



Board Informational Report

By: Ashly Hoffman
Contracts Coordinator

DATE: April 9, 2015

Commercial Reasonableness

In order to provide clarification regarding the commercial reasonableness determinations that are made in TFHD's contracting process, Hooper, Lundy, and Bookman has prepared the following summary of commercial reasonableness.

The concept of the commercial reasonableness of arrangements with physicians arises primarily under the Stark law. Two of the Stark law's exceptions that are commonly used to protect arrangements between hospitals and physicians, the Fair Market Value Exception and the Isolated Financial Transactions Exception, include a commercial reasonableness requirement. The Isolated Financial Transaction Exception requires that the remuneration is provided under an agreement that would be commercially reasonable even if the physician made no referrals to the entity. (42 C.F.R. Sec. 411.357(f)(2)). The Fair Market Value Exception requires that the arrangement is commercially reasonable (taking into account the nature and scope of the transaction) and furthers the legitimate business purposes of the parties. (42 C.F.R. Sec. 411.357(l)(4)). The third exception that is commonly used to protect physician arrangements, the Personal Services Arrangements exception, does not explicitly include a requirement that the arrangement be commercially reasonable. However, it does include a somewhat similar requirement that the aggregate services contracted for under an arrangement do not exceed those that are reasonable and necessary for the legitimate business purpose of the arrangement. (42 C.F.R. Sec. 411.357(d)(1)(iii)).

CMS has further explained the meaning of commercial reasonableness on two occasions, in commentary accompanying iterations of the Stark law regulations. CMS first stated as follows: "We are interpreting "commercially reasonable" to mean that the arrangement appears to be a sensible, prudent business agreement, from the perspective of the particular parties involved, even in the absence of any potential referrals." (63 Fed. Reg. 1700 (January 9, 1998)). Later CMS made the following statement: "An arrangement will be considered "commercially reasonable" in the absence of referrals if the arrangement would make commercial sense if entered into by a reasonable entity of similar type and size and a reasonable physician (or family member or group practice) of similar scope and specialty, even if there were no potential [designated health services] referrals. 69 Fed. Reg. 16054 (March 26, 2004).

Based upon the above regulatory language and commentary, Hooper Lundy and Bookman has been able to provide a synthesized understanding of commercial reasonableness as it relates to TFHD's contract approval process. The commercial reasonableness of an Agreement brought to the Board of Directors for approval is a factual determination to be made on a case by case basis, taking into account the specific circumstances of each arrangement. To better reflect such factual determinations, TFHD has included the following certification language to the Contract Routing Form to support the commercial reasonableness of each particular arrangement:

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with [physician or medical group], and I have determined (1) that the services to be provided by [physician or medical

group] under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and [physician or medical group] to enter into, and makes commercial sense, even if no referrals were made by [physician or medical group] to TFHD or any of its facilities.”

The certification language has been prepared by Hooper, Lundy and Bookmanto aid TFHD in documenting the factual determinations of commercial reasonableness that take place in the contracting process. The signatures obtained for each certification are gathered at the operational level from the director with the most intimate knowledge of the specific circumstances for each arrangement.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>		
		PHONE: <u>530-582-6650</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/>		CFO <input type="checkbox"/>	COO <input type="checkbox"/>	CNO <input type="checkbox"/>
		CIO <input checked="" type="checkbox"/>	IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>		MEETING DATE:		GC COMMITTEE RECOMENDATION:
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>	Contract Name: <u>Laird_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015</u>			
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>	Contract Name: _____			
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>	Contract Name: _____			
Other: _____ <input type="checkbox"/>	Contract Name: _____			
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:	<u>Tad Laird, MD</u>			
Purpose of the Contract/Alternatives:				
Dr. Laird will serve on the Hospital's EHR Technology Council and provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals for TFHD.				
Scope of the Contract:				
<ol style="list-style-type: none"> Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT; Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking; Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020; Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods; Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment; Work in concert with District Chief Information Officer or other designee as requested; Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration; Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy; Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost; Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS; and Perform any other duties related to health information technology reasonably requested by DISTRICT. 				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: Include "other comp" (i.e. education, phone stipend, etc.) <u>\$100 per hour up to 240 hours per year</u>				
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>				
Total Cost of Contract:		<u>\$72,000 per three year term</u>		
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If NOT budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>		
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>		

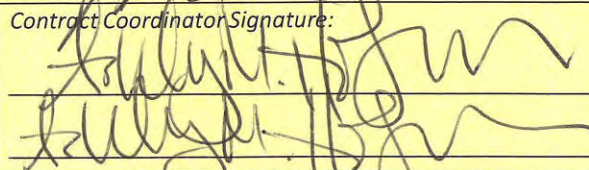
ORIGINATING DEPARTMENT: Information Technology	PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u> Phone: <u>530-582-6650</u>
--	--

CONTRACT NAME:
Laird_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Tad Laird, and I have determined (1) that the services to be provided by Tad Laird under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Tad Laird to enter into, and makes commercial sense, even if no referrals were made by Tad Laird to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> 
Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Tad Laird, MD</u>		
Mailing Address:	<u>10121 Pine Avenue, Truckee, CA 96161</u>		
Telephone and Fax Number:	Phone: <u>530-582-3420</u>	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION
*W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract
(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)*

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services EHR Technology Council has been reviewed and approved of by Hooper Lundy and Bookman.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials CFO Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____
	Out for TFHD Signature: Date: _____	Receive Date: _____
	Out for Vendor Signature: Date: _____	Receive Date: _____
	Uploaded to Contracts System: Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:29 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Laird [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:25 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Laird

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Laird's TF2020 Agreement for Medical Advisor Services EHR Technology Council is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

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Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 03, 2015 5:04 PM
To: Hoffman, Ashly
Cc: 'Jasmin S. Niku'
Subject: RE: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Ashly,

We actually have reviewed most of the arrangements you sent during our previous FMV reviews. We also compared FMV hourly compensation ranges for the new agreements.

At the rate of \$100 per hour, each of the arrangements you have inquired about does not exceed the FMV range.

Please let me know if there are any questions.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
[ecgmc.com](http://www.ecgmc.com)

Join Theodore Michalke on April 16 for his session, Defining Excellence in Spine Care at the [2015 Spine Business Summit](#) in Chicago

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 03, 2015 10:25 AM
To: Poluhina, Nadia A
Cc: 'Jasmin S. Niku'
Subject: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

Barta, Gina

Stacey Meredith

Laird, Tad

Lombard, Tim

[REDACTED]

[REDACTED]

Scholnick, Josh

Thompson, Steve

Can you let me know if these contracts are within FMV and CR? Please let me know if you need any further information. Thank you!

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 532-6384 tel
(530) 532-3557 fax
www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
EHR TECHNOLOGY COUNCIL**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Tad Laird, M.D. (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a committee known as the EHR Technology Council (hereafter referred to as “the Committee”);

WHEREAS, DISTRICT desires physicians to serve on the Committee and advise various other committees and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals, including the selection, adoption and implementation of an electronic health record for DISTRICT;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Committee; and

WHEREAS, PHYSICIAN desires and is qualified to serve on the Committee and to provide such input, advice and consultation:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN’S RESPONSIBILITIES

1.1 Medical Advisor Services. PHYSICIAN shall serve as a member of and a medical advisor to the Committee and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to health information technology. PHYSICIAN shall attend the assigned Committee meetings whenever possible. PHYSICIAN’S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings of the Committee, all of PHYSICIAN’s participation in meetings related to health information technology or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. **COMPENSATION.** For his or her time spent attending Committee meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT's Chief Executive Officer or designee.

3. **TERM AND TERMINATION.**

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.6 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. **RELATIONSHIP BETWEEN THE PARTIES**

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation

benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. COMPLIANCE WITH LAW, AMENDMENT, TERMINATION. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the “fair market value compensation exception” of the federal “Stark” law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section,

PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance. HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the "Federal Privacy Regulations") and the federal security standards as contained in 45 CFR Part 164 (the "Federal Security Regulations"). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the "Protected Health Information"), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an "organized health care arrangement" for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a "business associate" of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

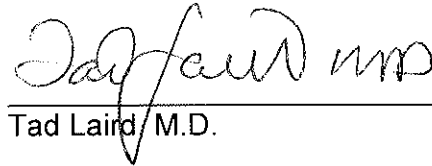
DISTRICT:

Tahoe Forest Hospital District

PHYSICIAN:

Tad Laird, M.D.

By: Virginia Razo
Interim Chief Executive Officer


Tad Laird, M.D.

Date: _____

Date: 4/13/15

Address: 4278 Bitterroot Rd
Reno, NV 89519

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking.
- 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020.
- 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment.
- 6) Work in concert with District Chief Information Officer or other designee as requested.
- 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration.
- 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy.
- 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost.
- 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS.
- 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.



EXHIBIT B

SERVICE TIME LOG - TAHOE FOREST HOSPITAL DISTRICT

Name: _____, MD or DO
Contract Role: [e.g. Medical Director, etc.]: _____

Physician: Each month please complete & submit this log for services you rendered. Please add more pages to this log if needed to ensure all dates, times, services are listed. If you use a computer/phone application, please attach and sign this log to the documentation generated by the program. Thank you.

Date of Service	Description of Services	Hours

Total time: _____ hours @ \$_____/hour = Total balance due \$ _____

I hereby attest that I personally performed all of the services listed for the time periods indicated and that there has been no duplication of hours or services that I have performed under any other agreements I may have with DISTRICT. I declare that the above statement is true and accurate to the best of my knowledge.

Physician's signature: _____ Date _____

Approved by DISTRICT: _____ Date _____

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>		
		PHONE: <u>530-582-6650</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/>		CFO <input type="checkbox"/>	COO <input type="checkbox"/>	CNO <input type="checkbox"/>
		CIO <input checked="" type="checkbox"/>	IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>		MEETING DATE:		GC COMMITTEE RECOMMENDATION:
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>		Contract Name: <u>Lombard_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015</u>		
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>		Contract Name: _____		
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____		
Other: _____ <input type="checkbox"/>		Contract Name: _____		
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:		<u>Tim Lombard, MD</u>		
Purpose of the Contract/Alternatives:				
Dr. Lombard will serve on the Hospital's EHR Technology Council and provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals for TFHD.				
Scope of the Contract:				
1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT; 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking; 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020; 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods; 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment; 6) Work in concert with District Chief Information Officer or other designee as requested; 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration; 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy; 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost; 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS; and 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: <i>Include "other comp" (i.e. education, phone stipend, etc.)</i>				
<u>\$100 per hour up to 240 hours per year</u>				
Contract Term: (anything other than Net 30 requires AC approval)				
<u>Net 30</u>				
Total Cost of Contract:		<u>\$72,000 per three year term</u>		
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If <u>NOT</u> budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>		
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>		

ORIGINATING DEPARTMENT: Information Technology	PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u> Phone: <u>530-582-6650</u>
--	--

CONTRACT NAME:
Lombard_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Tim Lombard, and I have determined (1) that the services to be provided by Tim Lombard under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Tim Lombard to enter into, and makes commercial sense, even if no referrals were made by Tim Lombard to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract Coordinator Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: No:

Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	Tim Lombard, MD		
Mailing Address:	10948 Donner Pass Road, Truckee, CA 96161		
Telephone and Fax Number:	Phone: 530-582-1212	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION

W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract

(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services EHR Technology Council has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Lombard which expires on 4/30/2015.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____	
	Out for TFHD Signature: _____	Date: _____	Receive Date: _____
	Out for Vendor Signature: _____	Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____	Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>
CFO Review: _____ Date Initials			

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 2:10 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Lombard [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 2:02 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Lombard

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Lombard's TF2020 Agreement for Medical Advisor Services EHR Technology Council is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 03, 2015 5:04 PM
To: Hoffman, Ashly
Cc: 'Jasmin S. Niku'
Subject: RE: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Ashly,

We actually have reviewed most of the arrangements you sent during our previous FMV reviews. We also compared FMV hourly compensation ranges for the new agreements.

At the rate of \$100 per hour, each of the arrangements you have inquired about does not exceed the FMV range.

Please let me know if there are any questions.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
www.ecgmc.com

Join Theodore Michalke on April 16 for his session, Defining Excellence in Spine Care, at the [2015 Spine Business Summit](#) in Chicago.

LEADING HEALTHCARE FORWARD

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The information in this email, including any attachments, is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of this email, or the taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 03, 2015 10:25 AM
To: Poluhina, Nadia A
Cc: 'Jasmin S. Niku'
Subject: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

Barta, Gina
Stacey Meredith
Laird, Tad
Lombard, Tim
[REDACTED]
[REDACTED]
Scholnick, Josh
Thompson, Steve

Can you let me know if these contracts are within FMV and CR? Please let me know if you need any further information. Thank you!

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
EHR TECHNOLOGY COUNCIL**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services ("Agreement") is made and entered into and effective as of the 1st day of May, 2015 ("Effective Date") by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as "DISTRICT"), and Tim Lombard, M.D. (hereinafter referred to as "PHYSICIAN").

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a committee known as the EHR Technology Council (hereafter referred to as "the Committee");

WHEREAS, DISTRICT desires physicians to serve on the Committee and advise various other committees and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals, including the selection, adoption and implementation of an electronic health record for DISTRICT;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Committee; and

WHEREAS, PHYSICIAN desires and is qualified to serve on the Committee and to provide such input, advice and consultation:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN'S RESPONSIBILITIES

1.1 Medical Advisor Services. PHYSICIAN shall serve as a member of and a medical advisor to the Committee and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to health information technology. PHYSICIAN shall attend the assigned Committee meetings whenever possible. PHYSICIAN'S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings of the Committee, all of PHYSICIAN's participation in meetings related to health information technology or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. **COMPENSATION.** For his or her time spent attending Committee meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT's Chief Executive Officer or designee.

3. **TERM AND TERMINATION.**

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.6 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. **RELATIONSHIP BETWEEN THE PARTIES**

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation

benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. COMPLIANCE WITH LAW, AMENDMENT, TERMINATION. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the “fair market value compensation exception” of the federal “Stark” law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section,

PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance. HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the "Federal Privacy Regulations") and the federal security standards as contained in 45 CFR Part 164 (the "Federal Security Regulations"). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the "Protected Health Information"), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an "organized health care arrangement" for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a "business associate" of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:
Tahoe Forest Hospital District

PHYSICIAN:
Tim Lombard, M.D.

By: Virginia Razo
Interim Chief Executive Officer

Tim Lombard, M.D.

Date: _____

Date: 4/8/15

Address: 10948 Donner Pass Rd.
Truckee, CA 96161

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking.
- 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020.
- 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment.
- 6) Work in concert with District Chief Information Officer or other designee as requested.
- 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration.
- 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy.
- 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost.
- 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS.
- 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>	AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>	
		PHONE: <u>530-582-6650</u>	
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/> CFO <input type="checkbox"/> COO <input type="checkbox"/> CNO <input type="checkbox"/> CIO <input checked="" type="checkbox"/> IVCH <input type="checkbox"/>			
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>			MEETING DATE: _____
			GC COMMITTEE RECOMMENDATION: _____
CONTRACT TYPE/NAME:			
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>	Contract Name: <u>Meredith_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015</u>		
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>	Contract Name: _____		
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>	Contract Name: _____		
Other: _____ <input type="checkbox"/>	Contract Name: _____		
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>			
CONTRACT DETAILS: (additional information may be provided on Page 2)			
CONTRACTOR/ VENDOR NAME:		<u>Stacey Meredith, MD</u>	
Purpose of the Contract/Alternatives:			
Dr. Meredith will serve on the Hospital's EHR Technology Council and provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals for TFHD.			
Scope of the Contract:			
1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT; 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking; 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020; 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods; 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment; 6) Work in concert with District Chief Information Officer or other designee as requested; 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration; 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy; 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost; 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS; and 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.			
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>	
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR			
Compensation Structure: <i>Include "other comp" (i.e. education, phone stipend, etc.)</i>			
<u>\$100 per hour up to 240 hours per year</u>			
Contract Term: <i>(anything other than Net 30 requires AC approval)</i>			
<u>Net 30</u>			
Total Cost of Contract:		<u>\$72,000 per three year term</u>	
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>	
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
If <u>NOT</u> budgeted or exceeds budgeted amount, identify the offset:			
TFHD Primary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>	
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>	

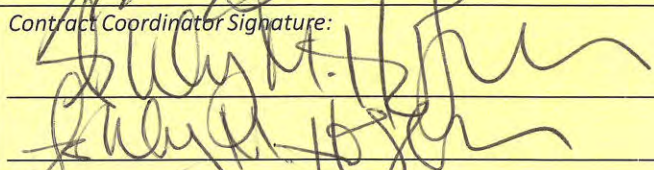
ORIGINATING DEPARTMENT: Information Technology	PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u> Phone: <u>530-582-6650</u>
--	--

CONTRACT NAME:
Meredith_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Stacey Meredith, and I have determined (1) that the services to be provided by Stacey Meredith under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Stacey Meredith to enter into, and makes commercial sense, even if no referrals were made by Stacey Meredith to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> 
Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Stacey Meredith, MD</u>		
Mailing Address:	<u>10774 Heather Road, Truckee, CA 96161</u>		
Telephone and Fax Number:	Phone: <u>530-587-6011</u>	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION
*W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract
(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)*

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services EHR Technology Council has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Keats which expires on 4/30/2015. Dr. Keats had recommended Dr. Meredith for this position, as Dr. Keats will not be performing these services for TFHD going forward.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials CFO Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____	
	Out for TFHD Signature: _____	Date: _____	Receive Date: _____
	Out for Vendor Signature: _____	Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____	Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:31 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Meredith [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:28 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Meredith

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Meredith's TF2020 Agreement for Medical Advisor Services EHR Technology Council is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 03, 2015 5:04 PM
To: Hoffman, Ashly
Cc: 'Jasmin S. Niku'
Subject: RE: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Ashly,

We actually have reviewed most of the arrangements you sent during our previous FMV reviews. We also compared FMV hourly compensation ranges for the new agreements.

At the rate of \$100 per hour, each of the arrangements you have inquired about does not exceed the FMV range.

Please let me know if there are any questions.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
[ecgmc.com](http://www.ecgmc.com)

Join Theodore Michalke on April 16 for his session, Defining Excellence in Spine Care at the [2015 Spine Business Summit](#) in Chicago

LEADING HEALTHCARE FORWARD

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The information in this email, including any attachments, is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of this email, or the taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 03, 2015 10:25 AM
To: Poluhina, Nadia A
Cc: 'Jasmin S. Niku'
Subject: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

Barta, Gina
Stacey Meredith
Laird, Tad
Lombard, Tim
~~██████████~~
~~██████████~~
Scholnick, Josh
Thompson, Steve

Can you let me know if these contracts are within FMV and CR? Please let me know if you need any further information. Thank you!

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-5334 tel
(530) 582-3557 fax
www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
EHR TECHNOLOGY COUNCIL**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Stacey Meredith, M.D. (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a committee known as the EHR Technology Council (hereafter referred to as “the Committee”);

WHEREAS, DISTRICT desires physicians to serve on the Committee and advise various other committees and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals, including the selection, adoption and implementation of an electronic health record for DISTRICT;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Committee; and

WHEREAS, PHYSICIAN desires and is qualified to serve on the Committee and to provide such input, advice and consultation:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN’S RESPONSIBILITIES

1.1 Medical Advisor Services. PHYSICIAN shall serve as a member of and a medical advisor to the Committee and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to health information technology. PHYSICIAN shall attend the assigned Committee meetings whenever possible. PHYSICIAN’S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings of the Committee, all of PHYSICIAN’S participation in meetings related to health information technology or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. **COMPENSATION.** For his or her time spent attending Committee meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT'S Chief Executive Officer or designee.

3. **TERM AND TERMINATION.**

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.6 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. **RELATIONSHIP BETWEEN THE PARTIES**

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation

benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. COMPLIANCE WITH LAW, AMENDMENT, TERMINATION. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the “fair market value compensation exception” of the federal “Stark” law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section,

PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance. HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 (“HIPAA”), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the “Federal Privacy Regulations”) and the federal security standards as contained in 45 CFR Part 164 (the “Federal Security Regulations”). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501(collectively, the “Protected Health Information”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an “organized health care arrangement” for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a “business associate” of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:

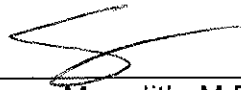
Tahoe Forest Hospital District

By: Virginia Razo
Interim Chief Executive Officer

Date: _____

PHYSICIAN:

Stacey Meredith, M.D.



Stacey Meredith, M.D.

Date: 4/6/15

Address: 10774 Heather Rd
Truckee, CA 96161

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking.
- 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020.
- 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment.
- 6) Work in concert with District Chief Information Officer or other designee as requested.
- 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration.
- 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy.
- 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost.
- 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS.
- 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.



EXHIBIT B

SERVICE TIME LOG - TAHOE FOREST HOSPITAL DISTRICT

Name: _____, MD or DO
Contract Role: [e.g. Medical Director, etc.]: _____

Physician: *Each month please complete & submit this log for services you rendered. Please add more pages to this log if needed to ensure all dates, times, services are listed. If you use a computer/phone application, please attach and sign this log to the documentation generated by the program. Thank you.*

Date of Service	Description of Services	Hours

Total time: _____ hours @ \$_____ /hour = Total balance due \$_____

I hereby attest that I personally performed all of the services listed for the time periods indicated and that there has been no duplication of hours or services that I have performed under any other agreements I may have with DISTRICT. I declare that the above statement is true and accurate to the best of my knowledge.

Physician's signature: _____ Date _____

Approved by DISTRICT: _____ Date _____

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>		
		PHONE: <u>530-582-6650</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/>		CFO <input type="checkbox"/>	COO <input type="checkbox"/>	CNO <input type="checkbox"/>
		CIO <input checked="" type="checkbox"/>	IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>		MEETING DATE:		GC COMMITTEE RECOMMENDATION:
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>	Contract Name: <u>Scholnick_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015</u>			
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>	Contract Name: _____			
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>	Contract Name: _____			
Other: _____ <input type="checkbox"/>	Contract Name: _____			
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:	<u>Joshua Scholnick, MD</u>			
Purpose of the Contract/Alternatives:				
Dr. Scholnick will serve on the Hospital's EHR Technology Council and provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals for TFHD.				
Scope of the Contract:				
1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT; 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking; 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020; 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods; 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment; 6) Work in concert with District Chief Information Officer or other designee as requested; 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration; 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy; 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost; 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS; and 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: <i>Include "other comp" (i.e. education, phone stipend, etc.)</i>				
<u>\$100 per hour up to 240 hours per year</u>				
Contract Term: <i>(anything other than Net 30 requires AC approval)</i>				
<u>Net 30</u>				
Total Cost of Contract:		<u>\$72,000 per three year term</u>		
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If NOT budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>		
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO /Interim CEO</u>		

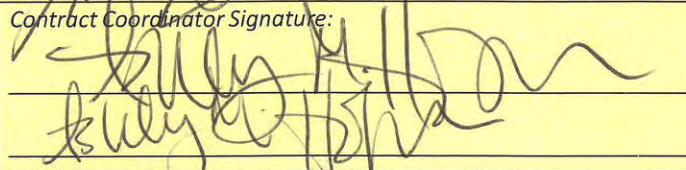
ORIGINATING DEPARTMENT: Information Technology	PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u> Phone: <u>530-582-6650</u>
--	--

CONTRACT NAME:
Scholnick_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Joshua Scholnick, and I have determined (1) that the services to be provided by Joshua Scholnick under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Joshua Scholnick to enter into, and makes commercial sense, even if no referrals were made by Joshua Scholnick to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> 
Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Joshua Scholnick, M.D.</u>		
Mailing Address:	<u>10307 Kimque Court, Truckee, CA 96161</u>		
Telephone and Fax Number:	Phone: <u>530-582-1212</u>	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION
*W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract
(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)*

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services EHR Technology Council has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Scholnick which expires on 4/30/2015.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: Date _____ Initials _____ CFO Review: Date _____ Initials _____	BOARD ACTION: _____	MEETING DATE: _____
	Out for TFHD Signature: _____ Date: _____	Receive Date: _____
	Out for Vendor Signature: _____ Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____ Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:32 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Scholnick [IWOV-IMDB_WEB.FID215479]

Yes.

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Subject: FMV & CR for Scholnick

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Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 03, 2015 5:04 PM
To: Hoffman, Ashly
Cc: 'Jasmin S. Niku'
Subject: RE: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Ashly,

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At the rate of \$100 per hour, each of the arrangements you have inquired about does not exceed the FMV range.

Please let me know if there are any questions.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
ecgmc.com

Join Theodore Michalke on April 16 for his session, Defining Excellence In Spine Care at the [2015 Spine Business Summit](#) in Chicago

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 03, 2015 10:25 AM
To: Poluhina, Nadia A
Cc: 'Jasmin S. Niku'
Subject: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

Barta, Gina
Stacey Meredith
Laird, Tad
Lombard, Tim
[REDACTED]
[REDACTED]
Scholnick, Josh
Thompson, Steve

Can you let me know if these contracts are within FMV and CR? Please let me know if you need any further information. Thank you!

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
530.532-6334 tele
530.532-3557 fax
www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
EHR TECHNOLOGY COUNCIL**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Joshua Scholnick, M.D. (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a committee known as the EHR Technology Council (hereafter referred to as “the Committee”);

WHEREAS, DISTRICT desires physicians to serve on the Committee and advise various other committees and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals, including the selection, adoption and implementation of an electronic health record for DISTRICT;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Committee; and

WHEREAS, PHYSICIAN desires and is qualified to serve on the Committee and to provide such input, advice and consultation:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN’S RESPONSIBILITIES

1.1 Medical Advisor Services. PHYSICIAN shall serve as a member of and a medical advisor to the Committee and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to health information technology. PHYSICIAN shall attend the assigned Committee meetings whenever possible. PHYSICIAN’S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings of the Committee, all of PHYSICIAN’S participation in meetings related to health information technology or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. COMPENSATION. For his or her time spent attending Committee meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT'S Chief Executive Officer or designee.

3. TERM AND TERMINATION.

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.6 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation

benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. COMPLIANCE WITH LAW, AMENDMENT, TERMINATION. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the “fair market value compensation exception” of the federal “Stark” law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section,

PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4 Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance. HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 (“HIPAA”), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the “Federal Privacy Regulations”) and the federal security standards as contained in 45 CFR Part 164 (the “Federal Security Regulations”). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the “Protected Health Information”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an “organized health care arrangement” for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a “business associate” of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:

Tahoe Forest Hospital District

By: Virginia Razo
Interim Chief Executive Officer

Date: _____

PHYSICIAN:

Joshua Scholnick, M.D.

Joshua Scholnick
Joshua Scholnick, M.D.

Date: 4/6/15

Address: 10307 Kingque Ct
Truckee CA 96161

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking.
- 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020.
- 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment.
- 6) Work in concert with District Chief Information Officer or other designee as requested.
- 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration.
- 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy.
- 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost.
- 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS.
- 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.



EXHIBIT B

SERVICE TIME LOG - TAHOE FOREST HOSPITAL DISTRICT

Name: _____, MD or DO
Contract Role: [e.g. Medical Director, etc.]: _____

Physician: Each month please complete & submit this log for services you rendered. Please add more pages to this log if needed to ensure all dates, times, services are listed. If you use a computer/phone application, please attach and sign this log to the documentation generated by the program. Thank you.

Date of Service	Description of Services	Hours

Total time: _____ hours @ \$_____/hour = Total balance due \$_____

I hereby attest that I personally performed all of the services listed for the time periods indicated and that there has been no duplication of hours or services that I have performed under any other agreements I may have with DISTRICT. I declare that the above statement is true and accurate to the best of my knowledge.

Physician's signature: _____ Date _____

Approved by DISTRICT: _____ Date _____

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

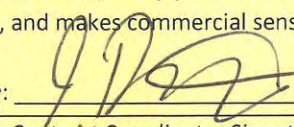
NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>		
		PHONE: <u>530-582-6650</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/>		CFO <input type="checkbox"/>	COO <input type="checkbox"/>	CNO <input type="checkbox"/>
		CIO <input checked="" type="checkbox"/>	IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>		MEETING DATE:		GC COMMITTEE RECOMMENDATION:
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>	Contract Name: <u>Thompson_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015</u>			
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>	Contract Name: _____			
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>	Contract Name: _____			
Other: _____ <input type="checkbox"/>	Contract Name: _____			
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:		Steve Thompson, MD		
Purpose of the Contract/Alternatives:				
Dr. Thompson will serve on the Hospital's EHR Technology Council and provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals for TFHD.				
Scope of the Contract:				
<ol style="list-style-type: none"> Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT; Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking; Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020; Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods; Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment; Work in concert with District Chief Information Officer or other designee as requested; Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration; Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy; Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost; Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS; and Perform any other duties related to health information technology reasonably requested by DISTRICT. 				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: Include "other comp" (i.e. education, phone stipend, etc.) \$100 per hour up to 240 hours per year				
Contract Term: (anything other than Net 30 requires AC approval) Net 30				
Total Cost of Contract:		\$72,000 per three year term		
Compensation Audit Process:		See Policies AGOV-10 and ABD-21		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If NOT budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		Jake Dorst, CIO /Interim CEO		
TFHD Secondary Responsible Party:		Jake Dorst, CIO /Interim CEO		

ORIGINATING DEPARTMENT: Information Technology	PRIMARY RESPONSIBLE PARTY: Jake Dorst Phone: 530-582-6650
--	--

CONTRACT NAME:
Thompson_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Steve Thompson, and I have determined (1) that the services to be provided by Steve Thompson under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Steve Thompson to enter into, and makes commercial sense, even if no referrals were made by Steve Thompson to TFHD or any of its facilities."

Primary Responsible Party Signature: 

Contract Coordinator Signature: 

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: No:

Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	Steve Thompson, M.D.		
Mailing Address:	10175 Levon Ave, Truckee, CA 96161		
Telephone and Fax Number:	Phone: 530-587-1041	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION

W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract

(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services EHR Technology Council has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Thompson which expires on 4/30/2015.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials CFO Review: _____ Date Initials	BOARD ACTION: _____ Out for TFHD Signature: Date: _____ Out for Vendor Signature: Date: _____	MEETING DATE: _____ Receive Date: _____ Receive Date: _____
	Uploaded to Contracts System: Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:31 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Thompson [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:29 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Thompson

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Thompson's TF2020 Agreement for Medical Advisor Services EHR Technology Council is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

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Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 03, 2015 5:04 PM
To: Hoffman, Ashly
Cc: 'Jasmin S. Niku'
Subject: RE: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Ashly,

We actually have reviewed most of the arrangements you sent during our previous FMV reviews. We also compared FMV hourly compensation ranges for the new agreements.

At the rate of \$100 per hour, each of the arrangements you have inquired about does not exceed the FMV range.

Please let me know if there are any questions.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
Phone: 858-436-3220 [ecgmc.com](http://www.ecgmc.com)

Join Theodore Michalke on April 16 for his session, Defining Excellence in Spine Care, at the [2015 Spine Business Summit](#) in Chicago.

LEADING HEALTHCARE FORWARD

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Thompson, Steve

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Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



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**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
EHR TECHNOLOGY COUNCIL**

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RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

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WHEREAS, PHYSICIAN desires and is qualified to serve on the Committee and to provide such input, advice and consultation:

TERMS

NOW, THEREFORE, the parties agree as follows:

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1.1 Medical Advisor Services. PHYSICIAN shall serve as a member of and a medical advisor to the Committee and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to health information technology. PHYSICIAN shall attend the assigned Committee meetings whenever possible. PHYSICIAN’S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings of the Committee, all of PHYSICIAN’S participation in meetings related to health information technology or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. COMPENSATION. For his or her time spent attending Committee meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT's Chief Executive Officer or designee.

3. TERM AND TERMINATION.

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.6 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation

benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. COMPLIANCE WITH LAW, AMENDMENT, TERMINATION. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the “fair market value compensation exception” of the federal “Stark” law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section,

PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance. HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the "Federal Privacy Regulations") and the federal security standards as contained in 45 CFR Part 164 (the "Federal Security Regulations"). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the "Protected Health Information"), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an "organized health care arrangement" for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a "business associate" of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:

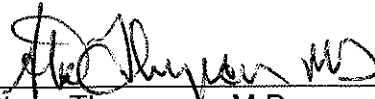
Tahoe Forest Hospital District

By: Virginia Razo
Interim Chief Executive Officer

Date: _____

PHYSICIAN:

Steve Thompson, M.D.


Steve Thompson, M.D.

Date: 4/7/15

Address: 10175 Levan Ave
Truckee, CA 96161

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend EHR Tech Council planning meetings or other meetings related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking.
- 3) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020.
- 4) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 5) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment.
- 6) Work in concert with District Chief Information Officer or other designee as requested.
- 7) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration.
- 8) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy.
- 9) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost.
- 10) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS.
- 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Wellness Neighborhood</u>		PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u>		
		PHONE: <u>(530) 582-7425</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input type="checkbox"/> CFO <input type="checkbox"/> COO <input type="checkbox"/> CNO <input type="checkbox"/> CIO <input checked="" type="checkbox"/> IVCH <input type="checkbox"/>				
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>			MEETING DATE: _____	
			GC COMMITTEE RECOMMENDATION: _____	
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>		Contract Name: <u>Arth_TFHD_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_2015</u>		
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>		Contract Name: _____		
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____		
Other: _____ <input type="checkbox"/>		Contract Name: _____		
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:		<u>Chris Arth, MD</u>		
Purpose of the Contract/Alternatives:				
Dr. Arth will assist the Hospital's Wellness Neighborhood program and provide physician input and participation related to a variety of health reform trends and engagement opportunities in the community.				
Scope of the Contract:				
<p>1) Attend designated Program meetings and other primary care/specialty care and/or facility planning meetings related to Program, as requested by DISTRICT, or other meetings as may be scheduled related to TF2020, as requested by DISTRICT.</p> <p>2) Solicit broad-based practitioner input from the DISTRICT service area and the Truckee/North Tahoe region and provide appropriate clinical representation regarding projects or programs related to Program which DISTRICT is undertaking.</p> <p>3) Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Program development of the Priorities.</p> <p>4) Engage physicians and others to help develop and/or use health information technology applications to benefit the Program or other technology or programs related to Program.</p> <p>5) Identify appropriate performance improvement or quality metrics that assist the Program in their assessment of community health improvements related to the Priorities.</p> <p>6) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.</p> <p>7) Work in concert with the Wellness Neighborhood/Community Health Executive Director, or other designee as requested.</p> <p>8) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost, and to participate in the achievement of successful program outcomes in the specified programs under consultation.</p>				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: <i>Include "other comp" (i.e. education, phone stipend, etc.)</i>				
<u>\$100 per hour up to 240 hours per year</u>				
Contract Term: <i>(anything other than Net 30 requires AC approval)</i>				
<u>Net 30</u>				
Total Cost of Contract:		<u>\$72,000 per three year term</u>		
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If NOT budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		<u>Caroline Ford</u>		
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>		

ORIGINATING DEPARTMENT: Wellness Neighborhood	PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u> Phone: <u>(530) 582-7425</u>
---	---

CONTRACT NAME:
Arth_TFHD_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with **Chris Arth** and I have determined (1) that the services to be provided by **Chris Arth** under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and **Chris Arth** to enter into, and makes commercial sense, even if no referrals were made by **Chris Arth** to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract Coordinator Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: No:

Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Chris Arth, MD</u>
Mailing Address:	<u>10956 Donner Pass Road #130, Truckee, CA 96161</u>
Telephone and Fax Number:	Phone: _____ Fax: _____
Email Address of Contact:	_____

REQUIRED FINANCIAL INFORMATION

W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract

(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services Wellness Neighborhood has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Arth which expires on 4/30/2015.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____
	Out for TFHD Signature: _____ Date: _____	Receive Date: _____
CFO Review: _____ Date Initials	Out for Vendor Signature: _____ Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____ Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:29 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Arth [IWVOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:10 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Arth

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Arth's TF2020 Agreement for Medical Advisor Services Wellness Neighborhood is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 24, 2015 9:41 AM
To: Hoffman, Ashly
Subject: RE: FMV and CR

Hi Ashly,

Please see my comments below.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
ecgmc.com

Read Jennifer Gingrass' article, [Changing the Channel: Strategies for Expanding Patient Access](#), in the April issue of hfm Magazine.

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Thursday, April 23, 2015 6:30 PM
To: Poluhina, Nadia A
Subject: FMV and CR

Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

TF2020 contracts:

- Matthew Gustaffson - does not exceed FMV and is CR. Let me know if you need to know the high and low range.
- Reini Jensen - ECG has reviewed the contract for Dr. Jensen in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.
- Chris Arth - ECG has reviewed the contract for Dr. Arth in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.

Orthopedic Call contract:

- North Tahoe Orthopedics (Patrick Osgood, John Foley, Jeffrey Dodd) – orthopedic call contract was reviewed individually for each of the three physicians and was found not to exceed FMV and be commercially reasonable.

Medical Director for the Cancer Center:

- Ahrin Koppel - does not exceed FMV and is CR. Let me know if you need to know the high and low range.

Retention Agreement:

- Scott Samelson - does not exceed FMV and is CR.

Recruitment Agreement:

- Andrew Ringnes - does not exceed FMV and is CR.

Please let me know if these contracts are within FMV and CR? Thank you!

Ashly M. Hoffman

Contracts Coordinator

ahoffman@tfhd.com



P.O. Box 759

Truckee, CA 96160

(530) 582-6334 tel.

(530) 582-3567 fax

www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
WELLNESS NEIGHBORHOOD**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Chris Arth, M.D. (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a program known as the Wellness Neighborhood Program (hereafter referred to as “Program”) to address the improvement of DISTRICT’s community rural health priorities, including but not limited to, optimizing community health, substance use and abuse, mental/behavioral health, access to care and preventive/primary health services (collectively, the “Priorities”);

WHEREAS, Program desires to address DISTRICT’s Priorities by establishing best practices or evidenced-based models of care; engaging clinical volunteers in community-based events; seeking advice from physicians in a variety of areas, including but not limited to, on best practices and evidence-based models of care, and on clinical partnership expansion; and in reviewing Program materials to ensure accurate and timely information to the community;

WHEREAS, DISTRICT also desires to engage physicians to advise Program of relevant healthcare reform trends and opportunities and provide clinical input related to the health and wellness of DISTRICT’s patient population by participating in Program meetings and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation relevant to Program initiatives to meet certain Meaningful Use goals;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Program; and

WHEREAS, PHYSICIAN desires and is qualified to serve Program and to provide such input, advice and consultation to Program, as needed:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN’S RESPONSIBILITIES

1.1 Physician Services. PHYSICIAN shall serve as a member of and a medical advisor to Program and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to Program development. PHYSICIAN shall attend the assigned

Program meetings whenever possible and perform the other duties as specified in Exhibit A, as requested by DISTRICT. PHYSICIAN'S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings for Program, all of PHYSICIAN's participation in meetings related to Program or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. COMPENSATION. For his or her time spent attending Program meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT's Chief Executive Officer or designee.

3. TERM AND TERMINATION.

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.8 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. COMPLIANCE WITH LAW, AMENDMENT, TERMINATION. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the "fair market value compensation exception" of the federal "Stark" law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

- (a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;
- (b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;
- (c) PHYSICIAN has a Federal DEA license without restriction;
- (d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;
- (e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and
- (f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section, PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 (“HIPAA”), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the “Federal Privacy Regulations”) and the federal security standards as contained in 45 CFR Part 164 (the “Federal Security Regulations”). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501(collectively, the “Protected Health Information”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an “organized health care arrangement” for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.


7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a "business associate" of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:
Tahoe Forest Hospital District

By: Virginia Razo
Interim Chief Executive Officer

Date: _____

PHYSICIAN:
Chris Arth, M.D.


Chris Arth, M.D.

Date: 4/22/15

Address: 15862 GLEASFIRE
V AVENUE CA

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend designated Program meetings and other primary care/specialty care and/or facility planning meetings related to Program, as requested by DISTRICT, or other meetings as may be scheduled related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input from the DISTRICT service area and the Truckee/North Tahoe region and provide appropriate clinical representation regarding projects or programs related to Program which DISTRICT is undertaking.
- 3) Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Program development of the Priorities.
- 4) Engage physicians and others to help develop and/or use health information technology applications to benefit the Program or other technology or programs related to Program.
- 5) Identify appropriate performance improvement or quality metrics that assist the Program in their assessment of community health improvements related to the Priorities.
- 6) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 7) Work in concert with the Wellness Neighborhood/Community Health Executive Director, or other designee as requested.
- 8) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost, and to participate in the achievement of successful program outcomes in the specified programs under consultation.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Wellness Neighborhood</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>		
		PHONE: <u>(530) 582-6650</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/>		CFO <input type="checkbox"/>	COO <input type="checkbox"/>	CNO <input type="checkbox"/>
		CIO <input checked="" type="checkbox"/>	IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>		MEETING DATE:		GC COMMITTEE RECOMMENDATION:
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>	Contract Name: <u>Barta_TFHD_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_and_EHR_Council_2015</u>			
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>	Contract Name: _____			
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>	Contract Name: _____			
Other: _____ <input type="checkbox"/>	Contract Name: _____			
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:		<u>Gina Barta, MD</u>		
Purpose of the Contract/Alternatives:				
Dr. Barta will serve on the Hospital's EHR Technology Council and will assist the Hospital's Wellness Neighborhood program and provide physician input and participation related to a variety of health reform trends and engagement opportunities in the community, and health information technology initiatives to meet certain Meaningful Use goals for TFHD.				
Scope of the Contract:				
<ol style="list-style-type: none"> Attend EHR Tech Council planning meetings, designated Wellness Neighborhood Program meetings, and other primary care/specialty care and/or facility planning meetings related to Wellness Neighborhood Program, or other meetings related to TF2020, as requested by DISTRICT. Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking. Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Wellness Neighborhood Program development of the Priorities. Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020. Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods. Identify appropriate performance improvement or quality metrics that assist the Wellness Neighborhood Program in their assessment of community health improvements related to the Priorities. Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment. Work in concert with District Chief Information Officer, Wellness Neighborhood/Community Health Executive Director, or other designee as requested. Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration. Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy. Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost and to participate in the achievement of successful program outcomes in the specified programs under consultation. Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS. Perform any other duties related to health information technology reasonably requested by DISTRICT. 				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>4/30/2018</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: <i>Include "other comp" (i.e. education, phone stipend, etc.)</i>				
<u>\$100 per hour up to 240 hours per year</u>				
Contract Term: <i>(anything other than Net 30 requires AC approval)</i>				
<u>Net 30</u>				
Total Cost of Contract:		<u>\$72,000 per three year term</u>		
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If NOT budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>		
TFHD Secondary Responsible Party:		<u>Caroline Ford</u>		

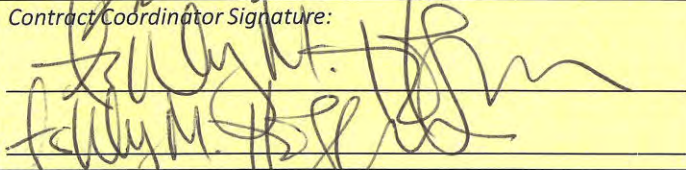
ORIGINATING DEPARTMENT: Wellness Neighborhood	PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u> Phone: <u>(530) 582-6650</u>
---	--

CONTRACT NAME:
Barta_TFHD_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_and_EHR_Technology_Cour

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Gina Barta, and I have determined (1) that the services to be provided by Gina Barta under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Gina Barta to enter into, and makes commercial sense, even if no referrals were made by Gina Barta to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> 
Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Gina Barta, MD</u>
Mailing Address:	<u>10649 Jeffrey Pine Road, Truckee, CA 96161</u>
Telephone and Fax Number:	Phone: _____ Fax: _____
Email Address of Contact:	_____

REQUIRED FINANCIAL INFORMATION
*W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract
(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)*

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services Wellness Neighborhood and EHR Technology Council has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Barta which expire on 4/30/2015.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials CFO Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____
	Out for TFHD Signature: _____ Date: _____	Receive Date: _____
	Out for Vendor Signature: _____ Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____ Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:30 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Barta [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:27 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Barta

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Barta's TF2020 Agreement for Medical Advisor Services Wellness Neighborhood and EHR Technology Council is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 03, 2015 5:04 PM
To: Hoffman, Ashly
Cc: 'Jasmin S. Niku'
Subject: RE: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Ashly,

We actually have reviewed most of the arrangements you sent during our previous FMV reviews. We also compared FMV hourly compensation ranges for the new agreements.

At the rate of \$100 per hour, each of the arrangements you have inquired about does not exceed the FMV range.

Please let me know if there are any questions.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
Tel: 858-436-3220 ecgmc.com

Join Theodore Michalke on April 16 for his session, Defining Excellence in Spine Care, at the [2015 Spine Business Summit](#) in Chicago

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 03, 2015 10:25 AM
To: Poluhina, Nadia A
Cc: 'Jasmin S. Niku'
Subject: FMV & CR of the TF2020 Agreements for EHR Technology Council

Hi Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

Barta, Gina
Stacey Meredith
Laird, Tad
Lombard, Tim
[REDACTED]
[REDACTED]
Scholnick, Josh
Thompson, Steve

Can you let me know if these contracts are within FMV and CR? Please let me know if you need any further information. Thank you!

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 532-6384 *te*
530-532-3557 *fax*
www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
WELLNESS NEIGHBORHOOD AND EHR TECHNOLOGY COUNCIL**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Gina Barta, M.D. (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a committee known as the EHR Technology Council (hereafter referred to as “the Committee”);

WHEREAS, DISTRICT desires physicians to serve on the Committee and advise various other committees and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation related to a variety of health information technology initiatives to meet certain Meaningful Use goals, including the selection, adoption and implementation of an electronic health record for DISTRICT;

WHEREAS, DISTRICT has established a program known as the Wellness Neighborhood Program (hereafter referred to as “Program”) to address the improvement of DISTRICT’s community rural health priorities, including but not limited to, optimizing community health, substance use and abuse, mental/behavioral health, access to care and preventive/primary health services (collectively, the “Priorities”);

WHEREAS, Program desires to address DISTRICT’s Priorities by establishing best practices or evidenced-based models of care; engaging clinical volunteers in community-based events; seeking advice from physicians in a variety of areas, including but not limited to, on best practices and evidence-based models of care, and on clinical partnership expansion; and in reviewing Program materials to ensure accurate and timely information to the community;

WHEREAS, DISTRICT also desires to engage physicians to advise Program of relevant healthcare reform trends and opportunities and provide clinical input related to the health and wellness of DISTRICT’s patient population by participating in Program meetings and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation relevant to Program initiatives to meet certain Meaningful Use goals;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by both the Committee and Program; and

WHEREAS, PHYSICIAN desires and is qualified to serve on both the Committee and Program to provide such input, advice and consultation to the Committee and Program, respectively, as needed:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN'S RESPONSIBILITIES

1.1 Medical Advisor Services. PHYSICIAN shall serve as a member of and a medical advisor to the Committee and Program and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to health information technology and the Wellness Neighborhood initiatives and Priorities. PHYSICIAN shall attend the assigned Committee and Program meetings whenever possible and perform the other duties as specified on Exhibit A attached hereto. PHYSICIAN'S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings of the Committee and/or Program, all of PHYSICIAN's participation in meetings related to health information technology, Wellness Neighborhood initiatives or Priorities, or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. **COMPENSATION**. For his or her time spent attending Committee and Program meetings and fulfilling the other duties outlined in Exhibit A attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT'S Chief Executive Officer or designee.

3. TERM AND TERMINATION.

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless

either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.8 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. **COMPLIANCE WITH LAW, AMENDMENT, TERMINATION.** This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the "fair market value compensation exception" of the federal "Stark" law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section, PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential**

Information”). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 (“HIPAA”), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the “Federal Privacy Regulations”) and the federal security standards as contained in 45 CFR Part 164 (the “Federal Security

Regulations”). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the “Protected Health Information”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an “organized health care arrangement” for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a “business associate” of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:

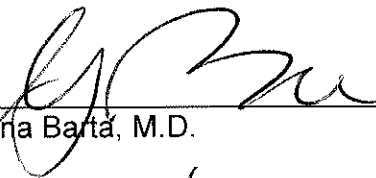
Tahoe Forest Hospital District

By: _____
Virginia Razo
Interim Chief Executive Officer

Date: _____

PHYSICIAN:

Gina Barta, M.D.



Gina Barta, M.D.

Date: 4/22/15

Address: _____

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend EHR Tech Council planning meetings, designated Wellness Neighborhood Program meetings, and other primary care/specialty care and/or facility planning meetings related to Wellness Neighborhood Program, or other meetings related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input and provide appropriate clinical representation regarding projects or programs which the organization is undertaking.
- 3) Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Wellness Neighborhood Program development of the Priorities.
- 4) Engage physicians and others to help develop and/or use HIT or other technology or programs related to TF2020.
- 5) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 6) Identify appropriate performance improvement or quality metrics that assist the Wellness Neighborhood Program in its assessment of community health improvements related to the Priorities.
- 7) Review possible new technologies for safety and effectiveness and assess the value of such technologies in DISTRICT's clinical environment.
- 8) Work in concert with District Chief Information Officer, Wellness Neighborhood/Community Health Executive Director, or other designee as requested.
- 9) Encourage practitioner adoption of new electronic methods of care delivery as requested by DISTRICT administration.
- 10) Report any clinical issues resulting from the implementation of new technologies and assist DISTRICT administration in resolving such issues for improved clinical efficacy.
- 11) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost and to participate in the achievement of successful program outcomes in the specified programs under consultation.
- 12) Provide advice and assistance to DISTRICT administration to help DISTRICT meet its Meaningful Use goals as set forth by CMS.
- 13) Perform any other duties related to health information technology reasonably requested by DISTRICT.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>		AMEND TERM <input type="checkbox"/>		AUTO RENEW <input type="checkbox"/>	
ORIGINATING DEPARTMENT: <u>Wellness Neighborhood</u>				PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u>			
				PHONE: <u>(530) 582-7425</u>			
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input type="checkbox"/>		CFO <input type="checkbox"/>		COO <input type="checkbox"/>		CNO <input type="checkbox"/>	
				CIO <input checked="" type="checkbox"/>		IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>						MEETING DATE:	
						GC COMMITTEE RECOMENDATION:	
CONTRACT TYPE/NAME:							
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>		Contract Name: <u>Gustafsson_TFHD_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_2015</u>					
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>		Contract Name: _____					
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____					
Other: _____ <input type="checkbox"/>		Contract Name: _____					
❖ Business Associated Agreement Required? YES <input type="checkbox"/>		NO <input checked="" type="checkbox"/>					
CONTRACT DETAILS: (additional information may be provided on Page 2)							
CONTRACTOR/ VENDOR NAME:		<u>Matthew Gustafsson, DDS</u>					
Purpose of the Contract/Alternatives:							
Dr. Gustafsson will assist the Hospital's Wellness Neighborhood program and provide physician input and participation related to a variety of health reform trends and engagement opportunities in the community.							
Scope of the Contract:							
<ol style="list-style-type: none"> Attend designated Program meetings and other primary care/specialty care and/or facility planning meetings related to Program, as requested by DISTRICT, or other meetings as may be scheduled related to TF2020, as requested by DISTRICT. Solicit broad-based practitioner input from the DISTRICT service area and the Truckee/North Tahoe region and provide appropriate clinical representation regarding projects or programs related to Program which DISTRICT is undertaking. Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Program development of the Priorities. Engage physicians and others to help develop and/or use health information technology applications to benefit the Program or other technology or programs related to Program. Identify appropriate performance improvement or quality metrics that assist the Program in their assessment of community health improvements related to the Priorities. Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods. Work in concert with the Wellness Neighborhood/Community Health Executive Director, or other designee as requested. Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost, and to participate in the achievement of successful program outcomes in the specified programs under consultation. 							
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>		END DATE: <u>4/30/2018</u>			
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>					
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR							
Compensation Structure: Include "other comp" (i.e. education, phone stipend, etc.) <u>\$100 per hour up to 240 hours per year</u>							
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>							
Total Cost of Contract:		<u>\$72,000 per three year term</u>					
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>					
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>					
If NOT budgeted or exceeds budgeted amount, identify the offset:							
TFHD Primary Responsible Party:				<u>Caroline Ford</u>			
TFHD Secondary Responsible Party:				<u>Jake Dorst, CIO/Interim CEO</u>			

ORIGINATING DEPARTMENT: Wellness Neighborhood	PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u> Phone: <u>(530) 582-7425</u>
---	---

CONTRACT NAME:
Gustafsson_TFHD_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with **Matthew Gustafsson** and I have determined (1) that the services to be provided by **Matthew Gustafsson** under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and **Matthew Gustafsson** to enter into, and makes commercial sense, even if no referrals were made by **Matthew Gustafsson** to TFHD or any of its facilities."

Primary Responsible Party Signature: _____

Contract Coordinator Signature: _____

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: No:

Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Matthew Gustafsson, DDS</u>		
Mailing Address:	<u>11253 Brockway Road, Suite 205, Truckee, CA 96161</u>		
Telephone and Fax Number:	Phone:	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION

W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract

(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)

ADDITIONAL INFORMATION

The contractual language reflected in the attached Agreement for Medical Advisor Services Wellness Neighborhood has been reviewed and approved of by Hooper Lundy and Bookman.

This contract is intended to replace the Agreement for TF2020 Medical Advisor Services with Dr. Gustafsson which expires on 4/30/2015.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials CFO Review: _____ Date Initials	BOARD ACTION: _____ Out for TFHD Signature: Date: _____ Out for Vendor Signature: Date: _____ Uploaded to Contracts System: Date: _____	MEETING DATE: _____ Receive Date: _____ Receive Date: _____ Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>
--	--	---

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 2:08 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMail <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Gustafsson [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:45 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Gustafsson

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Gustafsson's TF2020 Agreement for Medical Advisor Services Wellness Neighborhood is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 24, 2015 9:41 AM
To: Hoffman, Ashly
Subject: RE: FMV and CR

Hi Ashly,

Please see my comments below.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
nadia@ecgmc.com ecgmc.com

Read Jennifer Gingrass' article, *Changing the Channel: Strategies for Expanding Patient Access*, in the April issue of hfm Magazine.

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Thursday, April 23, 2015 6:30 PM
To: Poluhina, Nadia A
Subject: FMV and CR

Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

TF2020 contracts:

- Matthew Gustaffson - does not exceed FMV and is CR. Let me know if you need to know the high and low range.
- Reini Jensen - ECG has reviewed the contract for Dr. Jensen in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.
- Chris Arth - ECG has reviewed the contract for Dr. Arth in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.

Orthopedic Call contract:

- North Tahoe Orthopedics (Patrick Osgood, John Foley, Jeffrey Dodd) – orthopedic call contract was reviewed individually for each of the three physicians and was found not to exceed FMV and be commercially reasonable.

Medical Director for the Cancer Center:

- Ahrin Koppel - does not exceed FMV and is CR. Let me know if you need to know the high and low range.

Retention Agreement:

- Scott Samelson - does not exceed FMV and is CR.

Recruitment Agreement:

- Andrew Ringnes - does not exceed FMV and is CR.

Please let me know if these contracts are within FMV and CR? Thank you!

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
WELLNESS NEIGHBORHOOD**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Matthew Gustafsson, DDS (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a program known as the Wellness Neighborhood Program (hereafter referred to as “Program”) to address the improvement of DISTRICT’s community rural health priorities, including but not limited to, optimizing community health, substance use and abuse, mental/behavioral health, access to care and preventive/primary health services (collectively, the “Priorities”);

WHEREAS, Program desires to address DISTRICT’s Priorities by establishing best practices or evidenced-based models of care; engaging clinical volunteers in community-based events; seeking advice from physicians in a variety of areas, including but not limited to, on best practices and evidence-based models of care, and on clinical partnership expansion; and in reviewing Program materials to ensure accurate and timely information to the community;

WHEREAS, DISTRICT also desires to engage physicians to advise Program of relevant healthcare reform trends and opportunities and provide clinical input related to the health and wellness of DISTRICT’s patient population by participating in Program meetings and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation relevant to Program initiatives to meet certain Meaningful Use goals;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Program; and

WHEREAS, PHYSICIAN desires and is qualified to serve Program and to provide such input, advice and consultation to Program, as needed:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN’S RESPONSIBILITIES

1.1 Physician Services. PHYSICIAN shall serve as a member of and a medical advisor to Program and to one or more of the various other committees and working groups of DISTRICT engaged in activities related to Program development. PHYSICIAN shall attend the assigned

Program meetings whenever possible and perform the other duties as specified in Exhibit A, as requested by DISTRICT. PHYSICIAN'S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings for Program, all of PHYSICIAN's participation in meetings related to Program or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. **COMPENSATION**. For his or her time spent attending Program meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT's Chief Executive Officer or designee.

3. **TERM AND TERMINATION**.

3.1 Term. This Agreement shall be effective on the Effective Date and will automatically renew on each successive anniversary date for up to two (2) additional one-year terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the anniversary date to the address provided in Section 7.8 below. Prior to the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that the parties shall not enter into another agreement for the same services provided hereunder until the end of the then-current one (1) year term. After the twelve (12) month anniversary of the Effective Date, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. **RELATIONSHIP BETWEEN THE PARTIES**

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. **COMPLIANCE WITH LAW, AMENDMENT, TERMINATION**. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the "fair market value compensation exception" of the federal "Stark" law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

(a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;

(b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;

(c) PHYSICIAN has a Federal DEA license without restriction;

(d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;

(e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section, PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4. Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5. Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6. Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7. Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8. Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9. Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10. Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11. HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the "Federal Privacy Regulations") and the federal security standards as contained in 45 CFR Part 164 (the "Federal Security Regulations"). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the "Protected Health Information"), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an "organized health care arrangement" for purposes of meeting the Federal Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.

7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a "business associate" of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:
Tahoe Forest Hospital District

PHYSICIAN:
Matthew Gustafsson, DDS

By: Virginia Razo
Interim Chief Executive Officer


Matthew Gustafsson, DDS

Date: _____

Date: 4/22/14

Address: 11753 Buckhorn Rd #205
Tuckee CA 96161

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend designated Program meetings and other primary care/specialty care and/or facility planning meetings related to Program, as requested by DISTRICT, or other meetings as may be scheduled related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input from the DISTRICT service area and the Truckee/North Tahoe region and provide appropriate clinical representation regarding projects or programs related to Program which DISTRICT is undertaking.
- 3) Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Program development of the Priorities.
- 4) Engage physicians and others to help develop and/or use health information technology applications to benefit the Program or other technology or programs related to Program.
- 5) Identify appropriate performance improvement or quality metrics that assist the Program in their assessment of community health improvements related to the Priorities.
- 6) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 7) Work in concert with the Wellness Neighborhood/Community Health Executive Director, or other designee as requested.
- 8) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost, and to participate in the achievement of successful program outcomes in the specified programs under consultation.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input type="checkbox"/>		AMEND SCOPE <input checked="" type="checkbox"/>		AMEND TERM <input type="checkbox"/>		AUTO RENEW <input type="checkbox"/>	
ORIGINATING DEPARTMENT: <u>Wellness Neighborhood</u>				PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u>			
				PHONE: <u>(530) 582-7425</u>			
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input type="checkbox"/>		CFO <input type="checkbox"/>		COO <input type="checkbox"/>		CNO <input type="checkbox"/>	
		CIO <input checked="" type="checkbox"/>		IVCH <input type="checkbox"/>		GC COMMITTEE RECOMENDATION:	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>				MEETING DATE:			
CONTRACT TYPE/NAME:							
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>		Contract Name: <u>Jensen_First_Amendment_to_TFHD_Wellness_Neighborhood_Medical_Advisor_Services_Agreement_for_Disparities_Group_2015</u>					
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>		Contract Name: _____					
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____					
Other: _____ <input type="checkbox"/>		Contract Name: _____					
❖ Business Associated Agreement Required? YES <input type="checkbox"/>		NO <input checked="" type="checkbox"/>					
CONTRACT DETAILS: (additional information may be provided on Page 2)							
CONTRACTOR/ VENDOR NAME:		<u>Reini Jensen, MD</u>					
Purpose of the Contract/Alternatives:							
Dr. Jensen will assist the Hospital's Wellness Neighborhood program and provide physician input and participation related to a variety of health reform trends and engagement opportunities in the community.							
Scope of the Contract:							
<ol style="list-style-type: none"> Attend designated Program meetings and other primary care/specialty care and/or facility planning meetings related to Program, as requested by DISTRICT, or other meetings as may be scheduled related to TF2020, as requested by DISTRICT. Solicit broad-based practitioner input from the DISTRICT service area and the Truckee/North Tahoe region and provide appropriate clinical representation regarding projects or programs related to Program which DISTRICT is undertaking. Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Program development of the Priorities. Engage physicians and others to help develop and/or use health information technology applications to benefit the Program or other technology or programs related to Program. Identify appropriate performance improvement or quality metrics that assist the Program in their assessment of community health improvements related to the Priorities. Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods. Work in concert with the Wellness Neighborhood/Community Health Executive Director, or other designee as requested. Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost, and to participate in the achievement of successful program outcomes in the specified programs under consultation. 							
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>		END DATE: <u>4/30/2018</u>			
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>					
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR							
Compensation Structure: Include "other comp" (i.e. education, phone stipend, etc.) <u>\$100 per hour up to 240 hours per year</u>							
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>							
Total Cost of Contract:		<u>\$72,000 per three year term</u>					
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>					
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>					
If NOT budgeted or exceeds budgeted amount, identify the offset:							
TFHD Primary Responsible Party:		<u>Caroline Ford</u>					
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>					

ORIGINATING DEPARTMENT: Wellness Neighborhood	PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u> Phone: <u>(530) 582-7425</u>
---	---

CONTRACT NAME:
Jensen_First_Amendment_to_TFHD_Wellness_Neighborhood_Medical_Advisor_Services_Agreement_for_Disparities_G

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Reini Jensen, and I have determined (1) that the services to be provided by Reini Jensen under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Reini Jensen to enter into, and makes commercial sense, even if no referrals were made by Reini Jensen to TFHD or any of its facilities."

Primary Responsible Party Signature: Caroline Ford

Contract Coordinator Signature:

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: No:

Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Reini Jensen</u>	
Mailing Address:	<u>10115 West River Street, Truckee, CA 96161</u>	
Telephone and Fax Number:	Phone: <u>530-581-8864</u>	Fax:
Email Address of Contact:		

REQUIRED FINANCIAL INFORMATION

W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract

(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)

ADDITIONAL INFORMATION

The contractual language reflected in the attached First Amendment to Tahoe Forest Hospital District Wellness Neighborhood Medical Advisor Services Agreement for Disparities Group has been reviewed and approved of by Hooper Lundy and Bookman.

This Amendment is intended to provide for the expanded scope of services provided under the Agreement for TF2020 Medical Advisor Services with Dr. Jensen which expires on 4/30/2015. This Amendment will bring this expiring contract into alignment with a separate and similar Agreement also in effect with Dr. Jensen thereby mitigating any potential risk of overlapping Services.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____
	Out for TFHD Signature: _____ Date: _____	Receive Date: _____
CFO Review: _____ Date Initials	Out for Vendor Signature: _____ Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____ Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 2:09 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Jensen [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:59 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Jensen

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Jensen's First Amendment to TFHD Wellness Neighborhood Medical Advisor Services Agreement for Disparities Group is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 24, 2015 9:41 AM
To: Hoffman, Ashly
Subject: RE: FMV and CR

Hi Ashly,

Please see my comments below.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
npoluhina@ecgmc.com ecgmc.com

Read Jennifer Gingrass' article, *Changing the Channel: Strategies for Expanding Patient Access*, in the April issue of hfm Magazine.

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Thursday, April 23, 2015 6:30 PM
To: Poluhina, Nadia A
Subject: FMV and CR

Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

TF2020 contracts:

- Matthew Gustaffson - does not exceed FMV and is CR. Let me know if you need to know the high and low range.
- Reini Jensen - ECG has reviewed the contract for Dr. Jensen in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.
- Chris Arth - ECG has reviewed the contract for Dr. Arth in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.

Orthopedic Call contract:

- North Tahoe Orthopedics (Patrick Osgood, John Foley, Jeffrey Dodd) – orthopedic call contract was reviewed individually for each of the three physicians and was found not to exceed FMV and be commercially reasonable.

Medical Director for the Cancer Center:

- Ahrin Koppel - does not exceed FMV and is CR. Let me know if you need to know the high and low range.

Retention Agreement:

- Scott Samelson - does not exceed FMV and is CR.

Recruitment Agreement:

- Andrew Ringnes - does not exceed FMV and is CR.

Please let me know if these contracts are within FMV and CR? Thank you!

Ashly M. Hoffman

Contracts Coordinator

ahoffman@tfhd.com



P.O. Box 759

Truckee, CA 96160

(530) 582-6384 tel.

(530) 582-3567 fax

www.tfhd.com

**FIRST AMENDMENT TO TAHOE FOREST HOSPITAL DISTRICT WELLNESS
NEIGHBORHOOD MEDICAL ADVISOR SERVICES AGREEMENT FOR DISPARITIES
GROUP**

This First Amendment to Tahoe Forest Hospital District Agreement for Medical Advisor Services (“**Amendment**”) is made and entered into as of May 1, 2015, by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “**DISTRICT**”), and Reini Jensen, M.D. (hereinafter referred to as “**PHYSICIAN**”).

RECITALS

A. WHEREAS, **DISTRICT** and **PHYSICIAN** have entered into that certain Tahoe Forest Hospital District Wellness Neighborhood Medical Advisor Services Agreement for Disparities Group , dated January 1, 2015 (“**Agreement**”), under which **PHYSICIAN** assists in the medical oversight of the Wellness Neighborhood Project for the Ethnic Disparities workgroup;

B. WHEREAS, capitalized terms not otherwise defined in this Amendment shall have the meaning ascribed to such terms in the Agreement;

C. WHEREAS, the Agreement may be amended by a writing signed on behalf of each party;

D. WHEREAS, **DISTRICT** and **PHYSICIAN** now desire to amend the Agreement as set forth in this Amendment.

NOW, THEREFORE, in consideration of the recitals above and the mutual covenants and conditions contained herein, the Parties hereby agree to enter into this Amendment in accordance with the following terms and conditions:

1. The Agreement is hereby deleted in its entirety and replaced with the Tahoe Forest Hospital District TF2020 Agreement for Medical Advisor Services Wellness Neighborhood, attached hereto as Exhibit A.

2. This Amendment shall become a part of the Agreement, and all references to the Agreement therein shall include this Amendment.

3. To the extent there is conflict between the terms of this Amendment and the Agreement, this Amendment shall control.

4. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one agreement. Photocopies, facsimile transmissions, or email transmissions of Adobe portable document format files (also known as “PDF” files) of signatures shall be deemed original signatures and shall be fully binding on the parties to the same extent as original signatures.

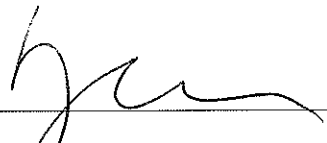
IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the first date written above.

DISTRICT:
Tahoe Forest Hospital District

PHYSICIAN:
Reini Jensen, M.D.

By: Virginia Razo
Interim Chief Executive Officer

Date: _____



Reini Jensen, M.D.

Date: 4/24/15

Exhibit A

[see attached]

**TAHOE FOREST HOSPITAL DISTRICT
TF2020 AGREEMENT FOR MEDICAL ADVISOR SERVICES
WELLNESS NEIGHBORHOOD**

This Tahoe Forest Hospital District Agreement for Medical Advisor Services (“Agreement”) is made and entered into and effective as of the 1st day of May, 2015 (“Effective Date”) by and between Tahoe Forest Hospital District, a public entity Hospital District duly organized and existing under the California Local Health Care District Law with its principal place of business in Truckee, California (hereinafter referred to as “DISTRICT”), and Reini Jensen, M.D. (hereinafter referred to as “PHYSICIAN”).

RECITALS

DISTRICT currently operates a 25 bed Critical Access Hospital with a 37 bed Skilled Nursing Facility in Truckee, California and a four-bed hospital offering 24-hour emergency services and surgicenter services in Incline Village, Nevada. DISTRICT desires to enter into an agreement with PHYSICIAN to assist DISTRICT with planning, organizing and implementing various components of recent health care reform laws and regulations, including, but not limited to health information technology and the exploration of reimbursement and payment mechanisms to reach the stated community health goals of DISTRICT.

WHEREAS, DISTRICT has established a program known as the Wellness Neighborhood Program (hereafter referred to as “Program”) to address the improvement of DISTRICT’s community rural health priorities, including but not limited to, optimizing community health, substance use and abuse, mental/behavioral health, access to care and preventive/primary health services (collectively, the “Priorities”);

WHEREAS, Program desires to address DISTRICT’s Priorities by establishing best practices or evidenced-based models of care; engaging clinical volunteers in community-based events; seeking advice from physicians in a variety of areas, including but not limited to, on best practices and evidence-based models of care, and on clinical partnership expansion; and in reviewing Program materials to ensure accurate and timely information to the community;

WHEREAS, DISTRICT also desires to engage physicians to advise Program of relevant healthcare reform trends and opportunities and provide clinical input related to the health and wellness of DISTRICT’s patient population by participating in Program meetings and working groups of DISTRICT, as requested by DISTRICT, and to provide physician input and participation relevant to Program initiatives to meet certain Meaningful Use goals;

WHEREAS, PHYSICIAN is licensed to practice medicine in the State of California and is knowledgeable about the subject matter discussed by the Program; and

WHEREAS, PHYSICIAN desires and is qualified to serve Program and to provide such input, advice and consultation to Program, as needed:

TERMS

NOW, THEREFORE, the parties agree as follows:

1. PHYSICIAN’S RESPONSIBILITIES

1.1 Physician Services. PHYSICIAN shall serve as a member of and a medical advisor to Program and to one or more of the various other committees and working groups of DISTRICT

engaged in activities related to Program development. PHYSICIAN shall attend the assigned Program meetings whenever possible and perform the other duties as specified in Exhibit A, as requested by DISTRICT. PHYSICIAN'S duties hereunder are solely administrative and advisory in nature and do not include any direct patient care. Aside from attendance at meetings for Program, all of PHYSICIAN's participation in meetings related to Program or other related activities must be approved in advance by DISTRICT.

1.2 Personal Services. This Agreement is entered into by DISTRICT in reliance upon the professional and administrative skills of PHYSICIAN. PHYSICIAN shall be solely responsible for fulfilling the terms of this Agreement.

2. **COMPENSATION**. For his or her time spent attending Program meetings and fulfilling the other duties outlined in Exhibit "A" attached hereto and made a part hereof, PHYSICIAN shall be paid One Hundred Dollars (\$100.00) per hour, not to exceed Twenty (20) hours per month (not to exceed Two Hundred and Forty (240) hours per year), payable on the 15th day of the month immediately following the month during which services are rendered by PHYSICIAN. This does not include attendance at PHYSICIAN's continuing medical education training and there shall be no compensation hereunder for such training.

2.1 As a condition to the compensation described above, PHYSICIAN will submit a monthly invoice; a sample of which is attached as Exhibit B, detailing services rendered under this agreement, e.g., attendance at meetings, etc. Such invoice shall be submitted not later than the fifth (5th) day of each month for time and services rendered during the immediately preceding month. In order for PHYSICIAN to receive his or her monthly compensation, each monthly invoice must be approved and signed by DISTRICT. DISTRICT shall have the discretion to not approve, and not provide compensation for, any entry included on a monthly invoice that does not fall within the duties outlined in Exhibit "A" attached hereto or which have not been previously approved by DISTRICT.

2.2 DISTRICT will reimburse PHYSICIAN for reasonable out-of-pocket expenses, in accordance with DISTRICT'S expense reimbursement policies, incurred by PHYSICIAN when performing duties under this Agreement, and will also pay for training and education related to the performance of those duties, upon approval of the DISTRICT's Chief Executive Officer or designee.

3. **TERM AND TERMINATION**.

3.1 Term. This Agreement shall be effective on the Effective Date and continue for a term of twelve (12) months (the "Initial Term"). Thereafter, this Agreement will automatically renew for up to two (2) additional twelve (12) month terms unless either party gives the other written notice of intent not to renew at least thirty (30) days prior to the expiration of the term then in effect to the address provided in Section 7.8 below. During the Initial Term and any renewal term, either party shall have the right to terminate this Agreement, with or without cause, upon thirty (30) days' prior written notice to the other party; provided, however, that if the Agreement is terminated during the Initial Term, the parties shall not enter into another agreement for the same services provided hereunder until the end of the Initial Term.

3.2 Immediate Termination. Notwithstanding Section 3.1, DISTRICT shall have the right to terminate this Agreement immediately upon notice to PHYSICIAN in the event that any of the representations given by PHYSICIAN pursuant to Section 6.1 below of this Agreement become untrue, inaccurate or incomplete.

4. RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of PHYSICIAN's work and duties, PHYSICIAN is at all times acting and performing as an independent contractor.

4.2 Benefits. It is understood and agreed that PHYSICIAN shall have no claims under this Agreement or otherwise against DISTRICT for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

5. **COMPLIANCE WITH LAW, AMENDMENT, TERMINATION**. This Agreement has been drafted to comply with all applicable laws and regulations, including but not limited to the "fair market value compensation exception" of the federal "Stark" law. Should either party become aware by reason of action or pronouncement of any governmental authorities, or the interpretation or reinterpretation of any law, rules, regulation or other authority, or the decision of any court or agency of government, that this Agreement may no longer comply with any applicable law; then such party shall immediately notify the other. Upon such notice, DISTRICT shall retain legal counsel to determine whether this Agreement still complies with law. If counsel determines that the Agreement does not comply with law, then counsel shall advise the parties of any amendments required to comply with law, if possible. The parties agree to take any and all reasonable actions to amend the Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PHYSICIAN does not promptly agree to the amendment proposed, then the obligations of the parties hereunder shall be suspended, or this Agreement shall be terminated, as directed by said counsel.

6. REPRESENTATIONS

6.1 Representations by PHYSICIAN. PHYSICIAN represents and warrants as of the date listed below his/her name on the signature page of this Agreement and for the duration of the term of this Agreement and any renewal term, as follows:

- (a) PHYSICIAN is a physician duly licensed to practice medicine in the State of California and in good standing with the Medical Board of California;
- (b) PHYSICIAN is a member in good standing of the medical staff of DISTRICT;
- (c) PHYSICIAN has a Federal DEA license without restriction;
- (d) PHYSICIAN has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or the Bureau of Medi-Cal Fraud and Elder Abuse, or by any equivalent or coordinating governmental agencies;
- (e) PHYSICIAN is not subject of any disciplinary action by the Medical Board of California, or the equivalent medical licensing authority of any other State in the United States of America; and

(f) Any and all information provided to DISTRICT by PHYSICIAN in connection with this Agreement is accurate, true and correct.

6.2 Notification. Should any event occur which causes any of the representations and warranties set forth in Section 6.1 above no longer to be true, accurate or complete, PHYSICIAN shall provide immediate written notice of such event to DISTRICT.

7. GENERAL PROVISIONS

7.1 Access to Records. To the extent required by Section 1861(V) (i) (I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to such Section, PHYSICIAN agrees to make available upon valid written request from the Secretary of Health and Human Services, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents, and records of PHYSICIAN to the extent that such books, documents and records are necessary to certify the nature and extent of DISTRICT's costs for services provided by PHYSICIAN.

7.1.1 Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by PHYSICIAN pursuant to this Agreement. If PHYSICIAN is requested to disclose books, documents or records pursuant to this subparagraph for purposes of an audit, PHYSICIAN shall notify DISTRICT of the nature and scope of such request and PHYSICIAN shall make available, upon written request of DISTRICT, all such books, documents, or records. PHYSICIAN shall indemnify and hold harmless DISTRICT in the event that any amount of reimbursement is denied or disallowed because of the failure of PHYSICIAN or any subcontractor to comply with the obligations to maintain and make available books, documents, or records pursuant to this subparagraph. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

7.1.2 This paragraph is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of PHYSICIAN under this paragraph are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to ensure compliance with those provisions. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the parties under this paragraph shall likewise be reduced or eliminated.

7.2 Confidential Information. During the term of this Agreement, PHYSICIAN may have access to and become acquainted with confidential proprietary information and/or trade secrets of DISTRICT, including without limitation information and data relating to payor contracts, patients, patient medical records, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data (collectively, "**Confidential Information**"). All Confidential Information is the property of DISTRICT and constitutes proprietary information. PHYSICIAN shall not use in any manner or disclose to any person or entity, directly or indirectly, either during the term of this Agreement or at any time thereafter, any Confidential Information or use any Confidential Information other than in the course of providing the services under this Agreement. All documents that PHYSICIAN prepares or Confidential Information that might be given to PHYSICIAN in the course of providing the services under this Agreement, are the exclusive property of DISTRICT and, without the prior written consent of DISTRICT, shall not be removed from DISTRICT premises.

7.3 Confidentiality. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors.

7.4 Amendment. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.

7.5 Assignment. PHYSICIAN shall not assign, sell, subcontract, transfer, or delegate any of its rights or duties to perform services pursuant to this Agreement, without prior written consent of DISTRICT.

7.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any oral representations or modifications concerning this Agreement shall be of no force and effect.

7.7 Governing Law. This Agreement shall be governed by California law, with venue for any action in Nevada County.

7.8 Notices. All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

DISTRICT: Tahoe Forest Hospital District
P. O. Box 759
Truckee, CA 96160
Attn: Chief Executive Officer

PHYSICIAN: At the address listed on the signature page to this Agreement.

7.9 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, and signed by the parties hereto.

7.10 Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be in effect and binding upon the parties.

7.11 HIPAA Privacy Rule Compliance.

7.11.1 PHYSICIAN and DISTRICT each agree to 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. § 1320d through d-8 (“HIPAA”), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the “Federal Privacy Regulations”) and the federal security standards as contained in 45 CFR Part 164 (the “Federal Security Regulations”). PHYSICIAN and DISTRICT each agree not to use or further disclose any protected health information, as defined in 42 U.S.C. § 1320d and 45 CFR § 164.501 (collectively, the “Protected Health Information”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under HIPAA.

7.11.2 As permitted under HIPAA, the parties hereby agree, that by virtue of this Agreement, they are an “organized health care arrangement” for purposes of meeting the Federal

Privacy Regulations and the authorized use and disclosure of Protected Health Information thereunder. Further, DISTRICT will include PHYSICIAN in its required notice of privacy practices for the purpose of allowing both parties to meet the notice requirements under the Federal Privacy Regulations and PHYSICIAN agrees to follow the privacy practices adopted by the Hospital as detailed in its notice of privacy practices.


7.12 The parties agree that if there is a determination by any responsible authority that PHYSICIAN is to be considered a "business associate" of DISTRICT, or guidance published or a statement made by the OCR to that effect, PHYSICIAN will execute a business associate agreement in form and content sufficient to satisfy DISTRICT and the requirements of the Federal Privacy and Security Regulations.

DISTRICT:
Tahoe Forest Hospital District

PHYSICIAN:
Reini Jensen, M.D.

By: _____
Virginia Razo
Interim Chief Executive Officer

Date: _____



Reini Jensen, M.D.

Date: 4/24/15

Address: _____

EXHIBIT A

SCOPE OF SERVICES

- 1) Attend designated Program meetings and other primary care/specialty care and/or facility planning meetings related to Program, as requested by DISTRICT, or other meetings as may be scheduled related to TF2020, as requested by DISTRICT.
- 2) Solicit broad-based practitioner input from the DISTRICT service area and the Truckee/North Tahoe region and provide appropriate clinical representation regarding projects or programs related to Program which DISTRICT is undertaking.
- 3) Maintain up-to-date clinical knowledge of current standards of practice and evidence-based models that impact current health care trends and opportunities to ensure timely and accurate advice on Program development of the Priorities.
- 4) Engage physicians and others to help develop and/or use health information technology applications to benefit the Program or other technology or programs related to Program.
- 5) Identify appropriate performance improvement or quality metrics that assist the Program in their assessment of community health improvements related to the Priorities.
- 6) Review current healthcare reform trends and opportunities and provide feedback to DISTRICT administration during requested comment periods.
- 7) Work in concert with the Wellness Neighborhood/Community Health Executive Director, or other designee as requested.
- 8) Participate in development of solutions that evaluate clinical and/or financial outcomes, or development of objectives and performance measurements to evaluate program outcomes to achieve the triple aim of CMS to improve patient care and population health at a lower cost, and to participate in the achievement of successful program outcomes in the specified programs under consultation.
- 9) Provide medical oversight of and advice to the Ethnic Disparities workgroup of the Wellness Neighborhood Program.

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

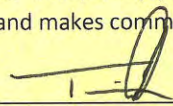
NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>		AMEND TERM <input type="checkbox"/>		AUTO RENEW <input type="checkbox"/>	
ORIGINATING DEPARTMENT: <u>Cancer Center</u>				PRIMARY RESPONSIBLE PARTY: <u>Tim Jay-Garcia</u>			
				PHONE: <u>(530)582-6474</u>			
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input type="checkbox"/>		CFO <input type="checkbox"/>		COO <input type="checkbox"/>		CNO <input type="checkbox"/>	
				CIO <input checked="" type="checkbox"/>		IVCH <input type="checkbox"/>	
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>						MEETING DATE:	
						GC COMMITTEE RECOMMENDATION:	
CONTRACT TYPE/NAME:							
Physician Professional Service Agreement (P-PSA) <input type="checkbox"/>		Contract Name: _____					
Physician Medical Director Agreement (P-MDA) <input checked="" type="checkbox"/>		Contract Name: <u>Koppel_TFHD_MDA_for_Cancer_Center_Clinical_Research_Program_2015</u>					
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____					
Other: _____ <input type="checkbox"/>		Contract Name: _____					
❖ Business Associated Agreement Required? YES <input type="checkbox"/>		NO <input checked="" type="checkbox"/>					
CONTRACT DETAILS: (additional information may be provided on Page 2)							
CONTRACTOR/ VENDOR NAME:		<u>Ahrin Koppel, MD</u>					
Purpose of the Contract/Alternatives:							
Dr. Koppel will serve as the research medical director and liaison to UC Davis's research department for clinical trials taking place at the Cancer Center. If the agreement is not approved, TFHD may need to eliminate or limit the number and type of clinical trials performed at the Cancer Center with UC Davis.							
Scope of the Contract:							
<ul style="list-style-type: none"> Oversee the research compliance activities of Cancer Center; Serve as the Cancer Center Research Privacy Officer, assuring compliance with protocols and other related regulation, including training and educating staff and administrative personnel in compliance requirements; Provide mentoring and guidance to clinical research coordinator and nursing staff; Lead the clinical trials unit operations group; Develop, implement and support quality improvement, performance improvement and outcome metrics for clinical trials; Ensure that all best practices are followed in patient care; Serve as the research liaison to the Cancer Care Network; Perform an annual assessment of compliance risks and develop plans for addressing any deficiencies related to the research being performed; and Conduct, supervise or support the development of corrective action plans and/or examine the effectiveness of corrective action plans stemming from investigations, examinations and audits related to research programs. 							
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>			END DATE: <u>4/30/2018</u>		
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>					
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR							
Compensation Structure: Include "other comp" (i.e. education, phone stipend, etc.) <u>\$125 per hour up to 200 hours per year, not to exceed \$25,000 per year.</u>							
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>							
Total Cost of Contract:		<u>\$75,000 per three year term</u>					
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>					
Is Cost of Contract Budgeted?		YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>					
If NOT budgeted or exceeds budgeted amount, identify the offset:		<u>Cancer Center recently outsourced physics and dosimetry for an annual savings of over \$45,000.</u>					
TFHD Primary Responsible Party:		<u>Tim Jay-Garcia</u>					
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>					

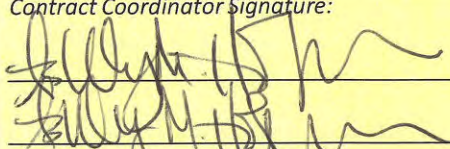
ORIGINATING DEPARTMENT: Cancer Center	PRIMARY RESPONSIBLE PARTY: <u>Tim Jay-Garcia</u> Phone: <u>(530)582-6474</u>
---	---

CONTRACT NAME:
Koppel_TFHD_MDA_for_Cancer_Center_Clinical_Research_Program_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Ahrin Koppel, and I have determined (1) that the services to be provided by Ahrin Koppel under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and Ahrin Koppel to enter into, and makes commercial sense, even if no referrals were made by Ahrin Koppel to TFHD or any of its facilities."

Primary Responsible Party Signature: 

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> 
Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Ahrin Koppel</u>	
Mailing Address:		
Telephone and Fax Number:	Phone:	Fax:
Email Address of Contact:		

REQUIRED FINANCIAL INFORMATION
*W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract
(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)*

ADDITIONAL INFORMATION

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: Date _____ Initials _____ CFO Review: Date _____ Initials _____	BOARD ACTION: _____	MEETING DATE: _____
	Out for TFHD Signature: _____ Date: _____	Receive Date: _____
	Out for Vendor Signature: _____ Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____ Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 1:28 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Koppel [IW0V-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:08 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Koppel

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Koppel's Medical Director Agreement for Cancer Center Clinical Research Program is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

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Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 24, 2015 9:41 AM
To: Hoffman, Ashly
Subject: RE: FMV and CR

Hi Ashly,

Please see my comments below.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
npoluhina@ecgmc.com ecgmc.com

Read Jennifer Gingrass' article, [Changing the Channel: Strategies for Expanding Patient Access](#), in the April issue of hfm Magazine.

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Thursday, April 23, 2015 6:30 PM
To: Poluhina, Nadia A
Subject: FMV and CR

Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

TF2020 contracts:

- Matthew Gustaffson - does not exceed FMV and is CR. Let me know if you need to know the high and low range.
- Reini Jensen - ECG has reviewed the contract for Dr. Jensen in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.
- Chris Arth - ECG has reviewed the contract for Dr. Arth in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.

Orthopedic Call contract:

- North Tahoe Orthopedics (Patrick Osgood, John Foley, Jeffrey Dodd) – orthopedic call contract was reviewed individually for each of the three physicians and was found not to exceed FMV and be commercially reasonable.

Medical Director for the Cancer Center:

- Ahrin Koppel - does not exceed FMV and is CR. Let me know if you need to know the high and low range.

Retention Agreement:

- Scott Samelson - does not exceed FMV and is CR.

Recruitment Agreement:

- Andrew Ringnes - does not exceed FMV and is CR.

Please let me know if these contracts are within FMV and CR? Thank you!

Ashly M. Hoffman

Contracts Coordinator

ahoffman@tfhd.com



P.O. Box 759

Truckee, CA 96160

(530) 582-6384 tel.

(530) 582-3567 fax

www.tfhd.com

**TAHOE FOREST HOSPITAL DISTRICT
MEDICAL DIRECTOR AGREEMENT FOR
CANCER CENTER CLINICAL RESEARCH PROGRAM**

This MEDICAL DIRECTOR AGREEMENT (“**Agreement**”) is made and entered into, and shall be effective, as of May 1, 2015 (“**Effective Date**”), by and between Tahoe Forest Hospital District, a California local healthcare district, doing business as Tahoe Forest Hospital (“**Hospital**”), and **AHRIN KOPPEL, MD**, an individual (“**Physician**”).

RECITALS

A. Hospital owns and operates an acute care hospital, multi-specialty facility located at 10121 Pine Avenue, Truckee, California (“**Facility**”), and currently operates the Gene Upshaw Memorial Tahoe Forest Cancer Center (“**Cancer Center**”) at Facility. Within the Cancer Center, Hospital provides a Clinical Research Program serving the North Lake Tahoe region (the “**Program**”). The Program brings cancer clinical trials to individuals in the community served by the Hospital, conducts research which allows patients access to increased treatment options while adding a more diverse patient pool to ongoing clinical trial populations, and conducts high quality clinical studies for cancer patients in the North Lake Tahoe region that would otherwise only be available at larger institutions and would require patients to travel a significant distance for treatment.

B. The Hospital desires to enter into an agreement with Physician to provide direction to the Program by serving as the Medical Director of the Clinical Research Program (the “**Clinical Research Medical Director**”) and to monitor the quality and appropriateness of the Program.

C. Physician is duly licensed and qualified to practice medicine in the State of California, is board certified for the practice of medicine in the specialties of Hematology and Medical Oncology, and is proficient in all aspects of such specialties.

D. Hospital desires to retain Physician to serve as the Clinical Research Medical Director of the Program and Physician desires to provide the services as further set forth herein in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above recitals, the covenants, conditions and other terms contained herein below, the parties mutually agree as follows:

**ARTICLE I
ENGAGEMENT**

Hospital hereby engages Physician to serve as the Clinical Research Medical Director of the Program, and Physician hereby accepts such engagement on the terms and conditions set forth in this Agreement.

**ARTICLE II
MEDICAL ADMINISTRATIVE SERVICES**

2.1 Clinical Research Medical Director. During the term of this Agreement, beginning on the Effective Date, Physician shall serve and be designated as the Clinical Research Medical Director of the Program in accordance with the terms and provisions of this Agreement. In this regard, commencing on the Effective Date, Physician shall perform, for and on behalf of the Hospital, and in a competent, proactive, efficient and satisfactory manner, those medical administrative services as Clinical Research Medical Director of the Program (“**Director Duties**”) set forth in the Medical Director - Clinical Research Program Scope of Responsibilities, attached as **Exhibit A** and incorporated herein by this reference.

2.2 Dedication of Time. Physician shall devote such time as is necessary to perform the Director Duties and responsibilities set forth in this Agreement. Such Director Duties and time shall not include the provision of professional medical services to patients. The parties agree that Physician will provide Clinical Research Director Duties and receive compensation therefor, as set forth in the Clinical Research Medical Director – Clinical Research Fee Schedule, attached as **Exhibit B** and incorporated herein by this reference.

2.3 Ultimate Authority. Physician hereby acknowledges and agrees that, notwithstanding any other provision contained in this Agreement, Hospital and, as its agent, Hospital’s Chief Executive Officer shall retain final and ultimate decision making authority over the business affairs of Facility and the Program, including without limitation the development and operation of Facility and the Program.

2.4 Qualifications. Physician shall maintain on an unrestricted basis:

- (a) California licensure as a physician;
- (b) Membership in good standing on Hospital’s medical staff and appropriate clinical privileges at Hospital in the Physician’s practice specialty;
- (c) Federal Drug Enforcement Administration (“**DEA**”) registration;
- (d) Professional liability insurance as set forth in Section 6.1;
- (e) Participation in good standing in the Medicare and Medi-Cal programs;
and
- (f) Board certification in Hematology and Medical Oncology.

**ARTICLE III
COMPENSATION**

3.1 Compensation for Director Duties. Subject to the completion of a Service Time Log, as described in Section 3.2 and within fifteen (15) days after the receipt and approval by Hospital of a Service Time Log, for each calendar month of the term of this Agreement (each, a “**Service Month**”), Hospital shall pay to Physician monthly compensation (“**Compensation**”)

for all Director Duties provided hereunder, as set forth in the Clinical Research Medical Director Fee Schedule, attached hereto as **Exhibit B**. Such Compensation shall be paid on an hourly basis for each hour (to be prorated for partial hours) actually spent by Physician in providing reasonable and necessary Director Duties during such Service Month. The Compensation shall not include attendance at continuing medical education programs or training. Notwithstanding the foregoing, Hospital's obligation to pay any Compensation to Physician shall be expressly conditioned upon Physician's timely submission of the required Service Time Log documenting reasonable and necessary services actually performed that are applicable to such payment, and the written approval of such Service Time Log by Hospital.

3.2 Service Time Log. Each month during the term of this Agreement, Physician shall submit a written time log reflecting the actual time spent by Physician and the actual duties performed as Director Duties during the prior month on the form attached as **Exhibit C** (the "**Service Time Log**"), or in the form requested by Hospital. Physician shall submit such Service Time Log to Hospital within ten (10) days following the end of each Service Month. No compensation shall be paid to Physician for a Service Month unless a Service Time Log for that Service Month has been submitted to and approved by Hospital. If Physician fails to submit such Service Time Log by the tenth (10th) day following the end of a Service Month in which services are rendered to the Hospital, Physician shall not receive the monthly Compensation for the Service Month.

3.3 Commercial Reasonableness and Fair Market Value. The parties have mutually agreed, through arm's length negotiations, that Physician's Compensation hereunder is commercially reasonable and reflects the fair market value of the Director Duties to be provided by Physician pursuant to this Agreement. Moreover, the parties further acknowledge and agree that such Compensation has not been and shall not be determined in a manner that takes into account the volume or value of any patient referrals or business otherwise generated between the parties or any third parties, including without limitation any referrals or business for which payment may be made, in whole or in part, under any federal or state funded health care program.

3.4 No Billing by Physician. Physician and Hospital hereby acknowledge and agree that the Compensation shall reflect full and complete payment by Hospital for all Director Duties provided hereunder by Physician as the Clinical Research Medical Director pursuant to Article II above. The parties further agree that the Compensation shall not constitute any payments for the professional practice of medicine, and Physician shall not bill or assert any claim for payment against any patient, third party payor, or any other party other than Hospital for Director Duties performed by Physician under this Agreement.

3.5 Independent Contractor. In the performance of this Agreement, Physician is acting as independent contractor, and shall not be considered an employee of the Hospital or Facility. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the parties, and nothing contained herein shall be construed to authorize either party to act as agent for the other. Physician shall be liable for its own debts, obligations, acts and omissions, including the payment of all withholding, social security and other taxes and benefits. As an independent contractor, Physician is responsible for filing such tax returns and for all such employment taxes with respect to Physician as may be

required by law or regulations. Physician shall not be subject to any Hospital policies solely applicable to the Hospital's employees, and shall not be eligible for any employee benefit plan offered by Hospital. In the event that this independent contractor relationship is determined by tax authorities to constitute an employment relationship: (a) Physician hereby waives, for the period prior to the date such determination becomes final, any and all claims to coverage under any Hospital pension, profit sharing, health, dental, welfare or similar type plans which are generally limited to Hospital employees, unless otherwise agreed by Hospital in writing; and (b) Physician shall reimburse Hospital for any and all sums expended by Hospital related to taxes, employee benefits or other employment-related matters (including reasonable attorneys' fees) with ten (10) days of remittance to Physician for reimbursement.

ARTICLE IV SUPPORT SERVICES

4.1 Space and Equipment. Hospital shall furnish the physical space and equipment reasonably required for Physician to carry out the Director Duties hereunder. Physician shall use and occupy any premises of Hospital pursuant to this Agreement solely for the purpose of performing such Director Duties. Nothing contained in this Agreement shall be construed by the parties to constitute a lease of any such premises to Physician, and no part of said premises shall be used at any time by Physician hereunder as an office for the general or private practice of medicine or for any other private business concern.

4.2 In-Service and Supplies. Hospital shall furnish such ordinary janitor, photocopying, telecommunication, computer system, internet access, secretarial, and administrative support, electricity for light and power, and other in-services and supplies, all as reasonably required for Physician to carry out the Director Duties hereunder.

ARTICLE V TERM AND TERMINATION

5.1 Term. The term of this Agreement shall commence on the Effective Date set forth herein above and continue for a period of thirty-six (36) months thereafter, unless terminated earlier pursuant to the terms of this Agreement.

5.2 Termination Without Cause. Hospital and Physician shall each have the right to terminate this Agreement, without cause, upon giving not less than thirty (30) days' prior written notice to the other party.

5.3 Termination with Cause. Hospital shall have the right to terminate this Agreement upon failure of Physician to cure a breach of any term hereof which Hospital, at its sole discretion, has given Physician an opportunity to cure, within thirty (30) calendar days after written notice of said breach and opportunity to cure.

5.4 Immediate Termination by Hospital. Notwithstanding Sections 5.2 and 5.3, Hospital shall have the right, but not the obligation, to terminate this Agreement immediately upon notice to Physician in the event of the occurrence of any of the following events:

(a) Physician is excluded, suspended, terminated or otherwise determined to be ineligible from participation in any state or federally funded healthcare program (each, a “**Government Program Exclusion**”);

(b) Any restriction, suspension or revocation of Physician’s license to practice medicine in any state, without regard to whether such adverse action has been fully adjudicated;

(c) Any restriction, suspension or revocation of Physician’s medical staff privileges at any health care facility, without regard to whether such adverse action had been fully adjudicated;

(d) Any restriction, suspension or revocation of Physician’s federal DEA number, without regard to whether such adverse action had been fully adjudicated;

(e) Physician engages in conduct which is reasonably determined by the Hospital to be contrary to the Hospital’s or Facility’s bylaws, rules, regulations, code of conduct or policies or procedures, all as may be amended from time-to-time by Hospital or Facility (collectively, “**Rules**”);

(f) Physician engages in conduct which is reasonably determined by Hospital to be prejudicial or adverse to the best interest, reputation or welfare of Hospital or Facility or its patients;

(g) Physician is investigated or convicted of a criminal offense relating to health care, or is investigated or convicted of any felony or any other crime involving moral turpitude or immoral conduct;

(h) The death of Physician or the inability of Physician to attend to the Director Duties for a period in excess of thirty (30) days, whether consecutive or not, during the term hereof, for any reason other than absence approved by Hospital in advance;

(i) Hospital enters into an agreement for the sale, assignment, lease or other transfer of the Hospital or all or substantially all of Hospital’s assets to another person or entity;

(j) Hospital suffers an appointment of a receiver, custodian, examiner or a trustee for any of its property or assets;

(k) Failure of Physician to comply with the insurance requirements of Section 6.1 of this Agreement.

5.5 Legal Requirements. In the event that either party’s legal counsel advises such party that this Agreement, or any practices which could be, or are, employed by either party in exercising rights or discharging obligations under this Agreement, pose a material risk of violating any of the legal requirements imposed on or otherwise governing the performance of this Agreement, including without limitation any federal or state anti-kickback or physician self-referral laws, regulations, or guidelines, such party shall promptly notify the other party of such advice. The parties in good faith shall undertake to revise this Agreement to comply with such legal requirements. In the event that the parties are unable to agree upon the revised terms within

thirty (30) days after such notice of advice is received by the other party, then either party may terminate this Agreement immediately upon giving written notice to the other party.

5.6 Effect of Termination.

(a) Upon the expiration or termination of this Agreement, neither party shall have any further obligation hereunder except for: (i) obligations due and owing which arose prior to the date of expiration or termination; and (ii) obligations, promises or covenants contained in this Agreement which expressly extend beyond the term hereof.

(b) Upon the expiration or termination of this Agreement, Physician shall promptly deliver and return to Hospital all of Hospital's and/or Facility's property, including without limitation all of Hospital's or Facility's supplies, patient records, and all materials, records and writings of any type (including all copies thereof) in his possession that constitute confidential, proprietary or trade secret information and/or property owned by Hospital or Facility.

(c) 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 shall not enter into the same or substantially the same arrangement during such initial twelve (12) month period; provided, however, the parties shall not be prohibited from renegotiating this Agreement if, with the advice of legal counsel, the parties mutually agree that such renegotiation is not prohibited by applicable federal or state statutes and regulations, including without limitation the federal anti-kickback statute set forth at 42 U.S.C. Section 1320a-7b, the federal physician self-referral prohibition set forth at 42 U.S.C. Section 1395nn, or similar state laws.

ARTICLE VI INSURANCE AND INDEMNIFICATION

6.1 Insurance. During the term of this Agreement, Physician shall maintain, at Physician's sole expense, professional liability insurance in the minimum amounts of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate from a reputable insurance company. Physician agrees to provide proof of such coverage upon the reasonable request of Hospital. Physician shall provide Hospital with a statement from the insurance company that the Hospital shall be notified at least thirty (30) days prior to any change to or cancellation of such insurance coverage. If the coverage is on a claims-made basis, Physician hereby agrees that not less than thirty (30) days prior to the effective date of termination by Physician of Physician's insurance coverage by Physician's current insurance company, Physician shall: (1) purchase tail or retroactive coverage in the above-stated amounts for all claims arising out of incidents occurring prior to termination of coverage by Physician's current carrier; and (2) provide Hospital with a certificate of such coverage.

6.2 Indemnification.

(a) Physician shall defend, indemnify, and hold harmless Hospital and Facility, its officers, employees, agents and affiliated entities from and against all losses, expenses, including attorneys' fees, damages, and liabilities of any kind incurred by Hospital or

Facility (collectively, the “**Claims**”) resulting from or arising out of Physician’s performance hereunder, which are caused or claimed to be caused by the negligent or willful acts or omissions of Physician, its officers, employees, agents, subcontractors, or anyone directly or indirectly employed by them, or any other person or persons under Physician’s direction and control; provided however, that Physician shall not have responsibility to indemnify, protect and hold Hospital or Facility harmless from and against any Claim occurring through the negligence of Hospital or Facility or any of Hospital’s or Facility’s employees or agents.

(b) Hospital shall defend, indemnify and hold harmless Physician, its officers, employees, agents and affiliated entities from and against all Claims resulting from or arising out of Hospital’s performance hereunder, which are caused or claimed to be caused by the negligent or willful acts or omissions of Hospital, its officers, employees, agents, subcontractors, or anyone directly or indirectly employed by them, or any other person or persons under Hospital’s direction and control; provided however, that Hospital shall have no responsibility to indemnify, protect and hold Physician harmless from and against any Claim occurring through the negligence of Physician or any of Physician’s employees or agents.

ARTICLE VII HOSPITAL AND FACILITY NAMES AND MARKS

Physician shall not use the name, logos, symbols, service marks or trademarks of Hospital and/or any facility owned Hospital (collectively, the “**Names and Marks**”) without the prior written consent of Hospital. In this regard, the parties mutually acknowledge and agree that all right, title and interest in and to any such Names and Marks shall be the exclusive property of Hospital. Notwithstanding anything in this Agreement to the contrary, Physician shall have no claim whatsoever regarding the use or ownership of any such Names and Marks.

ARTICLE VIII EXCLUSIVITY; RESTRICTIONS

8.1 Intent. The parties acknowledge and agree that, in furtherance of Hospital’s principal business goals and initiatives, Hospital must assure appropriate and continuous medical administrative leadership in Facility with regard to the development and operation of Facility; and, in so doing, Hospital must be assured that Physician will maintain an active commitment to achieving Hospital’s business goals in the performance of this Agreement. Therefore, during the term of this Agreement, Physician shall be bound by and shall fully comply with the following restrictions as set forth in Section 8.2 below.

8.2 Restrictions.

(a) Except as otherwise provided herein, during the term of this Agreement, Physician shall not, without the prior written consent of Hospital, provide similar medical administrative or consulting services for or on behalf of any hospital which is or will be in competition with Hospital. Each party specifically acknowledges and agrees that the foregoing restrictions are a condition precedent to Hospital’s entering into this Agreement, that such restrictions are reasonable and necessary to protect the legitimate business interests of Hospital, and that such parties would not have entered into this Agreement in the absence of such

restrictions. The parties further acknowledge that any violation of this Section 8.2 would result in irreparable injury to Hospital and that the remedy at law for monetary compensation resulting from any breach of this Section 8.2 would be inadequate. Accordingly, in the event of any such breach by Physician, and in addition to any other relief available to it, Hospital shall be entitled to temporary injunctive relief against Physician, as applicable, before arbitration or trial from any court of competent jurisdiction as a matter of course, upon the posting of not more than a nominal bond, and to permanent injunctive relief without the necessity of proving actual damages. In the event that the provisions contained in this Section 8.2 shall ever be deemed to exceed the time or geographic limits or any other limitation permitted by applicable law, then such provisions shall be deemed reformed to the maximum extent permitted by applicable law.

(b) Nothing contained in the foregoing provisions of this Section 8.2 shall be construed to control, prohibit or restrict the methods by which Physician shall perform Director Duties in accordance with or otherwise contemplated under this Agreement.

(c) Nothing contained in the foregoing provisions of this Section 8.2 shall be construed to prohibit or otherwise restrict Physician from referring, admitting or treating patients to or at any hospital inpatient or outpatient facility, or otherwise engaging in the private practice of medicine.

ARTICLE IX CONFIDENTIALITY

9.1 Proprietary Information. The parties recognize that, due to the nature of this Agreement, Physician will have access to and knowledge of information of a confidential and proprietary nature owned by Hospital or Facility, including without limitation any and all form documents, any and all information relating to payor contracts and accounts, billing practices and procedures, any and all computer programs devised by or licensed to Hospital or Facility, any and all copyrights, inventions and other intellectual property, any and all operating manuals, any and all clinical studies and other research, customer and patient lists, and other materials or records that constitute or describe the systems, policies and procedures, methods of doing business, administrative, advertising or marketing techniques or work product, financial affairs and other similar information or property utilized in connection with the operation of Hospital's or Facility's business (collectively, "**Proprietary Information**"). Consequently, Physician acknowledges and agrees that Hospital has a proprietary interest in all such Proprietary Information and that all such Proprietary Information constitutes confidential and proprietary information and the trade secret property of Hospital. Physician hereby expressly and knowingly waives any and all right, title and interest in and to such trade secrets and proprietary and confidential information included in Hospital's Proprietary Information.

9.2 Nondisclosure. During the term of this Agreement, Physician shall not use or otherwise disclose to anyone, other than authorized persons or entities engaged or employed by Hospital with an appropriate need to know, any Proprietary Information obtained from or otherwise owned by Hospital, without Hospital's prior written consent, except as otherwise required by law. After the expiration or other termination of this Agreement, Physician shall not use or otherwise disclose to anyone any Proprietary Information obtained from or otherwise owned by Hospital, without Hospital's prior written consent, except as otherwise required by

law. The parties acknowledge and agree that the foregoing covenant is perpetual and shall survive the expiration or other termination of this Agreement. For purposes of this Article IX, Proprietary Information shall not include information which is now, or becomes, generally available to the public other than by any disclosure made in violation of this Article IX.

9.3 Confidentiality of Agreement. The terms of this Agreement are confidential and shall not be disclosed, except as necessary to the performance of this Agreement or as required by law. Notwithstanding the foregoing, a party may disclose this Agreement to its lawyers, accountants and other professional advisors. The foregoing obligations and requirements concerning confidentiality of this Agreement shall survive the expiration or other termination of this Agreement.

9.4 Patient Records. Notwithstanding and in addition to the requirements set forth in Article IX above, Physician shall maintain and safeguard the confidentiality of all patient records, charts and other related patient information, generated in connection with the operation of the Program, Hospital, or Facility, in accordance with all applicable federal and state statutes and related governmental regulations and with all other legal or contractual requirements imposed on Hospital or Facility, or Physician in connection therewith. In this regard, without limiting the generality or scope of the foregoing, Physician shall comply with the applicable provisions of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“HITECH Act”), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (“HIPAA Regulations”), the California Confidentiality of Medical Information Act, and other applicable laws, including without limitation state patient privacy laws, as such laws may be amended from time to time. Physician covenants that Physician will not copy any portion of these records manually, electronically or otherwise, except in the case of medical necessity, or with Hospital’s prior written approval. The foregoing obligations and requirements concerning patient confidentiality shall survive the expiration or other termination of this Agreement.

9.5 Injunctive Relief. Physician specifically acknowledges and agrees that the restrictions set forth in this Article IX are reasonable and necessary to protect Hospital’s and Facility’s legitimate business interests. The parties acknowledge that any violation of this Article IX would result in irreparable injury to Hospital or Facility, and that the remedy at law for monetary compensation resulting from any breach of this Article IX would be inadequate. Accordingly, in the event of any such breach by Physician, and in addition to any other relief available to it, Hospital or Facility shall be entitled to temporary injunctive relief before arbitration or trial from any court of competent jurisdiction as a matter of course, upon the posting of not more than a nominal bond, and to permanent injunctive relief without the necessity of proving actual damages. Physician also acknowledges and agrees that Hospital and Facility shall be entitled to an equitable accounting of all earnings, profits and other benefits arising from such breach and further agrees to pay the reasonable fees and expenses, including without limitation attorneys’ fees, incurred by Hospital or Facility in enforcing the restrictions contained in this Article IX. In the event that the provisions contained in this Article IX shall ever be deemed to exceed any limitation permitted by applicable law, then such provisions shall be deemed reformed to the maximum extent permitted by applicable law.

ARTICLE X ACCESS TO BOOKS AND RECORDS

10.1 Cooperation. Physician shall, in connection with the subject matter of this Agreement, cooperate fully with Hospital and Facility, by maintaining and making available all necessary books, documents and records, in order to assure that Hospital and Facility will be able to meet all requirements for participation in and payment associated with public or private third-party payment programs (e.g., the Medicare Program), including without limitation matters covered by Section 1861(v)(1)(I) of the Social Security Act, as amended.

10.2 Compliance. For the purpose of implementing Section 1861(v)(1)(I) of the Social Security Act, and any written regulations promulgated thereunder, Physician shall comply with the following statutory requirements governing the maintenance of documentation to verify the cost of services rendered under this Agreement:

(a) Until the expiration of ten (10) years after the furnishing of services pursuant to this Agreement, Physician shall make available to the Secretary of Health and Human Services or the Comptroller General of the United States, or their duly authorized representatives, upon written request of any of them, this Agreement, and all books, documents and records that are necessary to certify the nature and extent of the cost of such services, and

(b) If Physician carries out any of the duties of this Agreement through a subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request, to the Secretary or the Comptroller General, or any of their duly authorized representatives, the subcontract, and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

10.3 Notification. If Physician is requested to disclose books, documents or records pursuant to this Article X, Physician shall, unless otherwise constrained by law or applicable regulation of any governmental authority, notify Hospital of the nature and scope of such request and shall make available, upon the written request of Hospital, all such books, documents or records during the regular business hours of Physician.

ARTICLE XI ANTI-REFERRAL LAWS

11.1 No Consideration for Referrals. Hospital and Physician hereby acknowledge and agree that: (a) nothing in this Agreement or in any other written or oral agreement between Hospital and Physician, nor any consideration offered or paid in connection with such agreements, contemplates or requires the admission or referral of any patient to the Hospital; (b) any such agreements are not intended to influence Physician's judgment in choosing the medical facility appropriate for the proper care and treatment of Physician's patients; and (c) the overall value of the services and other consideration exchanged by and between Hospital and Physician pursuant to this Agreement are substantially equivalent.

11.2 Specific Laws. Each party acknowledges, and is hereby bound by, the obligation of such party to comply with applicable federal and state laws governing referral of patients, as may be in effect or amended from time-to-time, including without limitation:

(a) Payments for referral or to induce the referral of patients (California Business and Professions Code Section 650; California Labor Code Section 3215; and the Medicare/Medicaid Fraud and Abuse Law, Section 1128B of the Social Security Act and the regulations promulgated thereunder); and

(b) The referral of patients by a physician for certain designated health services to any entity with which the physician (or his/her immediate family) has a financial relationship (California Labor Code Sections 139.3 and 139.31, applicable to referrals for workers' compensation services; California Business and Professions Code Sections 650.01 and 650.02, applicable to all other patient referrals within the State of California; and Section 1877 of the Social Security Act, applicable to referrals of Medicare patients, and the regulations promulgated thereunder).

ARTICLE XII ADDITIONAL REPRESENTATIONS

12.1 Representations and Obligations of Physician. Physician represents, warrants, and covenants to Hospital that upon execution and throughout the term of this Agreement:

(a) Physician shall comply with all applicable federal, state and local laws, related governmental regulations and accrediting standards governing or otherwise concerning any and all of Physician's business operations as well as the business operations of Hospital or Facility, including without limitation all licensure, reimbursement, anti-kickback and self-referral statutes, regulations and standards.

(b) Physician has not been excluded from any federal and/or state health care payment program by action of the Office of Inspector General of the Department of Health and Human Services or by any equivalent or coordinating federal or state governmental agencies.

(c) Physician shall fully comply with all applicable Rules and otherwise fully cooperate with Hospital in the performance of this Agreement during the term hereof, including without limitation preparing and executing all documents and attending all meetings, as may be reasonably requested by Hospital or Facility or otherwise required by applicable law, in connection with the provision of medical administrative Director Duties or for the conduct of the operations of Hospital or Facility.

(d) Physician is currently, and for the duration of the term hereof shall remain at all times, duly licensed and/or authorized to practice medicine in the State of California, duly qualified to render specialized professional medical services in the specialties of hematology and medical oncology and in good standing with the Medical Board of California.

(e) Physician is currently a member in good standing with Hospital's medical staff.

- (f) Physician has a Federal DEA license without restriction.
- (g) Physician's license to practice medicine in the State of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action or restricted in any way.
- (h) Physician's medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction.
- (i) Physician is not the subject of an investigatory, disciplinary or other proceeding or action before any governmental, professional, medical staff or peer review body.
- (j) Physician is board certified in the specialties of hematology and medical oncology.
- (k) Physician is not in any manner whatsoever breaching any other agreement, covenant or obligation, or otherwise violating any statute, regulation or ordinance, by entering into this Agreement or otherwise acting as a party or performing hereunder, and that the consent of any third party is not required in any manner whatsoever for Physician to enter into this Agreement and/or act as a party or perform hereunder.
- (l) Physician has the leadership abilities to promote a vision of the Program.
- (m) Physician is knowledgeable and experienced in the area of clinical oncology research with a clear understanding and appreciation of medical integrity and ethics.
- (n) Physician has sufficient organizational skill to manage and direct a team providing care to patients with cancer and other related diseases who may be eligible for clinical trials.
- (o) Physician has sufficient diplomatic skills to coordinate and prioritize competing Program initiatives in order to produce broad-based consensus and success.

12.2 Notification to Hospital or Facility. Upon the occurrence of any event which causes any of the above representations set forth in this Article XII to no longer be true, Physician shall provide written notification to Hospital or Facility within forty-eight (48) hours of such event.

ARTICLE XIII MISCELLANEOUS

13.1 Assignment and Delegation. Neither this Agreement nor any right or duty hereunder may be assigned or delegated by Physician without the prior written consent of Hospital in its sole discretion. Any attempted or purported assignment by Physician in violation of this provision shall be void and without force or effect. Hospital, in the exercise of its sole and absolute discretion, shall have the right at any time, without the consent of Physician, to assign, delegate or in any manner transfer all or any portion of its interests, obligations or duties

under this Agreement to any person, group or entity affiliated with Hospital or to any successor-in-interest which acquires the Hospital or which acquires substantially all of Hospital's assets.

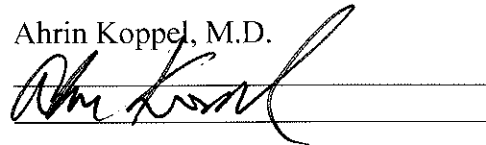
13.2 Binding on Successor-in-Interest. The provisions of this Agreement and the obligations and interests arising hereunder shall extend to and be binding upon and inure to the benefit of the lawful assigns and successors of the respective parties.

13.3 Third Party Beneficiary. None of the provisions contained in this Agreement is intended by the parties, nor shall any be deemed, to confer any benefit on any person or entity not a party.

13.4 Notices. Written notice required under this Agreement shall be given personally or sent by United States certified mail, return receipt requested, or by private overnight mail service, postage prepaid, and addressed to the parties at addresses shown below (or such other address as may hereafter be designated by a party by written notice thereof to the other party). Such notice shall be effective upon delivery, if given personally, or if mailed as provided for above such notice shall be effective upon the date shown on the delivery receipt.

HOSPITAL: Tahoe Forest Hospital
10121 Pine Avenue
P.O. Box 759
Truckee, CA 96160
Attention: Chief Executive Officer

PHYSICIAN: Ahrin Koppel, M.D.



Either party may change its address indicated above by notifying all other parties in writing of such change of address in the manner specified in this Section 13.4.

13.5 Gender and Pronouns. Whenever appropriate from the context of this Agreement, the use of any gender shall include any and all other genders, and the single number shall include the plural, and the plural number shall include the singular.

13.6 Severability. If any term or provision of this Agreement is held to be invalid, void or illegal by a court of competent jurisdiction, the validity and enforceability of the remaining terms and provisions of this Agreement shall not be affected thereby, and such remaining terms and provisions shall continue to be in full force and effect.

13.7 Governing Law. The existence, validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to its principles of conflict of laws.

13.8 Entire Agreement; Amendment. The making, execution and delivery of this Agreement by the parties have not been induced by any representations, statements, warranties or agreements other than those expressed in this Agreement. This Agreement, together with any

attachments or exhibits, embodies the entire understanding of the parties regarding the subject matter of this Agreement, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to such subject matter. This Agreement shall supersede and terminate any previous oral or written agreements between the parties with respect to the subject matter hereof, and any such prior agreements are null and void. This Agreement may be amended or modified only by an instrument in writing signed by all of the parties.

13.9 Waiver of Provisions. The failure of a party to insist upon strict adherence to or performance of any provision of this Agreement on any occasion shall not be considered a waiver nor shall it deprive that party of the right thereafter to enforce performance of or adherence to that provision or any other provision of this Agreement. Any waiver of any terms and conditions hereof must be in writing, and signed by the parties.

13.10 Captions and Headings. Any captions to or headings of the articles, sections, subsections, paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of validity of this Agreement or any provision hereof.

13.11 Dispute Resolution.

(a) Informal Resolution Processes. Any questions or disagreements arising under this Agreement regarding the quality of care provided to Hospital patients shall be submitted to the Medical Executive Committee. Any other questions or disagreements (other than those regarding quality of care) arising under this Agreement, including any questions concerning the interpretation of this Agreement, shall be submitted to Hospital's Chief Executive Officer. If the dispute cannot be resolved by the Chief Executive Officer within ninety (90) days of submission, either party may submit the resolution to arbitration pursuant to Section 6.5(b).

(b) Arbitration. With the exception of disputes regarding the quality of care, which shall be resolved according to the provisions of Section 6.5(a), all disputes relating to, arising out of or in connection with the validity, interpretation or performance of this Agreement, including tort claims, shall be resolved by arbitration. The arbitration will proceed in accordance with the commercial rules of arbitration of the American Arbitration Association, as supplemented or modified by this Agreement. Written notice of a claim and demand for arbitration must be given to the other party (the "Respondent") not more than one hundred and twenty (120) days after the date of (i) the events giving rise to the claim occur or (ii) the date the claim is discovered. Response to the demand for arbitration shall be due not later than twenty (20) days after receipt of notice. The claim will be deemed denied if Respondent does not answer the demand within that time period. Not more than twenty (20) days after Respondent answers the demand (or if there is no answer, after the time for answer has elapsed) (the "Answer Date"), the parties shall select a single neutral arbitrator. If the parties cannot agree upon such arbitrator within twenty (20) days of the Answer Date, then each party shall choose an arbitrator and the two arbitrators together shall select a third arbitrator (the "Arbitrators") and the matter shall be arbitrated by the panel of three Arbitrators. If the two Arbitrators are unable to agree upon a third Arbitrator prior to the thirtieth (30th) day after the Answer Date, then either party may request the American Arbitration Association to select the third Arbitrator. Any Arbitrator selected under this Section shall be a person with business, financial or legal experience in the

health care industry of at least five (5) years, who is generally familiar with the issues in dispute. The arbitration shall take place in Truckee, California, or another location mutually agreed upon by the parties. The Arbitrator(s) may construe or interpret but shall not ignore the terms of this Agreement and shall be bound by California substantive law. The arbitration decision shall include written findings of fact and conclusions of law. The arbitration decision may include equitable relief, but may not include punitive or exemplary damages. The Arbitrator(s) shall not have the power to commit errors of law or legal reasoning and the Arbitrator's(s') decision may be vacated or corrected pursuant to California Code of Civil Procedure Sections 1286.2 or 1286.6 for any such error. The prevailing party, as determined by the Arbitrator(s), shall be entitled to reasonable attorneys' fees and costs. In cases submitted to arbitration, the parties agree to share equally in the administrative fee, if any, unless otherwise assessed against the non-prevailing party by the Arbitrator(s). The parties agree that the decision of the Arbitrator(s) shall be final and binding as to each of them, and that the arbitration award may be enforced in any court having jurisdiction thereof, by the filing of a petition to enforce said award.

(c) Equitable Relief. The foregoing provisions of this Article XXIII shall not be interpreted in any manner whatsoever to restrict the right of either party to this Agreement to pursue equitable relief from a court of competent jurisdiction at any time or to terminate this Agreement in accordance with the terms hereof. In the event that either party wishes to obtain injunctive relief or a temporary restraining order from a court of competent jurisdiction, the decision of such court with respect to the requested injunctive relief or temporary restraining order shall be subject to appeal only as allowed under California law. Such court shall not, however, have the authority to review or grant any request or demand for damages.

13.12 Venue. The parties agree that Nevada County, California shall be the only proper venue for disputes related to this Agreement.

13.13 Attorneys' Fees. Notwithstanding and in addition to the provisions in Article XXIII above, if legal action is required by either party to enforce the terms of this Agreement, the prevailing party in such action shall be entitled to reimbursement for reasonable costs and attorneys' fees incurred in connection therewith.

13.14 Survival of Provisions. The provisions of sections 3.5; 6.1; 6.2; 9.1; 9.2; 9.3; 9.4; 9.5; 10.1; 10.2; 10.3; 12.1; 13.7, 13.11, 13.12, 13.14, and Article VII hereof shall survive any expiration or termination of this Agreement.

13.15 Force Majeure. Neither party shall be liable nor deemed to be in default for any delay, interruption or failure in performance under this Agreement that results, directly or indirectly, from Acts of God, acts of civil or military authority, war, terrorism, accidents, fires, explosions, earthquakes, floods, failure of transportation, machinery or supplies, vandalism, riots, civil disturbances, strike or other work interruptions by such party's employees or any similar or dissimilar cause beyond the reasonable control of such party. However, the parties shall make good faith efforts to perform under this Agreement in the event of any such circumstances.

13.16 Disclosure of Conflicts of Interest. Physician agrees to adhere to Hospital's conflicts of interest policy, as from time to time in effect, and to disclose to Hospital any matter

or transaction in which Physician is involved that conflicts with the interest of Hospital in Physician's satisfactory performance of Specialty services under this Agreement.

13.17 Tax-Exempt Financing. In the event Hospital intends to seek tax-exempt financing, Hospital and Physician shall negotiate in good faith to amend this Agreement to the extent deemed necessary by bond counsel involved in that financing. If Hospital and Physician do not agree to the terms of such an amendment, Hospital may terminate this Agreement pursuant to Section 5.2.

13.18 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto, for themselves or by their authorized officers, as applicable, have caused this Agreement to be executed effective as of the Effective Date set forth hereinabove.

“Hospital”
Tahoe Forest Hospital District,
a California Hospital District

By: _____
Virginia Razo, CEO

“Physician”
Ahrin Koppel, M.D., an individual

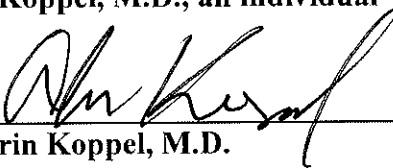
By:  _____
Ahrin Koppel, M.D.

EXHIBIT A – SCOPE OF RESPONSIBILITIES

TAHOE FOREST HOSPITAL DISTRICT

MEDICAL DIRECTOR – CLINICAL RESEARCH PROGRAM

Physician represents to Hospital that on the basis of his training and experience, he is knowledgeable in the specialties of Hematology and Medical Oncology and is qualified to perform and will use Physician's best efforts to perform the duties set forth below. As of and following the Effective Date, Physician shall be obligated to perform each calendar month, and as time may reasonably permit, the following specific administrative duties and responsibilities as Clinical Research Medical Director with responsibilities that shall include the following and other responsibilities which may from time to time be deemed necessary and mutually agreed upon by Physician and Hospital:

ESSENTIAL FUNCTIONS

- Oversee the clinical research compliance activities of Cancer Center
- Serve as the Cancer Center Research Privacy Officer, assuring compliance with protocols and other related regulations, including training and educating staff and administrative personnel in compliance requirements
- Provide mentoring and guidance to clinical research coordinator and nursing staff
- Lead the clinical trials unit operations group
- Develop, implement and support quality improvement, performance improvement and outcome metrics for clinical trials
- Ensure that all best practices are followed in clinical trials and patient care
- Serve as the research liaison to the entities that are part of the Cancer Care Network.

ADDITIONAL DUTIES

- Perform an annual assessment of compliance risks of the Program and develop plans for addressing any deficiencies related to the research being performed
- Conduct, supervise or support the development of corrective action plans and/or examine the effectiveness of corrective action plans stemming from investigations, examinations and audits related to the Program
- Manage and maintain relationships with external clinical trial partners
- Represent the Hospital in meetings with federal, state and accrediting bodies related to the Program
- Implement and maintain all patient privacy policies and procedures as they pertain to the Program
- Investigate and resolve any alleged research problems and breaches by the Program as well as any required reporting by the Program to state or federal agencies
- Report and investigate any adverse events in the Program's conduct of clinical trials protocols
- Maintain awareness of current scientific developments within hematology and oncology
- Attend appropriate scientific and/or clinical meetings to maintain competency and awareness of research activities in the area of hematology and oncology

WORKING RELATIONSHIPS

Physician shall maintain consistent, professional relationships with:

- Hospital administration and personnel
- Physicians
- Clinical Research Coordinator
- Cancer Center nursing staff
- Clinical departmental managers throughout the hospital
- Patients, families, and the public
- Vendors

As Clinical Research Medical Director, Physician will maintain a reporting relationship with the Chief Medical Officer of the Hospital.

MAJOR CHALLENGES OF PROGRAM

Physician shall assist Program in meeting the following challenges:

- Provide Cancer Center patients with access to appropriate clinical trials
- Ensure adherence to best practices associated with clinical research performed in the Cancer Center
- Ensure compliance with all research protocols, privacy laws and related regulation

CONSULTATION

The Medical Director of the Cancer Center will consult with Physician with respect to all decisions materially affecting clinical research performed in the Program.

SCOPE

It is expected by the parties that the responsibilities detailed above require an estimated part time commitment of four (4) to six (6) hours per week, but not more than two hundred (200) hours per year.

EXHIBIT B – CLINICAL RESEARCH MEDICAL DIRECTOR FEE SCHEDULE

TAHOE FOREST HOSPITAL DISTRICT

The Schedule of Fees set forth below shall represent Physician's complete compensation for the services rendered under this Agreement. Any changes to said schedule must be agreed upon in writing by both parties and shall be in substantial accordance with fees for comparable services in the general service area of Facility.

Clinical Research Medical Director Fee Schedule

One Hundred Twenty Five Dollars (\$125) for each hour of service, up to a maximum of seventeen (17) hours per month, and a maximum of Two Hundred (200) hours per year. Fees paid under this Agreement shall not exceed Twenty Five Thousand Dollars (\$25,000) per year for the work actually performed pursuant to this Agreement.

NOT FOR USE FOR MEDICAL EQUIPMENT, MEDICAL SUPPLY OR GROUP PURCHASING CONTRACTS

CONTRACT ROUTING FORM

Email Completed Form to Contracts Coordinator (ahoffman@tfhd.com) for Processing and Compliance

NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Administration</u>		PRIMARY RESPONSIBLE PARTY: <u>Virginia Razo</u>		
		PHONE: <u>(530)582-3433</u>		
RESPONSIBLE ADMINISTRATIVE COUNCIL MEMBER: CEO <input checked="" type="checkbox"/> CFO <input type="checkbox"/> COO <input type="checkbox"/> CNO <input type="checkbox"/> CIO <input type="checkbox"/> IVCH <input type="checkbox"/>				
SUBJECT TO GOVERNANCE COMMITTEE REVIEW? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>				MEETING DATE: _____
				GC COMMITTEE RECOMMENDATION: _____
CONTRACT TYPE/NAME:				
Physician Professional Service Agreement (P-PSA) <input checked="" type="checkbox"/>		Contract Name: <u>Ringnes Physician Recruitment Agreement 2015</u>		
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>		Contract Name: _____		
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____		
Other: _____ <input type="checkbox"/>		Contract Name: _____		
❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>				
CONTRACT DETAILS: (additional information may be provided on Page 2)				
CONTRACTOR/ VENDOR NAME:		<u>Andrew Paul Ringnes, M.D.</u>		
Purpose of the Contract/Alternatives:				
District has proposed to provide Physician the financial assistance and support set forth in this Agreement in order to assist Physician in relocating to the Tahoe area and establishing a viable medical practice to serve patients within the Service Area. Physician has indicated that he would not agree to relocate and establish a practice in Hospital's Service Area without the financial assistance and support provided by District pursuant to this Agreement.				
Scope of the Contract:				
In consideration of Physician relocating and establishing a full-time practice, and conditioned upon Physician meeting the standards and fulfilling the obligations set forth in this Agreement, District agrees to provide to Physician a forgivable interest bearing loan in the principal amount of Two Hundred Thousand Dollars which shall commence on the date that the Loan proceeds are disbursed to Physician and shall continue for a period of four (4) years thereafter.				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>5/1/2015</u>	END DATE: <u>See above</u>	
Version History:		Original Effective date: <u>5/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>N/A</u>		
PHYSICIAN CONTRACTS: FOR STARK LAW COMPLIANCE, THE TERMS OF THIS CONTRACT CANNOT CHANGE FOR 1 YEAR				
Compensation Structure: <i>Include "other comp" (i.e. education, phone stipend, etc.)</i> <u>\$200,000</u>				
Contract Term: (anything other than Net 30 requires AC approval) <u>4 years from the date that the Loan proceeds have been disbursed</u>				
Total Cost of Contract:		<u>\$200,000 over the course of 4 years.</u>		
Compensation Audit Process:		<u>See Policies AGOV-10 and ABD-21</u>		
Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
If NOT budgeted or exceeds budgeted amount, identify the offset:				
TFHD Primary Responsible Party:		<u>Virginia Razo, Interim CEO</u>		
TFHD Secondary Responsible Party:		<u>CFO / Finance Department</u>		

ORIGINATING DEPARTMENT: Administration	PRIMARY RESPONSIBLE PARTY: <u>Virginia Razo</u> Phone: <u>(530)582-3433</u>
--	---

CONTRACT NAME:
Ringnes_Physician_Recruitment_Agreement_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with **Andrew Paul Ringness**, and I have determined (1) that the services to be provided by **Andrew Paul Ringness** under the arrangement do not exceed those that are reasonable and necessary for the legitimate business purposes of TFHD, and (2) that this is a sensible, prudent business arrangement for TFHD and **Andrew Paul Ringness** to enter into, and makes commercial sense, even if no referrals were made by **Andrew Paul Ringness** to TFHD or any of its facilities."

Primary Responsible Party Signature: Virginia Razo

Contract Coordinator Signature: [Signature]

Contract has been verified with PRP & HLB to be Commercially Reasonable Yes: No:

Contract has been verified with ECG & HLB to not exceed Fair Market Value Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Andrew Paul Ringnes</u>		
Mailing Address:	<u>10051 Lake Avenue, Suite 3, Truckee, California 96161</u>		
Telephone and Fax Number:	Phone: <u>(530) 587-7461</u>	Fax:	
Email Address of Contact:			

REQUIRED FINANCIAL INFORMATION

W-9 and Certificates of Insurance Must Be Submitted with any applicable Contract

(W-9s are required for any contract on which we are making payments. Certificates of Insurance are required for any contract in which any service is being provided.)

ADDITIONAL INFORMATION

Dr. Foley has indicated a desire to leave North Tahoe Orthopedics (NTO). With his departure, NTO will need a third physician to meet the existing demand for orthopedics in the District's service area.

SECTION BELOW IS FOR CONTRACTS COORDINATOR USE ONLY:

Contracts Review: _____ Date Initials CFO Review: _____ Date Initials	BOARD ACTION: _____	MEETING DATE: _____	
	Out for TFHD Signature: _____	Date: _____	Receive Date: _____
	Out for Vendor Signature: _____	Date: _____	Receive Date: _____
	Uploaded to Contracts System: _____	Date: _____	Trigger dates set: YES <input type="checkbox"/> NO <input type="checkbox"/>

Hoffman, Ashly

From: David P. Henninger <DHENNINGER@HEALTH-LAW.COM>
Sent: Friday, April 24, 2015 2:09 PM
To: Hoffman, Ashly
Cc: Jasmin S. Niku; 83405_908 _ General Contract Matters _ Tahoe Forest Health District EMails <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Ringnes [IWOV-IMDB_WEB.FID215479]

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:55 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Ringnes

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Ringnes' Physician Recruitment Agreement is consistent with fair market value as defined in the Stark law's regulations, 42 C.F.R. Section 411.357, further assuming that ECG's determination is accurate in all respects, and further assuming that the attached certification as to commercial reasonableness from a TFHD administrator is true and accurate in all respects, is the compensation under the Agreement consistent with fair market value and commercially reasonable for all relevant purposes under the Stark law?

Ashly M. Hoffman
Contracts Coordinator
ahoffman@tfhd.com



P.O. Box 759
Truckee, CA 96160
(530) 582-6384 tel.
(530) 582-3567 fax
www.tfhd.com

Filtered by 3BClean from <http://www.microsystems.com>

Hoffman, Ashly

From: Poluhina, Nadia A <NPoluhina@ecgmc.com>
Sent: Friday, April 24, 2015 9:41 AM
To: Hoffman, Ashly
Subject: RE: FMV and CR

Hi Ashly,

Please see my comments below.

Thank you,

Nadia Poluhina

ECG Management Consultants
P 858-436-3220 F 858-436-3221
11512 El Camino Real, Suite 200 San Diego, CA 92130
Nadia.Poluhina@ecgmc.com ecgmc.com

Read Jennifer Gingrass' article, *Changing the Channel: Strategies for Expanding Patient Access*, in the April issue of hfm Magazine.

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From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Thursday, April 23, 2015 6:30 PM
To: Poluhina, Nadia A
Subject: FMV and CR

Nadia,

I wanted to check in with you regarding the Fair Market Value and Commercial Reasonableness of the attached contracts for the following physicians:

TF2020 contracts:

- Matthew Gustaffson - does not exceed FMV and is CR. Let me know if you need to know the high and low range.
- Reini Jensen - ECG has reviewed the contract for Dr. Jensen in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.
- Chris Arth - ECG has reviewed the contract for Dr. Arth in the course of our review of other contracts. It was deemed not to exceed FMV and be commercially reasonable.

Orthopedic Call contract:

- North Tahoe Orthopedics (Patrick Osgood, John Foley, Jeffrey Dodd) – orthopedic call contract was reviewed individually for each of the three physicians and was found not to exceed FMV and be commercially reasonable.

Medical Director for the Cancer Center:

- Ahrin Koppel - does not exceed FMV and is CR. Let me know if you need to know the high and low range.

Retention Agreement:

- Scott Samelson - does not exceed FMV and is CR.

Recruitment Agreement:

- Andrew Ringnes - does not exceed FMV and is CR.

Please let me know if these contracts are within FMV and CR? Thank you!

Ashly M. Hoffman

Contracts Coordinator

ahoffman@tfhd.com



P.O. Box 759

Truckee, CA 96160

(530) 582-6384 tel.

(530) 582-3567 fax

www.tfhd.com

PHYSICIAN RECRUITMENT AGREEMENT

This Physician Recruitment Agreement (“Agreement”) is entered into as of May 1, 2015, by and between Tahoe Forest hospital District, a California local healthcare district (the “**District**”), North Tahoe Orthopedics, a California Medical Partnership (“**Medical Group**”) and Andrew Paul Ringnes, M.D. (“**Physician**”), a California licensed physician, with respect to the following facts:

RECITALS

A. WHEREAS, District is the owner and operator of a general acute care hospital known as Tahoe Forest Hospital located at 10121 Pine Avenue, Truckee, California (the “**Hospital**”).

B. WHEREAS, District has identified existing and projected shortages in the availability of physicians practicing in orthopedic surgery (the “**Specialty**”) in the communities served by the Hospital.

C. WHEREAS, Physician is licensed to practice medicine in the State of California, and is Board certified or Board-eligible in the Specialty.

D. WHEREAS, Physician has expressed a desire to relocate Physician’s medical practice to the geographic area served by the Hospital (the “**Service Area**”).

E. WHEREAS, Physician is a resident at an accredited medical school or has been in practice one year or less;

F. WHEREAS, Physician is relocating Physician’s practice from outside of Hospital’s Service Area to inside of Hospital’s Service Area, is relocating Physician’s practice at least 25 miles, and at least seventy-five percent (75%) of Physician’s practice revenues from services provided to patients in Hospital’s Service Area will be derived from patients Physician did not provide services to at Physician’s prior location.

G. WHEREAS, Medical Group is a physician group whose office is located at 10051 Lake Avenue, Suite 3, Truckee, California (“**Group’s Office**”), which has expressed a desire to employ Physician.

H. WHEREAS, Physician has agreed to an employment agreement with Medical Group.

I. WHEREAS, District has proposed to provide Physician the financial assistance and support set forth in this Agreement in order to assist Physician in relocating to the Service Area and establishing a viable medical practice to serve patients within the Service Area.

J. WHEREAS, Hospital has determined that extending financial assistance and support to Physician will bring a benefit to area residents, so as to warrant District’s provision to Physician of the financial assistance and support called for in this Agreement, and that it is a reasonable means of improving access for residents of the Hospital’s Service Area for medical care and treatment in the Specialty and of meeting important Hospital and community health care needs.

K. WHEREAS, Physician has indicated to District that Physician would not agree to relocate and establish a practice in Hospital's Service Area without the financial assistance and support provided by District pursuant to this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the parties agree as follows:

AGREEMENT

I. MEDICAL PRACTICE ASSISTANCE.

A. Relocation Loan. In consideration of Physician relocating and establishing a full-time practice in the Specialty in the Service Area, and conditioned upon Physician meeting the standards and fulfilling the obligations set forth in this Agreement, District agrees to provide to Physician a forgivable interest bearing loan in the principal amount of Two Hundred Thousand Dollars (\$200,000.00) (the "**Loan**").

B. Note. The Loan shall be subject to repayment by Physician or forgiveness by District in accordance with the terms of a Promissory Note ("Note") a copy of which is attached hereto as Exhibit A. As a condition of this Agreement, Physician shall enter into the Note.

C. No Benefit to Medical Group. Physician and Medical Group acknowledge and agree that the Loan proceeds will be provided solely to Physician and shall remain with Physician, and that Medical Group shall not benefit in any manner from the Loan, including without limitation any reimbursement by Physician to Medical Group for any of Medical Group's costs, whether associated with Physician's practice or otherwise; any other payment or transfer of Loan proceeds by Physician to Medical Group; or any offset or reduction in Physician's compensation, under Physician's employment agreement or otherwise, related to or taking into account the receipt by Physician of the Loan proceeds from Hospital. Notwithstanding any other provision of this Agreement, in the event of a breach of this Section IC by either Physician or Medical Group, this Agreement shall immediately and automatically terminate, and the principal and all outstanding accrued interest under the Note shall be immediately due and payable to District.

II. CONDITIONS TO ASSISTANCE.

The following shall be express conditions of the assistance made by Hospital under Section I of this Agreement:

A. Relocation. Physician shall relocate and join the Medical Group and commence the full-time practice of medicine in the Specialty in the Hospital's Service Area on or before August 17, 2015 ("**Start Date**").

B. Representations and Warranties by Physician. Physician hereby represents and warrants that, prior to or during the Term of this Agreement:

(1) Physician has not received and is not subject to any other income guarantee agreement.

(2) Physician has no outstanding judgments against Physician or any business entity in which Physician own(s) ten percent (10%) or more of the outstanding interest.

(3) Physician has not been declared bankrupt within the past seven (7) years.

(4) Physician has not had property foreclosed upon or given title or deed to a third party creditor in lieu of foreclosure within the past seven (7) years.

(5) Physician has not been directly or indirectly obligated on any loan (including any home mortgage, automobile loans, education loans or any other mortgage, loan or other obligation) which resulted in foreclosure, transfer of title or deed in lieu of foreclosure or judgment.

(6) Physician is not in default or delinquent on any federal, state or local taxes, or other debt, loan, note, mortgage or other financial obligation to a governmental agency.

(7) Physician has filed all U.S. and California tax returns that Physician is required by applicable law to file, no tax liens shall have been filed against Physician, and no claims shall have been asserted with respect to any of such taxes.

(8) There is no litigation or proceeding pending, or to the knowledge of Physician, threatened against or affecting Physician, that might materially and adversely affect the Physician's ability to perform Physician's obligations under this Agreement.

(9) Physician has not been the subject of, or been materially involved in, any investigation, proceeding, or disciplinary action by any federal or state health care program, any state's medical board, or any other agency responsible for professional licensing, standards or behavior.

(10) Physician's medical staff membership or any clinical privileges at any health care facility have not been 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.

(11) Physician is not, nor has been, the subject of any action or proceeding arising out of Physician's professional services.

(12) Physician has not been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any other crime.

(13) Physician has not been debarred, suspended, excluded or otherwise restricted from participating in any federal or state health care program, including without limitation the Medicare program, the California Medi-Cal program, or any other state Medicaid program ("**Exclusion**"); nor is Physician aware of any grounds for such Exclusion.

If any of the events described in this Section II.B. occur during the Term of this Agreement, Physician shall notify District within five (5) days of the occurrence. Notwithstanding any other provision of this Agreement, failure to provide timely notice, at the sole discretion of District, shall be grounds for termination of this Agreement.

C. Employment Agreement. Physician and Medical Group have entered into an employment agreement with respect to Physician's practice which has been approved by District, a copy of which is attached hereto as Exhibit B. Physician shall provide to District, for District's approval, a copy of any proposed amendment, supplement, or replacement of the employment agreement before agreeing to the terms of or executing any such amendment, supplement, or replacement. Physician and Medical Group warrant and represent that the compensation paid by Medical Group to Physician under the employment agreement is consistent with fair market value, and does not in any manner take into account the Loan provided by District to Physician hereunder.

III. PHYSICIAN'S AND MEDICAL GROUP'S OBLIGATIONS.

Unless otherwise specified herein, Physician shall at all times from the Start Date and thereafter until all amounts payable under the Note have been repaid or forgiven (the "**Repayment Period**"), perform and comply with the conditions, qualifications, and obligations set forth in this Section III.

A. Provision of Professional Services. Physician shall commence providing professional services in the Service Area no later than the Start Date. Physician shall provide professional medical services in the Specialty on a full-time basis in association with Medical Group (the "**Practice**"). The Practice shall initially be located at Group's Office. Group's Office is hereby approved by District, and Physician shall not relocate Physician's Practice from Group's Office or disassociate from Medical Group without the prior written consent of District.

B. Full-Time Commitment. Physician shall personally practice medicine in the Specialty on a full-time basis with Medical Group, consisting of not less than forty (40) hours per week of direct patient contact, pursuant to the terms and conditions of this Agreement.

C. Other Restrictions. Throughout the Term of this Agreement, Physician and, as applicable, Medical Group, agree to the following:

(1) Participation in Governmental Programs. Physician shall: (i) be a participating provider in Federal health care programs, as defined at 42 U.S.C. § 1320a-7b(f) ("Federal Health Care Program(s)"), which programs include, but are not limited to, Medicare and California Medi-Cal program; (ii) accept and perform professional services for Federal Health Care Program patients at a level that is commensurate with the community need in the Service Area as determined by Hospital; and (iii) participate in any Medi-Cal managed care efforts and programs of District, as reasonably requested by District from time to time.

(2) Medical Staff Membership. Physician shall become and remain a member in good standing of the Hospital's medical staff (the "Medical Staff") and maintain all clinical privileges necessary to practice medicine in the Specialty at Hospital. Physician shall actively participate in the Medical Staff department or section encompassing the Specialty and on all Medical Staff committees to which Physician may be appointed by the Medical Staff from time to time. Notwithstanding the above, Physician shall not be restricted from also obtaining and maintaining medical staff membership and clinical privileges at any other hospital or other health care facility.

(3) Professional Qualifications. Physician shall be duly licensed and qualified to practice medicine in the State of California, and shall be Board certified or Board-eligible in the Specialty. Physician shall exclusively practice medicine in the Specialty.

(4) Professional Standards. Physician shall comply with all bylaws, rules, regulations, guidelines and policies and procedures of Hospital and Medical Staff (“Hospital Rules”), and participate in continuing education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community.

(5) Non-Discrimination. Physician shall not differentiate or discriminate in the provision of medical services to patients due to race, color, national origin, ancestry, religion, sex, marital status, sexual orientation, age, medical condition, medical history, genetics, evidence of insurability, type of or lack of insurance coverage, or claims history, in violation of any applicable state, federal or local law or regulation, or Hospital Rules, including, without limitation, the Age Discrimination Act of 1975, the Americans with Disabilities Act, and all regulations issued pursuant thereto and as may be amended from time to time. Physician and District shall be in full compliance with Section 504 of the Rehabilitation Act of 1973, Titles VI and VII of the 1964 Civil Rights Act, and all regulations issued pursuant thereto and as may be amended from time to time.

(6) No Other Assistance. Physician represents and warrants that Physician is not bound by any agreement with any person or entity other than District and Medical Group pursuant to which Physician receives or will receive financial assistance or compensation during the Repayment Period.

D. No Restrictions on Physician’s Practice of Medicine. Medical Group shall not, during the term of this Agreement, impose or enforce, or attempt to impose or enforce, any limitations that unreasonably restrict Physician’s practice of medicine in the Service Area, and anything to the contrary in any contract or agreement, whether written or oral, between Medical Group and Physician, whether now or hereafter in effect, shall be of no force and effect during the term of this Agreement to the extent inconsistent with federal regulations, 42 C.F.R. Part 411.357(e)(4)(vi). The Parties acknowledge and agree that the sole purpose of the foregoing is to ensure compliance with a provision of the *Stark* law’s physician recruitment exception, found at 42 C.F.R. Part 411.357(e)(4)(vi), and that the foregoing restrictions shall not exceed the scope or temporal requirements of 42 C.F.R. Part 411.357(e)(4)(vi), as amended or interpreted by applicable governmental authorities or judicial rulings from time to time.

E. Insurance and Indemnity.

(1) Physician, or Medical Group on behalf of Physician, shall maintain professional liability coverage in accordance with the requirements of the Medical Staff Bylaws, Rules and Regulations, and other forms of insurance coverage, and in coverage amounts, customarily carried by physicians in the Service Area.

(2) On or before the Start Date and on each annual renewal of such insurance policies or as otherwise requested by District, Physician or Medical Group shall provide District, or cause to be provided to District, certificates of insurance or other written evidence of the insurance policies required by this Section III.E. in a form satisfactory to District.

(3) In the event Physician or Medical Group fails to procure, maintain or pay for any insurance policy required under this Section III.E. Hospital shall have the right, but not the obligation, to procure, maintain or pay for such insurance policy. In such event, Physician shall reimburse Hospital for the cost thereof not more than ten (10) days after Hospital's written request to Physician.

(4) The provisions of this Section III. E. shall survive the expiration or termination of this Agreement or acceleration of the Note.

IV. COMPLIANCE WITH LAW.

A. District and Physician each acknowledges that they are subject to certain federal and state laws governing the referral of patients which are in effect or will become effective during the term of this Agreement. These laws include, without limitation:

(1) Prohibition on payments for referrals or to induce the referral of patients (Cal. Business and Professions Code §650; Cal. Labor Code §3215; and the Medicare/Medicaid Fraud and Abuse Law, §1128B of the Social Security Act);

(2) Prohibition on the referral of patients by a physician for certain designated health care services to an entity with which the physician (or his/her immediate family) has a financial relationship (Cal. Labor Code §§139.3 and 139.31, applicable to referrals for workers' compensation services; Cal. Business and Professions Code §§650.01 and 650.02, applicable to all patient referrals within the State; and §1877 of the Social Security Act, applicable to referrals of Medicare patients); and

B. As consideration for each party hereto entering into this Agreement, Hospital and Physician each acknowledge that each of them has had the opportunity to engage independent counsel to advise each of them as to the requirements of the laws referred to in Section IV. A.

C. Nothing in this Agreement is intended or shall be construed to require any party to violate the California or federal laws described in Section IV.A. above, and specifically this Agreement shall not be interpreted to:

(1) Require Physician or Medical Group to make referrals to Hospital, be in a position to make or influence referrals to Hospital, or otherwise generate business for Hospital.

(2) Restrict Physician from establishing staff privileges at, referring any patient to, or from otherwise generating any business for, any other entity of Physician's choosing.

(3) Provide for payments in excess of the fair market value or comparable compensation for physicians in the same Specialty in comparable locations and circumstances.

(4) Provide for payments that in any way take into account directly or indirectly the volume or value of any actual or anticipated referrals by Physician or Medical Group.

D. In the event of any changes in law or regulations implementing or interpreting the Internal Revenue Act or the Medicare and Medicaid Patient Protection Act of 1987, including the

adoption or amendment of Medicare Fraud and Abuse Safe Harbor Regulations, or to any other Federal or State law relating to the subject matter of such Acts, to fraud and abuse, or to payment-for-patient referral, including without limitation the laws referenced in Section IV. A, the parties shall make best efforts to revise this Agreement to conform and comply with such changes.

V. TERM AND TERMINATION.

A. Term of Agreement. Subject to Section V. B and C below, the term of this Agreement (the “**Term**”) shall be effective on the Start Date, and shall remain in full force and effect until the expiration of the Repayment Period. The Repayment Period shall commence on the date that the Loan proceeds are disbursed to Physician and shall continue for a period of four (4) years thereafter.

B. Termination of Agreement. Notwithstanding any other provision of this Agreement, District may immediately terminate this Agreement, upon notice to Physician, and all amounts of principal and interest then due and owing under the Note shall become immediately due and payable by Physician, if any of the following events occur during the Term:

(1) Physician’s license to practice medicine in the State of California or any other jurisdiction, or Physician’s U. S. Drug Enforcement Agency registration, is denied, 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.

(2) Any action, whether undertaken voluntarily or by final action, is taken against Physician under the Hospital’s Medical Staff Bylaws which results in the termination, suspension or restriction of Physician’s membership or clinical privileges.

(3) Physician refuses or fails to comply with any term, condition or provision of this Agreement.

(4) Physician ceases to practice in the Specialty on a full-time basis in the Hospital’s Service Area.

(5) Physician materially breaches the terms of the Note.

(6) Physician is convicted of a criminal offense related to healthcare or physician is listed by a federal or state agency as being debarred, excluded, suspended or otherwise ineligible for participation in a federal or state healthcare program.

(7) Physician is charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any other crime;

(8) Two (2) or more medical malpractice claims are filed against Physician, or Physician becomes the subject of two (2) or more proceedings by the Medical Staff regarding his or her performance of professional medical services;

(9) Physician becomes insolvent, or if any petition under federal or state law pertaining to bankruptcy or insolvency or for a reorganization or arrangement or other relief from

creditors is filed by or against Physician, or if any assignment, trust, mortgage, or other transfer shall be made of all or a substantial part of the property of Physician, or if Physician shall make or offer a compromise in its debts with its creditors, or if a receiver, trustee, or similar officer or creditor's committee shall be appointed to take charge of any property of or to operate or wind up the affairs of Physician; or

(10) Physician breaches or otherwise fails to meet any of the qualifications or obligations described in this Agreement, including without limitation any determination by District of any untrue representation or breach of warranty by Physician.

(11) If any of the events described above occur during the Term of this Agreement, in addition to termination of this Agreement and acceleration of the Note, District may exercise any other remedy under this Agreement or the Note.

C. Termination or Modification in the Event of Government Action.

(1) In the event of any Government Action (as defined below), the Parties shall, within ten (10) days after one Party gives written notification of such Government Action to the other Parties, meet and confer and negotiate in good faith to attempt to amend this Agreement in order to comply with the Government Action. If the Parties, after good faith negotiations that shall not exceed thirty (30) days, are unable to mutually agree upon the amendments necessary to comply with the Government Action, or, alternatively, if District or Physician determines in good faith that compliance with the Government Action is impossible or infeasible, District or Physician may terminate this Agreement effective ten (10) days after a written notice of termination is given to the other Party.

(2) For the purposes of this Section, "Government Action" shall mean any legislation, statute, law, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to District or Physician, as a result or consequence, in whole or in part, of the arrangement among the Parties set forth in this Agreement or the Note, if or when implemented, could reasonably be expected to result in or present a material risk of any one or more of the following:

(a) Revocation or threat of revocation of the status or license, certification or accreditation granted to Hospital or any affiliate. For the purposes of this Agreement, "Affiliate" shall mean any entity that, directly or indirectly, controls, is controlled by, or is under common control with, Hospital;

(b) Constitute a violation of 42 U. S. C. § 1320a-7b(b) (commonly referred to as the Anti-Kickback law), prohibit referrals by any person or entity to any other person or entity pursuant to 42 U. S. C. § 1395nn (commonly referred to as the Stark law) or violate or prohibit referrals pursuant to any comparable state law governing kickbacks, bribes, rebates or patient referrals;

(c) Prohibit Physician, Medical Group, District or any Affiliate from submitting claims or materially reducing the reimbursement received by District or any Affiliate for services provided to patients referred by Physician or Medical Group; or

(d) Subject District, Medical Group, Physician, any Affiliate, or any of their respective employees or agents, to civil action or criminal prosecution by any governmental authority or other person or entity or the imposition of any sanction on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement.

VI. NOTICES.

All communications, notices, and demands of any kind which any party may be required or desire to give or serve upon the other party hereunder shall be made in writing and shall be delivered in person, or sent by registered or certified mail, return receipt requested, to the following addresses:

DISTRICT

TAHOE FOREST HOSPITAL DISTRICT
10121 Pine Avenue
Truckee, California 96106

Attn: Chief Executive Officer

PHYSICIAN

ANDREW PAUL RINGNES, M.D.

10051 Lake Ave, Suite 3
Truckee, CA 96161

MEDICAL GROUP

North Tahoe Orthopedics, a California Medical Partnership
10051 Lake Avenue, Suite 3
Truckee, California 96161

Any party may change its address by giving the other parties written notice of its new address as herein provided.

VII. MISCELLANEOUS.

A. Confidentiality. No party to this Agreement shall disclose the substance of this Agreement (except to such party's legal and tax advisers, immediate family members and to the other Parties to this Agreement) at any time unless required by law or authorized in writing by the other parties.

B. Severability. Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of the remaining portion, or of any note issued or delivered to Hospital hereunder which shall remain in effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the Parties that they would have executed the remaining portions of this Agreement without including such part which may, for any reason, be hereinafter declared invalid.

C. Governing Law. This Agreement is covered by the laws of the State of California, and any questions arising hereunder shall be construed or determined in accordance with such law.

D. Disagreements. Should any questions or disagreements arise under this Agreement, District, Medical Group and Physician agree at the request of any party to meet and confer in good faith concerning the issues in question. Should the Parties be unable to resolve their disagreement in this manner, the matter may be submitted to the Governing Board of the Hospital for final decision. This dispute resolution process shall be a precondition to commencement of litigation by any Party to enforce its rights under the Agreement, except that any Party may seek injunctive relief without first submitting the dispute to the Governing Board for resolution.

E. Assignment and Delegation. Notwithstanding any other provisions of this Agreement, neither this Agreement nor any of the rights or duties under this Agreement may be assigned or delegated by Physician except as expressly authorized in writing by District. It is an express condition of this Agreement that the obligations imposed on Physician under this Agreement shall be personally performed by Physician, and shall not under any circumstances be delegated by Physician to any other person without the prior written consent of District (which consent District may grant or refuse in its sole discretion).

F. Entire Document. This Agreement, including the attachments incorporated herein by reference, contains a full and complete expression of the rights and obligations of the parties and it shall supersede all other agreements, written or oral, heretofore made by the parties. This Agreement may be modified only in writing, signed by the parties.

G. Attorneys' Fees. In the event that suit is brought regarding the provisions of this Agreement for the enforcement hereof, or any of the notes, the prevailing party shall be awarded its costs of suit and reasonable attorneys' fees as part of judgment rendered therein.

H. Waiver. The failure of District to insist in any one or more instances upon strict performance of any of the terms of this Agreement shall not be construed as a waiver or relinquishment for the future of such terms, but the same shall continue and remain in full force and effect. Any waiver granted by Hospital must be in writing, and shall apply solely to the specific instance expressly stated.

I. Independent Contractor. Physician is and shall at all times be an independent contractor with respect to District in meeting Physician's responsibilities under this Agreement. Nothing in this Agreement is intended nor shall be construed to create a partnership, employer-employee or joint venture relationship between District and Physician. District shall neither have nor exercise any control or direction over the professional medical judgment of Physician or Medical Group's physicians, or the methods by which Physician performs professional medical services; provided, however, that as a member of Hospital's Medical Staff Physician shall be subject to and shall at all times comply with the Hospital's and Medical Staff's rules and regulations. District shall not be liable under this Agreement for compensating, withholding or providing for taxes (including, but not limited to, federal and state income and employment taxes), or providing employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Physician or any other person employed or retained by Physician.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

NOTICE: BY SIGNING THIS AGREEMENT (INCLUDING THE PROMISSORY NOTE (ATTACHED HERETO AS EXHIBIT A), PHYSICIAN ACKNOWLEDGES THAT THE TERMS AND OBLIGATIONS OF THIS AGREEMENT HAVE SIGNIFICANT TAX AND OTHER LEGAL IMPLICATIONS WHICH MAY AFFECT PHYSICIAN'S FINANCIAL, PERSONAL AND BUSINESS AFFAIRS. PHYSICIAN FURTHER ACKNOWLEDGES THAT PHYSICIAN HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL, TAX, AND BUSINESS ADVISERS OF PHYSICIAN'S CHOICE AS PHYSICIAN DEEMS NECESSARY PRIOR TO SIGNING THIS AGREEMENT.

DISTRICT

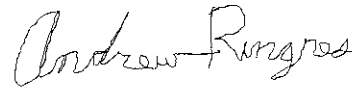
TAHOE FOREST HOSPITAL DISTRICT

By: _____

Its: _____

Date: _____

PHYSICIAN



Andrew Paul Ringnes, M.D.

Date: 04/23/2015

MEDICAL GROUP

NORTH TAHOE ORTHOPEDICS, A CALIFORNIA MEDICAL PARTNERSHIP

By: _____

Its: _____

Date: _____

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

NOTICE: BY SIGNING THIS AGREEMENT (INCLUDING THE PROMISSORY NOTE (ATTACHED HERETO AS EXHIBIT A), PHYSICIAN ACKNOWLEDGES THAT THE TERMS AND OBLIGATIONS OF THIS AGREEMENT HAVE SIGNIFICANT TAX AND OTHER LEGAL IMPLICATIONS WHICH MAY AFFECT PHYSICIAN'S FINANCIAL, PERSONAL AND BUSINESS AFFAIRS. PHYSICIAN FURTHER ACKNOWLEDGES THAT PHYSICIAN HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL, TAX, AND BUSINESS ADVISERS OF PHYSICIAN'S CHOICE AS PHYSICIAN DEEMS NECESSARY PRIOR TO SIGNING THIS AGREEMENT.

DISTRICT

TAHOE FOREST HOSPITAL DISTRICT

By: _____

Its: _____

Date: _____

PHYSICIAN

Andrew Paul Ringnes, M.D.

Date: _____

MEDICAL GROUP

NORTH TAHOE ORTHOPEDICS, A
CALIFORNIA MEDICAL PARTNERSHIP

By: _____

Its: _____
Managing Partner

Date: 4/22/15

EXHIBIT A

PROMISSORY NOTE

\$ 200,000.00

April 23, 2015

FOR VALUE RECEIVED, the undersigned borrower, Andrew Paul Ringnes, M.D. (“**Physician**”), promises to pay to the order of Tahoe Forest Hospital District, a California local healthcare district (“**District**”), as noteholder, in lawful currency of the United States of America, the principal amount of the Loan set forth in Section I of that certain Physician Recruitment Agreement by and between Physician, Hospital and North Tahoe Orthopedics, a California Medical Partnership (“**Medical Group**”) dated as of the date of this Note (the “**Recruitment Agreement**”). All terms not defined herein shall have the meaning set forth in the Recruitment Agreement. This Note is entered into in connection with the Recruitment Agreement.

1. Repayment and Forgiveness.

(a) Repayment. Subject to Section 1(b) below, Physician shall make forty-eight (48) equal monthly payments (each a “Monthly Payment”) of principal and interest in amounts sufficient to fully amortize this Note, commencing on the first (1st) day of the first (1st) calendar month immediately following the date that Loan proceeds are disbursed by District to Physician under the Recruitment Agreement (the “Commencement Date”) and continuing on the first (1st) day of each following calendar month until the earlier of (i) the date on which the principal and all accrued interest thereon together with all other applicable fees, costs and charges, if any, are either paid or forgiven in full, or (ii) the Maturity Date (the “Repayment Period”). The entire then outstanding balance of principal and all accrued, unpaid interest thereon together with all other applicable fees, costs and charges, if any, shall be due and payable by Physician to District on the Maturity Date. “Maturity Date” shall mean the first day of the forty-eight (48th) calendar month following the Commencement Date. All payments received by District on this Note shall be applied by District as follows: first, to the payment of delinquency or late charges, if any; and then to interest; and then to principal.

(b) Forgiveness.

(i) For every month that Physician has continuously complied with the terms and conditions of the Recruitment Agreement, and no Event of Default (as defined below) has occurred, District shall forgive the then due Monthly Payment of the then outstanding balance of principal and all accrued, unpaid interest thereon under this Note, together with all other applicable fees, costs and charges, and such amount of Physician’s indebtedness to District under this Note shall be correspondingly reduced and eliminated.

(ii) Notwithstanding Section 1(b)(i) above, if during either of the first two consecutive twelve (12) month periods of the Repayment Period (the “Forgiveness Cap Periods”), Physician’s compensation from Medical Group should exceed \$561,835.00 (the “Forgiveness Cap”), the amount by which Physician’s compensation exceeds the Forgiveness Cap shall not be forgiven. Any such amounts, which are not forgiven by District, plus all accrued interest thereon, shall be due

shall be due and payable to District on or before the Maturity Date. Physician shall provide to District such information regarding Physician's compensation from Group during the Forgiveness Cap Periods as District may request in order to verify Physician's compensation from Medical Group.

(iii) Notwithstanding Sections 1(b)(i) and (ii) above, District shall forgive the entire then outstanding balance of principal and all accrued, unpaid interest thereon under this Note together with all other applicable fees, costs and charges due in the event of Physician's death or Permanent Disability. Permanent Disability shall mean the inability of Physician to practice medicine for the foreseeable future (as evidenced by the opinion of an independent physician acceptable to Hospital) after such disability has existed for a continuous period exceeding nine (9) months due to Physician's physical or mental condition, but excluding any such condition resulting, in whole or in part, from substance abuse, alcohol abuse, or criminal or fraudulent conduct by Physician.

(iv) Physician acknowledges that to the extent required by the Internal Revenue Service, District shall issue an I.R.S. Form 1099 to Physician in the amount of any principal and interest forgiven under this Note, and accordingly, that Physician shall be required to recognize the amount of any such forgiveness as income, and be responsible for any income taxes in connection therewith.

2. Prepayment. This Note may be prepaid by Physician, in whole or in part, without premium or penalty. Any prepayment of principal shall include accrued interest to the date of prepayment on the principal amount being prepaid.

3. Interest Rate. Interest shall accrue on the principal and interest due hereunder at a rate equal to the Prime Rate, adjusted annually on each anniversary date of this Note, plus one percent (1%), computed on the basis of a 365/366-day year and the number of days elapsed, commencing as of the date set forth above, and continuing thereafter until the principal and interest hereunder is either repaid or forgiven in full; provided, however, that interest shall never accrue at an annual rate greater than the maximum rate permitted to be charged under applicable law on commercial loans between unrelated persons. "**Prime Rate**" shall mean the annual interest rate published from time to time by the Wall Street Journal as the prime or base rate of interest on corporate loans. If any interest payments are held to be in excess of the limits imposed by applicable interest rate laws, the amount of such excess shall be considered a payment of principal and the then outstanding balance hereunder shall be reduced accordingly.

4. Events of Default. The occurrence of any breach by Physician under the Recruitment Agreement, or a breach by Physician of any term or condition of this Note, shall constitute an Event of Default under this Note.

5. Acceleration. If an Event of Default occurs, then, at the option of District, the entire then outstanding balance of principal and all accrued, unpaid interest owing on the Note, and any applicable fees, costs and charges shall immediately become due and payable by Physician to District, without notice of default, demand for payment or presentment, protest or notice of nonpayment or dishonor, or any other notices or demands of any kind or nature. If accelerated, Physician may discharge its obligations under this Note by immediately paying to District the entire

then outstanding balance of principal plus all accrued, unpaid interest and any other applicable fees, costs and charges in a single lump sum.

6. Termination. If the Recruitment Agreement is terminated for any reason, Physician shall immediately pay the entire then outstanding balance of principal together with all accrued, unpaid interest and any other applicable fees, costs and charges owing on this Note as of the effective date of such termination to District in a single lump sum.

7. Costs of Collection. If District exercises its acceleration rights pursuant to this Note, in addition to the payment of principal and accrued interest thereon, Physician shall pay all costs of collection incurred by District, including reasonable attorneys' fees incurred in connection with District's reasonable collection efforts or any foreclosure or other proceeding is filed or initiated. Any and all of such costs and any other fees or charges due hereunder shall be payable on demand.

8. Continuing Liability. Following the occurrence of an Event of Default, Physician's liability under this Note shall not be affected by the District's pursuit or non-pursuit of any one or more its rights, powers or remedies (including, without limitation, its option to accelerate the payment of this Note), regardless of the order in which or the extent to which either District may pursue any of such rights, powers or remedies, it being understood that the liability of Physician shall cease only upon satisfaction in full of all of Physician's obligations arising under this Note and the Recruitment Agreement.

9. No Waiver. District's forbearance, failure or delay to exercise any right, power or remedy under this Note, whether before or after an Event of Default, shall not constitute a waiver of such right, power or remedy, and any waiver of any past Event of Default shall not constitute a waiver of any future Event of Default. Any single or partial exercise of any right, power or remedy hereunder shall not preclude the further exercise thereof. Every right, power and remedy of District shall continue in full force and effect until such right, power or remedy is specifically waived by an instrument in writing executed by District or by operation of law, and the exercise of any right, power or remedy shall not be deemed an election preventing the concurrent or subsequent exercise of any other right, power or remedy. No acceptance of a past due installment or other indulgence granted from time to time shall constitute a waiver of the right to insist upon prompt payment, be deemed a novation of this Note or a reinstatement of the debt evidenced by this Note, or preclude the exercise of any right, power or remedy which District may have under law, by agreement or otherwise. Physician expressly waives the benefit of any statute or rule of law or equity which would produce a result contrary to or in conflict with the foregoing.

10. Amendments. This Note may be modified or amended only by mutual written agreement of Physician and District. Any such modification or amendment must be in writing, dated and signed by Physician and District.

11. Assignment. Physician shall not transfer or assign any of his rights, interests, duties, or obligations under this Note without District's prior written consent, which may be given or withheld in District's sole discretion. Any attempted or purported transfer or assignment by Physician in violation of this Section shall be void. District may, in its sole discretion, transfer or assign any or all of its rights, interests, duties, or obligations under this Note to any person or entity without the prior written consent of Physician.

12. Dispute Resolution. All actions and proceedings relating directly or indirectly to this Note shall be litigated in any state or federal court located within or with jurisdiction over the State of California, County of Los Angeles. Physician consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the laws of any other state to object to jurisdiction within such State, and consents to the service of process in any such action or proceedings, in addition to any other manner permitted by law.

13. Governing Documents. In the event of any inconsistency or conflict between the provisions of the Recruitment Agreement and the provisions of this Note, the provisions of the Recruitment Agreement shall govern.

14. Governing Law. This Note shall be interpreted and enforced in accordance with the internal laws, and not the law of conflicts, of the State of California applicable to agreements made and to be performed in such State.

15. Notices. Any notice required or permitted to be given in this Note shall be in writing and shall be given in accordance with the notices provision of the Recruitment Agreement.

16. Severability. If any provision of this Note, in whole or in part, or the application of any such provision, is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction and such provision can be severed without substantially changing the bargain reached by the Parties, such provision or part of such provision shall be severed from this Note and such severance shall have no effect upon the enforceability, performance or obligations of the remainder of this Note, including the remainder of such provision not determined to be illegal, invalid or unenforceable.

17. Successors and Assigns. This Note shall be binding upon Physician and Physician's heirs, assigns, successors and representatives, and shall inure to the benefit of and be enforceable by District and its successors or assigns.

18. Time of the Essence. Time is of the essence in the performance of each of Physician's obligations arising under this Note.

IN WITNESS WHEREOF, Physician has caused this Note to be duly executed in Redwood City, California, as of the date first written above.

PHYSICIAN, as the borrower

Signature: Andrew Ringnes
Andrew Paul Ringnes, M.D.

EXHIBIT B
PHYSICIAN EMPLOYMENT AGREEMENT