



Employment handbook

December 2018

We, the Novant Health team, will deliver the most remarkable patient experience, in every dimension, every time. Learn more about all of the Novant Health initiatives to ensure a **remarkable patient experience**.

ABOUT THIS HANDBOOK

AT THE BEGINNING OF EMPLOYMENT, EVERY EMPLOYEE RECEIVES A COPY OF THE NOVANT HEALTH EMPLOYMENT HANDBOOK AND SIGNS THE HANDBOOK RECEIPT. THE EMPLOYEE HANDBOOK IS FOR INFORMATION ONLY AND IS NOT A CONTRACT OF EMPLOYMENT.

THIS HANDBOOK IS INTENDED TO SUMMARIZE SELECTED POLICIES, PROCEDURES AND BENEFITS OF NOVANT HEALTH, INC. PRACTICES MAY VARY FROM LOCATION TO LOCATION.

NOVANT HEALTH MAY AND DOES CHANGE, INCREASE, DECREASE OR ELIMINATE POLICIES, PROCEDURES AND BENEFITS FROM TIME TO TIME, WITH OR WITHOUT NOTICE. THEREFORE, THIS HANDBOOK SHOULD NOT BE RELIED UPON AS FINAL AUTHORITY FOR MATTERS THAT ARE DETAILED IN LEGAL PLAN DOCUMENTS OR POLICY MANUALS.

THIS HANDBOOK DOES NOT AND IS NOT INTENDED TO ADDRESS EVERY POSSIBLE EMPLOYMENT SITUATION. **NOVANT HEALTH RESERVES THE RIGHT TO TAKE ACTION OR MAKE DECISIONS WHICH IS CONSISTENT WITH THE PROVISIONS OF THIS HANDBOOK TO ADDRESS SITUATION ON CASE BY CASE BASES, NOVANT HEALTH'S SOLE DISCRETION.**

RECEIPT OF THIS HANDBOOK DOES NOT IN ANYWAY CONSTITUTE A CONTRACT OF EMPLOYMENT OR GUARANTEE ANY PARTICULAR TERM, CONDITION OR LENGTH OF EMPLOYMENT. EMPLOYMENT AT NOVANT HEALTH IS "AT WILL". **THIS MEANS YOU MAY TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, FOR ANY REASON OR FOR NO REASON AT ALL. NOVANT HEALTH RESERVES THE RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, FOR ANY REASON OR FOR NO REASON AT ALL.** NO CONTRARY STATEMENT BY ANY NOVANT HEALTH EMPLOYEE OR LEADER SHALL HAVE ANY FORCE OR EFFECT, UNLESS IT IS IN WRITING, STATES THAT IT IS A "CONTRACT OF EMPLOYMENT" AND IS SIGNED BY AN AUTHORIZED COMPANY OFFICIAL. IF YOU HAVE AN EMPLOYMENT CONTRACT, THAT CONTRACT TAKES PRECEDENCE OVER THIS EMPLOYMENT HANDBOOK.

THIS HANDBOOK SUPERCEDES AND REPLACES ALL OTHER HANDBOOKS OR SIMILAR MATERIALS WHICH HAVE BEEN PUBLISHED OR DISTRIBUTED. ALL PRIOR HANDBOOKS ARE HEREBY REVOKED AND DECLARED NULL AND VOID.

AN UP-TO-DATE HANDBOOK CAN BE FOUND ON THE NOVANT HEALTH INTRANET BY CLICKING ON EMPLOYEE BENEFITS AND SERVICES, EMPLOYMENT HANDBOOK. YOU ALSO MAY ACCESS THE MOST UPDATED HUMAN RESOURCE POLICIES ON THE INTRANET IN NOVANT DOCUMENT MANAGER.

IN ADDITION TO THE POLICIES AND PROCEDURES IN THIS HANDBOOK, ADDITIONAL WORK RULES FOR OUR SPECIFIC JOB HAVE BEEN ESTABLISHED. YOUR LEADER WILL EXPLAIN THESE TO YOU WHEN YOU ARE INTRODUCED TO YOUR NEW JOB ASSIGNMENT.

I ACKNOWLEDGE RECEIPT OF THE NOVANT HEALTH EMPLOYEE HANDBOOK AND UNDERSTAND IT IS EFFECTIVE, DECEMBER, 2018. I WILL READ THE HANDBOOK CAREFULLY—PARTICULARLY THE ABOVE DEFINITION OF AT-WILL EMPLOYMENT. I UNDERSTAND THE HANDBOOK IS NOT AN EMPLOYMENT CONTRACT, AND I ACKNOWLEDGE THAT MY EMPLOYMENT IS "AT-WILL" AS DEFINED ABOVE.

SIGNATURE

DATE

ABOUT THIS HANDBOOK

AT THE BEGINNING OF EMPLOYMENT, EVERY EMPLOYEE RECEIVES A COPY OF THE NOVANT HEALTH EMPLOYMENT HANDBOOK AND SIGNS THE HANDBOOK RECEIPT. THE EMPLOYEE HANDBOOK IS FOR INFORMATION ONLY AND IS NOT A CONTRACT OF EMPLOYMENT.

THIS HANDBOOK IS INTENDED TO SUMMARIZE SELECTED POLICIES, PROCEDURES AND BENEFITS OF NOVANT HEALTH, INC. PRACTICES MAY VARY FROM LOCATION TO LOCATION.

NOVANT HEALTH MAY AND DOES CHANGE, INCREASE, DECREASE OR ELIMINATE POLICIES, PROCEDURES AND BENEFITS FROM TIME TO TIME, WITH OR WITHOUT NOTICE. THEREFORE, THIS HANDBOOK SHOULD NOT BE RELIED UPON AS FINAL AUTHORITY FOR MATTERS THAT ARE DETAILED IN LEGAL PLAN DOCUMENTS OR POLICY MANUALS.

THIS HANDBOOK DOES NOT AND IS NOT INTENDED TO ADDRESS EVERY POSSIBLE EMPLOYMENT SITUATION. **NOVANT HEALTH RESERVES THE RIGHT TO TAKE ACTION OR MAKE DECISIONS WHICH IS CONSISTENT WITH THE PROVISIONS OF THIS HANDBOOK TO ADDRESS SITUATION ON CASE BY CASE BASES, NOVANT HEALTH'S SOLE DISCRETION.**

RECEIPT OF THIS HANDBOOK DOES NOT IN ANYWAY CONSTITUTE A CONTRACT OF EMPLOYMENT OR GUARANTEE ANY PARTICULAR TERM, CONDITION OR LENGTH OF EMPLOYMENT. EMPLOYMENT AT NOVANT HEALTH IS "AT WILL". **THIS MEANS YOU MAY TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, FOR ANY REASON OR FOR NO REASON AT ALL. NOVANT HEALTH RESERVES THE RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, FOR ANY REASON OR FOR NO REASON AT ALL.** NO CONTRARY STATEMENT BY ANY NOVANT HEALTH EMPLOYEE OR LEADER SHALL HAVE ANY FORCE OR EFFECT, UNLESS IT IS IN WRITING, STATES THAT IT IS A "CONTRACT OF EMPLOYMENT" AND IS SIGNED BY AN AUTHORIZED COMPANY OFFICIAL. IF YOU HAVE AN EMPLOYMENT CONTRACT, THAT CONTRACT TAKES PRECEDENCE OVER THIS EMPLOYMENT HANDBOOK.

THIS HANDBOOK SUPERCEDES AND REPLACES ALL OTHER HANDBOOKS OR SIMILAR MATERIALS WHICH HAVE BEEN PUBLISHED OR DISTRIBUTED. ALL PRIOR HANDBOOKS ARE HEREBY REVOKED AND DECLARED NULL AND VOID.

AN UP-TO-DATE HANDBOOK CAN BE FOUND ON THE NOVANT HEALTH INTRANET BY CLICKING ON EMPLOYEE BENEFITS AND SERVICES, EMPLOYMENT HANDBOOK. YOU ALSO MAY ACCESS THE MOST UPDATED HUMAN RESOURCE POLICIES ON THE INTRANET IN NOVANT DOCUMENT MANAGER. IN ADDITION TO THE POLICIES AND PROCEDURES IN THIS HANDBOOK, ADDITIONAL WORK RULES FOR OUR SPECIFIC JOB HAVE BEEN ESTABLISHED. YOUR LEADER WILL EXPLAIN THESE TO YOU WHEN YOU ARE INTRODUCED TO YOUR NEW JOB ASSIGNMENT.

I ACKNOWLEDGE RECEIPT OF THE NOVANT HEALTH EMPLOYEE HANDBOOK AND UNDERSTAND IT IS EFFECTIVE, DECEMBER, 2018. I WILL READ THE HANDBOOK CAREFULLY—PARTICULARLY THE ABOVE DEFINITION OF AT-WILL EMPLOYMENT. I UNDERSTAND THE HANDBOOK IS NOT AN EMPLOYMENT CONTRACT, AND I ACKNOWLEDGE THAT MY EMPLOYMENT IS "AT-WILL" AS DEFINED ABOVE.

SIGNATURE

DATE

Welcome to Novant Health

Welcome! We are pleased to provide you with this employment handbook. In these pages, you will find important information about:

- The principles that guide us as an organization
- Our quest to provide remarkable experiences for our patients, which includes creating and sustaining a culture of safety
- Novant Health's expectations of you
- What you can expect from Novant Health

Among the most important pages are those that explain the principles that guide us as an organization. Read our mission, vision and values, commit yourself to them and exhibit them in everything you do.

As you make your commitment to serve our patients and customers, be assured that Novant Health is committed to creating an inclusive environment in which everyone can be a contributing member with equal opportunity for advancement and growth.

Whether you are just beginning your career or have been with us for many years, I urge you to read this booklet carefully and refer to it as you carry out your responsibilities to our patients, to your fellow employees and to the organization.

Sincerely,

Carl Armato
President and chief executive officer



The purpose of the employee handbook

This handbook has been prepared to inform you about Novant Health's employment practices and policies.

We ask that you read this book carefully, and refer to it whenever questions arise. No employee handbook can answer every question, however, so please don't hesitate to ask questions.

The policies described here are those in effect at the time the handbook was printed. Additions or deletions may be made to human resource policies at any time to reflect changing business conditions and staffing needs. You will be informed of any policy changes. You can also find the latest copy of this handbook and human resource policies on Novant Health I-Connect.

We hope this handbook will help you understand Novant Health and its practices. If you have any questions about the information in this book, talk to your leader.

Novant Health human resources department

Contents

Section 1: An introduction to Novant Health's culture

Mission, vision and values	10
Our promise to our communities	10
Strategic plan and strategic imperatives.....	10
Novant Health's vision elements	11
Service standards.....	12
Security and privacy.....	13
Union free philosophy	13

Section 2: Working at Novant Health

Introductory period.....	14
Your human resources file	14
Identification	14
Employee classifications	15
Former employees	15
New employee orientation.....	15
Employment verifications	15
Outside employment	15
Job posting and transfers	16
Employment of relatives	16
Workplace relationships	16
Resignation	16
Novant Health's code of ethics	17
Equal employment opportunity	17
Harassment and bullying	19
Conflict of interest	19
False Claims Act	19
The Alert Line.....	20

Section 3: Performance expectations

Attendance and punctuality.....	21
Flexible work schedules.....	23
Professional image.....	23
Confidentiality	24
Protected health information (PHI).....	25
Media policy	25
Contact with attorneys	25
License, certification, registration	25
Competency assessments.....	26
Exclusion from care	26
Influenza immunization	26
Annual health screening	26
Personal use of office equipment.....	27
Computer security/internet use	27
Solicitation and distribution	29

Section 4: Rules of conduct

The progressive discipline policy.....	32
The complaint and appeals procedure	35
Anti-Retaliation Policy	37

Section 5: Safety and health

First Do No Harm – the five safety behaviors.....	37
Professional conduct and the culture of safety	37
Public safety	38
Workplace violence.....	38
Weapons in the workplace	38
A tobacco-free workplace.....	38
A drug-free workplace	39
Inspection and searches	39
Hazard communication	39
Disaster plan.....	39
Fire.....	39
Reporting and injury or illness	40
Vehicle safety	40
Inclement weather	40

Section 6: Compensation

About your compensation	41
Competency and performance reviews	41
Pay procedures / payday	42
Your pay advice	42
Payroll deductions	42
Exempt and non-exempt positions	43
Breaks and meal time	43
Hours worked.....	43
Overtime.....	43
On-call	44
Shift differential	44
Garnishment.....	44

Section 7: Novant Health benefits

Employee benefits	45
Paid time off (PTO).....	45
Bereavement leave	46
Jury duty	47
Tuition reimbursement.....	47
Leaves of absence	48
Employee benefits during a leave of absence	50
Employee assistance program.....	51
Workers' compensation and unemployment insurance	51
Non-discrimination and access to healthcare	51

Appendix

Appendix A: Novant Health's code of ethics	52
Appendix B: 10 Ways you can embrace diversity and practice inclusion	62
Appendix C: Model for continuous improvement.....	63
Appendix D: Notice of COBRA continuation coverage.....	64

Mission, vision and values

Our past achievements - and opportunities in the future - are the result of each of us working toward common goals. While our specific tasks can change with customer needs and market opportunities, our basic principles remain the same. Our mission, vision, values and employee promise reflect these principles.

Our mission

Novant Health exists to improve the health of communities, one person at a time.

Our vision

We, the Novant Health team will deliver the most remarkable patient experience, in every dimension, every time.

Our values

- **Compassion:** we treat customers as family members, with kindness, patience, empathy and respect.
- **Personal excellence:** we strive to grow personally and professionally. Honesty and personal integrity guide all we do.
- **Teamwork:** we support one another and collaborate in our efforts to better serve our customers.
- **Diversity & Inclusion:** we recognize that every person is different, each shaped by unique life experiences; this enables us to better understand one another and our customers.
- **Courage:** “We act boldly in making the changes necessary to achieve our mission, vision and promise of delivering remarkable healthcare.”

Our people

We are an inclusive team of purpose-driven people inspired and united by our passion to care for each other, our patients and our communities.

Our promise to our communities

By living our mission, vision and values, we will deliver on our promise to the communities we serve. ***We promise that...***

We are making your healthcare experience remarkable. We will bring you world-class clinicians, care and technology – when and where you need

them. We are reinventing the healthcare experience to be simpler, more convenient and more affordable, so that you can focus on getting better and staying healthy.

Strategic plan and strategic imperatives

As the executive team reviewed the environmental trends in health care, seven key strategic imperatives emerged to guide the planning and strategy setting process.

A **strategic imperative is defined as an obligation** on which Novant Health must act that responds to changes required by the health care industry and our consumers and patients.

To this end, the following **six strategic imperatives** demand the attention of Novant Health as it plans for its future.

Novant Health is obligated to respond to our current environmental challenges by ensuring:

High Performing, Change Ready Organization and Resilient Team

Our culture will be known for resilience and innovation. Our leaders, team members and clinicians will have the mindset, tools and skills to anticipate and manage rapid change, ensuring that we continue to grow and thrive as a system.

Improving Health

We will continue to provide value through the remarkable patient experience to each individual patient, while developing a system of care that focuses on keeping our communities healthy.

Technology Optimization and Business Intelligence

We will expand our technology and business intelligence capability to provide actionable information to drive organizational results.

Operational Excellence

We will continually improve our ability to effectively and efficiently achieve outcomes based on best in class industry practices to exceed our patient’s expectations of a remarkable patient experience.

Strategic plan and strategic imperatives (continued)

Consumer-driven Products and Pricing

We will develop responsive products, pricing and partnerships that anticipate the needs of our patients, employers, communicates and payers.

Industry Leadership and Growth

We will continue to grow to a multi-state “super-regional” system to create economics of scale, attract talent, and fulfill an ambitious, industry leading mission and vision.

Novant Health’s vision elements

There are **six vision elements** that describe our current approach to providing remarkable care. The following are the definitions of each of the current elements:

Safety: Our patients are safe and free from harm when they are in our care. Our work environment is one of open communication and timely feedback about the patient’s safety and care experience which is guided by the expectation “**First, do no harm.**”

Quality: Patients receive integrated healthcare services which deliver superior outcomes as measured against national, state and regional benchmarks, peer databases, internal standards and the patient and family experience. Our system of care incorporates prevention, early detection, treatment and ongoing health across all venues of care. Our public transparency about our outcomes data creates a compelling reason for patients, communities, physicians and employees to affiliate with Novant Health and choose us for their healthcare needs.

Affordability: We deliver a system of care that provides value, as judged by our patients and their payers. Novant Health will compare favorably to a similar group of top performing health systems. Our sustained financial strength will allow us to grow strategically and invest to meet the needs of the

patients and communities we serve.

Easy for me: We deliver a convenient and seamless patient and family experience which is accessible and welcoming. Patients understand they are part of a system of care and can describe what is going to happen during their journey and why. Resources and information are readily available and waits are filled in ways that add value to patients and their families.

Voice and choice: Patients receive all the necessary information to make knowledgeable and confident choices about their health conditions, treatment options and overall well-being. We embrace patients as true partners by valuing their perspectives and engaging them in genuine dialogue.

Authentic personalized relationships: We know our patients and see healthcare from their perspective. Our patients receive personalized care during and beyond their encounters, and always from a place of compassion. They truly feel like family and choose us because of the authentic and meaningful relationships we have built with them.

Service standards

Our service standards set the expectations for how we treat both patients and team members...

“I commit to demonstrate and uphold these service standards to deliver a remarkable patient experience, in every dimension, every time.”

Our service standards are:



Remarkable means knowing me. I will be fully present and attentive when I am with you.

How you can show that you know me:

- By getting familiar - I will introduce myself and let you know my role in your care. I will get to know who you are and what is important to you.
- By always listening - I will be attentive, listening with heart and head, and not focusing on what I have to say next.
- By anticipating my needs - I will be proactive, look for verbal and physical cues that signal needs and take initiative to address them.



Remarkable means respecting me. I will honor you as an individual.

How you can show that you respect me:

- By being open with me - I will share with you and walk through information in a way that is understandable.
- By valuing my time - I will do my part to make things easier for you and to acknowledge that you have a life away from us.
- By protecting my dignity - I will be mindful of your privacy and preserve your rights as a person.



Remarkable means caring about me... not just for me. I will be there for you in the way that you need.

How you can show that you care about me... not just for me:

- By comforting me - I will treat you with warmth and kindness, and identify ways to make you more comfortable, both physically and emotionally.
- By acknowledging my uniqueness - I will recognize you as an individual, and respond to your distinct needs and preferences.
- By meeting me where I am - I will work to see things from your perspective... to see through your eyes.



Remarkable means delighting me. I will think ahead and go the extra mile.

How you can delight me:

- By creating warm hand-offs - I will make connections through personal exchanges and introductions with other caregivers and talk up my teammates.
- By owning my issues and concerns - I will continuously inquire about your experience in order to uncover and quickly address any concerns.
- By exceeding my expectations - I will seek out opportunities to find out what remarkable means to YOU and create memorable moments.

A copy of the service standards can be found on I-Connect, the Novant Health intranet, under “About Us.”

Information Security and privacy

Protecting the **health and financial information** of our patients and team members is fundamental to Novant Health's culture.

The following are actions you should take to protect all Novant Health data, including team members' and patients' information:

- **It begins with you and applies to all!**
- **Log off or lock your computer whenever you step away**
- **Never share your ID or password**
- **Do not access patient information without a job purpose**

Pause. Prevent. Protect.

The four rules are further enforced across our organization by the **"Pause. Prevent. Protect."** Information security and privacy initiative. Team members:

- **Pause** before taking action regarding the use of confidential information and the use of technology.
- **Prevent** inappropriate access and/or disclosure of Novant Health Confidential information, including PHI, by following specific guidelines.
- **Protect** our patients and our team members and Novant Health by continuously promoting the message and guidelines.

FairWarning software

The **FairWarning monitoring software** is a supporting element to **Pause. Prevent. Protect.** Across our organization, protected health information (PHI) will be proactively monitored by this software. All incidents of suspected inappropriate access will be automatically provided to the privacy office for further investigation.

Questions? Please follow-up with your leader with any questions you might have regarding our security and privacy practices.

Union free philosophy

Novant Health is a non-union organization. Our mission, vision, values and customer service standards — and not an outside agency - guide all of our efforts to provide the highest quality of services to the people of our markets while providing our employees with a safe and personally satisfying work environment. We believe that in order to meet these goals, all employees should strive to work together closely as a team in a spirit of cooperation, concern and respect for each other in a positive manner.

Novant Health believes that the interests of employees, patients, community and the organization are best served when we deal directly with employees rather than through a third party. We are not anti-union, but rather pro-employee, pro-Novant Health and pro-patient. Accordingly the corporation will resist and oppose any such unionization efforts by every legal and proper means.

We want to ensure that our work environment encourages and supports direct communication and interaction between employees and management.

We seek to avoid the stress and divisiveness that unionization could cause employees, Novant Health and the people in our care. Therefore, we do not believe that it is in the best interest of Novant Health or our employees for our employees to belong to a union. For additional information, see HR policy 1010 Non-union Statement.

Working at Novant Health

Human resources (HR) supports you and your co-workers throughout our facilities. HR is responsible for recruiting and orienting new employees and coaching managers and staff. HR also administers support for your needs, such as compensation, benefits, education, team member health and leadership development.

Introductory period

Your first 90 days of employment are considered an introductory period for all new employees. The first 90 days in a new position for current employees will be considered an introductory period.

New employees: The first 90 days of employment is an opportunity for the employee to decide whether or not he or she likes the organization and his or her job. During the introductory period the new employee may resign without notice or may be terminated at the discretion of Novant Health.

Current staff: An employee who has transferred into a new position will be on an introductory status for the first 90 days. This status will not affect the usage of PTO (paid time off). If an employee is not satisfactorily performing his or her job, he or she may be placed on performance probation for a specified period of time not to exceed three (3) months.

Employment at Novant Health is “at will.” This means you may terminate your employment at any time, for any reason, or for no reason at all. In order to continue service to patients and customers in an uninterrupted manner, we ask that you give adequate notice (see page 17). Novant Health reserves the same right to terminate your employment at any time, with or without cause.

Your human resources file

Novant Health maintains a personnel file for every employee. Your file contains your employment application and required personal information. Keeping your human resource information up to date is important. If you have a change in any of the following information, please contact human resources:

- Legal name (new Social Security card must be presented)
- Number of dependents for benefits coverage
- Marital status for benefits coverage
- Retirement Plus beneficiary designation

You may go online to Employee Self Service to update the following information:

- Home address
- Home telephone number
- Life Insurance Beneficiary designation
- Emergency contact information
- Exemptions on your W-2 and W-4 tax forms

You may view certain parts of your HR file in the presence of an appropriate HR representative. Please contact human resources for additional information.

Identification

Wear your ID badge whenever you are on Novant Health property so that we can identify you as a member of the organization. Wear your ID badge above the waist and with your photo clearly visible. Depending on your location, your badge will give you access to parking areas and employee entrances.

You also use your badge to “clock in or out” at work. If the badge is lost, there will be a charge to replace it. If the badge wears out or is accidentally damaged, it will be replaced at no charge upon return of the old badge. Your badge is the property of Novant Health and should be returned if your employment ends.

Employee classifications

Employees at Novant Health are classified according to the number of hours they are regularly scheduled to work:

- *Full-time employees:* are expected to work a standard schedule of 72 to 80 hours per pay period and are eligible for benefits as described in the various summary plan descriptions.
- *Part-time employees:* are expected to work a standard schedule of 48 to 71 hours per pay period. These employees are designated by status code “P” and are eligible for benefits as described in the various summary plan descriptions.
- *Part-time without benefits:* are expected to work a standard schedule of 16 to 46 hours per pay period. These employees are not eligible for Novant Health employee benefits.
- *PRN employees:* All PRN staff are required to work a minimum of at least 64 hours in a 12 month period. Please refer to policy 3150 PRN Requirements.
- *Temporary employees:* Temporary employees are hired for a specific assignment, usually for a period of time not to exceed 90 days, and are terminated upon completion of the assignment. Temporary employees are not eligible to receive benefits.

Although you are hired into a specific classification, you may be asked to work a different schedule, different days or different hours than the ones specified at hire.

Former employees

Depending on the circumstances and unless they were previously dismissed for cause, Novant Health may consider former employees for re-employment. Such applicants are subject to usual pre-employment procedures. Generally, to be considered, an applicant must have been in good standing at the time of previous employment and must have provided the requested notice of intent to leave.

New employee orientation

New employees need orientation at three levels:

- to Novant Health and the specific facility, at which they work
- to their department
- to the specific job to be performed

All new employees are required to complete the general orientation program before actually beginning work. In certain circumstances, an employee may complete an “SOS” orientation module and attend the next scheduled orientation or complete the alternative orientation packet.

Employment verifications

If you need employment verification for a loan or mortgage application, you can authorize a lender to call the HR number at 800-890-5420. For income verification, the lender must contact the payroll department toll-free at 866-564-4139 or 336-277-1050.

Outside employment

Occasionally, employees ask about our policy on holding a second job, commonly referred to as “moonlighting.” Novant Health sometimes permits, but does not encourage, you to hold other jobs outside of the organization as long as you can effectively meet the performance standards for your job. If the secondary job interferes with your performance at Novant Health, then you will be subject to performance related disciplinary action.

Certain outside employment opportunities may be restricted by our code of ethics and the conflict of interest policy. Please refer to HR policy 7070 Code of Ethics and HR Policy 7075 Conflict of Interest for more information.

Also, you may not be employed by another employer or self-employed while you are on a leave of absence from Novant Health.

Job postings and transfers

Novant Health's job posting system offers opportunities for employees seeking greater challenge and job satisfaction through promotion or transfer. This system keeps you informed of openings that help you reach your career goals. A new employee may apply for a transfer from one department or affiliate to another through the job posting program after 6 months of satisfactory employment.

Thereafter, you may apply for a transfer once in a 6-month period. If there is a business need for a transfer exception, the leader must provide the business rationale to the talent acquisition specialist who will seek employee relations review. **No interviews are to occur with team members who do not meet the 6 month transfer eligibility requirement unless a transfer exception has been granted.**

You may have only two active transfer requests at any given time, and transfers will become effective at the beginning of a pay period. You may not request a transfer if you are in any stage of the progressive discipline process or if you are on a leave of absence. Also, an employee requesting a transfer must report any current work restrictions at the time of the request. Failure to report a work restriction will be considered a falsification of the transfer application.

If you are interested in applying for a job / transfer, refer to the employment site on the Novant Health I-Connect for a listing of available openings. Remember that advancement is not limited to your own department. Transfers within the Novant Health system broaden your opportunities for growth. Share your career goals with your leader so that he or she can help you advance. For additional information, please see HR policy 3007 Job Posting / Employee Transfer.

Employment of relatives

You and your fellow employees are our best recruiters. We welcome the opportunity to discuss employment opportunities with your friends and relatives. However:

A family member may not be employed in a position

where direct administrative or supervisory control or influence is exercised over a family member or relative.

A person may not be employed in a subordinate position where a family member or relative exercises direct administrative or supervisory control or influence over the other.

Family members and relatives are defined as husband, wife, domestic partner, child, parent, brother, sister, step-parent, step-siblings, legal guardian, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, grandparents and grandchildren.

For additional information, please see HR policy 6015 Employment of Relatives or Individuals Involved in Intimate and/or Romantic Relationships.

Workplace relationships

To avoid misunderstandings, complaints of favoritism, possible claims of sexual harassment and other potential work-related problems, Novant Health prohibits intimate and/or romantic relationships between anyone who can exert authority or influence over staff members and anyone within his or her chain of command. Those who can exert authority or influence include, but are not limited to, all leaders, employed physicians, contract physicians who work on-site, physician assistants and other allied health providers. For additional information see HR policy 2004 Workplace Relationships.

Resignation

Many employees will enjoy long and rewarding careers at Novant Health, others, for various reasons, will end their employment.

In order to continue service to customers without interruption, employees are encouraged to give as much notice as possible. However, in no case will Novant Health expect a working notice to be less than outlined below.

Resignation (continued)

Employee classification	Requested notice
1. Non-exempt employees (excluding RNs)	Two (2) weeks*
2. Exempt employees, including managers	30 days*
3. Directors and above	30 days*
4. RNs, physician assistants, nurse practitioners, CRNAs, pharmacists, physical therapist, occupational therapists, speech pathologists	30 days*
5. Physicians	As specified in the employment agreement

**Failure to work the requested notice may result in rehire ineligibility. The notice period may be waived at the discretion of the responsible administrative officer.*

The notice of resignation should be in writing to the department/practice manager or appropriate supervisor. The working notice begins the day the resignation is submitted. Paid time off (PTO) taken during a working notice extends the required notice by the same amount of time. An employee who resigns before completing at least 90 days of employment will forfeit his or her PTO balance.

An employee who resigns after at least 90 days of employment but before completing 10 years of service will be paid 75 percent of the value of his or her PTO balance in the last paycheck. An employee who resigns with 10 or more years of service will be paid 100 percent of the value of his or her PTO balance in the last paycheck. Any sick balance is forfeited upon termination.

Employees who do not work the requested notice or resign under the terms of the progressive discipline policy may not be eligible for rehire. If an employee later reapplies for employment, the application may be evaluated based on prior performance and organizational needs at that time.

Novant Health's code of ethics

We ask and expect you to act at all times within the spirit and letter of the code of ethics and avoid any dishonest, illegal or unethical actions.

It is our responsibility to comply with all the healthcare laws, including detecting and preventing fraud and abuse in government healthcare programs. Novant Health has a number of policies and procedures designed to detect such fraud and abuse as well as provide information about laws and the rights of employees. You should read the code of ethics, the compliance plan, the conflict of interest policy and the gifts and business courtesies policy, for example, and become familiar with them.

The Novant Health code of ethics (available on I-Connect, the Novant Health intranet, as HR Policy 7070 and in Appendix A of this handbook) captures in written form the ethical principles that guide our organization. If you have any questions, or if you are concerned about a possible violation, talk with your leader, corporate compliance, employee relations or call The Alert Line.

Equal employment opportunity

It is the policy of Novant Health to hire, promote and assure equal employment opportunities for all current and prospective employees without regard to race, color, religion, sex, national origin, age, disability, veteran's status, genetic information, sexual orientation, gender identity or any other characteristic or status protected by law.

For additional information, please see HR policy 2000 Equal Employment Opportunity.

Reasonable accommodation of protected disabilities and religious beliefs

Novant Health also will provide reasonable accommodations to any employee with a known disability who is otherwise qualified to perform the essential functions of his or her job. An employee who believes that he or she requires a reasonable accommodation because of a protected disability must notify the Hartford of the issue so that an interactive dialogue can begin on the subject of a proposed accommodation.

Each request for a reasonable accommodation due to a protected disability or because of a religious belief will be evaluated on a case-by-case basis. No employee will be retaliated against because he or she requests a reasonable accommodation due to a religious belief or because of a protected disability.

Employees may submit an accommodation request by contacting the Hartford by telephone or online at 1-800-549-6514 or online at www.thehartfordatwork.com. The employee will be contacted by a Hartford representative once the request has been received.

Harassment and bullying

Novant Health is committed to providing an environment in which you are treated with dignity and respect and which is free from all forms of unlawful harassment, whether on the basis of race, color, religion, sex, national origin, age, disability veteran's status, genetic information, sexual orientation, gender identity or any other characteristic or status protected by law.

Therefore, all actions that could be construed as harassment or bullying are prohibited. This includes any verbal, physical, written or visual conduct that is or has the effect of being malicious, obscene, threatening, or intimidating to another employee or that could contribute to a hostile work environment on the basis of race, color, religion, sex, national origin, age, disability veteran's status, sexual orientation, genetic information, or sexual orientation, gender identity, or any other characteristic or status protected by law.

If you believe that you have been the subject of harassment or bullying or have observed this treatment of another person, you should promptly report the incident to your leader or employee relations using HR Service Now on I-Connect. . You may also call The Novant Health Alert Line at 800-350-0094.

For additional information, please see HR policy 2005 Harassment and Bullying.

Conflict of interest

A conflict of interest is any circumstance when your private interest conflict with your ability to perform your job duties effectively and objectively. Novant Health's conflict of interest policy and code of ethics provide guidance to employees in avoiding situations which are, or appear to be, in conflict with their responsibilities to Novant Health.

Any circumstance that might lead to the appearance of a conflict of interest should be disclosed on the conflict of interest form and fully evaluated to determine if an actual conflict of interest exists. Certain employees are designated as having special decision-making responsibilities on behalf of Novant

Health. These employees are required to complete the conflict of interest form annually. You will be notified if you are in such a position.

For additional information, please see HR policy 7075 Conflict of Interest.

False Claims Act

The Federal False Claims Act prohibits any person from submitting a false or fraudulent claim for payment to the US government. It is designed to prevent fraud and abuse in government healthcare programs. Medicare and Medicaid are two primary government healthcare programs.

A **claim** is a request for money, like a bill for healthcare services. **Fraudulent** situations could include:

- Intentional fraud
- Not accurate (without checking)
- Ignoring information (on purpose) that proves its accuracy

Fraudulent claims (deliberate or not) include:

- Knowingly making false statements
- Falsifying records
- Double-billing for services
- Billing for services never performed

Whistleblower provision

A "whistleblower" is a person who reports something he or she believes is an illegal act.

Under our whistleblower provision:

- Employees are encouraged to come forward and report misconduct.
- Employees are protected against any action that discriminates against their employment, including suspension, demotion, harassment or termination of employment.
- An employee is protected regardless of whether it's true or not (however, an employee may not knowingly make false statements).
- Potentially, the whistleblower may receive a percentage of the amount recovered in the lawsuit.

False Claims Act (continued)

Corporate compliance program

Our corporate compliance program supports compliance with the False Claims Act by:

- Monitoring and auditing to prevent or detect errors in coding or billing.
- Educating employees that they are responsible to report any concern about a possible false claim.
- Investigating all reported concerns and correcting any billing errors when discovered.
- Protecting employees from adverse action when they do the right thing and report any genuine concern.
- Establishing policies and procedures for the prevention and detection of fraud waste and abuse. Those policies include but are not limited to the compliance plan, the code of ethics, anonymous reporting of wrongdoing policy and the False Claims Act policy. These policies may be found on I-Connect, the Novant Health intranet.

The Alert Line

Call **1-800-350-0094** or
<https://novanthealth.alertline.com>

Every Novant Health team member has a personal responsibility to ensure that we conduct business in manner that complies with our policies and all applicable laws. If you have a question or know of a situation in which you're unsure what to do, we encourage you to talk with your manager, a Novant Health leader in your chain of command, corporate compliance, human resources / employee relations through HR Service Now on I-Connect or consult the Novant Health code of ethics for further guidance. You may also call The Alert Line or go online to <https://novanthealth.alertline.com>.

About The Alert Line

The Alert Line is a way to voice your concerns as an employee of Novant Health. You can call this toll-free service 24 hours a day, seven days a week, or access it electronically to ask work-related questions or to report information you may have about a possible violation of our code of ethics.

Also, any questions or reports related to detecting and preventing fraud and abuse, including fraud and abuse in government healthcare programs, can be reported. You may remain completely anonymous.

By calling The Alert Line you may voice your concerns about issues like:

- Billing for services not rendered or goods not provided
- Falsifying certificates or records to maximize payments
- Failing to report overpayments or credit balances
- Duplicate billing
- Unlawfully giving healthcare providers, such as physicians, inducements in exchange for referrals for services
- Conflicts of interest (as defined in Novant Health's Conflict of Interest policy)
- Misuse of property, technology and confidential information (as defined in Novant Health's Confidentiality policy)
- Bribes
- Kickbacks
- Inappropriate business courtesies and gifts
- Inappropriate medical record alteration or destruction
- Theft and fraud
- Sexual and other unlawful harassment
- Discrimination
- Violations of patient rights
- Health, safety and environmental issues
- Failure to adhere to professional standards of practice
- Potential criminal violations
- Employee relations

Performance expectations

As a Novant Health employee, you were selected from among many applicants because we believe your talents and abilities will help us achieve our goals. We need and expect you to carry out your responsibilities effectively and efficiently, to suggest new and better ways to do your job and to continue to develop yourself so that you can meet the challenges of the future. These and other factors add up to the Novant Health expectation of superior performance.

Your leader will evaluate your job performance in accordance with the practices in your facility. We encourage you to take an active role in ensuring that these discussions take place.

Attendance and punctuality

The Novant Health attendance policy helps to assure that we deliver the most remarkable patient experience in every dimension, every time. You are expected to arrive on time and be ready to work when the shift begins. You are also expected to work to the end of your shift. Late arrivals, early departures and other unscheduled absences are disruptive to patient care and should be minimized.

Time Keeping

All non-exempt employees are required to clock in using a badge reader, telephone or PC at the beginning of their shift and clock out at the end of their shift. Exempt employees are not required to clock. Here is additional information about timekeeping:

1. Employees who work in more than one department during their shift must “department charge” when changing departments using the designated clocking device. When traveling to another location, the department charge should be entered prior to leaving the current location.
2. You must clock out upon leaving the premises during the shift for any non-work-related reason (doctor or dental appointments, for example) and clock in upon returning.

You must clock out when visiting onsite employee medical clinics at Forsyth Medical Center and Presbyterian Medical Center. This also applies to employees who work at Novant Health Medical Group Physician practices and visit their onsite

clinics. Only exceptions to this rule are when an employee has a work-related injury or illness, workers compensation examination, or is directed to go to the clinic by his/her leader. In these situations, employees must stay on the clock while attending such appointments.

4. You must clock out and back in for lunch, if required.
5. You may not clock in more than seven minutes ahead of your scheduled shift starting time or clock out more than seven minutes after your shift ending time without prior supervisor or manager approval.
6. You may not, for any reason, clock in or out for another employee. Clocking in or out for another employee is considered a Zero Tolerance offense under the Progressive Discipline Policy and will result in termination of employment.
7. Employees who are not on duty are expected to leave the interior of our facilities and any exterior working areas within ten to fifteen minutes after their shift ends and should not return to the interior of our facilities or any exterior working areas except to report to work, seek company services or visit a patient who is admitted to a Novant Health facility. If an employee has to wait on another Novant Health employee because of transportation or other reason, the off-duty employee must wait in a public area or outside of the building.
For additional information, please see HR policy 3120 Time Keeping.

The attendance program

Your attendance record is maintained on a 12-consecutive month basis, beginning with your first “occurrence.” Regardless of the reason (except as noted below, an unscheduled absence or tardy will be counted as an occurrence under this policy.

Occurrences are measured as follows:

- Tardy of up to 7 minutes = 1 / 2 occurrence
- Tardy greater than 7 minutes = 1 occurrence
- Unscheduled absence = 1 occurrence
Unscheduled absences over consecutive days will be counted as follows:
 - One unscheduled day will count as one occurrence.

- Two or more consecutive unscheduled days will count as two occurrences (for example, an absence of three consecutive unscheduled days will count as only two occurrences).

Scheduled time away from work using paid time off (PTO) will not count as an occurrence on your attendance record.

Exceptions

The following unscheduled absences will not be counted as occurrences:

- Bereavement leave
- Workers compensation incidents
- Military duty
- Family medical leave
- Jury duty
- Approved Leave as an accommodation

In these circumstances, you still need to notify your department prior to the event when possible.

Coaching, counseling and progressive discipline

Occurrences are accumulated over a rolling 12-month period. For example, an occurrence incurred in November remains on your attendance record until the following November. An occurrence incurred in December remains on record until the following December and so on. It's important to note that absences and tardies are tracked separately. Coaching and counseling, and then progressive discipline, for attendance will be administered as shown below:

Steps for unscheduled absences in a 12-month period	
Four (4) occurrences	Coaching and counseling
Five (5) occurrences	Documented oral warning
Seven (7) occurrences	Written warning / probation
Nine (9) occurrences	Discharge
Steps for tardies in a 12-month period	
Five (5) occurrences	Coaching and counseling
Seven (7) occurrences	Documented oral warning
Ten (10) occurrences	Written warning / probation
Twelve (12)	Discharge

Please be aware that although this policy establishes certain suggested steps for disciplinary

action, nothing in this policy is intended to modify Novant Health's at-will employment policy. Novant Health reserves the right not to take any or all of the steps identified in this policy in a particular order, as all employment with Novant Health is at-will. In all events, disciplinary action will be taken in the best interest of Novant Health.

Patterns of absences

Although occurrences roll off of your record after 12 months, habitual offenders, including those who have established a pattern of absences (such as reporting to work in excess of two hours late), consistently being in progressive discipline, or routinely calling in on Mondays or Fridays, may be subject to progressive discipline even though old infractions have rolled off the record.

Call-in procedure

When you have an unscheduled absence, you must follow your department's call-in procedure. Be sure to provide the reason for the absence and your expected date of return.

If you are absent for more than one day, you must call in daily unless you are on preapproved leave or other arrangements are made to keep your department leader informed.

If you're going to be late, you should notify your supervisor as soon as possible and provide your estimated arrival time. The notification doesn't excuse the tardiness but simply notifies your supervisor that a schedule change may be necessary.

No call / no show

Not reporting to work and not calling to report the absence is a serious matter.

- The first instance of a no call / no show in a 12-month period will result in a documented oral warning.
- The second instance in a 12-month period will result in written warning / probation.
- The third instance in a 12-month period will result in immediate termination.

Management may consider extenuating circumstances when determining discipline for a no call / no show (for instance, if the employee is in a serious accident and is hospitalized). Employees who are absent for three consecutive working-days for

any unauthorized reason without notifying the department leader are considered to have resigned their job without proper notice.

For additional information, please see HR policy 6065 Attendance.

Flexible work schedules

Novant Health supports the use of flexible work schedules whenever possible to help balance the demands of work and family life. Flexible work schedules could include flextime, staggered hours, flexplace (telecommuting), weekend programs, compressed work weeks and job sharing. If you are interested in an alternative work schedule, talk with your leader. Please remember that patient care and department workloads must be considered in work schedule decisions.

Professional Image

Personal appearance plays an important role in the public's perception of employees as professionals and Novant Health as an organization.

A policy cannot cover every eventuality so always use good judgment, keeping in mind the nature of your work, your personal safety and your need to interact with patients, vendors and the public.

Your department or facility may have specific dress codes regarding uniforms and other appropriate attire, particularly in clinical areas.

General guidelines

- Extremes in makeup, hairstyles/hair colors, clothing, tattoos and body piercing should be avoided.
- Offensive and vulgar tattoos are not permitted to be visible at any time.
- Strong perfumes, lotion, colognes and aftershaves are not permitted.
- All employees must wear a Novant Health-issued employee name badge in an area above the waist. The badge identifies an individual as employees of the organization.
- Clothes should be clean and neatly pressed.

- Open-toed shoes / sandals cannot be worn when working in or around clinical areas.
- Hair should be well groomed, and beards and mustaches must be neatly trimmed.
- Hats or other head coverings may only be worn as required as part of the uniform or for religious purposes.
- Nails must meet the guidelines specified in each facility's infection control policies.
- Jewelry must be conservative and not interfere with an employee's duties.
- Earrings will not exceed 1 inch in length and/or diameter. Matched earrings in simple styles may be worn, and should be no more than two (2) earrings per ear.
- Professional specialty pins and insignias are permissible; non-functional pins promoting other organizations or causes are not allowed. Exceptions include:
 - Pins or buttons issued by Novant Health for a specific initiative, and only for the duration of the initiative; and
 - Pins, buttons and insignia protected by the National Labor Relations Act which may be worn only in locations other than patient care areas. See policy 6030 for a description of patient care areas.

Business casual attire

It is the policy of Novant Health to permit business casual attire in certain facilities and/or departments. However, in all cases attire must be appropriate to the care setting (as addressed below under "Unacceptable Attire"). Also, employees permitted to wear business casual attire are expected to use good judgment as to when it is appropriate to dress more formally (for meetings or presentations inside or outside of the facility. **Please refer to the Professional Image Policy #NG-HR-6025**

Unacceptable attire

Unacceptable casual dress includes, but is not limited to:

- Denim, with the exception of a company-sanctioned philanthropic activities.
- Jogging suits

Unacceptable attire (continued)

- Shorts or capri pants; capri pants are defined as mid-calf to just below the knee. Pants that fall below mid-calf are acceptable presuming they follow the other guidelines of the policy.
- Beach shoes (such as flip flops, surf shoes and sandals)
- T-shirts; with the exception of Novant Health aubergine t-shirts for “Promise Day”
- Tank tops, halter tops or bare midriffs
- Tight leggings/spandex stretch pants
- Strapless or spaghetti-strap sun dresses
- Street and non-scrub outerwear such as coats, sweatshirts and hoodies. These items are for outside wear and thus should only be worn when entering or exiting a facility.
- For safety reason “croc” or “croc style” shoes with plastic soles are not allowed in Novant Health facilities.

For additional information please see HR policy 6025 Professional Image.

Confidentiality

Novant Health complies with HIPAA, the Health Insurance Portability and Accountability Act, and similar state laws. HIPAA guarantees rights of privacy to patients and limits how we use individually identifiable health information. Our privacy office provides resources that you can call upon to ensure compliance with the law.

Privacy representatives can be reached from any facility to answer your questions and provide guidance on protecting patient privacy. Our privacy policies also apply to Novant Health information covering the past, present and future activities and relationships concerning Novant Health’s business, physicians, employees and others. In addition, the group health plan (“Plan”) of Novant Health provides a HIPAA Privacy Notice which explains how medical information about you may be used by the Plan.

Please remember you should not discuss patient or Novant Health Confidential Information (as defined below) with anyone not employed by Novant Health except as permitted by policy, nor should you share this information with other Novant Health staff unless there is a job purpose to do so. Also, do not

access any Confidential Information stored in Novant Health’s private or confidential records unless you are authorized to do so and need it to perform your job duties.

Novant Health takes steps to maintain the confidentiality of such information and it is to remain confidential both while you are an employee and afterward, if your employment should end.

All physicians and staff are annually required to sign a confidentiality agreement which confirms the individual understands of the individual’s obligations to protect and secure patient and other Novant Health Confidential Information. Violations of the confidentiality policies could include, but are not limited to:

- Accessing protected health information (in written or electronic form) about any patient, **including fellow employees, or family members**, by someone who is not assigned to care for the patient or for which there is no job-related, appropriately approved need to know.
- Using or disclosing protected health information for any purpose unrelated to the patient’s care or for which there is no authorized job-related purpose.
- Unauthorized deletion or changing of patient information (in written or electronic form).
- Allowing use of or using an individual’s sign-on and/or password to a Novant Health system by another person.
- Lending or using an ID badge belonging to another person.
- Accessing or disclosing personnel files or other employee records unless one is authorized to access those records to perform one’s duties within the business of Novant Health.
- Knowledge of and failure to report inappropriate use or disclosure of patient health information by any worker.

Confidentiality (continued)

- Accessing any Confidential Information that one is not authorized to access, that does not come to one's attention in the normal course of one's work activity, and that is not necessary to perform one's duties within the business of Novant Health.
- Knowledge of and failure to report loss of Novant Health computers or portable devices.
- Access to patient or Novant Health Confidential Information in violation of Novant Health confidentiality policies.
- Access in violation of policy HIPPA-Patient Access to Protected Health Information NH-IM-RI-7042

Protected health information (PHI) refers to individually identifiable information (including demographic information) relating to a person's health, to the healthcare provided to a person or to payment for healthcare.

Confidential Information as defined by Novant Health policy, includes PHI, as well as information regarding our trade secrets, know-how, technology, patient lists, pricing, non-public sales and profit data, and strategic business plans (for instance, possible mergers and acquisitions). "Confidential Information" also includes other employees' and patients' sensitive personal identifying information (e.g., social security numbers, credit card information, bank account information, or PIN numbers).

If you witness or suspect any violations of confidentiality you must report the incident to his or her leader. You also may anonymously report a suspected violation by calling the Alert Line. Novant Health will not retaliate or allow retaliation against anyone who, in good faith, reports a suspected violation.

Violation of these confidentiality guidelines, or the more specific requirements that may apply to your position, will result in appropriate disciplinary action, which may include termination of employment and legal action.

For additional information, please refer to our Code of Ethics HR Policy 7070, the Information Confidentiality Policy NH-IM-7060 and the HIPPA Privacy Notice-Appendix D.

Media policy

Any media inquiries you receive seeking the official position of Novant Health or a statement on behalf of Novant Health should be routed immediately to Novant Health marketing and public relations. It is the responsibility of marketing and PR to determine the nature of the call, whether or not it is appropriate for Novant Health to participate and if so, who should serve as the spokesperson.

If a media request is made outside of regular business hours, a qualified person is on call 24 hours a day and can be reached through the procedure established for your facility

Contact with attorneys

Like all companies, Novant Health may become involved in legal disputes and litigation. Outside attorneys occasionally contact employees directly to get information about lawsuits involving Novant Health. Employees should politely, but firmly, refuse to discuss anything with any attorney seeking information about a lawsuit involving Novant Health. Instead, refer the attorney to Novant Health's in-house counsel.

In-house counsel will share with the attorney Novant Health's practice concerning the availability of witnesses. Nothing in this handbook is intended to interfere with an employee's obligation to comply with a valid legal process or an employee's legally protected rights.

License, certification, registration

Certain professional health occupations require licensure. Other professional or technical employees are required to be registered or certified by accrediting organizations.

Human resources will verify licenses, certifications and registrations of applicants before they actually begin work by logging onto the accrediting association's website (source verification). Thereafter, renewal is the responsibility of each individual.

Employees' who do not provide current credentials by the expiration date will be suspended without pay for a maximum of two weeks, receive a written warning under the progressive discipline policy and not be allowed to return until current credentials are provided. Paid time off may not be used. If credentials are not provided within two weeks, the employee will be terminated. Novant Health has no obligation to hold a job open for an employee who has allowed his or her credentials expire.

License, certification, registration (continued)

If an employee is on a company-approved leave when a required certification expires, the employee will have two weeks to renew the certification upon return to active employment. If the employee does not renew the certification within two weeks, termination will occur.

For additional information, please refer to our License, Certification and Registration Policy HR 3095.

Competency assessments

Novant Health conducts initial and on-going competency assessments of employees. Competence is defined as having the knowledge, skills and abilities to meet and consistently demonstrate performance as identified in the job description.

Competency is assessed during department orientation. Orientation skills checklists to validate initial competency will be completed and placed in your department file. Each year thereafter your leader will complete a competency evaluation using your current job description, performance standards and skills checklists. A copy will be kept in your department file. You will also participate in an annual performance evaluation.

For additional information, please refer to our Performance Feedback Policy HR 5054.

Please be aware that nothing in this policy on competency assessments modifies the at-will employment relations between you and Novant Health.

Exclusion from care

If a treatment plan for a patient conflicts with your personal values or religious beliefs, you may

request to be excused from participating in that aspect of treatment or care.

Examples of situations where accommodations may be made include, but are not limited to, caring for a patient having an abortion, caring for patients receiving blood transfusions, withholding nourishment and fluids, withdrawing life-sustaining support, administering vaccines and use of experimental drugs, procedures or treatments.

Submit in writing, or, in an emergency, within 24 hours after the incident, the specific aspects of care from which you are requesting to be excused and the reasons for the request. If no other assistance is immediately available, and the patient's life is in jeopardy, you must provide the needed service to the patient.

The leader may assign other work or change your work schedule in order to meet the department's workload. For additional information, please refer to our HR Policy 2015 Staff Rights.

Influenza immunization

As an organization committed to the health and safety of its patients, Novant Health requires all employees, contracted personnel, volunteers, students, vendors and medical staff to receive an annual flu vaccination. Vaccinations will be provided at no cost during annual flu clinics. New employees must show proof of vaccination upon employment or receive a vaccination within seven days of their initial start date. If a valid medical or religious exemption is granted, masks must be worn for the duration of flu season.

Annual health screening

Annual health screenings are an important way to monitor the work environment to ensure that patients, visitors and employees are protected from risks associated with exposure to occupational hazards and infectious disease.

Each year Novant Health will conduct facility risk assessments to determine if annual tuberculosis (TB) screening of employees will be required. Employees who fail to have a required TB screen will be suspended without pay for a maximum of two weeks and will not be allowed to return until the TB screen is completed. Paid time off may not be used. If the

screening is not completed within two weeks, the employee will be discharged. In addition,

Novant Health is under no obligation to hold a job open for an employee who has been placed out of work because of a delinquent TB screen.

Annual health screening (continued)

A health assessment may be required for the following situations:

- Is injured on the job and an assessment is required under the Workers' Compensation law
- Wishes to return to work after an injury or illness
- Family/medical leave, leave as an accommodation, or a disability lasting over five days must be cleared through employee occupational health prior to returning to work
- Employees given any work restrictions (hourly, lifting, bending, pushing) must clear through employee occupational health with a health provider note that lists specific restrictions or desires a reasonable accommodation due to a disability and a medical assessment is necessary or when other laws require a medical exam or screening

Any person who shows signs of upper respiratory infection, skin lesions, draining wounds, diarrhea or other communicable diseases may be placed out of work if, in the judgment of employee occupational health, it is necessary for the protection of patients and others.

Company property/lockers

Lockers may be available for employees. However, Novant Health is not responsible for property stored in the lockers.

Employees should not consider any property such as their locker or desk as their own personal property. The property is owned by Novant Health and is subject to search by authorized personnel if violations of any relevant group rules or policies are suspected. You are not permitted to remove any company property from the premises unless

approved, in writing, by your leader. If you have knowledge of or suspect any illegal activity by another employee, report such activity to your leader.

Personal use of office equipment

Novant Health relies heavily on its computers, telephone lines, fax machines and other office equipment to keep its operations flowing smoothly. These resources are limited, and should be used to handle business transactions. Please use good judgment and discretion when using company equipment and limit use for personal needs.

Excessive use will result in disciplinary action. Personal long distance phone calls are not permitted on company phones.

If you need to make a personal long distance call, charge it to your home telephone number or personal credit card number.

Computer security/Internet use

Many employees use computers in their jobs every day. It's important to understand that information is considered a corporate asset and must be protected against all forms of unauthorized access, use and distribution. It is absolutely essential that we protect the privacy of our patients, customers, employees and business plans.

Accordingly, Novant Health will maintain security sufficient to ensure the confidentiality, integrity, and availability of important information. No one should have any expectation of privacy when using Novant Health information systems. In order to ensure that the security of our systems is not compromised and that employees' use of our systems does not violate our policies. Novant Health reserves the right to deny access to Internet services and to retrieve, inspect, or monitor access to Novant Health equipment, Novant Health systems and to other online services.

All employees are expected to comply with Novant Health information security policies and any additional security directives. Penalties for noncompliance may include disciplinary action, including termination of employment and/or criminal prosecution, depending upon the severity of the incident. Immediately report any suspected instances of information theft and/or abuse, as well

as potential threats (such as hackers or computer viruses) to your leader.

Use of the Internet and Email

Novant Health provides access to the Internet for employees who have a business-related need. Access addresses are the exclusive property of Novant Health. They are assigned to support business, education and research consistent with work-related objectives and should be considered a privilege, not a right. Also, all email and other electronic messages received or sent through Novant Health equipment or systems are the property of Novant Health.

If you are granted access to the Internet, you will be informed of our policies and procedures and may be asked to sign an agreement to honor these policies, procedures and laws dealing with information transmission. Violation of the Email Usage Policy (NH-IM-7020) or the guidelines below may result in disciplinary action up to and including termination of employment.

Email guidelines

The following apply guidelines apply:

- **Chain letters:** forwarding chain letters to other users inside or outside of Novant Health is prohibited.
- **Messages containing viruses:** Novant Health employs anti-virus solutions to prevent viruses and other types of malicious data from entering the corporate network. Information technology services (ITS) will initiate notification about viruses once they have verified the presence of an active threat. Users should direct any suspicious emails received to spam@novanthealth.org. Deliberately emailing or forwarding an email known to contain a virus to any other internal address, unless instructed to do so, is a violation of the email policy.
- **Sending global email:** Global email for business purposes (sending an email to all users or all users in one market) should be used sparingly and may be restricted. Global emails may not be sent to promote events that are not directly sponsored by Novant Health or any of its legal entities. If you have a question or need assistance with global

communication, call marketing and public relations in your market.

- **Personal use:** Personal use of Novant Health email should be limited. All email communications (including content of email messages) are the property of Novant Health and will not be released to workers upon termination of employment. Novant Health email should not be used to advertise for or sell personal items or services. Novant Health email accounts should not be used to register to receive non-business related email, such as shopping, surveys, eMagazines social media, or news.
- **Unauthorized access / confidential information:** It is a violation of Novant Health policy for any worker to obtain unauthorized access to the email files or communications of others. Employees are not required to provide their manager with access to their email account.
- **Gaining access to other users' email accounts:** Occasionally, there may be circumstances that require access to another user's email account for day-to-day administration and other legitimate business purposes. A user may grant authorized access to another worker through the email system in support of a business purpose. If a user does not grant such access, a vice president's approval is required to access a current employee's email account. A vice president's or director's approval is required to access a terminated worker's account.
- **Forwarding messages:** Forwarding email messages without a legitimate business purpose is prohibited.
- **Transmission of illegal data:** Transmission of data that is a violation of local, state or federal law, or Novant Health policies, is prohibited.

Email guidelines (continued)

- **Secure transmission of information:** Any email containing patient or Novant Health confidential information must be encrypted by including “Secure” in the email subject line and comply with applicable email and privacy policies.
- **Hostile work environment:** Information sent and received through the email system that may be considered by other workers to create a hostile work environment is prohibited. Types of emails that may create a hostile environment include, but are not limited to, pornographic or sexually related material, material that is biased toward race, ethnicity, sex, age, disability, religion, national origin or sexual orientation. Jokes, magazines, or personal emails that contain this type of information must not be sent within, into or outside of the Novant Health system.

Reporting wrongful use

If you receive data that you think is in violation of the law or Novant Health policy, report it to your leader immediately or contact The Alert Line.

For additional information, please see NH-IM-7020 E-Mail Usage

Solicitation and distribution

Novant Health is responsible for promoting the efficiency and the quality of the important services it performs. The purpose of the solicitation and distribution policy is to establish guidelines for solicitation and distribution (including electronic communications) to avoid disturbing patients and to avoid disruption of patient care and facility operations.

Solicitation and distribution of items, material or literature on all premises operated by Novant Health (owned or leased) shall be permitted only in accordance with this policy. Any requests that are not explicitly covered under this policy will be considered non-compliant.

Non-employee solicitation

- Solicitation or distribution of literature by non-employees in public and non-public facility areas is prohibited.
- Non-employees may not set up unauthorized

tables or booths or attach or affix materials of any kind (e.g. stickers, signs) on Novant Health owned or leased property, other than posting on designated employee bulletin boards with prior approval by human resources.

- Non-employee vendors may not promote on premises any benefits or services not subsidized by Novant Health.
- Auxiliary or foundation sponsored sales are allowed under this policy. Auxiliaries or the foundation can:
 - Raise money for the facilities through events, sales and activities of any kind, anywhere on premises, and
 - Advertise their sales and activities however they wish on premises
- Auxiliaries or foundations cannot raise money or solicit for:
 - Non-health related community charities
 - Employee scholarships or other activities that directly benefit employees instead of the facility itself

(Note: this is the “Auxiliaries” exceptions created by the National Labor Relations Board (NLRB)

- Non-employees who are offering services as part of Novant Health’s wellness efforts are permitted but must be approved by authorized wellness program personnel. Services include (but are not limited to):
 - Chair massage
 - Makeovers and other spa-like services
 - Vendors for health fairs
 - Fitness classes
- Non-employees can sell or solicit on Novant Health property as long as ALL the money raised goes to support Novant Health, its programs / functions or community health projects.
- Non-employee vendors can sell or solicit products on the premises that are related to Novant Health’s programs and functions. Examples include:

- Pharmaceutical and medical device sales
- Medical or work-related books
- Educational offerings related to Novant Health's functions or professional advancement of employees.

Employee solicitation

General

Employees may not solicit on Novant Health premises for any purpose during working time. During non-working time, employees may not solicit in immediate patient care areas. Immediate patient care areas include patient waiting rooms, patient rooms, operating rooms and places where patients receive treatment.

Individual soliciting for not-for-profit organizations

Individual soliciting for not-for-profit organizations includes, but is not limited to, Girl Scout cookies, Boy Scout popcorn or school fundraisers and will be allowed but must in accordance with the Solicitation and Distribution policy (in other words, it may only occur during non-working time and distribution of materials may only occur in non-working areas). Novant Health email may not be used for this purpose.

Solicitation for personal gain

Employees may not advertise or sell products from private business enterprises on Novant Health property or using Novant Health email, unless they are an approved vendor with Novant Health. This includes, but is not limited to, cosmetic products, jewelry, household products, handbags, raffle tickets and the like. Violation will result in a Group II infraction under the Novant Health progressive discipline policy.

Distribution of literature/materials

Employee distribution of literature is restricted to non-working areas and during non-working time. Both the employee distributing literature and the employee receiving the literature must be on non-working time. Working time is the time an employee is expected to be working and does include rest, meal or other authorized breaks.

Solicitation or distribution of literature must not impede access in or out of buildings. It must not

impede physical movement within the building or interfere with the work being performed.

Employees may not set up unauthorized tables or booths or attach or affix materials of any kind (e.g. stickers, signs) on Novant Health owned or leased property, other than posting on designated employee bulletin boards with prior approval by human resources.

Non-individual soliciting for hospital / practice / department programs or functions (requires HR approval)

Employee solicitation that supports Novant Health or its programs, or a community health-related project is allowed as long as the money raised goes to a project, program or function.

Non-Individual soliciting for any charitable activity sponsored and approved by Novant Health

Soliciting and fundraising for any Novant Health - sponsored (where Novant Health materially contributes) activities is permissible as long as Novant Health conducts the fundraising (e.g. United Way). Solicitation is allowed in patient care areas and during work time. Novant Health email may be used to solicit.

Non-Individual soliciting for charitable activity NOT sponsored by Novant Health (requires senior leader approval) that is NOT healthcare related or Novant Health mission related

Charitable activities, including charity fundraising, not conducted by Novant Health itself but on Novant Health premises are limited to three organizations and events per year.

The facility or market leaders will select the charitable organizations and communicate with leadership. Leaders and staff should not conduct independent fundraising or activities outside of the fundraising for these three organizations. Solicitation is allowed in patient care areas and during work time. Novant Health email may be used to solicit.

Employees can solicit on Novant Health premises during non-working time and not in immediate patient care areas.

Soliciting for and by a department (Requires department leader approval)

Individual employees can solicit to raise money for a department birthday cake fund or other recognition events or celebrations. The money raised must go back to the department and all employees in the department are invited to participate.

Novant Health departments or business units may conduct fundraisers such as bake sales to raise money for department recognition or celebration events.

Solicitation must be confined to non-patient care areas and during non-work time. Novant Health email may not be used.

Violations of this policy by Novant Health employees may result in disciplinary action up to and including termination of employment. All solicitations that require approval from human resources must be approved through completion of the solicitation request form. See HR policy 6030 Solicitation and Distribution.

Rules of conduct

The intent of the progressive discipline policy is to improve poor performance and correct behavioral problems while maintaining an atmosphere in which employees can learn from past mistakes.

When coaching and counseling from a leader have failed to achieve the desired results, the following corrective action may be taken. The process may include:

1. Documented oral warning
2. Written warning / probation
3. Discharge

It's important to note that Novant Health reserves the right to use all or none of the steps as it deems appropriate, depending upon the seriousness and recurrence of the problem. Employment at Novant Health is "at will." This means you may terminate your employment at any time, for any reason or for no reason at all. Novant Health reserves the same right to terminate your employment at any time, with or without cause.

Step 1: documented oral warning

In a private conversation, the leader explains the violation and what is necessary to correct it. The leader will complete the performance and behavior documentation form and allow the employee to read the documentation and offer any comments he or she wishes to make.

The leader will then sign the form and offer the employee the opportunity to sign. The original form will be sent to the employee's personnel file in human resources. A copy of the form should be kept in the department as part of the leader's files. The leader will follow-up with the employee within 30 days to review the situation and determine if additional steps are needed.

Step 2: written warning / probation

A written warning is a formal notification of serious misconduct or failure to improve conduct after a documented oral warning. The written warning starts a probationary period that will last 90 days. The purpose of the written warning/probation is to reach a thorough understanding of what needs to be corrected and to offer a chance to improve during the probationary period.

The leader will complete the performance and behavior documentation form and allow the employee to read the documentation and offer any comments he or she wishes to make. The leader will then sign the form and offer the employee the opportunity to sign. The original form will be sent to the employee's personnel file in human resources. A copy of the form should be kept in the department as part of the leader's files.

Step 3: discharge

An employee may be discharged if sufficient improvement has not been made in the progressive discipline procedure or immediately upon violation of a zero tolerance or group I rule of conduct.

Rules of conduct

Rules of conduct are divided into the following three categories: zero tolerance (which are so serious in nature that they result in immediate discharge); group I (which are very serious and usually call for discharge, except in unusual circumstances); and group II (which are less serious in nature and call for progressive discipline).

Rules of conduct: zero tolerance

Violation of these rules will result in immediate termination:

- Stealing
- "Badging" in or out for another employee on the
- Novant Health timekeeping system
- Refusal to take a substance abuse test as required by policy HR 3060 Fitness for Duty
- Fighting or attempted bodily injury to any person on Novant Health premises, whether you are on or off duty
- Possession of firearms, dangerous weapons, explosives, etc. on Novant Health premises
- Deliberate falsification of records, forgery, alteration of documents, or providing false employment-related information
- Failure to report to work for three (3) consecutive days without notifying the department manager or supervisor of the circumstances

Rules of conduct: group I

Violations of these rules are serious in nature and will, except in unusual circumstances, result in immediate termination. This list provides examples of conduct that will not be tolerated and is not all inclusive:

- Willful violation of a Novant Health red rule
- Willful damage or destruction of Novant Health property
- Willful interference, improper or false use, disabling, damaging or destruction of any Novant Health security system or component
- Adjustment of a time record without supervisor/manager approval
- Reporting to work under the influence of alcohol or drugs or possession or use of alcoholic beverages, intoxicants of any kind, or illegal drugs on Novant Health premises
- Defiant refusal to perform assigned duties or to obey instructions
- Threatening language or behavior toward any person
- Harassing and/or bullying fellow employees in violation of NH-HR-2005 Harassment and Bullying Policy
- Obtaining or conveying confidential information about Novant Health patients or trade secrets that you do not have proper authority
- Sleeping on the job during working hours
- Unauthorized leaving a department or Novant Health premises during working time
- Gross negligence or intentional conduct which could result in serious injury to or the death of another person, or damage to Novant Health property
- Failure to perform satisfactorily during the introductory period of employment
- Failure to exercise responsible care, consideration or courtesy in dealing with patients

- Immoral or indecent conduct on Novant Health property
- Creating a hostile work environment through sexual or any other kind of harassment in violation of NH-HR- 2005 Harassment and Bullying Policy
- Willfully harboring any disease which may endanger other persons
- Willful work slowdown
- Accepting bribes or kickbacks or engaging in any scheme to profit oneself to the detriment of Novant Health
- Eating food from a patient food tray either before or after the tray goes to the patient
- Eating food from the kitchen for which the employee has not paid
- Violation of a law at any time or at any place which reflects adversely on Novant Health
- Failing to comply with Novant Health compliance plan or code of ethics.

Rules of conduct: group II

Violation of these rules which are less serious in nature will result in at least an oral warning and, depending upon the circumstances, a written warning or discharge. This list provides examples of conduct that will not be tolerated and is not all inclusive:

- Failure to comply with Novant Health Service Standards
- Failure to comply with the Tobacco-Free Environment Policy (NH HR 6045)
- Excessive tardiness (NH-HR 6065 Attendance)
- Excessive absenteeism (NH-HR 6065 Attendance)
- Failure to comply with the Time Keeping Policy (NH-HR 3120)
- Failure to notify department manager in advance of absence or lateness for work
- Performing careless or improper work
- Failing to do acceptable quantity and quality of work

- Being out of assigned area without authorization
- Loafing or neglecting work
- Failing to follow health, safety or fire rules or regulations
- Failing to obey instructions
- Gambling on Novant Health property
- Unauthorized operation of machines or equipment
- Excessive time on breaks or taking unauthorized breaks
- Committing an act contrary to Novant Health standards after being notified that the conduct was unacceptable by a supervisor or by Novant Health posted notice.
- Violation of no solicitation-distribution rule (NH-HR-6030 Solicitation/Distribution)
- Unnecessary waste of materials or supplies
- Refusal to work overtime or special hours when required to do so
- Failing to exercise reasonable care, consideration or courtesy in dealing with visitors
- Failing to wear designated uniforms and failing to comply with regulations concerning personal hygiene and grooming. These standards vary depending upon your classification and work area. If there are questions as to the applicable regulations, ask your immediate supervisor (NH-HR-6025 Professional Image).
- Creating or contributing to unsanitary conditions or to conditions creating bad housekeeping
- Damaging, abusing or neglecting Novant Health equipment or supplies
- Engaging in horseplay on Novant Health property
- Failing to immediately report any injuries sustained on Novant Health property or in connection with work

- Marking bulletin boards or notices contained on bulletin boards; removing bulletin board notices or materials without permission. Nothing is to be posted on bulletin boards without the required level of approval in accordance with policy NH-HR-6033 Bulletin Boards.
- Failing to comply with policies, procedures and/or regulations regarding applicable licenses, certifications or registrations
- Using Novant Health systems to access the employees own medical record.

Violation of group II rules

One violation of a group II rule within a twelve (12) month period will result in a documented oral warning, a written warning or discharge, according to the provisions listed below. After two written warnings within twelve (12) months, the employee automatically will be terminated for any other infraction.

Violation	Different rule	Same rule
First	Documented oral warning	
Second	Documented oral or written warning	Written warning
Third	Written warning or discharge	Discharge
Fourth	Discharge	

This procedure does not form an employment contract and the company reserves the right to add or delete steps according to individual circumstances. Novant Health reserves the right to take appropriate corrective action, up to and including **immediate** written warning or discharge.

For additional information, please see HR policy 6040 Progressive Discipline.

The complaint and appeals procedure

Novant Health encourages you to bring forth questions or concerns at any time. We also know it's important to have a procedure for those occasions when informal, on-the-job communication doesn't solve problems or settle differences of opinion. In brief, Novant Health provides these steps for problem resolution.

Please be aware that although this policy establishes certain suggested steps for complaints and appeals, nothing in this policy is intended to modify Novant Health's at-will employment policy. Novant Health reserves the right not to take any or all of the steps identified in this policy in a particular order, as all employment with Novant Health is at will. In all events, disciplinary action will be taken in the best interest of Novant Health.

Complaint resolution process

Every employee is encouraged to take any problem, complaint, or suggestion, first, to his or her immediate supervisor. Should the complaint not be addressed to the satisfaction of the employee or if the complaint is directly related to the immediate supervisor, the following formal complaint resolution process should be used.

The complaint resolution process is an opportunity for employees to share their concerns and leaders to address the employee complaint/concerns within the leadership team. Employees who have been disciplined for rules of conduct group II violations and who wish to use the formal complaint resolution process must use the following process:

- The employee must access the employee complaint form via I-Connect under HR forms. Within five (5) calendar days of being notified of the action/issue leading to the complaint, the employee must put his/her complaint in writing by completing the complaint form and emailing it to the director/department leader of their area and copy it to the employee complaint center mailbox.
- The employee may seek counsel and advice from HR/employee relations regarding the formal

complaint process.

- Within five (5) days after receiving the complaint form, the director/department leader will meet with the employee to review the complaint and is responsible for ensuring with his/her direct report leadership team that the complaint is investigated timely and thoroughly.
- All levels of leadership involved in the investigation are encouraged to seek the counsel and advice of HR/employee relations, as needed, at any stage of the investigation.
- The director/department leader is to communicate the complaint outcome to the employee within 10 days of the initial date of the employee meeting.
- The director/department leader is to report the final outcome of the complaint to his or her vice president or one-up leader.
- The director/department leader is to forward investigative findings/complaint outcome to the employee complaint center mailbox using the investigation of employee complaint form.
- No employee will be penalized or experience reprisal for using the organization's complaint resolution process.

Complaints alleging discrimination, harassment or any violation of any law prohibiting discrimination or harassment may be made directly to employee relations and/or the senior vice president of human resources and will follow the appeals procedure provided in Novant Health's complaints and appeals policy.

Complaints alleging unfair pay practices and/or compensation complaints may be made directly to compensation/ human resources, up to and/or including the chief administrative officer (with the exception of bonus and salary overpayment as explained below).

Appeals procedure

An appeal is defined as an employee's expressed feelings of dissatisfaction concerning conditions of employment or treatment by management, supervisors or other employees.

Examples of actions which **may** be causes for appeal include, but are not limited to:

- Discharge as a result of application of corporate policies, practices, rules, regulations and procedures believed to be to the detriment of an employee
- Treatment considered unfair by an employee, such as coercion, reprisal, harassment or intimidation
- Alleged discrimination because of race, color, religion, sex, sexual orientation, national origin, age, disability, veteran's status, genetic information, gender identity or any other characteristic or status protected by law
- Improper or unfair administration of employee benefits or conditions of employment such as paid time off (PTO), benefits, promotions, retirement, feedback sessions or seniority
- Discharge for rules of conduct group I violations
- Discharges for multiple group II rules of conduct violations

Actions which **may not** be appealed include:

- Bonus
- Salary overpayment
- Performance evaluations
- Position eliminations (displacements)
- Job reclassifications / reassignments
- Organization-wide or group benefit administration decisions
- Discharges for zero tolerance violations (must have been investigated thoroughly in consultation with employee relations and disciplinary action coordinated with employee relations prior to action and in accordance with Exiting the Organization Policy 3066)

No employee will be penalized or experience reprisal for using the organization's appeal procedure.

Any appeal filed will follow the procedures as outlined below, and will refer to the provision(s) of Novant Health's policy, practice, procedure, rules or regulations alleged to have been violated and will adequately set forth the facts pertaining to the alleged violation. Employee relations will coordinate all steps in the appeal procedure.

Appeals alleging discrimination, harassment or any violation of any law prohibiting discrimination or harassment may be made directly to the senior vice

president of human resources. Appeals alleging unfair pay and benefit practices and/or compensation complaints will be made directly to compensation/human resources, up to and /or including the chief administrative officer (with the exception of bonus and salary overpayment as explained above).

Step I – review by appeal leader level I

1. The appeal leader level I will review the appeal and meet with the employee. The appeal leader level I will provide a decision within five (5) calendar days to the employee relations consultant who will communicate the decision to the employee.
2. If the employee is dissatisfied with the decision, he or she may request to proceed to the final step. The employee's decision to proceed to the final step must be made within two (2) business days of the date of the communication of the leader's decision.

Final step – review by human resources market leader and appeal leader level II

The human resources market leader and appeal leader level II may grant or deny the review. If the review is not granted, the decision of the appeal leader level I is final and binding on the employee and Novant Health, Inc. If the review is granted, the human resource market leader and appeal leader level II may or may not meet with the employee. The human resources market leader and appeal leader level II will provide a decision within five (5) calendar days to the employee relations consultant who will communicate the decision to the employee.

The decision of the human resources market leader and appeal leader level II is final and binding on the employee and Novant Health, Inc.

Please see policy NH-HR- 3070 Employee Complaint Resolution and Appeals Policy for additional information.

Anti-Retaliation

Novant Health prohibits any form of retaliation against an employee who in good faith makes a complaint, raises a concern, provides information and/or otherwise assists in an investigation or proceeding regarding any conduct that he/she reasonably believes to be in violation of Novant Health's Rules of Conduct, any Novant Health policies, applicable state and/or federal laws, rules or regulations.

Please see policy NH-HR-6066 Anti Retaliation policy for additional information.

Safety and health

This section of the Employment Handbook shares important information about the company's policies that promote safety, security and health.

All Novant Health facilities have comprehensive safety programs designed to benefit patients, guests, employees and the public. Your cooperation is essential to help maintain safety standards for your work area. Your leader will explain specific responsibilities that you may have. Prompt reporting of any safety hazard or practice will help Novant Health provide a safe, clean working environment.

First Do No Harm - the five safety behaviors

The five safety behaviors in our First Do No Harm program are evidenced-based, tied directly data that came out of a diagnostic assessment of past events of harm at Novant Health.

Adhering to the following **five safety behaviors and their supportive behaviors** is an absolute necessity for providing remarkable patient care:

- 1. Practice with a questioning attitude:**
 - Stop, Reflect & Resolve in the face of uncertainty
- 2. Communicate clearly:**
 - Use SBAR-Q to share information
 - Communicate using three-way repeat backs and read backs
 - Use phonetic and numeric clarifications
- 3. Know and comply with the red rule:**
 - **Always identify patients using two forms of identification – name and date of birth**

4. Self-check: Focus on task

- Use the STAR technique

5. Support each other

- Cross-check and Assist
- Use 5:1 Feedback to encourage safe behavior
- Speak up using ARCC – "I have a concern"

Professional conduct / culture of safety

Novant Health strives to provide a workplace in which everyone is free of threatening, intimidating, bullying, unlawfully harassing, or discriminatory behaviors. Accordingly, the following behaviors are strictly prohibited:

- Verbal or physical bullying, including attacks leveled at anyone that are personal, or maliciously false.
- Failure to exercise appropriate business decorum, including by using obscene language or gestures that are considered after an appropriate investigation, to be disrespectful, vulgar or to violate our policies on harassment.
- Inappropriate comments (or illustrations) in patient medical records or other official documents, falsely criticizing the quality of care, or attacking patients, practitioners, employees, or hospital policies;
- Criticism of a patient or coworker that is intended to intimidate or imply stupidity.
- Deliberate destruction or unauthorized appropriation of Novant Health property, including medical records.
- Engaging in discrimination or harassment of anyone on the basis of any status protected by law. This can include physical, verbal, visual, racial or sexual harassment or harassment based on genetic information (this statement is not intended to be all inclusive).
- Failure to respond in a timely and appropriate manner to staff, patient and/or family concerns.

Reporting disruptive behavior assessment and investigation

Employees, without fear of reprisal, should report any incidents of unlawful harassment, discrimination, threats of violence, abuse or inappropriate behavior to their one-up leader, department head, facility administration, employee relations / human

resources using HR Service on I-Connect, medical staff services or The Novant Health Alert Line at 800-350-0094. All information disclosed will be held in confidence and will be disclosed only on a need-to-know basis to others in order to investigate and resolve the matter.

Employees are assured that when they follow this complaint procedure they can do so without fear of reprisal.

For additional information, see HR Policy 2003 Professional Conduct and the Culture of Safety.

Public safety

Many Novant Health facilities have public safety personnel who are responsible for the safety of the buildings and grounds. Learn the emergency procedure for contacting public safety in your facility. Other security matters may be reported at any time to public safety.

Workplace violence

Novant Health has a “zero tolerance” of violent or threatening conduct in the workplace. Any act of aggression or violence, including verbal and non-verbal threats of violence made by a Novant Health employee may result in immediate discharge without progressive disciplinary steps.

The Novant Health policy of zero tolerance for workplace violence applies to all individuals who are on Novant Health premises. Novant Health may remove from its premises any individual or employee who engages in any act of aggression or violence. Human resources, together with public safety, will thoroughly investigate all harassment and workplace violence complaints and will make reasonable efforts to keep the investigation as confidential as possible.

If you observe any situation that involves violence or threats of violence, report the situation to your leader, public safety or human resources. If your facility does not have on site security, call 911 if there is an imminent risk of harm.

Protective orders

Employees who have taken out protective orders (50-Bs) should notify their facility’s public safety office or

facility leader if there is no public safety department. This will let public safety know that there is a potential problem and allows public safety to detain the subject of the order for arrest if he or she comes on the property.

Weapons in the workplace

Novant Health strictly prohibits weapons of any type on company premises (including parking areas) or at company-sponsored events. The only exception is for public safety officers in certain facilities or law enforcement officers who are authorized to carry weapons as a part of their job.

Weapons are defined as all firearms and replicas (including “air soft” guns), tasers, knives (other than small pocket knives not exceeding four inches in length), aerosol irritant projectors (chemical mace, liquid pepper, “OC,” etc.), impact weapons (batons, blackjacks, etc.) and explosives. This includes concealed weapons, even those for which the owner has obtained permits.

Anyone who violates this policy is subject to disciplinary action up to and including immediate discharge. If you are aware of anyone who may be in violation of this policy, report it to your leader or public safety officer immediately. Novant Health reserves the right to search an employee’s personal belongings if there is a suspicion of a weapon.

For additional information, please see HR Policies 6050 Workplace Violence and 7011 Weapons.

A tobacco-free environment

The mission of Novant Health is to improve the health of communities, one person at a time. In support of its mission, Novant Health provides an environment which is totally free of tobacco products and electronic cigarettes.

Smoking and the use of smokeless tobacco products and electronic cigarettes is prohibited:

- In Novant Health facilities, including, but not limited to, hospitals, physician practices, outpatient clinics and office buildings.
- Anywhere on Novant Health grounds, sidewalks and parking lots / decks.
- In facilities and on grounds leased by Novant Health.

- In company-owned vehicles at any time and in private vehicles on Novant Health property. This policy applies to all persons, including but not limited to employees, non-employed workers, medical staff, volunteers, inpatients, outpatients, visitors, students, contractors, vendors and other guests on Novant Health premises. For additional information, please see HR Policy 6045 Tobacco Free Environment.

A drug-free workplace

Novant Health has a vital interest in maintaining a safe, healthy, and efficient working environment. Being under the influence of a drug or alcohol on the job poses serious safety and health risks to the patient, user and to all those who work with the user.

That's why unlawful and unauthorized use, possession, distribution or manufacture of alcohol or a controlled substance on the premises of any Novant Health facility is not allowed.

Novant Health recognizes that drug and alcohol dependency may be treated and controlled. Employees are encouraged to seek help voluntarily and confidentially through the employee assistance program (EAP) or their facility's employee occupational health department. For additional information, see HR Policy 3060 Fitness for Duty/Drug and Alcohol Testing.

Inspection and searches

Novant Health may conduct unannounced general inspections and searches (including lockers) for drugs, alcohol or other contraband on Novant Health premises or in Novant Health vehicles wherever they are located. Employees are expected to cooperate.

You and your personal property may be searched when there is reasonable belief that you are in violation of the substance abuse or other policy. Your consent to a search is required as a condition of employment, and a refusal to consent may result in disciplinary action, including discharge, even for a first refusal.

Illegal drugs, drugs believed to be illegal, and drug paraphernalia found on Novant Health property will be turned over to the appropriate law enforcement agency and full cooperation will be given to any subsequent investigation.

Substances that cannot be identified as illegal drugs by a layman's examination will be turned over to public safety for appropriate evaluation, testing, or disposal.

Other forms of contraband, such as firearms, explosives and weapons will be subject to seizure during an inspection or search. An employee who is found to possess contraband on Novant Health property or while on Novant Health business will be subject to discipline up to and including discharge. If an employee is the subject of a drug-related investigation by Novant Health or by a law enforcement agency, the employee may be suspended pending completion of the investigation.

Hazard communication

Novant Health has a complete hazard communication program that identifies potentially hazardous substances in the workplace. You will learn more about this important safety feature in your department's orientation, if applicable.

Disaster plan

To coordinate Novant Health's many responsibilities in the event of a community disaster, a written disaster plan has been prepared. Your leader will explain your assignment to you and acquaint you with your designated area of responsibility. Novant Health facilities also maintain disaster recovery plans so we can continue to provide critical services to customers in the event of fire, flood or other damage to our facilities. Your department has its own plan with which you should become familiar. Your leader will explain your specific responsibilities, if any.

Fire

State laws require every healthcare facility to have a standing emergency program in the event of fire or a fire drill. Fire drills are conducted periodically. These drills apply to all employees and will be called at various and unspecified hours of the day or night. You are expected to respond as promptly to a fire drill as you would to a fire.

Each facility has its own code for a fire or fire drill. You may be given specific responsibilities. You also should learn the procedure for reporting a fire in your facility and know the location of fire alarm

boxes, fire extinguishers and fire hoses in your working area.

In case of a fire, remember **R.A.C.E.** - which stands for **R**escue, **A**ctivate alarm, **C**ontain the fire and **E**xtinguish the fire.

To use a fire extinguisher, remember **P.A.S.S.** - which stands for **P**ull the pin of the extinguisher, **A**im at the base of the fire, **S**queeze the handle and **S**weep the extinguisher from side to side at the base of the fire.

Reporting an injury or illness

Report any injury or illness that occurs on Novant Health premises, no matter how slight, to your leader immediately (but in no event longer than 24 hours after the incident). This is important not only to assure prompt medical attention but also to comply with requirements of Workers Compensation Insurance coverage.

Vehicle safety

If your position requires you to operate a vehicle on company business, please drive safely and courteously. This applies to company-owned vehicles as well as your own vehicle when it is used in the course of company business. Special rules apply if you drive a company owned vehicle. For additional information, see policy NH-LD-RM-3 Vehicles – Company-Owned/Leased.

Inclement weather

Novant Health provides critical services to our healthcare customers. Even in snow or other severe weather, we will continue operations. If your job is considered “critical” under your facility’s inclement weather plan, it is your responsibility to make every effort to come to work as scheduled.

The best way to prepare is to make arrangements **before inclement weather strikes**. Plans should include:

- Determining how you will get to work. This could include getting a ride with a coworker, family member or neighbor.
- Making childcare arrangements if schools and day care facilities are closed.

It’s also your responsibility to let your department leader know if you need overnight accommodations. If you find it impossible to come to work, you must notify your department through your department’s call-in procedure. For additional information, see policy NH-HR-6005 Inclement Weather and your facility’s inclement weather policy, if applicable.

Compensation

Novant Health's goal is to ensure that you receive compensation that reflects the responsibilities of your job and what other organizations in our labor market and geographic region pay for a specific job. To help ensure that we meet this goal, we will:

- Provide you with a written job description
- Strive to maintain competitive pay levels
- Review pay and benefit levels periodically and grant increases warranted by market and economic considerations
- Provide bonus opportunities when system and regional strategic goals are met
- Administer the compensation program to assure the organization is in compliance with all legal requirements

About your compensation

Novant Health provides equitable and market-based pay for the work that you do. Our markets are determined by geographical location, business line and job responsibilities.

Your job description provides you and Novant Health with a clear, concise overview of the content, responsibility, physical requirements and impact of your job.

Salaries are reviewed and may be adjusted each year. Annual adjustments are market based. This means the adjustments are not based on individual performance.

Pay adjustments are determined after considering some key factors:

- What the market is paying for the job
- Where the employee is on the current pay scale
- Recruitment and retention issues within a job class

Once all of this information is evaluated, increases have to be allocated within the total dollars budgeted for pay adjustments in our company. No adjustment or increase is automatic, and all pay actions will be taken at

the discretion of Novant Health.

Performance Plan

Eligible employees participate in a performance plan that rewards employees if strategic goals are met. Your leader can give you more information about the performance plan.

Competency and performance reviews

30, 60 and 90-Day Reviews

Novant encourages 30, 60 and 90-day reviews for new and transferring employees to help assure an effective on-boarding process. Introductory reviews are useful for many reasons:

Evaluate skills

Identify training needs

Provide open communication and feedback

Identify mismatched employees

Clinical competencies

Ability to perform specific clinical skills is essential for competent and safe care. Novant Health conducts initial and on-going competency assessments. It is the department leader's responsibility to ensure that competency measurement tools/tests/observations required outside of the performance review are conducted and documented in the department file in a timely manner. Completion also should be indicated on the annual performance review.

Annual performance reviews

Full-time, part-time and PRN employees receive a performance review at least once each calendar year during the birthday month. Input for the annual performance review is collected and prepared in manager and employee self-service. The performance review is conducted with the employee and his or her one-up leader.

The performance review process for staff and supervisors

The performance review process focuses on Novant Health's values of compassion, diversity, teamwork and personal excellence as well as communication and safety. The annual performance review includes:

- Employee self-assessment
- Peer review
- Leader assessment
- Development plan

All employees, as a part of the evaluation, are required to create a development plan and goals for the year. Employees who have not met performance standards will use the development plan to improve performance and will be re-evaluated as stipulated in the plan. If the employee has not been deemed competent at the end of the development plan he or she will be subject to disciplinary action up to and including termination of employment.

The performance review process for managers, directors, vice presidents and above

The review process for leaders consists of two parts:

- A 360 assessment including leader, peer and self- assessment every other year;
- A development plan with action steps and progress assessment every year. The development plan serves as the performance evaluation for years in which the 360 is not completed.

A new leader may complete the 360 in an "off" year and then cycle to the regular schedule.

Pay procedures / payday

Novant Health has 26 two-week pay periods, which means you will be paid every other week. All employees are paid through a convenient direct deposit program. Each payday, your pay will be deposited directly into your account at a bank or other financial institution of your choice. You may view or print your current pay advice as early as Thursday of pay week by going online to Employee Self Service on the Novant Health intranet.

Your pay advice

Information on your pay advice will help you keep track of what you have earned and where your money went. Each paycheck shows at least:

- The hours you worked during the pay period
- Your earnings for those hours
- How much was taken out for Social Security and taxes
- Your current rate of pay
- Paid time off balance
- Detailed deductions for the pay period and year-to-date
- The total amount Novant Health adds to your pay to help with the cost of the benefits you have selected

Payroll deductions

Novant Health is required to make the following deductions from your pay:

- Federal income tax (FIT): The amount withheld is determined by the amount of your pay, your marital status and the number of exemptions you claim on your W-4 form.
- Federal Insurance Contribution Act (FICA-Social Security): This is a tax on wages that is used in Social Security tax calculations (OASDI) and Medicare tax calculations (HI).

Novant Health also makes deductions that you have authorized in writing, such as for benefits and Retirement Plus contributions. Any court-ordered withholding, such as garnishments or child support payments, also will be deducted, as required by law.

Exempt/nonexempt positions

Employees at Novant Health are classified by the Fair Labor Standards Act as **exempt** or **non-exempt**. Your position classification depends on the nature and responsibilities of your job and the requirements of federal laws.

Exempt employees generally include those in managerial, professional and certain administrative positions. If you are an exempt employee, you are paid a salary regardless of the hours worked and you are not eligible for overtime pay. This means that PTO, sick bank and other time away from work may be recorded only in increments of an entire day.

Only absences due to Family Medical Leave may be recorded for less than a full day.

Nonexempt employees are paid on an hourly basis. Therefore, deductions for PTO and sick bank may be recorded for an absence of 15 minutes or more. Time must be recorded exactly as it is worked. Nonexempt employees are entitled to an hourly rate of one and one-half times their average hourly pay for all hours worked over 40 in one work week.

Employees working a forty-hour week may take time off in lieu of overtime pay when time off can be taken within the same work week in which the overtime occurs. The work week is defined as Sunday through Saturday.

Breaks and meal time

Breaks within the workday may be scheduled or unscheduled, as determined by your leader. Breaks cannot be guaranteed, however. Although not required by law, rest breaks of 15 minutes in each work period of four or more hours are allowed based on departmental operational needs. Typically, breaks may not be taken at the beginning or end of the work day.

Employees are granted time during their daily schedule for meals. Length and timing of meal periods are determined by the administration of each affiliate. Your leader will provide additional information about breaks and meal periods. See NH-HR-3120 Time Keeping Policy for additional information.

Hours worked

In addition to the hours applied to the normal duties of your position, the following are considered to be hours worked:

- Rest breaks of 15 minutes in each work period of four hours or more.
- Meal periods during which you are not completely relieved of all duties, active or inactive, while eating.
- Time spent during normal working hours in travel between the office and job-related business appointments.
- Time spent for annual required education.
- Time spent attending classes for job-required advanced cardiac life support (ACLS), pediatric advanced life support (PALS), basic life support (BLS) and neonatal resuscitation program (NRP) certifications.
- Required attendance at lectures, meetings, training programs, risk management depositions and other similar activities.
- Time spent during normal working hours waiting for and receiving medical attention on Novant premises or elsewhere at the direction of management.
- Time spent in civic and charitable work, if done at the request of Novant. See policy NH-HR-5090 Compensation at Company Sponsored Events for additional information.
- Time taken off by exempt employees for periods of less than one day, except for sickness or disability, in accordance with existing policies.

Overtime

So that you may balance your time between work and leisure, overtime is discouraged. Occasionally, however, overtime may be required to meet your department's workload. Nonexempt employees must not work overtime or take work home without advance approval from their leader.

On-call

Some nonexempt employees are required, as a condition of employment, to be “on-call” either occasionally or regularly and will be paid according to the call-pay policy established for their department. Your leader will explain the call pay policy for your department or facility.

Shift differential

A shift differential is provided to compensate nonexempt employees who work certain specified hours, usually second or third shift, and are in a job class that has been authorized to receive shift differential. Not all jobs are authorized to receive shift pay. Shift pay is applicable only for hours worked, and does not apply to paid time off. If you are eligible for shift differential, your leader will explain the amount.

Garnishment

A wage garnishment is a legal claim against your pay by a third party, and Novant Health regards this process as a serious matter. You are encouraged to make immediate arrangements to settle the debt and secure a release. If you are not successful in obtaining a release, we will honor the garnishment order or tax levy to the extent that the order or levy complies with the provisions of the Consumer Credit Protection Act of 1970 and applicable state laws regarding wage garnishment.

If a garnishment order is received again, you may be referred for financial counseling through the employee assistance program (EAP).

Novant Health Benefits

When we think of benefits, we often consider only the plans that provide protection and security. Yet the purpose of many benefits is to make our lives more enjoyable and rewarding.

This section of the Employment Handbook explains some of the many other benefits and services for which you may be eligible as a Novant Health employee.

Employee benefits

Novant Health offers a number of employee benefit plans that provide protection for today and help build future financial security. Information about these plans can be found on the benefit resource center.

This section provides information about some of the insurance and other benefits that Novant Health may make available to its eligible employees. The insurance and most of the other benefits we provide may be the subject of detailed written plan documents available for your inspection on request to the Human Resources Department.

The terms, restrictions, and eligibility requirements for these kinds of benefits may be determined only by reading the actual plan documents, under which Novant Health or the plan administrator, as applicable, may make certain administrative interpretations with discretion.

If a question arises regarding the nature and extent of particular insurance or other benefits, or if there is a discrepancy between the actual provisions of the plan documents and the information included in this handbook or any other communication to employees, the formal language of the plan documents is controlling.

Because insurance plans, premiums, coverages, and benefits change from time to time, Novant Health reserves the right to modify (or terminate) each of the insurance and other benefits and each plan's provisions.

Paid time off (PTO)

Paid time off is an important part of Novant Health's compensation and benefits program. You may use your Novant Health PTO for:

- Vacations
- Holidays
- Illness or injury
- Absences during the short-term or long-term disability waiting period (but not after the waiting period ends)
- Religious observances
- Doctor and dental appointments
- Caring for a sick family member
- Other personal matters that take you away from the job.

Full-time and part-time employees accrue PTO hours each pay period based on hours actually worked. For example, certain weekend schedules require only 36 hours but employees are paid for 40. These employees accrue PTO based on the 36 hours actually worked. You can find your accrual rate on our benefit resource center.

Scheduling PTO

PTO must be entered into API and approved by your leader. Please make your request as far in advance as possible. While every effort will be made to accommodate your request, departmental needs must be considered. Emergency requests should be made by telephone to the appropriate person in your department, according to your facility's attendance guidelines.

Options for unused time

If approved, you can use all of your PTO in the year in which you earn it. What if you don't use all of your PTO? You have two options:

- Continue to accumulate up to a maximum of 480 hours of PTO for future use;
- Donate PTO to another employee who has a FML or approved medical leave or to a company-approved charitable cause.

PTO upon termination of employment

The value of unused PTO, if any, that may be payable to you when if you terminate employment or change to a non-benefit eligible position is as follows:

- If you have fewer than 90 days of employment, any unused PTO will be forfeited upon termination of employment or change of status to non-benefit eligible position
- If you have at least 90 days but fewer than 10 years of service, the value of unused PTO accrued after January 1, 2003, may be paid out at 75 percent upon termination of employment or change of status to PRN.
- If you have 10 or more years of service, 100 percent of the value of the PTO balance may be paid out upon termination of employment or change to PRN status.

Any sick bank balance is forfeited upon voluntary or involuntary termination or death.

Other things you need to know

Employees may begin using PTO once they begin accruing it, even if they are still within the 90-day introductory period and only if the employee has a sufficient balance to cover the amount of time they request to take off. Novant Health may cancel PTO for all or certain employees in the event of a pandemic or other emergency situation. See the PTO Policy, NH-HR 4015, for complete information.

Bereavement leave

Full-time and part-time employees who have completed their introductory period of employment will be granted bereavement leave as follows:

- 40 hours in the event of the death of a spouse, or child, including miscarriage;

- 24 hours in the event of the death of a parent, brother or sister, step-parent, step-child, step-sibling or guardian;
- 8 hours in the event of the death of a non-immediate family member which includes employees current father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparents and grandchildren. Bereavement leave as specified above will not be charged against paid time off (PTO).

Employees who work a regular daily schedule that is more than 8 hours, i.e. 10-hour or 12-hour schedules, may record 8 hours for bereavement leave and any additional time as PTO

In the event of the death of a spouse, domestic partner or child, the 40 hours may be used as needed within 30 days of the death. For the death of a parent, brother or sister, legal step-parent and guardian, bereavement leave must be used within fourteen days of death. The death of a non-immediate family member, bereavement leave must be taken within 7 days of the death.

A manager may grant additional time off when necessary. The additional time off may be charged to PTO if a balance exists.

Scheduling of bereavement leave must be coordinated and approved through the Hartford and your leader so that adequate staffing can be arranged. Employees granted bereavement leave may be asked by their department leader to furnish proof of death before pay for the absence is granted.

Please see policy NH-HR-4050 Bereavement Leave for additional information.

Jury duty

Full-time and part-time employees will be excused from work if summoned to serve on jury duty or if summoned or subpoenaed to appear in a court of law on behalf of the company (except as a defendant in a criminal case).

- Employees who are summoned to serve on jury duty will be paid their regular pay; time away from work will not be charged against paid time off (PTO).
- Employees who are summoned or subpoenaed to appear in court for a work-related issue should notify risk management immediately. They will be paid their regular pay; time away from work will not be charged against PTO.
- Employees who are summoned or subpoenaed to appear in court as a defendant in a criminal case must take PTO or the absence will be unpaid.

In all cases employees must notify their leaders as soon as the summons or subpoena is received so that time off can be scheduled.

Here are some other things you need to know:

- You may keep any jury fees obtained for your service.
- Jury leave will be granted only for periods you are actually scheduled to work.
- If you are summoned to serve on a jury while on scheduled PTO, you will be paid jury leave instead of PTO. You will **not** be eligible for jury leave pay while on an approved leave of absence, however.
- First shift employees serving jury duty are expected to work as much of the regularly scheduled shift as the jury duty schedule permits, to the extent that the combined amount of time spent on jury duty and work does not exceed the amount of time originally scheduled to work. Time off for jury duty is not considered time worked for purposes of computing overtime.

- If an employee is dismissed early from jury duty and is needed at work, he or she is expected to return to work for the balance of the scheduled shift.
- Employees who work on second or third shifts are not expected to work their normal hours during the time they are serving on a jury. The employee may take the additional time as PTO or leave without pay (LW) in accordance with those policies.
- The department leader may request documentation confirming that jury duty was served.
- Please call the Hartford at 1-800-549-6514 to report your Jury duty time away from work.

Please see policy NH-HR-4055 Civic Duty Leave for additional information.

Tuition reimbursement

The purpose of Tuition Reimbursement Program is to reimburse Novant Health Employees for courses in which they receive college credit that are related to their present job and prepare them for potential advancement within the system. The Tuition Reimbursement Policy (NH-HR-4085) explains eligibility, application and approval process, maximum annual benefit, covered expenses and administration.

To be eligible, an employee must be continuously employed full time or part time for a minimum of one year with Novant Health, prior to the beginning date of the course. The employee must be in good standing with no disciplinary action on file in the prior 12 months. In addition, the employee must be classified as benefits eligible. Full-time benefits eligible employee work 60-80 hours per pay period; part-time benefits eligible employees work 48-59 hours per pay period. The employee must remain benefits eligible and in good standing for the duration of the course and through the date he/she files for tuition reimbursement. Please see Tuition Reimbursement policy NH-HR-4085 for more information.

Leaves of absence

Occasionally, circumstances may require you to be away from the job for an extended period of time. Novant Health provides leaves of absence to eligible employees to help meet this need. The following types of leaves are available to employees who qualify. Questions concerning leaves should be referred to The HR Service Center at 1-800-890-5420. Any classification of employee out for a medical reason is required to have the leave approved by the Hartford or the leave is considered unapproved.

Engaging in any other employment while on FMLA is prohibited and will result in termination of employment.

Family and medical leave

The FMLA entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave.

Employees are eligible for family medical leaves if they:

- Have at least 12 months of service within the last seven calendar years; and
- Have worked at least 1,250 hours in the previous 12 months; and
- Have a qualifying event.

Eligibility will be determined on the day the employee requests the leave.

Qualifying events include:

- Birth of a child of the employee, and to care for that child;
- Placement of a child with the employee for adoption or foster care.
- Caring for a spouse, domestic partner, child, or parent with a serious health condition;
- A serious health condition that makes the employee unable to perform the functions of the employee's job.
- Any qualifying exigency arising out of the fact that the employee's spouse, domestic partner, son,

daughter, or parent is a covered military member on active duty (or has been notified of an impending call or order to active duty) in support of a contingency operation.

- Caring for a covered service member with a serious injury or illness if the employee is the spouse, domestic partner, son, daughter, parent, or next of kin of the service member.

When both parents are employed by Novant Health, the 12-week limitation applies to both as a couple for birth or placement of a child for adoption.

Applying for family medical leave

You may call The Hartford at 1-800-549-6514 to request a leave of absence. You may also apply on with the Hartford at www.thehartfordatwork.com. You should provide at least 30 days advance notice to your department manager when the leave is foreseeable. In the case of an emergency, you must notify the manager as soon as the need for the leave becomes known.

If an employee needs to be out of work for any medical reason for intermittent or continuous reasons they should notify the Hartford for the leave to be approved. Unapproved leaves can result in disciplinary actions. All leave as an accommodation must be applied for through the Hartford at 1-800-549-6514. If the employee is approved for Intermittent FMLA leave you must report your absence to your leader and also call the Hartford.

Please see policy NH-HR-4057 Family Medical Leave for additional information.

Leave as an Accommodation

The American with Disabilities Act as Amended (**ADAAA**) became law in 1990. The **ADAAA** is a civil rights law that prohibits discrimination against individuals with disabilities in all areas of life.

Discrimination by type includes: age disability, equal pay/ compensation, genetic information, harassment, national origin, pregnancy, race/color, religion, retaliation, sex and sexual harassment.

Not everyone with a medical condition is protected by the law. In order to be protected, a person must be qualified for the job and have a disability as defined by the law.

A person can show that he or she has a disability in

one of three ways:

- A person may be disabled if he or she has a physical or mental condition that substantially limits a major life activity (such as walking, talking, seeing, hearing, or learning).
- A person may be disabled if he or she has a history of a disability (such as cancer that is in remission).
- A person may be disabled if he is believed to have a physical or mental impairment that is not transitory (lasting or expected to last six months or less) and minor (even if he does not have such an impairment).

Reasonable accommodation of protected disabilities and religious beliefs

Novant Health also will provide reasonable accommodations to any employee with a known disability who is otherwise qualified to perform the essential functions of his or her job. An employee who believes that he or she requires a reasonable accommodation because of a protected disability must notify the Hartford of the issue so that an interactive dialogue can begin on the subject of a proposed accommodation.

Each request for a reasonable accommodation due to a protected disability or because of a religious belief will be evaluated on a case-by-case basis. No employee will be retaliated against because he or she requests a reasonable accommodation due to a religious belief or because of a protected disability.

Employees may submit an accommodation request online or by contacting the Hartford at 1-800-549-6514 or request online at

www.thehartfordatwork.com—The employee will be contacted by a Hartford representative once the request has been received.

Please see policy NH-HR- 8103 ADA (Americans Disabilities Act, as amended) Reasonable Accommodations for additional information.

The Pregnancy Discrimination Act

Congress enacted the Pregnancy Discrimination Act (PDA) in 1978 to make clear that discrimination based

on pregnancy, childbirth, or related medical conditions is a form of sex discrimination prohibited by Title VII of the Civil Rights Act of 1964.

By enacting the PDA, Congress sought to make clear that "[p]regnant women who are able to work must be permitted to work on the same conditions as other employees; and when they are not able to work for medical reasons, they must be accorded the same rights, leave privileges and other benefits, as other workers who are disabled from working." The PDA requires that pregnant employees be treated the same as non-pregnant employees who are similar in their ability or inability to work.

Fundamental PDA Requirements

- An employer may not discriminate against an employee on the basis of pregnancy, childbirth, or related medical conditions; and
- Women affected by pregnancy, childbirth, or related medical conditions must be treated the same as other persons not so affected but similar in their ability or inability to work.

For any questions pertaining to pregnancy leave contact the Hartford at 1-800-549-6514.

Paid time off

If you have accrued paid time off (PTO), it must be used concurrently with the family and medical leave. If you are eligible for short-term or long-term disability benefits, PTO and/or Sick bank may be used during the benefit waiting period but may not be used after the waiting period ends. See HR policy NH-HR-4015.

You may use only those PTO hours accrued prior to date the leave began. PTO hours that accrue while PTO and sick bank are being used will be held in reserve until you return from leave.

Military leave of absence

Military leaves of absence at Novant Health are administered under the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). If you are a full-time or part-time employee and enter the uniformed services and return within the time and conditions prescribed by law, you will be reinstated to your former position, or a comparable one. There are exceptions and limitations, however, be sure to contact the HR Service Center at

800-890-5420 for complete information.

Employees who are members of a reserve military organization or the National Guard may participate in weekend or annual training as required. Novant Health will attempt to coordinate your work schedule, to the extent possible, to allow you to meet your reserve obligations. You may use PTO if training occurs during time you were scheduled to work. Otherwise the time will be unpaid. Submit your request for a military leave to The Hartford as far in advance as possible, indicating the dates of duty. Novant Health will send you a packet informing you of your responsibilities prior to taking your leave. You will be asked by the Hartford to provide a copy of your military orders when you return (if not supplied prior to your leave).

human resources toll-free at 1-800-890-5420 to make other payment arrangements.

Employee benefits during a leave of absence

This section explains how Novant Health benefits will be administered during a leave of absence.

Paid Leaves of Absence

A leave of absence is considered to be paid when you are using accrued PTO time or sick bank hours. PTO and sick bank hours may be used only in accordance with the policy in effect at your work location. During a paid leave of absence, Novant Health will continue to provide you with flex credits for benefits, and any contribution you were making towards your benefits will continue to be deducted from your paychecks on a pay period basis. This will continue as long as you are on an approved medical leave and have PTO or sick bank hours.

Unpaid Leaves of Absence

A leave of absence is considered to be unpaid after you have exhausted or have chosen to discontinue using PTO time or sick bank hours according to the policy in your work location. If you normally paid a portion of your benefits while you were working, you will continue to be responsible for that contribution.

Options for Paying Your Contributions

Human resources will contact you when you have benefit payments due. You can send a personal check or money order to the address on your notification for each unpaid pay period. Please do not mail or make your payment in cash.

If you are unable to make your benefit contribution, it is important that you contact

Employee Assistance Program

The Employee Assistance Program (EAP) demonstrates a commitment to the well-being of valued employees. It enables employees to discuss any specific needs they have with a counselor. Some common concerns the EAP can help with are:

- Stress management
- Marital/family issues
- Financial concerns
- Alcohol and other drug abuse
- Job/career issues
- Communication skills
- Parenting
- Legal issues
- Personal/emotional concerns
- Grief and loss

How EAP works

Employees may call the EAP to schedule an appointment with a counselor. The counselor will set reasonable goals to solve. Steps will include short-term counseling at the EAP office of up to six sessions; or may include a referral to a resource in the community. If there is concern about an employee's safety or job performance, a leader may request an employee to meet with the EAP.

Confidentiality

Each employee's privacy is carefully guarded and is protected by state and federal laws. Exceptions are made in cases when someone's safety may be at risk. The employee always will be notified if an exception is made. If a supervisor refers an employee, the EAP will release only information authorized by the employee.

Program advantages

The EAP is offered free of charge to employees and members of their household. Visits to the EAP are often all that is needed to resolve a problem. If a referral to a community resource is needed, the counselor will share these options with the employee. The employee is responsible for costs of such services, if any, but will be assisted in making the referral and using insurance. The counselor will follow up to ensure the referral is satisfactory and progress is being made.

Accessible

Every effort is made to make the EAP accessible and convenient for employees and their families. A variety of appointment times will be offered and a counselor is available 24 hours a day in case of emergencies.

Call **1-800-828-2778** to speak with an EAP representative.

Workers' compensation and unemployment insurance

Workers' compensation provides benefits to employees who, while at work, sustain injuries that meet the legal definition of "compensable injuries" under state workers' compensation regulations. Therefore, not all injuries that occur during the course and scope of employment are covered by workers' compensation. You should immediately report any injury, no matter how slight, to your leader in writing. If you are unable to immediately report an accident or injury, you should provide written notice of the accident or injury as soon as practicable.

Failure to report within 30 days of the occurrence of the injury/accident may result in loss of benefits. Employees should follow facility guidelines for treatment locations. Employee benefits may be continued during a workers' compensation absence as explained under "employee benefits during a leave of absence."

All eligible employees are covered under the provisions of unemployment regulations which provide unemployment benefits to those who qualify. Novant Health pays the entire cost for this program.

Non-discrimination and access to healthcare

Novant Health does not discriminate against any person on the basis of race, color, religion, sex, national origin, age, disability, veteran's status, sexual orientation or any other characteristics or status protected by law with regard to admission, treatment or participation in its programs, services and activities, or in employment. Free foreign language interpreters are available for individuals who are limited English proficient. Free sign language and oral interpreters, TTY's and other services are available to deaf and hard-of-hearing persons. For further information about this policy, contact: Novant Health director of internal audit & compliance, 1-704-384-7638 or TDD 1-800-735- 8262.

Code of ethics

(Appendix A)

Novant Health maintains a reputation for integrity and honesty in dealing with patients, employees, vendors, and regulating agencies, and the public. We are proud of this reputation; it is our heritage and our future.

The Novant Health Code of Ethics establishes our commitment to the highest ethical standards. The Code of Ethics puts in writing the ethical principles we follow when conducting our business. It provides a clear statement of policy to Novant Health employees, medical staff members, our Board of Trustees, independent contractors, students, volunteers, and anyone representing Novant Health. Novant Health also maintains separate policies that provide additional guidance on various specific topics. The Code of Ethics and these separate policies are key parts of Novant Health's corporate compliance plan.

All representatives and employees are responsible for reading the Code of Ethics and abiding by its terms. The Code of Ethics is rigorously enforced. Anyone who willfully violates the Code of Ethics is subject to disciplinary action up to and including termination. Individuals should report any violations of the Code, or even situations that give the appearance of a violation. Reports can be made to your supervisor or the Corporate Compliance department. You may also report potential violations anonymously to The Alert Line at 1-800-350-0094 or <https://novanthealth.alertline.com>. Any person who makes a good faith report of suspected wrongdoing will not be penalized for reporting.

POLICY

The Code of Ethics is organized into categories that explain related topics in greater detail:

- Patient Care;
- Compliance with Laws and Regulations;
- Proper Use of Funds;
- Avoiding Conflicts of Interest;
- Protecting Company Assets;
- Charitable Organization and Status; and
- Employment

Patient Care

a. Patient Rights

We are dedicated to providing quality patient care while respecting individual autonomy and dignity, as reflected in our Patient's Bill of Rights. We encourage patients and their families to participate in decisions regarding patient care, and to be familiar with advance directives in the event the patient is unable to make decisions.

We comply with all laws prohibiting discrimination on the basis of: race, color, religion, sex, age, national origin, disability, veteran status, genetic information, sexual orientation, gender identity, or any other characteristics or status protected by law. Patients are admitted to facilities and programs regardless of race, creed, ethnic origin, or any other characteristic protected by law.

We make decisions related to admission, on-going care, transfer, and discharges based on a patient's assessed needs and our ability to meet those needs. The integrity of the clinical decision-making process will be maintained at all times.

Financial incentives will not impact decisions for needed services. Referrals are made based on patient need or diagnosis; any benefit to the facility for such a referral is disclosed to the patient. The appropriateness and safety of care, treatment, and services do not depend on the patient's ability to pay.

b. Emergency Treatment

We provide an emergency medical screening examination and necessary stabilization to all patients that present to our Emergency Departments regardless of that patient's ability to pay, in accordance with the Emergency Medical Treatment and Labor Act (EMTALA).

Patients with emergency medical conditions may be transferred to another facility at the patient's request, or if the patient's medical needs cannot be met at the Novant Health facility (e.g., we do not have the capacity or capability), and appropriate care is knowingly available at another facility. Likewise, we accept patients by transfer who are in need of our specialized services, based on our capacity and capability to treat, without regard to ability to pay or any other discriminatory basis.

c. Research, Investigations, and Clinical Trials

We protect patients and respect their rights during research, investigations, and clinical trials. We provide patients who choose to participate in these programs with a full explanation of expected benefits, potential discomforts and risks, and alternative services that might prove beneficial. We also fully inform these patients of procedures to be followed, especially those experimental in nature. A patient gives informed consent to participate in clinical research or investigations. A patient's choice not to participate in any research or investigation project will not compromise his or her access to services.

We comply with federal and state laws and regulations for all research, investigations, and clinical trials conducted within any of our facilities. Any facility or employee applying for or performing research of any type is responsible for following appropriate research guidelines. Any human subject research is done in conjunction with the Institutional Review Board and should be consistent with our policies regarding human subject research and IRBs.

We submit only true, accurate, and complete costs related to research grants.

d. Accreditation

We deal with accreditation and government survey bodies in a direct, open, and honest manner, whether before, during, or after any survey. We will never mislead accreditors or survey teams, either directly or indirectly.

Compliance with Laws and Regulations

e. Privacy and Security Requirements

We maintain policies and procedures to comply with the Administration Simplification Act of 1996 (HIPAA) and other applicable laws to ensure the appropriate protection of patient privacy and the security and integrity of personal information. Pursuant to HIPAA, we provide patients with a written notice of our information practices. We also have processes for controlling access to, use, and disclosure of protected health information (PHI). Specifically, we maintain an information security program designed to safeguard PHI. We provide employee education on handling and safeguarding PHI and provide guidance on how complaints about privacy **practices** may be filed.

f. Bribes and Improper Payments

We cannot enter into any agreement or arrangement that involves a commission, rebate, bribe, kickback, or any other item of value, if it is known or reasonably suspected that the intent or likely result of that item of value is to improperly reward, either directly or indirectly:

- Any employee, official, or representative of the federal or state government or any of their departments or agencies;
- Any Medicare Administrative Contractor under contract with the federal or state government, or any of their departments or agencies for the administration of any health care insurance program in which Novant Health or any of its operating subsidiaries participates;
- Any officer, director, employee, shareholder, or other representative of a customer, supplier, or other institution with which Novant Health or any of its operating subsidiaries has existing or prospective business relations; or
- Any physician, health care provider, or any other person or company that is in a position to refer or encourage the referral of patients to Novant Health for the delivery of health care services by a Novant Health operating subsidiary.

Improper rewards include the giving or receiving of anything of value, not just money. Additionally, employees are prohibited from giving improper rewards (or something of value) to any individuals as an incentive to make decisions or take actions favorable to Novant Health, or to make referrals to a Novant Health operating subsidiary. It is not permissible to take any such action just because it appears to be customary in a certain location or a particular area of business activity.

To the extent possible, Novant Health requires that all business arrangements between it and possible sources of patient referrals conform to the safe harbor regulations under the federal Anti-Kickback Statute. Novant Health also requires that all compensation arrangements with physicians who make referrals to Novant Health conform with applicable exceptions to the federal Physician Self-Referral law, related regulations, and any similar state laws.

g. Interactions with Physicians

Two key principles govern our interactions with physicians:

1. We accept patient referrals and admissions based solely on the patient's medical needs and our ability to meet those needs. We do not pay or offer to pay or accept anything of value from anyone – colleagues, physicians, or other people or entities – for patient referrals.
2. We do not accept payment for patient referrals we make. We are not permitted to solicit or receive anything of value, directly or indirectly, in exchange for patient referrals. Similarly, when making patient referrals to another health care provider, we do not take into account the volume or value of referrals that the provider has or may make to us.

Federal and state laws and regulations govern the relationships between hospitals and physicians who refer patients to those facilities. In addition, the Internal Revenue Service prohibits people, including physicians, from receiving a private benefit as a result of their relationships with a tax-exempt health care organization.

Novant Health representatives who interact with physicians should be aware of the legal, regulatory, and policy requirements that address relationships between physicians and hospitals or health care systems. This is especially so when making payments to physicians for services rendered, leasing space, recruiting physicians to the community, acquiring physician practices, and arranging for physicians to serve in leadership positions.

Any business arrangement with a physician must be developed to ensure compliance with legal requirements, regulatory guidance, and our policies and procedures. All arrangements must be in writing and approved by the Novant Health Legal Department before making any payment to a physician. All contract payments or benefits provided to physicians should be supported with appropriate documentation reflecting the business purpose of the payments or benefits. Additionally, relationships with physicians must be diligently administered as agreed so as to avoid legal violations.

h. Physician Owners and Structuring of Joint Ventures

Health care providers that have physician investors or participants are subject to requirements designed to prevent physicians from benefitting from referrals to companies in which they have a financial or economic interest. The providers and physicians involved must ensure that the overall structure of the relationship complies with the requirements related to ownership interests, investment structure, and reporting.

i. Environmental Compliance

We comply with all environmental laws and regulations as they relate to our organization's operations. This means we:

- Act to preserve our natural resources to the fullest extent reasonably possible;
- Recycle where possible;
- Comply with requirements for the proper handling of hazardous materials;
- Comply with environmental laws and operate our facilities with the necessary permits, approvals, and controls;
- Diligently use proper procedures to prevent pollution and provide a beneficial environment of care;
- Immediately alert supervisors to any situation regarding the discharge of a hazardous substance, improper disposal of hazardous medical waste, or any situation that may be damaging to the environment; and
- Work with authorities to remedy an environmental contamination for which we may be responsible.

Proper Use of Funds

j. Charging, Coding, and Billing for Services

We have policies, procedures, and systems in place to facilitate accurate billing to patients, government payers, and commercial payers, which conform to related federal and state laws and regulations.

We do not knowingly present or cause to be presented claims for payment or approval which are false, fictitious, or fraudulent. Employees who perform billing, coding, or charge entry shall take every reasonable precaution to ensure that their work is accurate, timely, and in compliance with our policies, and federal and state laws and regulations.

Individuals who add to a patient's medical record must provide accurate information and not destroy any information considered part of the official medical record. Accurate and timely documentation also depends on the diligence and attention of physicians who treat patients across our locations. We expect those physicians to provide us with complete and accurate information in a timely manner, including the documentation of medical necessity.

Any subcontractors engaged to perform billing or coding services are expected to have the necessary skills, quality control processes, and appropriate systems and procedures to ensure that all billings for patients, government programs, and commercial insurance programs are accurate and complete.

Additionally, we implement and maintain a system of controls to ensure an appropriate charge capture process, including the continual updating of fee schedules and charge lists.

Examples of unacceptable billing and coding practices include: presenting, or causing to be presented, a claim for services that were not provided; or submitting bills with improper billing and coding practices, such as “upcoding” and “unbundling.” Upcoding is the process of using a code to increase the reimbursement for a particular medical procedure, even though available evidence suggests another code with a lower reimbursement value is more appropriate. Unbundling is the process of billing various parts of one medical procedure separately in an effort to increase reimbursement.

Our employees are obligated to notify their supervisor or a member of management of any requests to deviate from accepted billing practices, or with any questions they may have in this area.

k. Collection of Medicare Deductible and Coinsurance Amounts

Our policy is to bill patients promptly for the services provided and to take all necessary and appropriate action to collect patient accounts. We are also required to collect deductible and coinsurance amounts from most patients.

l. Cost Reports

We maintain a system of internal controls to ensure compliance with federal and state laws, regulations, and guidelines relating to cost reports, which define what costs are allowable and how to claim reimbursement for the cost of services provided to program beneficiaries.

m. Financial Reporting

We maintain a high standard of accuracy and completeness in documenting, maintaining, and reporting financial information. This information serves as a basis for managing our business and is important to meeting our obligations to patients, colleagues, stakeholders, suppliers, and others. It is also necessary for compliance with tax and financial reporting requirements.

All financial information must reflect actual transactions and conform to generally accepted accounting principles in the United States. We maintain a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with management’s authorization and are recorded in a proper manner to maintain accountability of the organization’s assets.

Avoiding Conflicts of Interest

n. Conflicts of Interest

Actual or potential conflicts of interest could detract from our mission as an ethical, effective and efficient healthcare organization. A conflict of interest occurs when an employee, in the course of his or her job duties, has a financial or personal interest that may compromise or have the appearance of compromising his or her effectiveness or objectivity in the performance of his or her job duties.

Any circumstance that might lead to the appearance of a conflict of interest should be disclosed and reviewed to determine whether an actual conflict of interest exists. In addition, certain employees must annually disclose actual or potential conflicts of interest. Anytime a potential conflict of interest arises, the annual disclosure should be updated. Our Conflict of Interest policy explains conflicts of interest and the disclosure process in more detail.

o. Gifts and Business Courtesies

Any gifts, favors, or hospitality, whether given or received by any employee, should contribute to our mission, vision, and values with highest regard for patient care. We should neither accept nor keep anything of value that has the potential to materially affect the ability to make decisions in the interests of patients. Additionally, we do not solicit vendors and manufacturer representatives for gifts for any purpose, including door prizes, except as allowed under Novant Health Foundations, or for company approved or endorsed fundraising. Our Gifts and Business Courtesies policy provides additional guidance on relationships with **referral sources, vendors, industry** groups, professional organizations, trade organizations, vendor sponsored conferences, and patients. Good judgment and decisions appropriate to the situation and reflecting the intent of the policy should be used when specific guidance is not found in the policy.

p. Speaking Engagements

We encourage employees to participate as a faculty member or speaker at educational programs and functions. Employees who participate in speaking engagements may accept reimbursement from the sponsoring party for expenses related to travel and registration fees that are required as part of the speaking engagement. Any honorarium may be kept by the employee if the employee prepares for and participates in the speaking engagement on his or her own time. Otherwise, the honorarium should be directed to the appropriate Novant Health Foundation

All speaking engagements should be disclosed in accordance with the Novant Health Conflicts of Interest policy, and if under contract, in compliance with any terms or conditions regarding honoraria.

q. Vendors, Suppliers, and Contractors

Our relationships with contractors, vendors, and suppliers must be managed in a fair and reasonable manner, free from conflicts of interest, and consistent with applicable laws and good business practices.

We promote competitive purchasing to the fullest extent practicable. We use the highest ethical standards in business practices for source selection, negotiation, determination of contract awards, and the administration of all purchasing activities.

Our contractor, vendor, and supplier selections will be made on the basis of objective criteria, including: quality, technical excellence, prices, delivery, and adherence to schedules, service, and maintenance of adequate supply sources. Our purchasing decisions will be made on the supplier's ability to meet our needs, not on personal relationships and friendships.

During the selection process, we may find it beneficial to visit other facilities that purchased the vendor's products, or to consult with various technical experts. We should pay for the cost of any such trips, not the vendor. Budgeting and purchasing negotiations should accommodate travel and other expenses required to obtain the best products or services.

We do not communicate to any third-party confidential information given to us by our suppliers unless directed to do so in writing by the supplier. We do not disclose contract pricing and information to any outside party. Appropriate commissions, rebates, discounts, or other allowances are permissible if they are compliant with applicable laws and our policies.

We provide all vendors with access to our Code of Ethics and other pertinent policies. Contractors, vendors, and suppliers are expected to comply with this Code and healthcare laws, rules, and regulations.

r. Engagement of Independent Contractors, Agents, and Consultants

At times, we need services offered by contractors or consultants who are not employees of the company. We may enter into independent contractor agreements to acquire services that are necessary for legitimate business purposes at a reasonable cost. All independent contractor arrangements will be covered by a written contract, approved by our legal department. These contracts shall provide us with access to the contractor's records in accordance with applicable laws.

s. Marketing Practices

▪ Marketing and Advertising

We may use marketing and advertising to provide information to our communities, educate the public, increase awareness of our services, and recruit employees. We present only truthful, fully informative, and non-deceptive information in these materials.

▪ Antitrust

Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. These laws could be violated by discussing Novant Health business with a competitor. Examples of this may include: discussing how our prices are set; disclosing terms of supplier relationships; communicating market allocation among competitors; or agreeing with a competitor to refuse to deal with a supplier.

Additional subjects that must not be discussed with competitors include: any aspect of our pricing; our services in any market; key costs, such as labor costs; and our marketing plans. If a competitor raises any of these prohibited subjects, employees must end the conversation immediately and contact the Legal Department.

▪ Gathering Information about Competitors

It is not unusual to obtain public information about other organizations, including our competitors, through various legal and ethical means. These may include public documents and presentations, journal and magazine articles, or other published or spoken information. However, employees should avoid seeking or receiving information about a competitor through any inappropriate means.

Protecting Assets

t. Record Management

Effective corporate compliance requires a clear and complete documents system. Our record management policy establishes a system for the creation, distribution, retention, and destruction of corporate records.

u. Company Assets

We strive to preserve and protect company assets by making sensible and effective use of resources, and by properly and accurately reporting the company's financial condition. The company's assets and our employees' services are intended to be used only for our business purposes.

Disclosing or using confidential, special, or inside information of or about Novant Health, for personal profit or advantage, or to provide an advantage to any vendor or supplier, is prohibited.

v. Copyrights

Our employees may not copy for their own use documents, computer programs, or other materials in violation of copyright laws or licensing agreements.

Charitable Organization and Status

w. Commitment to Charitable Purpose

Novant Health is a non-profit, tax-exempt organization committed to operating in a manner that furthers its charitable purposes, in compliance with all requirements related to tax-exempt healthcare organizations.

x. Charity Care

We provide patients and their families with information about charity care and various financial assistance programs. Our financial counselors work with patients and their families and sponsors to ensure that patients are appropriately qualified and referred to these programs. All discounts, relief from collection proceedings, and other financial arrangements are made only within the context of established programs.

y. Government Relations and Political Activities

We comply with all federal, state, and local laws governing participation in government relations and political activities. We are nonpartisan with respect to the nomination or election of candidates to public office, and do not support or take positions on political parties or the nomination or election of individual candidates to a political office.

However, we may from time to time take public positions on issues that are important to our welfare, that of our employees, the public, or other stakeholders. We may publically offer recommendations concerning proposed legislation or regulations when our experience might be helpful. We may also analyze and take public positions on issues that have a relationship to our operations when our experience contributes to the understanding of the issues. We will, however, refrain from taking a public position on an issue when doing so could be construed as an implied endorsement of a candidate for political office. However, we may employ and consider for employment elected officials and candidates for office.

We have many contacts and dealings with government bodies and officials, and may invite elected officials and candidates for office to address leadership groups for the purpose of education about government issues and challenges. Electioneering or fundraising activities are prohibited at such events.

Our contacts and transactions with government bodies and officials must be conducted in an honest and ethical manner. Any attempts to influence the decision-making process of a government official by an improper offer of any benefit are absolutely prohibited. Any requests or demands by a government representative for any improper benefit should be immediately reported to the Legal Department.

We may not use corporate funds, properties, or services, whether directly or indirectly, for the purpose of influencing the nomination or election of any candidate to public office. This includes financial and non-financial donations, such as using work time and telephones to solicit for a political cause or candidate, or loaning Novant Health property for use in a political campaign. This prohibition also includes indirect payments, loans, deposits or guarantees, the performance of services, and the furnishing

of anything of value by an employee as part of his or her duties for Novant Health or its operating subsidiaries.

We encourage employees to participate in the democratic process of voting and may promote voter registration. We recognize that encouraging individual voter responsibility may include electioneering and personal finance contributions to election campaigns or political organizations on the part of our employees. However, these activities are at the employee's sole expense and we will not provide reimbursement in any form. Further, no electioneering or political activities by employees shall be conducted on the premises or time of Novant Health, or under any circumstance which may create the appearance that such activity is sponsored by Novant Health.

z. Workplace Fund-raising and Charitable Activities

We support a variety of charitable activities, including: fundraising, community events, health and wellness promotions, and various social activities intended to support specific community charities.

When the company or a facility decides to support a charitable organization, no employee should be compelled to contribute to the charitable organization. Neither should there be any workplace consequences for non-participation.

Employment

aa. Controlled Substances

Many of our employees have routine access to prescription drugs, controlled substances, and other medical supplies. Many of these substances are governed and monitored by specific regulatory organizations and must be administered by physician order only. To minimize risks to patients and our employees, prescription and controlled medications and supplies must be handled properly and only by authorized individuals.

If anyone becomes aware of inadequate security of drugs or controlled substances, or the diversion of drugs from the company, the incident must be reported immediately.

bb. License and Certification Renewals

Employees, independent contractors, and privileged practitioners in positions requiring professional licenses, certifications, or other credentials, are responsible for maintaining the current status of their credentials. They shall comply at all times with federal and state requirements applicable to their respective disciplines. We do not allow any employee, independent contractor, or privileged physician to work without a valid, current license or credential.

cc. Health and Safety

Our facilities comply with government rules and regulations that promote workplace health and safety. Policies and procedures exist to protect our workers from potential workplace hazards. Workers must become familiar with and understand how these policies apply to their specific job responsibilities and seek advice from their supervisor whenever they have a question or concern. It is important that any worker immediately notify his or her supervisor of any serious workplace injury or any situation presenting a danger.

dd. Diversity and Equal Employment Opportunity

The success of Novant Health depends in large measure on our ability to work together to fulfill our vision and goals. This means we treat employees, patients, and other persons fairly, and without regard to race, color, religion, sex, ethnic origin, age, disability, veteran status, genetic information, sexual orientation, gender identity, or any other characteristics or status protected by law.

No form of harassment or discrimination on the basis of race, color, religion, sex, ethnic origin, age, disability, veteran status, genetic information, sexual orientation or any other characteristic or status protected by law will be tolerated. Every allegation of harassment or discrimination will be promptly investigated in accordance with applicable human resource policies. For additional information, refer to our policies regarding sexual other unlawful harassment, discrimination, and Equal Employment Opportunity.

ee. Harassment and Workplace Violence

Every employee has the right to work in an environment free of unlawful harassment. We do not tolerate harassment by anyone based on the diverse characteristics or cultural backgrounds of those who work with us. Degrading or humiliating jokes, slurs, intimidation, or other harassing conduct (as prohibited by our policy on harassment) is not acceptable in our workplace.

Sexual harassment is also prohibited. This prohibition includes unwelcome sexual advances or requests for sexual favors in conjunction with employment decisions. Moreover, verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment has no place at Novant Health.

Harassment also includes incidents of workplace violence. Workplace violence includes robbery and other commercial crimes, stalking, violence directed at an employer, terrorism, and hate crimes committed by current or former employees. Employees who observe or experience any type of harassment or violence should report the incident to their supervisor, a member of management, the Human Resources Department, or the Novant Health Alert Line.

ff. Substance Abuse and Mental Acuity

We are committed to an alcohol and drug-free workplace. All workers must be free of the influence of alcohol and illegal drugs when reporting for work. Using, possessing, or selling controlled substances or illegal drugs while on work time or on Novant Health property may result in disciplinary action, up to and including termination.

gg. Hiring of Former/Current Government Agency or Contractor Employees

We may hire former or current federal or state employees. However, their recruitment and employment, including independent contractor arrangements, may be impacted by conflict of interest regulations. Hiring employees directly from a government agency or contractor requires certain regulatory notifications. Corporate Human Resources and the Legal Department should be consulted by management prior to entering into any such employment negotiations.

10 ways you can embrace diversity and practice inclusion

(Appendix B)

By being more aware of the diverse individuals you work with in your department, across the organization, outside of our organization and customers you serve, you'll see a change in how you live your life. For some people, that's a great undertaking. But you're likely to find it's worth the effort.

Diversity is a core competency that involves:

- Recognizing that our differences are our strengths
- Creating an environment that values and celebrates individual differences
- Encouraging each individual to achieve her/his maximum potential
- Working together with a shared mission, vision and value; valuing our customers and business partners

Cultural competency is the willingness and ability to understand and work with people from different backgrounds. Cultural competency involves having culturally sensitive attitudes and behaviors.

Becoming aware of the diversity of people around you, and using that knowledge in a helpful manner is part of your job. Knowing how to practice good diversity awareness, like good customer relations, is expected of every employee at Novant Health.

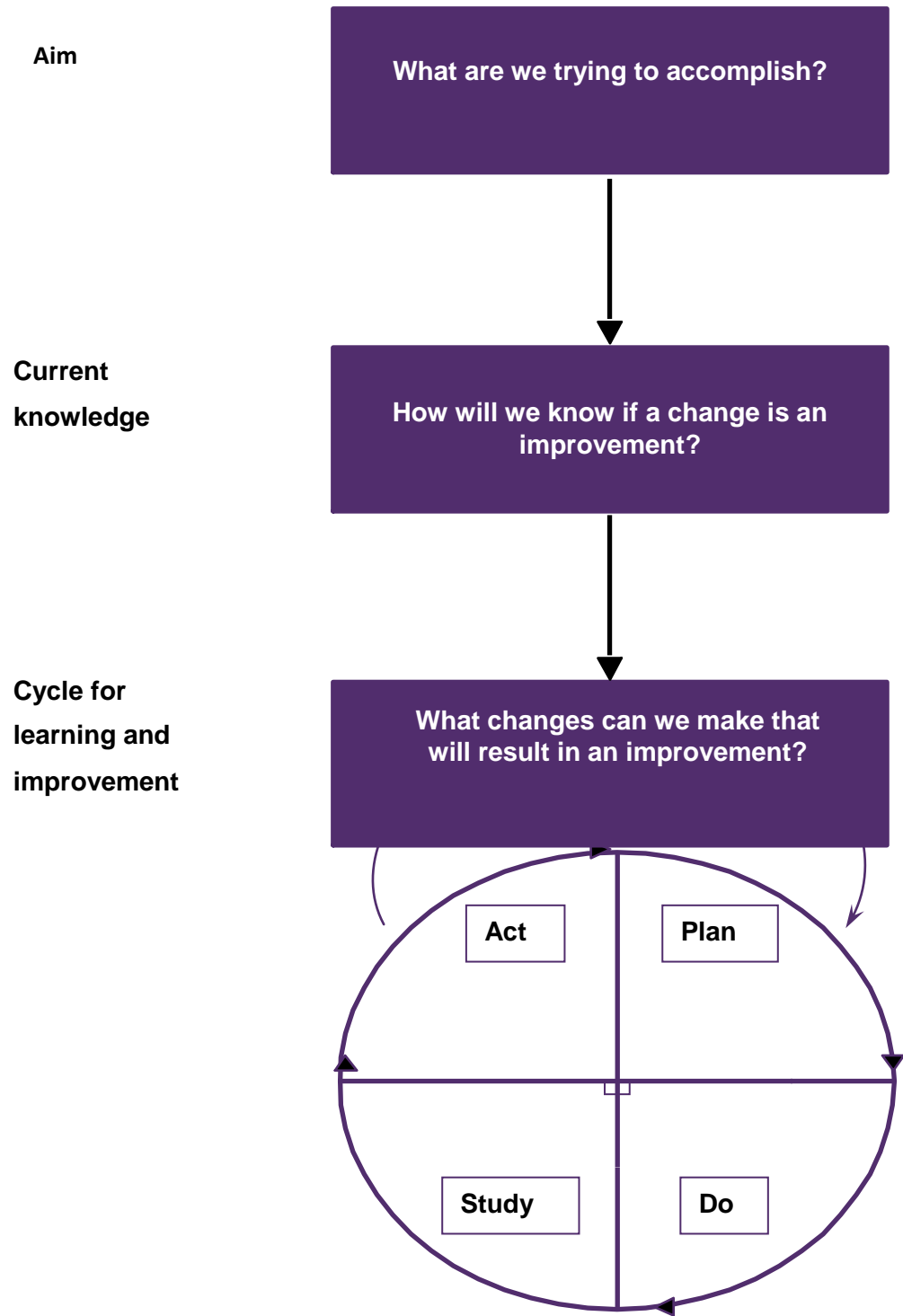
Although diversity is one of the four stated values, practicing diversity awareness throughout the organization won't happen overnight. You can begin practicing diversity awareness today.

Human behavior research has shown that it takes 28 days to break a bad habit or form a good one. And habits are a matter of practice. Try at least one of the following tips every day for the next month and you'll likely see a difference in yourself and your work.

1. **Adjust your attitude.** It's easy to stereotype an individual; but don't assume you understand someone just because of where she/he was born or the color of her/his skin.
2. **Be inclusive.** If you have a project to work on, be sure your team is assembled well. Research shows that if you include people who will bring different perspectives, you'll likely get a better result.
3. **Talk about it.** Be willing to openly discuss diversity issues, such as gender bias or cultural differences, without getting upset. If views differ, you can agree to disagree agreeably.
4. **Get to know someone "diverse."** Make a point of getting to know someone this week who differs from you. Share a cup of coffee and learn a thing or two.
5. **Seek first to understand.** Don't jump to conclusions based on what you think you know about someone; but don't ignore what you do know.
6. **Speak out.** When someone makes offensive comments or tells offensive jokes, let him or her know that it's not appropriate and if necessary, walk away.
7. **Don't assume.** Don't think someone thinks the way you do about an issue; you could be very wrong and cause misunderstandings or undue conflict.
8. **Expand your horizons.** Visit a restaurant that serves "ethnic" food, or take in a multicultural art exhibit. Add books or videos that demonstrate diversity to your family collection.
9. **Volunteer.** Call the United Way Volunteer Center and find out how you can reach out and help others who may be different from you.
10. **Be diverse yourself, and educate others.** Apply diversity awareness when you're away from work. If you're aware of diversity in your personal life, your life will change as your outlook changes.

Model for continuous improvement

(Appendix C)



Notice of COBRA Continuation Coverage Rights
**** Continuation Coverage Rights Under COBRA ****

(Appendix D)

Introduction

You are receiving this notice because you have recently become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

- You lose benefit eligibility, or
- Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

- Your spouse dies;
- Your spouse's hours of employment are reduced;

- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the plan as a "dependent child."

When is COBRA Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred.

You Must Give Notice of Some Qualifying Events

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to: Novant Health Human Resources; 4020 Kilpatrick Street; Winston Salem, NC 27104.

How is COBRA Coverage Provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

If You Have Questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Plan Contact Information

Novant Health Human Resources
Attn: COBRA Coordinator
4020 Kilpatrick Street
Winston Salem, NC 27104
Phone: 1-888-820-2294

HIPAA Privacy Notice

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Summary: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires health plans to notify plan participants and beneficiaries about its policies and practices to protect the confidentiality of their health information. This document is intended to satisfy HIPAA's notice requirement with respect to all health information created, received, or maintained by Novant Health Inc.'s Group Benefit Plan (the "Plan"), as sponsored by Novant Health, Inc. (the "Company"). The Plan needs to create, receive, and maintain records that contain health information about you to administer the Plan and provide you with health care benefits. This notice describes the Plan's health information privacy policy with respect to your self-insured Medical, Dental, EAP and Health-Care FSA. The notice tells you the ways the Plan may use and disclose health information about you, describes your rights, and the obligations the Plan has regarding the use and disclosure of your health information. However, it does not address the health information policies or practices of your health care providers.

Novant Health's Pledge Regarding Health Information Privacy

The privacy policy and practices of the Novant Health Inc. Group Benefit Plan, EIN 56-1376950, Plan No. 501 (Medical, Dental, Vision, EAP and Health-Care FSA, as applicable to you) protects confidential health information that identifies you or could be used to identify you and relates to a physical or mental health condition or the payment of your health care expenses. This individually identifiable health information is known as "protected health information" (PHI). PHI does not include individually identifiable health information in employment records held by the Company, in its role as an employer. The information that is held in employment records includes drug testing results; sick leave requests and a doctor's statement documenting sick leave; and medical information needed for processing FMLA leave requests.

Privacy Obligations of the Plan

The Plan is required by law to:

- make sure that health information that identifies you is kept confidential as required by HIPAA;
- give you this notice of the Plan's legal duties and privacy practices with respect to health information about you; and
- follow the terms of the notice that is currently in effect.

Further, when and as required by HIPAA, the Plan will notify you in the event of a breach of your unsecured PHI.

Uses and Disclosures That Require Your Written Authorization

Your PHI will not be used or disclosed without an authorization from you, except as described in this notice or as otherwise permitted by federal and state health information privacy laws. Your written authorization is also required for:

- **Use or disclosure of psychotherapy notes.** Except as provided in HIPAA Section 164.508(a) (2), your authorization is required for use or disclosure of psychotherapy notes, as they are defined under HIPAA, about you.

If you authorize the Plan to use or disclose your PHI, you may revoke your authorization at any time by submitting a written request to the Novant Health manager of benefit operations. If you revoke your authorization, the Plan will no longer use or disclose your PHI for the reasons covered by your written authorization. However, your revocation will not affect any uses or disclosures the Plan has already made prior

to the date the Plan receives written notice of the revocation, nor will it affect the Plan's right to use your PHI in accordance with federal and state health information privacy laws.

How the Plan May Use and Disclose Health Information About You

The following are different ways the Plan and its business associates may use and disclose your PHI without your consent, authorization or opportunity to agree or object:

- **For Treatment.** Treatment is the provision, coordination or management of health care and related services. It also includes, but is not limited to, consultations and referrals between one or more of your providers. The Plan may disclose your PHI to a health care provider who renders treatment on your behalf. For example, if you are unable to provide your medical history as the result of an accident, the Plan may advise an emergency room physician about the types of prescription drugs you currently take.
- **For Payment.** Payment includes but is not limited to actions to make coverage determinations, provide benefits, and payment (including billing, claims management or adjudication, claims appeals determinations, coordination of benefits with another health plan, subrogation, Plan reimbursement, reviews for medical necessity and appropriateness of care, utilization review, pre-certification or pre-authorizations). The Plan may use and disclose your PHI so claims for health care treatment, services, and supplies you receive from health care providers may be paid according to the Plan's terms. For example, the Plan may receive and maintain information about surgery you received to enable the Plan to process a hospital's claim for reimbursement of surgical expenses incurred on your behalf.
- **For Health Care Operations.** Health care operations include, but are not limited to, quality assessment and improvement, reviewing competence or qualifications of health care professionals, evaluating health plan performance, underwriting, enrollment, premium rating and other insurance activities related to creating, renewing or replacing a health insurance or health benefits contract or a stop-loss or excess loss insurance contract. It also includes disease management, case management, conducting or arranging for medical review, legal services and auditing functions including fraud and abuse compliance programs, population-based activities related to improving health or reducing health care costs, business planning and development, business management, and general administrative activities. The Plan may use and disclose your PHI to enable it to operate or operate more efficiently or make certain all of the Plan's participants receive their health benefits. For example, the Plan may use your PHI for case management or to perform population-based studies designed to reduce health care costs. In addition, the Plan may use or disclose your PHI to conduct compliance reviews, audits, actuarial studies, and/or for fraud and abuse detection. The Plan may also combine health information about many Plan participants and disclose it to the Company in its role as a Plan Sponsor in summary fashion so it can decide what coverages the Plan should provide. Except as provided below, the Plan must remove information that identifies you from health information disclosed to the Company so it may be used without the Company learning who the specific participants are.
- **To the Company.** The Plan may disclose your PHI to designated Company personnel so they can carry out their Plan-related administrative functions, including the uses and disclosures described in this notice. Novant Health is the Plan Sponsor of the Plan and disclosures mentioned in this section are disclosures to the Plan Sponsor. Such disclosures will be made only to the Plan Administrator, Benefits Review Committee, Manager, Benefits Administration, Privacy Official, Novant Health Benefits Department personnel, and Business Unit Human Resources and Benefits Administrators. These individuals will protect the privacy of your health information and ensure it is used only as described in this notice or as permitted by law. Unless authorized by you in writing, your health information: (1) may not be disclosed by the Plan to any other Company employee or department and (2) will not be used by the Company for any employment-related actions and decisions or in connection with any other employee benefit plan sponsored by the Company.
- **To a Business Associate.** Certain services are provided to the Plan by vendors and other consultants known as "business associates." The Plan may use Novant Health Care Connections, which is a part of

the Company, as a business associate for certain case management and population-based activities, and Novant Health Care Connections may not share PHI with human resources personnel of the Company. The Plan may input information about your health care treatment into an electronic claims processing system maintained by the Plan's business associate so your claim may be paid. In so doing, the Plan will disclose your PHI to its business associate so it can perform its claims payment function. The Plan may also utilize the electronic medical record systems and staff of Novant Health, as a business associate, in order to document case management and population-based activities for the benefit of you and other enrollees. The Plan will require its business associates, through contract, to appropriately safeguard your health information.

- **Treatment Alternatives.** The Plan may use and disclose your PHI to tell you about possible treatment options or alternatives that may be of interest to you.
- **Health-Related Benefits and Services.** The Plan may use and disclose your PHI to tell you about health-related benefits or services that may be of interest to you.
- **Individuals Involved in Your Care or Payment of Your Care.** The Plan may use or disclose PHI to your family member, other relative, your close personal friend, or other person you identify, if the PHI is directly relevant to such person's involvement in your health care or payment related to your care. The Plan may use or disclose your PHI to notify a family member, your personal representative, or another person responsible for your care, about your location, condition, or death. In these situations, when you are present and not incapacitated, the Plan will either (1) obtain your agreement; (2) provide you with an opportunity to disagree to the use or disclosure; or (3) using reasonable judgment, infer from the circumstances that you do not object to the disclosure. If you are not present, or you cannot agree or disagree to the use or disclosure due to incapacity or emergency circumstances, the Plan may use professional judgment to determine that the disclosure is in your best interests and disclose PHI relevant to such person's involvement in your care, payment related to your health care, or notification purposes.
- **As Required by Law.** The Plan will disclose your PHI when required to do so by federal, state, or local law and the use or disclosure complies with the law and is limited to the relevant requirements of such law, including those that require the reporting of certain types of wounds or physical injuries.

Note: The Plan does not use or disclose PHI that is genetic information for underwriting purposes. Underwriting purposes means: (1) rules for, or determination of, eligibility (including enrollment and continued eligibility) for, or determination of, benefits under the Plan (including changes in deductibles or other cost-sharing mechanisms in return for activities such as completing a health risk assessment or participating in a wellness program); (2) the computation of premium or contribution amounts under the Plan (including discounts, rebates, payments in kind, or other premium differential mechanisms in return for activities such as completing a health risk assessment or participating in a wellness program); (3) the application of any pre-existing condition exclusion under the Plan, coverage, or policy; and (4) other activities related to the creation, renewal, or replacement of a contract of health insurance or health benefits. However, underwriting purposes does not include determinations of medical appropriateness where an individual seeks a benefit under the Plan.

Special Use and Disclosure Situations

The Plan may also use or disclose your PHI without your consent, authorization or opportunity to agree or object under the following circumstances:

- **Lawsuits and Disputes.** If you become involved in a lawsuit or other legal action, the Plan may disclose your PHI in response to a court or administrative order, a subpoena, warrant, discovery request, or other lawful due process provided certain conditions are met.
- **Law Enforcement.** The Plan may release your PHI if asked to do so by a law enforcement official, for example, to identify or locate a suspect, material witness, or missing person or to report a crime, the crime's location or victims, or the identity, description, or location of the person who committed the crime.
- **Workers' Compensation.** The Plan may disclose your PHI to the extent authorized by and to the extent necessary to comply with workers' compensation laws and other similar programs.
- **Military and Veterans.** If you are or become a member of the U.S. armed forces, the Plan may release medical information about you as deemed necessary by military command authorities.

- **To Avert Serious Threat to Health or Safety.** When consistent with applicable law and standards of ethical conduct, the Plan may use and disclose your PHI when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person.
- **Public Health Activities.** The Plan may disclose health information about you for public health activities, including to assist public health authorities or other legal authorities to prevent or control disease, injury or disability; reporting births and deaths; reporting child abuse or neglect; or reporting reactions to medication or problems with medical products or to notify people of recalls of products they have been using.
- **To Assist Victims of Abuse, Neglect, or Domestic Violence.** As required by law.
- **Health Oversight Activities.** The Plan may disclose your PHI to a public health oversight agency for oversight activities authorized by law. This includes audits, investigations, inspections, and licensure necessary for the government to monitor the health care system and government programs (for example, to investigate complaints against providers or investigate Medicare or Medicaid fraud).
- **Research.** Under certain circumstances, the Plan may use and disclose your PHI for medical research purposes as provided under the HIPAA privacy regulations.
- **National Security, Intelligence Activities, and Protective Services.** The Plan may release your PHI to authorized federal officials: (1) for intelligence, counterintelligence, and other national security activities authorized by law and (2) to enable them to provide protection to the members of the U.S. government or foreign heads of state, or to conduct special investigations.
- **Organ and Tissue Donation.** If you are an organ donor, the Plan may release medical information to organizations that handle organ procurement or organ, eye, or tissue transplantation or to an organ donation bank to facilitate organ or tissue donation and transplantation.
- **Coroners, Medical Examiners, and Funeral Directors.** The Plan may release your PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or to determine the cause of death. The Plan may also release your PHI to a funeral director, as necessary, to carry out his/her duty.
- **For law enforcement custodial situations.** We may disclose PHI about you to a correctional institution that has custody of you.
- **Disaster Relief.** Under certain circumstances, the Plan may use or disclose your PHI to a public or private entity authorized by law or by its charter to assist in disaster relief efforts.

Your Rights Regarding Health Information About You

Your rights regarding the health information the Plan maintains about you are as follows:

Right to Inspect and Copy Your Protected Health Information. You have the right to inspect and copy your PHI that is maintained in a designated record set for so long as the Plan maintains your PHI. A “designated record set” includes medical information about eligibility, enrollment, claim and appeal records, medical and billing records maintained by or for the Plan, but does not include psychotherapy notes, information intended for use in the civil, criminal, or administrative proceeding, or information that is otherwise prohibited by law.

If your PHI is maintained in one or more designated record sets electronically and if you request an electronic copy of your PHI, then the Plan will provide you with access to PHI in the electronic form and format you requested, if it is readily producible in such form or format. If it is not readily producible, then access will be provided in a readable electronic form and format that is mutually agreed upon.

You may request that the Plan provide a copy of your PHI to another person that you designate. Your request must be in writing, be signed by you, and clearly identify the designated person and where to send the copy of your PHI.

To request to inspect and/or copy health information maintained by the Plan, submit your request in writing to:

Attention: Manager of Benefit Operations
Novant Health, Inc.
4020 Kilpatrick St., Suite 201
Winston-Salem, North Carolina 27104
800-890-5420

Your request must include the form or format of access that you want, a description of the PHI that the request applies to, and appropriate contact information for you.

The Plan may charge a fee for the cost of copying and/or mailing your request. In limited circumstances, the Plan may deny your request to inspect and copy your PHI. Generally, if you are denied access to health information, you may request a review of the denial.

- **Right to Amend.** If you feel that health information the Plan has about you is incorrect or incomplete, you may ask the Plan to amend it. You have the right to request an amendment to your PHI or a record about you in a designated record set for as long as the information is kept by or for the Plan. To request an amendment, send a detailed request in writing to the manager of benefit operations. The written request must be submitted on a Novant Health approved request form, which is available from [insert]. You must provide the reason(s) to support your request. The Plan may deny your request if you ask the Plan to amend health information that was: accurate and complete, not created by the Plan; not part of the designated record set; or not information that you would be permitted to inspect and copy.
- **Right to an Accounting of Disclosures.** If you ask in writing, you can get a list of some, but not all, the disclosures the Plan made of your health information. For example, the list will not include disclosures made for treatment, payment, healthcare operations or disclosures you specifically authorized. You may ask for disclosures made in the last six (6) years. To request an accounting of disclosures, submit your request in writing to the manager of benefit operations. Your request must state a time period, which may not be longer than six years prior to the date the accounting was requested. If you request more than one accounting within a 12-month period, the Plan may charge a reasonable, cost-based fee for each subsequent accounting. You will be notified in advance of the cost involved, and you may choose to withdraw or modify your request at that time before any costs are incurred.
- **Right to Request Restrictions.** You have the right to request a restriction on the health information the Plan uses or disclosures about you for treatment, payment, or health care operations. You also have the right to request a limit on the health information the Plan discloses about you. For example, you could ask that the Plan not use or disclose to a family member or friend information about a surgery you had. To request restrictions, make your request in writing to the manager of benefit operations. You must advise us: (1) what information you want to limit; (2) whether you want to limit the Plan's use, disclosure, or both; and (3) to whom you want the limit(s) to apply.

Note: *The Plan is not required to agree to your request, but will notify you of the determination.*

- **State Privacy Rights.** You may have additional privacy rights under state laws, including rights in connection with mental health and psychotherapy reports, pregnancy, HIV/AIDS related illnesses, and the health treatment of minors.

- **Right to Request Confidential Communications.** You have the right to request that the Plan communicate with you about health matters in a certain way or at a certain location. For example, you can ask that the Plan send you explanation of benefits (EOB) forms about your benefit claims to a specified address. To request confidential communications, make your request in writing to the manager of benefit operations. The Plan will make reasonable attempts to accommodate reasonable requests for confidential communications.
- **Right to a Paper Copy of this Notice.** You have the right to a paper copy of this notice at any time, even if you received this notice previously or agreed to receive this notice electronically. You may write to the manager of benefit operations to request a written copy of this notice at any time. You may also view this notice on the Company's Intranet site, under team member resources > benefits > benefit resource center.

Changes to this Notice

The Plan reserves the right to change this notice at any time and to make the revised or changed notice effective for health information the Plan already has about you, as well as any information the Plan receives in the future. The Plan will post a copy of the current notice on the Company Intranet site, under Benefits > Benefits Resource Center > Compliance and Regulatory (NovantHealth.org/careers/benefits)

Complaints

If you believe your privacy rights under this policy have been violated, you may file a written complaint with the Plan Administrator at the address listed below. Alternatively, you may complain to the Secretary of the U.S. Department of Health and Human Services, generally, within 180 days of when the act or omission complained of occurred.

Note: You will not be penalized or retaliated against for filing a complaint.

Other Uses and Disclosures of Health Information

Other uses and disclosures of health information not covered by this notice or by the laws that apply to the Plan will be made only with your written authorization. If you authorize the Plan to use or disclose your PHI, you may revoke the authorization, in writing, at any time. If you revoke your authorization, the Plan will no longer use or disclose your PHI for the reasons covered by your written authorization; however, the Plan will not reverse any uses or disclosures already made in reliance on your prior authorization.

Contact Information

If you have any questions about this notice, please contact the manager of benefit operations as shown below:

Attention: Manager of Benefit Operations
Novant Health, Inc.
4020 Kilpatrick St., Suite 201
Winston-Salem, North Carolina 27104
800-890-5420

Notice Effective Date: January 1, 2013, and is updated effective as of September 29, 2017.

