

RESIDENCY TRAINING AGREEMENT Between St. Odrias (St. O) Podiatric Residency and St. Veras Hospital For the period

July 1, 2013, to June 30, 2014

This Residency Training Agreement (the "Agreement"), is entered into and effective as of July 1, 2013, by and between St. Odrias Hospital ("ST. O") and St. Veras Hospital ("Training Institution").

RECITALS

- A. ST. O is committed to providing opportunities for graduate medical education and research with facilities and institutions outside of ST. O; and
- B. Training Institution wishes to participate with ST. O in graduate medical education and research, and derives certain benefits from its association with ST. O and ST. O physicians engaged in graduate medical education and research; and
- C. ST. O and Training Institution wish to work cooperatively and for their mutual benefit in developing and implementing a Podiatric Residency Program graduate medical education and research program at Training Institution.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, conditions and undertakings herein set forth, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1 Description of Training Program. The parties agree to work cooperatively in the development and implementation of a graduate medical education and research Podiatric Residency at Training Institution (the "Training Program"), in which ST. O shall place resident physicians for graduate medical education. Such physicians are referred to herein collectively as "Residents" or individually as "Resident." Residents shall be assigned by ST. O to the Training Institution on a case by case basis, with a variable number of residents at any given time as determined by the availability of cases under ST. O faculty members.

2 Obligations of ST. O. In furtherance of the purposes and mutual benefits described herein,

ST. O shall:

- a) Maintain primary responsibility for the development and oversight of all education and research conducted pursuant to this Agreement which shall be under the direction of Director, DPM.
- b) Work in consultation and cooperation with Training Institution in the development and implementation of the Training Program and the administration of this Agreement.
- c) Exercise their best efforts to ensure that all Residents participating in the Training Program are at all times during the term hereof properly licensed and credentialed by all applicable governing authorities.
- d) Maintain master records of all Residents assigned to Training Institution, including information necessary for certification, rotation scheduling, payroll, and

fringe benefits administration. The training institution may maintain credentialing files on each of the Residents at the training institution's discretion.

- e) Assist in preparation of data and scheduling of site visits for accreditation of the Training Program by the Accrediting Council on Podiatric Medical Education ("CPME"), by approval of ACGME, and other official accreditation bodies.
 - f) Provide central payroll administration for paychecks of all Residents assigned to the Training Institution.
 - g) Provide such additional administrative support services as may be reasonably necessary or useful in accomplishing the purposes of the Training Program.
 - h) As compensation for preceptor's supervision of resident training, preceptor shall receive all benefits available to the St. Odrias volunteer clinical faculty. Preceptor's eligibility to receive these benefits shall be contingent upon preceptor's compliance with this agreement and all requirements and policies applicable to his/her faculty appointment.
3. Obligations of Training Institution. In furtherance of the purposes and mutual benefits described herein, Training Institution shall:
- a) Work in consultation and cooperation with ST. O and the Program Director in the development and implementation of the Training Program and the administration of this agreement.
 - b) Comply with all institutional policies and requirements of the ST. O Graduate Medical Education Committee (the "GME Committee") and by approval of ACGME and/or CPME."
 - c) Appoint William Fox, DPM, or such other person approved by the Director of the Training Program (the "Teaching Service Chief"). The Teaching Service Chief shall be responsible to the Program Director for all education and research conducted under this agreement.
 - d) Any additional members of the Teaching Staff shall first be approved by the program Director and by the Teaching Service Chief. ST. O does not assume any obligation whatsoever under this Agreement to pay any salary or other benefits to the Teaching Service Chief or any member of the Teaching Staff. The Teaching Staff shall be responsible for teaching and direct supervision of Residents during each rotation of the Training Program. The Teaching Staff will also be responsible for a written evaluation of the Resident's performance, according to program procedures.
 - e) Include in the Training Program: Case by case coverage of the teaching Staff's surgical cases. The period of assignment for each Resident is specified in No. 1 (above) and in the department's rotation schedule.

Educational goals for each rotation shall include:

1. Prevent, diagnose, and manage diseases, disorders, and injuries of the pediatric and adult lower extremity by nonsurgical (educational, medical, physical, biomechanical) and surgical means.
2. Assess and manage the patient's general medical status.
3. Practice with professionalism, compassion, and concern, in a legal, ethical, and moral fashion.

4. Demonstrate the ability to communicate effectively and function in a multidisciplinary setting.
 5. Has the capacity to manage individuals and populations in a variety of socioeconomic and health care settings.
 6. Has the capacity to manage a podiatric practice in a multitude of health care delivery settings.
 7. Be professionally inquisitive, lifelong learners and teachers utilizing research, scholarly activity and information technologies to enhance professional knowledge and clinical practice.
- f) The parties acknowledge the possibility that Hospital may fund fewer or more positions than specified in or in connection with this document and that ST. O may deliver fewer or more residents than the number specified in or in connection with this document. Prior to December 15 of the year prior to the commencement of the Training Program, the parties will meet by phone or in person to discuss and agree in writing upon any such changes in funding or resident numbers. If there are changes in the funding agreed to in this document, the Training Institution will notify ST. O one month before the effective date of this agreement.
- g) If the Training Institution files a CMS Cost Report, the Training Institution may report the resident's time spent training at Training Institution on the Training Institution's CMS Cost Report as governed by applicable CMS reporting rules. If the Training Institution does not file a CMS Cost Report, ST. O may claim the residents on its CMS Cost Report for Direct Medical Education reimbursement so long as ST. O continues to bear substantially all of the training costs for the resident. In the case, the Training Institute wishes to file the CMS Cost Report St. Odrias shall calculate the costs on a monthly basis based on actual rotation days and send an invoice to Hospital. Training Institution shall pay such estimated costs within thirty (30) days of receipt of an invoice therefore.
- h) Ensure that the Training Institution and all Teaching Staff are at all times during the term hereof properly licensed, accredited and credentialed by all applicable governing authorities and, upon request, provide proof of such accreditation to ST. O.
- i) Allow Residents participating in the Training Program access to and utilization of its facilities and patients, as appropriate to the purposes of the Training Program, taking into account the availability of patients and Teaching Staff necessary for supervision. In general, all patients admitted in the care of physicians who are members of the Teaching Staff shall be available for participation in the Training Programs.
- j) Advise Residents regarding those policies and procedures which govern the Resident's education while participating in the Training Program. Those policies will be provided by the program.

4. Medical Treatment for Residents. Training Institution shall provide baseline medical treatment to any Resident for any injury, illness or exposure incident incurred while participating in the Training Program, including without limitation, source-patient testing or screening as appropriate. In the event of any such medical treatment, Training Institution shall transfer to ST. O copies of Resident's medical records. ST. O shall assume responsibility to provide Workers' Compensation coverage to Residents for any injury, illness, or exposure incident related to an occurrence in the work place.

5. Insurance. The Training Program and the waiver of professional liability insurance have been approved by the Graduate Medical Education Committee in accordance with established procedures. Professional liability insurance for each Resident participating in the Training Program will be provided by ST. O.

6. Indemnification. Training Institution shall indemnify and hold harmless ST. O and the respective directors, officers, agents, and employees thereof, from claims and liabilities arising from or incurred in connection with any negligent act or omission of Training Institution. ST. O shall assume responsibility for claims and liabilities to the extent caused by the negligence of ST. O, and their respective directors, officers, agents, employees and any Resident participating in the Training Program. Nothing in this agreement shall be construed as a waiver of any rights or defenses applicable to ST. O under the Illinois Governmental Immunity Act.

7. Grievance Procedures and Due Process. St. Odrias has adopted policies and procedures governing housestaff grievances and due process. This Residency Training Agreement incorporates within it applicable St. Odrias Policies and Procedures (available upon request), and St. Odrias Housestaff Policies and Procedures (available upon request), including the Employee Assistance Program (which programs include counseling, employee assistance of house officers and family members, and substance abuse treatment assistance and/or diversion). Housestaff policies are also available through the Graduate Medical Education Office and at housestaff orientation. Any changes, updates, or additions, and all other policies and procedures of St. Odrias will be made available, and any changes or updates will be incorporated and effective as of the date of the change or update.

8. Term. The term of this Agreement shall be for a period of one year from the effective date hereof, and will renew annually automatically for up to three years.

9. Confidentiality. Each party agrees to maintain the confidentiality of the terms, conditions and operations of this Agreement; provided, however, that neither party is prohibited from providing information to federal agencies, accrediting institutions, insurance carriers or other entities that may require such information pursuant to legal process. Each party agrees to exercise its best efforts to implement policies and procedures and to comply with all other requirements of the Health Insurance Portability and Accountability Act (HIPAA) including, but not limited to, executing documents such as business associate agreements, as necessary.

10. Disclosure of Records to HHS. As and to the extent required by law, until the expiration of four (4) years after the furnishing of the services called for by this Agreement, the parties shall make available upon request to the United States Department of Health and Human Services ("HHS"), the United States Comptroller General, and their representatives, this Agreement and all other books, documents, and records necessary to certify the nature and extent of the costs incurred by the parties in connection with services provided under this Agreement. If either party provides such services through a subcontract worth \$10,000 or more with a related organization over a twelve-month period, such subcontract shall also contain a clause permitting access by HHS, the Comptroller General and their representatives to the books and records of the related organization.

11. Compliance with Applicable Laws. The parties shall comply with all applicable statutes, laws, rules, regulations, licenses, certificates and authorizations of any governmental body or authority in the performance of its obligations under this Agreement. Each party shall assure that its employees shall participate in any applicable antitrust compliance programs, and the parties shall comply with applicable antitrust consent decrees.

12. General Provisions

- a) Notices. Any notice or other communication required under this Agreement shall be in writing and delivered to the respective addresses given below, or to such

other address as either party shall designate in writing:

If to Training Institution:

If to ST. O:

- b) Assignment. Neither party shall assign, transfer, or attempt to assign or transfer, any right, interest, duty, function or part of this Agreement without the prior written consent of other party.
- c) Applicable Law. This Agreement and any controversy arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without application of any principles of choice of laws.
- d) Relationship Between the Parties. Nothing in this Agreement shall be construed as establishing a partnership or joint venture between the parties and neither party shall in any way be considered an agent or employee of the other party for any purposes whatsoever.
- e) Equal Opportunity. Neither party shall discriminate against any Resident, employee, applicant for employment, or recipient of services on the basis of race, religion, color, sex, age, disability, or national origin.
- f) Execution by Counterpart. This Agreement may be executed separately or independently by the parties in counterpart, each of which together shall be deemed to have been executed simultaneously and for all purposes to be one instrument.

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

Please indicate Hospital's acceptance of the terms of this Letter Agreement by signing below and returning a fully executed original to St. Odrias Hospital at the address above.

_____ date _____
Donald Dumas, MD
Chief Medical Officer, ST. O Hospital

_____ date _____
Tom Applecorerr, MD
Chief Medical Officer, St.. Veras Hospital