# U.S. Physical Therapy, Inc. ESG Tear Sheet 2022

# **Introduction**

U.S. Physical Therapy, Inc. ("USPH" or the "Company") is one of the largest publicly traded, pureplay operators of outpatient physical and occupational therapy clinics with more than 600 clinics in 40 states. In addition, USPH owns and operates a robust industrial injury prevention business, providing services to hundreds of companies to help them foster a culture of safety and wellness for their respective employees.

The rehabilitation clinics provide pre- and post-operative care for a variety of orthopedic-related disorders and sports-related injuries, as well as rehabilitation of injured workers. USPH also manages physical therapy facilities for third parties, including physician groups and hospitals. Mostly all of USPH's clinics are directed by licensed physical therapist partners who oversee the business and clinical operations of the clinic.

USPH has grown its business through a combination of de novo development and strategic acquisitions. The strategic acquisitions have accelerated the Company's growth, and typically are structured with significant ownership retained by the practice owners and founders, who remain with the business.

As of December 31, 2021, we employed a total of 5,845 people nationwide, including more than 3,200 full-time employees. Almost 900 of these employees are in management-level positions, including clinic directors, managers, corporate support directors, vice presidents and other executives. During 2021, our clinics handled more than four million patient visits, making a profound impact on the health and well-being of thousands of patients.

# About this Report

This document is USPH's first publication regarding the processes and programs across the organization pertaining to environmental, social and governance ("ESG") risk management and oversight. This report is guided by the Sustainability Accounting Standards Board (SASB) standards for Health Care Delivery. This report is also aligned to the United Nations Sustainable Development Goals (UN SDGs) to capture sustainability priorities for our broader stakeholder landscape. This document covers the reporting period of January 1, 2021 through December 31, 2021, unless otherwise noted.

In this report, we highlight a number of initiatives and processes underway during 2021 and into 2022 as part of our ESG journey, which we see as a reflection of USPH's overall mission and strategy. Our values and culture emanate from a care-driven, patient-focused purpose to serve people in their everyday lives by helping them to achieve health and wellness and to return to the activities they love.

This Environmental, Social, Governance Tear Sheet 2022 (the "ESG Tear Sheet") contains forwardlooking statements regarding our future business expectations and objectives and our environmental, social and governance goals, which involve risks and uncertainties. Actual results may differ materially from the results anticipated depending on a variety of important factors, including without limitation the risks detailed in our filings with the U.S. Securities and Exchange Commission. In relation to the ESG Tear Sheet, we are (wholly or in part) reliant on public sources of information and information provided by our own suppliers and business partners.

# **Relevance of ESG to Our Business**

Our review and evaluation of ESG is based on our assessment of those environmental, social and governance factors that are relevant to our business. Through our subsidiary partnerships, we provide patient care services primarily in freestanding outpatient physical therapy settings, and we also provide onsite injury prevention and rehabilitation, performance optimization, post-offer employment testing, functional capacity evaluations and ergonomic assessments on behalf of third-party employers. As a services company in healthcare, we are highly regulated at the federal and state level, and we are subject to a variety of healthcare-specific laws concerning patient privacy, government reimbursement, and other regulatory and compliance matters. We lease all of the spaces where we operate, including clinics and our corporate offices. We do not manufacture products. Most of our services are performed "person to person" in direct contact with our patients and customers

As a result, our approach to ESG focuses on protecting, sustaining, and caring for our most important assets – our employees and our patients. Human capital management, relational interaction and development of ability is at the forefront of our culture and our strategy. As of December 31, 2021, we employed more than 2,500 full and part-time licensed physical therapists, occupational therapists and physical and occupational therapist assistants, and more than 930 therapy aides/technicians. These clinicians work within partnership structures where the leadership, culture and clinical excellence is led by local, licensed, owner-clinicians. These partnerships are supported by regional management and our corporate and internal support structure, whose purpose is to provide the necessary support and services so that our clinicians and partnership organizations can focus on their core competency – taking care of patients. These support functions are vast, and include compliance, managed care contracting, revenue cycle management, information technology, clinic development, legal support, human resources and support for other back-office areas.

As a public company we are also committed to operating with transparent and responsive governance policies and practices that serve the long-term interests of the company and our stakeholders.

Although all of the physical locations from which we operate ae leased from third parties, and our overall footprint is relatively small compared to many public companies, we are committed to exploring practical opportunities to engage in energy and waste management strategies that will positively impact our environment. Over the past few years our operations have become more efficient with respect to travel. Routinely we now use established video conferencing tools like Zoom and Teams to conduct meetings rather than asking people to fly to do face-to-face meetings which, while necessary for some considerations, can be augmented effectively with these wellestablished tools.

# **Employees**

The following information is consistent with UNSDG Standard 8: Decent Work and Economic Growth – promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

#### Human Capital Management

As of December 31, 2021, we employed a total of 5,845 employees nationwide, including more than 3,200 full-time employees. We have more than 600 clinics and operate in 40 states. More than 45% of our workforce work part-time and enjoy the flexibility that provides them and their families.

#### Employee Recruitment, Development, & Retention (HC-DY-330a.2)

Our partnerships' continued ability to provide superior, high-quality, patient care services depends on our ability attract, develop and retain clinicians who are qualified, thoughtful, and highly engaged. We strive to attract and retain exceptional people by providing access to extensive resources and career development opportunities, investing in our people to aid in their development and skill-building as they grow their careers at USPH. We offer established and highly regarded leadership, operations, sales and cultural enhancement programs that we broadly refer to as "Masters Training." Further, we fund and encourage employees to broaden their abilities through a myriad of nationally recognized educational and specialty clinical training, mentorship and fellowship training programs. Internally we deploy certain updates to care, coding, compliance and related continuously evolving areas through webinars and an internal learning management platform, all of which are important to support our growing workforce.

# **Recruitment**

We stay closely connected to the communities where we operate, not only because it is our responsibility as a corporation, but it is also a key tool used to recruit top talent. Across our operations, recruitment begins at the local level, as our partners and local leaders are embedded within the local communities they serve. Our partnerships' local brand awareness and strong community ties enable our clinics to attract quality local candidates. Further recruiting support is provided from our Houston-based support services group, which coordinates these efforts with the local partners.

Many of our partnerships also have established Clinical Affiliation Agreements with local colleges and universities. Across the country, we currently have relationships with approximately 200 accredited universities. Through these arrangements, aspiring physical therapists are able to obtain practical clinical experience working side by side with our experienced licensed staff, as they pursue their Doctor of Physical Therapy Degree. USPH provides support to university athletics and educational programs in many ways including pro-bono coverage in their clinics, mentorships, internships, speaking engagements, teaching assignments and alumni involvement. Some of the universities involved include Baylor University, The University of Vermont, Northeastern University, Hawaii Pacific University, College of Saint Mary, University of St. Augustine, Belmont University, and Georgia State University, among others.

arrangements enhance our local recruitment efforts, since many of the participants look to practice in these same local communities upon graduation.

Our partnerships advertise through various means including job boards, college campuses, social, trade and professional websites, community sites and local events. We also partner with local high schools in many of the communities we serve, providing services and mentoring opportunities to high school students who may have interest in pursuing a career in our industry. We encourage partners to utilize every opportunity available within their operating community to get connected with top talent as well as to give back to those communities we serve.

We strive to recruit diverse candidates and are committed to making an impact in increasing diversity of talent in the field of physical therapy, so that our care providers better reflect the patients and communities we proudly serve. Our internal recruiters and local partnership leaders work with historically black colleges and universities (HBCUs) and use campus recruitment opportunities, as well as word of mouth recruitment through our Partners to enhance diversity in our applicant pools. In 2021, more than 63% of our clinical hires and more than 73% of all company hires were diverse by gender, race, or ethnicity. In total, 61% of our clinicians are female. We hired over 2,700 new employees in 2021. Many of our clinics provide services in rural and underserved communities. Our Company is a founding member of the Alliance for Physical Therapy Quality and Innovation (APTQI). Part of APTQI's mission is to further enhance diversity in our profession particularly among under-represented minorities. As such, APTQI has a very active diversity and equity committee as part of the APTQI Board, which is led by our Chief Executive Officer - Chris Reading, who has served as President of APTQI for many years. Under the leadership of Mr. Reading and other physical therapy industry leaders, APTQI has helped to fund scholarships and awards for HBCU students as well as supporting the funding of an intern for the Congressional Black Caucus.

# **Training and Development**

We provide opportunities for our employees to grow through continuing education, annual compliance training, internal leadership development programs and both formal and informal mentoring initiatives. We have over 2,500 licensed professionals who maintain in good standing with their education requirements.

We support our licensed professionals with quality continuing education support for specialization, such as American Board of Physical Therapy Specialties (ABPTS) certifications, dry needling, and electromyography, as well as access to internally developed clinical programs (such as Falls Prevention). We offer employees the ability to participate in our internal leadership development program, the USPH Masters Institute. This program, which has been a foundation of our company for the past 15 years, is offered three to four times each year and involves a multi-day leadership program for our partners, clinic directors, and sales professionals. The program provides

- Management and Operations tools
- Development of strategic growth goals for individual clinics
- Financial and business operations education
- Guidance for managing staff

- Customer service awareness
- Sales and marketing training
- Compliance and legal guidance for staff, clinic, and patient management

Many of our partnerships have developed clinical residency programs that allow physical and occupational therapists to further develop their clinical expertise. These programs provide a post-professional clinical and didactic education for physical therapists that is designed to significantly advance the physical therapist resident's preparation as a provider of patient care services in a defined area of clinical practice. It combines opportunities for ongoing clinical supervision and mentoring with a theoretical basis for advanced practice and scientific inquiry.

We also use an online learning management system to deliver and track training for our associates. All employees participate in both annual training programs and training upon hiring.

These programs help our partnerships to attract high-quality therapists in their local communities.

#### **Employee Retention**

The Company and its Partnerships offer competitive compensation and benefits packages to its employees, along with the opportunity to work in a partner-centric environment where local leaders are significant owners in the business operations. While the competitive environment for clinical talent continues to be difficult, we believe that our stability, ownership structure and culture are differentiating factors that help us to succeed in retaining our highly skilled employee base.

Our partnerships provide some other benefits at the local level that contributes to the employee experience such as community outreach initiatives; engagement opportunities with local universities, high schools and other institutions to raise awareness in our industry; employee spotlights internally, externally and through social media to celebrate our employee successes; gym access; mental health support; continuing education and leadership development opportunities; residency program offerings; and even overseas opportunities to assist local practitioners in underserved cultures and areas.

# **Diversity, Equity and Inclusion**

We are committed to fair and equitable employment practices. Our partnerships make hiring and promoting decisions based solely on qualifications, merit and business needs at the time. To promote more diverse and inclusive environments, we have taken several actions and will continue to make appropriate changes over time. We have adopted a Diversity Policy at our board level and our CEO has joined "CEO Action for Diversity & Inclusion" which is the largest CEO-driven community of leaders committed to advancing diversity and inclusion in the workplaces in which they represent. We are proud of the diversity we currently have with a workforce that is over 60% female, but we know there is still much work to do to better represent racial diversity in the communities in which we live, work and serve. We work with many accredited universities and have targeted recruitment at Historically Black Colleges and Universities (HBCUs) to try and raise awareness and interest in the opportunities that we present. Some of the HBCUs with which our partnerships have affiliation agreements, include Alabama State University, Hampton University, Langston University, Tennessee State University, and University of Maryland Eastern Shore. We are excited about the

opportunity to work with these programs and look forward to partnering with their current students and graduates. Our partnerships continue to mentor and provide internship opportunities to current and future students and will continue to offer these programs both for the benefit of students and the positive impacts that enhanced diversity provides for all of USPH's operations.

# Gender/Ethnicity Representation

We proudly employ approximately 61% female licensed professionals across all of our operations. Our non-licensed and administrative staff is over 78% female. Our leadership across our partnerships is 40% female. Our corporate staff is almost 70% female and 19% female in our executive leadership team. Two of our nine board members are female, representing 22%. Overall, our company is over 70% female.

Amongst all licensed professionals, we are 86% white, 5% Hispanic and approximately 9% from all other ethnicities. Our non-licensed and administrative staff is 70% white, 12% Hispanic, 6% African American and almost 5% Asian with the remaining balance reporting multi-racial. Our corporate staff is 58% white, 17% Hispanic, 13% African American, 9% Asian, with the remaining balance reporting multi-racial.

Our average age across the entire organization is 36 years old.

Our average female tenure is 3.3 years compared to 3.8 for males. Our partnerships are an attractive workplace environment for employees who wish to adjust their schedules to part-time or some other flexible work schedule, to allow those employees to devote necessary time to their families or other personal needs.

# Health and Safety

We take safety in our facilities very seriously. We have a robust incident reporting system that we use for all occurrences including our patients, visitors and our employees. We registered 76 employee incidents over the course of 2021 and had 37 workers comp claims. In 2021, USPH had 8,141,241 hours worked. In all, our business operations have been very successfully in minimizing the occurrence of any material incidents affecting our patients, employees or others.

# Incident Reporting and Follow Up

USPH has an online incident reporting system for employees to report incidents relating to a patient, a visitor, an employee, or any property damage/theft at the clinic. Follow up is conducted by the Compliance Department, Human Resources Department and/or Legal Department, depending on the nature of the matter. The Company's Compliance Committee of its Board of Directors reviews quarterly such reported incidents, providing input and guidance to the Company regarding its program and efforts to minimize and mitigate any such reported incidents.

# Reporting on health and safety programs and performance

The Company maintains a Risk Management Committee which meets quarterly to review incidents and to identify trends and strategies to reduce incidents. The Committee consists of leaders from operations, clinical services, human resources and legal. The Committee also makes recommendations to Company leadership on areas of concern or initiatives that should be considered to promote health and safety. Incident Reporting trends are reported by the Committee to the Company's Board of Directors on a quarterly basis.

The Company has implemented a number of policies which are focused on ensuring the health and safety of employees and patients. These various policies include:

Emergency Preparedness Policies & Procedures Emergency Preparedness Program Hazard and Vulnerability Assessment Emergency Preparedness Plan Emergency Preparedness Communication Plan Preservation of Patient Information Staff Role during an Emergency or Disaster Clinic Evacuation Procedures Clinic Shelter-in-Place Procedures Emergency Preparedness Training, Testing and Drills Fire Emergency Preparedness Plan

In addition, the Company requires all new employees to participate in health and safety training programs that address infection control/bloodborne pathogens and emergency preparedness. These programs are again reviewed on an annual basis.

#### Serious Reportable Events (HC-DY-250a.2).

The National Quality Forum has identified approximately 70 serious reportable events (SREs). These refer to incidents that can occur related to surgery or procedures, devices, patient protection, care management, environmental factors, radiologic incidents or criminal events. Many of these adverse outcomes are not relevant to our business, while others are of a nature that they could occur in any healthcare setting. For 2021, we do not believe that we experienced any SREs in our clinics.

Our Risk Management function is an essential part of our prevention and surveillance program to identify safety risks in our clinics and advance workplace programs in concert with our compliance team to avoid such incidents. Through these efforts, we developed and implemented health and safety policies and protocols in response to the COVID-19 pandemic based on guidance from the Centers for Disease Control and Prevention (CDC), orders from governmental agencies and authorities, and the scientific research regarding SARS-CoV-2 and COVID-19 for application in the USPH work environment.

In addition, the Company has developed and implemented a falls prevention program to reduce the number of falls sustained by patients and staff, both at home, in the community and in our clinics. Falls are the leading cause of injury among adults 65 years old and older in the United States. Each year over three million older adults are treated in emergency departments for fall injuries and hundreds of thousands are hospitalized for costly fall-related injuries including fractures and head injuries. Many older adults who fall, but are not injured, develop a fear of falling that limits their mobility, everyday activities, and independence. In 2015, the medical cost of falls totaled more than \$50 billion with Medicare and Medicaid programs covering over 75% of these costs. We believe that while falls are common amongst older adults, they are preventable and physical therapists play

a vital role in falls prevention. Our falls prevention program strives to reduce falls in older adults and help them remain healthy, active, and independent. Our multifaceted program includes screening for fall risk, assessment of risk factors, and a treatment program to reduce fear of falling, improve mobility and balance, and recommendations for home modifications to optimize safety and independence. Our falls prevention teams are passionate about reducing falls at their clinic and in their community. These therapists promote awareness, implement falls prevention programs at the clinic and in the community, and work collaboratively with health care professionals and others that are committed to preventing falls in older adults allowing them to stay independent.

#### Social – Patients

The following information is consistent with UNSDG Standard 3: Good Health and Well-Being – Ensure healthy lives and promote well-being for all at all ages.

#### Access for Low-Income Patients

USPH clinics participate in federal health plans including Medicare, Tricare, Medicare Advantage, and Medicaid. USPH clinics also provide services to patients with commercial insurance, workers compensation, auto (med-pay) insurance, and patients that pay directly for services (self-pay).

A financial hardship program, patient payment plans, and prompt pay discounts are available for patients that have difficulty paying for services. Where possible, we have implemented programs to ensure our patients can access the care they need.

The financial hardship program provides opportunities for patients with demonstrated financial need to obtain financial relief when such need could have an impact on the patient's ability to receive needed care. Assistance provided through the financial hardship program is made based upon income/expense determinations and pre-determined eligibility requirements. Patients whose household monthly income from all sources is less than 300% of the Federal Poverty Level Guidelines (FPL) are eligible for consideration of financial hardship assistance.

A prompt-pay discount is offered to patients who are uninsured or who choose not to bill their insurance plan for services rendered.

#### Social - Communities; Community Relations.

Our partners and staff promote their local brands in their communities to broaden local awareness of the clinics and the services that they provide. We have invested in significant internal resources across our clinical organization, marketing, and public relations and communications function to support these efforts.

Our partnerships are committed to supporting and making a difference in the communities we serve. Our employees have taken active roles in many charitable organizations and events over the years including charity walks/runs, raising funds and making donations for organizations like American Red Cross, St. Jude Children's Hospital, Wounded Warrior, American Diabetes Association, YMCA, Operation Underground Railroad, American Heart Association and many others. We have volunteered our services in underserved communities and overseas through various sponsored outreach programs to help those less fortunate and those markets unfamiliar with the benefits of physical therapy. We are proud of the work our partnerships and employees

have done domestically and internationally. One of our partnerships has established a Foundation whose their mission is to improve the practice of physical therapy in challenging environments within Ethiopia and Kenya.

USPH also maintains our own Foundation which our employees, officers and board members have graciously contributed to over the years. Funds from the Foundation are used to assist employees and their families during challenging times. Most recently funds have been used to assist those in need after natural disasters such as the hurricanes that have devasted our employees living near the Gulf of Mexico. We also routinely engage in community-based holiday giving programs utilizing trusted community not-for-profit providers to assist children, families and immigrants with necessary food, clothing, furniture and (for children) toys and other gifts to provide love and support to assist them in their time of need. For many years, the Company's Houston-based headquarters office has "adopted" hundreds of children who are part of the Texas Child Protective Services system and who otherwise might not receive any clothing, toys or other gifts for the holidays.

# Pricing & Billing Transparency

In order to ensure that all patients are adequately informed about pricing, we provide patients with relevant financial and pricing information during the initial visit leading the provision of any services. Insurance benefits are verified and reviewed with the patient (or guardian). The patient's financial responsibility, including deductible, coinsurance or copay is documented and reviewed with the patient/guardian. If insurance does not pay for a services or product, the patient is provided a written notice in advance detailing to cost of the service or product.

Pricing information for our services is generally not publicly available. The Company's clinics and business operations makes certain pricing information available where required by local laws. Pricing is typically subject to local law and reimbursements. As indicated above, patients are made aware of applicable pricing information prior to the provision of services.

#### Patient Privacy and Electronic Health Records

As part of the Company's business, patient personal medical information is obtained, created and documented in a variety of areas. Accordingly, the Company has adopted and trained all of its employees on a variety of the policies and processes to ensure that all such personal health information ("PHI") and other personal identifiable information ("PII") is kept confidential. The federal Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act incorporated in the American Recovery and Reinvestment Act of 2009 (collectively "HIPAA") requires companies that create and handle PHI and PII to adopt and follow certain specific policies and practices to ensure that this information is kept confidential, is protected from being accessed by third parties, and when shared for appropriate reasons to third party "business associates" is done so with certain contractual protections in place with such third parties.

In order to ensure compliance with these laws, the Company has a robust HIPAA Compliance Training program. All employees are provided training on the applicable HIPAA Privacy and Security policies and procedures using the Company's online education platform. Annual training and periodic webinars are provided to repeatedly educate and remind employees of the important policies and procedures regarding HIPAA compliance. The Company uses electronic records management platforms that contain the necessary security related measures to protect patient PHI and PII.

The Company also takes a number of steps to protect patient PHI and PII and secure its systems and applications against unauthorized incursions and hacking. For example, sensitive communication between applications and other devices are encrypted to minimize the possibility of third parties accessing Company systems inappropriately. In addition, the Company has adopted various controls to prevent the installation of unauthorized applications, actively monitor traffic and computer systems for threats, and provide real-time notification of potential threats.

# **Governance and Business Ethics**

<u>Fraud & Unnecessary Procedures; Enterprise Compliance</u>. The Company is committed to a strong corporate culture that promotes the highest standards of ethics and compliance for our business and has a Code of Business Conduct and Ethics that sets forth principles to guide employee, officer and director conduct.

- We operate in a highly regulated industry, governed by federal and state regulations regarding patient privacy, reimbursement, conflicts of interest, and many other federal, state and local regulations.
- We maintain a robust compliance function to ensure compliance with applicable healthcare regulations. Examples of processes and personnel to support this include:
- A Chief Compliance Officer, who reports directly to our CEO, as well as to the Compliance Committee of our Board of Directors.
- We have demonstrated our commitment to regulatory compliance by having a large and robust compliance department
- Maintenance of a whistle-blower policy providing for confidential reporting of any suspected violations of policies
- An appropriate level of resources, including internal auditors and clinical services personnel, who regularly review our clinics billing and coding practices to help to ensure company-wide compliance.
- Externally monitored employee hotline
- <u>Corporate Governance</u>

USPH's Board of Directors is currently comprised of 9 members. Eight of our directors are deemed independent directors who are not otherwise affiliated with the company.

- None of our independent directors has a familial, direct or indirect material relationship with the Company.
- We maintain separation of the Chairman of the Board position and the President & Chief Executive Officer position.
- Our directors serve one-year terms and are elected each year at our annual meeting of shareholders.
- The current gender makeup of our Board of Directors is 22% female, consisting of two Directors.

- From a diversity perspective, one of our directors is represented by non-Caucasian ethnicities.
- Four standing committees serve the Board: Audit, Compensation, Nominating and Governance, and Compliance. Each committee's charter is available on our Corporate Governance section of our investor relations website, along with our Corporate Governance Guidelines.

Board Composition	Disclosure
Age of Directors	
Average Age	69.1
Gender Diversity	
% Female	22%
Male	7
Female	2
Ethnic/Racial Diversity	
% Diverse	11%
Ethnic/Racial	1
Tenure	
Average tenure	12.77
Independence	
% Independent	89%
Independent	8
Non-Independent	1
Non-independent	1

Best Practices	
Overboarding limits	Yes
Continuing education for directors and orientating for new	
directors	Yes
Mandatory retirement age	Yes
Shareholder engagement program	Yes
Board oversight of ESG	Yes
Trademondemos	
Independence	
Separate CEO and Chair role	Yes

Separate CEO and Chair role	Yes
Standing board committee membership independence	100%

Accountability	
Annual election of all directors	Yes
Director resignation policy	Yes
Annual board and committee self-evaluation	Yes
Annual evaluation of CEO by independent directors	Yes

Shareholder Rights	
Proxy access	Yes
Shareholder right to call special meeting	Yes
Shareholder right to act by written consent	Yes
No poison pill	Yes
One-share, one-vote	Yes

# **Environmental Risk Management**

USPH owns and operates approximately 600 outpatient physical therapy clinics, and all except one clinic perform their patient care services at locations that are leased from third-party landlords. In our industrial injury prevention segment, those services are performed at employer locations or at other third-party locations. As a result, we do not have centralized management of electric, gas or water utility use in our clinics or these other third-party locations. Recycling services are also localized. As a healthcare services company, our business is not significantly or uniquely exposed to the impacts of climate-related risks.

All of our clinics abide by all local and federal laws pertaining to environmental risk and regulation for all physical spaces we occupy. In addition, all of our outpatient therapy clinics comply with the CMS Emergency Preparedness Rule (implemented in 2018). The Emergency Preparedness Rule requires our clinics to develop and maintain a comprehensive emergency preparedness program that contains the following: an Emergency Plan, Emergency Preparedness Policies and Procedures, a Communications Plan, and an Emergency Preparedness Training and Testing Program.

The program is based on an individualized risk assessment that focuses on capacities and capabilities that are critical to preparedness for a full spectrum of emergencies or disasters, including man-made emergencies and natural disasters. This all-hazards approach is specific to each clinic and considers the particular type of hazards most likely to occur in their areas.

Upon implementation of the emergency preparedness plan, clinic staff are prepared to meet the health and safety needs of patients, visitors and employees during an emergency or disaster situation.

Approximately 40% of our clinics are Certified Rehabilitation Agencies, and one of the applicable Conditions of Participation requires compliance with the Emergency Preparedness Rule; the remaining approximately 60% of our clinics participate in the Medicare Program as private practices, but nonetheless voluntarily comply with the Emergency Preparedness Rule.