

TMC HEALTH MEDICAL EDUCATION PROGRAM RESIDENT AGREEMENT

THMEP Program – PGY 1

THIS RESIDENCY AGREEMENT is made and entered into by and between _____ (the "Resident") and TMC Health Medical Education Program, an Arizona non-profit corporation ("THMEP"), effective as of ORIENTATION DATE, with the Resident's appointment anticipated to begin on VARIES BY PROGRAM (the "Commencement Date") (the "Agreement").

RECITALS

- A. THMEP provides a program to facilitate the education and training of medical residents in healthcare settings (the "Program") including at Tucson Medical Center ("TMC").
- B. The Resident, having successfully completed his or her graduate medical education from an accredited medical school, shall by this Agreement acquire graduate medical education and training at TMC. This contract governs the relationship between the Resident and THMEP.
- C. The Resident and THMEP enter into this Agreement to protect the Confidential Information and the Goodwill of TMC and THMEP.

The terms and conditions of this Agreement are as follows:

- 1. RESPONSIBILITIES OF THE RESIDENT.** As of the Commencement Date, the Resident must satisfy all credentialing and pre-employment obligations prior to entry into the Program and having done so is a full time Resident of THMEP, and agrees to devote his/her full professional time and attention to the performance of his/her duties hereunder for and on behalf of THMEP. The Resident will be scheduled to work according to a schedule made by THMEP and published in advance and shall satisfy the goals and objectives of the Program as set out in any Addendum hereto. The Resident may be asked to work additional hours in order to ensure patient needs are met and full coverage is provided in the department. The Resident agrees as follows:
 1. To perform satisfactorily and to the best of his/her ability, the customary responsibilities of a Resident.
 2. To participate in safe, effective and compassionate patient care under supervision from the program.
 3. To participate fully in the educational activities of the program and, as required, assume responsibility for teaching other residents and/or students.
 4. To develop a personal program of self-study and professional growth with guidance from the preceptors.
 5. To adhere to established practices, procedures and policies of the participating institutions.
 6. To participate in program committees and activities, especially those that relate to patient care review and continuous quality improvement.
 7. To apply cost containment measures in the provision of patient care.

8. To complete the rotation evaluation forms and other documents requested at the conclusion of each rotation.
 9. To protect oneself and one's patients by consistently and conscientiously observing universal precautions and other infection control measures, including self-immunization against hepatitis B.
- 2. RESIDENCY STIPEND.** For and in consideration of all services rendered and of the covenants agreed to and entered into by the Resident under this Agreement, THMEP will pay to the Resident an annual Residency Stipend plus an additional benefits stipend to be paid in equal installments according to THMEP's usual payroll practices and schedule. All references to quarters or years are references to academic quarters or academic years.
- 2.1 Residency Stipend. THMEP shall pay the PGY 1 Resident an annual Stipend of **XXXXXX**. (\$XX,XXX).
 - 2.2 Benefits Stipend. THMEP shall pay to Resident an annual Benefits Stipend of **XXXXXX**. (\$X,XXX) to offset the cost of annual benefits.
 - 2.3 Orientation Stipend. THMEP shall pay to Resident an Orientation Stipend as specified in the Annual Stipend and Benefit Plan attached hereto as Attachment 1 during the two week Orientation Period prior to the Commencement Date.
 - 2.4 Withholding and Adjustments. THMEP may withhold from compensation otherwise payable to the Resident deductions and offsets for costs and expenses of the Resident related to employment hereunder consistent with deductions or offsets by THMEP from compensation for its other, similarly situated Residents, including elective payroll deductions.
 - 2.5 Paid Time Off. The Resident shall be entitled to annual paid leave not exceeding twenty-eight (28) days per year, which shall include vacation, sick days, and personal days. Leave shall be prorated for any calendar year during which the Resident works less than the entire calendar year. The number of annual leave days shall be calculated on a pro rata basis based upon the Resident's FTE status. All leave, continuing medical education or other pre-approved business travel must be scheduled with and approved by THMEP before it is taken, and shall be subject to the Resident arranging for adequate coverage of his or her practice during the time off pursuant to these Policies. Unused paid leave may not be carried over from year to year nor will payment be made for days not taken, except that each Resident will be paid for days not taken as of the termination or expiration of his or her Agreement.
 - 2.6 Resident Benefit Plan. Each Resident shall be eligible and entitled to participate in employee benefit plans maintained by TMC for the benefit of THMEP Residents which plans may be amended from time to time. The eligibility of a Resident and the conditions or participation for such plans will be governed by the terms of such plans.
 - 2.7 Professional Malpractice. THMEP, at its expense, shall provide and maintain in force malpractice insurance in the amounts of coverage not less than One Million Dollars per occurrence and Three Million annual aggregate (\$1,000,000.00/\$3,000,000.00) during the Term of the Agreement.

- 2.8 Resident Professional Expenses. THMEP shall pay or reimburse each Resident reasonable expenses in connection with continuing medical education or other pre-approved business travel not to exceed XXXXXX (\$X,XXX). Unused amounts available for Resident Professional Expenses may not be carried over from year to year.
- 2.9 HIPAA Compliance. THMEP and resident may be creating, acquiring, making use of, and disclosing “protected health information” as defined by HIPAA. Resident shall comply with the applicable provisions of HIPAA.

THMEP and TMC shall implement policies and procedures to comply with HIPAA. TMC and each Resident shall comply with all applicable TMC HIPAA privacy and security policies.

Each Resident is a member of TMC’s “workforce” (as defined by HIPAA) for purposes of complying with the HIPAA provisions governing the use and disclosure of protected health information. TMC’s notice of privacy practices includes members of its workforce, and includes each Provider for purposes of compliance with the notice requirements of HIPAA.

- 3 **TERM AND TERMINATION.** This Agreement shall be effective as of the Effective Date with respect to provisions intended to be effective before the Resident begins his/ her appointment. The relationship established by this Agreement will begin on the Commencement Date and continue for a period of 3 year(s) (the “Term”).

- 3.1 Suspension and/or Termination For Cause by THMEP. THMEP may terminate and/or suspend this Agreement for cause if THMEP is reasonably dissatisfied with such Resident’s performance, provided that THMEP gives the Resident notice of its dissatisfaction and an opportunity for the Resident to remedy such dissatisfaction.

Notwithstanding the above, THMEP may, at its discretion, immediately suspend a Resident from providing Services under his or her Agreement and/or (subject to such Agreement) terminate such Agreement for cause, upon the occurrence of any of the following events, which are deemed to be material violations:

- a. Such Resident’s professional license, certificate to prescribe medications or registration to prescribe, dispense, and administer controlled substances in the State of Arizona or in any other jurisdiction is denied or terminated for any reason, or suspended, probated, revoked or voluntarily relinquished during or in connection with disciplinary action, the threat of disciplinary action or an investigation that could result in disciplinary action; but excluding a voluntary termination of the Resident's license in another jurisdiction that is not in connection with a disciplinary action, the threat of disciplinary action or an investigation that could result in disciplinary action.
- b. Such Resident has been found to have engaged in unprofessional or unethical conduct by any governmental or non-governmental board or professional organization having a right or privilege to pass upon the professional conduct of the Resident and to discipline the Resident therefor.
- c. Such Resident fails or refuses to comply with the applicable policies, standards, and regulations of THMEP of which he or she has been given a written copy or is available on a THMEP intranet site, provided that THMEP has notified such Resident of his or her failure

to comply with a THMEP policy, standard or regulation and, after providing the Resident with written notice and a reasonable opportunity to cure, he or she has failed to cure his or her failure to comply.

- d. Such Resident is charged with (i) any felony, (ii) any crime involving fraud, dishonesty or controlled substances, (iii) any crime involving moral turpitude or immoral conduct so as to discredit the reputation, character or standing of THMEP or TMC or (iv) any crime relevant to the provision of medical services or the practice of medicine.
- e. Such Resident has, in THMEP's reasonable determination, engaged in conduct amounting to fraud, dishonesty, gross negligence or willful misconduct.
- f. Such Resident has, in THMEP's reasonable determination, conducted himself or herself in an unprofessional or unethical manner so as to discredit the reputation, character or standing of THMEP or TMC.
- g. Such Resident has created a hostile work environment at a THMEP office or facility due to behavior which creates a workplace that is intimidating, hostile or offensive, as determined in the sole discretion of THMEP.

3.2 Termination For Cause by the Resident. The Resident may terminate this Agreement for cause (subject to the right to remedy set forth below) upon the occurrence of any of the following events:

- a. THMEP's failure to pay the Resident the compensation due pursuant to this Agreement;
or
- b. THMEP's other breach of this Agreement.

Prior to terminating this Agreement for cause, the Resident shall furnish THMEP written notice of THMEP's alleged breach of this Agreement. THMEP shall have twenty (20) business days after THMEP's receipt of such notice to remedy such breach or material violation, and if remedied this Agreement shall continue in full force and effect.

- 3.3 Force Majeure. Neither party shall be liable or be deemed in breach of this Agreement or violation of the Resident Employment Policies for any failure or delay of performance which results, directly or indirectly, from acts of God, acts of terrorism, natural disaster, civil or military authority, public disturbance, accidents, fires or any other cause beyond the reasonable control of such party.
- 3.4 Right of Offset. In the event of termination of this Agreement for any reason, THMEP shall be entitled to withhold amounts otherwise due the Resident under this Agreement and apply such amounts against any obligations owed by the Resident to THMEP or an Affiliate of THMEP.
- 3.5 Post-Termination Obligations. The termination or expiration of this Agreement shall not relieve either party of any obligation pursuant to this Agreement which by its terms is intended to survive the termination or expiration of this Agreement, including without limitation THMEP's obligation to compensate the Resident for services provided prior to termination or expiration of this Agreement.
- 3.6 The Resident agrees to employment by THMEP upon the terms and subject to the conditions set forth in this Agreement.

4. GENERAL PROVISIONS.

- 4.1 No Conflict. The Resident represents and warrants that the execution of this Agreement, the terms of this Agreement, and/or the Resident's appointment by THMEP will not (i) conflict with, (ii) result in a breach of the terms, conditions or provisions of, or (iii) constitute a default under, any agreement or instrument to which the Resident is now a party or by which the Resident may be bound. Specifically, the Resident represents and warrants that the terms of this Agreement and the Resident's appointment by THMEP do not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by the Resident in confidence or in trust prior to employment with THMEP, and the Resident will not disclose to THMEP, or induce THMEP to use, any confidential or proprietary information or material belonging to any previous employer or others.
- 4.2 Entire Agreement. This Agreement and the Resident Policies, including any amendments and any exhibits or addenda specifically referenced herein or therein, constitutes the entire agreement between THMEP and the Resident regarding the subject matter hereof and supersedes all prior or contemporaneous discussions, representations, correspondence, offer letters, memoranda, and agreements, whether oral or written, pertaining thereto.
- 4.3 Representation. By executing this Agreement, THMEP and the Resident acknowledge that they have been represented, or had the opportunity to be represented, by independent counsel, and have had the opportunity to review and consider the terms of this Agreement and the Resident Policies.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or agents, all as of the date first above written.

THMEP

By: _____
[Program Director]
Program Director

By: _____
Name: _____
Resident

Date: _____

Date: _____

By: _____
Robert Aaronson, MD
Executive Director

Date: _____