

RESIDENT PHYSICIAN EMPLOYMENT AGREEMENT

THIS RESIDENT PHYSICIAN EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into effective the _____ day of June, 2026 (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 _____, M.D./D.O. ("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 Manning, South Carolina known as McLeod Health Clarendon ("McLeod Clarendon"); (ii) a community hospital in Cheraw, South Carolina known as McLeod Health Cheraw ("McLeod Cheraw"); (iii) a community hospital in Dillon County, South Carolina known as McLeod Medical Center – Dillon; and (iv) three (3) hospitals in Horry County, South Carolina including McLeod Health Seacoast, McLeod Health Carolina Forest and McLeod Health Loris; (hereinafter referred to individually as the "Hospital" and collectively as the "Hospitals");

WHEREAS, MRMC currently conducts a **Medical Residency Training** program (the "Program"), which provides approximately thirty-six (36) months of residency training to qualified physicians in various medical specialties; 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, Appointment Renewal, and Dismissal" 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 29, 2026, and end on June 30, 2027;
- The second (2nd) Program Year ("PGYII") shall commence on July 1, 2027, and end on June 30, 2028; and
- The third (3rd) Program Year ("PGYIII") shall commence on July 1, 2028, and end on June 30, 2029.

While enrolled in the Program, Resident shall adhere to the policies (specifically including, but not limited to, the Resident Promotion, Appointment Renewal, and Dismissal Policy) and procedures, and fulfill the necessary requirements of the Program, as set forth in those specific McLeod GME Institutional Policies found on the McLeod Health Intranet on "PolicyStat", as such policies 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. Likewise, without limiting the generality of the foregoing, Resident shall also adhere to, and be bound by, the requirements set forth in the MRMC "Resident Transfer Policy", which can be found on PolicyStat, as such may be amended from time to time by MRMC in its sole discretion. Resident also agrees to adhere to those requirements promulgated by the Accreditation Council for Graduate Medical Education ("ACGME") Review Committee, 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. Without limiting the generality of the foregoing, except as specifically addressed and provided herein, Resident shall be subject to all applicable policies of McLeod Health ("McLeod Policies") and McLeod Health's Human Resource department (the "HR Policies"); provided, however, in the event of any inconsistency between the terms of the McLeod Policies or HR Policies and the terms and conditions set forth in this Agreement, the terms and conditions of this Agreement shall prevail with respect to the subject matter thereof.

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. Notwithstanding the above and for the avoidance of doubt, Resident shall not provide more than eighty (80) clinical and educational work hours combined ("Duty Hours") each week, averaged over each four (4) week period. In addition, Resident shall adhere to, and be bound by, the requirements set forth in the MRMC "Resident Clinical and Educational Work Hours" policy, which can be found on PolicyStat, as such may be amended from time to time by MRMC in its sole discretion.

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 shall adhere to, and be bound by, the requirements set forth in the MRMC "Resident Moonlighting Policy", which can be found on PolicyStat, as such may be amended from time to time 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 the Resident has not passed and completed USMLE/COMLEX by December 31st of his or her second (2nd) Program Year (PGYII), Resident shall be placed on academic suspension until the test is passed. If the test is not passed within six (6) months of the date the Resident is placed on academic probation, this will result in the Clinical Competency Committee's ("CCC") recommendation of Resident's dismissal to the Program Director. If Resident does not pass and complete USMLE/COMLEX by the end of his or her second (2nd) Program Year (PGYII), Resident will not be promoted to his or her third (3rd) Program Year (PGYIII).

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 the time 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 Salary (as described in **Attachment B-1**, 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.

1.11 **QUALIFICATIONS FOR BOARD ELIGIBILITY.** Resident acknowledges and agrees that in order to apply for initial certification to sit for the Board Certification Examination sponsored by the American Board of Medical Specialties ("ABMS"), he or she must meet the eligibility criteria specified by the ABMS. Such criteria are set forth more fully in the Qualifications for Board Eligibility program-specific policies in PolicyStat, as such policies may be amended from time to time.

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** and **Attachment B-1**. 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, 2028.

3.2 **TERMINATION BY RESIDENT.**

(a) 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.

(b) In addition to the above, and in accordance with the MRMC Resident Transfer Policy, if Resident provides written notice to MRMC of his or her intent to transfer from the Program to another residency training program (to include another residency training program operated by MRMC), then the Term of this Agreement shall terminate effective as of the last day of the Program Year in which Resident notifies MRMC of his or her intent to transfer from the Program. Likewise, if Resident enters into the National Resident Matching Program (NRMP) during the Term of this Agreement, then Resident will be deemed to have terminated this Agreement effective as of the last day of the Program Year in which Resident enters into the NRMP.

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 ninety (90) 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 applicable McLeod Policies (specifically including the Grievance Policy and the Resident Education Standards, Evaluation, and Due Process policy which can be found on PolicyStat, as such may be amended from time to time), 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, Appointment Renewal, and Dismissal 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:

_____, M.D./D.O.
McLeod Regional Medical Center of the Pee Dee, Inc.
555 East Cheves Street
Florence, South Carolina 29506

As to **MRMC**:

McLeod Regional Medical Center of the Pee Dee, Inc.
555 East Cheves Street
Florence, South Carolina 29506
Attention: Director of Graduate Medical Education

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

McLeod Health Legal Department
506 East Cheves Street, 1st Floor
Florence, South Carolina 29506
Attention: Legal Counsel - Physician Services

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 or her 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 or she 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.**

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

RESIDENT:

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

_____, M.D./D.O.

C. Dale Lusk, M.D.
Chief Medical Officer
McLeod Health

Date: _____

Date: _____

ATTACHMENT A

Status **Active** PolicyStat ID **18563634**

Origination	07/2025	Owner	Bonnie Spittle: INSTITUTIONAL MANAGER OF GRADUATE MEDICAL EDUCATIO
Last Approved	07/2025		
Effective	07/2025		
McLeod Health The Choice for Medical Excellence	Last Revised 07/2025	Area	McLeod GME Institutional Policies
	Next Review 07/2026	Applicability	McLeod Family Medicine

Resident Promotion, Appointment Renewal, and Dismissal

I. Purpose Statement

To comply with the ACGME (Accreditation Council for Graduate Medical Education) Institutional Requirements, the Sponsoring Institution establishes this policy to provide guidance and oversight for the promotion, appointment renewal and dismissal of a resident's appointment to our Sponsoring Institution's programs.

II. Policy

This policy shall operate concordant with the ACGME Milestones for residents.

Residents are promoted and graduated based on explicit criteria in accordance with the Accreditation Council for Graduate Medical Education (ACGME) General Competencies. 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).

- A. **Patient Care** that is compassionate, appropriate, and effective for the treatment of health problems and the promotion of health
- B. **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
- C. **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

- D. **Interpersonal and Communication Skills** that result in effective information exchange and teaming with patients, their families, and other health professionals
- E. **Professionalism**, as manifested through a commitment to carrying out professional responsibilities, adherence to ethical principles, and sensitivity to a diverse patient population
- F. **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

III. Procedure

Evaluation Methodology

The McLeod Residency Program Directors have each established a Clinical Competency Committee (CCC) that meets regularly to assess and collate the data received on each resident. Each resident's advisor will review CCC reports with the resident for accuracy and content. Summary statements that reflect competencies achieved as well as opportunities to improve are outlined in CCC reports. These remain in each resident's file and are available to each resident for review. All formative evaluation material including CCC reports are used as guides for directing the educational efforts of the residents.

- **Formative Evaluation** is directed to help each resident progress through each area of study. Formative evaluation methods employed include written reports from attendings, nurses, and other staff members; performance on standard written and program examinations; close personal observation; and verbal feedback from staff, patients, peers, or others. By its very nature, this type of evaluation is largely subjective, yet it remains the core foundation for all graduate medical education activities. It derives its validity from the composite whole and from the ability of the faculty to determine competency as a minimum standard.
 - All formative evaluation material, including CCC reports, are used as guides for directing the educational efforts of the residents.
- **Summative Evaluation** is prepared each year by the CCC as a recommendation to the program director in the area of resident promotion. Ultimate competency is based not on chronological survival, but on mastery of the subject material.

The six (6) ACGME core competencies are the basis for all forms of evaluation: (1) Patient Care, (2) Medical Knowledge, (3) Systems-Based Practice, (4) Practice-Based Learning and Improvement, (5) Professionalism, (6) Communication.

In 2013 the ACGME launched the Next Accreditation System (NAS) which established Milestones to provide specific competency descriptions for each progressive step along the developmental pathway within a specialty or sub-specialty. Milestones provide a framework for the assessment of the development of the resident physician in the six core competency areas. Milestone achievements are reported semi-annually and are available for discussion and review.

Performance Expectations

Each resident is expected to abide by the laws of the State of South Carolina and the Federal Government in addition to the rules of the SC Board of Medical Examiners, the medical staff, the house staff agreement, and any other responsible entities. Each resident must also comply with his/her signed Resident Employment Agreement and all MRMC policies and procedures. **Failure to comply with these expectations may result in dismissal from the program.** Not knowing laws and rules of governance is not an acceptable excuse when there is a breach.

Each resident is expected to make progress in academic achievement. Further, each resident is expected to abide by the rules of the residency that are outlined in the resident's manual and provided at meetings. Failure to make adequate progress, as judged by the CCC, will result in a recommendation to the program director in any of the following categories:

Warning

Probation

Non-Promotion

Suspension

Non-Renewal

Dismissal

Warning: A formal, written statement of corrective action is needed. This level of recommendation results from important and serious infractions in any of the six core competency areas. A warning does not impede academic progress but, if not corrected, may lead to a more serious level of program intervention.

Probation: A formal, written statement of corrective action needed. This will not result in academic displacement or retard progress through the program; however, alterations to training requirements and additional duties or expectations may be applied. This level of recommendation results from documented patterns of failure to meet expectations. Remediation strategies are outlined as a part of any probation process to guide the resident to successful elimination of this recommendation. Suspension or dismissal from the program may result if remediation strategies fail to achieve satisfactory resolution.

Non-Promotion: A formal, written statement of non-promotion needed. Promotion may be delayed if a leave of absence or extended time off has caused the resident to fail to meet accreditation requirements or other program criteria for promotion. When the promotion delay is related to an authorized leave of absence, as contract amendment will be provided covering the length of time that the Program Director has determined must be made up.

If the promotion delay is related to deficiencies in meeting program requirements or unsatisfactory performance requiring remediation, the Program Director and the CCC will provide written noticed and

develop a Performance Improvement Plan.

- The Program Director must consult with the Designated Institutional Official (DIO) or his/her designee to review documentation and the remediation plan prior to notifying the resident of promotion delay.
- A contract amendment will be provided covering the length of remediation at the current PGY level.
- Upon successful remediation and promotion, a new contract will be provided indicating the pay rate associated with the new level of performance. The resident must successfully complete training at the new level.

Suspension: This designation is to be used when serious academic issues remain unresolved in spite of efforts to remediate deficiencies. This will result in lost credit for rotations served while remediation is taking place. Resident will remain in the residency but will have to make up for lost time, either through use of elective time or additional time to the required thirty-six (36) months of training.

Non-Renewal/Dismissal: This last step in the disciplinary process comes from unresolved academic failure or violation of laws/rules as noted above. The Program Director and the CCC would have provided prior written notification to the resident that dismissal from the program and non-renewal of the contract would be considered if remediation efforts failed. The Program Director must consult with the DIO or his/her designee to review documentation, obtain approval, and determine effective date of dismissal and termination. The Program Director will then meet with the resident and provide written notification of dismissal or non-renewal from the program and termination from employment. Please refer to Grievance and Due Process policies for further information.

IV. Equipment Needed

Not Applicable

V. Addendums

Not Applicable

VI. Attachments

Not Applicable

VII. Related Links

Not Applicable

VIII. References

Approval Signatures

Step Description	Approver	Date
	Madge Hamer: AVP OF ACCREDITATION/ CERTIFICATION [LS]	07/2025
	Brooke Smith: DIRECTOR OF GRADUATE MEDICAL EDUCATION	07/2025
	Bonnie Spittle: INSTITUTIONAL MANAGER OF GRADUATE MEDICAL EDUCATIO	07/2025

Applicability

McLeod Family Medicine

COPY

ATTACHMENT B

COMPENSATION AND BENEFITS

1. COMPENSATION.

A. Annual Salary. 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 salary (the "Annual Salary"). The Annual Salary amount for each Program Year is set forth in the "Resident Physicians' Annual Salary" policy, which is attached hereto and incorporated herein as Attachment B-1, as such may be amended from time to time by MRMC.

For the avoidance of doubt, the Parties acknowledge and agree that (a) Resident shall be paid the annualized amount of the Annual Salary set for PGYI until Resident is promoted to PGYII status, and (b) Resident shall be paid the annualized amount of the Annual Salary set for PGYII until Resident is promoted to PGYIII status. The Annual Salary will be paid by MRMC to Resident by way of approximately twenty-six (26) bi-weekly payment installments (the "Installments") each Program Year 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 satisfactory to MRMC which evidences 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 Annual Salary 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 the Program Manager and the McLeod Health HIPAA Privacy Administrator.

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, 2026. 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 2026 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/Outerwear. MRMC shall provide Resident with a choice of either: three (3) new lab coats during each Program Year; or one (1) new lab coat and one (1) article of McLeod-approved outerwear (e.g., fleece pullover with McLeod-approved logo) during each Program Year. Resident must request their three (3) lab coats; or one (1) lab coat and one (1) article of McLeod-approved outerwear within sixty (60) days following the start of each Program Year. Notwithstanding the above, Resident is required and agrees to maintain at least one (1) clean, presentable lab coat at all times during each Program Year.

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 Program Year 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. Reimbursement for Educational Expenses is subject to the then current McLeod Health CME and Professional Expense Allowance Policy ("CME Policy"), the current version of which can be found on PolicyStat, as such may be amended from time to time; provided, however, in the event of any inconsistency between the terms of the CME Policy and the terms and conditions set forth in this Agreement, the terms and conditions of this Agreement shall prevail with respect to the subject matter thereof.

(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 Resident's first (1st) Program Year; and (b) Resident's application for a permanent medical license issued by the State of South Carolina during the Resident's first (1st) and second (2nd) Program Years. 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 in the Program, then MRMC agrees to 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 Salary ("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. Continuing Medical Education (CME) Days. Resident will be entitled to take up to five (5) days of CME per Program Year at off-campus locations, as pre-approved by MRMC, which such days shall not carry over to the next Program Year.

G. Membership Fees. MRMC shall pay the fees associated with Resident's membership each year in only the following professional organizations: American College of Physicians, Society of Hospital Medicine, Florence County Medical Society, South Carolina Medical Association, and the American Medical Association, upon presentment of documentation evidencing the amounts due to such professional organization.

H. 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, or to a location within the Designated Radius (as defined above) for Resident's first (1st) Program Year, **subject to the withholding of all deductions and taxes required by law or as otherwise approved by Resident.** 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.

ATTACHMENT B-1

Status **Scheduled** PolicyStat ID **17762368**

Origination	07/2025	Owner	Bonnie Spittle: INSTITUTIONAL MANAGER OF GRADUATE MEDICAL EDUCATIO
Last Approved	03/2025		
Effective	07/2025		
McLeod Health The Choice for Medical Excellence	Last Revised 03/2025	Area	McLeod GME Institutional Policies
	Next Review 03/2026	Applicability	McLeod Family Medicine

Resident Physicians' Annual Salary

I. Purpose Statement

This policy aims to ensure that compensation is competitive, equitable, and reflective of the residents' contributions, experience, and the financial health of the institution. By adhering to these guidelines, we strive to attract and retain talented medical professionals, promote transparency, and support the overall mission of providing high-quality patient care.

II. Policy

This policy outlines the guidelines for determining and adjusting the annual salary for residents participating in ACGME-accredited programs sponsored by McLeod Regional Medical Center.

III. Procedure

1. Annual Salary:

Residents will receive an annual salary based on their level of training. The amounts for each academic year are as follows:

- PGY-1: \$68,000
- PGY-2: \$70,000
- PGY-3: \$72,000

2. Salary Increases:

Salary amounts will be reviewed annually based on a comprehensive market analysis. The market analysis will consider the following factors:

- Regional and National Stipend Data: Comparative data from the AAMC Survey of Resident/Fellow Stipends and Benefits.
- Cost of Living Adjustments
- Inflation Rates

3. Market Analysis Process:

The GME Office will conduct an annual market analysis to assess the competitiveness of the current salary levels. The analysis will include benchmarking against peer institutions and regional/national data. Recommendations for salary adjustments will be presented to the GME Committee for review and approval.

4. Implementation of Salary Adjustments:

Approved salary adjustments will be implemented at the start of the new academic year. Residents will be notified of any changes to their salary in a timely manner.

5. Review and Revision:

This policy will be reviewed annually by the GME Committee to ensure its relevance and effectiveness. Any revisions to the policy will be communicated to all residents and relevant stakeholders.

IV. Equipment Needed

Not Applicable

V. Addendums

Not Applicable

VI. Attachments

Not Applicable

VII. Related Links

Not Applicable

VIII. References

Not Applicable

Approval Signatures

Step Description	Approver	Date
	Madge Hamer: AVP OF ACCREDITATION/ CERTIFICATION [LS]	03/2025
	Bonnie Spittle: INSTITUTIONAL MANAGER OF GRADUATE MEDICAL EDUCATIO	03/2025
	Brooke Smith: DIRECTOR OF GRADUATE MEDICAL EDUCATION	03/2025

Applicability

McLeod Family Medicine

COPY