

Cornerstone Behavioral Healthcare

PM.7 Employee Benefits

Definitions:

Full-Time Hourly/Salaried: an employee who works 30 hours or more per week

Part-Time Hourly/Salaried: an employee who works less than 30 hours per week

Per-Diem Clinical: a clinician who works less than 30 hours per week

EARNED TIME (ET)

Comprehensive Leave Policy (CLP):

- Cornerstone Behavioral Healthcare (CBH) provides a comprehensive package of ET benefits, which includes an integrated policy covering vacation, and personal days in a Comprehensive Leave Policy. Other types of leave, such as extended medical leave or family leave, are administered separately under applicable laws, rules and regulations.
- The CLP is designed to provide employees with time off from work when a vacation is desirable or when personal illness/medical difficulties arise. When an employee qualifies for any of the leaves described below, and with prior approval, they may take their ET to the extent that such benefits have been accrued and are unused.
- CBH has a tiered CLP for both professional and hourly employees. New employees are hired at Tier I and move to Tier II after two years of employment.

Full-Time Hourly Line Item Staff:

After 120 days, the total ET for hourly employees in Tier I shall be a total of ten (10) days per year, while the total for employees in Tier II shall be nineteen (19) days per year. This will be prorated for hourly employees working less than eight (8) hours per day. ET is accrued throughout the year, starting January 1st, based on both regular hours worked and holidays, and is calculated each pay period through the end of the same year. Carryover of accrued time from one year to the next is permitted up to a maximum of eighty (80) hours; therefore, any hours in excess of eighty (80) will be forfeited. ET is paid out in full for accrued hours when employment is terminated for any reason except misconduct. ET is predicated on maintaining productivity for both clinical and administrative tasks. After an employee has been employed for two (2) years, their ET will be increased to the Tier II rate.

Full-Time Clinical/Management Staff:

After 120 days, the total CLP for full-time Clinical and Management employees in Tier I will be fifteen (15) days, while for Tier II employees the total will be twenty-six (26) days per year. For clinical salaried employees, full-time is defined as twenty-five (25) or more billable hours per week unless otherwise assigned. ET is accrued throughout the year, starting January 1st, based on both regular hours worked and holidays, and is calculated each pay period through the end of the same year. Carryover of accrued time from one year to the next is permitted to a maximum of eighty (80) accrued hours; therefore, any hours in excess of eighty (80) will be forfeited. ET is paid out when employment is terminated for any reason except misconduct. ET is predicated on maintaining productivity for both clinical and administrative tasks. After an employee has been employed for two (2) years, their ET will be increased to the Tier II rate.

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Part-Time Staff:

After 120 days, part-time employees are eligible for ET at the rate of one (1) hour accrued for every forty (40) hours worked. Carryover of accrued time from one year to the next is permitted to a maximum of forty (40) accrued hours.

Per Diem Clinical: Eligible for ET as defined above

Accrual/Use of ET:

- CBH provides ET for all full-time and part-time employees. ET is essential to the employee's good health, morale, and overall contribution to the Company. Therefore, employees are encouraged to use as much of their accumulated ET as possible each year.
- Accrual of ET will be based on the employee's level of benefits, length of time employed by CBH, and status of exempt and non-exempt employees.
- ET will be calculated from the employee's date of hire. Use of ET will not begin until 120 days from date of hire.
- With the exception of ET for reasons of illness, ET must be approved in writing, in advance, by the employee's immediate supervisor. An ET-planning calendar will be provided and requests for ET will be considered in the order they are received.
- Approval and timing of ET will be determined by the immediate supervisor, taking into consideration the best interest of CBH, the particular needs of the clients, and the desire of the employee.
- Part-time staff may use any portion of their accrued ET, up to regular scheduled hours in any given week.
- If an employee is absent due to accident or illness, or due to caring for a relative affected by accident or illness, for a period exceeding two (2) days, a doctor's statement or appropriate documentation is required. Such statement must provide a reasonable estimate of when the employee will be able to return to work.
- As part of the CLP, there is a limit of forty (40) hours per year for all unplanned time off for all eligible employees once the six (6) month probationary period has expired.
- If a pattern of excessive, unapproved absences occur, management reserves the right to request written verification validating the absence.
- In determining whether the employee's position can remain vacant for the expected length of absence, the Supervisor, in consultation with the CEO, shall attempt reasonable accommodation to the employee's needs. They will consider the possibility of temporary or fill-

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in coverage for the position, but will also consider the ongoing staffing needs of CBH, its responsibilities to its clients and funding sources, and the importance of having the position filled to meet those responsibilities.

- If an employee is not expected to return to work, as verified by a doctor's statement, because of incapacity due to illness, accident, or other medical cause, his/her employment will be terminated immediately.
- ET will accrue on regular worked hours.
- Accrued ET may not be carried over from one year to the next except as described above/below (see Hourly and Clinical/Management Staff).
- At the separation of employment, employers that allow employees to use Earned Paid Leave before it is accrued may withhold from the last paycheck any amount that the employee had not yet accrued.

Vacation Buyback Option for Employees:

CBH provides the ability for employees to sell back some of their accrued vacation time to the company up to a limit of eighty (80) hours. Buyback notification requests may be submitted during a single window of opportunity, specifically October 1st through October 15th during any year. Notification requests outside of that window of time cannot be honored regardless of personal circumstances. A stipulation of this policy is that the employee must retain a minimum of forty (40) hours of ET. Furthermore, payout will be conditioned on the employee meeting their productivity requirements. If productivity is not 100%, then payout will be based upon the percentage of productivity met during the year. Payouts will be conditioned on CBH's financial capacity to meet all notification requests. If payouts will not be financially feasible, the company reserves the right not to issue any disbursements for buybacks of accrued time for that year. Otherwise, cash payouts will be made in early November. The mechanism for submitting a notification request will be a check box on the Request for ET Form which must first be signed by the supervisor. The cash payout will be processed through payroll as gross wages and is subjected to income and payroll tax withholding.

OTHER LEAVE (NOT EARNED TIME)

Leave Without Pay Other Than Family Medical Leave Act (FMLA)(PM 8):

- Beyond the limit of forty (40) paid unplanned hours, there are no extra days allowed as unpaid absences. Management will consider, upon the request of an employee, to grant up to forty (40) hours unpaid, which may be approved or denied. If granted by the CEO, management cannot guarantee that the employee's position, or an equivalent position, will remain open for the employee.
- Leave without pay, when requested and approved in advance, is an authorized absence from duty.

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- Employees on leave without pay shall not accrue ET or any other benefits. Except for medical or emergency cases, (FMLA) leave without pay will be granted only after the employee has completed six (6) months of continuous employment, or at the sole discretion of the CEO or designee.
- Unless otherwise authorized in writing by the CEO, leave without pay will be automatically cancelled and employment terminated if the employee begins work elsewhere. Employment will automatically be terminated if the employee does not return to work on the first normal work day following the last day of the leave without pay, unless a written request for an extension has been approved in writing by the supervisor and the CEO at least five (5) days prior to the expiration date.

Educational Leave:

- Regular full-time professional staff may apply for educational leave as follows:
- Educational leave must be relevant to the position and authorized in advance.
- Leave may be granted at the discretion of the CEO to meet the employee's licensing requirements. Tuition, books, travel, meals, and living expenses associated with such training and educational activities are the responsibility of the employee.
- Whenever possible and appropriate, employee will first avail themselves of classes and seminars sponsored and promoted by CBH. Educational leave will not be granted for attendance at "outside" programs if CBH offers similar or equivalent programs.

OTHER EMPLOYEE BENEFITS

Holidays:

Employees will be paid holiday pay for eight (8) federally observed holidays if they are scheduled to work on that day. CBH offices will be closed for seven of the eight holidays. If a holiday lands on Saturday CBH will be closed Friday. If the holiday lands on a Sunday CBH will be closed Monday. Working in the office or out in the field on any paid holiday that the office is closed will be prohibited, unless authorized by CEO or authorized designee. The following is a list of CBH paid holidays:

1. New Year's Day - Closed
2. Memorial Day - Closed
3. Independence Day - Closed
4. Labor Day - Closed
5. Indigenous Peoples Day - Closed
6. Thanksgiving Day - Closed
7. Christmas Day -Closed
8. Floating Holiday*

*Must be one of the following: Martin Luther King Day, Presidents Day, Juneteenth National Independence Day or Veterans Day. The office will remain open and there must be appropriate coverage per department. If holiday is not used then hours will be forfeited.

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Combined Leave as defined in the Comprehensive Leave Policy above:

Group Health and Dental Insurance Plans

Insurance benefits are available as follows:

Medical insurance will be paid for all employees working thirty (30) hours per week over a fifty-two (52) week year up 82% of the monthly premium. Any premium amounts exceeding the premium cap will be deducted from the employee on a pre-tax basis in our Section 125 plan through payroll processing. Employees are eligible for health insurance beginning thirty (30) days after employment. Enrollment will be effective the 1st of the next available enrollment month. See health plan documents regarding additional restrictions on enrollment. A family plan option is also offered whereby the employee pays the premium amount exceeding the 82% cap for the individual employee through payroll deductions.

Dental insurance for the employee is also available as a Company-paid benefit. Family dental plan options are also available with the additional premium being the responsibility of the employee through payroll deduction on a pre-tax basis.

Voluntary Insurance Coverage:

CBH also offers the following voluntary insurances whereby the employee is responsible for the full monthly premium(s) through payroll deductions:

Group Short Term Disability Insurance
Group Long Term Disability Insurance
Group Life Insurance

Retirement Plan:

- CBH offers a voluntary pre-tax salary reduction plan whereby all W-2 employees who have received at least \$5,000.00 in compensation during the prior year, and who are reasonably expected to receive at least \$5,000.00 in compensation during the current year, are eligible to participate in the plan. Newly hired employees who meet the stipulation above and have completed the six (6) month probationary period may enroll in the plan and participate beginning with the first payroll period administratively feasible after employment.
- In addition to the sixty (60) day period proceeding, the first day of the plan year (January 1), a participant may initiate or amend his or her Salary Deferred Agreement. A participant who terminates their Salary Deferral Agreement during the year may enter into a new Salary Deferral Agreement as provided above.
- An employer funding match will be determined and announced annually at least sixty (60) days prior to January 1.
- Should a participant leave CBH, it will be the sole responsibility of the former employee to roll over their fund balance to another appropriate investment plan elsewhere.

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- Further details about the plan may be obtained from the Fund Administrator. Call HR for the current contact information.

Required Benefits:

CBH provides to all W-2 employees coverage under Workers Compensation, Unemployment Insurance, and withholdings per the Federal Insurance Contributions Act.

Annual Cost of Living Raise:

Depending on the company's financial performance, in January of each year, CBH will issue a Cost of Living raise to each employee, up to 2% of an employee's current hourly rate.

BENEFIT ELIGIBILITY BY EMPLOYEE STATUS

Regular Full-Time and Part-Time Employees (W-2): These employees will receive the following benefits:

- ET and Holidays as defined in the CLP above
- Group Health Insurance and Dental Plans, eligible to participate after meeting eligibility requirements
- Voluntary Insurance Coverage
- Retirement Plan, eligible after six (6) months
- Required benefits
- Annual Cost of Living Raise

Per-Diem Clinical: These employees will receive the same benefits as part-time employees

Independent Contractors (1099): Independent Contractors are not eligible for any CBH employee benefits or covered under Workers Compensation, Unemployment Insurance, or Federal Insurance Contributions Act.



01/05/2023

CEO

Date