

**Phoenix Children's Hospital
Employment Agreement
«Program» Program**

This Agreement is between Phoenix Children's Hospital, Inc., an Arizona non-profit corporation ("PCH") and «First» «Last», «MD__DO» ("Resident"), «PGY_Level» (Level). As used in this Agreement, Resident refers to any physician in a PCH sponsored graduate medical education program, including interns, residents, and fellows.

RECITALS

- A. PCH sponsors or participates in a «Program» Program ("Program").
- B. The Resident has completed appropriate educational requirements in a manner satisfactory to PCH.
- C. The parties desire to enter into an Agreement whereby PCH will provide to Resident post graduate medical education and training in its Program, and the Resident will participate in this training Program as an employee of PCH providing professional services to PCH's patients.

THEREFORE, in consideration of the mutual covenants and promises contained herein, it is understood and agreed between the parties as follows:

COVENANTS

- 1. Qualifications. The Resident acknowledges that during the term of this Agreement, he/she shall maintain a current license or permit to practice medicine in the State of Arizona, and shall satisfy all requirements imposed by PCH and/or PCH's Medical Staff as required for participation in the Program. In addition and if applicable, PCH, in its sole discretion, may delay the effective date of this Agreement or shall have the right to revoke this Agreement in the event the Resident has not obtained employment authorization from the United States Immigration and Naturalization Service (the "INS") or has not entered the United States with a non-immigrant Visa and obtained an I-94 from INS authorizing employment by PCH prior to the effective date of this Agreement.
- 2. Good Faith; Professionalism. The parties acknowledge their respective obligations to fulfill this Agreement in good faith and in so doing to provide a high level of professional service to the individual patients treated.

3. Educational Experience, Environment; Assignments.

- a. PCH will make its best effort to provide a suitable environment for educational experience in a «Program» Program.
- b. PCH will provide education, supervision, and a work environment in compliance with the PCH Graduate Medical Education Resident/Fellow Financial Support, Benefits, and Work Environment Policy. This policy includes:
 - 1) Appropriate food services 24 hours a day while on duty.
 - 2) Adequate and appropriate sleeping quarters and bathroom facilities, which are safe, quiet, and private.
 - 3) Appropriate security and personal safety measures at all locations including parking facilities, on-call quarters, and hospital grounds.
- c. The content, duration and sequence of assignments will be determined by the Program Director(s) consistent with Accreditation Council for Graduate Medical Education (“ACGME”) requirements and will provide a balanced series of rotations consistent with training objectives and overall needs of the Program.
- d. Resident will rotate to affiliated services, presently existing or subsequently developed, as determined by the Program Director(s) in accordance with the needs of the Resident, the Program, and PCH.

4. Resident Responsibilities. The Resident agrees to:

- a. Report to work fit for duty (mentally and physically), which means to perform the essential functions of the job, safely and effectively, with or without accommodation.
- b. Comply with all duty hour requirements of the ACGME and the residency program pertaining to specialty and year of training. A copy of the applicable Duty Hour Policy, which can be accessed in the Resident Handbook or on PCH’s intranet (PolicyIQ) or by requesting copies from PCH’s Academic Affairs Office.
- c. Comply with all of PCH’s supervision and reporting requirements to assure safe patient care.
- d. Develop a personal program of self-study and professional growth with guidance from the teaching and attending staff.

- e. Develop with the assistance of the Program Director and faculty, appropriate methods for lifelong learning and practice improvement.
- f. Fully comply with and demonstrate appropriate levels of the general competencies as outlined by the ACGME, American Board of Medical Specialties (ABMS), and any other applicable professional educational accrediting body.
- g. Participate in safe, effective, and compassionate patient care under supervision of a licensed physician on PCH's Medical Staff in accordance with applicable law, accrediting requirements, and PCH's bylaws, delineation of privileges, rules, regulations, policies and procedures, commensurate with Resident's level of advancement and responsibility.
- h. Participate fully in the educational activities of Resident's Program and, as required, assume progressive responsibility for teaching and supervising other residents and students.
- i. Participate in institutional programs, committees and activities with the PCH Medical Staff and adhere to established practices, procedures, and policies of PCH and its Medical Staff, including but not limited to complete, accurate and timely documentation of medical records as required by PCH Policy.
- j. Participate in an annual program evaluation and review.
- k. Perform satisfactorily, as determined by the Program Director(s) and the Medical Education Committee, the usual duties of the Resident's traineeship;
- l. Comply with the terms and conditions of this Agreement and the established practices, policies and procedures of PCH; and
- m. Be subject to the terms and conditions of PCH's Compliance program and Code of Conduct and agree to immediately notify PCH or its Compliance Officer of (i) any and all possible instances of non-compliance on the part of PCH or any of its employees or agents of which Resident is aware, (ii) any subpoena or other request for information or documents relative to the services rendered hereunder, or (iii) any action taken to exclude Resident from participation in Medicare, Medicaid or other governmental payment programs. The Deficit Reduction Act of 2005 imposes the obligation on all entities that make or receive Five Million Dollars in payments from the state Medicaid program to establish written policies informing employees, contractors and agents of the laws prohibiting the making of false claims, the whistleblower protections available under those laws and how the entity's policies for preventing fraud,

waste and abuse in governmental payment programs further compliance with those laws. Resident is hereby informed of such policies, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office or PCH's Office of Business Integrity.

5. Term. Employment will commence on the first day of orientation, «Start_Date» (“Start Date”) and continue through «End_Date».
6. Offer of Employment. PCH's offer of employment is contingent upon Resident passing PCH's pre-placement requirements, including without limitation, a background check, a drug test and other screenings in accordance with PCH's hiring policies. If the Resident does not pass any pre-placement requirement, PCH's offer of employment is automatically revoked and this Agreement is null and void. Residents who have been confirmed positive, by the Medical Review Officer, on a pre-placement drug test have no right to appeal or grieve the revocation of this Agreement. Notwithstanding any other provision in this Agreement, by entering into this Agreement, Resident understands that the rights, obligations and commitments set forth herein (including without limitation the payment of the salary and other benefits as stated herein) applies only to the Term of this Agreement, as stated above and does not create any right, entitlement to or guarantee of future employment.
7. Termination. In addition to other bases for termination contained throughout this Agreement, this Agreement may be terminated for the following reasons:
 - a. This Agreement may be terminated by the mutual written agreement of the Resident and the Program Director.
 - b. This Agreement shall terminate immediately and automatically upon the following:
 1. The Resident has their license or training permit to practice medicine in the State of Arizona or any other state revoked or suspended;
 2. The Resident is terminated from the Program; or
 3. The Resident is convicted of a felony or an offense related to health care, or is listed by a federal agency as being debarred, excluded or otherwise ineligible for participation in any federal or state health care program.

- c. This Agreement may be terminated upon prior written notice if the Resident fails to comply with or complete the educational requirements of the Program or breaches a material term of this Agreement after the Resident has been provided with written notice specifying the non-compliance or material breach and the remedial efforts which must be undertaken in order to remedy the non-compliance or material breach and Resident fails to cure such non-compliance or material breach, as determined by the Program Director.
 - d. This Agreement may be terminated by PCH upon prior written notice if the Resident fails to comply with any law, regulation or accreditation standard applicable to PCH or any PCH rule, regulation, by-law, policy, procedure or directive, including those applicable to PCH's Medical Staff or PCH's Residents, including the Resident Manual and Resident rules, regulations and policies.
 - e. In the event that PCH determines in its sole discretion to limit PCH's operations, close, down-size Resident's Program or PCH's operations and such change materially impacts Resident's Program, PCH shall inform the Graduate Medical Educational Committee ("GMEC"), the Designated Institutional Official ("DIO"), and the residents as soon as possible.
 - f. Resident may be entitled to a due process hearing to the extent permitted by the provisions of the PCH Resident Manual and the PCH Resident Policies and Procedures if this Agreement is terminated for cause.
8. Rescission. If Resident fails to report in person at PCH on the first day of the Term of Agreement, PCH reserves the right in their sole discretion, to void and unilaterally rescind this Agreement.
 9. Schedule. Resident shall perform services under this Agreement in accordance with a schedule of regular week day duty hours and night, weekend and holiday duty that will be established by the Program Director(s) in accordance with ACGME requirements.
 10. Salary. In consideration of the duties performed under this Agreement, Resident shall receive from PCH an annualized salary of «Salary», payable bi-weekly in accordance with PCH's normal payroll cycle and payroll policies and procedures, commencing with the Start Date. Said salary shall be subject to deduction for federal and state income withholding, FICA and any other deductions as may be required by law or authorized in writing by Resident.

11. Benefits. As of the Start Date, Resident shall be eligible to participate in the following benefit plans pursuant to the PCH Resident Financial Support, Benefits, and Work Environment Policy:
- a. Group Term Life Insurance – Resident shall receive coverage under PCH’s group term life insurance program in an amount equal to Resident’s annual salary (to the nearest thousand) at no cost to the Resident.
 - b. Voluntary Life Insurance – Resident may purchase additional term life insurance for Resident and Resident’s eligible dependents as part of the PCH benefit package.
 - c. Group Medical Insurance – Resident will receive coverage under PCH’s core medical care insurance plan for Resident and Resident’s eligible dependents at no cost to the Resident other than applicable copayments, coinsurance, deductibles or payment for non-covered services. If the Resident elects not to participate in the insurance plan, a waiver of insurance is signed. The Resident shall thereafter have the option to enroll for such coverage only during the annual open enrollment period.
 - d. Group Vision Insurance – Resident will receive coverage under PCH’s vision care plan for Resident and Resident’s eligible dependents at no cost to the Resident other than applicable copayments, coinsurance, deductibles or payment for non-covered services. If the Resident elects not to participate in the insurance plan, a waiver of insurance is signed. The Resident shall thereafter have the option to enroll for such coverage only during the annual open enrollment period.
 - e. Group Dental Insurance – Resident will receive coverage under PCH’s core dental insurance plan for Resident and Resident’s eligible dependents provided at no cost to the Resident other than applicable copayments, coinsurance, deductibles or payment for non-covered services. Resident may purchase the Enhanced Benefit Program by paying the additional cost of the plan to PCH. If the Resident elects not to participate in the insurance plan, a waiver of insurance is signed. The Resident shall thereafter have the option to enroll for such coverage only during the annual open enrollment period.
 - f. Short Term Disability Coverage – PCH will provide Resident with 100% pay continuation of salary for short term illness or accident provided at no cost to the Resident for up to 180 consecutive calendar days. If eligible for coverage, Resident will be required to use unscheduled PTO during the seven (7) calendar day waiting period for short term disability in accordance with PCH’s short term disability plan. In the event Resident does not have enough PTO to cover the waiting period, the remaining portion of the seven (7) days will be considered

a leave of absence without pay.

- g. Long Term Disability Coverage - PCH will provide Resident with a policy providing long term disability insurance coverage, at no cost to the Resident, commencing at the end of the 180 day short term coverage.
- h. Counseling Services - All Residents are eligible to access confidential counseling and psychological support services through the PCH Employee Assistance Program (EAP) and/or through services that are covered by the medical plan described in subsection (c) above.
- i. Clothing - White coats will be provided by PCH at no cost to the Resident.
- j. Meals - Meals and meal allowances for the Resident will be provided by PCH consistent with applicable PCH policy.
- k. 401(k) Investment Plan - Resident is eligible to participate in PCH's Section 401(k) Investment Plan on the same terms as offered by PCH to its other eligible employees.
- l. Worker's Compensation Coverage – Resident will be eligible to receive worker's compensation benefits on the same terms as offered by PCH to its employees.
- m. Paid Time Off and Leaves of Absence:

- i) Paid Time Off (PTO)

Resident will receive four (4) weeks of PTO per academic year, which will be scheduled on dates and times mutually agreed upon by the Resident and the Program Director subject to the staffing needs of the Department.

Resident may use the PTO benefit with the Program Director's approval and subject to the staffing needs of the Department, such as vacations, personal business meetings, education, and personal time.

PTO can be carried over after the Term of this Agreement only with prior written approval of the Program Director and the DIO.

ii) Leaves of Absence

All leaves of absence, including medical, family, military, disability or personal, may be taken in accordance with the applicable PCH Leave of Absence Policy, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office. Resident acknowledges that the impact of leave may require extension of the Resident's Program and affect specialty board certification requirements. Accordingly, the amount of leave time that will prolong the training time for the Resident shall be determined by the Program Director and the requirements of the applicable Resident Review Committee and/or certifying specialty board.

12. Accommodating Employees with Disabilities – PCH will provide reasonable accommodation to qualified Residents with disabilities in accordance with the Americans with Disabilities Act (“ADA”), as amended and related state laws, and PCH's Graduate Medical Education Accommodations for Disabilities Policy, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office.

13. Professional and General Liability Insurance Coverage

- a. Professional liability insurance covering professional activities performed within the scope of Resident's employment in connection with the Program will be provided at no cost to the Resident pursuant to the PCH Graduate Medical Education Resident/Fellow Financial Support, Benefits, and Work Environment Policy. Outside “moonlighting” activities permitted in accordance with Section 15 below, intentional misconduct and other activities not specifically determined by the Program Director to be within the scope of Resident's employment are not covered by this insurance.
- b. The professional liability insurance coverage PCH maintains and provides to Resident under subsection (a) above shall have a minimum coverage of \$1,000,000.00 per occurrence and no less than \$3,000,000.00 annual aggregate coverage. Further information regarding the scope of professional liability insurance coverage can be obtained from PCH's Risk Management Department.
- c. If Resident is named in litigation where any activities under this Agreement, including professional misconduct are alleged, Resident shall timely advise the Program Director and PCH Risk Management Department in writing about the event(s) and whether such activities were within the scope of Resident's employment under this Agreement.

- d. PCH, through its employees, agents, contractors or insurers, may defend and settle any claim or suit involving the Resident it considers appropriate, and the Resident's consent is not required. However, PCH will make reasonable efforts to consult with the Resident prior to making and/or implementing any settlement decision.
- e. Notwithstanding any other terms in this Agreement, the provisions of this Section will survive termination or expiration of the Agreement.

14. Assist with Defense on Litigation.

- a. Resident agrees to cooperate in the defense of lawsuits or any other legal or quasi-legal action. Cooperation may include, but not be limited to, participating in depositions, interpreting medical records, and meeting with PCH's legal counsel, risk management or other representatives. PCH will pay reasonable, actual travel expenses in connection with such activities requested by PCH in accordance with PCH's Travel Authorization & Reimbursement Policy, and subject to prior authorization by PCH's Risk Management Department, but will not pay professional fees or additional compensation. This obligation shall survive the termination of this Agreement.

15. Practice Outside of the Scope of the Agreement.

- a. Resident may engage in the provision of medical services separate, apart and outside of the scope of this Agreement, including but not limited to "moonlighting" activities, but only with the prior written approval of their Program Director and the DIO, and only if such services do not interfere with the performance of Resident's obligations as set forth herein and in accordance with the PCH Resident Moonlighting Policy, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office. If Resident does so engage in activities outside the scope of this Agreement, Resident is required to obtain an unrestricted medical license from the appropriate Arizona licensing authority and maintain in force and present proof of the following coverages to their Program Director prior to engaging in such practice under the PCH Moonlighting Policy:
 - ii) Professional and general liability insurance coverage with minimum coverage of \$1,000,000.00 per occurrence and no less than \$3,000,000.00 annual aggregate coverage.
 - iii) Under no circumstances will the general and professional liability coverage provided by PCH extend to any activities performed by Resident outside the scope of this Agreement.

- iii) Resident shall indemnify and hold harmless PCH, its directors, officers, affiliates, agents and employees from any claims that may be filed against it or them based on any such activities by Resident.

16. Employment Status. Resident will be considered an employee of PCH for purposes of tax and other withholdings and other purposes; provided, however, Resident understands and agrees that his/her status as employee is substantially different from that of other PCH employees by virtue of the educational purpose of this Agreement. PCH's general employee manual or other employee policies apply to the extent incorporated by reference herein or as made applicable by PCH or federal or state law. With respect only to matters involving academic performance, Resident shall be subject to the due process provisions outlined in the PCH's Resident Discipline Policy or any successor standards, procedures, or policies applicable to the Program.

- a. Promotion to the next level of residency shall require Resident to have fulfilled all the educational requirements and attained the knowledge and skill necessary to progress to the next level of residency as approved by the Program Director. PCH may, at its discretion, not renew Resident, or renew Resident without promotion, to the next level of residency. No later than four (4) months prior to the expiration of the Term of this Agreement, the Program Director will notify the Resident, in writing, whether his/her contract will be renewed for a subsequent Term following the expiration of this Agreement with or without promotion.
- b. If the Resident's Agreement will not be renewed, or if the Resident will not be promoted in the Program, PCH will provide Resident with a written notice of intent not to renew the Agreement or not to promote the Resident no later than four (4) months prior to the end of the expiration of the Term of this Agreement. If the reason(s) for the non-renewal or non-promotion occurs within the four (4) months prior to the end of the Term of this Agreement, PCH will provide Resident with as much written notice of its intent not to renew or not to promote as the circumstances reasonably allow, but such notice will be provided prior to the expiration of the Term of this Agreement.
- c. Except for residents in their last year of their Program, residents may appeal any notice of non-renewal or non-promotion in accordance with Section 17 below and with applicable PCH Resident policies and procedures.

17. Resident Grievance, Due Process Procedures and Prohibited Conduct

PCH will provide grievance and due process procedures regarding resident disciplinary actions or to adjudicate grievances related to the Program as set forth in PCH's Graduate Medical Education Grievance Procedure and Due Process Policy, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office, and Resident agrees to adhere to such grievance procedures in resolving matters that are covered thereby.

Resident acknowledges that PCH does not tolerate sexual or other forms of harassment by and/or directed at PCH's employees or Medical Staff members. Resident acknowledges and agrees that he/she is subject to PCH's Harassment Policy, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office.

Resident further acknowledges that PCH does not permit discrimination based on race, sex, age, religion, national or ethnic origin, marital status, sexual orientation, or veteran status by any employee, agent, or Medical Staff member, including Resident as set forth in PCH's Equal Employment Opportunity and Complaint Procedure, which can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office. Complaints of discrimination may be submitted in accordance with PCH's Equal Employment Opportunity and Complaint Procedure.

18. Compliance with Laws. PCH and Resident will comply with all federal, state, local, and accrediting laws, rules, and regulations and standards of national accreditation agencies applicable to this Agreement and the Program. These include but are not limited to Medicare Conditions of Participation, licensure requirements, reimbursement provisions and The Joint Commission requirements. Resident represents and warrants that he or she is not currently, has not been in the past, and will not be during the term of this Agreement, (a) convicted of an offense related to healthcare or a felony, (b) listed by a federal agency as debarred or excluded, and/or (c) declared ineligible for participation by a federal or state health care program. Resident shall immediately notify the Program Director, the DIO and PCH's Chief Compliance Officer of any action that is threatened or taken that would make this representation and warranty no longer accurate.

Resident agrees to abide by all the most current PCH Rules and Regulations, Policies and Procedures, Code(s) of Conduct, Standards, Directives, By-laws, Manuals, including the Resident Manual and the PCH Medical Staff By-Laws. The most current PCH Resident Manual, which is incorporated by reference herein, addresses many topics regarding Residents' rights, duties and obligations and includes but is not limited to the following:

- a. PCH Graduate Medical Education Duty Hour Policy
- b. PCH Graduate Medical Education Moonlighting Policy
- c. PCH Graduate Medical Education Resident Well Being/Physician Impairment Policy
- d. PCH Harassment Policy
- e. PCH Accommodating Employees (Team Members) with Disabilities Policy
- f. PCH Graduate Medical Education Accommodations for Disabilities Policy

A copy of the applicable policies can be accessed on PCH's intranet (PolicyIQ) or by requesting copies from PCH's Academic Affairs Office.

19. Safeguarding and Release of Confidential Patient Information. Confidential and privileged patient information, including medical records, shall be kept confidential by Resident pursuant to all applicable federal, state and local laws, rules and regulations and accreditation agencies including all PCH policies and instructions. In addition, Resident will adhere to all applicable Health Insurance Portability and Accountability Act of 1996 (HIPAA) rules and regulations, and policies adopted and implemented by PCH.
20. Coordination of Care
- a. In order to promote the delivery of quality, coordinated, efficient, and cost-effective care for patients of PCH, Resident agrees to utilize services available from PCH or its affiliates except when (i) the use of a different provider is required by the terms of a patient's enrollment or participation in an insurance or other health care plan or as required by law, (ii) Resident determines that the use of a PCH-affiliated provider to provide such services is not in the best medical interests of the patient, (iii) the patient on his own initiative requests to use a different provider, (iv) PCH-affiliated providers do not offer the needed services, (v) medical emergency requires otherwise, or (vi) as required in order to coordinate the patient's care. Resident shall document the basis for the patient's use of a non-PCH affiliated provider for such services to the extent required by, and in accordance with, PCH's then current policies and procedures.
 - b. The Resident shall not use PCH premises, property or personnel for any purpose other than in furtherance of the duties under this Agreement.

21. Prohibition Against Billing and Collecting Fees: Resident agrees that the PCH will bill and collect any and all fees or charges for services provided to the patients of PCH, and Resident hereby reassigns any all rights to bill and collect for professional services provided to patients under this Agreement to PCH. At no time shall Resident attempt to bill and/or collect from any patient or third party payor for professional services rendered under this Agreement. Resident hereby agrees to execute such additional documentation as may be necessary and requested by PCH to effectuate or evidence such reassignment.
22. Professional Behavior: In the event of unprofessional conduct as defined by the Arizona Medical Board, Arizona Board of Osteopathic Examiners, or any other applicable board, Resident will be required to adhere to the reporting requirements of those agencies and to report immediately any such matter to the Program Director and the DIO.
23. Quality Management: Resident agrees to fully cooperate with PCH to fulfill any quality improvement, utilization review or risk management programs or requirements undertaken by PCH or required by the Center for Medicare and Medicaid Services (CMS), The Joint Commission, Arizona Health Care Cost Containment System (AHCCCS), Arizona Department of Health Services (ADHS), and all other applicable regulatory or accrediting bodies.
24. Governing Law; Venue. This Agreement shall be construed in accordance with Arizona law; any action thereon shall be brought in the state or federal courts located in Maricopa County, Arizona.
25. Amendments. All amendments to this Agreement must be in writing and signed by both parties.
26. Entire Agreement. This Agreement and any and all documents incorporated by reference into this Agreement, contains all the terms and conditions agreed to by the parties related to this Agreement, and no other document or agreement, oral or otherwise, regarding the subject matter of this Agreement shall be bind any of the parties hereto unless stated or included herein.
27. Severability. Any provision of this Agreement which is determined to be invalid, void or illegal, shall in no way affect, impair, or invalidate any other provision hereof, and all remaining provisions shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties enter into this Agreement:

PHOENIX CHILDREN'S HOSPITAL, INC.

RESIDENT

Robert L. Meyer
President and Chief Executive Officer

«First» «Last», «MD__DO»

Date _____

Date _____

Grace L. Caputo, MD, MPH
Designated Institutional Official
Director, Medical Education

Date _____

SAMPLE