

	Human Resource Policy Benefits & Compensation	No. HR.BNC.15¹
	Title: MANAGER'S TIME-OFF PLAN (Non-California)	Page: 1 of 4
		Effective Date: 05-10-13
		Retires Policy Dated: 01-01-12
		Previous Versions Dated: 09-27-11; 01-06-09; 08-07-02

I. SCOPE:

This policy applies to (1) Tenet Healthcare Corporation and its wholly-owned subsidiaries and affiliates (each, an “Affiliate”); (2) any other entity or organization in which Tenet Healthcare Corporation or an Affiliate owns a direct or indirect equity interest greater than 50%; and (3) any hospital or healthcare facility in which an Affiliate either manages or controls the day-to-day operations of the facility (each, a “Tenet Facility”) (collectively, “Tenet”) excluding those located in California and excluding employees at the Corporate and Conifer locations.

II. PURPOSE:

Tenet’s mission is to improve the quality of life of every patient who enters our doors. Our success in achieving our mission depends on the work of our dedicated employees. Our “Commitment to People” guides us to provide competitive benefits for our employees, including paid time off programs for employees. We believe that employees need and deserve personal time to achieve a healthy work and life balance.

Tenet has two paid time off programs in which eligible employees participate based on their role with the company. Management staff typically participate in Tenet’s Manager’s Time Off (MTO) plan and non-management staff participate in Tenet’s Paid Time Off (PTO) plan. Both plans enable eligible employees to take approved time off from scheduled work. Participants are not eligible to participate in both programs at the same time.

The MTO Plan (the “Plan”) allows participants paid time off from work due to vacation, personal, or sick time that qualifies as a leave of absence. Participants are not eligible to participate in Tenet’s PTO Plan.

The provisions of the Plan and this policy are subject to change and may be modified at any time by Tenet to the extent permitted by law.

III. POLICY:

A. Eligibility To Be A Participant

Employees on any executive payroll and who do not work in the state of California are automatically participants in the Plan. Additional employees may be designated as participants in the sole discretion of Tenet’s Director, Human Resources Services and Projects at the Home Office or his or her designee based on their position. Such additional participants in the plan shall be designated exclusively in writing. Generally, those management employees who regularly attend a department head meeting and have supervisory or budgetary responsibilities will be considered for written designation as participants.

¹Prior to June 3, 2013, the policy number was HR-713.

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B. Time Off

Participants are salaried exempt employees who are compensated not for the amount of time spent at work, but rather for the general value of services they perform. Nevertheless, Tenet recognizes the value and need for participants taking time off from work for rest, relaxation and other purposes and accordingly, Participants are encouraged to take time off during the year, which will be referred to in this policy as “Time Off”.

Effective the first full pay period that ends on or after January 1, 2013, Plan participants will need to confirm with their local Human Resources office for the applicable accrual rate. The MTO accrual rate is based on anniversary date.

The Time Off actually taken by any participant may vary from year to year based upon the individual participant’s workload, responsibilities and duties and the company’s operating needs and staffing requirements. Efforts will be made to accommodate a participant’s Time Off request in the amount and at the time requested. However, no request for Time Off can be guaranteed even after initial approval has been made. Participants may only take MTO in whole day increments not to exceed the number of days in their MTO balance.

Participants who qualify for leave under the federal Family and Medical Leave Act (FMLA) or any other statute may take leave as provided for by law. Participants may request payment for their leave time up to the amount of MTO time available, unless otherwise provided by law.

C. Holidays

In addition to Time Off under the Plan, participants are provided paid holidays scheduled or approved for their facility by Executive Leadership.

IV. PROCEDURE:

A. Employees Transferring From Non-California MTO Plan to California MTO Plan

Employees who are participating in a Tenet facility, not located in California, who are participants in the MTO Plan and transfer to a facility covered under the California MTO Plan, will be credited with a beginning California MTO Plan balance equal to one year of the employee’s current MTO allowance at the time of transfer.

B. Employees Transferring From California MTO Plan to Non-California MTO Plan

Employees who are participating in the California MTO Plan and transfer to a facility covered under this MTO Plan, will be paid out their California MTO bank

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balance at the time of transfer. Time Off after the date of transfer will be based on the provisions under this MTO plan.

- C. Employees Transferring from an MTO eligible position to a PTO (non-MTO MTO) position.

Employees who are no longer eligible for participation in the MTO Plan, due to a change in position, will have MTO hours converted to PTO hours based on the following formula:

- Number of pay periods worked in current calendar year;
- divided by 26;
- product is multiplied by the number of annual Time Off hours the Participant is eligible to take = PTO Hours to be loaded.
- Example: 13 weeks (pay periods left) / 26 weeks (total # of pay periods) = .50 X 160 (annual PTO Hours = 4 weeks X 8 hours) = 80 hours.

- D. Employees Previously Participating In PTO/Vacation, Health and Sick or Extended Illness Plan

Employees who become eligible to be a participant in the Plan will have any previously accrued PTO or Vacation, Health and Sick time cashed out at 100% of its value.

Any Tenet Extended Illness hours earned prior to the participant becoming eligible to participate in the MTO Plan will be kept as an Extended Illness balance. Extended Illness hours may be used in the event of a qualifying absence in whole day increments.

Extended Illness hours may only be used after an employee has been absent for 7 consecutive calendar days and is ill or disabled. An employee that is admitted to a hospital or undergoes an outpatient procedure may begin using Extended Illness hours immediately. Extended Illness is not payable to the participant at separation from employment with Tenet.

- E. Termination

MTO hours are not accrued, not vested and are not payable to the participant at separation from employment with Tenet.

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F. Administration and Review

The Plan Administrator shall be Tenet's Director, Human Resources Services and Projects at the Home Office or his or her designee. The Plan Administrator shall have the sole discretionary authority to determine eligibility or to construe the terms of this Plan and to decide any question arising in the administration, interpretation and application of this Plan.

G. Auditing and Monitoring

Audit Services will audit adherence to this policy as part of its full scope audits.

H. Enforcement

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

V. REFERENCES:

- Human Resource policy HR.EHP.11 Rehire and Reinstatement
- Human Resource policy HR.BNC.06 Medical Leave: Non-Occupational and Occupational
- Human Resource policy HR.BNC.07 Family and Medical Leave (FMLA)
- Human Resource policy HR.BNC.08 Military Leave
- Human Resource policy HR.BNC.12 General Leave