<table>
<thead>
<tr>
<th>Section</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission Statement</td>
<td>4</td>
</tr>
<tr>
<td>Introduction</td>
<td>5</td>
</tr>
<tr>
<td>Who is a Patient?</td>
<td>6</td>
</tr>
<tr>
<td>Philosophy of Group Practice</td>
<td>7</td>
</tr>
<tr>
<td>Galen</td>
<td>7</td>
</tr>
<tr>
<td>History of Galen</td>
<td>8</td>
</tr>
<tr>
<td>Equal Employment Opportunity</td>
<td>9</td>
</tr>
<tr>
<td>“At Will” Employment</td>
<td>9</td>
</tr>
<tr>
<td>Immigration Reform &amp; Control Act</td>
<td>9</td>
</tr>
<tr>
<td>Management Rights &amp; Responsibilities</td>
<td>10</td>
</tr>
<tr>
<td>Physician Practice Compliance Program</td>
<td>10</td>
</tr>
<tr>
<td>Employment Classifications</td>
<td>11</td>
</tr>
<tr>
<td>Employee Records</td>
<td>13</td>
</tr>
<tr>
<td>Transfers &amp; Promotions</td>
<td>13</td>
</tr>
<tr>
<td>Resignations</td>
<td>14</td>
</tr>
<tr>
<td>Final Paycheck</td>
<td>15</td>
</tr>
<tr>
<td>Exit Interview</td>
<td>15</td>
</tr>
<tr>
<td>Reduction in Staffing</td>
<td>15</td>
</tr>
<tr>
<td>Nepotism</td>
<td>16</td>
</tr>
<tr>
<td>Job Descriptions &amp; Performance Appraisals</td>
<td>16</td>
</tr>
<tr>
<td>Compensation</td>
<td>17</td>
</tr>
<tr>
<td>Pay for Performance Program</td>
<td>18</td>
</tr>
<tr>
<td>Work Hours</td>
<td>18</td>
</tr>
<tr>
<td>Time Reporting</td>
<td>19</td>
</tr>
<tr>
<td>Overtime</td>
<td>20</td>
</tr>
<tr>
<td>Pay Checks &amp; Pay Days</td>
<td>20</td>
</tr>
<tr>
<td>Holidays</td>
<td>20</td>
</tr>
<tr>
<td>Inclement Weather Program</td>
<td>21</td>
</tr>
<tr>
<td>Earned Time Off (ETO)</td>
<td>22</td>
</tr>
<tr>
<td>Bereavement</td>
<td>24</td>
</tr>
<tr>
<td>Jury Duty</td>
<td>24</td>
</tr>
<tr>
<td>Military Leave</td>
<td>25</td>
</tr>
<tr>
<td>Family Medical Leave of Absence (FMLA)</td>
<td>25</td>
</tr>
<tr>
<td>Personal Leave of Absence</td>
<td>29</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>30</td>
</tr>
</tbody>
</table>
Galen’s Image
Attendance
Punctuality
Confidentiality
Tobacco Free Workplace
Telephones
Personal Pagers & Cell Phones
Visititation
Solicitations & Distributions
Sexual Harassment
Anti-Harassment
Security of Property
Drug & Alcohol Free Workplace
Computer Technology Usage
Outside Employment
Pharmaceutical Samples
Medical Care by Galen Physicians
Employee TDaP Vaccination Policy
Progressive Employee Discipline Concerning Privacy and Confidentiality
Social Media Policy
Employee Access to Health Records
Legal Matters
Open Door Policy
Progressive Discipline
Policies Subject to Change
Rules of Conduct
Statement of Receipt
Confidentiality Agreement
MISSION STATEMENT

“Our mission is to elevate the health of our community through multiple medical specialties providing excellent care delivered with wisdom, compassion, integrity and a commitment to technology, education and scientific inquiry”. 
INTRODUCTION

The Galen Medical Group (Galen) was founded as a multispecialty medical group to meet the goals set forth in its Mission Statement. Today, Galen is on the cutting edge of the health care industry, with a strong focus on service excellence to our patients and other clients. We provide the components - quality and cost efficient medical care, coordination of health care services, community health plans, and excellence in teaching - to meet the rapidly changing health care needs of our community.

But we do more than that. By reaching out to work with local employers, managed care companies and insurance companies, we are striving to establish high quality cost effective health care plans which will become the standards of medical care and health care delivery in Chattanooga and the surrounding areas. We are providing leadership in developing the manner in which patient care will be delivered and financed in the future. This leadership involves all of us at Galen. As we go about our daily duties we are setting the standards by which we and others will be judged.

At Galen we treat our patients and clients the way we would like to be treated: with courtesy, sincerity, caring, and punctuality. We recognize that our business is based on service and we make sure that our entire staff focuses on achieving our service excellence as defined both by Galen and its patients and clients.

Most importantly, Galen is you. As a service company, Galen is nothing more, or less, than the individual employee or collection of employees providing the service. Therefore, it is of the utmost importance to Galen to create a positive environment to foster productive, helpful and courteous employees.

You are strongly encouraged to take the Galen service excellence philosophy seriously. Please look for ways to improve our service. We are seeking employees who want to improve and strengthen Galen as a company, and, at the same time, improve the working environment for the employees. Our future is based on today’s service.

Galen Medical Group Executive Committee

WHO IS A PATIENT?

A PATIENT is someone who is seeking one or more of the many services our group offers. He will satisfy his desire either here or with one of our competitors.

A PATIENT is the most important person whoever enters our group. He is truly a V.I.P. and worthy of the most “brilliant service” we can give, for he buys the services we have for sale. He furnishes the most for our operating expenses, including our wages, and the interest in the enormous investment which makes our employment possible. His wish should be our command.
A PATIENT is not an interruption in our work. He is the purpose of it. We are not doing him a favor by serving him. He is doing us a favor by giving us the opportunity to do so.

A PATIENT is not just another name on our books - a cold statistic. He is a flesh-and-blood human being with feelings and emotions like our own, and with his own likes and dislikes, biases, and prejudices.

A PATIENT is not someone to argue or match wits with. You can’t win an argument with a PATIENT. If you win, you lose, for no one ever likes to be proved wrong or have his judgment questioned. Prove him wrong, and he will patronize our competitor.

A PATIENT is always right in his own mind and while he is our PATIENT, we had better get over on his side of the fence and look back at ourselves and our services. We may see things in a different light.

A PATIENT is a person who brings us his wants. It is our job to satisfy them profitably to him and to ourselves. Winning his interest, respect, admiration, and goodwill by our “brilliant service” to him will do much to invite his continued patronage.

A PATIENT is willing to pay fairly for the services he receives. He doesn’t like to be overcharged nor underserved. The more brilliant the services rendered to him, the better will be his attitude toward our group.

A PATIENT is the reason for our being in business, and keeping this in mind will help bring success to our practice and to us as employees.
PHILOSOPHY OF GROUP PRACTICE

Because Galen is a group of medical doctors engaged in group practice, it offers greater advantages to both patients and physicians. Such combined practice makes possible the presence of many medical specialties and ancillary services within one group. It allows easy contact between physicians and convenient referral of patients from physician to physician. Important, too, are the high standards of medical practice which are established in groups. Doctors of Medicine deal in a service to mankind; they deal with the ill and distressed who come to them for help and guidance. The corollary of this statement clearly spells out the basic philosophy of the group, namely, to provide those who come to us with the most courteous, sympathetic treatment, and with the highest quality of medical care available, at a cost that is both fair and reasonable. The growth and reputation of the group is based on such a tradition. Without such a philosophy our existence is not justified.

Your employment with us automatically carries with it certain just and equitable responsibilities. It is necessary that we all strive to maintain the high standards associated with the philosophy and tradition of group practice.

GALEN
(c. 129 - c. 200)

Galen Medical Group is proud to have named our corporation after a Greek physician known as Galen. For nearly fifteen hundred years, Galen’s works were the unimpeachable authority on medicine in many different lands.

Galen’s writings included the subjects of anatomy, physiology, pharmacology, pathology, therapy, hygiene, dietetics and philosophy. He concentrated on anatomical details to the extent that his studies were considered pioneering. Galen was first to show that veins are connected to the heart, but that nerves arise from the central nervous system. Galen was a physician who understood the uncertainties and fears of the sick, as well as the interrelations of emotions and bodily systems. Galen’s extensive travels and experience coupled with his style of leaving no questions unanswered or unaddressed added to his value as an instructor during his own time and through the ages. His teachings and theories were virtually unequaled and unchallenged until the sixteenth century.

At Galen Medical Group, we strive to uphold the legacy of dedication exemplified by Galen, the physician. Our Mission Statement reflects this dedication.
HISTORY OF GALEN MEDICAL GROUP, PC

Galen Medical Group was founded in October 1992 by the merger of Plaza Cardiology Consultants and Chattanooga Academic Associates. This merger formed the first and remains to be the largest multispecialty group in Chattanooga. When the group was formed, the practice had 12 physicians; we now have over 40 physicians and mid-level providers.

Currently, we have numerous locations and the following services at Galen: Gastroenterology, Hepatology, Internal Medicine, Internal Medicine/Pediatrics, Obstetrics and Gynecology, Pediatrics, Ophthalmology, Allergy & Asthma and Pediatric Gastroenterology. Ancillary services offered are Diabetic Education, Laboratory, Ultrasound, Holter Monitoring, Pulmonary Function Tests, Bone Density Testing, Lipid and Coumadin Clinics, a Histology Lab and an Endoscopy Suite. In addition, Galen is proud to have Physician Assistants and Nurse Practitioners as part of our family.

Galen Medical Group offers several site locations to service our patients' needs. Those site facilities are located on Gunbarrel Road, Downtown, Memorial North Park Medical Office Building, Executive Drive in Hixson and a Cleveland location.
EQUAL EMPLOYMENT OPPORTUNITY POLICY

Galen Medical Group is committed to compliance with Title VI and VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Civil Rights Act of 1991, and other legislation prohibiting discrimination. The Group does not discriminate in hiring, promotion, Termination, compensation, benefits, training, or other terms, conditions or privileges of employment or services or programs on the basis of race, color, religion, sex, national origin, age, disability, pregnancy or veteran status. Any employee who believes that he/she or a class of individuals has been subjected to discrimination may file a complaint with their manager or the Human Resources Manager.

EMPLOYMENT “AT WILL”

It is the policy of Galen that all employees are employed “at will”. This means that any employee, or Galen, can terminate the employment relationship at any time for any reason, with or without cause or advance notice. Only the Executive Committee has the authority to enter into a contract of employment on any other terms and can only do so in writing signed by the employee and the Executive Committee designee. Nothing in this Employee Handbook is intended to or should be read to alter or modify “at will” employment relationship which Galen maintains with its employees.

The policies stated in this handbook are intended as guidelines only and are subject to change at the sole discretion of Galen. This handbook should not be construed as and does not constitute a contract guaranteeing employment for any specific duration. The terms and provisions of this employee handbook should not be construed to and do not constitute express or implied contractual terms obligating Galen.

IMMIGRATION REFORM AND CONTROL ACT

Under the provisions of the Immigration Reform and Control Act of 1986 (“IRCA”) it is required that all employees hired on or after November 7, 1986 provide Galen with documents evidencing their identity and authorization to work in the United States. The Immigration and Naturalization Service’s Form I-9, verifying the employee’s identity and work authorization, must also be completed and signed on the date of hire and no later than the 3rd day of work by every new employee and a representative of Galen.

It is Galen’s policy that all applicants will be considered for employment without regard to national origin and citizenship status, in accordance with the provisions of IRCA and the regulations promulgated under the law.
MANAGEMENT RIGHTS AND RESPONSIBILITIES

The Shareholders, Board of Directors and Managers of Galen Medical Group are vested with the exclusive right to exercise the customary functions of management. These include, but are not limited to, the right to manage and control the premises and equipment; the unrestricted right to select, hire, promote, assign, train, suspend and dismiss employees; to determine supervisory personnel; to supervise and discipline employees; to determine and change starting times, quitting times and shifts; to transfer employees within departments or into other departments and other classifications; to determine and change size, composition and qualifications of the work force; to establish, adopt, change and abolish policies, procedures, practices, rules and regulations; to determine and modify job descriptions and performance appraisals; to institute and change job classifications; to contract work out; to determine and change methods and means by which its operations are to be carried out; to assign duties to employees in accordance with the needs and requirements determined by the group; to interpret policy; and to carry out all other ordinary functions of management.

PHYSICIAN PRACTICE COMPLIANCE PROGRAM

Galen Medical Group has established a Physician Practice Compliance Program. It affirms Galen’s corporate policy of conducting its business and operations in accordance with both the law and the highest standards of business ethics.

a. The practice requires all employees’ compliance with all laws and regulations to which Galen is subject. When the application of a law or regulation is uncertain, the guidance and advice of Galen’s Director of Compliance shall be sought.

b. The practice is dedicated to providing medically necessary healthcare to patients without regard to race, creed, color, national origin, gender or disability. Treatment decisions will be made in accordance with clinical need and with applicable laws and regulations.

c. It is our policy to maintain contacts with governmental officials and other government personnel, whether directly or indirectly, as proper business relationships. Such contacts must never suggest undue influence upon such persons or cast doubt on Galen’s integrity. Furthermore, Galen is committed to ensuring the accuracy of all filings with the government.

d. Galen maintains accurate and reliable corporate records which disclose all disbursements and other transactions to which the practice is a party.

e. Galen requires the undivided loyalty of its employees in the exercise of their practice responsibilities. Except as may be approved otherwise by the practice or an appropriate committee thereof, personal investments or other activities which may create, or give the appearance of, a conflict of interest are to be avoided.
Galen has adopted the foregoing Code of Conduct to apply to the practice. All employees are expected to adhere to its terms. Galen has developed a “Confidential Compliance Hotline” for employees to confidentially leave voice mail messages regarding non-compliance of items a-e above. This number may be accessed by calling (423) 308-0280 ext. 133 or you can email at compliance@galenmedical.com. Compliance directors will be the only personnel who retrieve the messages and all messages will be treated with the highest level of confidentiality to protect all involved parties.

EMPLOYEE WORK CLASSIFICATIONS/CATEGORIES AND BENEFIT ELIGIBILITY

Galen Medical Group has a policy of maintaining appropriate classifications of employees to make sure that all legal requirements are maintained so that there is no discrimination in terms of benefit plan eligibility and payment of compensation in accordance with federal and state laws. The purpose of this procedure is to define the company’s employee classifications for benefit plan eligibility. Site Managers are responsible for advising Human Resources and requesting changes in status as well as extensions in employment situations where specified periods are being exceeded.

Full-time Classifications

Regular (FT) — Employed on a regularly scheduled 36 – 40 hours per week basis for a nonspecified period.

Benefit Plan Participation — FT employees are eligible to participate in all benefit plans the company offers once eligibility requirements have been met. All Health benefits will be available the first of the month following 30 days. ETO will start accruing after 90 days and 401k participation will begin after one year of service and 1,000 hours are worked during that period.

Pro-Rated (PFT) – Employed on a regular scheduled 30 – 35 hours per week basis for a nonspecified period.

Benefit Plan Participation — PFT employees are eligible to participate in all benefit plans the company offers once eligibility requirements have been met. In compliance of The Affordable Care Act, all Health benefits will be available to new hires on the first of the month following 30 days.

Employees must work at least 32 hours weekly to be eligible for our ETO benefit. ETO will begin accruing after 90 days of employment.

Employees may participate in Galen’s 401k Retirement Plan and receive the company contribution after one year of service and 1,000 hours are worked during that period of time.
Part-time Classifications

Part-Time (PT) — Employed on a regularly scheduled basis which is less than 30 hours per week but equals or exceeds 15 hours per week for a non-specified period.

Benefit Plan Participation — PT employees are not eligible to participate in most of the benefit plans Galen offers. However, should the PT employee work at least 1,000 hours in one year, they would be invited to participate in Galen’s 401k Retirement Plan and receive our company contribution.

PRN – Employed for a non-specified period on an “as-needed” basis with no commitment to number of hours per week. If an employee works at least 10 hours in a month, they will be required to complete Galen’s Compliance annual training.

Benefit Plan Participation – Employees under this classification are not eligible to receive any benefits.

Temporary Classifications

Temporary Full-Time or Pro-Rated (TFT or TPFT)—Employed on a regularly scheduled basis of at least 30 - 40 hours per week for a period not to exceed 60 days. A TFT/TPFT employee may be continued in this class for one additional 30-day extension period upon request of the site manager of the department with the concurrence of Human Resources. After the 90-day period, the employee will either be converted to regular status or released.

TFT/TPFT employees will not be eligible to participate in benefits the company offers and should understand their employment is temporary only. Consideration would be granted to them for future employment based on his/her work performance and discretion or recommendation of the site manager.

Temporary Part-Time (TPT) — Employed on a regularly scheduled basis which is less than 30 hours or full time but equals or exceeds 15 hours per week for a period not to exceed 60 days. A TPT employee may be continued in this class for one additional 30-day extension period upon request of the site manager of the department with the concurrence of Human Resources. After the 90 day period, the employee will either be converted to regular status or released.

Temporary part-time employees will not be eligible to participate in benefits the company offers and should understand their employment is temporary only.
Introductory / Probationary Period

The first ninety (90) days of employment are considered an evaluation period for the Group and the employee. Prior to or upon completion of the introductory period the manager will evaluate the employee's performance to determine if he/she will be hired as a regular employee. The introductory period may be extended an additional 90 days when recommended by the manager. The first day of work will be classified as the date of employment.

EMPLOYEE RECORDS

Galen relies upon the accuracy of information contained in employment applications, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in Galen’s exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

It is important that your personnel records be kept accurate and up-to-date. It is the employee’s responsibility to notify their Regional/Department Manager and the Human Resources Department of any of the following changes:

* Your Name
* Address
* Telephone number or message
* Person to contact in the case of an emergency
* Dependent Information
* Marital Status
* Beneficiary Information
* Training Certificates, Awards, etc.

A “status change” form will need to be completed and submitted to the Regional/Department Manager. The Regional/Department Manager will then forward the form to Human Resources for processing.

TRANSFERS AND PROMOTIONS

It is the intent of Galen Medical Group to provide career advancement opportunities through the promotion and transfer of qualified employees in accordance with their performance record. Giving first consideration to qualified employees for job openings leads to improved morale and motivation which is beneficial to both the employee and Galen.
A. Open positions will be posted on the Galen website.

B. Interested employees must submit an application or resume along with a cover letter indicating the position of interest to the human resources department for a promotion or transfer.

1. Prior to submitting the request the employee must notify the current manager of his/her decision to request the promotion or transfer.

2. Employees on probation or in their 90 day introductory period are not eligible to apply for a promotion or transfer.

   Exception: A temporary employee with a satisfactory performance record may apply for a promotion or transfer during the introductory period if his/her position is expected to discontinue in the very near future.

3. Qualified employees are recruited and given consideration for exempt and management positions. As a general rule these positions do not require posting.

C. Criteria for selection are given in the following order:

   a) experience, skills and education;
   b) job performance;
   c) seniority

The first 90 days in the new position will be an introductory period to allow the employee and the manager time to evaluate the position and performance of the employee.

If an employee is selected for a position at a different site the employee must:

A. Give at least 4 weeks notice, which the current manager may request be extended to 6 weeks

B. Remain at the same pay rate for 6 months, and

C. Remain available to the current manager for work follow-up for up to 3 months after the transfer.

D. Not eligible for transfer for one year.
RESIGNATIONS

If you should resign your employment, Galen requests at least two weeks advance written notice if you are a non-exempt employee and one month advance written notice if you are an exempt employee. However, you may resign at will, at any time, with or without cause or advance notice. No ETO may be scheduled and/or used during the notice period. The notice period shall be used to assist the corporation with finding a replacement for the employment opening as well as finalizing all paperwork as required by one’s duties.

All resignations must be in writing with the employee’s signature and submitted to your Regional/Department Manager. Regional/Department Managers are required to notify the Human Resources Department immediately upon receipt of a resignation letter.

FINAL PAYCHECK

Your final paycheck will be held until all Galen property is returned including company-purchased uniforms, office keys, parking cards, security cards, name badges and any other Galen property articles. In the event direct deposit is in effect, direct deposit will be stopped and the paycheck held until all property is returned to the Regional/Department Manager.

Your final paycheck will include pay for time worked through your last day and for any earned but unused Earned Time Off (E. T. O.) at the appropriate vesting level and appropriate payout amount as outlined under the subheading Resignations. Also, additional deductions for elected insurance benefits will be increased in order to continue coverage to the end of the month of termination. For continued coverage after termination, a certified letter will be mailed to your last known address informing you of your rights under the Consolidated Omnibus Reconciliation Act (COBRA).

EXIT INTERVIEW

Your Regional/Department Manager may conduct exit interviews. Galen invites you to meet with the Human Resources Department for an additional exit interview. In addition, a compliance exit interview will be provided to you for completion and return to the Administrative offices of Galen Medical Group.

REDUCTION IN STAFFING

Certain budget conditions and/or the efficient operation of Galen may necessitate reductions in staffing or the elimination of positions. Although Galen hopes to avoid layoffs, they cannot
always be avoided. We will attempt to provide two weeks’ notice of any layoff, although we cannot guarantee any notice.

If a layoff of some but not all employees in a position occurs, Galen will normally retain employees and lay off others on the basis of a combination of factors including performance, productivity, attendance, attitude and seniority.

If a position or positions are eliminated, ordinarily the person(s) holding the position(s) will be laid off. The decision regarding which employee(s) will be laid off is within the sole discretion of management.

NEPOTISM

It is Galen Medical Group’s policy to not employ immediate relatives at the same site unless approved by management and administration personnel. Immediate relatives include spouse, child, siblings, parents, grandparents and the equivalent relatives acquired through marriage. This policy protects the corporation as well as the employee from allowing personal matters to interfere with the workplace. Those employees who currently work with immediate relatives will be grandfathered in due to the new development of this policy effective May 1, 2001.

The reporting path of employees should never include family members. By completing an employment application, new employees will be questioned about family members who currently work at Galen Medical Group. If there are family members employed, before an offer of employment is made, approval must be given by Human Resources.

JOB DESCRIPTIONS & PERFORMANCE APPRAISALS

It is the policy of Galen Medical Group to conduct formal, fair and uniform employee performance appraisals on a periodic basis. Satisfying quality standards of comprehensive patient care is a responsibility of all who are associated with Galen. Fulfilling this responsibility depends entirely upon the performance and support of each employee.

Criteria-based job descriptions are written by the manager and reflect why the position exists, the primary responsibilities and standards, and the basic qualifications for the job.

A. The main objectives of the Job Description and Performance Appraisal programs are:

1. To provide an objective method to evaluate individual employee performance.

2. To create a climate in which employees will be motivated to provide a high quality standard of patient and employee services.
3. To review the employee's performance as it relates to pre-established standards.

4. To establish a fair and equitable system which determines the employee's eligibility for salary increases based on the employee's performance and contribution.

5. To assist employees through guidance and encouragement, and identify development or training needs.

6. To identify candidates qualified for promotion or other potential positions.

7. To identify employees whose performance is unsatisfactory.

B. The following definitions of levels of performance will be used in the assessment of performance for all employees:

1. Excellent Performance

   Performance consistently exceeds the expected standard of performance of the job responsibility. Such employees perform above the expected standard, either in quantity of work produced, quality of service, or special projects. All aspects of the job are fully understood and executed.

2. Quality Performance

   Performance exceeds the expected standard. Employees at this level have a complete understanding of and generally demonstrate the job standard, but will go above and beyond when the department or patient needs demand extra effort. Exceeding performance standards may also be demonstrated by performance of a special task or project related to the job standard. The employee requires normal supervision and no additional training in this job standard.

3. Poor Performance

   Performance does not meet the established standard of performance. The employee may perform the duties but at a marginal level. The employee may have a basic understanding of the job standard but is unable to perform without additional assistance and monitoring or special training.
COMPENSATION

Galen Medical Group pays wages and salaries which appropriately recognize job responsibilities and individual performance and are competitive in the job market in order to attract, retain, reward and motivate employees.

A. Wage and Salary Administration

The objectives of the wage and salary program are:

1. To pay wages and salaries that are competitive in order to retain qualified personnel and attract competent applicants.

2. To recognize and reward individual performance in the successful completion of job duties.

3. To comply with all applicable federal and state laws.

4. To maintain appropriate confidentiality while communicating salary, policy and procedure to individuals.

5. To provide a job evaluation process for determining the relative value of jobs at Galen Medical Group.

PAY FOR PERFORMANCE PROGRAM

Galen Medical Group has established a Pay-for-Performance program to provide each employee an incentive for improving performance. The program is designed to ensure fair compensation for each job compared to other jobs within the group and competitive pay levels when compared with wages of comparable groups and industries in the area.

Each job category has a salary range consisting of a minimum start rate, midpoint and a maximum rate:

1. The minimum of the grade is considered the normal starting rate for the new employee who meets the minimum qualifications for the job.

2. The midpoint of the grade is normally considered as the externally competitive wage level for an employee working at a successful level of performance.

3. The maximum of the grade is considered as the maximum wage paid for a position in that grade. Typically, employees are paid the maximum of the grade if they have exhibited outstanding performance over a period of several years.
The category in which an employee's position is classified is determined by the labor market. The employee's rate of pay within the grade is determined by two factors: experience and job performance. Pay-for-performance guidelines are maintained by the manager and are periodically evaluated by the Human Resources Department for competitiveness.

**Area Wage Surveys**

Galen Medical Group participates in wage surveys conducted by compensation organizations to ensure that employees are paid fairly and competitively as compared with other similar employers.

**WORK HOURS**

**Workday & Work Week**

The workday is from 12:00 a.m. to 11:59 p.m. and the work week begins at 12:00 a.m. Thursday and ends at 11:59 p.m. on the following Wednesday.

**Regular Work Hours and Meal Periods**

Work hours, work schedule and meal periods will be set by the employee’s manager.

**Tennessee state law requires that any employee who is assigned a work period of more than six (6) hours must take a meal period of at least 30 minutes.** The break period cannot be scheduled during the first hour of scheduled work. However, when a work period of not more than six (6) hours will complete the day’s work, the meal period may be waived by mutual consent of the supervisor and the employee. All employees working over six (6) hours in one working session will be provided an unpaid meal period of 30 minutes and are required to clock out for this period.

Employees are relieved of all duties during their meal period and therefore, the meal period will not be counted as time worked.

**TIME REPORTING**

For non-exempt employees, it is the responsibility of each employee to use the time clock four times a day when arriving for work or leaving the property, for non-work related purposes such as
going to lunch or taking breaks. If a meeting will be taking place over your lunch break that is
deemed mandatory, you should stay clocked in and note a lunch meeting on your time report.
Time off (holiday, leave without pay, or earned time off) must be recorded on your time report as
such.

Falsifying records could result in disciplinary action, up to and including termination. Your time
report will serve as the documentation of your time worked during the pay period.

If an error occurs with the time clock, the employee is to immediately report to their
Regional/Department Manager or Administrative Assistant for correction authorization.
Employees who have continual problems with failing to be compliant with correctly clocking in
and out for time reporting will be subject to having direct deposit stopped and the employee will
be required to report to Administration for pick up of their paycheck. Employees can be subject to
disciplinary actions, up to and including termination, for continual failure to appropriately use the
time clock.

For exempt employees, you will be required to complete and submit a time sheet to your
Regional/Department Manager or Administrative Assistant on a monthly basis. The time sheets
will list the appropriate days worked as well as any earned time off, holidays and/or bereavement
time for tracking purposes.

OVERTIME

Occasionally it is necessary to work overtime due to patient care demands, emergencies or
increased work load in the department. Employees are expected to cooperate with their manager
when asked to work overtime.

All non-exempt employees are covered by the following overtime provision and shall receive one
and one-half (1 1/2) times the employee’s regular rate of pay for all approved hours worked over
forty (40) hours in the week.

All overtime must receive prior approval from your supervisor.

All non-exempt employees who perform two or more jobs during one week, paying different rates
of pay, will be compensated time and one-half the established straight-time rate for the work
performed during overtime hours.

Time off, including earned time off (ETO), holidays and bereavement time will not be counted as
time worked for overtime purposes.
PAY CHECKS & PAY DAYS

You will be paid on a bi-weekly schedule, every other Wednesday. Paychecks or check stubs for those using direct deposit will be available from your supervisor when they are distributed to your Regional/Department Manager. Any problems or questions regarding your paycheck must be addressed with your Regional/Department Manager or Administrative Assistant by 5 p.m. the day that paychecks are distributed.

If the payday falls on a holiday, Galen will make every reasonable effort to issue your paycheck to you on the last regular workday preceding the holiday.

OBSERVED HOLIDAYS

Galen observes the following six holidays each year:

1. New Year’s Day
2. Memorial Day
3. Independence Day
4. Labor Day
5. Thanksgiving Day
6. Christmas Day

When a holiday falls on Saturday, Galen will normally observe the holiday the preceding Friday; when a holiday falls on a Sunday, Galen will normally observe the holiday the following Monday.

Regular full-time employees working 40 or more hours per week will receive a day’s pay for workdays that fall on a holiday.

Regular full-time employees scheduled to work 30 or more hours per week, but less than 40 hours per week, will receive a pro-rated amount of pay for work days that fall on a holiday. Part-time employees are not eligible for holiday pay.

PAYMENT FOR HOLIDAYS

Requests for time off during the holidays will be granted on a first come first serve basis dependent upon the office/clinic schedule, the employee’s past attendance record as well as the amount of ETO accrual balance of the employee. Employees scheduled to be off the day before or the day after a holiday will be paid the holiday if they are eligible for holiday pay. Employees scheduled to work the day before or the day after a holiday and is absent from work on those days will not be paid for the holiday unless the employee can supply a physician’s excuse for illness. It is imperative that employees who are scheduled to work be present for their shift due to the needs of the business in providing quality patient care.
HOLIDAYS WORKED

If you are a regular full-time non-exempt employee and work on a Galen observed holiday, you will be paid your regular rate of pay for hours actually worked on the holiday plus any regular holiday pay for the day.

Part-time employees who work on a holiday will be paid for hours worked on the holiday at their regular rate of pay.

INCLEMENT WEATHER PROGRAM

In the event a Galen site is closed for an entire work day due to inclement weather, an employee of that site would be entitled to one paid half-day. Employees will be provided with two paid halfdays per year for inclement weather. These half days are only used when the office is closed for an entire workday and cannot be used for any other reason. Employees should stay tuned to local television and radio stations (see Regional/Department Manager for specific channels) for delays and closings of Galen sites. If a site is open or delayed, all employees are expected to be present for their work shift according to the office hours. It is the employee’s responsibility to notify the Regional/Department Manager if they are unable to work their shift.

EARNED TIME OFF

Definition

Galen Medical Group provides its benefit eligible staff with paid time off benefits. This benefit is given in place of vacation, personal and sick pay programs. “Earned Time Off” (E. T. O.) is a combination of such paid benefits into one flexible program.

Eligibility

If you are a regular full-time employee, you begin accruing paid leave time after three months of continuous employment. It will be paid at the employee’s pay rate, exclusive of overtime or call pay. Pro-rated full-time employees will accrue earned time off at a pro-rated rate as outlined in the ETO schedule.

Use of ETO

Request for E. T. O. must be submitted in writing in advance to your supervisor except for personal illness or immediate family illness. Every reasonable effort will be made to
accommodate the request; however, supervisors are required to consider the company’s needs. For this reason, employees may not in every case be allowed to take leave on the requested dates.

A minimum of one week of ETO must be taken per calendar year per full-time employee. Employees not taking their required ETO must forfeit the unused required time at the beginning of the following year. All other accrued ETO may be carried forward to a maximum of 480 hours (60 days) to the following calendar year. Hours in excess of the maximum of 480 hours must be used during the following year or will be forfeited.

An employee may donate accrued E. T. O. to a co-worker who has had an extended leave of absence due to illness or hospitalization of employee or employee’s dependent(s). The employee must submit the request to their Regional/Department Manager. The employee receiving the E. T. O. must use all of his/her time prior to the donated time being used.

An employee, wishing to take time off without pay, must have exhausted all accrued time and submit the request in writing to their Regional/Department Manager for prior approval.

Non-exempt employees wishing to take time off due to hours worked during the payweek to avoid overtime may not necessarily have to use ETO for the absent hours. The unpaid time off or use of ETO will be at the discretion of management.

*E. T. O. will begin accruing after 3 months of employment for permanent full-time employees.
*E. T. O. will not be counted as time worked for overtime calculations. *E. T. O. cannot be paid in advance.
*E. T. O. will be calculated based on employee’s paid hours up to 40 hours in a week
### ACCRUAL CHARTS

#### Regular Full Time Employees

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Rate per Hour of Paid Time</th>
<th>Rate / 80 hour Pay Period</th>
<th>Hours per Year</th>
<th>Days per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 5 years</td>
<td>0.0615</td>
<td>4.92</td>
<td>128.00</td>
<td>16.00</td>
</tr>
<tr>
<td>5 – 10 years</td>
<td>0.0808</td>
<td>6.46</td>
<td>168.00</td>
<td>21.00</td>
</tr>
<tr>
<td>10 + years</td>
<td>0.1000</td>
<td>8.00</td>
<td>208.00</td>
<td>26.00</td>
</tr>
</tbody>
</table>

#### Pro-Rated Full Time Employees

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Rate per Hour of Paid Time</th>
<th>Rate / 64 hour Pay Period</th>
<th>Hours per Year</th>
<th>Days per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 5 years</td>
<td>0.0615</td>
<td>3.93</td>
<td>102.18</td>
<td>12.77</td>
</tr>
<tr>
<td>5 – 10 years</td>
<td>0.0808</td>
<td>5.16</td>
<td>134.16</td>
<td>16.77</td>
</tr>
<tr>
<td>10 + years</td>
<td>0.1000</td>
<td>6.40</td>
<td>166.40</td>
<td>20.80</td>
</tr>
</tbody>
</table>

#### Exempt / Management Employees

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Rate per Hour of Paid Time</th>
<th>Rate based on 40 hr week</th>
<th>Hours per Year</th>
<th>Days per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 5 years</td>
<td>0.0808</td>
<td>6.46</td>
<td>168.00</td>
<td>21.00</td>
</tr>
<tr>
<td>5 – 10 years</td>
<td>0.1000</td>
<td>8.00</td>
<td>208.00</td>
<td>26.00</td>
</tr>
<tr>
<td>10 + years</td>
<td>0.1192</td>
<td>9.53</td>
<td>248.00</td>
<td>31.00</td>
</tr>
</tbody>
</table>

Leave time continues to accrue during paid time off, holidays, family medical leave, jury duty time, bereavement time, and military time for reserve duty. ETO will not accrue during personnel leave.

#### Payout of ETO

All employees who terminate (both voluntarily and involuntarily) will receive all of their unused E.T.O. in their final paycheck at a percentage rate based on length of service. The table for payout is as follows:

<table>
<thead>
<tr>
<th>Hours of Service</th>
<th>Vested Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 12 months</td>
<td>0% vested</td>
</tr>
<tr>
<td>12 &gt; 24 months</td>
<td>25% vested</td>
</tr>
<tr>
<td>24 &gt; 36 months</td>
<td>50% vested</td>
</tr>
<tr>
<td>36 &gt; 48 months</td>
<td>75% vested</td>
</tr>
<tr>
<td>48+ months</td>
<td>100% vested</td>
</tr>
</tbody>
</table>

Due to this change being effective January 1, 1998, employees hired prior to January 1, 1998 are “grandfathered in” for vesting purposes due to the policy at the time of their employment.
BEREAVEMENT TIME

Galen Medical Group provides paid bereavement leave to assist employees in dealing with the loss of a family member. The following paid days off will be available:

- Immediate Family - 3 consecutive work days
  Immediate family is defined as spouse, child, parent, grand parent, & siblings

- Extended Family - 1 scheduled work day
  Extended family is defined as mother & father in-law, son & daughter in-law

The intent of this policy is to supplement the employee’s personal ETO. With permission from the employee’s supervisor, additional time may be granted.

JURY DUTY TIME

Galen recognizes your civic obligation to serve as a member of a jury; therefore, time off to serve as a juror will be granted. Once notification is received that the employee will be required to report to Jury Duty, it is the employee's responsibility to submit a copy of the summons to their Regional/Department Manager immediately. Regular full-time employees called for jury duty will receive regular pay (in addition to what is paid by the court) for each day of jury duty. A signed release from the court clerk showing dates and hours served must be provided to your Regional/Department Manager.

If you do not have to report to Jury Duty prior to one hour before your regularly scheduled starting time or are released from jury duty prior to your scheduled stopping time on a scheduled workday, you are required to report to your Regional/Department Manager for appropriate documentation and logging of jury duty time. In addition, you are requested to keep in touch with your supervisor throughout your jury duty and to assist others in maintaining standard business operations.

Any work hours the employee is not required to be at Jury Duty, they should be on the job, unless otherwise specified by their supervisor.
MILITARY LEAVE OF ABSENCE

If you are required to participate in any branch of the military service of the United States, either voluntarily or by induction, you shall retain employment status with Galen, provided you make application for re-employment within the required time period upon completion of your period of military service.

Upon returning from such military service, you shall be assigned, if possible, to your former position at the then prevailing rate of pay for that position, provided you are physically able to qualify for such position.

In addition, any employee who is a member of the military service and is required to participate in this service, the employee may be allowed to use his/her accrued Earned Time Off (E.T.O.) during their absence away from the corporation. Any employee requiring to serve in this capacity is requested to notify their Regional/Department Manager immediately upon notice of such service.

In order to avoid lapsing of your group insurance benefits, be sure to make arrangements with the Human Resources Department prior to your leave of absence to elect Continuing Health Care Coverage under COBRA.

FAMILY AND MEDICAL LEAVE OF ABSENCE (FMLA LEAVE)

Galen Medical Group recognizes that employees occasionally need to take time away from work to care for important family and medical needs. This policy is designed to meet those needs in a manner that is beneficial to employees, their families, and to Galen.

A. Reasons for a Family and Medical Leave of Absence (FMLA Leave)

Eligible employees may take a leave of absence for the following reasons:

1. the birth of a child, or the placement of a child for adoption or foster care in the employee's home (NEW CHILD LEAVE); or

2. the need for the employee to care for his/her spouse, dependent child (under the age of 24), or parent who has a serious health condition (FAMILY MEDICAL LEAVE); or

3. a serious health condition that prohibits the employee from performing the essential functions of his/her job (EMPLOYEE MEDICAL LEAVE).
B. Eligibility

To be eligible for FMLA under this policy, the employee must have:

1. been employed by Galen Medical Group for at least twelve (12) months; and
2. worked at least 1,250 hours during the previous twelve (12) months.

C. Amount of FMLA leave

1. An eligible employee may take up to twelve (12) weeks of leave during a twelve (12) month period for qualifying situations.

2. If both spouses work for Galen, the combined FMLA leave during the twelve month period is limited to a total of twelve weeks for NEW CHILD LEAVE; in other cases (i.e., a child or either spouse has a serious health condition), the spouses are each eligible for twelve weeks of leave during the twelve month period.

D. Compensation during FMLA leave

If the employee is eligible for ETO they will be paid during FMLA leave. Otherwise, the leave will be non-paid.

E. Health insurance during leave

During any FMLA leave the employee will continue to be covered by the group’s health plan so long as he/she satisfies the requirements of this FMLA policy and the insurance plan.

1. Payment of premiums required

   During an FMLA leave the employee is responsible for paying his/her portion of the insurance premium as though he/she were actively employed. Checks for premium payments must be made payable to Galen Medical Group and submitted or mailed to the Human Resources Department. The premium must be paid no later than 30 days after it would be due if the employee were actively employed. Premiums may also be paid in advance.

2. Termination of coverage
Insurance coverage may terminate if the employee does not pay his/her premium, does not return to employment or if Galen determines that the employee does not intend to return to employment.

F. Notification requirements

The employee must submit his/her request for FMLA leave on the appropriate application form available from the Human Resources Department. A second form from a qualified health care provider is required if the leave is due to a serious health condition. (See section G.) Both forms must be returned to the Human Resources Department.

1. Foreseeable events

The employee must complete and submit the required application form to the Human Resources Department at least 30 days in advance of foreseeable leave, such as a leave for an elective surgery, planned medical treatments, or for a child's birth.

2. Unforeseeable events

Occasionally an event occurs that is not foreseeable, such as a sudden change in the health of the employee or family member. Should this require the employee to be absent, he/she is to follow the policy of personally notifying the supervisor of his/her absence prior to the beginning of the assigned shift. The employee is then to complete and submit the required application form to the Human Resources Department as soon as practicable.

G. Certification of a serious health condition

If the employee is requesting FAMILY MEDICAL LEAVE or EMPLOYEE MEDICAL LEAVE, he/she must submit the form "Certification of Physician or Practitioner" to verify the serious health condition. The employee should contact the Human Resources Department if he/she has a question about who is a qualified health care provider.

1. Definition of Serious Health Condition

FMLA leave will be granted for an illness, injury, impairment, or physical or mental condition that involves or requires one or more of the following:
   a. inpatient care;
   b. a period of incapacity requiring more than three calendar days of absence from work or similar daily activities, and the individual receives continuing treatment by a health care provider;
c. a chronic or long-term condition that is so serious that if it were not treated it would result in more than three calendar days of absence and the employee receives continuing treatment by a health care provider; or prenatal care.

2. Time requirements of certification
   
a. The Certificate of Physician or Practitioner form must be submitted within 15 calendar days following receipt of Galen’s request.
   
b. Galen may require the employee to see another health care provider (and possibly a third one, if the first two medical opinions are inconsistent) at its expense. Galen may also require additional Certification during the term of the leave.

3. Requirement for EMPLOYEE MEDICAL LEAVE

An employee may qualify for an EMPLOYEE MEDICAL LEAVE if the Medical Certification states that the employee is not able to perform the essential functions of his/her job.

4. Medical necessity for FAMILY MEDICAL LEAVE

An employee may qualify for FAMILY MEDICAL LEAVE only if the Certification states that the employee is needed to care for his/her family member.

5. Regular updates on leave status

The employee must provide regular updates on his/her status while on FMLA. The employee should contact the Human Resources Department following every thirty day period of leave to discuss his/her condition.

H. Return to work after EMPLOYEE MEDICAL LEAVE

Upon expiration of an EMPLOYEE MEDICAL LEAVE the employee should contact the Human Resources Department to submit documentation of medical clearance to return to work and to determine when he/she should report for duty, otherwise reinstatement to the employee's position may be delayed.

I. Intermittent or reduced schedule leave
FAMILY MEDICAL LEAVE or EMPLOYEE MEDICAL LEAVE may be taken on an intermittent or reduced schedule basis if certified as medically necessary. Intermittent or reduced schedule leave will be counted on an hour-by-hour basis to apply toward the twelve week maximum per twelve months.

1. Requirements for intermittent Leave

The medical reasons for an intermittent or reduced schedule leave must be supported on the required Certification form. Furthermore, the employee must notify Galen of his/her anticipated treatment schedule and the reasons for his/her proposed schedule.

2. Alternative position or schedule

Galen may require the employee to work in a different position or on a different schedule during the period of an intermittent or reduced schedule leave that will better accommodate recurring periods of leave. The alternative position will provide the same pay and benefits as the position held prior to commencement of the leave.

J. Special provisions of NEW CHILD LEAVE

NEW CHILD LEAVE must be taken within twelve months of the child's birth or placement in the employee's home. NEW CHILD LEAVE is not available on an intermittent basis.

K. Requirement to minimize disruption for planned medical treatments

For all leaves involving planned medical treatment, including elective surgeries, intermittent and reduced schedule leaves, the employee is expected to plan for treatment so that they will cause the least disruption to Galen’s operations. The employee's earliest possible notice to Galen and his/her flexibility in scheduling will ensure that minimal disruption occurs.

L. Restoration of the same or equivalent position

Upon return from FMLA leave the employee will be placed in the same or equivalent position (unless he/she has been notified prior to returning that he/she is a "key employee" as defined by law.)

Under the FMLA service time or benefits previously earned by the employee will not be reduced. However, ETO does not accrue during any period of unpaid leave.

M. Other employment during family medical leave is not authorized
PERSONAL LEAVE OF ABSENCE

Galen may give reasonable consideration to a request for a leave of absence without pay after exhausting the employee’s right under FMLA for personal reasons not to exceed 30 days. Requests for extension must be requested prior to the end of FMLA expiration and may be granted at the discretion of management. Application for and granting of all personal leaves shall be submitted in writing to your Regional/Department Manager and a copy of the approved (or disapproved) leave authorization will be given to you and the Human Resources Department.

In order to avoid lapsing of your group insurance benefits, you must make arrangements with the Human Resources Department prior to your leave of absence to elect continuing health care coverage under COBRA.

EMPLOYEE BENEFITS

GROUP INSURANCE BENEFITS

Each regular and pro-rated full-time employee is eligible for Galen group insurance benefits at the first of the month following thirty (30) days. An overview of the benefits will be provided in your initial paperwork by Human Resources. If you have any questions regarding group insurance benefits, please contact the Human Resource Department. Rates for pro-rated and full-time employees are the same and are subject to change for group insurance benefits; please check with the Human Resources Department for correct amounts. It is the employee’s responsibility to ensure that appropriate paperwork is completed and submitted to the Human Resources Department PRIOR to the completion of thirty (30) days or benefits will be denied until the next open enrollment date.

EMPLOYEE DISCOUNT FOR USING A GALEN PHYSICIAN

In order to reward employees with lower costs and recognize the quality and efficiency of Galen physicians, Galen Medical Group will give each eligible employee a $20 discount for each office visit to a Galen physician:

- Full time and part time Galen employees are eligible for up to a $20 discount for out of pocket costs, including full time employees while on leave.
- The date of the medical service will be used in determining whether the service is eligible for a discount.
- Family members are not included in the discount program.
- The physician should not attempt to discount the bill. The Galen Central Billing Office will apply the $20 discount after the office visit. If the discount is available to an employee covered by Medicare or Champus, that discount must be reflected in any billing to Medicare or Champus.
• The cost of the discounted visits will be distributed to all Galen physicians in the same manner as corporate overhead.

• Management shall implement and administer this program in accordance with their best judgment. The Management Committee and Board of Directors have final authority concerning any questions or disputes, and may cancel or amend this program at any time without prior notice.

DISABILITY INSURANCE BENEFITS

Each regular and pro-rated full-time employee is eligible for Galen group disability benefits at the first of the month following thirty (30) days. An overview of the benefits will be provided in your initial paperwork by Human Resources. If you have any questions regarding disability insurance benefits, please contact the Human Resource Department.

LIFE INSURANCE BENEFITS

Each regular full-time employee is eligible for Galen group life benefits at the first of the month following thirty (30) days. An overview of the benefits will be provided in your initial paperwork by Human Resources. If you have any questions regarding life insurance benefits, please contact the Human Resource Department.

401(K) EMPLOYEE RETIREMENT SAVINGS PLAN

Each employee is eligible for Galen’s 401(k) Employee Retirement Savings Plan after reaching the age of 21, one year of service and 1000 worked hours in a calendar year with Galen Medical Group. An overview of the benefits will be provided in your paperwork by Human Resources once you become eligible. If you have any questions regarding the 401(k) Employee Retirement Savings Plan, please contact the Human Resource Department.

WORKERS’ COMPENSATION INSURANCE

Galen also furnishes Workers’ Compensation Insurance coverage at its expense. Workers’ Compensation Insurance may apply to injuries you sustain on the job and illness which are caused by your work.

Any injury sustained on the job must be immediately reported to your Regional/Department Manager or the Administrative Department. Failure to report an injury may result in denial of the claim or delay in the determination of coverage.
UNEMPLOYMENT INSURANCE

If your employment terminates, you may be eligible to receive unemployment insurance. In most cases, you must file a claim in order to collect this benefit.

Eligibility requirements for these benefits are set by the State of Tennessee. If you have any questions about unemployment insurance, please contact the Tennessee Employment Department.

SOCIAL SECURITY

As an employee of Galen, you are covered under the provisions of the Federal Social Security Law (FICA). Social Security benefits are a step toward providing you and your family a retirement income. The amount of deduction from your wages for Social Security taxes is matched by Galen. The total contribution by you and Galen is credited toward your Social Security benefits, which may be available at the time you are eligible to retire. In addition, disability and survivors’ benefits are financed through Social Security deductions.

COMPANY SPONSORED CONTINUING EDUCATION

Galen sponsors on occasion a Physician/Employee Retreat at a local facility. This retreat is to bring together all employees and physicians to discuss internal and external company issues and to make suggestions in improving Galen. Attendance is mandatory and is paid during the respective pay period.

In addition, at times, your Regional/Department Manager may request that you attend continuing education courses to further your education in your job duties. If you are requested to attend such courses, you will be paid for the hours in attendance at such continuing education.

GALEN’S IMAGE

Standards of Dress & Appearance

Image is a promise of delivery. A positive professional image creates a favorable impression with our customers. They have confidence that we can deliver what is promised - high standards of excellence in healthcare services.

The mission & philosophy of Galen is closely held and widely shared by employees. Every person is expected to participate with pride by looking his/her best. Standards have been established to advise employees on the expectations of Galen’s Image. These general guidelines are readily adaptable to each employee's personal taste and selection of clothes.
The manager is responsible for determining what clothing and appearance is appropriate for meeting the standards of Galen’s Image. Questions about Galen’s Image, as well as specific departmental guidelines, should be directed to the manager.

In addition to practicing good personal hygiene and grooming, the following general guidelines are observed throughout Galen Medical Group:

A. Clothing

Work clothes should be selected in accordance with Galen’s Image. Each employee shall wear clothing that is clean, neat and pressed.

1. Pant length must range from mid-calf to ankle-length consisting of a businesslike, loose-fitting material.

2. Shirts must be long enough to tuck in and cover the shoulders. No mid-riff shirts or tank tops.

3. Skirts and dresses should be a conservative length that ranges from the top of the knee to the ankle. Material must be businesslike and loose-fitting.

4. Obviously, employees are expected to wear undergarments which must not show through outer clothing.

5. Where uniforms are required the manager will determine the approved style and color.

B. Identification Badges

Each employee is issued a name badge upon employment which must be worn while on duty. The badge should be kept clean and displayed in a readable position during work hours.

1. Each individual is responsible for the care and condition of his/her badge. Items such as pins or adhesive decorations are not to be affixed to the badge or clip.

2. A replacement badge will be issued when an employee's job title or name changes, or in the event that the original badge is damaged. Lost name badges should be reported to your manager immediately and a replacement will be given.

3. The badge remains the property of Galen Medical Group and must be returned in the event of termination.
C. Cosmetics, colognes, after-shave and deodorant

Employees may apply cosmetics and/or perfumes moderately. In consideration of all of Galen’s customers the use of heavy fragrances is discouraged. All employees are expected to use deodorant or an antiperspirant daily.

D. Hair, mustaches, beards and sideburns

Hair styles shall be conservative, neatly combed or arranged and clean.

1. All employees:
   a. Body hair should not be visible under clothing.
   b. Extreme grooming practices, such as shaving the eyebrows, unnatural dying or bleaching of hair or "mohawks" are not consistent with Galen’s Image and are not permitted.
   c. Hair accessories are to be conservative and professional.
   d. Employees may dye their hair a natural color, however extreme colors and designs are not permitted.
   e. Hair should be kept to a professional length or pulled away from the employees face allowing it to not interfere with patient care.
   f. Male employees with facial hair must maintain a neatly trimmed beard, mustache or sideburns.

E. Hats and sunglasses

Head coverings or sunglasses are not professional and should not be worn during working hours.

F. Fingernails

Fingernails should be kept clean and presentable. Fingernail length should be conservative and professional. It is recommended that nail length is kept to minimum to help reduce the risk of spreading infections.

Finger nail polish in a conservative and professional color may be worn, however, in patient care areas it is discouraged.
G. Footwear

Shoes must be worn by all employees while on duty and are to be clean, in good condition. For safety reasons sandals and shoes made of canvas material are discouraged in patient care areas.

H. Jewelry

Jewelry should be conservative and coordinated with the employee's clothing. Body piercing must not be visible while on duty. Patient care area employees should be mindful of wearing excessive jewelry as it can interfere with patient care procedures.

I. Tattoos

Visible tattoos must be small and tasteful as determined by management.

J. Special Observances

Galen may, in its sole discretion, authorize employees to participate in casual day or other attire in conjunction with community-observed holidays or special occasions or events.

K. Exceptions

Requests for medical exceptions to Galen’s Image guidelines should be directed to your manager or Human Resources.

L. Uniform Allowance

Some employees may be required to wear uniforms or other specialized clothing. As an added benefit Galen offers a uniform allowance of $125 per year. Additional information on the uniform allowance program can be obtained from your manager. The allowance is for clothing only; shoes, hosiery or accessories are not allowed to be purchased.
ATTENDANCE

Galen Medical Group has established attendance standards to ensure work assignments can be effectively performed.

Unscheduled absences create hardship, require staffing changes and disrupt important operations. For this reason unscheduled absences are a serious matter and must be avoided by employees whenever possible.

An unscheduled absence is defined as follows:

An occurrence in which an employee does not report for his/her scheduled shift for any reason, including illness, personal matters or any other cause.

For the purpose of administering ETO, a physician’s statement may be required by the manager. However, the absence is still considered to be unscheduled even in situations where a physician’s excuse is given or ETO is granted.

Guidelines for absences:

A. The manager is solely responsible for scheduling and approving time off, as well as approving ETO for unscheduled absences. Employees must follow departmental policy for requesting time off, including written requests, to the manager as far in advance as possible.

B. The employee is required to personally contact the manager or supervisor to report an unscheduled absence prior to the beginning of his/her scheduled shift. Friends or family members are not authorized to report an absence.

C. Repeated absences will result in disciplinary action.

D. An unreported absence of two (2) consecutive scheduled work days is considered a voluntary termination by the employee.

E. An employee who is absent for three (3) consecutive days will be placed on Family Medical Leave and should request this through their manager. Otherwise, employment with Galen will be terminated.

The employee should also refer to the ETO policy for more information.
PUNCTUALITY

Galen Medical Group has established punctuality standards to ensure that work assignments are performed in a timely manner. Each employee is expected to report on time for his/her scheduled shift.

Guidelines for tardiness:

A. Tardiness is recorded when an employee does not punch in and/or report for duty by the beginning of his/her scheduled shift.

B. The employee is required to personally contact the manager or supervisor as soon as possible to report tardiness so that temporary staffing adjustments can be made.

C. Repeated tardiness will result in disciplinary action.

CONFIDENTIALITY

The removal or copying of any confidential documents or records of Galen or clients of Galen will result in immediate disciplinary action, up to and including termination of employment. Galen will defend and take to the utmost extreme of the law. Employees will be required to sign a Confidentiality Statement with the initial employment paperwork and as requested by management.

The confidential records include employment and compensation information of any and all current and/or former employees of the corporation. Employment and compensation information is confidential between the employee and management representatives of the corporation and should not be discussed with any other individual within or outside Galen Medical Group.

TOBACCO FREE WORKPLACE

Galen Medical Group has established a tobacco free policy because of its dedication to the promotion of good health and prevention of disease.

A. The use of tobacco products, including electronic cigarettes (E-cigarettes) is not permitted by any person inside any Galen facility or vehicles leased or owned by Galen Medical Group.
B. The use of tobacco products is limited to designated areas that are located outside and away from entrances. Employees may use these designated areas during regular breaks and/or lunch periods.

C. Visitors who attempt to use tobacco products inside any Galen facility or in an unauthorized area should be courteously reminded of the tobacco free policy.

TELEPHONES

Telephones must be kept free for conducting business. Your incoming and outgoing personal calls should not only be minimized but kept short as well. They should be restricted to emergency and extremely important calls that cannot wait until your workday has ended. All long distance telephone calls should be made from public telephones.

Employees who fail to observe this policy will be subject to disciplinary action, up to and including termination.

PERSONAL PAGERS / CELL PHONE USAGE

Because of the critical need to take care of our customers and to conduct ourselves in a professional manner, personal pagers and/or cell phones should not be used during work hours. All personal pagers and/or cell phones are to be placed on vibrate mode or turned off during work hours.

Employees who fail to observe this policy may be subject to disciplinary action, up to and including termination.

If an employee is traveling in an assigned vehicle or in their personal automobile and is on company time, cell phones should not be used during the operation of a motor vehicle. Full attention should be given to the operation of the vehicle and all phone calls need to be made or returned when the vehicle is at a complete stop in a safe area.

VISITATION OF FRIENDS & FAMILY

By having extra people who are not conducting Galen business in the work area, it puts Galen Medical Group at risk of a safety, OSHA, infection control or HIPAA violation. For this reason employees should instruct friends and family members to make every effort to remain in public areas at each location/site.

Galen prohibits loitering of individuals who have no apparent business reason for being at a site.
SOLICITATIONS AND DISTRIBUTIONS

The following definitions of solicitation and distribution apply in this policy:

A. **Solicitation** includes, but is not limited to, requests for signature, contributions for charities, support of political or organizational activities, and merchandise purchases.

B. **Distribution** includes, but is not limited to, distribution of literature, pamphlets, leaflets, handbills, notices, or printed matter of any kind.

Use of Galen stationary, supplies or equipment in preparing or communicating solicitations or effecting distributions is prohibited.

Solicitation by an employee during his or her work time (this restriction does not apply during break periods or meal periods) is not permitted.

Solicitations by an employee not on work time (e.g., employee’s meal or rest period) of another employee who is on work time, or in such a manner as to interfere with others who are supposed to be working, is also prohibited.

Solicitation by non-employees is prohibited on Galen premises. Distribution of advertising materials, handbills, and literature of any kind in work areas at any time is not permitted.

Any requests from outside persons or organizations to sell merchandise, solicit contributions, distribute literature, arrange displays or utilize Galen’s facilities are to be referred to the Regional/Department Manager.

Any questions or requests for authorizations or exceptions should be referred to the Regional/Department Manager.

Employees who fail to observe this policy will be subject to disciplinary action, up to and including termination.

**Policy Exceptions:** Certain infrequent company-sponsored charitable drives approved by the Administrative Department (e.g., United Way Campaign, blood bank drives, organized children’s activities, such as Girl Scouts, Little League, etc.) and solicitations and distributions relating to activities sponsored by Galen are exceptions to this policy.
SEXUAL HARASSMENT POLICY

The purpose of this statement is to communicate the policy of Galen Medical Group prohibiting sexual harassment conduct or action. Galen is committed to the principle of equal employment opportunity for all employees. Galen does not tolerate sexually harassing conduct by anyone in any form.

“Sexual harassment” is defined as any unwelcome sexual advances, request for sexual favors, and other verbal or physical conduct of a sexual nature that impacts on the workplace where:

* submission to such conduct is made explicitly or implicitly a term or condition of any individual’s employment, or
* submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting an employee, or
* such conduct is pervasive, intimidating, and hostile and has the purpose or effect of unreasonably interfering with an employee’s work performance or creating a hostile working environment.

Sexual harassment is not confined to unwelcome physical aggression, but may also include unwelcome jokes, slurs, leering, and suggestive graphics of a sexual nature.

If you feel that you have been or are being subjected to sexual harassment, think you have observed an incident of sexual harassment, or have been told by a fellow employee that he/she has been subjected to harassment/discrimination, you should:

1. Make your complaint immediately following the occurrence of events, or immediately following your learning of the events to your Regional Manager. If for any reason you are uncomfortable reporting directly to Human Resources, you may make your report directly to any member of management whom is at a level above Human Resources.

2. Galen will follow all complaints with an immediate investigation as follows:
   a. The complaint will be forwarded upon receipt to the Human Resources Manager for investigation and follow up.
   b. Findings will be reported to the Management Committee along with recommended action. Findings will be communicated to the accused and accuser.
3. If not satisfied with the solution, either the accused or accuser may ask for a meeting with the Management Committee or its designee.

4. Any individual found to have engaged in sexual harassment will be disciplined as appropriate, up to and including termination.

5. Galen will not in any way retaliate against an employee, potential employee, or former employee who, in good faith, makes a complaint or report of sexual harassment or participates in an investigation of such a complaint or report. Retaliation against any individual for good faith reporting of a claim of sexual harassment or cooperating in the investigation of same will not be tolerated and will itself be subject to appropriate discipline. However, frivolous accusations will result in appropriate and documented disciplinary action, up to and including termination.

Compliance with the above policy is essential. Galen cannot help resolve a sexual harassment problem unless it is reported. Therefore, it is each individual’s responsibility to bring such problems to the attention of the appropriate person so that the necessary steps may be taken to correct the problem.

ANTIHARASSMENT POLICY

In addition to providing a workplace free from sexual harassment, Galen Medical Group does not tolerate other forms of harassment based on sex (with or without sexual conduct), race, color, religion, national origin, age, disability, pregnancy or veteran status, as well as protected activity, such as filing a complaint pursuant to this manual or the compliance plan. This strict prohibition covers all employees, managers, supervisors and agents of Galen.

Under this policy, harassment includes any disrespectful, harmful or malicious behavior directed at a fellow employee which has the effect of creating an intimidating, hostile or offensive work environment, or unreasonably interferes with work performance. This behavior may be verbal or nonverbal, physical or nonphysical, and may include such injurious actions as slurs, innuendo, rumors, public discrediting or hate language. Harassment can also take the form of jokes, posters, cartoons, and gestures that are offensive.

The following guidelines apply if an employee is the victim of such conduct or activity:

A. The facts of the incident and names of individuals involved should be reported to the manager immediately.
B. 1. The manager will report the incident to the Human Resources Manager for investigation.

2. The Human Resources Manager should be notified directly by the employee if the incident involves his/her manager.

C. The Human Resources Manager will investigate the incident. Witnesses and the alleged wrongdoer will be interviewed. Appropriate disciplinary action will be taken.

D. Protection Against Retaliation

No employee will be the subject of retaliation, including being denied promotions or transfers, as a result of reporting harassment or participating in the investigation process.

The Human Resources Manager should be contacted for information or assistance.

SECURITY OF PROPERTY

Galen Medical Group has established a security program to provide reasonable safeguards for employees, property and guests. A policy regarding the program is provided here in detail to avoid any misunderstanding by an employee regarding his or her expectation of privacy while employed at Galen.

A. Galen property may be removed from the premises only with prior authorization from the employee's manager.

B. As a part of the security program Galen reserves the right to inspect bundles and/or packages being carried to or from the premises. For this reason the practice of bringing bundles or packages is discouraged.

C. As a part of the security program Galen reserves the right to conduct a confidential inspection of an employee's personal effects and belongings. This may include, but is not limited to, lockers, closets, desks, equipment, clothing, purses, and other areas where employees would normally have a reasonable expectation of privacy. Because of this policy, employees should not have any expectation of privacy.

D. The employee's acknowledgment of the right of Galen to conduct security inspections is a condition of employment. Employees who refuse inspection will be subject to disciplinary action up to and including Termination.
The employee’s signature on the receipt for the handbook constitutes his/her acknowledgment of this policy and his/her consent to inspections.

E. An employee will be supplied keys when needed in the performance of his/her duties. The employee is to safeguard keys and keep them in his/her possession. Missing keys are to be reported to the manager immediately.

F. Employees should not bring items that may be considered hazardous into the work area.

G. The possession on Galen premises of illegal drugs, alcohol, illegal firearms or explosive agents is prohibited and will result in disciplinary action up to and including Termination.

Voluntary disclosure must occur before an employee is notified or otherwise becomes subject to a drug and alcohol test.

**COMPUTER TECHNOLOGY GUIDELINES AND USE**

Galen Medical Group will provide computer access and/or equipment to those individuals who require such equipment in order to efficiently perform their job duties. Computer technology access and/or equipment includes computer usage, Internet and e-mail access, telephone and voice mail usage. All computer accesses and/or equipment remain the property of Galen Medical Group before, during and after employment of employee.

All communications represent the corporation and should be for professional reasons only. The access and equipment must be used in an effective, ethical and lawful manner. Any employee who does not follow such guidelines may be subject to disciplinary action, up to and including termination of employment with the corporation. The following guidelines are to be followed at all times:

1. Employees using the above listed computer technology are representing the corporation; therefore, all communications should be for professional reasons only.
2. Each employee is responsible for accessing such computer technology in a lawful manner.
3. Each employee is responsible for the content of all text, audio or images that they place or send over through such computer technology means. Fraudulent, harassing or obscene messages are prohibited.
4. All messages created, sent or retrieved from the computer technologies are the property of the corporation, and should be considered public information.
5. Galen Medical Group reserves the right to access and monitor all messages and files on the computer system as deemed necessary and appropriate. Internet messages are public communication and are not private. All information contained on the corporation’s equipment is the property of Galen Medical Group.

No employee shall access “Chat Rooms” using the corporation’s equipment.
OUTSIDE EMPLOYMENT
Galen discourages outside employment for regular full-time employees. If there are no conflicts of interest involved and the outside employment will have no adverse effect on your performance, then you may engage in outside employment during times other than your regularly scheduled working hours.

Galen requests that you discuss any prospective outside employment with your Regional/Department Manager. If your outside employment does present a conflict of interest or adversely affects your performance, you may be subject to disciplinary action, up to and including termination.

PHARMACEUTICAL SAMPLE POLICY
Galen Medical Group will not allow the distribution of pharmaceutical samples without a valid written or verbal prescription. Patients, employees and immediate family of employees may receive pharmaceutical samples only if a valid prescription is provided. Within the Galen offices, the physician may verbally prescribe such medication, which may be distributed, to the recipient either by the physician or his or her clinical assistant.
Under no circumstances will pharmaceutical samples be distributed without verification of the prescribing of that drug to the recipient. Employees of Galen Medical Group are prohibited from self-prescribing and from the unauthorized distribution of pharmaceutical samples.

MEDICAL CARE BY GALEN PHYSICIANS
Galen Medical Group has many physicians, providers of services and types of service to offer our patients. Patients of ours may also be employees in our corporation and we welcome you to use our facilities for you and your family’s healthcare needs. As a reminder if you are under the care of one of our providers, please respect his or her time by not taking advantage of your working relationship to stop them to ask questions regarding your care outside of an office visit or scheduled time. We encourage all Galen employees to utilize our excellent physicians and providers of service; however, to interrupt their daily schedule for “unscheduled” consultations is unfair to their regularly scheduled patients. If you need medical assistance, please check with nursing triage or an appointment scheduler in order to set up a time with a provider.

DRUG & ALCOHOL-FREE WORKPLACE
Galen Medical Group is committed to providing a drug free workplace. The use of alcohol or drugs by employees in the workplace is strictly prohibited and will not be tolerated.
A. "Post offer" Pre-employment Testing:

All applicants who receive a conditional offer of employment from Galen Medical Group shall be sent, at the time the offer is made, to the designated location for coordination of testing. If the test is negative, an appointment shall be made for the employee to complete their new hire paperwork & schedule their first day of work. If the test is positive, the conditional offer of employment shall be withdrawn and the applicant shall not be eligible to re-apply for employment for a period of one (1) year from the date of the test.

B. Post-Accident Drug Testing:

In the event of an accident or occurrence that causes or contributes to an actual or potential injury, each employee involved is required to submit to urine drug and alcohol testing. If either test is positive the employee will be subject to disciplinary action up to and including Termination. A positive drug test can result in the Worker’s Compensation insurance carrier declaring the employee ineligible for insurance coverage.

C. "Reasonable Suspicion" Testing:

A drug and alcohol test will be required for each employee whose actions, behavior, or performance cause reasonable suspicion that the employee is not fit for duty. The employee shall be suspended until the results of the test are received. If the test is positive the employee will be terminated.

1. When proper documentation has been obtained to warrant "reasonable suspicion" the employee's manager shall contact the Human Resources Manager and arrangements will be made for the employee to be tested.

D. Drug Count Discrepancies

In the event that there is a discrepancy in drug counts, a drug test may be required of employees working in the affected area.

E. Voluntary Disclosure:

If an employee of Galen is dependent upon or an abuser of drugs or alcohol, a voluntary desire for help with a substance abuse problem will be honored. If substance abuse treatment is required, the employee will be placed on Family Medical Leave, if eligible, and removed from active duty pending completion of treatment.
PURPOSE:
Galen Medical Group, P.C. ("Galen") is committed to providing a safe work environment and to fostering the well-being and health of its employees. That commitment is jeopardized when any Galen employee illegally uses drugs on or off the job, comes to work under their influence, possesses, distributes or sells drugs in the workplace, or abuses alcohol on the job. Therefore, Galen has established the following policy, pursuant to T.C.A. Section 50-9-100 et seq.:

POLICY:
A. It is a violation of Galen policy for any employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job.

B. It is a violation of Galen policy for any employee to report to work under the influence of, or while having illegal drugs in any detectable amount in his or her body, blood or urine.

C. It is a violation of Galen policy for any employee to report to work under the influence of or impaired by alcohol.

D. It is a violation of Galen policy for any employee to use prescription drugs illegally, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. Nothing in this policy precludes the appropriate use of legally prescribed medications.

E. Violations of this policy are subject to disciplinary action up to and including termination, and potential suspension of license by governing boards pending investigation. It is the responsibility of Galen supervisors to counsel employees whenever they see changes in performance or behavior that suggest an employee has a drug problem. Although it is not the supervisor’s responsibility to diagnose personal problems, the supervisor should encourage such employees to seek help and advise them about available resources for getting help. Every employee shares responsibility for maintaining a safe work environment, and co-workers should encourage anyone who has a drug problem to seek help.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive and drug free environment. The intent of this policy is to offer a help to those who need it, while still supporting the policy standard that illegal use of drugs and the abuse of alcohol are incompatible with employment at Galen.
Galen offers resource information on various means of employee assistance in our community, including but not limited to drug and alcohol abuse programs. Employees are encouraged to use this resource file, which is located on the employee portal. In addition, from time to time Galen will distribute this information to employees for their confidential use.

PROCEDURE:
Any employee reporting to work visibly impaired may be deemed unable to perform required duties and will not be allowed to work. If reasonably possible, the employee’s supervisor will first contact Human Resources to confirm the employee’s status. Human Resources will consult privately with the employee to determine the cause of the observation, including whether substance abuse has occurred. If the employee is deemed impaired, the employee will be taken to a partnered drug screening vendor. A drug or alcohol test will be ordered and performed to determine the results. The employee will be suspended from work while awaiting the results. Should an employee refuse to consent to a drug screen, the employee will be terminated immediately and reported to the employee's licensing or certifying board, if applicable. An impaired employee will not be allowed to drive. A phone call will be made to the emergency contact on file with Human Resources or whomever the employee would like us to call. An employee may not be physically restrained, but police should be called if the employee attempts to drive in an impaired condition.

Opportunity to Contest or Explain Test Results
Employees and job applicants who have a positive confirmed drug or alcohol test result will be counseled and may offer a list of prescriptions medications. A Chain of Custody form will be verified and completed by the Galen lab and specimens will be sent to an outside lab to confirm results. Once the result are reported by the outside lab, Human Resources will contact Galen’s Medical Director to discuss the list of prescription medications and the test results. Galen’s Director of Human Resources must promptly report any applicable healthcare practitioner who tests positive for any drug on a confirmed drug test to the practitioner's licensing board or committee and the department unless the employee produces a lawful prescription or a valid medical reason for using the controlled substance at issue within 3 business days of the time the employer gives him/her notice of the confirmed positive test, or reports to the substance abuse peer assistance or treatment program of the applicable board for the employee practitioner. The Medical Director may determine if the applicant is eligible for hire based upon the review of the prescription medications and the test results. For an employer to be exempt from reporting, the employee practitioner must obtain and maintain the advocacy of the substance abuse peer assistance or treatment program, meaning they must comply with the terms and conditions of the program.

Confidentiality
The confidentiality of any information received by the employer through a substance abuse testing program shall be maintained, except as otherwise provided by law.

Job Applicant Drug Testing
All job applicants at Galen must submit to testing for substance abuse as a condition of employment. Any applicant with a confirmed positive test result may be asked to submit to a
random screening test over a period of time or denied employment. Applicants will not be considered for hire for a one-year period after a positive test result.

Applicants will be required to submit voluntarily to a urinalysis (or other appropriate) test at a laboratory chosen by Galen. As a condition of employment each applicant must sign a consent agreement will release Galen from liability for inaccurate or false test results. If the physician, official or lab personnel have reasonable suspicion to believe that the job-applicant has tampered with the specimen, the applicant will not be considered for employment.

Galen will not discriminate against applicants for employment because of a prior history of drug or alcohol abuse, but may consider related criminal convictions. The primary purpose of this policy is upon the current illegal use of drugs and/or abuse of alcohol that prevents employees from performing their jobs properly.

**Employee Drug Testing**

Galen has adopted testing practices, and may modify those practices from time to time, to identify employees who illegally use drugs on or off the job or who abuse alcohol on the job. As a condition of continuing employment for all employees, every employee must submit to substance abuse testing under the following circumstances:

1. When employees have caused or contributed to an on-the-job injury that resulted in a loss of work-time, which means any period of time during which an employee stops performing the normal duties of employment and leaves the place of employment to seek care from a licensed medical provider.

2. As part of a follow-up program to treatment for drug abuse;

3. Routine fitness-for-duty drug or alcohol testing. A covered employer must require an employee to submit to a drug or alcohol test if the test is conducted as part of a routinely scheduled employee fitness-for-duty medical examination where the examinations are required by; law, regulation, are part of the covered employer’s established policy, or one that is scheduled routinely for all members of an employment classification group.

4. Upon any reasonable suspicion to believe that the employee is illegally using drugs or abusing alcohol.

5. Random drug testing at Galen’s discretion

Employees may be selected at random for drug testing at any time. These tests are unannounced and should be expected by employees at any time. Employees will be given notice to report for random drug testing at a specified laboratory by the end of the day the notice is provided.

**(A)** If an employee test positive, the employee will be suspended immediately without pay and will be referred to the EAP or substance abuse peer assistance or treatment program of the applicable board for the employee practitioner for treatment at the employee’s cost. Upon successful completion of the treatment program, employee’s job will be reinstated.

**(B)** Testing will be performed monthly thereafter. If employee test positive a second time, employee will be terminated with no eligibility for rehire.

(HR 4.2)
(C) Reporting for healthcare practitioners to licensing boards should be followed as stated above in “Opportunity to Contest or Explain Test Results”

“Reasonable suspicion” is based on a belief that an employee is using or has used drugs or alcohol in violation of this policy, drawn from specific, objective, facts and observations, and reasonable inferences drawn from those facts and observations. Among other things, such facts, observations and inferences might include, but not limited to:

(A) Observable phenomena while at work such as direct observation of substance abuse or of common physical symptoms or manifestations of being impaired due to substance abuse;
(B) Abnormal conduct or erratic behavior while at work, or a significant deterioration in work performance;
(C) A report of substance abuse provided by a reliable and credible source;
(D) Evidence that an individual has tampered with any substance abuse test during his or her employment with Galen;
(E) Information that an employee has caused or contributed to an accident while at work; or
(F) Evidence that an employee has used, possessed, sold, solicited, or transferred drugs while working, while on the employer’s premises, or while operating any vehicle, machinery, or equipment at any time before, during, or after work hours.

Alcohol Testing
The consumption or possession of alcoholic beverages on Galen premises is prohibited. (Galen sponsored activities, which may include the serving of alcoholic beverages, are not included in
this provision.) An employee whose normal faculties are impaired due to alcoholic beverages, or whose blood alcohol level tests .08% by weight for non-safety sensitive positions, or .04% for safety sensitive positions, while on duty or Galen business shall be guilty of misconduct, and shall be subject to discipline up to and including termination.

Refusal to Submit
Failure to submit to a required substance abuse test or comply with EAP referral is misconduct and shall be subject to discipline up to and including termination, and reported to the employee’s licensing or certifying board if applicable.

Substance abuse testing for job applicants and employees may include a urinalysis screen for the following drugs: * Alcohol: (not required for job applicant testing) Any “Alcoholic Beverage”, all liquid medications containing ethyl alcohol (ethanol). Employees are encouraged to always read the medication label for content. For example: Vicks Nyquil™ is 25% (50 proof) ethyl alcohol, Contrex™ is 20% (40 proof), Contac Severe Cold Formula Night Strength™ is 25% (50 proof) and Listerine™ is 26.9% (54 proof).
Amphetamines: “speed,” “uppers,” etc.

Cannabinoids: THC, marijuana, hashish, “pot,” “grass,” “hash,” etc.

Cocaine: “coke,” “crack,” etc.

Phencyclidine: PCP, “angel dust.”

Opiates: Narcotics, Heroin, Codeine, Morphine, “smack, dope, etc...”.

* An employer must test for these five (5) substances in order to be certified. The Rules & Guidelines of the Drug-Free Workplace Program do not prohibit Galen from testing for a broader range of substances. If you decide to test for additional drugs, it is advised that they be included on this list.
POLICY: Employees of Galen Medical Group, P.C. ("Galen") should take steps to mitigate susceptibility to, and/or transmission of vaccine-preventable diseases. Every health care employee should seek to be vaccinated in accordance with current CDC Guidelines respecting Tetanus, Diphtheria, and acellular Pertussis (TDaP), influenza, hepatitis B, and TB skin tests.

A. TB skin tests are required for all employees and will be given upon hire, post-exposure to TB, and annually at no cost to the employee.
   a. Employees who test positive for TB will be referred to the Health Department for treatment of the disease. Before returning to work, employee must provide documentation of one of the following: a chest x-ray indicating no findings consistent with TB disease, completed anti-tuberculosis treatment, and/or documentation of having three consecutive negative sputum smears obtained on three different days, with at least one morning specimen.
   b. New employees with a history of TB will be required to provide documentation of previous treatment for TB disease or TB infection and/or a chest x-ray indicating no findings consistent with TB disease. Thereafter, all employees with a documented positive TB skin test will be required to complete a tuberculosis symptom screening questionnaire annually to be approved by Galen’s Medical Director. If employee reports any symptoms of TB, the employee should be referred to the Health Department for immediate medical care.

B. The hepatitis B vaccination series is required at no cost for all employees at risk for exposure. If you don't have documented evidence of a complete hepB vaccine series, or if you don't have an up-to-date blood test that shows you are immune to hepatitis B (i.e., no serologic evidence of immunity or prior vaccination) then you are required to get the 3-dose series.
   a. dose #1 will be given after initial employee training and within 10 days of initial assignment to all employees
   b. dose #2 will be given approximately 1 month following dose #2
   c. dose #3 will be given approximately 5 months after dose #2.
   d. Employees will get anti-HBs serologic tested 1–2 months after dose #3.

C. A single dose of TDaP is recommended and will be offered at no cost to Galen employees who have not previously received TDaP and who have patient contact.
D. A single dose of influenza vaccine is highly recommended and will be offered at no cost the beginning of Flu season each year. Galen will notify employees of dates influenza vaccines will be given.
   a. An employee who chooses to not receive the annual influenza vaccination will be required to wear a mask during high risk influenza season as determined by the Medical Director.

**PURPOSE:** The principal mission of Galen is to provide quality health care for our patients, as well as provide a safe workplace for employees. The CDC has long recommended Tetanus, Diphtheria, and acellular Pertussis (TDaP), influenza, and Hepatitis B vaccinations as well as TB skin tests for health care workers. Subject to appropriate screening for contraindications or demonstrable religious objections, all employees of Galen shall be vaccinated consistent with CDC guidelines and Galen’s Policy.

**DISCIPLINE:** Failure to comply with this policy will result in disciplinary action out outlined in Galen’s Employee Handbook.
POLICY: Galen Medical Group, P.C. ("Galen") shall take steps reasonably necessary to mitigate avoidable transmission of the influenza virus to patients or visitors ("the Public") at any Galen office, clinic, or lab (collectively "Facility"). To that end, all those employees who can reasonably be expected to come into contact or close proximity with the Public or with other Galen clinical staff while on duty shall be vaccinated each year in accordance with the then current CDC Guidelines respecting the influenza virus unless:

A. A documented contraindication is present or suspected; or

B. The employee certifies that immunizations conflict with employee's religious beliefs.

If either exception is present, or if vaccine is unavailable during the influenza season (as determined by the Medical Director), then each employee subject to this Policy shall adhere to the Medical Director's recommendations with respect to infection control while on duty in the presence of the Public. Written medical information obtained from an employee for purposes of screening for contraindications (as set forth on the "EMPLOYEE INFORMED CONSENT TO INFLUENZA VACCINE") shall be maintained in a separate file by the Medical Director and apart from the employee's personnel record. Such information may be used only for purposes of the employee's medical care and treatment, or as necessary or appropriate to enforce this Policy. Person's administering vaccinations shall be instructed as to the confidentiality of each employee's medical information disclosed by the employee in the course of effecting this Policy. This Policy should be reviewed by the Medical Director prior to each new flu season.

PURPOSE: The principal mission of Galen is to provide quality health care for our patients. Failing to reduce the risk of influenza while patients are in our care is inconsistent with that mission and demonstrates disrespect to both patients and co-workers. Health care professionals also have an ethical duty to provide care to the suffering. This duty must be weighed against competing personal obligations and risks. Influenza vaccinations are proven generally safe and effective. Therefore, all employees of Galen who are at risk of acting as a carrier of influenza while on duty should be vaccinated each year, consistent with CDC guidelines, and subject to appropriate screening for contraindications.

DISCIPLINE: Failure to comply with this policy will result in disciplinary action as outlined in Galen's Handbook. In addition, employee's days absent from work on account of sickness during flu season (as determined by the Medical Director) are not eligible for ETO payments for such absences unless a cause unrelated to influenza is documented by the employee. An employee who chooses to not receive the influenza vaccination will be required to wear a mask during the high risk influenza season as determined by the Medical Director.
EMPLOYEE INFORMED CONSENT TO INFLUENZA VACCINE

Have you ever had a serious allergic reaction to an influenza vaccine? ............ ___Yes ___No
Were you ever paralyzed by Guillain-Barré syndrome? ......................... ___Yes ___No
Do you currently have a fever of more than 100°F? ............................ ___Yes ___No
Do immunizations conflict with your religious beliefs? ............................ ___Yes ___No

If you answered yes to any question, please give details:

______________________________________________________________

Do you believe that you may be pregnant or expect to become pregnant
within the next 4 weeks? ........................................................... N/A ___Yes ___No
If you answered yes to this question, you and your baby are at higher risk for serious
complications from influenza and should be vaccinated, but not by means of a live, attenuated
influenza vaccine (LAIV). ¹

______________________________________________________________

If you answered "no" to each of the first 5 questions above, and understand that if you believe
you may be pregnant you should be vaccinated, but not by means of the live, attenuated
influenza vaccine, please sign the following consent:

I HAVE READ AND UNDERSTAND THE POLICY, PURPOSE AND DISCIPLINE
SECTIONS OF THE EMPLOYEE INFLUENZA VACCINATION PROGRAM. I HAVE HAD
A CHANCE TO HAVE ALL MY QUESTIONS ANSWERED REGARDING THE RELATIVE
RISKS OF THE VACCINE. EVEN THOUGH INFLUENZA VACCINE IS PROVIDED TO
ME WITHOUT COST AND MAY BENEFIT ME AND MY FAMILY, I CONSENT TO THE
VACCINE ONLY IN THE COURSE OF MY EMPLOYMENT AT THE DIRECTION OF,
AND FOR THE BENEFIT OF, GALEN MEDICAL GROUP, P.C. I FURTHER AUTHORIZE
THE RELEASE AND/OR USE OF MEDICAL INFORMATION PROVIDED ON THIS
CONSENT FOR THE LIMITED PURPOSE OF MY MEDICAL CARE AND TREATMENT
OR AS MAY BE REASONABLY NECESSARY FOR GALEN TO ENFORCE THIS POLICY
OR COMPLY WITH APPLICABLE LAW AND REGULATION.

______________________________________________________________
Employee Signature

Date signed

¹ The CDC reports that the benefits of vaccinating pregnant women usually outweigh potential risks when the
likelihood of disease exposure is high, when infection would pose a risk to the mother or fetus, and when the
vaccine is unlikely to cause harm. There is no known risk to pregnant women with the nasal vaccine, but no studies
have yet been conducted regarding its safety for the baby.
**EMPLOYEE TDaP VACCINATION PROGRAM POLICY**

<table>
<thead>
<tr>
<th>Index Section: Safety and Infection Control (SIC)</th>
<th>Effective: 1/17/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy: Employee TDaP Vaccination Program Policy (SIC ___)</td>
<td>Modifies Existing Policies: N/A</td>
</tr>
<tr>
<td>Primary Responsibility: Medical Director, Administrator, and Human Resources</td>
<td>Approved: 1/17/2013</td>
</tr>
<tr>
<td></td>
<td>____________________________</td>
</tr>
<tr>
<td></td>
<td>Medical Director</td>
</tr>
</tbody>
</table>

**POLICY:** Employees of Galen Medical Group, P.C. ("Galen") should take steps to mitigate susceptibility to, and/or transmission of, the Pertussis bacterium to patients, visitors, or coworkers. Every employee should seek to be vaccinated in accordance with current CDC Guidelines respecting Tetanus, Diphtheria, and acellular Pertussis (TDaP) vaccinations for health care workers:

A. A single dose of TDaP will be offered at no cost to Galen employees who have not previously received TDaP and who have patient contact.*

B. Priority shall be given to vaccinating (i) those employees who have direct contact with pediatric patients; and (ii) those having no record of a TDaP vaccination.

**PURPOSE:** The principal mission of Galen is to provide quality health care for our patients, as well as provide a safe workplace for employees. The CDC has long recommended Tetanus, Diphtheria, and acellular Pertussis (TDaP) vaccinations for health care workers, particularly those exposed to pediatric patients. Specifically, Pertussis (whooping cough) is a highly contagious and serious respiratory disease. More than 41,000 cases and 18 pertussis-related deaths were reported to the CDC in 2012. Some of our pediatric and adult patients were also diagnosed with Pertussis in 2012. Failing to reduce the risk of Pertussis for patients in our care is inconsistent with our mission and demonstrates disrespect to co-workers. Additionally, health care professionals have an ethical duty to maintain infection control. TDaP vaccines are very safe and generally effective. Subject to appropriate screening for contraindications or demonstrable religious objections, all employees of Galen shall be vaccinated consistent with CDC guidelines.

**DISCIPLINE:** An employee's unexcused failure to vaccinate pursuant to this policy may be considered as a failure to maintain infection control standards in any periodic review of the employee's job performance.
### POLICY: Progressive Discipline

Progressive Discipline may be initiated for various reasons, including, but not limited to, violations of the employer’s work rules or standards of conduct, or for poor job performance. The severity of the action generally will depend on the nature of the offense and on the employee’s record, and may range from a verbal warning to immediate termination.

Progressive Discipline may progress through the following sequential steps:

1. **Verbal Warning**
2. **Written Warning**
3. **Suspension**
4. **Termination**

Any and all of these steps may or may not be utilized depending upon the individual circumstances and the nature of the infraction. Moreover, exceptions or deviations from the normal procedure may occur whenever the company deems appropriate. Furthermore, certain types of behavior may result in immediate termination without resort to the progressive discipline guidelines.

#### Specific Guidelines for Violations of PHI Privacy and Confidentiality:

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No Discipline</strong></td>
<td>So long as the employee does not cause a reportable event, and in the absence of carelessness, including careless failure to know Galen privacy policies, no employee will be subject to discipline for an improper disclosure of PHI otherwise made in good faith. Even so, any employee may be subject to additional privacy training at any time, without fault.</td>
</tr>
<tr>
<td><strong>Verbal Warning</strong></td>
<td>Unintentional violations of privacy caused by simple carelessness, lack of training, or other human error, such as redacting PHI via mail, fax, or unencrypted e-mail. Causing a reportable event shall subject the employee to verbal warning at a minimum, regardless of the degree of fault.</td>
</tr>
<tr>
<td><strong>Written Warning</strong></td>
<td>Unintentional disclosures of PHI resulting from a repeated failure to know and follow privacy policies. Failure to report privacy and security violations of self or others will subject employee to a written warning, at a minimum.</td>
</tr>
<tr>
<td>Suspension</td>
<td>At a minimum, employees are subject to suspension for knowingly, intentionally, or recklessly accessing PHI without a legitimate need, including access based upon personal curiosity. Purely accidental and unintentional access of PHI during the course of the employee’s duties will not subject employee to suspension.</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Termination</td>
<td>Willful or extremely reckless violations of privacy policies. Employees may also be subject to the termination if they have been repeatedly warned or disciplined, or if the employee’s behavior or failure to perform results in a reportable violation that is significantly harmful to either a patient or Galen.</td>
</tr>
</tbody>
</table>

Nothing in this policy shall confer upon the employee any right to continue in the employment of Galen, nor shall it interfere with or restrict in any way the rights of Galen to terminate the employee at any time, for any reason, with or without cause.
**POLICY:** All persons have a moral duty and personal legal responsibility to avoid untruthful, defamatory communications, or otherwise truthful communications which unfairly cast others in a false light. Unless an employee’s defamatory communications have specific legal protection, such as to report illegality, employees may be subject to discipline for breaches of confidential information, defamatory statements, or otherwise truthful statements that unfairly cast any Protected Person in a false light.

**DEFINITIONS:**

Protected Person[s] include Galen, its physicians, other employees, patients, and other medical professionals, health care institutions, or businesses associated with Galen.

Social Media includes all means of communicating or posting information or content of any sort on the Internet, including to an employee’s own or someone else’s web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with Galen. Without limitation, some specific examples of Social Media include:

a. Youtube
b. Facebook
c. iTunes
d. LinkedIn
e. Twitter
f. Blogs

**GUIDELINES:**

Personal Legal Responsibilities: By law an employee acting outside the scope of his or her employment is solely and ultimately responsible for what that employee may post online. An employee should be mindful that any unprivileged conduct that adversely affects the employee’s job performance, the performance of other employees, or otherwise adversely affects physicians, patients, other Protected Persons, or Galen’s legitimate business interests may result in disciplinary action up to and including termination.

Galen Policies: An Employee must read and be familiar with Galen policies related to employee conduct, including without limitation, Galen’s:

a. Privacy Policy 1.2, Complaints Regarding Privacy and Confidentiality of PHI;
b. Sexual Harassment Policy;
c. Anti-Harassment Policy; and

d. Code of Conduct.

Galen's Proprietary Information: Galen maintains very few trade secrets or proprietary information, but an employee may be subject to discipline for any release of Confidential or Proprietary Information that the Employee knows, or should have known, is confidential or proprietary. Employees should never post information regarding the development of systems, processes, or products, or internal reports, policies, procedures or other internal business-related confidential communications.

General Guidance: In general, inappropriate postings are those that contain discriminatory remarks, harassment, and threats of violence, or similar unlawful conduct. Unlawful communications will be subject to disciplinary action. To avoid even unintended or imprudent communications by any means or media, employees should always be respectful, fair and courteous to other employees, physicians, patients, visitors, and other Protected Persons. Employees should take advantage of the Galen Open Door Policy to make complaints or vent frustrations. In making postings to any Social Media, employees should also avoid using statements, photographs, video or audio that could be viewed as malicious, obscene, threatening, intimidating, that disparage Protected Persons, that constitute harassment or bullying, or that could be deemed to contribute to a hostile work environment. Employees must always be honest and accurate when posting information or news, and quickly correct any mistakes (even though almost all deleted postings can still be searched). Rumors should always be presumed false.

Website Links: An employee should not create a link from a personal blog, website or other social networking site to a Galen website without first providing identification as a Galen employee.

Opinions: Unless it relates negatively to any Protected Person, an employee may express personal opinions. Unless clearly authorized, an employee should not represent that the employee is a spokesperson for Galen. If Galen is a subject of the content created by the employee, the employee should make clear that the employee's views and opinions do not necessarily represent the views and opinions of Galen, other employees, or physicians.

Using social media at work:
Employees should refrain from using Social Media while on work time or on Galen equipment, unless it is work-related as authorized by the Employee's supervisor or manager. Employees should avoid using the employee's Galen email address to register on social networks, blogs or other online tools utilized for personal use.

No Retaliation:
Galen prohibits taking negative action against any employee for reporting possible violations of this policy. Any employee who retaliates against another employee for reporting a possible deviation from this policy, or for cooperating in an investigation, will be subject to disciplinary action, up to and including termination.
POLICY: Galen maintains protected health information ("PHI") in either paper or electronic format on each patient treated at one of its facilities. Standards of privacy and access for every Galen employee with respect to (a) his or her own medical information, and (b) the PHI of legal dependents and other Galen patients for whom the employee may have assumed personal responsibility, are the same standards of privacy and access guaranteed to every other Galen patient; provided, however, the specific employee medical information is not already separately maintained by Galen for compliance with applicable employment and safety laws and regulation. Neither the HIPAA Privacy Rule nor the Security Rule covers employee medical information maintained for employment and safety purposes.

PURPOSE:

Galen maintains the privacy of employee PHI and provides each employee appropriate access to his or her own PHI in the same manner as other Galen patients. In order to maintain medical record documentation standards and documentation integrity, however, Galen prohibits unnecessary or inappropriate access by employees to their personal medical records through any of Galen’s internal clinical information systems. Employees may only use Galen’s internal clinical information systems to access medical information, including PHI, as their job may require, and then subject to all restrictions imposed by law or other Galen policies.

PROCEDURE:

A. Employees who are patients of Galen are entitled to access their own PHI only as provided in Patient Privacy Policy 3.6, “Access of Individual to Protected Health Information.” Employees may make written requests or may access their personal medical information through Galen’s online patient portal. Unless an employee first obtains specific authorization from a supervisor or their personal physician, that employee may not for any reason use his or her work-related access through any internal information system to view his or her own health information.

B. Employees who serve as “Personal Representatives” of other Galen patients are entitled to access those health records only in accordance with Uses and Disclosures of Protected Health Information Requiring Personal Representatives (PtP 2.6). Under no circumstances may an employee access the PHI of his/her spouse, partner, child, family member or friend by any means if that employee lacks necessary authority from that person, and then only if the employee is certain that the employee’s access is not prohibited by law or other Galen policies, in particular Uses and Disclosures of PHI to Minors Through Web Portal (PtP 2.8).

C. If during the ordinary course of performing the duties of his or her job, (1) an employee believes that he or she should access the PHI of his/her spouse, partner, child, family member or friend, and (2) the employee believes such access is not prohibited by law or other Galen policies, then (3) the employee must nonetheless seek prior authorization from a supervisor or physician caring for that patient.
D. As with any medical record, each employee is strictly prohibited from deleting, altering, or amending their own medical record, or the medical records of a spouse, partner, child, family member or friend, through Galen’s internal information systems. Employees, as with other Galen patients, are entitled to request an amendment to such records in accordance with Patient Privacy Policy 3.2, “Patient Right to Amend Patient Health Information.”

E. All Galen systems and electronic medical records are subject to continuous audit to detect inappropriate access.

F. Inappropriate or unauthorized access by an employee (1) to his or her own medical information and/or (2) to the PHI of legal dependents or other Galen patients for whom the employee may have assumed personal responsibility, will result in corrective action up to and including termination.
LEGAL MATTERS

No employee is authorized to settle, compromise, or negotiate on behalf of patients, clients, or Galen, any circumstances or matters pertaining to any legal liability of Galen or its patients or clients. All matters pertaining to any and all legal matters, including Department of Labor matters, must be referred to your supervisor.

Employees who fail to comply with this policy will be subject to discipline up to and including termination.

OPEN DOOR POLICY

Galen Medical Group is committed to effectively solving problems, concerns or complaints of the employees, physicians, customers and other guests. In order to achieve that commitment, Galen has established and open door policy and/or problem solving procedure.

Any problem, concern or complaint that cannot be handled by the employee, should follow the following steps:

1) Contact the immediate supervisor
2) Contact the Regional/Manager
3) Contact the Human Resources Manager
4) Contact the Director of Business Operations

Most problems, concerns or complaints are resolved either by employees or immediate supervisors. However, occasionally the issue involves the supervisor and/or Regional Manager. In this event, the employee is encouraged to contact the Human Resources Manager for direction.

PROGRESSIVE DISCIPLINE

Progressive Discipline may be initiated for various reasons, including, but not limited to, violations of the employer’s work rules or standards of conduct, or for poor job performance. The severity of the action generally will depend on the nature of the offense and on the employee’s record, and may range from a verbal warning to immediate termination.

Progressive Discipline may progress through the following sequential steps:

1. Verbal Warning
2. Written Warning
3. Suspension
4. Termination
Any and all of these steps may or may not be utilized depending upon the individual circumstances and the nature of the infraction. Moreover, exceptions or deviations from the normal procedure may occur whenever the company deems appropriate. Furthermore, certain types of behavior may result in immediate termination without resort to the progressive discipline guidelines.

Nothing in this policy shall confer upon the employee any right to continue in the employment of Galen, nor shall it interfere with or restrict in any way the rights of Galen to terminate the employee at any time, for any reason, with or without cause.

POLICIES SUBJECT TO CHANGE

Galen continually reviews the personnel policies and employee benefits and reserves the right to revise, modify, supplement, amend, delete or rescind any of the provisions contained in this handbook from time to time as it deems appropriate, in Galen’s sole and absolute discretion.

This handbook does not represent an exhaustive list of Galen’s policies, but is designed to give guidance in connection with many essential personnel policies.

The success of Galen and the security of its employees can be assured only as we work harmoniously together for progress. Our joint efforts can result in the type of future which provides opportunity for individual and organizational growth.

In line with our goal of maintaining a well-managed company, we have established policies and procedures covering our personnel program. They are important to continued efficient operations and the fair treatment of all employees.

This Employee Handbook is designed to provide you with an overview of our policies and includes those subjects which most often affect you and your work. If you have any questions regarding any aspect of your relationship with Galen, or the specific requirements of your job, please do not hesitate to ask for clarification.

RULES OF CONDUCT

Rules of conduct are a necessary part of employee relations and have been established to support the goals Galen Medical Group. Managers seek positive ways to motivate employees to perform according to rules of conduct. Despite each manager's desire to solve employee problems in a positive manner, Galen recognizes at times that this is not possible. For this reason a program of Progressive Disciplinary Action has been established to ensure employee behavior is consistent with Galen’s rules and policies. Some violations are more serious than others. Disciplinary action generally consistent with certain specific violations is listed on the following pages. This list of violations and discipline is NOT exclusive and is NOT intended to imply any employee may only be disciplined or terminated for the reasons specified and only in the manner specified.
# Level 1 - Minor

<table>
<thead>
<tr>
<th>Rule of conduct</th>
<th>1st Occurrence</th>
<th>2nd Occurrence</th>
<th>3rd Occurrence</th>
<th>4th Occurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Failure to perform according to established standards</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>2. Failure to observe and follow instructions</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>3. Violation of punctuality standards</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>4. Violation of tobacco policy</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>5. Interfering with or distracting another employee in the performance of his/her duties</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>6. Violation of telephone policy</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>7. Violation of parking policy</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>8. Horseplay (hazardous, non-work related activity)</td>
<td>Oral</td>
<td>Written</td>
<td>Suspension</td>
<td>Termination</td>
</tr>
<tr>
<td>Level 2 - Serious</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rule of conduct</td>
<td>1st Occurrence</td>
<td>2nd Occurrence</td>
<td>3rd Occurrence</td>
<td></td>
</tr>
<tr>
<td>1. Repeated or continued Level 1 occurrences (3 or more in any 3 month period)</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>2. Violation of attendance standards</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>3. Failure to report an unscheduled absence prior to the beginning of the assigned shift</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>4. Use of threatening, abusive or rude language</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>5. Breach of professional ethics or conduct</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>6. Failure to report an on-the-job accident or incident during the shift it occurred</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>7. Altering time and attendance records without authorization or performing clocking functions for another employee</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>8. Performing activities other than assigned duties during work time</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>Rule of conduct</td>
<td>1st Occurrence</td>
<td>2nd Occurrence</td>
<td>3rd Occurrence</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------------------------------</td>
<td>----------------</td>
<td>----------------</td>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td>9. Studying during work time</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>10. Violation of policy on solicitation and/or distribution</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>11. Unauthorized alteration or posting of notices or materials on bulletin boards or other locations</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>12. Violation of E-mail policy</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>13. Violation of World Wide Web (internet) policy</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>14. Negligently providing incorrect information to Galen, a government agency, patient, insurer or the like.</td>
<td>Written Warning</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
</tr>
<tr>
<td>15. Violation of policy on confidentiality</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Violations of safety rules or standards or failure to use standard precautions</td>
<td>Suspension</td>
<td>Termination</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Arrest, arraignment or indictment of a felony</td>
<td>Suspension pending investigation and/or trial</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Level 3 - Critical

<table>
<thead>
<tr>
<th>Rule of conduct</th>
<th>Occurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pleading guilty to or conviction of a felony</td>
<td>Termination</td>
</tr>
<tr>
<td>2. Three Level 2 (serious) occurrences within a 6 month period</td>
<td>Termination</td>
</tr>
<tr>
<td>3. Physical assault of any person on Galen’s premises</td>
<td>Termination</td>
</tr>
<tr>
<td>4. Possessing, consuming or being under the influence of intoxicants, narcotics or illegal substances on Galen’s premises</td>
<td>Termination</td>
</tr>
<tr>
<td>5. Possession of weapons, illegal firearms or explosives on Galen’s premises</td>
<td>Termination</td>
</tr>
<tr>
<td>6. Sexual harassment</td>
<td>Termination</td>
</tr>
<tr>
<td>7. Threatening, intimidating or coercing any person</td>
<td>Termination</td>
</tr>
<tr>
<td>8. Willful acts or conduct detrimental to patient care or operation that could result in neglect, abuse or harm to patients or others</td>
<td>Termination</td>
</tr>
<tr>
<td>9. Theft of property, service or time</td>
<td>Termination</td>
</tr>
<tr>
<td>10. Willful damage of equipment or property</td>
<td>Termination</td>
</tr>
<tr>
<td>11. Deliberate omission or falsification of significant information on the employee's application, time card, patient records, or oral interviews</td>
<td>Termination</td>
</tr>
<tr>
<td>Rule of conduct</td>
<td>Occurrence</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>12. Unauthorized leaving of work station (job abandonment)</td>
<td>Termination</td>
</tr>
<tr>
<td>13. Sleeping during work time</td>
<td>Termination</td>
</tr>
<tr>
<td>14. Refusing to allow inspection of bundles and packages being removed from Galen property for the purpose of determining ownership of items</td>
<td>Termination</td>
</tr>
<tr>
<td>15. Willfully providing false information to Galen, a government agency, patient, insurer or the like</td>
<td>Termination</td>
</tr>
<tr>
<td>16. Violation of any state or federal criminal statute</td>
<td>Termination</td>
</tr>
<tr>
<td>17. Failure to report another employee’s violations of any duties under Galen’s Compliance Program or reporting false or misleading information</td>
<td>Termination</td>
</tr>
<tr>
<td>18. Intentional misuse of the compliance hotline by knowingly and willfully providing false or intentionally incomplete information to Galen’s Compliance Officer</td>
<td>Termination</td>
</tr>
<tr>
<td>19. Failure to take action as prescribed under Galen’s Compliance Program or comply with any duties, express or implied, set forth in the program</td>
<td>Termination</td>
</tr>
</tbody>
</table>
Level 3 - Critical (continued)

<table>
<thead>
<tr>
<th>Rule of conduct</th>
<th>Occurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>20. Insubordinate acts or statements, including failure to carry out assigned duties</td>
<td>From written warning to Termination, depending upon circumstances</td>
</tr>
<tr>
<td>21. Absence of two (2) consecutive scheduled work days without proper notification</td>
<td>Voluntary Termination</td>
</tr>
</tbody>
</table>

**NOTE:** Level 3 occurrences are violations of rules of conduct that warrant immediate Termination without regard to the employee's previous work record. The manager may suspend the employee for up to five (5) work days while the incident is being investigated.

No set of rules can be all-inclusive and apply to all situations perfectly. Therefore, Galen Medical Group, must retain the right to initiate disciplinary action at a higher level than indicated, up to and including Termination, if the situation warrants.