

Hilltown Community Health Center
Board of Directors
 Thursday, May 14, 2020
 Zoom link: <https://us02web.zoom.us/j/590224751>
 Meeting ID: 590 224 751 Phone: 1 312 626 6799
 5:30 p.m. – 7:30 p.m.

AGENDA

<u>Time</u>	<u>Topic</u>	<u>Purpose</u>	<u>Presenter</u>
5:30 PM	Call to Order and Approval of Minutes	Vote Needed	John Follet
5:35 PM	Finance Committee Report	Vote Needed	Treasurer Jennifer Coscia, Interim CFO
5:50 PM	Committee Reports <ul style="list-style-type: none"> • Executive Committee • Fundraising Committee • Personnel • Facilities • Recruitment Orientation and Nomination • Strategic Planning 	Vote Needed	John Follet Nancy Brenner John Follet Alan Gaitenby Wendy Long Nancy Brenner
6:05 PM	Senior Management Reports <ul style="list-style-type: none"> • Credentialing and Privileging Report • Quality Improvement/Risk Management • CEO Report 	Vote Needed Vote Needed Inform	Michael Purdy Michael Purdy Eliza Lake
6:25 PM	Staff Presentation – COVID19 Response	Inform	Michael Purdy
6:50 PM	New Business <ul style="list-style-type: none"> • 2020 Service Area Analysis • Telecommuting Policy • Sliding Fee Discount Program Policy, and Application • PPP Loan Vote Acknowledgement • Authorize the finance committee to review and approve the audit, Uniform Financial Report (UFR) and 990 on behalf of the board • Annual Meeting 	Vote Needed Vote Needed Vote Needed Vote Needed Vote Needed Discussion	Eliza Lake Eliza Lake Eliza Lake Eliza Lake Eliza Lake John Follet
7:10 PM	Executive Session		John Follet

7:15 PM Adjourn

Vote Needed

John Follet

Upcoming Meetings:

- First Week of June, Annual Meeting, Location TB- Zoom Available
- July 9th, Location TBD (originally scheduled for Huntington)- Zoom Available
- August 13th, Location TBD (originally scheduled for CDH)- Zoom Available.

BOARD MEETING MINUTES

Date/Time: 4/9/2020 5:30pm

Zoom Meeting

MEMBERS: John Follet, President; Alan Gaitenby; Seth Gemme; Kathryn Jensen, Clerk; Nancy Brenner, Vice President; Matt Bannister; Wendy Long; Kate Albright-Hanna; Lee Manchester; Jenicca Gallagher, and Matt Bannister

STAFF: Eliza Lake, CEO; Frank Mertes, CFO; Michael Purdy, CCCSO; Tabitha Griswold, Executive Assistant

ABSENT: NONE

Agenda Item	Summary of Discussion	Decisions/ Next Steps/ Person Responsible Due Date
Review of Minutes 3/12/202	<p>John Follet called the meeting to order at 5:37 pm.</p> <p>The minutes from the meeting March 12, 2020 were reviewed.</p> <p>Nancy Brenner moved to approve the March Board minutes. Alan Gaitenby seconded the motion.</p>	March 12, 2020 Board minutes were approved by all present
Finance Committee	<ul style="list-style-type: none">Lee Manchester reported that the revenue was down in February for all departments except Behavioral Health. Overall deficit for the net operating revenue was \$149K greater than the budgeted of a \$36K deficit. Operating deficit of \$234K for the YTD, overall the deficit is greater than anticipated primarily due to lower revenue. There was positive revenue with pharmacy for the month but is still at a deficit for what was budgeted YTD. However, at the end of March additional money was received from the pharmacy fund that does not show here to help with that deficit. There was a loss in the investment account due to a volatile market this winter. Expenses were about the same for the month but revenue dropped significantly. A larger deficit can be expected through March due to COVID-19.Frank Mertes has shared some of the resources coming to HCHC through State, Federal and donation money. Frank stated that there is enough support in the short term as demonstrated on the hand out sent to all members. Some of those resources include a MassHealth cash advance of \$330K to be paid back starting January 1, 2021 with a four-month payback period. Community Foundation grant and other grants will help in the short term with unrestricted and some restricted funds. Partners gave a restricted grant but still very helpful. HRSA has provided very helpful large funds, that was received yesterday and that can be drawn down. Also applied for the Paycheck Protection Loan for \$1.2MIL that would be very	The Board voted unanimously to approve the Finance Committee report.

	<p>helpful in stabilizing finances in the long term. There are also available funds to draw on if needed such as a \$100K line of credit at Florence Savings Bank and loans available from C3. Governor Baker has passed the health care relief act but the funds to be received by that are still unknown, but will hopefully be useful to apply towards the cash advance from MassHealth. There are also various other telehealth grants to help us develop our telehealth for the long term.</p> <p>Nancy Brenner moved to approve the Finance report, Wendy Long seconded the motion.</p>	
COVID-19 Presentation	<ul style="list-style-type: none"> Michael Purdy provided a presentation on COVID-19. He provided updates on overall work flows related to COVID-19 both internally and externally. Challenges as well as assets were summarized. 	
Executive Committee	<ul style="list-style-type: none"> John Follet reported that this committee has not met. The board self-evaluation will be tabled until a later date. 	
Recruitment, Orientation & Nominating (RON) Committee	<ul style="list-style-type: none"> Wendy Long reported that all the board members who terms were expiring this year have agreed to stay on, and will be brought to the board for approval at the Annual Meeting. The committee is nearly finished with the slate of officers, with the exception of a treasurer. If anyone is interested, please speak to the committee. 	
Facilities Committee	<ul style="list-style-type: none"> Alan Gaitenby reported that this committee has not met. There was a temporary ramp installed in HHC to the Littleville wing hall in response to preparing for COVID-19. 	
Personnel Committee	<ul style="list-style-type: none"> This committee has not met. The Illness at Work Policy that was voted for last month had the procedure updated to include COVID language. The Corporate Furlough procedure was also updated. 	
Strategic Planning	<ul style="list-style-type: none"> This committee has not met; the strategic plan will be tabled until a later date. 	
Fundraising Committee	<ul style="list-style-type: none"> Nancy Brenner reported that Alex Niefer has explained a shift in the annual report to be digitally available, instead of published. The annual report will be sent out electronically, and a post card to follow to let people know that it is available to view on the website. This is slated to go out early summer 2020. An appeal email to go out to all donors for the COVID-19 fund and a letter to major donors to follow that email, due to go out soon. 	
Committee Reports	<p>Lee Manchester moved that the committee reports be approved. Nancy Brenner seconded the motion.</p>	Committee reports presented at this meeting were approved unanimously.
Credentialing and Privileging	<ul style="list-style-type: none"> Michael Purdy will present staff credentialed and privileged at the next meeting. As soon as he approves their credentials and 	

	privileges, they are able to see patients – his report to the Board is informational.	
Quality Improvement/ Risk Management	<ul style="list-style-type: none"> Michael Purdy reported that the committee did not meet last month. However, the meetings with the management team has been working on mitigating risk management on COVID-19 and will act as the QI/Risk Management Team for the time being. 	
CEO Report	<ul style="list-style-type: none"> Eliza provided a report on compliance. She has been in communication with the HRSA Project Officer, and has been assured that no short-term deadlines are being held due to the current environment, as such the Diabetes Action Plan, and FTCA application have been pushed off to a later date. The last compliance report on our OSV has been submitted. Eliza has documentation from the OIG that there will be no HIPAA investigations relation to telehealth at this time. Eliza has been receiving and filling out a large number of surveys from different organizations and offices for data collection on such things as capacity, PPE and testing. C3 has been extraordinary with their support and advocacy. This week HCHC had the semi-annual meeting with the C3 team, C3 continues to still finalize 2018 numbers related to how much money will have to be paid, but it's likely to be around \$3,000, which will come out of our escrow account that was set up for this purpose. In terms of hospital engagement, Cooley has included HCHC in the roll out of their Respiratory Infection Clinic. In contrast, little communication has been received from Baystate Health and no communication from Berkshire Health. The Baystate Reference Labs have closed Amherst and Worthington labs, Huntington is only open to non-symptomatic patients. We have posted information about other BRL sites in Western Mass that will see symptomatic patients, although patients need to call before going for blood draws. Eliza is working on advocating for prescription changes with the legislature for longer term medications, limiting the number of visits and exposure from some patients on those medications. Eliza filed a Change in Scope to reflect the addition of telehealth to HCHC's Scope, see below. Some staffing changes include a handful of furloughed staff (mostly dental staff at this time) and re-deploying other staff to help with the front desk. Two new medical providers are in recruitment discussions. Still in communication with MD that was interviewed a while ago. 	

	<ul style="list-style-type: none"> • Senior Management and Jon Liebman will be holding a weekly open forum for staff to ask questions about HCHC's response to COVID, or more general medical questions about the epidemic. • The COO hiring process has been put on hold, Eliza wrote to the top candidate explaining the change to the process and will follow up again soon. • This is CFO Frank Mertes' last meeting. The Board wished Frank all the best in his future endeavors. Frank has been a wonderful asset to HCHC's management group and HCHC as a whole. He will be missed dearly for his understanding and methodical, financially sound advice and actions. 	
Change of Scope	<ul style="list-style-type: none"> • Eliza Lake presented the requested HRSA Change in Scope to add “-telehealth via telephone or video conferencing” to the list of portable clinical care services under the description of services in Form 5C. <p>Lee Manchester moved to approve the change of scope, and Seth Gemme seconded.</p>	The Board voted unanimously to approve the change in scope.
Old Business	<ul style="list-style-type: none"> • There was no old business to report. 	
Executive Session	A motion was made to move into executive session, the motion was seconded.	The Board agreed to go into executive session.
Next Meeting	<p>With no further business to discuss, Nancy Brenner made a motion to adjourn the meeting, Matt Bannister seconded the motion. The motion was approved.</p> <p>The meeting adjourned at 7:04pm. The next scheduled meeting is set for May 14, 2020 at 5:30pm via Zoom meeting.</p>	The Board voted unanimously to adjourn the meeting.

Respectfully submitted,
Tabitha Griswold, Executive Assistant

Hilltown Community Health Center COVID-19 Response

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Overview

- All programs are maintaining at a minimum emergency and urgent visits
- PPE is being tracked
- DPH and CDC guidelines are being followed
- Minimal staffing on site
- Engaged with the Mass League in many facets
 - tele-health
 - PIH contact tracing

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Medical overview

- Nurse triage in place
- Respiratory/Febrile triage team (RTT) in place
- Staffing has been reassigned based on need and individual status
- PPE training has occurred

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Hospital Interactions

- CDHC
 - Established respiratory clinic
 - Established testing criteria for affiliated medical practices
- Baystate
 - Established one point of contact from Baystate and HCHC
- BMC
 - Unresponsive

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Medical - Huntington

- Frontline staff have been trained on donning and doffing PPE
- Only two medical teams working at a time
- Littleville Hall has been designated as the respiratory/febrile hall
 - No testing for COVID-19 being done at this time
 - Isolation room is in place
- Knightville Hall has been designated for face-to-face visits with patients without respiratory/febrile symptoms

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Oral Health

- Reduced to one dentist and one dental assistant each day, rotating between the three sites (Amherst, Worthington, Huntington)
- All dentists and assistants working have been fit tested for N-95 masks
- Dental assistants have been re-deployed to support front desk duties
- Only seeing urgent and emergent visits
- All hygienists furloughed

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Behavioral Health

- All BH providers are working from home
- Visits appear to be stable and comparable in number to those of pre COVID19
- Offering emotional support for staff
- Have started doing intakes for patients that had a same-day visit prior to outbreak

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Community Programs

- All staff are working off-site
- Individuals in need of face-to-face interactions have been trained on the Off Site Visit Procedure and proper use of masks
- Continue to see in increase in DV needs
- CHWs able to assist patients and staff with SNAP and Unemployment Insurance applications
- Navigators able to assist patients and staff with MassHealth applications and other changes in insurance status

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Eye Care

- Support staff have been redeployed to other front desk tasks
- Triage occurs with in-office visits for urgent and emergent needs Monday-Thursdays
- Research indicates that approximately 1/3 of individuals with COVID-19 have ocular manifestations
- Televisits occur on Friday

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IT

- Off-site providers and staff are utilizing:
 - Zoom – video/audio meetings
 - Reach – cell phone masking to make them look like HCHC phones
 - Doximity – Same as Reach
- IT has been very responsive to the needs of the staff and providers in this rapidly changing healthcare environment:
 - Template changes for televisits
 - Communications with outside agencies to maximize technology and reduce staff and provider burden
- Development of video telehealth capabilities – developing sustainable and integrated program within the month

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Challenges

- DEA
 - Controlled substance Rx requires at least one face-to-face visit – recent provider turn-over makes this challenges
- Increase in usage has resulted in decrease bandwidth
 - More disruptions with Zoom meetings
- Staff utilizing older technology
 - Cell phones unable to install needed apps or batteries unable to accommodate usage levels
- Medicare
 - Required audio-visual interaction for tele-health – recently changed and all visits have been billed

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Assets

- Staff
 - The staff have been amazing:
 - Working hard
 - Risk of exposure
- Community Support
 - Patient understanding of difficulties – great appreciation of our efforts
 - Donations from community of money and supplies
 - Strong backing of legislative delegation

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Hilltown CHC
Dashboard And Summary Financial Results
March 2020

	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual YTD Feb 2020	Actual YTD Mar 2020	Notes on Trend	Cap Link TARGET	COMMENT
<u>Liquidity Measures</u>									
Operating Days Cash	16	7	9	4	4	20	Measures the number of days HCHC can cover daily operating cash needs.	> 30-45 Days	Not Meeting Benchmark
Current Ratio	1.96	1.24	0.83	0.99	0.83	0.83	Measures HCHC's ability to meet current obligations.	>1.25	Not Meeting Benchmark
Patient Services AR Days	33	33	36	27	52	23	Measures HCHC's ability to bill and collect patient receivables	< 60-75 Days	Doing Better than Benchmark
Accounts Payable Days	46	56	28	32	56	33	Measures HCHC's ability to pay bills	< 45 Days	Doing Better than Benchmark
<u>Profitability Measures</u>									
Net Operational Margin	-1.1%	-3.4%	-5.8%	-3.3%	-20.6%	-23.2%	Measures HCHC's Financial Health	> 1 to 3%	Not Meeting Benchmark
Bottom Line Margin	6.6%	9.6%	0.2%	1.0%	-19.7%	-21.3%	Measures HCHC's Financial Health but includes non-operational activities	> 3%	Not Meeting Benchmark
<u>Leverage</u>									
Total Liabilities to Total Net Assets	32.1%	29.2%	32.6%	25.2%	28.5%	37.5%	Measures HCHC's total Liabilities to total Net Assets	< 30%	Not Meeting Benchmark
<u>Operational Measures</u>									
Medical Visits	18,122	18,727	18,166	17,397	2,472	3,474			
Net Medical Revenue per Visit	\$ 142.69	\$ 134.56	\$ 143.59	\$ 143.44	\$ 142.60	\$ 148.14			
Dental Visits	14,398	14,880	15,537	16,198	2,367	2,989			
Net Dental Revenue per Visit	\$ 104.66	\$ 113.60	\$ 112.76	\$ 115.31	\$ 113.80	\$ 113.59			
Behavioral Health Visits	2,928	3,809	4,306	4,151	778	1,094			
Net BH Revenue per Visit	\$ 98.69	\$ 95.70	\$ 87.74	\$ 89.46	\$ 99.51	\$ 98.01			
Optometry Visits	2,282	2,329	2,381	2,324	408	514			
Net Optometry Revenue per Visit	\$ 74.03	\$ 79.61	\$ 86.40	\$ 89.42	\$ 79.15	\$ 86.69			
Avg Salary Per Weekday	\$ 22,757	\$ 24,209	\$ 25,226	\$ 24,236	\$ 24,933	\$ 23,271			

Hilltown Community Health Centers
Income Statement - All Departments
Period Ending : Mar. 2020

	Mar. 2020 Actual	Mar. 2020 Budget	Over (Under) Budget	YTD Total Actual	YTD Total Budget	Over (Under) Budget	YTD PY Actual	Over (Under) Cur. v. PY YTD
OPERATING ACTIVITIES								
Revenue								
Patient Services - Medical	162,144	241,012	(78,868)	514,653	679,215	(164,562)	650,949	(136,296)
Visits	1,002	1,594	(592)	3,474	4,492	(1,018)	4,638	(1,164)
Revenue/Visit	\$ 161.82	\$ 151.20	\$ 10.62	\$ 148.14	\$ 151.21	\$ (3.06)	\$ 140.35	\$ 7.79
Patient Services - Dental	70,156	169,930	(99,774)	339,514	478,894	(139,380)	489,704	(150,190)
Visits	622	1,446	(824)	2,989	4,075	(1,086)	4,272	(1,283)
Revenue/Visit	\$ 112.79	\$ 117.52	\$ (4.73)	\$ 113.59	\$ 117.52	\$ (3.93)	\$ 114.63	\$ (1.04)
Patient Services - Beh. Health	29,811	34,120	(4,309)	107,226	96,156	11,070	85,957	21,269
Visits	316	383	(67)	1,094	1,080	14	1,089	5
Revenue/Visit	\$ 94.34	\$ 89.09	\$ 5.25	\$ 98.01	\$ 89.03	\$ 8.98	\$ 78.93	\$ 19.08
Patient Services - Optometry	12,268	21,055	(8,787)	44,561	59,336	(14,775)	49,502	(4,941)
Visits	106	239	(133)	514	673	(159)	592	(78)
Revenue/Visit	\$ 115.74	\$ 88.10	\$ 27.64	\$ 86.69	\$ 88.17	\$ (1.47)	\$ 83.62	\$ 3.08
Patient Services - Optometry Hardware	2,446	7,888	(5,442)	17,834	22,231	(4,397)	26,036	(8,202)
Patient Services - Pharmacy	11,596	21,912	(10,316)	24,922	61,753	(36,831)	18,484	6,438
Quality & Other Incentives	24,149	1,753	22,396	24,949	4,940	20,009	758	24,191
HRSA 330 Grant	139,990	164,492	(24,502)	414,817	463,567	(48,750)	379,859	34,958
Other Grants & Contracts	64,025	62,938	1,087	184,064	177,371	6,693	196,230	(12,166)
Int., Dividends Gain /(Loss) Investments	(40,933)	3,723	(44,656)	(65,461)	10,492	(75,953)	31,394	(96,855)
Rental & Misc. Income	1,132	3,147	(2,015)	8,834	8,869	(35)	7,428	1,406
Total Operating Revenue	476,784	731,970	(255,186)	1,615,913	2,062,824	(446,911)	1,936,301	(320,388)
Compensation and related expenses								
Salaries and wages	386,453	480,787	(94,334)	\$ 1,315,955	1,420,506	(104,551)	1,420,974	(105,019)
Payroll taxes	29,040	36,059	(7,019)	\$ 99,172	106,538	(7,366)	115,427	(16,255)
Fringe benefits	25,023	40,867	(15,844)	\$ 97,496	120,743	(23,247)	116,065	(18,570)
Total Compensation & related expenses	440,516	557,713	(117,197)	1,512,622	1,647,787	(135,165)	1,652,466	(139,843)
No. of week days	22	22	-	65	65	-	64	-
Staff cost per week day	\$ 20,023	\$ 25,351	\$ (5,327)	\$ 23,271	\$ 25,351	\$ (2,079)	\$ 25,820	\$ (2,549)
Other Operating Expenses								
Advertising and marketing	99	750	(651)	\$ 99	2,250	(2,151)	3,363	(3,264)
Bad debt	9,288	8,765	523	\$ 4,303	24,701	(20,398)	33,494	(29,191)

Hilltown Community Health Centers
Income Statement - All Departments
Period Ending : Mar. 2020

	Mar. 2020	Mar. 2020	Over (Under)	YTD Total	YTD Total	Over (Under)	YTD PY	Over (Under)
	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Cur. v. PY YTD
Computer support	21,428	6,617	14,811	\$ 34,714	19,851	14,863	22,454	12,261
Conference and meetings	-	715	(715)	\$ 1,598	2,144	(546)	672	926
Continuing education	-	2,396	(2,396)	\$ 3,460	7,188	(3,728)	10,598	(7,138)
Contracts and consulting	28,137	12,880	15,257	\$ 48,780	38,639	10,141	8,699	40,080
Depreciation and amortization	28,544	27,650	894	\$ 85,633	82,951	2,682	82,952	2,681
Dues and membership	2,355	2,729	(374)	\$ 7,952	8,188	(236)	6,696	1,256
Equipment leases	2,273	2,320	(47)	\$ 6,730	6,959	(229)	6,659	71
Insurance	2,202	2,110	92	\$ 6,532	6,331	201	6,349	183
Interest	1,187	1,358	(171)	\$ 3,755	3,985	(230)	4,065	(311)
Legal and accounting	2,626	2,625	1	\$ 7,626	7,875	(249)	6,563	1,064
Licenses and fees	4,006	3,831	175	\$ 15,072	11,494	3,578	13,166	1,906
Medical & dental lab and supplies	6,226	10,612	(4,386)	\$ 26,084	29,905	(3,821)	33,307	(7,223)
Merchant CC Fees	2,037	1,613	424	\$ 5,302	4,838	464	4,450	853
Office supplies and printing	1,899	3,294	(1,395)	\$ 7,255	9,881	(2,626)	7,905	(649)
Postage	2,240	12,683	(10,443)	\$ 4,408	35,743	(31,335)	4,258	149
Program supplies and materials	14,163	1,483	12,680	\$ 50,547	4,181	46,366	55,401	(4,854)
Pharmacy & Optometry COGS	4,699	19,906	(15,207)	\$ 23,642	56,099	(32,457)	21,228	2,414
Recruitment	90	1,700	(1,610)	\$ 4,666	5,100	(434)	2,455	2,211
Rent	10,064	7,068	2,996	\$ 25,613	21,203	4,410	19,616	5,997
Repairs and maintenance	15,221	13,731	1,490	\$ 47,759	41,192	6,567	40,532	7,227
Small equipment purchases	-	1,892	(1,892)	\$ 1,669	5,676	(4,007)	2,729	(1,060)
Telephone/Internet	14,263	13,145	1,118	\$ 39,086	39,434	(348)	40,897	(1,811)
Travel	940	2,417	(1,477)	\$ 4,235	7,250	(3,015)	4,931	(696)
Utilities	3,312	4,259	(947)	\$ 12,044	12,783	(739)	15,675	(3,630)
Loss on Disposal of Assets	-	-	-	-	-	-	-	-
Total Other Operating Expenses	177,298	168,549	8,749	478,565	495,841	(17,276)	459,114	19,450
Net Operating Surplus (Deficit)	(141,030)	5,708	(146,738)	(375,274)	(80,804)	(294,470)	(175,279)	(199,995)
NON-OPERATING ACTIVITIES								
Donations, Pledges & Contributions	20,725	-	20,725	30,645		30,645	630	30,015
Lease Forgiveness	-	-	-	-		-	-	-
Capital Grants	-	-	-	-		-	5,713	(5,713)
Net Non-operating Surplus (Deficit)	20,725	-	20,725	30,645	-	30,645	6,343	24,302
NET SURPLUS/(DEFICIT)	(120,305)	5,708	(126,013)	(344,629)	(80,804)	(263,825)	(168,936)	(175,693)

Hilltown CHC
Summary of Net Results By Dept.
March 2020
Net Results Gain (Deficit)

	Mar.	Mar. Budget	Over (Under) Budget	YTD	YTD Budget	Over (Under) Budget	PY YTD	Cur. v. PY YTD
<u>Operating</u>								
Medical	\$ (30,511)	\$ (28,722)	(1,789)	\$ (137,020)	\$ (118,792)	(18,228)	\$ (99,646)	\$ (37,374)
Dental	(69,201)	(4,211)	(64,990)	(133,648)	(32,857)	(100,791)	(39,754)	\$ (93,894)
Behavioral Health	23,299	19,978	3,321	35,956	51,449	(15,493)	1,012	\$ 34,944
Optometry	(19,586)	1,075	(20,661)	(25,055)	(147)	(24,908)	(9,578)	\$ (15,477)
Pharmacy	9,019	19,721	(10,702)	23,503	55,578	(32,075)	19,049	\$ 4,454
Community	(5,621)	(4,958)	(663)	(18,653)	(21,728)	3,075	(18,450)	\$ (203)
Fundraising	(336)	(5,371)	5,035	(2,765)	(15,910)	13,145	(12,992)	\$ 10,227
Admin. & OH	(48,094)	8,196	(56,290)	(117,591)	1,603	(119,194)	(8,578)	\$ (109,013)
Net Operating Results	\$ (141,031)	\$ 5,708	\$ (146,739)	\$ (375,273)	\$ (80,804)	\$ (294,469)	\$ (168,937)	\$ (206,336)
<u>Non Operating</u>								
Donations	\$ 20,725	\$ -	\$ 20,725	\$ 30,645	\$ -	\$ 30,645	\$ -	\$ 30,645
Lease Forgiveness	-	-	-	-	-	-	-	-
Capital Project Revenue	-	-	-	-	-	-	-	\$ -
Total	\$ 20,725	\$ -	\$ 20,725	\$ 30,645	\$ -	\$ 30,645	\$ -	\$ 30,645
Net	\$ (120,306)	\$ 5,708	\$ (126,014)	\$ (344,628)	\$ (80,804)	\$ (263,824)	\$ (168,937)	\$ (175,691)

Hilltown Community Health Centers
Balance Sheet - Monthly Trend

	Actual Dec 2019	Actual Feb 2020	Actual Mar 2020	Budget Mar 2020	Over (Under) Mar 2020
Assets					
Current Assets					
Cash - Operating Fund	\$ 80,330	\$ 60,234	\$ 447,418	\$ 149,162	\$ 298,255
Cash - Internally Restricted	106,622	66,879	127,187	75,000	52,187
Patient Receivables	814,598	912,837	645,225	875,000	(229,775)
Less Allow. for Doubtful Accounts	(152,718)	(139,167)	(145,652)	(148,750)	3,098
Less Allow. for Contractual Allowances	(280,352)	(332,140)	(231,452)	(306,250)	74,798
A/R 340B-Pharmacist	24,643	4,636	9,038	15,000	(5,962)
A/R 340B-State	1,995	1,995	1,995	1,995	(0)
Contracts & Grants Receivable	147,205	111,646	103,426	140,000	(36,574)
Prepaid Expenses	22,557	20,679	19,856	18,521	1,334
A/R Pledges Receivable	14,910	13,310	23,735	15,360	8,375
Total Current Assets	779,789	720,909	1,000,775	835,039	165,736
Property & Equipment					
Land	204,506	204,506	204,506	204,506	-
Buildings	2,613,913	2,613,913	2,613,913	2,613,913	-
Improvements	929,483	929,483	929,483	929,483	-
Leasehold Improvements	1,933,674	1,933,674	1,933,674	1,933,674	-
Equipment	1,394,784	1,391,939	1,391,939	1,391,939	-
Construction in Progress	-	-	-	-	-
Total Property and Equipment	7,076,360	7,073,515	7,073,515	7,073,515	-
Less Accumulated Depreciation	(2,753,983)	(2,811,072)	(2,839,616)	(2,836,934)	(2,682)
Net Property & Equipment	4,322,377	4,262,443	4,233,899	4,236,581	(2,682)
Other Assets					
Restricted Cash	53,713	53,713	53,717	53,712	5
Pharmacy 340B and Optometry Inventory	11,684	11,832	9,863	12,000	(2,137)
Investments Restricted	8,729	8,729	7,180	8,729	(1,549)
Investment - Vanguard	291,960	267,383	227,984	299,320	(71,336)
Total Other Assets	366,087	341,657	298,745	373,761	(75,016)
Total Assets	\$ 5,468,252	\$ 5,325,009	\$ 5,533,418	\$ 5,445,381	\$ 88,038
Liabilities & Fund Balance					
Current & Long Term Liabilities					
Current Liabilities					
Accounts Payable	\$ 202,896	\$ 230,604	\$ 206,343	\$ 200,000	\$ 6,343
Notes Payable	143,172	114,512	429,529	96,512	333,017
Sales Tax Payable	39	113	119	-	119
Accrued Expenses	9,729	(2,266)	(5,740)	10,000	(15,740)
Accrued Payroll Expenses	358,092	479,695	476,643	488,000	(11,357)
Payroll Liabilities	16,814	14,518	13,775	16,000	(2,225)
Unemployment Escrow	826	181	181	826	(645)
Line of Credit (\$100,000 Limit)	-	-	-	-	-
Deferred Contract Revenue	54,049	34,605	82,556	40,000	42,556
Total Current Liabilities	785,617	871,962	1,203,406	851,338	352,069
Long Term Liabilities					
Mortgage Payable United Bank	150,205	147,215	145,689	145,812	(123)
Mortgages Payable USDA Huntington	163,484	161,209	160,006	160,090	(84)
Total Long Term Liabilities	313,689	308,424	305,695	305,902	(207)
Total Liabilities	1,099,306	1,180,386	1,509,101	1,157,240	351,861
Fund Balance / Equity					
Fund Balance Prior Period	4,368,946	4,144,623	4,024,318	4,288,141	(263,823)
Total Fund Balance / Equity	4,368,946	4,144,623	4,024,318	4,288,141	(263,823)
Total Liabilities & Fund Balance	\$ 5,468,252	\$ 5,325,009	\$ 5,533,418	\$ 5,445,381	\$ 88,038
Current Ratio	0.99	0.83	0.83	0.98	

2020 Service Area Analysis Documentation

HCHC determines its service area each year after analyzing the UDS data showing the zip codes of patients from the prior year. Staff and board review the zip codes that represent where the majority of patients come from and then, taking its official HRSA service area boundaries and the continuity of the zip codes, constructs a new service area to represent where at least 75% of all patients reside. HCHC's most recent UDS data shows that 75.5% of HCHC 2019 patients came from following contiguous zip codes:

TOWN	ZIP CODES
Amherst	01002 01004
Belchertown	01007
Blandford	01008
Chester	01011
Chesterfield	01012 01084
Cummington	01026
Easthampton/Westhampton	01027
Goshen	01032
Granby	01033
Granville	01034
Hadley	01035
Hatfield	01038 01088
Huntington	01050
Middlefield	01243
Northampton	01060 01061 01062 01053
Plainfield	01070
Russell	01071 01097
Southampton	01073
Southwick	01077
Westfield/Montgomery	01085 01086
Williamsburg	01039 01096
Worthington	01098



Hilltown Community Health Centers, Inc.

Administration

SUBJECT: NAME OF POLICY – SLIDING FEE DISCOUNT PROGRAM (SFDP)

REGULATORY REFERENCE: HRSA/BPHC [Public Health Service Act 330(k)(3)(G) of the PHS Act; and 42 CFR 51c.303(f), 42 CFR 51c.303(g), 42 CFR 51c.303(u), 42 CFR 56.303(f), 42 CFR 56.303(g) and 42 CFR 56.303(u)]

Policy:

To make available discount services to those in need.

Purpose:

Hilltown Community Health Centers, Inc. (HCHC) Board of Directors have adopted this policy to make available a sliding fee discount program to ensure that no patient will be denied health care services provided by HCHC due to an inability to pay or on the basis of race, color, religion, creed, sex, gender, gender identity or gender expression, age, marital status, national origin, mental or physical disability, political belief or affiliation, veteran status, sexual orientation, genetic information, and any other class of individuals protected from discrimination under state or federal law with respect to the provision of services.

This policy includes a formal documented process designed to provide free or discounted care to those who have no means, or limited means, to pay for their medical, optometry, behavioral health and dental services (Uninsured or Underinsured). The HCHC Navigators and the Billing Manager's role under this policy is to act as a patient advocate, that is, one who works with the patient and/or guarantor to find reasonable payment alternatives.

Discounts are offered based on family size and annual household income which is documented through the completion of the "Sliding Fee Discount Application". The Sliding Fee Discount Program applies to all required and additional health services within the HRSA approved scope of project delivered at HCHC facilities.. Costs for items done outside the health centers (eg. 3rd party dental and optometry lab charges) are exempt from the sliding fee discounts and the actual cost will be charged to the patient (even patients at/below 100% FPG). The professional services component of procedures performed by HHC staff that involve lab charges or other 3rd party fees are subject to all sliding fee discount conditions and will be charged in accordance with the SFDP. Payment options and lab or separate eligible service costs will be discussed up front prior to services being provided and referenced in written documentation (eg, treatment plans).

The Federal Poverty Guidelines, <http://aspe.hhs.gov/poverty>, are used in creating and annually updating the sliding fee schedule (SFS) to determine eligibility.

Procedure: The following guidelines are to be followed in providing the Sliding Fee Discount Program.

1. **Notification:** HCHC will notify patients of the Sliding Fee Discount Program by:
 - Notification of Sliding Fee Discount Program in the clinic waiting area.
 - Notification of the Sliding Fee Discount Program will be offered to each patient upon registration as a patient of HCHC.
 - Notification of financial assistance on each invoice and collection notice sent out by HCHC.
 - An explanation of our Sliding Fee Discount Program and our application form are available on HCHC's website.
2. **All patients** seeking healthcare services at HCHC are assured that they will be served regardless of ability to pay. **No one is refused service because of lack of financial means to pay.**
3. **Request for discount:** Requests for discounted services may be made by patients, family members, social services staff or others who are aware of existing financial hardship. Information and forms can be obtained from the Front Desk, Billing Department and from Navigators.
4. **Administration:** The Sliding Fee Discount Program procedure will be administered through the Finance Department / Billing Manager or their designee. Information about the Sliding Fee Discount Program policy and procedure will be provided and assistance offered for completion of the application with Navigators and /or the Billing Manager. Dignity will be respected and confidentiality maintained for all who seek and/or are provided charitable services.
5. **Alternative payment sources:** All alternative payment resources must be exhausted, including all third-party payment from insurance(s) and Federal and State programs, including Health Safety Net (HSN).
6. **Completion of Application:** The patient/responsible party must complete the Sliding Fee Discount Program application in its entirety. Every effort will be made to collect the required family income information in conjunction with any Mass Health and/or HSN applications. By signing the application, persons authorize HCHC access in confirming income as disclosed on the application form. Providing false information may result in the Sliding Fee Discount Program discounts being revoked and the full balance of the account(s) restored and payable under the HCHC Credit and Collection Policy.
7. **Eligibility:** Sliding Fee Discounts will be based on income and family size only. HCHC uses the Census Bureau definitions of each.

- a. Family is defined as: a group of two people or more (one of whom is the head of household) related by birth, marriage, or adoption and residing together and any person who is claimed as a dependent for Federal tax purposes; all such people (including related subfamily members) are considered as members of one family.
 - b. Income includes: earnings, unemployment compensation, workers' compensation, Social Security, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Noncash benefits (such as SNAP benefits and housing subsidies) do not count as income.
 - c. Income verification: Applicants must provide one of the following: prior year W-2, prior year federal tax return (1040, etc.), two most recent pay stubs, letter from employer, or Form 4506-T (if W-2 not filed). Self-employed individuals will be required to submit detail of the most recent three months of income and expenses for the business and prior year Federal Form 1040 Schedule C. Adequate information must be made available to determine eligibility for the program. Self-declaration of Income may only be used in special circumstances. Specific examples include participants who are homeless. Patients who are unable to provide written verification must provide a signed statement of income, and why they are unable to provide independent verification. Self-declared patients will be responsible for 100% of their charges until management determines the appropriate category.
8. **Discounts:** Those with incomes at or below 100% of poverty will receive a full 100% discount. Those with incomes above 100% of poverty, but at or below 200% of poverty, will be charged according to the attached sliding fee schedule. The sliding fee discount schedule will be applied to any standard charges or any remaining charges after any insurance payment. The sliding fee schedule will be updated during the first quarter of every calendar year with the latest federal poverty guidelines (FPG), <http://aspe.hhs.gov/poverty>.
9. **Nominal Fee:** Patients receiving a full discount **will not** be assessed a nominal charge per visit.
10. **Waiving or Reducing Charges:** In certain situations, patients may not be able to pay the discount fee, regardless of the patient income levels. Waiving of charges may only be used in special circumstances and must be approved by HCHC's CEO, CFO, or their designee. Examples of such special circumstances may include, but are not limited to, displacement of current housing due to catastrophic events such as fires or water

damage, auto/personal injuries, or as a victim of serious crimes. Any waiving or reduction of charges should be documented in the patient's file along with an explanation.

11. **Applicant notification:** The Sliding Fee Discount Program determination will be provided to the applicant(s) in writing, and will include the percentage of Sliding Fee Discount Program write off, or, if applicable, the reason for denial. If the application is approved for less than a 100% discount or denied, the patient and/or responsible party must immediately establish payment arrangements with HCHC. Sliding Fee Discount Program applications cover outstanding patient balances for six months prior to application date and any balances incurred within 12 months after the approved date, unless their financial situation changes significantly. The applicant has the option to reapply after the 12 months have expired or anytime there has been a significant change in family income. When the applicant reapplies, the look back period will be the lesser of six months or the expiration of their last Sliding Fee Discount Program application.
12. **Refusal to Pay:** If a patient verbally expresses an unwillingness to pay or vacates the premises without paying for services, the patient will be contacted in writing regarding their payment obligations. If the patient is not on the sliding fee schedule, a copy of the sliding fee discount program application will be sent with the notice. If the patient does not make effort to pay or fails to respond within 60 days, this constitutes refusal to pay. At this point in time, HCHC can implement procedures under the HCHC Credit and Collection Policy.
13. **Record keeping:** Information related to Sliding Fee Discount Program decisions will be maintained and preserved in a centralized confidential file located in the Billing Department Manager's Office.
14. **Policy and procedure review:** Annually, all aspects of the SFDP will be reviewed, including the nominal fee from the perspective of the patient to ensure it does not create a financial barrier to care. The SFDP will be reviewed by the CEO and/or CFO and presented to the Board of Directors for further review and approval. The review process will include a method to obtain feedback from patients. The Sliding Fee Scale will be updated based on the current Federal Poverty Guidelines. Pertinent information comparing amount budgeted and actual community care provided shall serve as a guideline for future budget planning. This will also serve as a discussion base for reviewing possible changes in our policy and procedures and for examining institutional practices which may serve as barriers preventing eligible patients from having access to our community care provisions.

15. **Referral contracts:** All HCHC referral contracts must include a clause detailing that HCHC patients receive services on a discounted fee equal to or better than the SFDS criteria of the Health Center Program. If the referral provider offers the services discounted on a SFDS with income at or below 250% FPG, as long as health center patients at or below 200% of the FPG receive a greater discount for these services than if the health center's SFDS were applied to the referral provider's fee schedule, and patients at or below 100% of the FPG receive no charge or only a nominal charge for the services, the referral arrangement is in compliance.
16. **Budget:** During the annual budget process, an estimated amount of Sliding Fee Discount Program service will be placed into the budget as a deduction from revenue. Board approval of Sliding Fee Discount Program will be sought as an integral part of the annual budget.

Questions regarding this policy or any related procedure should be directed to the Chief Financial Officer at 413-238-4116

Originally Drafted: JANUARY 2013 Reviewed or Revised: MAY 2020

Approved by:

Name: Eliza B. Lake

Date: 05/14/2020

Eliza B. Lake/

Chief Executive Officer, HCHC

Name: John Follet, MD

Date: 05/14/2020

John Follet, MD

President, HCHC Board of Directors



Hilltown Community Health Centers, Inc.

Sliding Fee Discount Application

It is the policy of Hilltown Community Health Centers, Inc. (HCHC), to make available a sliding fee discount program to ensure that no patient will be denied health care services provided by HCHC due to an inability to pay or on the basis of race, color, religion, creed, sex, gender, gender identity or gender expression, age, marital status, national origin, mental or physical disability, political belief or affiliation, veteran status, sexual orientation, genetic information, and any other class of individuals protected from discrimination under state or federal law with respect to the provision of services. Discounts are offered based on family size and annual household income. Please complete the following information to determine if you or members of your family are eligible for a discount.

The Sliding Fee Discount Program applies to all required and additional health services within the HRSA approved scope of project delivered at HCHC facilities. Costs for items done outside the health centers (eg. 3rd party dental and optometry lab charges) are exempt from the sliding fee discounts and the actual cost will be charged to the patient (even patients at/below 100% FPG). The professional services component of procedures performed by HHC staff that involve lab charges or other 3rd part fees are subject to all sliding fee discount conditions and will be charged in accordance with the SFDP. Payment options and lab or separate eligible service costs will be discussed up front prior to services being provided and referenced in written documentation (eg, treatment plans).

This form must be completed every 12 months or if your financial situation changes.

If you have questions or need assistance completing this form please contact an HCHC Navigators at 413-667-2203 or the Billing Manager at 413-238-4114.

PATIENT NAME :	
RELATIONSHIP TO HEAD OF HOUSEHOLD:	
HOUSEHOLD MAILING ADDRESS:	
PHONE NUMBER:	

[illegible]

Annual Household Income:

Income Source:	Self	Other Family Member(s)	Total
Gross Wages, salaries, tips, etc.			
Income from business and self-employment.			
Unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, veterans' payments, survivor benefits, pension or retirement income.			
Interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.			
Total			

NOTE: Please attach copies of all documents or self-declaration statements being used to verify income.

I certify that the family size and income information shown above is correct.

Name (Print):

Signature:

Date:

Official Use Only

Patient Name:
Approved Discount:
Approved By:
Date Approved:
List of Documents used to verify Income, please attach copy;

HILLTOWN COMMUNITY HEALTH CENTER SLIDING FEE DISCOUNT SCHEDULE

2020 FEDERAL INCOME POVERTY GUIDELINES

	Coverable by Federal Grant Resources *				
		125%	150%	175%	200%
	100% Slide A	101-125% Slide B	126-150% Slide C	151-175% Slide D	176-200% Slide E
SIZE OF FAMILY UNIT	Maximum Annual Income Level Sliding Fee Discount Program				
1	\$ 12,760	\$ 15,950	\$ 19,140	\$ 22,330	\$ 25,520
2	\$ 17,240	\$ 21,550	\$ 25,860	\$ 30,170	\$ 34,480
3	\$ 21,720	\$ 27,150	\$ 32,580	\$ 38,010	\$ 43,440
4	\$ 26,200	\$ 32,750	\$ 39,300	\$ 45,850	\$ 52,400
5	\$ 30,680	\$ 38,350	\$ 46,020	\$ 53,690	\$ 61,360
6	\$ 35,160	\$ 43,950	\$ 52,740	\$ 61,530	\$ 70,320
7	\$ 39,640	\$ 49,550	\$ 59,460	\$ 69,370	\$ 79,280
8	\$ 44,120	\$ 55,150	\$ 66,180	\$ 77,210	\$ 88,240
For each additional person , add	\$ 4,480	\$ 5,600	\$ 6,720	\$ 7,840	\$ 8,960
Discount Allowed	100%	80%	60%	40%	20%
Charge to Patient	\$0.00	20%	40%	60%	80%

Coverable by State Health Safety Net (HSN)**

	HSN Primary & Secondary	HSN Primary & Secondary Partial
	up to 150%	150.1% to 300%
SIZE OF FAMILY UNIT	Maximum Annual Income Level HSN	
1	\$ 19,140	\$ 38,280
2	\$ 25,860	\$ 51,720
3	\$ 32,580	\$ 65,160
4	\$ 39,300	\$ 78,600
5	\$ 46,020	\$ 92,040
6	\$ 52,740	\$ 105,480
7	\$ 59,460	\$ 118,920
8	\$ 66,180	\$ 132,360
For each additional person , add	\$ 6,720	\$ 13,440

Policy and Procedure:

* "Sliding Fee Scale" (SFS) is used by the federal Section 330 program to allow for discounts to patients with incomes below or at 200% of the Federal Poverty Level(FPL). **The Sliding Fee Discount Program applies to all required and additional health services within the HRSA approved scope of project delivered at HCHC facilities. Costs for items done outside the health centers (eg. 3rd party dental and optometry lab charges) are exempt from the sliding fee discounts and the actual cost will be charged to the patient (even patients at/below 100% FPG).**

** MA Health Safety Net Office (HSN) for discounts to eligible patients with incomes below or at 300% of the FPL. [per 101 CMR 613.00 (formerly 114.6 CMR 13.00) and 101 CMR 614.00 (formerly 114.6 CMR 14.00)]



Policy Title: Telecommuting Policy	Policy Number: HR- 07
Department: All Departments	Policy status: New
Regulatory Reference:	
Date Published: MAY 2020	
Dates Reviewed:	
Dates Revised:	

PURPOSE:

To implement a viable, and flexible telecommuting policy that improves business continuity in the case of disruptions, aids employee recruitment and retention, eases demands on office space, and supports HCHC's commitment to employee well-being.

POLICY:

It is the policy of Hilltown Community Health Center to offer a telecommuting option when both the employee and the job are suited to such an arrangement. Telecommuting may be appropriate for some employees and jobs but not for others. Telecommuting is not an entitlement, nor is it a companywide benefit, and it in no way changes the terms and conditions of an employee's employment with HCHC.

The decision to allow an employee to telecommute will be made by their supervisor in consultation with the employee and Human Resources, based on the needs of the organization.

HCHC's telecommuting program adheres to the following seven guiding principles:

1. Telecommuting will be job appropriate.
2. The program will include standardized processes and reason-neutral decisions by managers in evaluating employee performance and success.
3. Telecommuting will have a demonstrated net-neutral or net-positive impact on the business, both on a departmental level and organizational level.
4. Telecommuting will boost employee recruitment and retention.
5. The improved use of technology that telecommuting demands will promote engagement and efficiency for non-telecommuting employees who work across HCHC sites.
6. Telecommuting will not sacrifice employee engagement, participation, and sense of comradery for improved employee flexibility.
7. The telecommuting program will include training for managers and will reflect management team feedback, concerns, and experiences.

Questions regarding this policy or any related procedure should be directed to the Human Resources Manager at 413-238-1333.

Approved by Board of Directors on: _____

Approved by: _____

Chief Executive Officer, HCHC

HCHC Board of Directors

PROCEDURE:

1. Either an employee or a supervisor can suggest telecommuting as a possible work arrangement. HCHC's telecommuting program is intended to be flexible and offer HCHC managers broad discretion to craft a telecommuting program that best fits departmental and employee needs within set guidelines set forth in this policy.
2. Through HCHC's telecommuting program, HCHC employees may work part of the standard work week at a location other than the designated worksite, such as at a home office, on a regularly scheduled basis or for specific circumstances (for example, during snow emergencies, declared emergencies, or for certain projects).
3. Teleworkers may have designated or shared workspaces at the office, which may change from day to day.
4. Temporary telecommuting arrangements may also be approved under special circumstances on an as-needed basis, with no expectation of ongoing continuance. These informal, short-term arrangements may be made to the extent practical for the employee and the organization and with the consent of the employee's health care provider, if appropriate.
5. All informal telecommuting arrangements are made on a case-by-case basis, focusing both on the business needs of the organization and, as the case may arise, the safety and well-being of HCHC employees.
6. Regardless of the telecommuting arrangement, any telecommuter can be called on to help with emergency operations, either remotely or in person.
7. Any telecommuting arrangement made will be on a trial basis for the first month, with a reassessment every three months or as needed. The telecommuting arrangement may be discontinued at will and at any time at the request of either the telecommuter or HCHC. Every effort will be made to provide 30 days' notice of such change to accommodate commuting, childcare and other issues that may arise from the termination of a telecommuting arrangement. There may be instances, however, when no notice is possible.

Eligibility. With the exception of temporary telecommuting approved under special circumstances, before entering into a formal telecommuting agreement, the employee and manager, with the assistance of the Human Resources department, will evaluate the suitability of such an arrangement. The employee and manager will consider the following factors:

- *Employee suitability.* The employee and manager will assess the needs and work habits of the employee, compared to traits customarily recognized as appropriate for successful telecommuters.
- *Job responsibilities.* The employee and manager will discuss the job responsibilities and determine if the job is appropriate for a telecommuting arrangement.
- *Equipment needs and scheduling issues.* The employee and manager will review the physical workspace needs and the appropriate location and schedule for the telework.
- *Tax and other legal implications.* The employee must determine any tax or legal implications under IRS, state and local government laws, and/or restrictions of working out of a home-based office. Responsibility for fulfilling all obligations in this area rests solely with the employee.

Trial Period. If the employee and manager agree, and the Human Resources department does not object, the manager will send an email to the employee, copying Human Resources, setting out the expectations for the arrangement, including deliverables and methods of evaluation, and a one-month trial period will commence, with regular reassessments every three months or as needed.

Evaluation of telecommuter performance during the trial period will include regular check-ins by the employee's manager to discuss work progress. At the end of the trial period, the employee and manager will discuss the arrangement and make recommendations for continuance or modifications. Evaluation of telecommuter performance will continue beyond the trial period as needed and should be raised during the employee's annual evaluation.

Childcare. Telecommuting is not designed to be a replacement for appropriate childcare, and employees may not provide primary care for children and/or adults when telecommuting. Although an individual employee's schedule may be modified to accommodate childcare needs, the focus of the arrangement must remain on job performance and meeting business demands. Prospective telecommuters are encouraged to discuss expectations of telecommuting with family members prior to entering a trial period.

Equipment. On a case-by-case basis, HCHC will determine, with information supplied by the employee and the supervisor, the appropriate equipment needs for each telecommuting arrangement. The Human Resources and Information Technology departments will serve as resources in this matter. Equipment supplied by the organization will be maintained by the organization. Equipment supplied by the employee, if deemed appropriate by the organization, will be maintained by the employee. HCHC accepts no responsibility for damage or repairs to employee-owned equipment. HCHC reserves the right to make determinations as to appropriate equipment, subject to change at any time. Equipment supplied by the organization is to be used for business purposes only. The telecommuter must sign an inventory of all HCHC property received and agree to take appropriate action to protect the items from damage or theft. Upon termination of employment, all company property will be returned to HCHC, unless other arrangements have been made.

HCHC will supply the employee with appropriate office supplies as deemed necessary for the employee to complete their work tasks. HCHC will also reimburse the employee for business-related expenses, such as costs that are reasonably incurred in carrying out the employee's job (postage, printing, etc).

HCHC will not be responsible for costs associated with the setup of the employee's home office, such as remodeling, furniture or lighting, nor for repairs or modifications to the home office space.

Security. Consistent with HCHC's expectations of information security for employees working at the office, telecommuting employees will be expected to ensure the protection of proprietary company information and personal health information accessible from their home office. Steps include the use of locked file cabinets and desks, regular password maintenance, and any other measures appropriate for the job and the environment.

Under no circumstances should telecommuting employees maintain hard copies of documents that contain personal health information at their home office.

Safety. Employees are expected to maintain their home workspace in a safe manner, free from safety hazards. Injuries sustained by the employee in a home office location and in conjunction with his or her regular work duties are normally covered by HCHC's workers' compensation policy. Telecommuting employees are responsible for notifying HCHC of such injuries as soon as practicable. The employee is liable for any injuries sustained by visitors to his or her home worksite.

Time Worked While Telecommuting. Telecommuting employees who are not exempt from the overtime requirements of the Fair Labor Standards Act will be required to accurately record all hours worked using HCHC's time-keeping system. Hours worked in excess of those scheduled per day and per workweek require the advance approval of the telecommuter's supervisor. Failure to comply with this requirement may result in the immediate termination of the telecommuting agreement.

Employee Monitoring: Telecommuting employees may be subject to remote employee monitoring through IT systems including the EHR and email systems (as applicable) and time tracking software. Each department will determine the most appropriate method of monitoring for each class of employee, and the written telecommuting arrangement will include information about the monitoring system that may be used.

