



Participating Provider _____

**JEFFERSON PHYSICIAN GROUP, P.A.
NETWORKING PROVIDER PARTICIPATION AGREEMENT**

This PROVIDER PARTICIPATION AGREEMENT (the “AGREEMENT”) is made and entered on the Effective Date set forth herein, by and between JEFFERSON PHYSICIAN GROUP, P.A. (herein called “JPG”) and the undersigned (herein called the “Participating Provider”) concerning the operation of the Jefferson Physician Group Network (herein called “Network”) and is based in part upon the existence of the following facts:

RECITALS

A. JPG is a professional association duly organized and validly existing pursuant to the Texas Professional Association Act which delivers professional medical services through its affiliated physicians, each of whom is duly licensed to practice medicine in the State of Texas;

B. JPG is capable of developing cost containment alternatives, designing and implementing media campaigns, maintaining and continuing relationships with business, insurer and employer groups, providing contract management and maintenance services, developing information systems which monitor the intensity, quality and cost of health care services, evaluating the impact of benefit changes, performing quality improvement and utilization management, providing credentialing and peer review, Subscriber grievance, medical record, risk management, clerical, marketing and administrative services, monitoring customer satisfaction and developing Subscriber health promotion and disease prevention programs (herein collectively called the “Services”);

C. The Participating Provider wishes to procure from JPG the Services in connection with the Network;

D. JPG, as a Clinically Integrated network, intends to organize the Network and enter into agreements with third party payors pursuant to which the Network’s Participating Providers will provide professional services to enrollees of such plans and desires the Participating Provider’s involvement in the agreements;

E. The Participating Provider is either licensed to practice medicine in the State of Texas or is composed of or employs professionals who are licensed to practice medicine in the State of Texas and desires to provide medical services within the scope of the Participating Provider’s license and medical specialty and pursuant to Health Care Contracts; and

F. JPG wishes to assure the Participating Provider's compliance with certain Network administrative requirements involved in providing professional services and the Services.

In consideration of the facts set forth above and the mutual promises herein contained, the parties agree as follows:

ARTICLE I DEFINITIONS

1.01 "Advisory Committee" shall mean a committee composed of physicians selected by the Participating Providers pursuant to Section 2.03.

1.02 "Attorney-in-Fact" shall mean an individual provided the power to enter into contracts on behalf of the Network pursuant to Section 3.15.

1.03 "Claim" shall mean a statement submitted to JPG or a Payor by a Participating Provider for the provision of Covered Services to a Subscriber, which shall include all diagnoses, and a full and complete itemization of services and treatment provided to such Subscriber.

1.04 "Coordination of Benefits" shall mean the determination of whether Covered Services provided to a Subscriber will be paid, either in whole or in part, under any other private or government health benefit plan or any other legal or contractual entitlement, including but not limited to a private group indemnification or insurance program.

1.05 "Co-payment" shall mean an additional fee charged to Subscribers for certain Covered Services and collected by JPG or a Participating Provider in accordance with a Contract.

1.06 "Covered Services" shall mean those health care services to which a Subscriber is entitled to receive from JPG or a Participating Provider pursuant to a Contract.

1.07 "Emergency" shall mean the sudden and unexpected onset of a symptom, illness, or injury, which in the judgment of a Physician requires immediate diagnosis and/or treatment in order to attempt to prevent permanent disability, serious medical complications or loss of life. The final determination of whether an Emergency existed shall be made by JPG's or Payor's Medical Director or designee.

1.08 "Health Care Contract" (or "Contract") shall mean a contract between a third party payor and JPG, on behalf of JPG and the Network's Participating Providers, pursuant to which Participating Providers agree to provide medical services to Subscribers.

1.09 "Medically Necessary" shall mean Covered Services which a Subscriber requires based on a decision made in accordance with generally accepted medical and surgical practices and standards prevailing in the applicable professional community at the time of treatment and in conformity with the professional and technical protocols adopted by JPG's Quality Improvement

and Utilization Management Programs. The final decision of whether a treatment is Medically Necessary shall be made by JPG's or Payor's Medical Director or designee, subject to the applicable Subscriber Grievance Procedure.

1.10 "Network" shall mean JPG and the panel of all Participating Providers entering Provider Participation Agreements with JPG.

1.11 "Non-Covered Services" shall mean those health care services to which Subscribers are not entitled pursuant to a Contract.

1.12 "Non-Participating Provider" shall mean a physician or physician group who has not entered a contract with JPG, including other licensed Physicians requested by or acting on behalf of JPG or a Payor.

1.13 "Participating Provider" shall mean a physician licensed to practice medicine in the State of Texas or a group composed solely of such individuals who have entered into a contract with JPG to provide certain Covered Services to Subscribers.

1.14 "Physician" shall mean a person duly licensed and qualified to practice allopathic medicine or osteopathic medicine in the State of Texas.

1.15 "Primary Care" shall mean the practice of medicine in the medical disciplines of general practice, family practice, internal medicine and pediatrics.

1.16 "Quality Improvement Program" shall mean the programs and protocols developed and implemented by JPG or its designee to monitor, maintain, and improve the quality of services provided to Subscribers.

1.17 "Subscriber" shall mean an employee, individual insured, member or enrollee of a Third Party payor who by contract is entitled to receive medical services or reimbursement for medical services.

1.18 "Subscriber Grievance Procedure" shall mean the system for the receipt, handling and disposition of a Subscriber's complaints and grievances as set forth in JPG's or Payor's Subscriber Grievance Policy.

1.19 "Sub-Specialist" shall mean the practice of medicine in the medical disciplines not including Primary Care.

1.20 "Third Party Payor" (or "Payor") shall mean an insurance carrier, non-stock health service plan, health care service plan, employer, employee welfare benefit plan, multiple employer welfare arrangement, a state or federal governmental agency, or any other entity, which under contract or law provides or arranges for the provision of medical services to Subscribers.

1.21 “Utilization Management Program” shall mean the programs, protocols and procedures developed and implemented by JPG or its designee to monitor and manage the cost, quality and utilization of Covered Services provided to Subscribers.

ARTICLE II JPG’S RESPONSIBILITIES

2.01 JPG shall design, develop and implement a marketing program that shall provide for the identification and solicitation of Payors who seek to contract with the Network.

2.02 JPG shall not be liable to any Participating Provider for any charges to the extent it does not receive reimbursement from a Payor.

2.03 JPG shall establish an Advisory Committee to advise JPG in the management of the Network. The Advisory Committee shall be composed of such members as determined by JPG. JPG shall have final approval over all business decisions affecting the Network.

2.04 JPG or its designee shall establish Credentialing, Quality Improvement and Utilization Management Committees which shall review on a prospective, concurrent, and retrospective basis the quality, appropriateness, level of care, utilization and cost of Covered Services provided to Subscribers. Credentialing of physicians may also be a function of the Quality Improvement Committee.

2.05 JPG shall maintain such books, records and information, including, but not limited to, records relating to the provision of Covered Services, to the cost thereof, and payments received by JPG on behalf of the Network from Subscribers (or from others on their behalf) in accordance with general standards applicable to such records. JPG shall retain such records for at least six (6) years or, in the event JPG has been duly notified of a federal or state audit or investigation, until the date such audit or investigation is resolved, whichever is later. This obligation shall not terminate upon termination of this Agreement, whether by rescission or otherwise.

2.06 JPG will supply Participating Provider with information and materials to facilitate Participating Provider’s participation in the Network, including listings of Network Participating Providers and listings of co-payment amounts applicable to the medical services rendered by the Participating Provider.

ARTICLE III PARTICIPATING PROVIDER RESPONSIBILITIES

3.01 The Participating Provider agrees as follows:

- (a) To serve, or cause its physicians to serve, upon request of JPG, on committees which review all aspects of those medical services provided to Subscribers and which review all Network Services;

- (b) To release such patient information, statistical data, fee schedules, operating cost information and other information relating to the provision of Covered Services to the Attorney-in-Fact;
- (c) To maintain, at all times during the term hereof, professional liability insurance in the minimum amount of Two Hundred Thousand Dollars (\$200,000.00) for each occurrence and Six Hundred Thousand Dollars (\$600,000.00) in the annual aggregate, as shall be necessary to insure the Participating Provider and the Participating Provider's employees against any claim or claims for damages, whether arising by reason of personal injuries or death occasioned directly or indirectly in connection with the performance of any Medical Services for Subscribers or of any of the Participating Provider's responsibilities pursuant to this Agreement, or arising by reason of the use of any of the Participating Provider's other activities, in connection with the performance of Medical Services for and on behalf of Subscribers. In the event the Participating Provider's professional liability coverage is on a "claims made" basis, the Participating Provider agrees to obtain extended reporting ("tail") coverage upon termination of this Agreement. The Participating Provider shall provide JPG with a copy of the foregoing policy(s) upon receiving two (2) business days' prior written notice from JPG and immediately shall inform JPG in the event the foregoing policy(s) is modified or amended and such policy shall not be terminated or amended without fifteen (15) days prior notice to JPG;
- (d) To participate in and fully comply with JPG's and Payor's Utilization Management Programs, Quality Improvement Programs, Subscriber Grievance Procedures and medical administrative guidelines, including but not limited to, customer satisfaction, credentialing, peer review, risk management, medical records and NCQA compliance;
- (e) To provide medical services to a Subscriber in accordance with an applicable Contract and subject to the availability of appropriate office, clinic or hospital facilities and services;
- (f) To provide medical services to a Subscriber in the same manner in which the Participating Provider provides such professional services to all other individuals receiving the Participating Provider's services;
- (g) To permit JPG and each Payor, which contracts with JPG to use the Participating Provider's name, address, phone number, type of practice and willingness to accept new patients in the Network or Payor roster of Participating Providers. The roster may be inspected by and is intended to be used by prospective patients. Payors, prospective Participating Providers, clinic or hospital facilities under subsection (e) of this Section, and others; and

(h) To advise JPG of each settlement or judgment of a malpractice claim entered against or into by the Participating Provider or any Physician employed by a Participating Provider within fifteen (15) days following the entry of said judgment or settlement.

3.02 The Participating Provider hereby represents and warrants that the Participating Provider either is currently, and for the duration of this Agreement shall remain, licensed to practice medicine in the State of Texas or is composed solely of Physicians so licensed.

3.03 Nothing in this Agreement is intended to set (nor shall it be construed to set) the fees that the Participating Provider shall charge for services rendered to any person other than Subscribers. The Participating Provider is free to charge whatever the Participating Provider desires to charge for the provision of professional services to persons other than Subscribers.

3.04 The Participating Provider shall have the right to bill and collect directly from the Subscriber all co-payments and deductibles specifically permitted in an agreement between the Payor and the Subscriber. The Participating Provider shall further bill and collect all charges from a Subscriber for those Non-Covered Services provided to a Subscriber.

3.6 The Participating Provider hereby authorizes JPG to release any and all information, records, summaries of records and statistical reports specific to the Participating Provider (including, but not limited to, utilization, quality, customer satisfaction and other profiles pertinent to the Participating Provider's provision of Covered Services, or the Participating Provider's professional qualifications and credentialing information) at any time without receiving the Participating Provider's prior written consent.

3.7 The Participating Provider shall provide JPG, upon JPG's request, with such authorizations, consents or releases as JPG may request in connection with any inquiry by JPG or any Payor, hospital, governmental or private agency or association (including the National Practitioner Data Bank and the Texas State Board of Medical Examiners) or any other entity or individual relative to the Participating Provider's professional qualifications, mental or physical fitness or the quality or cost-effectiveness of the medical care rendered by the Participating Provider.

3.8 The Participating Provider agrees: (1) not to differentiate or discriminate in his/her provision of Covered Services to Subscribers because of race, color, national origin or ancestry, religion, sex, or age; and (2) to render professional services to Subscribers in the same manner, in accordance with the same standards as a reasonable physician under the same or similar circumstances.

3.9 The Participating Provider agrees to comply with all aspects of JPG's credentialing and recredentialing policies and procedures and the credentialing and recredentialing policies and procedures of any Payor contracting with JPG.

3.10 The Participating Provider agrees that concurrently with the submission of this Agreement the Participating Provider shall tender a fee for each physician employed by or affiliated with the Participating Provider of \$500.00/per calendar year, per each physician.

3.11 The Participating Provider hereby releases and discharges the Network's and JPG's directors, committee members, officers, agents and consultants from and against any claims, costs, causes of action or liabilities of any type whatsoever for their actions or omissions made in their official capacities with the Network excluding, however, actions or omissions of gross negligence or willful misconduct.

3.12 The Participating Provider agrees to comply with and accept as final the decisions of the Credentialing and Peer Review, Quality Improvement and Utilization Management Committees and the Subscriber Grievance Committee.

3.13 The Participating Provider agrees to assist and comply with any Credentialing, Peer Review, Utilization Management, Quality Improvement, Customer Satisfaction and other administrative matters affecting NCQA compliance and which affect the Network.

3.14 The Participating Provider shall follow the procedures established by JPG or any Payor for verifying eligibility, referral and pre-authorization of Subscribers pursuant to a Contract.

3.15 A summary of any contract presented through JPG shall be provided to the Participating Provider for its independent review. The Participating Provider shall have fifteen (15) days in which to review the summary of the proposed Contract and notify JPG of the Participating Provider's decision to Opt In/Out of the Contract. Unless the attorney-in-fact receives such notice within the fifteen (15) day time period, the Participating Provider shall be deemed to have Opted Out of the Contract. Rejection of a Contract by the Participating Provider shall not be deemed a termination of this Agreement.

3.16 The Participating Provider agrees to comply with and abide by the terms of all Contracts the Participating Provider accepts pursuant to Section 3.15 and the policies and procedures relating to such Contracts.

3.17 The Participating Provider shall provide JPG with encounter data in the format and by the means reasonably required by JPG and shall include all necessary Participating Provider and Subscriber identification, including but not limited to: The Subscriber name and number; name of provider(s); date and place of service; ICD-9 number; diagnosis; CPT-4 procedure codes; billed charges and amounts paid; co-payments (if any); and copies of referral authorizations, if any. Required encounter data shall be submitted to JPG no later than thirty (30) days following the end of the month in which care was rendered.

**ARTICLE IV
TERM AND TERMINATION**

4.1 This agreement shall remain in full force and effect for a term of one (1) year from and after the Effective Date set forth below, after which this Agreement shall be renewed automatically for subsequent one (1) year periods, unless either party terminates the Agreement in accordance with Section 4.02.

4.2 Notwithstanding any other provision in this Agreement, this Agreement may be terminated on the first to occur of the following:

- (a) Either party may terminate this Agreement, at the end of any term, without cause, upon providing the other party with at least sixty (60) days prior written notice delivered prior to the end of any term.
- (b) JPG shall have the right to terminate this Agreement immediately in the event that the Participating Provider shall be determined by JPG, in its sole and absolute discretion, to be in violation of or fails to comply with any of the requirements of this Agreement or if JPG determines the health and safety of any Subscriber is placed in jeopardy by the Participating Provider.
- (c) Notwithstanding any other provision of this Agreement, in the event that a Payor contracting with JPG notifies JPG that it wishes to remove the Participating Provider from the Payor's roster of participating physicians/providers, JPG shall have the right to terminate the Participating Provider's participation in the Contract with said Payor without otherwise terminating this Agreement.

4.03 As of the date of termination pursuant to any provision of this Agreement, the Agreement shall be considered to be of no further force or effect whatsoever and each of the parties shall be relieved and discharged herefrom, except that the parties shall remain liable for any obligations or liabilities arising during the period this Agreement shall have been in effect. The termination of this Agreement shall in no manner release or discharge the Participating Provider from any professional or legal obligation to continue to provide or arrange for the provision of appropriate medical services to Subscribers as required by any Contract until the termination of such Contract.

4.04 Upon the effective date of termination, the Participating Provider immediately and permanently shall discontinue the use of any marks, names or indicia, which in the opinion of JPG may indicate or tend to indicate in any manner that the Participating Provider is associated with the network.

4.05 The Participating Provider shall provide JPG, a payer or subsequent Physician(s) and any duly designated third party, with reasonable access to medical records of Subscribers maintained by the Participating Provider, for a period of six (6) years after the termination of this Agreement, and at any time thereafter that such access is required in connection with a Subscriber's medical care. JPG shall be entitled to obtain copies of a Subscriber's medical records. This section will not operate to waive or limit any restriction on release or disclosure of patient records established in any provision of this Agreement or as otherwise required by law.

**ARTICLE V
CONFIDENTIALITY OF RECORDS**

5.01 JPG and the Participating Provider agree to maintain the confidentiality of all documents, including Credentialing and Peer Review, Quality Improvement and Utilization Management records, in accordance with all pertinent State and Federal statutes and implementing regulations relating to confidentiality and privileges. The parties further agree to inform all of their respective officers, agents and employees of the requirements of this Section and the special requirements as to particular classes of records.

5.02 Any and all Subscriber records and charts produced by the Participating Provider as a result of Covered Services performed under a Contract and subject to this Agreement shall be and remain the property of the Participating Provider. Both during and after the term of this Agreement, JPG or its agents shall be permitted to inspect and duplicate, at their expense, any individual chart or record to the extent necessary to perform quality improvement/utilization management' however, such inspection, duplication or review of confidential Subscriber medical records shall be done in strict compliance with all statutes and regulations imposing standards of privilege and Subscriber confidentiality.

**ARTICLE VI
MISCELLANEOUS**

6.01 This Agreement states the entire contract between the parties in respect to the subject matter of this Agreement and supersedes any oral or written proposal, statements, discussions, negotiations or other agreements before or contemporaneous to this Agreement. The parties acknowledge that they have not been induced to enter into this Agreement by any oral or written representations or statements not expressly contained in this Agreement. JPG may amend this Agreement at any time, effective upon notice to the Participating Provider, as required to comply with federal or state laws or regulations or as required by a Payor. JPG shall use its reasonable best efforts to provide the Participating Provider thirty (30) days prior written notice of such amendment. Any other amendments shall require the written approval of JPG and the Participating Provider.

6.02 THE VALIDITY, INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

6.03 The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding on the parties.

6.04 A waiver of any of the terms and conditions hereof shall not be construed as a waiver of any other terms and conditions hereof.

6.05 Notices required or permitted to be given under this Agreement, except as otherwise specifically provided for herein, shall be in writing and may either be delivered personally, by facsimile transmission or sent by registered mail in the United States Postal Service, return receipt requested, postage prepaid to the parties at their respective addresses as set forth below their signatures on this Agreement. A notice shall be deemed given on the date it is personally delivered, transmitted by facsimile or deposited in the mail in accordance with the foregoing. Either party may change the address at which to send notices by giving the other party ten (10) days prior written notice of such change.

6.06 THIS AGREEMENT IN NO MANNER PRECLUDES OR PROHIBITS JPG OR THE PARTICIPATING PROVIDER FROM NEGOTIATING OR ENTERING INTO SIMILAR AND/OR SEPARATE AGREEMENTS WITH OTHER PREFERRED PROVIDER

ORGANIZATIONS, INDEPENDENT PRACTICE ASSOCIATIONS OR PAYERS. THE SERVICES TO BE PERFORMED BY JPG AND PARTICIPATING PROVIDER HEREUNDER SHALL BE NON-EXCLUSIVE.

6.07 The rights, duties and obligations of JPG hereunder may be assigned by JPG any time without the Participating Provider's prior written consent after notice to the Participating Provider.

6.08 Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Agreement and any term, covenant or condition hereof, as third party beneficiaries or otherwise, and all of the terms, covenants and conditions hereof shall be for the sole and exclusive benefit of the parties hereto and their successors and assigns.

6.09 The Participating Provider shall maintain all Subscriber information including, but not limited to, the Subscriber's name, address, telephone number ("Subscriber Information,") and all other information (the "Network trade secret information") confidential. For purposes of this Agreement, the "Network trade secret information" shall include, but shall not be limited to: all the Network Plan Agreements and Contracts and the information contained therein regarding the Network, Payors, employer groups, the financial arrangements between any health provider and/or health provider organization and JPG or any Payor and JPG, and all manuals, policies, forms, records, files (other than patient medical files) and lists of the Network. The Participating Provider shall not disclose or use any Subscriber information or the Network trade secret information for the Participating Provider's own benefit or gain either during the term of this Agreement or after the date of termination of this Agreement; provided, however, the Participating Provider may use the name, address and telephone number or other medical information of a Subscriber if medically necessary for the proper treatment of such Subscriber or upon express prior written permission of JPG, Payors and the Subscriber.

6.10 In the performance of the work, duties, and obligations set forth in this Agreement, and in regard to any services rendered or performed on behalf of Subscribers by JPG or the participating Provider, either party hereto, its agents, servants and employees at all times are acting and performing as independent contractors. Subject to the terms of this Agreement, neither party shall have, nor exercise any control or discretion over, the method by which the other party shall perform such work or render or perform such services and functions. Nothing herein shall be construed to create between JPG and the Participating Provider the relationship of employer/employee, partner or joint venturers.

6.11 During the term of this Agreement, the Participating Provider shall not advise or counsel any Subscriber to dis-enroll from a Network Contract and will not directly or indirectly solicit any Subscriber to enroll in any other network.

ARTICLE VII DISPUTE RESOLUTION

7.01 Controversies between JPG and the Participating Provider shall be resolved, to the extent possible, by informal meetings and discussions in good faith between appropriate representatives of the parties.

7.02 If JPG and the participating Provider are unable at any time to resolve any dispute, controversy or claim arising out of the specific Sections of this Agreement, either during or after the term hereof, including the question as to whether any particular matter is arbitratable, the parties agree to submit the matter to binding arbitration. The parties expressly covenant and agree to be bound by the decisions of the arbitrator(s) and accept any such decision as a final determination of the matter in dispute.

7.03 Arbitration shall be conducted in Dallas, TX pursuant to either the Commercial Rules of the American Arbitration Association (“AAA”) or the National Health Lawyers Association (“NHLA”). Alternative Dispute Resolution Service Rules of Procedure for Arbitration, (the “Rules”) as is agreed upon by the parties, or if no agreement can be reached, at the option of the party commencing the arbitration. Arbitration shall be commenced by written notice by the party requesting arbitration (the “Petitioner”) served upon the other party (the “Respondent”) stating the substance of the controversy, dispute or claim of the Petitioner and the designation by the Petitioner of its choice of arbitrator. A single arbitrator shall be used if the parties can agree upon one. Otherwise, each party shall appoint one arbitrator within thirty (30) days after receipt of written notice of intent to arbitrate. The two arbitrators so appointed shall together appoint a third arbitrator within fifteen (15) days after their appointment. In the event a third arbitrator is not appointed within the fifteen (15) day period, either party may apply to the court of proper jurisdiction to request appointment of a third arbitrator, and the appointment of such arbitrator by such court on such application shall have precisely the same force and effect as if such arbitrator had been appointed by the two arbitrators. If, for any reason, the third arbitrator cannot be appointed in the manner prescribed by the preceding sentence, either regularly appointed arbitrator, or either party to the arbitration, may apply to the AAA or NHLA, as applicable for appointment of the third arbitrator in accordance with the Rules. Should the Respondent refuse to appoint an arbitrator within thirty (30) days after receipt of written notice of intent to arbitrate

the single arbitrator appointed by the Petitioner shall have the right to decide alone, and such arbitrator's decision or award shall be final and binding upon the parties. Each party shall have the right to make reasonable requests to the arbitrator(s) for discovery of documents and other information. The arbitrator(s) shall limit discovery to documents and information they deem necessary for the requesting party to prove its case. In addition, to the extent confidential or proprietary information is requested, the arbitrators shall impose reasonable conditions of confidentiality upon its release. The decision of the arbitrator(s) shall be in writing and shall set forth the basis thereof; provided that the decision shall not disclose proprietary or confidential information of either party. The parties shall abide by all awards rendered in the arbitration proceeding, which shall be final and binding and all such awards may be enforced and executed upon in any court having jurisdiction over the party against whom enforcement of such award is sought. The administrative charges, arbitrator's fees and related expenses of arbitration shall be borne equally by the parties, and each party shall pay its own legal fees incurred in connection with such arbitration.

The Effective Date of this Agreement for all purposes shall be _____
20__.

JEFFERSON PHYSICIAN GROUP

Guy L. Culpepper, MD
President

Signature _____

Date _____

PARTICIPATING PROVIDER (Physician)

Print Name _____

Signature _____

Date _____

Address _____

