

**CLINICAL SERVICES AGREEMENT
BETWEEN
UNIVERSITY OF MARYLAND MEDICAL CENTER
AND
GILCHRIST HOSPICE CARE**

THIS CLINICAL SERVICES AGREEMENT is entered into this 1st day of December 2009 by and between UNIVERSITY OF MARYLAND MEDICAL CENTER (UMMC), a health care facility owned and operated by the University of Maryland Medical System, located at 22 South Greene Street, Baltimore, Maryland 21201, and GILCHRIST HOSPICE CARE (hereinafter "GHC"), a not-for-profit Maryland corporation, located at 11311 McCormick Road, Ste. 350, Hunt Valley, Maryland 21031.

RECITALS

WHEREAS, UMMC provides inpatient and outpatient acute care hospital services and desires to enhance end of life care for its patients; and

WHEREAS, GHC has duly qualified professionals who are willing to provide end of life care services to UMMC; and

WHEREAS, UMMC and GHC desire to enhance end of life services at UMMC by developing a patient centered program that will result in placement of patients in the appropriate level of care setting and reduce acute care hospital utilization at the end of life.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained therein and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is mutually agreed and covenanted, under seal, by and between the parties to this Agreement, as follows:

**ARTICLE I
SERVICES TO BE PROVIDED BY GHC**

1.1 GHC will provide consults for patients at the end of life at UMMC. Such services shall be rendered by licensed hospice professionals employed by GHC. GHC will provide on-site clinical expertise for patient and provider education on choices available for end of life care. GHC will participate as requested in rounds and case conferences to assist with the patient's plan of care for end of life. GHC will provide pain and palliative consults to identified patients as requested by UMMC physicians and staff. GHC will provide the list of GHC Professionals to UMMC for review and approval.

1.2 GHC Professionals providing such services shall follow reasonable policies and procedures of UMMC, including the Medical Staff By-laws. Upon request, UMMC agrees to promptly provide GHC with a copy of such policies and procedures and any amendment or

revision thereto. Further, GHC Professionals are required to undergo the same health assessments, background checks, education and training and employee orientation as any UMMC employee. Such requirements are found at www.status.blue.com. Prior to the provision of services by any GHC Professional whose background check reveals a criminal history, including arrests, pending charges, and/or convictions, GHC shall provide a copy of the background check to Purchaser and obtain written acknowledgement and acceptance from Purchaser of the results of the background check.

1.3 GHC shall provide necessary documentation to support the services rendered. GHC will recommend appropriate level of care placement and plan of care based on individual patient's needs. GHC will coordinate the clinical information with the identified provider at the correct level of care. As necessary, GHC will work in consultation with UMMC Case Management.

1.4 GHC shall be the provider of UMMC's choice, but not exclusive provider, for end of life care consults and placement for UMMC; notwithstanding, patients are free to choose and/or refuse any service provider of end of life services. GHC understands UMMC must honor such choices.

1.5 The parties anticipate that they will further develop the clinical services, teaching and research program related to end of life care for both GHC and UMMC. Services and programs currently anticipated for long-term development include:

- Developing clinical pathways for palliative and hospice appropriate patients.
- Developing protocols for patient populations specific to UMMC, e.g. transplant, cardiology.
- Developing and maintaining a full spectrum of quality standards.
- Developing outcomes research programs for end of life care.
- Integrating GHC as a teaching site as requested for UMMC's Teaching Programs. GHC will also provide expertise in End of Life Care in educational settings at UMMC.

As these or other programs are developed, the terms agreed to will be incorporated into either an amendment to this agreement or a separate agreement to be executed by both parties.

ARTICLE II

SERVICES TO BE PROVIDED BY UMMC

2.1 UMMC will coordinate identification of patients for GHC consults and assist in scheduling GHC staff for patient care rounds, conferences and care planning.

2.2 UMMC will schedule educational forums, teaching opportunities and rounds conducted by GHC to provide staff with information about end of life care.

2.3 UMMC will select physicians, nurse practitioners and other health care team professionals to participate in end of life care consults and planning with GHC. UMMC will provide coordination to transition patients to the correct level of end of life care without

interrupting the patient-physician relationship.

ARTICLE III **TERM AND TERMINATION**

3.1 Term. Subject to the provision for termination hereinafter set forth, the term of this Agreement shall begin as of December 1st., 2009 for a period of two (2) years. This Agreement will renew automatically for two-year terms unless terminated under the provisions set forth in this Agreement.

3.2 Default. Any failure on the part of either party to observe or perform any of its obligations under this Agreement shall constitute an event of default by that party.

3.3 Upon the occurrence of any event of default, the non-defaulting party shall not exercise any right or remedy to which it is entitled, including termination, unless the defaulting party has not taken such actions as are necessary to cure the event of default within sixty (60) days of receiving written notice of the existence of such default.

3.4 In the event that either party breaches this Agreement, the other party has the right to seek specific performance and all other remedies available at law and equity, including terminating the Agreement, subject to the default provisions set forth above.

3.5 Termination. During any term of this Agreement, the Agreement may be terminated without cause as of a specified date by either of the parties, in writing, with six (6) months prior written notice. In any event, this Agreement shall terminate if, for a period of ninety consecutive days or more, no services have been provided.

3.6 Effect of Termination. Except as otherwise provided in this Agreement, after termination of this Agreement, neither party shall have any further rights or obligations, except as provided in Section 10.7, nor incur any further liabilities hereunder; provided, however, that termination shall not affect any liabilities which accrued prior to termination. GHC shall have no obligation to provide services in the last ninety days prior to termination of the Agreement.

ARTICLE IV **RESPONSIBILITIES OF UMMC AND GHC**

4.1 In consideration for the GHC's services provided pursuant to this Agreement, UMMC agrees to provide the appropriate personnel, space, supplies, computers and facilities necessary for, and to be used solely in connection with, the provision of end of life consultation services at UMMC as detailed in this Agreement. Such space and facilities shall include but not be limited to: adequate office facilities, access to clinical personnel, as needed to perform the services provided for under this Agreement, patient records and parking.

4.2 GHC agrees to purchase at no cost or expense to UMMC or its employees the capital equipment and disposable supplies necessary for the provision of end of life care

consultation services at UMMC.

4.3 GHC gives its assurances to UMMC that its end of life care services meet all applicable state and federal statutory and regulatory standards, and will otherwise be in compliance to provide the services. GHC's failure to meet these standards is a basis for termination of this Agreement.

4.4 UMMC reserves the right to evaluate the quality of the services provided by GHC. In the event that UMMC informs GHC that the performance is unsatisfactory, the parties may agree on a reduced level of services, may agree to terminate this Agreement on a specified date, or other party may terminate based on default or as otherwise provided herein.

ARTICLE V

NO SOLICITATIONS FOR EMPLOYMENT

5.1.1 Both parties agree that the professionals to be provided by GHC to UMMC have been and will be recruited, oriented and trained at great expense by GHC, and UMMC acknowledges that GHC has a compelling interest in maintaining its contractual relationships and expectancy of future contractual relationships with the professionals it supplies to render services at UMMC. UMMC further acknowledges that if the professionals provided by GHC were to terminate their relationship with GHC and render services to UMMC, that UMMC would be unfairly benefited, without adequate compensation to GHC, by the investment of GHC.

5.1.2 Both parties agree that during the term of this Agreement and for a period of eighteen (18) months following the effective date of the expiration or termination of this Agreement for any reason whatsoever, neither party nor any affiliate of either party shall solicit, offer to employ or retain, directly or indirectly (including by way of illustration, but not limitation, through an unrelated third party entity contracting to provide services to either party), any employee in any capacity including but not limited to as an employee, independent contractor or consultant of the other party.

5.2 UMMC agrees that in the event it enters into any employment agreement or contract or other arrangement for services with any of the professionals provided by GHC pursuant to this Agreement during the term specified in Section 5.1.2 above, UMMC shall pay GHC liquidated damages in the amount of \$350,000 for each individual so engaged.

ARTICLE VI

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT

7.1 HIPAA. Solely for purposes of the Health Insurance Portability and Accountability Act of 1996 and the Administrative Simplification Regulations promulgated there under (45 CFR Parts 162 and 164), as amended, (collectively "HIPAA"), all GHC personnel providing services under this Agreement shall be viewed as "work force members" of UMMC.

7.2 GHC shall be responsible for compliance with all HIPAA requirements including, but not limited to, meeting transactions and code sets standards, security standards and standards relating to protection for electronic health information and privacy of individually identifiable health information.

7.3 GHC personnel providing services under this Agreement shall follow all reasonable HIPAA policies and procedures of UMMC of which they are made aware.

ARTICLE VII

LIABILITY INSURANCE AND INDEMNIFICATION

8.1 UMMC shall pay for and carry malpractice insurance covering the services to be rendered by it hereunder in the minimum amount of \$1,000,000.00 per medical incident and \$3,000,000.00 aggregate. GHC shall maintain and provide evidence of current professional liability insurance in the minimum amount of \$1,000,000.00 per claim and \$3,000,000.00 in aggregate. Each party shall provide the other with satisfactory evidence of coverage and provide ten (10) days' notice of cancellation or non-renewal of insurance.

8.2 UMMC agrees to indemnify and hold harmless GHC and its employees for any and all liability, including reasonable attorney's fees, against GHC and/or its employees arising from any cause of action caused solely by the negligent act or omission by UMMC or its employees in the performance of their duties pursuant to this agreement. GHC agrees to indemnify and hold harmless UMMC, and their employees for any and all liability, including reasonable attorney's fees, against UMMC, and/or their employees arising from any cause of action caused solely by negligent acts or omissions by GHC, its agents or its employees in the performance of their duties pursuant to this Agreement. The indemnifying party shall have the right to select and supervise defense counsel and to make defense and settlement decisions. The party seeking indemnifications shall have the duty to cooperate in the investigation and defense of claims.

ARTICLE IX

CONFIDENTIALITY

9.1 Confidential information furnished by either party (the Disclosing Party) to the other (the Receiving Party) pursuant to this Agreement is the property of the Disclosing Party and shall be treated as confidential and shall not be disclosed to third parties by the Receiving Party and its employees without Disclosing Party's prior approval. A party's Confidential Information shall not include information which: [a] is or becomes a part of the public domain through no act or omissions of Receiving Party; [b] was in Receiving Party's lawful possession prior to the disclosure and had not been obtained by Receiving Party either directly or indirectly from Disclosing Party; [c] is lawfully disclosed to Receiving Party by a third party without restriction on disclosure; or [d] is independently developed by Receiving Party. In the event that Receiving Party receives a binding request from a governmental agency or court requiring disclosure of Confidential Information, Receiving Party will notify Disclosing Party in sufficient time to permit Disclosing Party to object to and defend against the disclosure.

ARTICLE X

MISCELLANEOUS

10.1 Compliance with Laws. Both parties shall perform this Agreement in compliance with all applicable Federal, State, and local laws, rules, regulations, and ordinances, and represents that it shall have obtained all licenses and permits required by law to engage in the activities necessary to perform its obligations under this Agreement.

10.2 Notices. All notices and other communications pertaining to this Agreement shall be in writing and shall be deemed duly to have been given if personally delivered to the other party or if sent by the United State Postal Service certified mail, return receipt requested, postage prepaid, or by Federal Express, United Parcel or other nationally recognized overnight carrier. All notices or communications between UMMC and GHC pertaining to this Agreement shall be addressed as follows:

If to UMMC:
Jeffrey A. Rivest
President and CEO
22 South Greene Street
Baltimore, Maryland 21201

If to GHC:
Catherine Hamel
Executive Director
Gilchrist Hospice Care
11311 McCormick Road, Suite 350
Hunt Valley, Maryland 21031

Any party may change its notification address by giving written notice to that effect to the other party in the manner provided herein.

10.3 Modifications. No revision or modification of this Agreement shall be effective unless in writing and executed by authorized representative of both parties.

10.4 Severability. If any portion of this Agreement is held invalid, such invalidity shall not affect the validity of the remaining portions of the Agreement, and the parties will substitute for any such invalid portion hereof a provision which best approximates the effect and intent of the invalid provision.

10.5 Construction and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland (excepting any conflict of laws provisions which would serve to defeat application of Maryland substantive law). Each of the parties hereto submits to the exclusive original jurisdiction of the state and/or federal courts located within the State of Maryland for any suit, hearing or other legal proceeding of every nature, kind and description whatsoever in the event of any dispute or controversy arising

required or desired hereunder.

10.6 Waiver. Any waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions shall neither be considered a waiver nor deprive that party of any right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing and signed by the party to be charged therewith.

10.7 Survival. The provisions of Paragraphs 8.2, 9.1 and this 10.8 and Articles V, VI and VII shall survive the expiration or earlier termination of this Agreement.

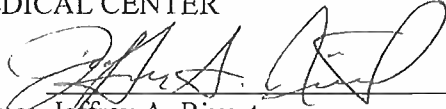
[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, The University of Maryland Medical Center and GHC have executed this Agreement, under seal, as of the day and year first written above by their duly authorized representatives.

WITNESS:



UNIVERSITY OF MARYLAND
MEDICAL CENTER

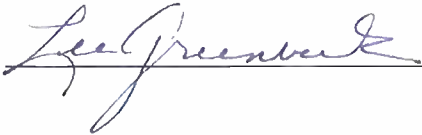
By: 

Name: Jeffrey A. Rivest

Title: President and CEO

Date: _____

WITNESS:



GILCHRIST HOSPICE CARE

By: 

Name: Catherine J. Boyne

Title: President and CEO

Date: 12/1/09