



# Hilltown Community Health Center

**Administrative Offices**  
58 Old North Road  
Worthington, MA 01098  
413-238-5511  
[www.hchcweb.org](http://www.hchcweb.org)

**BOARD MEETING  
SEPTEMBER 27, 2017  
WORTHINGTON HEALTH CENTER  
5:30 PM**

**AGENDA**

1. Call to Order
2. Approval of the August 31, 2017 Meeting Minutes
3. Finance Committee Report
4. Chief Executive Officer / Senior Manager Reports
5. Committee Reports (as needed)
  - Executive Committee
  - Recruiting, Orientation, and Nominating (RON)
  - Corporate Compliance
  - Facilities
  - Personnel
    1. Social Media Policy
  - Quality Improvement
  - Expansion
6. Old Business
7. New Business
  - Policy Review (Annual)
    1. Financial Policy
    2. Administrative Policies
    3. Multiple Dept Policies
    4. Behavioral Health Policies
    5. SBHC-Laboratory Tests Done Policy
8. Adjourn

## HCHC BOARD OF DIRECTORS MEETING

Date/Time: 08/31/2017 5:30pm

Huntington Health Center

**MEMBERS:** John Follet, President; Kathryn Jensen; Lee Manchester; Nancy Brenner, Vice President; Cheryl Hopson; Tim Walter, Treasurer; Wendy Long

**STAFF:** Eliza Lake, CEO; Frank Mertes, CFO; Janet Laroche, Executive Assistant; Michael Purdy, CCCSO

**ABSENT:** Matt Bannister; Wendy Lane Wright, Clerk; Alan Gaitenby; Maya Bachman

Agenda Item	Summary of Discussion	Decision/ Next Steps	Person Responsible/ Due Date
Approval of Minutes 07/27/2017	<p>John Follet called the meeting to order at 5:30pm.</p> <p>The July 27, 2017 minutes were reviewed by the Board members present. <b>A motion was made by Kathryn Jensen to approve the July 27, 2017 minutes. The motion was seconded by Lee Manchester. The motion to approve the July 27, 2017 minutes as written was approved unanimously.</b> It was noted that Cheryl Hopson and Nancy Brenner abstained from the vote. A brief discussion was held regarding the format/layout of the minutes and how it might be improved. This will be looked into.</p>	The July 27, 2017 minutes were approved	
Finance Committee	<p>Tim Walter reported for the finance committee. There was a \$20,433 deficit reported for the month of July. When compared to last year, we're doing better. It was brought to the attention of this committee that there's a law suit pending from a former employee.</p> <p>For the Amherst project, there's approximately \$240,000 in additional charges pending, but there's a chance we may not need to absorb all of that cost.</p> <p>Bids have been requested for auditing services. Adelson, the company we currently use came in with the lowest bid of \$79,000 for three years. The others were over \$90,000 each. The finance committee would like to recommend that we continue with the services of Adelson. <b>Wendy Long moved that we accept the three year bid for auditing services from Adelson. Nancy Brenner seconded the motion. The motion to accept the</b></p>	Adelson auditing services bid approved	

	<p><b>auditing bid from Adelson for three years was approved.</b></p> <p>Meaningful use money should be received soon. Some of this money has been budgeted for already.</p> <p>Health center expenses are continuing on track. We're not overspending in any areas. Frank has set up a business meeting with the dental dept.</p> <p><b>A motion was made by Cheryl Hopson to accept the finance committee report. It was seconded by Wendy Long. With no further discussion needed, the finance committee report was approved.</b></p>	Finance committee report approved	
CEO Report	<p>Eliza's report was handed out to members. She reported that Masshealth has agreed to allow both Worcester county community health centers to join the ACO, C3. This was then voted upon by ACO members to allow both health centers to join. C3 is now the largest ACO in the state in terms of patients with approx. 140,000.</p> <p>The Noble Hospital Community Benefits Committee has invited Eliza to be a member and she's accepted. The hope is to develop more of a relationship with Noble. The QI Committee has spoken about Noble imaging services at several meetings due to serious issues that have come up. She recently called DPH anonymously regarding the issues we've had and was told to put our concerns in writing. She plans to speak with Noble's President about the issues first. And another call will be made to our lawyer. It was asked if we're doing enough to cover ourselves regarding these issues? It's felt that by speaking with the hospital president and our lawyer and documenting our steps, things should be covered. We do not have these issues with any other hospital.</p> <p>A meeting was held August 30 with the Amherst town administrator regarding the electrical issues in the Bangs Center. The Town will take our agreement to their lawyer for review. Both sides have agreed to compromise if it's necessary depending on the legal determination. It was asked if we may need to raise more funds? Yes, it may be necessary depending on the outcome. The</p>		

	<p>compromise would be if the fix is clearly electrical, they will pay for it. Uncovered items would be paid for by us and big utility items will be split. The lease says we can reimburse the town through our rental payments. And the Town agrees to increase rent beginning February, 2018.</p> <p>For Corp Compliance, our Service Area Competition (SAC) Application is due January, 2018. Marie Burkart will work on completing this. Support letters are being sought.</p> <p>HRSA released the compliance manual they've been promising. Now all our program requirements are all in one place. This will be reviewed. Eliza also reported that our last condition on our HRSA grant was lifted. This had been put in place for credentialing and privileging.</p> <p>Eliza informed the Board that the health center is being sued by a former employee. The complaint is regarding a breach of contract from 2012. The employee reports that there was a bonus due that was never received and this is a violation of the wage act. Our lawyers state there are grounds to dismiss the suit and the health center could counter sue. A letter for settlement was also received. Some staff members saw the lawsuit in the newspaper. This will continue to be monitored and updates will be brought to the Board.</p> <p>John asked Eliza about staff morale as a follow up from last month's meeting. Eliza is working on communication with staff. Morale seems to be down. Several staff members have left for new jobs with more responsibilities and money. She believes they're not leaving because they're upset, but for better opportunities. She stated she can't fix things if no one will come forward and talk about things. Staff say they won't come forward because nothing will be done and there will be consequences. A Board member asked what can we do about improving morale? Senior Management is working on a plan to make improvements in the sites with new paint, carpet removal, etc. It was asked if there's a role for the personnel committee to play related to this? When is the employee satisfaction survey going out again? Eliza stated that she'll need</p>		
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	<p>to find out if the committee can assist. Eliza thanked them for offering to help. They will be kept up to date. She'll find out when the employee satisfaction survey is scheduled to go out next. It was asked if staff have questions about the Amherst expansion, C3 understanding, Turmoil of healthcare system, or maybe all these pieces together? This will need to be determined.</p> <p>Eliza reported that Health Reform 4.0 is a possibility from the State.</p> <p>The Board members informed Eliza that they like the CEO updates and written reports they're receiving monthly.</p>		
Executive Committee	There was no report from the Executive Committee this month.		
Recruitment, Orientation & Nominating (RON) Committee	<p>Tim reported that there are two prospective members to be considered. Interviews are to be set up. If both are to become Board members, this will leave 2 more seats for Amherst members moving forward.</p> <p>The first candidate, Elizabeth Bell-Perkins is from Goshen and was considered in the past, but no formal process was completed at that time. The second candidate is from Montgomery and an ER MD. He grew up in the area and just moved back from Rhode Island. He seems interested in joining. It was suggested that it might be worth a try to test the commitment and work ethic of a potential board member by asking him/her to join a committee prior to joining the Board.</p>		
Corporate Compliance Committee	Corporate Compliance issues are spoken about continuously with Senior Management and reported to the Board through Eliza's CEO reports.		
Facilities Committee	Frank reported that HHC and WHC have upcoming improvements planned. Rugs will be removed, painting will take place in waiting rooms and exam rooms, and the billing dept will receive some improvements as well.		
Personnel	Personnel committee did not meet this month.		

Committee			
<p>Quality Improvement/Risk Management Committee</p>	<p>Cheryl reported that the new BH clinician is doing well.</p> <p>Two medical patient complaints were brought up at the July meeting. One patient posted on Facebook by rating our services. The patient will be contacted and treated as a complaint. Social media feedback/ratings and how to handle and reply was discussed. Matt shared the social media policy from PeoplesBank.</p> <p>Noble Hospital issues continue with untimely radiology results being received. There's been no resolution as of this meeting.</p> <p>Collecting data still remains a problem in regards to quality measures and dashboard information. Mapping is an issue and places where providers enter data in the electronic medical record. In March we'll be in the cloud on eCW and we'll need to work out the bugs again. Data collection is important and we're continually looking at how to improve. It was asked if increasing IT staff to help with this issue has been considered? Yes, but balancing the budget is also important. We're looking at consultants to hire for assistance. Will this be more of an issue when Amherst opens? No, but the same issues will continue. It was asked if things will get better in March once in the cloud? Optimization will help. The hope is to clean things up before moving to the cloud. Not everything will be better, but some things. Templates need to be set up and/or improved. Some providers use them and others don't. The dental dept has an entirely different system which creates issues. Most HCs are struggling with this issue. We're not alone.</p> <p>The NCQA application deadline is September 30. Marie Burkart is working hard on getting this completed and submitted.</p> <p>Risk management has been rolled into QI. Michael Purdy is now certified as our risk manager with training completed. It was asked what a risk manager is? A risk manager is designated to make sure safety inspections, HIPAA trainings, emergency operations, medical malpractice, etc.</p>		

	are completed.		
Expansion Committee	<p>This committee is not meeting regularly, but staying in touch with the Amherst project is important.</p> <p>It was brought to the Board that a medical office in Westfield has approached the health center to see if we'd like to purchase them. This is very preliminary at this time. It was asked why we were approached? This is a single provider office and it's becoming more difficult to operate this way. The provider wants to join a practice. It was asked why don't we just hire the provider? The provider wants to sell the practice along with the patients.</p>		
Strategic Planning Committee	<p>The action plan of the strategic plan has been worked on, which is an internal document for the health center, but the committee should see it. Eliza will send it to the committee and then bring it to the Board next month. It was asked how often should the CEO submit an update to the Board? It was suggested that twice a year would be acceptable.</p>		
Committee Reports	<p>After all the committee reports had been reviewed and discussed, <b>Tim Walter made a motion to accept all committee reports. The motion was seconded by Wendy Long and without further discussion, the reports were approved.</b></p>	<p>Committee reports and Risk Management report presented at this meeting were approved.</p>	
Old Business	None		
New Business			
Policy Review	<p>Policy review presented by Eliza Lake: Corporate Compliance Program– Items were added as annexes to the policy to make it easier to have all items in one location. <b>Tim Walter made a motion to approve the Corporate Compliance Program. Nancy Brenner seconded the motion of Tim. Without further discussion needed, the Corporate Compliance Program was approved.</b></p> <p>The Staff Corporate Compliance Committee policy was reviewed. It was stated that minutes are needed for this committee to show that the committee exists and meets. <b>Lee Manchester made a motion to approve the Staff Corporate</b></p>	<p>The Following policies were approved:</p> <ol style="list-style-type: none"> <li>1. Corporate Compliance Program</li> <li>2. Staff Corporate Compliance Committee</li> </ol> <p>The Following SBHC policies were approved:</p> <ol style="list-style-type: none"> <li>1. Accident-Incident Reports</li> </ol>	

	<p><b>Compliance Committee policy as written. Tim Walter seconded the motion. With no further discussion needed, the Staff Corporate Compliance Committee policy was approved.</b></p> <p>The annual review of the School-Based Health Center policies was conducted at this meeting. The Program Manager reviewed all of these policies prior to the Board seeing them.</p> <p>Questions regarding the policies were asked: Is Narcan allowed in schools? Do we have it at the school-based health center? Eliza was not sure, but will find out. We can only get the injectable form at this time, but don't have it at either health center site currently.</p> <p>In regards to the Confidential Visits Policy, and emancipated minors, it was asked if this is backed up by law? Yes, an example we've received is if a minor has an ectopic pregnancy and the minor is in danger, the provider can and will inform the parent/guardian.</p> <p>For the Laboratory Tests Done Policy, it was felt this was more of a statement instead of a policy. Is the intent to perform testing? Are we able to perform onsite testing? This policy is not clear. Eliza will check on this. No vote was taken on this policy.</p> <p>After a review and discussion of the following policies, <b>Wendy Long made a motion to accept the School-Based Health Center policies presented, with the exception of the Laboratory Tests Done Policy. Nancy Brenner seconded the motion. With no further discussion needed, the School-Based health Center policies presented were approved.</b></p>	<p>In-House Policy</p> <ol style="list-style-type: none"> <li>2. Appointments for Behavioral Health Policy</li> <li>3. Appointments for Students Ill at Home Policy</li> <li>4. Behavioral Health Record Policy</li> <li>5. Care to Unemancipated Minor Policy</li> <li>6. Chlamydia-Gonorrhea Screening Policy</li> <li>7. Collaborative Care of Children with Special Health Needs Policy</li> <li>8. Complaint Procedure Policy</li> <li>9. Confidential Visits Policy</li> <li>10. Confidentiality Policy</li> <li>11. Emergency Transfer of Patients Policy</li> <li>12. Employee Screening for Communicable Diseases Policy</li> <li>13. Filing Suspicion of Child Neglect-Abuse Policy</li> <li>14. Hazardous Waste Policy</li> <li>15. Infection Control-Safety Policy</li> <li>16. Laboratory Tests Referred Out Policy</li> <li>17. Laboratory</li> </ol>	
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		Policy 31. Quality Improvement Program 32. Referral of Patients to Emergency Services Policy 33. Referrals for Behavioral Health Services Policy 34. Reportable Diseases and Conditions Policy 35. Retention of Patient Files Policy 36. Selection of Personnel and Licensure-Training Policy 37. Self-Administered Pediatric Symptom Checklist Policy 38. Serious Incident Reports to DPH Policy 39. Services for School Staff Policy 40. Services Provided-Referred policy 41. Smoking Policy 42. Staffing-Coverage Policy	
Employee Credentialing	The credentialing checklist for the following new employee was brought to this meeting as being recommended for full credentialing by the Credentialing and Privileging Committee: Kimberly	Credentials were granted for Kimberly Krusell, OD.	Bridget Rida to notify employee of the granted

	<p>Krusell, OD.</p> <p>John reviewed her credentialing checklist with the Board. She's working part time to cover the hours Michael Purdy does not work. <b>With a short discussion of the employee, Lee Manchester moved to accept the recommendations of the credentialing and privileging committee to approve credentialing for Kimberly Krusell. Tim Walter seconded the motion, and with no further discussion, the motion passed unanimously.</b></p>		credentials
Employee Privileging	<p>Privileging was reviewed for the following employee at the Credentialing and Privileging meeting: Frances Huberman, LCSW. John explained she's asking for the standard privileges. She's interested in working in schools. We may approach RH Conwell Elementary School in Worthington to ask about providing services.</p> <p><b>A motion was made to accept the recommendations of the credentialing and privileging committee to approve privileges as noted for Frances Huberman by Nancy Brenner. The motion was seconded by Cheryl Hopson. With no further discussion needed, the privileges for Frances Huberman were approved.</b></p> <p>As a follow up from the July meeting, an animal therapy certification for Suzanne Kresiak has been received and approved.</p>	Privileges for the following staff member were reviewed by the Board and approved: Frances Huberman, LCSW	HR to notify staff member of the approved privileges
Adjourn	<p>A motion to adjourn the meeting was made by Tim Walter and seconded by Cheryl Hopson. The meeting adjourned at 7:00pm. The next regular Board meeting is scheduled for September 28, 2017 at 5:30pm at the Worthington Health Center.</p>		

Submitted by,

Janet Laroche, Executive Assistant

Hilltown Community Health Centers, Inc.  
Summary of Results for the Month Ended August 31, 2017

*SEE STATEMENT OF INCOME STATEMENT FOR DETAIL*

**Revenue**

1. Patient revenue services did not meet budget for the month of August 2017.
  - a. Medical - \$43,052 and 280 visits under budget.
  - b. Dental - \$38,835 and 522 visits under budget.
  - c. Behavioral Health - \$1,016 over budget while being 37 visits under budget.
  - d. Optometry - \$4,240 and 26 visits over budget.
  - e. Combined optometry hardware and pharmacy was \$1,233 over the budget.
2. Grant and contract revenues were \$9,868 under budget, mainly due to timing of grant spending.

**Compensation and Related Expenses**

1. Wages, taxes and benefits were \$44,139 under budget.

**Other Operating Expenses**

1. Total operating expenses were \$8,942 or 7.2% under budget. No significant variances.

**Net Operating Surplus (Deficit)**

1. The Net operating results approximated the budget, but was \$23,303 under budget. The lower than expected patient revenue was offset by lower staff and Other Operating Expenses.

**Non-Operating Activities**

1. Donations for the month amounted to \$23,465. We utilized the HRSA Capital grant for \$111,745.

Hilltown CHC						
Summary of Net Results By Dept.						
August 2017						
Net Results Gain (Deficit)						
	August 2017	August Budget	Over (Under) Budget	YTD	YTD Budget	Over (Under) Budget
<b><u>Operating</u></b>						
Medical	\$ (31,815)	\$ (6,887)	\$ (24,928)	\$ (242,166)	\$ (81,141)	\$ (161,025)
Dental	(7,943)	11,856	(19,799)	(100,445)	33,615	(134,060)
Pharmacy	7,348	4,590	2,758	64,832	36,720	28,112
Optometry	11,474	1,895	9,579	19,706	14,491	5,215
Behavioral Health	7,096	5,640	1,456	42,533	49,988	(7,455)
Community	(3,465)	(10,432)	6,967	4,704	(60,603)	65,307
Admin. & OH	(2,126)	(2,236)	110	(2,632)	(36,150)	33,518
Fundraising	(6,379)	(6,933)	554	(53,331)	(53,235)	(96)
<b>Net Operating Results</b>	<b>\$ (25,810)</b>	<b>\$ (2,507)</b>	<b>\$ (23,303)</b>	<b>\$ (266,799)</b>	<b>\$ (96,315)</b>	<b>\$ (170,484)</b>
<b><u>Non Operating</u></b>						
Donations	\$ 23,465	\$ 32,443	\$ (8,978)	\$ 259,598	\$ 259,544	\$ 54
Capital Project Revenue	111,745	81,968	29,777	513,206	655,744	(142,538)
<b>Total</b>	<b>\$ 135,210</b>	<b>\$ 114,411</b>	<b>\$ 20,799</b>	<b>\$ 772,804</b>	<b>\$ 915,288</b>	<b>\$ (142,484)</b>
<b>Net</b>	<b>\$ 109,400</b>	<b>\$ 111,904</b>	<b>\$ (2,504)</b>	<b>\$ 506,005</b>	<b>\$ 818,973</b>	<b>\$ (312,968)</b>

## **Social Media Policy**

We recognize social media encompasses a broad sweep of online activities that integrate technology, social interaction, and content creation. However, we also recognize that the rapid evolution of technology makes it difficult to identify all types of social media. Social media uses many technologies and forms, such as blogs, wikis, photo and video sharing, podcasts and social networking that build a virtual footprint. This policy is not meant to discourage you from utilizing social media. We take no position on your decision to start or maintain a blog or participate in social media/networking activities.

We want to remind you that the use of social media technology follows the same standards of practice and conduct outlined by the company in the employee handbook. Accordingly, [COMPANY] expects employees who maintain or contribute to social media on the internet will abide by certain guidelines.

**Nothing in this policy is meant to be construed to prohibit or limit employees' rights to engage in protected concerted activity as prescribed by the National Labor Relations Act, or any other rights protected under federal and state law.**

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- Outside the workplace, your rights to privacy and free speech protect legal online activity conducted on your personal social networks with your personal online account. However, what you publish on such personal online sites should never be attributed to the Company and should not represent in any way that you are speaking on the company's behalf without prior written authorization to do so.
- We prohibit the use of social media to post, or display comments about co-workers, supervisors, the company or our clients that are illegal, vulgar, obscene, threatening, intimidating, harassing, or a violation of the employer's workplace policies against discrimination, unlawful harassment, or hostility on account of age, race, religion, sex, ethnicity, nationality, disability, and any other category protected under state or federal law. Employees should remember that any information that is shared online instantly becomes permanent and public. Remember, that what you post online will be captured forever and can be transmitted endlessly without your consent or knowledge. The Company also wants to remind you that each employee is personally liable for his or her own commentary and can be sued by other employees, clients, competitors and any other individual or company that views the on-line content as proprietary, unlawfully harassing, libelous, creating a hostile work environment, or otherwise illegal.

- Employees are expected to protect the confidential, proprietary and trade secret information of the company. Employees are prohibited from disclosing at any time proprietary or confidential information learned during the course of their employment about the company, its clients or its employees. Such information includes but is not limited to customer lists, trade secrets, financial information and strategic business plans. This policy also includes personal information about clients and employees that is protected from unauthorized disclosure by law (including HIPAA), including, but not limited to, personal health information and personal data, such as driver's license, social security number, financial account numbers, or credit/debit card numbers.
- Employees cannot use employer-owned equipment, including computers, company-licensed software or other electronic equipment, nor facilities or company time, to conduct personal blogging or personal social networking activities.
- Those individuals with supervisory/management responsibilities, by virtue of their position, must consider whether "friending" or personal thoughts they publish, even in clearly personal venues, may be misunderstood as expressing the Company's position. They should assume their employees and those outside the Company will read what is written. A public blog is not the place to communicate Company policies to employees.
- We ask that each employee honor the privacy rights of our employees by seeking their permission before writing about happenings that might be considered to be a breach of their privacy and confidentiality or before posting their pictures. Posting information about other employees without their permission has the potential of disrupting the workplace. By maintaining your coworkers' privacy, you will be helping to maintain the professional work environment at the company.

In short, use your best judgment. Social media changes rapidly and there will likely be events or issues that are not addressed in this policy. If you have any questions about these guidelines, contact your supervisor or the Human Resources Department. When in doubt, employees should seek the guidance of the appropriate person before posting or otherwise engaging in online activity.

Violation of this policy may result in discipline up to and including termination of employment.



## **Hilltown Community Health Centers, Inc.**

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### **Finance Department**

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#### **SUBJECT: NAME OF POLICY – FINANCIAL POLICY**

**REGULATORY REFERENCE:** Code of Federal Regulations 45 (CFR) Part 75 and PIN 2013-01

#### **Purpose:**

The Hilltown Community Health Centers, Inc. (HCHC) is a Health Center Program authorized under section 330 of the Public Health Service (PHS) Act 42 U.S.C. 254b) (“section 330”) and is required to maintain accounting and internal control systems appropriate to the size and complexity of the organization reflecting Generally Accepted Accounting Principles (GAAP) and separate functions appropriate to organizational size to safeguard assets and maintain financial stability. As such the Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process to meet these requirements and establish guidelines for developing financial and accounting procedures necessary to safeguard the financial resources of HCHC.

#### **Policy:**

HCHC will maintain and update as necessary a Financial Procedure Manual that contains procedures for the following topics:

- Maintenance of Account Records and Record Retention
- Cash Disbursements and Receipts
- Cost Allocation
- Purchasing and Reimbursement Procedures
- Reporting
- Payroll
- Fixed Asset Accounting
- Patient Revenue and Receivables

Questions should be directed to the Executive Director or the Chief Financial Officer at 413-238-5511.

Originally Drafted: MARCH 2004

Reviewed or Revised: SEPT. 2017

Approved by Board of Directors,

Date: September 27, 2017



Approved by:

Eliza Lake

Eliza B. Lake

Executive Director, HCHC

Date: September 27, 2017

John Follet, MD

John Follet, MD

President, HCHC Board of Directors

Date: September 27, 2017

**Hilltown Community Health Centers, Inc.  
(HCHC)**

**FINANCIAL  
PROCEDURES  
MANUAL**

## TABLE OF CONTENTS

Mission Statement	Page 5
Purposes of Corporation	Page 5
Financial Management	Page 6
Chart of Accounts	Page 6
Description of Accounts	Page 8
Maintenance of Accounting Records	Page 13
Record Retention	Page 14
Cash Disbursements	Page 15
Cash Receipts	Page 16
Grants & Contracts Revenue and Receivables	Page 19
Standard Journal Entries	Page 19
Cost Principles	Page 19
Cost Allocation Plan	Page 20
Procurement	Page 21
Travel Reimbursement Procedures	Page 29
Continuing Education Reimbursement Procedures	Page 29
Accounts Payable Procedures	Page 30
Monthly Management Reports	Page 31
Payroll Procedures	Page 31
Accounting for Fixed Assets	Page 33
Patient Revenue and Receivables	Page 34
Regulatory Reporting	Page 34
Annual Fiscal Audit	Page 35

### **APPENDICIES:**

Organizational Chart	Appendix A
Standard Account String (Chart of Accounts)	Appendix B
Purchase Requisition Form	Appendix C
Check Request Form	Appendix D
Mileage Reimbursement Form	Appendix E
Copy of Conflict of Interest Policy	Appendix F

## HILLTOWN COMMUNITY HEALTH CENTERS, INC.

is a not-for-profit healthcare facility providing medical, dental, behavioral health and related services at Worthington Health Center, Worthington, MA; Huntington Health Center, Huntington, MA; and a School-Based Health Center located within Gateway Regional High School, Huntington, MA.

### MISSION STATEMENT

Hilltown Community Health Center is here for you! Our mission is to create access to high quality integrated health care and promote well-being for individuals, families and our communities.

### PURPOSES OF THE CORPORATION

To provide, encourage and administer facilities for health care access for all the inhabitants of the surrounding communities as are deemed necessary, feasible and affordable.

To participate in the coordination of community and area health projects and activities including cooperation with, and the providing of appropriate space for, healthcare services.

To be ready, and to act, at all times to conserve and promote the health of the population in the communities, regardless of ability to pay.

To sponsor charitable, scientific, and educational endeavors directed toward the promotion of any project designed to improve the health of the community.

To engage in any other activity, endeavor, or course of action not inconsistent with the above.

## Financial Management

HCHC's financial management systems, including records documenting compliance with Federal and state statutes, regulations, and the terms and conditions of the Federal and state awards, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal and state statutes, regulations, and the terms and conditions of the Federal award. *(See Appendix A Organizational Chart)*

HCHC must;

- a) Establish and maintain effective internal control over the Federal and state award that provides reasonable assurance that HCHC is managing the Federal and state award in compliance with Federal and state statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government," issued by the Comptroller General of the United States or the "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- b) Comply with Federal and State statutes, regulations, and the terms and conditions of the awards.
- c) Evaluate and monitor the compliance with statutes, regulations and the terms and conditions of awards.
- d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- e) Take reasonable measures to safeguard protected personally identifiable information and other information the awarding agency or pass-through entity designates as sensitive or what HCHC considers sensitive consistent with applicable Federal and state laws regarding privacy and obligations of confidentiality.

## Chart of Accounts

The chart of accounts is designed to provide management with an analysis of financial position and a statement of operating revenues and expenses on a time accrual basis. The chart of accounts is established using the total grant concept. As such, each individual funding source is segregated in the general ledger to allow management to easily distinguish revenues and expenses by funding source. This allows for easier preparation of monthly reimbursement vouchers for contracts as well as regulatory reporting (FSR, UFR, UDS, etc.)

All financial transactions are designated by an account code. The digits employed are selected from the chart of accounts.

### Definition of Coding Structure (Refer to Appendix B)

Each account code is subdivided into four separate segments.

Consisting of:

- |               |       |
|---------------|-------|
| 1. Fund       | XX    |
| 2. Account    | XXXXX |
| 3. Location   | XX    |
| 4. Department | XX    |

1. Fund - 01                      Used for all transactions
2. Account - The digits represent the major account classifications for balance sheet, revenue, and expense items. For example: ☒XXXXX
- |                          |   |       |
|--------------------------|---|-------|
| a. Assets                | = | 1XXXX |
| b. Liabilities           | = | 2     |
| c. Net Assets            | = | 3     |
| d. Revenue / Income      | = | 3     |
| e. Salaries and Benefits | = | 5     |
| f. Expenses              | = | 6     |

3. Location – XX              Used to identify location.
4. Department – XX      Used to identify each department.

### Subaccount Segment

1. Alphanumeric codes that identify grants
2. UFR codes that correspond with UFR coding – if required
3. Raiser's Edge code – if required

## Description of Accounts

### Assets

All asset accounts are designated within the chart of accounts by the appropriate digit of the account-numbering scheme.

Cash Accounts are debited for bank deposits and when stop payments are placed on previously issued checks. These accounts are credited for funds withdrawn and any miscellaneous bank charges. Cash receipts are deposited into the operating account on a regular basis in accordance with the cash receipts policies. Insurance & patient payments are debited to cash on hand when received and then recorded to the General Operating Account when deposited in the bank.

A petty cash fund is established at each site. Reimbursements for expenses paid from petty cash are made from the operating account. Expenses are charged to the appropriate account at the time of reimbursement. Change Funds are set up for making change for patient cash payments, amounts are set and adjusted as needed.

Accounts Receivable accounts are debited for grant funds due, revenue billed, and any other amounts owed to the health center. Accounts receivable are credited for cash collected and any un-collectible amounts. A debit balance represents the balance owed to the health center.

Allowance for doubtful accounts is a reserve for estimated un-collectible patient receivables contained in the accounts receivable balance. The purpose of the allowance is to provide the estimated un-collectible amount of recorded receivables. The reserve is established based on the historical bad debt experience, current economic conditions, estimates and presumptions. The allowance is reviewed for revision periodically.

Prepaid expenses are debited for significant current cash outlays that are related to future periods.

Fixed Assets - The health center has established a capitalization amount for fixed assets of \$5,000 or more.

Accumulated depreciation accounts are credited monthly for estimated depreciation on assets and debited to operating expenses. Accounts are reconciled at yearend to actual amounts, per the annual audit

Other assets include accounts designated for investments or cash set aside for stability or future capital projects.

## **Liabilities**

### **Accounts Payable**

Accounts payable are credited for the amounts owed vendors for receipt of goods and services. An entry is made to an accounts payable register for vendors' invoices received and approved for payment regardless of which program incurred the expense. Accounts payable are debited for cash disbursements against established payables. The balance (credit) reflects outstanding vendor liabilities.

Accrued liabilities are established for payroll costs, amounts withheld from employees, and other accrued liabilities. These accounts are credited for amounts due and debited upon payment or settlement. The balance (credit) represents the amount owed. At the close of each month, the estimated accrued payroll expenses incurred in the current month are booked in the general ledger as an accrued expense. All expenses are accrued at yearend.

### **Loans/Mortgages payable**

Amounts borrowed for operating or capital purchases or improvements. These accounts are credited monthly as balances are paid or debited when new funds are borrowed.

### **Capital Leases**

Amounts are credited to these accounts if major leases are entered into that require financing. The accounts are debited monthly as principal payments are made on these leases to reduce the amount owed.

### **Deferred Revenue Accounts**

These accounts are credited when grants and other forms of payment are received by the health center for future services, equipment purchases, or capital projects. These amounts are debited as the services are provided or per current accounting regulations during the annual audit.

## **Net Assets**

### **YTD Net Income**

These accounts accumulate the estimated net profit of each cost center on a monthly basis. After final adjustment at the completion of the annual audit, each balance is closed to the appropriate Fund Balance account. These accounts are zeroed out at the end of each fiscal year.



## Net Assets

These are accounts that designate the net worth of the health center. Fund balance accounts are adjusted annually at the conclusion of the annual audit. Any net profit or loss is recorded to the appropriate fund balance at the conclusion of the annual audit.

## Temporarily Restricted Net Assets

These accounts record funds that have been received or have been committed to the agency, but obligations still existed on these funds at the end of the last fiscal year. As these funds are earned or deemed used, they are recorded to regular fund balances as appropriate, per the annual audit and current accounting regulations

## Revenues

Revenues are credited to revenue accounts as they are considered earned and receivable. These can be revenues for services provided to patients or related to grant conditions.

## Contra-Revenues

These are accounts which are credited to adjust for patient amounts billed, but not considered collectible. These include, but are not limited to insurance allowances, free care, bad debt and billing errors.

## Expenses

Expense accounts are debited for paid or accrued expenditures. Types of expenses include but are not limited to:

Salaries/Wages – These costs are recorded to accrued liabilities and distributed to individual departments based on the gross salaries/wages recorded on the payroll allocation worksheet. The payroll timesheet has been established to account for the time and effort of each individual employee. Thus, the general ledger accounts properly reflect the amount paid to employees based on departmental and funding source time and effort recorded on timesheets.

Payroll Taxes – These are mandatory payments related to payroll which normally include FICA, Medicare, Workman's Compensation Insurance and State Unemployment Insurance. Applicable costs are distributed to programs and departments in proportion to monthly salary distributions.

Fringe Benefits – Included in this account are medical, dental, disability and group life insurance; and any other employee benefits which may be offered by the health center. A description of current benefits may be found in the

employee handbook. Applicable costs are distributed to programs and departments in proportion to monthly salary distributions.

Consultants and Contractual – These costs include dental labs & those individuals to whom the health center issues 1099 statements at year-end. Examples include auditing firms, legal firms, payroll service, computer consultants, skilled labor, and independent health-care providers.

Facilities Costs – Costs associated with the occupancy of the health center's buildings are included in these line items.

Utilities – These expenses include electricity, heating and cooling fuel, water supply and related expenses.

Repairs and Maintenance – Costs associated with the upkeep of the property and equipment are recorded in these accounts.

Mortgage Interest – Interest costs associated with mortgage loans related to health center buildings and improvements.

Depreciation – The estimated depreciation related to the health center's fixed assets are recorded monthly in these accounts that are broken out by type of asset (buildings, building improvements, furniture and equipment, etc).

Building & General Liability – These accounts include any type of insurance related to the buildings, their contents and general liability related to agency facilities or use.

Program Supplies – Program supplies are supplies needed for providing medical, dental or other program services and are recorded separately from general office supplies or facility supplies.

Telephone – Includes regular monthly telephone costs, beepers, answering service, internet costs and other related communication expenses.

Dues and Memberships – These se expenses include all membership dues paid to organizations for the health center or any employee of the health center.

Subscriptions & Journals – All subscriptions to magazines and professional journals.

Licenses and Fees – These expenses include all individual provider and agency licenses required by state and federal agencies for which the health center pays.

Travel – These costs include all expenses related to employee travel for health center business or necessary to the functioning of the health center operations.

They include staff mileage at current approved rate, parking, tolls, motels, some meals and other related travel expenses.

Printing – Costs associated with production of letterhead, newsletters, invoices, patient receivable statements, forms, business cards and envelopes are recorded to these accounts.

Postage & Shipping – Amounts incurred to mail business correspondence or to ship items as required for operation of the health center.

Staff Recruitment/Training - All costs associated with the recruitment and/or training of staff are recorded to these accounts. This may include workshops, skill trainings and other mandatory trainings required for licensure or other purposes.

Interest - Interest costs for general operating use, such as for a line of credit are charged to this line item. It does not include any interest for building purchases or improvements.

Professional Insurance – This account includes professional liability insurance related to services provided by the health center and its employees as well as Director's & Officer's insurance.

Bad Debt - All costs associated with the write off of those patient receivable accounts deemed not collectible are included in this account. Bad Debt is recorded as a Contra-Revenue Account on the general ledger and then adjusted to an expense account on the annual audit.

Expenses are charged to the program and funding source benefiting from the goods or services. If a specific department cannot be identified, the expense is charged to the Administration, Billing, Facility or other appropriate allocation pool. If all programs and funding sources are likely to derive benefit from the goods or services, the expense is charged to the appropriate overhead department. See cost principles as outlined in 45 CFR 75 subpart E for further cost definitions and information on allowable and unallowable costs associated with Federal awards.

## Maintenance of Accounting Records

The health center maintains the following accounting records:

- a) Accounts Payable Register
- b) Cash Receipts Journal
- c) Payroll Register
- d) General Ledger and General Journal Entries

Below is a description of each of these records and a brief summary explaining the procedures for how the entries are recorded.

### Accounts Payable Register

All cash disbursements are initially entered in the accounts payable system upon receipt of the vendor invoice. The expenditures are charged to the appropriate expense or asset accounts. Invoices are batched for data entry. A batch report is generated for each group of invoices entered. The individual batch reports are retained until a summary batch report is generated at month's end.

### Cash Receipts Journal

Front desk patient receipts (co-pays, deductibles and self-pays) are batched and posted to the cash receipts data entry journal from daily summaries prepared by front desk personnel at the end of each business day. The medical and dental departments submit separate summaries.

Third-party payments received in the mail are batched and posted to a cash receipts data entry journal from summaries prepared by the Billing Department.

Other receivables (grant funds, enhanced revenue payments, cobra payments, etc) are batched and posted to a cash receipts data entry journal from summaries prepared by the Accounting Department. *(See Cash Receipts section for description of procedures.)*

By the end of each month all entries are posted to the general ledger. The cash account is debited for the total of the monthly receipts.

### Payroll Register

The payroll register is obtained from the payroll processing company, currently Checkwriters. The monthly payroll entries are obtained from the data in the payroll register. A spreadsheet is prepared monthly using the payroll register and the allocations recorded on time sheets by each employee. This spread sheet allocates amounts paid to employees to the program and site in which they worked. The summarized totals for each program and site are recorded to the general ledger from these reports.

## General Ledger and General Journal Entries

Entries to the general ledger are posted monthly. The general ledger is printed monthly and filed for future reference.

Some journal entries consist of those that are recurring in nature. Entries are recorded first in a data entry file. Entries are batched according to type. Each data entry batch is automatically assigned a unique number by the computerized accounting system.

Correcting and/or adjusting entries are also posted monthly. Entries are recorded first on a data entry file. Entries are batched according to type. Each data entry batch is automatically assigned a unique number by the computerized accounting system.

## **Record Retention**

### Computerized/Electronic Records:

General Ledger / Financial records are maintained on Financial Edge which is a cloud-based software under a subscription service that also provides sophisticated security protocols, disaster recovery procedures and 24 hour system availability.

### Non-computerized Records:

#### Accounting Records

- Bank statements and deposit slips = 7
- Expense reports = 7
- Subsidiary ledger (A/P & A/R) = 7
- Checks (payroll and general) = 7
- Payroll - reports, earnings records = 8
- Vouchers (vendors) = 7
- Mortgages, notes, leases (expired) = 8
- Tax returns and working papers = Permanent
- External Audit reports = Permanent

#### Corporate Records:

- Bylaws, charters, operating certificates, minutes, stock & bond records, checks (for taxes, property, important contracts, agreements, copyright & trademark registrations, deeds, labor agreements, patents, proxies, pension records = As laws require.
- Correspondence
  - General = 2
  - Legal & tax = Permanent or as required.

- Insurance
  - Expired policies = 3
  - Accident and fire inspection reports = 6
  - Group disability records, safety reports = 8
  - Claims (after settlement) = 10
- Personnel:
  - Expired contracts = 7
  - Timesheets = 7
  - Disability & sick benefits records, terminated personnel files = 7
  - Withholding tax statements = 7

Further, the Office of Management and Budget Circular A-133 requires all entities that receive federal funds to retain all documents associated with the funds for a minimum of three years. Similarly, because the health center receives funding from Medicare and Medicaid, these documents must be retained for a minimum of three years after the date of final settlement on that year's cost report. As a rule, the documents associated with Medicare and Medicaid should be retained for at least 5 years. This allows for the time lag between the submission of the cost reports and the settlements from the intermediaries.

## **Cash Disbursements**

All disbursements are made out of one general operating account. Petty cash expended is reimbursed from the account monthly or upon request of the custodian of the petty cash fund. Petty cash expenses are recorded to the general ledger at the time of reimbursement.

### Disbursement Procedures

All checks drawn by the health center must be reviewed and signed by the Chief Financial Officer or the Executive Director. In his/her absence, a signature stamp may be used for essential disbursements provided a list of the checks so stamped is submitted for review. The signature stamp is kept in a locked cabinet at all times. Checks in the amount of \$10,000 or more require two signatures.

Pre-approval limits and requirements are detailed on page 28 under Purchasing Procedures.

A multipart check is prepared for disbursements paid from the general operating account. The bottom two-thirds of the check is sent as payment to vendors. The top portion of the check is stapled to the invoice to provide the health center with adequate documentation for payment of the expenditure. The detailed procedures related to the

preparation, distribution, and retention of the disbursement vouchers are prescribed in the accounts payable section.

Bank account reconciliation is completed each month to ensure that all cash transactions are properly recorded, and that there are no unusual endorsements. The bank statement is downloaded electronically and is reconciled to the appropriate cash balance in the general ledger.

### Petty Cash

The finance department maintains one petty cash fund. The fund is used for individual purchases. Receipts must be submitted to substantiate disbursements and attached to a completed petty cash reimbursement request. Transactions are recorded on the petty cash expenditures log.

The petty cash fund's balance is set so that it will normally be sufficient for a full month before it requires reimbursement. The fund is reimbursed either at the end of the month or whenever the fund's balance falls to a certain amount determined by the custodian of the account. Reimbursement is made from the general operating account upon submission of a requisition prepared by the custodian of the account. The requisition must include receipts or proper documentation for expenditures from the account.

The reimbursement check is drawn to the order of Petty Cash.

## **Cash Receipts**

The health center receives various types of cash receipts on a daily basis. These include payments received via mail or electronic transfer such as contract revenue reimbursement, contributions, payment on patient accounts, electronic wire transfers such as Medicaid receipts and grant draw downs, as well as cash from patients and other miscellaneous items.

Draw downs on Federal awards must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by HCHC. All advance payments on Federal awards must be deposited and maintained in insured accounts whenever possible and in interest-bearing accounts unless the following applies;

- a) HCHC receives less than \$120,000 in Federal awards per year.
- b) The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.
- c) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

- d) A foreign government or banking system prohibits or precludes interest bearing accounts.

Cash receipts procedures are established to insure that receipts are adequately safeguarded and properly deposited, that all receipts are properly recorded in the patient accounting records, and that receipts are identified in sufficient detail to facilitate preparation of the monthly financial reports.

Amounts received and prepared deposits are held in a locked cabinet at all times and deposits are made at least once weekly and more often when practical.

#### Cash Receipts – Mail or Billing

As the mail is sorted, checks are segregated and distributed to the appropriate departments. Third-party payments and patient payments received via mail are forwarded directly to the Billing Department, together with the Explanation of Benefits (EOB), for posting to patient accounts. All other checks are forwarded directly to the Finance Department.

Upon completion of each patient receipt posting batch, the designated person in the Billing Department forwards the checks in that batch to the Finance Department. Deposit slips are prepared in duplicate and are retained in the Finance Department. A check summary voucher, a copy of the register tape listing all checks in the batch, and a cover sheet showing the total of the batch and general ledger account is included.

The amount and account code indicated on the cover sheet is used to prepare the monthly billing cash receipts journal entry to the General Ledger.

#### Cash Receipts – Front Desk

Self-pay receipts (co-payments, deductibles, uninsured services) are received by the medical and dental front desks daily. Payments may be made using cash, check or a credit card.

The amount to be collected appears on the patient's electronic record. Front desk staff may enter the amount collected and the form of payment on their electronic patient record or manually record the amount collected.

At the end of each day, the staff member responsible for closing each front desk reconciles the cash receipts. A transmittal receipt is prepared in triplicate showing a breakdown of cash, check and credit card payments for that day. One copy is forwarded to the Finance Department with the payments, one copy is forwarded electronically to the Billing Department, and one copy is retained at the front desk.

A log is kept in the Finance Department to ensure that each day's cash receipts are received from the designated departments at all sites.



A person preparing the bank deposit may combine several days' front-desk cash receipts into a single deposit. Deposit slips are prepared in duplicate. One copy is included in the deposit to the bank and the other copy is retained in the Finance Department. The transmittal receipts, a copy of the register tape listing all checks, and a cover sheet showing the total of the batch and the general ledger account is retained in the Finance Department.

The amounts and account numbers indicated on the cover sheet are used to prepare the monthly front desk cash receipts journal entry to the General Ledger.

### Cash Receipts – Miscellaneous

Other miscellaneous cash receipts include, but are not limited to, contract revenue reimbursements, contributions, COBRA payments, and enhanced fee payments. These checks are forwarded directly to the Finance Department for processing.

Checks are batched and prepared for deposit. Deposit slips are prepared in duplicate. One copy is included in the deposit to the bank and the other copy is retained in the Finance Department. A copy of the register tape listing all checks, and a cover sheet showing the total of the batch and the general ledger account is retained in the Finance Department.

The amounts and account numbers indicated on the cover sheet are used to prepare the monthly miscellaneous cash receipt journal entry for the General Ledger.

### General Operating Account

This account is currently held by Florence Savings Bank, One Main Street, Florence, Massachusetts. Both manual and electronic transactions account for the monthly activity in the G.O.A. An excel spreadsheet is maintained to give an approximate current balance. Each month's beginning balance is adjusted to reflect the actual amount reconciled to the general ledger. If the balance in the G.O.A exceeds the amount reasonably needed for the operation of the Health Center, money is transferred to a money market account at Florence Savings Bank that earns higher interest. Funds from this money market account are transferred back to the general operating account as needed.

### Other Non-Operating Revenue

On occasion, the health center receives other revenue unrelated to normal operations. This can include donations, pledges, or other non-operating receipts. Unless specifically designated for operating purposes, these funds are separated and deposited to one of the health centers designated or restricted bank accounts. Funds received in this manner are reported monthly to the Finance Committee.

## **Grant and Contracts Revenue and Receivable Procedures**

Grants and contracts are managed based on specific instructions from each grantor or contract. Some advance funds and require progress reports for activities related to the funding. Funds received from these funding sources are recorded as deferred revenues until earned. Once funds are considered earned they are recorded by general ledger entry to the proper earned revenue account.

Other Grants or Contracts require that expenses be incurred before being reimbursed. These are vouchered on a regular schedule acceptable to the granting agency, in the format required. The vouchers could be monthly, quarterly or by some other agreed upon time line. The amounts of the vouchers are credited to the proper earned revenue account and debited to a receivable account. The proper code for the grant or contract is required to properly record the earned revenue. The revenue is also recorded to the proper department as some contracts fund more than one department or program. When payment is received, standard monthly journal entries are made to credit the proper receivable account and debit the general operating cash account.

## **Standard Journal Entries**

Most journal Entries are recorded and posted monthly. Standard journal entries include: bank interest and fees, deposits, withdrawals, depreciation, and contracts vouchered to name a few. Adjusting or correcting entries are also posted each month. Gains or losses on investments are recorded and posted quarterly.

Journal entries are recorded first in excel spreadsheets. The entries are labelled to allow for tracing the entries in the accounting software. Each entry is assigned a number that includes the month and the number of the entry. An example would be G/L entry 10-06. This was done in October and is the sixth entry for that month. The backup documentation which supports the journal entry is also numbered similarly.

Once an entry is posted, all reports including backup are filed with all other general ledger entries for that month. These reports are kept for future reference, reconciliation and documentation.

## **COST PRINCIPLES**

HCHC is responsible for the effective and efficient administration of Federal, state and private awards through the application of sound management practices and must comply with applicable cost principles as outlined in 45 CFR 75 subpart E.

## **COST ALLOCATION PLAN**

### Direct Cost Allocation:

Costs are allocated to programs on a direct basis whenever possible. Department Heads or their designees submit invoices and bills with their approval and confirm that the expense is for their departments. In cases where an expense is shared by departments/programs allocation methods have been developed to allocate expenses to the departments/programs that benefit from the costs. Following are the current allocation plans and methods used by the Health Center.

Payroll is the largest expense that needs to be allocated. Salaries and wages are allocated based on individuals actual time worked in each program. Each employee completes a bi-weekly electronic time sheet listing the hours and the department those hours were worked in. This information is then entered into an excel spreadsheet that is used to generate a monthly journal entry to allocate payroll expenses to the correct departments.

### Cost Allocation for Internal Management:

There are many departments that support different segments of the Health Centers. The departments that are shared by different segments of the Center are:

Facilities/Maintenance for each site, Billing Office services which are shared by Medical, Dental and Mental Health Services (all billable services), Administration/Front desks at each main site and Overhead/Indirect which is shared by all services of the agency. Each department is used by more than one program and allocation plans have been developed to allocate expenses to the programs based on what is considered fair and logical. Costs for these shared services are pooled into one cost center and then allocated to programs based on the following:

- a) Facilities costs are recorded in separate cost pools for each site. Any expenses related to overall building operation are considered shared services and recorded to these pools. Costs are then allocated monthly to each program based on the square footage occupied by each program in that building. This pool can contain non-facility costs that need to be distributed by square feet.
- b) Administration/Front Desk services are located at each main site and the services currently benefit two Departments/Programs at each site. These departments are Medical & Behavioral Health. Originally the Dental Department was part of the allocation, currently dental has its' own front desk, so no costs are allocated to dental. Administrative or Front Desk costs are allocated to the programs based on the annual visits in each program during the previous fiscal year.
- c) The billing office is one service that is shared by all sites, but not by all programs. The billing office services only benefit the programs that bill for patient services.

For this reason the costs that are associated with the billing office are pooled and allocated based on visits or units of service provided for the month.

- d) Indirect/Overhead costs are costs that benefit the whole Center. These are costs such as salaries and associated costs of the Executive Office, Finance Department or Human Resources. These expenses are pooled and allocated based on the modified direct costs (excludes cost of subcontracts over \$25,000 in the base) of each program, sub-program or grant. Every program gets an even share allocated to it based on their direct expenses (with all other allocated expenses already included). This method allows each program to be allocated the same percentage of Indirect/Overhead costs as every other department in the Center.

These allocation methods are currently in place in the event that a managerial cost allocation is used, but are to be reviewed from time to time based on changes to programs, sites or need.

#### Regulatory Cost Allocation Methods:

Other methods as directed by regulatory agencies are used per their guidelines and requirements.

## **Procurement**

HCHC general procurement standards;

- a) Procurement procedures reflect applicable federal and state regulations.
- b) HCHC maintains a written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. This policy has a formal documented process for disclosing all real or apparent conflicts of interest that are discovered or that have been brought to attention in connection with HCHC's activities. See copy of CONFLICT OF INTEREST POLICY with REGULATORY REFERENCE: 45 CFR 75.327 and 42 CFR Pt 51c.304 (b) attached as Appendix F.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of HCHC may neither solicit nor accept gratuities, favors, or anything of

monetary value from contractors or parties to subcontracts. However, HCHC may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

- c) HCHC's procurements must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- d) HCHC encourages the use of entering into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
- e) HCHC encourages the use of Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- f) HCHC encourages the use of value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
- g) HCHC must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- h) HCHC must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- i) HCHC may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk.
  - 1) Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:
    - i. The actual cost of materials; and
    - ii. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.
  - 2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for

cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, HCHC must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

- j) HCHC alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The HHS awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, tribal, state, or Federal authority having proper jurisdiction.
- k) The type of procuring instruments used will be determined HCHC but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved.

#### Competition;

- a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:
  - 1) Placing unreasonable requirements on firms in order for them to qualify to do business;
  - 2) Requiring unnecessary experience and excessive bonding;
  - 3) Noncompetitive pricing practices between firms or between affiliated companies;
  - 4) Noncompetitive contracts to consultants that are on retainer contracts;
  - 5) Organizational conflicts of interest;
  - 6) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
  - 7) Any arbitrary action in the procurement process.
- b) HCHC must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location

may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

- c) HCHC must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
  - 1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
  - 2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
  - 3) HCHC must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, HCHC must not preclude potential bidders from qualifying during the solicitation period.

#### Procurement Procedures;

HCHC must use one of the following methods of procurement;

- a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold as defined by the Federal Acquisition Regulation (current threshold \$3,500). To the extent practicable, HCHC will distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations provided the acquisition price is considered to be reasonable.
- b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold as defined by the Federal Acquisition Regulation (current thresholds greater than \$3,500 and less than or equal to \$150,000). If small purchase procedures are used, price or rate quotations must be obtained from an

adequate number of qualified sources.

- c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.
  - 1. In order for sealed bidding to be feasible, the following conditions should be present:
    - i. A complete, adequate, and realistic specification or purchase description is available;
    - ii. Two or more responsible bidders are willing and able to compete effectively for the business; and
    - iii. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
  - 2. If sealed bids are used, the following requirements apply:
    - i. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
    - ii. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
    - iii. All bids will be opened at the time and place prescribed in the invitation for bids;
    - iv. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
    - v. Any or all bids may be rejected if there is a sound documented reason.
- d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
  - 1. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;



2. Proposals must be solicited from an adequate number of qualified sources;
  3. HCHC must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
  4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
  5. HCHC may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.
- e) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
1. The item is available only from a single source;
  2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  3. The HHS awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
  4. After solicitation of a number of sources, competition is determined inadequate.
- f) Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms
1. HCHC must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
  2. Affirmative steps must include:
    - i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
    - ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
    - iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
    - iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
    - v. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the

Minority Business Development Agency of the Department of Commerce;

- vi. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (2)(i) through (v) of this section.

g) Contract cost and price.

1. HCHC must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold, (currently \$150,000) including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, HCHC must make independent estimates before receiving bids or proposals.
2. HCHC must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
3. Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable under CFR 75 subpart E.
4. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

h) Bonding requirements.

1. For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, (currently \$150,000) the HHS awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the HHS awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:
  - i. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
  - ii. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

- iii. A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
- iv. Where bonds are required in the situations described herein, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR part 223.

#### Additional Procurement Procedures;

Purchase orders are not used. Regular operating supplies are ordered by the designated person within each department and do not require prior approval. Additionally, a designated person within each department checks and confirms the accuracy and completeness of deliveries. Invoices are randomly audited by the Finance Department to ensure that orders are for normal operating supplies and do not require further approval.

Requests for purchases of items that cost more than \$500 and which are not considered regular operating supplies must be submitted on a Purchase Requisition form. (See *Appendix C*) All other non-regular purchases can be submitted either on a Purchase Requisition or a Check Request form (See *Appendix D*). The purchase can be made when proper approval for the purchase has been received. See below for guidelines of required approvals based on the cost of the purchase. In most cases the purchase will be for a specific department who will then arrange the purchase. The Finance Department offers assistance and guidance whenever needed.

Payment arrangements need to be made in advance, as the health center cannot accept C.O.D. shipments.

Required signature authorizations on purchase requests for different levels of purchases are as follows:

<u>PURCHASE</u>	<u>REQUIRED SIGNATURES/APPROVALS</u>
Up to \$500	Dept. Head <b>or</b> Designee signature only
\$501 to \$5,000	Dept. Head <b>and</b> CEO <b>or</b> CFO
\$5,001 to \$10,000	Dept. Head <b>and</b> CEO <b>and</b> CFO.
\$10,001 & over	CEO, CFO <b>and</b> Finance Committee <b>or</b> Chair of BOD

## **Travel Reimbursement Procedures**

HCHC will reimburse employees for business-related travel. The amount of reimbursement per mile is determined by the Finance Committee or Board and is subject to change. Mileage Reimbursement Requests (*See appendix E*) must be completed and signed by the employee and the employee's supervisor and submitted to the Finance Department for payment. Expenses for transportation, parking, tolls, hotels, food incurred as part of a business related trip and other related travel expenses are considered reimbursable if they comply with the Health Center travel policy as established by the Personnel Committee and listed in the Personnel Policies Handbook.

Reimbursement for travel-related expenses requires documentation of the expenditure through third-party receipts or other verifiable documentation.

For local travel, an employee who uses his or her own vehicle will be reimbursed upon completion of a Mileage Reimbursement Request. (*Refer to Appendix E*) The employee's immediate supervisor must approve the request. Reimbursement will be at the current mileage rate established by the Finance Committee. Receipts must be presented for reimbursement of other related travel expenses, such as tolls and parking.

Overnight travel will be reimbursed, or pre-paid when required, using a Check Request Form. Payments will be limited to the cost of transportation, hotel accommodations, transfers to and from the destination (taxi or bus fares, etc.) and any other items determined to be travel related. The employee's immediate supervisor must approve the check request. Receipts or other verifiable documentation must accompany the request.

## **Continuing Education Reimbursement Procedures**

The health center pays for continuing education and related travel expenses provided such education is relevant to the employee's responsibilities and is deemed beneficial to the health center.

Request for reimbursement, or pre-payment when required, must be submitted on a Check Request Form and approved by the employee's immediate supervisor. Third-party receipts or supporting documentation must accompany the request.

Certain direct care providers receive stipulated amounts based on their current contracts. Approval of continuing education expenses for all other staff is outlined in the Personnel Policies Handbook or at the discretion of the employee's immediate supervisor.

## **Accounts Payable Procedures**

The health center maintains its accounting records on an accrual basis of accounting.

The Finance Department maintains copies of receiving reports. Approval must appear on the receiving report by the receiving employee attesting that the goods were received and meet specification. These documents are used to establish the propriety of payments on vendor's invoices. Upon the receipt of the invoice, the invoice is compared with the supporting documentation. Finance prepares the payment voucher and records an entry in the Accounts Payable module of the financial software debiting an asset or expense account and crediting the accounts payable account.

A payment voucher is not prepared for an open invoice until the invoice presented for payment has been matched to the approved receiving report. In the absence of a receiving report, approval may be given directly on the invoice.

Invoices for consultants and other services are approved by appropriate personnel.

Standard recurring expenses do not require supervisory approval; however, all expenses are reviewed by the Accounts Payable Manager or Chief Financial Officer prior to payment.

Travel expenses are reimbursed upon submission of a Mileage Reimbursement Request or a Check Request as appropriate. Requests must be supported by receipts and approved by the employee's immediate supervisor.

Reimbursement of miscellaneous expenses incurred on behalf of the Health Center is issued upon submission of a Check Request. Requests must be supported by receipts and approved by the employee's immediate supervisor.

Upon receipt of a vendor's invoice, the receiving report on file is matched with the invoice. Approved invoices are assigned an account code and submitted to the Accounts Payable Manager for review and approval. Invoices are entered into the financial software system daily. The software system automatically assigns a unique reference number to each invoice as it is entered and a unique batch number to each batch of invoices. The reference number is written on the invoice for later identification. The batch is held until intentionally released for posting to the General Ledger. Entered invoices are then filed alphabetically.

### **Check Preparation**

The check is a multi-part form containing the check and additional accounting information such as vendor identification, invoice number, invoice date, purchase price and invoice description.

Multiple invoices for a single vendor may be combined in one check.

Each check run is automatically assigned a unique check batch number by the software system. A batch report for each check run is printed and retained in the Finance Department.

Checks are printed weekly. Additional checks may be issued in the case of emergency or as determined by the Finance Department.

The Chief Financial Officer may review the supporting documentation before signing checks.

### Payment Procedures

The bottom 2/3 of the check is mailed to the vendor for payment, together with remittance copies as may be requested by the vendor. The top portion of the check is attached to the related invoices and supporting documentation and filed alphabetically by vendor in the Finance Department.

### Check not cleared

If a check is not cleared after 120 days, the payee will be notified in writing with suggested options for resolving the final distribution of funds.

### Lost Checks

Lost checks will be re-issued upon written request by the payee.

## **Monthly Management Reports**

Upon completion of all monthly journal entries, financial reports are generated from the accounting software system. The reports include balance sheet and income statement reports. The reports are reviewed by the Chief Financial Officer prior to distribution to the Chief Executive Officer, Finance Committee, Board of Directors, and Department Heads. Reports are usually run by the fifteenth of each month so as to be ready for the monthly Finance Committee meeting.

## **Payroll Procedures**

Payroll is based upon time sheets electronically prepared by each employee. If an employee works in more than one department/program, he or she must indicate the number of hours spent on each.

Time sheets are generated bi-weekly with a beginning date of Monday and an ending date of the following Sunday. Checks are issued bi-weekly by the payroll service, currently Checkwriters. There are normally 26 pay periods annually.

The Human Resources Department maintains all personnel records. Hilltown Community Health Centers, Inc. is an at-will employer committed to non-discrimination & affirmative action. All transactions pertaining to personnel are documented with the Personnel Action Form being the most used of all personnel forms. The Personnel Policies Handbook details personnel procedures, benefits and other pertinent personnel information.

Employees' vacation, sick, personal and accrued holiday time is tracked through the payroll systems and appears on each check stub. Benefit leave for each employee is pro-rated based on the customary number of hours worked. (For a detailed explanation of benefits, refer to the Personnel Policies Handbook.)

Employees may voluntarily contribute to United Way through payroll deductions.

Employees may contribute to a tax-deferred 403b retirement annuity. Contributions are voluntary. Matching contributions by the Health Center, in any, are determined annually for eligible employees.

At the end of each 2-week pay period, employees electronically submit their timesheet. Managers then electronically approve timesheets. Once all timesheets have been approved by a manager, the Finance Department transfers the information and prints copies of each timesheet. Timesheets and a draft copy of the payroll register are reviewed by the approved staff before final submission to the payroll company.

For each pay period, payroll costs are entered into payroll and tax journals that are posted to the general ledger at month's end. Payroll allocation of employees time is determined by the department/program entered on their timesheet.

United Way pledge forms are made available annually. The HR and /or Finance Department keeps copies of the signed pledge forms. The total United Way contribution for each pay period is recorded in the payroll journal and is posted to the general ledger at month's end. At the end of each month, a check request is processed and a check issued totaling the payroll deductions that month.

The Human Resource Department keeps copies of enrollments in the tax-deferred retirement annuity. Contributions are forwarded to the managing agency each pay period. The contribution list is submitted electronically; payment is made by via electronic withdrawal from the operating account.

#### Payroll Reports Maintained

1. Payroll register that identifies gross pay, less deductions and net pay by employee per pay period. Prepared by payroll service and held in Finance.
2. Check register. Prepared by payroll service and held in Finance.
3. Employees' earnings records that identifies cumulative gross pay and cumulative deductions and net pay for individual employees. Prepared by payroll service and held in Finance.
4. Available vacation leave, sick leave, personal hours and accrued holiday hours per employee. Prepared by payroll service and held in the Human Resources Department.
5. Individual contributions to the health center's tax-deferred retirement annuity. Report from payroll service and transmission report prepared by Finance.
6. Quarterly IRS Form 941. Prepared by payroll service and held in Finance.
7. 1099 Forms. Prepared by Finance.
8. Payroll distribution reports documenting gross payroll for each employee and the program in which they worked.

## **Accounting for Fixed Assets**

Items which have a useful life of more than one year and a cost of \$5,000 or more are considered capital items or fixed assets. These items must meet the guidelines set out in the Purchasing Procedures outlined above. These items are depreciated in a straight-line method based on current acceptable depreciation guidelines, acceptable useful lives and approved by our annual financial audit.

Purchased items are recorded on a spread sheet each fiscal year. The spreadsheet records the date and item purchased, the vendor from which it was purchased, cost, account to which it was coded and any other information considered pertinent. Depreciation is recorded based on our interpretation of current guidelines and is adjusted as determined at time of the annual audit. Items are assigned a unique number used to identify the item when physical inventories are completed. Physical inventories are completed and documented annually. The physical inventory matches the item to the inventory record and notes the location of the item. All discrepancies must be resolved.

When a fixed asset is retired, it is removed by netting the original value against the depreciation to determine any net loss. If the asset is sold, the amount from the sale is added to the net value at disposal and any difference is recorded as a gain or loss on the asset sold, whichever is appropriate.

As required by Federal awarding agencies, HCHC will submit reports on the status of Real Property in which the Federal Government retains an interest.



## **Patient Revenue and Receivable Process**

Reports are generated monthly by the Billing Department. The reports detail charges, receipts, adjustments and bad debt for patient receivables. Each set of monthly reports includes a reconciliation of receivable balances which matches the amounts on the patient receivable systems. An input sheet of all transactions is prepared using these reports and is entered into the general ledger. Copies of all pertinent reports are attached to the input sheet for documentation of the monthly entries. See cash receipts section for how patient receipts are handled and recorded.

## **Regulatory Reporting**

Systems and reports have been established to help the health center comply with all regulatory reporting. Many reports are required of the health center and all reports require different formats to report the information. The accounting system has been developed to allow for the different reporting formats and must include;

- a) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the HHS awarding agency, and name of the pass-through entity, if any.
- b) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§75.341 and 75.342. If an HHS awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.
- c) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- d) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.
- e) Comparison of expenditures with budget amounts for each Federal award.
- f) Written procedures to implement the requirements of §75.305.
- g) Written procedures for determining the allowability of costs in accordance with subpart E of this part and the terms and conditions of the Federal award.

The major reports which are required include:

Annual, Federal Uniform Data System (UDS) Report  
Annual audit in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards  
45 (CFR) Part 75  
Annual grant year Federal Financial Status Report (FSR)  
State annual Uniform Financial Report (UFR)  
IRS Tax Form 990  
State tax Form PC  
Federal cash draw down quarterly report PSC-272  
Medicare annual cost report  
Medicaid annual cost report

The system also allows for grant reporting, salary surveys and other numerous reports which may be required from time to time. These include the annual Federal 330 grant budget renewal, DPH annual contract budget adjustments and various local and private grants.

### **Annual Fiscal Audit Requirements**

a)

HCHC must provide for and submit an independent annual financial audit that is conducted in accordance with Generally Accepted Accounting Principles (GAAP) and the applicable requirements prescribed in 45 CFR Part 75 Subpart F. HCHC must promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with 45 CFR 75.511 Auditor procurement;

In procuring audit services, the procurement standards prescribed under this policy must be adhered to, as applicable. When procuring audit services, the objective is to obtain high-quality audits. In requesting proposals for audit services, the objectives and scope of the audit must be made clear and HCHC must request a copy of the audit organization's peer review report which the auditor is required to provide under GAGAS. Factors to be considered in evaluating each proposal for audit services include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of peer and external quality control reviews, and price. Whenever possible, HCHC must make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services, as applicable.

b) *Restriction on auditor preparing indirect cost proposals.*

An auditor who prepares the indirect cost proposal or cost allocation plan may not also be selected to perform the audit required by this part when the indirect

costs recovered by the auditee during the prior year exceeded \$1 million. This restriction applies to the base year used in the preparation of the indirect cost proposal or cost allocation plan and any subsequent years in which the resulting indirect cost agreement or cost allocation plan is used to recover costs.

- c) HCHC Board of Director involvement in selection of auditor;  
Annually the HCHC Board of Directors will review and appoint the Auditor based upon the procurement standards.

**APPENDIX A**

**ORGANIZATIONAL CHART**

**APPENDIX B1 & B2**

**CHART OF ACCOUNTS  
AND  
SUB ACCOUNT SEGMENTS**

**APPENDIX C**

**PURCHASE REQUISITION FORM**

**APPENDIX D**

**CHECK REQUEST FORM**

**APPENDIX E**

**MILEAGE REIMBURSEMENT REQUEST**



## **APPENDIX F**

### **Copy of Conflict of Interest Policy**



## Hilltown Community Health Centers, Inc.

### Administrative Policy

All Departments and Programs

#### **SUBJECT: CONFLICT OF INTEREST POLICY**

**REGULATORY REFERENCE:** 45 CFR 75.327 and 42 CFR Pt 51c.304(b)

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for disclosing all real or apparent conflicts of interest that are discovered or that have been brought to attention in connection with HCHC's activities.

#### **Policy:**

1. Employees of HCHC, its board of directors and agents are prohibited from participating in the selection, award and/or administration of any contract supported by federal funds that furnishes goods or services to HCHC.
2. No board member, HCHC employee or agent of HCHC may solicit or accept gratuities or favors of a monetary value from any person or organization having a contractual relationship with HCHC. This includes businesses soliciting business from HCHC.
3. No board of director member or an immediate family member shall be an employee of HCHC.
4. All board members and senior management shall disclose real or apparent conflicts of interest.
5. Violations of this policy will be handled in accordance with procedures established in the Corporate Compliance Plan, Sect III, Para A & B and the Board of Directors' By-Laws.

Questions regarding this policy or any related procedure should be directed to the Chief Executive Officer at 413-238-4128.

Originally Drafted: JUL 2007

Reviewed or Revised: SEP 2017

Approved by Board of Directors,

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

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

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

## **Procedure**

- 1. Employees of HCHC, its board of directors and agents are prohibited from participating in the selection, award and/or administration of any contract supported by federal or other funds that furnishes goods or services to HCHC.**

An individual officer, agent, or identified employee who believes that he or she or an immediate member of his or her immediate family might have a real or apparent conflict of interest, in addition to filing a notice of disclosure, must abstain from:

1. Participating in discussions or deliberations with respect to the subject of the conflict (other than to present factual information or to answer questions),
  2. Using his or her personal influence to affect deliberations,
  3. Executing agreements, or
  4. Taking similar actions on behalf of the organizations where the conflict of interest might pertain by law, agreement, or otherwise.
  5. And if a Board member, Voting or,
  6. Making motions on these measures.
- 2. No board member, HCHC employee or agent of HCHC may solicit or accept gratuities or favors of a monetary value from any person or organization having a contractual relationship with HCHC. This includes businesses soliciting business from HCHC**

A "gift "is defined as anything of value offered directly by or on behalf of an actual or potential patient, vendor or contractor, except for materials of little or nominal value such as pens, food items, calendars, mugs, and other items intended for wide distribution and/or not easily resold. Gifts include (but are not limited to): personal gifts, such as sporting goods, household furnishings and liquor; social entertainment or tickets to sporting events; personal loans or privileges to obtain discounted merchandise, and the like.
- 3. No board of director member or an immediate family member shall be an employee of the health center.**
  - a) Except under extenuating circumstances, as determined by the Chief Executive Officer, HCHC will not hire any individual (or assign, transfer or promote a current employee) who is related to one of its employees or contractors, if in the position being applied for (or assigned, transferred or promoted to), the applicant will supervise, be supervised by, or have a direct reporting relationship with the related employee or contractor.
  - b) Every applicant for employment or consultancy with HCHC must disclose any and all family, business and personal relationships with any Individual Affiliated with HCHC.
  - c) Members of the HCHC Board of Directors and their immediate family members are not eligible for employment at HCHC.
- 4. All board members and senior management shall disclose real or apparent conflicts of interest.**

All officers, Board members, and senior management employees (Chief Executive Officer, Chief Financial Officer, Chief Clinical and Community Services Officer, Department Managers) of this organization shall disclose all real or apparent conflicts of interest that they

discover or that have been brought to their attention in connection with this organization's activities.

"Disclose" shall mean providing properly, to the appropriate person, a written description of the facts comprising the real or apparent conflict of interest. An annual disclosure statement shall be circulated to officers, Board members, and certain identified employees to assist them in considering such disclosures, but disclosure is appropriate and required whenever conflicts of interest may occur.

The written notices of disclosures shall be filed with the Chief Executive Officer or other person designated by the Chief Executive Officer to receive such notifications.

All disclosures of real or apparent conflicts of interest shall be noted for the record in the minutes of a scheduled Board of Directors meeting.

At the discretion of the Board of Directors or a committee thereof, a person with a real or apparent conflict of interest may be excused from all or any portion of discussion or deliberations with respect to the subject of the conflict.

A member of the Board or a committee thereof, who, having disclosed a conflict of interest, nevertheless shall be counted in determining the existence of a quorum at any meeting in which the subject of the conflict is discussed. The minutes of the meeting shall reflect the individual's disclosure, the vote thereon, and the individual's abstention from participation and voting.

The Chief Executive Officer shall ensure that all officers, agents, employees, and independent contractors of the organization are made aware of the organization's policy with respect to conflicts of interest.

## Annual Disclosure Statement

Pursuant to the health center's conflict of interest policy), I \_\_\_\_\_ hereby  
make the following disclosures (print name)

**1. The following are all of my connections with groups doing business with HCHC:**

Name and address of group	Nature of connection
_____	_____
_____	_____
_____	_____
_____	_____

**2. I am a member of the board of the following for-profit and charitable organizations:**

Name and address of organization(s)
_____
_____
_____
_____

**3. During the 1-year period preceding the date of this statement, I have received the following amounts from HCHC, as a vendor of goods or on account of services rendered:**

Nature of goods sold or services rendered	Amount
_____	_____
_____	_____
_____	_____
_____	_____

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature



## **Hilltown Community Health Centers, Inc.**

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### **Administrative Policy**

All Departments and Programs

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#### **SUBJECT: EMPLOYEE USE OF SOCIAL MEDIA**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to formally outline the appropriate business use of social media by employees. While it is not the intention of HCHC to unreasonably restrict an employee's freedom of expression, it is our policy to ensure the health center is not misrepresented or cast in a negative light in social media.

The use of social media presents both risks and rewards. It also carries with it certain responsibilities. To assist employees, interns, contractors, and volunteers with making responsible decisions about the use of social media, Hilltown Community Health Center (HCHC) has established these guidelines for appropriate use of social media. This policy applies to all HCHC employees, interns, contractors, and volunteers.

#### **Policy:**

Social media may not be accessed through HCHC computers without authorization of the CEO.

Conduct that adversely affects job performance, the performance of fellow employees or otherwise adversely affects patients, practitioners, or people who work on behalf of HCHC or HCHC's legitimate business interests may result in disciplinary action up to and including termination.

#### ***Definitions.***

*Social media* includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with Health Center, as well as any other form of electronic communication. Forms of social media include, but are not limited to, written text, audio recording, photography, and video recording.

*Protected Health Information (PHI)* means individually identifiable health information that is transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium.

Questions regarding this policy or any related procedure should be directed to the Chief Executive Officer at 413-238-4128.

Originally Drafted: NOV 2015

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved:

\_\_\_\_\_  
Eliza B. Lake  
Chief executive officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

### **Procedure:**

Health Center has established the following guidelines for appropriate use of social media.

### **Do's and Don'ts for use of social media**

#### **DO:**

- Understand that all data and information that is entered, received, stored, or transmitted via HCHC's electronic resources is the property of HCHC and employees should have no expectation of privacy with respect to such data and information.
- Exercise good judgment. HCHC does not wish to interfere with the personal lives of its employees, but employees should be aware that their personal on-line life may be perceived as linked to their professional life.
- Be fair and courteous to fellow employees, vendors, or people who work on behalf of HCHC.
- Keep in mind that you are more likely to resolve work related complaints by speaking directly with your co-workers than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening, or intimidating, that disparage employees, or vendors, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or company policy.

- Always make sure you are honest and accurate when posting information. If you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything: therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about HCHC, fellow employees, vendors, or people working on behalf of Health Center.
- Express only your personal opinions. Never represent yourself as a spokesperson for HCHC. If HCHC is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of HCHC, fellow employees, vendors or people working on behalf of HCHC. If you do publish a blog or post online related to the work you do or subjects associated with HCHC, make it clear that you are not speaking on behalf of HCHC. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of HCHC.” If you become aware of a post that may require an official response from HCHC or could otherwise become an issue for the organization, contact and inform your supervisor and the Human Resources Department for proper handling.
- Be particular about your “friends” and associations and check the privacy and security settings on your accounts.
- Access social media only on your personal devices and/or cell phones, and only during lunch/break times.

#### **DON'T:**

- Use offensive language or engage in harassment or intimidation. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination. It is a violation of this policy to electronically communicate in a manner which is obscene, harassing, abusive, or threatens an individual's safety, in accordance with the HCHC's policies on harassment.
- Exchange proprietary/confidential information - Employees are prohibited from posting or disclosing proprietary/confidential information. This may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- Use social media inappropriately.
- Use social media while engaged in work activities.
- Use your HCHC email address for personal social networking accounts.



- Share PHI via social media. This includes posting pictures or video of patients of the HCHC. Communicating this information will result in discharge from employment and possible prosecution under federal or state law.

**Retaliation is prohibited**

HCHC prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

**This policy and procedure shall be periodically reviewed and updated consistent with the requirements and standards established by the Board of Directors and health center management, federal and state laws and regulations, and applicable accrediting and review organizations.**



## Hilltown Community Health Centers, Inc.

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### Clinical Policy All Departments

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#### **SUBJECT: CONTINUING EDUCATION POLICY**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for reimbursement of continuing education fees. The agency will annually reimburse a provider or staff member for continuing education activities and associated travel and meal expenses up the maximum amount permitted by the provider's contract or approved by the staff member's manager. Required documentation must be submitted in a timely fashion as described below in order to receive payment under this benefit. This benefit is intended for the employees only (i.e., not for family) and HCHC will not reimburse for alcohol.

Definition: A continuing education activity will be any course, conference, book, subscription or article, the completion of which will result in continuing education credits or may be required for (re)licensure and/or which can reasonably be expected to improve patient safety and/or clinical care for health center patients.

#### **Policy:**

1. Providers will submit leave request to the practice managers while staff members will submit leave request to their supervisor
2. Providers and staff will submit the continuing education course content to their supervisor for approval in advance
3. If requesting payment for the conference fees prior to the event, providers and staff will submit a Check Request Form to their supervisor
4. Further request for reimbursement of the activity and associated meals will be submitted on Check Request form to their supervisor no later than 90 days from the date of the activity, and all request must be submitted no later than the 15<sup>th</sup> of January of the year following the activity.
5. Mileage request will be submitted on the Mileage Reimbursement Form (rather than the Check Request form) to the supervisor.

Questions regarding this policy or any related procedure should be directed to the directed to the Practice Manager at 413-238-4126.

Originally Drafted: APR 2016

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors



**Hilltown Community Health Centers, Inc.**

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**Administrative Policy**

All Departments

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**SUBJECT: ESTABLISHMENT OF BUSINESS ASSOCIATE AGREEMENTS**

**REGULATORY REFERENCE: 45 CFR 164.504**

**Purpose:**

Hilltown Community Health Center, Inc. (HCHC) management has adopted this policy to have a formal documented process establishing agreements with vendors and business associates.

**Policy:**

1. A Business Associate is any person or entity who acts in a capacity other than a member of our workforce to perform or assist in the performance of a function involving the use and disclosure of patient protected health information.
2. A Business Associate Agreement (BAA) must bind the associate to the following:
  - a. Not use or further disclose the information other than as permitted under the contract or as required by law.
  - b. Use appropriate safeguards to prevent use or disclosure of the information other than as provided by its contract.
  - c. Report to the provider or appropriate HCHC contact any use or disclosure not provided for by its contract of which it becomes aware.
  - d. Ensure that any agents or subcontractors it provides protected health information agree to the same restrictions and conditions that apply to the business associate.
  - e. Afford individuals to access their protected health information as required by the Privacy Rule.
  - f. Make information available to provide an accounting of disclosures in accordance with the Privacy Rule.
  - g. Make its internal practices, books and records relating to the use and disclosure of protected health information received from, or created or received by the business associate, available to the Sec. of HHS for the purpose of assessing our compliance with the Privacy Rule.
  - h. At the termination of the contract/agreement, if feasible, return or destroy all protected health information received from or created or received by the business associate in our behalf

Questions regarding this policy or any related procedure should be directed to the HIPAA Privacy Officer at 413-238-4128.

Originally Drafted: APR 2003

Last Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
President, HCHC Board of Directors



## Hilltown Community Health Centers, Inc.

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### Administrative Policy

All Departments

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#### **SUBJECT: FIREARMS IN THE WORKPLACE**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Center, Inc. (HCHC) management has adopted this policy to have a formal documented process to ensure that Hilltown Community Health Center maintains a workplace safe and free of violence for all employees and patients, the company prohibits the possession or use of firearms on company property.

#### **Policy:**

1. The possession of firearms on corporate property is prohibited regardless of any license authorizing the individual to carry a firearm.
2. The exception to this policy will be on-duty law enforcement officers.

Questions regarding this policy or any related procedure should be directed to the Chief Executive Officer at 413-238-4128.

Originally Drafted: DEC 2015

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

**Procedure:**

1. Signage, stating that firearms are not permitted on the premises, will be posted at all entrances in a location that is conspicuous to all
2. Failure on the part of an employee to comply with the policy may result in termination of employment
3. Failure on the part of a patient to comply with the policy will result in termination of appointment and personnel should follow the Disruptive Patient policy.



## Hilltown Community Health Centers, Inc.

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### Administrative Policy

All Departments

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**SUBJECT: FRAGRANCE CONTROLLED WORK ENVIRONMENT**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process to strive to be a fragrance-controlled institution. The Health Center's philosophy supports a healthful environment for patients, employees, and visitors.

#### **Policy:**

Fragrances: any product which produces a scent, strong enough to be perceived by others including but not limited to colognes, perfumes, after shave products, lotions, powders, deodorants, hair sprays and other hair products, and other personal products.

The organization recognizes that exposure to strong scents and fragrances in the environment can cause discomfort as well as directly impact the health of sensitive individuals. Therefore, for the comfort and health of all, use of scents and fragrant products, other than minimally scented personal care products, by HCHC employees and staff, is discouraged, particularly in clinical areas.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: JAN 2009

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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



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John Follet, MD  
Chair, HCHC Board of Directors

**Procedure:**

Fragrances and scented products that are perceived by others in addition to the user are not to be worn in the Health Centers, particularly in and around clinical areas, waiting rooms, the lab, or other areas that patients may frequent.

Air fresheners and room deodorizers purchased for use in the health centers must be unscented. These products are intended to mask other objectionable odors for the purpose of improved environmental comfort.

Any employee with concerns about scents or other odors associated with products used while performing job duties should contact their supervisor or department head to determine if there is an appropriate product substitution available.

**RESPONSIBILITY:**

Department heads and managers/supervisors are responsible for encouraging staff to comply with this policy.

**It is the responsibility of all employees to support this policy.**



## Hilltown Community Health Centers, Inc.

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### Administrative Policy Administration

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#### **SUBJECT: GIFT ACCEPTANCE**

#### **REGULATORY REFERENCE: None**

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for the solicitation and acceptance of gifts to or for the benefit of HCHC for purposes that will help HCHC to further and fulfill its mission.

The mission of HCHC is to provide high quality, accessible medical, dental, behavioral health, eye care, and community services to people in the Western Massachusetts Hilltowns and surrounding areas.

HCHC's Board of Directors has a fiduciary duty to assure that HCHC's assets are used efficiently and protected from potential liabilities and diversion to purposes other than those that further HCHC's goals. The following policies and guidelines govern acceptance of gifts made to HCHC or for the benefit of any of its programs.

#### **Policy:**

1. The Board of Directors of HCHC and its staff solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and mission of HCHC. We appreciate donors' consideration of any gift to HCHC. In all matters involving current and prospective donors, the interest of the donor is important to HCHC.
2. The following gifts are acceptable, but not intended to represent an exclusive list of appropriate gifts:
  - a. Cash
  - b. Securities
  - c. Retirement Plan Beneficiary Designations
  - d. Bequests
  - e. Life Insurance Beneficiary Designations

Gifts of tangible property, art, land, cars/vehicles, and in-kind will not be accepted. The Board, upon recommendation, of the Finance Committee, may make exceptions.

3. These policies and guidelines govern the acceptance of gifts by HCHC and provide guidance to prospective donors and their advisors when making gifts to HCHC. The provisions of these policies apply to all gifts to HCHC for any of its programs. Gifts will be accepted only if they do not interfere with HCHC's mission, purpose and procedures.

4. HCHC shall accept only such gifts as are legal and consistent with organizational policy. While HCHC does not provide tax advice, every effort will be made to assist donors in complying with the intents and purposes of the Internal Revenue Service in allowing charitable tax benefits. Key principles include safeguarding the confidentiality of the donor relationship, providing full disclosure to the donor, and ensuring that gifts are recorded, allocated and used according to the donor intent and designation.

Questions regarding this policy or any related procedure should be directed to the Development Director at 413-238-4111.

Originally Drafted: OCT 2015

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

## **Procedure:**

The following criteria govern the acceptance of each gift form:

1) **Cash.** Cash refers to cash equivalents, including checks, money orders, currency/coin, and credit card payments. Checks or money orders shall be made payable to “Hilltown Community Health Centers, Inc.”, shall appropriately identify the donor or donors and be delivered to HCHC’s administrative offices. Wire and Electronic Funds Transfer (EFT) can usually be arranged with the HCHC staff. If a donor or a company workplace matching gift program wants to send an ACH/EFT every week instead of a check, these must be authorized by the Finance Department’s cash receipting manager at HCHC before the enrollment form is sent back to the constituent.

2) **Securities.** HCHC can accept both publicly traded securities and closely held securities.

*Publicly Traded Securities:* Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor’s signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Finance Committee. In some cases, marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the Finance Committee of HCHC.

Potential donors should note that a security must be owned by a donor for at least 12 months before it is gifted in order for the donor to maximize tax benefits. It is suggested that potential donors discuss any tax questions with a tax and/or financial advisor.

*Closely Held Securities:* Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted. Such gifts, however, must be reviewed prior to acceptance to determine that:

- a) there are no restrictions on the security that would prevent HCHC from ultimately converting it to cash;
- b) the security is marketable; and
- c) the security will not generate any undesirable tax consequences for HCHC.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The Board of HCHC with the advice of legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

3) **Deferred Compensation/Retirement Plan Beneficiary Designations.** HCHC generally will accept gifts designating HCHC as a beneficiary of the donor’s retirement plans including, but not limited to, IRA’s, 401(k)’s 403(b)’s and other plans. Such designation will not be recorded as a gift to HCHC until such time as the gift is irrevocable.

4) **Bequests.** Donors and supporters of HCHC will be encouraged to make bequests to HCHC under their wills and trusts. Such bequests will not be recorded as gifts to HCHC until such time as the gift is irrevocable. The criteria for the acceptance of the gift or bequest will be the same as otherwise provided herein.

5) **Life Insurance Beneficiary Designations.** Donors and supporters of HCHC will be encouraged to name HCHC as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to HCHC until such time as the gift is irrevocable.

### ***III. General Policies Relevant to All Gifts***

#### **A. The Finance Committee**

The Finance Committee is charged with the responsibility of reviewing all non-cash gifts proposed to be made to HCHC, properly screening, accepting or rejecting those gifts, and making recommendations to the Board on gift acceptance issues when appropriate.

#### **B. Use of Legal Counsel**

HCHC shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- 1) Closely held stock transfers subject to restrictions or buy-sell agreements.
- 2) Documents naming HCHC as Trustee.
- 3) Gifts involving contracts, such as bargain sales or other documents requiring HCHC to assume an obligation.
- 4) Transactions with potential conflict of interest that may involve IRS sanctions.
- 5) Other instances in which use of counsel is deemed appropriate by the Finance Committee.

#### **C. Conflict of Interest**

HCHC will urge all prospective donors to seek the assistance of independent personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. HCHC and its employees and agents are prohibited from advising donors about the tax consequences of their donations. Gifts are also subject to the provisions of other HCHC policies, including adopted Conflict of Interest policies.

HCHC makes every effort to ensure accepted gifts are in the best interests of the organization and the donor. HCHC works to follow The Donor Bill of Rights adopted by the AAFRC Trust for Philanthropy, the Association of Fundraising Professionals and other professional organizations.

HCHC will comply with the Model Standards of Practice for the Charitable Gift Planner, promulgated by the National Committee on Planned Giving.

#### **D. Restrictions on Gifts**

HCHC will accept unrestricted gifts, and gifts for specified programs and purposes, provided that such gifts are consistent with its stated mission, purposes, and priorities. HCHC will not accept gifts that are too restrictive in purpose. Gifts for purposes that are not consistent with HCHC's mission or consonant with its current or anticipated future programs cannot be accepted.

Examples of gifts that are too restrictive are those that violate the terms of the corporate charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of HCHC. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Finance Committee of HCHC.

#### **E. Tax Compliance**

HCHC's policy is to comply with Internal Revenue Service reporting requirement and all other aspects of state and federal tax law.

#### **F. Naming of Buildings and Physical Spaces**

- a. New or significantly renovated buildings, rooms, floors, wings, entry areas or other significant areas of space can be named to recognize the generosity of donors who demonstrate their interest in and commitment to HCHC through the contribution of a significant donation. Donors whose capital gifts are designated for unrestricted use, or for unrestricted or restricted endowment for which no other naming opportunity has been given, may also be offered a naming opportunity in a building or area, the size of which is commensurate with the level of commitment made to a particular campaign.
- b. The Board will determine what level of commitment is to be recognized through a naming opportunity on a case by case basis. These determinations will ideally be consistent with past named spaces.
- c. Buildings and spaces may be named by the donor in the name of the donor(s), family members, or another individual of the donor's choosing, upon approval of the Board.
- d. The Board may choose to name a space in recognition of influence and impact on the organization, irrespective of philanthropic commitment.
- e. Signage used to recognize named spaces will be complementary to the facilities and will present a uniform and tasteful look in accordance with the interior décor of the facility.
- f. Naming of a physical space is generally done upon completion of the building or renovation project and receipt of signed documentation of the donor's intent to fulfill his or her capital commitment as well as receipt of at least the initial payment on the pledge. Should the donor fail to complete payment on a pledge for which a naming opportunity has been granted, HCHC reserves the right to remove or adjust the recognition to a space commensurate with the amount paid.
- g. In the case of significant renovation, alternation, or replacement of existing named spaces or buildings, every effort will be made to contact and inform the original donor and/or

family members, and to provide recognition and acknowledgement of the original gift and legacy in an appropriate location within the new facility.



## Hilltown Community Health Centers, Inc.

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### Administrative Policy

All Departments

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#### **SUBJECT: PATIENT SATISFACTION SURVEYS**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for assessing patient satisfaction with respect to patient-centered medical home activities and to use the results to improve our patients' experiences at the health center.

#### **Policy:**

1. The health center will regularly assess patient satisfaction through a survey administered no less frequently than annually. The survey tool used will be the Consumer Assessment of Healthcare Providers and Systems (CAHPS) instrument.
2. The results will be reported to and discussed by the health center's Quality Improvement/Risk Management Committee, which will respond as appropriate through the development of action plans to address negative results.
3. The results will be reported to the Board of Directors and staff.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: JAN 2012

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors





## Hilltown Community Health Centers, Inc.

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### Administrative Policy

All Departments

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#### **SUBJECT: ELECTRONIC INFORMATION FOR COLLECTION AND USE POLICY**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for web log file data, subscription to our electronic mailing list and announcements, and email communications.

#### **Policy:**

##### 1. Web log file data:

We collect some basic web log file data about web site visitors. This information includes domain names, website traffic patterns and server usage statistics. This information is used for site management and administration and to improve the content and overall performance of our website.

##### 2. Subscription to our Electronic Mailing List and Announcements:

Online subscribers to our electronic announcements are providing Hilltown Community Health Centers, Inc. with an email address, which is kept in a private email list. The email list is only used for the purposes of sending electronic announcements. HCHC may send an email communication related to any changes in our services, hours of operation, organizational updates, our electronic newsletter and other general health topics that may be of interest to the subscribers. We will not share or sell information or email addresses to any third party. To remove a name and personal information from our mailing list at any time, email [info@hchcweb.org](mailto:info@hchcweb.org) or by calling 413-238-5511 ext. 118.

##### 3. Email Communications:

Our web site offers a contact form to contact us. Email messages, like most internet email messaging services, does not provide a secured method of delivery to communicate with us and other third parties. It is possible that your email communication, if not encrypted, may be accessed or viewed inappropriately by another internet user while in transit to us. If you wish to keep your communication completely private, you should not use email to contact us.

Hilltown Community Health Centers, Inc. does not collect an email address unless it is voluntarily submitted it to us or a person chooses to communicate with us via email. We do not sell or rent any email addresses or personal information. We do our best to respond to email messages requiring a response within a reasonable time frame during business hours. If someone decides to use the 'Email HCHC' page to communicate with us, the message and email address will be forwarded to the appropriate department within the organization for follow up.

### 3. Donor Communications:

The email address of any individual who voluntarily provides an email address as part of the process of donating to HCHC through its website or through any other means may, at times, receive emails related to the health center, its activities, and further opportunities to donate. We do not sell or rent any email addresses or personal information to other organizations for the purposes of solicitation of donations, or for any other reason.

Questions regarding this policy or any related procedure should be directed to the Chief Executive Officer at 413-238-4128.

Originally Drafted: SEP 2015

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors



**Hilltown Community Health Centers, Inc.**

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**Clinical Policy**  
All Departments

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**SUBJECT: TO EFFECTIVELY AND SAFELY TREAT AND REFER ASYMPTOMATIC  
HYPERTENSIVE PATIENTS UTILIZING ANCILLARY DEPARTMENTS**

**REGULATORY REFERENCE: None**

**Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for providing safe and effective guidance for Eye Care, Oral Health, Community Services, and Behavior Health providers when treating hypertensive patients.

**Policy:**

When a patient or client has a blood pressure reading that is outside of the normal limits and asymptomatic, the following procedure will be followed.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: FEB 2016

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

**Procedure:**

1. When the blood pressure is taken by an Eye Care, Oral Health, Community Service or Behavior Health provider the following guidelines will be followed:

Systolic pressure	Diastolic pressure	Guidelines
120-139	80-89	Considered normal
140-159	90-99	Referral within 2 months
160-179	100-109	Nursing visit within 2 weeks
>180	>110	Same day urgent visit

2. In the event that a patient is seen in Eye Care, Oral Health, Community Service or Behavior Health departments, but is not a medical patient, and has an elevated blood pressure a written document indicating the blood pressure and our recommended treatment will be given to the patient.



## Hilltown Community Health Centers, Inc.

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### Clinical Policy All Departments

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**SUBJECT: INTERNAL REVIEW PROCESS FOR POTENTIAL RESEARCH PROJECTS**  
**REGULATORY REFERENCE: None**

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process to provide a peer review process for evaluating potential research projects that involve HCHC patients, services, or staff. To ensure the rights and welfare of any subjects of the research, including preserving the integrity, privacy, and safety of all participants. To ensure that all participants are participating voluntarily (or, if that is not possible, that informed permission is given by a suitable proxy).

#### **Policy:**

An Internal Research Review Committee will be formed to evaluate any and all request for research projects that affect HCHC, its staff or patients. The Committee will develop a recommendation that will then be presented to the Health Center Board for a final vote to approve or reject the request.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: AUG 2015

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

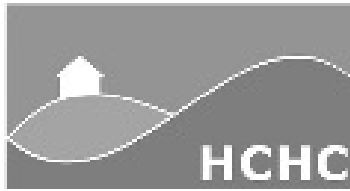
\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

### **Procedure:**

1. A research request may be received by any department head.
2. Upon receiving such a request, the Chief Clinical and Community Service Officer will be notified and the request will be added to an upcoming department head meeting agenda. At the determined meeting, it will be determined whether the project merits further review by the committee and board approval.
3. If it is determined that the project merits further review. A committee will be formed, consisting of the Department Heads and the Executive Director, to review the request and make a recommendation that will then be presented to the Board of Directors. The Committee will review the proposal to ensure that it addresses the following criteria, at a **minimum:**
  - Safeguards the rights, safety, and well-being of all trial subjects, particularly if they are considered vulnerable subjects, such as pregnant women, children, prisoners, the elderly, or persons with diminished comprehension.
  - Contains all appropriate documentation, including written consent forms, information for informants about the purpose and process for the study, compensation as appropriate, and other documents deemed necessary to ensure the rights of the participants.
  - Presents a timeline for the study.
  - Information about compensation for participants and/or HCHC, to ensure that there are no problems of coercion or undue influence on participants. This information should, as appropriate, be included in the consent documentation.
4. The Board of Directors will then vote on whether or not to accept the committee's recommendation and the decision will be recorded in the meeting minutes.



## Hilltown Community Health Centers, Inc.

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### Administrative Policy

All Departments

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#### **SUBJECT: PATIENT COMPLAINT AND GRIEVANCE POLICY**

**REGULATORY REFERENCE:** Department of Public Health

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for managing patient complaints and grievances.

#### **Policy:**

1. Patient complaints can be taken by any employee and will be directed to the Practice Manager.
2. The manager or director receiving the complaint will make telephonic contact with the complainant within four hours of receiving the complaint.
3. In cases where a provider is the subject of a complaint, the complaint will be forwarded to the Medical Director or to the department's clinical director for investigation.
4. The manager or director will have no more than 10 days to document the complaint, conduct an investigation, respond to the patient and file the investigation.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: DEC 2004

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

**Procedure:**

1. The employee initially receiving the complaint will attempt to contact the Practice Manager.
  - a. If available, the Practice Manager will contact the complainant and document the complaint on the HCHC Patient Complaint form.
  - b. If unavailable, the employee will document the complaint on the HCHC Patient Complaint form, ensuring that the complainant's contact information is documented.
  - c. If the complainant is unwilling to have the employee document the complaint and insists on speaking with a manager, the employee will take the complainant's contact information and relay it to the Practice Manager.
  - d. If the complainant is unwilling to have the employee document the complaint or speak to a Manager, the employee will take the complainant's contact information, if possible, and relay it to the Practice Manager and will also send the patient a copy of the HCHC Patient Complaint form with a request that they fill it out themselves.
2. Once a complaint is received, the Practice Manager will make contact with the complainant, either in person or via telephone.
3. If the complaint has not been documented, the Practice Manager will document the complaint and inform the complainant that an investigation will be conducted.
4. The Practice Manager has ten business days to investigate the complaint and respond in writing to the patient with a copy of the response sent to the Executive Assistant for filing.
5. If a patient remains unsatisfied with the proposed resolution, the complaint will be forwarded to the appropriate executive officer for resolution.
  - a. Billing related complaints to the Chief Financial Officer
  - b. Operations & staff related complaints to the Chief Operations Officer
  - c. Provider related complaints to the Chief Clinical & Community Services Officer
6. Complaints not resolved at the executive officer level will be forwarded to the Chief Executive Officer
7. All complaints will be tracked on an annual basis for trend analysis by the Quality Improvement/Risk Management Committee.
8. A record of all complaints will be maintained on file by Executive Assistant and will be reported to Quality Improvement/Risk Management Committee and the Board of Directors at least quarterly.





**Hilltown Community Health Centers, Inc.**

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**Clinical Policy**  
All Departments

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**SUBJECT: PATIENT'S RIGHT TO REQUEST AN AMENDMENT TO A CLINICAL RECORD**

**REGULATORY REFERENCE:** 45 CFR 164.504

**Purpose:**

Hilltown Community Health Center, Inc. (HCHC) management has adopted this policy to have a formal documented process handling patients who request an amendment to their clinical record.

**Policy:**

1. Patient requests for amendments to their clinical records must be made in writing.
2. Action must be taken within 60 days of receipt of a request for amendment.
3. HCHC is not required to grant the request for amendment
4. HCHC must communicate to the patient both acceptance and denials pertaining to requests for amendment.
5. HCHC must identify the information pertaining to the request for amendment and include all pertinent documentation in any disclosures.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: APR 2003

Last Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

**Procedure:****Patient requests for amendments to their clinical records must be made in writing.**

1. All requests for amendment will be routed to the Practice Manager for processing
  - a. Requests for amendment to medical charts will be decided by the Medical Director
  - b. Requests for amendment to dental charts will be decided by the Director of Oral Health
  - c. Requests for amendment to Behavioral Health records will be decided by the Director of Behavioral Health.
  - d. Requests for amendment to Optometric records will be decided by the Director of Optometry.

**Action must be taken within 60 days of receipt of a request for amendment.**

1. If we are unable to act on the amendment within 60 days, we may extend the time an additional 30 days with written notification to the patient indicating the reason for the delay. Only one 30-day extension if permitted per the privacy rule.

**HCHC is not required to grant the request for amendment.**

1. Denials may be made for the following reasons:
  - a. The information to be amended is not part of our records.
  - b. The information to be amended is not available for inspection per our policy regarding patient access to their records.
  - c. The information to be amended is accurate and complete.
  - d. The information to be amended was not created by our practice, unless the patient provides a reasonable basis to believe that the originator of the protected health information is no longer available to act on the requested amendment.
2. If permission is granted in whole or in part we must comply with the following:
  - a. We must make the appropriate amendment to the protected health information by, at a minimum, identifying the information in the record that is affected and appending or otherwise providing a link to the location.
  - b. We must inform the patient that the amendment is accepted and request the patient to inform us as to the relevant persons with which the amendment needs to be shared.
  - c. We also must make a reasonable effort to inform and provide the amendment to others we identify as having received the information and need the amendment, including our business associates that may have relied on the information to the detriment of the patient
3. If the request is denied, we must provide a written denial and comply with the following:
  - a. We must provide the patient with a timely denial written in plain language.

- b. The basis of the denial must be included.
- c. The written denial must state that the patient has the right to submit a written statement disagreeing with the denial and instruct the patient on how to file such a statement.
- d. The written denial must also indicate that if the patient does not submit a statement of disagreement, the patient may still request our practice to submit their request for amendment with any future disclosure of the subject information.
- e. The written denial must also include a description of how the patient may complain to our practice or the Secretary of Health and Human Services.

**HCHC must communicate both acceptance and denials pertaining to requests for amendment.**

- 1. As noted above, HCHC must permit the patient to submit a written statement disagreeing with the denial including the basis for his/her disagreement. HCHC is permitted to reasonably limit the length of the disagreement, which is to be incorporated in the patient's record.
- 2. Should a patient submit a statement of disagreement, HCHC is permitted to prepare a written rebuttal. Whenever a rebuttal is prepared, HCHC must provide a copy to the patient who submitted the statement of disagreement.

**HCHC must identify the information pertaining to the request for amendment and include all pertinent documentation in any disclosures.**

- 1. HCHC is required to identify the information that is the subject of the disputed amendment and append or otherwise like the patient's request for amendment, our denial, and any statement of disagreement as well as any rebuttal.
- 2. If the patient has submitted a statement of disagreement, we must include the information (statement and any rebuttal) with any subsequent disclosure of the protected health information to which the disagreement relates.
- 3. If the patient has not submitted a statement of disagreement, we must include the patient's request for amendment and our denial with any subsequent disclosure of the protected health information to which the disagreement relates.
- 4. Whenever a subsequent disclosure involves an electronic transaction, which does not permit the additional material to be included, we must separately transmit the material to the recipient of the electronic transaction.
- 5. If we are informed by another provider of an amendment to a patient's protected health information we must insert the information in our record.



## Hilltown Community Health Centers, Inc.

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### Clinical Policy All Departments

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#### **SUBJECT: PROVIDER RECRUITMENT AND RETENTION PLAN**

**REGULATORY REFERENCE:** None

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for recruiting and retaining providers.

#### **Policy:**

The Hilltown Community Health Center (HCHC) will recruit Medical, Dental, Behavioral Health, and Eye Care providers dedicated to the provision of quality, comprehensive, cost-effective patient care. HCHC will maintain and support an on-going Provider Recruitment and Retention Plan that outlines:

- A comprehensive recruitment process designed to recruit providers committed to the mission of community based health centers and dedicated to meeting the needs of the Health Center patients.
- A comprehensive retention process that supports the personal, professional, and family needs of providers, thus encouraging long term employment commitments to HCHC.

Questions regarding this policy or any related procedure should be directed to the directed to the Human Resources Manager at 413-238-4133.

Originally Drafted: MAY 2015

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

## **Procedure:**

### **HCHC Requirements**

The success of the Hilltown Community Health Centers Recruitment and Retention Plan depends upon HCHC providing:

- A clear and definitive role of providers as team leaders among the support staff in the provision of health care.
- An effective and efficient support team that works with providers in meeting the overall needs of the community.
- A work environment that encourages the successful completion of established clinical goals.
- A compensation package that is competitive and rewards providers for commitment to the community.
- A work environment where administrative/management teams and providers understand the unique organizational and financial structure of community health centers, and work cooperatively in the planning, management, and evaluation of the health center.
- Opportunities for providers to participate, as appropriate, in community based health care initiatives, networks, and cooperative agreements and/or develop affiliations with other health care entities for the purpose of continued personal, professional and/or academic growth and development.

### **Recruitment of Provider Staff**

#### **1. Determine Need and Recruitment Strategy**

The entire staff of HCHC will be involved in the process at varying stages. The following steps will be taken to ensure the most desirable outcome:

- 1) Determine the need for recruitment and complete the Personnel Requisition Form. Involve the provider staff in the process.
- 2) Determine desirable provider attributes and position qualifications and make any necessary updates to the job description.
- 3) Determine the feasibility of desirable recruitment methods with the Executive Assistant, who will post the ads.
- 4) Select the method(s) of advertising that best suit HCHC's needs
- 5) Target graduating residents when necessary.
- 6) Target the search area to the states needed; expand the area as necessary.
- 7) Develop a Hiring Team, which will determine the most likely resources for targeted recruitment, which could include:
  - a) Residency programs
  - b) Professional school alumni lists/publications
  - c) Publications – newspapers, journals
  - d) Internet
  - e) State medical scholarship programs
  - f) Directories of State Licensure Boards
  - g) JAMA – Annual Education issue
  - h) National Health Service Corps
  - i) Professional Recruitment Services
  - j) 3RNet

#### **2. Development of Candidates**

Do not assume that all inquiries about the position are serious. Initial screening activities should include:

- 1) Review candidate's resume/ CV for qualifications
- 2) Conduct a phone interview to ascertain the level of interest; answer questions about the practice opportunity and explain the recruitment process.
- 3) If the candidate is viable, send a recruitment packet with a sample contract and schedule an in-depth phone interview.
- 4) Include spouse/significant other on the phone interview to determine their expectations and answer any questions about the community (housing, schools, recreation, shopping, cultural opportunities).
- 5) If five or more viable candidates complete this phase, select the top three for further consideration, based upon all available data.

### **3. Candidate(s) Site Visit**

Before the candidate visits the site, certain preparations need to be completed, including the following:

- 1) A pre-visit planning call to determine the objectives of the candidate, spouse, and other family members.
- 2) A written itinerary for the visit prior to the visit, including pertinent information related to specific activities.
- 3) Communication between members of the relevant management members/staff to review the site visit plans, their roles and preparation for the interview and responses to the candidate's questions regarding the community.
- 4) Include in site visit itinerary:
  - meetings with, as appropriate, support staff, fellow providers, department head, Senior Management leader, and Executive Director; and
  - tours of all HCHC sites, including SBHC and Hilltown Community Center, if possible
- 5) Members of the hiring team shall interview the candidate, either separately or in small group(s), following the board-approved Procedures for Interviewing Policy.
- 6) Allow time to discuss the contract thoroughly before the visit ends.
- 7) Make every effort to ensure that the visit is pleasant and ends on a positive note.
- 8) If the hiring team agrees, the candidate may be invited to return for a second site visit and/or interview, which could include shadowing opportunities, as appropriate.

### **4. Selecting the Candidate**

Selecting the final candidate will include input from the hiring team, which may include provider staff, members of Senior Management, Practice Manager, Executive Director and/or other members. Consideration will be based on:

- 1) Candidate who best fits the qualifications and other desired attributes and requirements for the position.
- 2) Candidate who best fits the health clinic practice site and community
- 3) The most mutually financially beneficial relationship for the health center and the provider.
- 4) Overall fit and satisfaction of the candidate and family with the community.

### **5. Follow-up/Making the Offer**

Immediately following the site visit and selection process by the hiring team, the following steps will be taken:

- 1) Hiring Manager to complete a Personnel Action Form (PAF) for all candidates they wish to extend offers to, each ranked 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and so on. This is signed by the Head of that department, and then sent to Human Resources.
- 2) Human Resources to send a letter to the selected candidate (and spouse) which includes:
  - a) Expression of thanks for visiting the program
  - b) An offer to accept the position with a designated time frame for a reply

- 3) Encourage recruitment committee members to also write letters.
- 4) Send thank you letters to other candidates invited to visit the center.

## **6. Follow-up/Acceptance of Offer**

The following steps will be taken to bring closure to the recruitment process:

- 1) Immediately confirm the following in writing:
  - a) The candidate's acceptance has been received.
  - b) The acceptance is based upon the agreed contract.
  - c) The expected start date.
- 2) Finalize start date
- 3) Keep lines of communication open.

## **B. Retention of Provider Staff**

### **1. Health Center Orientation**

- 1) A provider will be assigned to each new recruit to:
  - Introduce the new provider to clinic staff
  - Provide orientation to the health center
  - Provide information about responsibilities of medical staff, such as attendance at meetings, chart completion expectations and protocol for scheduling patients.
  - Assist with establishing the provider in the patient scheduling system.
- 2) The EHR Specialist or other relevant staff person will provide new provider with a minimum of one day of training on the relevant EHR, as needed.
- 3) The new provider will be scheduled for the first month (or a period to be determined, based on proficiency with EHR) in a manner that will enable her/him to become proficient in the workflows and use of the EHR so as to mitigate a detrimental effect on morale and/or efficiency.

### **2. Community Orientation**

HCHC will work to assist the new provider in becoming acquainted with the community.

### **3. Open Communication**

Do not assume that a new provider will be integrated into the practice situation after the initial few days or weeks. The normal orientation phase takes about six months. During this initial period, it is important that the Department Director communicates regularly with the new provider regarding the adjustment to the practice and community. Maintaining an open line of communication may prevent misunderstandings and conflicts from arising later.

### **4. Team Building**

Retention depends a great deal on instilling a "team" atmosphere for the new provider. It is important that the new provider become a part of the organization as quickly as possible. This process can be facilitated by a planned approach to involving the new provider in health center functions. The retention strategy will also incorporate teaching the history, traditions, and customs of HCHC and community.

### **5. Salary and Benefits**

These policies and procedures are particularly important for the retention of existing providers, as well as the recruitment of new providers. Compensation packages will be reviewed periodically against state and local benchmarks and provider contracts updated as needed to remain competitive in the market place.



## Hilltown Community Health Centers, Inc.

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### Clinical Policy

Medical Department  
Behavioral Health Department  
Nursing

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### **SUBJECT: SCHEDULE CHANGE / TIME OFF REQUESTS**

**REGULATORY REFERENCE:** None

### **Purpose:**

To eliminate confusion and streamline processes, Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for scheduling time off requests and changes to work schedule templates.

### **Policy:**

1. All requests for time off will be made according to the procedures found on page 2 of this document.
2. All changes to work schedule templates will be made according to the procedure found on page 3 of this document.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: OCT 2014

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors



## **Procedure:**

**All requests for time off will be made according to the procedures found on page 2 of this document.**

1. All requests for time off must be made to the Practice Manager via email ([cmagrath@hchcweb.org](mailto:cmagrath@hchcweb.org)).
2. Please use "**Time off request**" in the subject field of the email.
3. Requests should be made based on the following schedule. Obviously, there will be some flexibility, but in order to be able to accommodate everyone's busy lives, we want as much notice as possible.

<b>Request from Operations</b>	<b>Time off period</b>	<b>Deadline back to Operations</b>	<b>Approved no later than</b>
December 1	Mar / Apr	December 15	December 25
February 1	May / Jun	February 15	February 25
April 1	Jul / Aug	April 15	April 25
June 1	Sep / Oct	June 15	June 25
August 1	Nov / Dec	August 15	August 25
October 1	Jan / Feb	October 15	October 25

*For example, on December 1<sup>st</sup>, Operations will send out an email for time off requests during March and April. All requests will be due back to Operations **no later than** December 15<sup>th</sup>. All requests will either be approved / disapproved **no later than** December 25<sup>th</sup>.*

4. In the event that two providers in the same discipline (Med, BH) request identical time off, the onus will be on them to negotiate amongst themselves and arrive at a final decision. This should be done before the 15<sup>th</sup> of the month deadline but Operations will be flexible in letting it go additional time. A clear decision must be arrived at before the "approved no later than" deadline. To help ensure transparency, all requests will be maintained on file for three months or until the requested time-off month has passed.
5. Time off requests currently on the books and approved will be honored.
6. Practice Manager does not deal with time sheets and time accrual from an HR & Payroll standpoint. That is between the provider, your respective Director and HR.
7. When approving time off, maximum consideration will be given to patient access and patient rescheduling. Whenever possible, Operations will work to ensure that there is NOT a solo provider in either facility.

**All changes to work schedule templates will be made according to the procedure found on page three of this document.**

1. Schedule templates for all providers are determined at the time of hire, based on contractual obligations.
2. If a provider would like to change her/his template, s/he should send a request to operations by email (cmagrath@hchcweb.org).
  - a. If the requested change is within the providers' contractual obligations (ie, does not change the number of clinical hours) then Operations will notify all providers of the request to see if someone would like to cover the affected hours in the schedule.
  - b. If the requested change decreases or increases the provider's hours, and therefore is different from the contractual obligations, Operations will refer the matter to the provider's hiring authority, and copy the Chief Operations Officer.
3. When Operations has developed a new template for the provider (and any provider whose template has changed in response to meeting the request), she will send the new template(s) to the Medical Director for review, with a proposed schedule for implementation.
4. The Medical Director may accept the template as proposed **OR**.
5. The Medical Director may provide feedback on the template (i.e., any clinical gaps) to Operations, with suggested changes as appropriate. Operations will take these changes, determine the operational impact and feasibility, discuss solutions to these impacts with the COO and/or Nursing Supervisors to ensure staffing coverage and either accept or reject the proposed changes.
6. The new template will be implemented on the proposed schedule.



## Hilltown Community Health Centers, Inc.

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Behavioral Health Policy  
Multiple Departments

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**SUBJECT: BEHAVIORAL HEALTH EMERGENCY OR CRISIS**

**REGULATORY REFERENCE:** None

**Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for providing safe and effective guidance to health care providers and community health workers when an onsite behavior health crisis or emergency occurs.

**Policy:**

A health care provider or community health worker (CHW) will determine if the patient is experiencing a mental/behavior health crisis emergency. When needed the Health Care Provider or CHW will illicit the help of a Behavior Health Provider (BHP) to determine a satisfactory action plan.

Questions regarding this policy or any related procedure should be directed to the Practice Manager at 413-238-4126.

Originally Drafted: FEB 2016

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors

**Procedure:**

1. A Health Care Provider or Community Health Worker will assess the situation and determine whether the patient is experiencing a credible crisis or emergency.
2. If the Health Care Provider or CHW feels comfortable and capable of developing an action plan he/she will do so. However, if in the best judgement of the provider or CHW a Behavior Health Provider is needed, they or their designee will determine if there is a BHP available and contact him/her for consultation.
3. If all BHPs are with patients they may be interrupted for such consultations.
4. In the absence of a BHP the Health Care Provider/CHW will use their best judgement to form an action plan, which may include contacting the state police, calling 911, contacting the closest psych crisis team or filing a section 12.



## Hilltown Community Health Centers, Inc.

School-Based Health Center

### **SUBJECT: LABORATORY TESTING REGULATORY REFERENCE:**

#### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for laboratory tests performed at the School-Based Health Center (SBHC) and for laboratory tests transported from the School-Based Health Center (SBHC) to an outside lab.

#### **Policy:**

The SBHC will do limited laboratory testing on site.

Due to this limited laboratory testing capability other specimens collected will be picked up by Baystate Reference Lab (BRL) courier as necessary.

SBHC refers patients to other lab facilities when clinically indicated.

Questions regarding this policy or any related procedure should be directed to the School-Based Programs Manager at 413-667-0142.

Originally Drafted: JUN 2000

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Director

**Procedure:**

**A. Laboratory Testing at SBHC**

1. Urine Dipstick
  - Will use sterile cups even if routine specimen. If suspect UTI, use clean catch procedure and sterile container collect specimen in bathroom, place on shelf.
  - Use procedure following Semins urine Strips.
  - Do control test one time daily when dipstick is used.
  - Document in lab/controls black note notebook found in exam room cabinet.
  - Check expiration date on each container.
  - See clean-catch Urine Procedure.
2. Rapid Streps
  - See procedure.
  - Use Swabs provided in the in house rapid kit.
  - Test positive and negative controls with each new box.
  - Document internal control on lab slip and notebook.
  - Use procedure following.
3. Urine Pregnancy tests: HCG
  - Document internal control on lab slip and notebook.
  - Follow procedure
  - See Directions
4. Hemo Point H2:
  - See intended use, set up, and procedure
  - Remove sample tube from the refrigerator and bring to room temperature (15-30C) if arterial or venous blood
  - Activate Hgb limit mode ON with the Hct mode ON
  - Select patient type
  - Follow enclosed directions for test
  - Record results in lab/controls notebook
  - External controls are done with each test

Record results in EHR. (Nurse Practitioner/Medical Assistant)

Record tests in notebook. (Medical Assistant)

Record controls in notebook. (Medical Assistant)

**B. Laboratory Testing for Transport**

1. Lab Specimens (throat cultures, urine, clean catch cultures) (Medical Assistant)
2. Preparations- Label specimen accurately, bag in Biohazard bag with corresponding lab slip (Medical Assistant)

3. Prepare electronic lab slip for BRL with the following information: (Provider or Medical Assistant).
  - Date/Time collected
  - Diagnosis/collected by
  - Patient's name
  - Date of Birth
  - HCHC information
  - Physician's electronic signature
4. Procedures to be completed will be on the lab slip (Provider)
5. Baystate Reference Lab (BRL) comes every day to pick up specimens obtained.
6. Storage- Anything that is to be refrigerated right after collection will be driven over to the HHC. Anything that can wait until SBHC closes for the day will be transported to the HHC then. (Medical Assistant)

**C. Laboratory Testing Referrals**

1. For labs ordered to be done at other facility: Blood and or Radiology for non HCHC patients and HCHC patients alike:
  - Print out the electronic lab slip for patient to take to any BRL site for blood work (Medical Assistant or Provider)
  - Print out electronic Radiology slips for patient to take with them to which ever hospital they prefer (Medical Assistant or Nurse Practitioner)
2. The electronic lab slip for the patient will have the following information:
  - Diagnosis
  - Patient's Name, Birthdate
  - HCHC information
  - Physician electronic signature
  - Procedures to be completed



## **Hilltown Community Health Centers, Inc.**

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### **School-Based Health Center**

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#### **SUBJECT: SERVICES PROVIDED/REFERRED REGULATORY REFERENCE:**

##### **Purpose:**

Hilltown Community Health Centers, Inc. (HCHC) management has adopted this policy to have a formal documented process for the School-Based Health Center (SBHC) to provide a range of medical, nutritional and behavioral health services, including referrals for those services not provided on site.

##### **Policy:**

On site medical services consist of:

- physical exams
- diagnosis and treatment of acute and chronic illnesses
- diagnosis of acute and chronic injuries
- anticipatory guidance appropriate for students' ages
- individual preventative health education
- immunizations
- basic lab tests
- prescriptions
- diagnosis of pregnancy referral to Obstetrician / Gynecologist (Nurse Practitioner)
- Reproductive care
- STD testing/treatment

On site behavioral health services consists of:

- psychosocial assessments and diagnostic evaluations.
- individual therapy
- group therapy
- family assessment and therapy  
(Responsibility - Social Worker)

Services referred might include:

- X-ray
- specialty care
- Acute psychiatric care



Questions regarding this policy or any related procedure should be directed to the School-Based Programs Manager at 413-667-0142.

Originally Drafted: APR 2000

Reviewed or Revised: SEP 2017

Approved by Board of Directors, Date: \_\_\_\_\_

Approved by:

\_\_\_\_\_  
Eliza B. Lake  
Chief Executive Officer, HCHC

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

\_\_\_\_\_  
John Follet, MD  
Chair, HCHC Board of Directors