

# PERSONNEL POLICY AND PROCEDURE MANUAL

## Policy Statement

The purpose of the Northeast Montana Health Services Inc. Personnel Policy and Procedure Manual is to provide administration, department heads, and supervisors with a systematic approach to administering personnel policies. This manual is designed to serve as a fundamental communications tool to help clarify policies and procedures, thus preventing morale problems, complaints, and grievances before they arise. The manual is a working guide to help management provide equal employment opportunities to everyone regardless of race, religion, age, creed, sex, marital status, status with regard to public assistance, or disability, as is required by the Civil Rights Acts of 1964, Title VII, and subsequent equal employment opportunity laws.

These written policies should increase understanding, eliminate the need for personal decisions on matters of company-wide policy, and help to assure uniformity throughout the organization. It is the responsibility of each and every member of management to administer these policies in a consistent and impartial manner. Should you have any questions concerning the intent or administration of a policy or procedure, contact the Administrative department for an interpretation.

This manual will be beneficial to department heads also as a training device for new supervisors and employees. Our greatest asset is a well-trained, qualified staff that is capable of using and administering personnel policy in a fair and consistent manner.

Procedures and practices in the field of personnel relations are subject to modification and further development through experience. Each member of management assists in keeping our personnel program up-to-date by notifying the administrative department whenever problems are encountered or improvements can be made in the administration of our personnel policies.

## Supplements to the Policy Manual

The Personnel Policy and Procedure Manual is intended to remain in effect until changes are necessitated by internal growth, economic factors, or federal or state legislation. Should such changes be warranted, the administrative department will distribute revised policy changes.

Employees shall be notified 30 days prior to any changes through their respective supervisors.

## Review

All policies are to be reviewed on a biannual basis to reflect current procedural practices and ensure consistent treatment for all employees. The dates of the annual review and approval by the Board of Directors and the Administrator are to be recorded on the "Review of Revisions" sheet located at the front of the policy manual. All personal pronouns used in the policies shall include either gender unless the context clearly indicates to the contrary.



This manual is designed to outline general policies and procedures. Nothing contained in this manual is to be considered as an employment contract. Employees have the right to resign their employment at any time, without notice, for any reason or no reason.

The policies and procedures described in this manual are implemented at the sole discretion of Northeast Montana Health Services Inc. and are subject to change after 30-day notification to employees. No officer, employee or agent of the corporation is authorized to waive, modify or add to any of the provisions in this manual without the express written consent to do so signed by the CEO of the hospital. Any decisions by Northeast Montana Health Services Inc. as to the interpretation or application of its policies and procedures will be final and binding on all employees concerned.

Policies are not fixed rules, they are only guideline; therefore, under certain situation there may be circumstance when a decision is made or action is taken which is an exception to a written policy.

## FOREWORD

Progressive and well-defined personnel policies and procedures are essential to fostering the basic objective of Northeast Montana Health Services Inc., which is the delivery of high quality health care in an effective, efficient, and economical manner.

The personnel policies and procedures of Northeast Montana Health Services Inc. should be guided by principles that are fair and equitable in uniform application to all individuals, and that will contribute positively to the welfare of both Northeast Montana Health Services Inc. and the employee. These principles include the provision of:

1. Job satisfaction,
2. Opportunities for self-expression,
3. Potential for growth in knowledge and skills, with defined means for career mobility and promotion,
4. Promotion and implementation of affirmative action programs and practices,
5. Recognition for accomplishment,
6. An awareness that it is people, at all levels of the organization, that make this organization work, and
7. Compensation programs covering wages, salaries, and supplemental benefits guided by and commensurate with community standards.

Through the integration of individual and organizational needs, the health care institution can maintain the objective of delivering high quality health care to its patients.

Institutional policies based on these principles should include a clear statement of management's commitment to develop, implement, uniformly apply, and review such policies on a continuing basis to ensure that they conform to the principles and continue to meet the needs of both employees and employer.

NORTHEAST MONTANA HEALTH SERVICES, INC.

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Sixth Edition  
NEMHS  
Personnel Policies

The following personnel policies have been developed by Northeast Montana Health Services Inc. managers as a systematical approach to many facility policies. It offers a standardized approach for administration to reduce inconsistencies, which may arise. The Board of Directors has adopted these policies. All previous personnel policies are void after July 30, 2007. All personnel policy changes made after July 30, 2007 will have prior approval by the Board of Directors prior to being implemented.

Respectively,

Tom Ault  
Chairman of the Board

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #1.0

Subject: Professional Code of Ethics/Confidentiality

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** The following code of ethics is for your protection as well as that of Northeast Montana Health Services Inc. You are a member of a team. Always consider yourself bound by these rules and regulations.

You will learn many things of a highly confidential nature which must never go outside the institution or even be discussed, unless professionally, with anyone within the organization. The result is often unfair criticism of the organization and faithful employees. FORGET the name of the patient when you leave the building. NEVER repeat a diagnosis. NEVER allow a patient or any person not directly and professionally connected with the case read a record. Refer all inquiries of a confidential nature to the physician in charge of the case, or the C.E.O.

Requests for information from newspapers and other public news organizations should be referred to the office of the C.E.O.

Learn the names of the personnel in your department and always maintain a strictly professional attitude, regardless of how well you may be acquainted.

Sick people are most appreciative of a sincere and friendly interest. Be sympathetic but never show pity. Let all information of a personal nature be voluntary. Do not discuss a patient's condition with visitors or with another patient.

Courtesy and kindness are expected everywhere. Every ideal of the institution is based on the principle that at all times there will be helpful and considerate attention given to every patient, the patient's family, and to the fellow employees.

Confidentiality of patient information has its own set of regulations, the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule. These regulations protect the privacy of certain individually identifiable health data, referred to as protected health information (PHI). Employees should keep PHI in confidence and

(Continued)

divulge it only with the written permission of the patient, except as otherwise required by law, including laws that require disclosures for public health purposes. To learn more about your individual responsibilities under the Privacy Rule, please refer to the HIPAA Policy Manual.

General Orientation will include training on HIPAA and Confidentiality, which all employees are required to attend on hire. HIPAA Privacy and Electronic Security training will be provided annually for all employees.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #1.1

Subject: Management's Rights and Responsibilities

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: With the NEMHS's best interest in mind, it is NEMHS policy that administration has the right to exercise the customary functions of management, including, but not limited to, the right to manage and control the premises and equipment; the right to select, hire, promote, suspend, dismiss, assign, supervise, and discipline employees; to determine and change starting times, quitting times, and shifts; to transfer employees within departments or into other departments and other classification; to determine and change the size of composition of, and qualifications of the work force; to establish, change and abolish its policies, practices, procedures, rules, and regulations; and to adapt new policies, practices, procedures, rules and regulations; to determine and modify job descriptions, job evaluations, and job classifications; to determine and change methods and means by which its operations are to be carried on; to assign duties to employees in accordance with the needs and requirements determined by the NEMHS administration; and to carry out all ordinary functions of management.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #1.2  
Subject: Communications  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to provide and maintain a communication system for management to make its decisions known and understood, to keep employees informed on matters affecting the facilities and to obtain feedback from employees on their thoughts and viewpoints on work-related matters.

Two-way communications between management and employees is vital to the success of our association. We believe that people work best when fully informed. In addition, the association also encourages employees to express their views and ideas through established channels so that management can be responsive to them.

The following objectives serve as the basis for the development and maintenance of the association's ongoing communications efforts:

- \*To inform employees about matters which affect them or their jobs
- \*To create and maintain the best possible mutual understanding about the association policies and practices
- \*To give employees sufficient and timely information for them to feel they are a vital part of the organization and want to help it succeed
- \*To inform management about what employee attitudes are towards their jobs, working conditions, supervision, and the hospital generally.

PROCEDURE: Communications tools have been established to facilitate two-way communication between management and employees.

Bulletin Boards: Important and timely notices will be posted on bulletin boards, which are located within each department, and in the employee dining room. These will be pointed out to the employee during their orientation. Employees may post notices on the bulletin board.

Payroll Stubs: Additional notices may be attached to payroll stubs to insure that all employees are contacted.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #1.3

Subject: Employee Suggestions

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to encourage employees to submit constructive suggestions, questions, comments, etc., for consideration and/or response.

**PROCEDURE:** All suggestions can be placed in the Suggestion Boxes, which are available in each facility. All signed suggestions will be addressed by administration.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #1.4  
Subject: Corporate Compliance  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to provide a means for employees to report all Corporate Compliance complaints.

PROCEDURE: Written complaints can be placed in the Corporate Compliance Box, which is available in all facilities. In the event the employee wants to file a direct complaint, they can call 1-877-650-8048.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #2.0  
Subject: Equal Employment Opportunity  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide equal opportunity to all individuals without regard to race, color, social status, sex, national origin, age, handicap marital status or other factors declared illegal.

This applies to prospective as well as current employees and covers all terms and conditions of employment including but not limited to recruitment, hiring, training, promotion, discipline, working conditions, compensation, and termination.

**PROCEDURE:** Administration is responsible for the general administration of the EEO policy; however, each supervisor is responsible to assure their prospective and current employees are treated in a fair and consistent manner without regard to factors declared illegal.

All questions asked during the selection process should be based on requirements of the job for which the applicant is being interviewed.

Questions that are not job-related should not be asked or used in the selection process.

Disciplinary procedures will be administered consistently to all employees, according to Policy #13.0.

Termination procedures will be administered consistently to all employees, according to Policy #16.0.

NORTHEAST MONTANA HEALTH SERVICES, INC.

Policy: #2.1

Subject: Employment Process

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** Potential employees are required to complete and sign a job application form. Employees are selected on the basis of their qualifications as determined by the job for which they are applying.

The Human Resource Department will advertise and screen applications for the position. The manager, after consultation with the Director of Human Resources or appropriate administrative personnel, makes the final selection decision.

NEMHS requires that all offers of employment and all termination decisions, must receive final approval from the Director of Human Resources or Administration. This policy will help ensure that all hiring and termination decisions meet legal requirements, and compliance with our personnel policies.

Failure to follow this policy may result in disciplinary actions.

NEMHS will verify employment of applicants as a final step in the application process and to provide factual, relevant information about employees or former employees upon appropriate request from potential employees.

Random criminal investigation checks and reference checks will be conducted by the Human Resources Department or designated personnel.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #2.2  
Subject: Transfer and Promotion  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that the interests of the facilities are served by selecting the most qualified and reliable individuals for employment, while complying with Equal Employment Opportunity and Fair Labor Standards Act. This can best be achieved through the application of standard employment procedures through out the hospital.

**PROCEDURE:** Transfer and/or promotion shall have no effect upon the employee's length of service computation or such benefits as he/she may be entitled to receive under the policies of the manual.

It is the policy to, when possible; fill higher work opportunities when vacant by promoting presently employed qualified personnel. Qualifications for promotional opportunity shall be based on high quality work, performance, loyalty, willingness to learn, leadership, ability, attitudes, etc. Any employee obtaining a promotional opportunity or transfer shall be subject to a new six-month probationary period specific to the new job title. Your anniversary date will change to reflect your new position, however the date of hire will remain the same. Performance appraisals will be given according to the new anniversary date.

Among employees whose ability and qualifications are approximately the same, the decision will be made at the discretion of management. When a vacancy occurs within the staff, it will be filled in-house if possible.

The hospital retains the right to transfer an employee on a non-competitive basis, either in-house or to another campus, to resolve staffing problems or to provide reasonable accommodations to the employee.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #2.3  
Subject: Employee Personnel Files  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that all official, permanent employee records are maintained in the administrative office to insure accurate, confidential, complete records of the education, experience, attendance, and performance of each employee.

The following information will be on file and in the employees personnel file:

- \*A current employment application
- \*Documentation of reference checks
- \*A completed W-4
- \*An Employment Eligibility Verification (I-9)
- \*License verification, if appropriate
- \*Educational Certification
- \*Resident Bill of Rights
- \*Tribal Enrollment Card for State Exemption
- \*Employment Data Sheet

The following information will also be on file with the Infection Control Officer and in the employee's medical file:

- \*A completed, negative TB test, chest x-ray, or Doctor's statement
- \*If possible, an immunization record if born after 1957.

**PROCEDURE:** All personnel information pertaining to employees must be submitted to the administrative office where material will be monitored for appropriateness before filing.

Files are available for review in the administrative office by authorized facility personnel only. The personnel who are authorized to review the files are the CEO, the Human Resources Director, the Administrative Secretary, and the department head for each individual.

Annually each personnel file will be reviewed. Any counseling documentation more than 18 months old will not be considered for disciplinary purposes if there has been a twelve-month counseling-free period, however all counseling and warning will remain a part of the permanent record. (Continued)

The employee can review their own personnel file by requesting it from the Director of Human Resources, who will be present during their review.

Employees are responsible for promptly informing the administrative office about any change in marital status, name, address, telephone number, number of dependents, and other changes in status.

Information routinely found in the personnel file includes:

- \*Employment application
- \*Data sheet showing hiring approval and rate of pay
- \*Signed acknowledgment of Personnel Policies
- \*General Orientation checklists
- \*Montana Cultural Safety Data Sheets
- \*Complete W-4
- \*If applicable, a copy of professional licenses and/or registration
- \*Pay or status changes
- \*Job Descriptions
- \*Performance appraisals
- \*Counseling documentation
- \*Payroll deduction information
- \*Education/Certification
- \*Employment Eligibility Verification (I-9)
- \*Copy Tribal Enrollment Card for State Exemption
- \*Resident Bill of Rights
- \*FMLA information
- \*Physician work excuses

Information routinely found in the employees medical file includes:

- \*Pre-employment TB test
- \*Vaccination information

Personnel and Medical files are highly confidential and anyone found betraying this confidence will be disciplined or dismissed. The Infection Control Officer and the Human Resources Director will have access to the Medical Files.

All new employees hired after November 6, 1986 must fill out an Employment Eligibility Verification Form as required by Federal Law. New employees must show proof that establishes both Identity and Eligibility. As required by law, these forms will be kept in your personnel file for three years after the hiring date or one year after the date employment is terminated, whichever is later.

## NORTHEAST MONTANA HEALTH SERVICES INC.

Policy : #2.4

Subject: Personal Appearance

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to encourage personal cleanliness and appropriateness of dress while employees are on duty.

**PROCEDURE:** Employees are expected to maintain a professional appearance at all times, consistent with the type of work being performed. A name pin identifying you by name and position should be worn at all times while on duty. Blue jeans may be worn only on the designated days (with the exception of maintenance).  
**No shorts or athletic attire (sweats) will be allowed.**

### **NURSING/LABORATORY/RADIOLOGY:**

- Uniform or colored scrubs must be worn. All uniforms are to be cleaned and pressed and maintained in a professional manner
- Hair is to be well groomed, and clean. Long hair must be secured at the back of the neck
- Shoes must be closed toed

### **AMBULANCE:**

- Polo with Logo and EMS cross
- Dress shirt with Logo and EMS cross
- Jeans
- Hat or visor with Logo and EMS cross
- Winter coat with Logo and EMS cross
- Spring/Fall coat with Logo and EMS cross
- Appropriate footwear No sandals or open toed shoes

### **DIETARY:**

- Street clothes are acceptable as long as they are neat and clean
- No offending logos or advertisements
- A hair cover must be worn at all times in designated areas
- Gloves must be worn when appropriate for food preparation
- Shoes must be closed toed

(Continued)

**CLERICAL:**

- Neat, clean street clothes
- Blue Jeans are acceptable only on special occasions or the designated days

**ACTIVITIES:**

- Neat, clean street clothes

**PHYSICAL THERAPY/REHAB:**

- Scrubs or neat, clean street clothes

**PURCHASING:**

- Neat, clean street clothes or scrubs

**INFORMATION SYSTEMS:**

- Neat, clean street clothes
- Blue jeans are acceptable only on the designated days or when appropriate for the work being done (i.e. ~ pulling cable)

**MAINTENANCE:**

- Street attire appropriate for the work being done
- No offending logos or advertisements

**HOUSEKEEPING:**

- Navy blue or multicolored blue scrub top (and/or lab coat)
- Navy blue scrub bottoms or neat, clean black jeans
- Shoes must be closed toed.

**DEPARTMENT MANAGERS:**

- All Department Manager's code of dress shall either be business dress, business casual or in uniform according to their department.
- Blue jeans may only be worn on Fridays or as appropriate to a specific event.
- When representing NEMHS at Governing Board or outside meetings, dress shall be business or business casual or as the situation dictates.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #3.0  
Subject: Orientation  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: As a condition of employment, it is NEMHS policy that all employees participate in both general and departmental orientation to enable them to effectively perform the functions of their jobs.

PROCEDURE: Departmental Orientation

Departmental Orientation will take place on the employee's first day at the facility by the department supervisor.

The departmental orientation will include the information as listed on the checklist:

- Discussion of common problems
- Types of assistance available
- Daily work schedule
- Time clock location
- Rest periods/meal periods
- Dress Code
- Call in sick policy
- Safety/Fire plan specific to department
- Leaving the facility during work hours
- Restroom locations
- Bulletin Board
- Parking

Each department director will be notified of scheduled general orientation, and will be responsible for scheduling new employees to attend.

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General Orientation

General Orientation will be scheduled on a regular basis for all new employees. Each new employee will attend General Orientation on hire. It will last approximately 8 hours and will be conducted by the Education Director.

General Orientation will include the following:

- Welcome history and philosophy
- Organization structure
- Confidentiality, patients' rights, hospital ethics
- Employee compensation/time cards
- Employee benefits
- Safety and Accident prevention/incident reports
- Hazardous Communication
- Blood borne Pathogens
- Corporate Compliance
- Latex allergies
- HIPAA
- Fire Life Safety/tour
- Employee Health
- Copy of 401(k) Plan Document

Employees will be compensated for hours spent in general orientation at their scheduled rate of pay, excluding shift differential.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #3.1  
Subject: Anniversary Date/Date of Hire  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to define the Date of Hire as the date employment with NEMHS begins. The Anniversary Date is the date the employee begins employment with their current position. The Date of Hire and the Anniversary Date may vary.

**PROCEDURE:** The anniversary date is used to determine performance appraisal dates and any potential salary adjustment.

Date of Hire will be used to determine P.T.O., E.I.B. accrual and service awards.

PTO, EIB, FMLA, Jury, and Bereavement leave with pay does not effect length of service.

Voluntary termination or discharge will end the length of service. An employee who is rehired will start with a new Date of Hire.

The Date of Hire is used to define the time limitation for vacation hour carry-over.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #3.2

Subject: Employee Classification

Date: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to classify employees according to the following status definitions:

Full Time: One who is hired for a position, which is authorized for 32-40 hours/week per pay period and/or 1664/2080 hours/year.

Part Time: One who is hired for a position, which is authorized for 20-31 hours/week per pay period and/or 1040/1612 hours/year.

Temporary: One who is hired for a specific or limited period of time.

Casual Relief: One who is occasionally scheduled. Relief personnel are only utilized when staffing problems occur. Employees at this status do not earn or accrue any PTO/EIB.

Limited Part Time: One who is continuously employed and may be scheduled less than 32 hours/week per pay period. Employees on this status do not earn or accrue any PTO/EIB

In the event an employee's status is changed from either Full Time or Part Time to Casual Relief or Limited Part Time, all eligible Paid Time Off and EIB hours will be paid to the employee on the next scheduled pay day.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #3.3  
Subject: Probationary Period  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to require a person employed for a regular job assignment, immediately upon his or her date of hire, to serve a probationary period.

**PROCEDURE:** A six-month probationary period exists and prior to the end of six months of continuous employment, the employer shall evaluate the employee. At any time during this six months, the employer may terminate the employee's employment without cause. Grievance and Arbitration procedures will not apply to employees terminated during their probationary period.

NEMHS reserves the right to extend any probationary period up to an additional 90 days.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #3.4  
Subject: Status Changes  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to keep the employees record of employment current at all times.

The employee is responsible for notifying the payroll supervisor in writing of any changes pertaining to:

1. Name
2. Marital status
3. Address
4. Telephone number
5. Exemptions
6. Authorization to work
7. Person to be notified in case of emergency
8. Registration certifications, licensure
9. Other information having a bearing on their employment

When the employment status of an employee changes, i.e.: leave of absence, termination, etc., a data sheet indicating such change must be completed and submitted to the payroll clerk. The data sheet will then be placed in the employees personnel file.

Any change in the number of hours an employee is routinely authorized to work must be submitted on a data sheet and submitted to the payroll clerk.

Payroll changes involving salary adjustments must be submitted on a data sheet by the department director and approved by the C.E.O./CFO.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #4.0

Subject: Employee Health Program

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** In an effort to provide a safe and healthy working environment and to guard the health of employees as well as patients, it is the NEMHS policy to promote health awareness and prevention of disease through our Employee Health Program.

**PROCEDURE:**

HEALTH STANDARDS:

Northeast Montana Health Services Inc. reserves the right to request a employee health statement from a Physician after being hired for employment. Employees are obligated to be in a state of health that will enable them to carry on the duties and responsibilities as described in their job description, while on duty.

Each employee of NEMHS shall be tested at the time of hire to determine that he or she is free from communicable tuberculosis. Testing will be done on specific employees annually thereafter. If an employee tests positive an examination and chest X-ray will be provided at NEMHS's expense.

Personnel with skin lesions or communicable disease may not be assigned to work until examined and given written permission by a local physician.

In complying with OSHA regulations, with respect to blood-borne pathogens, NEMHS will make available Hepatitis B vaccine to employees.

NEMHS will provide HIV testing for any employee exposed to a blood-borne pathogen while providing services to a patient in a manner that may allow infection of HIV by a mode of transmission recognized by the Center for Disease Control.

An Exposure Control Plan will be located in Section 7 of the Infection Control Policy and Procedure Manual.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #4.1  
Subject: Safety and Health  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide for every patient, employee and visitor a safe environment in which to recover, work or visit.

**PROCEDURE:** The organization has a Risk Manager whose function is the implementation of this policy. The committee is responsible for the preparation of the facilities safety policies.

Each new employee of the organization receives an initial orientation to the facilities safety policies. The employee receives further training on the job by the department director.

Safety is not solely the function of the administration of the organization as expedited through the Safety Committee. It is the function of every employee.

Anyone observing or witnessing a safety hazard in the facility or on its grounds shall report it to their immediate supervisor. The supervisor will then notify the Risk Manager, either verbally or by written document, such as an Accident or Hazard Report. The chairperson will proceed to correct the hazard himself or instruct the plant engineers. The hazard and the correction of it will become a part of the minutes of the up-coming meeting.

The facilities safety and health guidelines will be considered the minimum requirements to ensure a safe work environment for our employees. Additional safety procedures will be initiated as necessary for each department.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #4.2  
Subject: Fire Drills  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that fire drills be held four times yearly for each shift, for a total of twelve drills per year.

Fire drills will be held for the purpose of training facility personnel in the correct and immediate action, which would be necessary in the event of actual fire, to determine by observation the state of fire safety training and to correct such deficiencies as become apparent.

**PROCEDURE:** See NMHS Fire Safety Plan.

## NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #4.3

Subject: Incident Reporting

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that anyone witnessing or observing an incident in the facility or its grounds shall report it in writing to their department director. An incident is: any happening which is not consistent with routine activities, i.e.: an injury, or a situation which might produce an injury. The incident may involve a patient, visitor, or an employee, property damage, or missing articles.

An Incident Report will make possible:

- \* Action to correct errors or omissions.
- \* Guard against recurrence.
- \* Preparations in the event of pending legal action.
- \* Informing insurance companies or Workmen's Compensation so that necessary claims can be made.
- \* Accidents must be reported accurately and promptly to ensure compensation and medical bills are paid on time.

If in doubt, a written incident report is appropriate. It is necessary to write such a report and submit it within 24 hours.

**PROCEDURE:** The employee involved will complete a "Violence Incident & In House Unusual Occurrence Form" and submit it to the Department Head before leaving the hospital, nursing home or clinic.

Any employee injury resulting from the incident, while on duty, regardless of how minor it seems, is to be reported immediately to their supervisor. The employee must then complete a "First Report of Injury" form and submit it to their supervisor. An injury must be reported within 31 days of occurrence. A copy of the "First Report of Injury" will be placed in the employee's health file for future reference.

If an injury has occurred, the person injured should receive immediate first aid/medical treatment.

Administration should be notified immediately if an accident results in serious injury or death. Other circumstances requiring immediate attention should be reported to the Safety Chairperson or your Supervisor.

Incidents may be discussed at the Safety Council meetings to ensure that appropriate procedures have been followed. A work order will be issued to maintenance if a physical /environmental problem exists.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #4.4  
Subject: Employee Right to Know Act  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: NEMHS will comply with the Employee Right to Know Act.

PROCEDURE: The Right to Know Act's purpose is to keep all employees informed about the Hazards they may face at work. OSHA has created the Hazard Communication Rule (Haz Com 29 CFR 1910-1200) and the Blood borne Pathogen Standard (29 CFR 1910-1030) and the tuberculosis guidelines.

These rules give the employees the "Right to Know" about chemical hazards in the work place and help protect the employee from infection.

It is the policy of NEMHS to have the following programs mandated:

1. Haz Com
2. Blood borne pathogens
3. Tuberculosis Program

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #4.5  
Subject: Smoking  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide a healthy, comfortable and productive work environment for our employees, and a health treatment and recovery environment for our patients.

**PROCEDURE:** All facilities operated by the Board of Directors of NEMHS are smoke free.

Employees, who smoke, must do so on their designated breaks, in designated areas, and will not be allowed to smoke at the front entrance of any of the facilities.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: 4.6  
Subject: CPR Training  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that all patient care personnel be certified in CPR methods.

**PROCEDURE:** A review of CPR techniques will be offered periodically. Employees working in patient care areas must be re-certified every two years. A copy of their certification will be kept in their Education file.

CPR training will be provided by NEMHS through Trinity Hospital or Faith Home in Wolf Point, and Poplar Community Hospital in Poplar. This training is supplied at no charge to the employee.

Non-patient care employees are welcome to receive training at no expense to them. However such training is not mandatory for them so they will not be paid to attend the training sessions.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #5.0

Subject: Hours of Work

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to provide 24 hour, 365-day coverage.

PROCEDURE: The standard workday for NEMHS staff is determined departmentally and is exclusive of mealtime.

The standard work period is a 40-hour workweek; however, NEMHS does not guarantee 40 hours to an employee per work period.

In accordance with the Fair Labor Standards Act, overtime will be paid on regular hours worked in excess of forty (40) hours in the workweek. Hours not counted as hours worked are: P.T.O., and EIB.

If an employee works in more than one facility in a pay period, the hours will be combined; anything over 40 hours is considered overtime.

NEMHS requires that employees strictly work their scheduled hours. All employees are required to clock in no sooner than 7 minutes before their scheduled shifts. Employees who fail to adhere to this policy may experience disciplinary actions including termination.

Work schedules and schedule for days off for nursing staff shall be posted 2 weeks in advance of effective date and subject to Administrative revision.

Working hours are assigned by the Department directors according to the needs of the departments.

Overtime must be authorized by the appropriate supervisor or department manager.

All personnel are expected to rotate shifts and facilities when necessary. Examples of such rotation include but are not limited to: changes in shift, days off, changes in types of services (within the scope of their job description), holiday and weekend scheduling, and flexibility between facilities.

(Continued)

Staff called in to work an unscheduled shift will be paid at time and one half. This will only apply to full and part time employees who have worked all his/her regularly scheduled shifts in the pay period.

Refusal to rotate, accept an assignment, or assist another department or facility when the need arises may be sufficient and just cause for suspension and possible termination.

Employees will not be required to work "split shift" unless it is mutually agreeable to both the employee and department manager. A "split shift is defined as a shift divided into two parts that are separated by an interval longer than that of the usual meal or rest period.

Employees working split shifts will not receive overtime until the 40-hour requirement has been met.

Scheduled employees who report to work and are not needed due to low census, shall be paid for one hour prior to being sent home.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #5.1

Subject: Meal and Rest Periods

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the NEMHS policy and in compliance with the Fair Labor Standards Act to provide all employees with rest and meal periods.

Department directors will schedule meal and rest periods for all employees within the department in accordance with the departmental workload.

Rest periods:

All employees will be allowed, without reduction in pay, one 15-minute rest period in each four-hour period. Since there is no reduction in pay, if an employee works through his break, he does not receive extra compensation. Rest periods of 15 minutes are counted towards hours worked. Coffee breaks and personal phone calls are to be considered as part of the rest period.

Department directors will be responsible for ensuring that departmental employees do not abuse the rest periods by extending the permitted time.

Meals (Not specific to any particular time of day):

All non-exempt (non-salaried) employees will be permitted a 30-minute break if working more than an eight and one half-hour (8½) workday. Employees will not be paid while they are on their 30-minute break. If clocking in and out is not possible, "Break" or "No Break", must be documented on the time card.

When an "on duty" meal break is taken, the meal break will be paid as hours worked. "On duty" meal breaks should only occur when absence from the workstation will directly affect the quality of patient care rendered.

NORTHEAST MONTANA HEALTH SERVICES, INC.

Policy: #6.0  
Subject: Absenteeism/Attendance  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** Absenteeism can be expensive and may create dangerous under staffing, threatening patient care. Therefore, it is the NEMHS policy to control absenteeism.

**PROCEDURE:** Prior permission must be obtained from the employee's department director to be absent from work, except in the case of an emergency.

Excused absences are classified as:

- a. FMLA
- b. Jury Duty
- c. Doctor's Medical Excuse
- d. Acts of Nature for employees who commute, per Supervisors review
- e. Bereavement
- f. Special Circumstances per Supervisor's approval

Unexcused absences are classified as:

- a. Illness without a Doctor's excuse, subject to Supervisor's review
- b. No-Call, No-Show
- c. All other excuses

Failure to call in or report for work during your probationary period may result in immediate suspension for three scheduled work days, without pay; or may be considered voluntary resignation.

Notice of impending absence for any reason from duty, the employee must call the hospital charge nurse or their Department Supervisor four (4) hours in advance of their scheduled shift. At the discretion of the supervisor, PTO hours may not be paid, unless the employee has called-in four (4) hours in advance.

(Continued)

If an employee becomes ill on duty, he/she must report to his/her supervisor before going home.

Absences due to illness of three consecutive workdays may necessitate a doctor's authorization to return to work.

The hospital reserves the right to require a doctor's authorization for any attendance issue.

Repeated warnings may result in other disciplinary action such as status change, suspension, termination etc.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #7.0

Subject: Payroll

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the NEMHS policy to establish a clear, concise payroll system.

PROCEDURES: A pay period consists of two (2) 40-hour workweeks.

Shifts beginning on or after 1900 hours and consisting of at least 6 continuous hours will be recorded as hours worked on the day the shift begins.

Payday is normally the Friday following the end of the pay period.

Employees must fill out the necessary forms for Direct Deposit with the Payroll Clerk. Direct Deposits are credited to employee's account on Friday. Any employee not participating in Direct Deposit will receive their checks on the following Monday. Should a holiday fall on a Monday, payroll checks will be issued on the Friday prior to the holiday. Human Resources or a representative will disburse payroll vouchers/checks.

Computation of the gross wages are calculated through the computer by multiplying the number of hours on the time card by the scheduled hourly rate of pay.

The statement of earning lists: gross wages, net wages, itemized deductions and year-to-date totals.

Deductions will include: mandatory Federal and State income tax and social security. Voluntary deduction include but are not limited to: health insurance premiums, life insurance premiums, and Tax Sheltered Annuities and are made only with written authorization from the employee.

No early or partial paychecks will be given prior to payday.

Payroll status changes must be reported to the human resources office immediately. These include changes in dependents, marital status, address, rate of pay, and deductions.

The payroll officer will be the Director of Human Resources and he/she will handle questions or problems concerning payroll.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #7.1

Subject: Time Cards

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to establish and maintain an accurate and legal auditable record of the employee's work hours. The time card is considered a legal document supporting the employee's claim for wages.

**PROCEDURE:** A time clock system is provided for the use of employees. It is extremely important that each employee punch in and out on the time clock according to the instructions furnished by the Administrative office.

The time clock cards form the permanent record of hours worked for payroll, vacation (P.T.O.), and sick leave (EIB) purposes. Failure of the employee to use the time clock correctly will result in his/her not receiving credit for hours worked. In the event corrections are necessary, corrections will be made by the Supervisor. Tampering or altering of time cards is a serious offense. Falsification of time sheets or deliberate markings of another employee's card will be grounds for immediate dismissal. Take time to properly check in and out.

Time allocation studies, located on the back of the time cards, must be completed by all employees. It is very important to fully complete the time study with the number of hours worked in each area of facility clearly indicated.

All processed time cards will be kept in the Payroll Clerk's office.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #7.2  
Subject: Exempt Employees  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to classify specified employees as exempt employees according to the Fair Labor Standards Act.

**PROCEDURE:** All employees holding positions corresponding to the scope of the definitions "administrative," "executive," and "professional" developed by the Department of Labor shall be exempt from the dispositions of the Minimum Wage Act. They will, therefore, not be eligible to receive overtime compensation. They do, however, have the freedom to work within a flexible schedule, taking into consideration the needs of the department. Exempt employees are expected to keep the CEO informed of flexible work schedules.

Each exempt employee will have a signed statement in their personnel file documenting the classification of exemption.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #7.3  
Subject: Shift Differential  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to pay additional compensation for those departments who are scheduled to work nights.

**PROCEDURES:** **Rate 1:** Employees will be paid at their regular rate of pay for shifts worked between 7:00 AM – 7:00 PM.

**Rate 2:** Shift differential will be paid for hours worked between 7:00 PM – 7:00 AM.

Differential will be paid for the shift in which the employee works the majority of their hours.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #7.4

Subject: On Call/Call Back/Low Census Pay

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: Due to the nature of healthcare work, NEMHS employees may be required to be available for work even though they are not actually on the job. On call pay is paid to these employees.

PROCEDURE: ON CALL PAY: Employees who are not required to remain on the facilities premises and are free to engage in their own pursuits, subject only to the understanding that they leave word at home or with their supervisor as to where they can be reached or that they carry a paging unit, are considered to be on an on call status for an entire shift.

LOW CENSUS ON CALL: Low census on call will be granted to employees who secondary to flexible staffing are scheduled to work but are not required to meet the needs of their service AND in the opinion of their supervisor WILL be required to be called in when there is a substantial increase of their department's work load. Therefore an employee who has been asked not to report to work or who has been asked to leave their shift early are not automatically placed ON CALL.

ON CALL employees shall be paid at the rate of one & one half their base rate for the time worked in excess of forty (40) hours per workweek. Employees who are called back and have not met the overtime requirements must meet the overtime requirements prior to receiving overtime pay, OR must be called back AFTER 1700 hours or BEFORE 0600 hours. (Laboratory and Radiology see departmental policy).  
(Continued)

For those departments that do not provide on site seven day a week coverage, work generated by scheduled events will be paid at the regular rate unless the time is in excess of forty (40) hours per work week. Non-scheduled events shall be paid as overtime.

Employees who work between separate facilities of NEMHS may not draw call pay from one entity while on duty for another.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #7.5

Subject: Garnishments

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the NEMHS policy, as required by law, to accept legal assignments or garnishments against the wages of employees.

PROCEDURE: As required by law.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #8.0

Subject: Salary Administration

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the NEMHS policy to provide a competitive pay program designed to attract, retain, and motivate employees.

NEMHS will pay salaries based on the relative value of each position's contribution to this organization. We will maintain a salary program, which will:

- 1) attract and retain highly qualified individuals,
- 2) provide maximum motivation of employees by paying salaries within established salary grade ranges in recognition of the individual's job performances and length of service at a particular level of responsibility,
- 3) promote a progressive work force through which the organization can attain its short and long term objectives

It is our policy to provide equal pay for equal work under similar working conditions without regard for race, color, religion, sex, age, national origin, handicap, or status as a veteran.

PROCEDURE: Each job classification in the organization has been placed in a job grade with a corresponding salary range determined by the following:

- 1) the knowledge and skills involved in the job
- 2) the job requirements
- 3) the responsibilities
- 4) the compensation received by others for similar work

The CEO/CFO is responsible for developing salary ranges that will meet the human resources and financial objectives of NEMHS.

(Continued)

The department director and the employee shall discuss the employee's performance in a systematic and orderly method to appraise the employee's performance with respect to the requirements of the job. Wage and salary changes will not be processed by the personnel department unless the employee's personnel file contains a current (within the last twelve months) written performance appraisal.

New employees will be reviewed after their probationary period. Their progress should be measured against what is expected of a new employee.

Employees will be reviewed annually.

All salary changes must have the CEO/CFO's approval prior to being implemented.

Increase will be effective from the beginning of the pay period in which the raise is due.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #8.1  
Subject: Performance Appraisal  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to appraise the job performance of each employee and to provide objective feedback concerning the actual job performance of the employee as well as to provide both the department head and the employee the opportunity to document and discuss the strengths and areas of growth on which a continuing plan of development can be based.

**PROCEDURE:** Performance appraisals will be given at or before the end of the employee's six-month probationary period.

Performance appraisals are given thereafter on an annual basis. Performance appraisals are maintained by the employee's respective department head.

Performance appraisals are to be signed by the supervisor. The employee is to sign that he/she was in receipt of the evaluation.

Performance appraisals may be given to employees more frequently as deemed necessary by the supervisor.

Employees will be evaluated on the following:

1. Professional Behavior (work ethics)
2. Organization (efficiency / accuracy / quality)
3. Motivation/Attitude
4. Confidentiality
5. Communication
6. Documentation
7. Flexibility
8. Safety/Infection Control
9. Mandatory Training/In-service Attendance
10. Competency

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.0  
Subject: Holidays  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to pay eligible employees premium wages to work certain days during the year.

**PROCEDURE:** Premium wages (one and a half times regular pay plus differential) will be paid to all employees who are required to work on the following days:

1. 12 noon New Years Eve to 7 p.m. New Years Day
2. Easter
3. Memorial Day
4. Independence Day (July Fourth)
5. Labor Day
6. Veteran's Day
7. Thanksgiving Day
8. 12 noon Christmas Eve to 7 p.m. Christmas Day

Holiday pay will be paid to employees who are required to work on the holiday, regardless of their probationary status. Overtime will not be paid, in addition to "holiday rate", when an employee is called in to work a holiday.

Premium wages will be paid on the above days for a twenty-four hour period starting at 0700 on the respective day and ending at 0700 on the following day.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9. 1  
Subject: Paid Time off (P.T.O.)  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to provide employees with time away from work for rest and/or relaxation without loss of income. Paid Time Off (P.T.O.) includes the accrual of time off previously associated with vacation days, holidays, and 32 hours for personal time off.

Scheduled time off should be scheduled at least 30 days in advance.

In case of illness, the first 2 days of each incident will be paid from your P.T.O. account. Any exceptions to the first 2 days of illness covered by P.T.O. and coverage of extended illness days see Policy #9.4.

If you are regularly scheduled, At least 20 hours per week, you will accrue P.T.O. time for all hours paid up to a maximum of 2080 hours. Hours paid include: All hours worked, Paid Time Off hours, and Sick hours.

Accrual of P.T.O. hours will be calculated at the end of each payroll period. Accrued P.T.O. will not be available until after successful completion of a probationary period, as these hours are not considered deemed earned hours. Employees terminating employment will be paid all P.T.O. hours only if they have successfully completed the probationary period.

P.T.O. accrual is based on length of service as follows:

Years of service	Accrual Rate	P.T.O. hours Per Year	P.T.O. hours Accrual limit
D.O.H.-5 yr	0.0846	176	352
6-10 yrs	0.1038	216	432
11 yrs and >	0.1230	256	512

Maximum accrual is 2 times the annualized rate.

(Continued)

The organization reserves the right to deny any P.T.O. request that would compromise adequate staffing levels.

If P.T.O. requests are submitted by two employees of the same department for the same time, and a suitable compromise cannot be made, the request submitted by the employee with seniority will be given preference.

In the event of a scheduling conflict between two or more employees, seniority within the department shall prevail. However, exceptions may be made for requests that have been made three months in advance and if the employee has fulfilled one (1) year of continuous employment.

Employees can request up to 40 hours per week of P.T.O. hours but all requests must be pre-authorized by the supervisor prior to being submitted to payroll for payment. For instance: If an employee has worked 31 hours one week, they can request 9 P.T.O. hours to bring it up to a 40 hours week with supervisory approval. P.T.O. hours will not be paid in excess of 40 hours per week.

Specific rotation schedules will not necessarily be honored during Christmas holidays.

It is highly recommended that ten (10) consecutive days be taken annually for employees having fiduciary/payroll responsibilities.

NORTHEAST MONTANA HEALTH SERVICES, INC.

Policy: #9.2  
Subject: PTO Sell Back  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It shall be the policy of NEMHS to allow employees to sell back 100 hours of PTO twice annually only if they meet the following conditions.

To be eligible to sell back 100 hours of PTO, an employee must have at least 300 hours in their PTO bank.

These hours will be paid at 100% of the employee's current hourly rate.

Employees must sell back 100 hours in one block.

If an employee wants to sell back 100 hours of PTO, the employee must submit a request for such payment with his/her time sheet or time card and the request will be processed on a pay period basis. These hours will be cashed at the employee's current rate of pay. Under no circumstances will an interim check for a PTO sell back be granted.

NORTHEAST MONTANA HEALTH SERVICES, INC.

Policy: #9.3  
Subject: Compassion Fund  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** NEMHS recognizes that employees will occasionally deplete their Personal Time Off (PTO) and Earned Illness Bank (EIB) due to catastrophic circumstances. To help those employees who have exhausted their PTO bank, NEMHS will allow current employees to donate their PTO to employees who have no time remaining in their PTO bank.

NEMHS limits the total number of PTO hours an employee receives from other employees to 240 hours per year.

Hours donated by an employee will be multiplied by that employee's current rate of pay to arrive at a total monetary value. The monetary value being donated will be divided by the employee's current rate of pay, who is receiving the donation, to determine the number of hours transferred into that employee's PTO bank.

For example, employee A donates 30 hours of PTO. Employee A's hourly rate of compensation is \$7.00 per hour.  $30 \times 7 = \$210.00$ . Employee B, who has no PTO time remaining, earns \$14.00 per hour. To determine the number of PTO hours donated, divide 210 (total monetary amount being donated by employee A) by 14 (employee B current hourly rate). Therefore employee "B" receives a donation of 15 PTO hours from employee A. (210 divided by 14 equals 15.)

Human resources will monitor transfers and will either approve or disapprove transfers. NEMHS reserves the right to modify and /or cancel this policy at any time.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.4  
Subject: Sick Leave/Extended Illness Bank (EIB)  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide sick leave with pay for all eligible employees whose absence from work is necessitated by personal injury or illness.

It is the intent of NEMHS to provide employees with sick leave as a means of protection from loss of income during periods of prolonged or extended illness or disability.

Employees who have reached the maximum of 496 hours will be paid for the first sick day.

Employees found to have abused EIB benefits by falsification or misrepresentation shall be subject to disciplinary action, which may include cause for termination.

Accrual of Hours:

- A. Employees will accrue EIB hours at the rate of .03846 times all hours paid up to a maximum of 10 days per year.
- B. A maximum number of 496 hours be accumulated in the EIB.
- C. Temporary, casual relief, and limited part time employees will not accrue EIB hours.
- D. EIB will not be paid in excess of 40 hours per week.

(Continued)

## Compensation:

- A. Compensation for EIB will be paid at the employee's regular base rate of pay exclusive of overtime and shift differential.
- B. A statement from a physician may be necessary for any benefits received from the EIB.
- C. After an employee had been off work for two consecutive working days, starting the third day, EIB can be used.
- D. The two (2) day waiting period applies to each time an employee is absent due to illness. At the employee's request, payment for these two days will be taken from any P.T.O. hours the employee may have accumulated.
- E. In the event an employee is hospitalized or admitted for day surgery the employee may be paid directly from EIB.
- F. Time off up to 4 hours may be taken from EIB for full time employees scheduled Monday through Friday for medical, dental and visual appointments.
- G. EIB benefits will be paid for hours in which the employee would have worked, and will not apply to an employee's scheduled day off.
- H. An employee who cannot work due to work related illness or injury may use EIB for the days not covered until Workman's Compensation payment begins.
- I. If the accumulation in the EIB is exhausted and additional time is needed for recovery from an illness or injury, any P.T.O. hours accrued may be used to continue the employee's income.
- J. An employee who resigns or retires will be paid one (1) hour for every ten (10) hours (10%), accumulated in the EIB. A minimum of 80 hours is required to receive this benefit. This will not be prorated.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.5

Subject: Health Insurance

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to provide eligible employees with the opportunity to participate in a health care program for themselves and eligible dependents.

**PROCEDURE:** Group health insurance is available to employees who are scheduled at least 20 hours per week.

Application must be made within the first 30 days of employment. An employee will be eligible for coverage on the first of the month following their date of hire. Those wishing to submit an application after that time can only do so in the month of November. Coverage will not begin until January.

NEMHS will pay a percentage of a single full-time employee's premium annually, as approved by the Board of Directors. A full time employee is an employee who is authorized to work at least 32 hours a week. NEMHS will pay a percentage of a single part-time employee's Premium annually, as approved by the Board of Directors. A part-time employee is an employee authorized to work at least 20 hours a week.

Under the NEMHS Flexible Benefits Program, health insurance premiums are tax-deferred.

During a leave of absence, with the exception of approved FMLA, health insurance coverage will be waived unless the employee pays the full premium.

As required by the Consolidated Omnibus Reconciliation Act of 1985 (COBRA), NEMHS offers continued group health care coverage for terminating employees, and for the widows, ex-spouses and dependents of qualifying employees as per the COBRA guidelines. Persons electing to continue group coverage under COBRA must pay their own premiums.

NORTHEAST MONTANA HEALTH SERVICES INC.

- Policy: #9.6
- Subject: 401 (k) and Tax Deferred Annuity Program
- Effective: July 1, 2007
- Approval: CEO/Board of Directors
- POLICY: It is the NEMHS policy to provide all eligible employees the opportunity to participate in a fixed or variable tax-deferred annuity plan.
- PROCEDURE: A **401 (k)** plan is available to all eligible employees. To be eligible an employee:
1. Must have completed one year of employment.
  2. Must be 20 years of age.
  3. Must have worked 1,000 hours.

NEMHS's contribution, which may vary, will be based the amount of contribution made by the employee. The 401 (k) Plan will be administered by the Human Resources department according to Federal and State law. Deductions are made each pay period.

It is the policy of NEMHS that all employees who are eligible to enter in the 401 (k) plan to either participate or waive participation in the plan. It is the responsibility of the employee, once all eligibility requirements have been met, to notify the Human Resources Department to either waive or enroll in the 401 (k) Plan.

**The Tax-Deferred Annuity Program** is available to all full and part time employees who are regularly scheduled.

Enrollment into the Annuity Program may be made at any time during active employment.

The plan is exclusively employee contributory.

Contributions to the plan are not reported as income on the employee's Federal income tax form. Neither Federal nor State income taxes are paid on contributions. FICA is deducted. Federal and State taxes are paid when contributions are withdrawn from the plan.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.7

Subject: Worker's Compensation

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the NEMHS policy to carry compensation insurance to cover all employees in the event of an accident, injury, or illness that is job related.

All accidents, on-the-job injuries, must be reported to the supervisor immediately and an Incident Report completed within twenty-four hours.

Worker's Compensation, if eligible, will pay for necessary medical care and all necessary medical expenses for injuries occurring on the job.

When an employee has missed forty (40) hours, the employee will then be eligible for a percentage of wages lost.

If the employee is not off work for five consecutive scheduled days of work, sick leave or vacation time may be used to cover those days of scheduled hours missed. This also pertains to an employee during the probationary period

An employee may not receive both Workman's Comp and EIB/PTO benefits concurrently.

NEMHS requires that any employee who has sustained any on- the-job injury or illness and is receiving compensation remain in communication with the hospital administration at least weekly concerning the status of the injury or illness.

Sick leave, vacation, and holidays will not accrue while off work on a work-related injury or illness medical leave of absence.

For any employee to return to work they must submit a written release from the employee's physician that the employee is physically and emotionally able to perform duties.

(Continued)

When an employee is off work on a medical leave of absence because of work-related injury or illness, arrangements must be made with the administrative personnel for medical insurance premiums to be paid on time in order to continue coverage. Failure to make arrangements or to pay premiums on time will result in cancellation of medical insurance.

It is NEMHS policy to provide an effective early return to work program, without discrimination, to all employees who become injured on the job or contract an occupational illness in the course of their employment with NEMHS and cannot immediately return to their regular status position. It is understood that all employee accidents and illnesses may be unique, therefore it is necessary to consider on a case-by-case basis the qualification for participating in the early return to work program. **(See complete Return-to Work Program in Safety Policies).**

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.8

Subject: Mileage/Use of Personal Automobile

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to provide mileage reimbursement for approved out of town business requiring the use of a private vehicle.

**PROCEDURE:** The owner of the automobile and/or the employee of the association is responsible for liability damages in case of any accident.

Mileage is reimbursed at the facilities current rate.

Mileage will be paid after an expense voucher has been approved by the respective department head.

Mileage will not be paid between campuses of NEMHS.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.9

Subject: In-Service Training

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** Recognizing the importance of promoting the professional development of our employees, it is the NEMHS policy to assist this educational growth through offering in-service training.

**PROCEDURE:** NEMHS sponsored in-house programs are provided to inform and/or update personnel to ensure and maintain a quality level of patient care and to meet applicable local, state, and federal licensing, certification, and accreditation requirements.

In-service education will be conducted at regular intervals for all employees.

Yearly mandatory sessions for all employees will include but are not limited to: Fire Safety, Infection Control, Blood Borne Pathogens, Patients Rights, Confidentiality, Hazcom, HIPAA or any other sessions considered mandatory by management. This training may also be available on-line.

In-service time will be paid by the corporation, when the employee is required to attend and these hours will be considered hours worked.

Attendance at staff meetings and orientation is mandatory and will be compensated as hours worked.

In-service programs will be posted in advance as well as listed on the employee bulletin board.

Employees who are required to attend meetings will be notified by their department head.

Educational records and attendance sheets will be maintained within the Educational Department.

The professional employee is responsible for accumulating continuing education hours and maintaining a license by availing themselves of relevant available educational experiences. The individual is responsible for maintaining their own records on a current basis.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.10

Subject: Meetings/Seminars

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the NEMHS policy to encourage employees' professional growth and the development of management skills through financial assistance for approved seminars, conventions, etc., which are not related to union activities.

The employee must be continuously employed and regularly scheduled to work, and all meeting/seminar reimbursement requests must be approved by department head prior to meeting date.

Types of Meetings:

Management training for incumbent supervisory personnel and employees who are being promoted into supervisory positions

Seminars, institutes, conferences, and conventions which are related to the individual's profession, are purely educational, and do not relate in any way to union activities.

All requests must be pre-approved by the department head and administration. The request should include the name of the individual attending, title of the meeting, program to be covered, location, dates, and tuition costs.

Registration fees and other expenses will be paid by the corporation only within the limits of each department's educational budget.

Either prior to the meeting or upon return from the meeting, an expense voucher must be submitted to the Department Supervisor. A per diem rate for travel and meals will be reimbursed.

Reimbursement for expenses will be as follows:

Travel expenses will be limited to the least expensive form of transportation. (Continued)

Overnight lodging will be covered when necessary. Hotel lodging and other expenses will be reimbursed 100% if determined to be reasonable by the CEO. Employees, who choose to stay with friends or relatives, will be compensated \$38.00 per night. However if the employee can reasonably make a round trip or fly in and out of Wolf Point or Poplar in the same day for a meeting, it will not be covered. Lodging will not be covered and all expenses except meals and taxi fare shall be limited to the advance purchase airfare amount.

If the meeting, seminar, etc. is available in various areas of the country, the employee is required to select the closest location.

A copy of the approved meeting/seminar request will be filed in the administrative office.

Employees who have attended a seminar may be requested by their department heads or administration to submit a paper summarizing salient points and new information learned, or they may be requested to conduct an in-service meeting if the seminar attended is particularly relevant to their department or job class.

Appropriate expenses for meetings should be planned for in the annual departmental budget.

The professional employee is responsible for accumulating continuing education hours and maintaining a license by availing themselves of relevant available educational experiences. The cost involved in obtaining the necessary CEU's for licensure is the responsibility of the employee. The individual is responsible for maintaining their own records on a current basis.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.11

Subject: Leave of Absence - Military

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: The personnel policies of NEMHS and Section 9 of the Military Selective Service Act of 1967 provide a re-employment rights program for men and women who leave their jobs to perform training or service in the Armed Forces of the United States of America.

The employee must notify administration at least six weeks prior to scheduled training and fill out a Leave of Absence form.

To be eligible for re-employment the veteran must:

- a) receive a certificate of satisfactory service,
- b) notify the administrative department of his/her desire to return to work within 90 days after discharge from active duty or under the six-month program, notify the hospital within 30 days after his/her release from active duty,
- c) be qualified to perform the duties of the position

Based on current conditions, a veteran may be entitled to reinstatement of:

- a) the position held before entry into military service or a comparable position,
- b) the appropriate salary level and benefits for that position

Non-exempt employees on short-term training (summer camp, week-end reserve training, etc.) will not receive pay for training time. They may elect to use vacation time.

Exempt employees on short-term training (summer camp week-end reserve training etc.) who are absent from work an entire workweek will receive no pay for the workweek in which no work is performed. They may elect to use vacation time.

Exempt employees on short-term training (summer camp, week-end reserve training, etc.) who work part of their scheduled workweek must be paid for the entire workweek. The amount received by the employee for military training will be deducted from the amount paid for the workweek.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.12  
Subject: Family and Medical Leave  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to provide up to 12 weeks of job-protected leave to "eligible" employees for certain family and medical reasons.

Employees are eligible if they have worked for NEMHS for at least one year, and have worked for 1,250 hours over the previous 12 months.

Unpaid leave will be granted for any of the following reasons:

- \* To care for the employee's child after birth, or placement for adoption or foster care.
- \* To care for the employee's spouse, son or daughter, or parent, who has a serious health condition.
- \* For a serious health condition that makes the employee unable to perform the employee's job.

**PROCEDURE:** The employee must submit a written request for FMLA leave of absence to his/her department head at least 30 days in advance.

NEMHS requires medical certification to support a request for a leave because of a serious health condition, and may require second or third opinions (at the employer's expense) and a fitness for duty report to return to work.

The employee will be required to exhaust their paid leave time such as PTO and/or EIB, whichever applies. (See policies #9.1 and #9.4). In the event the employee does not have 12 weeks of leave time on their record, the remainder of the Family Medical Leave will be unpaid time.

NEMHS will maintain the employee's health coverage under any "group health plan" at the level and under the same conditions for the duration of FMLA leave. If the employee does not return to work, they will be required to reimburse the organization for premiums paid in their absence.

(Continued)

Upon return from FMLA leave, employees will be restored to their original or equivalent position with equivalent pay, benefits, and other employment terms.

The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave. However, no benefits will accrue during this time.

A "year" in regards to the Family Medical Leave, will be defined as 365 days from the first day of requested time off.

NORTHEAST MONTANA HEALTH SERVICES, INC.

Policy: #9.13  
Subject: Maternity Leave  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to provide reasonable Maternity Leave to eligible employees following the birth of, or adoption of a child.

**PROCEDURE:** Requests for Maternity Leave must be coordinated with the department manager. Employees must submit a written request for Maternity Leave to their department managers, at least 30 days in advance unless unforeseen circumstances should occur. In the event of adoption of a newborn child, it is understood that a written request may not be completed prior to leave time.

Maternity Leave will run concurrently with Family and Medical Leave. See Policy #9.12. Employees must use their EIB/PTO leave to cover the entire leave; the remainder of the leave will be unpaid time.

In the event that both mother and father are employees of NEMHS, they can only take a total of 12 weeks between the two of them.

A physician's note may be required prior to returning to work. Upon return from Maternity Leave, employees will be restored to their original or equivalent position with equivalent pay, benefits and other employment terms.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.14  
Subject: Jury Duty  
Effective Date: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy that an eligible employee called to serve on jury duty will be reimbursed for the difference between the amount paid for such service exclusive of travel pay and his/her compensation for regularly scheduled work hours.

Jury leave will be paid only when it occurs on the employee's regularly scheduled workday and for the scheduled hours of the workday.

Employees continuously employed and regularly scheduled will be eligible for compensation.

An employee will notify his/her department head immediately upon receiving notice of jury duty.

After completion of jury duty the employee will request a jury work statement from the jury clerk's office. This should be given to the administrative office.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.15  
Subject: Bereavement Leave  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to provide paid funeral leave to eligible employees for death in the immediate family.

Paid funeral leave of up to three shifts will be granted in case of death of an immediate family member.

Paid leave will be granted only for those shifts the employee was scheduled to work.

Bereavement leave without pay of up to three shifts will be granted in case of death of an immediate family member of a temporary employee or employee who has not completed the probationary period.

Immediate family member is defined as a current spouse, biologically or legally adopted father, mother, child, sister, brother, grandparent, grandchild, current mother-in-law, current father-in-law current brother-in-law, or current sister-in-law. Special situations may be reviewed by Administration.

Verification of death may be requested by employer.

An employee will notify his department head for permission prior to taking funeral leave.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.16  
Subject: Election Day  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to allow each employee time off with pay to exercise their right to vote during recognized election days. This time off will be allowed only when scheduled working hours conflict with scheduled voting hours.

**PROCEDURE:** Time off must be coordinated with the department head who will schedule according to the needs of the facility.

Employees living outside the voting district that are scheduled to work will be required to vote absentee.

## NORTHEAST MONTANA HEALTH SERVICES

Policy: #9.17  
Subject: Employee Housing  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

Policy: It is the intent of NEMHS to assist "Out of Town" staff with sleeping accommodations. The Faith Home apartments and the trailer in Wolf Point will be used to provide this housing.

Procedure: Staff will be allowed to stay in any of these facilities without paying rent if the following standards are met:

1. The employee's intention is to only spend the night or scheduled shifts making it possible for someone else to easily stay the following nights.
2. Only the employee utilizes the facility (no additional family members.)
3. Casual Relief employees are exempt from paying rent.

Rent will be charged if:

1. Employees choose to have family members stay in the rooms, as they would require a private room.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #9.18  
Subject: Use of Corporate Vehicle  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** NEMHS utilizes corporate vehicles for the employees use when conducting business pertaining to the corporation.

**PROCEDURE:** Any employee using the corporate vehicles must have a current Montana driver's license. A copy of the employee's driver's license must be kept in the employee's personnel file.

Seat belts are to be worn at all times by the driver and all passengers. Should an employee receive a fine for failure to do so, it will be at the employee's expense.

Absolutely no smoking or chewing is allowed.

It is the policy of NEMHS that all legal speed limits shall be observed.

Insurance is paid by NEMHS.

To reserve the vehicle, you must schedule with the receptionist at Faith Home or the receptionist at Poplar Community Hospital.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #10.0  
Subject: Dining Room  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is the NEMHS policy to provide a dining room for its employees.

**PROCEDURE:** Refreshments and snacks are available out of the vending machines in our facilities.

Bag lunches may be brought to the dining room.

Meal tickets can be purchased in the Business Office or through a payroll deduction. Employees must request the payroll deduction through the business office in each facility.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #11.0

Subject: Seniority

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It is the policy to provide employment, consistent with sound business principles, to those employees with the greatest amount of employment service within appropriate job descriptions.

The employee must be continuously employed and regularly scheduled to work. Provisions of this policy are not applicable to administrative, managerial, and supervisory employees.

Seniority will be established according to the following structure:

- \* Full time employees based on their most recent date of hire,
- \* Part time employees,
- \* Limited part time,
- \* Casual relief employees

Seniority shall be lost at termination.

An exception to seniority will exist if a senior employee is not qualified to perform the available work as another employee or applicant. NEMHS reserves the right to retain an employee without regard to seniority due to the employee's special training, skill, or experience.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #12.0  
Subject: Staffing Adjustments  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to establish a staffing adjustment procedure during low patient census that will enable us to reduce the labor force in a manner that has minimal adverse effects. These adjustments are usually temporary, short duration situations, and need to be met with temporary measures rather than instituting a formal lay-off procedure.

Each department head is responsible for evaluating and determining the needs of the department and the response of the department to low census situations according to their own policies.

Employees regularly scheduled can be put on an "on call status if there is a possibility that more staffing may be needed, or the employee may simply be scheduled "off."

If an employee is scheduled "on-call" rather than "off," call pay will be paid for that shift.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #12.1  
Subject: Lay-off and/or Reduction in Force  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to establish a lay-off and/or reduction in force to reduce the work force due to economic conditions, job elimination or lack of work.

**PROCEDURE:** A lay-off and/or reduction in force shall be defined as a period of time during which the employee's services are not required by the organization, i.e. economic conditions, job elimination or lack of work.

Lay-offs and/or reduction in force will normally be by job classification within departments and employee status.

Employees to be laid off will be provided with advance notice of no less than seven calendar days.

Length of service for temporary, part-time categories of employees may be considered separately; however, preference for employment may be given to full-time employees.

Administration reserves the right to vary from the above method of selection for layoff/termination where in its opinion the skills, experience and/or similar qualifications of the employees involved makes it appropriate to do so.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #13.0

Subject: Disciplinary Action

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that every department head counsel and instruct their employees in order to develop good work habits and a satisfactory performance. Employee should know what is expected in terms of performance and should understand hospital policies and regulations. The administration and department heads may use any disciplinary action appropriate within their judgment including but not limited to the following:

**PROCEDURE:** Counseling: An oral/written counseling session with the employee. Counseling sessions may be placed in the employee personnel file.

Oral / Written Warning: If it is necessary to counsel an employee for any reason that might ultimately lead to discharge, a written warning, signed by the employee, may be filed in their records. If the employee refuses to sign the warning, a notation will be made by the supervisor.

Suspension: An employee may be suspended for violation of conduct and rules at the discretion of the department manager.

Discharge: An employee may be discharged for continued violation of conduct and rules, inability to perform required job functions in a satisfactory manner or other legitimate business reasons.

Disciplinary documentation should be forwarded to the Human Resource department to be filed in the personnel file. The administrator may be notified of all suspensions and discharges.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #14.0  
Subject: Grievances  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide an effective means for employees to discuss with management work related dissatisfactions and to provide a formal procedure to ensure a prompt and equitable resolution of these problems.

The day-to-day problems affecting employees shall normally be corrected informally between an employee and their immediate department head. Such matters shall not be deemed grievances. A grievance is a dispute between an employee and a superior concerning the interpretation, application, or enforcement by the hospital of any personnel policy, which cannot be settled informally.

**PROCEDURE:** Step One: All employees having successfully completed a probationary period will present their grievance orally to their department head within seven days in order to reach an informal settlement. The aggrieved may present the grievance personally, in writing, or with a fellow employee. A suggested resolution should be included at this time upon investigation of the circumstances.

Step Two: If a grievance is not satisfactorily resolved pursuant to step one, the aggrieved may present the grievance in writing signed by the aggrieved, to the administrator within seven days. The administrator shall give a written answer to a grievance, which is presented timely, within seven days after it is presented upon investigation of the circumstances.

Step Three: If a grievance is not satisfactorily resolved after following step two, the grievance may be referred to the hospital Board of Directors within seven days. A final decision will be rendered within seven days.

(Continued)

Employees should be encouraged to feel free to express their beliefs without fear of retribution or discrimination; otherwise, problems can become severe and morale can be adversely affected.

The hospital guarantees that there shall not be any discrimination or adverse action against the aggrieved or any employee chosen to help at any step of the procedure.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #15.0  
Subject: Rules  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to establish rules to ensure a safe, pleasant working environment and to achieve an atmosphere that encourages high productivity and smooth business operations.

Unacceptable forms of conduct which may lead to written warnings and subsequently suspension and termination are, but not inclusive:

1. Employees receiving personal visitors during working hours.
2. Employees using facility equipment for personal use without authorization
3. Employees loitering, loafing, or sleeping on the job.
4. Employees smoking in unauthorized areas.
5. Employees habitually exceeding times for meals and breaks (one thirty-minute meal period is allowed within each eight and one-half hour (8½) work day; one fifteen-minute break in each four hour period.)
6. Employees ignoring or failing to report every injury, no matter how trivial, to the supervisor.
7. Employees violating safety rules, being careless, or playing practical jokes resulting in hazardous working conditions.
8. Employees being excessively tardy or absent.
9. Employees using the telephone for personal use other than emergency situations.

(Continued)

Unacceptable forms of conduct may lead to immediate termination, but are not inclusive are:

1. Employees physically or verbally abusing patients, co-workers or visitors.
2. Employees engaging in physical fighting with other employees on NEMHS property.
3. Employees stealing from facility employees, patients or residents.
4. Employees bringing a weapon to work.
5. Employees coming to work under the influence of or possession on the premises of alcohol or illicit drugs.
6. Employees being insubordinate or failing to follow directions.
7. Employees soliciting or accepting gratuities from suppliers, patients and/or families.
8. Employees willfully endangering the welfare of a patient or another employee.
9. Employees falsifying medical records and/or other records
10. Employees disclosing confidential information.
11. Employees spreading false or malicious rumors.
12. Employees using abusive or profane language to fellow workers or threatening or interfering in any way with a fellow employee's rights.
13. Employees willfully neglecting or carelessly using facility property.
14. Employees posting unauthorized notices, defacing walls, or tampering with bulletin boards.
15. Employees disregarding departmental or NEMHS rules or policies or applicable laws, rules, regulations or applicable professional standards.

(Continued)

16. Employees being professionally incompetent.
17. Employees refusing to attend mandatory in-services, fire prevention or familiarize themselves with the departments fire procedure, location of alarms, and extinguishers.

Management reserves the right to deviate from the above method of Disciplinary action where in its opinion the employee's performance should result in immediate termination.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #15.1

Subject: Harassment

Effective: July 1, 2007

Approval: CEO/Board of Directors

**POLICY:** It is the policy of NEMHS to provide a work place free from unlawful and improper "harassment" of employees by management or non-management employees, including physicians, vendors, or by its customers.

**PROCEDURE:** It is the responsibility of every employee to cooperate in reaching this goal. Harassment is considered a serious act of misconduct and may subject an employee to disciplinary action, including immediate discharge.

As used in the policy, the term "harassment" includes sexual and racial harassment, as well as harassment based on any other protected classification.

VERBAL HARASSMENT: Derogatory comments regarding a persons race, color, sex, sexual orientation, religion, ancestry, ethnic heritage, mental or physical disability, age, other classification protected by the laws; threats of physical harm, or distribution of written or graphic material having such effects.

PHYSICAL HARASSMENT: Hitting, pushing or other aggressive physical contact, non-consensual touching or threats to take such action, gestures, or the display of signs or pictures.

It is considered harassment if:

- a) submission to the conduct is in any way made a term or condition of employment
- b) submission or a rejection of such conduct is used as the basis for any employment decision (i.e. promotion, demotion, transfer)
- c) The conduct has the purpose or effect of unreasonably interfering with an individuals work performance or creating an intimidating, hostile or offensive working environment.

(Continued)

It is NOT considered harassment of any sort for members of management to enforce job performance and conduct standards in a fair and consistent manner.

In particular, sexual harassment may be defined as unwelcome verbal, physical or sexual conduct including without limitation, sexual advances, demands for sexual favors, or the verbal or physical conduct of a sexual nature, regardless of whether designed or intended to promote an intimate relationship.

Employees who violate the policy will be subject to disciplinary action at the discretion of management, including, but not limited to suspension or termination. Supervisors who violate this policy, or fail to report violation by others of which they become aware, may also be subject to disciplinary action, including, but not limited to suspension or termination. This policy does not create any contractual rights on the part of any employee by reason of the breach of this policy by another employee.

If you feel you are being harassed, you should immediately bring the alleged act to the attention of his/her immediate supervisor, if not involved in the alleged act; or the Administrator. Should the Administrator be involved in the alleged act, employees are to report the incident to the Chairman of the Governing Board of Directors.

The CEO will conduct an investigation according to the process set forth by the grievances procedure.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #15.2  
Subject: Nepotism  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that employment decisions of relatives should be closely monitored. For this reason, the association has adopted not only an affirmative action plan, but also this policy statement relating to the employment of relatives of employees of the facilities.

**PROCEDURE:** Employees should neither initiate nor participate in, directly or indirectly, decisions involving a direct benefit (initial employment or appointment, retention, promotion, salary, course or work assignments, research funds, etc.) to members of their immediate family.

Members of an immediate family will not be allowed to work within the same department without administrative approval

For the purpose of this policy statement, immediate family includes spouse; son and daughter (including stepchildren); parent (including stepparent); and brother and sister (including stepbrother and stepsister) including in-laws).

This policy applies to all categories of employment at the facilities.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #15.3  
Subject: Gratuities  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that accepting gifts or gratuities is not only unnecessary and undesirable but also contrary to the interest served by the facilities. Hence, the association prohibits its employees from accepting gratuities from firms, organizations, their employees, or agents.

Gifts to the facility, department, or entire staff will be accepted or used for such purposes as: drawings, incentive programs, rewards, or Christmas gift drawing.

NORTHEAST MONTANA HEALTH SERVICES, INC.

POLICY: #15.4

Subject: Alcohol and other Chemical Abuse

Effective: July 1, 2007

Approval: CEO/Board of Directors

POLICY: It shall be the policy of NEMHS that the following alcohol and drug policy and rules will be consistently enforced.

ALCOHOL: Possessing, using, transferring, offering or being under the influence of any intoxicating liquor, while on NEMHS property, in any vehicle used on NEMHS business, or in other circumstance NEMHS administration believe might adversely affect operations, safety or reputation may result in suspension and/or termination. This includes consumption any intoxicating liquor prior to reporting to work or during breaks or lunch periods. An employee whose blood alcohol content is .04 or more will be deemed "under the influence".

DRUGS: Possessing, using, transferring, offering, attempting to sell or obtain, manufacturing, or being under the influence of any drug or substance (except medically prescribed drugs if possessed in compliance with this policy) while on NEMHS property, time, in any vehicle used on NEMHS business, or in other circumstance NEMHS administration believes might adversely affects operations, safety, or reputation may result in suspension and/or termination.

LEGAL DRUGS/PRESCRIPTIONS:

NEMHS recognizes that use of any drug, legal or illegal, can adversely affect an employees work performance and safety. NEMHS recognizes that misuse of legal prescription is a common form of drug abuse. There are many situations where employees can safely and efficiently perform their jobs while taking medically prescribed drugs. To ensure the safety of all employees, patients,, and residents, an employee who is taking any medically prescribed drug that might affect, alter or impair behavior, motor functions, or physical or mental ability to work must inform their supervisor prior to beginning work so that the situation can be evaluated.

(Continued)

**PROCEDURE:**

If administrative, supervisory and/or managerial personnel at NEMHS believes an employees faculties are impaired on the job as a result of the consumption or use of alcohol or drugs, NEMHS may require the suspected employee be tested for drugs and alcohol or drugs. In deciding whether to make a request, administrative and managerial personnel will take into account the facts and circumstances of each particular case. The employee in question will be required to submit to a blood and urine test.

Violations of the following rules generally may result in suspension and/or termination:

1. Switching or adulterating (tainting, mixing, adding to) any blood or urine sample submitted for testing.
2. Refusing to consent to testing, to submit a sample for testing, or to sign any required forms.

**EFFECT OF POSITIVE TEST:**

In addition to disciplinary action for testing positive to alcohol and/or drugs, NEMHS, at their discretion, refer an employee for assessment, counseling and/or referral to a treatment program. If the assessment indicated a need for treatment, the employee may be required to enter and complete a treatment program (including any follow up recommendations) approved by NEMHS to maintain employment and may be also required to sign and follow a "performance agreement". Failure to accept the referral, to enter into and complete the treatment program, any follow up recommendation, or to sign or adhere to the commitments in a performance agreement may result in suspension and/or termination.

**DRUG RELATED ARRESTS/CONVICTIONS:**

An employees who has been cited, arrested, or convicted under any criminal drug statue must notify Human Resources Department within 5 days of the citation, arrest and/or conviction so the circumstances can be reviewed to determine if a violation of the policy has occurred. Violation of the following rules may also result in suspension and/or termination:

(Continued)

- \* Possessing drug paraphernalia (any article in any way connected with use, storage, or sale of drugs) while on NEMHS property, NEMHS time, in any vehicle on NEMHS business, or in other circumstances NEMHS administration believes might adversely affect operations, safety or reputation.
- \* Failing to notify NEMHS of any citation, arrest, or conviction under criminal drug statute within five days as stated earlier in this policy.
- \* Criminal conduct in any way connected with alcohol or drugs on NEMHS property, time, in any vehicle on NEMHS business
- \* Failing to report to your supervisor the use of a medically prescribed drug that might affect, alter or impair behavior, motor function, or physical or mental ability to work prior to beginning work.

DRUG SCREEN CONSENT FORM

I request that the employee named below submit to the following tests:

1. Urine drug screen
2. Blood alcohol

Employee's name (print): \_\_\_\_\_

Signature and title of the person requesting the test: \_\_\_\_\_

Name and title: \_\_\_\_\_

Date: \_\_\_\_\_

CONSENT AND RELEASE

I consent to the collection of my specimens by NEMHS for the tests named above to be analyzed by the Billings Deaconess Lab. I authorize the release of my results to the Director of Human Resources or Administration of NEMHS.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #15.5  
Subject: Solicitation and Distribution of Literature  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that any solicitation activity (charitable, political, union, etc.) must not interfere with our function of providing health care to our patients. Disturbing patients, interfering with the work of our employees, and littering cannot be tolerated.

**PROCEDURE:** Employees of the NEMHS

Solicitation: Employees cannot solicit or distribute literature for any purposes at any time in immediate patient care areas. Immediate patient care areas are patients' rooms, operating rooms, places where patients receive treatment such as x-ray and therapy rooms, and the halls and corridors adjacent to these areas.

In areas other than immediate patient care areas; hospital employees may not solicit for any purpose during working time. "Working time" does not include break periods, mealtimes, or other authorized times when employees have been released from duty. "Working time" refers to the working time of the person doing the soliciting as well as the working time of the individual being solicited.

Distribution of Literature: Employees may not distribute literature during working time or in working areas or in immediate patient care areas.

Outsiders Who Are Not Employees of the Hospital

Persons who are not employed by the NEMHS may not solicit or distribute literature for any purpose at any time on facility property without the written consent of the Administrator.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #16.0  
Subject: Termination  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide an orderly and efficient procedure for separation of employment from the facilities.

**PROCEDURE:** In order to remove an employee from the payroll, the supervisor will generally submit to the human resource office, a data sheet noting the status change. In cases of resignation, the written notice of resignation should be attached to the data sheet. In cases of termination, information should be completed and signed, on the data sheet, by the department head.

Employees who have been terminated at one campus will not be rehired at another for a minimum of 90 days without administrative approval.

Terminal pay checks will be issued within 15 days of separation or on the next regularly scheduled payday, whichever comes first.

As required by the Consolidated Omnibus Reconciliation Act of 1985 (COBRA), NEMHS offers continued group health care coverage for terminating employees as per the COBRA guidelines. Persons electing to continue group coverage under COBRA must pay their own premiums.

All keys a terminating employee may have must be returned to the department head on the last day of employment.

Separations are either dismissal or resignation. See policies #16.1 and #16.2.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #16.1  
Subject: Dismissal  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: It is NEMHS policy to provide an orderly and efficient procedure for dismissing an employee from the service of the facility.

PROCEDURE: Dismissal is defined as an involuntary separation.

Department heads should discuss an involuntary termination with the CEO before the employee is terminated.

All discharges will generally be documented on a data sheet.

Terminal pay checks will be issued within 15 days of separation or on the next regularly scheduled payday, which ever comes first.

All procedures listed under Termination policy 16.0 apply.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #16.2  
Subject: Resignation  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy to provide an orderly and efficient procedure for resigning from the employment of the facility.

**PROCEDURE:** Resignation is defined as a voluntary separation.

Exempt employees are requested to give one month written notice. Non-exempt employees are requested to give two weeks written notice.

The final paycheck will be mailed out at the regularly scheduled payroll time.

All procedure listed under Termination policy 16.0 apply.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #17.0  
Subject: Media Relations  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

**POLICY:** It is NEMHS policy that the Administrator is the only person authorized to release information concerning patients to the media.

**PROCEDURE:** Any media (press, television, radio, etc.) calls received must be referred directly to the administrative office. An association spokesman will be assigned to any media person on hospital grounds. Specific guidelines for giving information to the media have been established by the Montana Hospital Association, and will be followed by NEMHS. These guidelines are outlined in the MHA Media guide, available in the administrative office.

NORTHEAST MONTANA HEALTH SERVICES INC.

Policy: #17.1  
Subject: Reference Checks  
Effective: July 1, 2007  
Approval: CEO/Board of Directors

POLICY: NEMHS may be held liable for any harm caused by release of false, negative, or judgmental information about present or former employees. Therefore to limit this liability, reference information will be provided only by authorized employees of the administrative department.

Information will be given to prospective employers via the telephone or mail. Information released to prospective employers may be limited to the following:

- \* Job
- \* Job Title
- \* Department
- \* Dates of Employment

In addition, salary information will be made available to banks, mortgage companies, credit card companies, etc., only when a release, signed by the employee, accompanies the request.