

AGREEMENT

THIS AGREEMENT dated on this **1st** day of **April 2024** is **between Warren Memorial Hospital**, located at 351 Valley Health Way, Front Royal, Virginia 22630 (“Hospital”), and **Resident**, a resident in the area of Family Practice (“Resident”).

WHEREAS, the Hospital is the accredited operator of a residency program in Family Practice conducted in affiliation with **Virginia Commonwealth University Medical College of Virginia** (“VCU/MCV”); and

WHEREAS, the Hospital, in service to the community and to promote high standards of preparation and training for health care professionals, is willing to provide the necessary facilities to train residents who wish to practice as family practitioners;

WHEREAS, Resident has successfully completed graduate training as a physician and has been selected to participate in first-year post-graduate training in the area of family practice rotations at the Hospital;

NOW, THEREFORE, in consideration of the foregoing premises and mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1.0 DEFINITIONS

- 1.1 “President” shall mean the President of the Hospital or designee.
- 1.2 “Director” shall mean the Director of the Residency Program.
- 1.3 “Front Royal Family Practice and Multispecialty Clinic | Valley Health” shall mean the practice group having offices at 351 Valley Health Way, Suite 300, Front Royal, Virginia 22630.
- 1.4 “Residency Program” shall mean the Shenandoah Valley Family Practice Residency Program sponsored by Valley Health System through the Hospital and affiliated with VCU/MCV.
- 1.5 “Resident” shall mean a physician selected by the Hospital and officially participating in Residency Program at the Hospital.
- 1.6 “Supervisor” shall mean that physician of Front Royal Family Practice and Multispecialty Clinic | Valley Health and member of the Hospital’s active staff with clinical privileges at the Hospital and designated by Front Royal Family Practice and Multispecialty Clinic | Valley Health to provide direct supervision to Resident hereunder.

2.0 APPOINTMENT AND TERM

Resident has been appointed as a first-year resident of the Residency Program (“Appointment”). The Term of the Appointment, unless sooner terminated as provided herein, shall be from **July 1, 2024** to **June 30, 2025**.

Resident accepts the appointment and agrees to serve in such capacity in accordance with this Agreement. Resident acknowledges that he/she has received and understands the conditions for reappointment.

Initials: _____	Date: _____
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Resident agrees that he/she shall conscientiously, diligently, in good faith, and to the best of his/her ability, experience and talents perform all the duties and responsibilities required of him/her pursuant to this Appointment.

3.0 DUTIES AND RESPONSIBILITIES OF RESIDENT

3.1 Resident shall perform such duties and obligations as may reasonably be required in accordance with the Residency Program, including but not limited to:

Be present for all scheduled rotations, including all scheduled night call;

Be available for all assigned back-up call;

Maintain professional standards, including appropriate interactions with other residents, members of the Medical Staff of Hospital and Winchester Medical Center (“WMC”), nursing staff, administration and patients/family members;

Provide and maintain appropriate standards of patient care;

Successfully complete the in-service examination;

Timely and properly complete all medical record documentation, including dictation, and all evaluations related to participation in the Residency Program;

Timely provide all residency tracking data in the form reasonably required by the Residency Director.

3.2 The Hospital expects Resident, and Resident agrees, to practice at the level of standard of care under Virginia law for the degree of skill and diligence practiced by a reasonably prudent resident in family practice in this Commonwealth as described under Section 8.01-581.20 of the Code of Virginia, 1950, as amended (or any successor statute thereto). Further, Resident shall devote his/her full time and effort in carrying out this Appointment and shall do so in accordance with all applicable standards, including: (i) Residency Program policies and procedures; (ii) Hospital and WMC Medical Staff Bylaws; (iii) the Rules and Regulations of the Medical Staffs; (iv) the Joint Commission on Accreditation of Healthcare Organizations; (v) standards, requirements and recommendations of all other entities which accredit, regulate or license the Hospital and its programs and the Program, including, without limitation, ACGME and/or AOA; and (vi) applicable federal, state and local laws and regulations.

3.3 Resident recognizes this Appointment as his/her primary obligation during the Term. Accordingly, Resident shall be prohibited from engaging in the practice of medicine and from performing the same or similar professional services at any other hospital, practice or entity during the Term of this Agreement, unless sooner terminated as provided herein, without first obtaining the prior written approval of the Director in accordance with the Residency Policy on Moonlighting. In the event any such approved “moonlighting” conflicts with this Appointment or with the safe and efficient operations of the Hospital, WMC, or Front Royal Family Practice and Multispecialty Clinic | Valley Health, Resident agrees to terminate such moonlighting immediately upon the request of the Director.

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- 3.4 Resident shall apply for, obtain and maintain, if deemed qualified in accordance with then existing standard procedures, assignment as a Resident pursuant to the medical staff bylaws of the Hospital and WMC. Such assignment shall be contingent upon Resident having obtained, and maintaining, appropriate licensure to practice medicine in the Commonwealth of Virginia. Resident shall not provide patient care services pursuant to this Assignment without meeting the requirements herein and in the Medical Staff Bylaws of Hospital and WMC.
- 3.5 Resident acknowledges that all Protected Health Information (“PHI”) maintained by the Hospital, WMC, Front Royal Family Practice and Multispecialty Clinic | Valley Health, or other locations at which Resident may rotate is subject to federal and state laws and regulations governing the use and disclosure of such PHI. Resident agrees to protect the privacy and confidentiality of such PHI as required by privacy rules promulgated under the Health Insurance Portability and Accountability Act (“HIPAA”), other federal and state laws and regulations, and the policies and procedures of the Hospital, WMC, Front Royal Family Practice and Multispecialty Clinic | Valley Health, or any other locations. The privacy and confidentiality requirements of this section shall survive the expiration or termination of this Agreement for any reason.
- 3.6 Resident acknowledges that he/she has received information regarding the Resident Evaluation Policy, Semiannual Performance Review Policy, and Procedure for Deficiencies.
- 3.7 When deciding not to renew Resident’s agreement, the Residency Program agrees to provide Resident with as much advance written notice of its decision as may be reasonably permitted under the circumstances. To the extent possible, the Residency Program will try to provide four months’ advance written notice before the end of the then-current term. However, the Residency Program will not be bound by the foregoing and it reserves the right to provide Resident less than four months written notice of non-renewal.
- 3.8 Resident acknowledges that he/she has received information regarding the Grievance Policy of the Residency Program.
- 3.9 Resident agrees that in no event shall he/she bill, collect or retain any money received from patients or third party payors in connection with services provided under this Appointment.
- 3.10 Resident acknowledges that the Hospital does not provide living quarters, (other than on call rooms), meals (other than on call meals) or laundry services to residents, with the exception that scrubs are laundered in accordance with Hospital procedure.
- 3.11 Resident understands and agrees that a certificate of completion is contingent upon proper performance of his/her duties and obligations hereunder, including but not limited to return of all Hospital WMC, and Front Royal Family Practice and Multispecialty Clinic | Valley Health property, proper completion of all evaluations and patient records, and the satisfactory discharge by Resident of all professional and financial obligations to the Hospital and Front Royal Family Practice and Multispecialty Clinic | Valley Health, and by reason of this Appointment.

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3.12 Hospital has adopted a commitment to ethical corporate behavior and has adopted a Code of Ethics. Pursuant to Hospital's request, Resident represents and warrants that he/she is not now listed by a federal agency as excluded, disbarred, suspended, or otherwise ineligible to participate in federal programs, including Medicare and Medicaid, and is not now listed, nor has any current reason to believe that during the term of this contract will be so listed, on the HHS-OIG Cumulative Sanctions Report or the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs. Further, Resident acknowledges and agrees to participate in the corporate compliance program of the Hospital and to cooperate with all hospital policies and procedures in connection therewith.

4.0 DUTIES AND RESPONSIBILITIES OF PROGRAM

4.1 Salary. During the Term, the Hospital shall arrange to pay Resident the amount of Fifty-seven Thousand (\$57,000.00) for Program Year One. **Payment shall be subject to all applicable taxes and withholding provisions and shall be made in equal installments on a bi-weekly basis.** Additionally, a sign-on bonus of Eight Thousand Dollar (\$8,000) will be paid upon meeting requirements for employment with Valley Health. **Payment shall be subject to all applicable taxes and withholding provisions and shall be made in one installment.**

4.2 Moving/Equipment/CME. Hospital shall pay up to Four Thousand Dollars (\$4,000.00) for these expenses per incoming resident with receipts provided.

4.3 Other Benefits. Hospital shall provide the following additional benefits:

4.3.1 License Fees. Limited license fees in the State of Virginia paid for First Year Residents; permanent and drug license fees in the State of Virginia paid for Second Year and above Residents; exam fees paid for First Year Residents (USMLE or COMLEX).

4.3.2 Annual Paid Leave and Sick Leave. The Resident is given a total of 21 week days of Annual Paid Leave per academic year which may be used to cover vacation, illness, holidays and certain other absences. Leave must be scheduled and approved in advance by the Director. Any total leave in excess of 21 week days per academic year will result in delayed graduation in compliance with the American Board of Family Practice requirements. Any professional leaves in excess of 21 week days must be approved by the Residency Director and must be in compliance with the American Board of Family Practice requirements. If granted professional leave in excess of 21 week days, the leave will be unpaid and benefits will continue a maximum of three months. The Residency has a leave of absence policy.

4.3.3 Professional Liability Insurance. The Hospital, at its expense, will provide Resident with occurrence (not claims made) professional liability coverage in the current minimum amount of Two Million Four Hundred Fifty Thousand Dollars (\$2,500,000) per occurrence and Seven Million Three Hundred Fifty Thousand Dollars (\$7,500,000) in the aggregate. Such insurance may be provided through an insurance carrier selected by the

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Hospital or a self-insured fund maintained by or available for the benefit of the Hospital.

- 4.3.4 Additional Benefits. Resident will be eligible for and entitled to participate in employee benefit programs maintained for employees of the Hospital in accordance with the plan requirements for such programs. Benefits will include health and accident insurance, disability insurance, life insurance (provided at two times basic annual salary rounded to the nearest Thousand Dollars (\$1,000), subject to a maximum cap of Five Hundred Thousand Dollars (\$500,000), participation in qualified retirement plans, use of employee child care center, employee discounts on medical services and Section 125 accounts.
- 4.3.5 Worker's Compensation. Resident is covered against job-related accidents and illness.
- 4.3.6 Vaccines. Hepatitis B vaccine is provided; Rubella/Rubeola if needed, Diphtheria Toxoid as needed; Influenza vaccine, as needed. As a Hospital employee, a pre-employment physical, including drug screen and TB screening, is required to be completed prior to first day of employment.
- 4.3.7 Uniforms. Two lab coats.
- 4.3.8 Miscellaneous and Other Expenses. AAFP (and AOA if applicable) resident dues will be paid annually.
- 4.3.9 First year residents are paid salary and benefits for all time spent in orientation prior to their appointment.

5.0 PERFORMANCE REVIEW

At any time during the Term of this Agreement, the Hospital, in conjunction with VCU/MCV, may review and assess the quality of any and all services provided by Resident pursuant to this Agreement. If it is determined as a result of such performance review that the performance of Resident's services under this Agreement is materially deficient, Resident shall be notified in writing as to the nature of such material deficiencies, and be given the opportunity to correct the deficiencies. Resident's failure substantially to correct the identified material deficiencies within the prescribed period shall permit the Hospital to terminate this Agreement for cause.

The Residency has a procedure whereby any Resident terminated by the Residency for deficiencies in Clinical Competence, Technical Skills, and/or Professional Behaviors is granted due process.

Residents will be notified at least four months in advance through the winter semi-annual review process if promotion or reappointment is in jeopardy, unless behavior preventing promotion or reappointment occurs during the four months prior to the start of each academic year.

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It is the policy of the Hospital that all hospital employees, patients, and visitors are accepted and treated in the same and equal manner regardless of their financial status, race, religion, national origin, age, sex, or physical or mental handicap. Further, Hospital policy requires that all patients receiving medical benefits or assistance under any Federal health care program, including but not limited to Medicare, Medicaid, and CHAMPUS, be treated in a non-discriminatory manner. The Hospital also has a policy on sexual and other forms of harassment. Resident acknowledges and agrees to comply with such policies.

6.0 TERMINATION

This Agreement, the Appointment of the Resident, and participation of the Resident in the Residency Program may be terminated as follows:

- 6.1 Termination by Agreement. This Agreement may be terminated by mutual consent of the parties at any time.
- 6.2 Automatic Termination. This Agreement shall terminate automatically and without notice upon the following: (1) the death of Resident; (2) in the event the Medical Staff assignment of Resident at the Hospital is suspended, revoked or otherwise restricted; (3) in the event Resident's medical license terminates or is suspended, revoked or otherwise restricted by action of the Virginia Board of Medicine; (4) in the event of loss of malpractice insurance coverage for Resident's professional services to patients; and (5) in the event the Resident is convicted of a felony or any other illegal conduct or engages in inappropriate conduct substantially detrimental to the Residency Program or the business or reputation of the Hospital or its affiliates or to the health or well-being of patients.

In the event of physician impairment and/or substance abuse, the Residency will treat the Resident in a manner consistent with the Residency Procedure for Physician Impairment.

6.3 Termination for Cause.

- 6.3.1 This Agreement may be terminated by Hospital for cause, which shall be defined to include, inter alia, a material breach by Resident of this Agreement or any other requirements of the Residency Program. In the event of such breach, Hospital or Front Royal Family Practice and Multispecialty Clinic | Valley Health shall give written notice to Resident identifying the breach, and Resident shall have thirty (30) days from date of notice to cure such breach except that any breach that affects patient care or conflicts with federal, state or local laws or regulations shall be addressed immediately and cured promptly. If Resident fails to cure breach within thirty (30) days to the reasonable satisfaction of the party giving such notice, Resident shall be notified, and the Agreement shall terminate automatically at the end of the aforementioned thirty (30) days.

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Initials: _____ Date: _____

- 6.3.2 This Agreement may be terminated by Resident upon written notice for cause which shall be defined as a breach of Section 4 of this Agreement by Hospital (“Hospital Breach”). In the event of Hospital Breach, the Resident shall give written notice to Hospital identifying the breach and Hospital shall have thirty (30) days from date of notice to cure such breach. If Hospital fails to cure breach within such time to the reasonable satisfaction of the Resident, the Resident shall so notify Hospital and this Agreement shall terminate automatically at the end of the aforementioned thirty (30) days.
- 6.3.3 Either party may terminate this Agreement, upon notice to the other, if either should become listed on the HHS-OIG Cumulative Sanctions Report or the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs.
- 6.3.4 Termination on Disability. Subject to applicable federal and state law, this Agreement may be terminated by the Hospital if, by reason of mental or physical disability for any reason, the Resident is unable to perform his/her duties for one hundred (100) days in any twelve-month period.

7.0 CONFIDENTIALITY

Resident shall not at any time during or for the Seven (7) year period after the expiration or termination of this Agreement for any reason, without the prior written consent of Hospital, disclose to any other person (including without limitation other Residents employed by or under contract to Hospital, or any of its subsidiaries or Affiliates) the terms or substance of this Agreement nor shall Resident either directly or indirectly divulge, disclose or communicate in any manner whatsoever to any person not employed or affiliated with Hospital any information concerning any matters affecting or relating to the business or operations of future plans of Hospital, or any of its subsidiaries or affiliates, including without limitation of the generality of the foregoing, patient information and information regarding quality assurance, risk management and peer review activities, other information concerning Hospital, its subsidiaries or affiliates, and its or their manner of operation, plans, policies, procedures, rules, regulations, protocols or other data, without regard to whether all of the foregoing would be deemed confidential, material or important. This prohibition extends to, but is not limited to, divulging such information for the purpose of acting as an expert witness, reviewer, or consultant on behalf of a plaintiff or an attorney acting on behalf of a plaintiff, in a claim or action against Hospital, its subsidiaries or affiliates. The parties hereto stipulate that, as between them, such matters are important, material and confidential, and gravely affect the effective and successful conduct of the business of Hospital, its subsidiaries and affiliates and the goodwill each maintains, and that any breach of the terms of this paragraph shall be a material breach of this Agreement. This confidentiality provision shall survive the termination of this Agreement, regardless of cause. The existence of any claim or cause of action against Hospital by Resident, whether predicated on this Agreement or otherwise, shall not constitute a defense to enforcement of this provision.

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8.0 RETURN OF CORPORATE PROPERTY

Upon termination of this Agreement for any reason whatsoever, Resident shall return to Hospital, WMC and Front Royal Family Practice and Multispecialty Clinic | Valley Health all books, records, lists, charts, forms, and other written, typed or printed materials, whether furnished by Hospital or prepared by Resident, which contain any information relating to Hospital, its subsidiaries or affiliates, or its or their business, activities, or existing or prospective customers, patients or clients, and Resident shall neither make nor retain any copies of such materials after termination of this Agreement without the prior written consent of the President.

9.0 ASSIGNMENT

This Agreement may be assigned by the Hospital to any parent, subsidiary, affiliate, or sister corporation of the Hospital. This Agreement cannot be assigned or subcontracted by Resident, whether individually or by operation of law.

10.0 SEVERABILITY

Should any provision(s) of this Agreement be held invalid, unlawful or unenforceable, the validity of any other provision(s) of this Agreement or the Agreement as a whole shall not be affected.

11.0 HEADINGS

Headings used in this Agreement are solely for the convenience of the parties and shall be given no effect in the construction or interpretation of this Agreement.

12.0 WAIVER

No waiver of any breach shall be valid or binding unless approved in writing by the nonbreaching party. Forbearance or indulgence by the nonbreaching party shall not constitute a waiver of the covenant or condition to be performed by the breaching party or of any remedy available to the nonbreaching party. No waiver of any breach of this Agreement shall constitute or be deemed a waiver of any other or subsequent breach. All remedies afforded in this Agreement shall be taken and construed as cumulative to every other remedy provided hereby or at law.

13.0 GOVERNING LAW

This agreement shall be construed under and enforced in accordance with the laws of the Commonwealth of Virginia (excluding her choice of law provisions), and it shall be construed in a manner so as to conform to all federal, state and local laws and regulations. The parties consent to venue in the Circuit Court of Warren County, Virginia, or the Federal District Court for the Western District of Virginia, Harrisonburg Division.

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Initials: _____ Date: _____

14.0 ENTIRE AGREEMENT: AMENDMENT

This agreement contains the final and entire agreement between the parties, and they shall not be bound by any terms, conditions, statements or representations, oral or written, not herein contained or contained in a written amendment of this Agreement executed by the parties hereto. This Agreement may be amended only by written agreement executed by the parties.

IN WITNESS WHEREOF, and in agreement hereto, the parties have caused this Agreement to be duly executed.

WITNESS:

WARREN MEMORIAL HOSPITAL

By: _____
Chief Physician Executive and President VPE

WITNESS:

RESIDENT

Resident Signature

SAMPLE