JOINT AGREEMENT

Cathedral Village and the Office of the United States Attorney for the Eastern District of Pennsylvania (the "U.S. Attorney's Office"), on behalf of the United States of America (collectively, "the Parties"), hereby jointly agree to the following provisions.

WHEREAS, Cathedral Village is a nonprofit, nondenominational, and multi-cultural Continuing Care Retirement Community ("CCRC") that is: (1) located at 600 East Cathedral Road, Philadelphia, Pennsylvania; (2) accredited by the nonprofit Continuing Care Accreditation Commission of the Commission on Accreditation of Rehabilitation Facilities, the nation's only accrediting agency for CCRCs; and (3) licensed as a CCRC by the Commonwealth of Pennsylvania Insurance Department;

WHEREAS, Cathedral Village operates a 148-bed, on-site Skilled Nursing Facility, known as Bishop White Lodge, that is licensed by the Commonwealth of Pennsylvania Department of Health. The second of the three Bishop White Lodge floors is a Dementia Unit that is devoted exclusively to residents with Alzheimer's disease and memory-impairment-related illnesses;

WHEREAS, local hospital-affiliated gerontologists currently serve as Cathedral Village's Medical Director and attending physicians;

WHEREAS, Cathedral Village and the United States have discussed means by which Cathedral Village can enhance further the quality of care that it provides to its Dementia Unit and other Bishop White Lodge residents, including by way of adoption of revised policies and procedures;

WHEREAS, in May 2010, Cathedral Village engaged a corporate compliance consultant group to assist with enhancing Bishop White Lodge's policies and procedures;

WHEREAS, Cathedral Village and the United States have entered into this Joint Agreement to embody and effectuate enhancements in quality of care at Bishop White Lodge and its Dementia Unit and to ensure that the United States remains apprised of such enhancements;

WHEREAS, this Joint Agreement is not a settlement of any claim(s) of either Party, and is not an admission of wrongdoing, inadequacy, or liability by Cathedral Village;

Accordingly, based upon the foregoing, Cathedral Village and the United States hereby **JOINTLY AGREE** that:

Effective Date And Term

1. This Agreement is effective on the date of final signature ("Effective Date") and expires three years thereafter. The provisions that are set forth in this Agreement will remain in effect for such three-year term.

Compliance Program

2. The Parties acknowledge that Cathedral Village has a "Code of Conduct and Corporate Compliance Program" (hereinafter "Compliance Program") that its Board of Directors adopted in September 2011, that was revised in March 2012, and the table of contents for which is attached as Appendix "A" hereto. The Parties agree that -- at a minimum, for three (3) years from the Effective Date of this Agreement -- Cathedral Village shall continue to have a fully operational Compliance Program and that any amended Compliance Program shall: (a) continue to include all of the elements of the current Compliance Program; and (b) be fully described in the review reports to be provided under Paragraphs 9 through 13 of this Agreement.

Policies and Procedures

3. The Parties agree that, for the full term of this Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures:

a. Policies and procedures for medical documentation, including those that are listed and summarized in Appendix "B" hereto and designated with Cathedral Village policy codes: (i) cr-ecs nursing ("Required Documentation by Nursing Staff"), revised October 2011; (ii) cr-ecs podiatry ("Required Documentation by Ancillary Services"), revised August 2011; (iii) cr-esc therapies ("Required Documentation by Ancillary Services [Physical, Occupational & Speech Therapies]"), revised October 2011; (iv) crs-esc dietary ("Required Documentation by Ancillary Services [Dietary Services]"), revised October 2011; and (v) cr-esc phy doc ("Required Documentation by Physicians"), revised October 2011.

b. Policies and procedures for fall risk assessment, fall prevention, the monitoring of falls, and post-fall assessment/investigation/evaluation/reporting/recovery,

including those that are listed and summarized in Appendix "C" hereto and designated with Cathedral Village policy codes: (i) Nsg F-2 ("Fall Prevention"), revised October 2010; (ii) Nsg F-2a ("Fall Risk Assessment Policy"), revised October 2010; (iii) Nsg H-7.1 ("Hi-Lo Beds"), effective April 2009; (iv) Nsg-N-1a ("Neurological Assessment"), revised July 2010; (v) Nsg 1-2 ("Incident Report - Resident"), revised August 2011; and (vi) Nsg 1-2a ("Accident-Incident Report" and "Incident Investigation" forms), revised May 2010.

c. Policies and procedures for wound care, including those that are listed and summarized in Appendix "D" hereto and designated with Cathedral Village policy codes: (i) Nsg P-8a ("Stage I Pressure Ulcers"), revised August 2011; (ii) Nsg P-8b ("Stage II Pressure Ulcers"), revised March 2012; (iii) Nsg P-8c ("Stage III Pressure Ulcers"), revised March 2012; (iv) Nsg P-8d ("Stage IV Pressure Ulcers"), revised March 2012; (v) Nsg P-8e ("Unstageable Pressure Ulcers"), revised March 2012; (vi) Nsg W-7 ("Wound Documentation, Protocol for New Wound"), revised August 2011; and (vii) Nsg W-8 ("Wound Assessment Worksheet -- Graph"), revised August 2011.

d. Policies and procedures on use of restraints, including those that are listed and summarized in Appendix "E" hereto and designated with Cathedral Village policy codes: (i) Adm P-8 ("Psychotropic Medication Review"), revised August 2011; (ii) Nsg A-5a ("Psychoactive Medication Assessment Form"), revised October 2010; (iii) Nsg P-9 ("Psychotropic Medication Use"), revised August 2011; and (iv) Nsg R-4 ("Restraint Policy/Safety Devices"), revised August 2011.

e. Policies and procedures on quality assurance, including the policy that is listed and summarized in Appendix "F" hereto and designated with Cathedral Village policy code "Adm Q-1" ("Quality Assessment and Assurance Committee"), revised August 2011.

f. Policies and procedures on internal communications, including those that are listed and summarized in Appendix "G" hereto and entitled: (i) "Resident's Review Committee," reviewed January 2010; (ii) "Walking Rounds," revised March 2012; (iii) "Stand Up Meeting," revised March 2012; and (iv) "Twenty-Four Hour Report/Change of Condition Report," revised February 2012.

g. Policies and procedures on hydration, including the policy that is listed and summarized in Appendix "H" hereto and entitled "Hydration Program Policy" (revised June 14, 2012).

h. Policies and procedures on nutrition, including those that are listed and summarized in Appendix "I" hereto and entitled: (i) "New Admissions -- Nutritional Services Department Procedures," revised January 2012; (ii) "Nourishment Area and Snack Bag Policy," revised March 2012; (iii) "Bishop White Lodge Snack Program," revised November 1999; (iv) "Meal Service to Resident in Bishop White Lodge -- Nursing Responsibilities," revised July 2011; (v) "Diet Changes," revised January 2012; (vi) "Commercial Supplement Ordering Procedures," revised January 2012; (vii) "Meal Service Policy," revised March 2012; and (viii) "Allergy List/Breakfast Milk List," reviewed January 2012.

i. Policies and procedures on recreation, including the policy that is listed and summarized in Appendix "J" hereto and designated "Adm R-0" ("Recreational Activity Definition"), revised August 2011.

During the term of this Agreement, the Cathedral Village policies and procedures on the subject matters that are described in this Paragraph 3 (including but not limited to the policies and procedures that are listed and summarized in the appendices hereto) may be modified, but only after: (1) Cathedral Village consults with, and obtains concurrence in the modification(s) from, the corporate compliance consultant(s) provided for in Paragraphs 9 through 13 of this Agreement; (2) advance notice has been provided to the United States of all proposed changes (and of all new, related policies and procedures); (3) the United States is provided ten (10) days from receipt of notice of such proposed change(s) – excluding holidays, and further excluding the period between December 23 and January 3 during each winter of this Agreement – to comment (by telephone, email, or letter to Cathedral Village) upon the proposed change(s); and (4) Cathedral Village has given serious consideration to the United States' comments. Further, during the term of this Agreement, relevant portions of policies and procedures on the subject matters that are described in this Paragraph 3 shall be made available to all individuals whose job functions relate to those policies and procedures.

Training

4. During the term of this Agreement, Cathedral Village agrees to provide for each Bishop White Lodge Dementia Unit employee, at a minimum: (a) at least one hour of annual competency-based training[1] on Cathedral Village's Compliance Program, which

[1] For purposes of this Paragraph 4, "competency-based training" means training on one or more cluster(s) of related knowledge, skills, and attitudes that: (a) affect a major part of the employee's job; (b) correlate with job performance; (c) can be measured against well-accepted

training, for new employees, shall be provided within one month of their start of employment; (b) at least four hours of annual competency-based specific training on subject areas that are set forth in the "policies and procedures" provisions of this Agreement (Paragraph 3, above) and that are pertinent to the employee's responsibilities, which training, for new employees, shall be provided within one month of the start of employment; and (c) periodic training, at least once annually, on quality of care issues at Bishop White Lodge that are identified by any of the following: (i) Cathedral Village's Quality Assurance Committee; (ii) the corporate compliance consultant(s) provided for in Paragraphs 9 through 13 of this Agreement; (iii) complaints; (iv) satisfaction surveys; (v) State, federal, or private agency/JCAHO surveys; (vi) internal surveys; and (vii) CMS quality indicators and quality measures. All training materials shall be provided to Cathedral Village's corporate compliance consultant(s) who provide(s) the review functions that are set forth in Paragraphs 9 through 13 of this Agreement. At least annually, such corporate compliance consultant(s) shall send to the United States (by way of review report exhibit) a copy of those training materials. Persons who provide the training that Cathedral Village agrees to in this Paragraph must have sufficient expertise in the training subject area.

Dementia Training

5. Cathedral Village, for each of the three years of this Agreement, agrees annually to have a professional, with expertise in dementia, train all Bishop White Lodge Dementia Unit employees on dementia topics. Individuals who are not Bishop White Lodge Dementia Unit employees at the time that such training takes place, but who later become Bishop White Lodge Dementia Unit employees during the term of this Agreement, shall receive the equivalent of such training within six months of their start-dates at Bishop White Lodge.

Quality of Life Fund

6. To enhance further the quality of care provided to its Dementia Unit residents, Cathedral Village agrees immediately to create a "Quality of Life" fund of $45,000, which shall be in addition to: (a) any expenditures for programs, services, and equipment for which Cathedral Village has already budgeted in the ordinary course of its business; and (b) monies paid or payable to Cathedral Village's corporate compliance consultant(s) who perform(s) the review functions that are set forth in Paragraphs 9 through 13 of this Agreement. This fund shall be committed within six months of the

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standards; and (d) can be improved through training and development.

Effective Date of this Agreement and spent during the term of this Agreement. The United States will have the opportunity to approve proposed expenditures from the fund, which approval shall not be unreasonably withheld. The United States shall respond to each of Cathedral Village's expenditure proposals within ten (10) days (excluding holidays, and excluding the period between December 23 and January 3 during each winter of this Agreement) of the United States' receipt of the proposal. The United States' response may be by telephone, email, or letter. In the absence of a timely response from the United States, Cathedral Village can proceed with its proposed expenditure.[2] Portions of this fund – but in no event more than $20,000 – may be used to pay for the dementia training that is referred to in Paragraph 5 of this Agreement, to the extent that the training occurs after the Effective Date of this Agreement.

Certifications in Gerontological Nursing

7. For the entire period of this Agreement, Cathedral Village agrees: (a) to require that its Director of Nursing and Nurse Managers be certified in Gerontological Nursing by the American Nurses Credentialing Center, the Pennsylvania Association of Directors of Nursing Administration, the American Nursing Association, or such other certifying agency that the United States advises Cathedral Village is acceptable to the United States; and (b) to make such certification a requirement of the Director of Nursing and Nurse Manager positions. To the extent that Cathedral Village's Director of Nursing and Nurse Managers are not so certified on the Effective Date of this Agreement, they will begin the process of obtaining such certification within six (6) months of the Effective Date of this Agreement and shall complete such process within twelve (12) months of the Effective Date. To the extent that, during the term of this Agreement, Cathedral Village newly hires or promotes an individual to a Director of Nursing or Nurse Manager position, and the individual is not so certified at the time of hire or promotion, the individual shall: (a) commence the process of obtaining certification within six (6) months of beginning in such position(s); and (b) complete the certification process within twelve (12) months of hire or promotion.

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[2] Cathedral Village submitted to the United States a chart entitled "Committed Quality of Life/Quality of Care Expenditures." The chart lists expenditures that Cathedral Village commits to make during the term of this Agreement. The United States confirms that: (a) these proposed expenditures satisfy Paragraph 6 of this Agreement; and (b) Cathedral Village may proceed with the listed expenditures without obtaining further approval from the United States, on condition that Cathedral Village notifies the United States when each such expenditure has been made. The Parties agree that any changes to these proposed expenditures shall be submitted to the United States for approval in accordance with the procedures that are set forth in Paragraph 6.

Medical Director

8. Cathedral Village agrees: (a) to maintain, during the term of this Agreement, a position description for its Medical Director that meets or exceeds, in all material respects, the standards for Medical Director roles, functions, and essential (Tier 1) tasks that are set forth in the March 2011-adopted American Medical Directors Association's Resolution A-11 ("White Paper on the Nursing Home Medical Director: Leader and Manager,"), which is currently available at http://www.amda.com/governance/whitepapers/A11.cfm; and (b) to require that the Cathedral Village Medical Director performs such roles, functions, and tasks in a diligent and consistent manner pursuant to that job description. Cathedral Village has produced to the United States a proposed Medical Director position description, which the United States confirms meets in all material respects the minimum requirements of this Paragraph.

Consultant Reviews/Reporting

9. At the end of three months after the Effective Date of this Agreement, and thereafter at six months, eighteen months, and thirty months after the Effective Date, Cathedral Village agrees to have a corporate compliance consultant that the United States approves perform reviews assessing whether Cathedral Village has:

a. implemented, and adhered to, the provisions of the Compliance Program that are described in Paragraph 2 of this Agreement;

b. implemented, and adhered to, the policies and procedures that are described in Paragraph 3 of this Agreement;

c. held, and ensured employees' attendance at, the training sessions that are referred to in Paragraph 4 of this Agreement;

d. held, and ensured employees' attendance at, the dementia training sessions that are referred to in Paragraph 5 of this Agreement;

e. properly allocated and used the Quality of Life Fund that is referred to in Paragraph 6 of this Agreement;

f. ensured that Cathedral Village's Director(s) of Nursing and Nurse Managers have obtained or are in the process of timely obtaining gerontological nursing certifications, as required under Paragraph 7 of this Agreement;

g. ensured that the Cathedral Village Medical Director position description that is referred to in Paragraph 8 of this Agreement is maintained and followed; and

h. ensured the fulfillment of existing agreements between Cathedral Village, on the one hand, and health systems, hospitals, or other entities, on the other, that bear upon care at Bishop White Lodge, including any agreement that physicians will provide a certain number of hours of coverage at Cathedral Village each week, month, or year.

10. The United States' approval of a corporate compliance consultant shall not be unreasonably withheld. The consultant shall: (a) certify that review reports that are required under this Agreement are "true and accurate to the best of [the consultant's] information and belief"; and (b) send the reports simultaneously to the United States and Cathedral Village.

11. The matters to be reviewed will not change over time unless they: (a) are one-time events; (b) are the result(s) of non-compliance discovered after the Effective Date of this Agreement; or (c) involve raised or lowered percentages of medical chart reviews based upon review findings. The Parties agree that the proper allocation and use of the Quality of Life fund that is referred to in Paragraph 6 of this Agreement are "one-time events" that will be reviewed only until each use for which that fund has been allocated and spent begins, except that, in the case of allocation and use for therapy, training, or another service, the use will be reviewed until completed.

12. Each of the corporate compliance consultant's review reports shall include a chart review of electronic and hard-copy medical records (including but not limited to incident reports and any other fall-related reports, and responses to such reports) for residents of the Dementia Unit at Bishop White Lodge during the review period. The review report that is due three months after the Effective Date will be based upon a random review of 10% of all such documents. If no material non-compliance (with Cathedral Village's policies and procedures on medical documentation and other matters, and with Cathedral Village's Compliance Program) is found upon such initial review, later review reports will review 5% of such documents, unless and until material non-compliance is found. If material non-compliance is found upon initial review or any later review: (i) 20% of such documents shall be reviewed at the time of discovery of such material non-compliance; (ii) the corporate compliance consultant shall re-review 20% of such documents within ninety (90) days of the review finding of material non-compliance; (iii) if upon re-review the corporate compliance consultant finds a further

material non-compliance, the consultant shall perform re-reviews at 90-day intervals of 20% of such documents until no material non-compliance is found; (iv) if upon any such re-review no material non-compliance is found, a re-review of 10% of such documents will occur within six (6) months; (v) if no material non-compliance is found upon that six-month re-review, subsequent reviews of 5% of such documents shall occur at the intervals that are set forth in Paragraph 9 above (eighteen months and thirty months after the Effective Date), unless and until a material non-compliance is found.

13. If the corporate compliance consultant uncovers material non-compliance by Cathedral Village with this Agreement, the consultant shall notify Cathedral Village of such material non-compliance. Cathedral Village shall have a period thereafter of thirty (30) days: (a) to cure the material non-compliance; and (b) to propose an adequate plan of correction. Within ten (10) days after such thirty-day period expires, the consultant shall report its findings and transmit the plan of correction to the United States and shall include a certification that: (a) Cathedral Village has (or has not) cured the cited material non-compliance; and (b) the plan of correction is (or is not) appropriate. The United States may review the plan of correction and propose changes that, if the consultant concurs, Cathedral Village will implement within thirty (30) days of the United States' request, except upon agreement of the United States to a longer period, which agreement shall not unreasonably be withheld.

Enforcement

14. The laws of the United States of America govern this Agreement. The Parties may seek specific performance of the terms of this Agreement in the United States District Court for the Eastern District of Pennsylvania, which shall have exclusive jurisdiction and venue over any such dispute. The Parties agree that, upon the filing of any such action for specific performance, they will request and participate in a non-binding early mediation conference with a United States District Court Judge or United States Magistrate Judge.

Release of the United States from Claims

15. Cathedral Village fully and finally releases the United States (including but not limited to its agencies, employees, servants, and agents) from any claims (including for attorney's fees, costs, and expenses of every kind and however denominated) that Cathedral Village has asserted, could have asserted, or may assert in the future against the United States (including but not limited to its agencies, employees, servants, and agents), related to this Agreement and the Parties' related negotiations. Cathedral Village and the

United States shall bear their own legal and other costs incurred in connection with this matter, including costs for the preparation and performance of this Agreement.

Miscellaneous Provisions

16. Federal law and/or controlling State law that is in conflict with the Cathedral Village policies, practices, procedures, and Compliance Program that are set forth, or referred to, in this Agreement take precedence over the terms of those policies, practices, procedures, and Compliance Program, and Cathedral Village's compliance with any such provision of law shall not constitute a material failure to implement such policies, practices, procedures, and Compliance Program.

17. The Parties freely and voluntarily enter into this Agreement without any degree of duress or compulsion whatsoever.

18. This Agreement -- including each and every Cathedral Village policy, practice, procedure, and Compliance Program provision that is referenced in this Agreement and its appendices -- constitutes the complete agreement among the Parties. This Agreement may not be amended except by written consent of the Parties.

19. Notice under this Agreement is to be made by overnight delivery as follows. Notice to the United States of America should be sent to the attention of Gerald B. Sullivan and Veronica J. Finkelstein, Assistant U.S. Attorneys, Office of the U.S. Attorney, 615 Chestnut Street, Suite 1250, Philadelphia, Pennsylvania 19106-4476. Notice to Cathedral Village should be sent to the attention of Sue Siegfried, Vice President, Health Services, Cathedral Village, 600 E. Cathedral Road, Philadelphia, PA 19128.

20. The individuals signing this Agreement on behalf of Cathedral Village represent and warrant that they are authorized by Cathedral Village to execute this Agreement. The United States signatories represent that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement.

21. This Agreement may be executed in counterparts, each of which constitutes an original, and all of which constitute one and the same agreement.

22. This Agreement is binding upon the successors, transferees, heirs, and assigns of Cathedral Village.

23. Cathedral Village consents to the United States' disclosure to the public of this Agreement (including its appendices).

24. For purposes of construction, this Agreement shall be deemed to have been drafted by all of the undersigned Parties and shall not, therefore, be construed against any Party in any subsequent dispute.

CATHEDRAL VILLAGE

DATED: 11/20/12 **BY:** _____

DENNIS KOZA
President and Chief Executive Officer
Cathedral Village

DATED: 11/20/12 **BY:** _____

DAVID M. LAIGAIE, Esquire
Dilworth Paxson
1500 Market Street
Suite 3500E
Philadelphia, PA 19102-2101
(215) 575-7168
(215) 575-7200 (fax)

As counsel for Cathedral Village

THE UNITED STATES OF AMERICA

DATED: 11/29/2012

BY: _____
ZANE DAVID MEMEGER
United States Attorney

DATED: 11/29/12

BY: _____
MARGARET L. HUTCHINSON
Assistant United States Attorney
Chief, Civil Division

DATED: 11/29/12

BY: _____
MARY CATHERINE FRYE
Assistant United States Attorney
Deputy Chief, Civil Division

DATED: 11/29/12

BY: _____
GERALD B. SULLIVAN
Assistant United States Attorney

DATED: 11/29/12

BY: _____
VERONICA J. FINKELSTEIN
Assistant United States Attorney

APPENDIX A

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce a "Code of Conduct and Corporate Compliance Program" (hereinafter "Compliance Program"). This Compliance Program shall include all of the elements of the Compliance Program that: (a) Cathedral Village's Board of Directors adopted in September 2011; and (b) was revised in March 2012. The March 2012-revised Compliance Program (including its attachments) has the following table of contents:

I. Code of Conduct – General Statement of Policy

II. Code of Conduct – Principles and Interpretative Guidances

Principle 1 – Compliance with Relevant Laws and Regulations
Principle 2 – Business Ethics and Relationships
Principle 3 – Confidentiality
Principle 4 – Conflicts of Interest
Principle 5 – Political Activity
Principle 6 – Computer and Internet Usage
Principle 7 – Media
Principle 8 – Books and Records
Principle 9 – Protection of Assets
Principle 10 – Compliance with the Code of Conduct

III. Corporate Compliance Program Structure and Requirements

A. Designation of a Compliance Officer
B. Corporate Compliance Committee
C. Reporting and Investigation
D. Effective Training and Education
E. Compliance Monitoring
F. Compliance Monitoring Plan

IV. Specific Compliance Risk Areas

V. Staff Education

VI. Discipline and Enforcement

VII. Regular Review and Analysis of Compliance Program Effectiveness

APPENDIX B

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures for medical documentation:

1. The set of policies/procedures that has been designated with Cathedral Village policy code "cr-ecs nursing," that is entitled "Required Documentation by Nursing Staff" (revised October 2011), and that requires nursing staff to comply with all Clinical Record requirements for documentation as set forth in applicable Federal/State regulations. In summary, the nursing staff are responsible for: (a) signing and dating all record entries; (b) timely completing all record entries; (c) completing daily progress notes, as necessary; (d) participating in/documenting care planning and discharge planning; (e) completing incident reports/supporting documentation, as required; (f) recording vital signs, weights and other clinical measurements, as necessary; (g) transcribing/signing/dating verbal physicians' orders; (h) documenting medication administration; (i) documenting – and providing notification of – a resident's change of status/emergency care; (j) completing post mortem documentation; (k) completing discharge documentation; (l) correcting record entries in accordance with accepted health information management standards; and (m) completing all paper clinical records in ink.

2. The set of policies/procedures that has been designated with Cathedral Village policy code "cr-ecs podiatry" and that is entitled "Required Documentation by Ancillary Services" (revised August 2011). This document requires all ancillary support staff to comply with the Medical Record Documentation Requirements as set forth in applicable Federal and State Regulations. In summary, with respect to podiatry staff: (a) the podiatrist is responsible for signing and dating all record entries, for completing a progress note for all visits, for correcting entries in accordance with accepted health information management standards, and for completing all paper clinical records in ink; (b) the attending physician is responsible for ordering all podiatry services; (c) the nursing staff are responsible for notifying the podiatrist of the need for services; and (d) staff are to ensure that podiatry consults are maintained in the clinical record.

3. The set of policies/procedures that has been designated with Cathedral Village policy code "cr-esc therapies," that is entitled "Required Documentation by Ancillary Services [Physical, Occupational & Speech Therapies]" (revised October 2011), and that requires all ancillary support staff to comply with the Clinical Record Documentation Requirements in applicable Federal and State Regulations. In summary, with respect to physical/occupational/speech therapy staff, attending physicians are responsible for signing completed evaluations and for recertifying the need for continued therapy; and therapists are responsible for: (a) signing, dating, and logging the time of all record entries; (b) performing therapy assessments pursuant to physician orders;

(c) writing clarification orders and obtaining approvals from attending physicians; (d) documenting therapy services; (e) notifying nursing staff of (and documenting in the clinical record) changes in resident condition; (f) writing orders for changes to the therapy regimen and obtaining approval from attending physicians; (g) writing therapy discharge summaries; (h) writing discharge orders and obtaining physician approvals; (i) correcting record entries in accordance with accepted health information management standards; (j) completing all paper clinical records in ink; and (k) completing care plans.

4. The set of policies/procedures that has been designated with Cathedral Village policy code "crs-esc dietary" and that is entitled "Required Documentation by Ancillary Services [Dietary Services]" (revised October 2011). This document requires all dietary services staff to comply with the Clinical Record Documentation Requirements as set forth in applicable Federal and State Regulations. In summary, dietary services staff are responsible for: (a) documenting admission dietary notes; (b) evaluating residents upon admission/readmission and documenting evaluations in assessments and plans of care; (c) completing interim progress notes, as necessary; (d) completing ongoing dietary assessments, as necessary; (e) evaluating residents at risk for skin breakdown as well as with actual skin breakdown; (f) completing post-discharge plans of care; (g) correcting record entries in accordance with accepted health information management standards; (h) completing all paper clinical records in ink; and (i) completing care plans.

5. The set of policies/procedures that has been designated with Cathedral Village policy code "cr-esc phy doc," that is entitled "Required Documentation by Physicians" (revised October 2011), and that requires all physician staff to comply with the Clinical Record Documentation Requirements in applicable Federal and State Regulations. In summary, physicians are responsible for: (a) signing and dating all paper record entries (a signature stamp is not allowed); (b) conducting admission visits; (c) completing admission notes/admission orders; (d) completing progress notes, as needed; (e) reviewing medications/plans of care, as required; (f) completing written orders for drugs/biologics; (g) co-signing verbal orders; (h) completing written orders for all treatments/diets/activity levels/therapies/podiatry care/optometry care/dental care/consultations by other physicians/restraint use; (i) completing orders authorizing medication self-administration; (j) completing discharge orders; (k) evaluating/ documenting residents' capacities to make medical decisions; (l) reviewing/discussing, at admission, end-of-life issues with residents or their responsible agents, and documenting the reviews/discussions in medical records; (m) honoring Advance Directives; (n) correcting record entries in accordance with accepted health information management standards; and (o) completing all paper clinical records in ink.

APPENDIX C

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures for fall risk assessment; fall prevention; monitoring of falls; post-fall assessment; post-fall investigation; post-fall evaluation; post-fall reporting; and post fall recovery:

1. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg F-2" and that is entitled "Fall Prevention" (revised October 2010). This document requires Cathedral Village: (a) to keep all residents safe; and (b) to promote the highest-possible level of resident function, both (i) through general interventions that involve safety equipment, alarm systems, and furniture and bed positioning, and (ii) through resident-specific interventions, as determined through assessments, care planning and medication monitoring.

2. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg F-2a" and that is entitled "Fall Risk Assessment Policy" (revised October 2010). This document requires Cathedral Village to identify residents at risk for falls – upon their admissions to Cathedral Village and during their Cathedral Village residence, through assessments, interventions, care planning and regularly scheduled clinical meetings – in order to provide meaningful interventions to reduce such residents' risk of falls and injury.

3. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg H-7.1" and that is entitled "Hi-Lo Beds" (effective April 2009). This document requires Cathedral Village to provide a safe, comfortable environment for residents who have the potential for injury from falls by providing hi-lo beds as necessary and by explaining the use of such beds to residents and family members.

4. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg-N-1a" and that is entitled "Neurological Assessment" (revised July 2010). This document requires Cathedral Village to assess accurately a resident's neurological status in the event of head trauma – due to a fall, blunt trauma with an object, physical force by another, or other head injury – through a neurological assessment and recurring, regularly scheduled neurological checks over a specified period of time.

5. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg 1-2" and that is entitled "Incident Report - Resident" (revised August 2011). Whenever a resident experiences an incident and/or occurrence that is not consistent with routine care or with appropriate facility operation, this document requires

Cathedral Village: (a) to initiate an assessment; (b) to provide appropriate medical care; (c) to notify all relevant parties; (d) to document and report the incident/occurrence; and (e) to ensure that solutions are implemented and communicated to appropriate staff.

6. The form that is designated with Cathedral Village code "Nsg 1-2a" (entitled "Accident-Incident Report") and the form that is entitled "Bishop White Lodge Incident Investigation" (revised May 2010).

APPENDIX D

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures for wound care:

1. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg P-8a" and that is entitled "Stage I Pressure Ulcers" (revised August 2011). This document requires Cathedral Village: (a) to detect pressure ulcers at the earliest time in the course of resident care; (b) to implement interventions to prevent the development of pressure ulcers; and (c) to follow specified clinical procedures and interventions to treat stage I pressure ulcers.

2. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg P-8b" and that is entitled "Stage II Pressure Ulcers" (revised March 2012). This document requires Cathedral Village to follow specified clinical procedures and interventions to treat stage II ulcers, with a treatment goal of limiting progression of stage II ulcers and preventing the development of additional wounds.

3. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg P-8c" and that is entitled "Stage III Pressure Ulcers" (revised March 2012). This document requires Cathedral Village to follow specified clinical procedures and interventions to treat stage III ulcers, with treatment goals of limiting the progression of stage III ulcers, preventing the development of additional wounds, and identifying risk factors.

4. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg P-8d" and that is entitled "Stage IV Pressure Ulcers" (revised March 2012). This document requires Cathedral Village: (a) to follow specified clinical procedures and interventions to treat stage IV ulcers; or (b) to control pain, infection, odor and drainage in the case of irreversible malnutrition.

5. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg P-8e" and that is entitled "Unstageable Pressure Ulcers" (revised March 2012). This document requires Cathedral Village to follow specified clinical procedures and interventions to treat unstageable ulcers.

6. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg W-7" and that is entitled "Wound Documentation, Protocol for New Wound" (revised August 2011). This document requires Cathedral Village to begin the appropriate wound documentation process and to ensure that all disciplines are made

aware of the presence of a wound.

7. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg W-8" and that is entitled "Wound Assessment Worksheet -- Graph" (revised August 2011). This document requires Cathedral Village to use a "Wound Assessment Worksheet – Graph" to monitor progress and evaluate treatment of pressure ulcers and/or other wounds in residents.

APPENDIX E

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures on the use of restraints:

1. The set of policies/procedures that has been designated with Cathedral Village policy code "Adm P-8" and that is entitled "Psychotropic Medication Review" (revised August 2011). This document requires Cathedral Village, through its Psychotropic Medication Review Committee, either to find the lowest-effective dose of a psychotropic medication or to eliminate the use of the medication while maintaining the safety, functional status, and dignity of a resident.

2. The form that has been designated with Cathedral Village policy code "Nsg A-5a" and that is entitled "Psychoactive Medication Assessment Form" (revised October 2010).

3. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg P-9" and that is entitled "Psychotropic Medication Use" (revised August 2011). This document requires Cathedral Village's attending physicians to attempt (with the assistance of the Medication Review Committee) to find the lowest-effective dose of a psychotropic medication or to eliminate the use of the medication while maintaining the safety, functional status, and dignity of a resident.

4. The set of policies/procedures that has been designated with Cathedral Village policy code "Nsg R-4" and that is entitled "Restraint Policy/Safety Devices" (revised August 2011). This document establishes that: (a) for newly admitted residents, Cathedral Village will no longer use or apply physical restraints; and (b) for all residents, Cathedral Village will conduct assessments to identify and implement the least-restrictive interventions that are necessary to maintain safety.

APPENDIX F

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the policy that has been designated with Cathedral Village policy code "Adm Q-1" and that is entitled "Quality Assessment and Assurance Committee" (revised August 2011). This document requires Cathedral Village to have a Quality Assessment and Assurance Committee, as an advisory committee to the Administration. The Committee's stated goals are: (a) consistently to improve performance; (b) objectively to monitor and systematically to evaluate the appropriateness and quality of care that is provided at Bishop White Lodge; and (c) to provide a means by which quality-of-care-related problems can be identified and resolved through an interdisciplinary approach.

APPENDIX G

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures on internal communications:

1. The set of policies/procedures that is entitled "Resident's Review Committee" (reviewed January 2010). This document requires Cathedral Village to maintain a Resident's Review Committee that consists of all director-level employees, as well as other staff (as appropriate), to meet regularly to assess residents and care plans.

2. The set of policies/procedures that is entitled "Walking Rounds" (revised March 2012). This document requires Cathedral Village's nursing supervisors to participate in "rounding" in order to facilitate communication of resident information among nursing supervisors and on-coming shift staff, with a focus on communication of information about residents' safety, especially for residents who are at a high risk for falls.

3. The set of policies/procedures that is entitled "Stand Up Meeting" (revised March 2012). This document requires Cathedral Village to conduct an interdisciplinary daily meeting to discuss residents' conditions and changes within the previous 24 hours that affect plans of care.

4. The set of policies/procedures that is entitled "Twenty-Four Hour Report/Change of Condition Report" (revised February 2012). This document requires Cathedral Village's licensed nurses to complete a "Twenty Four Hour Report"/"Change of Condition Report" in order to communicate resident information among all three shifts. The document requires such reporting not merely for the purpose of communicating census activity but also to ensure the continuity of care, the adequacy of plans of care, and accurate documentation.

APPENDIX H

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the policy that is entitled "Hydration Program Policy" (revised June 14, 2012). This document requires Cathedral Village to ensure – by recording and monitoring residents' fluid intake, and by initiating appropriate interventions for residents, as needed – that all residents living in Bishop White Lodge receive adequate hydration.

APPENDIX I

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the following policies and procedures on nutrition:

1. The set of policies/procedures that is entitled "New Admissions -- Nutritional Services Department Procedures" (revised January 2012). This document requires Cathedral Village timely to provide newly admitted residents with meals that are compatible with their diet orders and preferences, by having "Dietary and Speech Therapy": (a) review all ordered diets; and (b) recommend changes as necessary.

2. The set of policies/procedures that is entitled "Nourishment Area and Snack Bag Policy" (revised March 2012). This document requires Cathedral Village: (a) to make snacks available to all residents in the "Nourishment Area," which shall be stocked with "between meal" snacks and juice; and (b) to provide an afternoon or evening snack bag to all residents who request one.

3. The set of policies/procedures that is entitled "Bishop White Lodge Snack Program" (revised November 1999). This document requires Cathedral Village to provide residents with nourishment, in an effort to maintain adequate nutritional status. Nursing is responsible for distributing snacks to all residents who request them.

4. The set of policies/procedures that is entitled "Meal Service to Resident in Bishop White Lodge -- Nursing Responsibilities" (revised July 2011). This document requires Cathedral Village to provide selective menus to all Bishop White Lodge residents. The nursing staff is responsible for ensuring that: (a) residents with therapeutic diet orders have received physician instructions; and (b) residents are assisted with filling out menus. Nursing supervisors and nursing assistants are responsible for supervising and assisting residents at all mealtimes.

5. The set of policies/procedures that is entitled "Diet Changes" (revised January 2012). This document requires Cathedral Village: (a) to maintain a cardex to reflect residents' most-current diet orders; and (b) to update menus and Nutritional Science and Diet lists as quickly as possible, to reflect most-current diet orders.

6. The set of policies/procedures that is entitled "Commercial Supplement Ordering Procedures" (revised January 2012). This document requires Cathedral Village to stock adequate and appropriate supplements to meet residents' nutritional needs. Cathedral Village will offer a variety of commercially available supplements. If residents require supplements that are not routinely offered, Cathedral Village will attempt to obtain the supplements from a pharmacy.

7. The set of policies/procedures that is entitled "Meal Service Policy" (revised March 2012). This document requires Cathedral Village to provide residents with adequate and nutritional meals in a family-like setting, by allowing residents to choose meals on a daily basis, without the necessity of selecting meals a week in advance.

8. The set of policies/procedures that is entitled "Allergy List/Breakfast Milk List" (reviewed January 2012). This document requires Cathedral Village to screen all residents for allergies and dietary intolerances during initial Nutritional Services visits and to document all allergies and dietary intolerances on residents' cardexes and on master diet lists. In addition, Cathedral Village will maintain a list of residents' milk requests and will update the list, as needed.

APPENDIX J

For the full term of the parties' Joint Agreement, Cathedral Village will maintain and enforce at Bishop White Lodge, including in its Dementia Unit, the policy that has been designated with Cathedral Village policy code "Adm R-0" and that is entitled "Recreational Activity Definition" (revised August 2011). This document requires Cathedral Village to provide recreational activity under the direction of a Recreational Director. The director will plan his/her program taking into consideration the needs, abilities, and interests of the Bishop White Lodge residents. The director will provide such residents with opportunities – and with encouragement – to pursue those interests. Residents' activity participation will be recorded in their medical records, and reassessments will be conducted annually and at more frequent intervals, as needed.