

FAMILY MEDICINE RESIDENT EMPLOYMENT AGREEMENT

THIS FAMILY MEDICINE RESIDENT EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into effective the 8th day of June, 2020 (the "Effective Date"), between **McLeod Regional Medical Center of the Pee Dee, Inc.**, a nonprofit corporation organized and governed under the laws of the State of South Carolina and exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("MRMC"), and [REDACTED] ("Resident"). MRMC and Resident may be referred to hereinafter individually as the "Party" or together as the "Parties".

RECITALS

WHEREAS, MRMC is an acute care hospital in Florence County, South Carolina known as McLeod Regional Medical Center and is affiliated with: (i) a community hospital in Darlington County, South Carolina known as McLeod Medical Center – Darlington; (ii) a community hospital in Dillon County, South Carolina known as McLeod Medical Center – Dillon; (iii) two (2) hospitals in Horry County, South Carolina known together as McLeod Loris Seacoast Hospital; (iv) a community hospital in Manning, South Carolina known as McLeod Health Clarendon; and (v) a community hospital in Chesterfield County, South Carolina known as McLeod Health Cheraw (hereinafter referred to individually as the "Hospital" and collectively as the "Hospitals");

WHEREAS, MRMC currently conducts a family medicine residency training program (the "Program"), which provides approximately thirty-six (36) months of residency training to qualified physicians in the specialty of Family Medicine; and

WHEREAS, MRMC desires for Resident to enroll in the Program and Resident desires to do so pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

I. RESPONSIBILITIES AND OBLIGATIONS OF RESIDENT

1.1 **PARTICIPATION.** Resident agrees to enroll and participate in the Program, and to use his or her best efforts to meet the criteria for graduation as outlined herein. To graduate from the Program, Resident must complete three (3) postgraduate years with distinct courses of instruction/study ("Program Year(s)"). The requirements for progression from one Program Year to the next, and for graduation, are set forth in the "Resident Promotion and Graduation" policy, which is attached hereto and incorporated herein as **Attachment A**, as such may be amended from time to time by MRMC in its sole discretion. Subject to Resident's timely promotion from each Program Year to the next, the Parties anticipate that the three (3) Program Years will occur over the following periods:

- The first (1st) Program Year ("PGYI") shall commence on June 8, 2020 and end on June 30, 2021;
- The second (2nd) Program Year ("PGYII") shall commence on July 1, 2021 and end on June 30, 2022; and
- The third (3rd) Program Year ("PGYIII") shall commence on July 1, 2022 and end at 11:59 PM (EST) on June 30, 2023.

While enrolled in the Program, Resident shall adhere to the policies (specifically including, but not limited to, the Resident Promotion and Graduation policy) and procedures, and fulfill the necessary requirements of the Program, as set

forth in those policies, procedures, and requirements contained in the McLeod Family Medicine Resident Handbook (the "Handbook") and the Policy and Procedures Manual for the McLeod Family Medicine Program (the "Manual"), as such may be amended from time to time by MRMC in its sole discretion, which are incorporated in this Agreement as if set forth herein verbatim. Resident also agrees to adhere to those requirements promulgated by the Accreditation Council for Graduate Medical Education ("ACGME") Residency Review Committee in Family Medicine, as such may be amended from time to time and which are hereby fully incorporated into this Agreement by reference as if fully stated herein.

Resident shall work and train under the direction of the director of the Program (the "Program Director") and agrees to adhere to and abide by the directives given by the Program Director, the Program faculty ("Faculty"), and/or any supervising resident. Resident shall perform his or her duties as a full-time employee of MRMC on such days and during such hours as MRMC determines are customary and reasonable, including such hours as are necessary to provide on-call services.

During the Term (as defined below in **Section 3.1**) hereof, Resident shall not serve in any administrative or teaching capacity with, nor render professional medical services to or on behalf of, any other institution, health care facility or organization, or engage in any other gainful occupation, unless such arrangement is approved in writing by MRMC in its sole discretion. Resident further agrees that any outside employment arrangement approved by MRMC for which Resident is not compensated by MRMC shall not be considered within the scope of Resident's employment hereunder, and Resident will not be covered by the professional liability insurance provided by MRMC for Resident under this Agreement. Resident agrees that any such consent by MRMC, if given, may be withdrawn at any time by MRMC (in its sole discretion), and shall in all circumstances be contingent on Resident obtaining professional liability insurance coverage for the outside work that is acceptable to MRMC.

1.2 **ADDITIONAL DUTIES REQUIRED UNDER OTHER MRMC OR MRMC AFFILIATE CONTRACTUAL AGREEMENTS.** Commencing at the expiration of PGYI, Resident and MRMC agree that, at MRMC's request and upon the mutual consent of the Parties, Resident shall render additional services beyond the Program requirements as an employee of MRMC at such locations as may be designated by MRMC ("Additional Duties"). These Additional Duties, if any, will be performed on those dates and times as may be requested by MRMC and agreed upon by Resident and will be provided by Resident so long as Resident has met all necessary qualifications of the designated location(s). MRMC agrees to compensate Resident at a fair market value hourly rate for his or her rendering of the Additional Duties. The Parties agree that the hourly compensation rate shall be determined by MRMC, and agreed to by Resident, in advance of Resident performing any such services.

1.3 **LICENSURE.** Resident has, or agrees to immediately acquire, a license to practice medicine in the State of South Carolina. Resident agrees to maintain such license throughout the Term of this Agreement, and Resident agrees that any limitation, withdrawal, suspension, probation, or revocation of such license gives MRMC the unilateral right to immediately terminate this Agreement pursuant to **Section 3.3** below and to expel Resident from the Program.

1.4 **UNITED STATES MEDICAL LICENSING EXAMINATION™ STEP 3/COMPREHENSIVE OSTEOPATHIC MEDICAL LICENSING EXAMINATION LEVEL 3.** Resident is required to attempt to pass and complete the United States Medical Licensing Examination Step 3 ("USMLE") or Comprehensive Osteopathic Medical Licensing Examination Level 3 ("COMLEX"), as applicable, by March 31st of his or her first (1st) Program Year (PGYI). If Resident does not pass and complete USMLE/COMLEX on his or her first (1st) attempt, Resident will not be promoted to his or her second (2nd) Program Year (PGYII). Instead, Resident will be provided with a second (2nd) opportunity, and, if necessary, a third (3rd) opportunity, to pass and complete the USMLE/COMLEX. Should Resident be successful and pass and complete USMLE/COMLEX on his or her second (2nd) or third (3rd) attempt, then he or she shall, at that time, be promoted to his or

her second (2nd) Program Year (PGYII). In the event Resident fails to pass and complete the USMLE/COMLEX on his or her third (3rd) attempt, such result shall be considered an event that gives MRMC the unilateral right to immediately terminate this Agreement pursuant to **Section 3.3** below, and to expel Resident from the Program.

1.5 **QUALIFICATIONS.** Resident certifies that he or she has, and shall maintain throughout the Term of this Agreement, authority to prescribe medications without restriction. Resident further certifies to MRMC that Resident has fully disclosed all information requested in any applications submitted to the Program and that all information disclosed in these applications is true and correct as of the Effective Date of this Agreement. Resident acknowledges that these applications fully disclose, among other facts, any suspension or revocation of a medical license, professional sanctions, disciplinary actions and malpractice lawsuits affecting Resident. Resident's applications are hereby incorporated into this Agreement by reference as if fully stated herein.

1.6 **PERFORMANCE STANDARDS.** In performing services under this Agreement, Resident agrees: (i) to use diligent efforts and professional skills and independent professional judgment; (ii) to perform all services in accordance with recognized standards of the profession; (iii) to abide by the directives of the Program Director, Faculty, and/or any supervising resident; (iv) to act in a manner consistent with all principles of ethics set forth by the American Medical Association; (v) to comply with the bylaws, rules, regulations, and policies of MRMC and each Hospital at which Resident performs services hereunder (including MRMC's policy on sexual harassment) and all such rules, regulations and policies applicable to Resident as required under each Hospital's medical staff bylaws and regulations; and (vi) to comply with all applicable Federal, state, and local laws and regulations, MRMC and Hospital compliance requirements, and the standards of DNV Healthcare USA, Inc. ("DNV") or other applicable accrediting agency.

1.7 **HEALTH STATUS.** The Parties acknowledge that, during the Term of this Agreement, Resident must be able to appropriately and safely perform his or her duties hereunder. Resident is responsible for notifying MRMC in a timely manner of any health factors that may affect the Resident's performance of his or her professional and/or administrative duties required hereunder, including health factors potentially affecting the health, safety or welfare of Resident or patients to whom Resident renders services. Resident agrees to submit to a screening for substance abuse prior to any performance of the duties and obligations set forth under this Agreement, and further agrees that this Agreement is contingent upon the successful completion of this screening.

MRMC, in accordance with applicable laws, shall from time to time be entitled to make reasonable inquiries and require appropriate health screenings, both mental and physical, and testing concerning Resident's ability to perform his or her duties. Such screenings and testing include, but are not limited to, the following: (i) testing for substance abuse; (ii) testing for communicable or infectious diseases, including sexually transmitted diseases; and (iii) requesting and receiving such other information necessary to assure MRMC that Resident is capable of performing his or her duties and does not pose a health or safety risk to others.

The results of any testing, screening or examination, as required herein, will be maintained as confidential and will be disclosed within the sole discretion of MRMC to its officers and directors only on a need to know basis and in accordance with applicable laws. Provided, however, any positive test result will be reported to appropriate authorities as required or allowed by law. Furthermore, if Resident is or becomes infected with Human Immunodeficiency Virus (HIV) or Hepatitis B Virus (HBV), then the Resident has the sole discretion to report Resident's condition to an expert review panel, established pursuant to the "S.C. Health Care Professional Compliance Act," which is codified at S.C. Code Ann. Section 44-30-10, et. seq. (Law. Co-op. Supp. 2003) (or any corresponding section of any future law) and any subsequent amendments as may occur, to determine Resident's appropriate scope of practice and resolve any other relevant issues.

1.8 **DISQUALIFIED PERSONS.** Resident represents and warrants that he or she: (i) has not been convicted of a criminal offense related to health care (unless such individual has been officially reinstated into the Federal health care programs by the Department of Health and Human Services, Office of Inspector General ("OIG") and provided proof of such reinstatement to MRMC); (ii) is not under sanction, exclusion or investigation (civil or criminal) related to health care by any Federal or state enforcement, regulatory, administrative or licensing agency or is ineligible for Federal or state program participation; and (iii) is not listed on the General Services Administration's List of Parties Excluded from the Federal Procurement and Non-Procurement Programs or the OIG's List of Excluded Individuals/Entities. Resident shall immediately notify the Program Director and MRMC's Administrator/Senior Vice President in writing of any such conviction, sanction, exclusion, investigation, or listing of Resident.

1.9 **MEDICAL RECORDS.** Resident shall maintain timely, accurate and complete MRMC medical records on all patients treated by Resident as required by MRMC and any rules, regulations and policies of the MRMC Medical Staff; for purposes of this provision, "timely" shall mean no later than within seven (7) days after the date on which Resident provides the professional services at issue, or within the period specified in the Medical Staff Bylaws (and rules or regulations) of the Hospital(s) where Resident performed the underlying services, whichever period is shorter. Resident acknowledges and agrees that MRMC may utilize certain electronic medical records software and related information technology necessary to create, receive, transmit, and maintain electronic medical records (the "EMR System"). During the Term of this Agreement, Resident shall: (i) fully participate in all required training for the EMR System that MRMC makes available to Resident; and (ii) utilize the EMR System in accordance with all applicable MRMC and Program policies, as such may be amended from time to time. Subject to applicable South Carolina law, during the Term of this Agreement, all medical files and patient records for patients treated by Resident shall be maintained exclusively at a location determined by MRMC and shall be the property of MRMC. Resident shall not sell, transfer, or assign any right to medical files or patient records to any third-party.

During the Term of this Agreement, Resident shall: (i) make records of patient evaluation and treatment in accordance with the policies of each Hospital where Resident performs services hereunder; (ii) perform such record keeping as each applicable Hospital determines is necessary for MRMC (or the applicable Hospital) to bill patients and/or third-party payors in a timely and accurate manner; and (iii) provide the appropriate personnel with the documentation necessary to enter Resident's charges into the billing system that is utilized by MRMC, or other applicable Hospital, in accordance with such deadlines as may be established by MRMC (or other Hospital, as applicable) from time to time. If Resident fails to do any of these things within the time period required for such completion, then MRMC shall give Resident written notice of such failure and Resident shall have ten (10) days in which to cure such failure. MRMC reserves the right to suspend Resident in the event Resident fails to cure any such failure during the ten (10) day period for cure. In the event MRMC elects to suspend Resident, MRMC shall, in advance, notify Resident in writing of such intent and the effective date and time period of such suspension. During any such period of suspension, Resident shall be prohibited from providing professional medical services to patients, but shall take whatever actions MRMC deems necessary for Resident to cure the deficiencies that led to the suspension. Resident acknowledges and agrees that, in such event, the Resident's annual Stipend (as described in **Attachment B**, which is attached hereto and incorporated herein) shall be reduced in proportion to the amount of time Resident is suspended. The amount of time that Resident shall be suspended without pay shall be determined by MRMC. For the avoidance of doubt, the Parties acknowledge and agree that any suspension of Resident made pursuant to this **Section 1.9** would relate only to Resident's employment by MRMC and would **not** constitute a suspension of Resident's membership on the Medical Staff of MRMC or any other Hospital, or of Resident's ability to exercise clinical privileges at the acute care hospital(s) operated by MRMC/other Hospital(s). As such, any suspension of Resident made pursuant to this **Section 1.9** would not, of itself, be reported by MRMC (or any other Hospital) to the National Practitioner Data Bank.

1.10 **MEETING ATTENDANCE.** Resident acknowledges and agrees that he or she shall be required to be present at all mandatory meetings and/or events as determined by MRMC. These meetings and/or events shall include, but not be limited to, trainings, Medical Staff meetings, and other specified functions.

II. OBLIGATIONS OF MRMC

2.1 **LIABILITY INSURANCE.** During the Term of this Agreement, MRMC shall procure and maintain professional liability insurance on behalf of Resident for the Term of this Agreement in such amounts and subject to such deductible limits as MRMC deems appropriate in its sole discretion covering services rendered by Resident pursuant to the terms of this Agreement. Resident agrees to cooperate with MRMC in any way necessary in order to procure and maintain such insurance policies and coverage.

2.2 **COMPENSATION.** MRMC shall compensate Resident for services rendered pursuant to the terms of this Agreement as provided for in **Attachment B**. MRMC shall compensate Resident for any Additional Duties rendered, if any, in accordance with **Section 1.2** above and as provided for in **Attachment B**.

2.3 **BENEFITS.** Commencing on the Effective Date and continuing throughout the Term of this Agreement, MRMC shall provide or make available to Resident those employment benefits described in **Attachment B**, or as otherwise required by law.

2.4 **PROVISION OF PROGRAM.** MRMC agrees to provide and maintain the Program, and to make good faith efforts so that the Program continues to fulfill the accreditation requirements of the ACGME. MRMC agrees to provide the Faculty, facilities, supplies, instruction, clinical supervision, support, and personnel that MRMC deems necessary to conduct the Program, and to assist Resident in finding appropriate housing, meals, and laundry services throughout the Term of this Agreement.

III. TERM AND TERMINATION

3.1 **TERM.** This Agreement shall commence on the Effective Date and continue until Resident graduates from the Program, unless terminated earlier in accordance with the terms of this Agreement (the "**Term**"). Subject to Resident's timely promotion from each Program Year to the next, the Parties anticipate that the Term shall continue for approximately three (3) years from the Effective Date, and expire at 11:59 PM (EST) on June 30, 2023.

3.2 **TERMINATION BY RESIDENT.** This Agreement may be terminated by Resident upon forty-five (45) days' prior written notice to the Program Director. Such written notice must state the basis for requesting termination of this Agreement. MRMC may waive or shorten the forty-five (45) day notice requirement in its sole discretion.

3.3 **IMMEDIATE TERMINATION BY MRMC FOR CAUSE.** MRMC shall have the unilateral right in its sole discretion to immediately terminate this Agreement upon the occurrence of any of the following events: (i) the death of Resident or MRMC's determination that Resident is disabled to such an extent that Resident is incapable of performing the services required by this Agreement; (ii) Resident's license to practice medicine or prescribe medications in South Carolina is placed on probation, suspended or terminated; (iii) Resident is charged with or indicted for a felony, or is convicted of any misdemeanor offense involving moral turpitude; (iv) Resident fails to comply with any state, Federal, or local law or regulation, or with the personnel and administrative policies and procedures, bylaws, orders, rules and regulations of MRMC, and/or the Hospitals' Medical Staff(s); (v) Resident acts in an unethical or fraudulent manner, or engages in any act in violation of MRMC's policies and procedures (including, without limitation, harassment); (vi)

Resident is not recommended for reappointment pursuant to the procedural steps outlined in the Resident Promotion and Graduation policy; or (vii) Resident fails to comply with any provision of this Agreement. Without limiting the generality of the foregoing, in the event that MRMC gives a notice of default to Resident for his or her breach of **Section 1.9** above three (3) or more times, or if Resident fails to cure any such failure within the ten (10) day period for cure described in **Section 1.9** above, then such actions shall be considered an event that gives MRMC the unilateral right to immediately terminate this Agreement pursuant to this **Section 3.3** and to expel Resident from the Program.

3.4 **TERMINATION BY MRMC WITHOUT CAUSE.** MRMC may terminate this Agreement without cause or reason upon giving the Resident one hundred twenty (120) days' advance written notice.

IV. MISCELLANEOUS

4.1 **COMPLIANCE WITH LAWS.** Resident and MRMC shall each comply with all applicable laws and regulations in performing its obligations under this Agreement. If any provision of this Agreement shall reasonably be determined by either Party to violate any applicable law or regulation, then the Parties shall promptly and in good faith amend this Agreement as may be necessary or advisable to comply with such law or regulation. Any such amendment of this Agreement shall, to the extent practical, preserve to each Party the economic and other benefits accorded such Party in the original Agreement. If Resident does not agree to make those changes that MRMC determines are necessary, then MRMC shall have the right to terminate the Agreement after thirty (30) days' written notice to Resident.

4.2 **CONFIDENTIALITY OF MRMC INFORMATION.** Resident understands and agrees that in connection with Resident's enrollment in the Program, Resident may acquire competitively sensitive information that may cause MRMC to suffer competitively or economically if such information became known to persons outside of MRMC. Consequently, except as provided in this **Section 4.2** or otherwise required by law, Resident agrees to maintain the confidentiality of any confidential information or trade secrets Resident acquires during the Term of this Agreement, and for as long as such information remains confidential.

4.3 **CONFIDENTIALITY OF PATIENT INFORMATION.** Resident agrees to protect, to the fullest extent required by law, the confidentiality of any patient information generated or received by Resident in connection with the performance of services hereunder, including, without limitation, the privacy requirements of the Health Insurance Portability and Accountability Act of 1996. Resident specifically acknowledges that in receiving, storing, processing, or otherwise handling records of MRMC patients, Resident may be bound by Federal laws governing addictive disease patients, including the requirements set forth in 42 C.F.R. Part 2. Resident agrees to promptly notify MRMC if Resident receives any improper request for any patient information protected hereunder. Resident agrees, if necessary, to resist in judicial proceedings any efforts to obtain access to patient records except as permitted by law. This **Section 4.3** and Resident's obligation to maintain the confidentiality of MRMC patient information shall survive the termination or expiration of this Agreement.

4.4 **CASE RECORDS, HISTORIES, AND WORKS MADE FOR HIRE.** All documents, case records, case histories, and medical records concerning MRMC patients shall become and remain the exclusive property of MRMC. Additionally, all inventions, discoveries, materials, and improvements created by, or attributed to Resident, that relate to MRMC's business shall become and remain the exclusive property of MRMC as "works made for hire."

4.5 **GRIEVANCE PROCEDURES.** Resident shall utilize those grievance procedures outlined in the Handbook and/or Manual, as applicable (specifically including the Educational Standards/Evaluation/Due Process policy), as such procedures represent the Resident's primary recourse for disputes with MRMC that may arise under this Agreement;


provided, however, that Resident may also exercise those grievance procedures available to him or her in applicable MRMC policies, as such may be amended from time to time.

If Resident is not recommended for reappointment pursuant to the procedural steps outlined in the Resident Promotion and Graduation policy, then Resident shall have those appellate rights provided for under MRMC policies for MRMC employees, as such may be amended from time to time. In accordance with ACGME requirements, MRMC shall make reasonable efforts to provide Resident with notice that he or she is not being recommended for reappointment: (i) at least four (4) months prior to the end of Resident's then current Program Year; or (ii) as the circumstances reasonably allow.

4.6 **SEVERABILITY.** If any one (1) or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement.

4.7 **NOTICES.** All notices required under this Agreement are deemed effective on the date delivered personally or mailed by registered or certified mail, postage prepaid, or one day after deposit with a recognized, reliable overnight delivery service, addressed as set forth below or to such other address as the Parties may from time to time designate in writing to the corresponding Party:

As to Resident:


555 East Cheves Street
Florence, SC 29506

As to MRMC:

McLeod Regional Medical Center of the Pee Dee, Inc.
555 East Cheves Street
Florence, SC 29506
Attention: Family Medicine Resident Program Administrator

*With a copy to:
(which shall not constitute
Notice)*

McLeod Health
PO Box 100551
Florence, South Carolina 29506
Attention: Legal Counsel

4.8 **GENERAL MISCELLANEOUS.** This Agreement or any obligations hereunder shall not be subcontracted or assigned without the prior written consent of the other Party except to an affiliate or purchaser of MRMC. This Agreement shall be governed by and construed under the laws of the State of South Carolina and venue shall lie in Florence County. This Agreement may be amended only in writing signed by both Parties. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement constitutes the entire agreement of the Parties. All prior agreements between the Parties, whether written or oral, are merged herein and shall be of no force or effect. The paragraph headings used herein are for convenience only and shall not be used in the construction or interpretation of this Agreement. Any reference to the masculine, feminine, or neuter gender shall be deemed to include the other.

4.9 **MCLEOD HEALTH COMPLIANCE PROGRAM.** Resident acknowledges that MRMC participates in McLeod Health's Compliance Program ("Compliance Program") and that MRMC is bound by a number of compliance-related policies, including a conflict of interest policy ("Conflict of Interest Policy") for certain purposes, including, but

not limited to, the purpose of ensuring that the provision of, and billing for, all healthcare services by MRMC, and all other McLeod Health Affiliates, are in full compliance with applicable Federal and state laws. Resident acknowledges that information relating to such Compliance Program, including the McLeod Health Code of Conduct (as defined hereafter) and the Conflict of Interest Policy, as well as other compliance policies, are available for his review on MRMC's intra-net and Resident shall fully adhere to and support the policies set forth therein. Resident shall participate in training and education sessions relating to the Compliance Program, to include training and education sessions related to 42 U.S.C. § 1320a-7b(b) (the "Anti-Kickback Statute") and 42 U.S.C. § 1395nn (the "Stark Law") as requested by MRMC. Resident agrees to, and at all times shall, comply with all laws, rules, and regulations impacting Resident and/or MRMC, and to attend training sessions related to the Anti-Kickback Statute, the Stark Law, and other relevant compliance requirements. Resident acknowledges and agrees that he will fully comply with McLeod Health's Policy on Business Practices (commonly known as the "McLeod Health Code of Conduct") and the Policy and Procedures Regarding Compliance with the Anti-Kickback Statute and the Stark Law, which are also set forth on MRMC's intra-net.

4.10 **NO OBLIGATION TO REFER.** Nothing in this Agreement is to be construed to restrict the Resident's professional judgment while performing clinical and professional services under this Agreement to refer any patient to any health care facility which he or she believes is necessary or desirable in order for a patient to obtain proper and appropriate treatment or to comply with the wishes of the patient or patient's family. By signing this Agreement, the Parties hereby certify that this Agreement is not entered into because of any agreement between MRMC and the Resident for the referral of patients, either implied or otherwise, or that either Party is in any way being compensated based upon the number of referrals of patients that they may make to each other. The Parties specifically do not intend to violate the Federal Anti-Fraud and Abuse provisions, which are codified at 42 U.S.C. Section 1320a-7b(b) et seq., the Ethics in Patient Referrals Act, which is codified at 42 U.S.C. Section 1395nn (commonly known as the "Stark Law"), or the South Carolina Provider Self-Referral Act, which is codified at S.C. Code Ann. Section 44-113-10 et seq. The Parties, by signing this Agreement, hereby certify that they intend to fully comply with the "Employees" Safe Harbor contained at 42 CFR Section 1001.952(i), and the "Bona Fide Employment Relationships" exception to the Stark Law, as set forth in 42 CFR § 411.357(c) and such other applicable laws that may be enacted from time to time.

4.11 **SURVIVABILITY.** The following provisions of this Agreement shall survive any termination or expiration of this Agreement: **Section 4.2; Section 4.3; and Section 4.4.**

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, as evidenced by their respective signatures the Parties execute this Family Medicine Resident Employment Agreement as of the date set forth below.

RESIDENT

**MCLEOD REGIONAL MEDICAL CENTER OF THE PEE
DEE, INC.**

Deborah Locklair
Senior Vice President, Human Resources

Date: _____

Date: _____

ATTACHMENT A

McLeod Family Medicine Resident Handbook



RESIDENT PROMOTION AND GRADUATION POLICY

PURPOSE: To provide criteria for promotion of residents from PGYI to PGYII and PGYII to PGYIII and for Graduation.

POLICY: This policy shall operate concordant with the ACGME Milestones for Family Medicine residents.

Residents are promoted and graduated based on explicit criteria in accordance with the Accreditation Council for Graduate Medical Education (ACGME) General Competencies and the Review Committee -Family Medicine (RC- FM). As of July 1, 2014, all residents must meet the new RRC promotion requirements. Notification of completion is provided to Human Resources for notation in the resident's employee personnel file. The residency program requires its residents to obtain competencies in the six areas below to the level expected of a new practitioner - termed Entrustable Professional Activities (EPAs).

1. **Patient Care** that is compassionate, appropriate, and effective for the treatment of health problems and the promotion of health
2. **Medical Knowledge** about established and evolving biomedical, clinical, and cognate (e.g. epidemiological and social-behavioral) sciences and the application of this knowledge to patient care
3. **Practice-Based Learning and Improvement** that involves investigation and evaluation of their own patient care, appraisal and assimilation of scientific evidence, and improvements in patient care
4. **Interpersonal and Communication Skills** that result in effective information exchange and teaming with patients, their families, and other health professionals
5. **Professionalism**, as manifested through a commitment to carrying out professional responsibilities, adherence to ethical principles, and sensitivity to a diverse patient population
6. **Systems-Based Practice**, as manifested by actions that demonstrate an awareness of and responsiveness to the larger context and system of health care and the ability to effectively call on system resources to provide care that is of optimal value

Faculty Approved 03/01/2017
GMEC Approved 03/22/2017 Revised 5/23/18, 3/20/19, and 3/31/20

PROCEDURE:

The following describes the roles and responsibilities of the Clinical Competency Committee, the Faculty Advisor, and the Attending Physician.

Clinical Competency Committee

The Clinical Competency Committee is chaired by a senior faculty member with at least two years service on the committee. It is composed of members of the full-time faculty and clinical faculty as appointed by the Director. It meets regularly and reviews the clinical and academic performance and progress of each resident generally on a bimonthly basis. (See: Educational Standards/Evaluation/Due Process Document, Attachment 1).

Faculty Advisor

The faculty advisor meets with his/her advisee every month to discuss performance evaluations. If serious deficits are identified in the resident's performance, meetings with the faculty advisor will be more frequent. Failure to meet with his/her Advisor will result in a report to the Program Director from the advisor.

Attending Physician

The resident should receive timely feedback and be advised of deficits in performance by each attending with whom he/she works to allow an opportunity for remediation. It is recommended that the attending physician apprise the resident(s) whom he/she is supervising of his/her performance at the midpoint of the rotation, and more frequently as needed. (See Attending Notification of Resident Rotation, Attachment 2).

Standards That Apply to All Residents

1. Patient Care

- a. Participation and management in patient care on each rotation as documented by the faculty evaluation as entered into New Innovations. Major performance deficits will result in disciplinary action up to and including warning, probation, suspension and termination. Attendance and behavior are also considered in evaluating performance. Service, performance, conduct or behavior issues will also be addressed in the evaluation process.
- b. Residents will enter all patient procedural experience, home visits, etc., using the New Innovations system.

2. Medical Knowledge

- a. Annual testing by the In-training Exam (ITE) as administered by the American Board of Family Medicine. Failure to obtain a composite score (within one standard deviation from the mean for national peer group on the ITE) with a greater than or equal to 80% pass likelihood score will be grounds for no less than remediation. The resident must meet with the Faculty Advisor to develop and implement a plan to remediate deficits. The frequency of these meetings will vary by resident and will be determined by the faculty advisor and Clinical Competency Committee in consultation with the Residency Program Director. Failure to score within one

Faculty Approved 03/01/2017
GMEC Approved 03/22/2017 Revised 5/23/18, 3/20/19, and 3/31/20

standard deviation from the mean for national peer group in a subsection (e.g., pediatrics or internal medicine) will be reviewed in the context of rotational performance and precepting in the Family Medicine Center.

- b. Contribution to the academic and scholarly mission of the department. Student and resident teaching, conference presentations and participation, as well as overall faculty assessment of resident performance will evaluate this. Major performance deficits will result in disciplinary action up to and including warning, probation, suspension and termination. Service, performance, conduct or behavior issues will also be addressed in evaluation process.
 - c. Academic enhancement. Residents will be expected to utilize question banks including ABFM, AAFP, and NEJM for curriculum support. In addition, other support systems to include ITE/ABFM Board Review sessions, SAMS modules, Moodle assignments, and other methods, will be used for Medical Knowledge assessment. Focused and directed learning will be reviewed as an overall component of resident evaluation for promotion and graduation in this competency area.
3. **Practice-Based Learning and Improvement**
 - a. Assistance in chart audits and recommendations for improving patient care
 - b. Residents must demonstrate their understanding of how to identify and correct deficiencies
4. **Interpersonal and Communication Skills**

Residents must meet proficiency expectations of Behavioral Medicine curriculum/faculty in all areas of patient care.
5. **Professionalism**

Personal integrity, which includes strict avoidance of substance abuse, theft, lying, cheating, and unexplained absences. Unauthorized use of MRMC equipment and personnel for other than educational, professional, and patient care use is prohibited. Failure to follow this standard will be grounds for probation, suspension or dismissal pending the egregious nature of the offense.
6. **Systems-Based Practice**

Compliance with all hospital and departmental record keeping and documentation requirements. A pattern of tardiness and noncompliance will be grounds for probation. The Program is notified by hospital Medical Records department of delinquencies and will route information to the faculty advisor. Failure to respond in a prescribed period of time will result in WARNING status for first offense. Provisions to address delinquent records in hospital and Family Medicine Center are now set forth in "Family Medicine Resident Employment Agreement."

Promotion from PGYI to PGYII

1. Satisfactory performance as PGYI, including passing all rotations
2. Recommendation of faculty to advance
3. Demonstrated ability to supervise others

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GMEC Approved 03/22/2017 Revised 5/23/18, 3/20/19, and 3/31/20

4. All PGYI residents must take and pass USMLE Step 3 or COMLEX Level 3 by March 31 of first year. Entering residents who have a documented history of test taking difficulty will be given specific and individualized advice, and additional resources as appropriate to prepare them for success in the Step/Level 3 exam
5. Ability to perform PGYII Call or Night Float
6. Resident shall complete a sufficient quantity of family medicine outpatient encounters to show competence in all milestones for PGYI as determined by the CCC and Program Director.
7. Documented Milestone achievement that demonstrates progress from requiring direct supervision, to indirect supervision, to independence

The Residency Program Director with the advice of the Clinical Competency Committee decides whether to promote a resident to the next postgraduate year. Criteria include, but are not limited to:

1. Patient Care

- a. Identify the purpose(s) for the visit.
- b. Develop appropriate biopsychosocial hypotheses that apply to the presenting problem.
- c. Conduct a focused evaluation of the presenting problem (including history, physical examination, and laboratory/radiological procedures).
- d. Appropriately prioritize the probable and potential diagnoses to ensure that attention is given to the most likely, most serious, and most readily treatable options.
- e. Present a provisional and working diagnosis to the patient.
- f. Arrange for follow-up of the current problem that fits the standard of care and/or attends to the special needs of the patient.
- g. Completely document the patient care encounter in the Electronic Medical Record in a concise and logical manner, in accordance with hospital policy and resident contract.
- h. Update the biopsychosocial problem list and medication list at each visit.
- i. Obtain and demonstrate sufficient knowledge and experience to supervise patients in labor and get the obstetrical attending's approval to do so.

2. Medical Knowledge

- a. USMLE Step 3 or COMLEX Level 3 must first be taken in PGYI. Passage of Step 3 or COMLEX Level 3 is required for promotion to PGYII. The resident must pass USMLE Step 3 or COMLEX Level 3 within three attempts after becoming eligible to take the exam and before starting the PGYII year. The Program will only pay for the first attempt at taking the exam. Three failures on USMLE Step 3 or COMLEX Level 3 are grounds for due process including extending residency.
- b. Successful completion of 13 rotations of American Board of Family Medicine (ABFM) approved Family Medicine Residency training. The resident must receive a passing evaluation in all rotations and satisfactory performance in the Family Medicine Center.
- c. Successful completion of each academic enhancement module assigned.

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GMEC Approved 03/22/2017 Revised 5/23/18, 3/20/19, and 3/31/20

3. **Interpersonal and Communication Skills**
 - a. Conduct an interview that fosters an adequate and helpful doctor-patient relationship, as evidenced by the preceptor.
4. **Professionalism**
 - a. Responds to a diverse population in a professional manner by attending to salient medical, psychosocial, family, cultural and socioeconomic issues in a respectful manner.
5. **Systems-Based Practice**
 - a. Resident will refer those who need financial assistance to appropriate business office personnel.
 - b. Resident must demonstrate efforts to recruit additional patients from the household.
6. **Practice Based Learning and Improvement**
 - a. Obtain and use information about their own population of patients and the larger population from which their patients are drawn;
 - b. (1) Based on office/billing records obtain the demographics of their patient panel to compare with the demographics of the population in the community surrounding the Family Medicine Center.
 - c. (2) Identify the major health issues of the community and their patient population.

Promotion from PGYII to PGYIII

1. Satisfactory performance as PGYII, including passing all rotations
2. Recommendation of faculty to advance
3. Demonstrated skills in teaching, supervision, and team leadership
4. Ability to perform PGYIII call
5. Resident shall complete a sufficient quantity of family medicine outpatient encounters to show competence in all milestones for PGYII as determined by the CCC and Program Director.
6. Documentation of competency in core procedures
7. Documented Milestone achievement that demonstrates progress from requiring direct supervision, to indirect supervision, to independence

The Residency Program Director with the advice of the Clinical Competency Committee decides whether to promote a resident to the next postgraduate year. Criteria include, but are not limited to:

1. **Patient Care**
 - a. Implement the negotiated plan.
 - b. Inquire into and discuss sensitive issues that may impact on the execution of the negotiated management plan.
 - c. Incorporate the principles and practice of health maintenance into each patient care encounter, where appropriate.
 - d. Review the biopsychosocial problem list at each visit and attend to appropriate longitudinal issues.

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2. **Medical Knowledge**

Successful completion of 26 rotations of ABFM approved family medicine residency training. The resident must receive a passing evaluation in all rotations and satisfactory performance in the Family Medicine Center.

3. **Interpersonal and Communication Skills**

Conduct an encounter that recognizes the primacy of patient needs and treats the patient as an appropriately equal health care partner.

4. **Professionalism**

Conduct an interview in a manner consistent with the values of family medicine using appropriate verbal and nonverbal skills.

5. **Systems-Based Practice**

- a. Conduct the visit in a time-efficient and professional manner.
- b. If indicated, assist the patient in arranging for appropriate medical and ancillary referrals that seek to resolve specific issues in the diagnostic or management arenas.

6. **Practice Based Learning and Improvement**

- a. Obtain and use information about their own population of patients and the larger population from which their patients are drawn;
 - (1) Based on office/billing records obtain the demographics of their patient panel to compare with the demographics of the population in the community surrounding the Family Medicine Center.
 - (2) Identify the major health issues of the community and their patient population.

Requirements for Graduation

1. Satisfactory performance as PGYIII, including passing all rotations
2. Recommendation of faculty to graduate
3. Demonstrated competence to act independently
4. Final review of the Resident's academic file
5. The resident must demonstrate having performed 10 continuity deliveries and 40 deliveries total, of which at least 30 must be vaginal
6. Resident shall complete a sufficient quantity of family medicine outpatient encounters to show competence in all milestones for graduation as determined by the CCC and Program Director.
7. Required ACGME/RRC numbers can be obtained via sports physicals, home visits, nursing home visits, Critical Care patients, and other measures as required
8. Demonstrate required service activities including sports physicals, Mercy Medicine sessions, and other additional volunteer activities

It is the sole responsibility the Residency Program Director with the advice of the Clinical Competency Committee to determine whether the resident has successfully completed the residency. Criteria include, but are not limited to:

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1. **Patient Care**
 - a. Complete the tasks of the patient care session so that all necessary duties (including telephone messages, charting, administrative tasks, patient care) are accomplished in a timely, organized, and professional manner.
2. **Medical Knowledge**
 - a. Engage in activities that will foster personal and professional growth as a physician.
 - b. Successful completion of 39 rotations of ABFM approved family medicine residency training. The resident must receive a passing evaluation in all rotations and satisfactory performance in the Family Medicine Center.
3. **Practice-Based Learning and Improvement**
 - a. Engage in continuing medical education activities that are influenced by interest, deficiency, and need.
 - b. Anticipate and recognize new curriculum necessary for future practice and advocate for needed reform in medical education.
4. **Interpersonal and Communication Skills**

Participation in discussions with faculty advisor and other faculty and with recommendation by the faculty advisor.
5. **Systems-Based Practice**
 - a. Work together with clerical staff and nursing staff in a manner that fosters mutual respect and facilitates an effectively run practice.
 - b. Work together with partners, fellow family physicians, and subspecialists in a manner that fosters mutual respect and facilitates the effective handling of patient care issues.
 - c. Work together with other professionals on the health care team in a manner that fosters mutual respect and facilitates the effective handling of patient care issues.
 - d. At each patient care encounter, present yourself and the practice in a manner that will encourage the patient to select you, the practice, and family medicine in the future.

Please note: additional requirements may be added to your employment agreement. Please refer to your contract for specific language.

**THIS POLICY DOES NOT CREATE AN EXPRESSED OR IMPLIED CONTRACT OF
EMPLOYMENT BETWEEN YOU AND MCLEOD HEALTH**

Faculty Approved 03/01/2017
GMEC Approved 03/22/2017 Revised 5/23/18, 3/20/19, and 3/31/20

ATTACHMENT B

COMPENSATION AND BENEFITS

1. COMPENSATION.

A. In consideration of Resident's participation in the Program and performance of the duties set forth herein, MRMC agrees to compensate Resident through the payment of an annual stipend (the "Stipend") in an amount equal to:

- (1) Sixty Thousand Two Hundred Fifty and No/100 Dollars (\$60,250.00) per annum during PGYI;
- (2) Sixty-One Thousand Five Hundred and No/100 Dollars (\$61,500.00) per annum during PGYII; and
- (3) Sixty-Two Thousand Seven Hundred Fifty and No/100 Dollars (\$62,750.00) per annum during PGYIII.

For the avoidance of doubt, the Parties acknowledge and agree that (a) Resident shall be paid at the Stipend rate set forth above for PGYI until Resident is promoted to PGYII status, and (b) Resident shall be paid at the Stipend rate set forth above for PGYII until Resident is promoted to PGYIII status. Such Stipend(s) will be paid by MRMC to Resident by way of approximately twenty-six (26) bi-weekly payment installments (the "Installments") each twelve (12) month period hereunder, subject to the withholding of all Federal and state taxes and reasonable deductions as required by law.

B. **Compensation for Additional Duties.** Upon Resident's completion of PGYI, MRMC shall compensate Resident for rendering the Additional Duties pursuant to **Section 1.2** of the Agreement, if any, that shall be determined in advance and set forth in a signed writing prior to Resident's rendering of such services. Resident acknowledges and agrees that MRMC shall only make payment for such Additional Duties rendered upon MRMC's timely receipt and approval of documentation in the form of **Attachment C**, which is attached hereto and incorporated herein, evidencing the dates, times, and description of the services provided by Resident at the designated location(s).

C. **One-Time Supplementary Payment.** In addition to the payment of the Stipend to Resident by MRMC during PGYI, within two (2) weeks after the Effective Date of the Agreement and Resident's commencement of the Program, MRMC shall make a one-time supplementary payment to Resident of an amount equal to One Thousand Five Hundred and No/100 Dollars (\$1,500.00), subject to the withholding of all deductions and taxes required by law.

D. **One-Time Educational Laptop Stipend Payment.** Additionally, MRMC shall provide Resident with a one (1) time educational stipend in the amount of Two Thousand One Hundred and No/100 Dollars (\$2,100.00) for the purchase of a personal laptop computer (the "Laptop Stipend"), subject to the withholding of all Federal and state taxes and reasonable deductions as required by law, which such Laptop Stipend shall be remitted to Resident in accordance with applicable MRMC policies. By accepting this Laptop Stipend, Resident agrees as follows:

- (1) Resident shall be responsible for purchasing a personal laptop computer that meets or exceeds the minimum technology standards outlined by McLeod Health Information Systems and the Program. Such requirements shall include the procurement, installation, and continued execution of necessary virus/malware protection while participating in the Program.
- (2) Resident accepts full responsibility for the personal laptop computer and all software, hardware, ancillary devices, supplies, support and/or maintenance that is required.
- (3) MRMC shall not under any circumstances be responsible for or provide any additional funds for the repair, upgrade, maintenance or replacement of any lost, stolen, or damaged personal laptop computer, software, hardware, or ancillary devices or supplies.

Resident shall only utilize the personal laptop computer for educational and clinical care purposes related to fulfilling the requirements of the Program.

Resident understands and agrees that protected health information ("PHI") may not be stored on the personal computer. All data of whatever type that is related to an MRMC patient or considered to be confidential and/or proprietary information shall only be stored on the McLeod Health server.

Resident acknowledges that McLeod Information Systems Department, through its personnel or McLeod Help Desk, shall not offer any type of technical assistance for this device that is not directly related to connectivity issues with the McLeod Health server.

In the event that the personal computer is stolen, lost, significantly damaged, or compromised, Resident shall immediately notify Shari Donley, Director of Information Technology/Governance and Corporate HIPAA Officer at sdonley@mcleodhealth.org or (843) 777-2485.

Resident shall also fully comply with the McLeod Health Electronic Communication Policy, which is attached hereto as **Attachment D** and made a part hereof.

2. BENEFITS.

MRMC shall provide Resident with the following benefits during the Term of this Agreement as outlined below:

A. **Group Health, Life, Short, and Long Term Disability Plans.** To the extent Resident is eligible to participate in the Group Health, Group Life, Short-Term and Long-Term Disability Plans, Resident will receive the benefits provided according to the plan document. These benefits are provided in accordance with current MRMC policies and plan documents, which shall be made available to Resident. MRMC reserves the right to amend or terminate these plans, policies, and their future benefits at any time and in its sole discretion.

The Parties acknowledge and agree that MRMC shall provide health insurance coverage for Resident commencing on July 1, 2020. MRMC also agrees to provide up to One Thousand and No/100 Dollars (\$1,000.00) as reimbursement to Resident for expenses incurred by Resident during the month of June 2020 for actual expenses incurred by Resident to maintain the existing health insurance coverage for himself or herself and/or Resident's dependents, as applicable, until the health insurance coverage provided by MRMC to Resident and/or Resident's dependents, as applicable, becomes effective. MRMC agrees to provide such reimbursement upon Resident's presentation of documentation, satisfactory to MRMC, evidencing such expenses; but in no event shall such documentation be presented to MRMC later than ninety (90) days from the Effective Date of the Agreement and following commencement of the Program by Resident.

B. **Lab Coats.** MRMC shall provide Resident with three (3) lab coats during each twelve (12) month period of this Agreement.

C. **Meals.** MRMC shall provide Resident with adequate meals during working hours and while Resident is on restricted call.

D. **Educational/Materials Fees and Licensure Fees.** MRMC shall reimburse Resident during each twelve (12) month period of this Agreement for the following three (3) expense categories:

(1) **Educational Expenses.** MRMC agrees to reimburse Resident for expenses Resident actually incurs in attending a continuing medical education seminar, taking certification exams, or procuring education materials (the "Educational Expenses") in the following amounts: (a) up to Seven Hundred Fifty and No/100 Dollars

(\$750.00) during PGYI; (b) up to One Thousand and No/100 Dollars (\$1,000.00) during PGYII; and (c) up to One Thousand Two Hundred Fifty and No/100 Dollars (\$1,250.00) during PGYIII. Educational Expenses include, but are not limited to, expenses associated with Resident's travel, lodging, and procurement of educational materials; provided, however, pre-approval by the Program Director of the Educational Expenses is a pre-condition of the payment or reimbursement by MRMC. If Resident does not use the amount set forth above during any Program Year for which such was allocated, any unused amount may be carried forward into the following Program Year. Any such amount that remains unused following Resident's completion of the Program, or as a result of the termination or expiration of this Agreement, shall be retained by MRMC.

(2) **Licensing Expenses.** MRMC agrees to pay on behalf of Resident, or reimburse Resident for, the reasonable expenses and fees associated with: (a) Resident's application for a limited medical license issued by the State of South Carolina during the initial twelve (12) months of Resident's participation the Program; and (b) Resident's application for a permanent medical license issued by the State of South Carolina during the initial twenty-four (24) months of Resident's participation the Program. If the South Carolina Board of Medical Examiners does not grant the Resident a permanent license during the initial twenty-four (24) months of Resident's participation the Program, then MRMC agrees pay on behalf of Resident, or reimburse Resident for, any reasonable expenses associated with Resident's renewal of a limited medical license issued by the State of South Carolina, as required, until Resident graduates from the Program (if applicable); provided, however, MRMC shall not pay or reimburse Resident for any such renewal of limited license if the South Carolina Board of Medical Examiners does not grant the Resident a permanent license due to Resident's failure to submit application materials in a timely manner. MRMC shall also pay on behalf of Resident, or reimburse Resident for, the reasonable expenses and fees associated with any renewal of Resident's permanent medical license that is required during the Resident's tenure in the Program (i.e., for any renewal that occurs during the Term hereof), which such payment/reimbursement shall be pro-rated to the extent the duration of any license spans timeframes outside of the Term of this Agreement. (If MRMC pays for such renewal directly, then Resident shall be responsible for promptly paying any difference for such licenses/fees to MRMC after being given notice of said amounts). MRMC shall also pay on behalf of Resident, or reimburse Resident for, the applicable expenses and fees for only one (1) USMLE examination or COMLEX examination. The Parties agree that Resident shall be solely responsible for the expenses and fees associated with a second (2nd), or any subsequent, USMLE/COMLEX examination.

(3) **DEA License.** MRMC agrees to reimburse Resident for reasonable expenses and fees actually incurred by Resident associated with Resident's application each year during the Program, as applicable, for Drug Enforcement Agency licenses from the Federal government and from the State of South Carolina. MRMC shall prorate any payment for said licenses/fees that span timeframes outside of the Term of this Agreement. Resident shall be responsible for promptly paying any difference for such licenses/fees to MRMC after being given notice of said amounts.

E. **Vacation, Sick, Holiday, and Personal Leave.** Resident will be entitled to take up to twenty-eight (28) days off for personal leave per Program Year, without a reduction of the annual Stipend ("Leave"). This Leave shall include any days that Resident is performing Additional Duties and holidays and personal days, which such personal days are inclusive of vacation and sick leave. Days on which Resident is absent due to attendance at a meeting, conference, or other event that Resident is required by the Program Director or his or her designee to attend and complete shall not count toward this twenty-eight (28) days of Leave. Any accrued but unused Leave remaining at the expiration of a Program Year, or at the expiration or termination of this Agreement, as applicable, shall be paid to Resident in accordance with MRMC's then applicable policies and procedures in regard thereto.

F. **Membership Fees.** MRMC shall pay the fees associated with Resident's membership each year in only the following professional organizations: SCAFP; SCMA; AAFP; FCMS; and the AMA or AOA, upon presentment of documentation evidencing the amounts due to such professional organization.

G. **Relocation Allowance.** MRMC will reimburse Resident up to One Thousand Five Hundred and No/100 Dollars (\$1,500.00) for approved moving expenses Resident incurs in relocating to the Florence, South Carolina area for Resident's first (1st) twelve (12) months of participation in the Program. MRMC agrees to provide such reimbursement upon Resident's presentment of documentation, satisfactory to MRMC, evidencing such expenses. Resident shall present such relocation expenses no later than ninety (90) days following the Effective Date of this Agreement and Resident's commencement of the Program.

H. **Compensation for Business Use of Personal Cell Phone.** Resident shall also be eligible for compensation for his or her use of a personal cell phone for MRMC business purposes in accordance with the then current McLeod Health Policy on "Compensation for Personal Cellular Devices", the current version of which is attached hereto and incorporated herein as **Attachment B-1** and may be amended from time to time by MRMC in its sole discretion. Resident's compensation for use of a personal cell phone shall be contingent upon Resident's execution of the Agreement for Stipend Reimbursement set forth in **Attachment B-1**.

ATTACHMENT B-1



Administrative Policy Manual

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Page 1 of 3

COMPENSATION FOR PERSONAL CELLULAR DEVICES

PURPOSE: To provide a means of compensating McLeod employees for use of their personal cellular device when used for business purposes.

POLICY: McLeod Health recognizes that not all employees will qualify for a hospital issued cellular device. We also recognize that the stringent guidelines applied to hospital issued cell phones may not be practical for employees. McLeod will offer a paycheck credit or stipend for approved employees to compensate the employee for occasional use of their personal cellular device and calling plan for business purposes.

PROCEDURE:

1. Stipend reimbursement for use of a personal cellular device is appropriate when an employee must conduct business communications on their personal device for the benefit of the hospital or its operations.
2. Stipend reimbursement is a practical alternative if any of the following scenarios are met:
 - Employee prefers to use one device for personal and business use
 - Employee feels the minute limitation of the hospital provided calling plan is too restrictive for business needs
 - Employee feels the coverage map of the contracted service provider does not allow for consistent communication
 - Employee requires a higher level of device/features/service than authorized under the McLeod Device Plan
3. The determination of issue of a stipend as opposed to a hospital issued device is at the discretion of the Department Director and should be looked at from both a compliance and budgetary perspective.
4. All employees who elect stipend compensation for their cellular device agree to receive a \$12.00 credit in their pay one time per pay period, and for that stipend agree to purchase a device and plan of their choosing.
5. Stipend recipients are in turn required to provide McLeod Health with their cellular phone number for access as needed and must be kept current in our Telecommunications database.
6. If it is found that the number has been intentionally kept from McLeod or changed to avoid communication with McLeod, the stipend will be eliminated and may result in re-payment of stipend funds to McLeod.



Administrative Policy Manual

COMPENSATION FOR PERSONAL CELLULAR DEVICES

ATTACHMENT: Agreement for Stipend Reimbursement (Page 3 of 3)

Adopted: 05/2007
Reviewed: 07/06/07
CPCD.doc
18318.C-205

Polices for Cross Reference:

- HR - McLeod Health Electronic Communication Policy
- HR - Personal Technology Devices
- Admin - Transmitting Devices to Patient Care Areas
- Admin - Issue of Hospital Cellular Devices
- Telecom - Lost/Stolen/Damaged Telecommunications Equipment



Administrative Policy Manual

COMPENSATION FOR PERSONAL CELLULAR DEVICES



Agreement for Stipend Reimbursement

I understand that I am being provided a stipend to extend the use of my personal cellular device for business communications while employed at McLeod Health.

I understand that overages or excessive usage are my responsibility and I will not submit additional charges to the medical center for reimbursement.

I agree to replace lost or damaged equipment in a timely manner so that business communications are not interrupted.

I agree to provide the switchboard and necessary parties with my cellular number for business communications.

I agree that if my cellular number changes during the course of my employment with McLeod Health that I will communicate the new number to all necessary parties.

I agree that my taxable wages will be adjusted by a \$12.00 credit each pay period.

I understand that if my employment with the medical center ends that this stipend will cease.

Stipend credits will begin on the paycheck of the pay period following Payroll's receipt and completion of necessary paperwork.

Department Name _____ Cost Center Number _____

Social Security Number* _____ Employee ID* _____

Signature* _____ Date _____

Signatures of Approval:

Department Director _____ Date _____

Division Vice President _____ Date _____

* Required for Payroll processing

ATTACHMENT C

TIME SHEET FOR ADDITIONAL DUTIES RENDERED BY RESIDENT

Month _____ Year _____

Resident rendered Additional Duties this month and provided the following services on the days set forth below:

SERVICE

DATE(S)/TIME

Resident's Signature

Date

Approved for MRMC

Date

ATTACHMENT D

McLeod Health Electronic Communication Policy

HUMAN RESOURCES

MCLEOD HEALTH POLICY ON ELECTRONIC COMMUNICATION VIA VOICE MAIL, FACSIMILE MACHINES, COMPUTER SYSTEMS, ELECTRONIC MAIL, LOCAL AREA NETWORK, WIDE AREA NETWORK, AND INTERNET/WORLD WIDE WEB

THIS POLICY DOES NOT CREATE AN EXPRESS OR IMPLIED EMPLOYMENT CONTRACT. ALL EMPLOYEES OF MCLEOD HEALTH ARE EMPLOYED "AT WILL", EXCEPT FOR THOSE EMPLOYEES WHO ARE EMPLOYED PURSUANT TO A WRITTEN CONTRACT OF EMPLOYMENT SIGNED BY THE EMPLOYEE AND AN APPROPRIATE OFFICIAL OF MCLEOD HEALTH. THIS MEANS THAT AN EMPLOYEE IS FREE TO END HIS/HER RELATIONSHIP WITH THE COMPANY AT ANY TIME FOR ANY REASON, AND THAT MCLEOD HEALTH IS ALSO FREE TO END THE RELATIONSHIP AT ANY TIME.

MCLEOD HEALTH RESERVES THE RIGHT TO CHANGE, REPLACE OR WITHDRAW THIS POLICY AT ANY TIME.

I. Purpose Statement

BACKGROUND:

McLeod Health continually strives to improve the efficiency of the flow of business related electronic communication of vital clinical, financial, and education information, including such services as local and wide area computer networks, voice mail, facsimile transmission, electronic mail (e-mail: Lotus Notes, any Electronic Mail System), and internet and world wide web access. This policy establishes general guidelines regarding use of this electronic information flow and appropriateness and protection of all affected information.

SCOPE:

This policy applies to all employees, medical staff members; all non-employee visitors given access (e.g. volunteers, students, faculty, and office employees of medical staff members), as well as remote users authorized to access McLeod Health's information system. This policy also applies to all electronic mail originating within and to be received through the McLeod Health network.

II. Policy

First and foremost, McLeod Health employees, medical staff members, and others actively participating in McLeod Health activities are encouraged to seek the approval of their immediate supervisor and to sign up for and use electronic mail. It is an ideal tool for sharing a disseminating information on any scale. Since the McLeod Health's e-mail system is linked to the McLeod Medical Center - Darlington and McLeod Medical Center - Dillon campuses (and directly to the Internet as well), e-mail users can communicate with colleagues worldwide. The existence of literally thousands of e-mail discussion groups on the Internet allows users to share information with others in the same field of work, research, or study. This electronic communication promotes professional growth.

As with all McLeod assets, the computer network is to be used in ways consistent with overall Corporate policy. E-mail should be used for business-related purposes. The system may not be used in a way that is disruptive to the operation of McLeod Health or offensive to others. The use of e-mail for transmission of information disparaging to others based on race, origin, sex, sexual orientation, age, disability, religion, political causes, for outside organizations, for personal gain (as in the use of "chain letters" requesting donations to individuals), is prohibited. All McLeod Health employees are to be held to the standard of our harassment policy. (Harassment Policy 18322.200.15) The use of broadcast mail (sending the same note to groups of employees or bulletin boards) places stress on the e-mail system and has the potential for generating undesirable volumes of junk mail (spam) and it should be selectively used for compelling business-related reasons only. Note: In an effort to control the abuse of mass mailings, the use of the "Global Mail" distribution list requires the approval of the Chief Executive Officer of McLeod Health.

Confidential information (e.g. patient-related or financial) should never be transmitted via facsimile machine or forwarded via e-mail or other electronic means, to outside companies or individuals not authorized to receive such information, or to McLeod Health employees who have no business reason for such information. Use of the network is for mission related activities only and is to be treated with the same degree of confidentiality as any other information. It is emphasized that the privacy and confidentiality of all e-mail transmissions cannot be guaranteed. E-mail transmissions may be subject to disclosure through legal proceedings or otherwise through various laws which may be held to apply to such transmissions. Although patient information transmitted through e-mail may not be subject to state disclosure law, transmission of patient information via e-mail should be done with extreme caution given McLeod Health's affirmative obligation to protect patient confidentiality. If there is any doubt regarding the appropriateness of electronic transmissions, employees should seek the approval of their individual Vice-President before sending confidential patient or McLeod Health information via any electronic transmission.

In addition, authorized personnel must have unrestricted access to e-mail and related information stored on McLeod Health equipment. This access is required for reasons that include retrieving business-related information, troubleshooting hardware and software problems, preventing unauthorized access and system misuse, assuring compliance with software copyright and distribution policies, and complying with legal and regulatory requests for information. Given these facts, McLeod Health cannot guarantee the privacy or confidentiality of documents and/or messages stored on McLeod Health's owned equipment or other magnetic media.

Despite these considerations, McLeod Health employees should never attempt to gain access to any e-mail messages not addressed to them. Normal corrective action processes related to privacy and confidentiality apply (need to know issues of information processing), up to and including dismissal.

CONCLUSION:

As the technology for communication and information processing evolves, McLeod Health will continue to examine and refine its information management policies. Electronic communications including e-mail used in accordance with this policy will allow McLeod Health user community to work together and improve productivity.

SPECIFIC POLICY CONCERNING THE INTERNET & WORLD-WIDE WEB:

McLeod Health may provide access to the vast information resources of the Internet to help you do your job faster and smarter, and be a well-informed health care professional and business citizen. The facilities to provide this access represent a considerable commitment of company resources in telecommunications, networking, software, storage, etc. This Electronic Communications Policy is designed to help you understand our expectations for the use of these resources and to help you use those resources wisely.

While we have set forth explicit requirements for Internet usage below, our philosophy is as follows:

First and foremost, the Internet for this company is a business tool provided to you at significant cost. That means we expect you to use your Internet access only for business-related purposes, i.e., for communication and to research relevant

topics and obtain useful medical and business information. You are expected to conduct yourself honestly and appropriately on the Internet, and respect the copyrights, software licensing rules, property rights, privacy and prerogatives of others, just as you would in any other business dealings. All existing company policies apply to your conduct on the Internet, especially (but not exclusively) those that deal with intellectual property protection, privacy and confidentiality, misuse of company resources, sexual harassment or harassment of any kind, information and data security, and personal productivity.

Unnecessary or unauthorized Internet usage causes network and server congestion. It slows other users, takes away from work time, consumes supplies, and ties up printers and other shared resources. Unlawful Internet usage would garner negative publicity for McLeod Health and exposure to significant legal liabilities.

The chats, newsgroups and e-mail of the Internet give a user an immense and unprecedented reach to propagate messages and tell our story. Because of that power we must take special care to maintain the clarity, consistency and integrity of McLeod Health's corporate image and posture. Anything any one employee writes in the course of acting for the company on the Internet can be taken as representing the company's corporate posture. That is why we expect you to forgo a measure of your individual freedom when you participate in newsgroups relating to company business, as outlined below.

While our direct connection to the Internet offers a cornucopia of potential benefits, it can also open the door to some significant risks to our data and systems if we do not follow appropriate security discipline. As presented in greater detail below, this means preventing machines with sensitive data or applications from connecting to the Internet entirely, or it may mean that certain users must be prevented from using certain Internet features like file transfers. The overriding principle is that security is to be everyone's FIRST and FOREMOST concern.

An Internet user can be held accountable for any breaches of security or confidentiality according to standard corporate policy.

Certain terms in this policy should be understood expansively to include related concepts: "McLeod Health" includes ALL our affiliates, subsidiaries, and branches. "Document" means any kind of file that can be read on a computer screen as if it were a printed page, including HTML files read as pages in an Internet browser.

"Document" or "File" also means any file accessed by a word processing or desk-top publishing program or its viewer, or the files prepared for the Adobe Acrobat reader and other electronic publishing tools. "Graphics" includes photographs, pictures, animations, movies, or drawings. "Display" includes monitors, flat-panel active or passive matrix displays, monochrome LCD's, projectors, televisions, projectors, and virtual-reality tools.

DETAILED ELECTRONIC COMMUNICATION POLICY REVISIONS

A. Management and Administration

1. McLeod Health has software and systems that can monitor and record all Internet usage and electronic mail. We want you to be aware that our security systems are capable of recording (for each and every user) each World-Wide Web site visit, each chat, newsgroup or e-mail message, and each file transfer into and out of our internal networks, and we reserve the right to do so at any time. No employee should have any expectation of privacy as to his or her Internet usage. Our managers will review Internet activity and e-mail activity, analyze usage patterns, and they may choose to publicize this data to assure that company Internet and electronic communication resources are devoted to maintaining the highest levels of productivity. The company will limit Internet and e-mail access to those employees who demonstrate a legitimate business need. Personal productivity on McLeod Health time is critical in time of cost constraints from the Balanced Budget Act. Employees found to be using e-mail or the Internet in excessive, unproductive ways will also be in violation of this policy.

2. McLeod Health reserves the right to inspect any and all files stored in any and all area of our network in order to assure compliance with policy. If an employee receives an e-mail that is in violation of this policy, the employee should take the following actions immediately: a) reply to sender asking to be removed from their distribution list with this type of content; b) delete the e-mail from your database. If the McLeod Health employee creates or forwards any such e-mails, they will have violated this policy and be subject to **corrective** action, up to and including employment **dismissal**.
3. The display of any kind of sexually explicit text, image or document on any company system is a violation of our policy on sexual harassment. In addition, sexually explicit material may not be archived, stored, distributed, edited or recorded using our network or computing resources, voice mail or facsimile machines.
4. Likewise, the display, storage, distribution, editing or recording of any material or images that are inappropriate and violate McLeod Health policies on discrimination and/or harassment policies and procedures is likewise prohibited. Since a wide variety of materials may be deemed offensive by colleagues, customers or suppliers, it is a violation of company policy to store, view, print or redistribute any document or graphic file that is not directly related to the user's job or the company's business activities.
5. The company uses sophisticated software and data analysis methods to identify inappropriate or sexually explicit Internet sites. We will block access from within our networks to all such sites that we know of. Employees, who find themselves connected incidentally to a site that contains sexually explicit or offensive material, must disconnect from that site immediately, regardless of whether that site had been previously deemed acceptable by any screening or rating program. Employees may want to send their Vice President e-mail stating that date and time of this incidental link; however, the monitoring software documents the length of time of the connection.
6. McLeod Health's Internet facilities and computing resources must not be used knowingly to violate the laws and regulations of the United States or any other nation, or the laws and regulations of any state, city, province or other local jurisdiction in any material way. Use of any company resources for illegal activity is grounds for immediate dismissal, and we will cooperate with any legitimate law enforcement activity. The company will comply with reasonable requests from law enforcement and regulatory agencies for logs, diaries and archives on individuals' Internet and e-mail activities.
7. Any software or files downloaded via the Internet into the company network become the property of the company. Any such files or software may be used only in ways that are consistent with their licenses or copyrights.
8. No employee may use company facilities knowingly to download, maintain, use, modify, or distribute pirated software or data. Employees with Internet access may download only software with direct business use, and must arrange to have such software properly licensed and registered. Downloaded software must be used only under the terms of its license. Employees with Internet access may not use company Internet facilities to download images or videos unless there is an explicit business-related use for the material. Employees with Internet access may not upload any software licensed to the company, or data owned or licensed by the company, without explicit authorization from the manager responsible for the software or data.
9. No employee may use the company's Internet and e-mail facilities to deliberately propagate any virus, worm, Trojan horse, or trap-door program code. Employees should know that e-mail attachments with executable files are by their nature, considered viruses and are specifically a violation of this policy.
10. No employee may use McLeod Health's Internet and e-mail facilities to knowingly disable or overload any computer system or network, or to circumvent any system intended to protect the privacy or security of another user. This includes using any company information system to "hack" or "crack" other computer systems.

11. Each employee using the Internet facilities of the company shall identify himself or herself honestly, accurately and completely (including one's department affiliation and function where requested) when participating in newsgroups, or when setting up accounts on outside computer systems.
12. Only those employees or officials who are duly authorized to speak to the media, to analysts, or in public gatherings on behalf of the company may speak/write in the name of the company to any newsgroup.

Other employees may participate in newsgroups in the course of business when relevant to their duties, but they do so as individuals speaking only for themselves. Where an individual participant is identified as an employee or agent of this company, the employee must refrain from any unauthorized political advocacy and must refrain from the unauthorized endorsement or appearance of endorsement by McLeod Health of any commercial product or service. Only those managers and company officials who are authorized to speak to the media, analysts, or in public gatherings on behalf of the company, may grant such authority to newsgroup participants.

13. McLeod Health retains the copyright to any material posted to any forum, newsgroup, or World Wide Web page by any employee in the course of his or her duties.
14. Employees are reminded that newsgroups are public forums where it is inappropriate to reveal confidential company information, patient confidential information, customer data, trade secrets, and any other material covered by existing company secrecy policies, procedures, and confidentiality statements. Employees releasing protected information via a newsgroup - whether or not the release is inadvertent - will be subject to all penalties under existing data security policies and procedures.
15. Use of company Internet or e-mail facilities to commit infractions such as misuse of company assets or resources, sexual harassment or other prohibited inappropriate behavior, unauthorized public speaking and misappropriation or theft of intellectual property are also prohibited by general company policy, and will be sanctioned under the relevant provisions of the Department of Human Resources at McLeod Health.
16. In the interest of keeping the company well informed, future use of appropriate and permitted news broadcasting services is anticipated.
17. Employees with Internet access may not use company Internet facilities to download entertainment software or games, or to play games against opponents over the Internet.

B. Technical

1. User ID's and passwords help maintain individual accountability for Internet and e-mail resource usage. Any employee who obtains a password or ID for an Internet, e-mail or any computer system access must keep that password confidential. Company policy prohibits the sharing of user ID's or passwords obtained for access to McLeod Health network as defined above. Employees should treat their user ID and password as they would their credit card and are actively responsible to prevent others from using their access.
2. Employees should schedule communications-intensive operations such as large file transfers; videos downloads, and mass e-mailings and the like for off-peak times as defined by the Information Services Department. Video and audio streaming and downloading technologies represent significant data traffic, which can cause local network congestion. Video and audio downloading are prohibited/should be avoided/may only be scheduled for off-peak times.
3. Any file that is downloaded must be scanned for viruses using the corporate approved scanning facilities before it is run or accessed.

C. Security

1. The company has installed a variety of firewalls, proxies, Internet address and e-mail screening programs and other security systems to assure the safety and security of the company's networks. Any employee who attempts to disable, defeat or circumvent any company security facility will be subject to immediate dismissal.
2. Files containing sensitive company data as defined by existing corporate data security policy that are transferred in any way across the Internet must be reviewed, approved and encrypted by the Information Services Department.
3. Computers that use their own modems to create independent data connections sidestep our network security mechanisms. An individual computer's private connection to any outside computer can be used by an attacker to compromise any company network to which that computer is attached. That is why any computer used for independent dial-up or leased-line connections to any outside computer or network must be physically isolated from company's internal networks. (Major on-line services such as CompuServe and America Online, are accessed via firewall-protected Internet connections, making additional security for direct dial-up connections generally unnecessary).
4. Only those Internet services and functions with documented business purposes for McLeod Health will be enabled at the Internet firewall.
5. Because unscrupulous or malevolent web site operators can take control of an unsuspecting visitor's computer using apparently routine JAVA or file transfer operations, such transactions can introduce material risks to network security for which there is no bullet-proof technical solution short of complete abstinence. As such, this security section of the network recognizes the trade-offs between end-user convenience and network safety. In general, access policy will be more stringent for those users on networks running mission-critical applications or the storage and production of core business data. Access on these logical network rings may be barred outright, or restricted to machines that play no role in the core activity and can be isolated logically from it. Users on networks for management and professional support activities will be permitted ease of access commensurate with their level of isolation from sensitive data or applications. Company network security policy requires that all FTP transactions and JAVA downloads be blocked at the outermost firewall.

Signed Statement for Internet Usage:

All employees granted Electronic Mail and/or Internet access with company facilities will be provided with a written copy of this policy. All Electronic Mail and/or Internet users must sign the following statement.

"I have received a written or e-mail copy of the Revised McLeod Health Electronic Communication Policy. I fully understand the terms of this policy and agree to abide by them. I realize that McLeod Health's security software may record, for management use, the Internet address of any site that I visit and keep a record of any electronic mail and network activity in which I transmit or receive any kind of file. I acknowledge that any message I send or receive will be recorded and stored in an archive file for management use. I know that any violation of this policy could lead to **corrective** action, up to and including, dismissal or even criminal prosecution."

McLeod Health Employee Signature: _____

Name: _____

Please print legibly

Date: _____

Formerly: Appropriate Use Of Medical Center Information Systems' Local Network, Wide-Area Network & Internet/World-Wide Web Access.

III. Procedure

Not Applicable

IV. Equipment Needed

Not Applicable

V. Addendums

Not Applicable

VI. Attachments

SIGNED STATEMENT FOR INTERNET USAGE.pdf

VII. Related Links

Not Applicable

Reference Information

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