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FOR PHYSICIAN, TEACHING AND MEDICAL  
ADMINISTRATIVE SERVICES FOR PHYSICIAN,  
TEACHING AND MEDICAL ADMINISTRATIVE  
SERVICES

BETWEEN

UNIVERSITY HEALTH SHREVEPORT

AND

LSU HEALTH SCIENCES CENTER - SHREVEPORT

October 1, 2013

This PROFESSIONAL SERVICES AGREEMENT for PHYSICIAN, TEACHING AND MEDICAL ADMINISTRATIVE SERVICES (“Agreement”) is dated October 1, 2013 (“Effective Date”) and is between the **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE on behalf of LOUISIANA STATE UNIVERSITY** (“LSU”), a public constitutional corporation of the State of Louisiana, and **BRFHH SHREVEPORT, L.L.C.**, a Louisiana limited liability company d/b/a **UNIVERSITY HEALTH SHREVEPORT** (“Hospital”). LSU and Hospital are sometimes individually referred to herein as “Party” and collectively as the “Parties”.

### RECITALS OF FACTS AND PURPOSE

- A. On or about September 30, 2013, LSU and BRF Hospital Holdings, LLC (“BRFHH”) entered into a Cooperative Endeavor Agreement (“CEA”) with the State of Louisiana (“the State”), the stated purpose of which is for the Parties, as separate entities, to work collaboratively with each other and the State to secure funding from the State for the cost of services to uninsured patients at the Hospital and to develop and maintain nationally recognized Graduate Medical Education (“GME”) programs with appropriate facilities, structure and funding, while furthering the State’s purpose of providing Medicaid recipients with integrated, coordinated care; management of chronic disease; improvement in access to preventive and diagnostic services for children and adults; and improved recipient satisfaction with access to care and the care experience while providing the State with improved budget predictability.
- B. Hospital is located at 1541 Kings Highway, Shreveport, Louisiana and is a tax-exempt 501(c)(3) Hospital.
- C. It is a goal of the Parties that Services, as defined below, provided to inpatients and outpatients (collectively “patients”) at Hospital, continue to be provided by appropriately qualified physicians who are credentialed by the Hospital and employed by the State of Louisiana.
- D. Hospital desires to enter into a contract with LSU whereby LSU provides Physician Services; Teaching Services and Medical Administrative Services at Hospital by and through the LSU Faculty, and

**NOW THEREFORE**, in consideration of the foregoing, the mutual promises and covenants set forth in this Agreement and the CEA, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto agree as follows:

## DEFINITIONS

Capitalized terms in this Agreement, not defined elsewhere within the Agreement, shall have the following meanings:

- A. **Clinical Personnel:** The term “Clinical Personnel” shall include but not necessarily be limited to nurses and technicians employed or contracted by Hospital.
- B. **CMS:** The term “CMS” shall refer to the Centers for Medicare & Medicaid Services.
- C. **Hospital Policies:** The term “Hospital Policies” shall mean and include the Bylaws and any policies and procedures of the Hospital, and Bylaws and rules and regulations of the Medical Staff, and other policies, practices and procedures of Hospital as are from time to time adopted, authorized and approved.
- D. **LSU Faculty:** Qualified physicians licensed to practice medicine in the State of Louisiana and who are members of the Hospital’s Medical Staff with clinical privileges to provide the Services required under this Agreement and who are members of the faculty at the Louisiana State University Health Sciences Center at Shreveport.
- E. **Services:** The term “Services” shall include those Physician Services, Teaching Services and Medical Administrative Services as more fully described in this Agreement and **Exhibit A.**
  - (i) **Medical Administrative Services:** “Medical Administrative Services” are those administrative services requiring the expertise of qualified LSU Faculty as more fully described in this Agreement and **Exhibit A;**
  - (ii) **Physician Services:** “Physician Services” are those health care professional services provided by licensed LSU Faculty either personally or under supervision as required by CMS for Hospital patients as more fully described in this Agreement and **Exhibit A;**
  - (iii) **Teaching Services:** “Teaching Services” are those medical educational teaching services, including the supervision of Interns, Residents and Fellows, provided by LSU Faculty as more fully described in this Agreement and **Exhibit A.**

## ARTICLE ONE

### REPRESENTATIONS AND WARRANTIES

#### **Section 1.01.**            Eligibility for Government Programs.

Section 1.01(a):        Eligibility Status. Each Party represents it has not been convicted of a criminal offense related to health care, and it is not, nor are any of its employees or agents performing services under this Agreement, currently listed on the List of Excluded Individuals and Entities (“LEIE”) by the Office of Inspector General of the Department of Health and Human Services or by any other Federal or State of Louisiana agency or department as debarred, excluded or otherwise ineligible for participation in federal programs and/or federally funded health care programs including Medicare and Medicaid (“Excluded”).

Section 1.01(b): Continuing Duty. Each Party shall 1) regularly verify the continued accuracy of the Eligibility Status representation of Section 1.01(a); 2) immediately terminate its relationship with any individual, agent or entity upon discovering such individual, agent or entity is Excluded and 3) shall notify the other Party immediately, in writing, of any change in circumstances related to its representations made herein. It is further understood and agreed that any misrepresentation herein or failure to notify the other Party of any change in circumstances related to these representations made herein, shall constitute cause to immediately terminate this Agreement.

**Section 1.02.**            Legal Compliance. Each Party represents and warrants that no cash, equity interest, merchandise, equipment, services or other forms of remuneration have been offered, shall be offered, or will be paid or distributed, by or on behalf of such Party and/or the physicians, officers, or directors of such Party, or to any other person, Party or entity affiliated with such Party, as an inducement to refer or purchase or to influence the referral or purchase of services reflected in this Agreement. Further, each Party agrees that it is not obligated by the terms hereof to refer patients to the other Party, that the compensation paid hereunder is consistent with fair market value of the goods and services provided hereunder, and that no part of the consideration paid and received hereunder is in exchange for the referral of patients or the promise to make such referrals.

**Section 1.03.**            Conflicts of Interest. Each Party represents that it has disclosed to the other Party all relationships or financial interests that may represent or could be construed as a conflict of interest with respect to this agreement. Except as may be disclosed in writing by Hospital or LSU, each further represents that no employee, director or officer of either is a partner, member or shareholder of, or has a financial interest in the other. For purposes of this Section 1.03, the term “financial interest” shall include, but not be limited to, the following transactions or relationships between an employee, director or officer of Hospital and LSU or the

LSU Faculty - consulting fees, honoraria, gifts or other emoluments, or “in kind” compensation; equity interests, including stock options, of any amount in a publicly or non-publicly-traded company (or entitlement to the same); royalty income (or other income) or the right to receive future royalties (or other income); any non-royalty payments or entitlements to payments; or service as an officer, director, or in any other role, whether or not remuneration is received for such service. A breach of any representation under this Section 1.03 shall be grounds for immediate termination of this Agreement.

## ARTICLE TWO

### TERM

**Section 2.01.** Term of Agreement. Unless sooner terminated in accordance with the terms of this Agreement, the initial term of this Agreement shall commence on October 1, 2013 and shall continue for two (2) years through September 30, 2015 (“Initial Term”). This Agreement may be renewed thereafter for additional one (1) year terms upon the mutual written consent of the Parties (“Renewal Term(s)”). The Initial Term and any Renewal Term(s) shall be the Term of the Agreement.

**Section 2.02.** Amendment. The Parties agree that Hospital will conduct a needs assessment and evaluation of the Services needed by Hospital. LSU agrees to cooperate with Hospital shall provide Hospital with information and documentation reasonably necessary for such needs assessment.

## ARTICLE THREE

### DUTIES OF LSU

**Section 3.01.** LSU Duties. LSU shall, throughout the term of this Agreement:

Section 3.01(a): ensure each LSU Faculty member providing Services under this Agreement is a member in good standing of the medical staff of Hospital with clinical privileges necessary to perform such Services;

Section 3.01(b): ensure each LSU Faculty member providing services under this Agreement holds a valid and current license to practice medicine in Louisiana and is in good standing before the Louisiana State Board of Medical Examiners;

Section 3.01(c): ensure each LSU Faculty member successfully completes Hospital’s credentialing process and maintains such credentials as necessary to perform the Services;

Section 3.01(d): agree, and ensure each LSU Faculty member agrees, to comply with the applicable provisions of the following: the Federal Criminal False Claims Act (18 U.S.C. § 287 *et seq.*), the Federal Civil False Claims Act (31 U.S.C. § 3729 *et seq.*), the Federal

Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)), the Federal Civil Monetary Penalties Law (42.U.S.C. § 1320a-7a), the Federal Physician Self-Referral Law (42 U.S.C. § 1395nn) (“Stark II”), the Louisiana Medical Assistance Programs Integrity Law (La. R.S. 46:437.1 *et seq.*) and other applicable Federal and Louisiana statutes and regulations relating to health care.

Section 3.01(e): ensure each LSU Faculty member agrees to comply with the Hospital’s policies, procedures, rules and regulations;

Section 3.01(f): ensure all Services are performed in accordance with the applicable standard of care and in conformance with the standards for performance of such Services established by accrediting entities and CMS, it being understood that LSU Faculty shall exercise independent medical judgment in providing Physician Services. Hospital shall not interfere with such independent medical judgment other than when it exercises its duties in accordance with Hospital’s Medical Staff Bylaws, and its Rules and Regulations;

Section 3.01(g): ensure LSU Faculty only use the Hospital premises, and any part thereof, for the performance of the Services unless otherwise mutually agreed to by the Parties in writing;

Section 3.01(h): negotiate in good faith with third Party payors as requested by Hospital, and agree to participate with such third-Party payment programs as requested by Hospital, including without limitation, Medicare and Medicaid; with the understanding any global or bundled reimbursements will be negotiated mutually and in good faith by LSU, Hospital and payors; and

Section 3.01(i): ensure all LSU Faculty providing Physician Services timely and accurately complete patient medical records, files and records of such Physician Services rendered under this Agreement in accordance with applicable CMS guidelines, third party payor reimbursement requirements, Hospital Policies and Louisiana and Federal laws.

## ARTICLE FOUR

### DUTIES OF THE HOSPITAL

**Section 4.01.** Policies and Procedures. Hospital agrees to make available to LSU and LSU Faculty, upon request, copies of all Hospital Policies and Procedures. Hospital agrees to notify LSU, in a timely manner, of any proposed, anticipated or actual changes to the Hospital Policies and Procedures that materially impact LSU Faculty’s provision of Services.

**Section 4.02.** Support Provided by Hospital. To facilitate the efficient and effective provision of the Services, Hospital shall make the following available to LSU Faculty, at the Hospital’s sole cost and expense:

Section 4.02(a): Office Space. Hospital shall provide sufficient office space reasonable and necessary to provide Administrative Services for use by the Chiefs of Services, Chief Medical Officer and Chief Medical Information Officer.

Section 4.02(b): Clinical Personnel. Hospital shall provide qualified Clinical Personnel to assist the LSU Faculty in the performance and provision of Physician Services at the Hospital as determined necessary by Hospital after consultation with LSU. Such Clinical Personnel shall be performing the nursing and other technical services customarily provided for hospital inpatients and outpatients. LSU Faculty shall utilize Clinical Personnel solely to render hospital services pursuant to this Agreement. All services performed by such Clinical Personnel shall, if applicable, be billed by Hospital, and LSU shall not bill any patient or third party for any services rendered by Clinical Personnel.

Section 4.02(c): Office Personnel. Hospital shall provide qualified office personnel to assist the LSU Faculty in the performance and provision of Services at the Hospital as determined reasonable and necessary by Hospital after consultation with LSU.

Section 4.02(d): Medical Equipment. Hospital shall provide equipment for use by the LSU Faculty in the performance and provision of Services at the Hospital as determined reasonable and necessary by Hospital after consultation with LSU.

Section 4.02(e): Medical Records. Hospital shall provide and maintain a medical record system for the documentation of Physician Services at Hospital.

Section 4.02(f): Participation in Medicare and Medicaid. Hospital shall participate in Medicare and Medicaid.

## ARTICLE FIVE

### COMPENSATION

**Section 5.01.** Payment to LSU. The Parties agree to the compensation terms and provisions with respect to the Services as set forth on **Exhibit A**, attached hereto and incorporated herein by reference in their entirety.

**Section 5.02.** Payment Upon Invoice.

Section 5.02(a): LSU shall provide Hospital with an invoice, the form of which shall be mutually agreed upon between Hospital and LSU, attesting to the time and effort verifications for compensation related to residency education and supervision, administrative services (Chief of Service) and on call coverage provided by LSU during the previous month as required by this Agreement and its Exhibits. At Hospital's request, LSU shall provide Hospital with supporting documentation for supporting the Invoices including completed time and effort sheets by Faculty. Hospital shall pay LSU for those Services completely and accurately

described on the Invoice by the latter of the last day of the month in which Hospital received the undisputed Invoice or within twenty (20) days of Hospital's receipt of the undisputed Invoice.

**Section 5.02(b):** If LSU Faculty fails to timely complete medical records as required under Section 9.01, resulting in Hospital's inability to generate a charge, within thirty (30) days Hospital will notify LSU that such medical record(s) is not complete and LSU will have fourteen (14) days to complete the outstanding record(s). Should LSU fail to effectuate the necessary completion, Hospital may, in its sole discretion, withhold that portion of Compensation due LSU for Services equivalent to the expected revenue from the claims Hospital cannot submit for payment due to the LSU Faculty's failure to complete the medical record. Once the medical record is appropriately completed and LSU so notifies Hospital, Hospital will pay LSU the withheld Compensation within ten (10) days.

**Section 5.03.** Representation Regarding Payment. The Parties represent and warrant that the compensation paid to LSU does not exceed fair market value and does not vary with or take into account the volume or value of referrals or other business generated by the LSU Faculty members for the Hospital and that the Services are commercially reasonable. If any Party provides the other Party written notice of its good faith belief that the terms of this Agreement put either party at risk of violating this representation and warranty, Federal or Louisiana statutes or regulations, the Parties agree to negotiate changes to the Agreement in good faith. If the Parties cannot agree to changes to the Agreement within thirty (30) days, either Party may terminate this Agreement upon written notice to the other Party.

## ARTICLE SIX

### RELATIONSHIP OF THE PARTIES

**Section 6.01.** Independent Contractors. The Parties agree that each LSU Faculty member providing Services to Hospital is and shall be an a faculty member of LSU and shall not, for any purpose whatsoever, be or be considered an employee, representative or agent of Hospital unless otherwise specifically agreed to by the Parties in writing. In providing the Services to Hospital, the LSU Faculty will be acting in the course and scope of their employment, appointment, or assignment for, or on behalf of, LSU and shall not be entitled to receive or accept from Hospital any remuneration or other compensation whatsoever for the Services provided hereunder.

**Section 6.02.** No Employer/Employee Relationship. The Parties agree that LSU and Hospital are independent contractors in relation to each other and nothing in this Agreement is intended, and nothing in the Agreement shall be construed, to create an employer/employee relationship or a joint venture relationship between the Parties. The provisions set forth in this Article Six shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.



Section 6.02(a): Tax Treatment. The Parties agree that LSU Faculty will not be treated as employees of Hospital for tax purposes. Hospital will not withhold on behalf of LSU Faculty any sums for income tax, unemployment insurance, social security, or any other withholding pursuant to any law, or make available to LSU Faculty any of the benefits afforded to employees of the Hospital.

**Section 6.03.** Incurring Liabilities. Neither Party shall have the authority to bind the other Party under any contract or agreement or incur any debts or other obligations on behalf of the other Party.

## ARTICLE SEVEN

### INSURANCE

**Section 7.01.** Insurance. LSU, at its sole expense, agrees to maintain a policy or program of professional liability coverage or insurance, covering LSU and LSU Faculty through LSU's qualification under Louisiana Medical Malpractice Act (La. R.S. 40:1299.39 *et seq.*). LSU, at its sole expense, shall also maintain comprehensive general liability insurance with minimum coverage of not less than one million dollars (\$1,000,000). Such policies or programs of insurance will provide that the insurance company will notify Hospital at least ten (10) days prior to cancellation or any change in coverage under the policy or program of insurance. Such policy or program of insurance shall name Hospital as an additional insured. Within ten (10) days after the date on which LSU first renders the Services hereunder, LSU will provide Hospital with a copy of a policy or certificate of insurance for its coverage for any acts of professional malpractice or other negligence arising out of or connected with this Agreement by LSU Faculty or other LSU employees and agents.

## ARTICLE EIGHT

### INDEMNIFICATION

**Section 8.01.** Indemnification by LSU. LSU hereby agrees to protect, defend, and indemnify Hospital and its affiliates and their respective officers, directors, members, managers, agents and employees against, and hold the same harmless from any and all liability, losses, damages, obligations, judgment, claims, causes of action and expenses associated therewith (including reasonable attorney fees) resulting from or arising out of, directly or indirectly, any wanton misconduct or negligent act or omission by LSU or its employees, employed or contracted physicians or agents or a breach of its obligations hereunder.

**Section 8.02.** Indemnification by Hospital. Hospital hereby agrees to protect, defend, and indemnify LSU and its affiliates and their respective officers, directors, managers, agents and employees against, and hold the same harmless from any and all liability, losses, damages, obligations, judgment, claims, causes of action and expenses associated therewith

(including reasonable attorney fees) resulting from or arising out of, directly or indirectly, any wanton misconduct or negligent act or omission by Hospital or its employees, or agents or a breach of its obligations hereunder.

**Section 8.03.**            Indemnification Notice. If any claim shall arise hereunder, the party receiving notice of the claim shall give prompt written notice of such claim to the other party, except that any delay or failure of notice shall not relieve either party of the obligations within its scope of responsibility hereunder except to the extent such delay has materially prejudiced the other party.

## ARTICLE NINE

### MEDICAL RECORDS

**Section 9.01.**            Preparation and Completion of Medical Records. The Parties have agreed that LSU Faculty will complete medical records in a timely manner pursuant to the terms of this Agreement and Hospital's Policies and Medical Staff Bylaws and Rules and Regulations.

**Section 9.02.**            Ownership of Records. The ownership and right of control of all reports, records and supporting documents prepared in connection with the delivery of the Services shall vest exclusively in the Hospital and shall not be removed or transferred from the Hospital except in accordance with applicable state and federal laws and regulations, Hospital Policies, and/or the terms of this Agreement; provided however, that Hospital and/or LSU and/or LSU Faculty shall have the right to access, inspect or obtain copies of such reports, records and supporting documents in accordance with Hospital policies and procedures.

## ARTICLE TEN

### ACCESS TO RECORDS AND RECORD RETENTION

**Section 10.01.**            Records Retention. Hospital and LSU agree to retain this Agreement (including all amendments and supplements hereto) and any of their books, documents, and records which may serve to verify the costs of this Agreement for a period of four (4) years after the provision of any Clinical Services, or as otherwise required by law. All Parties agree to allow the Secretary of the Department of Health and Human Services and the Comptroller General to access this Agreement, as well as the books, documents and records kept in connection with the Clinical Services in the event that such access is requested in writing and is made in accordance with applicable federal regulations. Hospital's auditors, the Louisiana Legislative Auditor's Office and the Office of the Governor – Division of Administration auditors shall have the right upon reasonable written notice to inspect and audit, during Hospital's regular business hours and at no expense to LSU, the books and records of Hospital and LSU pertaining to this Agreement. This section shall survive the termination of the Agreement.

## ARTICLE ELEVEN

### TERMINATION

**Section 11.01.** Termination for Cause by Hospital. Hospital may terminate this Agreement prior to the expiration of the Term as follows:

Section 11.01(a): Hospital may terminate this Agreement for cause upon written notice to LSU if LSU breaches any material duty or obligation imposed upon it by this Agreement and fails to cure such breach within sixty (60) days after receiving written notice from the Hospital explaining such breach.

Section 11.01(b): Hospital may terminate this Agreement immediately upon written notice, unless otherwise noted, to LSU upon the occurrence of any of the following, or upon the occurrence of a breach not susceptible to cure as determined by the Hospital, which shall be deemed to constitute good reason for termination:

(i): Effective immediately without notice, this Agreement shall automatically terminate on the date LSU fails to comply with eligibility representations and warranties of Section 1.01;

(ii): The dissolution, reformation or other restructuring of LSU sufficient to cause LSU to no longer be able to fulfill its duties and obligations under this Agreement; or

(iii): The termination of the CEA between the Parties.

**Section 11.02.** Termination by LSU. LSU may terminate this Agreement, prior to the expiration of the Term as follows:

Section 11.02(a): LSU may terminate this Agreement for cause upon written notice to Hospital if Hospital breaches any material duty or obligation imposed upon it by this Agreement and fails to cure such breach within sixty (60) days after receiving written notice from LSU, explaining such breach.

Section 11.02(b): LSU may terminate this Agreement immediately upon written notice, unless otherwise noted, to Hospital upon the occurrence of any of the following, or upon the occurrence of a breach not susceptible to cure as determined by LSU, which shall be deemed to constitute good reason for termination:

(i): The Hospital is excluded from participation in Medicare or Medicaid; or,

(ii): The dissolution of the Hospital, or initiation of any insolvency proceedings, whether voluntary or involuntary, receivership, or general assignment for the

benefit of creditors of the assets of the Hospital, if such proceedings are not dismissed, with prejudice, within sixty (60) days; or,

(iii): The revocation or suspension of the Hospital's license to operate its hospital facilities; or,

(iv): Termination of the CEA between the Parties.

**Section 11.03. Termination Due to Legislative or Administrative Changes.** If there is a change in the Medicare or Medicaid laws, regulations, or general instructions (or in the application thereof), the adoption of new legislation, or an impending change in any other third-Party payor reimbursement system or applicable funding, any of which materially affects the reimbursement which the Hospital or the LSU Faculty may receive for their respective services furnished to patients, either Party may, by written notice, propose a new basis for compensation for the services furnished pursuant to this Agreement. If such notice of new basis is given and if LSU and Hospital are unable within thirty (30) days thereafter to agree upon a new basis for compensation, either the Hospital or LSU may terminate this Agreement by thirty (30) days prior written notice.

**Section 11.04. Termination by Mutual Consent.** This Agreement may be terminated by the mutual, written consent of the Parties.

**Section 11.05. Effect of Termination.** As of the effective date of termination of this Agreement neither Party shall have any further rights or obligations hereunder except:

- (i) as otherwise provided herein;
- (ii) for rights and obligations accruing prior to such effective date of termination; or
- (iii) for rights and obligations arising as a result of any breach of this Agreement.

## ARTICLE TWELVE

### INTERIM ACADEMIC SUPPORT AGREEMENT

**Section 12.01. Interim Academic Support Agreement.** The Parties acknowledge that they and/or their affiliates are currently parties to an October 1, 2013 Interim Academic Support Agreement ("Interim Agreement") covering many of the same services specified in this Agreement. The Parties agree that the Interim Agreement, as applied to those Services provided by LSU at BRFHH Shreveport, LLC covered by this Agreement, is hereby replaced and superseded by this Agreement and that any remuneration paid by Hospital, or compensation due and owing LSU, pursuant to the Interim Agreement will be reconciled against the Compensation required under this Agreement effective October 1, 2013. LSU acknowledges that the Interim

Agreement remains in effect, until superseded, for those services not covered by this Agreement and for those services LSU provides at BRFHH Monroe, L.L.C.

## ARTICLE THIRTEEN

### GENERAL PROVISIONS

**Section 13.01.**        Parties Bound. This Agreement shall bind and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

**Section 13.02.**        Governing Law. This Agreement has been executed and shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to conflict of laws principles that would require the application of any other law.

**Section 13.03.**        Rule of Construction. Parties acknowledge and agree that this is a negotiated agreement, in which both Parties have received the assistance and advice of competent legal counsel; and accordingly that the rule of construction that any ambiguities are to be construed against the drafting Party shall not apply.

**Section 13.04.**        Severability. If any term, provision, covenant or condition of this Agreement is held unenforceable or invalid for any reason and not susceptible to reformation due to a change in applicable Legal Requirements, the remaining portions or provisions shall continue in full force and effect, unless the effect of such severance would be to substantially alter this Agreement or obligations of the Parties, in which case this Agreement may be immediately terminated.

**Section 13.05.**        Integration. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof. This Agreement cancels and supersedes all prior Physician Clinical, Teaching and Medical Administrative Service Agreements and understandings, oral or written, between the Parties.

**Section 13.06.**        Non-Waiver. No waiver of any breach or default hereunder shall be considered valid, unless in writing and signed by the Party giving such waiver. No such waiver shall be deemed a waiver of any subsequent breach or default of a similar nature.

**Section 13.07.**        Notices. All notices under this Agreement shall be in writing, signed by the Party giving such notice, and deemed given when personally delivered by hand to the identified personnel for the Party receiving the notice or sent by Certified U.S. Mail or through national overnight carrier, such as UPS or Federal Express to the address of the other Party as indicated below or as the other Party shall have previously designated in writing.

**If to the Hospital:**

Hospital Administrator  
BRFHH Shreveport, LLC  
d/b/a University Health Shreveport  
1541 Kings Highway  
Shreveport, Louisiana 71103

with a required copy to:

Stephen M. Sullivan, Esq.  
Sullivan Stoler Knight, LC  
1042 Camellia Boulevard, Suite 2  
Lafayette, Louisiana 70508

**If to LSU:**

Robert Barish, M.D.  
Chancellor  
LSU Health Sciences Center -- Shreveport  
1501 Kings Highway  
Shreveport, Louisiana 71103

with a required copy to:

Susan Armstrong, Esq.  
General Counsel  
LSU Health Science Center - Shreveport  
1501 Kings Highway  
Shreveport, LA 71103

**Section 13.08.** Form of the Agreement. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, single or plural, as the identity of the person(s) or thing(s) may require. Article and Section headings are included for convenience of reference only and shall not define, limit, extent or otherwise affect the interpretation of this Agreement or any of its provisions.

**Section 13.09.** Amendment. This Agreement may be amended or modified only in writing signed by the Parties.

**Section 13.10.** Further Cooperation. In order to confirm this Agreement or carry out its provisions or purposes, each Party shall cooperate with the other and shall take such further action and execute and deliver such further documents as the other may reasonably request.

**Section 13.11.** Assignability. Neither party may assign its rights or delegate its duties (by subcontract or otherwise) under this Agreement without the prior written consent of the other Party.

**Section 13.12.** No Third Party Beneficiaries. Nothing in this Agreement shall be construed as conferring any benefit, either directly or indirectly, on any person or entity not a Party to this Agreement.

**Section 13.13.** Referrals. The Parties acknowledge that none of the benefits granted Hospital, LSU, LSU Faculty or any individual physician hereunder are conditioned on any requirement that any physician make referrals to, be in a position to make, or influence referrals to, or otherwise generate business for, Hospital.

**Section 13.14.** Force Majeure. Neither Party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption in rights or duties that results directly or indirectly from Acts of God, civil or military authority, acts of terror, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes or other work interruptions by either Party's employees, or any similar or dissimilar cause beyond the reasonable control of either Party.

**Section 13.15.** Additional Instruments. Each of the Parties shall, from time to time, at the request of the other, execute, acknowledge and deliver to the other Party any and all further instruments that may be reasonably required to give full force and effect to the provisions of this Agreement.

**Section 13.16.** Headings. All section and part headings are inserted for convenience. Such headings shall not affect the construction or interpretation of this Agreement.

**Section 13.17.** Multiple Counterparts. Provided both Parties execute an identical copy of this Agreement, including Exhibits, the Parties acknowledge and agree that these multiple counterparts will be considered fully executed originals.

## ARTICLE FOURTEEN

### COMPLIANCE WITH FEDERAL AND STATE REGULATIONS

**Section 14.01.** Compliance with HIPAA. LSU agrees and shall ensure that each LSU physician agrees and Hospital agrees to comply with the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. 1320d and any current and future regulation promulgated thereunder including, but without limitation, the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164, the federal security standards contained in 45 C.F.R. Part 142, and the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162 ("HIPAA"), to the extent applicable. The Parties agrees not to use or further disclose any Protected Health Information or Individually Identifiable Health Information (both as

defined in HIPAA and/or the HIPAA Requirements), other than as permitted by HIPAA and the terms of this Agreement. To the extent applicable under HIPAA, Hospital and LSU shall make its internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary of Health and Human Services to the extent required for determining compliance with Federal Privacy Regulations.

**Section 14.02.**        Non Discrimination and Affirmative Action. The Parties agree to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistant Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and Parties agree to abide by the requirements of the Americans with Disabilities Act of 1990. Parties agree not to discriminate in employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

**Section 14.03.**        Physician Self-Referral Statute. The Parties agree to abide by the applicable requirements of the Federal Physician Self-Referral Statute, 42 U.S.C. § 1395nn ("Stark II"). LSU warrants and agrees that the aggregate compensation paid by LSU to each physician member of the LSU Faculty providing services hereunder will not vary with, or take into account, the volume or value of referrals or other business generated by the Faculty Member's referrals to the Hospital.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]



**ARTICLE FIFTEEN**

**EXECUTION WARRANTY**

**Section 15.01. Execution Warranty.** Each person signing this agreement on behalf of a Party represents that the execution of this Agreement has been duly authorized by the Party for which representative is signing, and that no restrictions or restrictive agreements exist that prevent either the execution or the carrying out of this Agreement by such Party.

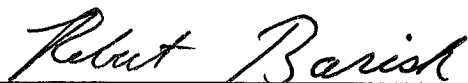
IN WITNESS HEREOF, the parties have executed this Agreement as of the date set forth above.

**BRFHH SHREVEPORT, L.L.C.,  
D/B/A UNIVERSITY HEALTH SHREVEPORT**



\_\_\_\_\_  
Stephen Skrivanos  
Authorized Representative

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL AND MECHANICAL COLLEGE on behalf of LOUISIANA STATE  
UNIVERSITY HEALTH SCIENCES CENTER - SHREVEPORT**



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Robert Barish, M.D.  
Authorized Representative

## EXHIBIT A

### “SERVICES”

#### PHYSICIAN, TEACHING AND MEDICAL ADMINISTRATIVE SERVICES

##### I. PHYSICIAN SERVICES

**Section A-1.01.** Physician Services. LSU, by and through LSU Faculty, shall provide the following health care professional services: (1) professional medical services to and for patients at Hospital (“Professional Services”); (2) professional medical services to and for uninsured and medically indigent patients (“Uncompensated Care”); and on call coverage services to Hospital (“On Call Coverage”). Collectively, Professional Services, Uncompensated Care and On Call Coverage shall be referred to as Physician Services.

**Section A-1.02.** Professional Services. LSU, by and through LSU Faculty, shall provide professional medical services including diagnosis and medical, surgical and preventative treatments in all specialties as set forth below, as requested by Hospital and in a manner to assure high-quality care and patient access. LSU shall be solely responsible for diligently filing claims and collecting from patients and third party payors for Professional Services provided to patients by LSU Faculty. All such claims shall be competitive with prevailing fees and charges for similar services in Hospital’s locality.

**Section A-1.02(a):** LSU also agrees to comply with the following guidelines:

- (i) Charge Hospital patients only for the professional component of any medical care provided by LSU Faculty and not charge any Hospital patient for the technical component;
- (ii) Charge for services on a fee for service basis or in accordance with a contractual agreement;
- (iii) Be responsible for billing patients and/or the third party payors for Professional Services;
- (iv) Assume the costs associated with claims filing, including all costs of preparing, transmitting and collecting claims;
- (v) Clearly indicate on claims that it is filing claims for the Professional Services; and
- (vi) File claims in compliance with all laws, rules and regulations and in compliance with the contractual terms of third-party payor contracts.

**Section A-1.03.**     Uncompensated Care. Recognizing: (a) the State of Louisiana’s historical commitment to providing free or reduced cost health care to patients who are uninsured and medically indigent, as defined by Louisiana law (“Uncompensated Care Patient”); and (b) the Hospital’s and LSU’s missions of providing access to high quality medical care for all patients, the medically indigent and uninsured populations, within available financing and approved budgets, and (c) the need to support Hospital’s education and training mission (collectively, the “Mission”), the Parties agree LSU Faculty will provide medically necessary Physician Services to Uncompensated Care Patients seeking medical care at the Hospital, in accordance with the applicable standard of care and federal and state law.

**Section A-1.03(a):**     Verification. Hospital agrees to conduct a financial screening of each patient receiving medical care at the Hospital to determine if the patient qualifies as an Uncompensated Care Patient. The Hospital shall provide LSU with a report each month listing each patient qualifying as an Uncompensated Care Patient. The uncompensated professional services will be entered into, and captured by, the Hospital’s electronic medical record (as of the signing of this agreement, “EPIC”) as is done with compensated professional services.

**Section A-1.03(b):**     Compensation. Hospital shall pay LSU the Louisiana State Medicaid fee schedule for those Physician Services provided to Uncompensated Care Patients at Hospital. The Parties represent and warrant that no part of this compensation is linked to the value or volume of referrals and the compensation has been determined according to the Parties’ best estimate of fair market value as defined in this Agreement.

**Section A-1.03(c):**     Reconciliation. Hospital and LSU agree to reconcile every quarter the amounts paid by Hospital and/or the amounts due to LSU for Physician Services provided to Uncompensated Care Patients. If the Parties determine a patient did not qualify as an Uncompensated Care Patient during the time period for which Hospital paid LSU for Physician Services provided to such patient, Hospital will deduct that amount from the next payment due LSU for uncompensated care. If the Parties determine a patient did qualify as an Uncompensated Care Patient during the time period for which Hospital did not pay LSU for Physician Services provided to such patient, Hospital agrees to provide such payments to LSU. All reconciled amounts shall be paid to the Party owed within thirty (30) days of the reconciliation determination. The Parties agree to conduct a final reconciliation one year after the termination of the Agreement. The obligations in this paragraph shall survive the termination of this Agreement.

**Section A-1.04.**     On Call Coverage. In order to ensure the Hospital continues to meet its mission of providing quality medical care to the local community in accordance with the applicable standard of care, the Parties agree it is necessary at all times to have an “on call” schedule for certain clinical service specialties to ensure access to Physician Services on nights, weekends and holidays. The Parties agree that some LSU Faculty will be required to be on

Hospital premises for the duration of the on call period, whereas others may be off premises, but restrained from personal/social/recreational activities due to being on call. In light of this distinction, the Parties agree that it is commercially reasonable, necessary and proper to provide fair market compensation for on call coverage. LSU agrees to ensure qualified and appropriate LSU Faculty are available pursuant to an On Call Schedule provided to Hospital at the beginning of each month, and updated as appropriate, to provide On Call Coverage during the specified periods for the listed specialties.

**Section A-1.04(a):** Night Call Coverage. Night Call Coverage is defined as follows:

- i. Monday: 5:00 p.m. – Tuesday: 7:00 a.m.;
- ii. Tuesday: 5:00 p.m. – Wednesday: 7:00 a.m.;
- iii. Wednesday: 5:00 p.m. – Thursday: 7:00 a.m.;
- iv. Thursday: 5:00 p.m. – Friday 7:00 a.m.

**Section A-1.04(b):** Weekend Call Coverage. Weekend Call Coverage is defined as follows:

- i. Friday 5:00 p.m. – Monday 7:00 a.m.

**Section A-1.04(c):** Holiday Call Coverage. Holiday Call Coverage is defined as follows:

On Holidays, as determined by the holiday schedule published by LSU, the Hospital will pay LSU for Holiday Call Coverage for those hours not already included in Weekend Coverage or Night Coverage.

**Section A-1.04(d):** Call Coverage Compensation. Hospital shall pay LSU for On Call Coverage, as follows, for the listed specialties:

- i. Anesthesia: \$50/hr
- j. Orthopedics: \$70/hr
- ii. Trauma Surgery: \$75/hr
- iii. Neurosurgery: \$30/hr
- iv. Interventional Radiology: \$25/hr
- v. Otolaryngology: \$30/hr
- vi. Oral Surgery: \$30/hr

**Section A-1.04(e):** Call Coverage Staffing. If Hospital gives LSU written notice that it deems the conduct of any LSU Faculty member to be detrimental to the health or safety of Hospital's patients or disruptive to Hospital staff and operations, then LSU shall remove such LSU Faculty member from the Call Coverage Schedule and shall not permit that LSU Faculty member to provide further Call Coverage Services at Hospital without

Hospital's subsequent written approval. Hospital shall act reasonably and in good faith when making this determination.

## II. ADMINISTRATIVE SERVICES

**Section A-2.01.** Provision of Administrative Services. LSU, by and through LSU Faculty, shall provide, when requested by Hospital, the Administrative Services described as follows:

**Section A-2.01(a):** Chief of Service. LSU shall provide an LSU Faculty physician to serve as the Chief of Service within each service line as requested by Hospital. While the Chief of Service may be the Chairperson of the corresponding department within the Medical School, Hospital, subject to the recommendation of the Medical Staff in accordance with its Medical Staff Bylaws, will appoint the LSU Faculty physician to serve as the Chief of Service. The Chief of Service for each service line shall be primarily responsible for the provision of the following Administrative Services for that service line to the Hospital.

(1) Establishment of Policies. LSU and LSU Faculty shall cooperate with the Hospital to establish policies, procedures, rules, regulations and methods of operation related to the delivery of medical care at the Hospital.

(2) Program Development. LSU and LSU Faculty shall participate, as reasonable and necessary, in program development and expansion of quality medical services at the Hospital.

(3) Performance Improvement. As part of the overall performance improvement program at Hospital, LSU and/or LSU Faculty shall recommend procedures to ensure the consistency and quality of all Services provided by Hospital in each clinical department and shall participate in Hospital's overall performance improvement program for each clinical department in accordance with Hospital policies and the policies and criteria established by accrediting organizations.

(4) Surveys and Inspections. LSU and LSU Faculty shall cooperate with Hospital in connection with surveys and inspections related to the provision of Services at Hospital and in the implementation of any corrections or recommendations. LSU and/or LSU Faculty shall notify the Hospital Administrator of all announced or unannounced surveys and inspections of the clinical departments by regulatory agencies and of all preliminary and final reports and findings, which result from such surveys and inspections.

(5) Selection, Maintenance and Utilization of Facilities and Equipment. LSU and LSU Faculty shall cooperate with Hospital in the planning, investigation and installation of devices, machinery, equipment and systems to be leased, purchased or otherwise acquired for use in the Hospital. LSU Faculty shall advise Hospital, and Hospital shall consult with LSU Faculty, with respect to the selection of additional or replacement equipment required. LSU and/or LSU Faculty shall further assist or participate in periodic inspection and evaluation of the equipment to determine whether it is being maintained in a safe condition and being utilized in a safe and efficient manner. LSU and/or LSU Faculty may, as necessary, request repair and other support services for such equipment from Hospital. LSU and/or LSU Faculty shall advise Hospital with respect to facility needs, including participation in the planning of any expansion of facilities or acquisition of major equipment when requested by Hospital.

(6) Budget. LSU shall exercise diligence in assisting Hospital in keeping costs of providing Services at Hospital efficient, economical and competitive in the local community. LSU shall, as requested by Hospital, participate in the preparation of operating and capital budgets for the Hospital (including projections of both revenue and expenditures).

(7) Media or Community Group Inquiries. LSU and/or LSU Faculty shall notify the Administrator of Hospital of all announced or unannounced visits, phone calls to Hospital or other contact by the media or community groups regarding the LSU Faculty, Hospital services or any other Hospital activities. The LSU Faculty shall cooperate with Hospital in connection with responding to such inquiries.

(8) Medical Board Reporting. LSU and LSU Faculty shall cooperate with Hospital by making periodic reports, as requested, to Hospital's Administrator, Medical Executive Committee, corporate board or other oversight body regarding budgets, quality of care, installation and operation of devices or equipment, and such other matters related to the medical services at Hospital as may be reasonably requested by Hospital from time to time.

(9) Administrative Services Relating to Teaching Services. Each Chief of Service is required to provide administrative oversight of the Teaching Services provided by the LSU Faculty members in that Chief of Service's service line.

(10) Administrative Services Relating to Physician Services. Each Chief of Service is required to provide administrative oversight of the Physician Services performed by the LSU Faculty members in that Chief of Service's service line, including developing On

Call schedules, ensuring timely completion of medical records and other related duties as requested by Hospital.

**Section A-2.02.**     Compensation.     In exchange for coordinating the provision of Administrative Services as the Chief of Service, Hospital will pay LSU One Hundred Fifty and 00/100 Dollars (\$150.00) per hour for up to six hundred (600) hours per year for time spent administering each of the following service lines when requested by Hospital, said services will be audited and reconciled quarterly:

- (1)     Emergency Medicine
- (2)     Family Medicine
- (3)     Medicine
- (4)     Neurology
- (5)     Neurosurgery
- (6)     OB/GYN
- (7)     Ophthalmology
- (8)     Oral Surgery
- (9)     Orthopedics
- (10)    Otolaryngology
- (11)    Pathology
- (12)    Pediatrics
- (13)    Psychiatry
- (14)    Radiology
- (15)    Surgery
- (16)    Urology
- (17)    Anesthesiology

### **III.    TEACHING SERVICES**

**Section A-3.01.**     Teaching Services.     In the course of supervision and management of the Medical School/Medical Residency program, the Parties agree and understand that LSU Faculty members are required to teach and supervise medical students, residents and fellows in the course of providing Physician Services pursuant to their faculty appointments (“Teaching Services”). The Parties agree that such Teaching Services are a necessary and commercially reasonable activity that ensures proper training of new physicians and access to quality care for Hospital patients.

**Section A-3.02.**     Teaching Compensation:     For the time and effort related to providing Teaching Services, Hospital agrees to pay LSU twenty-eight percent (28%) of the total salary of such LSU Faculty, representing fair market, providing that total salary does not exceed the fiftieth (50<sup>th</sup>) percentile of the applicable salaries, based on specialty, position and experience as

listed in the most recent applicable Faculty Salary Survey Reports published by the Association of American Medical Colleges for public universities in the Southern Region plus commercially reasonable benefits consistent with fair market value. The compensation paid for Teaching Services will be subject to accurate time studies regularly performed during the Term of this Agreement as required to continually assess and ensure fair market value and commercial reasonableness. The Parties agree there shall be no increase in the Hospital's total obligation for Teaching Compensation without mutual written consent.

**Section A-3.03.** Time Studies. Hospital requires each LSU Faculty member providing Teaching Services to complete written reports on a monthly basis attesting to the time spent providing Teaching Services ("Time Study"). For the applicable service line, each Chief of Service is required to monthly collect, review and assess each LSU Faculty Member's Time Study. The Chief of Service shall provide the Time Studies to Hospital each month and shall provide the Dean of the Medical School and the Hospital, on a quarterly basis, a report certifying each LSU Faculty member in that particular service line met this time requirement.