

1.01 The purpose of this Agreement is to establish the terms and conditions for the Resident's appointment to and participation in the Residency Program and employment by HPN.

Article 2
Appointment and Employment

2.01 Residency Appointment and Employment. Subject to satisfactory verification of the Resident's identity and legal authorization to work, (i) UTHSCSA hereby offers and the Resident hereby accepts an appointment as a first year resident in the Residency Program, and (ii) HPN hereby agrees to employ the Resident and the Resident hereby agrees to become employed by HPN.

2.02 Term of Appointment and Employment. Subject to compliance by the Resident with the terms and conditions of this Agreement, the term of this appointment and employment shall be for a one (1) year period beginning on July 1, 2010 (the "Effective Date") and ending on June 30, 2011 unless otherwise terminated as provided herein. This Agreement, as well as the appointment and employment of the Resident described herein, shall terminate automatically and immediately without notice in the event the Resident fails to enter the Residency Program on the Effective Date.

In addition, the incoming Residents will be required to report for UTHSCSA/RAHC Orientation effective June 21 – 26, 2010 and VBMC-WOW Orientation June 28 – June 30, 2010. The Resident will receive a one-time payment of \$1,472.31 for attending the orientation to be paid in accordance with HPN's regular payroll policies and subject to all applicable and customary withholding and employment taxes, as well as other withholding requirements imposed by federal or state law. Attending the orientation does not change the Term of Appointment and Employment effective starting and ending dates as outlined in Section 2.02 above.

2.03 Practice of Medicine The parties to this Agreement understand that the Resident performs tasks, namely the practice of medicine, the details of which HPN does not have the legal right to control; and no such control is assumed by this Agreement.

2.04 GME Policies Certain aspects of the appointment of the Resident to the Residency Program, the terms and conditions of that appointment, and Resident's activities in the Residency Program are governed by the graduate medical education policies of UTHSCSA contained in the UTHSCSA *GME Policy Manual* (the "GME Policy Manual") which is available at www.uthscsa.edu/gme. The GME Policy Manual includes and specific reference is hereby made to policies on leaves of absence, the effect of leaves of absence on satisfying the criteria for completion of the Residency Program, the handling of physician impairment, including impairment due to substance abuse, sexual and other forms of harassment, resident responsibilities, duration of appointment as a resident and conditions for re-appointment to the Residency Program, professional activities outside the educational program (including moonlighting), a reduction in size or closure of the Residency Program, and grievance and appeal procedures. UTHSCSA shall provide a copy of the GME Policy Manual to the Resident on or before the Effective Date of this Agreement and shall provide the Resident with a copy of any changes or amendments to such graduate medical education policies. The Resident agrees to become familiar with and to be bound by the graduate medical education policies contained in the GME Policy Manual, as well as any other UTHSCSA policies, rules and regulations that relate to activities as a resident in the Residency Program.

2.05 Re-Appointment and Non-Renewal Conditions of re-appointment of the Resident to the Residency Program, as well as conditions of the non-renewal of this Agreement and of the appointment to the Residency Program, are described in the GME Policy Manual.

Article 3
Stipend and Benefits

3.01 Resident Stipend. HPN agrees to pay the Resident, and the Resident agrees to accept, an annual stipend of **Forty-four thousand, One-hundred Sixty-Nine and 43/100ths Dollars (\$44,169.43)** said stipend being payable in twelve (12) monthly installments and in accordance with HPN's regular payroll policies and subject to all applicable and customary withholding and employment taxes, as well as other withholding requirements imposed by federal or state law.

3.02 Resident Benefits. Residents will receive the same benefits as regular full time employees of VBMC with the exception of Paid Time Off (PTO) & the Extended Illness Bank (EIB). In addition, HPN agrees to provide the Resident with the following benefits:

(a) Paid Time Off. The Resident shall be entitled to paid vacation days in an aggregate of ten (10) working days (Monday through Friday but not to include holidays) during the first year of the Residency Program and an aggregate of fifteen (15) working days during subsequent years. The Resident shall be entitled to seven (7) paid holidays per year as defined by HPN. Unused vacation leave and holidays shall not accrue from year to year. Vacation days may not be used during the last month of the Residency Program. Unused vacation days shall be forfeited upon the expiration, non-renewal or termination of this Agreement for any reason. In addition, VBMC provides residents Funeral Leave after 90 days of employment, up to 3 days, 8 hours per day, and Jury Duty Leave upon employment, with full pay up to 8 hours each day.

(b) Sick Leave. The Resident shall have six (6) days this year for sick leave with pay. Unused sick leave days shall not accrue from year to year and shall be forfeited upon the expiration, non-renewal or termination of this Agreement for any reason.

(c) Parental Leave or Other Leave. The Resident shall be entitled to parental leave without pay for up to twelve (12) weeks after one year of employment in accordance with the Family and Medical Leave Act and in accordance with the policy in the GME Policy Manual.

(d) Book Allowance. The Resident will be reimbursed for documented medical book costs up to Three Hundred Dollars (\$300.00) per year.

(e) Relocation Reimbursement. The Resident's cost to move to the location of the Residency Program will be reimbursed in accordance with the policies of VBMC in an amount not to exceed Two Thousand Dollars (\$2,000.00).

(f) Pager and IPOD. Upon arrival to the program, HPN will provide a pager and a IPOD for use by the Resident; however, the Resident shall be responsible for the cost of replacement of the pager or the IPOD in the event of loss or misuse.

(g) Parking. The Resident shall be entitled to free motor vehicle parking within designated areas at VBMC.

(h) Lab Coats. The Resident shall be entitled to three (3) lab coats and (3) scrubs upon arrival to the program at no charge.

(i) Life Support Course. An advanced cardiac life support course shall be made available to the Resident at no charge during their PGY 2 year.

(j) Insurance Benefits. HPN will provide comprehensive medical insurance coverage for employees. Co-pays vary according to plan chosen. Term Life and Long-Term Disability Insurance are provided upon the first officially-recognized day of their respective programs. At the Resident's expense and at group rates, HPN shall also offer comprehensive medical insurance coverage for the dependents of the Resident, as well as vision and dental for the Resident and their dependents. The Resident and the Resident's dependents shall be entitled to discounted medical prescription drugs through the VBMC pharmacy. During the term of this Agreement, beginning on the Effective Date, the Resident is covered by worker's compensation insurance.

(k) Retirement Plan. The Resident shall be eligible to join the HPN-sponsored retirement program at any time and shall be eligible for the employer match (in accordance with retirement plan guidelines) after one year of employment.

(l) Counseling Services. An Employee Assistance Program is provided by VBMC and includes counseling and referral services for the Resident and the Resident's dependents.

(m) Other Benefits. In addition to the foregoing, at no charge to the Resident, HPN shall also provide the Resident with In-Training Examination Self-Assessment, associate membership to ACP-ASIM, and access to Medical Knowledge Self-Assessment Program for third-year residents.

3.03 Leave Requests. All leave requests, including leave in excess of permitted days, must be submitted for the approval of the Program Director of the Residency Program (the "Program Director").

3.04 In-House Call Rooms, Meals and Laundry. In-house living quarters are not available; however, the Resident shall have access to assigned call rooms when on-call overnight at VBMC. Discounted meals shall be made available to the Resident in the Doctor's Dining Room at VBMC; and such meals shall be available to the Resident at no charge when on-call at VBMC. Neither UTHSCSA nor HPN provide laundry service to residents for lab coats or otherwise.

Article 4 UTHSCSA Responsibilities

4.01 UTHSCSA will establish and maintain an organized educational program which provides guidance and supervision of the Resident, facilitating the Resident's professional and personal development while ensuring safe and appropriate care for the patients, in accordance with the institutional policies and procedures of the ACGME.

4.02 UTHSCSA, through the Program Director, and in accordance with the policies in the GME Policy Manual, shall evaluate the Resident on a regular basis to assess the Resident's level of advancement, practice privileges, duty hour schedule, and the nature of supervision necessary by attending teaching staff. A confidential record of the Resident's evaluation shall be maintained by the Program Director in accordance with ACGME standards.

4.03 UTHSCSA will inform the Resident of adverse accreditation actions taken against UTHSCSA by ACGME in a reasonable period of time after the action is taken. Should UTHSCSA begin the process of closing a residency training program for accreditation reasons or for other reasons, the Resident will be informed at as early a date as possible and in accordance with the policies in the GME Policy Manual.

4.04 UTHSCSA, through The University of Texas System, will provide the Resident with professional medical liability self-insurance coverage in the amount of \$100,000 per claim and \$300,000 aggregate, provided that the resident complies with UT System requirements for risk management education. Coverage extends to all duly authorized off-campus assignments. Moonlighting is specifically excluded from medical liability self-insurance coverage. Upon becoming aware of an actual or alleged claim, the Resident must notify the Program Director.

Article 5
HPN Responsibilities

5.01 In support of the Residency Program and pursuant to the Program Agreement, HPN, as the designee of VBMC, is responsible for providing stipends and benefits to residents in good standing in the Residency Program. Those benefits are described in Article 3 of this Agreement and shall terminate automatically upon the expiration or non-renewal of this Agreement or sooner if the Resident resigns or is terminated from the Residency Program or employment by HPN.

Article 6
Resident Responsibilities

6.01 The Resident hereby commits and agrees to provide quality medical care commensurate with the Resident's level of advancement and competence under the general supervision of the attending teaching staff. This includes:

- (a) participation in safe, effective, and compassionate patient care;
- (b) developing an understanding of ethical, socioeconomic, and medical/legal issues that affect graduate medical education and of how to apply cost containment measures in the provision of patient care;
- (c) participation in the educational activities of the Residency Program and, as appropriate, assumption of responsibility for teaching and supervising other residents and students, and participation in institutional orientation and educational programs and other activities involving the clinical staff;
- (d) participation in institutional committees and councils to which the Resident is appointed or invited;
- (e) performance of duties in accordance with the Institutional Requirements and applicable Program Requirements of the ACGME, the UTHSCSA policies and procedures in the GME Policy Manual, including but not limited to the policy on responsibilities of residents, as well as any other policies of UTHSCSA and the UTHSCSA Department of Medicine applicable to the Residency Program and the activities of the Resident, any applicable provisions of the Bylaws of the VBMC Medical and Dental Staff, the VBMC *Guidelines for Clinical Activities by Medical*

Residents, as well as any other HPN and/or VBMC policies applicable to the Residency Program and the activities of the Resident, and any policies, procedures, rules and regulations of other institutions to which the Resident may be assigned; and

(f) compliance with all applicable state and federal laws including requirements for obtaining and maintaining a post-graduate resident permit and/or a license to practice medicine, as well as other rules and regulations of the Texas State Board of Medical Examiners.

6.02 The Resident shall document all procedures performed in the various hospital and ambulatory care experiences involved in the Residency Program and shall complete all appropriate medical and billing records related to medical care provided by the Resident in a timely manner and in compliance with the applicable policies and procedures of VBMC or such other institution in which the medical care is provided. All patient medical records shall remain the property of the institution at which the care was provided to the patient. HPN may withhold payment of the Resident's stipend if the Resident has been notified of a failure to comply with the medical record completion policies of VBMC and/or the Residency Program and such failure has not been remedied by the date on which such payment is due.

Article 7

Termination of Appointment and/or Employment

7.01 Termination of Appointment. This appointment to the Residency Program may be terminated by UTHSCSA at any time if the Resident fails to comply with the Resident's responsibilities as specified in this Agreement, for failure to progress in medical knowledge or skills as determined by UTHSCSA's supervising faculty, or in the event of inability to continue in the Residency Program as the result of removal of the Resident from VBMC or another major clinical site. A termination of the appointment of the Resident to the Residency Program shall automatically terminate the employment of the Resident by HPN.

7.02 Removal from VBMC and/or HPN. In its discretion, HPN shall have the right to require UTHSCSA to remove the Resident from VBMC. Such removal may be required as the result of the Resident's (a) failure to comply with the provisions of this Agreement, (b) failure to perform the Resident's responsibilities as described in Article 6 of this Agreement, (c) unprofessional, unethical, immoral or fraudulent conduct or actions, (d) misconduct for which a Resident may be subject to dismissal as described in Policy 4.9.4 of the UTHSCSA *Handbook of Operating Procedures* or (e) other conduct, action or omission as HPN may reasonably determine in its discretion to be cause for removal from VBMC.

7.03 Grievance and Appeal Procedure. In the event of dismissal of the Resident from the Residency Program, non-renewal or termination of this Agreement, or removal of the Resident from VBMC, the Resident may initiate a grievance in accordance with the *Policy on Resident Grievance and Appeal Procedure -- Regional Academic Health Center* in the GME Policy Manual. All disciplinary actions taken against the Resident will be reported to the Texas State Board of Medical Examiners (TSBME) as per TSBME requirements, regardless of plans for appeal.

Article 8

Certificate of Graduate Training

8.01 UTHSCSA's approval of a Certificate of Graduate Training for the Resident is conditioned

on (a) the recommendation and signature of the specialty program's Chairperson or Program Director, and (b) final clearance of the Resident through HPN and/or VBMC which shall include the return of the Resident's identification badge, keys and all HPN and VBMC property, as well as the completion and return of all medical records.

Article 9
Miscellaneous Provisions

9.01 Additional Assurances or Documents. The provisions of this Agreement shall be self-operative and shall not require further agreement by the parties except as may be expressly required herein; provided, however, the Resident shall execute such additional instruments as either UTHSCSA or HPN may determine are reasonably necessary to effectuate this Agreement.

9.02 Consents, Approvals and Discretion. Whenever in this Agreement any consent or approval is required to be given by a party hereto, or any party hereto must or may exercise discretion, such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised.

9.03 Binding Effect; Assignment. All the terms, provisions, covenants and conditions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective heirs, executors, administrators, representatives, successors and permitted assigns. The Resident may not assign or otherwise transfer this Agreement or the Resident's rights, duties, responsibilities or obligations hereunder. VBMC has the right under the Affiliation Agreement and the Program Agreement to designate an entity to employ residents appointed to the Residency Program. In the event VBMC shall designate an entity other than HPN to employ the residents, then HPN shall have the right to assign this Agreement together with its rights, duties, responsibilities and obligations hereunder to such designee.

9.04 Amendment; Waiver. This Agreement may be amended or modified only by a written instrument executed by all the parties hereto; and any term, provision, covenant or condition of this Agreement may only be waived by a written instrument executed by the party waiving such term, provision, covenant or condition. The waiver by any party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver by such party of any other provision or any subsequent breach or violation of the same or any other provision of this Agreement.

9.05 Severability and Construction. If any provision of this Agreement, or the application thereof to any person or circumstance, shall, for any reason or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, but the extent of such invalidity or unenforceability does not materially destroy the substance of the agreement between the parties as expressed herein, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

9.06 Entire Agreement. This Agreement supersedes all previous agreements, if any, between the Resident and either UTHSCSA or HPN, and constitutes the entire agreement of whatsoever kind or nature existing between the Resident and said parties respecting the subject matter hereof. The Resident shall not be entitled to benefits other than those expressly specified herein; and, as between or among the Resident and said parties, no oral statements or prior written agreements not expressly incorporated herein shall be of any force or effect. The Resident expressly acknowledges that, in entering into this Agreement, the Resident is relying solely upon the representations and agreements contained in this Agreement and no others.

9.07 Governing Law. The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of Texas and exclusive venue shall lie in Cameron County, Texas.

EXECUTED this ____ day of _____, 2010.

**THE UNIVERSITY OF TEXAS HEALTH
SCIENCE CENTER AT SAN ANTONIO**

By: _____
James F. Hanley, MD
Program Director
UTHSCSA/RAHC IM Residency

RESIDENT

By: _____
RESIDENT NAME, MD

**HARLINGEN PHYSICIAN NETWORK, INC.
Harlingen, Texas**

By: _____
Lois Bready, MD
Associate Dean for
Graduate Medical Education

By: _____
James E. Eastham, FACHE
President & CEO
Valley Baptist Health System

