

HOSPITAL SERVICES AGREEMENT FACE SHEET

Date of Agreement: 12/01/2017

Effective Date: 12/01/2017

Expiration Date: 11/30/2020

HOSPITAL INFORMATION:

Laredo Texas Hospital Company, L.P.
d/b/a Laredo Medical Center
1700 East Saunders Street
Laredo, TX 78041

RECIPIENT INFORMATION:

Business Entity Type (select one): Individual Partnership Corporation
 Professional Service Corporation Association Limited Liability Company
 Other – Local Government

Webb County
1110 Washington St., Suite 202
Laredo, TX 78040

Regarding the Service of (“Service” or “Services”):

1. Laboratory
2. Radiology

Hospital Representatives performing the Service:

1. Laboratory - Qualified Representatives
2. Radiology - Qualified Representatives

SCHEDULE OF SERVICES:

The Service shall be conducted during those days and times that Recipient determines to be necessary in order to properly address patient needs and effectively coordinate with other operations. It is agreed that as of the Effective Date, Hospital shall provide Services upon the following schedule(s) (check and complete the applicable terms):

- (i) Full-time in-house Service, twenty-four (24) hours per day, seven (7) days per week, as available, or as scheduled by Hospital.
- (ii) Part-time in-house Service, _____ hours per day, _____ days per week in accordance with the schedule described immediately below, or upon the following days:
- (iii) If Recipient anticipates a variable need for Hospital's Services, or if this subsection is applicable by virtue of its designation in the above subsections, then Recipient and Hospital shall meet on a quarterly basis and establish schedules for Hospital's Services during the ensuing period.

COMPLIANCE PROVISIONS:

The Parties to this Agreement shall comply with Hospital’s Code of Conduct (which includes policies and procedures related to the Anti-Kickback Statute and Stark Law), located at the following link:

<http://www.laredomedical.com/laredo-medical-center/code-of-conduct-laredo.aspx>

Further, the Parties to this Agreement certify that they shall not violate the Anti-Kickback Statute and/or the Stark Law with respect to the performance of the Agreement. Each Party who meets the definition of Relevant Arrangements Covered Person (includes all Covered Persons involved in the negotiation, preparation, review, maintenance, and approval of all Arrangements) has completed within the past year, or will complete within a year of the date of execution of this agreement, the Hospital’s required training regarding the Anti-Kickback Statute and the Stark Law available at:

https://oig.hhs.gov/newsroom/video/2011/heat_modules.asp

Neither the Agreement nor any amendment or modification hereto shall be effective or legally binding upon Hospital, or any officer, director, employee or agent thereof, unless and until it has been reviewed and approved electronically by the President of the Division within which Hospital is located and Hospital’s Legal Counsel.

SIGNATURES AND APPROVALS: (see the section that pertains to Approvals in the Standard Terms and Conditions)

**HOSPITAL: LAREDO TEXAS HOSPITAL COMPANY, L.P.
D/B/A LAREDO MEDICAL CENTER**

By: _____

Hospital CEO: Enrique Gallegos

Date: _____ / _____ / _____

RECIPIENT: WEBB COUNTY

By: _____

Name: _____

Date: _____ / _____ / _____

FEIN: 74-6001587

**HOSPITAL SERVICES AGREEMENT
STANDARD TERMS AND CONDITIONS**

1. HOSPITAL'S OBLIGATIONS.

- 1.1 **Services.** Hospital shall provide the Services to Recipient as more fully described on Addendum 1 attached hereto and incorporated herein by reference. In addition, Hospital shall meet all of the following requirements prior to performing the Services:
- 1.1.1 Possess the skills and qualifications to provide the Services required hereunder;
 - 1.1.2 Has a minimum of one (1) year relevant experience in the specified position as defined by Recipient and approved by the Hospital's CEO;
 - 1.1.3 Is, and for the Term, will remain qualified and/or licensed, if applicable, to provide the Services in the State, without restriction or subject to any disciplinary or corrective action; and
 - 1.1.4 Is, and for the Term, will be eligible to participate in any and all federal healthcare programs, and has not been, and during the term of this Agreement will not be, sanctioned by the Health and Human Services Office of the Inspector General as set forth on the Cumulative Sanctions Report, or excluded by the General Services Administration as set forth on the List of Excluded Providers [see <http://oig.hhs.gov/fraud/exclusions.html> and <http://epls.arnet.gov>]; and
- 1.2 **Schedule.** Hospital shall provide the Services at the dates and times specified on the Face Sheet and in Addendum 1.
- 1.3 **Regulatory Compliance.** Hospital shall perform all duties under this Agreement in strict compliance with federal, state and local law, rules and regulations, including without limitation all laws relating to Hospital's Services in the state where Hospital is located ("State"), the prevailing community standard of care in the community served by Hospital, and the medical applicable standards of the Joint Commission or American Osteopathic Association ("AOA"). This includes establishing and maintaining an environment free from disruption, intimidation, coercion and harassment (including without limitation sexual harassment).
- 1.4 **Insurance.** Both parties shall keep and maintain commercial, professional and general liability insurance coverage for themselves as well as worker's compensation insurance for their respective employees. As a minimum, such insurance shall provide coverage in the amount of One Million Dollars (\$1,000,000) per occurrence, Three Million Dollars (\$3,000,000) in the aggregate.

2. RECIPIENT'S OBLIGATIONS.

- 2.1 Utilize Hospital for Services on as constant a basis as it can reasonably do so;
- 2.2 Provide necessary forms, information, coordination and support to assist Hospital in meeting regulatory guidelines in the provision of Services to Recipient under this Agreement.

3. **COMPENSATION.** Recipient shall pay Hospital the Compensation as more fully described on Addendum 2 attached hereto and incorporated herein by reference.
4. **TERM AND TERMINATION.**
 - 4.1 **Term.** The term of this Agreement shall commence on the Effective Date. At the end of the Term, this Agreement shall terminate without notice to either party if not otherwise renewed by the execution of another identical or renegotiated agreement.
 - 4.2 **Termination.**
 - 4.2.1 **Termination.** At any time during the Term, either party may terminate this Agreement for any reason by giving the other party at least thirty (30) days' prior written notice.
 - 4.2.2 **Termination for Breach.** Either party may terminate this Agreement upon breach by the other party of any material provision of this Agreement, provided such breach continues for fifteen (15) days after receipt by the breaching party of written notice of such breach from the non-breaching party.
 - 4.2.3 **Immediate Termination by Hospital.** Hospital may terminate this Agreement immediately by written notice to Recipient upon the occurrence of any of the following events:
 - (a) breach by Recipient of any of its confidentiality obligations including, but not limited to those specified in Section 5; or
 - (b) closure of Hospital, or sale of Hospital, or of all, or substantially all, of Hospital's assets.
 - 4.2.4 **Effect of Termination.** As of the effective date of termination of this Agreement, neither party shall have any further rights nor obligations hereunder except: (a) as otherwise provided herein; (b) for rights and obligations accruing prior to such effective date of termination; and (c) for rights and obligations arising as a result of any breach of this Agreement.
5. **INDEPENDENT CONTRACTOR RELATIONSHIP.** Hospital is performing Services and duties under this Agreement as an independent contractor and not as an employee, agent, partner of, or a joint venture with Recipient. Under this independent contractor relationship:
 - 5.1 Hospital is free to provide Services to any other person, firm, or entity, so long as such activities do not interfere with Hospital's obligations under this Agreement and represents that it is in the business of providing the Services and will furnish all equipment necessary to provide Services under this Agreement; and
 - 5.2 Recipient has no rights or control over the methods by which Hospital performs Services, except to ensure that Services are provided in accordance with applicable laws, recognized standards of professional practice, and the terms of this Agreement.
 - 5.3 Hospital will use its best efforts to ensure that Recipient is provided the necessary performance, documentation and timeliness of Service.

6. **CONFIDENTIALITY.**

- 6.1 **Hospital Information.** Recipient recognizes and acknowledges that, by virtue of entering into this Agreement and Hospital providing Services to Recipient, Recipient may have access to certain information of Hospital that is confidential and constitutes valuable, special and unique property of Hospital. Recipient agrees that Recipient will not at any time, either during or subsequent to the term of this Agreement, disclose to others, use, copy or permit to be copied, without Hospital's express prior written consent any confidential or proprietary information of Hospital, including, but not limited to, information which concerns Hospital's patients, costs or treatment methods developed by Hospital for Hospital, and which is not otherwise available to the public.
- 6.2 **Terms of this Agreement.** Except for disclosure to Recipient's legal counsel, accountant or financial advisors (none of whom shall be associated or affiliated in any way with Hospital or any of its affiliates), Recipient shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Hospital. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement and shall provide Hospital with the option of pursuing remedies for breach or immediate termination of this Agreement in accordance with Section 3.2 above.
- 6.3 **Patient Information.** Recipient shall not disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by Hospital in writing, any patient or medical record information regarding Hospital patients, and Recipient shall comply with all federal and state laws and regulations and all bylaws, rules, regulations, and policies of Hospital regarding the confidentiality of such information. Recipient acknowledges that in receiving or otherwise dealing with any records or information from Hospital about Hospital's patients receiving treatment for alcohol or drug abuse, Recipient is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records (42 C.F.R. Part 2, as amended from time to time).
- 6.4 **Survival.** The provisions of this Article 5 shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.
7. **LEGAL FEES.** In the event that either party resorts to legal action to enforce the terms and provisions of this Agreement, the prevailing party shall be entitled to recover the costs of such action so incurred, including, without limitation, reasonable attorney's fees.
8. **ENTIRE AGREEMENT; MODIFICATION.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, and all other communications between the parties relating to such subject matter. This Agreement may not be amended or modified except by mutual written agreement.
9. **GOVERNING LAW.** This Agreement shall be construed in accordance with the laws of the State where Hospital is located. The provisions of this Article 9 shall survive expiration or other termination of this Agreement regardless of the cause of such termination.
10. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, all of which together shall constitute only one Agreement.

11. **NOTICES.** All notices hereunder shall be in writing, delivered personally, by certified or registered mail, return receipt requested, or by overnight courier, and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, postage prepaid, or deposited with the overnight courier, addressed as follows:

If to Hospital: as indicated on the Face Sheet

With copy to: Legal Department
4000 Meridian Blvd.
Franklin, TN 37067

If to Recipient: as indicated on the Face Sheet

or to such other persons or places as either party may from time to time designate by notice pursuant to this Article 11.

12. **NON-DISCRIMINATION.** Neither party hereto will discriminate on the basis of race, sex, religion, color, national or ethnic origin, age, disability, or military service in its performance under this Agreement. The parties expressly agree to abide by any and all applicable federal and/or state statutes, rules and regulations including, without limitation, Titles VI and VII of the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972, the Age Discrimination In Employment Act of 1967, the Equal Pay Act of 1963, the National Labor Relations Act, the Fair Labor Standards Act, the Rehabilitation Act of 1973, and the Occupational Safety and Health Act of 1970, all as may be from time to time modified or amended.
13. **WAIVER.** A waiver by either party of a breach or failure to perform hereunder shall not constitute a waiver of any subsequent breach or failure.
14. **ASSIGNMENT; BINDING EFFECT.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors and permitted assigns. This Agreement is assignable by Hospital without consent, provided that Hospital provides written notice of the assignment.
15. **MASTER CONTRACT LIST.** This Agreement is identified on a master list of contracts maintained on an electronic contracts database.
16. **APPROVALS.** Neither this Agreement nor any amendment or modification hereto shall be effective or legally binding upon Hospital, or any officer, director, employee or agent thereof, unless and until it has been reviewed and approved electronically by a Division President of CHSPSC, LLC, Hospital's Management Company, and by Hospital's Legal Counsel.

ADDENDUM 1

DESCRIPTION OF SERVICES

Hospital will provide Services in accordance with Hospital's then-current standard operating procedures upon request of Recipient.

Recipient agrees to provide to Hospital all information necessary to accurately process billing claims for Services performed. This includes, but is not limited to, the patient's name, social security number, date of birth, physician name, patient history (if applicable), signature of the authorized person ordering tests, proof of medical necessity in the form of a narrative diagnosis or ICD-10 Code(s), and such other information as Hospital may reasonably request from time-to-time.

1. **Laboratory:** Hospital will provide only the technical component of Laboratory Services to Recipient's patients who are referred for same by a licensed physician. Recipient shall solely be responsible for arranging for (and bearing the cost of) the timely interpretation of the Laboratory test results provided by Hospital pursuant to this Agreement by an appropriately qualified and licensed Pathologist.
2. **Radiology:** Hospital will provide only the technical component of Radiology Services to Recipient's patients who are referred for same by a licensed physician. Recipient shall solely be responsible for arranging for (and bearing the cost of) the timely interpretation of any images provided by Hospital pursuant to this Agreement, by an appropriately qualified and licensed Radiologist.

ADDENDUM 2

BILLING AND COMPENSATION

1. Hospital will invoice Recipient directly for all Services furnished by Hospital in accordance with Addendum 1.
2. Payment to be paid by the Recipient for all Services provided by the Hospital shall be at one-hundred and five percent (105%) of the 2014 Medicare Fee Schedule.
3. Payments for all Services provided by the Hospital shall be made within thirty (30) days from the date of Hospital's invoice.

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