

**NATIVIDAD MEDICAL CENTER  
PROGRAM LETTER OF AGREEMENT (INBOUND RESIDENTS)**

This PROGRAM LETTER OF AGREEMENT (“**Agreement**”) is made and entered into as of [\_\_\_\_\_, 20\_\_] by and between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center (“**County**”) and [\_\_\_\_\_] (“**Sponsoring Institution**”). County and Sponsoring Institution may be described singularly as a “**Party**” or together as “**Parties**” throughout this Agreement.

**RECITALS**

WHEREAS, Sponsoring Institution operates an ACGME-accredited residency program (“**Program**”), and desires to partner with County so that one or more Program residents can participate in a rotation at Natividad Medical Center, an acute care hospital owned and operated by the County, and/or other County clinical facilities (collectively, the “**Participating Site**”) to obtain additional clinical experience (“**Rotation**”).

WHEREAS, County desires to furnish such experience to Program residents, which promotes a valid and substantial public purpose within the authorized mission of the County. The County is committed to educating physicians to help meet the rapidly changing scope and complexity of healthcare needs. For the avoidance of doubt, any reference to “Participating Site” shall be a reference to the County.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth below, the Parties agree as follows:

**AGREEMENT**

**1. TERM.**

The term of this Agreement shall commence on [**INSERT DATE**] and terminate on [**INSERT DATE**] unless earlier terminated as provided in Section 4 below. The duration of each Rotation shall be [**INSERT LENGTH OF TIME**], or as otherwise mutually agreed to by the Parties.

**2. SPONSORING INSTITUTION RESPONSIBILITIES.**

a. **Appropriate Paperwork.** Prior to the Rotation by a Program resident (a “**Resident**”) pursuant to this Agreement, Sponsoring Institution will require the Resident to complete the required Participating Site paperwork and will work with Participating Site to ensure paperwork is complete.

b. **Rotation Schedule.** Sponsoring Institution shall provide in writing, sufficiently in advance to allow for convenient planning of schedules, the dates of the Rotation for each Resident, the name of each Resident, and other information as necessary to facilitate each Resident’s participation in the Rotation, as mutually agreed to by the Parties.

c. **Program Director.** The Program Director shall be *[INSERT NAME]* or such other person as Program shall designate, in writing, as the liaison who shall be primarily responsible for planning and exchange of information under this Agreement, on behalf of the Program (“**Program Director**”).

d. **Qualifications.** Sponsoring Institution shall select Residents to participate in the Rotation who are appropriately credentialed, licensed, or otherwise authorized to participate in the Rotation.

e. **Activities.** Sponsoring Institution will require each Resident to perform all activities under a designated Participating Site supervisor. During the Rotation, residents will be required to comply with the Participating Site’s Residents’ Policy Manual Handbook, the bylaws, rules and regulations of the Participating Site’s medical staff, including the duties indicated in the Resident I/II/III job description outlined by Allied Health Rules and Regulations, and any other Participating Site rules, regulations, policies or procedures applicable to Residents *[, IF SPONSORING INSTITUTION HAS OTHER REQUIREMENTS FOR ITS RESIDENTS, THOSE CAN ALSO BE ADDED HERE]*. If Residents are engaging in clinical activities, Sponsoring Institution acknowledges and understands that Residents will only be permitted to practice medicine under the supervision of a Participating Site physician licensed to practice medicine in Participating Site’s state or other licensed professionals, as appropriate, and within the limits of Participating Site’s training program. The Goals and Objectives associated with the Rotation are attached hereto and incorporated herein as Exhibit A.

f. **Identification.** Sponsoring Institution will require Residents to provide appropriate identification to Participating Site prior to the beginning of each rotation. Sponsoring Institution will instruct Residents that while on Participating Site’s premises; Residents will follow applicable Participating Site photo identification badge policies.

g. **Dress.** Sponsoring Institution will require Residents to dress in a business/professional manner, as appropriate to the Participating Site setting and in accordance with Participating Site policies.

h. **Health Insurance and Salary.** Sponsoring Institution is responsible for providing Resident’s health insurance and salary.

i. **Discipline.** Sponsoring Institution shall be responsible for the discipline of Residents in accordance with Program’s policies and procedures.

### **3. PARTICIPATING SITE RESPONSIBILITIES.**

a. **Site Director/Faculty Supervisors.** *[INSERT NAME]* shall be the faculty member who will serve as site coordinator (“**Site Director**”). *[OPTIONAL: In addition, the following persons shall serve as faculty supervisors at Participating Site: [INSERT NAME(S).]* The Site Director shall act as liaison with Sponsoring Institution and shall communicate with Sponsoring Institution as necessary on all matters related to Residents, and will assume day-to-day administrative, educational, and supervisory responsibility for the Residents during the Rotation. Participating Site will provide an appropriate experience for each Resident based on the communicated level of the

Resident's education, ability, and training. Supervision and teaching of Residents will be in accordance with ACGME requirements and all applicable policies and regulations.

b. **Staff and Facilities.** Participating Site will maintain adequate staff and facilities at its site to meet the educational goals and objectives of the Rotation, and provide education, supervision and evaluation in a manner consistent with the standards and requirements established by Program and ACGME.

c. **Health Insurance.** Participating Site shall not be responsible for the cost of Residents' health insurance or for any medical care costs incurred for the medical treatment of Residents. Notwithstanding the foregoing, Participating Site will provide Residents first aid and other emergency treatment on-site, including, but not limited to, immediate evaluation for risk of infection and appropriate follow-up care of Residents in the event of a needlestick injury to or other exposure of Residents to blood or body fluids or airborne contaminants. In the case of suspected or confirmed exposure to the human immuno-deficiency virus (HIV) or hepatitis, such follow-up care shall be consistent with the current guidelines of the Centers for Disease Control ("CDC") or the community's standard of care.

#### 4. **TERMINATION.**

a. **Termination of Rotation.** Participating Site shall have the right, for good cause and after consultation with Program, to prohibit further attendance at Participating Site of a Resident; provided, however, that Participating Site will not take any action against a Resident in an arbitrary or capricious manner.

b. **Termination of Agreement.** Notwithstanding any other provision to the contrary, either Party to this Agreement may terminate it at any time, with or without cause, by providing written notice to the other Party, provided that the Parties shall, in any event of termination under this section, cooperate to ensure that rotations then in place are terminated in a manner that is not likely to affect the current Residents.

c. **Effect of Termination.** Notwithstanding anything in this Agreement to the contrary, in the event of any termination of this Agreement effective during the initial twelve (12) months of its Term, the parties hereto shall not enter into an arrangement for the same items or services during such initial twelve (12) month period.

#### 5. **INSURANCE.**

a. **Professional Medical and Hospital Liability Insurance or Self-Insurance.**

- i. Sponsoring Institution represents and warrants that it maintains comprehensive professional liability insurance or self-insurance covering Residents and Program employees for Sponsoring Institution and its employed staff other than physicians and allied healthcare professionals covered under their own policies. Sponsoring Institution shall carry health care entity comprehensive liability coverage with a minimum limit of one million dollars (\$1,000,000) per claim and five million dollars (\$5,000,000)

aggregate limit covering Sponsoring Institution and its employed staff other than physicians and allied healthcare professionals covered under their own policies. Physicians and allied healthcare professionals shall carry individual coverage of \$1 million (\$1,000,000) per claim and \$3 million (\$3,000,000) aggregate, which are sub-limits and are intended to be inclusive of Sponsoring Institution's \$1 million and \$5 million limits. The insurance shall have a retroactive date coinciding with the effective date of this Agreement. In the event that a claims-made policy is canceled or non-renewed, then Sponsoring Institution shall obtain extended (tail) coverage for the remainder of the three (3) year period.

- ii. Participating Site represents and warrants that it maintains comprehensive professional liability insurance covering Participating Site faculty, including, but not limited to, supervising physicians. Participating Site shall maintain a minimum limit of one million dollars (\$1,000,000) per occurrence and five million dollars (\$5,000,000) aggregate limits. Participating Site shall carry health care entity comprehensive liability coverage with a minimum limit of one million dollars (\$1,000,000) per claim and five million dollars (\$5,000,000) aggregate limit covering Participating Site and its employed staff other than physicians and allied healthcare professionals covered under their own policies. Physicians and allied healthcare professionals shall carry individual coverage of \$1 million (\$1,000,000) per claim and \$3 million (\$3,000,000) aggregate, which are sub-limits and are intended to be inclusive of Participating Site's \$1 million and \$5 million limits. The insurance shall have a retroactive date coinciding with the effective date of this Agreement. In the event that a claims-made policy is canceled or non-renewed, then Participating Site shall obtain extended (tail) coverage for the remainder of the three (3) year period.

**b. General Liability Insurance or Self-Insurance.**

- i. Sponsoring Institution represents and warrants that it maintains comprehensive or commercial form general liability or self-insurance covering Residents and Program employees. Sponsoring Institution shall carry general liability insurance or a self-insurance program with a minimum limit of one million dollars (\$1,000,000) per claim and five million dollars (\$5,000,000) aggregate limits covering Sponsoring Institution and its employed staff other than physicians and allied healthcare professionals covered under their own policies. Physicians and allied healthcare professionals shall carry individual coverage of \$1 million (\$1,000,000) per claim and \$3 million (\$3,000,000) aggregate when insured under the Sponsoring Institution's policy.

- ii. Participating Site represents and warrants that it maintains comprehensive or commercial form general liability or self-insurance covering Participating Site. Participating Site shall carry general liability insurance or a self-insurance program with a minimum limit of one million dollars (\$1,000,000) per claim and five million dollars (\$5,000,000) aggregate limits covering Participating Site and its employed staff other than physicians and allied healthcare professionals covered under their own policies. Physicians and allied healthcare professionals shall carry individual coverage of \$1 million (\$1,000,000) per claim and \$3 million (\$3,000,000) aggregate when insured under the Participating Site's policy.

c. **Worker's Compensation Liability Insurance.**

- i. Sponsoring Institution represents and warrants that it maintains Worker's Compensation liability insurance with self-insured retention in amounts required by the State of California.
- ii. Participating Site represents and warrants that it maintains Worker's Compensation liability insurance with self-insured retention in amounts required by the State of California.

d. The coverage referred to in Section 5(b)(i) above shall be endorsed to include Participating Site as an additional insured. Such a provision, however, shall only apply in proportion to and to the extent of the negligent acts or omissions of Sponsoring Institution, its officers, agents, and/or employees. Sponsoring Institution upon execution of this Agreement shall furnish Participating Site with Certificates of Insurance evidencing compliance with all requirements.

e. The coverage referred to in Section 5(b)(ii) above shall be endorsed to include Sponsoring Institution as an additional insured. Such a provision, however, shall only apply in proportion to and to the extent of the negligent acts or omissions of Participating Site, its officers, agents, and/or employees. Participating Site upon execution of this Agreement shall furnish Sponsoring Institution with Certificates of Insurance evidencing compliance with all requirements.

f. Such other insurance in such amounts from time to time may be reasonably required by the mutual consent of the parties against other insurance risks related to performance. It should be expressly understood that the coverages required under this Agreement shall not in any way limit the liability of Sponsoring Institution or Participating Site.

6. **INDEMNIFICATION.**

a. **By Sponsoring Institution.** Sponsoring Institution shall defend, indemnify and hold Participating Site, Participating Site physicians, its officers, employees and agents harmless from any claim, liability, loss, injury or damage arising out of, or in connection with, the negligent, reckless or intentionally wrongful performance of this Agreement by Sponsoring Institution, Sponsoring Institution

Physicians, its officers, employees, Residents, agents, or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of Participating Site, Participating Site physicians, its officers, employees, agents, or sub-contractors. Sponsoring Institution shall reimburse Participating Site for all costs, attorneys' fees, expenses, and liabilities incurred with respect to any litigation in which Sponsoring Institution is obligated to indemnify, defend and hold harmless Participating Site under this Agreement.

7. **MISCELLANEOUS.**

a. **Fair Market Value.** Each Party represents and warrants on behalf of itself, that the aggregate benefit given or received by each Party under this Agreement has been determined in advance through a process of arms-length negotiations that were intended to achieve an exchange of goods and/or services consistent with fair market value under the circumstances, and that any benefit given or received under this Agreement is not intended to induce, does not require, and is not contingent upon, the admission, recommendation or referral of any patient, directly or indirectly, to or from either party, and further, is not determined in any manner that takes into account the value of business generated between the Parties.

b. **Notices.** All notices required under this Agreement shall be deemed to have been fully given when made in writing and deposited in the United States mail, postage prepaid, certified mail, return receipt requested, and addressed as follows:

**Participating Site**

Natividad Medical Center Family Medicine Residency Program  
1441 Constitution Boulevard  
Salinas, CA 93906  
Attn: Program Director

**Sponsoring Institution**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. **Patient Records.** Any and all of Participating Site's medical records and charts created at Participating Site's facilities as a result of performance under this Agreement shall be and shall remain the property of Participating Site.

d. **Independent Contractor.** Nothing in this Agreement is intended to create nor shall it be deemed or construed to create any relationship between Sponsoring Institution and Participating Site hereto other than that of independent entities contracting with each other hereunder solely for the purpose of affecting the provisions of this Agreement. Neither Party hereto, nor any of their respective officers, directors, or employees shall be construed to be the agent, employee or representative of the other. The Parties agree that each of them shall have sole responsibility for the payment of any

and all of its own applicable Federal, State, and local income taxes and of any and all other taxes, charges and levies; and shall comply with all applicable Federal, State, and local laws and regulations.

e. **Use of Name.** Neither Party will use the name of the other or its employees, either expressly or by implication, in any publicity, solicitation, or advertisement without the express written approval of the other Party to this Agreement.

f. **No Third-Party Beneficiaries.** This Agreement is not intended and shall not be construed to create any rights for any third Party.

g. **Assignment.** Neither Sponsoring Institution nor Participating Site shall assign their rights, duties, or obligations under this Agreement, in whole or in part, without prior written consent of the other.

h. **Amendments.** No amendment, changes to or waivers or termination of this Agreement shall be effective unless made in writing and signed and delivered by authorized representatives of the Parties.

i. **Counterparts and Authority.** This Agreement may be executed in any number or counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Each Party represents that it is free to enter into this Agreement and to perform each of the terms and conditions of the Agreement.

j. **Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable. This Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never been a part of the Agreement, and the remaining provisions shall remain in full force and effect unaffected by such severance, provided that the severed provision(s) are not material to the overall purpose and operation of this Agreement.

k. **Waiver.** Waiver by either party of any breach of any provision of this Agreement or warranty of representation herein set forth shall not be construed as a waiver of any subsequent breach of the same or any other provision. The failure to exercise any right hereunder shall not operate as a waiver of such right. All rights and remedies provided for herein are cumulative.

l. **Exhibits.** Any and all exhibits attached hereto are incorporated herein by reference and made a part of this Agreement.

m. **Governing Law and Venue.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of California with venue proper in Monterey County, California, without giving effect to conflict of law principles.

n. **No Discrimination.** Sponsoring Institution and Participating Site agree not to engage in unlawful discrimination against or harassment of any Resident pursuant to this Agreement on the basis of race, color, national origin, religion, sex, gender identity, pregnancy, physical or mental disability, medical condition, ancestry, marital

status, age, sexual orientation, citizenship, or status as a covered veteran, within the limits imposed by applicable state and federal laws.

o. **Entire Agreement.** This Agreement contains all the terms and conditions agreed upon by the parties regarding the subject matter of this Agreement and supersedes any prior agreements, oral or written, and all other communications between the parties relating to such subject matter.

*[Signature Page Follows]*

The parties have executed this Agreement as set forth below.

**“COUNTY”**

COUNTY OF MONTEREY, a political  
subdivision of the State of California, on  
behalf of Natividad Medical Center

By:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

\_\_\_\_\_

**“SPONSORING INSTITUTION”**

[\_\_\_\_\_, a \_\_\_\_\_]

By:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

\_\_\_\_\_

**EXHIBIT A**

**Goals and Objectives**

*[Insert specific goals and objectives for Rotation (e.g., based on ACGME requirements)]*