

**AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN
STAFF CARE, INC. AND THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR LOCUM TENENS PHYSICIAN SERVICES**

STAFF CARE, Inc. ("CONTRACTOR") and THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER ("NMC") entered into a Professional Services Agreement, on or about February 1, 2009 (the "Agreement"). Effective July 1, 2010 ("Amendment Effective Date") the parties hereby enter into this Amendment No. 1 to that Agreement ("Amendment No. 1") for the purpose of amending and modifying the terms of the Agreement as follows:.

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions, and restrictions set forth herein, the Parties agree as follows:

1. Exhibit A, Scope of Services/Payment Provisions, is replaced with Amendment No. 1 to Exhibit A. All references in the Agreement to Exhibit A shall be construed to refer to Amendment No. 1 to Exhibit A.

2. Section 2. PAYMENTS BY NMC is amended to add the following sentence:

During the period of July 1, 2010 to June 30, 2011, the maximum obligation of the County for services provided hereunder shall not exceed Two Hundred Thousand Dollars and No Cents (\$200,000.00).

3. Section 4. **TERM OF AGREEMENT** is amended to extend the terms from July 1, 2010 to June 30, 2011.

4. Section 6. **PERFORMANCE STANDARDS** is amended to add the following Paragraphs:

6.4 Licenses and Certifications. Each Physician providing services under this Agreement shall be duly qualified and licensed to practice medicine in the State of California, and experienced and qualified in the medical practice of such Physician's practice specialty ("Specialty"). Each Physician shall, from and after the Effective Date, be and remain board certified in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties or American Osteopathic Association (either, the "Certifying Board"); provided, however, that if a Physician is not certified in the Specialty by the Certifying Board as of the Effective Date, such Physician shall have a reasonable amount of time to obtain such certification, provided that such Physician diligently pursues such certification in accordance with the rules of the Certifying Board, and is certified in the Specialty by the Certifying Board.

- 6.5 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after becoming aware of the occurrence of any of the following events:

- a. A Physician becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by, any Federal Health Care Program, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any hospital medical staff;
- b. A Physician's medical staff membership or any clinical privileges at any health care facility (including Hospital) are denied, suspended, terminated, restricted, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;
- c. A Physician becomes the subject of any action or proceeding arising out of such Physician's professional services;
- d. A Physician is charged with a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime related to such Physician's practice of medicine;
- e. A Physician violates, or causes any other person or entity to violate, the Hospital Code of Conduct, and/or Hospital's corporate integrity program;
- f. A Physician is excluded from or restricted in any manner from participation in a Federal Healthcare Program;

- g. Any other event occurs with respect to a Physician that materially interrupts or affects all or a portion of such Physician's ability to perform his/her obligations under this Agreement;
- h. A Physician's license to practice medicine in the State or any other jurisdiction, or a Physician's Drug Enforcement Agency registration, is suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto; or
- i. A Physician's insurance policy required under this Agreement is terminated, not renewed, cancelled or reduced in coverage.

6.6 Billing for Professional Services. To the extent permitted by law, Contractor acknowledges and agrees that Hospital shall be solely responsible for billing Federal Health Care Programs, Managed Care Organizations, and other third party payors and patients for Professional Services performed by each Physician under this Agreement, and collecting such fees and charges. Contractor, shall not attempt to bill and collect from any patient, payor or any other person for any of a Physician's Professional Services, other than as described in this Agreement.

Contractor shall assist NMC in securing any necessary physician provider enrollments and related paperwork, including Medicare and Medicaid supplier numbers, NPIs, and any reassignment forms necessary to permit payment to NMC (e.g., CMS Form 855s). Copies of pertinent documents will be provided to NMC immediately upon request.

5. Section 9. **INDEMNIFICATION** is replaced in its entirety with the following:

CONTRACTOR shall indemnify, defend and hold harmless, NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any and all claims, liability, losses, (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) to the extent caused by the negligent acts and omissions of the Contractor and excluding such claims, liabilities, or losses arising out of the negligence or willful misconduct of NMC. "Contractor's performance" includes Contractor's action or inaction and the action or inaction of Contractor's officers and employees. It is understood and agreed to by the parties that the foregoing duty to indemnify is expressly limited to duties outlined in this Agreement and does not contemplate a duty on the part of CONTRACTOR to indemnify County, its officers, agents and employees from and against any liability, claim, damages, actions, causes of action or suit which may be brought or levied against the County as a result of or in connection with any act or omission of each Locum Tenens physician arising out of the physician's performance of services.

6. Section 11. **RECORDS AND CONFIDENTIALITY** is amended as follows:

- a. Paragraph 11.1. **CONFIDENTIALITY** shall be replaced in its entirety with the following:

11.1 Confidentiality. In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for an obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes. Pursuant to California Business and Professions Code section 2418 and California Unemployment Insurance Code section 656, Contractor's Locum Tenens

physicians are independent contractors of Contractor and the County and are not employees of either Contractor or the County. Physicians shall not become entitled by virtue of this Agreement to receive from the County or CONTRACTOR any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. NMC agrees to use appropriate security measures to protect CONTRACTOR employee, client and/or locum tenens physicians' personal information from unauthorized access, destruction, use, modification or disclosure in accordance with applicable law.

- b. Paragraph 11.6 shall be added as follows:

11.6 Confidentiality of Protected Health Information. To the extent determined to be a Business Associate under HIPAA requirements and only if CONTRACTOR receives Protected Health Information from NMC, shall this Section 11.6 apply: . Contractor shall comply with the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320 through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 C.F.R. Part 164, and the federal security standards as contained in 45 C.F.R. Part 142 (collectively, the "Regulations"). Contractor shall not use or further disclose any protected health information, as defined in 45 C.F.R. § 164.504, or individually identifiable health information, as defined in 42 U.S.C. § 1320d (collectively, the "Protected Health Information"), of Hospital patients, other than as permitted by this Agreement, Hospital policies and procedures, and the requirements of HIPAA or the Regulations. Contractor shall implement appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as contemplated by this Agreement. Contractor shall promptly report to Hospital any use or disclosures, of which Contractor becomes aware, of Protected Health Information in violation of HIPAA or the Regulations. In the event that Contractor contracts with any agents to whom Contractor provides Protected Health Information, Contractor shall include provisions in such agreements pursuant to which Contractor and such agents agree to the same restrictions and conditions that apply to Contractor with respect to Protected Health Information. Contractor shall make Contractor internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary to the extent required for determining compliance with HIPAA and the Regulations. No attorney-client, accountant-client or other legal or equitable privilege shall be deemed to have been waived by Contractor or Hospital by virtue of this Section. The provisions set forth herein shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

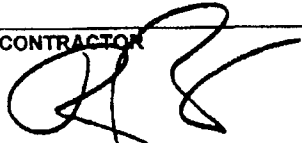
7. Section 17. **PHYSICIAN CERTIFICATION** shall be added as follows:

17. **PHYSICIAN CERTIFICATION.** Contractor shall ensure that prior to NMC's provision to Contractor of written confirmation of a Physician's assignment, each Physician providing Services under this Agreement shall execute a copy of the PHYSICIAN CERTIFICATION attached hereto as Exhibit C. Prior to the start date of such Physician's assignment, Contractor shall deliver to NMC the original of the PHYSICIAN CERTIFICATION executed by the Physician.

8. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year executed by both parties..

CONTRACTOR

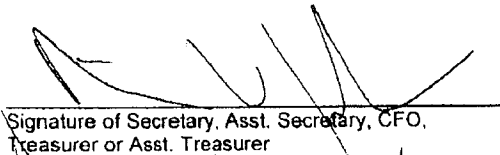


Signature of Chair, President or Vice President

TIMOTHY M. BOES
Printed Name

6/17/2010
Date

PRESIDENT
Title



Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer

Denise L. Jackson
Printed Name

6-17-10
Date

Secretary
Title

NATIVIDAD MEDICAL CENTER

Signature of Purchasing Manager

Date


Signature of NMC - CEO

6/24/10
Date

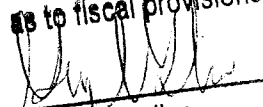
Approved as to Legal Form:

Charles J. McKee, County Counsel

By Stacy Saetta
Stacy Saetta, Deputy
Attorneys for County and NMC

6/30/10
Date

Reviewed as to fiscal provisions


Auditor-Controller
County of Monterey

7-1-10

EXHIBIT A-1

STAFF CARE, INC.
FEE SCHEDULE-ALL INCLUSIVE RATES
7/1/2010 to 6/30/2011

Specialty	Daily Rate -8hr day unless otherwise specified	Premium (Hourly) -Paid after 8 hrs/day	Weeknight On-Call -Premium paid for all hours worked	Weekend On- Call (24 hr period) -Premium paid for all hours worked	24 hr call only (24 hr period) -Includes 4 hrs of patient contact. Premium paid for all hours worked past 4	Reassignment Fee
Anesthesia (General)	2000	300	300	1,630	NA	20,000
Anesthesia (Transplant)	2075	325	325	1,650	NA	20,000
Anesthesia (Heads & Hearts)	2200	325	325	1,800	NA	20,000
Cardiology (Non-invasive)	1700	270	270	1700	NA	20,000
Cardiology (Interventional)	2175	350	350	2175	NA	20,000
Cardiology (Invasive)	1950	310	310	1950	NA	20,000
Dermatology	1750	325	250	1,750	NA	20,000
Endocrinology	1450	230	230	1450	NA	20,000
Emergency Medicine (Hourly)	250	use hourly rate	250	2000	NA	20,000
Family Practice (Outpatient)	980	150	150	980	NA	20,000
Family Practice (Full Scope)	1025	170	170	1025	NA	20,000
Family Practice (With OB)	1150	210	210	1150	NA	20,000
Gastroenterology	2150	320	320	2150	NA	20,000
General Surgery	1350	345	300	1,350	1,800	20,000
Hematology/Oncology	1775	260	260	1775	NA	20,000
Infectious Disease	1450	230	230	1450	NA	20,000
Internal Medicine (Outpatient)	1000	160	160	1000	NA	20,000
Hospitalist (Hourly)	175	use hourly rate	200	NA	NA	20,000
Neonatology	2600	270	270	2600	NA	20,000
Nephrology	1650	260	260	1650	NA	20,000
Neurology	1600	260	260	1600	NA	20,000
Neurosurgery	2800	400	400	2,800	3,600	20,000
OB/GYN Day shift (OP Clinic/Hospital Coverage)*	1510	NA	NA	NA	NA	20,000
OB/GYN Restricted Night Call Shift (6p-8a)*	1690	NA	NA	NA	NA	20,000
Occupational Medicine (Hourly)	155	NA	NA	NA	NA	20,000
Oncology (Medical)	1775	260	260	1775	NA	20,000
Oncology (Radiation)	1700	260	260	1575	1700	20,000
Orthopedic Surgery	1650	300	350	1,650	2,300	20,000
Otorhinolaryngology (ENT)	1600	300	350	1,600	2,000	20,000
Pathology	1500	240	240	1500	NA	20,000
Pediatrics (Outpatient)	970	145	145	970	NA	20,000
Pediatric Hospitalist (Hourly)	128/hr	use hourly rate	160	NA	NA	20,000
Maternal Fetal Medicine	1600	400	450	2,600	3,750	20,000
Physical Medicine/Rehabilitation	1850	280	280	1850	NA	20,000
Psychiatry (General)	1240	190	180	500	NA	20,000
Psychiatry (Child/Adolescent)	1265	190	180	500	NA	20,000
Pulmonology	2300	325	270	2300	NA	20,000
Radiology (General)	2550	400	400	1500	2550	20,000
Radiology (Interventional)	2750	450	450	1800	2750	20,000
Rheumatology	1775	260	260	1775	NA	20,000
Trauma Surgery	1660	300	300	1,500	2,200	20,000
Urgent Care (Hourly)	145	NA	NA	NA	NA	20,000
Urology	1550	300	300	1,550	2,300	20,000
Vascular Surgery	1660	300	300	1,600	2,500	20,000

*OBGYN shift rates include an unlimited number of patient contact hours. Day shift is based on a 9hr day.

Definitions

Daily Rate-Charged daily and defined as an 8 hour work day. Premium rate is charged for all hours of patient contact in excess of 8.

Premium Rate-Hourly overtime rate.

Weeknight On-Call-Charged nightly to have PROVIDER on call. Premium rate is charged for all hours of patient contact on call

Weekend On-Call-Charged by 24 hour period to have PHYSICIAN on call. Premium rate is charged for all hours of patient contact on call

24 Hour Call-Used for call only assignments. Charged per 24 hour period. Rate includes 4 hours of patient contact. Premium rate is charged for all hours worked in excess of 4 each 24 hour period.

Reassignment Fee-NMC agrees to pay CONTRACTOR reassignment fee as indicated on the above fee schedule of the reassignment of each PHYSICIAN presented to NMC or any organization affiliated with NMC if such PHYSICIAN becomes a permanent employee of NMC or an affiliate of NMC within (1) years after such PHYSICIAN is presented to NMC or after PHYSICIAN ceases to provide services to NMC.

Holiday Premium- A rate of one half of the Daily Rate will be charged for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas, or any holiday that is recognized by the NMC if PHYSICIAN remains in the assignment community, whether or not services are actually provided on those days. If PHYSICIAN is required to be on call, NMC will pay the full Daily Rate for PHYSICIAN for each holiday. If PHYSICIAN has any patient contact or is required to report to NMC'S facility on one of these holidays, NMC will pay the full Daily Rate for PHYSICIAN plus the Holiday Premium which includes up to 4 hours of professional services. NMC will be charged at the Premium Rate for all hours performed over four hours on any of these holidays.

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(MORE THAN \$100,000)

This Professional Services Agreement (hereinafter "Agreement") is made by and between Natividad Medical Center ("NMC"), a general acute care teaching hospital wholly owned and operated by the County of Monterey, which is a political subdivision of the State of California and Staff Care, Inc., (hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows: **Provide Locum Tenens Physician Services.**
2. **PAYMENTS BY NMC.** NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by NMC to ALL CONTRACTORS providing Locum Tenens Physician Services shall not exceed the sum of **\$100, 000**, for the term of **February 1, 2009** through **June 30, 2010**, pursuant to the terms of the PSA, with the authority to open purchase orders and distribute these funds between ALL CONTRACTORS under each PSA in any manner of allocation determined to be appropriate by NMC and County. NMC and County do not covenant to allocate a maximum or minimum amount of funds to any particular Contractor.
3. NMC shall pay a total amount not to exceed the approved budget for Locum Physician Services as determined and approved by the Monterey County Board of Supervisors for all subsequent years and through the full term of the PSA.
4. **TERM OF AGREEMENT.** The term of this Agreement is from February 1, 2009 to June 30, 2010, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.
5. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions
Addendum #1
6. **PERFORMANCE STANDARDS.**
 - 6.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, skilled, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.
 - 6.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
 - 6.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as other wise specified in this Agreement. CONTRACTOR shall not

use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

7. PAYMENT CONDITIONS.

7.1. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than thirty (30) days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within thirty (30) days of receiving the certified invoice.

7.2 Neither CONTRACTOR nor Locum Tenens physicians assigned by CONTRACTOR shall receive reimbursement for travel, lodging, or meal expenses unless set forth in this Agreement; and then only in accordance with any applicable County policies.

8. TERMINATION.

8.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

8.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

9. **INDEMNIFICATION:** CONTRACTOR shall indemnify, defend and hold harmless, NMC and the County of Monterey (hereinafter "County"), its officers, agents and employees from any and all claims, liability, losses, (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) arising out of or connected with the negligent acts and omissions the Contractor's performance under this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of NMC. "Contractor's performance" includes Contractor's action or inaction and the action or inaction of Contractor's officers and employees. **It is understood and agreed to by the parties that the foregoing duty to indemnify is expressly limited to duties outlined in this Agreement and does not contemplate a duty on the part of CONTRACTOR to indemnify County, its officers, agents and employees from and against any liability, claim, damages, actions, causes of action or suit which may be brought or levied against the County as a result of or in connection with any act or omission of each Locum Tenens physician arising out of the physician's performance of this Agreement.**

10. INSURANCE.

10.1. Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide certificate of insurances of the policy or policies.

This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

10.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less that A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by NMC's Contracts/Purchasing Director.

10.3. Insurance Coverage Requirements: Without limiting Contractor's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence, none of which extend to Independent Locum Tenens Providers supplied pursuant to this Agreement.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence, none of which extend to Independent Locum Tenens Providers supplied pursuant to this Agreement. Each locum tenens placed by CONTRACTOR at NMC must provide NMC, prior to placement, with proof of adequate automobile liability insurance.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease, none of which extend to Independent Locum Tenens Providers supplied pursuant to this Agreement.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall assure continuous coverage for all work performed by Physician pursuant to this Agreement as long as CONTRACTOR files annually and more frequently upon request, certificates of insurance with the County's Contract Administrator and County's Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this section.

Exemption/Modification (Justification attached; subject to approval).

10.4. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless

otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

11. RECORDS AND CONFIDENTIALITY.

11.1. Confidentiality. (a) CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement. (b) NMC and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws which provide for the confidentiality of records and other information. NMC shall not disclose any confidential records or other confidential information received from CONTRACTOR or prepared in connection with the performance of this Agreement to the extent allowed by law, unless CONTRACTOR specifically permits NMC to disclose such records or information. NMC shall promptly transmit to CONTRACTOR any and all requests for disclosure of any such confidential records or information. NMC shall not use any confidential information gained by NMC in the performance of this Agreement except for the sole purpose of carrying out NMC's obligations under this Agreement.

11.2. NMC Records. When this Agreement expires or terminates, CONTRACTOR shall return to NMC and NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.

- 11.3. Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 11.4. Access to and Audit of Records. NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 11.5. Royalties and Inventions. NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.
12. **NON-DISCRIMINATION**. During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.
13. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT**. If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.
14. **INDEPENDENT CONTRACTOR**. In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for an obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes. Pursuant to California Business and Professions Code section 2418 and California Unemployment Insurance Code section 656, Contractor's Locum Tenens physicians are independent contractors of Contractor and the County and are not employees of either Contractor or the County. Physicians shall not become entitled by virtue of this Agreement to receive from the County or CONTRACTOR any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits.

15. NOTICES. Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and Contractor's contract administrators at the addresses listed below.

FOR NATIVIDAD MEDICAL CENTER:

Contracts/Purchasing Manager

Name and Title

1441 Constitution Blvd. Salinas, CA. 93906

Address

831.755.4111

Phone

FOR CONTRACTOR:

Amy Gentile
Agent Regional Vice President

Name and Title

5501 Statesman Dr. Irving TX 75063

Address

800 685 2272 X 8541

Phone

16. MISCELLANEOUS PROVISIONS.

- 16.1. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 16.2. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.
- 16.3. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 16.4. Contractor. The term "Contractor" as used in this Agreement includes Contractor's officers and employees acting on Contractor's behalf in the performance of this Agreement.
- 16.5. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 16.6. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 16.7. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 16.8. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

- 16.9. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 16.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement
- 16.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 16.12. Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 16.13. Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 16.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 16.15. Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 16.16. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

This space is left blank, intentionally

NATIVIDAD MEDICAL CENTER

By: _____
NMC Contracts/Purchasing Agent

Date: _____

By: Indis for Bill Foley
Department Head (if applicable)

Date: 3/30/09

By: Stacy Saetta
Stacy Saetta, Deputy County Counsel

Date: 4/2/09

By: [Signature]
Auditor/Controller

Date: 4-3-09

CONTRACTOR

Staff Care, Inc.
Contractor's Business Name***

[Signature]
Signature of Chair, President, or Vice-President

Scott H. Webb, Divisional Vice President
Name and Title

Date: 3-23-09

By: [Signature]
(Signature of Secretary, Asst. Secretary,
CFO, Treasurer or Asst. Treasurer)

David Dreyer, CFO
Name and Title

Date: 3-23-09

***INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

EXHIBIT A

FEE SCHEDULE-

Specialty	Daily Rate -8hr day unless otherwise specified	Premium (Hourly) -Paid after 8 hrs/day	Weeknight On-Call -Premium paid for all hours worked	Weekend On-Call (24 hr period) -Premium paid for all hours worked	24 hr call only (24 hr period) -Includes 4 hrs of patient contact. Premium paid for all hours worked past 4	Reassignment Fee
Anesthesia (General)	1,630	300	300	1,630	NA	35,000
Anesthesia (Transplant)	1,650	325	325	1,650	NA	40,000
Anesthesia (Heads & Hearts)	1,800	325	325	1,800	NA	40,000
CRNA	1,000	225	225	1,000	NA	30,000
Cardiology (Medical)	1500	270	270	1500	NA	40,000
Cardiology (Interventional)	2400	350	350	1975	NA	40,000
Cardiology (Invasive)	1750	310	310	1750	NA	40,000
Dermatology	1,750	325	250	1,750	NA	35,000
Endocrinology	1250	230	230	1250	NA	35,000
Family Practice (Outpatient)	780	150	150	780	NA	35,000
Family Practice (Inpatient)	825	170	170	825	NA	35,000
Family Practice (With OB)	1150	210	210	1150	NA	35,000
Gastroenterology	1950	320	320	1950	NA	40,000
General Surgery	1,350	345	300	1,350	1,800	35,000
Hematology/Oncology	1575	260	260	1575	NA	40,000
Hospitalist (Hourly)	150	200	200	1600	NA	40,000
Infectious Disease	1250	230	230	1250	NA	40,000
Internal Medicine (Outpatient)	800	160	160	800	NA	40,000
Internal Medicine (Inpatient)	850	180	180	850	NA	35,000
Neonatology	2100	270	270	2400	NA	40,000
Nephrology	1450	260	260	1450	NA	40,000
Neurology	1400	260	260	1400	NA	40,000
Neurosurgery	2,800	400	400	2,800	3,600	35,000
Nurse Practitioner/Physicians Asst.	680	140	140	680	NA	25,000
OB/GYN	1,400	350	350	1,400	1,850	35,000
Occupational Medicine (Hourly)	920	190	190	920	NA	35,000
Oncology (Medical)	1575	260	260	1575	NA	40,000
Oncology (Radiation)	1575	260	260	1575	NA	40,000
Orthopedic Surgery	1,650	300	350	1,650	2,300	40,000
Otorhinolaryngology (ENT)	1,600	300	350	1,600	2,000	37,000
Pathology	1300	240	240	1300	NA	35,000
Pediatrics (Outpatient)	750	145	145	750	NA	35,000
Pediatrics (Inpatient)	825	160	160	825	NA	35,000
Maternal Fetal Medicine	2,600	400	450	2,600	3,750	40,000
Physical Medicine/Rehabilitation	1650	280	280	1650	NA	40,000
Psychiatry (General)	1180	190	180	500	NA	30,000
Psychiatry (Child/Adolescent)	1280	190	180	500	NA	30,000
Pulmonology	1800	270	270	1800	NA	40,000
Radiology (General)	2200	400	400	1500	2200	35,000
Radiology (Interventional)	2500	450	450	1800	2500	35,000
Rheumatology	1575	260	260	1575	NA	40,000
Trauma Surgery	1,550	300	300	1,500	2,200	35,000
Urgent Care (Hourly)	920	NA	NA	NA	NA	35,000
Urology	1,550	300	300	1,550	2,300	35,000
Vascular Surgery	1,600	30	300	1,600	2,500	35,000

Definitions

Daily Rate-Charged daily and defined as an 8 hour work day. Premium rate is charged for all hours of patient contact in excess of 8.

Premium Rate-Hourly overtime rate.

Weeknight On-Call-Charged nightly to have PROVIDER on call. Premium rate is charged for all hours of patient contact on call

Weekend On-Call-Charged by 24 hour period to have PROVIDER on call. Premium rate is charged for all hours of patient contact on call

24 Hour Call-Used for call only assignments. Charged per 24 hour period. Rate includes 4 hours of patient contact. Premium rate is charged for all hours worked in excess of 4 each 24 hour period.

Reassignment Fee-CLIENT agrees to pay AGENCY a reassignment fee as indicated on the above fee schedule of the reassignment of each PROVIDER presented to CLIENT or any organization affiliated with CLIENT if such PROVIDER becomes a permanent employee of CLIENT or an affiliate of CLIENT within (2) years after such PROVIDER is presented to CLIENT or after PROVIDER ceases to provide services to CLIENT. Refer to clause B.10 in the AGREEMENT FOR LOCUM TENENS COVERAGE (the "AGREEMENT") regarding the reassignment fee.

Administrative Services-\$19/day The administrative service fee is applicable for each calendar day the provider delivers services through either patient contact or call availability and includes, but is not limited to, the following services: maintenance of medical malpractice insurance policy, referencing, verifying licensure, forwarding client's verification forms to third parties and continuous follow-up to ensure completed forms are returned to client in a timely manner, and coordinating travel itineraries.

Holiday Premium- A rate of one half of the Daily Rate will be charged for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas, or any holiday that is recognized by the CLIENT if PROVIDER remains in the assignment community, whether or not services are actually provided on those days. If PROVIDER is required to be on call, CLIENT will pay the full Daily Rate for PROVIDER for each holiday. If PROVIDER has any patient contact or is required to report to CLIENT'S facility on one of these holidays, CLIENT will pay the full Daily Rate for PROVIDER plus the Holiday Premium which includes up to 4 hours of professional services. CLIENT will be charged at the Premium Rate for all hours performed over four hours on any of these holidays.

EXHIBIT B
INSURANCE JUSTIFICATION

Vendor/Contractor Name: Staff Care

Commercial General Liability Insurance Endorsement

Business Justification:

Based on the Scope of Services provided herein, the endorsement to the Commercial General Liability Insurance is not applicable. The hospital does not foresee any potential liability risks associated with this justification.

Automobile Liability Insurance Endorsement

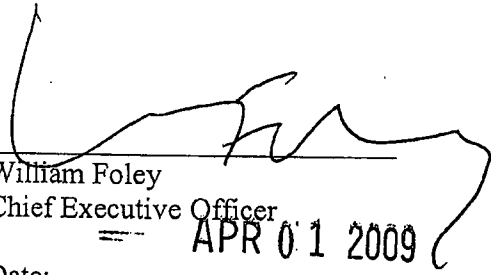
Business Justification:

The vendor has provided proof Automobile Liability Insurance at the County required limits. Based on the Scope of Services NMC Administration requests that the Additional Insured Endorsement be waived for this vendor.

Workers' Compensation Insurance Requirements

Business Justification:

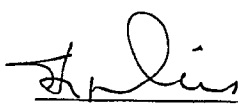
The vendor has no California employees at this time. However, in the event the vendor hires an employee(s), vendor agrees to obtain Workers' Compensation Insurance coverage pursuant to this Agreement.



William Foley
Chief Executive Officer

Date: _____

APR 01 2009



Harry Weis
Chief Financial Officer

Date: 3/30/09

EXHIBIT C

CERTIFICATION OF PHYSICIAN FOR COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER

Each Physician signing acknowledges that he or she has read, understands, and agrees to be bound by the terms below. Furthermore, he or she certifies that they are in compliance with, and will continue to be in compliance with throughout the duration of their assignment, all representations, warranties, duties and obligations of Physician as set forth in the terms below:

PERFORMANCE STANDARDS.

Licenses and Certifications.

Each Physician providing services shall be duly qualified and licensed to practice medicine in the State of California, and experienced and qualified in the medical practice of such Physician's practice specialty ("Specialty"). Each Physician shall, from and after the Effective Date, be and remain board certified in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties or American Osteopathic Association (either, the "Certifying Board"); provided, however, that if a Physician is not certified in the Specialty by the Certifying Board as of the Effective Date, such Physician shall have a reasonable amount of time to obtain such certification, provided that such Physician diligently pursues such certification in accordance with the rules of the Certifying Board, and is certified in the Specialty by the Certifying Board.

Hospital Rules, Regulations and By-Laws.

Each Physician shall provide the Services in strict accordance with all applicable Hospital rules, regulations, policies and procedures, and with any applicable Medical Staff Bylaws, Rules and Regulations, and rules of the Hospital department that supervises the Specialty (the "Department"). Each Physician shall be and remain a member of the Medical Staff of Hospital with medical privileges in good standing, including holding all Medical Staff credentials and privileges necessary to provide professional physician services in the Specialty.

Compliance Program.

Each Physician shall attend educational or informational meetings as part of NMC's Compliance Program from time to time, as requested by NMC. All business relationships between Physician and NMC are to be at arm's length and must comply with applicable law and regulation(s) and NMC's policies and procedures, including NMC's Compliance Program and Code of Conduct, as they may be amended from time to time.

Representations and Warranties by Physicians.

Each Physician represents and warrants that: (i) Physician's license to practice medicine in any state has never been suspended, revoked or restricted; (ii) Physician has never been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (iii) Physician has never been excluded or

suspended from participation in, or sanctioned by, any Federal Health Care Program; (iv) Physician has never been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (v) Physician's medical staff membership or clinical privileges at any hospital or health care facility have never been suspended, limited or revoked for a medical disciplinary cause or reason; and (vi) Physician has never been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

Specific Compliance Requirements.

In providing the Professional Services set forth in this Agreement, each Physician shall, without limitation: (i) comply with all applicable federal and state laws, rules and regulations of each governmental authority having jurisdiction over the Department and the outpatient clinic owned and operated by NMC (the "Clinic") including, without limitation, Titles 22 and 24 of the California Code of Regulations; (ii) comply with the NMC and Hospital Medical Staff Bylaws, rules, regulations and policies, and Hospital's quality assurance and utilization review functions; (iii) comply with the NMC Code of Conduct; (iv) actively participate in meeting the standards established from time to time for the Department and Hospital's Family Practice Residency Program; (v) as requested by Hospital's Service Chief or Chief Medical Officer, serve and actively participate in the various committees of Hospital's Medical Staff, as set forth in the Medical Staff Bylaws, rules and regulations; (vi) at all times comply with all applicable Federal Healthcare Program rules and regulations; (vii) is not currently suspended or barred from participation in any Federal Healthcare Program and is not the subject of a Federal Program compliance audit or investigation; and (viii) actively assist Hospital in assuring that Hospital meets the standards and requirements of the Joint Commission, Hospital licensure requirements and/or third party payor certification requirements applicable to Hospital.

Notification of Certain Events.

Each Physician shall notify Hospital in writing within twenty-four (24) hours after becoming aware of the occurrence of any of the following events:

A Physician becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by, any Federal Health Care Program, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any hospital medical staff;

A Physician's medical staff membership or any clinical privileges at any health care facility (including Hospital) are denied, suspended, terminated, restricted, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

A Physician becomes the subject of any action or proceeding arising out of such Physician's professional services;

A Physician is charged with a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime related to such Physician's practice of medicine;

A Physician violates, or causes any other person or entity to violate, the Hospital Code of Conduct, and/or Hospital's corporate integrity program;

A Physician is excluded from or restricted in any manner from participation in a Federal Healthcare Program;

Any other event occurs with respect to a Physician that materially interrupts or affects all or a portion of such Physician's ability to perform his/her obligations under this Agreement;

A Physician's license to practice medicine in the State or any other jurisdiction, or a Physician's Drug Enforcement Agency registration, is suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto; or

A Physician's insurance policy required under this Agreement is terminated, not renewed, cancelled or reduced in coverage.

Continuing Education.

Each Physician shall, from and after the Effective Date, participate in continuing education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community for the Specialty.

Billing for Professional Services.

To the extent permitted by law, each Physician acknowledges and agrees that Hospital shall be solely responsible for billing Federal Health Care Programs, Managed Care Organizations, and other third party payors and patients for Professional Services performed by each Physician under this Agreement, and collecting such fees and charges. Neither Physician nor any other person shall attempt to bill and collect from any patient, payor or any other person for any of a Physician's Professional Services, other than as described in this Agreement.

Each Physician shall assist NMC in securing any necessary physician provider enrollments and related paperwork, including Medicare and Medicaid supplier numbers, NPIs, and any reassignment forms necessary to permit payment to NMC (e.g., CMS Form 855s). Copies of pertinent documents will be provided to NMC immediately upon request.

Each Physician and NMC agree that charges, coding and reimbursement procedures will follow established Medicare guidelines in effect upon the date the service is provided.

PAYMENT CONDITIONS

Time Reporting.

Each Physician agree to: (i) prepare and submit accurate and complete time records documenting separately the time spent by each Physician rendering Professional Services and/or Provider Services, on forms acceptable to Hospital; (ii) at such times as requested by Hospital, execute and update a written allocation agreement, on a form furnished by Hospital, specifying the respective amounts of time to be spent in furnishing Professional Services, Provider Services, and any services which do not fall into either category, and/or executing and updating such other agreement(s) as may be required by the Federal Health Care Programs from time to time; and (iii) retain such allocation agreement and all amendments thereto, and all time records and other agreements required by this Section, for not less than four (4) years after the end of Hospital's fiscal year to which such documents relate. The Hospital and each Physician acknowledge and agree that the sole purpose of recording hours of activity and of determining compensation based thereon is the imposition of rules and regulations pursuant to the Federal Health Care Programs, and does not constitute an employer/employee relationship.

RECORDS AND CONFIDENTIALITY

Confidentiality.

Physician, shall comply with the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320 through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 C.F.R. Part 164, and the federal security standards as contained in 45 C.F.R. Part 142 (collectively, the "Regulations"). Each Physician shall not use or further disclose any protected health information, as defined in 45 C.F.R. § 164.504, or individually identifiable health information, as defined in 42 U.S.C. § 1320d (collectively, the "Protected Health Information"), of Hospital patients, other than as permitted by this Agreement, Hospital policies and procedures, and the requirements of HIPAA or the Regulations. Each Physician shall implement appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as contemplated by this Agreement. Each Physician shall promptly report to Hospital any use or disclosures, of which Physician becomes aware, of Protected Health Information in violation of HIPAA or the Regulations. In the event that Physician contracts with any agents to whom Physician provides Protected Health Information, such Physician shall include provisions in such agreements pursuant to which the Physician and such agents agree to the same restrictions and conditions that apply to Physician with respect to Protected Health Information. Each Physician shall make each Physician's internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary to the extent required for determining compliance with HIPAA and the Regulations. No attorney-client, accountant-client or other legal or equitable privilege shall be deemed to have been waived by each Physician or Hospital by virtue of this Section. The provisions set forth herein shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

Medical Records.

Each Physician shall prepare and maintain, or cause to be prepared and maintained, complete medical records, in accordance with Hospital requirements for documentation, timeliness and completeness, for each patient who is treated by a Physician at Hospital, including but not limited to within the Department or the Clinic. Said medical records shall, at all times, be the property of Hospital, but each Physician shall have reasonable access to such medical records and shall have the right to make copies thereof, at such Physician's sole cost and expense, upon reasonable notice to Hospital to do so.

Sign Name:

Print Name:

Specialty:

Date:
