

LHC Group, Inc.



Home Health • Hospice • Long-Term Acute Care • Community-Based Services

May 6, 2014

Mr. Thomas F. Marks, Chairman  
Craven Board of County Commissioners  
406 Craven Street  
New Bern, North Carolina 28560

Re: Proposed Acquisition of Home Health Services Assets

Dear Mr. Marks:

This letter sets forth our mutual understandings with respect to the basic terms of a proposed acquisition by LHC Group, Inc., a Delaware corporation (“LHCG”), of the assets of the home health operations of the Craven County Home Health Agency, a Medicare-certified home health agency that is a division of the Craven County Health Department of Craven County Government, North Carolina (“Seller”) that serves Craven, Pamlico, Carteret, Jones, Lenoir, and Pitt counties of North Carolina (the “Business”). As more fully described in this letter, it is our mutual intent to negotiate a satisfactory, definitive asset purchase agreement (the “Asset Purchase Agreement”) and such other documents as may be necessary to consummate the transactions described herein (together with the Asset Purchase Agreement, the “Agreements”). The intention to consummate the transactions described herein (the “Transactions”) is subject to the following terms and conditions:

1. **Acquisition of Assets.** The Transactions will be consummated by an indirect subsidiary of LHCG, a limited liability company to be organized under the laws of the State of North Carolina (“Company”). The Asset Purchase Agreement will provide for Company’s acquisition of substantially all of the assets of the Business, including, but not limited to: furniture, fixtures, equipment, provider agreements, permits of approval, certificates of need, and licenses (the “Assets”), subject to any items which are specifically excluded by a schedule to the Asset Purchase Agreement. Seller has assured LHCG that Seller owns all of the Assets and, subject to the receipt of the necessary approvals, has the capacity to enter into this letter and consummate the Transactions. Seller will convey good and marketable title to the Assets free and clear of all liens, liabilities, encumbrances, overpayments, and defects in the title. Seller shall discharge, at or prior to the consummation of the Transactions (the “Closing”), any and all indebtedness outstanding against any of the Assets, except for such indebtedness as may be expressly assumed by Company pursuant to the Asset Purchase Agreement. Seller will retain all pre-closing accounts receivable and liabilities, including, without limitation, any third party indebtedness and all liabilities relating to employment related matters which relate to the operation of the Business prior to the Closing or which relate to the consummation of the Transactions.

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LHCgroup.com

2. **Purchase Price.** Based on the information made available thus far, Company intends to pay Seller cash consideration for the Assets in an amount equal to Seven Hundred Fifty Thousand Dollars (\$750,000.00) (the "Purchase Price"). At the Closing, an amount equal to the Purchase Price *minus* the amount of the Earnest Money Deposit (as described below) will be paid to Seller by wire transfer at the Closing, together with the release of the Earnest Money Deposit to Seller. Within five (5) business days of Seller's countersignature to this letter signifying its acceptance of the offer set forth herein, Company will deposit five percent (5%) of the Purchase Price, totaling Thirty Seven Thousand Five Hundred Dollars (\$37,500.00), with Seller or its designee (the "Earnest Money Deposit"). The parties agree that the Earnest Money Deposit, plus any interest earned thereon, shall be credited against the Purchase Price at the Closing or refunded to Company within three (3) business days after the end of the exclusivity period described in Paragraph 10 below if the Closing does not occur for any reason other than the bad faith of Company or LHCG.

3. **Straddle Patients; Billing and Collections.** The accounts receivable for current and active Medicare home health patients undergoing a home health episode of care on the date of the Closing shall be allocated to Company and Seller based on the days elapsed during the current episode as of and following the Closing. The accounts receivable for other patients shall be allocated to Company and Seller based on the dates of service prior to and following the Closing. At the Closing, LHCG, Company, and Seller shall enter into a transition billing services agreement (the "Billing Services Agreement"), pursuant to which Company and Seller will agree to cooperatively bill and collect for services provided by Company after the Closing. The Billing Services Agreement shall remain in place until such time as all necessary regulatory approvals are obtained in order to allow Company to bill and collect Medicare receivables.

4. **Employees.** Prior to the Closing and as a part of the due diligence process, LHCG will assess the staffing levels needed by Company following the Closing and identify for Seller those employees that LHCG wishes to hire. Seller will assist LHCG in negotiating with and transitioning those employees to the employment of LHCG for the provision of services to Company. Seller will retain all liabilities relating to employment related matters which relate to operation of the Business prior to the Closing or which relate to the consummation of the Transactions.

5. **Closing.** Subject to the satisfaction of the Closing conditions set forth in Paragraph 5 below, the Closing shall take place at a mutually agreeable time as set forth in the Agreements.

6. **Conditions to the Closing.** The Closing of the Transactions shall be subject to the satisfaction of mutually agreeable terms and conditions, including, without limitation, the following:

- (a) Negotiation, execution, and delivery by the parties of the Agreements;
- (b) The approval of the Transactions and the Agreements by the governing bodies of each party, approval of which shall be obtained by each party prior to the execution of the Agreements;
- (c) Satisfactory completion of due diligence by LHCG and its affiliates;
- (d) Receipt of all necessary consents and approvals of state and federal governmental authorities and other third parties, if any;
- (e) Receipt of adequate assurances from the applicable state Department of Health Services and the federal Centers for Medicare and Medicaid Services that the home health agency licenses and provider agreements with the Medicare and Medicaid programs are in good standing and are transferable to Company, including, as necessary, the receipt of adequate insurances from the appropriate

state and/or federal regulatory authorities that the owner of the Business's provider number has not experienced an ownership change (as such term is defined by 42 CFR §424.550(b)) during the thirty-six (36) months preceding the Closing, LHCG or one of its affiliates being responsible for obtaining the foregoing assurances timely;

(f) Seller, LHCG, and Company entering into a mutually satisfactory restrictive covenant agreement covering home health service operations in the counties serviced by Seller immediately prior to the Closing for a period of three (3) years following the Closing; and

(g) Satisfaction of such other conditions as may be reasonable and customary in acquisition agreements.

7. **Review and Access to Information.** Promptly after the execution of this letter, LHCG will conduct, to the extent determined desirable or necessary by its own discretion, a review of the business, assets, liabilities, financial condition, and results of operations, properties owned or operated by the Business, and the books and records of the Business. Seller will permit LHCG's representatives full and complete access to inspect and appraise the Business and its assets and will disclose and make available to LHCG representatives all books, agreements, papers, and records relating to the ownership and operations of the Business.

8. **Public Announcements.** Subject to requirements of law, LHCG, Seller and any of their respective affiliates, agents, or employees shall not issue any news releases or other announcements pertaining to this letter or the Transactions prior to the Closing without the consent of the non-disclosing party, such consent not to be unreasonably withheld. The foregoing notwithstanding, LHCG and Seller agree that this letter may be a matter of public record and that North Carolina law may require Seller to disclose the contents of this letter to the general public under certain circumstances. Seller is therefore authorized to publish appropriate notice of the offer contained in this letter in compliance with applicable law and further disclose the contents of this letter upon any appropriate request; provided, however, that Seller shall provide LHCG with reasonable prior notice of any such disclosures. LHCG and Seller agree that, prior to the execution of the Agreements, they shall keep the existence of this letter and its contents confidential, except as may be necessary to comply with applicable law or as otherwise permitted by the Confidentiality Agreement referenced below in Section 8.

9. **Confidentiality.** The parties agree that the parties shall execute a mutually satisfactory Confidentiality Agreement by and among LHCG and Seller promptly upon Seller's countersignature of this letter.

10. **Exclusivity.** Until the earlier of (a) the date that is ninety (90) days after Seller has executed this letter, or (b) fifteen (15) business days following the date on which LHCG provides written notice to Seller that it has ended its active efforts to consummate the Transactions, neither Seller nor any of its affiliates, agents, or employees shall, directly or indirectly, enter into any agreement, commitment, or understanding with respect to, nor engage in any discussions or negotiations with, nor encourage or respond to any solicitations from, any other party with respect to the development, acquisition, ownership, operation, or management of the Business. Seller shall promptly advise LHCG of any unsolicited offer or inquiry received by it or any of its affiliates, agents or employees, including the terms thereof.

11. **Expenses.** Each party shall bear its own expenses arising out of this letter and the Transactions, with no liability for such expenses to any other party, whether or not the Transactions or any part thereof shall close.

12. **No Violation.** LHCG has prepared and delivered this letter in principle in reliance on the understanding that Seller is not currently bound under any binding or enforceable contract or agreement with any third party concerning any transaction with respect to the Business or the Assets. Seller represents that this letter and the Transactions will not violate any contract, agreement, or commitment currently binding on Seller.

13. **Ordinary Course.** Seller agrees that from and after the execution of this letter, Seller will not operate the Business nor take any actions, except in the ordinary course. Without limiting the generality of the foregoing, Seller agrees that after the date hereof, it will not take any of the following actions, without LHCG's consent: (a) make any distributions nor increase the compensation payable to any of its employees, except for the usual and customary merit salary increases, (b) sell, transfer, or otherwise dispose of, nor enter into any agreement to sell, transfer, or otherwise dispose of, any of the Assets, (c) incur, create, or become obligated with respect to any liabilities or obligations outside the ordinary course of the Business, or (d) become obligated under any agreement to purchase of supply goods or services, other than agreements that are not material and which are in the ordinary course of the Business.

14. **Governing Law.** This letter and the Transactions and the Agreements shall be governed, interpreted, performed, and enforced according to the laws of the State of North Carolina.

15. **Non-Binding Effect.** It is understood that this letter merely constitutes a statement of the mutual intentions of the parties with respect to the Transactions, does not contain all matters upon which agreement must be reached in order for the Transactions to be consummated and, except in respect of Paragraphs 7 through 14, inclusive, and this Paragraph 15, creates no binding rights in favor of any party. A binding commitment with respect to the Transactions will result only if the Agreements are executed and delivered, and are then subject only to the terms and conditions contained therein. No obligations of one party to the other (including any obligation to continue negotiations) or liability of any kind shall arise from executing this letter, a party's partial performance of the terms of this letter, its facilitating or conducting due diligence, its taking or refraining from taking any actions relating to the Transactions or any other course of conduct by the parties except in respect of Paragraphs 7 through 14, inclusive, and this Paragraph 15. The parties agree that either party may discontinue negotiations at any time for any reason or no reason. Any letters, drafts or other communications shall have no legal effect and shall not be used as evidence of any oral or implied agreement between the parties. This letter may be executed in counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one and the same letter. Signatures sent by facsimile transmission shall be deemed to be original signatures.

16. **Definitive Agreements.** Promptly after the execution of this letter, LHCG will commence the preparation of the Agreements governing the Transactions contemplated herein in form and substance satisfactory to the parties. The Agreements will be initially prepared by LHCG's legal counsel, will be in a form customary for transactions of the type described herein and will contain reasonable and mutually agreeable representations, warranties, covenants, and conditions relating to the Business for any acts and omissions occurring prior to the Closing.

[Signature Page to Immediately Follow]  
[Remainder of Page Intentionally Left Blank]

This letter will be void unless accepted and returned by 5:00 P.M. (Eastern Time) on May 31, 2014. If the foregoing is acceptable to you, please so indicate by signing a copy of this letter and faxing one (1) copy to the undersigned at (337) 233-1307 and mailing one (1) original to the undersigned at: LHC Group, Inc., 420 West Pinhook Road, Lafayette, Louisiana 70503. We look forward to a successful and mutually rewarding relationship with respect to the proposed Transactions outlined herein.

Very truly yours,

LHC Group, Inc.

By:   
Joshua L. Proffitt, Executive Vice President

ACCEPTED AND AGREED TO this \_\_\_\_ day of May, 2014:

Craven County Home Health Agency,  
a division of the Craven County Health Department of  
Craven County Government, North Carolina

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **OFFER PROPOSAL FORM (“OPF”)**

### **OFFER TO ACQUIRE SPECIFIED LIMITED ASSETS OF THE CRAVEN COUNTY MEDICARE-CERTIFIED HOME HEALTH AGENCY, NEW BERN, NC**

#### **A. Organizational and/or Personal Information of the Buyer:**

##### **Legal Name of Organization (or Individual if not incorporated):**

LHC Group, Inc.

##### **Desired Mailing Address:**

420 West Pinhook Ste A., Lafayette, LA 70503

##### **Name/Title of Chief Executive or Owner:**

Keith Myers, CEO

##### **Designated Contact Representative:**

**Name:** Josh Proffitt, Executive Vice President / General Counsel

**Phone #:** 337-233-1307

**Fax #:** 337-235-8037

**Email Address:** Josh.Proffitt@lhcgroupp.com

**Organization’s Federal EIN #:** 71-0918189

**If your organization is a current home health and/or home care provider, please provide Medicare provider number(s), Medicaid provider number(s), and, North Carolina State Home Health/Home Care license number(s), if applicable.**

**Medicare:** \_\_ \*(see below)

**Medicaid:** \_\_ \*(see below)

**North Carolina State License(s):** HC0283 (home health and hospice)

\*North Carolina Health Care Group, LLC is a subsidiary company of LHC Group, Inc. and is not the direct owner of any home health / hospice provider #.

**B.** Please **succinctly** describe your organization’s current, or past, operational experience in operating a Medicare-certified, licensed home health agency. Attach or provide a list of the organization’s Board of Directors, or owners with 5% or greater ownership or membership interest in the company and percent ownership of each individual. If your offer is through a subsidiary organization of a larger parent organization, please provide ownership information for both entities. Please describe below, or enclose, any supplemental printed information that you believe would be of benefit to the Seller in attaining a sound understanding of your organization, e.g., its developmental history; clinical and administrative leadership; operational success; service quality standards such as accreditation and current Home Health Compare and HH-CAHPS scores; scope of services proposed for the service area which might also include non-traditional Medicare covered services such as tele-health, chronic disease management services and expertise, private duty and staffing services, other “distinctive competencies,” etc. In short, how will the areas’ citizens and referral sources benefit from your firm offering home health services through this acquisition?

**Response (use additional pages if necessary):**

**SEE ENCLOSED INFORMATION**

- LHC Group Overview
  - Exhibit (A) – 2013 Annual Report
  - Exhibit (B) – Senior Management Bios
  - Exhibit (C) – Code of Conduct and Ethics
  - Exhibit (D) – Diabetes Best Practice Guide
  - Exhibit (E) – Safety and Risk Management Checklist Guide
  - Exhibit (F) – LHC Benefits Guide 2013 - 2014
  - Exhibit (G) – Reference List

**C. Details of Offer to Acquire:**

1. **Purchase Offer Price:** \$750,000.00
2. If your purchase price offer is other than "100% cash at closing," and/or, is contingent upon obtaining a new loan or use of a new line of credit, beyond currently available cash reserves and available lines of credit, please describe in detail and attach supporting documentation from your lending institution of their loan commitment or new line of credit guarantee signed by an approved officer of the lending institution. See Section G, below, regarding "Attestations and Affirmations."

**Please check one (1) box below, as applicable:**

- X Current cash reserves available for the amount in C(1), above.
- Additional borrowing is required and/or new or increased line of credit with lending institution letter of approval attached.

3. As part of a transaction, we desire to obtain the existing Home Health Medicare provider number of the Seller:

X YES  NO

If your answer to #3 above, is Yes, we agree that the Seller's retroactive indemnification liability limit that is attached with the Seller's Home Health Medicare provider number and Medicare enrollment agreement, prior to the effective date of closing, would not exceed the lesser of the selling price or the estimated FYE 2014 Medicare revenue.

YES  NO 

4. In addition to the return of your completed Offering Proposal Form, please also submit an **Initial Letter of Intent ("LOI")**, on your organization's letterhead and signed by the same individual signing this document. List/describe any details and/or conditions of your offer, including offering price, which you consider important for the initial assessment by the Seller of your offer that would be conditions of negotiating a Final Sales Agreement.

5. Please indicate below who would be performing due diligence work tasks. Please check one (1) box below, as applicable:

*ok*

Only employees of our organization.

Employees of our organization and sub-contractor(s)

Primarily sub-contractor(s)

If you plan to use one or more sub-contractors, either firms or individuals, please provide the organization(s) and/or individual(s) names below:

6. Please indicate below your ability and commitment to complete due diligence work, with issuance of a findings and clearance letter, no later than thirty (30) days of the seller's acceptance of a binding LOI. If your response is "no," please indicate your expected time frame.

*?*

YES, as long as the seller provides us with timely access to records as requested, responds to all diligence requests within the first few days of receiving the diligence worksheets and allows for onsite diligence work to take place.

NO

**D. Seller's Home Health Patients and Office Space of the Seller**

(1) We understand and agree to the requirement of acceptance of the Seller's active patient case loads at the time of closing and will have all necessary personnel to assure continuation of patients' plans of care as of the date of closing. We understand we have the right to independently review, and to discuss with the Seller, patients' records and other related documents to determine qualifications of service coverage being provided, based on the payer of record, during due diligence, and, immediately following the date of closing (effective date).

How?

X YES, we agree that we will continue to service the existing patient case load given we have all applicable payor agreements and/or provider numbers in place and active.

\_\_\_\_ NO

(2) As described in the General Information Memorandum, we agree to:

(a) Execute a short-term lease for the current home health office space at a fair market square footage rate as mutually agreed upon from the date of closing through the month end of the date of the final tie-in approval letter from CMS Region IV.

pl

X YES

\_\_\_\_ NO

**E. Other Information**

We acknowledge receipt of North Carolina General Statute (G.S.) 131E-13, as has been included with the General Information Memorandum we received. Although the Home Health Agency is not a hospital entity or hospital subsidiary, local units of government in North Carolina must also comply with this statute as home health agencies have been construed as a "health care facility." While actual charges for home health are not particularly applicable from a payment standpoint in today's prospectively established reimbursement rates for Medicare, North Carolina Medicaid and most private insurance and managed care payers, G.S. 131E-13(d)(4) and (d)(7) requires this information be obtained. Please complete the following information for your current usual and customary gross per visit charges (not discounted rates to any contracted payer) for your Medicare-certified operations. If you currently operate a Medicare-certified home health agency(ies) in North Carolina, please use those charges (or average if more than one agency).

**(1) Information regarding Home Health charges:**

	<u>Charge Per Visit</u>
Skilled Nursing	\$175.00
Physical Therapy	\$200.00
Occupational Therapy	\$200.00
Speech Therapy	\$200.00
Medical Social Work	\$225.00
Home Health Aide	\$110.00

Little bit

**(2) Access to Care of Medically Underserved Re: G.S. 131E-13(d)(7):**

In North Carolina, Medicare-certified Home Health agencies typically experience an average range of 1.5% - 2.0% of net revenue devoted to indigent or charity care patient services (e.g., no Medicare, Medicaid or insurance coverage).

**Please respond to the following questions and provide any additional or clarifying information you feel necessary.**

(a) We will accept Medicaid referrals (check one):

**YES**, once we are issued our own Medicaid provider number after the CHOW has been approved

**No**

(b) Charity care:

Please provide information as to the level of home health charity care, as a percent of net revenue, your firm has provided over your last complete fiscal year, and/or current year-to-date. Do not include bad debt write-offs in these amounts (e.g., uncollected coinsurance and deductibles, write-offs due to lack of proper eligibility determinations on your part, etc.).



1% or less Average % of Net Revenue.

\_\_\_\_\_ Average Dollar Amount per fiscal year for prior three (3) years.

(c) For private insurance patients who have coinsurance and deductible amounts that will be due you for your services, do you require any advanced payment prior to actually accepting and admitting the patient to care? Please check one (1) choice below:



\_\_\_\_\_ **Yes** (Please explain your policy below)

**No**

**Response, if answered, "Yes," above:**

**F. Please describe, in detail, any other conditions applicable to your offer not otherwise previously addressed in Sections C, D and E above, or other sections of this submission:**

**Response:**

Pursuant to Section 4 of the Letter of Intent attached hereto, LHC Group's offer is conditioned upon the receipt of adequate assurances from the applicable state Department of Health Services and the Federal Centers for Medicare and Medicaid Services that the home health agency licenses and provider agreements with the Medicare and Medicaid programs are in good standing and are transferable to LHC Group, including, as necessary, the receipt of adequate insurances from the appropriate state and/or federal regulatory authorities that the owner of the Business's provider number, has not experienced an ownership change (as such term is defined by 42 CFR §424.550(b)) during the thirty-six (36) months preceding the Closing Date.

**G. Attestations, Affirmations, and Agreed to Understandings of the Buyer and Authorized Representative of the Buyer:**

The authorized representative of the Buyer, as indicated by the signature below, answers affirmatively to the following attestations, and such affirmations are recognized by the Buyer as required conditions of this offering proposal:

1. No owner, director, principal, or member of executive management of the Buyer's organization has been previously convicted of, or currently the subject of, Medicare, Medicaid, or insurance fraud or abuse, Stark violations, Medicare or Medicaid regulations regarding inducements or kickbacks, nor has been or is currently barred from participation in the Medicare or Medicaid programs. Furthermore, attestation is made that the organization or individual(s) making this offer would not be precluded from closing due to any past or pending criminal or civil convictions/charges, or, organizational/personal bankruptcy proceedings.
2. The authorized representative, whose signature appears below, attests that the organization or individual(s) have the required financial capacity to successfully close the transaction with full payment from current financial reserves without obtaining contingent outside borrowing, unless otherwise indicated in the Offer Proposal Form.
3. The authorized representative of the Buyer, whose signature appears below, acknowledges receipt of the attached "**General Information Memorandum**" materials provided by the Seller. Unless otherwise indicated in our offering submission information, I understand that the entirety of the financial offer, subject to Buyer's due diligence review, will be paid in full, less the earnest money deposit, at closing. I also understand that should this offer be accepted, five percent (5%) of the initial offer price, or any finally negotiated initial offer to purchase between the Buyer and Seller, would be due to the Seller within five (5) working days of notification from the Seller. Such 5% deposit shall be held in escrow by Seller's counsel and shall be returned to Buyer if the closing does not occur for any reason other than the bad faith of Buyer.
4. For home health patients, we accept referrals and admit patients regardless of sex, race, age, creed, national origin, or handicap as long as it is determined that the patient can be safely cared for in their home and that we, as a provider, have the requisite resources to meet the patient's home health needs.
5. The Buyer affirms that all information regarding the attached offer is accurate and complete and represents, as submitted, the Buyer's offer and any stated conditions of this offer.

As the duly authorized agent of the organization (or individual) submitting this offer, I stipulate that I have such authority to submit and execute this offering proposal; I have the authority to commit the indicated funds required for this acquisition; I have read the "General Information" materials; I attest to the accuracy and completeness of the proposal offer; and I attest to the accuracy of each affirmation above in items G, 1-5, above.

ON BEHALF OF: LHC Group, Inc.  
(Typed/Printed Name of Organization)

  
(Signature of Duly Authorized Representative)

Joshua L. Proffitt      Exec. Vice President      5-6-14  
(Typed or Printed Name)      (Title)      (Date)



**LHC Group Inc.**

**Proposal for Purchase of Home Health Provider**

**May 6, 2014**

## Company Background

Please also refer to Exhibit (A) - LHC Group Inc. 2013 Annual Report for more detailed information.

LHC Group Inc. (referred to throughout this proposal as “LHC Group” or “LHC”) is a national provider of post-acute healthcare services. We operate in Alabama, Arkansas, California, Florida, Georgia, Idaho, Illinois, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Nevada, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia and Wisconsin. As of April 1, 2014, we owned and operated nearly 300 home nursing agency locations, 36 hospices and 9 LTACHs.

Our home nursing locations offer a wide range of services, including skilled nursing, medically oriented social services and physical, occupational and speech therapy. The nurses, home health aides and therapists in our home nursing agencies work closely with patients and their families to design and implement individualized treatments in accordance with a physician-prescribed plan of care. Our hospices provide end-of-life care to patients with terminal illnesses through interdisciplinary teams of physicians, nurses, home health aides, counselors and volunteers. Our Long-term Acute Care Hospitals (LTACHs) provide a comprehensive and aggressive medical team specifically designed to care for patients who are medically complex and have conditions that may require a prolonged recovery time. Our consolidated net service revenue for the years ended December 31, 2013, 2012, and 2011, is set forth below (amounts in thousands).

	<b>Year Ended December 31, (amount in thousands)</b>		
	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>Consolidated Net Service Revenue</b>	\$ 658,283	\$ 637,569	\$ 633,872

LHC Group was founded in 1994 in Palmetto, La. LHC Group completed its initial public offering in June 2005. The company trades on the NASDAQ National Market under the symbol “LHCG.” Our principal executive offices are located at 420 West Pinhook Road, Suite A., Lafayette, LA 70503 (Tele.# 337- 233-1307). LHC Group’s website is [www.LHCgroup.com](http://www.LHCgroup.com). See Exhibit (B) for a biography of each LHC senior manager.

## Operational and Financial Statistics

(numbers in thousands)

<b>Revenue by Service Line</b>	<b>2013</b>	
Home Health	\$ 523,854	79.6%
LTACH	\$ 71,865	10.9%
Hospice	\$ 56,930	8.7%
Private Duty / Other	\$ 5,652	0.8%

### **Revenue by Payor**

Medicare	80.6%
Medicare Adv.	10.8%
Commercial	6.3%
Medicaid	2.3%

## Description of Operating Model

LHC Group uses a decentralized operating model that leaves patient care decisions to clinicians in the field. We support our clinicians in the field with a strong back-office foundation and considerable training and education programs. The average amount of time devoted to leadership development training in the healthcare field is 6.5 hours annually. At LHC Group, our staff, on average, attends 11 hours of training per year. Our agencies are managed by a director of nursing who, depending on the size of the agency, oversees one or more team leaders. Our team leaders oversee a group of five clinicians who care for approximately 50 to 70 patients. Our team leaders report to a state director, who then reports to a divisional vice president. We have seven divisional vice presidents.

Our company has two primary clinical systems, Allscripts and Homecare Homebase. Allscripts is a paper-based system, and Homecare Homebase is an electronic point-of-care system. We are in the process of converting the entire company to Homecare Homebase. Based on our experience, Homecare Homebase has many benefits, including providing real-time data collection that enhances communication between the patient, clinician, and physician; margin improvement; improved management reporting systems; enhanced compliance; and enhanced ability to adapt to regulatory changes. If LHC Group were to be selected, our plan would be to convert to this provider to Homecare Homebase. An ease-of-use feature offered through Homecare Homebase is its physician web portal. This portal allows physicians to view their patients' vital stats and medications, approve or decline orders, etc., while also providing a secure and confidential HIPAA-compliant environment that is simple to use and web-based. Lawson is our payroll system, and we have recently converted to Lawson for financial reporting as well.

## **Clinical Quality, Satisfaction and Compliance**

An extremely important aspect of our operations lies in our ability to navigate the dynamic and ever-changing regulatory environment. In 2009, we partnered with Deloitte and Touche to assist with the redesign of our corporate compliance department, which we believe sets the standard in the industry. Our compliance department focuses on adherence to all applicable legal and regulatory requirements, industry standards, the company's code of conduct and ethics and the company's programs, policies and procedures that support and enhance overall compliance within the organization. Our entire management and operational team is committed to the highest standards of compliance and ethics in our day-to-day operations. Exhibit (C) – Code of Conduct and Ethics.

We invest more than \$2 million annually in compliance efforts. Key initiatives include our comprehensive training and education program through which all LHC Group employees complete intensive compliance training annually – and all new employees undergo detailed compliance training within the first 60 days of employment.

### **Quality**

For the fourth quarter of 2013 (most recent available), LHC Group Home Health Compare scores for providers exceeded the national average in the following:

#### **Outcome Standards:**

1. Emergency Department without Hospitalization
2. Improvement in Ambulation
3. Improvement in Bathing
4. Improvement in Bed Transferring
5. Improvement in Management of Oral Medications

#### **Process Standards:**

1. Depression Assessment Conducted
2. Pain Assessment Conducted
3. Pressure Assessment Prevention in POC
4. Diabetic Foot Care (Patient and Family Education)
5. Drug Education on High-Risk Medications
6. PPV Ever Received
7. Pressure Ulcer Prevention Implemented

In 2013, nearly 50 percent of LHC Group home health providers achieved HomeCare Elite recognition. This independent ranking recognizes the top 25 percent of home health providers nationwide based on quality of care, process measure implementation and financial performance.

We also remain steadfast in our commitment to Joint Commission accreditation. Whereas just seven percent of home health agencies nationwide have achieved Joint Commission accreditation, our LHC Group home health and hospice locations will have achieved 100 percent accreditation by the end of 2014.

All LHC Group staff and managers have ready access to a learning management system (LHC Connect) that offers tutorials and education on best practices to improve any home health process or outcome standard for their agency. The best practice guidelines are all further delineated for each discipline caring for the patient. (Refer to Exhibit (D) for an example).

Performance improvement coordinators are also assigned to all agencies to assist the DONs/administrators in the establishment of process improvement teams to drive improvement from within the agencies. The quality department conducts bi-weekly calls to assure the dissemination of the most up-to-date regulatory, process, policy and procedure information. Performance improvement staff members are regularly on site to respond to any issues a particular agency may face as it seeks to improve its quality scores. The PI staff members are also readily available to respond to any question or concerns they may receive via e-mail during times between visits. LHC Group also participates in home health quality initiatives, focusing on best practice implementation procedures.

### **Patient Safety**

Through our online patient safety surveillance system (rL Solutions), we track the following patient safety events:

1. Patient Falls at Home (with or without injury)
2. Pressure Ulcers
3. Medication Errors
4. Infections

LHC Group's risk management committee has adopted a focus on patient falls. Our current rate is 1.4%, and a new goal will be set at the next risk management meeting. Refer to Exhibit (E) for education provided to patients and caregivers related to the achievement of decreased fall rates.

### **Studer Group**

In 2010, we entered into an agreement with the Studer Group to provide leadership development, coaching and management solutions to our employees. We also use Studer's leadership development software to evaluate all leaders throughout our company.

We understand our success is predicated on a talented, engaged work force. Employee engagement fuels employee satisfaction, which, in turn, drives patient satisfaction and organizational success.

### **On-boarding Plan and Integration**

Our goal is to make the on-boarding process for all employees that come on board with LHC Group as comfortable and user friendly as possible. Our typical on-boarding process starts at least three weeks prior to closing and will last one to two days on-site, depending on the size of the location. While on-site, we hold team meetings and provide all employees with an in-depth review of our benefit products and HR policies and discuss the actual enrollment process. At the end of these meetings, each employee is given a packet of information that includes payroll-related forms and specific instructions on how to telephonically enroll in our benefit products.

The enrollment window is typically open two to three days following these meetings, which will allow the benefit providers to ensure that each employee is set up correctly in the system and has coverage Day One of the transaction. In addition, all employees will also have their work tenure honored by LHC Group in the event of a transaction.

Also, as part of the on-boarding process, our payroll and human resource departments evaluate each employee's total compensation for the last 12 months and compare it to how the employee's compensation would look under LHC Group's model going forward. The end result is a one-page document that is given to each employee and discussed behind closed doors during the on-site visit. The "payroll one-on-one" form displays the employee's base rate of pay (salary, hourly or per visit); mileage rate; on-call rates, if applicable; cell phone reimbursement, if applicable; and any other special compensation rates that may apply.

During the integration process, our clinical resource team's sole mission is to be an on-site resource prior to and at least 60-90 days post closing. The CRT assists with the employee on-boarding process, patient data entry and coordination into LHC Group's clinical platform (HCHB), all training related to HCHB, training on all of LHC Group's back office support processes and training for all other day-to-day in-office processes and procedures. Most importantly, patient care will not be interrupted in any way.

**Exhibit (A)**

**LHC Group Inc. 2013 Annual Report**

*(Attached)*

**Exhibit (B)**

**Senior Management Bios**

*(Attached)*

**Exhibit (C)**

**Code of Conduct and Ethics**

*(Attached)*

**Exhibit (D)**

**Diabetes Best Practice Guide**

*(Attached)*

**Exhibit (E)**

**Safety and Risk Management Checklist Guide**

*(Attached)*

**Exhibit (F)**

**LHC Benefits Guide 2013 - 2014**

*(Attached)*

**Exhibit (G)**

**Reference List**

*(Attached)*



## Your Hospital-Based Post-Acute Care Specialist

### HOSPITAL PARTNERS

#### ALABAMA HOSPITAL PARTNERS

Linda Jordan, CEO  
Clay County Hospital – 53 beds  
Ashland, AL (256) 354-2131 Est. 11-04

Jana Wyatt, CEO  
Mizell Memorial Hospital – 99 beds  
Opp, AL (334) 493-3541 Est. 01-05

Chris Griffin, CEO  
D.W. McMillan Memorial Hospital – 65 beds  
Brewton, AL (251) 867-8061 Est. 08-05

Joe Denton, CFO  
Mobile Infirmiry Medical Center – 704 beds  
Mobile, AL (251) 435-2400 Est. 02-06

Kelli Powers, CEO | Randy Comer, CFO  
Athens-Limestone Hospital – 101 beds  
Athens, AL (256) 233-9292 Est. 06-06

William McLaughlin, CEO  
Thomas Hospital – 150 beds  
Fairhope, AL (251) 928-2375 Est. 06-07

David Spillers, CEO  
Huntsville Hospital – 881 beds  
Huntsville, AL (256) 265-1000 Est. 11-07

Dean Griffin, CEO  
Decatur General Hospital – 337 beds  
Decatur, AL (256) 341-2446 Est. 11-07

Gary Gore, CEO  
Marshall Medical Centers – 90 beds  
Guntersville, AL (256) 571-8000 Est. 01-08

Ron Owen, CEO  
Southwest Alabama Medical Center – 370 beds  
Dothan, AL (334) 793-8111 Est. 12-08

Donald Jones, CEO  
North Mississippi Medical Center –Hamilton – 32 beds  
Hamilton, AL (205) 921-6202 Est. 04-09

Terry Andrus, CEO  
East Alabama Medical Center – 314 beds  
Opelika, AL (334) 749-3411 Est. 06-09

Barry Cochran, CEO  
Fayette Medical Center – 61 beds  
Fayette, AL (205) 932-5966 Est. 11-08

Glenn Sisk, CEO  
Coosa Valley Medical Center – 148 beds  
Sylacauga, AL (256) 401-4000 Est. 08-09

Katrina Belt, CFO  
Baptist Health – 454 beds  
Montgomery, AL (344) 277-8330 Est. 07-10

Mark Chustz, Administrator  
Greene County Hospital – 30 beds  
Eutaw, AL (205) 372-3388 Est. 08-10

Douglas Arnold, CEO  
Helen Keller Hospital – 185 beds  
Sheffield, AL (256) 386-4556 Est. 04-11

#### ARKANSAS HOSPITAL PARTNERS

John Tucker, CEO  
Dallas County Medical Center – 25 beds  
Fordyce, AR (870) 352-6300 Est. 09-04

Chris Bariola, CEO  
Eureka Springs Hospital – 25 beds  
Eureka Springs, AR (479) 253-7400 Est. 10-04

Tim Bowen, CEO  
Mena Medical Center – 65 beds  
Mena, AR (479) 394-6100 Est. 07-05

Pat McCabe, CEO  
Levi Hospital – 89 beds  
Hot Springs, AR (501) 622-3400 Est. 12-05

Debra Wright, CEO  
Howard Memorial Hospital – 25 beds  
Nashville, AR (870) 845-4400 Est. 10-07

Walter Johnson, CEO  
Jefferson Regional Medical Center – 471 beds  
Pine Bluff, AR (870) 541-7100 Est. 06-08

#### FLORIDA HOSPITAL PARTNERS

Rich Mutarelli, CEO  
Munroe Regional Medical Center – 421 beds  
Ocala, FL (352) 351-7200 Est. 05-07

Dave Wildebrandt, CEO  
Baptist Hospital – 552 beds  
Pensacola, FL (850) 434-4011 Est. 02-11

#### KENTUCKY HOSPITAL PARTNERS

Bruce Begley, CEO  
Methodist Hospital – 205 beds  
Henderson, KY (270) 827-7700 Est. 06-09



## Your Hospital-Based Post-Acute Care Specialist

### HOSPITAL PARTNERS

#### KENTUCKY HOSPITAL PARTNERS

Wayne Meriwether, CEO  
Twin Lakes Regional Medical Center – 75 beds  
Leitchfield, KY (270) 259-9400 Est. 11-09

Steve Estes, CEO  
Rockcastle Regional Hospital & Respiratory Care Center –  
26 beds  
Mount Vernon, KY (606) 256-2195 Est. 11-10

David Fuqua, CEO  
Marshall County Hospital – 25 beds  
Benton, KY (270) 527-4800 Est. 01-11

#### LOUISIANA HOSPITAL PARTNERS

Gary Keller, CEO  
Opelousas General Health System – 188 beds  
Opelousas, LA (337) 948-3011 Est. 06-98

Lyman Trahan, CEO  
Abrom Kaplan Memorial Hospital – 33 beds  
Kaplan, LA (337) 643-8300 Est. 03-00

Billy Rucker, CEO  
Riverland Medical Center – 25 beds  
Ferriday, LA (318) 757-6551 Est. 07-00

Bill Davis, CEO  
Slidell Memorial Hospital & Medical Center – 182 beds  
Slidell, LA (985) 643-2200 Est. 09-00

Michael Carroll, CEO  
Richland Parish Hospital – 25 beds  
Delhi, LA (318) 878-5171 Est. 08-01

Sandra Anderson, CFO  
DeSoto Regional Health System – 57 beds  
Mansfield, LA (318) 871-3100 Est. 09-01

Ron Elder, CEO  
Glenwood Regional Medical Center – 230 beds  
West Monroe, LA (318) 329-4200 Est. 08-03

Linda Deville, CEO | Jerry Willett, CFO  
Bunkie General Hospital – 25 beds  
Bunkie, LA (318) 346-6681 Est. 03-04

James Barrett, CEO  
Richardson Medical Center – 46 beds  
Rayville, LA (318) 728-4181 Est. 05-04

William Barrow, CEO  
Our Lady of Lourdes Regional Medical Center – 264 beds  
Lafayette, LA (337) 289-2000 Est. 07-07

Todd Eppler, CEO  
Springhill Medical Center – 60 beds  
Springhill, LA (318) 539-1000 Est. 09-04

Louis Bremer, CEO  
St. Francis Medical Center – 331 beds  
Monroe, LA (318) 327-4000 Est. 07-07

Darrell Kingham, CFO  
Beauregard Memorial Hospital – 60 beds  
DeRidder, LA (337) 462-7100 Est. 10-08

Warner L. Thomas, President/COO  
Ochsner Health System  
New Orleans, LA (504) 842-4000 Est. 02-09

#### MISSISSIPPI HOSPITAL PARTNERS

Mark Slyter, CEO / Russ York, CFO  
Mississippi Baptist Health System – 639 beds  
Jackson, MS (601) 968-1000 Est. 10-03

#### NORTH CAROLINA HOSPITAL PARTNERS

Michael Nagowski, CEO  
Cape Fear Valley Medical Center – 584 beds  
Fayetteville, NC (910) 609-4000 Est. 10-08

#### OKLAHOMA HOSPITAL PARTNERS

Joe Gunn, CEO  
Craig General Hospital – 62 beds  
Vinita, OK (918) 256-7551 Est. 08-10

#### OREGON HOSPITAL PARTNERS

Win Howard, CEO  
Three Rivers Community Hospital – 150 beds  
Grants Pass, OR (541) 472-7000 Est. 09-09

#### TENNESSEE HOSPITAL PARTNERS

Joseph Landsman, CEO  
University of Tennessee Medical Center – 581 beds  
Knoxville, TN (865) 544-9000 Est. 07-07

#### TENNESSEE HOSPITAL PARTNERS

Bobby Arnold, CEO



## Your Hospital-Based Post-Acute Care Specialist

### HOSPITAL PARTNERS

West Tennessee Healthcare System  
Jackson, TN (731) 541-5000 Est. 07-07

Charlotte Burns, CEO  
Hardin Medical Center – 58 beds  
Savannah, TN (731) 926-8000 Est. 02-10

#### TEXAS HOSPITAL PARTNERS

Russ Collier, CEO / Ray Delk, COO  
Good Shepherd Medical Center – Marshall – 112 beds  
Marshall, TX (903) 927-6000 Est. 05-05

Steve Altmiller, CEO | Pat Keel, CFO  
Good Shepherd Medical Center – 281 beds  
Longview, TX (903) 315-2000 Est. 08-05

Chris Karam, CEO  
CHRISTUS St. Michael Health System – 239 beds  
Texarkana, TX (903) 614-1000 Est. 03-11

Stephen Mansfield, PhD, CEO | Scott Siemer, SVP  
Methodist Health System – 1026 beds  
Dallas, TX (877) 637-4297 Est. 07-12

Douglas Hawthorne, CEO | John D. Mitchell, FACHE  
Texas Health Resources – 2862 beds  
Arlington, TX (877) 847-9355 Est. 07-12

#### WEST VIRGINIA HOSPITAL PARTNERS

Mike King, CEO  
Camden-Clark Memorial Hospital – 343 beds  
Parkersburg, WV (304) 424-2111 Est. 01-07

Wayne Griffith, CEO  
Princeton Community Hospital – 211 beds  
Princeton, WV (304) 487-7000 Est. 05-07

Darryl Duncan, COO  
Monongalia General Hospital – 199 beds  
Morgantown, WV (304) 598-1888 Est. 11-08

Bruce McClymonds, CEO  
Ruby Memorial Hospital – 522 beds  
Morgantown, WV (304) 598-4000

Todd Campbell, COO  
St. Mary's Medical Center – 440 beds  
Huntington, WV (304) 526-1234 Est. 12-07

Mary Beth Barr, CEO  
Grant Memorial Hospital – 72 beds  
Petersburg, WV (304) 257-1026



*It's all about helping people.*  
LHCgroup.com

## Senior management team



**Keith G. Myers**

Chairman and CEO

Keith G. Myers is co-founder of LHC Group and has served as chairman and CEO since 1994. He is a co-founder and serves on the boards of the Partnership for Quality Home Healthcare and the Alliance for Home Health Quality and Innovation. Mr. Myers received credentials from the National Association for Home Care and Hospice in 1999 and was granted credentials by the Healthcare Financial Management Association in 2005. In June 2003, Mr. Myers was named the regional Entrepreneur of the Year for outstanding performance in the field of healthcare services and was officially inducted as a lifetime member of the National Entrepreneur of the Year Hall of Fame in November of the same year. He has participated in the preparation of numerous home health policy white papers and presentations to members of both the U.S. Senate and U.S. House of Representatives.

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**Donald D. Stelly**

President and Chief Operating Officer

Donald D. Stelly serves as LHC Group's president and COO. A registered nurse and experienced healthcare executive, Mr. Stelly joined the company in 2005 and previously served as senior vice president of operations. Before coming to LHC Group, Mr. Stelly was CEO of Louisiana's Doctor's Hospital, a subsidiary of LifePoint Hospitals Inc. Prior to attaining that position, Mr. Stelly served as the hospital's chief operating officer and chief nursing officer. He earned a bachelor's degree in nursing from the University of Southwestern Louisiana in 1991.

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**Jeffrey M. Kreger**

Executive Vice President and Chief Financial Officer

Jeffrey M. Kreger serves as LHC Group's senior vice president of finance. A certified public accountant, Mr. Kreger joined the company in 2013. He oversees all accounting, reporting and cash management functions and manages the company's relationship with its bank group. Previously, Mr. Kreger worked as senior vice president and corporate controller for Sun Healthcare Group Inc. in Irvine, Calif. He previously held financial leadership positions with Consolidated Graphics Inc., Philip Services Corp. and American Habilitation Inc., all of Houston, as well as Sava Senior Care of Atlanta. He also worked as a financial auditor with Ernst & Young, LLP. Mr. Kreger is a graduate of the University of Texas at Austin, where he received a bachelor's degree in business administration with a concentration in accounting. He earned a master's degree in business administration from the University of Houston.

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**Marcus D. Macip**

Executive Vice President and Chief Administrative Officer

Marcus D. Macip joined LHC Group in April 2005. As executive vice president and chief administrative officer, Mr. Macip is responsible for home office administration, human resources, payroll, risk management and constituency satisfaction. Prior to joining LHC Group, Mr. Macip served as director of human resources and risk management at Doctor's Hospital in Louisiana. Mr. Macip received a bachelor's degree in healthcare administration from the University of Texas Medical Branch in Galveston and earned a master's degree in health services administration from the University of St. Francis in Joliet, Ill.

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## Joshua L. Proffitt

Executive Vice President, General Counsel and Corporate Secretary

Joshua L. Proffitt joined LHC Group in 2008 as vice president, assistant general counsel and assistant director of mergers and acquisitions. In April 2009, he was promoted to senior vice president and chief compliance officer. Effective Aug. 1, 2012, Mr. Proffitt was promoted to executive vice president, general counsel and corporate secretary. In this role, he provides executive leadership and serves as the company's chief legal counsel. Before coming to LHC Group, Mr. Proffitt was a member of the corporate healthcare practice group with the law firm of Alston & Bird, LLP, in Atlanta. There, he focused on corporate governance, mergers, acquisitions and joint ventures, healthcare law, securities law and general corporate matters for both public and private entities with an emphasis on the healthcare industry. Mr. Proffitt is a member of the Health Care Compliance Association, is certified in healthcare compliance and is admitted to practice law in the State of Georgia. He received a bachelor's degree in accounting, summa cum laude, from the University of Kentucky and graduated as a member of the Order of the Coif from the University of Kentucky College of Law.

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## Angie M. Begnaud

Senior Vice President of Home Care Operations

Angie M. Begnaud joined LHC Group in 1998 and has served in numerous management positions during her tenure. Ms. Begnaud has more than 20 years' home health care experience and has also provided direct patient care in the hospital setting. She earned a bachelor's degree in nursing from the University of Southwestern Louisiana.

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## Rexanne Domico

Senior Vice President of Home Care and Hospice Operations

Rexanne Domico joined LHC Group in 2013 and serves as senior vice president of home care and hospice operations. Before coming to LHC Group, she worked for SunCrest Healthcare as chief operating officer. Prior to joining SunCrest, she served as senior vice president of corporate development for Gentiva Health Services. Ms. Domico has more than 25 years of experience in the services industry, with 11 years in the home health sector. She is a graduate of Elon University with a bachelor's degree in communications.

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## Eric Elliott

Senior Vice President of Budgeting and Investor Relations

Eric Elliott joined LHC Group in 2004 and previously served as senior financial analyst and SEC reporting manager. As senior vice president of budgeting and investor relations, Mr. Elliott is responsible for the organization's budgeting process and forecasting of revenues and expenditures, detailing how the organization might perform financially if certain strategies, events and plans are carried out. He is also responsible for managing and communicating information to the public pertaining to the company's operations and financial standing. He earned a bachelor's degree in accounting from Louisiana State University and a master's degree in healthcare administration from Central Michigan University.

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## Barbara Goodman

Senior Vice President of Clinical Services

Barbara Goodman has more than 20 years' experience in post-acute care, working in positions ranging from field clinician to independent home care consultant. A registered nurse, Ms. Goodman joined LHC Group in 2000. She serves on the technical expert panel for the Home Health Quality Improvement National Campaign and has presented at numerous regional and national conferences. She is a member of the provider outreach committee for PGBA and serves on the board of directors for the Home Care of Louisiana Association. She is a member of the Association of Home Care Coders and the National Association of Health Care Quality. Ms. Goodman is a certified hospice and home care executive and a certified professional for healthcare quality. She also holds certifications in OASIS and coding. Ms. Goodman earned a bachelor's degree in nursing and a master's degree in healthcare administration from Loyola University in New Orleans.

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## Carla Hengst

Senior Vice President of Community-Based Services

Carla Hengst serves as LHC Group's senior vice president of community-based services. A proven healthcare executive with more than 20 years of leadership experience, Ms. Hengst most recently served as senior vice president of personal care operations for Almost Family. She has also held leadership positions with U.S. Medical Management and Gentiva Health Services. She holds a bachelor's degree in business management from the University of Phoenix.

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## JoAnne Little

Senior Vice President and Chief Compliance Officer

JoAnne Little joined the company in 2013 and serves as LHC Group's senior vice president and chief compliance officer. Before coming to LHC Group, Ms. Little served as general counsel and chief compliance officer of Suncrest Healthcare in Nashville, Tenn. She previously held positions with The Healthfield Group and Gentiva and practiced law with Troutman Sanders in Atlanta. Before her legal career, Ms. Little was a registered nurse with Charter Behavioral Health System for 15 years. Ms. Little earned her law degree from Georgia State University College of Law and her bachelor's degree in nursing from the University of North Carolina.

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## Richard A. MacMillan

Senior Vice President and Senior Counsel for Legislative and Regulatory Affairs

Richard A. MacMillan joined the LHC Group leadership team in 2007. A practicing attorney and registered nurse, he served as general counsel to the Home Care Association of Louisiana from 1994 to 2007. Mr. MacMillan is a past president of the Louisiana Rural Health Association and is a member of the National Rural Health Association. In addition, he is a member of the American Health Lawyers Association, the Health Care Compliance Association and the Health Law Sections of the Louisiana State Bar Association and the Mississippi Bar. Mr. MacMillan earned a bachelor's degree in nursing from the University of Southern Mississippi and received his law degree from Louisiana State University.

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## Cathy S. Newhouse

Senior Vice President of Clinical Program Development and Innovation

Cathy S. Newhouse, RN, serves as LHC Group's senior vice president of clinical program development and innovation. Ms. Newhouse joined LHC Group in 2011 with more than 25 years of experience in home health care management. She previously served as senior vice president of sales and clinical programs at Almost Family in Louisville, Ky. She earned a bachelor's degree in nursing and a master's degree in management from Nazareth College in Kalamazoo, Mich. Ms. Newhouse is a member of the executive steering committee and physician advisory committee for the Home Health Quality Improvement Campaign with which she works closely in her role at LHC Group. Ms. Newhouse has also served on the post-acute care technical expert panel of the CMS Task force and the Hospital to Home Task Force. She has been a presenter at the Case Management Society of America.

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## Rajesh Shetye

Senior Vice President and Chief Information Officer

Rajesh "Raj" Shetye joined LHC Group in 2010. He previously served as a senior manager with Simone Consultants. Mr. Shetye is an accomplished information technology and business professional with more than 20 years of executive and hands-on experience in the development, acquisition and implementation of IT solutions that solve business problems. Mr. Shetye has established a strong record of success in creating robust IT architecture and infrastructure. His responsibilities include spearheading new IT/IS initiatives for the company and developing innovative solutions that improve business process performance and reduce costs. Mr. Shetye holds a master's degree in computer engineering from George Mason University and an executive master's degree in business administration from the Weatherhead School of Management at Case Western Reserve University.

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<b>LHC GROUP, INC.</b>	<b>CODE OF CONDUCT AND ETHICS</b>
EFFECTIVE DATE: OCTOBER 1, 2009	DIVISION: LHC ADMINISTRATIVE
REVISED DATE:	CHAPTER: CORPORATE COMPLIANCE
APPROVED BY: CORPORATE COMPLIANCE COMMITTEE	POLICY NUMBER: 6.1.016
	PAGE 1 OF 2

**PURPOSE:**

To establish requirements for continually updating and distributing the LHC Group, Inc.'s ("LHC") Code of Conduct and Ethics ("Code"), as well as collecting Code acknowledgments, and conducting orientation and ongoing Code training for LHC employees.

**POLICY:**

1. LHC will develop, maintain, and update as appropriate a written Code to provide employees, vendors and agents with guidance on the requirements for conduct related to employment or engagement by LHC.
2. The Code will describe important elements of the Corporate Compliance Program, including, but not limited to, the problem resolution process, compliance hotline and non-retaliation policy.
3. Within thirty (30) days of being hired, each new employee must receive a copy of the Code, as well as sign the acknowledgment form stating the receipt, review and agreement to abide by the Code.

**PROCEDURE:**

1. The Chief Compliance Officer, in consultation with the Corporate Compliance Committee, is responsible for the periodic review and update of the LHC Code.
2. The Audit Committee of the LHC Board of Directors will be responsible for oversight and final approval of the Code.
3. The Code will be written at a basic reading level, avoiding complex language and legalese. At a minimum, it should address critical areas such as compliance with laws and regulations, human resource practices, quality of care/services, conflicts of interest, confidentiality and reimbursement practices.
4. The Code will address specific areas of potential fraud, the prevention and detection of fraud, waste and abuse, or similar wrongdoing.
5. The Code will address significant issues identified by the Health and Human Services Office of Inspector General, Centers for Medicare and Medicaid, the U. S. Sentencing Commission Guidelines, in addition to LHC specific issues.

<b>LHC GROUP, INC.</b>	<b>CODE OF CONDUCT AND ETHICS</b>
EFFECTIVE DATE: OCTOBER 1, 2009	DIVISION: LHC ADMINISTRATIVE
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APPROVED BY: CORPORATE COMPLIANCE COMMITTEE	POLICY NUMBER: 6.1.016
	PAGE 2 OF 2

6. The Code will address human resources related compliance issues such as sexual harassment, discrimination, and abusive practices, disruptive behavior, as well as LHC's commitment to quality of care.
7. The Code will include instructions for reporting of fraud, abuse, suspected violations of the Code, or other suspected wrongdoing directly to the Chief Compliance Officer and/or LHC's compliance hotline without having such reports being first reported to supervisors or other personnel.
8. The Code will provide written guidance on how employees and agents may report suspected violations of federal or state law, regulations, interpretations thereof, or the Code without fear of retribution or retaliation to an organization hotline or other mechanism that bypasses management.
9. All employees will be provided a copy of the Code and participate in annual Code of Conduct training sessions that include an overview of the Code. Training sessions will be performed by either the Chief Compliance Officer or his/her designee.
10. The Code will be provided to all executives, managers, employees and those with whom business is conducted, as appropriate and including agents, physicians, and independent contractors. Copies will be provided to all new employees as part of the new employee orientation and the most current copy of the Code will be made available to employees electronically. All recipients of the Code will sign a receipt within thirty (30) days of being hired, and annually thereafter that acknowledges: receiving a copy, understanding the contents and agreeing to abide by the provisions of the Code.
11. The Chief Compliance Officer is responsible for investigating possible violations of the Code and enforcement of disciplinary action when necessary.

**REFERENCES:**

LHC Code of Conduct and Ethics



BEST PRACTICE  
INTERVENTION PACKAGE  
Diabetes

# TABLE OF CONTENTS

NURSING TRACK	2
THERAPY TRACK	10
MEDICAL SOCIAL WORKER TRACK	14
HOME HEALTH AIDE TRACK	18

Best Practice:

# Skilled Nursing Track



# SKILLED NURSING TRACK

## MEDICATIONS

### Assess Current Practices:

- What medications are you currently taking?
- Are you using any other products, herbs, vitamins or over-the-counter medications to help with your diabetes control?
- Do you have a system to help you remember when to take your medications?
- When was the last time you forgot to take your medications?
- What did you do?
- Have you had any problems related to the medications you take for your diabetes?
- If yes, what have you done about those problems?

### Assess Ability:

- Assess for problems that could affect the management of medications such as pain, cognitive impairments, including depression affecting motivation, physical impairments, including motor impairments, visual impairments, dysphasia and environmental barriers, and disorganization.
- Ask patient or caregiver (if patient is not managing own meds) to demonstrate activities involved with medication management such as preparing and selecting appropriate medications, describe how they would proceed with taking medications, sequencing the multi-step medication administration task (demonstrate how they would open the medication bottles and take the medications or how they would draw up the insulin)
- Observe patient draw up and administer insulin (can use water and observe patient injecting into orange or grapefruit if visit is not at time that insulin is due)

### Assess Medication Use:

- Where do you store your medications?
- How do you remember to take your medications?
- How do you dispose of used syringes?

### Assess Resources, Risk, and Readiness:

- What is your current plan for obtaining your medications?
- On a scale of 1-10 how important do you think it is for you to take your medication(s)?
- On a scale of 1-10 how confident are you can remember to take your medications?

### **Best Practice Guidelines for Skilled Nurses:**

- Perform medication reconciliation as per policy.
- Educate on actions, dosage, side effects, and storage of oral antidiabetic agents
- Educate on proper administration of insulin, actions (peak times), dosage, side effects, and storage of insulin.
- Observe patient draw up and administer insulin (can use water and observe patient injecting into orange or grapefruit if visit is not at time that insulin is due)
- Provide education on how to recognize symptoms of hypoglycemia as well as what follow up actions to take for symptoms of hypoglycemia.
- Educate on the use of glucagon or fast acting glucose agents for any patient taking oral antidiabetic agents or insulin that can cause hypoglycemia
- Educate on taking meds even on sick days and proper nutrition for sick days
- Educate on proper syringe disposal for patients taking insulin

### **MEDICATION STORAGE**

Be aware of where medications are stored. Insulin and oral medications can lose their potency when exposed to extreme temperatures or moisture.

#### **Insulin:**

- Should not be stored in extreme temperatures...hot or cold
- Should not be stored in freezer
- Should not be stored in direct sunlight
- Should not be stored in the car
- Open bottles of insulin can be stored at room temperature...some as long as 28 days.
- Unopened bottles of insulin can be stored in the refrigerator, usually in the door where temperatures are milder.

#### **Syringes:**

- Syringes should be discarded in containers that would prevent the needles from causing harm such as a sturdy plastic container that you cannot see through.
- Syringes should be disposed of according to the guidelines for each states medical waste requirements.
  - This information can be found through [www.cdc.gov/needledisposal/](http://www.cdc.gov/needledisposal/)

#### **Oral Medications:**

- Should not be stored in the bathroom or kitchen where extra heat and moisture are generated
- Should not be stored in direct sunlight such as in a windowsill
- Should not be shared
- Should all be stored in the same area
- Should be kept in their original bottle with the top sealed or in a sealed pill box

- Oral medications can break down when exposed to extreme temperatures and moisture. This is not harmful, but it will cause the medication to be ineffective.

Medications that are taken to control diabetes should be taken:

- ✓ As ordered
- ✓ At consistent times each day
- ✓ Even on sick days

Listen to patient reports of:

- Not taking
- Skipping doses
- Delaying doses
- Adjusting amounts
- No medications available

Team Leader (TL) Responsibility:

- Make sure MD is notified of any significant medication issues and document in record
- Follow up on any significant medication issues and document in record
- MSW referral for financial issues that may affect accurate medication regime, suspected medication abuse or depression or issues related to potential drug diversion

## **DIABETIC FOOT CARE**

**M2250 Plan of Care Synopsis** (completed on SOC/ROC)

This item identifies if the Plan of Care (POC) incorporates Best Practices. Remember: "Physician ordered POC" means:

- Patient condition has been discussed
- There is an agreement as to the POC between the agency staff and MD

**M2400 Intervention Synopsis** (completed on Transfer/Discharge)

This item identifies if specific interventions focused on specific problems and were both:

- Included on the Physician ordered POC AND
- Implemented as part of the care provided during the episode since the previous OASIS assessment

### **Best Practice Guidelines for Skilled Nurses:**

Assess Current Practices:

- Have you been taught to check and care for your feet?

- If so, please explain how you do that.

#### Assess Physical Status:

- Do you have pain, numbness or tingling in your feet or hands?
- Do you have any places on your skin that are very slow to heal?
- Do you put any lotion or cream on your skin, feet or legs?

#### Assess Resources, Risk, and Readiness:

- On a scale of 1-10 how important do you think it is for you to check and care for your feet every day?
- On a scale of 1-10 how confident are you that you can check and care for your feet every day?
- What could you do differently to protect your feet?
- Do you have someone to assist you with foot care and trimming your toenails?

#### Physical Assessment

Perform visual foot inspection at every visit .

1. Inspect the foot between the toes and from toe to heel. Examine the skin for injury, calluses, blisters, fissure, ulcers, or any unusual condition.
2. Look for thin, fragile, shiny, and hairless skin-all signs of decreased vascular supply.
3. Feel the feet for excessive warmth and dryness
4. Remove any nail polish. Inspect nails for thickening, ingrown corners, length, and fungal infection.
5. Inspect socks or hose for blood or other discharge
6. Examine footwear for torn linings, foreign objects, breathable materials, abnormal wear patterns, and proper fit.
7. If any new foot abnormality is found, that patient should be scheduled immediately for a comprehensive foot examination.
8. Document findings in the medical record.

Perform Sensory Exam:

- Perform Monofilament test on admit and at every followup comprehensive assessment of the patient with diabetes.
- **Instructions for monofilament testing:**
  - a. Use the 5.07/10 gram Semmes-Weinstein Monofilament.
  - b. Identify the sites according to the assessment tool
  - c. Touch the monofilament to the patient's finger so they know it is painless and can identify the touch.
  - d. Hold the foot to be tested behind the heel.

- e. Have the patient close their eyes. Apply the monofilament perpendicular to the skin's surface at each of the 4 sites with enough force to cause the monofilament to bend. Contact should only last 1.5 seconds. Do not allow the monofilament to slide across the skin. Do not use directly over a callus, ulcer or necrotic skin. Have the patient answer yes when they feel the monofilament. Be careful not to prompt an answer.
- f. Repeat on the other foot.
- g. Document the findings.
- h. The monofilament should be left in the patient's home for use with subsequent assessments.

Educate:

- Provide information on self-care of the feet
- Provide information on the importance of blood glucose monitoring including the use of the Hemoglobin A1C test.
- Provide information on smoking cessation if applicable.

## NUTRITION

### Assessing Current Practices

- What do you typically eat in a day?
- What types of food do you eat?
- What times of the day do you usually eat?
- How many meals do you eat out of home or is not prepared in your home?
- Have you changed anything in your diet since you found out you have diabetes?
- Are there foods you don't eat for religious or cultural beliefs?
- Do you fast for any reason?

### Assessing Physical Status

- Do you avoid certain foods because it is hard to chew, swallow, or painful to eat, or leads to nausea, constipation, bloating, gas, vomiting etc.?
- When was the last time you went to the dentist?
- Are you satisfied with your weight?
- Have you gained or lost weight in the past year?
- How much have you gained or lost?
- Were you trying to gain or lose weight?
- Do you have difficulty reading package directions?

### Assessing Resources, Risk, and Readiness

- Who does the shopping and the cooking?
- Where do you shop?
- Have you ever not purchased foods due to costs?
- What have you changed in your diet since you found out you have diabetes?
- On a scale of 1-10 how important do you think it is for you to make changes in your current diet to better control your diabetes?
- On a scale of 1-10 how confident are you about making the changes to improve your diabetes control?
- Do you want to change your diet? What would you change?
- Do you ever forget to eat a meal?
- Do you ever not feel like eating at meal time?

### Best Practice Nutrition Guidelines for Skilled Nurses:

- Make referral to dietitian as appropriate. Patients may say they know how to eat properly but may have been misinformed, never received formal education on nutrition, or may have out of date information.
- Provide education on serving sizes, carbohydrates, alcohol, timing of meals, label reading, eating out, making healthy food choices, how to prevent and treat hypoglycemia, nutrition on sick days
- Have patient demonstrate serving sizes that they normally use, such as: “Show me the bowl you use for cereal and where you fill it to.”
- Observe food items kept in home. Note types of food, not enough food, etc.

## HYPOGLYCEMIA

Treatment of Diabetes may include oral antidiabetic agents and/or insulin.

Some of these medications can cause blood sugar to drop to lower than normal levels. This is known as hypoglycemia. Hypoglycemia usually occurs when the blood sugar drops below 70mg/dl.

**Hypoglycemia**  
**blood sugar < 70 mg/dl**

These episodes may occur from:

- “Tight control” (trying to keep blood sugars as close to normal as possible)
- Too much insulin
- Too little food
- Too much exercise

Ask the Team Leader if your patient is taking any of these medications. If so, be aware that your patient may be prone to hypoglycemic episodes.

Know the symptoms of hypoglycemia:

✓ Weakness	✓ Hunger	✓ Crying, <b>confused</b> , irritable
✓ Pale, perspiring, shaky	✓ Drowsy, <b>inattentive</b>	✓ Headache, <b>nausea</b>
✓ Behaving strangely in any way		

Know how to treat hypoglycemia:



**The quickest way to treat hypoglycemia is with some form of sugar:**

- 3-4 glucose tablets
- 4 ounces of fruit juice
- 5-6 ounces (1/2 can) regular soda, such as Coke
- 7-8 regular or soft Live Savers
- 1 tablespoon sugar or jelly

Steps to take for hypoglycemia:

- Treat.
- Have patient rest 15 minutes.
- Have patient/caregiver recheck blood sugar.
- Repeat treatment if blood sugar is still low (less than 70mg/dl).

**Be aware:** Do they have items available to treat hypoglycemia if it occurs? If not, assist patient/caregiver to obtain and keep in a readily accessible place.



**If the patient passes out:**

- Do not give foods or fluids by mouth
- Do not put hands in mouth
- Call 911
- Notify TL

Best Practice:

# Therapy Track



# THERAPY TRACK

## MEDICATIONS

### Best Practice Guidelines for Therapists:

- Notify SN/TL of any medication changes reported by patient or caregiver and document in record
- Perform medication reconciliation as per policy and document in record
- Notify SN/TL of any suspected or reported medication issues or problems and document in record
- Provide education if Therapy only patient and document in record
- Physical therapy for strengthening and gait training to gain access to reach medications
- Occupational Therapy for appropriate medication compliance aids or incorporating medication administration into established daily routines
- Speech Therapy for swallowing issues or cognitive issues related to multi-step preparation

## DIABETIC FOOT CARE

Perform visual foot inspection at every visit for those with Neuropathy, at least twice a year for people with one or more high risk foot conditions, and at least annually or more often if warranted.

1. Inspect the foot between the toes and from toe to heel. Examine the skin for injury, calluses, blisters, fissure, ulcers, or any unusual condition.
2. Look for thin, fragile, shiny, and hairless skin-all signs of decreased vascular supply.
3. Feel the feet for excessive warmth and dryness
4. Remove any nail polish. Inspect nails for thickening, ingrown corners, length, and fungal infection.
5. Inspect socks or hose for blood or other discharge
6. Examine footwear for torn linings, foreign objects, breathable materials, abnormal wear patterns, and proper fit.
7. If any new foot abnormality is found, notify SN/TL so that patient can be scheduled immediately for a comprehensive foot examination.
8. Document findings in the medical record.

### Perform Sensory Exam:

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- f. Repeat on the other foot.
- g. Document the findings.
- h. The monofilament should be left in the patient's home for use with subsequent assessments

Educate if Therapy only:

- Provide information on self-care of the feet
- Provide information on the importance of blood glucose monitoring including the use of the Hemoglobin A1C test.
- Provide information on smoking cessation if applicable.

## NUTRITION

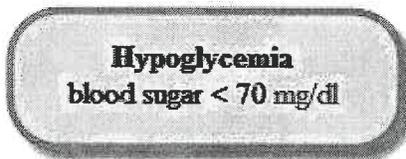
Best Practice Guidelines for Therapists

- Report any reported or observed nutrition issues
- Report to SN/TL any consistent hyperglycemic episodes and any hypoglycemic episodes

## HYPOGLYCEMIA

Treatment of Diabetes may include oral antidiabetic agents and/or insulin.

Some of these medications can cause blood sugar to drop to lower than normal levels. This is known as hypoglycemia. Hypoglycemia usually occurs when the blood sugar drops below 70mg/dl.



These episodes may occur from:

- "Tight control" (trying to keep blood sugars as close to normal as possible)
- Too much insulin

- Too little food
- Too much exercise

Ask the Skilled Nurse or Team Leader if your patient is taking any of these medications. If so, be aware that your patient may be prone to hypoglycemic episodes.

Know the symptoms of hypoglycemia:

✓ Weakness	✓ Hunger	✓ Crying, confused, irritable
✓ Pale, perspiring, shaky	✓ Drowsy, inattentive	✓ Headache, nausea
✓ Behaving strangely in any way		

Know how to treat hypoglycemia:



**The quickest way to treat hypoglycemia is with some form of sugar:**

- 3-4 glucose tablets
- 4 ounces of fruit juice
- 5-6 ounces (1/2 can) regular soda, such as Coke
- 7-8 regular or soft Live Savers
- 1 tablespoon sugar or jelly

Steps to take for hypoglycemia:

- Treat.
- Have patient rest 15 minutes.
- Have patient/caregiver recheck blood sugar.
- Repeat treatment if blood sugar is still low (less than 70mg/dl).

**Be aware:** Do they have items available to treat hypoglycemia if it occurs? If not, notify the Skilled Nurse or Team Leader.



**If the patient passes out:**

- Do not give foods or fluids by mouth
- Do not put hands in mouth
- Call 911
- Notify SN or TL

Best Practice:

# Medical Social Worker Track



Medical Social Worker

# MEDICAL SOCIAL WORKER TRACK

## THE MEDICAL SOCIAL WORKER'S ROLE

How do medical social workers support disease management in home health? Build upon the basics!

INTERVENTION	DISEASE MANAGEMENT
Hospitalization Risk Assessment	Be alert for risks for hospitalization
Emergency Care Planning	Reinforce when to call the agency
Medication Management	Assist with financial issues
Telehealth	Support patient with submitting data
Immunizations	Be a role model; Get your flu shot! Reinforce importance of PPV (pneumococcal vaccine)
Communication	Identify barriers to non-immunization Help patient and caregiver communicate with healthcare providers across settings
Patient Self-Management	Community resource linkage

Home health provides only a small piece of chronic illness management. The medical social worker plays a key role in extending ongoing disease management beyond discharge from home care services.

## BEST PRACTICE GUIDELINES FOR MEDICAL SOCIAL WORKERS

- Identify barriers that may contribute to exacerbation of diabetes such as missed doctor appointments due to lack of reliable transportation or non compliance with medical regime.
- Reinforce “Call First” protocols.
- Identify barriers to learning that may adversely impact patient’s ability to comply with plan of care/medical regime.
- Identify caregiver fatigue in those caring for chronically ill family members.
- Identify undiagnosed/undertreated depression in chronically ill patients.
- Link patient/caregiver with community resources and disease specific support groups.
- Facilitate discharge planning with other team members.
- Assist patient/caregiver to make informed decision for difficult choices such as nursing home placement and /or hospice referral when appropriate.
- Identify patients with the following types of “high risk”:
  - Those with catastrophic conditions

- Those with costly injury/illness
- Those who are non-compliant/non-adherent in following treatment plans
- Those in the acute phase of chronic illness
- Those in the terminal phase of illness

## HYPOGLYCEMIA

Treatment of Diabetes may include oral antidiabetic agents and/or insulin.

Some of these medications can cause blood sugar to drop to lower than normal levels. This is known as hypoglycemia. Hypoglycemia usually occurs when the blood sugar drops below 70mg/dl.

**Hypoglycemia**  
blood sugar < 70 mg/dl

These episodes may occur from:

- “Tight control” (trying to keep blood sugars as close to normal as possible)
- Too much insulin
- Too little food
- Too much exercise

Ask the Skilled Nurse or Team Leader if your patient is taking any of these medications. If so, be aware that your patient may be prone to hypoglycemic episodes.

Know the symptoms of hypoglycemia:

✓ Weakness	✓ Hunger	✓ Crying, confused, irritable
✓ Pale, perspiring, shaky	✓ Drowsy, inattentive	✓ Headache, nausea
✓ Behaving strangely in any way		

Know how to treat hypoglycemia:



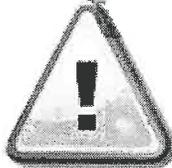
**The quickest way to treat hypoglycemia is with some form of sugar:**

- 3-4 glucose tablets
- 4 ounces of fruit juice
- 5-6 ounces (1/2 can) regular soda, such as Coke
- 7-8 regular or soft Live Savers
- 1 tablespoon sugar or jelly

Steps to take for hypoglycemia:

- Treat.
- Have patient rest 15 minutes.
- Have patient/caregiver recheck blood sugar.
- Repeat treatment if blood sugar is still low (less than 70mg/dl).

**Be aware:** Do they have items available to treat hypoglycemia if it occurs? If not, notify the Skilled Nurse or Team Leader.



**If the patient passes out:**

- Do not give foods or fluids by mouth
- Do not put hands in mouth
- Call 911
- Notify SN or TL

Best Practice:

# Home Health Aide Track



**Home Health Aide**

## HOME HEALTH AIDE TRACK

Diabetes and high blood pressure are a BAD combination for our patients!

- Lifestyle changes that can help lower blood pressure are:
  - ✓ Decreasing sodium intake
  - ✓ Decreasing consumption of saturated fat and cholesterol
  - ✓ Decreasing excess weight
  - ✓ Increasing activity
  - ✓ Avoiding excessive use of alcohol
- Be aware of reports of overuse or abuse of painkillers such as Ibuprofen, Acetaminophen, or Aspirin. Daily use of these drugs can damage the kidneys. Single doses of Aspirin to protect the heart or occasional use of these medications may be okay.
- Be aware of excessive protein intake. Patients should eat normal amounts of protein or a little less. Protein sources can include:
  - ✓ Cheese
  - ✓ Yogurt
  - ✓ Meat, fish, poultry
  - ✓ Eggs
  - ✓ Peanut Butter
  - ✓ Milk
  - ✓ Dried beans, peas, legumes, and lentils
- Be aware of smoking habits. Patients with Diabetes should not smoke – it raises the risk for developing proteinuria. It raises blood pressure and stresses the blood vessels.
- Be aware of signs or symptoms of urinary tract infections:
  - ✓ Pain/burning upon urination
  - ✓ Urgency
  - ✓ Cloudy or bloody urine
  - ✓ Fever
  - ✓ Back pain
- Report any abnormal findings to the Skilled Nurse or Team Leader.
- Document your findings and your communication with the Skilled Nurse or Team Leader.

## DIABETIC FOOT CARE

Routine inspection and prompt reporting of any abnormal findings is key.

High blood sugars can cause two problems that can harm feet:

- **Neuropathy** – Damage to the nerves in the legs and feet. When these nerves are damaged the patient may not feel pain, heat, or cold in their legs and feet.
- **Peripheral Vascular Disease** – Occurs when not enough healthy blood flows to the legs and feet. Poor blood flow slows healing time and makes it hard for wounds or infections to heal.

High risk feet can include:

- Neuropathy
- PVD
- Severe foot deformity
- Previous foot ulcers or amputation

Combinations of these risk factors can cause big problems for feet. Consider the following scenario:

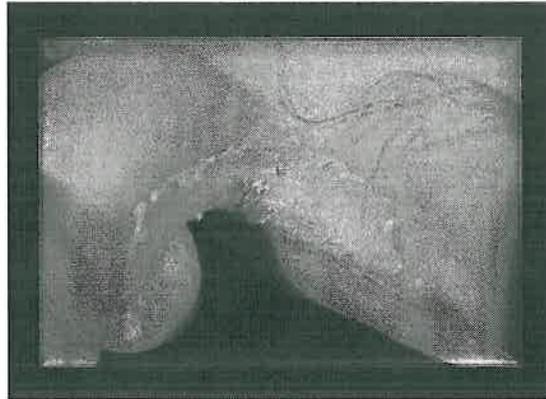


Ms. Jones has a Hammertoe and her shoes don't fit properly. Ms. Jones develops a blister to her toe. She does not feel the pain from the blister since she has nerve damage to her feet. The blister becomes infected. Her blood sugar levels have been elevated which gives germs extra sugar to feed on. The poor blood flow to her legs and feet slows down the healing process. The infection worsens and leads to gangrene where the skin and tissue around the sore begin to die. Ms. Jones notices that the area has become black and smelly. When she seeks medical care it is too late and her toe is amputated in order to keep the gangrene from spreading.

The best practice strategy for this scenario is **proper inspection and care of the feet and legs to help to avoid serious complications**. Inspect the legs and feet of any diabetic patient with each visit – even for patients without “high risk feet” because problems can occur gradually without patient awareness.

## FOOT ASSESSMENT

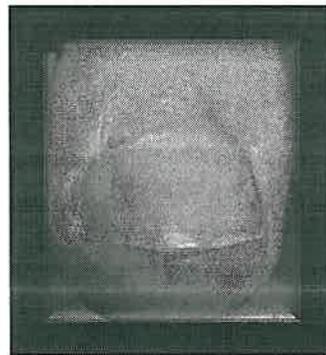
Inspect the tops and bottoms of feet, as well as between the toes.



Between the Toes

**Look** for anything different:

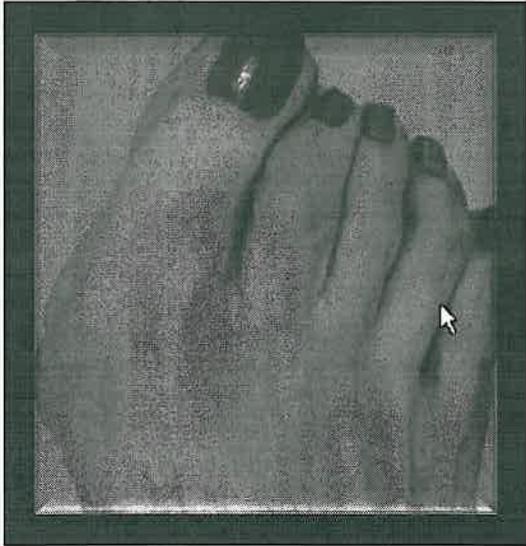
- Redness
- Blisters
- Cuts
- Breaks in skin
- Hard skin
- Scratches
- Foreign objects



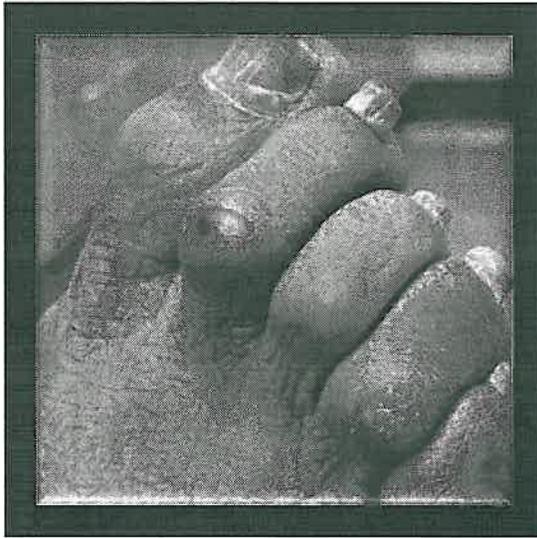
Blister

Look for deformities, such as hammertoes and bunions.

Diabetes can damage nerves that control muscles. Weakening of these muscles can lead to such deformities and potentially cause wounds.



Hammertoes



Bunions

**Feel** the skin for any hot spots or cold spots:

- Hot spots could indicate a sign of infection
- Cold, shiny skin with loss of hair on top of foot and toes are signs of poor circulation

### **BEST PRACTICE GUIDELINES**

- Perform visual foot inspection at every visit.
- Inspect the foot between the toes and from toe to heel. Examine the skin for injury, calluses, blisters, fissure, ulcers, or any unusual condition.
- Look for thin, fragile, shiny, and hairless skin-all signs of decreased vascular supply.
- Feel the feet for excessive warmth and dryness
- Remove any nail polish. Inspect nails for thickening, ingrown corners, length, and fungal infection.
- Inspect socks or hose for blood or other discharge
- Examine footwear for torn linings, foreign objects, breathable materials, abnormal wear patterns, and proper fit.
- If any new foot abnormality is found, Notify SN/TL so that patient can be scheduled immediately for a comprehensive foot examination.
- Document findings in the medical record.

## **BATHING**

- Wash feet in warm water. Water that is too hot can cause burns.
- Test the temperature of the water with your elbow.
- Do not soak feet in hot water or strong antiseptic solutions.
- Do not use callus or corn removers.
- Do not use hot water bottles or heating pads on feet.
- Dry feet well, especially between toes.
- If skin is dry, apply moisturizer to tops and bottoms of feet.
- Do not apply lotion between toes as this provides a moist environment for germs to grow.
- Mild foot powder may be used for sweaty feet.

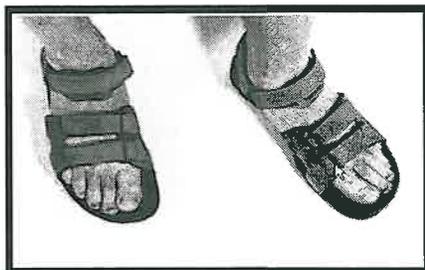
## **DRESSING**

- Put clean socks on each day.
- Put socks on gently so as not to tear a toenail or hangnail.
- Avoid socks with heavy seams as this can cause pressure to toes and feet.
- Avoid socks or knee highs that have tight tops.
- Look and feel inside shoes before putting them on.
- Look for things that don't belong such as rocks, tacks, etc.
- Feel for anything inside the shoe that could rub or cause pressure on the foot such as a torn lining or other defects in the shoe.

## **AMBULATION**

- Never ambulate barefoot even within the home.
- Ensure shoes fit properly.
- Inspect the shoes. They should have the following qualities:
  - Flat soles
  - Lace ups to allow for adjustment with swelling
  - Thick soles to protect from sharp objects.
  - Rounded toes that don't crowd the feet
  - Leather (allows the feet to breathe)

### Shoes to Avoid



Open Toe



High Heel / Pointed Toe

### OBSERVATION

- Listen to any complaints from the patient.
- Check the patient's blood sugar log or glucometer for recent readings.
- Look for any blood or other drainage on socks or shoes.
- Ask the patient if they have been feeling any differently. Tiredness may indicate elevated blood sugar levels.
- Ask the patient if they have noticed any problems with their feet or legs.

### REPORT

Report any abnormal findings to the Skilled Nurse or Team Leader right away. You may be the first line of defense for your patient. The Skilled Nurse may not make a visit for several days if unaware of problems.

Notify the Skilled Nurse or Team Leader of any of the following:

- Any abnormal findings to the skin on the legs and feet. She/he can contact the MD for further orders to help prevent serious complications.
- Shoes that do not fit properly. She/he can help patient obtain new properly fitting shoes.
- Elevated blood sugar levels. She/he can contact MD for further orders to help lower those levels.
- Patient complaints

**Document** your findings and your communication with the Skilled Nurse or Team Leader.

### HYPOGLYCEMIA

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Some of these medications can cause blood sugar to drop to lower than normal levels. This is known as **hypoglycemia**. Hypoglycemia usually occurs when the blood sugar drops below 70mg/dl.

**Hypoglycemia**  
blood sugar < 70 mg/dl

These episodes may occur from:

- “Tight control” (trying to keep blood sugars as close to normal as possible)
- Too much insulin
- Too little food
- Too much exercise

Ask the Skilled Nurse or Team Leader if your patient is taking any of these medications. If so, be aware that your patient may be prone to hypoglycemic episodes.

Know the symptoms of hypoglycemia:

✓ Weakness	✓ Hunger	✓ Crying, confused, irritable
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Know how to treat hypoglycemia:



**The quickest way to treat hypoglycemia is with some form of sugar:**

- 3-4 glucose tablets
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- 7-8 regular or soft Live Savers
- 1 tablespoon sugar or jelly

Steps to take for hypoglycemia:

- Treat.
- Have patient rest 15 minutes.
- Have patient/caregiver recheck blood sugar.
- Repeat treatment if blood sugar is still low (less than 70mg/dl).

**Be aware:** Patients may reveal things to the HHA more readily than to the Skilled Nurse. Do they have items available to treat hypoglycemia if it occurs? If not, notify the Skilled Nurse or Team Leader.



**If the patient passes out:**

- Do not give foods or fluids by mouth
- Do not put hands in mouth
- Call 911
- Notify SN or TL

## Safety - Home Safety

Most accidents in the home can be prevented by the elimination of hazards. **Use the attached checklists to determine the safety level of your home.** Check each statement that applies to your home or to your habits in your home. Then review the unchecked boxes to determine what else you can do to make your home a safer place to live.



### Mobility:

- Pick up floor rugs
- Quickly wipe up spills
- Put non-skid footing in tube, on tub transfer stool and handrails
- Stairs may need ramps or secure old railing
- Keep stairways clear and lighted
- Use nightlights



### Hazard Communications:

- Read label WARNINGS to know danger, precautions for safe use, storage and disposal
- Keep hazardous chemicals in properly labeled containers, away from food, medicines, and children's curiosity



### Electrical:

- Keep hands dry, no dampness near wiring or appliances. Keep away from tubs and sinks.
- Use 3-wire plugs to prevent shock in case of electric "fault"



### Medication:

- Follow all instructions. Store medicines as instructed. Dispose of unused, expired, or hazardous meds
- Call a health care provider if side effects or new symptoms occur  
Always notify MD/RN if dose is missed



### Infection Control:

- Wash hands often. Wear gloves when required. Never let medical wastes or house trash pile up
- Prevent food spoilage – refrigerate, throw out old, molded food
- Cover food, clean up, have trash cans emptied regularly
- Dispose of all needles (medical waste) in hard plastic or metal container and secure lid with heavy duty tape



### Environmental:

- Preplan how to get help in emergency. Keep phone numbers: fire, police, ambulance, doctor, family and nursing agency visually available



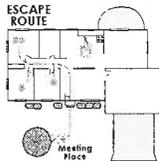
### Home Oxygen Use:

- Quit smoking and place no smoking signs
- Keep all flames away from O<sub>2</sub> container
- Plan escape route
- Have fire extinguisher and check annually
- Have smoke detectors and change batteries twice a year

# Safety - Home Oxygen and Fire Safety

You or your family member may have home oxygen prescribed by your doctor. It is important that you understand home oxygen safety and the dangers of smoking in an oxygen rich environment.

## Home Oxygen Safety Education Checklist:

	<input type="checkbox"/> Do not light a match or allow smoking inside of the home where oxygen is used. If you have or will have home oxygen or you and your family smoke, you should make efforts to quit.
	<input type="checkbox"/> Keep all flames and heat sources away from oxygen containers and oxygen systems.
	<input type="checkbox"/> Store oxygen cylinders in: <ul style="list-style-type: none"> <li>• appropriate stands to prevent tipping, secure to wall, or place on their side on the floor. If cylinder is placed on its side on the floor, make sure it cannot roll or become a trip hazard.</li> <li>• non public areas and not in outside storage places such as on open porches, garages, or decks.</li> <li>• areas with adequate ventilation and away from heat sources. Do not place in a closed closet or under the bed if bed coverings occlude airflow.</li> </ul>
	<input type="checkbox"/> Plan two escape routes for each room.
	<input type="checkbox"/> Have a fire extinguisher and working smoke alarms. Change batteries in smoke alarms twice a year when the time changes.
	<input type="checkbox"/> Call 911 in the event of a fire.
	<input type="checkbox"/> Do not apply petroleum jelly in nose or other over-the-counter ointments that contain "paraffin".

# Safety - Pain Management

Our home health agency is committed to acknowledging your pain and committed to obtaining measures to relieve the pain.

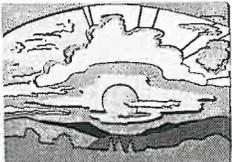
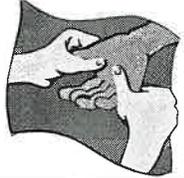
**As a patient of this home care agency you can expect:**

- Your reports of pain will be believed
- To obtain information about pain and pain relief measures
- To have concerned staff committed to pain prevention and management
- To have access to health professionals who respond quickly to reports of pain

**As our patient, we expect that you will:**

- Discuss pain relief options with your nurse
- Work with your nurse to develop a pain management plan
- Ask for pain relief when pain first begins
- Help your nurse assess your pain
- Tell your nurse if your pain is not relieved
- Tell your nurse about any worries you have about taking pain medications

The following are techniques you can use to relieve pain without taking drugs or to enhance the effect of your pain medication. Never stop medication without consulting your physician.

	<p><b>Relaxation:</b> relaxation relieves pain by easing muscle tension. Easing muscle tension can also help you feel less tired and anxious and help other pain relieving methods work better.</p>
	<p><b>Imagery:</b> imagery involves using your imagination to create mental scenes that use all of your senses; sight, touch, smell, and taste. You can imagine locations or revisit one of your favorite places. You can create stories and characters to add to your scenes. Imagery can take your mind off your anxiety, boredom, and pain.</p>
	<p><b>Distraction:</b> a distraction is any activity that takes your mind off your pain and focuses your attention elsewhere. Doing crafts, reading a book, watching television, or listening to music through headphones can all help distract your mind. Distraction works well when you are waiting for drugs to take effect or you have brief bouts of pain.</p>
	<p><b>Skin stimulation:</b> skin stimulation is used to block pain sensation in the nerves. Pressure, massage, hot and cold applications, rubbing, and mild electrical current are all ways to stimulate the skin. However, if you are undergoing radiation treatment, consult your doctor before applying any skin stimulation.</p>

## Safety - Fall Prevention Checklist (Interior)

Use this checklist to find and correct the hazards that can “trip” you up. Each “NO” indicates a need for change in your home or habits.

YES	NO	
<input type="checkbox"/>	<input type="checkbox"/>	Small rugs are removed, tacked down, or slip resistant.
<input type="checkbox"/>	<input type="checkbox"/>	Flooring (rugs, tile, boards) is in good repair.
<input type="checkbox"/>	<input type="checkbox"/>	Exits, halls, and pathways are well lit.
<input type="checkbox"/>	<input type="checkbox"/>	Lights can be reached and turned on before going in a dark area.
<input type="checkbox"/>	<input type="checkbox"/>	Stairways are well lit and handrails are attached.
<input type="checkbox"/>	<input type="checkbox"/>	All lamp, extension and/or phone cords out of flow of foot traffic.
<input type="checkbox"/>	<input type="checkbox"/>	Items you use often in cabinets are easily within reach.
<input type="checkbox"/>	<input type="checkbox"/>	Grab bars are put next to toilet and in the tub or shower.
<input type="checkbox"/>	<input type="checkbox"/>	Non-slip mats are in the bathtub and on shower floors.
<input type="checkbox"/>	<input type="checkbox"/>	Wearing of shoes that give good support and thin non-slip soles.
<input type="checkbox"/>	<input type="checkbox"/>	Pathways are kept clear and furniture is arranged to prevent tripping.
<input type="checkbox"/>	<input type="checkbox"/>	A night light or flashlight is available to light the path to the bathroom at night.
<input type="checkbox"/>	<input type="checkbox"/>	Avoid rushing to answer phone by utilizing a cordless phone or cellular phone.

## Safety - Fall Prevention Checklist (Exterior)

Use this checklist to find and correct the hazards that can “trip” you up. Each “NO” indicates a need for change in your home or habits.

YES	NO	
<input type="checkbox"/>	<input type="checkbox"/>	Outside exit is well lit.
<input type="checkbox"/>	<input type="checkbox"/>	Outside stairs and porch are in good condition.
<input type="checkbox"/>	<input type="checkbox"/>	Outside steps have handrails and a non-slip surface.
<input type="checkbox"/>	<input type="checkbox"/>	A ramp is present, if needed, and in good condition.
<input type="checkbox"/>	<input type="checkbox"/>	Sidewalks and steps are free of debris.
<input type="checkbox"/>	<input type="checkbox"/>	Walkway to entry is free from cracks and holes.
<input type="checkbox"/>	<input type="checkbox"/>	Avoid walking on stairs, uneven surfaces, and or highly polished surfaces.
<input type="checkbox"/>	<input type="checkbox"/>	Divide large loads or bulky packages when transporting them from car to home or vice versa.
<input type="checkbox"/>	<input type="checkbox"/>	Avoid rushing to cross streets, especially in wet or icy weather.
<input type="checkbox"/>	<input type="checkbox"/>	Use a shoulder bag, fanny pack or backpack to leave hands free for support.

# High Alert Medication Education

High alert medications are those medications that your doctor ordered that have the potential to cause greater harm if you use them incorrectly. Although any medication has the potential to cause harm if used incorrectly, the chance may be greater for the medications listed below.

Medication Usage	Potential Trade Name	Precautions/Report if Occurs
Chemotherapy	Myleran, Lomustine, Platinol, Taxol	Severe allergic reaction
Narcotics	Oxycontin, Percocet, Vicodin, Codeine, Morphine	Severe sleepiness, unable to arouse
Insulin Products	Humulin, Humalog, Lantus, Novolin, Avandia, Glucophage	Severe drowsiness
Anticoagulant (Blood Thinner)	Warfarin, Plavix	Uncontrolled bleeding
Cardiac Drug	Dobutamine	Chest pain
First Dose of IV Medications, Medications with a Narrow Therapeutic Range		Severe allergic reaction, Toxicity
Psychotherapeutic Medications	Prozac, Zyprexa, Seroquil, Risperdal, Lithium, Depakote, Topamax	Confusion

These are simple suggestions to reduce the likeliness of harm:

1. Read label correctly and ask questions if uncertain of dose or frequency.
2. Possibly use a "colored" marker on bottle to differentiate this high alert medication.
3. Notify your doctor or nurse if you suspect you are having unusual symptoms to report.
4. Store medication bottles in separate area.



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# Benefits enrollment guide

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## Benefits enrollment guide • 2013-2014

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### Your Benefit Solutions

Benefit	Vendor	Vendor Contact Information	Page #	FT	PT	PRN	Dependent Age Limit	Full-Time Student Age Limit
Medical Insurance	Highmark Blue Cross Blue Shield	www.highmarkbcbs.com 888-697-8722	2	√			26	N/A
Wellness Program*	Highmark Blue Cross Blue Shield	www.highmarkbcbs.com 888-697-8722	3	√				
Limited Benefit Indemnity	Pan-American Life Insurance Company	www.panamericanbenefitssolutions.com 877-569-3075	4		√	√	26	N/A
Dental Insurance	United Concordia	www.ucci.com 800-332-0366	6	√			26	N/A
Vision Insurance	Davis Vision	www.davisvision.com 800-999-5431	6	√	√		26	N/A
Short Term Disability Insurance	The Hartford	www.thehartfordatwork.com 866-945-7801	7	√				
Individual Short Term Disability Insurance	UNUM	www.unum.com 800-635-5597	7	√				
Long Term Disability Insurance	The Hartford	www.thehartfordatwork.com 800-303-9744	7	√				
Supplemental Term Life and AD&D Insurance	The Hartford	www.thehartfordatwork.com 888-563-1124	8	√			21	24
Renewable Term Life Insurance	UNUM	www.unum.com 800-635-5597	9		√	√	24	N/A
Whole Life Insurance	UNUM	www.unum.com 800-635-5597	9	√	√		24	N/A
Critical Illness Insurance	UNUM	www.unum.com 800-635-5597	10	√	√		26	N/A
Cancer Insurance	UNUM	www.unum.com 800-635-5597	10	√	√		24	N/A
Accident Insurance	UNUM	www.unum.com 800-635-5597	11	√	√	√	26	N/A
MedSupport Insurance	UNUM	www.unum.com 800-635-5597	11	√	√		26	N/A
Flexible Spending Accounts	Highmark	www.highmarkbcbs.com 888-697-8722	12	√				
401(k) Retirement Plan	Transamerica	www.divinvest.com 800-755-5801	13	√	√	√		
Paid Time Off			14	√				
Holiday Pay			14	√				
Bereavement Pay			14	√				
Leave of Absence			14	√	√	√		
Employee Stock Purchase Plan	AST	www.astepsdiv.com 866-709-7704	15	√	√	√		
Employee Assistance Program	Interface EAP	www.4eap.com 800-324-4327	15	√	√	√		
PURPOSE Fund		www.home.lhcgroupp.com	15	√	√	√		
Employee Discount Program			16	√	√	√		
SPDs, Confirmation Statement, Changes After Enrollment			17	√	√	√		

\* For Highmark members only.



## Benefits enrollment guide • 2013-2014

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### Who Is Eligible

**Employees:** You will be eligible to enroll in LHC benefits and will become effective the first of the month following 1 month of employment. You are eligible for benefits based on the employment status provided by your supervisor.

#### Status Definitions:

- Full-time: Employees working a minimum of 32 hours a week
- Part-time: Employees working a minimum of 20 hours a week
- PRN: Employees working less than 20 hours a week

**Dependents:** Your eligible dependents may include:

- Your legal spouse
- Your eligible domestic partner (health, dental, and vision)
- Your dependent children under the limiting age; please refer to the previous page for dependent age limits
- Your children over the limiting age who are not able to support themselves due to a physical or mental disability

Only those dependents meeting the eligibility requirements can enroll for coverage. Check with your counselor for more information regarding dependent eligibility.

### Enrollment Requirements

**Employees:** Upon calling in to complete your enrollment, you must provide your Social Security Number to the benefits counselor to identify yourself.

**Dependents:** The Centers for Medicare and Medicaid Services (CMS) requires that employers collect dependent data as part of the enrollment process. When you call Univeris to complete your enrollment, you will be required to provide your dependents' names, dates of birth and Social Security Numbers. If this information is not provided, your dependents will not be enrolled.

### Changes After Enrollment

If you do not apply for coverage for yourself or your dependents (including your spouse) because you have other health insurance coverage at this time, you and your dependents may be entitled to enroll in this plan at a later date if that coverage is lost. However, you must request enrollment within 30 days of the other coverage ending.

If you would like to make changes to your elections such as adding, changing, or dropping your coverage, you may do so if you experience a qualifying life event. A qualifying life event would be considered to be the birth of a child, adoption, placement for adoption, marriage, divorce, gaining or losing other group health plan coverage, and in some cases, death. You must request changes and provide supporting documentation of the event within 30 days of the event date. Contact Human Resources if you have any questions concerning the process, appropriate documentation needed to process your request, or any other benefits-related question.

### Changes in Employment Status

If you separate employment with the company, your benefits will end on the last day of the pay period in which you are employed. If your status changes, your benefits will end on the effective date of your status change. Also, in the event of a status change, you will be offered an opportunity to elect benefits for which you are newly eligible.

### Continuation of Benefits

COBRA benefits are available for medical, dental and vision insurance, as well as flexible spending accounts. Life and disability benefits provided through The Hartford may be portable and/or convertible. All supplemental policies provided through Unum can also be continued through a home billing option.



## Benefits enrollment guide • 2013-2014

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### Highmark Blue Cross Blue Shield Medical Insurance – Full-Time Employees

Visit [www.highmarkbcbs.com](http://www.highmarkbcbs.com) to search the in-network provider, hospital and pharmacy directories.

Phone Number: 1-888-697-8722

LHC Group offers medical insurance to all full-time employees through the Highmark Blue Cross Blue Shield PPO Plan.

Highmark Blue Cross Blue Shield PPO		
	In-Network	Out-of-Network
Annual Deductible (Individual/Family)	\$1,500/\$3,000	\$3,000/\$6,000 \$4,000/\$8,000 <sup>1</sup>
Out-of-Pocket Maximum (Individual/Family)	\$4,000/\$8,000	\$8,000/\$16,000
Lifetime Maximum	Unlimited	Unlimited
Preventive Care	100% (no deductible) <sup>2</sup>	Not covered
Primary Care Physician Office Visit	\$35 co-pay	60% after deductible
Specialist Office Visit	\$45 co-pay	60% after deductible
Hospital Services	80% after deductible	60% after deductible
ER Services	\$300 co-pay (waived if admitted)	\$300 co-pay (waived if admitted)
Maternity	80% after deductible	60% after deductible
X-Ray/Lab Tests	80% (no deductible) <sup>3</sup>	60% after deductible

Premier Prescription Drug Program		
	Retail – 30-day supply	Mail Order (LHC Pharmacy only) 90-day supply
Deductible	\$100 per member	None
Generic	\$10 co-pay	\$15 co-pay
Preferred Brand	\$35 co-pay	\$75 co-pay
Non-preferred Brand	\$60 co-pay	\$180 co-pay

**Wellness Profile**

Commit to better health – and saving money! You have the opportunity to complete an on-line Wellness Profile and take an active role in your health. The Profile creates a complete summary of your health and lays out steps to improve it. Employees who complete the 20-minute questionnaire will receive a \$25 per paycheck premium credit towards the cost of their health coverage.

**Basic Term Life and AD&D Insurance<sup>4</sup>**

\$20,000 employee-only policy for those enrolled in medical – 100% paid by LHC

Bi-weekly Rates		
	Without Wellness Profile	With Wellness Profile
Employee Only	\$74.25	\$49.25
Employee + Spouse	\$172.45	\$147.45
Employee + Children	\$139.78	\$114.78
Family	\$214.38	\$189.38

<sup>1</sup> For October 1 through December 31, 2013, the out-of-network deductible will remain \$3,000/\$6,000. Beginning January 1, 2014, the out-of-network deductible will change to \$4,000/\$8,000.

<sup>2</sup> Subject to healthcare reform guidelines and plan allowances.

<sup>3</sup> Simple lab and X-ray services will be processed at the appropriate network coinsurance without employees first meeting the medical deductible.

<sup>4</sup> Benefit amount decreases with age – reduces by 33% at age 65 and by an additional 33% at age 70.



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### Highmark Health Management Resources – Highmark Members Only

Visit [www.highmarkbcbs.com](http://www.highmarkbcbs.com) for more information about the health and wellness resources.

Phone Number: 1-888-697-8722

#### Tools and Resources

Take charge of your health with these online tools and resources, powered by WebMD<sup>®</sup>, a trusted name in health and wellness information.

- **Wellness Profile**—comprehensive health assessment helps you understand your health status and gives you a personalized action plan to live healthy.
- **Personal Health Record**—lets you store, track and manage your and your family's health information, care procedures and care providers in one secure, centralized location you can access whenever you need it.
- **Digital Health Assistant**—self-guided programs start with a series of interactive questions to you create your own customized wellness program based on your health focus and desired participation level – easy, medium or challenging. You have a wide range of programs available to help you reduce stress, manage weight, eat healthy, stop smoking, exercise appropriately, and more.
- **Health Education & Information**—gives you access to news articles, a health library, health condition guides, e-newsletters, videos, links to relevant health information across the web. You can research a specific health topic or get the latest information on emerging health trends.

**Wellness Discount Program** offers special savings and discounts up to 30% on non-covered wellness products and services from leading national companies in a wide range of categories. Members can save on weight management programs, hearing and vision discounts, fitness discounts, fitness center memberships, vitamins and more. For more information log onto [www.HighmarkBCBS.com](http://www.HighmarkBCBS.com).

**Smokeless<sup>®</sup>** offers telephonic options for smoking cessation. Participants have unlimited toll-free access to a tobacco cessation counselor, and discounted nicotine replacement products are available to enrolled participants. Members can enroll by calling 1-800-345-2476.

**Blues On Call** allows to you speak confidentially with specially trained Health Coaches who can help you make informed health decisions. This 24/7 member service is available toll-free at 1-888-BLUE-428 (1-888-258-3428).

**Baby Blueprints** is a maternity education and support program that gives pregnant women access to dedicated health coaching and childcare information. Members can join by calling toll-free at 1-866-918-5267.

Highmark Blue Cross Blue Shield is an independent licensee of the Blue Cross and Blue Shield Association. Blue Cross, Blue Shield and the Cross and Shield symbols are registered service marks of the Blue Cross and Blue Shield Association. Highmark is a registered mark of Highmark Inc. Baby Blueprints is a registered service mark of the Blue Cross and Blue Shield Association. Blues On Call is a service mark of the Blue Cross and Blue Shield Association. WebMD Health Services is a registered trademark of WebMD, LLC. WebMD Health Services is an independent and separate company that supports Highmark Blue Cross Blue Shield online wellness services. WebMD Health Services does not provide Blue Cross and/or Blue Shield products or services. WebMD Health Services is solely responsible for its programs and services, which are not a substitute for professional medical advice, diagnosis or treatment. WebMD Health Services does not endorse any specific product, service or treatment. 2/13 CS 105895



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**Pan-American Limited Benefit Indemnity Plan – Part-Time and PRN Employees**

Website: [www.panamericanbenefitssolutions.com](http://www.panamericanbenefitssolutions.com)

Phone Number: 1-877-569-3075

Group Limited Benefit - Preferred Series		
Benefit Description	Basic Plan	Enhanced Plan
<b>DAILY HOSPITAL CONFINEMENT BENEFIT</b> Up to a total of 60 days calendar year maximum for any inpatient stay.	\$100 per day; Up to 60 days calendar year max	\$300 per day; Up to 60 days calendar year max
<b>Intensive Care Unit</b>	\$200 per day; Up to 30 days calendar year max	\$600 per day; Up to 30 days calendar year max
<b>Substance Abuse Unit</b>	\$50 per day; Up to 30 days calendar year max	\$150 per day; Up to 30 days calendar year max
<b>Skilled Nursing Facility</b> Following a hospital stay of at least 3 days	\$50 per day; Up to 60 days calendar year max	\$150 per day; Up to 60 days calendar year max
<b>Mental Illness Unit</b>	\$50 per day; Up to 60 days calendar year max	\$150 per day; Up to 60 days calendar year max
<b>Hospital Admission Benefit</b>	\$400 additional first day	\$600 additional first day
<b>DOCTOR'S OFFICE VISIT</b> Primary care & chiropractic care visits	\$60 per visit \$300 calendar year maximum	\$75 per visit \$300 calendar year max
<b>OUTPATIENT DIAGNOSTIC LAB, X-RAY and ADVANCED STUDIES</b> (Test limits apply, see policy for specific limits)	\$20 Lab per test- 3/yr \$70 X-Ray per test- 2/yr \$1,000 Advanced Studies \$1,200 calendar year max	\$20 Lab per test- 3/yr \$70 X-Ray per test- 2/yr \$1,000 Advanced Studies \$1,200 calendar year max
<b>SURGICAL BENEFIT</b> Inpatient/Outpatient; Based on surgical schedule	Up to \$500 calendar year maximum	Up to \$1,000 calendar year maximum
<b>ANESTHESIA BENEFIT</b> 25% of the amount paid under the surgical benefit	Up to \$125 maximum	Up to \$250 maximum
<b>WELLNESS BENEFIT</b> Routine exams	\$50 per visit \$150 calendar year max	\$50 per visit \$225 calendar year max
<b>EMERGENCY ROOM SICKNESS VISIT</b> Covers any ER visit as the result of an illness	\$75 per visit \$300 calendar year max	\$75 per visit \$300 calendar year max
<b>MEDICAL ACCIDENT WITH AD&amp;D</b> \$100 deductible per accident, per insured	Up to \$2,500 per occurrence \$5,000 AD&D	Up to \$2,500 per occurrence \$5,000 AD&D
<b>PRESCRIPTION DRUG BENEFIT*</b>	\$15 co-pay w/\$50 Deductible	\$15/\$50 co-pay
<b>PPO PROVIDER NETWORK*</b>	Multi-Plan	Multi-Plan
<b>TELEMEDICINE SERVICES*</b>	Included	Included

*The plan will not pay benefits for any care provided prior to the coverage effective date or if the insured is confined in a hospital at the time the coverage is effective. Hospital does not include a nursing home, convalescent home or extended care facility. PanaMed is issued by Pan-American Life Insurance Company on policy form number GER-1991-1, GER-2004-1, GER-2007-1, PA-102401-POL, GER-2006-1, PA-102401-POL-FL, PA-102401-POL-IN, PA-102401-POL-IA, GER-2007-I(LA), GER-2007-I(OR), GER-2007-1(WA) or PA-102401-POL-WY. Coverage is not available in all states. Like most group benefit programs, our products have exclusions, limitations, waiting periods and terms for keeping them in force. There are no exclusions for pre-existing conditions except for pregnancy in most states.*

\*Not a Pan-American Life Insurance Company Product



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### Pan-American Limited Benefit Indemnity Plan – Part-Time and PRN Employees

MEDICAL ACCIDENT EXPENSE WITH AD&D	
<b>ACCIDENT BENEFIT<sup>1</sup></b> - \$100 deductible per accident, per insured	Up to \$2,500 per occurrence
<b>ACCIDENTAL DEATH AND DISMEMBERMENT<sup>2</sup></b> - The insured's loss must occur within one year of the date of the accident	Up to \$5,000
<p><i>Depending on state of issue, Accident Insurance is issued by Pan-American Life Insurance Company on policy form number SM-2003 or by Guarantee Trust Life Insurance Company on policy form number GC-1200.</i></p> <p><sup>1</sup>Pays "Off the Job" Accident Medical Benefits for Covered Expenses that result directly, and from no other cause than, from a covered accident.</p> <p><sup>2</sup>Guarantee Trust Life coverage is not provided for loss due to a pre-existing condition for 12 months from the effective date of the Covered Person's insurance.</p>	
BASIC PLAN (Fully Insured)	ENHANCED PLAN (Fully Insured)
Generic – \$15 co-pay for 30-day supply \$50 annual deductible per insured \$100 annual deductible per family Formulary Brand Name – Discount Only Monthly Maximum Limit \$250 per month per insured Over 2200 preferred brand drugs included on formulary listing Mail order available for 90-day supply	Generic - \$15 co-pay for 30-day supply Formulary Brand Name* – \$50 co-pay or 50% (whichever is greater) for a 30-day supply Non-preferred drugs – Discount only Monthly Maximum Limit \$250 per month per insured Over 2200 preferred brand drugs included on formulary listing Mail order available for 90-day supply
<p><b>NATIONWIDE PHARMACY NETWORK AND MAIL ORDER SERVICES:</b> The Rx retail pharmacy network consists of over 60,000 national, regional and local chains and independent pharmacies. The Prescription Drug Plan also offers fully integrated mail order services that provide members the convenience of home delivery. The network currently manages over 2 million members located in all 50 states.</p> <p style="text-align: right;"><i>Rx benefits are provided by RxEDO, Inc.</i></p>	
HEALTH ADVOCACY*	
<p>We make healthcare work for the insured. Members in need have easy access to the Pan-American Benefits Solutions team of advocacy service representatives. Health Advocacy benefit provided by Compass - 800-421-4742.</p>	
MEMBER SERVICE	
<p>Members can communicate toll free via telephone or e-mail to access our member service representatives for timely answers to benefit questions. Full bilingual (English/Spanish) service.</p>	
PPO PROVIDER NETWORK*	
<p>The Multi-Plan National Preferred Provider Organization (PPO) offers a medical provider network with nearly 550,000 physicians and more than 4,100 hospitals and more than 67,000 ancillary care facilities throughout the United States. Members have access to a broad network of independently contracted physicians, hospitals and other healthcare professionals who provide services at negotiated discounted rates.</p>	
TELEHEALTH SERVICES*	
<p>Telehealth provides members with the ability to connect with doctors for 24/7 medical consultations. Members can call or e-mail U.S.-based, licensed physicians and board-certified specialists to obtain quick and convenient medical information, advice, diagnosis, and prescriptions for common conditions when appropriate.</p>	

\*Not an insurance product. Not a Pan-American Life product.

	Bi-Weekly Rates Rates include insurance and non-insurance products.	
	BASIC PLAN	ENHANCED PLAN
Employee	\$45.28	\$60.27
Employee + Spouse	\$70.94	\$101.46
Employee + Child(ren)	\$62.75	\$87.42
Family	\$90.66	\$132.81

The plan will not pay benefits for any care provided prior to the coverage effective date or if the insured is confined in a hospital at the time the coverage is effective. Hospital does not include a nursing home, convalescent home or extended care facility. PanaMed is issued by Pan-American Life Insurance Company on policy form number GER-1991-1, GER-2004-1, GER-2007-1, PA-102401-POL, GER-2006-1, PA-102401-POL-FL, PA-102401-POL-IN, PA-102401-POL-IA, GER-2007-I(LA), GER-2007-I(OR), GER-2007-1(WA) or PA-102401-POL-WY. Coverage is not available in all states. Like most group benefit programs, our products have exclusions, limitations, waiting periods and terms for keeping them in force. There are no exclusions for pre-existing conditions except for pregnancy in most states.



**Benefits enrollment guide • 2013-2014**

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**United Concordia Dental Insurance – Full-Time Employees**

Visit [www.ucci.com](http://www.ucci.com) — Advantage Plus Network — to search for providers in the network.

Phone Number: 1-800-332-0366

Full-time employees are offered two dental plans and choose annually which one is right for them. The Basic Plan offers a low-cost, limited dental benefit for employees who want to keep their teeth healthy. The Advanced Plan is comprehensive, covering additional services like root canals, crowns, dentures and orthodontia.

	Basic Plan	Advanced Plan
Annual Deductible (Individual/Family)	\$50/Unlimited	\$50/Unlimited
Annual Maximum	\$1,000	\$1,000
<b>Diagnostic and Preventive</b> Exams, Cleanings, Bitewing X-rays	100%	100%
<b>Regular Restorative</b> Fillings Extractions Root Canals*	80% 80% Not Covered	80% 80% 50%
<b>Major Restorative</b> Crowns, Bridgework, Dentures*	Not Covered	50%
<b>Orthodontia</b>	Not Covered	\$1,000 lifetime maximum up to age 25
<b>Bi-weekly Payroll Deductions</b>		
Employee Only	\$6.96	\$10.29
Employee + Spouse	\$13.44	\$20.01
Employee + Child(ren)	\$18.45	\$25.28
Family	\$24.95	\$35.01

\*Waiting period may apply. Please refer to the plan summary for additional information regarding waiting periods.

**Davis Vision Insurance – Full-Time and Part-Time Employees**

Visit [www.davisvision.com](http://www.davisvision.com) to search for providers (enter control code: 2594).

Phone Number: 1-800-999-5431

Full-time and part-time employees are eligible to participate in the Davis Vision Plan. Plan details are outlined below.

	In-Network	Out-of-Network Reimbursement
Eye Exam – Once every 12 months	\$10 copay	Up to \$30
<b>Spectacle Lenses</b> – Once every 12 months		
Single		Up to \$25
Bifocal	\$25 copay	Up to \$35
Trifocal		Up to \$45
Lenticular		Up to \$60
<b>Frames</b> – Once every 24 months		
Non-Collection Frame	Up to \$130 plus 20% discount off overage	
Exclusive Frame Collection:		Up to \$30
Fashion (up to \$100 retail value)	Included	
Designer (up to \$175 retail value)	Included	
Premier (up to \$200 retail value)	\$25 copay	
<b>Contact Lenses</b> – Once every 12 months		
Davis Vision Collection	\$25	
Provider Supplied	Up to \$130 plus 15% discount off overage	Up to \$75
Medically Necessary	Included, with prior approval	Up to \$225
<b>Bi-weekly Payroll Deductions</b>		
Employee		\$2.45
Employee + Spouse		\$4.41
Employee + Children		\$4.66
Family		\$7.35



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**Hartford Short Term Disability Insurance – Full-Time Employees**

Website: [www.thehartfordatwork.com](http://www.thehartfordatwork.com) Phone Number: 1-866-945-7801

Short term disability insurance replaces a portion of your income if an injury or illness forces you out of work for an extended period of time. LHC Group provides basic short term disability coverage at no cost to you, and enrollment is automatic upon successful completion of waiting period.

After you are out of work for 14 days and declared disabled by the physician and the insurance company, you receive 60% of your base earnings to a maximum of \$750 each week for up to 11 weeks. Base earnings are calculated using the average number of hours worked per week, not including over-time, multiplied by your base hourly wage. When out of work, please contact your Supervisor and Human Resources.

**Unum Individual Short Term Disability Insurance – Full-Time Employees**

Website: [www.unum.com](http://www.unum.com) Phone Number: 1-800-635-5597

Unum’s individual short term disability insurance can help replace a portion of your income if you are unable to work due to a covered injury or illness. This means you can have some income during a time of need. Common reasons people use this coverage include pregnancy, injuries and digestive problems – such as gall bladder surgery.

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.*

*Underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee*

**Hartford Long Term Disability Insurance – Full-Time Employees**

Website: [www.thehartfordatwork.com](http://www.thehartfordatwork.com) Phone Number: 1-800-303-9744

LHC Group also offers you the opportunity to elect long term disability insurance to protect your finances when your disability continues beyond the period covered by the short term disability plan. After 90 days of disability, the optional long term disability policy continues to pay 60% of your base earnings up to \$5,000 per month. Base earnings are calculated using the average number of hours worked per month, not including over-time, multiplied by your base hourly wage. The coverage continues until you return to work or reach retirement age.

**Long Term Disability Premiums:**

Calculate your premiums using this rate chart and formula. Premiums are based on the employee’s age and annual base pay (based on the employee’s hourly rate of pay).

Age	<25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
Rate	\$1.57	\$1.57	\$1.57	\$2.03	\$2.27	\$3.17	\$3.17	\$3.17	\$7.65	\$7.65	\$7.65	\$7.65

$$\begin{array}{ccccccc}
 \$ \underline{\hspace{1cm}} & / & 12 & = & \$ \underline{\hspace{1cm}} & \times & .60 & = & \$ \underline{\hspace{1cm}} & \times & \$ \underline{\hspace{1cm}} & / & 100 & = & \$ \underline{\hspace{1cm}} \\
 \text{Annual Salary} & & & & \text{Monthly} & & & & \text{Rate} & & & & & & \text{Your Monthly} \\
 \text{(Maximum = \$100,000)} & & & & \text{Salary} & & & & & & & & & & \text{Cost}
 \end{array}$$



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**Life Insurance**

Your family depends on your income for a comfortable lifestyle and for the resources necessary to make their dreams — such as a college education — a reality. Like anyone, you don't like to think of the scenario where you're no longer there for your family. However, you do need to ensure their lives and dreams can continue if the worst does happen.

LIFE INSURANCE PLAN COMPARISON		
Hartford Term Life	Unum Term Life	Unum Whole Life
Full-Time Employees	Part-Time and PRN Employees	Full-Time and Part-Time Employees
Cost increases as you get older	Cost increases as you get older	Premiums never change
Accidental Death & Dismemberment benefit	Optional Rider	Death benefit plus tax-deferred cash value accumulation
Coverage options available when you leave the company	Coverage is portable — you can take it with you if you leave the company	Coverage is portable — you can take it with you if you leave the company
Coverage options available for employee, spouse and children	Coverage options available for employee, spouse and children	Coverage options available for employee, spouse, children and grandchildren
Benefit amount decreases with age — reduces by 33% at age 65 and by an additional 33% at age 70	Benefit amount does not decrease	Benefit amount does not decrease

**Hartford Supplemental Term Life and Accidental Death and Dismemberment Insurance – Full-Time Employees**

Website: [www.thehartfordatwork.com](http://www.thehartfordatwork.com)

Phone Number: 1-888-563-1124

COVERAGE LIMITS		
	Maximum Guaranteed Issue	Maximum Amount of Coverage
Employee	5 times annual salary up to \$250,000	\$1,000,000
Spouse	50% of employee's benefit up to \$50,000	50% of employee's benefit up to \$250,000
Children	\$100 for live birth – 6 months; \$10,000 for 6 months – 21 years/24 years if full-time student	

**Term Life and AD&D Premiums:** Calculate each monthly premium using the rate chart and formulas below. Employee and spouse premiums are based on the employee's age and the amount of elected coverage.

Supplemental Life and AD&D Employee Calculation												
Age	<25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
Rate	\$0.08	\$0.08	\$0.116	\$0.145	\$0.184	\$0.26	\$0.44	\$0.84	\$1.08	\$1.96	\$3.16	\$12.44

$$\frac{\$ \text{Elected Benefit Amount}}{1,000} = \text{Rate} \times \text{Rate} = \$ \text{Your Monthly Cost}$$

<b>Children</b>	\$0.28 per pay period
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### Unum Renewable Term Life Insurance – Part-Time and PRN Employees

Website: [www.unum.com](http://www.unum.com)

Phone Number: 1-800-635-5597

Renewable term life insurance provides life insurance coverage for a specific period of time, usually during your working years. You can purchase coverage at an affordable premium that is fixed and guaranteed for 10 years, with an additional 10-year period at a guaranteed rate, based on your age at issue.

#### Plan Features

- You can buy coverage for employee, spouse, and dependent children.
- No physical exams are required to apply for coverage (although health questions may be asked).
- You get affordable rates when you buy this policy through your employer, and the premiums are conveniently deducted from your paycheck.
- Coverage is individually owned — you can take your policy with you if you change jobs or retire. Unum will bill you directly for the same premium amount.

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.*

*Underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee CE-13043 (7-13)*

### Unum Whole Life Insurance – Full-Time and Part-Time Employees

Website: [www.unum.com](http://www.unum.com)

Phone Number: 1-800-635-5597

Whole Life Insurance is designed to provide a death benefit to your beneficiaries if you pass away, but it can also build cash value that you can utilize while you are still alive. Find peace of mind knowing you have a plan in place to help protect your family if something happens to you.

#### Plan Features

- Whole Life Insurance is voluntary, which means you purchase the precise amount of coverage that is right for you.
- Coverage is available for employee, spouse, children, and grandchildren.
- No physical exams are required to apply for coverage (although health questions may be asked).
- As the policy builds cash value, you can eventually use it to make premium payments or to pay urgent expenses while you are still alive.
- Coverage is individually owned — you can take your policy with you if you change jobs or retire. Unum will bill you directly for the same premium amount.
- Premiums do not increase with age and are conveniently deducted from your paycheck.

The benefits counselor can help calculate the cost of the benefit, which will vary depending on your age, the amount of coverage you elect, and other such factors.

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.*

*Underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee CE-13043 (7-13)*



## Benefits enrollment guide • 2013-2014

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### Unum Critical Illness Insurance – Full-Time and Part-Time Employees

Website: [www.unum.com](http://www.unum.com)

Phone Number: 1-800-635-5597

Critical Illness Insurance pays a lump sum benefit directly to you if you are diagnosed with a covered condition. You can use this money however you choose — deductibles and coinsurance, expenses your family incurs to be by your side, or simply to replace your lost earnings from being out of work.

Covered illnesses include: Heart Attack; Stroke; Major Organ Transplant; End Stage Renal (Kidney) Failure; and Coronary Artery Bypass Surgery\*. Cancer and Carcinoma in Situ\* may be covered as an optional rider. Refer to the policy for complete definitions of covered critical illnesses.

#### Plan Features

- You do not have to be terminally ill to receive benefits.
- Coverage options are available for your spouse and children.
- A Health Screening Benefit Rider is included, which pays a benefit once per calendar year to the insured individual if a covered health screening test is performed (blood test, stress test, colonoscopy, mammogram, etc.).
- Coverage is portable – you can take your policy with you if you change jobs or retire.

The benefits counselor can provide plan details and rates during your enrollment session.

*In GA, OR, PA, and TX insured individuals must be covered by comprehensive health insurance before applying for CIO5 insurance.*

**THIS POLICY PROVIDES LIMITED BENEFITS.**

*\*The coverage pays 25% of the face amount of the policy once per lifetime for coronary artery bypass surgery and carcinoma in situ.*

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.*

*Underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee CE-13043 (7-13)*

### Unum Cancer Insurance – Full-Time And Part-Time Employees

Website: [www.unum.com](http://www.unum.com)

Phone Number: 1-800-635-5597

*Cancer Insurance is not available to those who are enrolled in the Cancer Rider under the Critical Illness Insurance plan. Your benefits counselor will provide more details during your enrollment session.*

Cancer insurance can help meet the expenses of covered cancer treatment. Benefits are paid directly to you — not to a doctor or health care provider — and can be used to help offset out-of-pocket expenses such as copays, deductibles, and alternative treatments that are not covered by medical insurance.

#### Plan Features

- The plan covers expenses and treatments such as hospital stay, mammograms, anesthesia, blood transfusion, radiation, transportation, and doctor visits.
- Coverage is available for employee, spouse, and dependent children.
- You own the policy so you can keep it if you leave the company or retire. Unum will bill you directly for the same premium amount.
- Coverage is portable – you can take your policy with you if you change jobs or retire.

The benefits counselor can provide plan details and rates during your enrollment session.

**THIS POLICY PROVIDES LIMITED BENEFITS.**

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability. This product is not available for employees enrolling in Colorado.*

*Underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee CE-13043 (7-13)*



## Benefits enrollment guide • 2013-2014

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### Unum Group Accident Insurance – All Employees

Website: [www.unum.com](http://www.unum.com)

Phone Number: 1-800-635-5597

Accident Insurance can pay a lump sum benefit based on the injury you receive and the treatment you need. The benefit can help offset the out-of-pocket expenses that medical insurance does not pay, including deductibles and copays.

The plan covers injuries and expenses such as broken bones, burns, torn ligaments, emergency room care, hospitalization, doctor's office visits, outpatient surgery, and more.

#### Plan Features

- The plan covers accidents that occur off the job.
- Coverage is available for employee, spouse, and children.
- Coverage is individually owned, which means you can take your policy with you if you change jobs or retire.
- A Catastrophic Benefit is included and pays an additional sum if you have a serious injury — such as loss of sight, hearing, or a limb — before age 65.
- You may also purchase a Sickness Hospital Confinement Rider, which pays a daily benefit if you are hospitalized for a covered illness.

The benefits counselor will provide plan details and rates during your enrollment session.

#### *THIS POLICY PROVIDES LIMITED BENEFITS.*

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.*

*Underwritten by Unum Life Insurance Company of America, Portland, Maine CE-13043 (7-13)*

### Unum MedSupport Insurance – Full-Time and Part-Time Employees

Website: [www.unum.com](http://www.unum.com)

Phone Number: 1-800-635-5597

*Not available to employees in FL, KS, and WA.*

MedSupport Insurance pays a lump-sum benefit when you are hospitalized or have outpatient surgery for a covered injury or illness. It can be used any way you choose to help meet the expenses health insurance doesn't cover.

#### Plan Features

- The plan pays benefits for hospital confinement, outpatient surgery, and diagnostic tests. You may also add an Emergency Care Rider for an extra premium.
- Coverage is available for employee, spouse, and dependent children.
- Premiums are conveniently deducted from your paycheck.
- You own the policy, so you can keep this coverage if you change jobs or retire. Unum will bill you directly for the same premium amount.

The benefits counselor will provide plan details and rates during your enrollment session.

#### *THIS POLICY PROVIDES LIMITED BENEFITS.*

*In CA, GA, TX and VT insured individuals must be covered by comprehensive health insurance before applying. In PA, insured individuals are not eligible for coverage if supplementing a specified disease (cancer) or accident plan.*

*This policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.*

*Underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee CE-13043 (7-13)*



**Benefits enrollment guide • 2013-2014**

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**Highmark Flexible Spending Accounts – Full-Time Employees**

**Website: [www.highmarkbcbs.com](http://www.highmarkbcbs.com)**

**Phone Number: 1-888-697-8722**

Flexible Spending Accounts (FSAs) enable you to put aside money for important expenses and help you reduce your income taxes at the same time. LHC Group offers two types of accounts — a Health Care Flexible Spending Account and a Dependent Care Flexible Spending Account. These accounts allow you to set aside pre-tax dollars to pay for qualified out-of-pocket health care or dependent care expenses.

**HOW FLEXIBLE SPENDING ACCOUNTS WORK**

- You decide annually how much to set aside for health care and/or dependent care expenses.
- Contributions are deducted from your paycheck on a pre-tax basis in equal installments throughout the plan year.
- As you incur eligible expenses throughout the plan year, you can:
  - o Utilize the plan-issued debit card to pay for the expense as it is incurred (health care account only) OR
  - o File a claim to be reimbursed for the expenses after they are incurred (health care and dependent care accounts).
- Claims can be filed online or on a paper form. Participants can access the Highmark website at [www.highmarkbcbs.com](http://www.highmarkbcbs.com) to submit the claim through the website or to retrieve the form.
- Plan participants should maintain proof of expenses and be prepared to provide them in the event that they are audited by the plan. Failure to respond to an audit request may impact your ability to utilize your debit card or file future claims for reimbursement.

**IMPORTANT NOTES**

- LHC Group's FSA plan year begins on October 1st each year and ends on September 30th of the following year.
- You must incur expenses and timely file claims for all funds that you elect within the plan year. Failure to utilize the full balance will result in you forfeiting the funds.
- Participants who are re-enrolling in the health care account should keep their debit cards. The cards do not expire until the expiration date on the card.
- These accounts are separate. You may choose to participate in one, both, or neither. You cannot use money from the health care account to cover expenses eligible under the dependent care account or vice versa.

Plan	Annual Maximum Contribution	Examples of Covered Expenses
Health Care Flexible Spending Account	\$2,500	Co-pays, deductibles, orthodontia, etc.*†
Dependent Care Flexible Spending Account	\$5,000 (\$2,500 if married and filing separate tax returns)	Day care, nursery school, elder care expenses, etc.*

\* See IRS Publications 502 and 503 for a complete list of covered expenses.

† Over-the-counter medications are no longer a covered expense under the Health Care FSA.



## Benefits enrollment guide • 2013-2014

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### Transamerica 401(k) Retirement Plan – All Employees

Website: [www.divinvest.com](http://www.divinvest.com)

Phone Number: 1-800-755-5801

Building a healthy financial future is just as important as taking care of your health needs today. Putting money aside for your future is easy with the 401(k) plan. With contributions deducted before taxes are calculated, it's less painful to your take home pay than you might think.

#### PLAN FEATURES

- Contributions can begin at any time following 1 month of employment.
- New employees have automatic deductions from pay – 1% contribution – following successful completion of waiting period. There is a 30-day opt out period for new employees prior to the automatic deduction beginning.
- If you would like to change your deferral amount, please contact Transamerica directly.
- After one year at the default automatic election of 1%, employees will be auto-escalated to a 2% deferral amount. This increase is scheduled to occur on October 1st of each year, beginning October 1, 2013.
- You can save up to \$17,500 in 2013, tax deferred (subject to IRS guidelines).
- Plan participants age 50 and over can also participate in a catch up contribution allowing an additional \$5,500 in contributions per calendar year.
- LHC matches, dollar for dollar, the first 2% of your contributions.
- You can choose how to invest your contributions among the plan's multiple investment options. A financial advisor is available at no cost to all participants. The financial advisor, Alliant Retirement Services, can be contacted at 770-325-6653.
- The default investment option, Target Date Funds, seeks to balance your need for both returns and stability over time. Holdings are automatically adjusted to help you stay on track.

#### VESTING

- Pre-tax contributions, as well as any amounts that you roll over to the plan, are always 100% vested.
- Participants become vested in the employer match according to the vesting schedule below.
- You will be credited with a year of vesting if you complete 1,000 hours during a consecutive 12-month period ending on each December 31st.

Completed Years of Service	Amount Vested
1	20%
2	40%
3	60%
4	80%
5	100%



**Benefits enrollment guide • 2013-2014**

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**Paid Time Off – Full-Time Employees**

LHC Group employees receive paid time off which can be used for vacation, illness or personal days. Paid time off is offered based on years of service. Please refer to the chart below for the number of days available to you.

Completed Years of Service	PTO Days Granted Annual Maximum	Equivalent Hours Annual Maximum
Less than 1 Year	11 days (3.38 hours/pay period)	88 hours
1	16 days (4.92 hours/pay period)	128 hours
2	21 days (6.46 hours/pay period)	168 hours
5	26 days (8.00 hours/pay period)	208 hours
10+	31 days (9.54 hours/pay period)	248 hours

**Holidays – Full-Time Employees**

LHC Group observes the following paid holidays:

- New Year’s Day
- Independence Day
- Thanksgiving Day
- Memorial Day
- Labor Day
- Christmas Day

All full-time employees will receive holiday pay equal to their regular hourly rate of pay. Full-time (non-exempt) employees who are scheduled to work on a holiday will receive pay for the number of hours worked at their regular rate of pay in addition to the holiday pay.

**Bereavement – Full-Time Employees**

Full-time employees are eligible for the bereavement leave benefit. This allows the employee to take up to 3 days off with pay to attend the funeral or make funeral arrangements for the death of an immediate family member and up to 1 day off with pay to attend the funeral of a family member who is not considered to be immediate family. Please refer to the Bereavement Leave policy for additional information.

**Leave of Absence – All Employees**

Employees who are out of work for three days or more for the same reason, other than approved vacation time, should notify their supervisor and Human Resources of the need for a leave of absence. Various types of leave are available to employees including jury duty, military, service member, medical, personal, maternity, and FMLA. A request for leave of absence should be submitted at least 30 days prior to the requested commencement date of the leave or as soon as reasonably possible or practical. If you have any questions regarding leave of absence, please contact Human Resources.



## Benefits enrollment guide • 2013-2014

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### **AST Employee Stock Purchase Plan (ESPP) – All Employees**

**Website:** [www.astepsdiv.com](http://www.astepsdiv.com)    **Phone Number:** 1-866-709-7704

LHC offers employees the chance to purchase LHC Common Stock at a 5% discount. You must complete 3 months of employment before participating. Once you have satisfied the waiting period of 3 months, you will receive enrollment information from the ESPP administrator in the mail. The enrollment periods occur on a quarterly basis.

If you are already a participant, you can either continue or change your contribution during the offering period. Enrollment elections will continue for subsequent offering periods.

### **Interface Employee Assistance Program – All Employees**

**Website:** [www.4eap.com](http://www.4eap.com) - **Login:** lhc    **Password:** 715

**Phone Number:** 1-800-324-4327

LHC Group is providing a valuable Employee Assistance Program to LHC employees and their families through Interface EAP, specifically aimed at psychological, legal, and financial issues. Employees can use this service to speak to trained psychological counselors, as well as legal and financial specialists to help you through issues on or off the job. Whether it is stress due to a family or work situation, or a rental agreement you are being asked to sign, Interface EAP can help you. Simply call 800-324-4327 and the answering operator will guide you in the right direction. Additional information on this benefit can be found on the employee intranet.

*Note: This plan is available at no cost to you, is 100% confidential, and does not change any other coverage you may already have in place.*

### **The PURPOSE Fund – All Employees**

**Website:** [home.lhcgroupp.com](http://home.lhcgroupp.com)

The PURPOSE Fund assists employees dealing with an unexpected financial hardship resulting from fire, natural disaster or death of an immediate family member. When you make a gift to The PURPOSE Fund, your donation will be used to help fellow employees in need. You will be bringing our company's purpose statement — It's all about helping people — to life for your co-workers. Giving is easy and no gift is too small. Even \$1 per pay period — just \$26 per year — will make a big difference to an LHC Group family member in need. In addition, your gift to The PURPOSE Fund is tax-deductible.

One hundred percent of donations to The PURPOSE Fund are used to help employees who are facing unexpected financial hardship. All administrative costs associated with The PURPOSE Fund will be paid by LHC Group.

Life can change in an instant. Find purpose in helping those who need your help the most.



## Benefits enrollment guide • 2013-2014

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### Employee Discount Programs – All Employees

As an LHC Group employee, you have access to discounts for various products and services. We encourage you to utilize these discounts if possible. Further details can be found on the LHC Group employee intranet.

#### **AT&T**

You can save up to 24% on qualifying AT&T services. Take advantage today by logging on to [www.att.com/wireless/provista](http://www.att.com/wireless/provista), or find the AT&T store closest to you at [www.att.com/find-a-store](http://www.att.com/find-a-store). Mention FAN: 3859155

#### **Verizon Wireless**

Employees may receive a discount up to 22% off the monthly recurring charges (MRC) for qualified Verizon calling plans. To begin the process, please visit [www.verizonwireless.com/discounts](http://www.verizonwireless.com/discounts), or call Verizon Telesales at 888-386-4339.

#### **Sprint**

Receive up to a 21% discount on qualifying Sprint services. Sign up by visiting [www.sprint.com/amerinet](http://www.sprint.com/amerinet) or visit your local Sprint store.

#### **Bottled Water Delivery Program**

Receive discounts on bottled water home delivery from popular companies such as Kentwood Springs, Belmont Springs, and Sparkletts. To find water delivery in your area, visit [www.water.com](http://www.water.com). To sign up for this special home delivery offer, use the promo code LHC.



## Benefits enrollment guide • 2013-2014

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### Summary Plan Descriptions

Employee benefit summary plan descriptions are available on the employee intranet. These documents provide information on the various benefits LHC Group offers as well as the enrollment process, plan descriptions, benefits summaries, contact information and more.

The summary plan descriptions are important because they provide detailed information regarding your benefit plans. If you are unable to access this information or would like a paper copy mailed to you, please contact the Human Resources Department.

### Your Confirmation Statement

Approximately 48 hours after completing your enrollment session, you will have access to an electronic personalized confirmation statement online at [www.myUbenefits.com](http://www.myUbenefits.com). Your counselor will provide log-on instructions at the end of your call. Please review the statement carefully to be sure your elections are correct. If changes are required, follow the instructions on your confirmation statement. Please note that there is a deadline to make corrections to your elections.

Your signature via phone at the end of your enrollment session gives your authorization to confirm/approve elections made and for payroll deductions to be established.

Changes to your elections are not allowed after the enrollment session ends. Please refer to the "Changes After Enrollment" section below for further information.

### Changes After Enrollment

If you do not apply for coverage for yourself or your dependents (including your spouse) because you have other health insurance coverage at this time, you and your dependents may be entitled to enroll in this plan at a later date if that coverage is lost. However, you must request enrollment within 30 days of the other coverage ending.

If you would like to make changes to your elections such as adding, changing, or dropping your coverage, you may do so if you experience a qualifying life event. A qualifying life event would be considered to be the birth of a child, adoption, placement for adoption, marriage, divorce, gaining or losing other group health plan coverage, and in some cases death. You must request changes and provide supporting documentation of the event within 30 days of the event date. Contact Human Resources if you have any questions concerning the process, appropriate documentation needed to process your request, or any other benefits related question.



420 West Pinhook Road, Lafayette, Louisiana 70503 • Toll Free: 1.800.489.1307 • Phone: 337.233.1307

**[LHCgroup.com](http://LHCgroup.com)**