

CHRISTUS SANTA ROSA HEALTH CARE  
SANTA ROSA FAMILY HEALTH CENTER

RESIDENT GRADUATE MEDICAL EDUCATION AGREEMENT

This agreement (this "Agreement") is by and between the SANTA ROSA FAMILY HEALTH CENTER, a Texas nonprofit tax exempt 5.01(a) corporation ("Health Center") and \_\_\_\_\_ ("Resident").

Type/Specialty of House Staff Training: Family Medicine

Education Year and term of Agreement begins on July 1, 2008 ("Effective Date") and expires on June 30, 2009 unless renewed as set forth herein.

WHEREAS, Health Center has an agreement with CHRISTUS Santa Rosa Health Care ("Hospital") to provide professional direction, staffing and coverage ("Staffing Agreement") for the Hospital's Family Medicine Residency Program ("Family Medicine Residency Program");

NOW THEREFORE, in consideration of the mutual promises in this Agreement and the payments to be made or received by each party, Health Center and Resident agree as follows:

1. Engagement.

- (a) The Health Center hereby employs Resident on the terms and conditions set forth herein. Resident acknowledges that Resident is an employee of the Health Center. Resident shall be under the direction and supervision of the Program Director ("Program Director") and the teaching staff ("Faculty") who are responsible for the general administration of the residency program (the "Residency Program"). The Health Center acknowledges that the direction and supervision of the Resident by the Program Director and Faculty is an integral part of the engagement of the Resident and the Health Center agrees to consult with the Program Director concerning the performance of Resident's duties and obligations hereunder. The Health Center shall have overall responsibility for the administration and operation of the Residency Program. Health Center shall provide the personnel reasonably necessary for Health Center's administration of the Residency Program as determined in Health Center's sole discretion. Health Center has the sole and exclusive responsibility for determining and providing the compensation, and the hiring and/or firing of personnel in the Residency Program.
- (b) Resident acknowledges that Resident, in accordance with the Residency Program Policy and Procedures, and Handbook, and Medical Staff Bylaws, is not a member of the Medical Staff of the Hospital and that Resident's professional duties and responsibilities will be as set forth by Resident's Program Director. Resident shall at all times during the term of this Agreement discharge Resident's responsibilities consistent with generally accepted standards of medical care in a manner consistent with the principles of medical ethics. Resident shall actively participate in training to gain experience consistent with established Residency Program standards and Health Center requirements and shall comply with the policies and procedures of the Residency Program. Resident agrees to provide professional medical services to all patients receiving care in designated Health Center sites, without regard to such patients' ability to pay status, race, creed, national origin, sex, sexual orientation, age or disability, and in accordance with all applicable federal, state and local laws, rules and regulations.
- (c) Resident shall provide said services faithfully, industriously and to the best of Resident's professional ability to Health Center on a full-time basis, at times and places and with duties as designated by Health Center, and shall be subject to call at anytime, as patient needs, Health Center needs or exigencies may require. Resident is a salaried (as opposed to hourly) employee. Accordingly, Resident's performance of services during more than a specified minimum number of hours shall not entitle Resident to additional compensation. Notwithstanding Resident's entitlement to vacation and sick time, Resident shall coordinate with Health Center to ensure that there is adequate coverage of patients while Resident is away for whatever reason.
- (d) In the performance of Resident's obligations and provision of services hereunder, Resident is an employee of Health Center and, as a practitioner of medicine, shall provide medical care and treatment to patients of Health Center or Hospital and to patients at other facilities and locations as directed by Health Center.

2. Standards. All professional and administrative services provided by Resident under this Agreement will be provided in compliance with: the doctrinal and moral tradition of the Roman Catholic Church as expressed in the Ethical and Religious Directives for Catholic Health Care Services promulgated by the National Conference of Catholic Bishops; the Hospital's ethical policies; the standards of the Joint Commission on Accreditation of Healthcare Organizations,

the Department of Health and Human Services, the bylaws and policies of Health Center and Hospital, and the health care facilities designated by Health Center; and the bylaws, rules and regulations of the Medical Staff of the Hospital, as applicable to Resident, and the health care facilities designated by Health Center, all as may from time to time be amended.

3. GME Related Requirements. Resident is required to comply with the laws, rules, regulations, standards and recommendation related to the operation of a Residency Program, including without limitation, the Accreditation Council for Graduate Medical Education (“ACGME”), and the Residency Review Committee and any Residency Program specific rules, all as may from time to time be amended. The Health Center will endeavor to meet the criteria of the Residency Review Committee, and the criteria of the ACGME in coordinating the duration and sequence of assignments to clinical, laboratory, or ambulatory care facilities. The Program Director will communicate with Resident regarding assignments. Health Center guarantees that Residency Program meets specialty board eligibility.
4. Residency Orientation and Check-in. Resident will participate and meet Residency Orientation and check-in requirements, which may begin prior to the July 1<sup>st</sup> official start date of the respective academic year. Resident will be paid for the additional time required for Orientation and Check-in.
5. Outside Activities; Moonlighting. Resident is not expected to moonlight or perform activities outside the scope of this agreement. Resident may not practice medicine outside the scope of this Agreement without the prior written consent of the Health Center and Program Director, exercised in their sole discretion. Resident acknowledges that such outside services must be performed on Resident’s own time and shall not interfere with Resident’s rendering of services hereunder. Resident further acknowledges and agrees that Resident shall procure, at Resident’s sole cost and expense, all malpractice/professional liability insurance necessary to protect and insure Resident when Resident practices medicine outside the scope of this Agreement and that the Health Center’s malpractice/professional liability insurance policies and/or programs of self insurance do not cover Resident when Resident practices medicine outside the scope of this Agreement. Resident shall provide the Health Center with Certificates of Insurance verifying such coverage prior to practicing medicine outside the scope of this Agreement. In the event that such outside services interferes with Resident’s rendering of services hereunder, as determined by the Resident’s Program Director in his/her sole discretion, the Resident will be required to curtail or discontinue such outside services. Resident acknowledges that the institutional permit issued for medical practice during approved program rotations does not apply to outside services provided by Resident.
6. Reports and Records. Resident agrees to cause to be promptly prepared and filed reports of all examinations, procedures, and other professional services performed, and Resident agrees to maintain an accurate and complete file within the Health Center and Hospital or other locations approved by Health Center of all such reports and supporting documents, all in accordance with Health Center and Hospital’s policies. The ownership and right of control of all reports, case records, case histories, x-ray and other films, and supporting documents prepared by Resident shall belong to the Health Center, Hospital, or other facility or locations approved by Health Center. Resident will be responsible to the Program Director for the prompt completion and submission of all medical records. Any failure by Resident to timely complete and submit such medical records shall result in sanctions as imposed by Resident’s Program Director.
7. Use of Premises; Incurring Financial Obligation. Resident agrees not to use or permit anyone to use any part of the Health Center or Hospital for any purpose other than the performance of services under this Agreement. Without limiting the generality of the foregoing statement, Resident agrees not to use the Health Center or Hospital in any manner that may jeopardize any applicable tax exempt status, insurance, or risk management programs. Resident agrees and acknowledges that Resident has no right, power or authority to incur and will not incur any financial obligation, legal obligation or liability, or other obligation on behalf of, or binding upon, Health Center. Resident hereby agrees to fully indemnify and hold Health Center harmless from and against all such financial obligations, legal obligations or liabilities, or other obligations that Resident enters into or incurs without the express prior written approval of the Health Center.
8. Confidentiality and Item Ownership. (a) Resident will not, during the term of this Agreement or at any time thereafter, disclose any secrets or confidential technology, proprietary information, customer lists, or trade secrets of Health Center, strategic or operational planning information, or any matter or thing ascertained by Resident through Resident’s association with Health Center, the use or disclosure of which might reasonably be construed to be contrary to the best interests of the Health Center. Resident further agrees that upon termination of this Agreement, Resident will neither take nor retain any records (e.g., patient and/or business), papers, files, computer programs and software, other documents or copies thereof, or other confidential information belonging to Health

Center or Hospital. Resident may receive a portfolio approved by Health Center documenting completion of core competencies. Without limiting other remedies available to Health Center for the breach of this covenant, Resident agrees that an injunction or other equitable relief shall be available without the necessity of Health Center posting a bond.

- (a) All modalities, plans, and programs, and all patents, formulae, inventions, ideas of inventions, processes, copyrights, know-how, proprietary information, trademarks, trade names, strategic and operational planning information, and other medical and patient related developments (collectively "Items"), or future improvements to such Items, developed or conceived by Resident in the course and scope of Resident's employment under this Agreement, or with the use of the facilities, property or personnel of Health Center, are the sole property of Program and shall be promptly disclosed to Health Center. At any time during the term of this Agreement and thereafter, Resident will execute an assignment of such Items to Health Center and execute such other instruments as Health Center shall request to protect Health Center's interest in such Items.

9. Representations and Warranties.

- (a) Resident represents and warrants to the Health Center that, except as indicated below: (i) Resident has not been reprimanded, sanctioned, or disciplined by any licensing board or state or local medical society or specialty board or any medical school or other institution of higher learning; (ii) Resident has not had a legal action for negligence or malpractice filed against Resident nor has Resident compromised, settled, or had a final judgment entered against Resident for a negligence or malpractice claim; (iii) Resident has never been convicted of a crime related to health care fraud nor has Resident ever been excluded from participation in any federal or state health care program; or (iv) Resident has not been charged or convicted of any felony or any misdemeanor involving moral turpitude. Resident further acknowledges that Health Center is relying on these representations as essential elements to this Agreement. Resident agrees to notify Health Center within five (5) days after Resident becomes aware of: (i) any disciplinary proceedings that may be brought against Resident by any medical school, institution of higher learning, medical society or specialty board, medical organization or Hospital acting through its medical staff, directors, trustees or otherwise; (ii) any action taken against Resident by any governmental agency; or (iii) any notice or claim of pending or threatened negligence or medical malpractice action. Resident shall maintain all necessary licenses, certificates, and other authorizations to provide services as contemplated herein. Resident hereby consents to Health Center's consulting with and receiving information from third parties to verify the representations and warranties set forth in this Paragraph 8. Resident reporting of lawsuits does not bar consideration from participation in the Residency Program. Listed below are any exceptions to the representations and warranties set forth herein (if none, write "NONE"): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (b) Resident recognizes and acknowledges that Health Center may obtain information from various sources deemed reasonably necessary by Health Center regarding the professional and clinical qualifications of Resident and any other related matters (including, without limitation, criminal background checks, Hospital and clinical privileges, licensure matter, litigation matters, disciplinary matters, etc.) By signature on this Agreement, Resident authorizes Health Center to obtain and authorizes appropriate third parties to release to Health Center any and all information regarding the qualifications of Resident and any other related matter. Furthermore, Resident recognizes and authorizes Health Center to release any such information to any and all affiliates of Health Center related by ownership or control for purposes of notifying affiliates as to qualifications of Resident.

- 10. Professional Liability Insurance Matters. Health Center agrees to provide, at Health Center's expense, for both Health Center's and Resident's benefit during the term hereof, professional liability coverage in such amounts as determined in Health Center's sole discretion through a company or companies, or through a self-insurance program, of Health Center's choice, covering Resident's professional services undertaken within the course and scope of this Agreement. The coverage to be provided by Health Center hereunder will be consistent with Health Center's policies as amended from time to time. If the coverages obtained by Health Center are in Resident's individual name, Resident hereby gives Health Center an irrevocable power-of-attorney to negotiate, enter into, and amend the policy (policies), and in all other issues to stand in the position of the insured. Resident hereby consents to and irrevocably grants to the Health Center the power, right and authority to settle, on behalf of Resident, without further notice to or consent of Resident, any claim which is brought against or may be brought against the Health Center, Resident, both, and/or any other persons or entities, if the Health Center, in its sole discretion, determines

that the settlement of such claim is appropriate. The power to settle any claim granted by Resident herein is coupled with an interest and is irrevocable. In the event Resident fails, at any time, to fully comply with any of the terms, provisions, or conditions of Health Center's self-insurance program or of the Health Center's applicable commercial insurance policies, or fails to cooperate, in any way, with the Health Center or any commercial insurer, no professional liability coverage will be accorded to Resident.

11. Compensation. In full consideration of Physician's services rendered hereunder, Employer shall pay to Resident the sum of Forty thousand five hundred dollars (\$ 40,500.00) per annum, or pro rata portion thereof, payable in accordance with Health Center's pay policies. All amounts due Resident by Health Center under this Agreement are subject to and shall be reduced by applicable employment-related taxes, including but not limited to income-tax, Medicare and Social Security.
12. Benefits. Except as set forth below with respect to appraisal, merit or compensation increases and paid time off (including without limitation, sick days, vacation, and jury duty) Resident will be entitled to benefits approved by Health Center pursuant to Health Center's policies, as amended from time to time. These benefits currently include but are not limited to health, disability and life insurance. In addition, Resident will be afforded the following:
  - (a) Lab Coats: Two (2) long sleeve coats, with name tapes, are furnished by the Health Center for use by Resident as well as laundry service for coats. These items remain the property of the Health Center at all times, and Resident shall pay for the repair or replacement of any damaged or lost items.
  - (b) Meals. Provided pursuant to Health Center or Hospital policy on resident meals, as amended from time to time.
  - (c) Quarters: On call quarters/room provided for nights when Resident is on call or assigned night duty.
  - (d) Paid time off: Twenty one (21) work days of paid time off are provided to residents, fifteen (15) days vacation and six (6) days for sick or personal business. Approved CHRISTUS holidays are also paid time off. Paid time off may only be taken at a mutually agreeable time approved by the Program Director. Vacation may not be scheduled during initial four (4) weeks or the last four (4) weeks of each contracted year hereunder. No paid time off may be carried forward from year to year. Unused vacation and sick days are forfeited each year and no compensation will be given or paid in lieu of paid time off.
  - (e) Parking. Resident will be given free parking in lots and locations designated by Health Center or Hospital.
  - (f) Personal Professional Development. Resident will receive \$1,000 over a course of three years (PGY1, PGY2 and PGY3) for use towards Personal Professional Development.
  - (g) Resident Assistance Program: A resident assistance program designed to provide counseling service to residents in need to social or psychological guidance.

Resident expressly understands and agrees that due to ACGME and specialty board requirements, Resident is not entitled to participate in performance appraisal, merit or compensation increases and paid time off as provided in the Health Center's personnel policies, rules and regulations. These matters will be governed by this Agreement and the Residency Program policies related to performance appraisal, merit or compensation increases and paid time off. Resident acknowledges that it is Resident's sole responsibility to ensure that Resident satisfies the criteria for completion of the Residency Program and specialty board requirements including without limitation the days away from program requirement set by specialty board.

13. Grievances. Resident is not entitled to the due process rights of the bylaws of the Medical Staff of the Hospital or to the grievance procedures of the Hospital's personnel policies, rules and regulations, as from time to time amended. Resident will be entitled to discuss any differences, dissatisfactions or grievances that may exist in accordance with the Program's Residency Handbook, as amended from time to time.
14. Term and Termination.
  - (a) This Agreement shall commence on the Effective Date and shall continue for a period of one (1) year unless sooner terminated as provided herein. There is no automatic right of renewal or extension of this Agreement, and any renewal or extension requires successful advancement by Resident to the next level of training in accordance with the policies and procedures of the Residency Program and written notice from Health Center to Resident of such successful advancement. Resident acknowledges that advancement to the next level of training is not automatic. Advancement is based upon the determination of the Program Director that the Resident has achieved a level of competence, both academically and clinically, commensurate with the higher level. Additionally, if advancement is to be withheld, the Health Center will endeavor to notify the Resident of this decision at least four (4) months prior to the next contract year.
  - (b) Either party may immediately terminate this Agreement for breach of any term or condition of this Agreement by the other party (the "Breaching Party") fifteen (15) days after written notice thereof is received by the Breaching Party. The party claiming the right to terminate under this subsection shall set

forth in the notice the facts underlying its claim that the other party is in breach of the Agreement. Remedy of the such breach within fifteen (15) days of the receipt of such notice shall continue the Agreement in effect for the remaining term, subject to any other rights of termination contained in this Article 4 or elsewhere in this Agreement.

- (c) Notwithstanding any other provision of this Agreement to the contrary, Health Center, in consultation with the Program Director, shall have the right, in its sole discretion, to terminate this Agreement immediately upon written notice to Resident upon occurrence of any of the following: (i) any termination, suspension, withdrawal under threat of disciplinary action, probation, limitation, or reduction in Resident's house staff privileges at Hospital or any other Hospital or health care facility; (ii) any termination, suspension, probation, limitation, revocation or lapse of Resident's (1) Physician In Training permit or Institutional Permit from the State of Texas, or (2) qualification under the Medicare or Medicaid programs; (iii) if, in the sole judgment of Health Center, Resident becomes uninsurable at standard rates under such insurance carriers or programs of self-insurance as Health Center elects to utilize to meet the insurance requirements set forth in this Agreement; (iv) in the event of the death of Resident, or the ill health or other disability of Resident which prevents or makes inadvisable Resident's continued provision of services hereunder; (v) the charging or conviction of Resident of any felony or any misdemeanor involving moral turpitude; (vi) if, in the sole judgment of Health Center or Hospital, individual health or safety is in imminent and serious danger from Resident's action or Resident does anything to harm the business reputation of Health Center or Hospital; (vii) if Resident violates any term of Health Center's policies as they exist from time to time; or (viii) if any representation, warranty or covenant of Resident hereunder is or becomes false or untrue.
- (d) The Agreement is contingent on the insurability of Resident, at standard rates, by the professional liability insurance carrier or program of self insurance selected by Health Center, and the Resident's ability to receive and maintain a Physician In Training permit or Institutional Permit from the State of Texas. In the event that any such contingency is not satisfied as of the Effective Date, this Agreement shall at the option of Health Center be null and void and of no further force and effect.

15. Notice. Any notices contemplated under this Agreement shall be effective when personally delivered or received through certified mail posted to the noticed party at the party's last-known post office address, unless other addresses have been designated by written notice.
16. Governing Law, Construction and Venue. This Agreement shall be enforced in accordance with the laws of the State of Texas. The parties agree and intend that this Agreement comply with and be subject to all applicable federal, state, and local laws; and all rules, regulations, or policies of any federal, state, or local regulatory agency; whether now existing, or hereinafter enacted, adopted, or created; and Resident agrees to abide by all such laws, rules and regulations. In the event any law, rule, or regulation, in the opinion of Health Center's legal counsel, affects the obligations of a party or the parties to this Agreement or may or does violate any such law, rule, or regulation, Health Center shall have the option to immediately terminate this Agreement or declare that this Agreement shall, by intention of the parties, be deemed modified and amended to comply with such law, rule, or regulation. The parties agree that the state courts of Bexar County, Texas, shall be the exclusive courts of jurisdiction and venue for any legal action, special proceeding or other proceeding that may be brought, or arise out of, in connection with, or by reason of this Agreement. The parties specifically waive any rights of venue in any other courts that they might otherwise have.
17. Waiver and Severability. No delay or omission by either party to exercise any right or remedy under this Agreement shall be construed to be either acquiescence or the waiver of the ability to exercise any right or remedy in the future. In the event any part or parts of this Agreement are held to be unenforceable, the remainder of this Agreement shall continue in effect.
18. Force Majeure and Assignment. Neither party shall be liable nor be deemed in default of this Agreement for any delay or failure to perform caused by Acts of God, war, disasters, strikes, or any similar cause beyond the control of the parties. The rights and obligations of this Agreement may be assigned by Health Center to any affiliate related by ownership or control without Resident's agreement. The rights and obligations of this Agreement may not be assigned or delegated by Resident.
19. Execution, Amendments and Entire Agreement. Multiple counterparts of this Agreement shall be signed by Resident and on behalf of Health Center by its authorized representatives. Each signed copy shall be an original, but all signed copies together shall be one and the same instrument. In order to be effective, any amendments to this Agreement must be in writing and signed as required above. This Agreement and its exhibits, if any, supersede any previous understanding between the parties, oral or otherwise, and constitute the entire Agreement between the

parties relating to the subject matter hereof. Both parties acknowledge that any statements or documents not specifically referenced and made a part of this Agreement shall not have any effect.

20. Policies. The terms of this Agreement shall control the terms of Physician's employment. Physician shall also be subject to the policies and procedures of Health Center and the Residency Program as they exist and are amended from time to time, including but not limited to the policies and procedures on resident complaints and grievances, professional, parental, and sick leave benefits, sexual and other forms of harassment, leave of absence, counseling services, physician impairment/substance abuse, and residency closure/reduction. A copy of the Health Center's current GME Policy and Procedure Manual ("Manual") will be provided to Resident following the execution of this Agreement and the Manual may thereafter be amended by the Health Center in accordance with the Health Center's policies. In the event of a conflict between such policies and procedures and this Agreement, this Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

Resident

CHRISTUS Santa Rosa Family Health Center

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Print: James Martin, MD, Program Director  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Bill Pack, CRSRHC Regional Vice President/CFO  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Don Beeler, CSRHC President/CEO  
Date: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_  
CHRISTUS Santa Rosa Family Health Center  
333 N. Santa Rosa St.  
San Antonio, Texas 78207