



TAHOE FOREST HOSPITAL DISTRICT

Special Meeting of the Board of Directors

May 13, 2015 at 02:00 PM - 05:00 PM

Eskridge Conference Room

Meeting Book - 2015 May 13 Special Meeting of the Board of Directors

AGENDA

a) 2015 May 13 Special BOD Meeting_Agenda Page 3

ITEMS 1 - 6 See Agenda

7. APPROVAL OF MINUTES

a) 2015 Feb 04 Special BOD Meeting_DRAFT Minutes Page 5

b) 2015 Feb 12 Special BOD_DRAFT Minutes Page 8

8. ITEMS FOR BOARD DISCUSSION AND POSSIBLE ACTION

8.1. Contracts

8.1.1. Samelson_Physician_Retention_Agreement_2015 Page 12

8.1.2. TF2020 Agreement for Medical Advisor Services EHR
Technology Council

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Laird_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

b. Page 45
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d. Page 71
Scholnick_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

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8.1.3. TF2020 Agreement Wellness Neighborhood

f. Page 97
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for_Disparities_Group_2015

8.2. Community Benefit/Wellness Neighborhood Budgetary
Discussion

No related materials.

ITEMS 9 - 14 See Agenda

15. MEETING EFFECTIVENESS ASSESSMENT

a) Meeting Evaluation Form Page 152



SPECIAL MEETING OF THE BOARD OF DIRECTORS OF TAHOE FOREST HOSPITAL DISTRICT

AGENDA

Wednesday, May 13, 2015 at 2:00 p.m.
Eskridge Conference Room,
Tahoe Forest Hospital, 10121 Pine Avenue, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA ♦

4. INPUT – AUDIENCE

This is an opportunity for members of the public to address the Board on items which are or are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Board cannot take action on any item not on the agenda. The Board may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. INPUT FROM EMPLOYEE ASSOCIATIONS

This is an opportunity for members of the Employee Associations to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes.

6. OPEN SESSION

7. APPROVAL OF MINUTES OF: 02/04/2015 and 02/12/2015

8. ITEMS FOR BOARD DISCUSSION AND POSSIBLE ACTION

8.1. Contracts ♦ ATTACHMENT

8.1.1. Samelson_Physician_Retention_Agreement_2015

8.1.2. TF2020 Agreement for Medical Advisor Services EHR Technology Council

- a. Laird_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015
- b. Lombard_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015
- c. Meredith_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015
- d. Scholnick_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015
- e. Thompson_TF2020_Agreement_for_Medical_Advisor_Services_EHR_Technology_Council_2015

8.1.3. TF2020 Agreement Wellness Neighborhood

- f. Arth_TFHD_TF2020_Agreement_Wellness_Neighborhood_2015
- g. Barta_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_and_EHR_Technology_Council_2015
- h. Gustafsson_TFHD_TF2020_Agreement_Wellness_Neighborhood_2015
- i. Jensen_First_Amendment_to_TFHD_Wellness_Neighborhood_Medical_Advisor_Services_Agreement_for_Disparities_Group_2015

8.2. Community Benefit/Wellness Neighborhood Budgetary Discussion

The Board will review and discuss the 2015 proposed budget for the Community Benefit/Wellness Neighborhood program.

9. CLOSED SESSION:

9.1. Approval of Closed Session Minutes of: 2/12/15

9.2. Government Code Section 54957: Chief Executive Officer Performance Evaluation

10. OPEN SESSION

11. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

12. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

13. ITEMS FOR NEXT MEETING

14. BOARD MEMBERS REPORTS/CLOSING REMARKS

15. MEETING EFFECTIVENESS ASSESSMENT..... ATTACHMENT

The Board will identify and discuss any occurrences during the meeting that impacted the effectiveness and value of the meeting.

16. ADJOURN

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is May 26, 2015, 11603 Donner Pass Rd., Truckee, CA. A copy of the Board meeting agenda is posted on the District's web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.



SPECIAL MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

February 4, 2015

Eskridge Conference Room, Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA

1. CALL TO ORDER

Called to order at 5:30 p.m.

2. ROLL CALL

Present: Karen Sessler, President; Charles Zipkin, Vice President; Greg Jellinek, Secretary; John Mohun, Director

Absent: Dale Chamblin, Treasurer

Staff: Virginia Razo, (interim) CEO; Jayne O'Flanagan, Director Human Resources; Patricia Barrett, Clerk of the Board

Other: Steve Gross, General Counsel

Director Mohun joined the meeting at 5:34 p.m.

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

ACTION: Motion made by Director Jellinek, seconded by Director Zipkin, to approve agenda as presented. Approved unanimously.

4. INPUT – AUDIENCE

None.

5. INPUT FROM EMPLOYEE ASSOCIATIONS

None.

6. ITEMS FOR BOARD DISCUSSION AND/OR ACTION

6.1. Just Culture Education

Alex MacLennan, Manager Human Resources and Education, Introduced guest speaker, Paul LeSage with SG Collaborative Solutions, LLC. Mr. LeSage provided a review of his professional background and objectives for tonight's education session related to *Collaborative Just Culture*.

Collaborative Just Culture combines legal constructs, systems engineering concepts, and behavioral and human factor science.

Background and discussion took place related to the methodology and strategy to seeing risk. The

aeronautical industry was used as an industry example related to the use of *Collaborative Just Culture*.

Safety is an important value, but not the #1 value. It must be held in balance.
Discussion took place related to policy liability.

Director Zipkin departed the meeting at 6:38 p.m.

Discussion took place related to the proprietary document entitled “Collaborative Culture of Safety Systems and Behaviors Response Guide” distributed to the Board for reference. Document will be collected at the end of the meeting and provided to the Board for future reference after a water mark is added to ensure the document is not inappropriately distributed or used outside of the organization.

Director Zipkin returned to the meeting at 6:42 p.m.

Director Mohun departed the meeting at 6:49 p.m.

Director Mohun returned to the meeting at 6:53 p.m.

Discussion took place related to how the use of the *Just Culture* principles can be used when writing or evaluating TFHD policies. Recommendation made to use the distributed tool document retrospectively as well as prospectively to assist with assessments.

Discussion took place related to how these principles can be applied to Board policies which are often mandated by law. The law does not require they be written as specifically as they are often written in healthcare. Board policies can be written in such a way to satisfy the external imposer without being prescriptive.

Discussion took place regarding the verbiage related to corrective action and performance improvement plans and where best to include this language. Current best practice is to remove the language from each individual policy and include it instead in a single corrective action policy, and separate performance improvement plan policy.

Tahoe Forest Health System is an early adopter of the *Just Culture* principles for hospitals of similar size.

Discussion took place related to the involvement of physicians. Dr. Shawni Coll was recognized for her work in coordinating efforts with physicians; they have been actively involved in the engagement.

8. NEXT MEETING

Special meeting related to the GO Bond refinancing and additional finance education will take place on February 12, 2015.

An education session will be planned related to the Board’s Conflict of Interest policy.

Request made to agendaize a topic regarding presentation of a business model from the radiology group once information is available.

Discussion took place regarding the Press Ganey employee engagement survey results and how they are presented to the Board. Director of Human Resources will check with Press Ganey to verify how the individual comments are compiled and expectations based on their contract. Results were received and a review provided by Press Ganey approximately 3 weeks ago. Work with directors on following up on the results of the survey is under way. The process has been to present the data to the Personnel Committee and then roll it up to the Board. Director of Human Resources anticipates the review in Personnel Committee at the March or April meeting.

9. NEXT MEETING DATE

A special meeting of the Board of Directors is scheduled on February 12, 2015. The next regular meeting of the Board of Directors will be February 24, 2015.

10. MEETING EFFECTIVENESS ASSESSMENT

11. ADJOURN

Meeting adjourned at 7:44 p.m.



SPECIAL MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Thursday, February 12, 2015 at 3:00 p.m.

Eskridge Conference Room, Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA

1. CALL TO ORDER

Meeting called to order at 3:00 p.m.

2. ROLL CALL

Board: Karen Sessler, M.D.; Greg Jellinek, M.D; Charles Zipkin, M.D.; John Mohun

Absent: Dale Chamblin

Staff: Virginia Razo, *Interim* CEO; Crystal Betts; Janet Van Gelder, Director of Quality; Patricia Barrett, Clerk of the Board

Other: Steve Gross, District Counsel

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

Agenda approved as presented.

4. INPUT – AUDIENCE

None.

5. INPUT FROM EMPLOYEE ASSOCIATIONS

None.

6. ITEMS FOR BOARD DISCUSSION AND/OR ACTION

6.1. Resolution Authorizing The Issuance And Sale Of The District's 2015

General Obligation Refunding Bonds

Director Mohun indicated that he did not receive the materials until last evening and did not have sufficient time to review the materials and may have questions as a result. Board Clerk confirmed that materials had been uploaded as received and board notified.

The CFO introduced Gary Hicks, Gary Hicks Consulting; Chris Collier, Edward Jones; George Spillsbury, Disclosure Counsel for a presentation to the board related to the GO Bond.

Gary Hicks provided background related to the General Obligation bonds and refunding status. Mr. Hicks reported that interest rates have increased resulting in the total savings reducing from \$6.1m to \$4.5 million and savings down to \$3.126m net present value savings. This is a percentage of about 10.6%.

Discussion took place related to the terms of the Bond which will not change.

Decision will be made at that time the Bonds go to market (anticipated to be the 25th of this month) as to whether to move forward; as set now, the percentage of savings must be a minimum of 4% net present value savings (approximately \$1.2m net savings).

It was noted that on a fixed rate bond issue there is call protection which locks in the interest rate for 8 – 10 years before being able to refinance again. Cost of issuance is approximately \$400,000.

Discussion took place regarding whether the Boards should identify a rate greater than the 4% threshold. Worse case scenario would be that the District does not experience a savings if the designated rate does not authorize the refinancing.

It was noted that a 5-6% is a huge and uncommon net present savings. A 4-6% is a very strong savings in the industry.

A review of resolution exhibits was provided. The resolution was prepared by Brian Quint, Bond Counsel.

It was noted that the bond refinancing is a positive thing to do for the community.

Discussion took place related to exposure if something happens to the District. The District is required to use operating funds/reserves to pay the difference between what is collected in taxes and what is owed. Counties participate in the TEETER plan and pay the District whatever taxes are due. This document does not expose the District to any greater risk.

The Preliminary Official Statement is used to describe the information an informed investor would want to see in considering whether to invest in the bond. There is no concern that the bonds will not sell.

It was noted that as an elected board member, they cannot purchase the bonds; the implications for doing so are severe.

Discussion took place related to the value at which the Board wishes to authorize the sale. Mr. Hicks indicated he sees nothing wrong with 5% or 6 % threshold.

ACTION: Motion made by Director Zipkin, seconded by Director Jellinek, to approve the Resolution authorizing the issuance and sale of the District's 2015 General Obligation Refunding Bonds provided the present value savings to be realized by the District with respect to the 2008 Bonds as a result of the issuance of the Bonds shall not be less than 5% of the outstanding principal balance of the 2008 Bonds. Roll call vote taken. Approved unanimously by those board members present. Director Chamblin absent.

The District intends to issue general obligation refunding bonds pursuant to this Resolution to provide for the redemption of all outstanding 2008 Bonds.

7. PRESENTATIONS/STAFF REPORTS

7.1. Board Education

Quality Plan materials were reviewed and discussed as part of Board quality education.

7.1.1. Board Quality and Regulation

Director of Quality provided background related to the quality program education deferred from the January Board meeting.

Quality building blocks reviewed and include:

- Mission
- Vision
- Values
- Five Foundations of Excellence
- Strategic Plan
- Federal and State Regulations. It was noted that Home Health and Hospice have more mandatory requirements than a CAH.

Discussion took place regarding the reasons for the different regulatory requirements for Home Health and Hospice.

A review of voluntary reporting done by the District was provided. Discussion took place related to the core measures reported by the District. Data is available on the TFHD website but reflects 18 month old data.

Key quality initiatives include:

- Creating the Perfect Care Experience
- Patient and Family Centered Care
- Embracing a Just Culture model that promotes Patient Safety Awareness
- Strengthening the Quality Infrastructure
- Optimizing Technology to Integrate Medical Services

The Service Excellence program includes customer satisfaction (HCAPS/Press Ganey). Types of data collected and what is done to address patient satisfaction was reviewed.

Director Sessler reviewed the manner of governance process related to the Board's receipt of a patient complaint. Letters received by the Board should be provided to the Board Clerk to be entered into the system. Discussion took place regarding the process by which the Board should respond to communication received directly. It was noted that a simple acknowledgement and indication the matter is being forwarded to staff for follow up can be provided. Staff will provide feedback to the Board of the staff's response.

Review of sentinel events was provided. The Board would be made aware of any sentinel event as it is a regulatory requirement.

A review of options for accreditation surveys was provided. TFHD has used HVAP since 2008. HVAP follows the condition for participation under CMS whereas Joint Commission has an added layer of other regulations.

Interim CEO provided a review of the practice to alert the Chair in the event of a sentinel event. Full board communication would be directed through the Clerk of the Board.

7.1.2. **Quality Assurance/Performance Improvement (QA/PI) plan 2015**

QA/PI was approved by the Board at the January meeting. The related Policy was included with today's education to provide an opportunity for further discussion.

Open session recessed at 4:32 p.m.

8. **CLOSED SESSION:**

8.1. **Health & Safety Code Section 32155: Quality Reports**

Discussion held on a privileged matter.

9. **OPEN SESSION**

Open session reconvened at 5:13 p.m.

8. **ITEMS FOR NEXT MEETING**

Review of topics provided by Director Mohun for Board agenda consideration was provided. Press Ganey employee survey will go through Personnel committee prior to being presented to the Board.

Discussion took place regarding board education related to campaign contributions and potential for conflict of interest when considering physician contracts.

Education related to co-management agreements will be provided in February prior to consideration of the radiology contract. Director Mohun requested to see the business model related to the radiology contract to determine why the current model is not working.

9. **NEXT MEETING DATE**

Next meeting will take place at February 24, 2015.

10. **MEETING EFFECTIVENESS ASSESSMENT**

The Board will identify and discuss any occurrences during the meeting that impacted the effectiveness and value of the meeting.

11. **ADJOURN**

Meeting adjourned at 5:32 p.m.

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>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 type="checkbox"/>		IVCH <input type="checkbox"/>		GC COMMITTEE RECOMMENDATION:	
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 type="checkbox"/>		Contract Name: _____					
Physician Medical Director Agreement (P-MDA) <input type="checkbox"/>		Contract Name: _____					
Vendor Professional Service Agreement (V-PSA) <input type="checkbox"/>		Contract Name: _____					
Other: _____ <input checked="" type="checkbox"/>		Contract Name: <u>Samelson_Physician_Retention_Agreement_2015</u>					
❖ 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>Scott Samelson, MD</u>					
Purpose of the Contract/Alternatives:							
<p>In order for Physician to retain his medical practice and serve residents in District's service area, District wishes to pay an \$80,000 retention assistance to Physician in the form of a forgivable loan to be repaid over a four (4) year period. The alternative to not entering into this contract may result in Physician leaving the District's service area and District undergoing significant difficulty and expense to recruit new physicians to relocate their practices to District's service area.</p>							
Scope of the Contract:							
<p>During the term of this Agreement, Physician shall:</p> <ul style="list-style-type: none"> - maintain a full-time medical practice in District's service area; - be a member in good standing of the Hospital medical staff ("Medical Staff") and have appropriate and unrestricted clinical privileges in the Specialty at Hospital and any other hospitals and ambulatory surgery centers at which Physician provides professional services; - Have and maintain an unrestricted California license as a physician and surgeon in good standing; - Have and maintain in good standing the right and ability to prescribe controlled substances, narcotics and prescription drugs, including an unrestricted Drug Enforcement Agency number; - Participate in good standing in the federal Medicare program, the California Medi-Cal program, and other federal and state health care programs; - Comply with all rules and regulations of any federal, state or local agency governing or applicable to the performance of professional services; - Comply with the standards of the Specialty board or national accrediting board, and maintain Board certification or eligibility in the Specialty; - Comply with all ethical requirements of the American Medical Association and state medical associations for the States within which Physician practices medicine; - Comply with duly approved and generally published District and Medical Staff Bylaws, policies, rules and regulations and all rules and regulations of any federal, state or local agency governing or applicable to the performance of professional services under this Agreement; - 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; - Undertake the following responsibilities: 1) treat all third-party insured patients at Hospital, including without limitation Medicare and Medi-Cal patients, and indigent and other patients; 2) as reasonably requested by District, serve on Medical Staff committees, including without limitation participation in quality assurance activities, as requested; and 3) as reasonably requested by District, provide consultation when requested by other members of the Medical Staff. 							
DATES OF CONTRACT:		EFFECTIVE DATE: <u>6/1/2015</u>		END DATE: <u>5/31/2019</u>			
Version History:		Original Effective date: <u>6/1/2015</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>\$80,000 loan to Physician subject to forgiveness by TFHD over 4 years</u>							
Contract Term: <i>(anything other than Net 30 requires AC approval)</i>							
<u>Net 30</u>							
Total Cost of Contract:		<u>\$80,000</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:							
TFHD Primary Responsible Party:		<u>Jake Dorst, Interim CEO</u>					
TFHD Secondary Responsible Party:		<u>Jake Dorst, Interim CEO</u>					

ORIGINATING DEPARTMENT: Administration	PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u> Phone: <u>530-582-6650</u>
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CONTRACT NAME:
Samelson_Physician_Retention_Agreement_2015

COMPLIANCE INFORMATION

"I certify that I am aware of the particular facts and circumstances of the proposed arrangement with Scott Samelson, and I have determined (1) that the services to be provided by Scott Samelson 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 Scott Samelson to enter into, and makes commercial sense, even if no referrals were made by Scott Samelson to TFHD or any of its facilities."

Primary Responsible Party Signature: [Signature]

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> <u>[Signature]</u>
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<u>[Signature]</u>

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Scott Samelson, MD</u>		
Mailing Address:	<u>P.O. Box 95, Tahoe City, CA 96145</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

District has considered the willingness of Physician to retain his practice in District's service area compared to the difficulty and great expense of recruiting new physicians the area, and has determined that extending this Agreement to Physician: (i) will bring a benefit to the residents of the area; (ii) will continue to meet the needs of Hospital patients, so as to warrant District's provision to Physician of the retention assistance called for in this Agreement; and (iii) is a reasonable means of improving access for residents of the area to medical care and treatment and of meeting important community healthcare needs.

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"/>

From: David P. Henninger [mailto:DHENNINGER@HEALTH-LAW.COM]
Sent: Monday, May 11, 2015 3:32 PM
To: Hoffman, Ashly
Subject: RE: FMV & CR for Dr. Samelson

Yes.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Monday, May 11, 2015 11:39 AM
To: David P. Henninger
Cc: Jasmin S. Niku
Subject: FMV & CR for Dr. Samelson

Hi David,

Assuming that ECG has determined that the compensation being paid under Dr. Samelson's Physician Retention 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: Klein, Adam J. <AKlein@ecgmc.com>
Sent: Friday, May 08, 2015 3:43 PM
To: Hoffman, Ashly
Subject: RE: FMV for Samelson Retention Agreement

It is. We provided David with the FMV exhibits, and can forward to you later.

Sent from a mobile device. please excuse any typos.

-----Original Message-----

From: Hoffman, Ashly [AHoffman@TFHD.COM]
Received: Friday, 08 May 2015, 3:26PM
To: Klein, Adam J. [AKlein@ecgmc.com]
Subject: FMV for Samelson Retention Agreement

Hi Adam,

As you recall, you had assisted TFHD in negotiating the attached Retention Agreement with Dr. Samelson. I just wanted to make sure that the Agreement being offered at 80K is within FMV. Can you confirm that the attached Samelson Retention Agreement is within FMV? 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 RETENTION AGREEMENT

This Physician Retention Agreement (“**Agreement**”) is entered into as of June 1st, 2015, (“**Effective Date**”) by and between **Tahoe Forest Hospital District, a California local healthcare district** (“**District**”), and **Scott Samelson, M.D.** (“**Physician**”), with respect to the following facts:

RECITALS

A. District is the owner and operator of a general acute care hospital, known as Tahoe Forest Hospital, located in Truckee, California (“**Hospital**”), which provides inpatient and outpatient services for residents of the geographic area served by the Hospital (“**Service Area**”).

B. District is located in a rural area, meaning an area which is not an urban area as defined in federal regulations, 42 C.F.R. Section 413.62(f)(1)(ii) (“**Rural Area**”), and has an existing and projected shortage of primary care physicians (“**Specialty**”) in the Service Area. District has determined that the retention of qualified physicians in the Specialty is necessary to the ability of District to meet its mission and to ensure the provision of adequate Specialty services in the Service Area.

C. Physician is a current member of the Hospital Medical Staff, is Board-certified or board-eligible in Specialty, and has been practicing in the Service Area since [Date]. Physician is currently a member of Truckee Tahoe Medical Group, Inc. (“**Medical Group**”), and provides professional and administrative services at the Hospital.

D. Physician has informed District that Physician has been seeking practice opportunities outside of the Service Area, and has one or more opportunities for employment and/or recruitment assistance from other hospitals and affiliated medical groups to relocate his practice.

E. Under the federal physician self-referral prohibition, commonly referred to as the Stark Anti-Referral Law (“**Stark Law**”), a hospital located in a Rural Area may enter into a compensation agreement with a physician for the purpose of retaining the physician’s practice in the geographic service area of the hospital if the agreement meets certain standards (the “**Retention Exception**”). One of the requirements of the Retention Exception is that the physician must provide the hospital making retention payments, before the payments are made, with a written certification, that must include the following:

1. Certification that the physician has a written bona fide opportunity for future employment by a hospital, academic medical center or physician organization;
2. A statement that the opportunity requires the physician to move his practice at least 25 miles and out of the hospital’s service area;
3. Details regarding the steps Physician has taken to effectuate the employment opportunity;

4. Details of the employment opportunity, including the identity and location of the employer and the anticipated income and benefits;
5. A statement that the future employer is not related to the hospital making retention payments;
6. The date the physician anticipates relocating his practice; and
7. Information sufficient for the hospital to verify the information in the certification.

F. In accordance with the Retention Exception, Physician has provided District with the required Physician Certification (“**Physician Certification**”).

G. District has taken reasonable steps to verify that Physician has a bona fide opportunity that requires Physician to relocate his practice outside of the Hospital’s Service Area.

H. The Retention Exception further requires that the retention payment made to Physician cannot exceed the lower of (i) an amount equal to twenty-five percent (25%) of the Physician’s current income (measured over no more than a 24-month period) using a reasonable and consistent methodology that is calculated uniformly; or (ii) the reasonable costs that the hospital making the retention payments would expend to recruit a new physician to the Service Area to replace the physician.

I. District has determined that twenty-five percent (25%) of Physician’s current income measured over a 24-month period is less than the reasonable costs that District would expend to recruit a new physician in the Specialty to the Service Area to replace Physician.

J. District has further determined, under the methodology described in Recital H above, that twenty-five percent (25%) of Physician’s current income measured over a 24-month period is approximately Eighty Thousand Dollars (\$80,000) (“**Retention Assistance**”).

K. In order to induce Physician to retain his medical practice and serve residents in the Service Area, District wishes to pay the Retention Assistance to Physician in the form of a forgivable loan to be repaid over a four (4) year period.

L. District has considered the willingness of Physician to retain his practice in the Service Area and the difficulty and great expense of recruiting new physicians in the Specialty to relocate their practices in the Service Area, and has determined that extending the Retention Assistance to Physician: (i) will bring a benefit to the residents of the Service Area; (ii) will continue to meet the needs of Hospital patients, so as to warrant District’s provision to Physician of the Retention Assistance called for in this Agreement; and (iii) is a reasonable means of improving access for residents of the Service Area to medical care and treatment in the Specialty and of meeting important community healthcare needs.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the parties agree as follows:

AGREEMENT

1. Retention Assistance.

1.1 **Payment of Retention Assistance.** In consideration of Physician continuing to maintain his practice in the Service Area in accordance with the terms and conditions of this Agreement, District shall pay Physician the Retention Assistance in a single lump sum payment.

A. The Retention Assistance shall be paid in the form of a loan (the “**Loan**”), which is subject to forgiveness over a period of four (4) years from the date that Loan proceeds are disbursed to Physician (the “**Repayment Period**”). Concurrent with the execution of this Agreement, Physician shall execute a Promissory Note regarding repayment and forgiveness of such loan in the form attached as **Exhibit A**.

B. The Loan under this Agreement shall be made solely to Physician, and may not be assigned or transferred to any other person or entity.

C. 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 District. Medical Group further agrees that the Loan provided by District to Physician under this Agreement shall have no effect whatsoever on any partnership agreement, or any other agreement, which may now exist or in the future may exist, between Medical Group and Physician. Notwithstanding any other provision of this Agreement, in the event of a breach of this Section 1.1.C 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.

D. Each party acknowledges that (i) the parties cannot enter into another retention agreement for a period of five (5) years after the Effective Date; and (ii) the terms of this Agreement are not subject to amendment or modification that takes into account the volume or value of referrals or other business generated by Physician.

1.2 **IRS 1099.** To the extent required by the Internal Revenue Service (“**IRS**”), the forgiveness of repayment of the Retention Assistance provided to Physician under this Agreement shall be subject to the issuance by District of one or more IRS 1099s in the year(s) that the Retention Assistance is forgiven.

2. Conditions to Retention Assistance.

The following shall be expressed conditions of the Retention Assistance made by District under Section 1 of this Agreement:

2.1 **Retention of Practice.** During the term of this Agreement as set forth in Section 5.1 herein, Physician shall maintain a full-time medical practice in the Specialty in the Service Area and meet all of the qualifications and conditions of Sections 2 and 3 of this Agreement.

2.2 **Record Retention.** Until the expiration of five (5) years after the expiration of this Agreement, Physician shall make available to the Secretary of the United States Department of Health and Human Services or to the United State Comptroller General, or to any of their duly authorized representatives, upon written request of the same, this Agreement and such books, documents, and records of Physician as are necessary to certify the nature and the reasonable costs related to the Physician's medical practice. If Physician enters into an agreement with any related organization to provide services pursuant to this Agreement with a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period, such agreement shall contain a clause to the effect that until the expiration of five (5) years after the furnishing of services pursuant to such agreement, the related organization shall make available, upon written request, to the Secretary or to the Comptroller General, or to any of their duly authorized representatives, the agreement and any books, documents, and records of such organization that are necessary to verify the nature and extent of such costs. For these purposes, "related organization" shall mean a person or entity with which Physician is, to a significant extent, associated or affiliated, or which the Physician owns or controls. This Section 2.2 shall be of no force and effect if it is not required by law. In addition, the provisions of this subsection shall not supersede or affect the term of any assignment and delegation of this Agreement and any duties and obligations thereof.

2.3 **Changes in Practice.** In the event that Physician's employment with Medical Group is terminated for any reason, the Retention Assistance provided by District under this Agreement, and the terms and conditions related to such Assistance, shall continue so long as Physician remains in the Service Area and maintains a Specialty practice in accordance with the terms of this Agreement. If Physician fails to practice in the Specialty in the Service Area at any time prior to the end of the Repayment Period, District may terminate this Agreement under Section 5.2. and all amounts outstanding under the Promissory Note shall be immediately due and payable.

3. **Qualifications and Obligations.**

It is a condition of this Agreement that Physician shall at all times during the term of this Agreement:

3.1 Be a member in good standing of the Hospital medical staff ("**Medical Staff**") and have appropriate and unrestricted clinical privileges in the Specialty at Hospital and any other hospitals and ambulatory surgery centers at which Physician provides professional services.

3.2 Have and maintain an unrestricted California license as a physician and surgeon in good standing.

3.3 Have and maintain in good standing the right and ability to prescribe controlled substances, narcotics and prescription drugs, including an unrestricted Drug Enforcement Agency number.

3.4 Participate in good standing in the federal Medicare program, the California Medi-Cal program, and other federal and state health care programs.

3.5 Comply with all rules and regulations of any federal, state or local agency governing or applicable to the performance of professional services.

3.6 Comply with the standards of the Specialty board or national accrediting board, and maintain Board certification or eligibility in the Specialty.

3.7 Comply with all ethical requirements of the American Medical Association and state medical associations for the States within which Physician practices medicine.

3.8 Comply with duly approved and generally published District and Medical Staff Bylaws, policies, rules and regulations and all rules and regulations of any federal, state or local agency governing or applicable to the performance of professional services under this Agreement.

3.9 Undertake the following responsibilities:

A. Treat all third-party insured patients at Hospital, including without limitation Medicare and Medi-Cal patients, and indigent and other patients;

B. As reasonably requested by District, serve on Medical Staff committees, including without limitation participation in quality assurance activities, as requested; and

C. As reasonably requested by District, provide consultation when requested by other members of the Medical Staff.

3.10 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.

4. Representations and Warranties by Physician. Physician hereby represents and warrants that, prior to or during the Term of this Agreement:

4.1 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.

4.2 Physician has not been declared bankrupt within the past seven (7) years.

4.3 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.

4.4 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.

4.5 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.

4.6 Physician has filed all U.S. and California tax returns that Physician is required by applicable law to file, and no tax liens shall have been filed as of the effective date of this Agreement or the date on which any Advance is made, and no claims shall have been asserted at that time with respect to any of such taxes.

4.7 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.

4.8 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.

4.9 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;

4.10 Physician is not, nor has been the subject of any action or proceeding arising out of Physician's professional services;

4.11 Physician has not been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any other crime;

4.12 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 or any state Medicaid program ("**Exclusion**"); nor is Physician aware of any grounds for such Exclusion

If any of the events described in this Section 4 occur during the Term of this Agreement, Physician shall notify District within five (5) days of the occurrence. Failure to provide timely notice, at the sole discretion of District, shall be grounds for termination of this Agreement.

5. Compliance with Law.

5.1 In addition to the obligations of the parties to comply with applicable federal, state and local laws respecting the conduct of their respective businesses and professions, District and Physician each acknowledges that it/he is 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:

A. Prohibition on payments for referral 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);

B. Services to an entity with which the physician (or 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 other patient referrals within the State; and §1877 of the Social Security Act, applicable to referrals of Medicare and Medi-Cal patients); and

5.2 As consideration for each party hereto to enter into this Agreement, District and Physician each acknowledge that it/he has had the opportunity to engage independent counsel to advise it/his as to the requirements of the laws referred to in Section 5.1.

5.3 Nothing in this Agreement is intended or shall be construed to require either party to violate the California or federal laws described in Section 5.1, and this Agreement shall not be interpreted to:

A. Require Physician to make referrals to District, be in a position to make or influence referrals to District, or otherwise generate business for District.

B. 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.

C. Provide for payments in excess of the fair market value or comparable compensation for Physician in the same specialty in comparable locations and circumstances.

5.4 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 the laws referenced in Section 5.1, the parties shall use all reasonable efforts to revise this Agreement to conform and comply with such changes.

6. Term and Termination.

6.1 **Term of Agreement.** Subject to Section 6.2 below, the term of this Agreement shall be effective as of the Effective Date and shall remain in full force and effect throughout the Repayment Period.

6.2 **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 of this Agreement:

- A. Physician's licensure as a physician and surgeon in California is suspended or revoked for any reason.
- B. Physician loses his Federal DEA number (or has it restricted).
- C. Physician's Medical Staff membership and/or any clinical privileges at the Hospital or any other hospital are denied, suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporary or permanently, regardless of the availability of administrative hearing rights or civil remedies with respect thereto.
- D. Physician refuses or fails to comply with any term, condition or provision of this Agreement.
- E. Physician ceases to practice with the Specialty on a full-time basis in the Service Area.
- F. Physician otherwise fails to meet any of the qualifications or obligations described in Sections 2, 3 or 4 of this Agreement, including without limitation any determination by District of any untrue representation or breach of warranty by Physician, or the failure of Physician to provide timely notice as to the occurrence of any event related to the matters set forth in Section 4 herein.

7. 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

SCOTT SAMELSON, M.D.

PO Box 95
Tahoe City, CA
96145

Either party may change its address by giving the other party written notice of its new address as provided herein.

8. Miscellaneous.

8.1 **Confidentiality.** No party hereto shall disclose the substance of this Agreement (except to their respective legal and tax advisers and immediate family members) at any time unless required by law or authorized in writing to other parties.

8.2 **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.

8.3 **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 District 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.

8.4 **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.

8.5 **Disagreements.** Should any questions or disagreements arise under this Agreement, District and Physician agree at the request of either 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 District for final decision. The decision of the Governing Board shall be binding on all parties. The dispute resolution process set forth in this Section 8.5 shall be a precondition to commencement of litigation by either party to enforce its rights under the Agreement, except that either party may seek injunctive relief without first submitting the dispute to the Governing Board for resolution.

8.6 **Assignment and Delegation.** Notwithstanding any other provision 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).

8.7 **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 hereto.

8.8 **Independent Contractors.** In the performance of the work, duties and obligations devolving under this Agreement, it is mutually understood and agreed that Physician and District are at all times acting and performing as an independent contractors. Nothing in this Agreement is intended nor shall be construed to create between District and Physician an

employer/employee relationship, a joint venture relationship or a lease or landlord/tenant relationship.

8.9 **Attorneys' Fees.** In the event that suit is brought regarding the provisions of this Agreement for the enforcement hereof, the prevailing party shall be awarded its costs of suit and reasonable attorneys' fees as part of judgment rendered therein.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

NOTICE: BY SIGNING THIS AGREEMENT, PHYSICIAN ACKNOWLEDGES THAT THE TERMS AND OBLIGATIONS OF THIS AGREEMENT HAVE SIGNIFICANT TAX AND OTHER LEGAL IMPLICATIONS WHICH MAY AFFECT HIS FINANCIAL, PERSONAL AND BUSINESS AFFAIRS. PHYSICIAN FURTHER ACKNOWLEDGES THAT HE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL, TAX, AND BUSINESS ADVISERS OF HIS CHOICE AS HE DEEMS NECESSARY PRIOR TO SIGNING THIS AGREEMENT.

DISTRICT

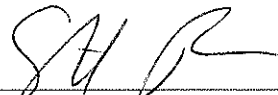
PHYSICIAN

TAHOE FOREST HOSPITAL DISTRICT

By: _____

Its: _____

Date: _____



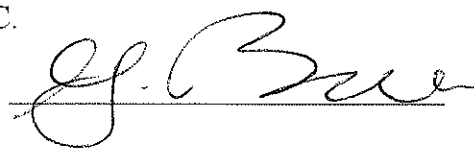
Scott Samelson, M.D.

Date: 5/7/15

Acknowledged and agreed with respect to all applicable provisions:

MEDICAL GROUP

TRUCKEE TAHOE MEDICAL GROUP,
INC.

By: 

Its: _____

Date: 5/5/15

EXHIBIT A
PROMISSORY NOTE

\$80,000.00

May 6, 2015

FOR VALUE RECEIVED, the undersigned borrower, Scott Samelson, 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 above, made pursuant to that certain Physician Retention Agreement by and between Physician and District dated as of the date of this Note (the “**Retention Agreement**”). All terms not defined herein shall have the meaning set forth in the Retention Agreement. This Note is entered into in connection with the Retention 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 Retention 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 Retention Agreement, and no Event of Default (as defined below) has occurred, Hospital 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 Hospital under this Note shall be correspondingly reduced and eliminated.

(ii) Notwithstanding Sections 1(b)(i) above, Hospital 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.

(iii) Physician acknowledges that to the extent required by the Internal Revenue Service (“IRS”) District shall issue an IRS Form 1099 to Physician in the amount of any principal and interest forgiven pursuant to this Agreement, 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 Retention 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 Retention 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 Retention 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 Nevada. 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 Retention Agreement and the provisions of this Note, the provisions of the Retention 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 Retention Agreement.

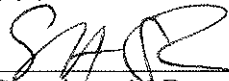
16. Severability. If any provision of this Note, in whole or in part, or the application of any such provision, is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction and such provision can be severed without substantially changing the bargain reached by the Parties, 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, Practitioner has caused this Note to be duly executed in Truckee, California, as of the date first written above.

PHYSICIAN, as the borrower

Signature: 
Scott Samelson, M.D.

April 20th, 2015

To the Tahoe Forest Hospital Board of Directors,

I am writing to thank you for considering a retention loan on my medical school loans. Agree or disagree, the cost of education in our country continues to rise. And while I find it difficult to place a price on an education that changes a career and life path, it no doubt influences decisions made downstream. My goal was to come to the Tahoe region and become established as a reliable, dedicated and hopefully respected physician. I feel I have done that and would like to continue and become a more integral part of our community. A retention loan would most certainly help me stay from a financial aspect.

In this letter, I affirm that I have a bona fide opportunity for future employment elsewhere. Please note, in this letter, my desire is to remain in the Tahoe region with additional financial support. Specifically, I attest to the following:

- I have received a written bona fide opportunity for future employment from the Fort Collins Family Medicine Residency Program located in Poudre Valley Hospital in Fort Collins, Colorado.
- The position would require me to move my practice outside of the Tahoe Forest District service area to be proximate to Fort Collins, Colorado.
- In order to explore this opportunity, I have conducted personal research, held numerous conversations with the hiring manager regarding this position both, and exchanged written correspondence on several occasions. The time required for me to explore this opportunity has been substantial.
- The position in Fort Collins would require me to work full time as clinical faculty providing direct patient, and resident education.
- The starting salary was stated as approximately \$190,000, which is \$85,000 more than my current salary at Tahoe Truckee Medical Group. The employer also offers subsidized health & welfare benefits, paid malpractice insurance, and student loan repayment of up to \$90,000 over the first three years.
- To the best of my knowledge, Poudre Valley Hospital and Fort Collins Family Medicine Residency Program (which is part of the University of Colorado) are in no way related to Tahoe Forest Hospital.

- I believe that I could secure this position and relocate to Fort Collins within 12 months of today's date.
- I have provided documentation supporting the details of the offer and pending opportunity to TFIH's consultant, Adam Klein, of ECG Management Consultants, Inc. in the form of signed correspondence from the hiring manager, Jahell Wroniak, M.D.

My professional and personal desire is to remain here where I have fantastic work diversity in an unbelievable environment for a young family. However, my first priority will always be to my wife and three boys. Due to the high cost of living on top of large monthly student loan payments, we will consider a move to get to a place where we can afford to buy a house and raise our children. Defraying my student loans from our monthly expenses would be our tipping point to remaining in this wonderful location.

Thank you for taking the time to review my case and consider this significant contribution.

Sincerely,



Scott Samelson

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>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>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:			
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 with District Chief Information Officer or other designee as requested; 7) Assist staff and clinical practitioners with 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>6/1/2015</u>	END DATE: <u>5/31/2018</u>
Version History:		Original Effective date: <u>6/1/2015</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 75 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>Up to 22,500 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:		<u>N/A</u>	
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: [Signature]

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Contract Coordinator Signature: <u>[Signature]</u> <u>[Signature]</u>
It has been determined that the above contract does 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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 3, Section 7.1, the Social Security Regulation typo was corrected.
- Page 7, In Exhibit A, numbers 6 & 7 have been amended to alleviate any potential concerns regarding coercive language.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 EMail <{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

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
[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 739
Truckee, CA 96160
(530) 532-6384 te
(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 June, 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 Seventy-Five (75) 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 “personal services arrangement” and/or “fair market value compensation” exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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) (1)(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: Jake Dorst
Interim Chief Executive Officer

Tad Laird, M.D.

Date: _____

Date: _____

Address: _____

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 with District Chief Information Officer or other designee as requested.
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- 11) Perform any other duties related to health information technology reasonably requested by DISTRICT.

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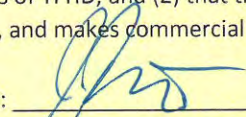
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❖ Business Associated Agreement Required? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>			
CONTRACT DETAILS: (additional information may be provided on Page 2)			
CONTRACTOR/ VENDOR NAME:		<u>Tim Lombard, MD</u>	
Purpose of the 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:			
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Is Cost of Contract Budgeted?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
If NOT budgeted or exceeds budgeted amount, identify the offset:		<u>N/A</u>	
TFHD Primary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>	
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>	

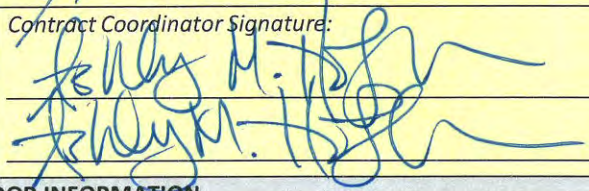
ORIGINATING DEPARTMENT: Information Technology	PRIMARY RESPONSIBLE PARTY: Jake Dorst Phone: 530-582-6650
--	--

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: 

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Contract Coordinator Signature: 
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 3, Section 7.1, the Social Security Regulation typo was corrected.
- Page 7, In Exhibit A, numbers 6 & 7 have been amended to alleviate any potential concerns regarding coercive language.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 2:10 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 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
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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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 June, 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 Seventy-Five (75) 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 “personal services arrangement” and/or “fair market value compensation” exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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) (1)(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: Jake Dorst
Interim Chief Executive Officer

Date: _____

Tim Lombard, M.D.

Date: _____

Address: _____

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 with District Chief Information Officer or other designee as requested.
- 7) Assist staff and clinical practitioners with 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:				
<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 with District Chief Information Officer or other designee as requested; Assist staff and clinical practitioners with 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>6/1/2015</u>	END DATE: <u>5/31/2018</u>	
Version History:		Original Effective date: <u>6/1/2015</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 75 hours per year</u>				
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>				
Total Cost of Contract:		<u>Up to \$22,500 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:		<u>N/A</u>		
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: Jake Dorst Phone: 530-582-6650
--	--

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: _____

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> _____
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	Stacey Meredith, MD		
Mailing Address:	10774 Heather Road, Truckee, CA 96161		
Telephone and Fax Number:	Phone: 530-587-6011	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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 3, Section 7.1, the Social Security Regulation typo was corrected.
- Page 7, In Exhibit A, numbers 6 & 7 have been amended to alleviate any potential concerns regarding coercive language.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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	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 1:31 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 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
www.ecgmc.com ecgmc.com

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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



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**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 June, 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 Seventy-Five (75) 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 “personal services arrangement” and/or “fair market value compensation” exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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)(1) (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:

Stacey Meredith, M.D.

By: Jake Dorst
Interim Chief Executive Officer

Date: _____

Stacey Meredith, M.D.

Date: _____

Address: _____

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 with District Chief Information Officer or other designee as requested.
- 7) Assist staff and clinical practitioners with 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.

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

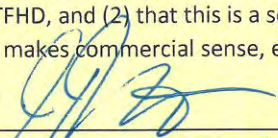
NEW CONTRACT <input checked="" type="checkbox"/>	AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>	
		PHONE: <u>530-582-6650</u>	
RESPONSIBLE 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>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 with District Chief Information Officer or other designee as requested; 7) Assist staff and clinical practitioners with 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>6/1/2015</u>	END DATE: <u>5/31/2018</u>
Version History:		Original Effective date: <u>6/1/2015</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 75 hours per year</u>			
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>			
Total Cost of Contract:		<u>Up to \$22,500 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:		<u>N/A</u>	
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: Jake Dorst Phone: 530-582-6650
--	--

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: 

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Contract Coordinator Signature: 
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	Joshua Scholnick, MD		
Mailing Address:	10307 Kimque Court, 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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 3, Section 7.1, the Social Security Regulation typo was corrected.
- Page 7, In Exhibit A, numbers 6 & 7 have been amended to alleviate any potential concerns regarding coercive language.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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.

From: Hoffman, Ashly [mailto:AHoffman@TFHD.COM]
Sent: Friday, April 24, 2015 1:31 PM
To: Jasmin S. Niku
Cc: David P. Henninger
Subject: FMV & CR for Scholnick

Hi Jasmin,

Assuming that ECG has determined that the compensation being paid under Dr. Scholnick'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?

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Thank you,

Nadia Poluhina

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[REDACTED]
[REDACTED]

Scholnick, Josh
Thompson, Steve

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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 Seventy-Five (75) 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 “personal services arrangement” and/or “fair market value compensation” exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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)(1) (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:

Joshua Scholnick, M.D.

By: Jake Dorst
Interim Chief Executive Officer

Date: _____

Joshua Scholnick, M.D.

Date: _____

Address: _____

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 with District Chief Information Officer or other designee as requested.
- 7) Assist staff and clinical practitioners with 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.

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

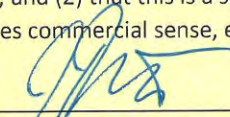
NEW CONTRACT <input checked="" type="checkbox"/>	AMEND SCOPE <input type="checkbox"/>	AMEND TERM <input type="checkbox"/>	AUTO RENEW <input type="checkbox"/>
ORIGINATING DEPARTMENT: <u>Information Technology</u>		PRIMARY RESPONSIBLE PARTY: <u>Jake Dorst</u>	
		PHONE: <u>530-582-6650</u>	
RESPONSIBLE 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:		<u>Steve Thompson, MD</u>	
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:			
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 with District Chief Information Officer or other designee as requested; 7) Assist staff and clinical practitioners with 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>6/1/2015</u>	END DATE: <u>5/31/2018</u>
Version History:		Original Effective date: <u>6/1/2015</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 75 hours per year</u>			
Contract Term: (anything other than Net 30 requires AC approval)			
<u>Net 30</u>			
Total Cost of Contract:		<u>Up to \$22,500 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:		<u>N/A</u>	
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:
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: 

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Contract Coordinator Signature: <u></u>
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Steve Thompson, MD</u>		
Mailing Address:	<u>10175 Levon Ave, Truckee, CA 96161</u>		
Telephone and Fax Number:	Phone: <u>530-587-1041</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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 3, Section 7.1, the Social Security Regulation typo was corrected.
- Page 7, In Exhibit A, numbers 6 & 7 have been amended to alleviate any potential concerns regarding coercive language.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 EMail <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Thompson [IWV-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
ecgmc.com

Join Theodore Michael 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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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) 582-6334 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 June, 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 Steve Thompson, 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 Seventy-Five (75) 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 “personal services arrangement” and/or “fair market value compensation” exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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)(1) (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:

Steve Thompson, M.D.

By: Jake Dorst
Interim Chief Executive Officer

Date: _____

Steve Thompson, M.D.

Date: _____

Address: _____

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 with District Chief Information Officer or other designee as requested.
- 7) Assist staff and clinical practitioners with 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 RECOMENDATION: _____
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:				
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.				
DATES OF CONTRACT:		EFFECTIVE DATE: <u>6/1/2015</u>	END DATE: <u>5/31/2018</u>	
Version History:		Original Effective date: <u>6/1/2015</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 75 hours per year</u>				
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>				
Total Cost of Contract:		<u>Up to 22,500 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:		<u>N/A</u>		
TFHD Primary Responsible Party:		<u>Caroline Ford, Executive Director of WN</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: Caroline Ford

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> <u>[Signature]</u>
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<u>[Signature]</u>

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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 4, Section 7.1, the Social Security Regulation typo was corrected.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 EMail <{F215479}.IMDB_WEB@ntdms4-01.domain4.com>
Subject: RE: FMV & CR for Arth [IWOV-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
www.ecgmc.com

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

LEADING HEALTHCARE FORWARD

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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 June, 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 Seventy-Five (75) 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 "personal services arrangement" and/or "fair market value compensation" exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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)(1) (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:
Chris Arth, M.D.

By: Jake Dorst
Interim Chief Executive Officer

Chris Arth, M.D.

Date: _____

Date: _____

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.

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>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>Barta_TF2020_Agreement_for_Medical_Advisor_Services_Wellness_Neighborhood_and_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:		Gina Barta, MD	
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"> 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 their 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 with District Chief Information Officer, Wellness Neighborhood/Community Health Executive Director, or other designee as requested. 9) Assist staff and clinical practitioners with 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. 			
DATES OF CONTRACT:		EFFECTIVE DATE: 6/1/2015	END DATE: 5/31/2018
Version History:		Original Effective date: 6/1/2015 Renewal Dates: N/A Amendment Dates: N/A	
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 75 hours per year			
Contract Term: (anything other than Net 30 requires AC approval) Net 30			
Total Cost of Contract:		Up to \$22,500 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:		N/A	
TFHD Primary Responsible Party:		Jake Dorst, CIO/Interim CEO	
TFHD Secondary Responsible Party:		Caroline Ford, Executive Director of WN	


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

CONTRACT NAME:
Barta_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 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: _____

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<i>Contract Coordinator Signature:</i> 
It has been determined that the above contract does 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: <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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance with the Law, Amendment and Termination.
- Page 4, Section 7.1, the Social Security Regulation typo was corrected.
- Page 7, In Exhibit A, numbers 8 & 9 have been amended to alleviate any potential concerns regarding coercive language.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 EMail <{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
[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 96150
(530) 582-6384 ce
(530) 582-9567 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 June, 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:

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. PHYSICIAN shall attend the assigned Committee and Program 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 and/or Program, all of PHYSICIAN's participation in meetings related to health information technology, Wellness Neighborhood initiatives, 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 Seventy-Five (75) 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 "personal services arrangement" and/or "fair market value compensation" exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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)(1) (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:
Gina Barta, M.D.

By: Jake Dorst
Interim Chief Executive Officer

Gina Barta, M.D.

Date: _____

Date: _____

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 their 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 with District Chief Information Officer, Wellness Neighborhood/Community Health Executive Director, or other designee as requested.
- 9) Assist staff and clinical practitioners with 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

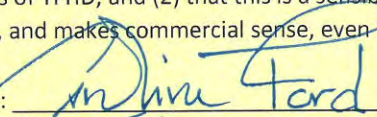
NEW CONTRACT <input checked="" type="checkbox"/>		AMEND SCOPE <input type="checkbox"/>		AMEND TERM <input type="checkbox"/>		AUTO RENEW <input type="checkbox"/>	
ORIGINATING DEPARTMENT: <u>Wellness Neighborhood</u>				PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u>			
				PHONE: <u>530-582-7425</u>			
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 RECOMMENDATION:	
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, MD</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:							
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.							
DATES OF CONTRACT:		EFFECTIVE DATE: <u>6/1/2015</u>		END DATE: <u>5/31/2018</u>			
Version History:		Original Effective date: <u>6/1/2015</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 75 hours per year</u>							
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>							
Total Cost of Contract:		<u>Up to 22,500 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:		<u>N/A</u>					
TFHD Primary Responsible Party:		<u>Caroline Ford, Executive Director of WN</u>					
TFHD Secondary Responsible Party:		<u>Jake Dorst, CIO/Interim CEO</u>					

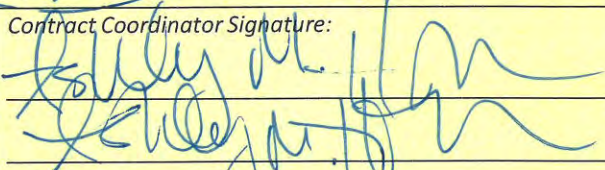
ORIGINATING DEPARTMENT: Wellness Neighborhood	PRIMARY RESPONSIBLE PARTY: <u>Caroline Ford</u> Phone: <u>530-582-7425</u>
---	---

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: 

It has been determined that the above contract is Commercially Reasonable - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Contract Coordinator Signature: <u></u>
It has been determined that the above contract does not exceed Fair Market Value - Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Matthew Gustafsson, MD</u>
Mailing Address:	<u>111253 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

This contract has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous contract:

- Page 1, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 2, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 3, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 3, Section 7.1, the Social Security Regulation typo was corrected.
- Page 8, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 2:08 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
www.ecgmc.com

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

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: 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 June, 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 Seventy-Five (75) 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 "personal services arrangement" and/or "fair market value compensation" exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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) (1)(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: Jake Dorst
Interim Chief Executive Officer

Matthew Gustafsson, DDS

Date: _____

Date: _____

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.

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 checked="" 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>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:							
<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>6/1/2015</u>			END DATE: <u>5/31/2018</u>		
Version History:		Original Effective date: <u>1/1/2015</u> Renewal Dates: <u>N/A</u> Amendment Dates: <u>6/1/2015</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 75 hours per year</u>							
Contract Term: (anything other than Net 30 requires AC approval) <u>Net 30</u>							
Total Cost of Contract:		<u>Up to 22,500 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:		<u>N/A</u>					
TFHD Primary Responsible Party:		<u>Caroline Ford, Executive Director of WN</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

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: Reini Jensen

It has been determined that the above contract is Commercially Reasonable - Yes: No:

It has been determined that the above contract does not exceed Fair Market Value - Yes: No:

CONTRACTOR/VENDOR INFORMATION

Contractor Representative Name:	<u>Reini Jensen, MD</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

This Amendment has been revised pursuant to the instruction received from the Board of Directors. The following revisions have been made to the previous Amendment:

- Pages 1 & 4, the Effective Date has been revised to account for the delay in the contract approval process.
- Page 5, Section 2, the monthly and annual cap for compensation has been amended to better reflect the annual amounts historically paid to physicians in this contracted role.
- Page 6, Section 5 was removed in its entirety and replaced with language drafted by outside counsel pertaining to Compliance With Law, Amendment, Termination.
- Page 7, Section 7.1, the Social Security Regulation typo was corrected.
- Page 11, the Contract Role heading has been changed to the Contract Name heading as suggested by outside counsel.

Additionally, this internal processing form has been revised to remove any reference to the professional entities involved in TFHD's Fair Market Value and Commercial Reasonableness determinations.

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 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 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
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 June 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: Jake Dorst
Interim Chief Executive Officer

Reini Jensen, M.D.

Date: _____

Date: _____

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 June, 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 Seventy-Five (75) 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 "personal services arrangement" and/or "fair market value compensation" exceptions under 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 this Agreement as indicated by counsel. If counsel advises that no amendment is possible to reasonably ensure compliance or avoid jeopardy, or if PRECEPTOR 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) (1)(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: Jake Dorst
Interim Chief Executive Officer

Reini Jensen, M.D.

Date: _____

Date: _____

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.

Tahoe Forest Hospital District

Board of Directors Meeting Evaluation Form

Date: _____

		Exceed Expectations		Meets Expectations		Below Expectations
1	Overall, the meeting agenda is clear and includes appropriate topics for Board consideration	5	4	3	2	1
2	The consent agenda includes appropriate topics and worked well	5	4	3	2	1
3	The Board packet & handout materials were sufficiently clear and at a 'governance level'	5	4	3	2	1
4	Discussions were on target	5	4	3	2	1
5	Board members were prepared and involved	5	4	3	2	1
6	The education was relevant and helpful	5	4	3	2	1
7	Board focused on issues of strategy and policy	5	4	3	2	1
8	Objectives for meeting were accomplished	5	4	3	2	1
9	Meeting ran on time	5	4	3	2	1

Please provide further feedback here:
