously disclosed drug use, then you will be subject to unannounced follow-up drug tests quarterly for one year (4 tests).
- *Additional Testing:* Additional testing may also be required by applicable State or Federal laws, rules, or regulations or as deemed necessary by *Sun Health Management and Development*.
- *Return to Work Testing:* When an employee returns to work from a 30-day or longer period of layoff or resignation, they will be required to submit to drug testing.
- *Refusal:* Employees and applicants may refuse to undergo drug and alcohol testing. However, employees who refuse to undergo testing or who fail to cooperate with the testing procedures or who fail to provide an adequate sample, or provide an adulterated sample (e.g., diluted, altered, etc.), will be subject to discipline, up to and including immediate discharge. Applicants who refuse to undergo testing or who fail to cooperate with the testing procedures will not be hired or considered for a position with Sun Health.

### **Specimen Collection**

- *Test Subject Privacy:* Appropriate professional personnel will supervise the collection of urine and breath specimens for testing. In the absence of a reasonable suspicion that the test subject will alter or substitute a urine specimen, the collection personnel will not directly observe the collection of the urine specimen.
- *Chain of Custody Procedures:* Sun Health will take steps to preserve the chain of custody of specimens in order to ensure testing accuracy.

### **Specimen Testing Procedures**

- Specimens will be tested only by laboratories or clinics that are properly approved to conduct drug and alcohol testing by the National Institute on Drug Abuse, the Department of Health and Human Services or the College of American Pathologists.
- Specimens will be tested only for the presence of alcohol, illegal drugs, other controlled substances, their metabolites and the misuse of legal drugs. Sun Health may test for illegal and for any other substance as may be required by state law, federal law, regulations or contractual agreement.

Sun Health reserves the right to conduct a periodic review of the foregoing list and to add additional drugs to the list, with or without notice. A positive drug/alcohol test result shall mean test results that demonstrate any measure of the above substances. Sun Health will rely only on positive initial screening test results that also have been confirmed by gas chromatography/mass spectrometry or other methods of confirmatory analysis provided for by the National Institute on Drug Abuse, the Department of Health and Human Services or the College of American Pathologists (“confirmatory test”).

### **Suspension Pending Test Results**

Pending receipt of test results and written explanations and requests for re-tests of positive confirmatory test results, employees may be temporarily suspended without pay. If an employee is suspended and the final confirmatory test result is negative, the employee will be reinstated immediately with full back pay.

### **Right to Explain Test Results**

Any test subject who tests positive on a confirmatory test on any drug and alcohol test required by Sun Health may:

- 1) Submit additional information to Sun Health (in a confidential setting) to try to explain the confirmed positive test result.
- 2) Request in writing a confirmatory re-test of the original sample, provided that Sun Health must receive the request within five (5) working days after the test subject has been informed of the confirmed positive test result. Confirmatory re-test of the original specimen must be requested and paid for by the test subject and may be conducted only by laboratories that are properly approved to conduct drug and alcohol testing by the National Institute on Drug Abuse, the Department of Health and Human Services or the College of American Pathologists.

### **Consequences of Confirmed Positive Test Results**

*Applicants:* Any applicant who tests positive on a confirmatory test on any drug and alcohol test required by Sun Health and who does not timely and successfully refute the test results by explanation or re-testing will not be considered for employment.

*Employees:* Any employee who tests positive on a confirmatory test on any drug and alcohol test required by Sun Health and who does not timely and successfully refute the test results by explanation or re-testing will be terminated. At its discretion, Sun Health may require employees who violate this policy to successfully complete a drug and/or alcohol abuse assistance or rehabilitation program as a condition of continued employment.

Sun Health will not discriminate against applicants or employees who are medical marijuana cardholders. Applicants and employees may not use, possess or be under the influence of medical marijuana in the workplace.

### **Confidentiality of Test Results**

Sun Health will not disclose test results except as authorized by the test subject in writing or as authorized, permitted or required by applicable law. Employees are entitled, upon request, to their written test results.

Sun Health reserves the right to amend any or all of this drug and alcohol policy, or to terminate it in its entirety should either action be deemed necessary. Any questions concerning this policy should be directed to Employee Services.

Employees will receive a Drug Information packet, which will include an Acknowledgment of Receipt and Understanding, policy summary, consent to testing form, and a Drug-Use Information form. The contents of these drug and alcohol guidelines are presented as statements of the company's current policy and may be changed and updated by the company. These guidelines are not intended to create a contract between the company and you. Nothing in the guidelines binds the company to a specific or definite period of employment or to any specific policies, procedures, actions, rules or terms and conditions of employment.

### **Medical Exams/TB Test**

All new employees will be required to receive an initial TB test. In adherence to health regulations employees working in specific areas may be asked to receive a yearly test. You will be notified if this pertains to you.

All new employees must have a physical examination, which states that you are free of communicable diseases such as TB. If the physical is completed by your family physician, you must use our form for their documentation, and this will be at your total expense. If you use our designated physician, there will be a reduced cost and it will be payroll deducted.

As a condition of continued employment, you may be required to undergo periodic medical and/or psychological examinations, and/or alcohol and drug screenings, at times specified by Sun Health. In connection with these examinations, you are required to provide Sun Health healthcare providers (e.g., physicians, counselors, etc.) with access to your medical records, if requested. Such requests may be made, for example, to evaluate your request for a reasonable accommodation.

### **On-Call Requirements**

If within the scope of your job you are required to be on-call, then you must follow these requirements:

- No consumption of alcohol, illegal drugs or unauthorized controlled substances.
- Available to report to work as needed (without impairment) and as soon as possible (not to exceed 60 minutes).

### **Education and Training**

We are committed to creating an environment of continuous learning. This learning process may take the form of ongoing in-service education, special educational events programs and attendance at seminars. You will be contacted through your supervisor, direct mail or general posting of required in-services and other programming. Your participation in the required programs is a condition of employment and may be required by State regulations. You will be notified specifically of required programs. Notify your supervisor if you would like to participate in an educational session we offer or to suggest a program we do not currently make available. These efforts are coordinated through our campus Education Coordinator. There are specific procedures for the attendance of an outside seminar. Please see your supervisor or contact Employee Services.

## Employee Suggestions

At *Sun Health* you as an individual make a difference. Our philosophy is to hire the most qualified person and then allow that person to participate in the process of quality service to our residents. On an ongoing basis you will be asked for your thoughts on how to improve the services we offer.

You are also encouraged to initiate the process by sharing your ideas. All input and viewpoints are valuable in determining the best solution to any given challenge. In many situations it is the combination of several different perspectives that ultimately provides the best solution.

In the eyes of our residents you are *Sun Health*. On an everyday basis you make a major impact on their lives and it's your performance that has the most impact on the quality of their lives. Your success at *Sun Health* will be greatly fueled through your dedication, attitude, and effort.

## Employment Opportunities / Transfers

*Sun Health* believes in promotion from within whenever possible. Information regarding the availability of job openings within *Sun Health* is posted throughout the campus in break areas and bulletin boards.

Contact Employee Services to determine availability of job openings at other *Sun Health* managed facilities. *Sun Health* promotes the growth of its employees in those circumstances where the transfer of an employee occurs between two campuses. Vested benefits will continue when the employee is accepted for the transfer. The following procedure should be used when applying for another position:

1. Request a transfer form from your supervisor or Employee Services.
2. Complete your portion of the form and forward the form to your supervisor.
3. Your supervisor completes their portion of the form and forwards it to the interviewing supervisor.
4. The interviewing supervisor sets up an appointment with you. Please keep your supervisor informed.

When applying for an in-house position, you will be considered the same as any other applicant. We appreciate the importance of your *Sun Health* experience, and it is our desire to promote from within. However, our goal is to hire the best-qualified candidate and we will consider all pertinent information available to us.

The following is the procedure for successful transfers:

1. The duration of notice will be based on the needs of the Supervisor who is losing the employee. Under normal circumstances they will use the two (2) or four (4) week notice as outlined under "Resignation" as a guideline.



2. All applicable vested benefits will continue without interruption.

Failure to follow this procedure may disqualify you from applying for or transferring to your new position. If you have a question during this process, contact your immediate supervisor or Employee Services.

### **Equal Employment Opportunity**

Sun Health is fully committed to equal employment opportunities and to attracting, retaining, developing and promoting the most qualified employees without regard to their race, sex, color, religion, national origin, age, physical or mental disability, veteran status, or any other characteristic prohibited by state or local law. We are dedicated to providing a work environment free from discrimination and harassment, and where employees are treated with respect and dignity. Employees in a supervisory role may not supervise a family member. Nor will employees be allowed to provide direct care and or services to a resident that is related to them.

### **Individuals with Disabilities**

*Sun Health* complies with the Americans with Disabilities Act (ADA) and applicable state and local laws providing for nondiscrimination in employment against qualified individuals with disabilities. *Sun Health* also provides reasonable accommodation for such individuals in accordance with these laws. It is our policy to, without limitation:

1. Ensure that qualified individuals with disabilities are treated in a nondiscriminatory manner in the pre-employment process and that employees with disabilities are treated in a nondiscriminatory manner in all terms, conditions, and privileges of employment.
2. Administer medical examinations only when justified by business necessity.
3. Keep all medical-related information confidential in accordance with the requirements of the ADA and retain such information in separate confidential files.
4. Provide applicants and employees with disabilities with reasonable accommodation, except where such an accommodation would create an undue hardship on *Sun Health*.
5. Notify individuals with disabilities that *Sun Health* provides reasonable accommodation to qualified individuals with disabilities, by including this policy in the employee handbook and by posting the Equal Employment Opportunity Commission's poster on not discriminating against individuals with disabilities and other protected groups conspicuously in *Sun Health* facilities.



### *Procedure for Requesting an Accommodation*

Qualified individuals with disabilities may make written requests for reasonable accommodation to *Sun Health* Employee Services department. On receipt of an accommodation request, a Employee Services representative will meet with you to discuss and identify the precise limitations resulting from the disability and the potential accommodation that *Sun Health* might make to help overcome those limitations. Consideration will be given to various factors, including, but not limited to, the nature and cost of the accommodation, the availability of tax credits and deductions, outside funding, the department's overall financial resources, and the accommodation's impact on operations, including its impact on the ability of other employees to perform their duties and on the department's ability to conduct business and serve customers. Employee Services will inform you of *Sun Health's* decision on your accommodation request.

### **Lost and Found**

Please return all found items to your supervisor or the Customer Service Desk. We do not take responsibility for money or personal items lost or stolen. Please do not bring in large sums of money or valuable articles to work.

### **Nametag**

You will receive a nametag as means of identification and security. Please wear your nametag in a properly visible area at all times when on duty or on the campus grounds. Your nametag is an important part of your work uniform and failure to wear one may lead to disciplinary action. If for any reason your nametag is lost, you will have to purchase another one. If your nametag is damaged at work, notify your supervisor. When you leave the employ of Sun Health, please return your nametag to your supervisor.

### **Overtime**

Your immediate supervisor must authorize all overtime. Nonexempt employees will be paid overtime for approved and required overtime work as follows:

1. You will be paid at straight time (i.e., your regular hourly rate of pay) for all hours worked up to forty hours in any given workweek.
2. You will be paid one-and-one-half times your regular hourly rate of pay for all hours worked beyond the fortieth hour in any given workweek.
3. All overtime must be pre-approved by your Supervisor.
4. Time off on PTO or any leave of absence will not be considered hours worked for purposes of overtime calculations.
5. Failure to work scheduled overtime or overtime worked without prior authorization from your Supervisor may result in disciplinary action, up to and including termination of employment.

Your Supervisor will attempt to provide you with reasonable notice when the need for overtime work arises. Please remember, however, that advance notice may not always be possible.

You will normally receive payment for overtime in the pay period following the period in which such overtime is worked, providing that your time record has been properly prepared, approved by your Supervisor, and forwarded to payroll for processing in a timely manner. Any employee who has a question in regard to the status of their employment (hourly or salary) should contact their supervisor.

### **Payroll Practices**

We keep track of hours worked in a number of ways. You may be using a timecard and punch in on a time clock, you may be placing your hand on a hand reader or you may be using a time sheet. You have been given information regarding this procedure in initial processing. If you have any questions, please contact your supervisor immediately. You must sign your timecard or sheet and check it for accuracy before the pay period ends.

Under no circumstances can you punch in or out for an employee or document on someone else's time sheet. Do not remove your timecard or sheet from the premises. All corrections or documentation of time-off should be completed by your supervisor. It is your responsibility to bring such circumstances to his/her attention.

Employees will be paid every two (2) weeks. You have received specific information in your initial processing regarding exact dates. Paydays will occur on appropriate Fridays unless otherwise communicated. All employees will be paid in accordance with the Fair Labor Standards Act. Deductions may be made from your paycheck, such as: Social Security, Federal Income Tax, State Income Tax, Medicare, Physical Exam costs (if applicable), 401(k) Retirement Plan and Insurance deductions (if applicable), etc.

### **Personnel Files and Data Changes**

Sun Health maintains personnel files on each employee. These files contain documentation regarding all aspects of your tenure with Sun Health, such as performance appraisals, beneficiary designation forms, disciplinary warning notices, and letters of commendation.

To ensure that your personnel file is up-to-date at all times, notify Employee Services immediately of any changes in your name, telephone number, home address, marital status, number of dependents, beneficiary designations, scholastic achievements, the individuals to notify in case of an emergency, driving record or status of driver's license (if you operate any Sun Health vehicles), exemptions on your W-4 tax form, and so forth.

Personnel files are the property of Sun Health and access is restricted. Generally, only supervisors and management personnel of Sun Health who have a legitimate reason to review information in a file are allowed to do so. You are permitted to inspect your own personnel records, but you must not remove documents in the file. Inspections must be requested in writing to Employee Services and will be scheduled at a mutually convenient time. Records that are considered to contain sensitive or confidential information shall be excluded from the inspection. All inspections must be conducted in the presence of a designated member of Employee Services and may also include your supervisor. If you believe that any file material

is incomplete, inaccurate, or irrelevant, you may place a written statement of disagreement in the file.

### **Private Duty Employment**

You are prohibited from engaging in an employment relationship directly with any of our residents. The purpose of this policy is to protect you and our residents from situations where there may be a dispute over liability (injury), theft, and tax-reporting responsibilities.

### **Problem Solving / Communication Procedure**

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 you believe is detrimental to you or to Sun Health, you should follow the procedure described here for bringing your complaint to management's attention. If the matter involves an issue of discrimination, please follow the process outlined in the Sexual and Other Unlawful Harassment policy in this handbook.

If your problem or complaint relates to day-to-day operations, please follow these steps:

1. Discuss the problem with your immediate supervisor. In fairness to the supervisor, make an appointment with them so that they can give you quality time.
2. If you do not feel satisfied with the response, you should then follow the chain of command and speak with their supervisor.
3. In following the chain of command, if you begin to feel uncomfortable or unsure of the next step then contact Employee Services for guidance or if after meeting with the next line of supervision you still have concerns, then contact the Director of Employee Services.
4. The Chief Executive Officer is the final step in the procedure. After a full examination of the facts (which may include a review of the written summary of your statement; discussions with all individuals concerned, and a further investigation if necessary), the CEO will normally advise you of his or her decision within fifteen working days. The decision of the CEO shall be final.

Sun Health does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting, or delaying Sun Health 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 Sun Health deems disciplinary action appropriate.

### **Recognition/Caught In The Act**

You have the opportunity to recognize your fellow employee for going above and beyond the call of duty. Our "Caught In The Act" program enables any employee to "catch" any other employee regardless of position. The purpose is to reward the unique and the outstanding act- not the

routine (even though our routine performance is quality care and service). Once you have observed the special occurrence, contact a supervisor to obtain a "Caught In The Act" form. By forwarding this form to Employee Services, the "caught" individual will receive a prize and special recognition.

### **Rest Periods & Meal Periods**

We realize that quality care and services are enhanced when the team members have an opportunity to receive adequate time to relax and rest. On our campus we have a variety of options for breaks, which include but are not limited to the Employee Break Room. We have established the following policy with this philosophy in mind and with the understanding that because we are in a unique work environment there will be occasions when resident needs supersede our ability to offer breaks.

You may receive two (2) ten-minute breaks within an eight-hour day. Your immediate supervisor is responsible for scheduling these breaks based on service and care needs. All paid breaks must be taken on campus. If you work five and half hours a day or more, you will receive at least a thirty-minute meal break scheduled by your supervisor. This break will not be paid and will be deducted from your time. Clock out if you are going to leave the premises after you have notified and received permission from your supervisor as break time spent off campus will not be paid and will be deducted from your time.

### **Separation of Employment**

If you decide to resign, you are required to give at least 14 days' notice in advance of the final workday. Supervisory level personnel and above are required to give at least 30 days' notice. Of course, if there are special circumstances or emergencies, a shorter period may be accepted if approved by the Supervisor or Executive Director. All resignations should be submitted in writing. You must work your normal schedule during the notice period, and prior approved PTO time off will be canceled. Only medically authorized (written notice required) time off will be paid.

**Resignation PTO Credit:** If you have given and completed appropriate notice (see above), and returned all company property, then you will be paid for unused PTO time as determined by the following schedule:

#### **Resignation PTO Payout:**

- **Exempt (Salaried) Employees:** PTO and PST are not eligible for payout for any reason.
- **Non-Exempt (Hourly) Employees:** PST hours are not eligible for payout for any reason. Employees who have given and completed appropriate notice (see above) and returned all company property will be paid for unused PTO as determined by the following schedule:

#### **<1 year of service    NO PAY OUT**

1<2 years of service    120 hours + 25% of the hours over 120 hours (**maximum to be paid=150 hours**)  
2<5 years of service    160 hours + 37.5% of the hours over 160 hours (**maximum to be paid=190 hours**)  
5<10 years of service    200 hours +75% of the hours over 200 hours (**maximum to be paid =230 hours**)  
10+ years of service    **240 hours maximum**

### **Termination PTO Credit –**

If you were involuntarily terminated for any reason you will not receive payment for unused PTOs.

## CONDUCT

### Appearance

Your appearance is an important part of the professionalism we wish to portray to our residents, families, and prospective customers. We expect you to use good taste and judgment in dressing in a neat, appropriate, and professional manner. Daily personal hygiene and cleanliness are very essential and cannot be overemphasized. Most departments have specific dress/uniform policies, and supervisors have the right to ask you to return home and make the appropriate changes to meet this policy.

### Attendance and Call-Off Procedure

Regular scheduled attendance and promptness are essential to providing quality service to our residents. Your absence may add to the workload of your coworkers, affect customer service or care, and lead to disruptions within your department. Therefore, it is vital that you follow the appropriate procedure in order to minimize potential problems.

Notify your supervisor or designate as far in advance as possible for planned time off, but no later than two (2) hours before your scheduled shift. Approved call-ins for Paid Time Off (PTO) and discipline purposes are determined by your supervisor and are based on timeliness of notification, confirmation of incident or illness (documentation may be required), and circumstances.

If you are going to be absent for more than one (1) day due to illness or a personal situation, it is your responsibility to keep your supervisor informed of your status on a daily basis by calling no later than two (2) hours before your scheduled shift. Absences which fall immediately before, on, or after major national holidays may not be paid. Determination is at your supervisor's discretion and will depend on confirmation of occurrence (physician's statement, etc.) which is your responsibility to produce. Excessive absences or continued tardiness may result in disciplinary action up to and including discharge. Two (2) absences without notification (no call/no show) will be considered a voluntary resignation.

### Smoking

In an effort to promote the wellness of all our employees and to establish standards for a clean environment, we have a smoke free campus. You should become familiar with the areas where smoking is either permitted or prohibited. Because *Sun Health* may be subject to criminal and civil penalties for violations of applicable smoking laws, we must insist on strict adherence to this policy. Employees smoking in any nonsmoking area may be subject to disciplinary action. Further, pursuant to attendance standards and adherence to work schedules, excessive time away from the work area for smoke breaks may lead to disciplinary action, up to and including termination. Check with Employee Services regarding help in “kicking the smoking habit.”

### Communication

We use several methods of keeping you up to date with the latest information, which affects your work. These methods include:

- Bulletin Board: Located in public view. Contact your supervisor to determine exact

location in your work area. Bulletin boards are reserved for the exclusive use of *Sun Health* for posting work-related notices or notices which must be posted pursuant to local, state and federal law. From time to time, *Sun Health* will post special notices and information for employees on the bulletin boards. Please check the board regularly for such notices.

- Direct Memo: Sent either through campus mail, attached to your timecard, hand-delivered or enclosed in paychecks.
- Supervisor: Information communicated in department meetings or from direct contact.
- Campus Assembly: Campus-wide meetings in central locations.

### **Confidentiality**

The records of our residents and all employees are confidential. You should never discuss information with anyone who is not directly involved. Requests for such information from any outside source should be directed to the Employee Services Department.

It is the policy of *Sun Health* to ensure that its operations, activities, and business affairs are kept confidential to the greatest extent possible. Confidential information is any and all information disclosed to or known by you as a consequence of your employment with *Sun Health* that is not generally known to people outside the company about its business, its marketing and sales strategies and plans, its finances, operations, employees, methods, processes, compositions, machines, computer software or programs, research projects, customers, customer accounts, customer information, customer reports and customer finances, product information and reports, suppliers, accounts, billing methods, pricing data, sources of supply, business methods, and any and all information entrusted to the organization in confidence by third parties, and any and all information defined as "trade secrets" under the Uniform Trade Secrets Act.

Confidential information may be contained in written manuals, verbal communications, in any unwritten knowledge, and in the unwritten knowledge of other employees, and/or any other tangible method of expression, including hard disk and soft disk drive mechanisms. Except as properly authorized by *Sun Health*, it is the responsibility of all employees to maintain the confidentiality of company information. Examples of confidential information include, but are not limited to, the following:

- Employee compensation data
- Employee capabilities
- Vendor identities
- Vendor capabilities
- Financial information
- Labor relations strategies
- Marketing development information



- New materials research
- Pending projects and proposals
- Resident lists
- Resident financial information
- Resident medical information
- Customer relations information
- Research and development strategies
- Technological data
- Technological prototypes

Due to the close proximity in which employees work, any information overheard or seen while in the course of their duties should be considered confidential and not revealed or discussed with family, friends, or anyone else without prior written approval from management.

An employee who improperly uses or discloses confidential business information will be subject to disciplinary action, up to and including termination of employment and legal action, even if he or she does not actually benefit from the disclosed information.

### **Criminal Background Checks**

You may be subject to a criminal background check as a condition of employment. Upon receipt of negative information, we reserve the right to discharge or transfer you to a more suitable position. This decision will be based on the nature, frequency, and severity of the incident, the safety of our residents, and the employee's documented response to the question of conviction on the application.

### **Emergency Call-Ins**

There may be an occurrence where you will be asked to respond to an emergency. You should clock in or sign in as soon as you arrive at work. If you are under the influence of alcohol, medication, or any drugs notify your supervisor of your condition prior to leaving your home. Anyone affected in this manner will not be asked to come into work.

### **Energy Conservation**

We all share in the responsibility to conserve energy for both environmental and business purposes. Several ways we can address this area are:

- Turn off lights when not in use.
- Turn off appliances not being used.
- Close outside doors and windows that allow cool or warm air to escape.
- Do not allow water to run needlessly.
- Report to your Supervisor unnecessary water, gas, or electrical usage that you cannot correct.

## Code of Conduct

Sun Health believes that our most important priority is to provide the highest level of service and care for our residents and their families. This commitment will enable each resident to have the highest possible physical, mental and psychosocial well-being in accordance with the resident's assessment and plan of care.

Sun Health's conduct will always demonstrate respect for our residents, respect for their families and respect for each other as employees. Our conduct and speech should demonstrate honesty, integrity, patience and fair dealing even on difficult topics.

Sun Health seeks to demonstrate nondiscrimination in all of our speech and conduct toward our residents and among our fellow employees. Sun Health conduct reflects respect, acceptance, trust and affection regardless of race, religion, background, gender or political persuasion. We strive to treat our residents and their families and our fellow employees as valued friends and colleagues.

All Employees have the following responsibilities:

- (A) To act in compliance with state and federal laws and regulations;
- (B) To uphold Standards of Conduct;
- (C) To uphold Policies, Procedures and Protocols;
- (D) To attend and participate in educational programs;
- (E) To watch for and report in good faith possible violations of the law, Standards of Conduct, Policies, Procedures, Protocols, or the Compliance Plan. Employees may report possible violations or concerns about possible violations in person or anonymously. Sun Health will not permit, and does not condone, any act of retaliation against any employee who raises a concern or reports a violation. If any employee experiences, witnesses or hears about any such retaliatory act *occurring*, the employee should report the act or conduct to their immediate supervisor or the Compliance Officer as soon as possible.



### **Guidelines for Appropriate Conduct**

Webster's dictionary defines the word "discipline" as "training that corrects". We are committed to supporting you through guidance and direction with the goal of defining the playing field so that you know where you stand and how to improve. This process may include:

- Informal Discussions
- Win-Win Agreements/Goal Setting
- Verbal Warnings
- Formal Written Warning
- Suspension
- Immediate Discharge

Mistakes can be a sign of progress if we learn from our errors and if there is a commitment and effort to succeed. We want an environment that minimizes fear of failure but honestly addresses problems. However, violation of certain policies and procedures may result in formal discipline up to and including immediate discharge. Each circumstance will be investigated, and decisions will be based on applicable law, policy and procedures, and the unique facts of each occurrence.

As an integral member of Sun Health, you 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 involves sincere respect for the rights and feelings of others and refraining from behavior that might be viewed unfavorably by current or potential customers or by the public at large.

Whether you are on or off duty, your conduct reflects on Sun Health. You are, consequently, encouraged to observe the highest standards of professionalism at all times.

### **Prohibited Conduct**

*Listed below are some of the rules and regulations of Sun Health. This list should not be viewed as all-inclusive. It is intended only to illustrate the types of behavior and conduct that Sun Health considers inappropriate and grounds for disciplinary action up to and including termination of employment without prior warning, at the sole discretion of the company, including, but are not limited to, the following:*

- Loafing, playing, or unauthorized absences from the workplace while on duty.
- Marring, defacing, vandalizing, or abusing company property or equipment.
- Disrupting work or distracting other employees from work.
- Excessive individual absenteeism or tardiness and failure to follow proper absence reporting procedure (see "Attendance and Call Off" policy).
- Smoking in prohibited areas (see "Clean Air" policy).
- Parking in unauthorized spaces.

- Knowingly violating any policy, rule, or procedure affecting safety, health or security (Insubordination).
- Making maliciously or viciously false, slanderous or defamatory statements toward or concerning the Company or any of its employees.
- Unauthorized use or purchase of supplies and/or equipment.
- Misuse of break or lunch periods or unauthorized work during prescribed rest and lunch breaks.
- Conducting personal business during working hours.
- Mistreatment, physical or verbal abuse of residents, fellow employees, families, vendors or visitors.
- Provoking a fight, fighting or exhibiting physical aggression toward others during working hours or on Company property.
- Engaging in criminal conduct whether or not related to job performance.
- Reporting to work under the influence of alcohol, illegal drugs, or any contraband substance (See "Drug-Free Workplace" policy).
- Sale, use, or possession of alcoholic beverages, illegal drugs, or contraband substances in company facilities or on grounds. Violation of Drug-Free workplace policy (see "Drug-Free Workplace" policy).
- Dishonesty or theft from the facility, property, a resident or other employee.
- Recording work time for another employee or allowing any other employee to record your work time, or allowing falsification of any time card or report. .
- Falsifying company records, personnel information, or information pertaining to the operation of the facility.
- Having weapon(s) on company property, except in compliance with applicable state law.
- Sleeping while on duty.
- Failure to keep the records of the residents and/or employees confidential.
- No-Call / No-Show absent extenuating circumstances (see "Attendance and Call-off" policy).
- Harassment (see "Harassment and Sexual Harassment" policy).
- Accepting gifts (including tips/money) from residents, their families, or acquaintances.
- Purchase of any items not approved by the Executive Director.
- Failing to notify management that a professional license or certification is no longer in good standing with regulatory agencies.

If your performance, work habits, overall attitude, conduct, or demeanor becomes unsatisfactory in the judgment of Sun Health, based on violations either of the above or any other Sun Health policies, procedures, rules, or regulations, you will be subject to disciplinary action, up to and including termination. Each situation will be handled on a case-by- case basis.

### **Interpersonal Relationships**

You are expected to conduct yourself in a mature, professional, and courteous manner. This includes but is not limited to your contact with residents, families, vendors, visitors, and fellow employees. Interpersonal relationships with coworkers or in your personal life must be handled with the utmost discretion and professionalism. Any disruption of our living or working environment caused by these relationships may be treated as a serious violation of policy and may result in discipline up to and including discharge.

### **Medical Exams/TB Test**

All new employees will be required to receive an initial TB test. In adherence to health regulations employees working in specific areas may be asked to receive a yearly test. You will be notified if this pertains to you.

All new employees must have a physical examination, which states that you are free of communicable diseases such as TB. If the physical is completed by your family physician, you must use our form for their documentation, and this will be at your total expense. If you use our designated physician, there will be a reduced cost and it will be payroll deducted.

As a condition of continued employment, you may be required to undergo periodic medical and/or psychological examinations, and/or alcohol and drug screenings, at times specified by Sun Health. In connection with these examinations, you are required to provide Sun Health healthcare providers (e.g., physicians, counselors, etc.) with access to your medical records, if requested. Such requests may be made, for example, to evaluate your request for a reasonable accommodation.

### **On-Call Requirements**

If within the scope of your job you are required to be on-call, then you must follow these requirements:

- No consumption of alcohol or illegal drugs.
- Available to report to work as needed and as soon as possible (not to exceed 60 minutes).

### **Parking**

Designated parking areas vary depending on where you work. Please check with your immediate supervisor as to authorize areas. Do not park in spaces marked for "Visitors" or "Residents" unless approved or your vehicle may be ticketed or towed. Please keep in mind that public parking lots are generally unattended, and parking is at your own risk.

### **Personal Visitors And Telephone Calls**

No employee is to receive visitors unless approved by their supervisor. Personal phone calls during work are for emergency situations only. Please give your direct work number (ask your supervisor) to the appropriate individuals.

## Sexual and Other Unlawful Discrimination or Harassment

*Sun Health* has adopted a policy of “zero-tolerance” with respect to unlawful discrimination or employee harassment. In this connection, *Sun Health* expressly prohibits any form of unlawful discrimination or employee harassment based on race, color, religion, sex, national origin, age, disability, status as a Vietnam-era or special disabled veteran, or status in any group protected by state or local law. Improper interference with the ability of *Sun Health*’s employees to perform their expected job duties is not tolerated.

*With respect to sexual harassment, Sun Health* prohibits the following:

1. Unwelcome sexual advances; requests for sexual favors; and all other verbal or physical conduct of a sexual or otherwise offensive nature, especially where:
  - Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
  - Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment; or
  - Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment.
2. Offensive comments, jokes, innuendo, and other sexually oriented statements.

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

- Touching, such as rubbing or massaging someone’s neck or shoulders, stroking someone’s hair, or brushing against another’s body.
- Sexually suggestive touching.
- Grabbing, groping, kissing, fondling.
- Violating someone’s “personal space”.
- Offensive whistling.

*Sexual and Other Unlawful Discrimination or Harassment (continued)*

- Lewd, off-color, sexually oriented comments or jokes.
- Derogatory comments or jokes about any person's race, religion, ethnicity, sexual orientation, and the like.
- Foul or obscene language.
- Leering, staring, stalking.
- Suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons.
- Unwanted or offensive letters or poems.
- Sitting or gesturing sexually.
- Offensive E-mail, voicemail, or text messages.

- Sexually oriented or explicit remarks, including written or oral references to sexual conduct, gossip regarding one's sex life, body, sexual activities deficiencies, or prowess.
- Questions about one's sex life or experiences.
- Repeated requests for dates.
- Sexual favors in return for employment requests, or threats if sexual favors are not provided.
- Sexual assault or rape.
- Any other conduct or behavior deemed inappropriate by *Sun Health*.

All employees are responsible for respecting the rights of their coworkers. Further, each member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise.

### **Dating and Romantic Relationships**

In furtherance of this policy, *Sun Health* prohibits supervisors and managers from romantic or sexual relationships with any subordinate. Such relationships can be disruptive to the work environment, create a conflict or the appearance of a conflict of interest, and lead to charges of favoritism, discrimination, and claims of indirect sexual harassment. While *Sun Health* has no desire to interfere with the private lives of its employees, or their off-duty conduct, where such conduct impacts upon the work environment in a negative manner, such as noted above, *Sun Health* reserves the right to take whatever action is appropriate in its discretion to protect its interests.

If a romantic or sexual relationship between a supervisor/manager and a subordinate should develop, it shall be the responsibility and mandatory obligation of the supervisor/manager to promptly disclose the existence of the relationship to Employee Services. The subordinate may make the disclosure as well, but the burden of doing so shall be upon the supervisor/manager. In addition, and in order for the company to deal effectively with any potentially adverse consequences such a relationship may have on the working environment, any person who believes that he or she has been adversely affected by such a relationship, notwithstanding its disclosure, is encouraged to make his or her views about the matter known to Employee Services. This policy shall apply without regard to gender and without regard to the sexual orientation of the participants in a relationship of the kind described.

If a working relationship develops between employees where a close emotional, physical, or romantic tie would cause a conflict of interest, such as where one employee supervises the other or has any influence over the other's employment, performance appraisal, salary, promotions, or disciplinary actions, or works in a position in which a potential problem or safety, security, supervision, or morale could arise, the company will make a decision regarding job placement or transfer.

### **Complaint Procedure**

If you experience any job-related harassment based on your sex, race, national origin, disability, or another factor, or believe that you or another employee has been treated in an unlawful,

discriminatory manner promptly report the incident to your immediate supervisor or Employee Services. This policy applies to all incidents of alleged discrimination or harassment, including those which occur off-premises, or off-hours, where the alleged offender is a Supervisor, coworker, or even a non-employee with whom the employee is involved, directly or indirectly, in a business or potential business relationship.

Should the alleged discrimination or harassment occur at a time other than your normal business hours, your complaint should be filed as early as practicable on the first business day following the alleged incident.

Please understand that Sun Health takes complaints of discrimination and harassment very seriously. Thus, there is no need to follow any formal chain of command when filing a complaint or when discussing or expressing any issue of concern regarding alleged discrimination or harassment, and you may bypass anyone in your direct chain of command and file your complaint or discuss or express any issue of concern with the Director of Employee Services at any time. The company will investigate all complaints. Complaints will be kept confidential to the maximum extent possible. All employees have a duty to cooperate fully with Sun Health in connection with any such investigation.

### **Disciplinary Actions**

If Sun Health determines that an employee is guilty of discriminating against or harassing another individual, appropriate disciplinary action will be taken against the offending employee, up to and including termination of employment. Disciplinary action may be taken against an employee that violates this policy, even if the misconduct does not rise to a violation of law (for example, isolated instances of misconduct).

### **Retaliation**

Sun Health prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy or for assisting in a complaint investigation. Retaliation is any adverse action taken against an employee by another employee or by the organization for reporting unlawful discrimination or harassment, or for filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by the organization or a federal or state enforcement agency regarding unlawful discrimination or harassment. Sun Health absolutely forbids retaliation by employees, including supervisors and management, or others doing business with the organization. If you believe retaliation has occurred, immediately report it to Employee Services. Any report of retaliatory conduct will be promptly investigated and appropriate disciplinary actions, up to and including termination will be taken.

### **Solicitation & Distribution Policy**

Because solicitation causes you to neglect your duties and disrupts our residents living environment, employees are not permitted to solicit for any purposes during their work time for any project not directly associated with *Sun Health*. In addition, any distribution of any literature, pamphlets, petitions, or other printed materials among employees during work time is prohibited. Persons not employed by *Sun Health* are forbidden from coming onto the property of the company except for when the facility is held open to the public, and they may not solicit or distribute any material for any reason on company property. Persons not employed by but who are engaged in business functions with *Sun Health* must restrict their contact to the appropriate contact person.

### **Telephone Courtesy**

Proper telephone etiquette is important in meeting our standards for a professional and caring living and working environment. This includes but is not limited to our conversations with residents, family members, physicians, and vendors. Please remember the following tips:

1. Answer promptly and cheerfully.
2. Identify yourself.
3. Give accurate and concise answers.
4. Transfer calls tactfully and promptly.
5. Take complete messages.
6. End conversation on a positive note.

### **Temporary On-Call Personnel**

If you are hired as a temporary or on-call employee, you will receive and sign an agreement during initial processing with Employee Services. This agreement will outline the specific policies which are unique to temporary or on-call employees. However, unless specified in this agreement, temporary and on-call employees must follow the provisions of this guide.

### **Third Party Representation**

We have a commitment to creating a work environment which promotes open and honest communication and working with you to solve any issues which may arise. We consider this union-free environment a compliment to the success of this commitment and will continue to strive to improve this relationship.

### **Tips and Gifts**

If you are offered a tip or gift, you should show your appreciation for the thought and then decline. You should explain to the person that we offer professional services on an equal basis, and gifts and tips are not accepted. If the person gives the gift without an opportunity to refuse, then give the gift immediately to your supervisor. Do not accept it under any circumstances. If questions arise, immediately inform your supervisor.

### **Visitors**

If you are an active employee, and visiting during off-duty hours, you must first check with the charge nurse, lobby receptionist, or designate and state the reason for visiting and obtain permission.



If you are a former employee, you are allowed to conduct routine business which is associated with terminating employment (e.g., picking up last check, asking benefit questions for Employee Services, reapplying, etc.). All other visits must be initiated by a supervisor and/or resident. In such cases, you must check in with charge nurse, lobby receptionist, or designate and state the purpose. Sun Health retains the right to ban any visitation of any former employee.

### **Walking Off Duty**

Walking off duty without the consent of your Supervisor or management official is viewed as if you initiated self-termination with no notice given to the employer. If applicable, walking off duty will be reported to the appropriate licensing agency.

### **Win-Win Agreements/Goal Setting**

These are participative reviews between you and your Supervisor with the purpose of evaluating performance, identifying performance goals, and setting a plan to meet those goals. These reviews are initiated as needed. Success will depend on your commitment and personal responsibility and the support and leadership provided by your supervisor.

### **Work Assignments and Schedules**

The department head or designated supervisor is responsible for your schedules and work assignments. The work schedule is prepared in advance to facilitate appropriate service levels for our residents. Due to certain situations which affect resident care or services, it may become necessary to adjust schedules and assignments to provide quality care and services. Your cooperation is appreciated and expected as a member of our team. It is a commitment we all share.

### **Workplace Searches**

To safeguard the property of our employees, our customers, and Sun Health, and to help prevent the possession, sale, and use of illegal drugs or unauthorized controlled substances on Sun Health's premises, in keeping with the spirit and intent of Sun Health's drug-free workplace policy, Sun Health reserves the right to question employees and all other persons entering and leaving our premises, and to inspect any packages, parcels, purses, handbags, briefcases, lunchboxes, or any other possessions or articles carried to and from Sun Health's property. In addition, Sun Health reserves the right to search any employee's office, desk, files, locker, company vehicles, or any other area or article on our premises. It should also be noted that all offices, desks, files, lockers, and so forth, are the property of Sun Health, and are issued for the use of employees only during their employment with Sun Health. Inspections may be conducted at any time at the discretion of Sun Health, without notice and either inside or outside the presence of the employee. Employees who do not want any personal property or items inspected should not bring them to work.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy will not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection as well as employees who after the



inspection are believed to be in possession of stolen property or illegal drugs, will be subject to disciplinary action up to and including termination.

### **Workplace Violence Policy**

Sun Health is concerned about the increased violence in society, which has also filtered into many workplaces throughout the United States, and has taken steps to help prevent incidents of violence from occurring in our workplace. Sun Health has a zero tolerance for violence or aggression in the workplace (including domestic violence). Sun Health also prohibits any acts or threats of violence against residents, customers, employees, suppliers, or visitors on our premises at any time or while they are engaged in business with or on behalf of Sun Health, on or off our premises.

In keeping with the spirit and intent of this policy, and to ensure Sun Health's objectives in this regard are attained, Sun Health is committed to the following:

- To provide a safe and healthful work environment, in accordance with Sun Health's safety and health policy.
- To take prompt remedial action up to and including immediate termination, against any employee who engages in any threatening behavior or acts of violence or who uses threatening language or gestures.
- To take appropriate action when dealing with residents, customers, suppliers, former employees, or visitors to Sun Health's facilities who engage in such behavior. Such action may include notifying the police or other law enforcement personnel and prosecuting violators of this policy to the maximum extent of the law.
- To prohibit employees, former employees, customers, suppliers, and visitors from bringing unauthorized firearms or other weapons onto Sun Health's premises (excluding lawfully stored firearms in privately owned vehicles in Company parking lots).
- To establish viable security measures to ensure that Sun Health's facilities are safe and secure to the maximum extent possible and to properly control access to company facilities by the public, off-duty employees, and former employees.

Listed below are some examples of prohibited behaviors under this policy. This list should not be viewed as all-inclusive. It is intended only to illustrate the types of behavior and conduct that Sun Health considers inappropriate and grounds for disciplinary action up to and including termination of employment without prior warning, at the sole discretion of the company, including, but are not limited to, the following:

- Hitting or shoving an individual
- Engaging in hostile behavior, physical abuse, assault, battery
- Threatening physical or aggressive contact directed toward another individual or their family, friends, employees, or property with harm or engaging in behavior that causes a reasonable fear of such contact.
- Vandalism or intentional destruction or threatening to destruct Company property.

- Making harassing or threatening verbal, written or electronic communications, including but not limited to, statements, telephone calls, e-mails, letters, faxes, text messages, blog post, internet postings, website materials, diagrams or drawings, gestures and any other form of communication that causes a reasonable fear or intimidation response in others.
- Veiled threats of physical harm or like intimidation or statements, in any form, that lead to a reasonable fear of harm or an intimidation response.
- Harassing surveillance or stalking (following or watching someone).
- Unauthorized or unlawful possession or storage or inappropriate use of firearms or weapons on Company property.
- Domestic violence. Domestic violence is defined as a pattern of coercive tactics carried out by an abuser against an intimate partner (the victim) with the goal of establishing and maintaining power and control over the victim. Where the abuser's tactics include any of the above-described conduct on Company premises, this policy applies. Where such tactics include any of the above-described behaviors off Company premises, this policy applies where the abuser is someone who is acting as an employee or representative of the Company at the time, where the victim is an employee who is exposed to the conduct because of work for the Company, or where there is a reasonable basis for believing that violence may occur against the victim or others in the workplace. The term "intimate partner" includes people who are legally married to each other, people who were once married to each other, people who have had a child together, people who live together or who have lived together and people who have or have had a dating or sexual relationship, including same sex couples.

Workplace violence does not refer to occasional comments of socially acceptable nature. Such comments may include references to legitimate sporting activities, popular entertainment or current events. Rather, it refers to behavior that is personally offensive, threatening or intimidating.

No one, including employees, residents, vendors may carry or possess firearms or other weapons in Company buildings or in the common areas of Company buildings. Pursuant to Arizona law, employees may lawfully store firearms in their privately owned vehicles in Company parking lots, if and only if the vehicle is locked or if the firearm is in a locked compartment on the employee's privately owned motorcycle and not visible from outside of the vehicle or motorcycle. Employees are prohibited from carrying or storing firearms in vehicles that are owned or leased by the Company and used by an employee in the course of his/her employment. This law does not restrict Sun Health's right to search an employee's vehicle while in a Company parking facility should good cause exist for such a search and in accordance with the Company's policy on searches in the workplace

Any employee who displays a propensity to engage in violent, abusive, or threatening behavior, or who otherwise engages in behavior that Sun Health, in its sole discretion, deems offensive or inappropriate may be referred for counseling or other appropriate treatment. Such employees will also be subject to disciplinary action, up to and including termination.

Employees should notify their supervisor or another member of management immediately if they observe any threatening or suspicious behavior or situations or incidents that they observe or that they are aware of and involve other employees, former employees, clients, or visitors that appear problematic. This includes, for example, any of the conduct listed above, or other threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, and the like. It also includes threats of violence to employees by family members or other third parties. Employee reports made pursuant to this policy will be held in confidence to the maximum possible extent. Failure to report any threats or acts of violence in violation of this policy appropriately is itself a violation of this policy and may subject any employees involved to discipline up to and including discharge. All incidents of violence and threats of violence that are reported will be taken seriously and investigated. Sun Health will decide whether its workplace violence policy has been violated and whether preventive or corrective action is appropriate. Any person who engages in a threat or violent action on Company property may be removed from the premises as quickly as safety permits and may be required, at the Company's discretion, to remain off Company premises pending the outcome of an investigation into the incident. Employees should also exercise good judgment and in the event, they believe it necessary, call 911 to report a dangerous situation.

Retaliation against anyone for reporting an actual or suspected violation of this policy in good faith will not be tolerated and will subject the individual engaging in the retaliation to discipline up to termination. Any complaints about retaliation may be reported in the same manner as violations of this policy are to be reported.

Sun Health's provisions on workplace violence are intended to protect the safety of all employees, and residents, and are in no way intended to infringe on an employee's privacy. The primary goal of these guidelines is to encourage an open, ongoing dialogue with the affected employee, and those within the Company who need to know, so that it can take reasonable steps to protect workplace safety. Sun Health's goal is to handle all situations with utmost sensitivity to the particular situation, while meeting the goal of workplace safety and security.

## BENEFITS

### Benefits Eligibility

**Regular Full Time Employees with benefits** are employees who work an average of sixty (60) hours or more a pay period. Eligibility requirements are included in the separate write-up for each benefit. Benefit opportunities include:

- Health Insurance
- Dental Insurance
- Paid \$15,000 Life Insurance with optional coverage available.
- Supplemental Insurance's (Vision, STD, LTD, Life)
- Paid Time Off (PTO)
- 401(k) Savings and Retirement Plan
- Employee Assistance Program

**Regular Part Time Employees with partial benefits** are employees who work at least forty-eight (48) hours but less than sixty (60) hours in a pay period. Eligibility requirements are included in the separate write-up for each benefit. Benefit opportunities include:

- Paid Time Off (PTO)
- 401(k) Savings and Retirement Plan
- Employee Assistance Program

**Part-Time Employees** are employees who work less than forty-eight (48) hours in a pay period. Benefit opportunities include:

- Employee Assistance Program
- 401(k) Savings and Retirement Plan

Although individually assigned working hours may vary due to temporary changes in schedule, the employee classification is determined by the average of hours worked biweekly. All classification changes are to be submitted to the Employee Services Department in writing by the appropriate Supervisor.

### **Continuing or Converting Group Health Insurance Coverage (COBRA)**

If you resign or are terminated from Sun Health or if your work hours are reduced, and if this event makes you or your dependents no longer eligible to participate in one of our group health insurance plans, you and your eligible dependents may have the right to continue to participate for up to 18 months at your (or your dependents') expense. If you are determined to be disabled under the Social Security Act at the time your termination or reduction in hours occurs or within 60 days of these events, you may be entitled to continuation coverage for up to twenty- nine months.

Your eligible dependents may also extend coverage, at their expense, for up to 36 months in our group health insurance plans in the event of your death, divorce, legal separation, or enrollment for Medicare benefits, or when a child ceases to be eligible for coverage as a dependent under the terms of the plan. The 18-month continuation coverage period provided in the event of your termination or reduction in working hours may be extended to 36 months for your spouse and dependent children if, within that 18-month period, you die or become divorced or legally separated, if a child ceases to have dependent status, or if you enroll for Medicare during the 18-month period.

If you or your eligible dependents elect to continue as members of Sun Health's plans, you will be charged the applicable premium charged Sun Health by our carriers plus an additional two percent. Employees with disabilities, however, will be charged an additional 50 percent of the applicable premium during the nineteenth through the twenty-ninth months of continuation coverage. The premium is subject to change if the rates being charged Sun Health increase or decrease. If this election for continuation coverage is made, you have the right to convert this coverage to an individual policy with our insurance carriers at the end of the continuation period.

Continuation 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 provided to you on account of a preexisting medical condition unless the preexisting condition does not apply due to the Health Insurance Portability and Accountability Act; or
3. Sun Health's termination of its group health plans. If you enroll for Medicare, you will no longer be eligible for continued coverage, but, as noted earlier in this statement, your spouse and dependent children may be entitled to extend their continuation coverage.

Our plan administrator will contact you concerning these options at the time termination occurs or your work hours are reduced. The plan administrator will contact your qualified beneficiaries in the event of your death or enrollment for Medicare benefits. However, in the event that you become divorced or legally separated, or one of your dependents ceases to be eligible for coverage under our group health insurance plans, you and/or your dependent(s) is/are responsible

for contacting Employee Services and the plan administrator to discuss continuation/conversion rights. You and your qualified beneficiaries are also responsible for notifying the Employee Services department and the plan administrator within 60 days of qualifying for social security disability benefits.

For further details regarding continuing or converting your group health insurance benefits, please contact Employee Services.

### **Employee Assistance Program**

We recognize that everyone may experience personal problems sometime in their life. Since we believe that you are our most valuable resource, it is appropriate that we assist you when you are experiencing these problems.

The EAP program is not intended to change the nature of the at-will employment relationship or to suggest that any particular steps, including referral to the EAP, will be taken before an employee is terminated. Either *Sun Health* or the employee may terminate the employment relationship at any time.

Participation in our employee assistance program does not excuse you from complying with normal *Sun Health* policies or from meeting normal job requirements during or after receiving assistance. Nor will participation prevent the company from taking disciplinary action against you for performance problems that occur before or after seeking assistance through the program.

Information regarding the EAP program is available through Employee Services.

### **Education/Orientation**

It is our goal to provide training and educational opportunities to our employees. Our philosophy is that learning is an important part of your job, and it begins immediately. You received this guide during your initial processing, and you will be oriented to your job, facility and campus in the next several weeks. This initial learning process will be time-released to increase retention and may include several formal orientation meetings, training, and support from current team members. Our goal is to help you through this transition period in both a positive and productive fashion by supporting you through a team effort.

### **Family and Medical Leaves of Absence (FMLA)**

You are eligible to take up to 12 weeks of unpaid family/medical leave within a **rolling** 12-month period and be restored to the same or an equivalent position upon your return from leave (subject to the terms of the Family and Medical Leave Act) provided you:

- (1) Have worked for the Company for at least 12 months, and for at least 1,250 hours in the last 12 months; and
- (2) Are employed at a worksite that has 50 or more employees within 75 miles.

The 12-month period is a **rolling** 12 months and will be measured backward from the date an employee uses any FMLA leave.

#### *Reasons for Leave*

You may take family/medical leave for any of the following reasons:

- (1) The birth of a son or daughter and in order to care for such son or daughter;
- (2) The placement of a son or daughter with you for adoption or foster care and in order to care for the newly placed son or daughter;
- (3) To care for a spouse, son, daughter, or parent (called a “covered relation”) with a serious health condition; or
- (4) Because of your own serious health condition which renders you unable to perform any of the essential functions of your position.

Leave because of reasons (1) or (2) must be completed within the 12-month period beginning on the date of birth or placement. In addition, spouses employed by the Company who request leave because of reasons (1) or (2) or to care for an employee’s parent with a serious health condition may only take a combined total of 12 weeks leave during any 12-month period.

#### *Employee Responsibilities - Notice of Leave*

If your need for family/medical leave is foreseeable, you must give the Company at least 30 days prior written notice. If this is not possible, you must at least give notice as soon as practicable (within 2 business days of learning of your need for leave). When the need for leave is not foreseeable, you must comply with the Company’s attendance call-in procedures. Failure to provide such notice may be grounds for delay of leave. Additionally, if you are planning a medical treatment you must consult with the Company first regarding the dates of such treatment. Where the need for leave is not foreseeable, you are expected to notify the Company either the same day or the next business day of learning of your need to leave, except in extraordinary circumstances. The Company has Request for Family/Medical Leave forms available from Employee Services. You should use these forms when requesting leave.

When submitting a request for leave, you must provide sufficient information for the Company to determine if the leave might qualify as FMLA leave, and also provide information on the anticipated date when the leave would start as well as the duration of the leave. Calling in “sick” is not sufficient. Sufficient information may include that you are unable to perform job functions; that a family member is unable to perform daily activities; that you or a family member needs hospitalization or continuing treatment by a healthcare provider; or the circumstances supporting the need for military family leave. You also must inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also will be required to provide a certification and periodic recertification supporting the need for leave.

#### *Employer Responsibilities*

When you request leave, the Company will inform you whether you are eligible under the FMLA. If so, you will be given a written notice that includes details on any additional information you will be required to provide. If you are not eligible under the FMLA, the Company will provide a written notice indicating the reason for ineligibility.



If leave will be designated as FMLA-protected, the company will inform you in writing and provide information on the amount of leave that will be counted against your 12- or 26-week entitlement.

#### *Medical Certification*

If you are requesting leave because of your own or a covered relation's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification Forms from Employee Services. When you request leave, the Company will notify you of the requirement for medical certification and when it is due (normally 15 days after you request leave). If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may result in denial of leave until it is provided.

Sun Health, at its expense, may require an examination by a second health care provider designed by the Company if it reasonably doubts the medical certification you initially provide. If the second health care provider's opinion conflicts with the original medical certification, the Company, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. The Company may require subsequent medical recertification. Failure to provide requested certification within 15 days, if such is practicable, may result in delay of further leave until it is provided. Failure to cooperate with the examination process (such as failing to appear for the exam, not cooperating with the health care provider, etc.) may result in termination.

#### *Reporting While on Leave*

If you take leave because of your own serious health condition or to care for a covered relation, you must contact the Company on a weekly basis regarding the status of the condition and your intention to return to work. In addition, you must give notice as soon as practicable (within 2 business days if feasible) if the dates of leave change or are extended or initially were unknown.

#### *Leave Is Unpaid or Paid Leave Substituted*

Family/medical leave is unpaid leave, although you may be eligible for short or long-term disability payments and/or workers' compensation benefits under those insurance plans or policies. If you are entitled to receive money from these sources, your leave will be considered "paid leave" for the period during which you will receive that money. If your leave is "unpaid" leave, you will be required to substitute paid time off (vacation, sick days, personal days) for "unpaid" FMLA leave as described below:

- If you request leave because of a birth, adoption or foster care placement of a child, any available paid vacation and personal days first will be substituted for unpaid family/medical leave.
- If you request leave because of your own serious health condition, or to care for a covered relation with a serious health condition, any available paid vacation, personal days, and sick days will first be substituted for any unpaid family/medical leave.

The substitution of paid leave time for unpaid leave time does not extend the 12-week leave period. Further, in no case can the substitution of paid leave time for unpaid leave time result in



your receipt of more than 100% of your wages. Your family/medical leave runs concurrently with other types of leave (i.e., paid vacation, sick leave). Those other leaves may provide for paid leave.

#### *Medical and Other Benefits*

During an approved family/medical leave, Sun Health will maintain your health benefits as if you continued to be actively employed. If paid leave is substituted for unpaid family/medical leave, the Company will deduct your portion of the health plan premium as a regular payroll deduction.

If your leave is unpaid, you must pay your portion of the premium on or before the 1st day of the month of coverage. Your health care coverage will cease if your premium payment is more than 30 days late. If your payment is more than 15 days late, we will send you a letter to this effect. If we do not receive your payment within 15 days after the date of this letter, your coverage may cease effective the first of the month the premium would have covered.

If you elect not to return to work for at least 30 calendar days at the end of the leave period, you will be required to reimburse the Company for the cost of the health benefit premiums paid by the Company for maintaining coverage during your unpaid leave, unless you cannot return to work because of a serious health condition or other circumstances beyond your control.

#### *Intermittent and Reduced Schedule Leave*

Leave because of a serious health condition may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. If leave is unpaid, the Company will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave, the Company may temporarily transfer you to an available alternative position which better accommodates your recurring leave and has equivalent pay and benefits.

Call in procedures for use of approved intermittent leave are the same as for any absence (see the Company's Attendance policy). Failure to call in properly may result in an unauthorized absence. Further, if you are eligible, time off is paid on the same basis as the requirements outlined in the Attendance policy.

#### *Returning From Leave*

If you take leave because of your own serious health condition (except if you are taking intermittent leave), you are required to provide medical certification that you are fit to resume work. Employees failing to provide an acceptable Return to Work Medical Certification Form will not be permitted to resume work until it is provided.

#### *No Work While On Leave*

The taking of another job while on family/medical leave or any other authorized leave of absence is not permitted. Further, no work is permitted from home or another location while on family/medical leave unless expressly authorized by the Company. Unauthorized work while on leave is grounds for termination.

#### *Exemption for Highly Compensated Employees*

The Company may choose not to return highly compensated employees (highest paid 10% of employees at a worksite or within 75 miles of that worksite) to their former or equivalent positions following a leave if restoration of employment will cause substantial economic injury to the Company. This fact-specific determination will be made by the Company on a case-by-

case basis. The Company will notify you if you qualify as a “highly compensated” employee, if the Company intends to deny reinstatement and of your rights in such instances.

### *FMLA for Military Service Members' Families*

If you are an employee who is otherwise eligible to take leave under the Family and Medical Leave Act (FMLA), you may be eligible for military family leave under the 2008 amendments to the law. There are two types of leave available.

- Under the active duty leave, Sun Health will grant you leave for up to 12 weeks per **rolling** year because of any qualifying exigency arising out of the fact that your spouse, son, daughter or parent is on active duty, or has been notified or an impending call to active duty status, in support of a contingency operation. Qualifying exigency is defined as:

- (1) short-notice deployment
- (2) military events and related activities
- (3) childcare and school activities
- (4) financial and legal arrangements
- (5) counseling
- (6) rest and recuperation
- (7) post-deployment activities and
- (8) additional activities where the employer and employee agree to the leave

- Under the military caregiver provisions, Sun Health will grant military caregiver leave for up to 26 weeks in a single 12-month period to an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered service member, who is recovering from a serious illness or injury sustained in the line of duty on active duty, in order to care for the service member. Next of kin is defined as the nearest blood relative of the service member. The term serious illness or injury is defined as one that renders the service member medically unfit to perform the duties of the member's military position. The covered service member is one who is undergoing medical treatment, recuperation or therapy; is otherwise in outpatient status; or is otherwise on the temporary disability retired list due to the injury of illness. You are entitled to this military caregiver leave intermittently or continuously, but only during a single 12-month period. If you take this military caregiver leave, any leave you have used of your 12-weeks allotment for other FMLA leave will be deducted from the 26-week period.

#### *Application and Notice*

If you desire a leave pursuant to these military leave provisions of the FMLA, you must follow similar procedures for application and notice of leave as are used for other FMLA leave.

When the request is for active duty leave because of a qualifying exigency, you must submit an application advising why the leave is needed and you should provide notice as soon as reasonable and practicable.

If a request is for military caregiver leave and the leave is foreseeable, such as for a planned medical treatment, you must submit the application for leave not less than 30 days before the date the leave is to begin. You should attempt to schedule your leave so as not to disrupt business operations. When the need for leave is not foreseeable, you must submit the application as far in advance of the date the leave is to begin as is practicable.

A leave pursuant to military family leave provisions may be taken on an intermittent (rather than on an uninterrupted) basis or on a reduced schedule if medically necessary because of a health condition of the service member who is your spouse, child, parent or next of kin.

### *Verification or Certification*

When the application for leave is because of a qualifying exigency due to the service member's active duty, the application should state the nature of the relationship of the employee to the service member and you should attach to your application for leave verification of the service member's call-up or active duty and the reason for the request. If not immediately available, you should provide the verification as soon as practicable. If you are unable to provide verification, the Company may deny FMLA designation for the leave. However, the Company retains the right, in its sole discretion, to designate any leave as FMLA leave retroactively upon receipt of verification.

When the application for leave is for military caregiver leave, the application should state the nature of the relationship of the employee to the service member and must have attached to it a written certification from the health care provider, including but not limited to the Department of Defense, for the injured service member. If not immediately available, the Company may, in its sole discretion, permit you, as an eligible employee, to commence an FMLA leave; however, you must provide the required certification within 5 business days or the Company may deny FMLA designation of the leave. However, the Company retains the right, in its sole discretion, to designate any leave as FMLA leave retroactively upon receipt of a certification.

As with current certifications for other medical leave under the FMLA, the written certification should state: (1) the date on which the serious health condition commences; (2) the probable duration of the condition; (3) the appropriate medical facts regarding the condition and its duration; and (4) that the covered service member is medically unfit to perform the duties of the member's office, grade, rank or rating.

### *Conditions*

Any conditions applicable to current FMLA leave, such as potential transfers to alternative positions, are applicable to military family leave.

If you and your spouse are both employed by the Company, and both of you are taking leave because of a qualifying exigency and any of the other FMLA leave, both of you are entitled to a combined total of 12 weeks of leave, rather than 12 weeks each.

If you and your spouse are both employed by the Company, and both of you are taking military caregiver leave and any other FMLA leave, both of you are entitled to a combined total of 26 weeks of leave, rather than 26 weeks each. Limitations of 12 weeks for any leave other than military caregiver leave are still valid.

Your health insurance benefits will be continued under the same terms as they are offered when you are at work. The Company will pay all premiums due if you are unable to do so during your FMLA leave; however, such premiums must be re-paid to the Company once you have returned to work. If, during the military FMLA leave, you indicate that you do not intend to return to work or if after completion of the leave you do not return to work, you will be required to reimburse the Company for the cost of payments made to maintain your benefits during leave.

Paid leave, if available, may be used during military FMLA leave under the same terms and conditions as for any FMLA leave. If paid leave is unavailable, military FMLA leave is still available to an eligible employee. If you have no available Company leave and are not authorized to take FMLA leave, yet you still choose to take leave, you will be regarded as absent under the Company's current policies and disciplinary actions.

Please contact Employee Services for questions and FMLA leave forms.

### **401(k) Plan**

The 401(k) Plan gives you a simple, convenient, and effective retirement plan whereby you can save money and share in company profits at the same time. This benefit also includes contributions from *Sun Health* on your behalf. Your contributions are always 100% vested.

Eligibility requirements are based on IRS regulations and include: 21 years of age and first of the month following date of hire. After initial eligibility you have the opportunity to participate in the retirement plan throughout your career and changes can be made at any time. See Employee Services for details.

### **Group Health Insurance**

*Sun Health* is committed to the health and well-being of all our employees. As a part of that commitment we offer a Health Insurance program in which we fund a majority of the premiums.

You will be receiving additional information during the Benefit Enrollment Meeting or may contact Employee Services at any time. Included will be a Health Insurance handbook that will briefly explain the plan's terms and conditions. This will include information regarding basic benefits, restrictions, and the impact of preexisting conditions. *Sun Health* reserves the right to amend, alter, or terminate our plan and final decisions regarding disputes will be based on the plan document.

### **Insurance Benefits**

**Eligibility:** Employees who have completed 60 days of regular full-time service are eligible for several types of insurance. You will be contacted by Employee Services prior to your eligibility and scheduled to attend a Benefit Enrollment Meeting where you will receive the necessary information to aid in selecting your coverage. Your coverage will begin on the 1<sup>st</sup> of the month following 60 days of regular full-time service.

You must apply for your chosen plan or plans within thirty-one (31) days after you become eligible. Failure to meet this requirement will restrict when you may apply for insurance again (**open enrollment or qualifying event**) and stipulate that you and your dependents complete a detailed health questionnaire to furnish evidence of insurability.

For Regular Part Time employees who are later changed to Regular Full Time, you will be eligible the 1<sup>st</sup> of the month following 60 days of regular full-time service.

**New Dependents:** If you have a newly acquired dependent (e.g., new spouse, baby, or adopted child), you have thirty-one (31) days from the eligibility date (e.g., wedding date, birth date, or adoption date) to add dependent coverage. If this requirement is not met, then you will have to wait until open enrollment and be required to furnish evidence of insurability for the new

dependent.

### **Life and AD&D Insurance**

A \$15,000 Term Life Insurance is available for Regular Full-time employees who subscribe to our health plan with the option to purchase greater amounts at significant discounts. Accidental Death and Dismemberment policy is also available at discounted rates.

### **Jury Duty**

When you are required to serve on jury duty, you will be paid the difference between your jury duty pay and the amount you would normally earn on your regularly assigned days that were missed as a result of the jury duty. Submit to Employee Services a statement from the Clerk of the Court indicating the amount paid, or to be paid, to you. You will also be paid your normal earnings if you are subpoenaed to appear in court as a witness.

### **Military Leaves of Absence**

Employees and applicants will not experience any type of discrimination based on their application to enlist, membership, or performance of duties in the uniformed services.

#### *Employee Eligibility*

To comply with the federal Uniformed Services Employment and Reemployment Rights Act, Sun Health grants military leaves of absence to part-time and full-time employees who enlist for up to five years of active duty in the United States military or who miss work because of reserve or National Guard training or a call-up to active duty. Temporary employees are not eligible for reinstatement under this policy.

#### *Notification of Absence*

You should request military leave in advance whenever possible. When advance notice is precluded, you or your family should notify Sun Health as soon as possible.

#### *Pay During Leave*

Military leave generally is unpaid, unless you elect to use PTO to receive pay during military leave. However, exempt salaried employees absent only part of a workweek to perform military service are paid in full for the workweek.

### *Health Coverage During Leave*

During an unpaid military leave of absence, Sun Health continues to subsidize your group health care benefits for up to 30 days. If you are on military leave for 31 days or longer, you are eligible for family health benefit coverage from the military. You also can arrange to continue your coverage under Sun Health group health plan for up to 24 months. If you opt for continued coverage under Sun Health health plan, you are responsible for paying 102 percent of the premium cost.

### *Impact of Leave on Other Benefits*

While on military leave, you will not accrue PTO time. However, the time off counts toward your length of service in determining the rate at which you will accrue PTO, pay, and other benefits after returning from military leave.

Once you return from active duty, employees participating in the 401(k) plan can make up their missed plan contributions, and Sun Health will contribute the appropriate match for such contributions.

### *Return to Work*

- If you return from military service of 30 days or less, you must report to work at the start of the next work period, allowing eight hours for travel after the end of service.
- If you return from military service of 31 to 180 days, you must apply for reinstatement within 14 days of concluding service.
- If you serve longer than 180 days, you must apply for reinstatement within 90 days of ending military service.

Exceptions to these deadlines are possible when circumstances beyond your control prevent you from returning to work or applying for reinstatement within the specified period. Extensions also are permitted if you require convalescent time after military service. In all other cases, if you fail to report to work or apply for reinstatement within the specified period, you are subject to the company's disciplinary policy for unexcused absences.

### *Reinstatement Rights*

After returning from military leave, you are entitled to be promptly reinstated to your former position or, if qualified, to the job you would have held without any break in service (referred to as “escalator positions”), regardless of a disability. However, if after a reasonable effort by Sun Health, you are not qualified to perform the duties of the escalator position, you will be reinstated to a position similar in pay, benefits, status, seniority, and other employment terms and conditions.

If you no longer qualify for your former or equivalent position, you will be offered training to bring your qualifications up to the level needed. If training does not qualify you for reinstatement



to your former or an equivalent position, you can be reinstated to a position with lesser pay and status, but with no loss in seniority.

If you terminated group health plan coverage while on military leave, you could resume coverage under the company's plan without waiting periods or exclusions. However, conditions that the Secretary of Veterans Affairs determines have been caused or aggravated by an employee's military service can be excluded or subject to waiting periods.

For questions about Military Leaves of Absence, please contact Employee Services.

### **Paid Time Off (PTO)**

If you are hired in an eligible category, you will accrue PTO hours from your date of hire. The scheduling of time off will be coordinated with and approved by your supervisor. Employees may not request time off as unpaid if they have an accumulated PTO balance.

**Scheduling of PTO:** Prearranged days off must be submitted to your supervisor for approval via Kronos for PTO Request. There may be times where days cannot be approved due to the needs of the facility, number of requests submitted, or length of notice given. Sick days must be called in properly (see the "Attendance and Call-off" policy). Additional support information may be requested by the company.

**Accrual Rate** - The accrual rate is determined by the number of regular hours worked (includes accrual on PTO used and holidays) and length of service. The following chart is a guide based on an employee who has worked 80 hours in a pay period. If you work less than 80 hours you will be awarded proportionately fewer PTO.

### **PTO Accrual Chart for Non-Exempt (Hourly)**

**Accrual Rate:** The accrual rate for PTO is determined by the number of total hours worked and length of service. The following table shows PTO accrual rate per hour for an employee who works 40 hours per week.

<b>Years of Service</b>	<b>PTO Accrued Per Hour</b>	<b>PTO Accrued Per Year</b>	<b>Paid Sick Time (PST)</b>
0 < 2	0.0538	112 hours/14 days	40 hours/5 days
2 < 5	0.0692	144 hours/18 days	40 hours/5 days
5 < 10	0.0962	200 hours/25 days	40 hours/5 days
10+	0.1154	240 hours/30 days	40 hours/5 days

**PTO for Exempt (Salaried)**

Based on the PTO table below, Sun Health will deposit PTO and Paid Sick Time (PST) hours into the exempt employee’s respective accounts upon hire and thereafter on or about January 1<sup>st</sup> of each year. PTO hours are intended to be used in the calendar year they are deposited. Any unused hours from one calendar year will not be carried over into the subsequent calendar year. The unused hours are forfeited unless in the event special work demands prevent an employee from taking all available PTO hours, a request can be made to carry over no more than 5 days into the next calendar year. To be effective, the approval must be in writing.

**Scheduling of PTO:** Prearranged days off must be submitted to the manager for approval at least two weeks in advance through Kronos Workforce Ready. Managers may deny requests due to the needs of the department, number of requests submitted, or length of notice given.

<b>Exempt Staff</b>	<b>Years of Service</b>	<b>Paid Time Off (PTO)</b>	<b>Paid Sick Time (PST)</b>
Exempt staff	<2	160 hours/20 days	40 hours/5 days
	2 to 5	200 hours/25 days	40 hours/5 days
	5 or more	240 hours/30 days	40 hours/5 days

**Maximum Amount:** A Regular Full-Time employee may accrue up to a maximum of 240 PTO hours and a Regular Part Time employee may accrue up to a maximum of 120 PTO hours before the automatic PTO accrual is stopped. The automatic accrual will be restarted once the employee reduces their PTO balance below 240 or 120 PTO hours. Resolution of frequent accrual stoppages of a particular employee's PTO accrual will be addressed on a case by case basis.

**PTO Usage When Absent:** Employees will be required to use PTO when they are absent if they have an accumulated PTO balance. This also applies to all leaves-of-absence (LOA).

**PTO Seniority Status for Reinstated Employees:** Employees who after termination of employment, an approved personal leave, or a combination of an approved medical and personal leave, return within six (6) months to a Regular Full Time or Regular Part Time position will keep their initial hire date for PTO and seniority purposes.

**Resignation PTO Credit:** See Resignation, page 18.

### **Personal Leave**

If you have been employed by *Sun Health* for three (3) months, you are eligible to apply for a personal leave. A personal leave may be granted at our discretion. You must use, or be paid for, the PTO to which you have accrued during regular time worked and/or while using PTO. After PTO usage, any remaining time during the leave will be without pay.

If you are a participant in health insurance and/or supplemental insurance, you may elect to continue coverage, provided you pay the full premium in advance to Employee Services. Sun Health contribution will resume only after you return to your normal work schedule.

A personal leave does not ensure that your position will be available upon return. If you do not contact your Supervisor or Employee Services by the time the leave expires, we will consider that your voluntary resignation. Your total FMLA leave and/or personal leave time may not exceed six (6) months; and if you do return to work, you will keep your initial hire date for benefit seniority purposes.

## Plan 125

All of our insurance benefits are qualified under Section 125 of the Internal Revenue Code to allow all participating employees to purchase insurance benefits with pre-tax dollars. This means you pay for the benefits first, and then tax calculations are based on your adjusted gross pay. The result is that you pay fewer taxes, and this converts into a savings on insurance premiums. However, there are specific guidelines on when and what changes can be made once you have enrolled. You will receive additional information from Employee Services at the Benefit Enrollment Meeting.

## Supplemental Insurance

In addition to Health and Dental insurance coverage we offer a variety of additional insurance programs. These optional benefits range from disability to dental. A full listing of plans and specifics will be available at the Benefit Enrollment Meeting or at the Employee Service office.

## Worker's Compensation

We are committed to providing you a safe work environment through providing necessary safety equipment, maintaining equipment and grounds, and empowering our safety committees to problem solve in regard to safety issues. In accordance with state laws we provide insurance for employees who suffer work-related injuries which occur during the regular scope of employment. Please use the following as a guideline if you are injured:

1. Notify Supervisor immediately when an injury occurs. Delays will lead to increased investigation which could result in loss of benefit.
2. Complete your side of the Incident Report.
3. If initial medical care is requested, it will be provided by a designated healthcare provider. **Do not go to your own physician.**
4. If you receive restrictions from the physician, we will attempt to provide short-term light duty work. The final determination will be based on the actual restrictions, and our ability to provide quality service to our residents.
5. If you are required to miss work, the first seven (7) days will not be paid in accordance with Arizona law. You may request the use of available PTO. Any time missed beyond seven (7) days will be retroactively paid to the first lost day.
6. Your return to work or release from restrictions will be based on information provided by the physician.
7. In emergency situations do not delay and immediately call 911 or go to the nearest hospital emergency room.

It is your responsibility to adhere to all safety regulations, correct or report all safety hazards, and cooperate with any safety or claims investigation.

Neither Sun Health nor our insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by Sun Health, or for "horseplay".

**Acknowledgement and Receipt of Handbook**

I understand that the information in Sun Health’s handbook represents guidelines only and that Sun Health reserves the right to modify this handbook or amend or terminate any policies, procedures, or employee benefit programs whether or not described in this handbook at any time, or to require and/or increase contributions toward these benefit programs. I understand that I am responsible for reading the handbook, familiarizing myself with its contents, and adhering to all of the policies and procedures of Sun Health, whether set forth in this handbook or elsewhere.

I understand that this handbook is not a contract of employment, express or implied, between me and Sun Health and that I should not view it as such, or as a guarantee of employment for any specific duration.

I further understand that no manager or representative of Sun Health, other than the Executive Director, has any authority to enter into any agreement guaranteeing employment for any specified period of time. I also understand that any such agreement, if made, shall not be enforceable unless it is in a formal written agreement signed by both me and the Executive Director.

I acknowledge that no supervisor, manager, or other representative of Sun Health has the authority to make any verbal promises, commitments, or statements of any kind regarding Sun Health’s policies, procedures, or any other issues that are legally binding on Sun Health.

---

(Print Name of Employee)

---

Employee’s Signature

---

Date