



RECORD RETENTION POLICY

Effective as of 01/01/2023

Department: ALL

Policy No. Corp-003

Introduction

The purpose of this policy is to ensure that Alliance Physical Therapy Group, LLC (“Alliance”) together with its affiliated entities (collectively, “Alliance”) appropriately retain and destroy medical and business records in accordance with applicable laws, regulations, and Alliance policies.

Alliance is committed to appropriately retaining medical and business records in accordance with applicable laws, regulations, and Alliance policies. This policy establishes specific retention periods for certain categories or types of records, specifies requirements for the proper storage and retention of records, and sets forth guidelines for their appropriate destruction. Attached as Exhibit A is a Record Retention Schedule that lists categories or types of records and the applicable retention period for each. Attached as Exhibit B are guidelines for storage of medical records. Attached as Exhibit C you will find guidelines for destruction of records at the end of their retention periods.

If you have any difficulty in finding the appropriate category for a record or in determining whether a particular document is covered by the Exhibits, contact Corporate Compliance or Corporate Counsel. If you need to determine a retention period for a record not described in this policy, please contact Corporate Compliance or Corporate Counsel in that situation as well.

Contact Persons

The primary points of contact for this Policy will be the Compliance Department at compliance@allianceptp.com and the Legal Department at legal@allianceptp.com.

Scope of Policy

This policy covers all business records and applies to all Alliance entities.

Property Rights

All records generated and received by Alliance are the property of Alliance or, if applicable, a client of Alliance. No Alliance employee, by virtue of his or her position, has any personal or property right to such records even though he or she may have developed or compiled them.

Retention Period for Records

Exhibit A sets forth the retention periods for various types of records. Any deviation from the standard retention period should be carefully developed, implemented and thoroughly documented after review and approval by Corporate Compliance or Corporate Counsel. See Exhibit B for guidelines on medical record storage. Should an Alliance entity that keeps medical records cease to operate, that Alliance entity shall consult with Corporate Compliance and Corporate Counsel prior to arrange for disposition of the patient medical records. Notification of the disposition of the records must also be provided to the applicable state authority.

Inactive Storage

When it is no longer necessary for business and administrative reasons to keep records in active files, they may be transferred to inactive or “dead storage” for the remainder of the applicable retention period.

Destruction

Destruction occurs at the end of the assigned retention period so long as the record does not fall within the litigation and investigation exception described below. Retention periods are counted from the date of creation of the record unless otherwise noted on the schedule. Destruction should normally occur following the end of the year that marks the end of the retention period. Generally, for paper records destruction cycles will occur once per year while electronic records may be destroyed once per year or on a rolling basis based on technical and administrative feasibility. Guidelines for destroying or arranging for the destruction of records at the end of their retention periods are set forth in Exhibit C.

Litigation and Investigation Exception

If a department or person responsible for retaining a document is advised or becomes aware that a document is the subject of or is related to a potential or pending lawsuit, claim, internal investigation or audit, or third-party investigation or audit, they must contact the General Counsel (corporate attorney) pursuant to Alliance's Litigation Hold and Document and Electronic Data Preservation Notice Policy ("**Litigation Hold Policy**"). No such document may be destroyed unless specifically authorized in accordance with the Litigation Hold Policy.

Corporate Compliance and Legal Review, Approval and Assistance

Any exception, change, or deviation from this policy must be reviewed and approved by Corporate Compliance or Corporate Counsel, who will be available to answer any questions and to provide assistance and advice to Alliance employees concerning this policy.

General Catch-All Provision

Any document that does not clearly fall within any of the scheduled categories listed on Exhibit A is subject to a seven-year retention period. Seven-years will be the default retention period for business records. To the extent that any state or federal statute or regulation requires that a record be maintained for a different period of time than what is contained within the Record Retention Schedule, the governing state or federal law shall control and the Record Retention Schedule, with respect to that record, shall be null and void.

Automatic Data Destruction of Electronic Information

Alliance holds significant electronic data on its Shared G drive and other shared network drives. In order to ensure that older electronic data is deleted in accordance with this policy, the IT department will periodically (targeted at once per year in January) perform a search of the G drive for all documents that have not been opened, edited, or viewed within 10 years. All such materials shall be deleted in accordance with this policy.

Notwithstanding to the above, this paragraph shall not apply to documents contained in the following network folders: legal; compliance; lease; insurance, and contracts.

EXHIBIT A
To
Alliance Physical Therapy Group, LLC's

Retention Policy for Medical and Business Records

RECORD RETENTION SCHEDULE

Introductory Note: If you have any difficulty in finding the appropriate category for a record or in determining whether a particular document is covered by this Schedule, please call Corporate Compliance or Corporate Counsel. The default period is seven years if a document is not otherwise covered.

| ACCOUNTING/FINANCE/TAXES | |
|---|-------------------------|
| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Acquisitions, Divestitures, and Reorganizations: Research for acquisitions, divestitures, and reorganizations, including due diligence. | 7 years |
| Capital Property Records: Records documenting the purchase and sale of property and equipment, including improvements. | 7 years |
| Financial Audit Reports -Internal: Records reviewing and documenting financial information created as part of an internal audit. | 7 years |
| Financial Reports, Statements and Workpapers: General reports and workpapers related to financial data and transactions to support interim and annual financial statements. | 7 years |
| Payroll Records: All records related to payroll. | 7 years |

| ADMINISTRATION | |
|--|-------------------|
| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Accreditation Surveys and Reports: | Permanent |
| Insurance Records - General: Certificates of insurance; documents for active policies, indemnification, information regarding the filing of insurance claims; bonds posted to indemnify against the failure to perform specified terms and conditions. | 15 years |
| Insurance Records -Policy Correspondence: Insurance Records Property Loss Reserves: General correspondence related to insurance coverage. | 10 years |
| Insurers: Alliance records, documents and other business records of all insurers. This does not include correspondence regarding policies or property loss reserves. | Active + 3 years |
| Permits and Licenses | Active + 3 years |
| Policies and Procedures (applicable to all sections of retention schedule): Records documenting, explaining, or interpreting policies and procedures; records specifying which individuals in the organization have authority to approve or authorize specified actions. | Active + 10 years |
| Property Management: Drawings and blueprints; appraisals; records detailing property and equipment (DOES NOT INCLUDE MEDICAL EQUIPMENT); records summarizing leases; records documenting the maintenance of property, equipment, or motor vehicles; records documenting the design, construction, renovation, or repair of offices; records relating to the purchase, sale, repair, and management of real property and equipment; records documenting the layout of office space. | Active + 6 years |

| ELECTRONIC MAIL (Email) | |
|--|-------------------------|
| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Email Communications on Microsoft Exchange | 1 year |
| Email Communications - Executive Level Employee Inbox | 3 years |
| Legal Email Accounts | <i>Indefinitely</i> |
| Microsoft Teams Chat Messages | 90 days |

| HUMAN RESOURCES | |
|--|---|
| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Basic Employment and Earnings Records, Timecards, Wage Rate Tables | 7 years |
| Benefits -Permanent Retention: Determination letters and plan documents for qualified plans (e.g., 401 (k)) | Permanent |
| Benefits -Ten Year Retention: Records regarding benefits under: the employee assistance programs; educational assistance programs provided to employees; relocation benefits; employer-sponsored group life insurance plans; employer-sponsored group health and welfare plans; cafeteria plans; employee earned time off programs; employer-sponsored defined contribution plans; employer-sponsored pension plans; employer-sponsored executive, deferred compensation and non-qualified plans and programs; and employer-sponsored incentive-based programs. | Active + 10 years |
| Employment Applications and Recruitment: Job applications, resumes, and other types of employment inquiries; job orders submitted to an employment agency or labor organization for recruitment of employees; test pages completed by applicants for any position that discloses the results of any Alliance-administered aptitude or other employment test considered by Alliance as to any personnel action; the results of any physical examination if the examination is considered by Alliance in any personnel action; any advertisements or notices to the public or to employees concerning job openings, promotions, training programs, or opportunities for overtime work. | <i>Employees:</i> Employment duration +3 years <i>Rejected Applicants:</i> Current year + 1 year, unless related to a lawsuit, in which case retained until the matter is resolved |
| Employment related Government Reporting: Legally required reports: Related to employee benefits and benefit plans or forms submitted to the EEOC documenting hiring and personnel actions; submitted to the government to report earnings, deductions, taxes, etc.; to establish compliance with the Family Medical Leave Act. | Current year + 5 years |
| Immigration Records: INS Form 1-9 required by federal government. | Active + 3 years |

| HUMAN RESOURCES | |
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| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Personnel Administration and Personnel Files: Any personnel or employment records relating to hiring, promotion, demotion, transfer, lay-off or termination, rates of pay, and selection for training or apprenticeship, including requests for reasonable accommodation and application forms. | <i>Employees:</i> Employment duration + 7 years <i>Rejected Applicants:</i> Current year + 3 year, unless related to a lawsuit, in which case retained until the matter is resolved |
| Salary Administration: Records related to decisions to issue bonuses or determine changes in the cost of living; records summarizing earnings of individual employees; charts used to determine salary for job classifications; information gathered to determine industry and geographic salary guidelines for job classification; records related to employee authorized payroll direct deposit. | Current year +7 years |
| Tax Records for Employees: Certificate documenting permission to withhold taxes from payroll. | Tax return filing date + 7 years |
| Employee Training Records -General: Certification or licenses required for employees to perform a particular job or task; materials used to train employees; records related to the development and operation of company sponsored training programs and seminars. | Active + 7 years |
| Unemployment Insurance Fund: Records of services performed by employees. | 7 years |

| LEGAL AND COMPLIANCE | |
|--|-------------------|
| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Business Development: Due diligence or research related to corporate acquisitions, mergers, divestitures, joint ventures, limited partnerships; final record copy of agreements for all corporate acquisitions, mergers, divestitures, and joint ventures, including real estate closing documents. | Active + 10 years |
| Business Organization - General: Records detailing the terms and conditions under which a business entity is formed and organized; records describing detailed procedures, structures, and responsibilities for operating the business entity; documents created by corporate officers, organizers, etc., and later filed in a designated public office as evidence of the entity's existence; original corporate seals used to authenticate official company documents; records summarizing the proceedings at boards of directors' meetings; records detailing the votes taken by the boards of directors. | Permanent |
| Compliance: Audit plans and reports; compliance committee meeting minutes; compliance program policies and procedures; copies of speeches given by Corporate Compliance, with date, location and nature of audience noted; correspondence with HHS Office of Inspector General, other governmental offices, or Medicare administrative contractors; documentation that employees, contractors and medical staff are checked regularly against the OIG's List of Excluded Individuals/Entities and the General Service Administration's Excluded Parties List System; log of all calls received by hotline and complaints or inquiries received through other kinds of compliance reporting mechanisms, with a summary of action taken; records compiled in investigations of alleged violations of the code of conduct or related policies and procedures; records related to education and training programs; written communications from Corporate Compliance to employees on compliance-related topics, including publicity related to hotline; reviews of compliance program effectiveness; summary of disciplinary actions taken against employees for violations of the conduct code and related policies and procedures; written reports of Corporate Compliance to the Board of Directors or executive management. | Active + 10 years |
| Contracts -General: All original, executed contracts. | Active + 10 years |

| MEDICAL RECORDS/RECORDS RELATED TO PATIENT CARE <i>See Exhibit B, “Guidelines for Medical Record Retention”</i> | |
|---|--|
| TYPES OF DOCUMENTS OR INFORMATION | RETENTION PERIOD |
| Medical Records-Adults | 10 years from the date of last encounter |
| Medical Records-Minors | The later of the minor reaching the age of 21 or 10 years after the last encounter |
| Physical Patient Sign-In logs | Will not be maintained for any period of time |

EXHIBIT B
To
Alliance Physical Therapy Group, LLC's
Retention Policy for Medical and Business Records

GUIDELINES FOR MEDICAL RECORD RETENTION

Record Retention Policy and Procedure Requirements

Alliance Physical Therapy Group, LLC and each of its partners are responsible for retaining medical records in accordance with this policy and the following procedures:

1. **Record Indexing:** Records must be retained in a manner that permits them to be identified and retrieved.

The IT Department of Alliance is primarily responsible for ensuring that Alliance has the necessary hardware and software to enable the retrieval of any and all records managed by Alliance that are maintained by, or stored in, a computer hard drive, disk, or other form of electronic media.

2. **Inactive Storage:** When it is no longer necessary for business and administrative reasons to keep records in active files, they may be transferred to inactive storage for the remainder of the applicable retention period. Inactive storage can be in hard copy or a computerized form - and on-site or off-site.

Litigation and Investigation Exception

If an Alliance employee or contractor is advised or becomes aware that a document is the subject of or is related to a potential or pending lawsuit, claim, internal investigation or audit, or third-party investigation or audit, they must contact the General Counsel in accordance with the Litigation Hold Policy.

EXHIBIT C
To
Alliance Physical Therapy Group, LLC's
Retention Policy for Medical and Business Records

GUIDELINES FOR RECORD DESTRUCTION

1. **General Rule:** Unless falling within the Litigation Hold Policy, records should be annually destroyed when they reach the end of the retention period set forth in Exhibit B. Retention periods are counted from the date of creation of the record unless otherwise noted on the schedule. Destruction should normally occur once a year after the end of the retention period.
2. **Importance of Timely Destruction:** Failure to carry out routine, timely destruction can lead to unnecessary expenditure of resources to store, maintain, search for and produce records.
3. **Records Containing Confidential Information:** Records that contain confidential patient medical information, confidential and proprietary business information, or other confidential and privileged information (e.g., peer review information, attorney-client privileged communications, etc.) **MUST** be destroyed in a manner that ensures the confidentiality of the records and renders the information unrecognizable. Appropriate methods of destruction for records containing confidential information are as follows:

Records stored on paper: *shred*

- Many locations have contracts with shredding services. If you don't know how shredding is handled at your location, ask your department/unit business officer.
- Recycling of paper records-including remnants of shredding-is encouraged.

Electronic records: *don't just "erase" or "delete"*

- Contact the IT Department of Alliance for instructions on how to arrange for the destruction of electronic records.

4. **Permanent Record of Destruction:** A permanent record should be kept documenting the scope of records destroyed, the date of destruction, and the identity and signature of the person performing or supervising the performing of the record destruction. With respect to patient medical records, a permanent record should also be kept of patient name, medical record number, date of last visit and birthdate of patient.
5. **Destruction by Outside Parties:** If a professional record destruction company is used, there should be a written business associate agreement with the firm that sets forth the method of destruction, establishes safeguards against breaches of security and confidentiality, and requires the contractor to certify that records delivered to it have been properly destroyed.