



POLICIES OF LIGHTHOUSE VETERINARY

PERSONNEL SERVICES - 2021

Lighthouse Veterinary Personnel Services® is a d.b.a. for Lighthouse Veterinary Personnel Services, L.L.C., and will be referred to as “Lighthouse” in this document. **Lighthouse provides both temporary (relief) and permanent placements of veterinarians. These activities are intimately associated and one often leads to the other. Therefore the policies defined herein shall be in effect for all clients, regardless if the client’s initial intent was for a permanent placement or relief work. Relief veterinarians introduced through our service that are hired by our clients shall be considered permanent placements; conversely, permanent placement introductions that subsequently perform relief work shall be considered relief veterinarians, and both scenarios will always be subject to these policies.** General policies apply to all work. Policies specific to relief work follow, and policies relating to permanent placements are found on the last page.

GENERAL POLICIES

RATES AND TAX STATUS

There are three parts to our relief fee structure: the daily trip charge, an hourly rate, and a fee for weekend work or short days. These fees vary by county and are influenced by average travel costs (including commuting time) to the county, the regional cost of living, associate availability, and the prevailing regional associate veterinary compensation. For fees specific to your county, please refer to the accompanying fee schedule. We function as independent contractors; therefore, **you do not pay any payroll taxes on our fees.** (This is very important in that the majority of independent relief veterinarians should be considered as employees for tax purposes.) Depending on your state, some or all of our fees are subject to state sales tax, which will be reflected in our invoice. Lighthouse is a limited liability company (L.L.C.), domiciled in Ohio, and our EIN is 38-3476016. We recommend you consult your accountant about questions regarding payments to Lighthouse.

POLICY AND FEE CHANGES

Lighthouse modifies fees and policies annually to reflect changes in the veterinary marketplace, most notably the prevailing salaries of associate veterinarians. The annual fee and policy adjustment should be anticipated and will be in effect for all work performed after January 1 of the New Year.

Occasionally a change in the economy or in the supply of associate veterinarians has created the need for mid-year fee and/or policy adjustments. Any such adjustments will have an effective date of no less than six weeks from the notification (mailing) date. While we realize that this could create a fee change for an existing booking, it allows Lighthouse the flexibility to stay competitive in the marketplace and to maintain a staff of experienced relief veterinarians.

PRE-SERVICE SCREENING

CLIENT INFORMATION REQUEST This form is sent to all clients when they schedule their first bookings with Lighthouse and it is periodically updated. The questions asked are designed to help our doctors have a better understanding of your practice policies and key issues of importance to you and your staff. Hospitalization and referral policies or the utilization of Fear Free handling are a few examples of such issues. All information supplied to us will be held in confidence.

WORK AGREEMENT This is an important document for both Lighthouse and our clients in that it defines and formalizes our business relationship. Its purpose is to define our working relationship, while not agreeing to any specific relief dates, permanent placements, or promising any future work by either party. By design, it needs to be completed only one time, and will remain in force for all work performed thereafter **until a change of practice ownership occurs. When a practice sale has closed, a new Work Agreement must be signed by a legal representative of the new business prior to the confirmation of any bookings.** This document must be on file before any relief dates can be confirmed or placement matches are made.

BILLING AND PAYMENT

Invoice periods end on the 15th and last day of each month. Invoices are then emailed within approximately 10 days. Please be sure we have the appropriate email address for billing on file. Charges are itemized for the client’s review. When applicable, Lighthouse typically pays for lodging and then adds the amount to the bill, thus avoiding confusion with reservations and payment. Payment is due upon receipt of the invoice. All payments or partial payments shall be applied to the oldest outstanding invoice. For any invoices past due more than thirty (30) days from the end of the invoice period, interest of one and one half percent (1.5%) per month is charged. At our discretion, Lighthouse may require advance payment for large bookings, new accounts, permanent placements, or past-due accounts. If payment is to be delayed for any reason, please contact us immediately.

POLICIES FOR RELIEF (TEMPORARY) SERVICE

BASIC BILLING POLICIES

1. Minimum billing policies are as follows:

- 7 hour minimum billing Monday through Friday*
- 4 hour minimum billing on Saturdays
- 8 hour minimum billing on Sundays and holidays

*We may be able to accommodate requests for shorter weekdays. A surcharge equivalent to 1 hour of relief work would apply.

2. Trip Fees: In addition to the hourly rate there is a daily trip fee specific to the county in which the veterinary facility is located. **It is important to note that the trip fee relates only to the location of the facility. Even when it is necessary to bring an associate from a distant area, the trip fee does not increase.**
3. Weekend Surcharge: A daily fee will be added to any work done on Saturday or Sunday. This charge is the equivalent of 1 hour of relief work.
4. Lunch Breaks: Lighthouse recommends an unpaid break for lunch on any relief shift that is longer than 5 continuous hours. The **maximum** length for an unpaid lunch is 1 hour. Whenever a lunch break is given, whether 15 minutes or a full hour and regardless of the day of the week, there is a 7 hour minimum billing.
5. Holidays: Lighthouse veterinarians are usually available for holiday work. Holidays include Christmas, New Year's Day, and Thanksgiving, which are charged double time, and Memorial Day, Easter Sunday, Labor Day, and the Fourth of July which are charged time and one-half. The holiday multiple applies to the hourly rate, trip charge, and Weekend Surcharge when applicable. Please call the Lighthouse office for further information.
6. Emergency Clinics: A separate fee structure applies to emergency clinics. Please call the office for further information.
7. Mixed or large animal coverage may be available by special arrangement. Please contact the office for information.
8. See the following sections for billing policies applicable to special situations.

SCHEDULING

Bookings are accepted on a first-come, first-served basis. Once Lighthouse has committed a doctor to your practice, no further confirmation is required. Lighthouse may require accounts to be current before accepting additional bookings.

Availability for a given period may be discussed upon request. This information will change (sometimes rapidly) as additional bookings occur. To minimize the inconvenience that can arise from changes in our availability, prompt booking is recommended once your relief requirements have been established. In the event that your relief needs are flexible, we suggest that you contact Lighthouse before finalizing your other commitments. We work with a large number of clients in this way, particularly concerning vacation timing.

Schedules are emailed at the beginning of the month for the following month's bookings. In addition, schedules are emailed each Friday. Please provide **two separate email addresses** to which you would like your schedules sent. It is the responsibility of the client to check your inbox for your schedule and notify Lighthouse promptly if you did not receive your schedule, if you need to make an adjustment to your schedule, or if you discover an inaccuracy in your schedule. Please feel free to call and confirm assignments inside of two weeks.

Two or more veterinarians are often used to accommodate multiple day requests due to part-time availability and logistical constraints. If having a specific veterinarian is an important issue, please inform us when scheduling. In the instance of specific doctor requests, an adjustment in the daily trip fee *may* be necessary to offset an increase in overall expenses.

CLINICAL POLICIES

Lighthouse prides itself on flexibility to work within a client's existing system. We have a set of recommendations regarding outpatient scheduling, lunch breaks, minimum surgical requirements, etc., that are contained in *Maximizing Your Relief Experience with Lighthouse*. Experience has shown that embracing these recommendations will enhance the overall relief experience even when doing so necessitates minor changes to a clinic's normal operating pattern.

OVERNIGHT STAYS

Occasionally the need arises for overnight stays at a practice location, usually due to a remote location. In these instances, the associate will stay at a hotel of reasonable quality.

Assuming a remote location is the reason for the stay, the trip charge listed is applicable to the first day in a series of consecutively booked days. The counties where this policy applies are marked by an asterisk on the fee schedule. (Occasionally, other unmarked counties may qualify depending on the season and work hours requested.) After the initial day, the trip charge will be \$35.00 per day plus the cost of the local accommodations along with the cost of the local commute as determined by the I.R.S. reimbursement rate.

Lighthouse does not book its associates for consecutive overnight stays that exceed a week (six nights) away from their homes. Coverage that exceeds one week will entail a rotation of our veterinarians and another first day trip charge. Please request an estimate at the time of scheduling if this situation applies to your relief needs.

CANCELLATION

Should a relief day be cancelled by either the relief client or Lighthouse, there is no truly adequate way to replace revenue lost for the day. It is difficult to assess the damages caused by cancellations as both parties have ways to mitigate costs. Any attempt to calculate actual damages would be time consuming, adversarial, and frequently inaccurate. As such, both parties agree that while a cancellation fee is not a perfect solution, it is a practical and mutually acceptable remedy for loss due to cancellation.

Client Cancellations: A cancellation fee of \$200.00 per day has been adopted for any cancellation received after 5:00 PM of the regular business day that is 2 weeks before the booking. Example: A booking on January 30th needs to be cancelled before 5:00 PM on January 16th to avoid the cancellation fee. **Client cancellations are not accepted after 5:00 PM on the regular business day immediately preceding a booking.** Note: Some days are rescheduled; this helps us keep the cancellation fee at a reasonable level, so if the need arises to cancel a relief booking, please call immediately. *(Emergency Clinics have a separate cancellation policy. Refer to Emergency Clinic Relief Service Policies.)*

Lighthouse Cancellations: Lighthouse does not overbook, and our relief associates are selected with dependability in mind. Unfortunately, personal emergencies, sickness, transportation, and weather problems, as well as the rare communication or system breakdown, do occur and may require cancellation of relief coverage on short notice. In the unlikely event that any of the aforementioned scheduling problems occur with less than two weeks' notice, Lighthouse will credit the client's account with the same \$200.00 per day fee.

PROMPTNESS

Punctuality and responsibility are among the most important criteria used when selecting Lighthouse veterinarians. Because of this, there are few problems with late arrival times. Unfortunately, weather conditions and traffic congestion can cause delays. It is suggested **that at least 15 minutes be allowed before calling our office if a Lighthouse doctor is late. Every attempt will be made to contact you should it appear that the Lighthouse veterinarian is going to be more than 15 minutes late.**

POLICIES FOR PERMANENT PLACEMENT OF VETERINARIANS

1. A permanent placement shall be considered the employment of a veterinarian by our client which occurs as the result of either the direct or indirect actions of Lighthouse. This might include, but is not limited to, an assignment for relief work, a conversation, introduction or referral regarding relief work, or our recommendation to our client of a prospective associate. Employment by a client of a Lighthouse veterinarian who has previously been assigned by Lighthouse to the client's clinic, discussed in that context, or discussed as a permanent placement shall be considered a permanent placement regardless of any other factors, excepting the requirement that such previous assignment must have occurred within three years of employment.
2. A permanent placement shall be either independent relief work or a normal employer-associate veterinary relationship that occurs within three years after any occurrence described in item 1. The nature of the working agreement between the client and the introduced veterinarian (i.e. either employer/employee, through a relief service, or independent contractor) shall not affect the fact of a "permanent placement" occurring.
3. The total fee for a permanent placement (the "Total Fee") shall be the combination of all signing bonuses, retention bonuses, recruiting fees, and referral fees associated with any employment of the placed veterinarian and paid by Lighthouse during the three years immediately preceding the permanent placement, combined with an additional placement fee. The placement fee portion of the Total Fee shall be \$13,000 per veterinary associate with less than 1 year of veterinary experience who is placed in a traditional practice, \$25,000 per veterinary associate with more than 1 year of veterinary experience placed in a traditional practice, and \$35,000 for specialists or placements in emergency clinics. The Total Fee shall become payable immediately upon the placed veterinarian's employment by our client and at Lighthouse's discretion may be required to be paid before the first day of work. We encourage a client contemplating a placement to contact Lighthouse.
4. Lighthouse will refund 50% of the Total Fee if the placed associate leaves their association with client within 9 months of their starting date. To be eligible for this refund, the entire Total Fee and all other outstanding invoices must be paid by the client within 30 days of the starting date of the associate's employment.
5. If our client wishes to employ a veterinarian they have met, become familiar with, or been referred to as a result of their association with Lighthouse, they must notify Lighthouse before entering into employment discussions, negotiations, or interviews. Should the potential associate veterinarian, as previously defined, approach our client, then the client must notify Lighthouse before making an offer of employment. These situations do not change the occurrence of a "permanent placement." Such communication also allows Lighthouse to inform the Client of the Total Fee involved in the contemplated placement.
6. These policies and provisions for permanent placement including, without limitation, the permanent placement fee, shall apply to the permanent placement of any veterinarian with any clinic or practice that is affiliated with Client. For purposes of these policies, a clinic or practice shall be considered to be affiliated with Client if any of the following apply: (i) Client owns, co-owns, manages, operates, or leases the clinic or practice; (ii) Client is the member, shareholder, or partner of any business that owns, co-owns, manages, operates, or leases the clinic or practice; (iii) Client and the clinic or practice share common ownership or management; or (iv) the clinic or practice is another physical location of Client's practice or clinic. Further, a permanent placement is specific to one of Client's affiliated locations such that a permanently placed veterinarian may be hired to work at only one of Client's locations or practices. The permanent placement of a veterinarian to work at multiple locations or multiple affiliated clinics or practices will result in the assessment of additional permanent placement fees.
7. The Client hereby acknowledges that, in order for Lighthouse to make an employee placement with Client, Lighthouse must evaluate Client's professional needs and business culture and must form opinions as to what type of persons would best fit into Client's work environment. Part of this evaluation process may include discussions with Client's current and previous employees. Client hereby grants Lighthouse the right to have such discussions and to form opinions with regard to Client and Client's work environment as Lighthouse, in its sole discretion, shall deem necessary and appropriate. Further, Client grants to Lighthouse the right to divulge the results of any discussions and to express such opinions to both temporary and prospective employees. In forming such opinions, Lighthouse may make both positive and negative assessments, but in any event, shall use its best efforts to attempt to make an honest and fair assessment about Client. **By granting such rights to Lighthouse to form and express opinions both positive and negative regarding Client, Client acknowledges that Client is waiving, and does hereby waive, any rights to maintain an action or bring claims against Lighthouse for defamation, slander or libel, or otherwise with respect to the disclosing of such information or opinions.**

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