

APPENDIX: SUBMITTED DOCUMENTATION

The following documents are included in support of the Application for Change of Ownership Exemption for Peoria Ambulatory Surgery Center:

Item No.	Description
1	5/21/25 Incompleteness Letter from Mr. Constantino
2	Additional p.1 listing co-applicant Soderstrom Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center
3	Signed and notarized certification page for Soderstrom Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center
4	Certificate of Good Standing Documents
5	Signed and notarized letter authorizing the State Board and the Illinois Department of Public Health to access documents verifying information submitted in the application for change of ownership – Soderstrom Dermatology Center, S.C.
6	Signed and notarized letter authorizing the State Board and the Illinois Department of Public Health to access documents verifying information submitted in the application for change of ownership – Peoria Ambulatory Surgery Center
7	Pre-Organizational Chart
8	Updated p.5 – Related Client Costs (corrected N/A answers and Purchase Price/FMV)
9	Updated Attachment 5 (corrected N/A responses with further information)
10	Updated Attachment 6 (all questions answered; corrected N/A responses with further information)
11	Copy of Policies and Procedures currently in place



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST, SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

CERTIFIED MAIL

May 21, 2025

Danielle Garner
Provider Services and Risk Manager
Core Derm
4920 N Glen Park Place
Peoria, Illinois 61614
credentialing@core-derm.com

Re: Incompleteness Letter -#E-004-25

Ms. Garner:

We need additional information to complete our review of Exemption #E-004-25.

1. All responses labeled NA must include the reason why. Please provide the necessary responses.
2. Soderstrum Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center, needs to be a co-applicant for this change of ownership application.
 - a. We need an additional page 1, a signed and notarized certification page, and a certificate of good standing.
3. Page 70: - Number Four. Please provide a signed and notarized letter authorizing the State Board and the Illinois Department of Public Health access to any documents that verify information submitted in your application for change of ownership.
4. Page 70: We need a pre-organizational chart.
5. We need the purchase price/FMV of the transaction.
6. Page 72: Items F., G., B2, B3, and B5 need to be addressed. We need a copy of the policies and procedures that are currently in place.

Should you have any questions, do not hesitate to call at 217-782-3516 or mike.constantino@illinois.gov.

Sincerely,

Mike Constantino

Mike Constantino
Project Reviewer

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Soderstrom Dermatology Center, S.C., d/b/a Peoria Ambulatory Surgery Center		
Street Address: 4909 Glen Park Place		
City and Zip Code: Peoria, IL 61614-4676		
County: Peoria	Health Service Area: 002	Health Planning Area: C01

Legislators

State Senator Name: David Koehler
State Representative Name: Jehan A. Gordon

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Joshua B. Kentosh, OD
Street Address: 4909 N. Glen Park Place
City and Zip Code: Peoria, IL 61614-4676
Name of Registered Agent: Not Applicable
Registered Agent Street Address: 4909 N. Glen Park Place
Registered Agent City and Zip Code: Peoria, IL 61614-4676
Name of Chief Executive Officer: David Campbell
CEO Street Address: 150 S. Wacker Dr.
CEO City and Zip Code: Chicago, IL 60606
CEO Telephone Number: 312-283-8070

Type of Ownership of Applicants

☐ Non-profit Corporation	☐ Partnership
☒ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship
☐ Other	

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Jennifer Friedman / Danielle Garner
Title: Director of Surgical Services / Provider Services & Risk Manager
Company Name: Core Dermatology
Address: 4920 N. Glen Park Place, Peoria, IL 61614
Telephone Number: 309-690-6042 xtn. 11253 / 309-204-0727 xtn. 00600
E-mail Address: jfriedman@core-dermatology.com / credentialing@core-derm.com
Fax Number: 205-354-6378

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 04/2021 Edition

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Soderstrom Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center

In accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Joshua B. Kentosh, D.O.
PRINTED NAME

Chief Clinical Officer
PRINTED TITLE

SIGNATURE

Julia A. Carter
PRINTED NAME

CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 10 day of June 2026

Signature of Notary

Notarization:
Subscribed and sworn to before me
this 10 day of June 2026

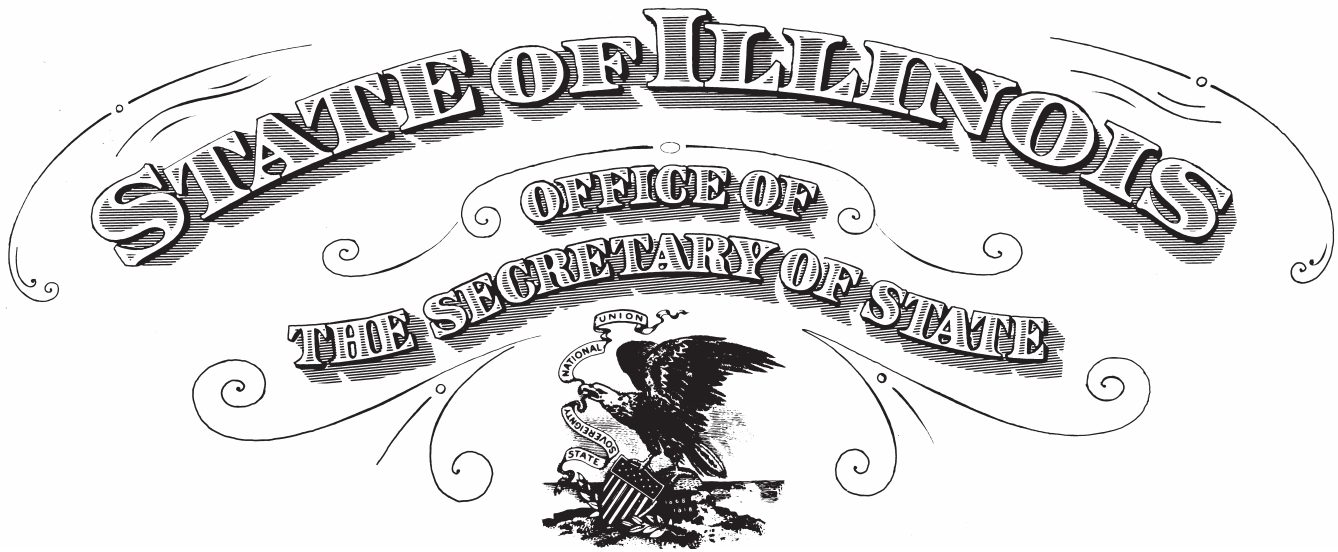
Signature of Notary

Seal

OFFICIAL SEAL
SARAH M. WOODWARD
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 06/28/2026

Seal

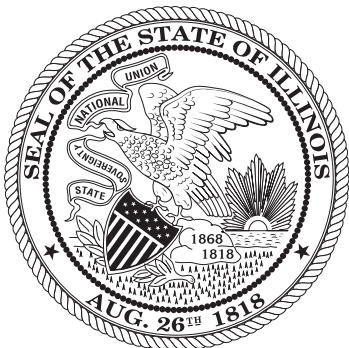
OFFICIAL SEAL
SARAH M. WOODWARD
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 06/28/2026



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

SODERSTROM DERMATOLOGY CENTER, S.C., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 29, 1975, ADOPTED THE ASSUMED NAME PEORIA AMBULATORY SURGERY CENTER ON DECEMBER 31, 2003, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 18TH day of JUNE A.D. 2025 .

A handwritten signature in cursive script, reading "Alexi Giannoulas".



ILLINOIS DEPARTMENT OF PUBLIC HEALTH

HF131537

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Sameer Vohra, MD,JD,MA
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
9/30/2025		7003241
Ambulatory Surgery Treatment Center		
Effective: 10/01/2024		

Soderstrom Dermatology Center,S.C.
dba Peoria Ambulatory Surgery Center
4909 N Glen Park Place

Peoria, IL 61614

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4024001 2M 4/24

← **DISPLAY THIS PART IN A
CONSPICUOUS PLACE**

Exp. Date 9/30/2025

Lic Number 7003241

Date Printed 8/28/2024

Soderstrom Dermatology Center,S.C.
dba Peoria Ambulatory Surgery Center
4909 North Glen Park Place
Peoria, IL 61614

FEE RECEIPT NO.



ACCREDITATION ASSOCIATION
for AMBULATORY HEALTH CARE, INC.

grants this

CERTIFICATE OF ACCREDITATION

to

SODERSTROM DERMATOLOGY CENTER, SC DBA PEORIA AMBULATORY SURGERY CENTER

4909 N GLEN PARK PLACE
PEORIA, IL 61614-4676

*In recognition of satisfying accreditation requirements and demonstrating its commitment to high quality care and patient safety
for Ambulatory Accreditation.*



15835

FEBRUARY 25, 2027

Organization Identification Number

The Award of Accreditation Expires on the above date



CORE DERMATOLOGY

June 16, 2025

Re: Illinois Health Facilities and Services Board Application for Change of Ownership Exemption (#E-004-25)

To Whom It May Concern:

I, the undersigned representative of Soderstrom Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center, hereby authorize the Illinois Department of Public Health (IDPH) and the Illinois Health Facilities and Services Review Board to access, inspect, and review any documents necessary to verify the information submitted in connection with Exemption #E-004-25 for a change of ownership application.

I further verify that Soderstrom Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center has no ownership interest in any other Illinois Healthcare facilities. And as such we have no adverse actions to report for the past three (3) years.

I hereby certify that this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

This authorization is granted with the understanding that all accessed information shall be used solely for the purpose of verifying the accuracy and completeness of the submitted application.

Soderstrom Dermatology Center, S.C.
d/b/a Peoria Ambulatory Surgery Center

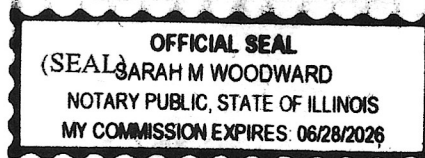

Joshua B. Kentosh, D.O.
Chief Clinical Officer

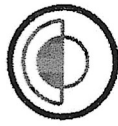
State of Illinois)
County of Peoria)

Subscribed and sworn to before me this 16 day of June, 2025.


Notary Public Signature

My Commission Expires: 6/28/2026





**CORE
DERMATOLOGY**

June 16, 2025

Re: Illinois Health Facilities and Services Board Application for Change of Ownership Exemption (#E-004-25)

To Whom It May Concern:

I, the undersigned representative of Peoria Ambulatory Surgery Center (a division of Soderstrom Dermatology Center, S.C.), hereby authorize the Illinois Department of Public Health (IDPH) and the Illinois Health Facilities and Services Review Board to access, inspect, and review any documents necessary to verify the information submitted in connection with Exemption #E-004-25 for a change of ownership application.

I further verify that Peoria Ambulatory Surgery Center (a division of Soderstrom Dermatology Center, S.C.) has no ownership interest in any other Illinois Healthcare facilities. And as such we have no adverse actions to report for the past three (3) years.

I hereby certify that this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

This authorization is granted with the understanding that all accessed information shall be used solely for the purpose of verifying the accuracy and completeness of the submitted application.

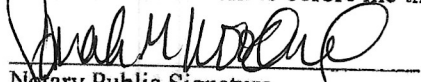
Peoria Ambulatory Surgery Center
(a division of Soderstrom Dermatology Center, S.C.),



Joshua B. Kentosh, D.O.
Chief Clinical Officer

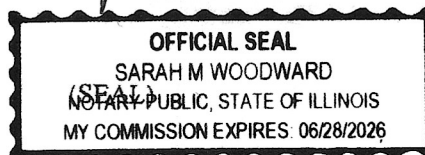
State of Illinois)
County of _____)

Subscribed and sworn to before me this 16 day of June, 2025.



Notary Public Signature

My Commission Expires: 6/28/26



Pre-Organizational Chart

Dr. Jeffries, III



Soderstrom Dermatology Center, S.C.

SECTION III. CHANGE OF OWNERSHIP (CHOW)

Transaction Type. Check the Following that Applies to the Transaction:

- ☐ Purchase resulting in the issuance of a license to an entity different from current licensee.
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee.
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- ☒ Stock transfer resulting in no change from current licensee.
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- ☐ Change of ownership among related persons resulting in a license being issued to an entity different from the current licensee
- ☐ Change of ownership among related persons that does not result in a license being issued to an entity different from the current licensee.
- ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."

ATTACHMENT 5 - BACKGROUND OF THE APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.

- N/A - No other facilities are owned by applicant.

2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.

- N/A - None of the current owners own or operate healthcare facilities other than the facility subject to this application.

3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

- N/A - No adverse actions related to applicant.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB. Included with this Attachment is the applicant's authorization permitting HFSRB and IDPH access to any documents necessary to verify the information needed.

- Included with this packet is the applicant's authorization permitting HFSRB and IDPH access to any documents necessary to verify the information needed.

5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

- N/A - Not applicable – No additional Applications have been submitted.

ATTACHMENT 6 - 1130.520 REQUIREMENTS FOR EXEMPTIONS INVOLVING THE CHANGE OF OWNERSHIP OF A HEALTH CARE FACILITY

1130.520(b)(1)(A) - Names of the parties

- Joshua B. Kentosh, DO.; Soderstrom Dermatology Center, S.C. d/b/a Peoria Ambulatory Surgery Center;

1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application

- Dr. James M. Jeffries III, M.D., FACS, has over 20 years of experience in surgical practice and healthcare facility management, ensuring continuity and quality of care. Dr. Joshua B. Kentosh, D.O., a board-certified dermatologist with extensive expertise in clinical operations, has been the Medical Director of PASC, making him well-suited to assume ownership.

1130.520(b)(1)(C) - Structure of the transaction

- The transaction is a 100% stock transfer of Peoria Ambulatory Surgery Center shares from James M. Jeffries III to Dr. Joshua B. Kentosh. The licensed entity and operational structure will remain unchanged, ensuring continuity of care and services.

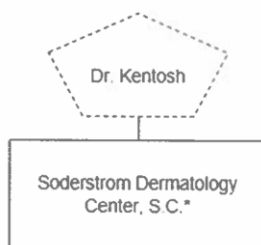
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction

- Joshua B. Kentosh, DO

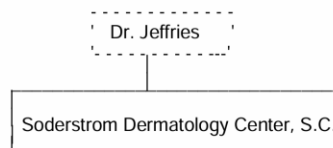
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons

- Dr. Jeffries is the 100% owner before the transfer. Dr. Kentosh is the 100% owner after the transfer.

Post- Transaction Organizational Chart



Pre- Transaction Organizational Chart



Section 1130.520(b) (1)(F) - Fair Market Value of the transaction

- The identified purchase price of \$1.00 is based on an arm's length transaction and represents the fair market value of the assets being transferred.

Section 1130.520(b) (1)(G) - Purchase price "The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]"

- The identified purchase price of \$1.00 is based on an arm's length transaction and represents the fair market value of the assets being transferred.

Section 1130.520(b)(2) - Outstanding Permits “Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section”

- There are currently no outstanding permits that have been issued to the Applicants.

Section 1130.520(b)(3) - Hospital Charity Care “If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction”

- This change of ownership does not involve a hospital; thus, this provision is NOT APPLICABLE

1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community

- The ownership transfer will enhance operational efficiency and maintain continuity in high-quality care. PASC will continue to serve the community by offering Plastics, Dermatology, and aesthetic surgical services without interruption or changes to its license.

Section 1130.520(b)(5) - Anticipated Cost Savings for the Community and Facility “The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership”

- This transaction does not apply to concerns about community impact, as it ensures uninterrupted operations with no changes to services or physician availability. The facility will continue providing cost-effective, accessible surgical care.

1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;

- N/A- no changes to process already in place.

1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;

- N/A- no changes to facility's governing body.

Section 1130.520(b)(9) - Summary of Proposed Changes Within 24 Months “A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.”

- This transaction will not affect the facility's current level of care, physician activity, or approved service categories. No other changes are expected within 24 months of the acquisition.

Core Derm and Core Dermatology

2025 Employee Handbook

TABLE OF CONTENTS

INTRODUCTION	4
A MESSAGE FROM LEADERSHIP	5
EMPLOYEE GUIDANCE	6
OUR MISSION	6
OUR VISION	7
SECTION I: OUR RESPONSIBILITIES.....	7
COMPLIANCE AND BUSINESS ETHICS.....	7
<i>Compliance With False Claims Act and Preventing Fraud</i>	7
<i>Patient Privacy/HIPAA</i>	7
<i>Code of Conduct</i>	9
<i>Reporting Non-Compliance</i>	9
SECTION II: EMPLOYMENT INFORMATION, EMPLOYEE RESPONSIBILITIES, AND EMPLOYEE RIGHTS.....	9
EMPLOYMENT	9
<i>At-Will Employment</i>	9
<i>Compliance With Local Laws</i>	10
<i>Diversity and Inclusion</i>	10
<i>Equal Opportunity Employment Policy</i>	11
<i>Prohibition Against Sexual Harassment</i>	11
<i>Internal Complaint Procedure</i>	12
<i>Prohibitions Against Retaliation</i>	13
<i>Reasonable Accommodations for Disabilities</i>	13
<i>Pregnancy and Childbirth</i>	13
<i>Nursing Mothers</i>	14
<i>Religious Accommodations</i>	14
<i>Requesting Workplace Accommodations</i>	14
<i>Immigration Compliance</i>	14
EMPLOYMENT PRACTICES AND INFORMATION	15
<i>Background Checks</i>	15
<i>Nepotism & Fraternization Policy</i>	15
<i>Pre-Employment Testing</i>	16
<i>Orientation</i>	16
<i>Categories of Employment</i>	16
<i>Attendance and Punctuality</i>	17
<i>Tardiness</i>	18
<i>Unscheduled Absences</i>	18
<i>No Call/No Show</i>	18
EMPLOYEE CONDUCT	19
<i>Substance Policy</i>	19
<i>Dress Code and Hygiene</i>	21
<i>Exceptions</i>	23
CONFIDENTIAL INFORMATION.....	23
RESIGNATION AND TERMINATION	24
PERFORMANCE EVALUATIONS.....	25
WORKING HOURS AND OVERTIME	26
SECTION III: EMPLOYEE BENEFITS, LEAVE AND TIME OFF.....	28
BENEFITS.....	28
FAMILY AND MEDICAL LEAVE POLICY	28
ILLINOIS FAMILY MILITARY LEAVE.....	39

HOLIDAYS.....	40
BEREAVEMENT TIME (DEATH IN THE IMMEDIATE FAMILY).....	41
UNPAID LEAVE FOR DEATH OF A COVERED FAMILY MEMBER.....	41
SCHOOL VISITATION LEAVE.....	42
BONE MARROW, ORGAN, AND BLOOD DONATION LEAVE POLICY.....	42
ILLINOIS VICTIMS' ECONOMIC SECURITY AND SAFETY ACT.....	43
<i>Leave Entitlement</i>	43
MILITARY LEAVE.....	45
SICK/PERSONAL/INCLEMENT WEATHER DAYS.....	47
PAID TIME OFF.....	49
JURY DUTY.....	52
CRIME VICTIM LEAVE/COURT APPEARANCES.....	53
VOTING LEAVE.....	53
MEAL AND BREAKS.....	53
PARKING.....	54
TELEPHONE USE.....	54
COMPENSATORY TIME OFF.....	54
CONTINUING EMPLOYEE EDUCATION.....	55
WORKERS COMPENSATION.....	55
SECTION IV: EMPLOYEE MISCELLANEOUS INFORMATION.....	55
EMPLOYEE RELATIONS.....	55
<i>Acceptable Conduct</i>	55
<i>Progressive Discipline</i>	57
SOLICITATION AND DISTRIBUTION.....	58
DISCLOSURE OF EMPLOYEE INFORMATION.....	58
DIRECT DEPOSIT OF PAYROLL.....	58
SAFETY AND HEALTH ON THE JOB.....	59
INFORMATION TECHNOLOGY AND ELECTRONIC COMMUNICATIONS.....	59
<i>User Privacy</i>	60
<i>Sensitive Information</i>	60
<i>Equipment and Accessories</i>	61
<i>Access</i>	61
<i>Internet and Electronic Communications</i>	61
<i>Cell Phones</i>	62
SOCIAL MEDIA POLICY.....	63
EMPLOYEE ACKNOWLEDGMENT.....	66

INTRODUCTION

This Employee Handbook modifies and supersedes all previous versions of the Employee Handbook and policies and procedures for all named entities (formal or informal).

This Employee Handbook applies to all employees of Core Derm and Core Dermatology. Both entities are Doing Business As (DBA) names of MedPro Advantage, LLC and Soderstrom Dermatology Center, S.C., therefore, all rights, duties, obligations, and requirements outlined in this handbook are applicable to all employees of Core Derm, Core Dermatology, and any other affiliated employees of MedPro Advantage, LLC and Soderstrom Dermatology Center, S.C. and as such, all applicable Employees are bound by these policies and are required to comply with them.

In addition, for purposes of this Employee Handbook, Core Derm and Core Dermatology will cumulatively be referred to as the “Employer” for purposes of the Employee.

A Message from Leadership

Welcome to the Core Derm and Core Dermatology team, we are honored to have you here! Our focus as an organization is to provide best-in-class care to our patients by adhering to our brand pillars and ensuring our teams have everything they need to succeed.

Our Brand Pillars:

- **Patient-Centric Excellence:** Our foundation rests on putting patients first. We are committed to personalized care that addresses each patient's unique needs, providing comprehensive solutions that enhance skin health and overall well-being.
- **Innovative Care:** We are at the forefront of innovation in dermatology. Core Derm and Core Dermatology leverages cutting-edge treatments, state-of-the-art technology, and evidence-based practices to provide our patients with the most effective and advanced solutions for their skin health.
- **Empowering Confidence:** We understand the transformative power of healthy skin. Core Derm and Core Dermatology empowers individuals by boosting their confidence through tailored treatment plans, expert guidance, and compassionate support, enabling them to embrace life with renewed self-assurance.
- **Collaborative Expertise:** We believe in the synergy of collaboration. Our team of skilled dermatologists, plastic surgeons, advanced practice providers, nurses and dedicated support staff work seamlessly to provide a holistic approach to patient care. We value teamwork, communication, and the collective expertise that drives our commitment to excellence.

Every individual at Core Derm and Core Dermatology plays an integral role in upholding the brand pillars and determining their own success. I encourage you to embrace our company culture and vision, contribute to our shared objectives, and always do what's right.

Your unique perspectives and skills will be instrumental in our success and driving our mission forward. Being part of the team provides each of you with an opportunity to make a lasting impact on those we serve. I am excited to see what we accomplish together along this journey.

EMPLOYEE GUIDANCE

This Employee Handbook has been carefully designed to be your go-to resource for understanding the organization's values, policies, and guidelines. It outlines our shared expectations, fostering a harmonious and productive work environment for every member of our team.

The Employee Handbook Is Not a Contract of Employment

The policies and procedures contained in this Employee Handbook are not a contract of employment, do not create contractual rights or obligations, and do not represent a binding agreement. Flexibility to change as time and circumstances call for change is important, and we reserve the right to make at any time, any changes in the content or application of our policies and procedures that we deem appropriate in our sole discretion.

Updates To Employee Handbook and Policies and Procedures

Changes in personnel policies and procedures may be implemented even though not yet printed or inserted in the Employee Handbook. We will attempt to provide written notice of any major change to employees or to post such a notice in a place accessible to employees prior to the effective date of the change. The latest amended version of any particular policy will be governing.

The Handbook Is the Property of The Employer

This Employee Handbook is the property of your Employer. You have been provided with a copy of it to be reviewed and referred to during the course of your employment with us. On termination of your employment for any reason or upon request of the Employer, at any time, this Employee Handbook must be returned to your supervisor immediately. Please thoroughly read all the policies and procedures in this Employee Handbook, as each employee may be required to sign an Acknowledgment to the effect that he or she has read and agrees to abide by the policies and procedures contained in the Employee Handbook.

Reproduction, Copying, or Transmission of The Employee Handbook Is Prohibited

The Employee Handbook may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any business/commercial venture without the express written permission of the Employer. This policy, however, does not prohibit any employee from engaging in legally protected conduct, including conduct protected by Section 7 of the National Labor Relations Act. As such, an unauthorized disclosure of the contents of for a purpose other than protected concerted activity under Section 7 of the NLRA, for example, disclosure of handbook to a competitor, is prohibited. Making such an unauthorized disclosure consistent with the spirit of this policy is a serious breach of the Employer's standards of conduct and may result in disciplinary action and other liability provided by law.

If you have any questions that are not answered in this Employee Handbook, your supervisor or Human Resources will be glad to help you. Please do not hesitate to ask for help should any questions arise.

Our Mission

At Core Derm and Core Dermatology, our mission is to empower healthier lives by delivering exceptional dermatological care. Through patient-centered excellence, innovative treatments, and a commitment to the highest ethical standards, we aim to enhance the well-being and confidence of every individual we serve.

Our Vision

Our vision at Core Derm and Core Dermatology is to become the leading choice for comprehensive dermatological solutions that transform lives. We aspire to redefine skin health through pioneering medical practices, unwavering patient dedication, and a constant pursuit of innovation, setting new standards in dermatological care.

SECTION I: OUR RESPONSIBILITIES

COMPLIANCE AND BUSINESS ETHICS

We are committed to upholding the highest standards of ethical conduct and compliance with all applicable federal and state laws, as well as health regulations. Integrity and honesty direct our dealings with patients, families, businesses, and government agencies. The Employer operates within the framework of various federal and state laws that govern healthcare, employment practices, privacy, and more. It is crucial for every employee to familiarize themselves with the relevant laws that pertain to their role and responsibilities.

Compliance With False Claims Act and Preventing Fraud

The False Claims Act is a federal law that prohibits individuals and organizations from submitting false or fraudulent claims for payment to the government. This law aims to protect taxpayer dollars by holding accountable those who attempt to defraud government programs, contracts, and federally funded healthcare programs, such as Medicare and Medicaid.

Key Points:

- The False Claims Act makes it illegal to knowingly present, use, or cause the submission of false or fraudulent claims to the government for payment or reimbursement.
- Employer upholds the highest ethical standards and expects all employees to comply with the False Claims Act and other relevant laws and regulations. Any concerns related to potential false claims or fraudulent activities should be reported promptly and will be treated with utmost confidentiality and protection from retaliation.

Compliance with the False Claims Act is essential to maintain the trust of our patients, government programs, and the community we serve. As responsible healthcare professionals and employees, we play a crucial role in safeguarding taxpayer funds and ensuring the integrity of our operations.

Patient Privacy/HIPAA

Employer maintains a large volume of confidential data concerning its patients, employees, and business arrangements. As an employee, you may have access to information concerning patients, employees, or contracts. If you have such access, you are to use it while performing your duties and only to the extent necessary to perform those duties.

The Health Insurance Portability and Accountability Act (HIPAA) is a federal law that sets strict standards for safeguarding patient health information and ensuring its confidentiality. It is imperative that all employees adhere to HIPAA regulations to protect patient privacy and maintain the trust of those we serve.

Key Points:

1. **Protected Health Information (PHI):** Under HIPAA, Protected Health Information (PHI) includes any individually identifiable health information related to a patient's past, present, or future physical or mental health condition, treatment, or payment for healthcare services.
2. **Duty of Confidentiality:** Employees have a legal obligation to maintain the confidentiality of all PHI that we encounter during the course of our duties. This includes information stored in electronic systems, written documents, and verbal communications.
3. **Need-to-Know Basis:** Employees should only access or disclose PHI when it is necessary to perform their job duties. Unnecessary access or disclosure of PHI is strictly prohibited.
4. **Secure Handling:** All forms of PHI must be handled and stored securely to prevent unauthorized access, theft, or accidental disclosure. This includes maintaining strong passwords, securely locking documents, and encrypting electronic data.
5. **Reporting Breaches:** Employees must promptly report any potential breaches or unauthorized disclosures of PHI to their supervisor, the Privacy Officer, or the designated HIPAA Compliance Officer.
6. **Training and Awareness:** Regular training on HIPAA regulations will be provided to ensure employees are aware of their responsibilities and updated on any changes in the law.
7. **Business Associates:** When sharing PHI with external entities, such as business associates or third-party vendors, agreements must be in place to ensure that they also comply with HIPAA regulations.
8. **Patient Rights:** Patients have the right to access their own PHI, request amendments or corrections, and receive an accounting of disclosures made by the medical practice.
9. **Retention and Disposal:** PHI must be retained according to HIPAA guidelines and securely disposed of when no longer needed.

Compliance with HIPAA is vital in maintaining patient trust and upholding our commitment to providing quality healthcare. Failure to adhere to HIPAA regulations may result in serious consequences for both the medical practice and individual employees.

Employees share the responsibility of safeguarding patient privacy and upholding the confidentiality of their health information. If you have any questions or concerns about HIPAA compliance or patient privacy, please reach out to the Privacy Officer or the designated HIPAA Compliance Officer.

Code of Conduct

All employees have a legal and ethical duty to be honest when working with people inside and outside the organization. Employees have a duty to avoid using their position or knowledge of the employer for personal benefit. Consistent with our Code of Conduct, any employee who is in a position to make business decisions on behalf of the employer must report (“disclose”) an actual or potential Conflict of Interest to Human Resources. Employees with a possible conflict of interest are required to report it to their supervisor and obtain approval in advance. This includes but is not limited to outside financial or commercial interest which conflicts with, or gives the impression of conflicting with, their decisions or actions for the employer. This includes financial interest in an outside enterprise which does business with or competes against the employer or its affiliates unless such business is insubstantial. Vendor sponsored travel should be reported and approved by employer management prior to accepting the offer.

Employees may not accept any arrangement that endorses or gives the appearance of endorsing a vendor’s product unless written authorization is given. Employees may be required to complete a Conflict-of-Interest Disclosure Statement before accepting travel offers from suppliers or contractors.

Reporting Non-Compliance

Employer maintains a Compliance Program, which promotes ethical and honest behavior, as well as compliance with laws and regulations at the federal and state level, as discussed above. The Compliance team works to protect the organization. Employees not only have the responsibility for being honest and to follow the Employer’s policies and procedures. They have the responsibility for reporting concerns about possible violations of policies and procedures. Employees who make a good faith report of wrongdoing will not suffer negative actions or retaliation as a result of the report. Reports will be kept confidential as much as possible.

SECTION II: EMPLOYMENT INFORMATION, EMPLOYEE RESPONSIBILITIES, AND EMPLOYEE RIGHTS

EMPLOYMENT

At-Will Employment

EMPLOYMENT WITH EMPLOYER IS STRICTLY AT-WILL, WHICH MEANS THAT EMPLOYEES ARE FREE TO LEAVE EMPLOYERS SERVICE AT ANY TIME AND THAT ANY EMPLOYEE CAN BE TERMINATED FROM EMPLOYMENT AT ANY TIME WITH OR WITHOUT STATED CAUSE OR REASON, EXCEPT AS PROHIBITED BY LAW. NO PERSON OTHER THAN THE CHIEF EXECUTIVE OFFICER AND/OR MEDICAL DIRECTOR, HAS THE AUTHORITY TO GRANT AN EMPLOYEE ANY CONTRACTUAL RIGHTS OF EMPLOYMENT OR TO ENTER INTO A BINDING AGREEMENT WITH THE EMPLOYEE REGARDING HIS OR HER EMPLOYMENT, WHETHER ORAL OR WRITTEN. NO COURSE OF CONDUCT OR ACTION BY ANY PERSON MAY BE INTERPRETED AS CREATING ANY

TYPE OF EMPLOYMENT CONTRACT BETWEEN CORE DERM AND CORE DERMATOLOGY CENTER AND ANY EMPLOYEE OR MODIFYING THE AT-WILL NATURE OF AN EMPLOYEE'S EMPLOYMENT WITH EMPLOYER. THE POLICIES AND PROCEDURES CONTAINED IN THIS EMPLOYEE HANDBOOK ARE GUIDELINES TO EMPLOYMENT WITH EMPLOYER; THEY DO NOT CREATE CONTRACTUAL RIGHTS OR OBLIGATIONS, EXPRESS OR IMPLIED, AND THEY ARE SUBJECT TO ALL EMPLOYMENT REMAINING AT-WILL.

Compliance With Local Laws

This Employee Handbook is being distributed to employees in multiple legal jurisdictions. In some areas, state or local laws and ordinances are in effect which govern the workplace as to issues that may or may not be mentioned in this Employee Handbook. The Employer will fully comply with all applicable state and local laws and ordinances. While we believe that this Employee Handbook complies with all such laws, to the extent there is a conflict between the terms of this Employee Handbook and requirements imposed by any applicable law or ordinance, the Employer will fully comply with the law or ordinance.

Diversity and Inclusion

We embrace the richness of diversity and recognize that a diverse workforce fosters creativity, innovation, and a more inclusive workplace culture. This summary highlights our commitment to supporting diversity in the workplace.

1. **Embracing Diversity:** We value and respect the unique backgrounds, perspectives, and experiences that each employee brings to the workplace. Our commitment to diversity encompasses factors such as race, ethnicity, gender, age, religion, sexual orientation, physical abilities, and cultural backgrounds.
2. **Inclusive Work Environment:** We strive to create an inclusive work environment where all employees feel welcome, valued, and encouraged to do their best. Discrimination, harassment, or exclusion of any kind will not be tolerated.
3. **Equal Opportunities:** We are dedicated to providing equal opportunities for all employees, including hiring, promotions, training, and development. Our decisions are based on merit, qualifications, and performance, without bias.
4. **Celebrating Diversity:** We recognize and celebrate diverse cultural events and observances to embrace the varied backgrounds and traditions of our employees.
5. **Supporting Work-Life Balance:** We acknowledge the importance of work-life balance and strive to accommodate diverse needs, providing flexibility where possible to support the well-being of our employees.
6. **Zero Tolerance for Discrimination:** Discrimination of any kind, including microaggressions, is strictly prohibited and will be addressed promptly through appropriate channels.

By supporting diversity in the workplace, we foster an environment that encourages creativity, fosters innovation, and enhances employee engagement. Together, we build a strong and cohesive team that thrives on the power of our individual uniqueness and shared commitment to our mission and values.

Equal Opportunity Employment Policy

The policy of the Employer is to provide equal employment opportunity to all employees, applicants, or any other covered person under applicable law without discrimination because of the individual's actual or perceived race, color, religion, gender, national origin, age, disability, handicap, veteran status, marital status, military status, sexual orientation, genetic information, gender identity or expression, parental status, or other legally protected characteristics or conduct. All personnel decisions are and will continue to be made in accordance with this policy and with the principle of equal employment opportunity including but not limited to those decisions concerning recruiting, hiring, promotions, transfers, facilities, social and recreational programs, Employer sponsored training, and disciplinary measures.

All employees, particularly management and supervisory personnel, are expected to give their full support and commitment to this policy, and managers and supervisors are responsible for effective implementation and enforcement of the policy within their areas of responsibility.

Additional information regarding every employee's right to be free from discrimination in the workplace under Illinois law is included in [Appendix A](#).

Prohibition Against Sexual Harassment

Our goal is to provide a workplace where employees, unpaid externs/interns, independent contractors, and consultants who perform services for the Employer under a contract, feel respected, valued, and safe. To preserve this atmosphere, the Employer will not tolerate harassment by anyone - including employees, vendors, clients, and/or customers and/or other third parties. This policy applies to conduct at the workplace, at Employer-sponsored events, and at any workplace or working location at which Employer employees and other covered persons work, as well as off-premises conduct that affects any individual covered under this policy in his/her workplace or that creates a hostile, intimidating, or offensive working environment.

For purposes of this policy, "harassment" means unwelcome conduct, whether verbal, physical or visual, because of an employee's, unpaid intern's, independent contractors and/or consultants who perform services for the Employer under a contract, actual or perceived race, color, ancestry, religion, sex, national origin, age, disability, military status, marital status, sexual orientation, genetic information, gender identity or expression, parental status, ancestry, or other legally protected characteristics or conduct, where the unwelcomed conduct affects tangible job benefits, unreasonably interferes with an individual's work performance, or creates an intimidating, hostile, or offensive working environment. All employees have a responsibility to keep the workplace free of any such harassment.

This policy also specifically prohibits sexual harassment. "Sexual harassment" means unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other verbal or physical conduct or communication of a sexual nature where:

- Submission to that conduct or communication is made a term or condition of employment, either explicitly or implicitly; or
- Submission to or rejection of that conduct or communication by an individual is used as a factor in decisions affecting that individual's employment; or
- Such conduct or communication unreasonably interferes with an individual's job performance, or creates an intimidating, hostile, or offensive environment.

No representative of the Employer has the authority to request or require an employee, applicant, unpaid extern/intern, independent contractor and/or consultant who performs services for the Employer under a contract, to submit to sexual harassment as a condition of receiving any job benefit (such as a raise or a promotion, granting of a contract for services) or avoiding any job detriment (such as a pay cut or demotion, termination of contract for services).

Depending upon the circumstances, sexual harassment may include explicit sexual propositions; suggestive comments; sexually-oriented “kidding” or “teasing;” “practical jokes” about gender-specific traits; foul or obscene language or gestures; displays of pornography or other inappropriate printed or visual material; physical contact, such as patting, pinching, or brushing against another's body; textual and/or electronic communication, including “sexting” (electronically sending messages with sexual content, including pictures and video), the use of sexually explicit language, harassment, cyber stalking and threats via all forms of electronic communication (email, text/picture/video messages, intranet/on-line posting, blogs, instant messages and social network websites like Facebook and Twitter).

Employees who engage in harassment in the workplace can expect disciplinary action, up to and including immediate termination. Each case will be reviewed on an individual basis.

Additional information regarding every employee’s right to be free from sexual harassment in the workplace under Illinois law is included in Appendix A.

Internal Complaint Procedure

If you believe that you have experienced or witnessed **any form of unlawful conduct, discrimination, or sexual harassment**, we encourage you to report the incident immediately.

Any employee who experiences job related harassment based on sex, race, or other impermissible factors should promptly report his or her concerns to the designated Human Resources personnel. Furthermore, any employee, contractor, supervisor, or manager who becomes aware of any possible unlawful harassment must also report the incident to the Employer Head of Human Resources. The Human Resources Department will ensure that the Employer conducts a prompt investigation with due regard for the privacy and confidentiality of all parties involved consistent with completing a thorough and complete investigation. If, after investigating, the organization determines that an employee is guilty of harassing another employee in violation of this policy, appropriate disciplinary action will be taken against the offending employee, up to and including termination of employment.

Any violation of policy that is determined to be a deliberate act with malicious intent, a knowing violation or repetitive in nature is subject to disciplinary action up to and including discharge.

Prohibitions Against Retaliation

The Employer will not retaliate against any person for making a good faith complaint under this policy, regardless of the outcome of the investigation. Similarly, the Employer will not retaliate against any person for providing truthful information in connection with an investigation under this policy, for requesting a reasonable accommodation, or for exercising any other legally protected workplace right. (Note that reporting harassment or discrimination, cooperating with an investigation, or requesting a reasonable accommodation will not insulate an employee who has otherwise engaged in conduct that violates the Employers' policies set forth herein from appropriate corrective action). Any employee of the Employer who retaliates against another employee for utilizing in good faith the procedures in this policy will be subject to discipline, up to and including termination.

Employees who believe they are being, or have been subject to, retaliation and/or the employee, particularly any manager or supervisor, becomes aware (e.g., observe or learn, first hand or otherwise) of retaliation against anyone for reporting discrimination or harassment or providing truthful information as part of an investigation under this policy, you must immediately report such conduct using the reporting procedure set forth above. Because false accusations may have a serious impact on the person accused, any employee who makes a report of harassment or discrimination that he or she knows to be false will be subject to disciplinary action, up to and including termination.

Reasonable Accommodations for Disabilities

Employer is committed to complying fully with all applicable federal, state, and local laws that are designed to promote equal opportunity in employment for qualified persons with disabilities.

Employer will make reasonable accommodations for qualified individuals when required by law, unless doing so would result in an undue hardship as defined by applicable law.

Reasonable accommodation can take a variety of forms and may include but are not limited to time away from work, modifications to an employee's work environment, special equipment, reassignment of non-essential job duties, or transfer to other open positions for which the employee is qualified. The Employer therefore evaluates each request on a flexible, case-by-case basis. The individual employee is responsible for initiating a request for accommodation. Requests for accommodation should be directed to Human Resources. Also, when appropriate, the Employer may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals. The Employer will keep all medical information confidential.

Pregnancy and Childbirth

The Employer will provide reasonable accommodations to employees when needed due to pregnancy, childbirth, or related conditions to the same extent that accommodations are provided for other medical conditions or disabilities, and to the extent required by applicable law, unless doing so creates an undue hardship for the Employer.

Additional information regarding pregnancy accommodation rights under Illinois law is included in [Appendix B](#).

Nursing Mothers

The Employer supports mothers who choose to breastfeed and will provide reasonable paid break time and a suitable private location for expressing breast milk during the workday, unless doing so creates an undue hardship for the Employer. The Employer will also comply with all applicable federal, state, and local laws relating to nursing mothers in the workplace.

Employees who wish to make arrangements for break time and a private location to express milk during the workday should contact Human Resources.

Religious Accommodations

The Employer respects the freedom of religion and will grant employees reasonable accommodations when needed to avoid conflicts between work duties and their religious beliefs if it can do so without undue hardship. Employees seeking time off for religious observances should provide as much advance notice of their needs for time off as possible, as it may not be possible to honor last-minute requests. Employees may be required to use available leave time, if any, to cover absences for religious observances. Requests for additional leave or other accommodations will be evaluated on a case-by-case basis.

Requesting Workplace Accommodations

An employee who requires a reasonable workplace accommodation for a disability, due to pregnancy, childbirth, or a related condition, for religious reasons, or for any other reason provided by applicable law, should promptly bring the matter to the attention of the employee's manager or supervisor. The Employer may require the employee to provide documentation or information supporting the request. If an employee seeks an accommodation due to a medical condition, the Employer may also require the employee to be evaluated by a health care provider designated by the Employer. If an accommodation is needed, the Employer will work with the employee to determine what accommodation is appropriate. The Employer is generally not required to provide an accommodation that would result in an undue hardship for it. Additionally, please note that even where the Employer is required to provide a reasonable accommodation, it is not obligated to provide the specific accommodation that an employee requests if another accommodation would also be effective.

Employees who are granted reasonable workplace accommodations will generally be required to perform all their primary essential job functions and to meet the same performance standards and expectations with respect to those job functions as required of similarly situated employees, unless otherwise provided by applicable law.

Immigration Compliance

The Employer is committed to employing only individuals who are authorized to work in the United States and does not unlawfully discriminate because of an individual's actual or perceived citizenship or national origin.

As a condition of employment each new employee must complete the Employment Eligibility Verification Form I-9 and present true and accurate documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form.

All employees must maintain the ability to prove their legal ability to work in the United States as a condition of continued employment. Violation of this policy, either by a new employee or by management, is unacceptable and may lead to discipline, up to and including termination. The Employer takes its I-9

duties seriously. Any employee who violates this policy has no authorization to do so by management.

EMPLOYMENT PRACTICES AND INFORMATION

Background Checks

As a condition of employment at Employer, applicants may be required to undergo a background check. This check is conducted to verify the accuracy and completeness of the information provided during the hiring process and to assess the applicant's suitability for the position. The background check may include, depending on the roles and responsibilities of the job, but is not limited to criminal history, Social Security number verification, Medicare Fraud, applicants name on the OIG Exclusions List, past employment verification, education and licensure verification, and professional references. All information obtained through the background check will be treated with strict confidentiality and used solely for employment-related decisions. Please note that the decision to conduct a background check is in accordance with applicable laws and regulations. If you have any concerns or questions regarding this requirement, please contact the Human Resources Department.

In certain circumstances, a background check may reveal information that could disqualify an applicant from employment at Employer. Disqualifications may be based on applicable federal or state law, the severity of criminal convictions, discrepancies in employment or educational history, or negative feedback from professional references. However, disqualifications will be assessed on a case-by-case basis, considering the nature of the position, the relevance of the findings, and applicable laws and regulations. If an applicant is disqualified due to information obtained from the background check, they will be informed promptly and provided with a copy of the report, along with their rights under the Fair Credit Reporting Act (FCRA).

We are committed to conducting fair and objective background checks and ensuring that employment decisions are made with integrity and in compliance with the law. If you have any questions or concerns about the background check process or potential disqualifications, please contact Human Resources.

No employee may begin work without a Social Security Number or Form OAAN-5029 from the Social Security Administration. Every employee must complete and sign the proper city, state, and federal employee withholding allowance certificates.

All new employees will be required to complete the I-9 form of the Immigration and Naturalization Service.

Nepotism & Fraternization Policy

An employment relationship will not be permitted where a subordinate supervisory relationship exists between two relatives or others in relationships as described below.

In the event of marriage between an employee and supervisor, manager, or director in the same department, one must seek transfer to another department or another area in the department, so the supervisory relationship does not exist. If a transfer cannot be arranged, the employees should decide who will resign, but in the absence of such an agreement, the least senior employee should resign.

employment.

A relative, for the purposes of this policy, is defined as a spouse, common-law spouse, parent, child, sibling, grandparent, grandchild, aunt, uncle, niece, nephew, cousin, step-relative, or in-law relationship. Also covered by the prohibitions of this policy are any close personal relationships, such as between domestic partners, co-habitants or significant others, and employees who are dating or romantically involved.

In the event that two co-workers become romantically involved, the department manager has the authority to determine if the relationship is disruptive to the department. If the manager determines that is the case, one employee must seek a transfer to another department or another area in the department so that the two employees are no longer working together.

If a transfer cannot be arranged, the employees should decide who will resign, but in the absence of such an agreement, the least senior employee should resign.

Pre-Employment Testing

Following a conditional offer of employment, prospective employees may be given pre-employment tests including, but not limited to, typing, word processing, English and grammar skills, drug screening, physical examination and practical skills and job knowledge testing appropriate to the position being sought.

Following a conditional offer of employment, prospective employees may be required to submit to a urinalysis and/or blood tests, and physical examination. Such examinations are intended to check for serum hepatitis, TB, as well as the presence of intoxicating substances or drugs.

Following a conditional offer of employment, employees will be required to read and sign Occupational Exposure to Bloodborne Pathogen information and consents.

Orientation

An orientation interview checklist will be followed by the appropriate department manager. The employee will be asked to review the checklist and sign it to indicate that the subject matter has been covered.

During orientation, a member of the Human Resource Department will cover such things as basic Employer policies and benefits and Employer regulations. Each employee will be given all the appropriate policy and procedure handbooks. Other areas that may be covered are such things as policy relating to attendance, safety, hours of work, patient care awareness, pay practices and pay days, and job and performance expectations during and after the probationary period.

Categories of Employment

Benefit entitlement is related to the category of employment; therefore, each employee is to be classified as to:

1. Regular full-time: Any employee regularly scheduled to work at least 36 hours to 40 hours per week paid hourly or a yearly salary, are eligible for all benefits being offered by the Employer at the time of hiring and throughout their employment.
2. All other employees, who are scheduled to work 24 hours per week or more, are eligible for prorated benefits offered by the Employer at the time of hiring and throughout their employment.

Pro-ration of full-time benefits

30 or greater but less than 36 hours/week	.75
24 or greater but less than 30 hours/week	.50

3. Employees regularly scheduled to work less than 24 hours per week are not eligible for certain benefits such as health insurance, life insurance, holiday pay, PTO, and sick/personal/inclement weather time, but may be eligible for benefits, in the sole discretion of the Employer.

Attendance and Punctuality

Punctual and regular attendance is an essential responsibility of each employee. Employees are expected to report to work as scheduled, on time, and be prepared to start working. Late arrival, early departure or other absences from scheduled hours are disruptive and must be avoided.

If unable to report for work, employees must notify their supervisor no later than 1 hour before the start of their regular shift via phone, text, and/or email. If calling outside of business hours or are unable to contact their supervisor, employees should leave a voicemail message to report the absence. Employees must include a contact number where they may be reached for further information if needed.

Whenever reporting an absence, employees must provide at least the following information:

- The specific reason for the absence, with sufficient information to allow the Employer to determine whether the absence may qualify as FMLA or other legally protected leave;
- When the leave will begin and expected return to work, including specific dates and times of absences, if known;
- A telephone number where you may be reached for further information.

Employees must keep their supervisor informed every day as to when they expect to return to work. In the event an employee is absent due to a medical emergency, the employee's supervisor should be contacted within 24 hours. If unable able to contact the supervisor, have an immediate family member do so. For all absences due to a medical emergency, employees must also provide the Employer with a physician's statement within three business days. If you are absent for three or more days due to an illness, you will be required to present a doctor's release to return to work.

This policy does not apply to absences covered by the Family and Medical Leave Act (FMLA), leave provided as a reasonable accommodation under the Americans with Disabilities Act (ADA), Worker's Compensation leave, or any other state/federal job protected leave program. These exceptions are described in separate policies.

Tardiness

Arrival at any time after the beginning of the employee's scheduled shift is considered late or tardy for performance purposes. Tardiness will be subject to a rolling calendar year for disciplinary action purposes. An instance of tardiness counts as one occurrence. Employees with multiple tardy occurrences will be subject to disciplinary action as follows:

- 3 occurrences = Verbal warning
- 4 occurrences = Written warning
- 5 occurrences = Final Warning
- 6 occurrences = Termination

Unscheduled Absences

An unscheduled absence occurs when an employee is not available for the assigned work schedule without prior approval regardless of the reason. It includes time away from work for a complete or partial (1/2) shift. Absences may be considered scheduled if an employee gives their manager a 24-hour advance notice and the manager approves the absence. If the manager does not approve the absence, the employee will receive an unscheduled absence.

Unscheduled absences will be subject to a rolling calendar year for disciplinary action purposes. An unscheduled absence counts as one occurrence. Employee with multiple unscheduled absences will be subject to disciplinary action as follows:

- 3 unscheduled absences = Verbal warning
- 4 unscheduled absences = Written warning
- 5 unscheduled absences = Final Warning
- 6 unscheduled absences = Termination

For purposes of this policy, an absence shall be considered as one occurrence if the absence occurs over multiple consecutive days. For absences exceeding three days, please refer to the Family Medical Leave Act policy.

Employees who are scheduled to work and call-out with an unscheduled absence on a day or days that coincide with a previous request for time off that was denied will be subject to disciplinary action up to and including termination.

No Call/No Show

Employees who fail to report to work as scheduled with no contact made by the employee before the end of the scheduled shift will have such absences noted as No Call/No Show and will be subject to disciplinary action as follows:

- 1st No Call/No Show = Final Warning
- 2nd No Call/No Show = Termination – Job Abandonment

EMPLOYEE CONDUCT

Substance Policy

Employees are expected to conduct themselves in a manner consistent with providing the highest standard of medical care and services for the patient, which include but is not limited to the following:

1. Smoking

For the comfort of our patients and other employees, the Employer has established a policy providing for a Smoke Free Environment. No smoking is allowed on the premises, inside or outside of any building, or parking lot within which the Employer conducts business. Any employee who is observed smoking in these areas may be subject to disciplinary action including dismissal.

2. Alcohol and Drugs

The Employer is committed to protecting the safety, health, and well-being of all employees, patients, and other individuals in the workplace. We recognize that alcohol abuse and drug use may have a negative impact on our standards of performance. Therefore, Employer has established a drug-free workplace that balances our respect for individuals with the need to maintain an alcohol and drug-free work environment.

Any individual who conducts business for Employer or is conducting business on the organization's property is covered by our drug-free workplace policy. This policy includes, but is not limited to all employees, contractors, volunteers, and externs/interns and applies during all working hours, on call hours, and all time on organization property.

3. Prohibited Behavior

It is a violation of our drug-free workplace policy to use, possess, trade, or sell alcohol, illegal drugs, marijuana, or any intoxicating substance that may impact patient care and safety, and your job performance.

4. Recognizing Impaired Behavior

There may be a time when the behavior of another individual is perceived as being impaired or disruptive. Behaviors that may be exhibited by someone who is impaired due to the use of a substance (alcohol or drug) include: red or watery eyes, slurred speech, staggering, tardiness, or absenteeism, change in personal appearance, tremors, disorientation, a sudden change in mood, or they may exhibit sleepiness.

Any employee who has reason to suspect that one of his or her co-workers is intoxicated or under the influence of alcohol, drugs or medications shall report this immediately to his or her supervisor.

5. Prescription Drugs and Over-the-Counter Drugs

Prescription and over-the-counter drugs are permitted when taken in standard dosage or according to a physician's prescription. Any employee taking prescribed or over-the-counter medications will be responsible for consulting the prescribing physician or pharmacist to ascertain whether the medication may interfere with safe performance of their job. If the use of a medication could compromise the safety of the employee, fellow employees, or the public, it is the employee's responsibility to follow appropriate Human Resources policies regarding ETO, FMLA, etc. to avoid unsafe workplace practices.

6. Illegal or Unauthorized Use of Prescription Drugs

The illegal or unauthorized use of prescription drugs is prohibited. It is a violation of our drug-free workplace policy to intentionally misuse or abuse prescription medications. Employees are not allowed to work while they are impaired, and each situation is reviewed by Human Resources and the employee's manager or director to decide whether to conduct a drug screen for cause.

7. Drug Testing

To ensure the accuracy and fairness in drug testing, all testing will be conducted according to Substance Abuse and Mental Health Services Administration (SAMHSA) guidelines where applicable. Each employee, as a condition of employment, may be required to participate in pre-employment and "for cause" testing upon request of their manager or Human Resources.

8. Suspected Drug Diversion

Controlled substances are tightly controlled because of their potential for abuse or risk of physical dependence. Controlled substances include narcotics and other medications at risk for diversion. Examples of drug diversion include but are not limited to pocketing medication, taking a portion of a patient's medication, improperly disposing of medication, removing, or taking medication, or falsifying the dispensing of a controlled substance.

If a staff member suspects that a controlled substance has been diverted or is missing or observes impairment, it is their responsibility to report it to their immediate supervisor, Human Resources, or the Compliance Department. If a controlled substance is missing and cannot be accounted for, an employee may be asked to submit to drug testing.

Additionally, if a staff member finds a medication cup, syringe, IV tubing, or other medication supply in an inappropriate place (for example, a breakroom, hallway, or public trash can) this must be reported to the staff member's immediate supervisor. Regardless of what the medication is, reporting is required to determine the process for appropriate disposal and notification to the diversion response team.

9. Corrective Action and Discipline

If an individual violates the Employer Drug and Alcohol policy, the consequences are serious and may result in termination. In the case of applicants, if they violate the drug-free workplace policy, the offer of employment can be withdrawn.

10. Searches

Entering the organizational property constitutes consent to searches and inspections. If an individual is suspected of violating the drug-free workplace policy, he or she may be asked to submit to a search or inspection at any time. Searches can include pockets, clothing, lockers, wallets, purses, briefcases, backpacks, lunchboxes, desks, workstations, vehicles, and equipment.

11. Notification of Drug Convictions

Any employee who is convicted of a criminal drug violation must notify their manager and Human Resources in writing within five calendar days of the conviction. Employer will take appropriate action within 30 days of notification.

Any employee found guilty or convicted of illegal possession, use, sale, or distribution of drugs or other controlled substances under the Controlled Substances Act of 1970 shall be discharged.

Any employee arrested on charges of drug abuse or illegal sale or distribution of drugs shall be immediately placed on a leave of absence without pay until the Employer makes a decision on whether employment will be continued.

It is this Employers policy not to hire any individuals who have a past conviction for the illegal distribution or sale of narcotics or other controlled substances. Individuals who are known to be in recovery may be hired only after careful examination of all relevant facts. It is not our policy to discriminate against anyone for having made the unfortunate mistake of becoming addicted to drugs or alcohol; however, the protection of patients entrusted to our care will continue to be our primary concern.

12. Confidentiality

All information received by the organization through the drug-free workplace policy is confidential. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies.

Dress Code and Hygiene

All employees should uphold a standard of professional attire that reflects our commitment to excellence and fosters a positive and respectful work environment. All employees are expected to dress in a manner appropriate to their job responsibilities and the nature of the position that the employee holds. Professional attire may vary depending on the department and position, but as a general guideline, we expect clean, neat, and well-groomed appearances. Clothing should be modest, and attire that is excessively casual, revealing, or distracting is not permitted. In addition, clothing must fit, be clean and wrinkle free, be appropriate for your size, and not drag the floor. Clothing and jewelry which may pose a safety hazard, or

which could interfere with or detract from the delivery of high-quality patient care or other business functions of the employer will not be permitted. Standardized dress, uniforms or scrubs may be required for certain departments or employee types.

In addition, you are expected to always demonstrate professionalism and good judgment concerning make-up, personal hygiene, and appearance. Personal cleanliness and grooming are required, and the use of antiperspirants or deodorants are strongly encouraged. Strong personal fragrances are not permitted (e.g., cologne, perfumes, lotions, aftershaves, etc.).

We believe that professional appearance not only enhances our individual and collective image but also instills a sense of confidence and professionalism in all aspects of our work. In addition, to the above stated dress code and hygiene policy, the following additional guidelines reflect the professional appearance that is expected from an employee, which includes but is not limited to the following:

1. **Hair:** Hair must be clean and neatly styled. Hair must be contained in such a manner that it does not come in contact with patients or visitors or interfere with patient care.
2. **Nails:** Nails should be clean, well groomed, and properly trimmed. Nail length should not interfere with job duties or patient care.
3. **Facial Hair:** Facial hair/beards are permitted but must be kept neat and clean.
4. **Tattoos:** Tattoos are permitted. However, employees who have a visible tattoo that could reasonably be considered degrading, offensive, or demeaning to patients, family members, co-workers, or management must have the tattoo covered at all times while on Employer property. Tattoos on the face are not permitted. Employees will be required to cover a tattoo if a patient complains about it while they are being cared for. In addition, extreme body altering and branding must not be visible. Department Managers and Directors have the authority to ask employees to cover tattoos if they feel the tattoo is extreme or distracting.
5. **Jewelry:** An employee's jewelry should not interfere with job performance or distract others.
6. **Piercings:** Visible piercings (other than earrings and one small nose piercing on the outside of the nose) are not permitted.
7. **Name Badge:** Employees are responsible for wearing their name badge while on duty.
8. **Dresses/Skirts:** Dresses and skirts should be an appropriate length above knee and modest.
9. **Leggings:** Leggings should be covered by a skirt, dress, or long blouse/top.
10. **Footwear:** All footwear should be professional and clean in appearance with no extreme colors. Flip-flops are never allowed. When working or walking through areas where exposure to blood, body fluids, contaminants, sharps, and where hazardous chemical spills are possible, employees must wear shoes with no holes or openings on top or sides.

Exceptions

Requests for an exception to this policy for medical, religious, or cultural beliefs, or questions regarding accommodations, should be directed to the Human Resources Department. Requests will be considered and reviewed on a case-by-case basis. Questions and clarifications should be directed to the Human Resources Department.

CONFIDENTIAL INFORMATION

During the course of employment, employees may be brought into contact with the Employer confidential methods of operation, pricing policies, marketing strategies, knowledge, techniques, trade secrets, product formularies, private label products, and other information about the Employer operations and business of a confidential nature, as well as confidential personnel records or medical information regarding other employees and information or records regarding any customer or customer transaction. This confidential information has a unique and special value to the Employer. The Employer requires that all employees keep and maintain all confidential information in the strictest of confidence and not share this with any person or entity. This policy does not preclude you from disclosing, if you choose to do so, records or information regarding your own employment, or from discussing terms or conditions of employment with other employees.

Additionally, all employees are strictly prohibited from using, copying, or disclosing confidential information except as necessary to perform their job duties for the Employer. Furthermore, employees are prohibited from removing confidential information from the Employer premises or transmitting or downloading any confidential information to their personal computers, cell phones, or other electronic devices, unless authorized by Senior Management.

Employees must take reasonable steps to secure any confidential information to which they have access in the course of their work. This includes, but is not limited to the following:

- Documents containing confidential information should not be left in the open or unsecured.
- Employees who have documents containing confidential information must secure the documents before leaving their work area, for example by placing them in a locked drawer or filing cabinet, or by locking the door to the office.
- Employees should lock or log off their computer workstation before leaving their work area. Unlocked computers should never be left unattended.
- Employees must follow all information security procedures and policies established by the Employers IT department.

All employees are expected to strictly comply with this important policy both during and after their employment with the Employer and are further expected to return to their immediate supervisor or the Human Resources Director any and all confidential information in their possession or control immediately upon termination of their employment with the Employer, or upon request during their employment. This includes such things as passwords, documents or artwork created in the course of employment, books,

equipment, or anything else that contains any confidential information pertaining to the Employer. If you have personal information that you do not wish to share with the Employer, do not use the Employer IT resources to store, send, receive, view or access that information, as all information on the employee's computer is deemed the confidential property and/or property of the Employer.

Under the Health Insurance Portability and Accountability Act ("HIPAA"), a patient's medical condition and medical history is confidential and must not be discussed with anyone either inside or outside the Employer, except on an as-needed basis for treatment of the individual and only then with the informed consent of the patient or in compliance with federal and state regulations.

Certain employees may have access to personnel records from time to time to properly fulfill the Employer's responsibilities as an Employer. These authorized persons are strictly limited to administrative personnel and managers. This information must be used for legitimate business purposes only and not for personal use.

As a condition of employment, certain employees may also be required to sign a separate agreement with the Employer regarding the protection of the Employer's Confidential Information. Violation of such an agreement will also be ground for discipline, up to and including termination of employment. Separately, violation of the **CONFIDENTIAL INFORMATION** clause above may result in discipline up to and including immediate discharge.

Compliance With the Illinois Workplace Transparency Act

Notwithstanding any other provision in this Employment Employee Handbook restricting and/or discussing the use and/or disclosure of confidential information, in accordance with the Illinois Workplace Transparency Act (the "IWTA"), the Employer acknowledges each employee's right to: (1) report any good faith allegations of unlawful employment practices, as that term is defined under the IWTA, to federal, state or local enforcement agencies that have authority to enforce discrimination laws; (2) report any good faith allegation of criminal conduct to appropriate federal, state, or local government officials; (3) participate in proceedings with appropriate federal, state or local enforcement agencies that have authority to enforce discrimination laws; (4) make any truthful statements or disclosures required by law or legal process; and (5) request or receive confidential legal advice.

RESIGNATION AND TERMINATION

Unless expressly proscribed by statute or contract, employment with the Employer is "at will" and may be terminated at any time with or without cause or notice. Similarly, employees are free to resign at any time.

Unless a mutual agreement is reached between the Employer and the employee regarding his or her termination of employment or resignation, the following procedures will be followed:

If termination of employment is initiated by the employee, the Employer expects employees to put their resignation in writing and to provide the Employer with at least two weeks' notice of their intention to resign, to facilitate an orderly transfer of the employee's assigned responsibilities. In some circumstances, the Employer may opt to waive this notice period and accept a resignation effective immediately. This

may happen, for example, if an employee elects to resign due to a sudden unforeseen illness, or if the Employer determines that it is in the best interests of the Employer to end the employment relationship immediately.

In the case of dismissal for cause, the employee's employment generally will be terminated immediately. An employee's involuntary termination for cause does not in any way alter the employment at-will status.

PERFORMANCE EVALUATIONS

Employee evaluation is a continuous process with your manager reviewing your daily work performance. Performance evaluations will be performed on a position-dependent basis. Your supervisor may record in writing how well you are doing, considering the amount and quality of your work, your willingness and ability to learn, your attitude, how often you took an unapproved absence or late and other qualities that may be important to a particular department or work situation. It is the goal of the Employer for each of its employees to receive a formal written performance evaluation once every year.

Performance appraisals are necessarily a subjective and discretionary process. Nothing contained in this policy should be construed as a guarantee that formal reviews will be performed, or the frequency of such reviews. Moreover, although certain objective parameters are incorporated into the performance appraisal when they are performed, nothing contained in this policy should be construed to guarantee that the appraisal process would result in an objective appraisal, which is satisfactory to the reviewed employee. It is hoped that you and your manager will establish clarity of understanding as to current job duties, relative performance of these duties and areas for possible future development and potential career growth.

Contents of Evaluation

Evaluation reports will include manager's judgments of each employee's abilities, effort, work-related personal interactions, attendance and other pertinent factors. For new employees, comparisons will be made with objectives stated at the beginning of orientation. Other employees' evaluations will include comparisons to job objectives and results of the previous evaluations.

Responsibilities

Each employee's manager will complete a performance evaluation report. The manager may seek input from other supervisory personnel who may have direct contact with the employee before completing the form. The employee is responsible for any additional comments which he or she may wish to write in at the end of the evaluation discussion. The evaluation report is a permanent part of each employee's personnel file.

WORKING HOURS AND OVERTIME

Rules governing working hours are established taking into consideration three primary factors:

- The needs of the Employer.
- Legal restrictions and obligations.
- Local competitive practices.

General Guidelines

Basic working hours are 40 hours per week (meal periods are not considered working time). No employee may be regularly scheduled to work more than 40 hours per week.

Overtime

It is the policy of the Employer to pay overtime to employees covered by the overtime provisions of the Fair Labor Standards Act (“FLSA”) or applicable state or local law; that is, all non-exempt employees who are not under an employment contract. A non-exempt employee is an employee who is generally subject to the minimum wage and overtime provisions of the FLSA or applicable state or local law. Non-exempt employees are paid hourly.

The overtime rate is one and one-half ($1\frac{1}{2}$) times the employee’s base hourly rate. Any hours worked more than 40 hours per week are considered overtime.

Paid holiday hours, PTO, and sick/personal/inclement weather leave time will not be counted as hours worked for the computation of overtime in the week in which these hours occur.

No employee eligible for overtime pay may work overtime without prior written approval of the immediate supervisor. Clearly, exceptions will be made if approval is not possible, and patients need our care and attention. Failure to report for overtime duty, whether volunteered or assigned by the Employer, will be considered under the Employer attendance and tardiness policy in the same manner as an absence that occurs during regular working hours. Failure to work scheduled overtime or, in the case of non-exempt employees, overtime worked without prior written approval from your immediate supervisor may result in disciplinary action, up to and including termination.

Records of Time Worked

Employer is required by law to keep records of time worked and time compensated on all employees. This policy is intended to provide a legal record, which may also be useful in the administration of salary and fringe benefit programs.

Non-Exempt Employees

Employee numbers will be supplied by the Employer for all non-exempt employees. Employees are expected to clock in at the beginning of each workday and to clock out at the end of the day. Employees must also clock in and out at the beginning and end of their lunch hour. **Pay for a particular day will begin no earlier than the starting time designated as the beginning of the workday unless the manager pre-approves an earlier time.** The end of the workday will be considered the end of the assigned shift unless overtime has been pre-authorized. Employees should not sign out until the end of the workday so that approved overtime is included in the hours shown on the timecard.

If an employee forgets to clock in or out, he or she is required to notify their manager immediately and a joint entry will be made. The payroll clerk will report any irregularities to the Human Resources Director.

Employees will clock in only for themselves and will not permit any other employee to clock in with their employee number.

Falsifying or tampering with time records, altering time records without authorization and approval of management, working overtime without authorization, or failing to properly record your time may result in disciplinary action up to and including termination of employment. Additionally, errors or delays in recording your time may result in errors or delays in your paycheck.

Questions regarding time paid for any payroll period for non-salaried employees can be directed to the payroll department. Salaried employees are to direct any questions they may have to the Human Resources Director.

Exempt Salaried Employees

If you are an exempt employee paid on a salary basis, you will receive a fixed salary for each workweek in which you perform any work. Deductions from your salary are permitted only under limited circumstances. Absent contrary requirements of state and local law, these include:

- Full-day absences for personal reasons, including vacation.
- Full-day absences for personal illness or injury.
- Full day disciplinary suspensions for infractions of safety rules of major significance.
- FMLA absences.
- To offset amounts received as payments for jury and witness fees or military pay.
- Unpaid disciplinary suspensions for one or more full days due to significant infractions of written workplace conduct rules applicable to all employees.
- The first or last week of employment if you work less than a full week.
- Deductions may also be taken for your portion of the premiums for employee benefits, income tax withholding, payroll taxes, or voluntary contributions to a retirement plan.

Your salary will not be reduced for any of the following reasons in any week in which you performed work:

- Partial-day absences for personal reasons, sickness, or disability other than FMLA leave.
- Absences due to closure of a facility on a scheduled workday.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you performed any work.
- Any other deductions prohibited by state and federal law.

Exempt employees will not be entitled to pay for any workweek in which they perform no work unless they are using available paid leave.

If you believe that any improper deductions have been taken from your salary, you should promptly report the matter to Human Resources so that the issue can be investigated and, if necessary, corrected. If improper deductions are discovered, the Employer will take appropriate measures to ensure that the error is not repeated.

SECTION III: EMPLOYEE BENEFITS, LEAVE AND TIME OFF

BENEFITS

Insurance/Retirement Benefits

Please see the Human Resources Director for current insurance and retirement benefit information.

FAMILY AND MEDICAL LEAVE POLICY

The Employer is committed to compliance with the Family and Medical Leave Act of 1993 (the “FMLA”). The FMLA allows eligible Employees to take up to 12 weeks of job-protected, unpaid leave per year for certain specified reasons, and up to a total of 26 workweeks of leave to care for a family member who is a “covered service member” recovering from injury or illness incurred during active-duty military service.

The following is a description of the Employer specific policies and procedures relating to FMLA leave. This policy is not intended to confer any contractual rights or other legal rights beyond those provided by FMLA and does not alter the “at-will” status of any Employee.

Eligibility

FMLA leave is available only to certain eligible Employees. To be an “eligible Employee” under the FMLA, you must:

1. Have been employed by the Employer for a total of at least 12 months; and

2. Have worked at least 1,250 hours for the Employer during the twelve months before the date on which your leave is to begin; and
3. Work at a location where there are at least 50 Employees employed by the Employer within 75 miles.

Reasons For FMLA Leave

If you are an eligible Employee, you may take leave under the FMLA for the following reasons:

- For a serious health condition that makes you unable to perform the essential functions of your job;
- For the birth of your child, and to care for your newborn child;
- For the placement with you of a child for adoption or foster care;
- To care for your spouse, child (who is under 18 years of age or incapable of self-care due to a physical or mental disability), or parent (not a parent-in-law), who has a serious health condition;
- To address “qualifying exigencies” that arise because your spouse, son, daughter, or parent is a member of the Armed Forces who is on or has been notified of an impending covered active-duty deployment to a foreign country; and/or
- To care for a spouse, son, daughter, parent, or next of kin who is a “covered service member,” while the covered service member is undergoing medical treatment, recuperation, or therapy; is in outpatient status; or is on the temporary disability retired list.

Definitions

Eligibility for FMLA leave will be determined in accordance with the definitions set forth in the FMLA and the applicable FMLA regulations in effect at the time your eligibility for leave is being determined. The following definitions are summaries provided for your convenience and are not intended to modify the definitions set forth in the FMLA or the applicable regulations, to modify any rights that may exist under the FMLA, or to create any right to leave not otherwise required by the FMLA.

Serious Health Condition

For purposes of the FMLA, “serious health condition” means an illness, injury, impairment, or physical or mental condition that involves:

1. In-patient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, or any period of incapacity or subsequent treatment connected with such in-patient care; or
2. Any period of incapacity (i.e., inability to work, attend school, or perform other regular daily activities due to the condition, treatment for the condition, or recovery from treatment), that
 - a. Lasts more than three consecutive calendar days and involves one in-person treatment by a health care provider, a nurse under direct supervision of a health care provider, or by a

provider of health care services (e.g., a physical therapist) under orders of, or on referral by a health care provider that occurs (absent extenuating circumstances) within seven days of the first day of incapacity, and either:

- i. involves a second in-person treatment that occurs (absent extenuating circumstances) within 30 days of the first day of incapacity; or
 - ii. results in a continuing regimen of continuing treatment under the supervision of a health care provider; or
 - b. Is due to pregnancy or prenatal care; or
 - c. Is due to a chronic condition that requires period visits (at least twice per year) for treatment by a health care provider, or by a nurse under direct supervision of a health care provider, that continues over an extended period of time, and that may cause episodic rather than a continuing period of incapacity (for example, asthma, diabetes, epilepsy, etc.); or
 - d. Is due to a permanent or long-term condition for which treatment may not be effective, but for which you or your family member are under the continuing supervision of (but need not be receiving active treatment by) a health care provider; or
3. Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive, full calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, etc.) or kidney disease (dialysis).

Ordinarily, the common cold, the flu, earaches, upset stomach, minor ulcers, headaches other than migraines, routine dental or orthodontic problems, periodontal disease, etc., are examples of conditions that generally do not meet the definition of a serious health condition and do not qualify for FMLA leave.

With regard to substance abuse (including alcohol abuse), FMLA leave may be taken only for treatment of substance abuse by or on referral from a health care provider. Absences caused by the employee's use of the substance, rather than for treatment, do not qualify for FMLA leave.

Health Care Provider

For purposes of the FMLA, "health care provider" means:

- A Doctor of Medicine or osteopathy who is authorized to practice medicine or surgery (as appropriate) by the state in which the doctor practices;
- Podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist), authorized to practice in the state and performing within the scope of their practice as defined under state law;

- Nurse practitioners, nurse midwives, clinical social workers and physician assistants who are authorized to practice under state law and who are performing within the scope of their practice under state law;
- Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts;
- Any health care provider from whom the Employer or the Employer group health plan will accept certification of the existence of a serious health condition to substantiate a claim for benefits; and
- A health care provider listed above who practices in a country other than the United States, who is authorized to practice in accordance with the law of that country, and who is performing within the scope of his or her practice as defined under such law.

For purposes of the FMLA, “authorized to practice in the state” means that the health care provider is authorized by state law to diagnose and treat physical or mental health conditions.

Qualifying Exigency

For purposes of FMLA leave to address a “qualifying exigency” that arises because an employee’s spouse, son, daughter, or parent is a member of the Armed Forces who is on or has been notified of an impending covered active-duty deployment to a foreign country, the term “qualifying exigency” means the following:

- Issues that arise from the fact that a covered military member is notified of an impending deployment to a foreign country seven or fewer days before the date of deployment. Employees are eligible for leave for this purpose for a period of seven calendar days beginning on the day the military member is notified of the impending deployment.
- Attending military events and related activities, such as ceremonies, programs and briefings sponsored by the military, military service organizations, or the American Red Cross, that are related to the covered active-duty deployment of a covered military member.
- Attending to childcare and school-related activities arising from a military member’s covered active-duty deployment, such as arranging for alternative childcare, providing childcare on an urgent, immediate need basis (but not on a routine, regular, or everyday basis), enrolling in or transferring a child to a new school or daycare facility, attending meetings with staff at a school or daycare facility.
- Making financial and legal arrangements to address the covered military member’s absence during a covered active-duty deployment.
- Acting as the covered military member’s representative before a government agency for purposes of obtaining, arranging, or appealing military service benefits while a covered military member is on a covered active-duty deployment and for a period of 90 days following the end of the deployment.
- Attending counseling provided by someone other than a health care provider for oneself, for the covered military member, or his or her child.

- To spend time with a covered military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible employees may take up to fifteen days of leave for each instance of rest and recuperation.
- To attend to post-deployment activities, including official ceremonies and programs sponsored by the military for a period of 90 days following the termination of a covered military member's active-duty deployment, and to address issues arising from the death of a covered military member while on covered active duty, such as recovering the body and making funeral arrangements.
- Parental care (allows family members to take time off to arrange for care for parents of military members who are incapable of self-care when the need for leave arises because of active duty or a call to active duty. This cannot be used for routine day-to-day care).
- Additional activities as agreed upon by the Employer and the Employee.

Exigency leave protections apply to family members of military members who are in reserve units, retired Armed Forces and who are in the regular Armed Forces so long as the military member is on or has been notified of an impending covered active duty.

For purposes of this section, "covered active duty" means:

- For members of the Regular Armed Forces, duty during deployment of the member with the Armed Forces to a foreign country; or
- For members of the Reserve components of the Armed Forces (members of the National Guard and Reserves), duty during deployment of the member with the Armed Forces to a foreign country under a call or order to active duty in support of a contingency operation.

Leave to Care for a Covered Service member

The following definitions apply to leave to care for a "covered service member":

1. A "Covered Service member" is either:
 - a. A member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness, OR
 - b. A veteran of the Armed Forces (including the National Guard or Reserves) discharged within the five-year period before the family member first takes military caregiver leave to care for the veteran and who is undergoing medical treatment, recuperation, or therapy for a qualifying serious injury or illness. A veteran who was dishonorably discharged does not meet the FMLA definition of a covered service member.

2. A “serious injury or illness” means:

- a. In the case of a current member of the Armed Forces, an injury or illness incurred in the line of duty on active duty in the Armed Forces, or one that existed before the beginning of the covered service member’s active military service, but that was aggravated by service in the line of active duty in the Armed Forces, that may render the member medically unfit to perform the duties of the member’s office, grade, rank, or rating; or
- b. In the case of a veteran, an injury or illness that was incurred by the covered veteran in the line of duty on active duty in the Armed Forces or that existed before the veteran’s active duty and was aggravated by service in the line of duty on active duty, and that is either:
 - i. a continuation of a serious injury or illness that was incurred or aggravated when the veteran was a member of the Armed Forces and rendered the service member unable to perform the duties of the service member’s office, grade, rank, or rating; or
 - ii. a physical or mental condition for which the veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and the need for military caregiver leave is related to that condition; or
 - iii. a physical or mental condition that substantially impairs the veteran’s ability to work because of a disability or disabilities related to military service, or would do so absent treatment; or
 - iv. an injury that is the basis for the veteran’s enrollment in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

3. “Next of kin” means the nearest blood relative, other than spouse, parent, son, or daughter, in the following order of priority: blood relatives granted legal custody over the covered service member by court decree or statutory provisions, brothers and sisters, grandparents, aunts and uncles, and first cousins. If the covered service member has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of military caregiver leave under the FMLA, that relative (and only that relative) will be the covered service member’s next of kin. When no such designation is made and there are multiple family members with the same level of relationship to the covered service member, all such family members are considered the covered service member’s next of kin.

Amount of Leave

Generally, eligible employees are entitled to take up to 12 weeks of leave in a single 12-month period for the reasons specified above.

For the purposes of this policy, the Employer will calculate the amount of FMLA leave available to you using a “rolling” 12-month period measured backward from the date an Employee uses any FMLA leave. Available leave is determined by subtracting the number of weeks of FMLA leave taken during this 12-month “look back” period from the 12-week total allowed.

Any leave taken for the birth or care of a child or the placement of a child for adoption or foster care must be completed within one year after the date of birth or placement.

If both you and your spouse are employed by the Employer and eligible for FMLA leave, you will be permitted to take only a combined total of 12 weeks of leave during a 12-month period for the birth and care of a child, the placement of a child for adoption or foster care, or to care for a parent (not a parent-in-law) with a serious health condition.

Eligible employees are also entitled to up to 26 workweeks of leave in a single 12-month period to care for a spouse, son, daughter, parent, or next of kin who is a “covered service member.” The 12-month period for leave to care for a covered service member begins on the first day that an employee takes leave to care for a covered service member. During this period, the employee is entitled to a combined total of 26 workweeks of leave for any FMLA-qualifying reason, no more than 12 weeks of which may be for reasons other than to care for a covered service member. This leave is applied on a per-covered-service member, per-injury basis, meaning that an employee is entitled to only one 26-workweek allotment of leave per covered service member (unless the covered service member is later re-injured in the line of active duty). If both you and your spouse are employed by the Employer and are eligible for FMLA leave, you will be permitted to take only a combined total of 26 workweeks of leave during the single 12-month period for this reason.

How to Request FMLA Leave

If the need for FMLA leave is foreseeable, an eligible employee must provide as much advance notice as possible, but in no event less than 30 days advance notice. If the need for FMLA leave is not foreseeable, an eligible employee must provide notice as soon as practicable under the circumstances. “As soon as practicable” generally means the same or the next business day. If the medical leave is foreseeable, and is based on planned medical treatment, eligible employees should make a reasonable effort to schedule the treatment so that it will not disrupt operations of the Employer, if applicable.

Leave may be delayed if the employee fails to provide timely notice without reasonable excuse or fails to follow the Employers usual notice and procedural requirements for calling in absences or requesting leave.

What Information is Required

To request FMLA leave, you must provide at least the following information:

- The specific reason for your absence, with sufficient information to allow the Employer to determine whether the FMLA may apply to your request;
- When your leave will begin and when you expect to return to work, including specific dates and times of absences, if known; and
- A telephone number where you may be reached for further information.

Calling in “sick” without providing further information is not acceptable.

As soon as practicable, you must submit a completed FMLA Leave Request Form to Human Resources.

Intermittent and Reduced Schedule Leave

When taking FMLA leave for your own serious health condition, to care for a family member with a serious health condition, or to care for a covered service member, you may take FMLA leave on an intermittent or reduced schedule basis, if the required health care provider's certification indicates that this is medically necessary. FMLA military family leave may also be taken on an intermittent or reduced schedule basis when necessary due to a qualifying exigency.

If you require foreseeable intermittent or reduced schedule leave, you will be expected to consult with your supervisor to work out a schedule for such leave that meets your needs without unduly disrupting Employer operations, subject to approval by the health care provider.

Likewise, if you need FMLA leave due to planned medical treatment for your own or a family member's serious health condition, you will be expected to consult with Human Resources to work out a treatment schedule that best suits your needs and the needs of the Employer, subject to approval by the health care provider. In some circumstances, the Employer may alter your existing job (while maintaining existing pay and benefits) or may temporarily transfer you to a different position with equivalent pay and benefits, to better accommodate your intermittent or reduced schedule leave.

The Employer may consider requests for intermittent or reduced schedule leave due to the birth, adoption, or foster placement of a child, but is not obligated to grant such requests, and will do so only at its sole discretion.

Eligibility Notice

After you give notice of your need for FMLA leave, the Employer will provide you with a written notice advising you whether or not you are an "Eligible Employee" under FMLA. The Employer will provide this eligibility notice within five business days after you give notice of your need to leave, absent extenuating circumstances. If you later make another request for FMLA leave within the same 12-month period, the Employer may elect not to provide another eligibility notice, unless your status as an eligible employee has changed. Note that even if you are an "eligible employee" under the FMLA, your request for leave may be denied if the Employer determines that your leave is not for an FMLA-qualifying reason, or if you have exhausted all available leave under FMLA.

At the same time as it provides the eligibility notice, the Employer will provide you with a written notice advising you of any applicable rights and responsibilities relating to your requested FMLA leave.

Certification

It is your responsibility to provide the Employer with any information needed to determine whether your leave qualifies as FMLA leave. The FMLA requires you to respond to reasonable requests for information regarding your leave, and your failure to do so may result in delay or denial of your requested leave. In addition, you may be required to provide the certifications described below. It is your obligation to provide a complete and sufficient certification form to the Employer within 15 calendar days after the Employer requests it. If it is not practicable for you to provide a completed, sufficient certification form within 15 days despite your diligent, good-faith efforts to do so, you must contact Human Resources to explain the situation.

If you return a certification form but it is incomplete (i.e., one or more items are left blank) or insufficient (i.e., responses are vague, illegible, ambiguous, or non-responsive), the Employer will notify you of the deficiency. You will then have 7 calendar days to provide a complete, sufficient certification. If it is not practicable for you to provide a completed, sufficient certification form within 7 days despite your diligent, good-faith efforts to do so, you must contact Human Resources to explain the situation.

Certification of a Serious Health Condition

If you are requesting FMLA leave due to your own serious health condition, or to care for a family member with a serious health condition, you will be required to provide a health care provider's certification on a form that will be provided by the Employer.

Authentication and Clarification

The Employer may contact the health care provider to authenticate a completed certification form by providing the health care provider a copy of the form and requesting verification that the information contained on the form was written or authorized by the health care provider who signed the document.

Additionally, the Employer may request clarification of information on the certification form, and may ask you to sign, or have your family member sign, a release form authorizing the health care provider to communicate with the Employer for the purpose of clarifying the certification. If the certification is unclear and you fail to provide a signed authorization or otherwise clarify the certification, the Employer may deny your request for FMLA leave.

Second and Third Opinions

The Employer may require you to obtain a second certification at the Employers expense from a health care provider designated by the Employer. If the second health care provider's certification differs from your health care provider's certification, the Employer may require you to obtain certification from a third health care provider, again at the Employers expense. The third health care provider will be designated or approved jointly by you and the Employer. You and the Employer are required to act in good faith to attempt to reach agreement on a third health care provider. The third opinion will be final and binding.

Recertification

If you take leave due to your own or a family member's serious health condition, you may be required to submit a complete and sufficient recertification from your health care provider as often as every 30 days in conjunction with an absence. If your health care provider's initial certification specifies that the minimum duration of the condition for which you are taking leave is longer than 30 days, you may be required to submit a recertification in conjunction with an absence when the minimum duration expires, or every six months, whichever is less. You also may be required to provide a recertification if you request an extension of leave, the circumstances described in the original certification have changed significantly, or the Employer receives information raising doubt as to the stated reason for your leave or the continuing validity of the previously provided certification. The Employer will provide you with the required recertification form when a recertification is required.

Certification of a Qualifying Exigency

If you request FMLA leave due to a qualifying exigency arising out of the active-duty deployment of a member of the Armed Forces, you will be required to submit a complete and sufficient certification form provided to you by the Employer, and to provide the documentation requested therein. If the qualifying exigency for which you are taking leave involves a meeting or appointment with a third party, the Employer may contact the third party for purposes of verifying the meeting or appointment and the nature of the meeting or appointment. The Employer also may contact an appropriate unit of the Department of Defense to request verification that the covered military member is on active duty or called to active-duty status.

Certification for a Covered Service Member

If you request leave to care for a covered service member with a serious injury or illness, you will be required to obtain a certification from the service member's authorized health care provider on a form provided to you by the Employer. Any one of the following may complete this certification: A U.S. Department of Defense ("DOD") health care provider; a U.S. Department of Veteran's Affairs health care provider; a DOD TRICARE network authorized private health care provider; a DOD non-network TRICARE authorized private health care provider; or a non-military-affiliated health care provider.

The Employer may contact the health care provider to authenticate a completed certification form by providing the health care provider a copy of the form and requesting verification that the information contained on the form was written or authorized by the health care provider who signed the document.

Additionally, the Employer may request clarification of information on the certification form and may ask that the covered service member sign a release authorizing the health care provider to communicate with the Employer for the purpose of clarifying the certification. If the certification is unclear and you fail to provide a signed authorization or otherwise clarify the certification, the Employer may deny your request for FMLA leave.

If certification is provided by a non-military-affiliated health care provider, the Employer may request a second or third opinion of a covered service member's serious injury or illness. In this situation, the process above with respect to second and third opinions applies.

Designation of FMLA Leave

The Employer will provide you with a written notice advising whether your leave will be designated as FMLA leave. Absent extenuating circumstances, the Employer will provide this notice within five business days after it receives sufficient information to determine whether your requested leave is for an FMLA-qualifying reason. If the Employer does not provide the designation notice within the time specified above, the Employer may retroactively notify you that time off will be designated as FMLA leave if the delay in providing this notice does not cause you harm or injury, or if you and the Employer agree that the time off will be designated as FMLA leave.

Unpaid Leave and Substitution of Paid Leave

FMLA leave is generally unpaid. However, if you have any available unused paid leave, your paid leave must be used concurrently with your FMLA leave and must be exhausted before any unpaid portion of

your FMLA leave commences. Likewise, if you are eligible for any other disability benefits through workers' compensation or a disability insurance policy provided by the Employer, those benefits will run concurrently with your FMLA leave.

Health Benefits

If you are enrolled in the Employer group health insurance plan and wish to continue this coverage while you are on FMLA leave, you will be responsible for paying the employee's normal copayments prior to the first day of each month during which coverage is to be provided. An employee who fails for more than 30 days to pay for his or her share of the health insurance premium will be dropped from coverage until you return to work. The Employer will continue to pay its share of the premiums for your group health insurance coverage while you are on FMLA leave, unless you notify the Employer of your intent not to return to work following leave.

If you do not return to work upon completion of your FMLA leave, you may be required to repay the Employer for any premiums paid by the Employer to maintain your group health insurance coverage during your leave, unless the failure to return to work was due to the recurrence or onset of a serious health condition or injury or illness of a covered service member, which would otherwise entitle you to FMLA leave, or due to other circumstances beyond your control.

Other Benefits

The Employer is not obligated to maintain life insurance or other insured benefits while you are on FMLA leave. To continue such benefits during any period of unpaid FMLA leave, you will be required to pay the entire cost of such benefits. The Employer will provide you with instructions for making these payments.

Consistent with Employer policy for all types of unpaid leave, you will not earn PTO, earned sick time, or other benefits while you are on unpaid FMLA leave. Additionally, you will not be paid for holidays that occur during any unpaid FMLA leave.

Reporting Requirements During Leave

While on FMLA leave for a period of more than one work week at a time, you may be required to contact Human Resources periodically to report on your status and confirm your intention to return to work on the scheduled date.

You must notify the Employer of any change in your expected return to work date (i.e., if you will require more leave than originally anticipated, or if you will return to work earlier than expected) within two business days after you learn of such a change. If this is not possible due to an unforeseen change in circumstances, you must notify the Employer of the change as soon as practicable under the circumstances.

Reinstatement at the Conclusion of Leave

If you timely return from FMLA leave and used the leave for the stated purpose, you generally will be reinstated to the same position you held when you began your leave, or to an equivalent position with equivalent benefits, pay and other terms and conditions of employment. However, you may not be reinstated if your employment would have terminated for reasons unrelated to your FMLA leave, or if you are unable to perform any essential functions of your job (with or without any required accommodations).

Additionally, the FMLA provides a limited exception to the Employer reinstatement obligation for “key” employees. A “key” employee is a salaried, FMLA-eligible employee who is among the highest-paid 10% of employees located within 75 miles of the work site in question. Under limited circumstances where restoration to employment will cause substantial and grievous economic injury to its operations, the Employer may deny reinstatement to a key employee after FMLA leave. The Employer will notify you if you are a “key” employee at the time leave is requested, will notify you if it decides to deny restoration, and will provide you a reasonable opportunity to return to work after providing such notice.

Before returning to work from an FMLA leave for your own serious health condition, you may be required to submit a certification from your health care provider that you are able to resume work. If requested, this certification must specifically confirm that you are able to perform the essential functions of your position (with or without reasonable accommodations), as set forth in the job description provided to you by the Employer.

Prohibitions

Consistent with the Employer policy regarding all types of leave, the following conduct is strictly prohibited in relation to FMLA leave:

- Engaging in fraud, misrepresentation or providing false information to the Employer or any health care provider.
- Having other employment during the leave, without prior written approval from the Employer.
- Failure to comply with the Employee’s obligations under this policy.
- Failure to timely return from the leave.

Employees who engage in such conduct will be subject to loss of benefits, denial or termination of leave, and discipline, up to and including discharge.

The Employer Commitment

The Employer will not interfere with, restrain, or deny the exercise of any right provided by the FMLA, nor will it discharge or discriminate against any individual.

ILLINOIS FAMILY MILITARY LEAVE

Under the Illinois Family Military Leave Act, eligible Illinois employees who are the spouses or parents of a person called to state or federal military service lasting longer than thirty days are eligible for leave up to 30 days.

To be eligible for leave under this Act, you must have worked for the Employer for at least twelve months and at least 1,250 hours in the twelve months immediately preceding the requested leave. Furthermore, you must first exhaust all your available paid leave before you are eligible for family military leave under the Act.

HOLIDAYS

Schedule Of Holidays

We will observe the following holidays:

1. New Year's Day
2. Memorial Day
3. Fourth of July
4. Labor Day
5. Thanksgiving Day
6. Christmas Day

Eligibility

Regular employees not under an employment agreement are eligible for holiday pay immediately upon employment. Employees who are under employment agreements should refer to their individual contract.

Employees must work their scheduled days before and the scheduled day after the holiday to be eligible for holiday pay, unless the employee is absent due to an illness supported by a doctor's statement.

Full-time employees are paid eight (8) hours for the above holidays (if an employee works a condensed workweek i.e., four (4)-ten (10) hour days the employee should discuss holiday hours with their supervisor). Three-quarters and part-time employees will get pro-rated holiday pay based on their normal work schedule. Typically, when a holiday is on a Saturday, the Employer observes it on Friday. When a holiday is on a Sunday, the Employer observes it on Monday.

Due to the nature of their business, employees scheduled to work in Skin Dimensions Day Spa may be given different days off, during the same pay period, at the determination of their manager.

If an employee is working a condensed workweek and the paid holiday falls on an employee's regularly scheduled day off, the employee will be given another day off (to be determined by supervisor) during that pay period.

Holidays worked will be paid at additional straight time. Paid holiday hours will not be counted as time worked for the computation of weekly overtime.

An employee may request time off for a religious observance. Every reasonable effort will be made to satisfy this request. However, consideration must be given to the advance notice of the request and the essential needs of the Employer to meet the operating standards, schedules, and other business-related employment conditions. Unused PTO may be used in such cases.

BEREAVEMENT TIME (DEATH IN THE IMMEDIATE FAMILY)

General Guidelines

1. To be eligible for paid bereavement time an employee must have completed his/her first calendar day as an employee.
2. An employee who suffers a death in his or her immediate family will be granted up to three (3) days paid bereavement time.
3. Pay for such leave will be at regular straight time base rate.
4. Immediate family consists of the employee's spouse, child, parent, brother, sister, father-in-law, mother-in-law, stepparents, stepchildren, grandparents, and grandchildren of employee and spouse.
5. Each day of paid time off must be a regularly scheduled workday.
6. Time off without pay may be arranged with the department manager to attend the funeral of other relatives or close friends.
7. Employees are allowed to take one (1) day off from a regularly scheduled day with regular pay in the event of the death of employee's brother-in-law, sister-in-law, aunt, or uncle.
8. Employees may be required to provide supporting documentation regarding requested bereavement leave and pay.

UNPAID LEAVE FOR DEATH OF A COVERED FAMILY MEMBER

Employees who are "eligible employees" under the Family and Medical Leave Act may take up to two weeks (10 working days) of unpaid bereavement leave due to the death of a covered family member. A "covered family member" for purposes of this policy means the employee's child, stepchild, spouse, domestic partner, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, aunt, uncle, stepparent, foster child, a legal ward, or a child for whom the employee stands in loco parentis. Additionally, employees experiencing miscarriages, unsuccessful rounds of intrauterine insemination or of assisted reproductive technology procedures, failed adoption matches, adoptions not finalized due to being contested by another party, failed surrogacy agreements, diagnoses that negatively impact pregnancy or fertility, and stillbirths may also take up to two weeks (10 working days) of unpaid bereavement leave.

If more than one of an employee's children dies during a 12-month period, the employee is entitled to up to 6 weeks of bereavement leave under this policy during the 12-month period.

Leave under this policy must be used within 60 days after the date on which the employee receives notice of the death of the covered family member or the date on which the leave related to a pregnancy loss, failed adoption, unsuccessful reproductive procedures, or other diagnoses or events impacting fertility and

pregnancy. An employee who wishes to use leave under this policy must provide the Employer with at least 48 hours' advance notice, unless providing such notice is not reasonable or practicable under the circumstances. The Employer may require reasonable documentation to support a request for leave under this policy.

Employees who have available paid leave may elect to substitute their paid leave for any period of unpaid leave under this policy to the extent permitted by the applicable paid leave policy.

Nothing in this policy creates a right for an employee to take unpaid leave exceeding the unpaid leave time allowed under or in addition to the unpaid leave time permitted by the Family Medical Leave Act.

SCHOOL VISITATION LEAVE

Employees who have been employed at the Employer for at least 6 months and who have exhausted all available paid leave may take up to eight hours of unpaid leave during a school year to attend school conferences, behavioral meetings, or academic meetings related to the employee's child that the employee cannot schedule during nonworking hours. You may not take more than four hours in one workday under this provision.

To take this leave, you must give the Employer at least seven days' notice of the need for school visitation leave. Where the need for leave is an emergency, 24 hours will suffice. Upon completion of the school visitation, you must obtain documentation of the visit from the school administrator and provide a copy to Human Resources. If you do not provide Human Resources with documentation of the school visit within two working days of the visit, you may be subject to disciplinary action.

BONE MARROW, ORGAN, AND BLOOD DONATION LEAVE POLICY

Eligibility

All employees are eligible to take bone marrow, organ and blood donation leave under this policy.

Bone Marrow Donation Leave

Employees may take up to 30 hours of unpaid leave per 12-month calendar period to donate bone marrow. Any Employee requesting bone marrow donation leave must provide Human Resources with a written physician verification of the purpose and length of bone marrow donation leave and complete a Leave Request Form as far in advance as possible, but not less than 20 calendar days before the leave is scheduled to begin.

Organ Donation Leave

Employees may take up to 30 hours of unpaid leave per 12-month calendar period to serve as an organ donor. Any employee requesting organ donation leave must provide Human Resources with a written physician verification of the purpose and length of the organ donation leave and complete a Leave Request Form as far in advance as possible, but not less than 20 calendar days before the leave is scheduled to begin.

Blood Donation Leave

Employees may take up to one hour of paid leave every 56 days to donate blood. If an employee's attempt to donate blood was unsuccessful as determined by the blood bank, the employee will not forfeit the hour of paid leave.

To request leave for blood donation, you must provide advance notice to Human Resources and complete a Leave Request Form as far in advance as possible, but not less than 20 business days before the leave is scheduled to begin. You must also provide documentation of your blood donation appointment at the time of your request for leave. After your appointment, you must provide a written statement from the blood bank confirming that you kept your appointment.

Blood donation leave taken under this policy will not run concurrently with any accumulated sick or PTO provided by the Employer.

Compensation During Bone Marrow and Organ Donation Leave

Leave for bone marrow and/or organ donation leave under this policy is unpaid. Employees may choose to use available accrued but unused PTO/paid sick time in lieu of unpaid leave. Any leave that is accrued under this policy, but not used, will not carry over to the next calendar year.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

ILLINOIS VICTIMS' ECONOMIC SECURITY AND SAFETY ACT

The Illinois Victims' Economic Security and Safety Act (VESSA) provides that Illinois employees who are victims of domestic, sexual or gender violence or have a family or household member who is a victim of domestic, sexual or gender violence are entitled to certain reasonable accommodations and may take up to 12 weeks of leave from work on an unpaid basis during any 12-month period in order to address these issues. A "family or household member" includes any person related by blood, or by present or prior marriage, and any other person who shares a relationship through a son or daughter. Please contact Human Resources for further information about leave or accommodations available under VESSA.

Leave Entitlement

Specifically, an employee may take VESSA leave to:

- Seek medical attention for, or recovery from, physical or psychological injuries caused by domestic, sexual or gender violence to the employee or employee's family or household member;
- Obtain victim services for the employee's or employee's family or household member;
- Obtain psychological or other counseling for the employee or the employee's family or household member;
- Participate in safety planning, including temporary or permanent relocation or other actions to increase the safety of the victim from future domestic, sexual or gender violence; or
- Seek legal assistance to ensure the health and safety of the victim, including participating in court proceedings related to the violence.

VESSA leave may be taken intermittently or on a reduced work schedule. Employees may request further

information about these options from the Human Resources Department.

Whenever an employee is granted leave for reasons which would entitle the employee to leave under VESSA, the leave will be counted against an employee's 12-week VESSA leave entitlement. Any FMLA leave taken by an employee will also be counted against the employee's available leave under VESSA. VESSA leave will be counted against an employee's available leave under the FMLA if the reason for the VESSA leave would also entitle the employee to take FMLA leave.

Requesting Leave

Employees who wish to take VESSA leave must notify Human Resources of their intent to take leave at least 48 hours before the start of the leave unless such notice is not practicable. Employees will also be required to submit in writing to Human Resources the reason for their absence. Employees may be required to provide additional documentation certifying that VESSA leave is being taken for one of the purposes listed above, and that the employee or employee's family or household member is a victim of domestic or sexual violence. Such documentation may include a sworn statement from the employee, documentation from a victim services organization, attorney, member of the clergy, or medical or other professional from whom the employee or the employee's family or household member has sought assistance, a police or court record, or other corroborating documentation. If employees do not provide this information, VESSA leave may not be granted and/or maintained, and their absence may be considered unexcused.

Pay and Benefits During VESSA Leave

VESSA leave is unpaid. However, employees may elect to use accrued, unused paid leave benefits concurrently with VESSA leave to receive pay for the leave period, subject to the terms and conditions under the applicable paid leave policies. Employees may elect to continue their health and life insurance coverage during VESSA leave. Employees on VESSA leave will not be charged more than other employees for health insurance premiums. Employees on unpaid VESSA leave will be instructed on how to pay their share of the insurance premiums during leave. Employees who fail to pay insurance premiums in a timely manner as instructed during VESSA leave may be dropped from coverage until they return to work at the conclusion of the VESSA leave.

Reporting During Leave and Return from Leave

During VESSA leave, employees will be required to maintain contact with Human Resources to verify their status and their intent to return to work. The Employee is responsible for timely requesting any desired extension of a previously approved VESSA leave. Extension of a leave should be requested, if practicable, at least forty-eight hours before the expiration of the initial leave.

An employee who timely returns from VESSA leave will generally be reinstated to the same position that the employee would have held had the employee not taken leave, or to an equivalent position with equivalent benefits, pay and other terms and conditions of employment. An employee's use of VESSA leave will not result in the loss of any employment benefit that the employee earned or was entitled to before using VESSA leave.

However, an employee has no greater right to reinstatement or to other benefits and conditions of employment than if the Employer had continuously employed the employee during the VESSA period. Therefore, an employee who would have been terminated, laid off or reassigned had he or she been on active status may not be reinstated.

Reasonable Accommodation

The Employer will provide reasonable accommodations to otherwise qualified employees who have known limitations resulting from circumstances relating to being a victim of domestic, sexual or gender-related violence, as defined below, unless doing so would impose an undue hardship upon the operations of the Employer. Employees who require reasonable accommodation under this policy should notify Human Resources and must cooperate with the Employer's efforts to determine whether accommodation is necessary, and, if so, to identify appropriate accommodation.

Confidentiality

The Employer will comply with VESSA's requirements regarding the confidentiality of information relating to an employee's request for leave or accommodation under this policy.

Prohibited Conduct

The Employer will not tolerate discrimination or harassment against any employee because of such employee's actual or perceived status as a victim of domestic, sexual or gender violence, or family or household member of a victim of domestic, sexual or gender violence. Employees who feel that they have been subjected to discrimination or harassment in violation of this policy must immediately report such discrimination or harassment.

Additionally, the Employer will neither retaliate nor tolerate any form of retaliation against any employee for making a good-faith request for leave or accommodation under this policy or exercising any right under VESSA. If any employee believes that he or she has been retaliated against for exercising his or her rights under this policy or the FMLA, the employee must report such conduct. Because false accusations may have serious impact upon the person accused, an employee who makes a complaint that he or she knows to be false will be subject to disciplinary action, up to and including termination of employment.

Management's Responsibilities

Managers who are notified that an employee requires leave or reasonable accommodation for the reasons specified above must notify Human Resources. Managers must cooperate with Human Resources with respect to the administration of this policy.

MILITARY LEAVE

The Employer has the greatest respect for those who serve in the military, and fully supports employees who choose to serve, including but not limited to those serving in the National Guard and Reserves. The Employer abides by all applicable State and Federal laws related to Military Leave rights. All requests for Military leave should be submitted to Human Resources. Employees may be asked to provide copies of their orders or other appropriate documentation.

If an employee is a member of the National Guard or Military Reserve, the Employer will provide differential pay up to two (2) weeks for those required to serve annual military training. To be eligible for differential pay for military reserve training duty, an employee must have completed six (6) months continuous service. Differential pay will be determined by offsetting the total of base military pay, including longevity, flight pay, submarine pay, jump pay, but exclusive of subsistence, quarters, and travel

allowance against the employee's regular straight time base pay for regularly scheduled weekly hours. Differential pay will not be paid for more than two weeks in any calendar year. National Guard or Military Reserve duty, beyond two (2) weeks, will be unpaid.

For an employee that is called to active duty, the employee may be granted up to four years of unpaid leave, however, the employee's benefit coverage stops on the last day of work before entering active military service. An employee on active duty may elect and pay for continuation of coverage.

Upon an employee completing his/her your active military service, you will be reinstated to the full extent required by applicable law. To be eligible for reinstatement, you must apply for reemployment within the time periods provided by applicable law. Under federal law, the following time periods apply:

- If service is less than 31 days (or for the purpose of taking an examination to determine fitness for service) - you must report for reemployment at the beginning of the first full regularly scheduled working period on the first calendar day following completion of service and the expiration of eight hours after a time for safe transportation back to your residence.
- If service is for 31 days or more but less than 181 days- you must submit an application for reemployment no later than 14 days following the completion of service.
- If service is over 180 days - you must submit an application for reemployment no later than 90 days following the completion of service.
- If you are hospitalized or convalescing from a service-connected injury - you must submit an application for reemployment no later than two years following completion of service.

Reemployment may be denied in certain circumstances, including the following:

- The Employer circumstances have so changed as to make reemployment impossible or unreasonable.
- Reemployment would pose an undue hardship upon the Employer.
- The employee's employment prior to the military service was for a brief, non-recurrent period and there was no reasonable expectation that the employment would have continued indefinitely or for a significant period.

When applying for reemployment, you may be asked to provide military discharge documentation establishing the timeliness of your application for reemployment, the duration of your military service, and your honorable discharge from the military service. If state or local law provide for greater reemployment benefits, the Employer will comply with those laws to the extent applicable.

SICK/PERSONAL/INCLEMENT WEATHER DAYS

Eligibility

All employees working 24 hours or more per week and not under an employment agreement are eligible for sick/personal/inclement weather leave benefits. Employees with employment contracts are subject to the specifics and limitations of their respective agreements in terms of paid time off.

Sick/personal/inclement weather Days

1. Sick/personal/inclement weather days will be awarded January 1 or first day of employment. Unused benefits may be carried over from year to year, not exceeding 60 hours. A prorated benefit will apply for employees working more than 24 hours per week, but less than 36 as well as employees hired after January 1.
2. Sick/personal/inclement weather days will be computed at the base hourly rate.
3. Sick/personal/inclement weather day benefits may be coordinated with benefits payable under Worker's Compensation.
4. The total benefits payable from the above sources cannot exceed 100% of the employee's regular straight time salary on a weekly (40 hours) basis.
5. Any unused balance for sick/personal/weather will not be paid out upon termination of employment.

General Guidelines for Use for Sick/personal/inclement weather

1. Foreseeable Leave: If the need for leave is reasonably foreseeable, employees must provide at least seven calendar days' notice before taking time under this policy.
2. Unforeseeable Leave: If the need for leave is not reasonably foreseeable, the employee must provide notice as soon as is practicable. Employees must follow the call-in procedure set forth in the Employer Attendance policy, including calling in any unscheduled absences at least one hour before the start of the employee's shift, unless it is not practicable to do so.
3. Any employee not notifying his/her supervisor at least one hour prior to the beginning of the scheduled work shift may be subject to disciplinary action unless extenuating circumstances exist. If you are unable to call personally, a spokesperson (such as your spouse, an adult family member, or another responsible party) may call on your behalf.

General Guidelines for Use of Inclement Weather

1. In the event of an office closure or delayed opening due to inclement weather, as determined by management, employees will have the option to utilize their available sick/personal/inclement weather leave or PTO to supplement their income for the missed time. An employee may also choose to go unpaid for the closure time, regardless of their available balance(s).
2. Any employee that elects to not report for work due to inclement weather, but in which there is no office closure/delayed start, will be required to utilize their available sick/personal/inclement weather leave to supplement their income for the missed time. If the available balance has been exhausted, then employees will be required to utilize their PTO. Only if an employee's sick/personal/inclement weather and PTO balances have been exhausted, will the time be considered unpaid.
4. Any employee that elects not to report for work due to inclement weather must provide notice as soon as is practicable. Employees must follow the call-in procedure set forth in the Employer Attendance policy, including calling in any unscheduled absences at least one hour before the start of the employee's shift, unless it is not practicable to do so.
5. Any employee not notifying his/her supervisor at least one hour prior to the beginning of the scheduled work shift may be subject to disciplinary action unless extenuating circumstances exist. If you are unable to call personally, a spokesperson (such as your spouse, an adult family member, or another responsible party) may call on your behalf.

General Conditions During Paid Sick/Personal/Inclement Weather Time-Off

1. **Unused PTO:** An employee is not required to take any accrued but unused PTO before going on sick leave. There may, however, be circumstances under which an employee may prefer to take his accrued but unused PTO, either before his or her sick/personal/inclement weather commences or after it expires. The employee may take his or her PTO in such a manner by notifying Human Resource Department.
2. **Employee Benefit Insurance:** During paid sick/personal/inclement weather time, all of an employee's insurance benefits remain in force and his or her employee contributions deducted, just as if he or she were actively at work.
3. **PTO and Holidays:** During paid sick/personal/inclement weather time, PTO accruals will continue just as if the employee were actively at work. If a holiday occurs during paid sick leave, that day will not be charged as a sick day against the employee's remaining balance. Sick leave days will not be counted as time worked toward the computation of overtime. Employees may be asked to provide a doctor's note should they be out before or after weekends, holidays, or vacations.
4. **Reinstatement:** See FMLA policy.

5. **Sick/personal/inclement weather Time Off Commencing During PTO:** If paid sick/personal/inclement weather time off commences while an employee is on PTO, his or her scheduled PTO will continue to run and he or she will be placed on sick/personal/inclement weather time off when his or her scheduled PTO lapses, and if necessary will be notified of his/her eligibility for an FMLA leave of absence and provided with the necessary paperwork to apply for an FMLA leave of absence.
6. **Evidence of Disabling Illness or Injury:** An employee who is out sick may be required to provide a statement from his or her physician disclosing the nature of the illness and the expected time for recovery. Any employee who takes three (3) or more consecutive sick days must provide a certification by their health care provider attesting to the employee's or the family member's illness, and the employee's fitness to return to work. The Employer may require additional statements thereafter.

Sick/Personal/Inclement Weather Time Off Without Pay

Upon the exhaustion of sick/personal/inclement weather pay and PTO an employee who continues to be unable to work because of personal injury or illness may be placed on unpaid leave of absence, in accordance with the provisions of the FMLA policy.

Record Keeping

Any employee may view his or her sick/personal/inclement weather time in the payroll system at any time.

PAID TIME OFF

The Employer believes time away from the job is important to a sustained high level of performance upon return. The Employer recognizes that employees have diverse needs for time off from work and therefore provides Paid Time Off (PTO) to give employees greater flexibility to meet their personal needs.

The Employer will attempt to grant all employees PTO at the time they desire to take it. However, the Employer must maintain adequate staffing at all times. PTO requests are subject to supervisory approval, departmental staffing needs, and established departmental procedures. Therefore, PTO must be scheduled in advance and with prior written approval of the employee's supervisor. With the exception of terminating employees, no cash out in lieu of utilizing PTO is authorized.

Where conflicts develop, they will be resolved as fairly as possible. Preference will generally be given based on timeliness of request, seniority, and fairness at the Holiday time. PTO may be limited and/or denied during peak seasons, such as July, August, and December and such other times as determined by leadership or Human Resources.

Unless required by applicable law or due to an approved Low Census Day (LCD), unpaid time off is not allowed until the employee has exhausted their paid time off bank and is granted at the discretion of the supervising manager and may be denied.

Eligibility

1. All employees working at least 24 hours per week, or more, are eligible for PTO benefits.
2. PTO will be accrued based on total hours worked in each pay period, excluding overtime.

Initial Waiting Period

To ensure smooth integration into the team and to provide ample time for employees to familiarize themselves with their roles and responsibilities, new employees are not eligible to use accrued PTO during their first three (3) months of employment. After successfully completing the initial three-month period, employees may begin utilizing their accrued PTO.

PTO Accrual and Limits

PTO accruals and limits are based upon the continuous service of the employee in accordance with the following schedule

Full Time Employees (30+ hours per week)			
Years of Service	Accrual Rate per Hour	Maximum Annual Accrual Limit	Maximum Balance Limit
Date of hire to 5 yrs.	0.0385	80 hours	120 hours
6 to 10	0.0577	120 hours	180 hours
11 or more	0.0769	160 hours	240 hours

Part Time Employees (24-29 hours per week)			
Years of Service	Accrual Rate per Hour	Maximum Annual Accrual Limit *	Maximum Balance Limit **
Date of hire to 5 yrs.	0.0321	40 hours	60 hours
6 to 10	0.0481	60 hours	90 hours
11 or more	0.0641	80 hours	120 hours

Employees with employment contracts and exempt employees are subject to the specifics and limitations

of their respective agreements in terms of paid time-off.

Illinois Paid Leave for All Workers Act (PLAWA)

In accordance with state requirements, Illinois employees that work less than 24 hours per week will accrue 1 hour of PTO for every cumulative 40 hours worked in a calendar year with a maximum accrual of 40 hours annually.

Employment Status	Accrual Rate	Maximum Accrual
<24 hours worked per week	1 hour per 40 hours worked in calendar year	40 hours

Any unused accrued time shall roll over each year, but balance shall not exceed 80 hours at any time in a 12-month period. Additionally, an employee may not use more than 40 hours of paid leave in a 12-month period.

If employment is terminated, either voluntarily or involuntarily, any unused accrued time under the PLAWA shall be forfeited.

Request For Paid Time Off

Whenever possible, employees should be permitted to select their own PTO periods. PTO may be scheduled at any time of the year with the prior approval of the employee's manager. It must be emphasized that the manager's approval decision will factor in over peak times of the year and all requests may not be granted.

PTO requests for more than two weeks are discouraged and will only be permitted with prior approval from your manager.

PTO requests will be considered based upon timeliness of request and subject to approval by the appropriate manager. Generally, requests for PTO by hourly employees should be submitted **30 days** prior to the time period requested. Managers are encouraged to arrange PTO as far in advance as possible and **at least 90 days** prior to the time period in order to accommodate the employee's desire.

PTO may be taken in increments as low as one hour. An employee is required to request payment of PTO hours according to his/her regularly scheduled workday. For example, if an employee works a 10-hour day, he/she would request 10 hours of PTO when taking that day off.

Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, emergencies, or other needs that require time off from work.

PTO Pay

PTO is paid on the basis of the employee's equivalent base rate of pay for a normally scheduled workday.

This does not include overtime (whether scheduled or unscheduled), commissions, or any other type of compensation.

PTO will be paid out on the appropriate payroll date. The Employer encourages all employees to use all their PTO each year. If an employee leaves the Employer's employment for any reason, the Employer will pay the employee for any unused PTO that the employee has accrued as of the employee's separation date.

Use of PTO for sick leave

PTO will be substituted for sick leave when an employee's sick leave balance has been exhausted.

Negative balance

If an employee does not have enough PTO hours earned to cover a request for time off, they may borrow up to 40 hours of PTO (or less if the number of PTO hours that will be accrued between borrow date and the end of the calendar year is less than 40 hours). Part time employees may borrow up to 20 hours of PTO (or less if the number of PTO hours that will be accrued between borrow date and the end of the calendar year is less than 20 hours). PTO requests that will result in a negative balance are subject to management and/or Human Resources approval and is not guaranteed.

When an employee borrows PTO hours, they are borrowing from their future PTO accruals and will reflect a negative balance until the borrowed hours are earned back through future PTO accruals. If an employee terminates employment with a negative PTO balance, the Employer reserves the right to recoup the remaining negative balance, consistent with state and federal law.

Payment Upon Termination

If employment is terminated, accrued, unused PTO that has been earned through the last day of active employment will be paid. If employment is terminated and the PTO balance is in the negative, employee will be required to pay back the balance to the employer, which will be recouped out on their last paycheck.

Illness or Injury During PTO

Any illness or injury occurring during a PTO period does not change the PTO period. If an employee is unable to return from PTO due to illness or injury, he/she will be placed on leave of absence after notification is given to the supervisor or Human Resources, either with or without pay (depending upon his/her available sick leave) until his/her future employment status is determined.

JURY DUTY

If an employee is summoned for jury duty, they must inform their department manager as soon as possible. A copy of the jury duty notification must be submitted for the employee's file. Hourly employees may use available PTO, if any is available, during unpaid jury leave, unless otherwise required by law. Upon the exhaustion of any accrued PTO, additional time off will be provided on an unpaid basis to allow all employees to fully satisfy any jury service obligations.

Pay provided to an employee by the Employer for work hours/days missed due to jury duty will be offset by any compensation provided to the employee for serving as a juror. To be eligible for paid leave for jury service, all employees must provide the Employer with a copy of the check that you received for your jury service.

Exempt employees paid on a salary basis who require leave for jury service will continue to receive their salary for any week in which they perform work, less the amount of any compensation received for jury service, to the extent required by applicable law.

An employee must return to work on any day in which he or she is free from jury duty long enough to work at least four hours during his or her regular shift.

CRIME VICTIM LEAVE/COURT APPEARANCES

The Employer will provide employees time off from work to respond to a subpoena or request by the prosecuting attorney for the purposes of giving testimony. Time off granted under this policy will be unpaid except that exempt employees may be compensated, as required by applicable law.

Upon receiving a subpoena, employees must provide their supervisor with reasonable notice of the need for leave. If notice is not practicable, the employee must provide appropriate documentation within a reasonable time after the absence.

VOTING LEAVE

If your work schedule prevents you from voting on Election Day, the Employer will allow you reasonable time off to vote consistent the applicable law. The time when you can go to vote will be at the discretion of your supervisor, consistent with applicable legal requirements.

MEAL AND BREAKS

Meal Periods

All employees who work eight or more hours in a day are required to take an unpaid meal break of 30 minutes and no longer than 60 minutes. Meals are usually arranged as close to the middle of the working day as conditions permit, i.e., between 11:00am and 1:30pm.

Physicians, Physician Assistants, Nurse Practitioners, and Nurses take their meal when a break in patient scheduling allows (usually 12:00pm to 1:00pm). Office staff stages meal break periods to help cover other areas that may need to be covered during the lunch hour.

Lunch schedules will be dictated by your job requirements. Any deviation from your assigned lunch period must be approved by your department manager.

Non-exempt employees are prohibited from performing any work during an unpaid meal period. If a non-exempt employee is required to perform any work duties while on his or her meal break period, the

employee must be compensated for the time spent performing work duties. The time spent working during the meal break will be counted toward the total hours' work.

Break Periods

All employees are granted two 15-minute paid breaks **or** two 15-minute unpaid breaks for every four-hour work period. Should employees choose to leave company grounds for any of these breaks, the break will be unpaid. It's important to note that breaks cannot be taken at the start or conclusion of the workday to account for arrival and departure times. Employees who voluntarily work through their rest breaks will not be paid additional compensation.

Enforcement

Employees are expected to return to work on time from breaks and lunches. Managers are responsible for the scheduling of meals and rest periods. Employees who fail to return on time from breaks or lunch will be subject to disciplinary action and docking of pay for time missed.

PARKING

Employees are provided with free parking and are to park only in the designated areas as determined by the Employer.

No employees should park at the back door unless they are loading or unloading items. This space is used for shipping and receiving vehicles and laboratory messengers. Please be conscientious of where you park, keeping your vehicle between the lines. If an employee needs accommodations please see Human Resources for alternatives to this parking policy.

TELEPHONE USE

The telephone lines serving our office are for the conduction of business related to this office. Your personal use of the phone during your work time should be limited. Discretion should be used so normal use of the lines will not be interrupted. Outgoing calls made by staff should be made, if possible, during your lunch hour, and only if appropriate outgoing lines are available. This office understands the importance of communicating with family. We only ask that such communication does not interfere with the quality of your work and of the quality of care we render to our patients.

COMPENSATORY TIME OFF

Employees in executive, administrative, or professional positions as defined by the FLSA, and the State of Illinois are exempt from the overtime provisions. Employees within these positions should have no expectation for compensation for hours worked over forty (40) hours in any given work week. The compensation for exempt employees is designed to be the remuneration for the performance of assigned duties regardless of the hours needed to complete those tasks. There is no compensatory time system for exempt employees.

CONTINUING EMPLOYEE EDUCATION

Training, instruction meetings, classes, and educational, as well as skill and improvement meetings or lessons may be paid for in full by the Employer, or 50% by the Employer and 50% by the employee, or not at all by the Employer. This decision will be made on an individual basis evaluating the employee's needs and the needs of the position that he or she holds. Certain programs approved in advance by the Employer may be paid for in full by the Employer. In these situations, the Employer may in its sole discretion request that if an employee leaves the employment of the Employer within two years of the date of receiving such instruction, lessons, or meetings, that the employee reimburse the Employer for all the pro-rated amount of expenses, fees, tuition, lost income and related expenses of the educational services.

WORKERS COMPENSATION

Workers' Compensation is a system of benefits provided by law to most workers who have job-related injuries or illnesses. Benefits are paid for injuries that are caused, in whole or in part, by an employee's work.

All employees must report any accident immediately to their direct supervisor and/or Human Resources and you will be referred to the appropriate medical care needed. Failure to report or delay in reporting an accident could result in an increase in the extent of the injury sustained and possible reduction or forfeiting of any Workers' Compensation Benefits.

If you suffer from a work-related injury or illness, you should take the following steps:

1. Report any and all injuries immediately to your immediate supervisor or the Director of Human Resources.
2. Verify and complete all required information on the Incident Report, please be as specific as possible.
3. Once the accident is reported, you should receive a handbook that explains the laws, benefits, and procedures.
4. If you miss more than three days of work due to a work-related accident Human Resources should be notified immediately.

SECTION IV: EMPLOYEE MISCELLANEOUS INFORMATION

EMPLOYEE RELATIONS

Acceptable Conduct

The Company wishes to create a safe and pleasant work environment that promotes job satisfaction, respect, responsibility, integrity, and value for all our employees, clients, customers, and other stakeholders. Every employee has a shared responsibility toward improving the quality of our work environment.

While it is impossible to list every item that could be considered misconduct in the workplace, outlined below is a list of infractions that could begin progressive discipline:

- Insubordination or refusing to comply with the reasonable instructions of Managers; refusal to help on a special assignment.
- Unprofessional behavior; Unsatisfactory attitude or one that detracts from job performance, malicious gossip and/or spreading rumors; engaging in behavior designed to create discord and lack of harmony; use of obscene or harassing language.
- Failure to meet job performance standards.
- Excessive tardiness or unscheduled absences. Refer to Attendance and Punctuality policy.
- Sleeping while on duty.
- Willful violation of security or safety rules or failure to observe safety rules or Company Safety practices; possession of potentially hazardous or dangerous property (firearms, weapons, chemical); negligence or any careless action which endangers the life or safety of another person.
- Falsification of timecard; recording the work time of another employee.
- Failure to follow call-in procedures; failure to obtain permission to leave work early for any reason during normal work hours
- Failure to observe working schedules; including rest and lunch periods.
- Abuse of sick time, PTO or leave of absence; failure to provide a physician's certificate when required.
- Making or accepting personal telephone calls during work hours, usage of cell phone during work hours.
- Working overtime without prior approval from Manager or refusing to work assigned overtime.
- Failure to exercise cash accountability resulting in case shortage/overage.
- Failure to dress according to Employer policy.
- Internet and e-mail usage other than for conducting Company business.
- Lending keys or key fobs to Company property to unauthorized individuals.
- Solicitation of fellow employees on Company property during working time. Refer to Non-Solicitation/Non-Distribution policy.

Infractions of any of the following, because of their seriousness, may result in immediate termination without warning:

- Theft or careless use of Company property or the property of fellow employees; unauthorized use, disclosure, borrowing, possession, or removal of any Company property, including documents, from the premises without prior permission from management; unauthorized use of Company equipment or property for personal reasons.
- Engaging in criminal conduct or acts of violence, or making threats of violence, intimidating, coercing, horse playing, fighting, or provoking a fight on Company property, negligent damage of property on or off the premises at any time for any purpose.
- Gross or intentional violation of safety, health, or security rules while on Company property or business.
- Being intoxicated or under the influence of a controlled substance while at work; possession or sale of a controlled substance while on Company property except medications prescribed by a physician which do not impair work performance.
- Gambling on Company premises.
- Acts or language that violate the anti-discrimination and harassment policy.
- Posting messages on Internet chat rooms or Internet message boards that can be construed as harassing, discriminatory, libelous, or slanderous
- Falsely stating claims of injury.
- Dishonesty, willful falsification, or misrepresentation on application for employment or other work records; falsifying sick or personal leave; falsifying reason for leave of absence or other data requested by the Company; alteration of Company records or other Company documents.
- Providing knowingly inaccurate, incomplete, or misleading information when speaking on behalf of the Company.
- Violation of non-disclosure agreement; giving confidential or proprietary Company information to competitors or other organizations or to unauthorized Company employees; working for a competing business while employed by the Company; violation of HIPPA.
- Willful violation of any Company rule; any deliberate action that is extreme in nature and is obviously detrimental to the Company's efforts to operate profitably.
- Major infractions of conduct that present an immediate threat of harm to the Company, employees, customers, or vendors.

Nothing in this policy is intended to limit Employee rights under the National Labor Relations Act.

Progressive Discipline

The purpose of progressive discipline is to identify, communicate, and correct unacceptable performance or conduct. Each situation is considered based on its own facts and the nature of the offense including repeated offenses.

In general, the progressive discipline will follow the steps outlined below:

- Coaching

- Verbal Warning
- Written Warning
- Final Warning
- Termination

The Company reserves the right to combine or skip steps depending on the facts of each situation and the nature of the offense. Progressive discipline and/or serious misconduct may result in immediate termination.

Nothing in this policy provides any contractual rights regarding employee discipline or counseling, nor should anything in this policy be read or construed as modifying or altering the employment-at-will relationship.

SOLICITATION AND DISTRIBUTION

Solicitation of employees and distribution of any written non-business-related material is prohibited during working time of either employee. Distribution of written material is also prohibited in work areas of the Employer at any time. Non-employees will not be allowed access to center premises for purposes of either solicitation or distribution.

DISCLOSURE OF EMPLOYEE INFORMATION

The Employer has established a procedure to ensure that confidential information regarding employees is not given to any outside organization or individuals that will embarrass either the employee or the Employer.

Written reference inquiries regarding current employees are handled only by the Director of Human Resources and are given only with the written permission of the employee.

Information regarding former employees is restricted to the following: confirmation of employment, location of employment, dates of hire and separation, and job title.

It is the policy of the Employer to cooperate with the government and all such inquiries should be reviewed and where there are questions concerning propriety or need for additional information, they may be referred to the Director of Human Resources.

DIRECT DEPOSIT OF PAYROLL

All employees of the Employer may complete the necessary forms to enable the process of direct deposit to occur for each payroll. Employees may elect to have their paychecks automatically deposited into their personal bank accounts by designating an account for direct deposit. You are encouraged to take advantage of this convenience. If employees change financial institutions, they are required to notify the payroll clerk immediately in writing.

SAFETY AND HEALTH ON THE JOB

The Employer will provide a clean, safe, and healthy workplace for all its employees. Proximity keys (fobs) are given to all employees who work in all applicable offices. Each employee is given special parameters on entering the building based on the hours and days worked. If you lose your proximity key, please notify the HR department ASAP to void out the old one and get a new one issued. There is a \$5.00 charge for any additional keys.

The Occupational Safety and Health Act (OSHA) standards are very explicit about AIDS, Hepatitis B, and other communicable disease exposure of health professionals. All health professionals are required to use universal precautions at all times when:

1. Exposed to any bodily fluids (taking blood, giving injections, doing surgery, or assisting, and/or procedures).
2. Exposed to openings in the human body (dressing changes, removing sutures, staples, assisting in examinations).
3. Exposed to instruments used in patient contact.
4. Exposed to patients with questionable diseases, wounds, fluid discharges, etc.

Failure of health care professionals to use universal precautions routinely in all these instances could seriously endanger their health and their ability to seek disability compensation or medical compensation for job related or acquired problems.

An in-service or training video regarding universal precautions and exposure control to bloodborne organisms will be provided to all employees determined to be “at risk” of exposure within 30 days of their employment and annually thereafter.

All employees, whether part-time or full-time, are covered by Worker’s Compensation. Additionally, an employee’s contribution to a good safety program requires that care and good judgment be demonstrated in work habits and in the utilization of equipment used in their work. Employees are encouraged to seek assistance when necessary and to let their immediate manager know of any problems with equipment so that appropriate remedial action can be initiated. Remember, the workplace is only as good and safe as you make it. Do not jeopardize your health or your benefits.

INFORMATION TECHNOLOGY AND ELECTRONIC COMMUNICATIONS

The Employer has adopted this policy to comply with HIPAA requirements, to protect the security of electronic health information, as well as our duty to protect the confidentiality and integrity of confidential medical information as required by law, professional ethics, and accreditation requirements. This policy

also allows the Employer to protect its confidential information which is defined elsewhere in this handbook. This policy will be enforced with all employees. Any employee found to have violated this policy will be subject to lockout from the system, the network and application accounts, and disciplinary action up to and including termination of employment may be taken.

The Employer provides many employees with email and internet services through its network. These are important business tools. However, improper use of these tools can waste time and resources as well as create legal liabilities for individuals and the Employer. The purpose of this policy should be read and interpreted in conjunction with all other policies of the Employer, including, but not limited to, policies prohibiting harassment, discrimination, offensive conduct, or inappropriate behavior.

Any questions regarding this policy may be directed to the IT Department.

User Privacy

Employees should have no expectation of privacy when using internal electronic communication systems. This includes the email system used by the Employer, instant messaging applications authorized and used by the Employer and all information found on computers used by employees in the course of their employment. To manage systems and enforce security, the Employer reserves the right to log, review and otherwise utilize any information stored on or passing through the organization's systems. By using the Employer computers and other electronic devices, you acknowledge and agree that the Employer may monitor all use of its computers and other electronic devices and has the right to access, record, store, transfer, review, disseminate, dispose of and use any data or communications sent, received, accessed, viewed, or stored using any of its computers and other electronic devices, to the fullest extent allowed by applicable law, with or without further notice to you.

All information stored on the Employer computers and other electronic devices is the property of the Employer. This includes but is not limited to passwords issued to the employee to access systems, files created or used by the employee in the course of their employment and information received and sent via email or other means.

At any time, and without prior notice, the Employer reserves the right to examine telephone logs, electronic mail messages, personal computer files, web browser cache files, web browser bookmarks, logs of websites visited, computer system configurations and other information stored on or passing through the Employer computers or devices. The Employer may audit the contents of any organization issued computer, cell phone or other electronic device at any time and without notice to the user.

Sensitive Information

Personal Health Information (PHI) should not be transmitted over the internet. Confidential information of the Employer should not be transmitted by email or other means to any party not known to be an authorized user of such information. If an employee is unsure whether a recipient is authorized, they should contact their supervisor before transmitting any confidential information.

All computers used by employees should be physically secured and locked using Windows "Lock Computer" command (Ctrl-Alt-Del) when left unattended or idle for any amount of time. To ensure

against unauthorized user access all organization computers and computer devices should be properly shut down and powered off at the end of each working day.

Employees should not use a password, access a file, or retrieve any stored communication without authorization. Employees must not share passwords with any other person, including other employees, and must keep passwords safe. Any breach of security, including password security, must be immediately reported to the IT Helpdesk.

Equipment and Accessories

Computers, associated equipment, and software are for business use only, not for the personal use of the employee or any other user or entity. Employees will not permit anyone else to use the computer for any purpose, including but not limited to, family and/or associates, patients, visitors to the Employer, or unauthorized employees.

Computer equipment supplied by the Employer should not be altered or added to in any way without the approval of the and assistance of the IT Department. Non-standard hardware configurations must be approved by the IT department and must employ an IT approved security configuration for access to hardware.

Computer and other electronic equipment, including cell phones, issued by the Employer remains the property of the Employer at all times. It is the responsibility of the employee to safeguard the equipment and immediately report any malfunctioning, lost, damaged or stolen equipment or any breach of security to the IT Helpdesk.

Upon leaving employment, employees must return all equipment belonging to the Employer to the IT Department.

Access

Employees are not permitted to dial into any unauthorized services, internet service providers or any other internet access, or to use the dial-up capabilities in any other manner other than as instructed. The hardware has been disabled from performing any functions other than those intended for business use and employees may not attempt to enable such other functions.

Employees with remote access privileges to the Employer network are forbidden to use non-Employer email accounts, (e.g., Gmail, Hotmail, Yahoo, AOL etc.) or other external resources to conduct the business of the Employer.

Employees with remote access privileges must ensure their computer is not connected to any other network at the same time as the Employer with the exception of personal networks that are under the complete control of the user.

Internet and Electronic Communications

The Employers electronic communications (e.g., email, video conferencing, text messaging, chat

messaging) should be used for business activities only. Incidental personal use is permissible as long as it does not consume more than a trivial amount of system resources, interfere with employee productivity, and preempt any business activity, or interfere with the security or stability of the Employer IT resources. The Employer reserves the right to monitor and examine the contents of any of its electronic communication systems, at any time. The existence of passwords and message delete functions does not restrict or eliminate the ability or right of the Employer to access any electronic communication.

Email access should not be shared. When out of the office an automatic “Out of Office” message should be generated indicating an alternative point of contact during any absence.

All email communication should be reflective of a professional work environment. Employees are prohibited from using email for any unethical purpose, including but not limited to, pornography, violence, gambling, racism, harassment or any other illegal activity or conduct that violates any policy set forth in this Employment Employee Handbook. Offensive, demeaning or disruptive messages are prohibited. This includes but is not limited to messages that are inconsistent with the Employer policies concerning Equal Employment Opportunity and sexual and other unlawful harassment.

Employees are prohibited from using the Employer equipment and/or resources to access or browse websites containing objectionable or offensive content. Employees who discover they have connected to a website containing sexually explicit, racist, sexist, violent or other potentially offensive material are required to immediately disconnect from the site in question. The Employer reserves the right to restrict and/or block access to websites and the downloading of certain file types. The ability to connect with a specific website does not in itself imply that employees are permitted to visit that site.

Unauthorized use of the internet is strictly prohibited. Unauthorized use includes, but is not limited to:

- Unauthorized entry or attempted unauthorized entry into other computer systems or areas of the Employer network or systems that you are not authorized to view;
- Attempting to disable or compromise the security information contained in the Employer computers;
- Intentionally introducing a virus or other mischievous software onto the Employer computers;
- Downloading, posting, or viewing of pornographic, sexually explicit material;
- Using the Employer network for any unethical or illegal purpose including pornography, violence, gambling, racism, or harassment;
- Operating a business, usurping business opportunities or soliciting money for personal gain.

Sending, receiving, printing or otherwise disseminating proprietary data, trade secrets or other patient or employee confidential information of the Employer in violation of policy and/or proprietary agreements can lead to termination unless specifically approved.

Cell Phones

1. Personal Cell Phones

While at work, employees are expected to turn off their personal cell phones or have them on vibrate. Messages should be checked while on breaks or at the end of the workday. Excessive personal calls during the workday, regardless of the phone used, can interfere with employee productivity and be distracting to others. Employees are therefore asked to make any other personal calls during non-work time and to ensure that friends and family members are aware of this policy. Employees should instruct friends and family members to use the main office number in cases of emergency. Flexibility will be provided in circumstances demanding immediate attention; however, patients, co-workers and clients should not be able to overhear ringing cell phones.

The Employer will not be liable for the loss of personal cellular phones brought into the workplace.

2. Business Cell Phones

Where a job or business demands immediate access to an employee, the Employer may issue a business cell phone to an employee for work-related communications. To protect the employee from incurring tax liability for the personal use of this equipment, such phones are to be used for business reasons only.

3. Emails On Cell Phones

Employees who wish to receive emails on their cell phones using the Employer email system must first obtain the proper authorization. Employees will be required to comply with the general email and internet usage policy of the Employer.

4. Safety Issues

Employees are expected to refrain from using their cell phone while driving during the course of their employment. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, employees are strongly encouraged to pull off to the side of the road and safely stop the vehicle before placing or accepting a call.

In situations where job responsibilities include regular driving and accepting business calls, hands-free equipment may be provided, to facilitate the provisions of this policy.

Under no circumstances are employees permitted or expected to place themselves at risk to fulfill business needs.

Employees who are charged with traffic violations resulting from the use of their phone while driving will be solely responsible for all liabilities that result from such actions.

Violations of this policy will be subject to the highest forms of discipline, including termination.

SOCIAL MEDIA POLICY

The purpose of this Corporate Social Media Policy is to provide guidelines and expectations for the responsible and professional use of social media by employees, contractors, and representatives of Core Derm ("the Company"). It is essential that our online activities align with our corporate values, safeguard our reputation, and protect sensitive information.

This policy applies to all employees, contractors, and representatives of the Company who use social media platforms while identifying themselves as affiliated with the Company.

This policy provides guidance for employee use of social media, which should be broadly understood for purposes of this policy to include blogs, wikis, microblogs, message boards, chat rooms, electronic newsletters, online forums, social networking sites, and other sites and services that permit users to share information with others in a contemporaneous manner.

The following principles apply to professional use of social media on behalf of the Company as well as personal use of social media when referencing the Company.

Guidelines for Responsible Social Media Use

Be Professional and Respectful

- Always maintain a professional and respectful tone when discussing the Company, colleagues, competitors, clients, or any other stakeholders.
- Refrain from using offensive, discriminatory, or harassing language.

Protect Confidential Information

- Do not share confidential or proprietary information about the Company, its clients, or its business operations.
- Abide by any non-disclosure agreements signed with the Company.

Correct Misinformation

- When correcting inaccurate information related to the Company or its industry, do so politely and professionally.

Clearly State Your Affiliation

- Clearly disclose your affiliation with the Company when discussing Company matters online.
- Make it clear that your views are personal if expressing opinions not endorsed by the Company.

Adhere to Copyright and Trademark Laws

- Do not use copyrighted materials, logos, or trademarks without proper authorization.
- Ensure proper attribution when using others' work.

Avoid Disparagement and Defamation

- Do not engage in any online activity that disparages or defames the Company, its employees, or competitors.

Prohibited Activities

Inappropriate Content

- Do not post, share, or engage with content that is offensive, explicit, discriminatory, or otherwise inappropriate.

Conflict of Interest

- Avoid discussing competitors or industry matters that may present a conflict of interest.
- Disclose any financial interests in companies or entities discussed on social media.

Misrepresentation

- Do not misrepresent your identity, credentials, or affiliation with the Company.

Engagement in Online Feuds

- Do not engage in online disputes or arguments.
- Address concerns or conflicts privately or through appropriate channels.

Monitoring and Enforcement

The Company may monitor online activities to ensure compliance with this policy. Violation of this policy may lead to disciplinary actions, up to and including termination.

Review and Updates

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Compliance with Other Policies

This policy should be read in conjunction with other Company policies and guidelines. Violation of this policy may result in consequences outlined in other applicable policies.

CORE DERM AND CORE DERMATOLOGY

EMPLOYEE HANDBOOK

2025

Personnel Policies and Procedures Employee Handbook

EMPLOYEE ACKNOWLEDGMENT

I have read the foregoing Employee Handbook and I am familiar with its terms. I understand that this Employee Handbook and personnel policies are provided to me for the purpose of information and providing guidance on the expectations of employees at Employer. However, I understand that the contents of the Employee Handbook should not be construed to constitute a contract or an offer to contract between the Employer and myself or for the providing of employment of any benefits described in this Employee Handbook.

I agree to conform to the rules and policies of the Employer. I recognize that my employment and compensation can be terminated with or without cause and with or without notice at any time at the option of either the Employer or myself.

I further understand that no manager or other representative of the Employer, other than its Chief Executive Officer, Chief Clinical Officer, or Medical Director, in writing, has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the foregoing.

I understand that the Employer reserves the right to alter, amend, modify, change, or terminate any of the policies or benefits described in this Employee Handbook at any time it chooses with or without notice to me, within the boundaries of the law.

Employee Signature

Date

Appendix A



YOU HAVE THE RIGHT TO BE FREE FROM JOB DISCRIMINATION AND SEXUAL HARASSMENT.



The Illinois Human Rights Act states that you have **the right to be free from unlawful discrimination and sexual harassment**. This means that employers may not treat people differently based on race, age, gender, pregnancy, disability, sexual orientation or any other protected class named in the Act. This applies to all employer actions, including hiring, promotion, discipline and discharge.

REASONABLE ACCOMMODATIONS

You also have the right to reasonable accommodations based on pregnancy and disability. This means you can ask for reasonable changes to your job if needed because you are pregnant or disabled.

RETALIATION

It is also unlawful for employers to treat people differently because they have reported discrimination, participated in an investigation, or helped others exercise their right to complain about discrimination.



REPORT DISCRIMINATION

To report discrimination, you may:

1. Contact your employer's human resources or personnel department.
2. Contact the Illinois Department of Human Rights (IDHR) to file a charge.
3. Call the Illinois Sexual Harassment and Discrimination Helpline at 1-877-236-7703 to talk to someone about your concerns.

Chicago:
James R. Thompson Center
100 West Randolph Street, Suite 10-100
Chicago, IL 60601
(312) 814-6200
(866) 740-3953 (TTY)
(312) 814-6251 (Fax)

Springfield:
535 W. Jefferson Street
1st Floor
Springfield, IL 62702
(217) 785-5100
(866) 740-3953 (TTY)
(217) 785-5106 (Fax)

Website: www.illinois.gov/dhr
Email: IDHR.Intake@illinois.gov

Employers shall make this poster available and display it where employees can readily see it.

This notice is available for download at: www.illinois.gov/dhr

Printed by the Authority of the State of Illinois . 9/18 . web version . IOC19-0181





State of Illinois
Department of Human Rights

IDHR



PREGNANCY and your RIGHTS in the WORKPLACE

Are you pregnant, recovering from childbirth, or do you have a medical or common condition related to pregnancy?

If so, you have the right to:

- Ask your employer for a reasonable accommodation for your pregnancy, such as more frequent bathroom breaks, assistance with heavy work, a private space for expressing milk, or time off to recover from your pregnancy.
- Reject an unsolicited accommodation offered by your employer for your pregnancy.
- Continue working during your pregnancy if a reasonable accommodation is available which would allow you to continue performing your job.

Your employer cannot:

- Discriminate against you because of your pregnancy.
- Retaliate against you because you requested a reasonable accommodation.

PREGNANCY and your **RIGHTS** in the **WORKPLACE**

It is illegal for your employer to fire you, refuse to hire you or to refuse to provide you with a reasonable accommodation because of your pregnancy. For more information regarding your rights, download the Illinois Department of Human Rights' fact sheet from our website at www.illinois.gov/dhr

Es ilegal que su empleador la despida, se niegue a contratarla o a proporcionarle una adaptación razonable a causa de su embarazo. Para obtener información sobre el embarazo y sus derechos en el lugar de trabajo en español, visite: www.illinois.gov/dhr



**For immediate help or if you have questions
regarding your rights.**

Call (312) 814-6200 or (217) 785-5100 or (866) 740-3953 (TTY)

CHICAGO OFFICE

100 West Randolph Street,
10th Floor
Intake Unit
Chicago, IL 60601
(312) 814-6200

SPRINGFIELD OFFICE

222 South College St.,
Room 101-A
Intake Unit
Springfield, IL 62704
(217) 785-5100

The charge process may be initiated by completing the form at:
<http://www.illinois.gov/dhr>



2025-2026

CORE DERMATOLOGY

CORPORATE COMPLIANCE WORK PLAN

Upholding Integrity, Ethical Conduct, and Regulatory Compliance

Revisions As Of
Reviewed And Approved By Compliance Committee



TABLE OF CONTENTS

MESSAGE FROM THE CEO.....	3
INTRODUCTION: ENSURING AN EFFECTIVE COMPLIANCE PROGRAM.....	6
INCORPORATION OF HHS OIG’S SEVEN FUNDAMENTAL ELEMENTS	7
LEADERSHIP AND OVERSIGHT: GUIDING COMPLIANCE EXCELLENCE.....	9
ENHANCING WRITTEN POLICIES AND PROCEDURES: A COMMITMENT TO BEST PRACTICES	11
TRAINING AND EDUCATION: NURTURING A CULTURE OF COMPLIANCE EXCELLENCE	15
COMMUNICATION AND REPORTING COMPLIANCE ISSUES: UPHOLDING CONFIDENTIALITY, ACCOUNTABILITY, AND ZERO RETALIATION.....	16
MONITORING AND AUDITING: ENSURING CONTINUOUS COMPLIANCE	17
ENFORCEMENT, DISCIPLINARY ACTION, AND CORRECTIVE MEASURES: UPHOLDING COMPLIANCE STANDARDS	19
RESPONSE AND PREVENTION: MITIGATING RISKS AND ENSURING FUTURE COMPLIANCE.....	20



MESSAGE FROM THE CEO AND CHIEF CLINICAL OFFICER

This document outlines **Core Derm's 2025–2026 Compliance Work Plan**, developed in alignment with guidance from the U.S. Department of Health and Human Services Office of Inspector General (OIG), including the *OIG Compliance Program Guidance for Individual and Small Group Physician Practices* and the *General Compliance Program Guidance*.

The Work Plan is structured around the seven fundamental elements of an effective compliance program, as defined by the OIG, and emphasizes continuous improvement in regulatory adherence, risk mitigation, and organizational accountability.

This plan defines our key compliance priorities and goals for the coming year, including:

- Updating and maintaining current compliance policies and procedures to ensure continued compliance with applicable law and continuous improvement;
- Ensuring proper monitoring and audits of our revenue cycle management;
- Reinforcing a culture of compliance, clinical quality, and patient safety;
- Ensuring best-in-class care and equitable access for the communities we serve.

Our focus remains on operational excellence and ethical integrity as we deliver high-quality, patient-centered care.

Sincerely,

David Campbell

Interim Chief Executive Officer

Dr. Joshua Kentosh, D.O.

Chief Clinical Officer and Medical Director



Executive Summary

The **2025–2026 Compliance and Audit Work Plan for Core Dermatology** provides a comprehensive overview of the organization’s compliance framework, emphasizing its strategic direction and operational safeguards in accordance with guidance from the U.S. Department of Health and Human Services Office of Inspector General (HHS OIG). This plan details the structural elements of the compliance program and highlights key areas of concern addressed by the program.

Core elements of the compliance structure include:

- **Policy Development and Oversight:** Annual updates and mid-year revisions to ensure policies remain aligned with regulatory changes.
- **Education and Training:** Systematic staff training initiatives, including annual programs delivered via MedBridge.
- **Monitoring and Auditing:** Routine internal reviews to detect and prevent fraud, waste, and abuse, and ensure billing accuracy.
- **Risk Assessment and Mitigation:** Regular evaluation of compliance risks, with mitigation strategies tied to board oversight and committee review.
- **Reporting and Accountability:** Clear escalation pathways for reporting concerns, periodic reporting to the Board, and mechanisms to ensure non-retaliation.

The plan promotes a culture of compliance by setting measurable goals, establishing timelines for activity execution, and implementing key performance indicators (KPIs) to evaluate program effectiveness.

Program Structure and Annual Compliance Activity Calendar (May 2025 – May 2026)

The program follows a structured, cyclical model of planning, execution, and evaluation. Key activities are distributed across the year to ensure continuous compliance oversight:

- **2025 – Q2:** Approval of Compliance Work Plan; finalize updates to key compliance policies (Exhibit A).
- **2025 – Q3:** Conduct comprehensive Compliance Program Effectiveness Review.
- **2025 – Q3:** Review and execute Emergency Preparedness Plan, including a full-scale drill.
- **2025 – Q4:** Facilitate Compliance Committee Risk Review and generate formal reporting deliverables.
- **2025 – Q4:** Complete a systematic review of Fraud, Waste, and Abuse monitoring activities.
- **2026 – Q1:** 2025 Billing and Coding Compliance Audit/Review
- **2026 – Q1:** Roll out Annual Staff Compliance Training (via MedBridge or other similar program)
- **2026 – Q2:** 2025 Compliance Risk/Audit/Policy Review/Assessment



- **2026 – Q2:** HIPAA Privacy Policy Review and Internal Audit.
- **2025 Q2:** Present Compliance Program Effectiveness findings to the Board.
- **2026 Q2:** Compile and present the Annual Compliance Report and 2026-2027 Compliance Workplan

2025-2026 – Compliance Program Key Performance Indicators (KPIs) Goals

The following metrics are used to evaluate the compliance program's effectiveness and identify areas for improvement:

- **Training Completion:** 100% employee completion within mandated timelines based on company policy.
- **Non-Retaliation:** No substantiated retaliation claims in response to hotline reports or reporting of non-compliance and investigations conducted without conflict.
- **Audit Timeliness:** All scheduled internal audits completed by set deadlines by the leadership.
- **Case Resolution:** 90% of compliance investigations and reports resolved within 60 business days.
- **Compliance Committee/Board Reporting:** Workplan and Report approved by end of Q2 of 2026.
- **Risk Review:** Annual risk assessment completed and formally approved by the Compliance Committee.
- **External Audit Outcomes:** Achieve improved outcomes that are within best practices of industry standards.
- **Policy Maintenance:** All key policies reviewed and updated annually.



INTRODUCTION: ENSURING AN EFFECTIVE COMPLIANCE PROGRAM

In the contemporary regulatory landscape, the implementation of an effective compliance program is paramount to maintaining the highest standards of ethics, integrity, and legal adherence within an organizational framework.

Core Derm, in conjunction with its affiliated entities and Medical Practices, acknowledges the importance of adhering to best practices in healthcare compliance. To this end, we have developed and implemented a comprehensive program that incorporates the seven key elements recommended by the Office of Inspector General (OIG) and the Department of Justice (DOJ). These elements serve as the cornerstone of our institutional commitment to the prevention, detection, and remediation of potential violations, while fostering an organizational culture predicated on transparency, responsibility, and accountability.

The Foundation of our Compliance Approach: OIG and DOJ Guidance

The OIG and DOJ have consistently provided authoritative guidance on the constitution of an effective compliance program, with particular emphasis on the healthcare industry. Their collaborative publication, "Measuring Compliance Program Effectiveness: A Resource Guide," delineates seven essential elements that collectively establish a robust framework for risk mitigation and ensure organizational adherence to regulatory standards. These elements encompass the entire spectrum of compliance, from executive leadership engagement and oversight to reporting mechanisms, auditing protocols, and corrective action implementation.

At Core Derm, our commitment to compliance transcends mere regulatory adherence; it is intrinsically woven into the fabric of our operational procedures and corporate ethos. This document elucidates the manner in which our compliance program incorporates each of the seven elements, ensuring that our operations, policies, and procedures reflect the best practices advocated by these authoritative bodies. As we navigate the evolving landscape of healthcare regulations, our steadfast adherence to these principles not only safeguards our organization but also fortifies our partnerships, enhances patient trust, and contributes to the overall integrity of the healthcare system.

In this document we will explain the structure and execution of our compliance program in detail, demonstrating our commitment to excellence in patient care and regulatory adherence.

INCORPORATION OF HHS OIG'S SEVEN FUNDAMENTAL ELEMENTS

Executive Summary

Core Dermatology has adopted the U.S. Department of Health and Human Services Office of Inspector General's (OIG) Seven Fundamental Elements of an Effective Compliance Program as a framework for maintaining an ethically sound and legally compliant organization. These elements—ranging from written policies and training to auditing and disciplinary procedures—reflect the company's proactive and adaptive approach to managing compliance risks.

Current Status: At present, Burrill Watkins, LLC serves as Core Dermatology's external Designated Compliance Officer (DCO), managing oversight, internal audits, compliance training, and related strategic responsibilities.

Recommendation for Future Development: As Core Dermatology continues to expand, it is recommended that the company consider appointing an internal Compliance Officer. Internalizing this role will enhance day-to-day responsiveness, foster deeper integration of compliance into operational culture, and support scalability as regulatory complexity increases with growth.

This shift would complement Core Derm's already strong commitment to dynamic, responsive compliance practices and align with industry best practices for maturing healthcare organizations. The following are the fundamental objects of the Compliance Program:

1. Implementing Written Policies, Procedures, and Standards of Conduct

- **Overview:** Core Dermatology has established comprehensive written policies and procedures that define the standards of conduct expected of all employees, contractors, and vendors. These documents are designed to guide daily operations, ensure compliance with applicable laws, and promote ethical business practices.
- **Key Policies Include:**
 - Code of Conduct
 - Billing and Coding Compliance
 - HIPAA Privacy and Security
 - Anti-Kickback and Stark Law Compliance

2. Designating a Compliance Officer and Compliance Committee

- **Overview:** Core Dermatology has appointed a Dedicated Compliance Officer (DCO) who oversees the implementation and operation of the compliance program. Additionally, a Compliance Committee (CC) has been established to provide strategic oversight, ensure accountability, and support the DCO in maintaining an effective compliance environment.
- **Responsibilities Include:**
 - Regular monitoring and auditing of compliance activities
 - Facilitating communication between the compliance team and senior management
 - Reviewing and updating compliance policies as necessary

3. Conducting Effective Training and Education

- **Overview:** Core Dermatology is committed to providing continuous training and education to all employees on compliance-related topics. This includes mandatory training on the Code of Conduct, HIPAA, billing and coding accuracy, and other relevant regulations.
- **Training Programs Include:**
 - New employee orientation focused on compliance standards
 - Regular refresher courses to keep employees informed of regulatory changes
 - Role-specific training for staff involved in high-risk areas such as billing and patient care

4. Developing Effective Lines of Communication

- **Overview:** Core Dermatology ensures that all employees have access to clear and effective lines of communication for reporting compliance concerns. This includes an anonymous hotline managed by a third-party provider, enabling employees to report potential compliance issues without fear of retaliation.
- **Communication Channels Include:**
 - Anonymous compliance hotline and secure email reporting
 - Regular compliance newsletters and updates
 - Open-door policy with the Compliance Officer for direct communication

5. Conducting Internal Monitoring and Auditing

- **Overview:** Internal monitoring and auditing are essential components of Core Dermatology's compliance program. These activities are designed to proactively identify compliance risks, ensure adherence to policies, and evaluate the effectiveness of the compliance program.
- **Monitoring and Auditing Activities Include:**
 - Regular audits of billing practices and documentation
 - Continuous monitoring of high-risk areas such as patient care and data security
 - Implementation of corrective actions based on audit findings

6. Enforcing Standards Through Well-Publicized Disciplinary Guidelines

- **Overview:** Core Dermatology enforces its compliance standards through clearly defined and well-publicized disciplinary guidelines. These guidelines outline the consequences of non-compliance and are consistently applied to all employees, regardless of position.
- **Disciplinary Measures Include:**
 - Written warnings and mandatory retraining for minor infractions
 - Suspension or termination for serious or repeated violations
 - Documentation of all disciplinary actions to ensure transparency and fairness

7. Responding Promptly to Detected Offenses and Undertaking Corrective Action

- **Overview:** Core Dermatology is committed to responding swiftly and effectively to any detected compliance issues. Upon identifying a potential violation, the Compliance Officer will initiate a thorough investigation and develop a corrective action plan to address the root cause of the issue and prevent future occurrences.

- **Corrective Actions Include:**
 - Immediate cessation of any illegal or unethical activity
 - Implementation of new policies or procedures to prevent recurrence
 - Ongoing monitoring to ensure the effectiveness of corrective measures

A Dynamic Approach to Compliance

At Core Derm we embrace this dynamic perspective on compliance. We understand that a compliance program should evolve alongside our organization's growth, changes in the regulatory landscape, and emerging industry trends. This adaptive approach enables us to proactively identify risks and implement strategies that are not only relevant but also effective in mitigating potential compliance breaches. As we navigate the complexities of compliance, we remain committed to continuous improvement and learning. Our compliance program is not static; it is a living organism that adapts, learns, and grows. By consistently evaluating our practices and their alignment with the OIG and DOJ recommendations, we strengthen our ability to safeguard our organization's integrity, uphold ethical standards, and ensure lawful operations.

LEADERSHIP AND OVERSIGHT: GUIDING COMPLIANCE EXCELLENCE

An effective compliance program thrives under the guidance of steadfast leadership and robust oversight. At Core Derm we recognize the critical role that leadership plays in shaping a culture of integrity and adherence to regulatory standards. To ensure the highest level of compliance, we have established a structured leadership framework that upholds transparency, accountability, and independence.

Designated Compliance Officer: Upholding the Torch of Compliance

Central to our leadership structure is the Designated Compliance Officer (“DCO”), a role entrusted with championing our commitment to compliance and ethical conduct. The DCO is a pivotal link between executive leadership and the Compliance Committee of the Board of Directors. Reporting directly to the CEO on a day-to-day basis, the DCO maintains independence to conduct impartial investigations, safeguarding the integrity of our compliance efforts.

The duties of a designated compliance officer, as listed below, are essential in ensuring the effective implementation and maintenance of a robust compliance program. The officer plays a pivotal role in upholding ethical standards, regulatory adherence, and fostering a culture of integrity.

The designated compliance officer's role is dynamic and critical to the organization's success in maintaining regulatory adherence, mitigating risks, and nurturing a culture of transparency and accountability.

Collaborative Oversight: The Compliance Committee

Core Dermatology has a Compliance Committee (the “Compliance Committee”) consisting of leadership level individuals, which Compliance Committee reports directly to the Chief Executive Officer and to the Governing Board. The Compliance Committee has adopted a committee charter



that includes duties and responsibilities for coordinating with the Compliance Officer. The committee charter is reviewed annually and updated as necessary. The Compliance Committee coordinates with the Compliance Officer to ensure that all Affected Individuals complete compliance training and education during orientation and annually thereafter.

Our Compliance Committee is a cornerstone of our oversight mechanism, ensuring the alignment of our compliance program with strategic goals and regulatory standards. Its diverse composition, as described below, empowers the committee to draw from a wealth of expertise and perspectives, thus fortifying the efficacy of our compliance initiatives. A compliance committee is a group of individuals responsible for overseeing and guiding the organization's compliance efforts. Their role, as described in the subsections below, is pivotal in ensuring effective governance, risk management, and adherence to regulatory standards.

The compliance committee plays a crucial role in promoting ethical behavior, mitigating risks, and safeguarding the organization's reputation. Their collaborative efforts contribute to an environment of transparency, accountability, and regulatory adherence.

Collaborative Endeavors: DCO and Outside Counsel

Acknowledging the complexity of compliance matters, the DCO collaborates with outside legal counsel, unless the roles are being fulfilled concurrently by one entity. This collaboration ensures that our compliance strategies are meticulously aligned with evolving legal landscapes and best practices. By harnessing the insights of experienced legal professionals, we fortify our ability to proactively address challenges and maintain our commitment to ethical behavior.

Compliance Committee: Nurturing Governance and Accountability

A robust compliance program thrives when guided by a dedicated group of individuals committed to fostering transparency, accountability, and adherence to regulatory standards. The Compliance Committee at Core Derm, embodies this commitment, functioning as a strategic hub that facilitates collaboration, oversight, and informed decision-making.

Composition and Expertise: A Unified Effort

The Compliance Committee is comprised of esteemed individuals who bring diverse perspectives, extensive experience, and unwavering dedication to the table. Chaired by the DCO, it also includes the CFO and any other members appointed by the DCO. In addition, the committee benefits from the insights of outside legal counsel, which may simultaneously act as DCO, who serves as an advisor and ensures that our strategies are both legally sound and aligned with best practices.

Annual Formal Engagement: A Forum for Progress

The Compliance Committee convenes at minimum annually, however, may meet more often as prescribed by the Committee, providing a recurring platform for comprehensive reviews of our compliance program's efficacy, achievements, and challenges. This regular interaction bolsters our



commitment to transparency and enables the committee to remain actively engaged in guiding our compliance endeavors.

Designated Compliance Officer's Reporting: A Source of Insight

Central to the committee's efficacy is the DCO, who reports all compliance-related activities to the committee. This ensures that the committee is fully informed about ongoing initiatives, challenges, and successes. The DCO's comprehensive insights empower the committee to make well-informed decisions and provide strategic guidance.

Board of Directors Communication: Ensuring Transparency

The Board of Directors exercises regular oversight with respect to the Compliance Program. Specific oversight activities include (1) receiving periodic (at least annually) reports from the DCO; and (2) providing feedback and/or approval on areas such as compliance work plans, reports of compliance reviews, and reviews of the Compliance Program's effectiveness.

The Compliance Committee functions as a conduit for communication between the compliance program and the Board of Directors. It is responsible for keeping the Board informed of the organization's compliance activities, challenges, and key achievements. This transparency is crucial in maintaining the Board's understanding of our commitment to ethical behavior and regulatory adherence.

A Shared Vision for Compliance Excellence

Through the collaborative efforts of the Compliance Committee, we uphold our commitment to fostering a culture of compliance, integrity, and accountability. By leveraging the collective expertise and dedication of its members, we ensure that our compliance program remains agile, effective, and aligned with industry best practices and regulatory standards.

ENHANCING WRITTEN POLICIES AND PROCEDURES: A COMMITMENT TO BEST PRACTICES

The foundation of a strong compliance program lies in clear, comprehensive, and up-to-date written policies and procedures. At Core Derm, we acknowledge the significance of well-defined guidelines that govern our operations while ensuring adherence to regulatory standards.

Formalization for Effective Practices

In pursuit of best practices and a standardized approach, we will embark on a journey to formalize our existing policies and procedures. By establishing clear guidelines, our team members will have a comprehensive resource that aligns their actions with our organization's commitment to compliance, ethics, and regulatory requirements.

An Organized Approval Process

As part of this initiative, we will institute a robust approval process to ensure that each policy and procedure undergoes thorough review. This process guarantees that all aspects of our operations, from patient care to administrative functions, are subject to careful scrutiny, alignment with applicable law, and adherence to industry best practices.

Monitoring for Consistency and Effectiveness

We recognize that a compliance program's strength is contingent on ongoing monitoring. To this end, we will integrate a monitoring process that assesses the consistency and effectiveness of our policies and procedures. This proactive approach enables us to identify any gaps, areas for improvement, or potential non-compliance issues and address them promptly.

Alignment with Applicable Law: A Top Priority

Our commitment to compliance extends beyond internal guidelines—it is tethered to the adherence of applicable laws and regulations. We are dedicated to ensuring that our policies and procedures remain in strict alignment with the ever-evolving legal landscape. Through rigorous legal reviews and consultations, we will establish a framework that is not only compliant but also adaptable to regulatory changes.

Strategic Implementation and Continuous Improvement

While we embark on this journey to formalize and enhance our written policies and procedures, we understand that an organized process and strategy are crucial. We will carefully plan and execute each phase of this initiative, drawing on the expertise of our team members and leveraging industry best practices.

Comprehensive Policies and Framework

1. Code of Conduct

- **Purpose:** Establishes the organization's commitment to ethical behavior, legal compliance, and sets the expectations for all employees, contractors, and board members.
- **Scope:** Applicable to all levels of the organization including employees, contractors, and vendors.
- **Key Points:**
 - Ethical standards and behavior guidelines.
 - Procedures for reporting unethical behavior.
 - Non-retaliation assurance for those who report concerns.

2. Compliance Program Policy

- **Purpose:** Defines the structure, responsibilities, and procedures of the compliance program.
- **Scope:** Covers all operational areas of the organization.

- **Key Points:**
 - Roles of compliance officers and committees.
 - Procedures for monitoring, auditing, and enforcement.
 - Regular review and updates to align with regulatory changes.

3. HIPAA Privacy and Data Security Policies

- **Purpose:** Ensures the protection of Protected Health Information (PHI) in compliance with HIPAA.
- **Scope:** All employees, contractors, and third-party vendors handling PHI.
- **Key Points:**
 - Guidelines for accessing, storing, and sharing PHI.
 - Security measures to prevent data breaches.
 - Procedures for handling breaches and reporting.

4. Billing and Coding Compliance

- **Purpose:** Prevents fraudulent billing practices and ensures accurate coding.
- **Scope:** Billing departments, coders, and relevant administrative staff.
- **Key Points:**
 - Standards for accurate coding and documentation.
 - Regular audits to ensure compliance.
 - Processes for correcting errors and addressing overpayments.

5. Conflict of Interest Policy

- **Purpose:** Identifies and manages conflicts of interest to maintain organizational integrity.
- **Scope:** Employees, board members, and contractors.
- **Key Points:**
 - Disclosure requirements for potential conflicts.
 - Procedures for managing and resolving conflicts.
 - Periodic reviews and updates.

6. Anti-Kickback and Stark Law Compliance

- **Purpose:** Prevents illegal financial relationships and referrals.
- **Scope:** Healthcare providers, administrative staff, and contractors.
- **Key Points:**
 - Prohibited practices under Anti-Kickback and Stark laws.
 - Guidelines for permissible arrangements.
 - Regular training and updates on legal requirements.

7. Training and Education Policy

- **Purpose:** Ensures all staff are educated on compliance issues, policies, and regulatory changes.
- **Scope:** All employees, including new hires, contractors, and board members.
- **Key Points:**
 - Mandatory training schedules.
 - Content specific to roles and responsibilities.
 - Documentation of training completion.

8. Incident Reporting and Whistleblower Protection

- **Purpose:** Provides a secure and anonymous way to report compliance concerns.
- **Scope:** All employees, contractors, and vendors.

- **Key Points:**
 - Reporting mechanisms (hotlines, emails, etc.).
 - Protection against retaliation.
 - Procedures for investigating reports.

9. Audit and Monitoring Procedures

- **Purpose:** Regularly assesses the effectiveness of compliance practices.
- **Scope:** All operational areas subject to compliance reviews.
- **Key Points:**
 - Schedule for internal audits.
 - Use of key performance indicators (KPIs).
 - Reporting of findings and implementation of corrective actions.

10. Records Retention Policy

- **Purpose:** Ensures legal and regulatory compliance in the management of records.
- **Scope:** All records, including medical, financial, and compliance documentation.
- **Key Points:**
 - Retention periods for different types of records.
 - Secure disposal procedures.
 - Regular reviews and updates to the policy.

11. Disciplinary Actions for Non-Compliance

- **Purpose:** Establishes consequences for violations of compliance policies.
- **Scope:** All employees, contractors, and vendors.
- **Key Points:**
 - Range of disciplinary actions (reprimand, suspension, termination).
 - Consistent enforcement across the organization.
 - Documentation and communication of disciplinary actions.

12. Vendor and Third-Party Management Policy

- **Purpose:** Ensures third parties comply with the organization's compliance standards.
- **Scope:** All vendors, contractors, and external partners.
- **Key Points:**
 - Due diligence in vendor selection.
 - Contractual obligations for compliance.
 - Ongoing monitoring and audits of third-party compliance.

13. Fraud, Waste, and Abuse Prevention

- **Purpose:** Detects, prevents, and addresses fraud, waste, and abuse within the organization.
- **Scope:** All departments, particularly billing, procurement, and clinical services.
- **Key Points:**
 - Reporting mechanisms for suspected fraud.
 - Investigative procedures.
 - Training and awareness programs.

14. Emergency Preparedness and Response

- **Purpose:** Maintains compliance during emergencies, ensuring continuity of care and operations.
- **Scope:** All departments, with a focus on those critical to operations during emergencies.
- **Key Points:**
 - Emergency response plans.



- Staff roles and responsibilities during emergencies.
- Regular drills and updates to emergency plans.

TRAINING AND EDUCATION: NURTURING A CULTURE OF COMPLIANCE EXCELLENCE

Core Derm is committed to cultivating a culture of compliance excellence, recognizing that the effectiveness of our compliance program hinges on the knowledge and awareness of our team members. We aim to ensure that every employee is equipped with the necessary knowledge to navigate the complexities of compliance in our industry, thereby upholding the highest standards of ethics, legality, and regulatory adherence.

Integrated Training Approach

Our integrated approach to training and education is designed to ensure that every team member can make informed decisions in alignment with Core Derm's commitment to compliance and ethical conduct. New hire compliance training must be completed within the first (30) days of hire and annually thereafter for employees. To achieve this, we have developed a robust training framework that includes both annual and routine sessions, covering a broad spectrum of essential topics:

- **Fraud, Waste, and Abuse Prevention:**
Team members will receive comprehensive training on identifying, preventing, and reporting instances of fraud, waste, and abuse. This training is essential for maintaining the integrity of our operations and ensuring that all employees are equipped to address potential violations promptly.
- **Billing and Medical Necessity:**
Specialized training will be provided to employees involved in billing processes to ensure accurate billing practices and adherence to medical necessity requirements. This training supports our commitment to transparency and compliance in all billing activities.
- **False Claims and HIPAA Privacy:**
Core Derm is dedicated to preventing false claims and safeguarding patient privacy. Training on HIPAA privacy regulations will help employees understand the implications of false claims and the importance of maintaining confidentiality and securely handling sensitive data.
- **Collaboration Between Compliance and HR:**
In partnership with Human Resources, we will deliver holistic compliance training that is relevant, comprehensive, and tailored to each employee's role. This collaboration ensures alignment between our compliance program and HR policies.
- **Provider-Specific Training:**
Recognizing the critical role of healthcare providers in compliance, we will implement targeted training for our providers. This training will focus on the complex regulations specific to their roles, ensuring that our healthcare services are delivered with the highest standards of care and compliance.



Effective Training and Education

Adherence to the Compliance Program requirements, including training requirements, shall be a condition of employment and a factor in the annual performance evaluation of each employee.

The DCO is responsible for coordinating compliance education and training programs and ensuring that records evidencing an individual's completion of the training requirements are documented and maintained, such as sign-in sheets, attestations, or electronic certifications, as required by law. The DCO, Core Dermatology executive staff, are responsible for ensuring that Board Members, employees, contractors, and FDRs complete training on an annual basis.

Core Dermatology's Human Resources Department utilizes state of the art web-based training courses through MedBridge that emphasize CalOptima Health's commitment to the Compliance Program, and updates courses regularly to ensure that employees are kept fully informed about any changes in procedures, regulations, and requirements.

Shared Responsibility

Compliance is a shared responsibility. Training and education are foundational to fostering a compliance-focused culture at Core Derm, where every team member plays a crucial role in safeguarding our organization's integrity. By equipping ourselves with the necessary knowledge, we reinforce our collective commitment to ethical behavior, regulatory adherence, and maintaining patient trust.

COMMUNICATION AND REPORTING COMPLIANCE ISSUES: UPHOLDING CONFIDENTIALITY, ACCOUNTABILITY, AND ZERO RETALIATION

Effective communication and reporting mechanisms are the cornerstones of a strong compliance program. Employees are encouraged to promptly report any suspected compliance violations or unethical behavior through established channels. The organization is committed to maintaining the confidentiality of those who come forward, understanding the importance of protecting individuals who act in good faith.

Accountability is a fundamental principle of the compliance program. All reported compliance issues will be thoroughly investigated, and appropriate actions will be taken to address them. The organization is dedicated to ensuring that violations are addressed promptly and fairly, reflecting its commitment to upholding ethical standards.

Retaliation against individuals who report compliance issues is strictly prohibited. The organization maintains a zero-tolerance stance on retaliation in any form. Any instances of retaliation will be met with swift and decisive action. This commitment to non-retaliation underscores the organization's dedication to fostering an environment where employees can speak up without fear.

Anonymous Compliance Hotline: Ensuring Confidential Reporting

In furtherance of Core Dermatology's commitment to maintaining a culture of compliance, an anonymous hotline has been created for purposes of reporting any past, present, or potential issues of non-compliance. If you are aware or suspicious of potentially non-compliant behavior, please



use the following resources to identify the issues and aid Core Dermatology in its mission for a compliance-centric and transparent workplace. Be assured that Core Dermatology is fully dedicated to promoting ethical conduct and will not accept or tolerate any retaliation for compliance reports made in good faith.

This hotline provides an opportunity for employees to report incidents or potentially non-compliant circumstances without fear of intimidation, retaliation, or being identified. Core Dermatology is committed to maintaining confidentiality and anonymity through its third-party service provider, Syntrio, who hosts the compliance hotline.

As part of our unwavering commitment to fostering a culture of compliance and accountability, an anonymous compliance hotline has been established to provide a secure and confidential platform for team members to report any concerns, compliance violations, or unethical behavior. Recognizing the importance of anonymity in encouraging open reporting, the hotline will enable employees to share information without revealing their identities. This hotline can be accessed through the following methods:

Phone	(833) 596-7766
Website	report.syntrio.com/core-derm
Email	compliance@core-dermatology.com

This hotline will serve as a vital tool in maintaining the integrity of our organization, offering a safe space for individuals to raise concerns without fear of reprisal. Reports made through the hotline will be promptly reviewed and investigated by the appropriate parties, ensuring that any potential compliance issues are addressed effectively and transparently.

Non-Anonymous Platform

If you have any questions about compliance or issues that do not require anonymity, you may use the following email to reach the Compliance Department: compliance@core-dermatology.com.

MONITORING AND AUDITING: ENSURING CONTINUOUS COMPLIANCE

The monitoring and auditing process is an integral component of our comprehensive compliance program, designed to uphold the highest standards of integrity and regulatory adherence. Through systematic and thorough evaluations, we ensure that our organization remains aligned with applicable laws, regulations, and internal policies.

Regular monitoring activities will be conducted to proactively identify potential compliance risks and deviations. These activities involve ongoing reviews of processes, transactions, and operational practices to pinpoint any areas that require corrective action. Our commitment to proactive monitoring aims to address issues before they escalate, safeguarding our organization's reputation and operational continuity.

In addition to monitoring, rigorous auditing procedures will be performed to provide an independent assessment of our compliance efforts. These audits will be conducted by qualified professionals who possess the expertise to objectively evaluate our compliance controls, processes, and risk management strategies. Audits will serve as a valuable tool to validate the effectiveness of our compliance program and identify opportunities for enhancement.

1. Risk Assessment:

- **Annual Compliance Risk Assessment:** Conducted at least annually, this assessment identifies and evaluates potential risks arising from violations of law, regulations, or other legal requirements.
- **Integration of Internal and External Sources:** The assessment considers both external and internal sources of risk, such as changes in regulations, enforcement actions, and organizational strategies.
- **Prioritization of Risks:** The Compliance Committee evaluates the identified risks, prioritizing them based on their potential impact on the organization and developing a compliance work plan to address them.

2. Proactive Monitoring:

- **Ongoing Monitoring Activities:** Regular reviews of processes, transactions, and operational practices are conducted to detect any deviations from compliance standards.
- **Early Detection and Resolution:** The goal is to identify potential issues early, allowing for timely corrective actions that prevent escalation into larger problems.
- **Routine Checks:** Examples include monthly screening of the List of Excluded Individuals/Entities (LEIE) and regular reviews of state licensure and certification databases.

3. Independent Auditing:

- **Scheduled Audits:** Audits are scheduled based on the risks identified during the annual risk assessment, with the flexibility to add additional audits as new risks emerge throughout the year.
- **Expert Auditors:** Audits are conducted by professionals with expertise in federal and state healthcare regulations, ensuring a thorough and independent evaluation.
- **Evaluation of Compliance Controls:** Audits provide an objective assessment of the effectiveness of our compliance controls, identifying areas for improvement and ensuring that our compliance program remains robust.

4. Integration with Risk Management:

- **Ongoing Reassessment:** The compliance work plan is regularly reassessed to ensure that monitoring and auditing efforts remain effective and aligned with current compliance challenges.
- **Adaptation to New Risks:** The compliance officer continuously scans for new or unidentified risks, incorporating them into the risk assessment process as needed.
- **Data Analytics:** Where possible, data analytics are utilized to identify trends and outliers, helping to pinpoint potential compliance risks.

5. Compliance Program Effectiveness:

- **Periodic Effectiveness Reviews:** The overall effectiveness of the compliance program is assessed periodically using tools and guidelines provided by the OIG Work Plan, such as the "Measuring Compliance Program Effectiveness" toolkit.

- **Board Reporting:** The results of these effectiveness reviews are reported directly to the board, ensuring that leadership is informed of the compliance program's status and any areas needing attention.

The combination of proactive monitoring and thorough auditing underscores our dedication to transparency, accountability, and continuous improvement. By diligently reviewing our operations and promptly addressing any compliance gaps, we strive to maintain the trust of our stakeholders, uphold ethical standards, and ensure the long-term success of our organization.

ENFORCEMENT, DISCIPLINARY ACTION, AND CORRECTIVE MEASURES: UPHOLDING COMPLIANCE STANDARDS

The enforcement of compliance standards is pivotal in maintaining the integrity of our organization and safeguarding our commitment to ethical conduct. In instances where compliance violations are identified, a clear framework of enforcement, disciplinary action, and corrective measures will be diligently applied to ensure accountability and deter future breaches.

Upholding compliance standards is essential for preserving the ethical framework and integrity of our organization. When compliance violations occur, a structured approach to enforcement, disciplinary action, and corrective measures will be implemented to ensure accountability and prevent recurrence.

1. Investigation and Assessment

- **Initiation of Investigation:** Once a compliance violation is identified, an immediate and thorough investigation will be conducted to determine the scope and details of the violation.
- **Evaluation:** The severity and impact of the violation will be assessed, taking into account the nature of the breach and any potential harm caused.

2. Disciplinary Action

- **Consistent and Fair Enforcement:** Disciplinary actions will be applied based on the severity of the violation, ensuring that they are fair, consistent, and in compliance with both organizational policies and legal requirements.
- **Range of Disciplinary Measures:** Actions may range from verbal warnings and retraining to more severe penalties such as suspension or termination, depending on the gravity of the breach.
- **Well-Publicized Disciplinary Standards:** In accordance with our policies and procedures, individuals who fail to comply with our compliance standards or fail to report noncompliance are subject to disciplinary action, up to and including termination of employment.

3. Corrective Measures

- **Root Cause Analysis:** A focus on understanding the underlying causes of the violation will guide the development of corrective measures.

- **Implementation:** These corrective measures may include process changes, policy updates, additional training, and enhanced monitoring procedures.
- **Prevention:** The goal is to not only address the specific issue but to strengthen our compliance infrastructure to mitigate the risk of future violations.

4. Enforcement and Accountability

- **Role of the Compliance Officer:** The Compliance Officer is responsible for ensuring that any suspected non-compliance is thoroughly investigated. If a violation is confirmed, the Compliance Officer will provide management with recommendations for corrective actions and may suggest appropriate disciplinary measures and training to prevent recurrence.
- **Management's Responsibility:** It is the responsibility of management to implement the recommended corrective actions and ensure that the disciplinary measures are enforced.

5. Disciplinary Records

- **Documentation:** If disciplinary action is initiated, Human Resources will work with management to ensure that the action is documented in the employee's personnel file. This documentation serves as proof of the effectiveness of the Compliance Program by demonstrating that compliance is taken seriously within the organization.

6. Transparency and Due Process

- **Clear Communication:** All parties involved in the enforcement process will be informed about the situation and the steps being taken.
- **Opportunity for Response:** Individuals implicated in the compliance breach will be given a chance to present their side of the story, ensuring that due process is followed.

By adhering to these principles, our organization underscores its commitment to ethical conduct, accountability, and continuous improvement within our compliance program. This structured approach ensures that compliance standards are well-publicized, fairly enforced, and integrated into the fabric of our organizational culture.

RESPONSE AND PREVENTION: MITIGATING RISKS AND ENSURING FUTURE COMPLIANCE

A swift and effective response to compliance issues is paramount to maintaining the trust of stakeholders and upholding our commitment to ethical conduct. Our response strategy encompasses both immediate actions to address identified violations and a comprehensive approach to prevent similar issues from arising in the future.

Incident Response and Investigation

Upon identification of a compliance issue, an investigation will be initiated within 24 hours. The identities of employees involved will be kept confidential to the extent permitted by law unless such confidentiality hinders the effectiveness of the investigation conducted by the Corporate Compliance Committee.

The investigation will aim to:

1. Determine how the issue was discovered.
2. Identify the root cause of the problem.
3. Review relevant policies and procedures.
4. Interview employees as necessary.
5. Analyze any applicable claims history.
6. Develop and implement a corrective action plan.

Conducting the Investigation

- The Compliance/Quality Management Department and the Corporate Compliance Committee will immediately review the organization's relevant policies and procedures.
- A determination will be made regarding the necessity of employee interviews and the appropriate Committee members to conduct these interviews.
- Relevant documents will be identified for review, and responsibilities and timelines will be assigned accordingly.
- A decision will be made regarding the involvement of external counsel or auditors if needed to assist in the investigation.

Investigation Timeline

- The initial investigation will commence within 24 hours of the report and be completed within five (5) business days, to the extent possible.
- Results of the preliminary investigation will be communicated to the Chief Executive Officer, and other relevant parties, including the external Compliance Consultant if necessary.
- If the investigation extends beyond the preliminary phase, it should be concluded within two (2) weeks of the report, with any delays thoroughly documented.

Corrective Actions and Preventive Measures

If an employee is found to have violated the Corporate Compliance Plan, Agency policy, or the Code of Conduct/Ethics, appropriate corrective action will be taken. This action will be proportional to the nature, severity, and frequency of the violation.

The Corporate Compliance Committee will also consider whether the violation requires reporting to governmental authorities or law enforcement and whether it resulted in overpayments or billing issues that need to be addressed.

Upon conclusion of the investigation, the Committee will review the incident, identify measures to prevent recurrence, and implement these measures. All actions taken will be documented, including any future monitoring requirements to ensure the issue does not reoccur.

Good Faith Reporting

Employees are encouraged to report compliance concerns in good faith to their Supervisor or the Corporate Compliance Officer. No employee will face retaliation for making a good faith report.



However, any employee found to have knowingly made a false report will be subject to corrective action, up to and including termination.

Our dedication to response and prevention extends beyond rectifying isolated incidents. By learning from past experiences, instituting corrective actions, and fostering a culture of vigilance, we commit to reducing the likelihood of future compliance issues. Through these combined efforts, we aim to not only meet regulatory requirements but also to exceed expectations, demonstrating our unwavering dedication to ethical behavior, transparency, and the highest standards of compliance.



Exhibit A

List of New or Updated Policies for Approval

Effective as of [Insert Approval Date]

The following policies have been developed or revised and are submitted for formal approval. Each policy aligns with current regulatory requirements and organizational objectives. Corresponding procedures and implementation responsibilities rest with the respective operational and administrative departments.

Policy Title	Version / Effective Date	Department
Billing and Coding Compliance Policy	Version 1.0 / 2025.04.02	Compliance
Compliance Hotline and Reporting Issues Policy & Procedure	Version 1.0 / 2025.04.02	Compliance
Contract Management Policy	Version 1.0 / 2025.04.02	Compliance
Fraud, Waste, and Abuse (FWA) Prevention Policy	Version 1.0 / 2025.04.02	Compliance
NPDB (National Practitioner Data Bank) Database Policy and Procedure	Version 1.0 / 2025.04.02	Compliance
Patient Financial Assistance Policy	Version 1.0 / 2025.04.02	Compliance
Patient Recording Policy	Version 1.0 / 2025.04.02	[TBD / Operational]
Patient Records Retention Policy & Procedure	Version 1.0 / 2025.04.02	Compliance
Policy & Procedure Development Policy	Version 1.0 / 2025.04.02	Compliance
Social Determinants of Health (SDOH) Policy	Version 1.0 / 2025.04.02	Compliance

Implementation Note:

All corresponding standard operating procedures, workflows, training, and auditing mechanisms required to operationalize the above policies will be the responsibility of the designated operational and administrative departments. Oversight will be provided by the Compliance Officer and applicable department heads in accordance with CoreDerm governance standards. Please review the following policies for approval.



POLICY

Policy Title: Billing and Coding Compliance

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to ensure that all billing and coding activities at CoreDerm are conducted accurately, ethically, and in accordance with applicable federal and state laws, payer requirements, and professional standards. This policy is designed to promote the integrity of the billing process and to prevent errors, fraud, waste, and abuse.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to maintaining a compliant billing and coding environment. All services rendered must be documented and coded accurately and truthfully before claims are submitted. Only medically necessary services, properly documented and supported by the patient's medical record, shall be billed. Moreover, to ensure compliance and enforcement of this policy an annual audit will be conducted both internally and externally periodically based on best practices, applicable law, and all relevant obligations of the company.



POLICY

Policy Title: Compliance Hotline and Reporting Issues

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to educate employees and other stakeholders on how to report potential or actual non-compliance with Core Dermatology's policies, procedures, and applicable laws. It ensures that all employees understand the importance of compliance and are aware of the channels available to report issues.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to fostering a culture of compliance and ethical conduct. To support this commitment, an anonymous compliance hotline has been established, allowing employees, third parties, and other stakeholders to report concerns related to non-compliance. Reports can be made without fear of retaliation, and confidentiality will be maintained through the Company's third-party service provider, Syntrio.



POLICY

Policy Title: Contract Management

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to establish a standardized process for the creation, review, approval, execution, and management of contracts within Core Dermatology. This policy aims to ensure that all contracts are legally sound, align with the organization's objectives, and are effectively managed throughout their lifecycle.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to ensuring that all contracts are handled with due diligence, transparency, and in accordance with applicable laws and regulations. All contracts must go through the standardized process outlined in this policy.



POLICY

Policy Title: Fraud, Waste, and Abuse (FWA) Prevention

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to prevent, detect, and respond to fraud, waste, and abuse (FWA) within CoreDerm and its affiliated entities. CoreDerm is committed to ethical conduct, regulatory compliance, and the responsible stewardship of healthcare resources. This policy outlines expectations, responsibilities, and procedures designed to reduce the risk of FWA in accordance with applicable federal and state laws, including but not limited to the False Claims Act, Anti-Kickback Statute, and Stark Law.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm has a zero-tolerance policy for fraud, waste, and abuse. All personnel are expected to conduct business in an honest, ethical, and compliant manner and to report any concerns or suspected violations without fear of retaliation.



POLICY

Policy Title: NPDB (National Practitioner Data Bank) Database

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

Purpose:

The purpose of this policy is to establish a standardized procedures for reporting to the NPDB, managing the Company's NPDB account, and ensuring compliance with all NPDB requirements.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to complying with all National Practitioner Data Bank (NPDB) reporting requirements and maintaining accurate records of all reportable actions and payments.



POLICY

Policy Title: Patient Financial Assistance

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to outline CoreDerm's commitment to providing medically necessary care to all patients, regardless of their ability to pay. This Patient Financial Assistance Policy ("FAP") establishes the criteria and process by which eligible patients may apply for reduced-cost or free services based on financial hardship.

Scope:

This policy applies to all CoreDerm clinic and surgical services. It covers uninsured or underinsured patients who meet specific income and eligibility requirements, and it applies only to services deemed medically necessary by CoreDerm providers.

Policy:

CoreDerm is committed to providing financial assistance to eligible patients who are unable to pay for all or part of their care due to financial hardship. The goal of this policy is to ensure fair and consistent application of financial assistance criteria in compliance with federal and state regulations and to support equitable access to dermatologic care.



POLICY

Policy Title: Patient Recording

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to establish the procedures for the use of recording by patients during their patient visits at CoreDerm ("the Company"). This policy ensures patient privacy, protects sensitive medical information, and maintains the professional delivery of healthcare.

Scope:

This policy applies to all patients who participate in a patient visit with a provider employed by the Company.

Policy:

This policy generally prohibits patients from recording their visits with the Company's providers except when prior approval by the medical director was obtained.



POLICY

Policy Title: Patient Records Retention

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to establish guidelines for the maintenance, retention, and destruction of patient records at CoreDerm. This ensures compliance with legal, regulatory, and accreditation requirements.

Scope:

This policy applies to all patients who participate in a patient visit with a Provider employed by the Company.

Policy:

CoreDerm will maintain and destroy patient medical records in compliance with applicable state and federal laws, regulations, and insurance contract requirements. The Compliance Officer or their designee is responsible for ensuring that patient records are maintained and destroyed according to this policy.



POLICY

Policy Title: Policy and Procedure Development

Department: Compliance

Effective Date:

Policy Number:

Review Period: 1 year

Purpose:

The purpose of this policy is to establish a standardized process for the creation, review, approval, and management of policies and procedures within Core Dermatology. This policy aims to ensure that all policies and procedures are consistent, aligned with organizational objectives, and effectively managed throughout their lifecycle.

Scope:

This policy applies to all patients who participate in a patient visit with a physician employed by the Company.

Policy:

CoreDerm is committed to ensuring that all policies and procedures are developed with due diligence, transparency, and in accordance with applicable laws and regulations. All policies and procedures must go through the standardized process outlined in this policy.



POLICY

Policy Title: Social Determinants of Health (SDOH) Policy

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

Purpose:

The purpose of this policy is to outline CoreDerm's approach to identifying and addressing Social Determinants of Health (SDOH) that may impact patients' ability to access, adhere to, and benefit from dermatologic care. This policy supports the delivery of equitable, patient-centered care and promotes improved health outcomes by recognizing and responding to non-clinical factors affecting patient health.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to understanding and addressing SDOH as part of a holistic approach to dermatologic care. By recognizing the impact of SDOH on patient health, CoreDerm seeks to identify barriers, connect patients to appropriate resources, and ensure that care plans are informed by the patient's social and economic context.



POLICY & PROCEDURE

Policy Title: Billing and Coding Compliance Policy	
Department: Compliance	Policy
Effective	Review Period: 1

Purpose:

The purpose of this policy is to ensure that all billing and coding activities at CoreDerm are conducted accurately, ethically, and in accordance with applicable federal and state laws, payer requirements, and professional standards. This policy is designed to promote the integrity of the billing process and to prevent errors, fraud, waste, and abuse.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to maintaining a compliant billing and coding environment. All services rendered must be documented and coded accurately and truthfully before claims are submitted. Only medically necessary services, properly documented and supported by the patient's medical record, shall be billed. Moreover, to ensure compliance and enforcement of this policy an annual audit will be conducted both internally and externally periodically based on best practices, applicable law, and all relevant obligations of the company.

Procedure:

1. Coding Standards and Requirements
 - All coding must comply with applicable guidelines, including CPT, HCPCS, and ICD-10 standards, as well as payer-specific requirements.
 - Only qualified and appropriately trained individuals may assign medical codes.
 - Codes must reflect the actual services documented and rendered.
2. Medical Necessity
 - Claims submitted for reimbursement must represent services that are medically necessary as defined by applicable regulations and payer policies.
 - Services lacking sufficient documentation to support medical necessity must not be billed.

3. Documentation
 - Providers are responsible for timely and accurate documentation of all services performed.
 - Documentation must support the level of service and medical necessity for all billed codes.
 - Altering, falsifying, or backdating records is strictly prohibited.
4. Billing Practices
 - All claims must be submitted with accurate codes, units, dates of service, and provider identifiers.
 - Upcoding, unbundling, duplicate billing, or billing for services not rendered is strictly prohibited.
 - Claims shall be submitted only after verification that documentation is complete.
5. Audit and Monitoring
 - Regular internal audits of coding and billing practices will be conducted to identify errors, training needs, and potential compliance risks.
 - Identified issues will be documented, and appropriate corrective actions will be implemented.
6. Training
 - All billing, coding, and clinical documentation staff must complete compliance training upon hire and annually thereafter.
 - Ongoing education will be provided in response to regulatory updates and audit findings.
7. Error Correction and Refunds
 - Overpayments identified through audits or self-reporting will be promptly corrected, and refunds will be issued as required.
 - Errors must be reported to the Compliance Officer and corrected in accordance with applicable payer and legal requirements.
8. Reporting and Enforcing
 - Employees must report suspected billing or coding violations to their supervisor or the Compliance Officer.
 - Reports may be made anonymously. Retaliation against individuals who report concerns in good faith is strictly prohibited.
 - Violations of this policy may result in disciplinary action, up to and including termination and/or legal referral.

Review and Updates:

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Questions regarding this policy should be directed to the Policy Administrator or Compliance Officer.

Approved

Date:

Policy History:

Original Policy Date _____

Revision Date (s) _____



POLICY & PROCEDURE

Policy Title: Compliance Hotline and Reporting Issues Policy and Procedure	
Department: Compliance	Policy
Effective	Review Period: 1

Purpose:

The purpose of this policy is to educate employees and other stakeholders on how to report potential or actual non-compliance with Core Dermatology's policies, procedures, and applicable laws. It ensures that all employees understand the importance of compliance and are aware of the channels available to report issues.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to fostering a culture of compliance and ethical conduct. To support this commitment, an anonymous compliance hotline has been established, allowing employees, third parties, and other stakeholders to report concerns related to non-compliance. Reports can be made without fear of retaliation, and confidentiality will be maintained through the Company's third-party service provider, Syntrio.

Procedure:

1. Reporting Methods:

Employees and stakeholders can report potential or actual non-compliance issues using the following methods (or as otherwise applicable):

a. Anonymous Reporting via Compliance Hotline:

- Phone: (833) 596-7766
- Website: report.syntrio.com/core-derm

b. Non-Anonymous Reporting:

- Email: compliance@core-dermatology.com
- In Person: Directly to the Compliance Officer, their designee, or your supervisor.

- c. In Writing:
Reports can be mailed to:
Core Dermatology
Attn: Compliance Officer
4909 N Glen Park Pl, Peoria, IL 61614

2. Examples of Reportable Issues:

The following are examples of concerns that should be reported using the methods outlined above:

- False claims and billing irregularities
- Fraud or abuse
- Breaches of Protected Health Information (PHI)
- Conflicts of interest
- Violations of patient rights
- Any other activities inconsistent with Core Dermatology's policies, procedures, or applicable laws

3. Handling of Reports:

- All reported issues will be documented by the Compliance Officer or their designee. This includes recording the date of the report, a description of the reported issue, and any corrective actions or resolutions.
- A log of all incidents, along with supporting documentation, will be maintained confidentially.
- The identity of individuals making reports will be kept confidential to the maximum extent possible unless disclosure is required by law or for legal proceedings.

4. Escalation:

Reports submitted to supervisors or management must be promptly escalated to the Compliance Officer or their designee.

5. Compliance Updates:

The Compliance Officer or their designee is responsible for providing updates on reported compliance issues to the Board of Directors or governing body of Core Dermatology.

Resources:

1. The HIPAA Privacy Rule
2. OIG Compliance Program for Individual and Small Group Physician Practices

Non-Retaliation Policy:

Core Dermatology strictly prohibits any form of retaliation against individuals who report compliance concerns in good faith. Any employee found engaging in retaliatory actions will be subject to disciplinary action, up to and including termination.

Review and Updates:

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Questions regarding this policy should be directed to the Policy Administrator or Compliance Officer.



POLICY & PROCEDURE

Policy Title: Contract Management Policy	
Department: Compliance	Policy
Effective	Review Period: 1

Purpose:

The purpose of this policy is to establish a standardized process for the creation, review, approval, execution, and management of contracts within Core Dermatology. This policy aims to ensure that all contracts are legally sound, align with the organization's objectives, and are effectively managed throughout their lifecycle.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Policy:

CoreDerm is committed to ensuring that all contracts are handled with due diligence, transparency, and in accordance with applicable laws and regulations. All contracts must go through the standardized process outlined in this policy.

Procedure:

Roles and Responsibilities (as applicable):

- Contract Owner: Initiate the contract process, ensure alignment with organizational goals, and monitor contract performance and compliance.
- Legal Department: Review contracts for legal soundness and provide guidance on contractual obligations and risks.
- Finance Department: Review financial implications, ensure budgetary alignment, and approve financial commitments.
- Contracts Administrator: Maintain a central repository of all contracts, track key contract dates, and ensure proper execution and storage.

Contract Lifecycle Management:

- Initial Review:
 - Upon initiation, each contract will undergo an initial review by an appropriate executive (including VP Strategic Operations, SVP Business Operations, CEO,

- CFO or as otherwise appointed by the Board).
 - This review assesses whether the contract's terms, scope, and content warrant a full legal evaluation based on its complexity, financial impact, and alignment with organizational objectives. The designated reviewer will determine if the contract presents potential legal risks or contains clauses that require specialized legal insight. If further legal review is necessary, the contract will proceed to the next stage for legal examination.
- Financial Review:
 - Contracts will be forwarded to the CFO for a financial implications review.
- Legal Review (if necessary):
 - If deemed necessary, the contract will then be sent by staff to legal counsel for review.
- Execution:
 - Finalized contracts are signed by the authorized signatories CEO, CFO, or as otherwise appointed by the Board and are then stored in the Contract Management System (CMS).
- Monitoring and Compliance:
 - The Contract Owner is responsible for monitoring performance and ensuring compliance with contract terms, while the Contracts Administrator tracks critical dates and ensures proper documentation.
- Amendments:
 - Any changes to existing contracts must go through a formal amendment process, which includes review, approval, and execution steps as outlined in this policy.
- Renewal and Termination:
 - Contracts are periodically reviewed to assess the need for renewal or termination. Necessary actions are taken based on business needs and contract performance after a review by legal counsel and the Contracts Administrator.
- Archiving:
 - Upon completion or termination, contracts are archived in the CMS to ensure records are maintained for reference and compliance purposes.

Resources:

- 45 CFR Part 164 Subpart C - Security Standards for the Protection of Electronic Protected Health Information (if contracts involve protected health information)
- 45 CFR § 164.308(b)(1) - Administrative safeguards (for business associate agreements)
- 45 CFR § 164.314 - Organizational requirements (for business associate contracts)
- 42 CFR Part 2 - Confidentiality of Substance Use Disorder Patient Records (if applicable to any contracts)
- 48 CFR Chapter 1 - Federal Acquisition Regulation (FAR) (if the company engages in federal contracts)
- 21 CFR Part 11 - Electronic Records; Electronic Signatures (if contracts involve FDA-regulated activities)

Review and Updates:

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Questions regarding this policy should be directed to the Policy Administrator or Compliance Officer.

POLICY & PROCEDURE

Policy Title: Fraud, Waste, and Abuse (FWA) Prevention Policy

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

Purpose:

The purpose of this policy is to prevent, detect, and respond to fraud, waste, and abuse (FWA) within CoreDerm and its affiliated entities. CoreDerm is committed to ethical conduct, regulatory compliance, and the responsible stewardship of healthcare resources. This policy outlines expectations, responsibilities, and procedures designed to reduce the risk of FWA in accordance with applicable federal and state laws, including but not limited to the False Claims Act, Anti-Kickback Statute, and Stark Law.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Definitions:

- **Fraud:** Intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to that person or another party.
- **Waste:** Overutilization of services or misuse of resources that results in unnecessary costs.
- **Abuse:** Practices that are inconsistent with sound fiscal, business, or medical practices and that result in unnecessary cost or reimbursement.

Policy:

CoreDerm has a zero-tolerance policy for fraud, waste, and abuse. All personnel are expected to conduct business in an honest, ethical, and compliant manner and to report any concerns or suspected violations without fear of retaliation.

Procedures:

1. Education and Training

- All staff must complete initial and annual FWA training as part of the compliance program.
- Additional targeted training may be provided to billing, coding, and clinical staff.

2. Monitoring and Auditing

- CoreDerm will regularly audit billing, coding, and documentation practices to ensure compliance with applicable laws and payer requirements.
- The Compliance Officer or designee will oversee internal monitoring efforts.

3. Reporting and Investigation

- All individuals are required to report suspected FWA immediately to a supervisor, the Compliance Officer, or via the anonymous reporting mechanism, if available.
- Reports will be investigated promptly and confidentially to the extent possible.
- If FWA is confirmed, appropriate corrective action will be taken, including reporting to regulatory authorities when required.

4. Non-Retaliation

- CoreDerm prohibits retaliation against any individual who reports FWA in good faith.
- Retaliatory actions will be subject to disciplinary consequences.



5. Corrective Actions

- Violations of this policy may result in disciplinary action, up to and including termination of employment or contract.
- CoreDerm may seek repayment of overpayments or improperly obtained funds and may report violations to law enforcement or government agencies, as appropriate.

Review and Updates:

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Compliance with Other Policies:

This policy should be read in conjunction with CoreDerm's Code of Conduct, Compliance Plan, and other applicable policies related to ethics, billing, and professional responsibility.

Acknowledgment:

I acknowledge that I have received, read, and understand the CoreDerm Fraud, Waste, and Abuse Prevention Policy. I agree to abide by its terms and guidelines while representing the Company online.

Employee Signature: _____ Printed Name: _____ Date: _____

Policy Title: NPDB Database Policy and Procedure

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

I. POLICY:

Core Dermatology (the "Company") is committed to complying with all National Practitioner Data Bank (NPDB) reporting requirements and maintaining accurate records of all reportable actions and payments.

II. BACKGROUND/INTRODUCTION OF THE TOPIC:

The NPDB is a federal repository of reports containing information on medical malpractice payments and certain adverse actions related to health care practitioners, providers, and suppliers. Proper management and reporting to the NPDB is crucial for maintaining compliance with federal regulations.

III. PURPOSE:

The purpose of this NPDB Reporting and Management Policy is to establish standardized procedures for reporting to the NPDB, managing the Company's NPDB account, and ensuring compliance with all NPDB requirements.

IV. DEFINITIONS:

- ***NPDB:*** National Practitioner Data Bank
- ***Reportable Action:*** Any action that must be reported to the NPDB as per federal regulations
- ***Data Bank Administrator:*** The individual responsible for managing the Company's NPDB account and ensuring compliance



V. PROCEDURES:

A. The designated Data Bank Administrator is responsible for managing the Company's NPDB account and ensuring compliance with reporting requirements.

B. The Company must report all required actions and payments to the NPDB within the timeframes specified by federal regulations.

C. The Data Bank Administrator must complete all required training and stay informed about NPDB reporting requirements and procedures.

D. The Company will maintain a list of all current providers and regularly update the NPDB account to reflect changes in provider status.

E. The Data Bank Administrator will conduct regular reviews of the NPDB account to ensure accuracy and completeness of reported information.

F. Any settlements or malpractice payments made by the Company or its insurance providers must be reviewed for potential NPDB reporting requirements.

G. The Company will maintain confidentiality of all NPDB information as required by federal regulations.

H. The Data Bank Administrator will complete the annual attestation process, confirming the accuracy of the Company's reporting status.

I. The Company will develop and maintain clear documentation of all NPDB-related processes and procedures.

J. Any questions or concerns regarding NPDB reporting or management should be directed to the Compliance Officer or legal counsel.

K. Failure to comply with NPDB reporting requirements may result in penalties and disciplinary action.

Questions regarding this policy or the Company's NPDB procedures should be submitted to the Compliance Officer or Data Bank Administrator.

VI. RESOURCES

- NPDB Guidebook



- Federal Regulations Governing NPDB Reporting:
 - Title IV of Public Law 99-660, the Health Care Quality Improvement Act of 1986, as amended (42 U.S.C. § 11101 et seq.)
 - Title 45 Code of Federal Regulations, Part 60
- Company Legal Counsel

POLICY & PROCEDURE

Policy Title: Patient Financial Assistance Policy

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

Purpose:

The purpose of this policy is to outline CoreDerm's commitment to providing medically necessary care to all patients, regardless of their ability to pay. This Patient Financial Assistance Policy ("FAP") establishes the criteria and process by which eligible patients may apply for reduced-cost or free services based on financial hardship.

Scope:

This policy applies to all CoreDerm clinic and surgical services. It covers uninsured or underinsured patients who meet specific income and eligibility requirements, and it applies only to services deemed medically necessary by CoreDerm providers.

Policy:

CoreDerm is committed to providing financial assistance to eligible patients who are unable to pay for all or part of their care due to financial hardship. The goal of this policy is to ensure fair and consistent application of financial assistance criteria in compliance with federal and state regulations and to support equitable access to dermatologic care.

Procedures:

1. Eligibility Criteria

Patients may qualify for full or partial financial assistance if they:

- Have household income at or below 300% of the Federal Poverty Guidelines (FPG);
- Are uninsured, underinsured, or experiencing documented financial hardship;
- Are not eligible for Medicaid, Medicare, or other government assistance programs;
- Submit a completed Financial Assistance Application with required documentation.

Eligibility will be determined without regard to race, color, creed, religion, national origin, sexual orientation, or gender identity.

2. Covered Services

- Only medically necessary services provided by CoreDerm are eligible.
- Cosmetic and elective procedures are excluded.
- Services provided by third-party entities (e.g., pathology labs) are not covered by this policy.

3. Application Process

- Patients must complete the CoreDerm Financial Assistance Application and submit supporting documentation, which may include:
 - Recent tax returns or W-2 forms
 - Two most recent pay stubs

- Proof of public assistance or unemployment
- Documentation of other medical debt, if applicable
- The application must be submitted within 90 days of the date of service unless an exception is granted.

4. Sliding Scale Discount

Eligible patients may receive discounts on a sliding scale based on income as follows:

Household Income (% of FPG)	Discount
≤ 150%	100%
151% – 200%	75%
201% – 250%	50%
251% – 300%	25%
> 300%	Not eligible (may request payment plan)

5. Review and Notification

- The Revenue Cycle Manager or designated Financial Assistance Officer will review the application.
- Applicants will be notified of a decision in writing within 30 days.
- Approved assistance remains valid for six (6) months unless the patient's financial situation changes.

6. Appeals

- Patients may appeal a denial in writing within 30 days of receiving the determination.
- Appeals will be reviewed by the Compliance Officer and Medical Director, and a final decision will be made within 15 business days.

7. Confidentiality

- All patient financial information will be handled in compliance with HIPAA and CoreDerm's Privacy and Security policies.
- Applications and supporting materials will be kept secure and confidential.

8. Collections Suspension

- While a financial assistance application is pending, no collection activity will be initiated.
- If approved, any eligible unpaid balances will be adjusted in accordance with the determined discount.

Review and Updates:

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Compliance with Other Policies:

This policy should be read in conjunction with CoreDerm's Code of Conduct, Compliance Plan, and other applicable policies related to ethics, billing, and professional responsibility.



Acknowledgment:

I acknowledge that I have received, read, and understand the CoreDerm Patient Financial Assistance Policy. I agree to abide by its terms and guidelines while representing the Company online.

Employee Signature: _____ Printed Name: _____ Date: _____

POLICY & PROCEDURE

Policy Title: Patient Recording Policy

Department:

Policy Number:

Effective Date:

Review Period:

Purpose:

This Patient Recording Policy establishes the procedures for the use of recording by patients during their patient visits at CoreDerm ("the Company"). This policy ensures patient privacy, protects sensitive medical information, and maintains the professional delivery of healthcare.

Scope:

This policy applies to all patients who participate in a patient visit with a physician employed by the Company.

Policy:

This policy generally prohibits patients from recording their visits with the Company's physicians, except when prior approval by the medical director was obtained.

Procedures:

The following principles apply:

1. Prohibited Actions

Recording Patient Visits

- Patients shall not use any recording devices during visits with the Company's physicians. The prohibited devices include, but are not limited to, smartphones, tablets, watches, audio recording devices, and cameras.

2. Exceptions

With Approval by the Medical Director

- Patients who feel that they need to record their visits with the Company's physicians may be permitted to do so if the medical director has approved such recording prior to each visit.

3. Process to Obtain Approval

Requests

- Patients must formally request permission to record at least one week prior to the visit by submitting the request to the medical director along with the purpose and intended use of the recording.
- The medical director will evaluate the request in light of the patient's needs along with any concerns about the request's impact on patient privacy and the physician's ability to professionally deliver healthcare.
- Written or electronic communication relaying either approval or denial of the request shall be sent to the patient prior to the patient's visit.



4. Patient Obligations

Professionalism

- Patients must maintain professional behavior if granted permission to record their visits.
- Permission to record will be terminated upon any unapproved recording or upon use of an approved recording for any unapproved purpose.

Maintain Privacy

- Patients shall not record unapproved Company staff or other patients without their explicit consent.

Policy Compliance

Company physicians and employees shall be trained on the enforcement of this policy.

The Company shall communicate this policy to patients through a variety of methods. The methods may include, but are not limited to, signs in physician offices and electronic portals.

Review and Updates

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Compliance with Other Policies

This policy should be read in conjunction with other Company policies, procedures, and guidelines.

Acknowledgment

I acknowledge that I have received, read, and understand the CoreDerm Policy for Patient Recording. I agree to abide by its terms and procedures.

Employee Signature: _____ Printed Name: _____ Date: _____

POLICY & PROCEDURE

Policy Title: Patient Records Retention Policies & Procedures

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

I. POLICY:

Core Dermatology ("the Company") will maintain and destroy patient medical records in compliance with applicable state and federal laws, regulations, and insurance contract requirements. The Compliance Officer or their designee is responsible for ensuring that patient records are maintained and destroyed according to this policy.

II. BACKGROUND/INTRODUCTION OF THE TOPIC:

Consistent and well-managed policies and procedures are essential for effective organizational The Health Insurance Portability and Accountability Act (HIPAA) mandates that covered entities and business associates maintain necessary documentation for at least six (6) years from the date of creation or the date when it was last effective, whichever is later. HIPAA overrides state requirements if the state stipulates a shorter retention period. Providers in the Medicare Managed Care Program must retain patient medical records for ten (10) years, as required by the Centers for Medicare and Medicaid Services (CMS).

III. PURPOSE:

The purpose of this policy is to establish guidelines for the maintenance, retention, and destruction of patient records at Core Dermatology. This ensures compliance with legal, regulatory, and accreditation requirements.

IV. PROCEDURES:

A. Format for Retention

1. Patient medical records should be kept in an electronic format whenever possible, stored within the Company's Electronic Medical Record (EMR) system.
2. There is no specific format mandated by Medicare for the storage of medical records, allowing flexibility to maintain them electronically.

B. Legal Hold

1. A legal hold is a formal notice to all relevant personnel at Core Dermatology about the legal obligation to preserve certain documents and information, typically in response to ongoing or anticipated litigation.
2. If a legal hold is initiated, the Compliance Officer or their designee must immediately notify the Company's legal counsel.
3. The legal counsel, in collaboration with the Compliance Officer or their designee, will review the request to determine if Core Dermatology possesses the records in question:
 - o If located, the records should be segregated, labeled as "legal hold," and secured by legal counsel.
 - o If the records cannot be located, legal counsel should promptly notify the requestor and the Compliance Officer or their designee.

C. Medical Records Retention Schedule

1. To ensure availability during audits or upon request, Core Dermatology will retain all patient medical records for a period of ten (10) years.
2. Medical records for minors will be maintained as per applicable state requirements. Specific state mandates include:
 - o For minors, retain records until one year after the patient reaches the age of 18 or as required by the applicable state law, whichever is longer.

D. Management and Destruction of Records

1. The Compliance Officer or their designee will maintain documentation identifying all patient records stored off-site and their corresponding retention dates. Paper records should be kept in a secure facility, with access limited to authorized personnel. If stored off-site, similar security measures must be enforced to ensure the integrity and confidentiality of the records.
2. Upon expiration of the required retention period, records will be destroyed in compliance with this policy. Destruction methods include:
 - o For paper records containing PHI: shredding, burning, pulping, or pulverizing to render PHI unreadable and irretrievable.
 - o For electronic media containing PHI: clearing (using software/hardware to overwrite data), purging (degaussing or exposing to a strong magnetic field), or physical destruction (disintegration, pulverization, melting, incinerating, or shredding).
 - o PHI designated for destruction should be kept in a secure area until disposed of using a contracted disposal vendor, with whom a business associate agreement must be executed.
3. If a third-party vendor is engaged to destroy PHI, they must provide a Certificate of Destruction, which should be retained on file for a minimum of two (2) years.

Questions regarding this policy should be directed to the Policy Administrator or Compliance Officer.

V. RESOURCES



- HIPAA Privacy Rule (45 CFR 164.530(c))
- HIPAA Security Rule (45 CFR 164.310(d)(2)(i) and (ii))
- 42 CFR Part 424.205(g)

POLICY & PROCEDURE

Policy Title: Policy & Procedure Development

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

I. POLICY:

Core Dermatology is committed to ensuring that all policies and procedures are developed with due diligence, transparency, and in accordance with applicable laws and regulations. All policies and procedures must go through the standardized process outlined in this policy.

II. BACKGROUND/INTRODUCTION OF THE TOPIC:

Consistent and well-managed policies and procedures are essential for effective organizational governance, regulatory compliance, and operational efficiency. This policy establishes a systematic approach to developing, reviewing, and maintaining policies and procedures.

III. PURPOSE:

The purpose of this Policy and Procedure Development Policy is to establish a standardized process for the creation, review, approval, and management of policies and procedures within Core Dermatology. This policy aims to ensure that all policies and procedures are consistent, aligned with organizational objectives, and effectively managed throughout their lifecycle.

IV. DEFINITIONS:

- ***Policy:*** A formal statement of principles and rules that members of Core Dermatology must follow.
- ***Procedure:*** A set of detailed steps to be followed in order to accomplish a specific task or implement a policy.
- ***Policy Owner:*** The individual or department responsible for the initiation, development, and ongoing management of a policy or procedure.

V. PROCEDURES:

A. Roles and Responsibilities:

- Policy Owner: Initiate the policy development process, ensure alignment with organizational goals, and monitor implementation and compliance.
- Legal Department: Review policies for legal soundness and provide guidance on legal implications and risks.
- Human Resources Department: Review policies for alignment with HR practices and ensure compliance with labor laws.
- Executive Leadership: Approve final policies and procedures.
- Policy Administrator: Maintain a central repository of policies and track review dates.

B. Policy Development Process:

1. Initiation: Identify need for new or revised policy; prepare Policy Request Form.
2. Drafting: Policy Owner drafts policy, consulting with relevant stakeholders.
3. Review and Approval: Relevant departments review draft; conduct risk assessment.
4. Stakeholder Feedback: Circulate draft to key stakeholders for input.
5. Final Approval: Submit finalized policy to Executive Leadership for approval.
6. Implementation: Develop implementation plan; communicate policy to staff.
7. Monitoring and Compliance: Policy Owner monitors effectiveness; Policy Administrator tracks review dates.
8. Review and Updates: Conduct annual reviews; updates follow same process as new policies.

C. Policy Compliance:

- Regular audits will be conducted to ensure compliance with this policy.
- Any material deviations or non-compliance will be addressed promptly and appropriately.

D. Exceptions:

- Any exceptions to this policy must be approved by Legal Counsel & Executive Leadership and documented accordingly.

Questions regarding this policy should be directed to the Policy Administrator or Compliance Officer.

VI. RESOURCES

- Company Document Management System

POLICY & PROCEDURE

Policy Title: Social Determinants of Health (SDOH) Policy

Department: Compliance

Policy Number:

Effective Date:

Review Period: 1 year

Purpose:

The purpose of this policy is to outline CoreDerm's approach to identifying and addressing Social Determinants of Health (SDOH) that may impact patients' ability to access, adhere to, and benefit from dermatologic care. This policy supports the delivery of equitable, patient-centered care and promotes improved health outcomes by recognizing and responding to non-clinical factors affecting patient health.

Scope:

This policy applies to all CoreDerm employees, contractors, healthcare providers, business associates, and vendors who perform work on behalf of CoreDerm or its affiliated practices and facilities.

Definitions:

- **Social Determinants of Health (SDOH):** The conditions in which people are born, grow, live, work, and age that can influence their health and well-being. These include factors such as housing, income, education, transportation, food security, and access to healthcare.

Policy:

CoreDerm is committed to understanding and addressing SDOH as part of a holistic approach to dermatologic care. By recognizing the impact of SDOH on patient health, CoreDerm seeks to identify barriers, connect patients to appropriate resources, and ensure that care plans are informed by the patient's social and economic context.

Procedures:

1. Screening for SDOH

- CoreDerm may implement standardized screening questions as part of the patient intake or visit process to assess for needs in the following areas:
 - Housing insecurity
 - Food insecurity
 - Transportation difficulties
 - Financial stress or inability to afford medications/treatments
 - Language or literacy barriers
 - Access to utilities and stable internet (when applicable for telehealth)
- Screening may occur via written questionnaire, verbal discussion, or electronic intake forms.

2. Staff Responsibilities

- Clinical staff should review identified SDOH concerns and consider them when developing treatment plans.

- Front desk and billing staff may flag concerns about transportation, insurance status, or cost barriers.
- Identified concerns should be documented in the patient's medical record in a confidential and appropriate manner.

3. Referral and Resource Connection

- When SDOH needs are identified, staff will provide patients with resource lists, including:
 - Community health programs
 - Local food pantries and housing resources
 - Transportation assistance services
 - Sliding scale programs or financial assistance (see CoreDerm's Patient Financial Assistance Policy)
- Staff should encourage patients to utilize these resources and offer to make referrals when appropriate and feasible.

4. Training and Awareness

- CoreDerm will provide periodic training to staff on the impact of SDOH and how to engage with patients in a respectful, trauma-informed, and culturally competent manner.

5. Confidentiality

- All information related to SDOH screenings and referrals will be maintained in compliance with HIPAA and CoreDerm's Privacy and Security policies.

6. Quality Improvement

- SDOH data may be used in aggregate form to inform clinical quality improvement initiatives, reduce disparities, and improve population health outcomes.
- Individual patient data will never be used for non-clinical purposes without explicit consent.

Review and Updates:

The Company reserves the right to revise and update this policy as needed. Employees and representatives will be notified of any changes.

Compliance with Other Policies:

This policy should be read in conjunction with CoreDerm's Code of Conduct, Compliance Plan, and other applicable policies related to ethics, billing, and professional responsibility.



Acknowledgment:

I acknowledge that I have received, read, and understand the CoreDerm Social Determinants of Health (SDOH) Policy. I agree to abide by its terms and guidelines while representing the Company online.

Employee Signature: _____ Printed Name: _____ Date: _____