

MASTER AFFILIATION AGREEMENT

This Master Affiliation Agreement is made and entered into by and between The University of Louisville on behalf of its School of Medicine (the "University") and Norton Healthcare, Inc. and its facilities ("NHC").

WITNESSETH:

WHEREAS the University is a state institution of higher education, with programs in graduate and post-graduate medical education, research, and clinical medicine; and

WHEREAS NHC operates licensed health care facilities providing health care services in areas in which the University trains students and residents/fellows (hereafter "residents"); and

WHEREAS the University wishes to offer diverse and high quality training sites for its students and residents beyond those which it owns and operates; and

WHEREAS the University wishes to offer high quality comprehensive clinical services and research; and

WHEREAS NHC wishes to offer its facilities, patients, and personnel to support the training of students and residents and the University's research programs; and

WHEREAS the University and NHC both recognize the benefits of such training and research programs accrue to both parties; and

WHEREAS the University and NHC both recognize the importance of having quality, reputable medical training programs to provide outstanding physicians to the community and region; and

WHEREAS NHC acknowledges that the University in training students operates under the specific standards of the Liaison Committee for Medical Education ("LCME") and that these standards are both obligatory for the University and subject to periodic modification; and

WHEREAS NHC acknowledges that the University in training residents operates under the specific standards of the Accreditation Council for Graduate Medical Education ("ACGME") and its specialty-based Residency Review Committees ("RRC's") and that standards from these bodies are both obligatory for the University and subject to periodic modification; and

WHEREAS the University and NHC acknowledge that the ACGME in addition requires specific programmatic affiliation agreements for training programs in each specialty and

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that this Master Affiliation Agreement and any Attachments are intended to be additive to those agreements; and

WHEREAS the University and NHC mutually acknowledge their desire to pursue progressive and synergistic medical research agendas; and

WHEREAS the University and NHC further acknowledge items in Attachment A1, laying out specific agreements between the two parties;

NOW THEREFORE, it is mutually agreed as follows:

1. **TERM.** The initial term of this agreement shall be from July 1, 2008 to June 30, 2009. The agreement will thereafter be automatically renewed for one-year periods commencing on July 1st of each year. If the agreement is not to be renewed by either party, notice will be given to the other party with six months notice (by January 1 of the year of termination).

2. **TERMINATION.** This agreement may be terminated upon the occurrence of any of the following events:
 - A. By mutual consent of the parties;
 - B. NHC suffers revocation of their license;
 - C. Either party is in material default of any representation, covenant, or obligation under this agreement. A party found in default will be given a 90 day cure period to regain compliance with this agreement before termination is in effect.

3. **STUDENT AND RESIDENT OBLIGATIONS AND STATUS.** Assigned students and residents will be required to agree to existing and applicable rules and regulations of NHC. However, neither students nor residents are to be considered members of the medical staff or to be held to the specific regulations and requirements for medical staff members. Students and residents will have full access to medical records, diagnostic results, and information afforded to members of the medical staff. As set forth in the Medical Staff Operating Rules of each NHC facility, (1) students and residents may document medical information in patient charts; (2) student's orders will require co-signature by a licensed professional before implementation; (3) residents' orders will not require co-signature; (4) students and residents may perform procedures under the privileges and approval of the attending physician; and, (5) students and residents will be afforded ancillary support and services equivalent to those for medical staff members, including, but not limited to, support personnel, information system access, dictation where available, and medical supplies.

4. **COMMUNICATION.** Both parties agree to work toward open and regular communication regarding academic programs provided at NHC. The University will provide NHC with appropriate student and resident schedules, resident license information, and other materials required for implementation of an efficient and coordinated training program, and for compliance with standards of the Joint Commission on Accreditation of Healthcare Organizations.

5. **ACADEMIC AND CLINICAL PROGRAMS.** The University has the authority and responsibility to design, schedule, implement, and manage the training programs of its students and residents assigned to NHC.
The University's Chair of Pediatrics is the Chair of Pediatrics at KCH, with responsibilities for research programs and undergraduate, graduate, and continuing medical education programs at KCH. The University's chair or his/her designee will serve as the Chief of Staff at KCH. The Medical Director of KCH shall be the University's Chair of Pediatrics or his/her designee. Chiefs of clinical services at KCH will be appointed as specified in the Operating Rules for KCH, as amended. The Chief of Staff, Medical Director, and Chiefs of Service positions are subject to approval by NHC Board but shall not be withheld for arbitrary, financial, or competitive reasons.
For other NHC facilities the University's chairs in medicine, surgery, obstetrics/gynecology, radiology, pathology, emergency services, anesthesia, family medicine, neurology, neurosurgery, ophthalmology, orthopedics, psychiatry, and radiation oncology are the academic chairs of the respective services, with responsibilities for research programs and undergraduate, graduate, and continuing medical education programs as it pertains to University students, residents, and faculty.
NHC and its medical staff will assist in evaluating the performance of students and residents as required.

6. **SUPERVISION.** Attending physicians who are not full or part time faculty members must hold gratis faculty status at the University to supervise or teach students or residents. All attending physicians will provide close supervision of assigned students and residents to assure high quality medical care, including providing appropriate chart documentation in a timely manner.

7. **RESEARCH.** Recognizing the University's and NHC's roles in leading medical research in our community, the parties agree to work towards and support cooperative research programs that capitalize on the unique resources and patients of NHC. All classes of faculty of the University will follow appropriate research rules and regulations of the University at all times. Research at NHC is subject to the policies and procedures of the Norton Healthcare Research Office.

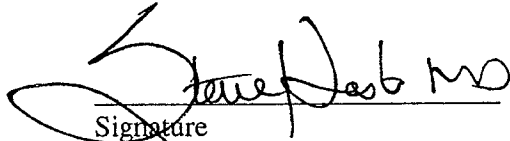
8. **FACILITIES.** NHC agrees to provide call rooms (where appropriate), parking, and access to library and medical information resources for assigned students, residents, and faculty.

9. **PROGRAMMATIC AGREEMENTS.** For each residency program at NHC, the parties acknowledge that programmatic affiliation agreements between each residency specialty program and NHC are required by the ACGME and will work to implement and maintain such agreements. The parties acknowledge additional specific other agreements will cover specific programs between the two organizations.
10. **CONTINUING MEDICAL EDUCATION.** Recognizing their mutual responsibility in providing long term continuing medical education (CME) for physicians of the region and nation, the University and NHC agree to use their best efforts in working toward affiliated and coordinated CME programs that provide high quality education accredited by the NHC or the University.
11. **AMENDMENTS.** Recognizing the intentions of the University to maintain accredited student and resident training programs, both parties agree to amend this agreement and their relationship as necessary to meet changing accreditation standards applicable to each party.
12. **ENTIRE AGREEMENT.** This agreement, to the extent the subject matter is covered in this agreement, supercedes and replaces any and all previous affiliation agreements, written and oral, between the University and NHC.
13. **NON-DISCRIMINATION.** Neither party hereto shall illegally discriminate against any individual in the performance of its obligation under this Agreement on the basis of race, color, religion, national origin, ethnicity, sex, age or disability.
14. **"HIPAA Compliance.** To the extent any of University's students or residents are permitted by the Hospital to have access to any information subject to the Privacy Standards (codified at 45 CFR, Parts 160 and 164) implementing the privacy requirements of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"), University shall require such students or residents to fully comply with all of the Hospital's requirements concerning HIPAA privacy both during and following their assignment pursuant to this Agreement."
15. **OCCUPATIONAL EXPOSURES AND INJURIES.** When a student or resident is exposed to infectious or environmental hazards or other occupational injuries in the course of assigned health sciences education or postgraduate training activities, the cost of testing and treatment when given as recommended by the University Student Health physician will be borne by the University of Louisville. All testing and treatment will be as outlined in the protocols developed by University Student Health Services. Long-term treatment, if needed, will be the responsibility of the student/resident and/or insurer.

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IN TESTIMONY WHEREOF, witness the signatures of the parties executing this agreement as of the day and year first written above.

Norton Healthcare, Inc.


Signature

S. VP / CMO
Title

11/15/08
Date

University of Louisville School of Medicine


Signature: Larry N. Cook, M.D.

Executive Vice President for Health Affairs
Title

11/25/2008
Date

Recommended By:


Signature: Edward Halperin, M.D.

Dean, School of Medicine
Title


Signature: Glenn Bossmeyer

Associate University Counsel
Title

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ATTACHMENT A1

The parties hereto agree as follows:

1. **MALPRACTICE COVERAGE.** Malpractice coverage for students is the responsibility of the University via statutory coverage or by malpractice insurance. Resident coverage to a minimum of \$250,000 per claim/\$750,000 annual aggregate will be provided by NHC for errors or omissions while performing services in a NHC facility. Evidence of such coverage shall be provided to the other party upon request.
2. **STIPENDS/BENEFITS/ADMINISTRATIVE FEES.** The University and NHC will negotiate resident stipends and benefits annually, with both parties agreeing to make annual adjustments so that resident stipends and benefits are competitive based on regional benchmarking.