

RESIDENT PHYSICIAN AGREEMENT

THIS RESIDENT PHYSICIAN AGREEMENT (the “Agreement”) is made by and between Wheaton Franciscan Inc., a Wisconsin nonprofit corporation (“Hospital”) and (“Resident”). In consideration of the mutual promises and covenants herein contained, the parties hereby agree as follows:

1. OFFER AND ACCEPTANCE. Hospital hereby offers to employ Resident at **PGY1 Level** in the Hospital’s Transitional Year Residency Program (the “Residency Program”), and Resident hereby accepts such offer, subject to and in accordance with the terms and conditions of this Agreement.

2. COVENANTS AND OBLIGATIONS OF RESIDENT.

2.1 Resident Qualifications.

2.1.1 Licensure. Resident shall at all times comply with Hospital’s Licensure Requirements Policy. Resident shall notify Hospital within five days of his or her failure to comply with said Policy.

2.1.2 No Medicare or Medicaid Exclusion. Resident represents and warrants that Resident has never been excluded, debarred or otherwise deemed ineligible to seek reimbursement for services from Medicare, Medicaid or any other health program funded by the federal or any state government. Resident shall immediately notify Hospital in the event Resident is, for any period of time, excluded from, or in any way suspended or sanctioned by any such program.

2.1.3 Resident Health Assessment and Background Checks. Resident shall undergo a health assessment and a caregiver background check, at Hospital’s expense, the results of which must be acceptable to Hospital.

2.1.4 US Medical Licensure Examination (USMLE). Resident shall demonstrate evidence of satisfactory completion of Step II of the USMLE and Clinical Skills Exam by October 1st of the Residency Program or Resident must request in writing an exemption by the Program Director in the event of extenuating circumstances. If an exemption is granted by the Program Director, the Resident shall demonstrate evidence of satisfactory completion of Step II of the USMLE and Clinical Skills Exam by December 31st. Resident’s failure to satisfactorily complete Step II of the USMLE and Clinical Skills Exam by December 31st shall result the Resident being removed from the Residency Program and this Agreement being immediately terminated as provided in Section 5.2.5 below.

2.2 Professional Liability Insurance. Resident shall fully cooperate with Hospital to allow Hospital to maintain professional liability insurance on behalf of Resident and Resident’s participation in the Wisconsin Injured Patients and Families Compensation Fund. Resident shall immediately notify Hospital of any incident which may result in a claim under Resident’s professional liability insurance, and shall fully cooperate and assist Hospital in responding to any such claim.

2.3 Resident Duties. Resident shall be a full-time resident physician, whose principal duties are to provide professional medical services to patients of Hospital at the place or places designated by Hospital from time to time, together with any duties incidental to Resident’s principal duties as reasonably assigned by Hospital or as may be required by the Residency Program. Resident shall exercise Resident’s own professional judgment in the provision of services, under the supervision of an experienced physician, and shall do all things necessary and/or reasonably proper to provide and maintain high-quality, cost-effective patient care and services including, but not limited to, use of practice standards and protocols. Resident shall provide services within the limits of Resident’s training and experience and at a generally recognized professional and high level of quality. Resident shall not engage in any other medical practice activity, regardless of whether such activity is pursued for pecuniary advantage, without Hospital’s prior written consent. In addition, Resident shall:

- 2.3.1 Be on duty at Hospital as scheduled by the appropriate Department Chairperson;
- 2.3.2 Develop a personal program of self-study and professional growth with guidance from Hospital’s teaching staff;
- 2.3.3 Participate fully in the educational activities of the Residency Program as set forth by the Program Director, including an educational program regarding physician impairment, and, as required, assume responsibility for teaching and supervising other residents and students;
- 2.3.4 Participate in Hospital committees and councils, including, but not limited to those that relate to patient care review activities;
- 2.3.5 Comply with any drug and alcohol abuse policy adopted by Hospital, which may provide for, among other things, evaluation and testing based on “reasonable suspicion” and/or random evaluation and/or testing;
- 2.3.6 Comply with Hospital’s infectious disease prevention policies;

2.3.7 Seek appropriate professional help and care in the event that emotional and/or physical problems arise that may potentially affect Resident's ability to perform his or her duties pursuant to this Agreement;

2.3.8 Conduct oneself professionally and be courteous at all times with patients, colleagues and Hospital personnel;

2.3.9 Refrain from engaging in disruptive behavior or harassment in any way; and

2.3.10 Apply cost containment measures in the provision of patient care.

2.4 Compliance.

2.4.1 Laws, Regulations and Policies. Resident shall comply with all relevant policies, procedures, standards and directives issued or adopted by Hospital, including, but not limited to: (a) Hospital's Resident Handbook (the "Handbook"), which is incorporated herein by reference and includes specific policies with respect to grievances, resident selection, vacation/leaves of absence, evaluation and promotion, conditions for reappointment, disciplinary action, professional liability insurance, health and disability insurance, counseling services, duty hours and moonlighting, among others; (b) each of Hospital's other policies and procedures applicable to the Residency Program including physician impairment; (c) Hospital's employment policies and procedures including, but not limited to, Hospital's policies concerning accommodations for disabilities, sexual and other forms of harassment; and (d) the Religious Directives for Catholic Health Care Services promulgated from time to time by the National Conference of Catholic Bishops, as interpreted by the local bishop. In addition, Resident shall comply with all rules, regulations and standards promulgated by The Joint and all applicable federal, state and local laws and regulations, including but not limited to, Medicare Conditions of Participation. Resident hereby acknowledges that he or she has received and reviewed a copy of the Handbook.

2.4.2 Mission, Vision and Values. Resident hereby acknowledges that he or she has received information from Hospital regarding the mission, vision, and values of the Wheaton Franciscan System and agrees that in the performance of all of his or her obligations under the terms of this Agreement, he or she shall at all times conduct himself or herself in a manner which is consistent with said mission, vision, and values.

2.5 Records and Reports. Resident shall promptly prepare or cause to be prepared all medical records and reports, and time records as are reasonably required by Hospital. Should Resident fail to complete medical records in a fashion consistent with Hospital policy, Hospital may refuse to permit Resident to engage in patient care until all medical records for which Resident is responsible have been appropriately completed. Upon termination of Resident's employment with Hospital or completion of the Residency Program, Resident shall promptly complete all required records and reports. Hospital may refuse to release Resident's letters of recommendation until all required records and reports have been appropriately completed. Resident acknowledges that Hospital owns and has the right to control all reports, records and supporting documents prepared in connection with the services of Resident, and that all such documents are confidential and may be disclosed only in accordance with Hospital's policies and applicable federal and state law.

2.6 Medicare Reporting and Access Requirement. Until the expiration of four years after the furnishing of the services pursuant to this Agreement, Resident shall make available, upon written request to the Secretary of the U.S. Department of Health and Social Services, or upon request to the Comptroller General, or any of their duly authorized representatives, this contract, and all books, documents and records of Resident that are necessary to certify the nature and extent of the costs of such services.

2.7 Effect of Leave of Absence. With respect to any leave of absence taken by Resident including, without limitation, sick leave of absence, medical leave of absence, family leave of absence, personal leave of absence, or military leave of absence, Resident understands and acknowledges that:

2.7.1 Resident's compensation and benefits may be adversely impacted by any leave of absence he or she takes.

2.7.2 Resident can advance to the next level of training or complete his or her residency, as applicable, only if he or she has the necessary level of experience, competence and skill. If, due to any leave of absence taken by Resident, Resident fails to achieve the necessary level of experience, competence and skill, in the sole discretion of Hospital, Resident's advancement to the next level of training or completion of his or her residency, as applicable, may be delayed.

2.7.3 Each Member Board of the American Board of Medical Specialties limits the number of days a resident may be absent from his or her residency program, and Resident's eligibility for certification by a Member Board of the American Board of Medical Specialties may be adversely impacted if the aggregate number of his or her absences exceeds the maximum allowed.

2.8 US Medical Licensure Examination (USMLE). Resident shall have a continuing obligation after completing the Residency Program to demonstrate evidence of satisfactory completion of Step III of the USMLE and Clinical Skills Exam to the Program Director. Resident's failure to timely submit evidence of satisfactory completion shall be considered a material breach of this Agreement by the Resident. The obligation of this Section 2.8 shall survive the expiration of the Term as defined herein.

3. COVENANTS AND OBLIGATIONS OF HOSPITAL.

3.1 Compensation and Fringe Benefits. In consideration for Resident's provision of services pursuant to this Agreement, Hospital shall pay Resident in accordance with the Resident Stipend Schedule attached hereto and made a part hereof as Schedule 1. Hospital shall deduct and withhold from Resident's compensation all necessary employment and income taxes and any other sums required to be withheld by law from Resident's compensation. Resident shall be provided with the benefits and employee expense reimbursement listed on Schedule 2 attached hereto and made a part hereof, as may be amended from time to time by Hospital.

3.2 Professional Liability Insurance. Hospital shall provide professional liability insurance covering Resident's negligence, errors or omissions in providing services pursuant to this Agreement, that meets the requirements of applicable law, and shall maintain Resident's participation in the Wisconsin Injured Patients and Families Compensation Fund. Any premium rebates, refunds, credits, or any settlements or other funds issued or paid to the Resident in connection with such liability insurance is the sole and exclusive property of Hospital and resident shall promptly turn over any of the same to Hospital.

3.3 Workers' Compensation Insurance. Hospital shall provide workers' compensation insurance coverage covering any loss Resident suffers due to illness or injury that results from his or her participation in the Residency Program.

3.4 Health Insurance. Hospital shall provide hospital and health insurance benefits for Resident and his or her family.

3.5 Accreditation of the Residency Program. Hospital represents and warrants that the Residency Program is accredited by the Accreditation Council on Graduate Medical Education, and approved by other applicable licensing and regulatory agencies. Hospital shall maintain such accreditation and approval. Hospital shall ensure that Resident receives appropriate supervision and support in carrying out his or her duties pursuant to this Agreement.

3.6 Evaluation and Advancement. Hospital shall evaluate Resident's performance at least biannually. Upon evidence of satisfactory progress as determined by Hospital, Hospital shall advance Resident to the next level of training. Upon satisfactory completion of the Residency Program, Hospital shall provide a certificate of residency completion to Resident. Should Hospital determine that Resident will, following expiration or other termination of this Agreement, be ineligible for continued participation in the Residency Program, Hospital shall notify Resident at least four months prior to the date this Agreement will expire or terminate. However, if circumstances do not otherwise permit Hospital to provide four months' advanced notice, Hospital shall provide Resident with as much prior notice as circumstances reasonably allow. In the event of such notice of non-renewal, Resident shall be entitled to file a grievance with Hospital in accordance with the grievance policy set forth in the Handbook.

3.7 Removal. Hospital reserves the right to immediately remove from its premises any Resident that it reasonably determines to threaten the health or safety of any individual.

3.8 Non-Discrimination. Hospital shall not discriminate with regard to sex, race, age, religion, color, national origin, disability, or any other applicable legally protected status.

3.9 Educational and Work Environment. Hospital shall provide an educational and work environment in which residents may raise and resolve issues without fear of intimidation or retaliation. Mechanisms to ensure this environment include: a forum for residents to communicate and exchange information on their educational and work environment and other resident issues, and a process by which individual residents can address concerns in a confidential and protected manner.

3.10 Services and Health Care Delivery Systems. Hospital shall provide services and develop health care delivery systems to minimize residents' work that is extraneous to their Residency Program. These services and systems include: patient support services, laboratory/pathology/radiology services, and medical records systems.

3.11 Healthy and Safe Environment. Hospital shall ensure a healthy and safe work environment that provides for: appropriate food services 24 hours a day while on duty; appropriate sleeping quarters while on call; and appropriate security and personal safety measures.

4. BILLING AND COLLECTION.

4.1 Hospital To Perform All Billing and Collection. As a condition of Resident's employment, Hospital (or its designee) shall perform appropriate billing and collection functions for all services furnished by Resident pursuant to this Agreement. All receivables, payments and collections generated or resulting from services rendered by Resident are and will remain the sole and exclusive property of Hospital. Resident acknowledges Hospital's right and power to endorse, cash, deposit or withdraw any and all notes, checks, cash, drafts, money orders or other commercial paper of any kind whatsoever that are advanced in payment or received in collection or settlement of any and all receivables under whatever terms or circumstances (including, without limitation, as a result of any legal action brought by Hospital) Hospital deems appropriate, and regardless of whether or not Resident's personal name appears on any such instrument or related documents. All patients seen by Resident while Resident is employed by Hospital will be invoiced as patients of Hospital. Resident shall neither seek nor accept payment from any patient, Medicare, any other insurer or third-party payor, or any person or entity other than Hospital for services Resident provides pursuant to this Agreement.

4.2 Resident Assistance. Resident shall take all steps reasonably requested by Hospital to assist in the billing and collection of funds due for all services furnished to patients pursuant to this Agreement. Resident shall cooperate in the establishment of a schedule of charges for physician-patient services, as requested by Hospital from time to time. A copy of the current schedule of charges for such physician-patient services shall be maintained at all times in Hospital's business office.

5. TERM AND TERMINATION.

5.1 Term. The "Effective Date" shall be the later of the following: (a) June 23, 2013; or (b) the date Resident satisfies all of the qualifications required pursuant to Section 2.1 above. Unless otherwise terminated earlier as provided in Section 5.2 below, Resident's employment and obligation to provide services, and Hospital's obligations under this Agreement shall commence on the Effective Date and shall terminate on June 22, 2014; (the "Term").

5.2 Termination. Resident's employment and the parties' obligations under this Agreement may be terminated as follows:

5.2.1 By either party upon the provision of at least 60 days' prior written notice ("Notice Days") to the other of the intent to terminate, provided however that Hospital, at its sole discretion, may compensate Resident for such Notice Days in lieu of notice.

5.2.2 At any time upon the mutual written agreement of the parties.

5.2.3 Immediately upon Resident's death or Disability (as hereinafter defined). "Disability" shall mean any illness or injury that prevents Resident from safely performing the essential functions (as defined in 29 C.F.R. Part 1630) of Resident's employment, with or without reasonable accommodation (as defined in 29 C.F.R. Part 1630). Hospital shall be responsible for determining the essential functions of Resident's employment, but Resident may receive an independent determination thereof. If Hospital and Resident receive conflicting determinations, a third determination will be made by a party agreed to by both Hospital and Resident, and such third determination shall be binding. In the event Hospital, and/or Resident, relying on the determination made pursuant to the preceding sentence, determines that Resident cannot safely perform one or more essential functions of Resident's employment, Resident may request an accommodation that would allow Resident to safely perform all of the essential functions of Resident's employment despite the disability. Hospital shall determine whether or not the accommodation requested is reasonable or whether an alternate reasonable accommodation could be made, without undue hardship that would allow Resident to safely perform the essential functions of employment. In the event Hospital cannot reasonably accommodate Resident's disability so Resident can safely perform the essential functions of employment, Resident's employment and Hospital's obligations hereunder shall terminate.

5.2.4 By either party, upon the material breach of the terms of this Agreement by the other party, provided the breaching party has been given written notice specifying the nature of the breach or violation and a period of 30 days in which to cure such breach or violation to the reasonable satisfaction of the nonbreaching party.

5.2.5 Immediately by Hospital, upon notice to Resident, upon the occurrence of any of the following: (a) Resident fails to maintain the qualifications set forth in Section 2.1 above; (b) Resident's professional liability insurance is cancelled for any reason other than nonpayment of premiums, and Hospital is unable to secure comparable coverage for Resident at a cost comparable to that available for other physicians practicing in Resident's specialty in a similar market; or (c) Resident fails to comply with the standards of quality performance established for the Residency Program.

5.3 Closures and Reductions. In accordance with its policy, Hospital shall inform Resident and other appropriate parties as soon as possible when it intends to reduce the size of or close the Residency Program, or when the

Hospital intends to close. In such circumstances, Hospital shall either allow Resident to complete his or her education or assist Resident in enrolling in an accredited program in which he or she can continue his or her education.

6. MISCELLANEOUS.

6.1 Amendment. Except as otherwise provided herein, no modification, amendment or addition to this Agreement shall be valid or enforceable unless in writing and signed by both parties.

6.2 Assignment. Resident may not assign this Agreement or any rights hereunder without the prior written consent of Hospital. Hospital may assign this Agreement to any entity controlling, controlled by or under common control with Hospital, including any successor thereto.

6.3 Governing Law. The laws of the State of Wisconsin shall govern this Agreement.

6.4 Notices. Any notice required or permitted to be given under this Agreement shall be sufficient only if in writing and delivered in person or deposited in the U.S. Mail, registered or certified mail, return receipt requested, postage prepaid, to the Resident’s residence or to the principal business address of Hospital, as the case may be, or to such other addresses as either party may designate by written notice to the other party.

6.5 Severability. The provision of this Agreement shall be severable, and the invalidity of any provision, or portion thereof, shall not affect the validity of the other provisions.

6.6 Waiver of Breach. The waiver by a party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision hereof by that party.

6.7 Entire Agreement. This Agreement supersedes and takes the place of any other agreements heretofore executed by Hospital or any predecessors in interest and Resident with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the last day and year set forth below.

RESIDENT

WHEATON FRANCISCAN, INC. – ST. JOSEPH CAMPUS

By: _____

By: _____

Print Name: _____

Title: President, Wheaton Franciscan – North Market

Date: _____

Date: _____