

EXHIBIT 13

MARYLAND DEPARTMENT
OF THE ENVIRONMENT

v.

BALTIMORE WASHINGTON MEDICAL
CENTER, INC.
305 Hospital Drive
Glen Burnie, Maryland 21061

BEFORE THE MARYLAND
DEPARTMENT OF THE
ENVIRONMENT

Settlement Agreement

* * * * *

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between the State of Maryland, Department of the Environment ("the Department"), and Baltimore Washington Medical Center, Inc., an affiliate of the University of Maryland Medical System Corporation ("BWMC"), with regard to certain violations of the State's environmental laws and regulations that the Department has alleged against BWMC.

The Department enters into the Agreement pursuant to the powers and responsibilities vested in the Secretary of the Department by the Environment Article of the Annotated Code of Maryland, Section 8-101 through 8-601, inclusive, and delegated to the Director of the Air and Radiation Management Administration.

I. ALLEGED VIOLATIONS

WHEREAS, the Department intends to file a Complaint in the above-captioned litigation in the Circuit Court for Howard County seeking a civil penalty for alleged violations of the Maryland Radiation Act (Md. Code Ann., Envir. § 8-101 *et seq.*); and

WHEREAS, University of Maryland Medical System Corporation owned and operated the BWMC, located at 305 Hospital Drive, Glen Burnie, Maryland (the "Facility") on June 10, 2010. BWMC is engaged in the practice of administering medical care to patients, including the use of diagnostic and therapeutic radiological (x-ray) procedures at the Facility; and

WHEREAS, BWMC is required to comply with all Code of Maryland Regulations (COMAR) pertaining to use of radiation machines, including but not limited to those regulations found in COMAR 26.12.01.01 Parts D and F; and

WHEREAS, the Department determined, based on required self-reporting, investigations, and a review of records, that on June 10, 2010, BWMC irradiated a patient, at the Facility, using a high-energy linear accelerator radiation machine at a treatment site, a portion of which was different than the site authorized by the patient's treatment plan. Specifically, a patient was irradiated using the fields of the treatment plan for the patient's lung on the patient's abdomen; and

WHEREAS, the Department alleges that BWMC violated COMAR 26.12.01.01F.3(a)(1)(vii), which requires a facility to ensure that an individual is not exposed to the useful beam of an x-ray system except for healing arts purposes and unless any such exposure is authorized by a licensed practitioner of the healing arts; and

WHEREAS, the Department, further alleges that BWMC violated COMAR 26.12.01.01D.101(a), which requires that "... a licensee or registrant shall use, to the extent practical, procedures and engineering controls based upon sound radiation protection principles to achieve occupational doses and doses to the members of the general public that are as low as is reasonably achievable (ALARA)"; and

WHEREAS, the Department believes the alleged violations of the radiation control regulations by BWMC are serious violations of the laws and regulations adopted to protect citizens from unnecessary or inadvertent exposure to radiation; and

WHEREAS, the Department and BWMC wish to settle the Department's claim against BWMC for the violations alleged in this section of the Agreement ("Alleged Violations") without the expense and inconvenience of further litigation and without the admission, imposition, or adjudication of liability or guilt.

II. PENALTY AND RELEASE

NOW THEREFORE, in consideration of the foregoing and the mutual agreements set forth herein, the parties agree to the following:

1. This Agreement is effective upon execution by both parties
2. This Agreement must be executed and returned to the Department by July 15, 2011. After receipt by the Department of this signed Agreement, the Department will mail to BWMC a fully executed copy of this Agreement and an invoice for the sum of **fourteen thousand dollars (\$14,000.00)** to resolve the Alleged Violations discussed herein. Payment by BWMC shall be made by **August 31, 2011**.
3. BWMC will make payment by means of check or money order made payable to the Maryland Department of the Environment, Radiation Control Fund. The payment shall be mailed to P.O. Box 2198, Baltimore, Maryland 21203-2198. The check or money order should reference the Department's invoice number.
4. Following receipt of this Settlement Agreement, BWMC shall notify the Department in writing of the time and date of the next four (4) quarterly radiation safety meetings at least 30 days in advance of each meeting, and permit a Radiological Health Program representative

from the Department to attend such meetings for the purpose of providing guidance to Baltimore Washington Medical Center and/or validating compliance with relevant regulation.

5. This Agreement releases, resolves, and settles any claims against BWMC, its past or present officers, directors, agents, employees, representatives, predecessors, affiliates, parent or subsidiary companies, successors or assigns, that the Department may have under the Maryland Radiation Act and the Maryland Regulations for Control of Ionizing Radiation for the Alleged Violations.
6. Nothing in this Agreement shall be deemed to be a waiver of the Department's right to proceed in an administrative or civil action for violations of environmental laws or regulations by BWMC discovered after the execution of this Agreement nor shall anything set forth in this Agreement be deemed to be a waiver of BWMC's right to contest such proceedings by the Department.
7. The terms of this Agreement are binding on the parties and shall be enforceable in the Maryland courts. In the event that BWMC fails to perform the actions required herein in the time periods stated herein, the Department may institute an action to enforce this Agreement against BWMC. In such or any other action, this Agreement shall be governed by and interpreted under the laws of the State of Maryland.
8. The terms of this Agreement are contractual and not mere recitals. This Agreement may be modified only in writing signed by the Department and BWMC.
9. This Agreement has been negotiated freely by the Department and BWMC and shall in all cases be construed as a whole, according to its fair meaning and not strictly for or against the Department or BWMC.
10. This Agreement constitutes the entire agreement between the Department and BWMC settling the Alleged Violations. No other prior or contemporaneous written or oral agreement, action, or statement regarding the matters described herein shall be valid or have any bearing on the interpretation, application, or enforcement of this Agreement.

FOR THE MARYLAND DEPARTMENT OF THE ENVIRONMENT:

Date

George S. Aburn, Director
Air and Radiation Management Administration
Maryland Department of the Environment

FOR BALTIMORE WASHINGTON MEDICAL CENTER, INC.:

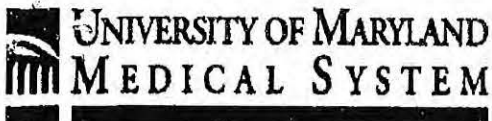
Date

Signature

Typed Name

Approved this ____th day of _____, 2011,
as to form and legal sufficiency.

Roberta R. James
Assistant Attorney General



Check Request

Examples of payments processed via Check Request: deposits, rentals, registration fees for seminars and training, annual dues for associations and other organizations, magazine and periodical subscriptions, state filing fees and relocation expenses.
Consult with the Accounts Payable Manager for special payment arrangements.

Circle one:

Entity: UMMC Kernan USH MGH **BWMC** MWPH 36 S. Paca UCare SHS CRH

Payee MARYLAND DEPT OF ENVIRONMENT Tax ID # _____

Address: P.O. Box 2198

City BALTIMORE State MD Zip Code: 21203-2198

Date Requested: 8/4/11

\$ 14,000.00
Amount of Check

Explanation - Use of Funds:

Handling:

☐

Mail

☒

Express (DHL, Fedex, UPS)

☐

Call for Pickup ext.#

Name: _____
(Only for specific areas)

Support Attached?

☒

Yes

☐

No

Please attach supporting documentation

Deliver Check Requests
directly to the Accounts Payable
Department

Requested By: KATHY MCCOLLUM SVP

Dept. Name ADMIN Cost Center _____

Phone#: 410-787-4242

Approved By: Karen E. Olskamp

Print name: KAREN OLSKAMP

Date Approved: 8/4/11 Title: CEO

Second Approval if Applicable

Approved By: _____

Print name: _____

Date Approved: _____ Title: _____

For Accounting Use Only:

Vendor#: _____

Invoice#: _____

Voucher#: _____

Date Received: _____

Date Entered: _____

Audited By: _____

Baltimore Washington Medical Center

VENDOR # 52-6002033MZ

DATE: 08/09/11
CHECK # 11215

INVOICE NO	INV DATE	DESCRIPTION	GROSS AMT	DISCOUNT	NET AMOUNT
AH061420	20110718	088200	14000.00	0.00	14000.00
Remittance Advice			Total Amount Due	14000.00	14000.00

**BALTIMORE WASHINGTON
MEDICAL CENTER**
UNIVERSITY OF MARYLAND MEDICAL SYSTEMPO Box 17017
Baltimore, Maryland 21297-1017
410-328-6942

FOURTEEN THOUSAND DOLLARS AND ZERO CENTS *****

PAY MARYLAND DEPARTMENT OF ENVIRONMENT
TO THE PO BOX 2198
ORDER OF BALTIMORE, MD 21203-2198

Bank of America

68-798
531CHECK NO. 11215
VENDOR NO. 52-6002033MZDATE 08/09/11
VOID AFTER 180 DAYS

AMOUNT

*****\$14,000.00

Void Over \$14,000.00

NON-NEGOTIABLE

C011215C B053107989B002210002977C

Unit of MD men systems
Accounts Payable
AUG 10 2011
Received
S. Thomas**BALTIMORE WASHINGTON
MEDICAL CENTER**
UNIVERSITY OF MARYLAND MEDICAL SYSTEMPO Box 17017
Baltimore, Maryland 21297-1017MARYLAND DEPARTMENT OF ENVIRONMENT
PO BOX 2198
BALTIMORE, MD 21203-2198