

## MANAGEMENT SERVICES AGREEMENT

**THIS MANAGEMENT AGREEMENT** (this “Agreement”) is made and entered into as of the 1st day of October, 2018 (“Effective Date”), by and among Ochsner LSU Health System of North Louisiana, a Louisiana nonprofit corporation (“OLHS-NL”) and its wholly owned subsidiary entities—Ochsner LSU Hospitals, L.L.C. (“OLH”), University Health Shreveport, L.L.C., d/b/a Ochsner LSU Health Shreveport (“OLH Shreveport”), and OLH Monroe, L.L.C. (“OLH Monroe”), each a Louisiana limited liability company—and OLH Operational Management Company, L.L.C., a Louisiana limited liability company (“Manager”).

### RECITALS

**WHEREAS**, the State of Louisiana, acting through the Division of Administration (the “State”), Louisiana State University and Agricultural and Mechanical College (“LSU”), and OLHS-NL are parties to that certain Cooperative Endeavor Agreement, effective October 1, 2018 (the “CEA”);

**WHEREAS**, LSU, Ochsner Clinic Foundation d/b/a Ochsner Health System (“Ochsner”) and OLHS-NL are parties to that certain Academic and Clinical Collaboration Agreement effective September \_\_\_\_\_, with a commencement date of October 1, 2018 (the “ACCA”);

**WHEREAS**, OLHS-NL was formed by LSU and Ochsner to carry out the parties’ shared charitable mission to, among other things, improve and expand medical education and research and improve access, quality, availability, and efficiency of care for residents of the Shreveport and Monroe communities (“Shared Charitable Mission”);

**WHEREAS**, in accordance with the CEA, as of the Effective Date OLHS-NL operates the hospital facilities and associated outpatient clinics known as Ochsner LSU Health Shreveport in Shreveport, Louisiana and Ochsner LSU Health Monroe in Monroe, Louisiana (collectively the “Hospitals”);

**WHEREAS**, OLHS-NL is the sole manager of OLH, OLH Shreveport, and OLH Monroe (including any wholly owned subsidiary entities of OLH, OLH Shreveport, or OLH Monroe (OLHS-NL, OLH, OLH Shreveport and OLH Monroe are collectively referred to herein as the “OLH Entities” and each an “OLH Entity”);

**WHEREAS**, OLHS-NL desires to retain Manager for the purpose of rendering certain management services, billing and collection services, and administration support, as needed for the efficient and cost-effective operation of the Hospitals consistent with and in support of the Shared Charitable Mission;

**WHEREAS**, Manager has extensive hospital management experience and clinical resources available that the OLH Entities wish to engage to further the parties’ Shared Charitable Mission in the Shreveport and Monroe communities;

**WHEREAS**, OLHS-NL recognizes a substantial need to decrease the direct costs of operating the Hospitals, which can be accomplished in part by taking advantage of the economies of scale Manager will provide through its Centralized Administrative Support Fee, as defined below;

**WHEREAS**, Manager is willing to provide management, billing and collection, and other administrative support to the OLH Entities to assist the Hospitals in providing healthcare services in the Shreveport and Monroe communities consistent with and in support of Shared Charitable Mission; and

**WHEREAS**, the parties wish to set forth the terms and conditions for the rendering of the management services to the OLH Entities in accordance with the Shared Charitable Mission.

**NOW, THEREFORE**, in consideration of the foregoing, of the mutual premises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, hereby agree as follows.

## **ARTICLE I MANAGEMENT SERVICES**

1.1 Engagement of Manager. OLHS-NL hereby engages Manager, and Manager hereby accepts such engagement and agrees, to provide and oversee the day-to-day operations of the business conducted by the OLH Entities (the “Business”), subject to and in accordance with the terms and conditions of ACCA.

1.2 Services. Manager shall provide to OLHS-NL, OLH and the Hospitals, as applicable: (i) the executive management and oversight services for the OLH Entities as set forth on Exhibit A attached hereto and incorporated herein by reference (the “Management Services”); (ii) the facility component billing and collection services for the OLH Entities as set forth on Exhibit B (the “Facility Billing and Collection Services”); and (iii) the professional component billing, collection, and coding services to the extent the right to bill and collect for any professional services has been assigned to any OLH Entity as set forth on Exhibit C (“Professional Coding, Billing and Collection Services”) (the Management Services, Facility Billing and Collection Services, and Professional Coding, Billing and Collection Services are collectively referred to herein as the “Services”), upon the terms and subject to the conditions hereinafter set forth and in accordance with the ACCA and the Shared Charitable Mission.

## **ARTICLE II MANAGER’S RESPONSIBILITIES**

2.1 Performance of Services. Manager will render (or shall arrange through its affiliates (i.e., Ochsner or entities that are wholly owned by or commonly controlled with Ochsner (“Ochsner Affiliates”) to render) the Services to the Business upon the terms and subject to the conditions hereinafter set forth. Manager shall provide the Services according to industry standards and with at least the same degree of diligence and skill as is employed by Manager and Ochsner Affiliates in the provision of similar services to other acute care hospitals that are owned or managed by Manager or Ochsner Affiliates and in a manner that is consistent with and in support of the parties’ Shared Charitable Mission. Any Services to be provided hereunder may be provided by an Ochsner Affiliate, but performance of any Services by an Ochsner Affiliate will not relieve Manager of its obligations. Manager will be responsible for assuring the quality and timely delivery of all Services under this Agreement at all times during the Term (as defined below).

2.2 Employee Background Checks. Manager shall ensure that a background check has been performed on any and all personnel employed by Manager who provides Services under this Agreement. The cost of the background checks and any other pre-employment screening required for employment with Manager shall be paid by Manager, and such costs shall not be allocated to the OLH Entities or treated as Reimbursable Cost (as defined below).

2.3 Removal of Manager Personnel. OLHS-NL shall promptly advise Manager of any “material issues” (as defined below) which arise concerning the qualifications or interpersonal problems

associated with employees of Manager. Manager agrees to use its reasonable efforts to attempt to resolve any such material issues promptly to the satisfaction of OLHS-NL including, without limitation, meeting and/or counseling with the employee of Manager. If Manager is unable to resolve such material issues to the satisfaction of OLHS-NL and OLHS-NL determines that the underlying material issues are sufficiently serious to warrant disciplinary action, Manager shall require that such employee refrain from providing Services under this Agreement for a period of two (2) weeks or more as mutually agreed upon by the parties to permit Manager to investigate and evaluate the material issues further. Following such investigation and evaluation, Manager shall discuss the material issues with OLHS-NL's designated representative(s). If the material issues have not been resolved to the satisfaction of OLHS-NL, OLHS-NL reserves the right to require the removal of the subject employee of Manager from providing Services under this Agreement. For purposes of this Section 2.3, the term "material issues" shall mean conduct or other issue on the part of or related to such employee of Manager such that OLHS-NL reasonably deems the conduct or issue to be detrimental to the health or safety of a Hospital's patients, materially disruptive to Hospital staff and operations, or not consistent with standards of employee competence or conduct applicable to employees of OLHS-NL and its subsidiaries.

2.4 Compliance with Hospital Policies and Procedures. Manager and Ochsner Affiliates shall, and shall require all its employees, subcontractors, agents, or third party vendors providing the Services, to comply with the OLH Entities' Policies and Procedures, as applicable.

2.5 Access to Information. Manager hereby authorizes and grants to OLHS-NL full and complete access during the Term of this Agreement to all information, books, agreements, papers and records relating to the Services provided by Manager under this Agreement that may be reasonably requested by OLHS-NL. Manager shall notify OLHS-NL, in writing, within ten (10) calendar days of receipt of notice of the commencement of any investigation, formal audit, or formal review into (or regulatory action involving) the Hospitals or Practitioners (as defined in Exhibit C) providing services on behalf of the Hospitals or concerning such Hospital or Practitioner's license. Such notice requirement includes notice of the commencement of any investigation or inquiry by the Louisiana State Board of Medical Examiners, the Louisiana State Board of Nursing, the Louisiana Department of Health, Louisiana Attorney General, Office of Inspector General, Department of Justice, or any other agency or instrumentality of federal, state, or local government (including agents acting on behalf of the Department of Health and Human Services or the Centers for Medicare & Medicaid Services, investigations involving a federal or state governmental health care program or involving allegations of program fraud or abuse) and relating to the Hospitals or Practitioner's providing services on behalf of the Hospitals, or concerning any Hospital or Practitioner's license.

2.6 Public Relations. Manager shall consult with the Joint Management Committee as constituted in accordance with the OLHS-NL Bylaws (the "Joint Management Committee") regarding crisis communications and local and national media relations.

### **ARTICLE III OPERATOR OF THE BUSINESS AND PROVIDER OF SERVICES; DUTIES AND RESPONSIBILITIES OF OLH ENTITIES**

3.1 Maintenance of Control. Except as otherwise set forth in this Agreement, the OLH Entities shall retain all powers incident to ownership and/or operation of the Business. The OLH Entities shall own and hold all licenses, contracts, certificates, and accreditations relating to the Business, and the OLH Entities shall be the "Provider of Services" within the meaning of third party contracts for services. Nothing in this Agreement is intended to alter, weaken, displace, or modify the OLH Entities' status as owner/operator of the Business or Provider of the Services within the meaning of the third party contracts for services. Nothing in this Agreement is intended to alter, weaken, displace, or modify the ultimate authority of the OLHS-NL Board of Directors, Joint Management Committee, or Officers, all as

set forth in the OLHS-NL Bylaws. Manager's performance of and authority to provide the Services is subject to the terms of the ACCA, the Shared Charitable Mission, and this Agreement. The OLHS-NL Board of Directors and Joint Management Committee shall exercise, throughout the Term, ultimate authority, supervision, direction, and control over the Business and shall retain the ultimate authority and responsibility regarding the powers, duties, and responsibilities vested in the Manager.

3.2 Practitioners. Notwithstanding any provision herein to the contrary, all Practitioners (as defined in Exhibit C) who provide professional services at the Hospitals or their hospital-based clinics shall be contracted to provide such professional services through agreements between the OLH Entities and the Practitioners and their employers, including LSU. The OLH Entities shall have sole financial responsibility for all payments owed to the Practitioners or their employers in accordance with the terms and conditions of such agreements.

3.3 Qualification and Credentials. The Hospitals shall require that at all times during the Term of this Agreement, each Practitioner shall, as applicable, be duly licensed in his or her respective profession in the State of Louisiana.

3.4 Standards. The OLH Entities shall ensure that the Hospitals and Practitioners shall, at all times during the Term of this Agreement, comply with all applicable federal, state and local laws and regulations. Manager agrees to work with the Hospitals and Practitioners to assist the OLH Entities in ensuring such compliance as part of the Services.

3.5 Bank Accounts. The OLH Entities shall maintain bank accounts in their respective names at banks or other suitable financial institutions for depositing the Hospitals' and Practitioners' collected revenues, for establishing operating accounts for accounts payable, payroll and refunds, and/or for such other purposes as mutually agreed upon by the parties. OLHS-NL shall provide Manager with sufficient access and signature authority to such accounts as OLHS-NL and Manager shall mutually agree are appropriate for Manager to perform its obligations under this Agreement.

3.6 Purchasing Agent. Manager shall evaluate the OLH Entities' systems and internal controls and make improvements, where applicable, in order to enhance the OLH Entities' internal control systems, improve its operating efficiencies, and reduce the cost of supplies and other items needed for the delivery of quality health care services. To meet these objectives, Manager may acquire such equipment, supplies, consumable inventory, and other items on behalf of and in the name of the OLH Entities (collectively, the "Purchases") as necessary to ensure the OLH Entities operate consistent with this Agreement. The OLH Entities hereby designate Manager as the OLH Entities' purchasing agent, and Manager accepts such designation, for the purpose of making the Purchases and authorizes Manager to make such Purchases on behalf of and as the agent of the OLH Entities. Purchases by Manager shall be considered as the legal equivalent of purchases directly by the OLH Entities. Any items or articles of tangible personal property purchased by Manager as agent for the OLH Entities shall immediately, upon the vendor's delivery to Manager or an OLH Entity, become the property of the relevant OLH Entity, with title passing directly from the vendor to the OLH Entity. Manager agrees that it will invoice the OLH Entities at its cost for any goods or services Manager purchases for the OLH Entities in accordance with this Section 3.6.

3.7 Access to Information. Manager shall be given full and complete access during the Term of this Agreement to all information and documents relating to the Hospitals and the Practitioners that may be reasonably requested by Manager to perform its obligations hereunder, and shall disclose and make available to representatives of Manager for review and photocopying all relevant books, agreements, papers and records of the Hospitals and Practitioners. The OLH Entities shall notify Manager in writing within ten (10) calendar days of receipt of notice of the commencement of any

investigation, formal audit, or formal review into (or regulatory action involving) the Hospitals or Practitioners providing services on behalf of the Hospitals or concerning such Hospital or Practitioner's license. Such notice requirement includes notice of the commencement of any investigation or inquiry by the Louisiana State Board of Medical Examiners, the Louisiana State Board of Nursing, the Louisiana Department of Health, Louisiana Attorney General, Office of Inspector General, Department of Justice, or any other agency or instrumentality of federal, state, or local government (including agents acting on behalf of the Department of Health and Human Services or the Centers for Medicare & Medicaid Services, investigations involving a federal or state governmental health care program or involving allegations of program fraud or abuse) and relating to the Hospitals or Practitioner's providing services on behalf of the Hospitals, or concerning any Hospital or Practitioner's license.

#### **ARTICLE IV CONSULTANTS AND VENDORS; CONSULTING SERVICES; SUBCONTRACTORS**

4.1 Consultants and Vendors. In performing the Services, Manager may engage, for and on behalf of the Business, such third party consultants or vendors as Manager, from time to time, may consider reasonably necessary and appropriate to provide the Services and in support of the parties' Shared Charitable Mission. Such consultants and vendors may include attorneys, accountants, financial consultants, reimbursement consultants, physician and nurse reviewers, corporate compliance consultants, planners, marketing consultants, personnel staffing consultants, architects, contractor or other consultant and third-party vendors. The parties acknowledge and agree that the fees and expenses for such third party consultants and vendors are not included in the Centralized Administrative Support Fee, Facility Billing and Collection Fee, or Professional Billing, Coding and Collection Fee, and the OLH Entities shall proportionately bear the fees and expenses incurred for the services of such consultants and vendors as Reimbursable Costs (as defined in Section 7.4). The estimated annual Reimbursable Costs associated with third party consultants and vendors shall be included in the Annual Budgets as set forth in Section 7.5 below. Notwithstanding the foregoing, Manager agrees that for any contract, agreement or other arrangement for consultant or vendor services for an OLH Entity that is not a budgeted amount in the Annual Budget, is estimated to cause the combined annual budgets for the OLH Entities and any other OLHS-NL subsidiaries to be exceeded by more than three million dollars (\$3,000,000) annually, either individually or in the aggregate (an "Excess Expenditure"), and is not a consultant or vendor used by Ochsner on a system wide basis to provide services, Manager shall obtain approval from the Joint Management Committee prior to incurring or committing to pay such fees and/or costs.

4.2 Consulting Services. As part of Manager's provision of Services, Manager shall make available to the OLH Entities the consulting services within Manager's operational areas identified in Table 2 of Exhibit D ("Consulting Services"). For the avoidance of doubt, the Manager's Consulting Services do not include the services of Key Personnel or other services identified in this Agreement as a Reimbursable Cost.

4.3 Subcontractors. Without limiting the generality or scope of the assignment provisions of Section 14.12 below, Manager may subcontract with any other persons or entities for all or any portion of the Services which Manager is required to provide or furnish for the Business pursuant to this Agreement without the prior written consent of OLHS-NL, provided such subcontract does not result in an Excess Expenditure. Manager shall remain responsible for all Services performed by such other persons or entities. Manager may disclose any term of this Agreement to any subcontractor of Manager who performs Services for Manager hereunder, but only to the extent that such disclosure is essential and reasonably required for subcontractor to perform such Services in accordance with this Agreement.

4.4 Services to Non-OLH Entities In recognition of the fact that Manager, through its employees, subcontractors, vendors, and agents, may perform similar services from time to time for persons or entities other than the OLH Entities, this Agreement shall not prevent Manager from performing such similar services or restrict Manager from using the employees, subcontractors, vendors, and agents provided by Manager under this Agreement to perform services for persons or entities other than the OLH Entities so long as Manager fully complies with and timely performs all its obligations under this Agreement. Without limiting the foregoing, Manager agrees that the fees and costs for its employees, subcontractors, vendors, and agents who provide services to the OLH Entities and to persons or entities other than the OLH Entities shall be accurately and appropriately allocated among those receiving the services. For the avoidance of doubt, Manager shall not allocate to the OLH Entities any portion of the fees and costs associated with Manager's provision of services to other persons or entities.

## ARTICLE V TERM

Unless earlier terminated as provided herein, the initial term of this Agreement (the "Initial Term") shall commence as of the Effective Date and shall remain in effect for ten (10) years and shall automatically renew for two (2) successive five (5) year terms (each a "Renewal Term") for a total term ("Term") of twenty (20) years, unless a party gives a Non-Renewal Notice (as that term is defined in the ACCA) not less than six (6) months prior to the expiration of the Initial Term or the Renewal Term then in effect, as applicable.

## ARTICLE VI DEFAULT AND TERMINATION

6.1 Events of Default. It shall be an event of default ("Event of Default") hereunder:

6.1.1 If a party: (a) fails to cure a Financial Default (as defined in the ACCA) in full within the Financial Default Cure Period (as defined in the ACCA), or (b) incurs three (3) or more Financial Defaults in any given fiscal year during the Term regardless of whether cured.

6.1.2 If a party fails to perform any other material obligation under the terms of this Agreement, such failure shall be subject to the Dispute Resolution provisions set forth in ARTICLE 9 of the ACCA. This Section 6.1.2 is not applicable to a Financial Default addressed in Section 6.1.1, above.

6.2 Termination Events. Any party may give a termination notice prior to the expiration of the Initial Term or any Renewal Term upon the occurrence of any of the following events:

6.2.1 Termination by Mutual Consent. This Agreement may be terminated by the mutual, written consent of the Parties.

6.2.2 Federal Healthcare Program Exclusion. If a Party is excluded from participation in a federal healthcare program including, without limitation, the Medicare or Medicaid program, either Party may immediately terminate this Agreement.

6.2.3 Loss of Tax Exempt Status. In the event a Party determines that this Agreement would result in the loss of such Party's tax exempt status.

6.3 Termination for Bankruptcy; Receivership. This Agreement shall terminate if a party applies for or consents to the appointment of a receiver, trustee or liquidator of such party or of all or a substantial part of its assets, files a voluntary petition in bankruptcy, makes a general assignment for the benefit of creditors, files a petition or an answer seeking reorganization or arrangements with creditors or to take advantage of any insolvency law, or if an order, judgment or decree shall be entered by any court

of competent jurisdiction, on the application of a creditor, adjudicating such party bankrupt or insolvent, and such order, judgment or decree shall be entered by any court of competent jurisdiction, on the application of a creditor, adjudicating such party bankrupt or insolvent, and such order, judgment or decree shall continue unstayed and in effect for any period of ninety (90) consecutive days.

6.4 Termination for Financial Default. In accordance with Section 6.1.1 above, the non-defaulting party may terminate this Agreement if the defaulting party (a) fails to cure a Financial Default in full within the Financial Default Cure Period, or (b) incurs three (3) or more Financial Defaults in any given fiscal year within the Term regardless of whether cured.

6.5 Termination for Failure to Resolve Disputes. This Agreement may terminate if there is a failure to resolve to the Disputing Party's (as defined in the ACCA) satisfaction two (2) material Disputes (as defined in the ACCA) initiated in the same fiscal year or three (3) material Disputes initiated in any two consecutive fiscal years upon conclusion of the Dispute Process set forth in ARTICLE 9 of the ACCA, including through the issuance of a final decision in any arbitration proceeding initiated in accordance with Section 9.1.3(5) of the ACCA.

6.6 Termination of Collaborative. Upon termination of the ACCA, CEA or, unless otherwise agreed by the parties, any other Collaborative Agreement (as defined in the ACCA), this Agreement shall automatically terminate.

6.7 Wind Down Activities. Upon termination of this Agreement for any reason, Manager's obligations to perform the Services hereunder shall completely cease; provided, however, that the parties shall perform and make payments for such matters as are necessary to wind up their activities pursuant to this Agreement in an orderly manner and to comply with the six (6)-month Wind Down Period and Wind Down Process described in the ACCA. Any payments earned or Reimbursable Costs incurred by Manager associated solely with the Services provided under this Agreement through the date of termination and through the Wind Down Period shall remain due and owing by the applicable OLH Entity notwithstanding the termination of this Agreement.

## **ARTICLE VII CENTRALIZED ADMINISTRATIVE SUPPORT FEES**

7.1 Centralized Administrative Support Fee. In consideration for the Management Services to be provided by Manager to the Business in accordance with Exhibit A (exclusive of any Reimbursable Costs as described in Section 7.4 and incurred by Manager in the performance of the Management Services), the OLH Entities shall pay to Manager a Centralized Administrative Support Fee equal to three percent (3.0%) of the OLH Entities' Total Revenue each month (the "Centralized Administrative Support Fee"). The Consulting Services provided to the Business by Manager as set forth on Table 2 of Exhibit D and described in Section 4.2 are also covered by the Centralized Administrative Support Fee and are not Reimbursable Costs. For the avoidance of doubt, and subject to the limitations set forth in Sections 4.1 and 4.3 above regarding Excess Expenditures, expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH entities, vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D constitute Reimbursable Costs. The OLH Entities shall each pay its proportionate share of the allocated Centralized Administrative Support Fee based on the Total Revenue of such OLH Entity. For purposes of this Agreement, "Total Revenue" means Net Patient Revenue plus Other Revenue. "Net Patient Revenue" means the total gross revenue accrued in a period by the OLH Entities including, without limitation, any supplemental or non-claims based revenue, reduced by the revenue deductions, which deductions shall include an allowance for contractual allowances, discounts, bad debt and charity care amounts. "Other Revenue" includes revenue from retail pharmacy sales, contracts, rebates, and other sources of operating revenue outside of Net Patient Revenue. In the event this Agreement terminates on a day other than the last day of a month,

the Centralized Administrative Support Fee payable for the partial month will be prorated. In the event this Agreement starts on a day other than the first day of a month or terminates on a day other than the last day of a month, the Centralized Administrative Support Fee payable for the partial month will be prorated. The Centralized Administrative Support Fee shall be paid monthly upon approval of the Vice Chancellor for Administration and Finance of the LSU Health Sciences Center in Shreveport, which approval shall, in the ordinary course absent exceptional circumstances, be provided no later than the tenth (10<sup>th</sup>) Business Day following the month in which the Management Services are provided. In connection with such payments and allocations, Manager will provide to the OLH Entities quarterly invoices for such payments reflecting the Total Revenue and calculation of the payments for the period covering the invoice. For purposes of this Agreement, the term “Business Day” means any day other than (i) a Saturday or Sunday, or (ii) a day on which commercial banks in Louisiana are authorized or required by law to close.

7.2 Facility Billing and Collection Fee. In consideration for the Facility Billing and Collection Services set forth on Exhibit B which may be further negotiated and memorialized by the parties in a mutually agreed upon statement of work (exclusive of any Reimbursable Costs as described in Section 7.4 and incurred by Manager in the performance of the Facility Billing and Collection Services), the Hospitals shall pay to Manager in accordance with the fees set forth on Exhibit B (“Facility Billing and Collection Fee”). The Hospitals shall each pay its proportionate share of such Facility Billing and Collection Fee based on the Net Facility Collections of such Hospital. The Facility Billing and Collection Fee shall be paid monthly no later than the tenth (10<sup>th</sup>) Business Day following the month in which the Management Services are provided.

7.3 Professional Coding, Billing and Collection Fee. The Parties acknowledge and agree that as of the Effective Date of this Agreement, PracticeMax, Inc. (“PracticeMax”) will perform the professional coding, billing and collection services on behalf of the OLH Entities for the Practitioners (as defined in Exhibit C) who have assigned their rights to bill and collect for their professional services to one or more of the OLH Entities, and the OLH Entities shall incur the fees, costs, and expenses for such services as direct costs of the OLH Entities. In the event that Manager, in its sole discretion, determines that it is most efficient or otherwise beneficial to do so, Manager may, but is not obligated to, assume the PracticeMax agreement(s) and/or incur the fees, costs, and expenses related to the billing and collection services provided to the OLH Entities by PracticeMax. In such event, all fees, costs, and expenses incurred by Manager and related to the billing and collection services provided by PracticeMax to the OLH Entities shall be Reimbursable Costs. On or about July 1, 2019, Manager will commence providing the Professional Coding, Billing and Collection Services, and the OLH Entities shall pay Manager in accordance with the fees set forth on Exhibit C (“Professional Coding, Billing and Collection Fee”). The OLH Entities shall each pay its proportionate share of such Professional Coding, Billing and Collection Fee based on the Net Professional Collections of the OLH Entities. The Professional Coding, Billing and Collection Fee shall be paid upon approval of the Vice Chancellor for Administration and Finance of the LSU Health Sciences Center in Shreveport, which approval shall, in the ordinary course absent exceptional circumstances, be provided monthly no later than the tenth (10<sup>th</sup>) Business Day following the month in which the Management Services.

7.4 Reimbursable Costs. In addition to the Centralized Administrative Support Fee, Facility Billing and Collection Fee, and Professional Billing, Coding and Collection Fee paid proportionately by the OLH Entities for the Services for the Business, and subject to the limitations set forth in Sections 4.1 and 4.3 regarding Excess Expenditures, the OLH Entities shall proportionately reimburse Manager for all direct and indirect costs incurred (as determined on an accrual basis of accounting) by Manager in providing the Services hereunder (“Reimbursable Costs”), including without limitation reimbursement for those costs specifically described as Reimbursable Costs in Exhibit A, Exhibit B, Exhibit C, and Exhibit D. Reimbursable Costs include, for example, the cost of Manager’s reasonable out of pocket



expenses incurred by or on behalf of Manager in connection with the provision by Manager of the Services pursuant to this Agreement, including, without limitation, those fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH entities, vendors or any other category of expenses set forth on Table 1 of Exhibit D. Reimbursable Costs must be consistent with the Annual Budget, as further described below, or if such unbudgeted costs are estimated to result in an Excess Expenditure, such unbudgeted costs must be approved by the Joint Management Committee. Undisputed Reimbursable Costs shall be paid monthly within thirty (30) days of the OLH Entities' receipt of Manager's invoice detailing Reimbursable Costs incurred by the Manager. Manager shall include with the invoice sufficient documentation to support the amount of Reimbursable Costs set forth in the invoice.

7.5 Annual Budgets. At least ninety (90) days prior to the commencement of each OLHS-NL "fiscal year" (defined as July 1 through June 30) during the Term of this Agreement (each, an "Annual Service Period"), Manager shall develop and submit to the OLH Entities for mutual agreement of the parties a proposed annual business plan and operating and capital cost budget for such applicable fiscal year in connection with the conduct of the Business by each OLH Entity (each, an "Annual Budget"). The Annual Budget for the first Annual Service Period (which shall begin on the Effective Date and end on the last day of the then current fiscal year) for each OLH Entity will be mutually agreed upon by the parties within thirty (30) days of the Effective Date. Each Annual Budget shall identify the specific categories, scope and amount of approved Reimbursable Costs that may be incurred by Manager during the applicable Annual Service Period. Upon request, Manager shall provide detailed support for the Reimbursable Costs. The parties acknowledge and agree that each such Annual Budget may contain fixed and flexible budget line items, to the extent mutually approved by the parties, to account for potential and reasonable variations in actual operational activity and performance within the Business. The parties further acknowledge and agree that Manager's approved Reimbursable Costs will directly relate to its provision of Services as described in this Agreement. The OLHS-NL Annual Budget is considered "final" upon approval by the OLHS-NL Board upon recommendation by the OLHS-NL Joint Management Committee. The Annual Budgets of OLH, OLH-Shreveport, and OLH-Monroe are considered final upon approval by the Joint Management Committee. The OLHS-NL Board or Joint Management Committee shall notify Manager in writing of approval of the Annual Budgets of the OLH Entities. Upon receipt of written notification of approval of the Annual Budgets, Manager may proceed, on behalf of the Business, with making the expenditures and overseeing the actions contemplated in the Annual Budget for the applicable fiscal year. If, following adoption of the initial Annual Budgets, the Annual Budget(s) are not final prior to the July 1 commencement date of the next Annual Service Period, the Manager will continue to operate under the provisions of the prior Annual Budget(s) until the new Annual Budget(s) are finalized, and Manager may make capital expenditures for (i) any ongoing or additional capital projects expressly approved by the OLH Entities to be funded in the new Annual Service Period notwithstanding the failure to adopt a new capital budget for the new Annual Services Period, or (ii) capital projects and expenditures required to ensure the health and safety of the patients of the Hospitals and/or to maintain the licensures and accreditations used in the operation of the Business.

7.6 Fair Market Value Exchange. The parties acknowledge and agree that the compensation and other consideration set forth in this ARTICLE VII for the provision of Manager's Services hereunder represent a fair market value exchange, negotiated in an arm's length transaction, and not determined in a manner which takes into account the value or the volume of referrals or other business generated, if any, between the parties.

## **ARTICLE VIII CASH FLOW FOR BUSINESS OPERATIONS**

In order to cover temporary working capital deficits for the OLH Entities in excess of OLHS-NL's existing credit facility, Manager may at its sole discretion make available to OLHS-NL a revolving

line of credit (“Line of Credit”). The Line of Credit shall in no event exceed Twenty Million Dollars (\$20,000,000.00) and shall be memorialized in a mutually agreed upon debt instrument, be secured by agreed upon collateral, and bear interest equivalent to Manager’s then incremental short term borrowing costs. Any decision to draw funds on the Line of Credit in excess of Five Million Dollars (\$5,000,000.00) shall require the express approval of (a) either the HSC-S Vice Chancellor of Administration and Finance or the LSU Chief Financial Officer, and (b) either the Chief Administrative Officer, the Chief Operating Officer, or the Chief Financial Officer of Ochsner.

The parties acknowledge and agree that OLHS-NL shall repay to Manager any outstanding balance in of the Line of Credit in full on or before each Manager fiscal year end, ending December 31<sup>st</sup> each year. The Line of Credit shall be evidenced in a form and substance satisfactory to OLHS-NL and Manager. Notwithstanding anything herein or in any Collaborative Agreement (as defined in the ACCA) to the contrary, OLHS-NL’s obligation to repay any outstanding balance of the Line of Credit shall not be subject to the availability of OLHS-NL’s Free Cash Flow as set forth in Section 7.2.4 of the ACCA.

## **ARTICLE IX NO PARTNERSHIP; STATUTORY EMPLOYER**

9.1 No Partnership. Manager and the OLH Entities affirmatively state that they do not have the intention to form a joint venture or partnership for tax or any other purposes, nor have they done so, by entering this Agreement. If, however, a joint venture or partnership is found to exist for federal income tax purposes: (i) capital accounts will be maintained for Manager and the OLH Entities on a tax accounting basis; (ii) net income will be allocated to Manager in the amount of the payments due Manager pursuant to ARTICLE VII hereof; (iii) all remaining net taxable income or loss will be allocated to the joint venture; and (iv) upon termination, distributions will be in accordance with Manager’s and each OLH Entity’s capital account balances.

9.2 Statutory Employer for Worker’s Compensation Issues. Pursuant to the provisions of Louisiana R. S. 23:1031 and Louisiana R. S. 23:1061 as amended by Act 315 of the 1997 Regular Legislative Session and for the purpose of this Agreement, the OLH Entities and Manager jointly agree, stipulate and recognize that the OLH Entities shall be the statutory employer of Manager’s employees and/or all employees of any subcontractor hired or retained in any manner by the Manager and/or any other person for whom the Manager may be held responsible and the Manager while any of the above described persons are performing any work or providing any services under this Agreement on the premises of the OLH Entities. The parties further stipulate, agree and recognize that all work performed under the Agreement shall be considered part of OLH Entities’ trade, business or occupation and shall be specifically considered an integral part of or essential to the ability of the OLH Entities to generate their goods, products or services. The parties further stipulate, agree and recognize that the services or work provided by any subcontractor or other person retained by the Manager for the performance of any work or service under this Agreement shall be contemplated by and included in this provision.

## **ARTICLE X OWNERSHIP OF INFORMATION; CONFIDENTIALITY**

10.1 Patient Records. The Hospitals shall at all times be the owners of all patient records. The parties and their employees and agents shall maintain and safeguard the confidentiality of all records, charts and other information generated in connection with the Services provided hereunder in accordance with applicable statutes and regulations, including, but not limited to the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320d through d-8 (“HIPAA”) and the requirements of any regulations promulgated thereunder, including, without limitation, the federal practice regulations as contained in 45 C.F.R. Part 164 (“Federal Privacy Regulations”) and the federal security standards as contained in 45 C.F.R. Part 164 (“Federal Security Regulations”). The parties shall not use or further disclose any

protected health information as defined in 42 U.S.C. § 1320d (collectively “Protected Health Information”), concerning a patient other than as permitted by this Agreement and the requirements of HIPAA or regulations promulgated under HIPAA, including without limitation, the Federal Privacy Regulations and the Federal Security Regulations. To this end, the parties shall enter into and abide by the HIPAA Business Associate Agreement attached hereto as Exhibit E.

10.2 Access to Records by Regulatory Authorities. Upon the written request of the Secretary of Health and Human Services or the Comptroller General or any of their duly authorized representatives, Manager and Ochsner Affiliates providing services with a value or cost of \$10,000 or more over a twelve (12)-month period shall make available to the Secretary of Health and Human Services the contract, books, documents and records that are necessary to verify the nature and extent of the cost of providing such services. Such inspection shall be available up to four (4) years after the rendering of such services. The parties agree that any applicable attorney-client, account-client or other legal privilege shall not be deemed waived by virtue of this agreement.

10.3 Confidentiality of Agreement. Neither party shall disclose this Agreement or the terms thereof to a third party, except as otherwise required by law or permitted by the terms of this Agreement, without the prior written consent of the other party, other than to such party’s legal and financial advisors.

10.4 Ownership of Systems. Manager retains all ownership and other rights in all systems, manuals, protocols, computer software, licenses, manuals, books and records, materials and other information, in whatever form, provided by it in the performance of its obligations hereunder (collectively referred to as the “Systems”) and nothing contained in this Agreement shall be construed as a license or transfer of such Systems or any portion thereof, either during the Term or thereafter. Upon the termination or expiration of this Agreement, Manager shall retain all of the Systems. If by operation of law or otherwise, an OLH Entity acquires any ownership rights in any of the Systems or in any other intellectual property owned by Manager by virtue of their respective activities pursuant to this Agreement or otherwise, such rights shall automatically vest in, or if not legally possible, be assigned promptly without restriction upon request to Manager.

10.5 Systems Confidentiality. The OLH Entities acknowledge that Manager has invested a significant amount of its resources in developing and maintaining the Systems and that the value to Manager of the Systems may be diminished or destroyed if there is a disclosure of the Systems or any portion thereof to a third-party. Accordingly, the OLH Entities shall maintain the confidentiality of the Systems. The OLH Entities shall not duplicate or permit the duplication of any portion of the Systems and shall not permit access to the Systems by entity personnel or any third-party other than on a strict need-to-know basis and in the ordinary course of business. With respect to the Systems, the OLH Entities shall take at least those steps that it would take to protect its own confidential information.

10.6 Ownership of Records. The Hospitals shall own all patient records and OLHS-NL and/or other OLH Entities shall own all financial and other business records maintained or housed at any time on Manager’s Systems (collectively, “OLHS-NL Records”). Manager shall provide the Hospitals and other OLHS Entities with unrestricted access to any and all OLHS-NL Records at all times during the Term of this Agreement. For the avoidance of doubt, Manager shall have no ownership interest in or any other claim to any patient records, financial records or other business records maintained or housed on Manager’s Systems on behalf of any OLH Entity.

10.7 Confidentiality of Records. In addition to the specific requirements of Section 10.1 above, Manager acknowledges that the OLHS-NL Records are confidential and proprietary to OLHS-NL and the other OLH Entities, and shall not be disclosed by Manager to any third party including, without

limitation, any other entity to which Ochsner or Ochsner Affiliates may provide services, except as expressly permitted by this Agreement, as confirmed in writing by the Joint Management Committee, or as required by law. Accordingly, Manager shall maintain the confidentiality of the OLHS-NL Records. Manager shall not duplicate or permit the duplication of any OLHS-NL Record and shall not permit access to the OLHS-NL Records by entity personnel or any third-party other than on a need-to-know basis and in the ordinary course of business. With respect to the OLHS-NL Records, Manager shall take at least those steps that it would take to protect its own confidential information or the confidential information of any other entity for which Ochsner or Ochsner Affiliates provides services.

## **ARTICLE XI INDEMNIFICATION; LIMITATION OF LIABILITY**

11.1 Indemnification by the OLH Entities. Each OLH Entity agrees, on a joint and several liability basis as applicable, to indemnify and hold harmless Manager, Ochsner Affiliates, member(s) and shareholders, and their respective members, shareholders, directors, officers, employees and agents (each, a “Manager Indemnified Party”) from and against any and all losses, claims, damages, liabilities, costs and expenses (including reasonable attorneys’ fees and expenses related to the defense of any claims) (collectively, “Losses” and each a “Loss”), which may be asserted against any of the Manager Indemnified Parties resulting from: (i) alleged or actual failure by an OLH Entity to perform any of its duties under this Agreement; (ii) gross negligence or willful misconduct of an OLH Entity, its directors, officers, or employees; or (iii) any action against Manager with respect to matters occurring before the Effective Date, including without limitation matters relating to: (i) alleged or actual failure by an OLH Entity to perform any of its duties; (ii) any pending or threatened malpractice or other tort claims asserted against Manager relating to the Business; (iii) any action against Manager brought by any medical staff members or former employees, or with respect to matters occurring before the beginning of the Term; (iv) any act or omission by any medical staff member, or employee, or other personnel who were under the supervision of a member of the medical staff as a result of providing medical services to such medical staff member’s patient; (v) any violation of any requirement applicable to the OLH Entities pursuant to any federal, state or local environmental, hazardous waste or similar law or regulation, including without limitation in connection with the Services; and (vi) any actions or failure to act with respect to ownership or operation of the Hospitals or any assets of the OLH Entities arising either prior to or after the Effective Date including, without limitation, any liability relating to or arising under any violation of any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, statute or treaty, including without limitation, any federal, state or local laws, statutes, codes, ordinances, regulation manuals or principles of common law relating to healthcare regulatory matters, including without limitation, (i) 42 U.S.C. §§ 1320a-7a and 7b, which are commonly referred to as the “Federal Anti-Kickback Statute”; (ii) 42 U.S.C. § 1395nn, which is commonly referred to as the “Stark Law”; (iii) 31 U.S.C. §§ 3729-3733, which is commonly referred to as the “Federal False Claims Act”; (iv) Titles XVIII and XIX of the Social Security Act, implementing regulations and program manuals; and (v) 42 U.S.C. §§ 1320d-1320d-8 and 42 C.F.R. §§ 160, 162 and 164, which is commonly referred to as “HIPAA”; (vi) 42 U.S.C. §§ 1395dd, et. seq., which is commonly referred to as the “Emergency Medical Treatment and Active Labor Act” (EMTALA) (such laws relating to health care regulatory matters collectively referred to as “Health Care Laws”), unless such Losses are caused by the gross negligence or willful misconduct of the Manager Indemnified Party seeking indemnification pursuant to this Agreement.

11.2 Indemnification by Manager. Manager agrees to indemnify and hold harmless each OLH entity, as applicable, its members, shareholders, directors, officers, employees and agents (each, an “OLH Entity Indemnified Party”) from and against any and all Losses that may be asserted against any of the OLH Entity Indemnified Parties resulting from: (i) alleged or actual failure by Manager to perform any of its duties under this Agreement; or (ii) gross negligence or willful misconduct of Manager, its members, shareholders, directors, officers, employees or agents, unless such Losses are caused by the

gross negligence or willful misconduct of the OLH Entity Indemnified Party seeking indemnification pursuant to this Agreement.

11.3 Limitation of Liability. In the absence of any gross negligence, fraudulent or intentional wrongdoing, Manager shall not be held liable for the acts of OLH Entities as a result of serving as Manager of OLH Entities, nor shall Manager be held liable for the acts of OLH Entities because of its participation in this Agreement. Nothing in this Agreement is intended to create, nor does it create, any rights or benefits to third parties enforceable against Manager. By entering this Agreement, Manager does not assume any of the obligations, liabilities or debts of OLH Entities, and shall not, by virtue of its performance under this Agreement, assume or become liable for any of such obligations, debts or liabilities of the OLH Entities. Further, in no event shall the Manager be liable under this Agreement for any act of professional malpractice committed by any provider providing services on behalf of the Hospitals.

## ARTICLE XII INSURANCE

12.1 OLH Entities Insurance. The OLH Entities shall maintain a policy or program of professional liability coverage or insurance, covering each OLH Entity and comprehensive general liability insurance coverage with minimum of coverage of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) in the aggregate.

12.2 Professional Liability Coverage. Practitioners performing the professional services supported by Manager pursuant to this Agreement include (i) Practitioners employed by LSU and (ii) non-LSU employed Practitioners who are employed or contracted by the Hospitals. The Hospitals and Manager shall require that Practitioners acting within the course and scope of their employment with LSU are provided professional liability coverage either through the Office of Risk Management in accordance with the provisions of Louisiana Revised Statutes 40:1237.1, *et seq.* or through a program of commercial or self-insurance. For purposes of liability arising out of medical malpractice for professional services provided by LSU employed Practitioners, the obligations on behalf of any individual shall not exceed the amount payable by the State Health Care Provider Fund pursuant to the provisions of Louisiana Revised Statute 40:1237.1, *et seq.* With respect to any non-LSU employed Practitioners who are employed or contracted by the Hospitals, the Hospitals and Manager shall require that each such Practitioner is duly qualified and enrolled as a healthcare provider with the Louisiana Patient's Compensation Fund, pursuant to the Louisiana Medical Malpractice Act, La. R.S. § 40:1299.41, *et seq.*, and has professional liability coverage in accordance with the provisions of La. R.S. § 40:1299.41, *et seq.*, for any professional services provided on behalf of the Hospitals.

12.3 General Liability, Automobile, Cybersecurity, Property Insurance. Each party shall secure and maintain, at all times during the Term, at such party's sole expense, commercial general liability, automobile, cybersecurity and property insurance, with a program of self-insurance, a carrier licensed to do business in the State, or an approved, non-admitted carrier in the State with minimum limits of \$1,000,000 per claim/occurrence and \$3,000,000 in the aggregate.

12.4 Worker's Compensation and Employer's Liability Insurance. Each party shall also secure and maintain, at all times during the Term, at such party's sole expense, worker's compensation and employer's liability insurance covering such party, with either a program of self-insurance or a carrier licensed to do business in the State, with the following minimum limits:

- Worker's Compensation: Statutory limits
- Employer's Liability: \$100,000 for bodily injury for each accident;  
\$100,000 for bodily injury disease for each employee; and

\$500,000 as the bodily injury disease policy limit.

### **ARTICLE XIII NO EXCLUSION**

13.1 Eligibility Status. Each party represents it has not been convicted of a criminal offense related to health care, and it is not, nor are any of its employees or agents performing services under this Agreement, currently listed on the List of Excluded Individuals and Entities (“LEIE”) by the Office of Inspector General of the Department of Health and Human Services or by any other Federal or State of Louisiana agency or department as debarred, excluded or otherwise ineligible for participation in federal programs and/or federally funded health care programs including Medicare and Medicaid (collectively, “Excluded”).

13.2 Continuing Duty. Each party shall (i) regularly verify the continued accuracy of the Eligibility Status representation of Section 13.1; (ii) immediately terminate its relationship with any individual, agent or entity upon discovering such individual, agent or entity is Excluded; and (iii) notify the other party immediately, in writing, of any change in circumstances related to its representations made in this ARTICLE XIII .

### **ARTICLE XIV GENERAL PROVISIONS**

14.1 Parties Bound. This Agreement shall bind and shall inure to the benefit of the parties and their respective successors and permitted assigns.

14.2 Governing Law. This Agreement has been executed and shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to conflict of laws principles that would require the application of any other law.

14.3 Jurisdiction, Venue and Service of Process. The exclusive venue for any lawsuit filed by any party to this Agreement or any party to any other Collaborative Agreement (as defined in the ACCA) and arising out of or related to any Collaborative Agreement is the Nineteenth Judicial District Court for the Parish of East Baton Rouge, State of Louisiana. The parties agree that any of them may file a copy of this Section with any court as written evidence of the knowing, voluntary, and bargained agreement among the parties irrevocably to waive any objections to venue or to convenience of forum as set forth hereinabove. Process in any lawsuit referred to in the first sentence of this Section may be served on any party anywhere in the world.

14.4 Rule of Construction. The parties acknowledge and agree that this is a negotiated agreement, in which all parties have received the assistance and advice of competent legal counsel; and accordingly that the rule of construction that any ambiguities are to be construed against the drafting party shall not apply.

14.5 Severability. If any term, provision, covenant or condition of this Agreement is held unenforceable or invalid for any reason and not susceptible to reformation due to a change in applicable legal requirements, the remaining portions or provisions shall continue in full force and effect.

14.6 Integration. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement cancels and supersedes all prior hospital management service agreements and understandings, oral or written, among the parties.

14.7 Non-Waiver. No waiver of any breach or default hereunder shall be considered valid, unless in writing and signed by the party giving such waiver. No such waiver shall be deemed a waiver of any subsequent breach or default of a similar nature.

14.8 Notices. All notices, demands and other communications to be given or delivered pursuant to or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given and received (i) if by hand or electronic delivery, when delivered; (ii) if given by nationally recognized and reputable overnight delivery service, the business day on which the notice is actually received by the party; (iii) if given by certified mail, return receipt requested, postage prepaid, three (3) business days after posted with the United States Postal Service. Notices, demands and communications to the parties shall, unless another address is specified in writing, be sent to the addresses indicated below:

**If to OLH Shreveport or OLH Monroe:**

[Ochsner LSU Shreveport, LLC] or [Ochsner LSU Monroe, LLC]  
c/o Ochsner LSU Hospitals, LLC  
1541 Kings Highway  
Shreveport, Louisiana 71103

**If to OLH:**

Ochsner LSU Hospitals, LLC  
1541 Kings Highway  
Shreveport, Louisiana 71103

with a required copy to:

Ochsner LSU Health System of North Louisiana  
1541 Kings Highway  
Shreveport, LA 71103  
ATTN: CEO

**If to OLHS-NL:**

Ochsner LSU Health System of North Louisiana  
1541 Kings Highway  
Shreveport, Louisiana 71103  
ATTN: Joint Management Committee

with a required copy to:

Board of Supervisors of Louisiana State  
University and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, LA 70808  
Attention: General Counsel

and

Ochsner Health System  
1450 Poydras St. Ste 2250  
New Orleans, Louisiana 70112  
Attention: General Counsel

**If to Manager:**

OLH Operational Management Company, L.L.C.  
1450 Poydras St. Ste 2250  
New Orleans, Louisiana 70112  
Attention: General Counsel

14.9 Form of the Agreement. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, single or plural, as the identity of the person(s) or thing(s) may require. Article and Section headings are included for convenience of reference only and shall not define, limit, extent or otherwise affect the interpretation of this Agreement or any of its provisions.

14.10 Amendment. This Agreement may be amended or modified only in writing signed by the parties.

14.11 Further Cooperation. In order to confirm this Agreement or carry out its provisions or purposes, each party shall cooperate with the other and shall take such further action and execute and deliver such further documents as the other may reasonably request.

14.12 Assignability. Except as stated in Sections 4.3, no party may assign its rights or delegate its duties (by subcontract or otherwise) under this Agreement without the prior written consent of the other parties; provided, however, that Manager shall have the right to assign this Agreement to an Ochsner Affiliate upon written notice to the Joint Management Committee.

14.13 No Third Party Beneficiaries. Nothing in this Agreement shall be construed as conferring any benefit, either directly or indirectly, on any person or entity not a party to this Agreement.

14.14 Force Majeure. No party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption in rights or duties that results directly or indirectly from acts of God, civil or military authority, acts of terror, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes or other work interruptions by a party's employees, or any similar or dissimilar cause beyond the reasonable control of a party.

14.15 Additional Instruments. Each of the parties shall, from time to time, at the request of any other party, execute, acknowledge and deliver to the other parties any and all further instruments that may be reasonably required to give full force and effect to the provisions of this Agreement.

14.16 Headings. All section and part headings are inserted for convenience. Such headings shall not affect the construction or interpretation of this Agreement.

14.17 Multiple Counterparts. Provided all parties execute an identical copy of this Agreement, including exhibit(s), the parties acknowledge and agree that these multiple counterparts will be considered fully executed originals.

14.18 Time Periods. Time periods expressed by a specified number of days shall be based on calendar days.



14.19 Execution Warranty. Each person signing this agreement on behalf of a party represents that the execution of this Agreement has been duly authorized by the party for which representative is signing, and that no restrictions or restrictive agreements exist that prevent either the execution or the carrying out of this Agreement by such party.

14.20 Claims for Monetary Damages. The Parties expressly acknowledge and agree that the Dispute Process set forth in Article 9 of the ACCA is the exclusive means by which the Parties will resolve Disputes (as defined in the ACCA), and in the event of any Dispute that the Parties are unable to resolve to their mutual satisfaction pursuant to the Dispute Process, including, without limitation, any claim that a Party has failed to participate in the Dispute Process in good faith, such Dispute may be addressed and the Parties may be adequately compensated through a claim for monetary damages. Accordingly, except as otherwise specifically set forth in Section 9.1.3(5) of the ACCA, no Party shall be entitled, at law or in equity, to enforce any provision of this Agreement by a decree of specific performance, temporary, preliminary, or permanent injunctive, or other equitable relief to resolve any Dispute arising under this Agreement, and the Parties expressly waive any rights they may otherwise have to pursue such equitable relief. In the event that any Party elects to incur legal expenses to pursue a claim for monetary damages under this Agreement, the prevailing Party will be entitled to recover such legal expenses, including, without limitation, reasonable attorneys' fees, costs and necessary disbursements, in addition to such other money damages to which such Party shall be entitled.

#### **ARTICLE XV COMPLIANCE WITH FEDERAL AND STATE REGULATIONS**

15.1 Non Discrimination and Affirmative Action. The parties agree to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistant Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and parties agree to abide by the requirements of the Americans with Disabilities Act of 1990. Parties agree not to discriminate in employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

15.2 Referral Disclaimer. The amounts to be paid hereunder represent the fair market value of the Services to be provided as established by arm's length negotiations by the parties and have not been determined in any manner that takes into account the volume or value of any potential referrals among the parties. No amount paid hereunder is intended to be, nor shall it be construed to be, an inducement or payment for referral of patients by any party to any other party. In addition, the amounts charged hereunder do not include any discount, rebate, kickback or other reduction in charges, and the amount charged is not intended to be, nor shall it be construed to be, an inducement or payment for referral of patients by any party to any other party. Further, it is agreed that none of the parties shall refer or attempt to influence the referrals of any patients to any particular program.

**[Signature page follows]**

**IN WITNESS WHEREOF**, the parties have executed this Agreement by and through their duly authorized representatives effective as of the date and year first above written.

**Ochsner LSU Health System of North Louisiana**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Ochsner LSU Hospitals, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**University Health Shreveport, L.L.C., d/b/a Ochsner LSU Health Shreveport**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Ochsner LSU Health Monroe, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**OLH Operational Management Company, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Exhibit A

### Management Services

During the Term, Manager agrees that Manager or an Ochsner Affiliate, through its employees, subcontractors, vendors, and agents shall provide the Management Services described below in accordance with the terms specified in the Agreement (including Sections 7.1 and 7.4, addressing the Centralized Administrative Support Fee and Reimbursable Costs, respectively) and this Exhibit A. Table 1 set forth in Exhibit D identifies the types of fees and expenses provided in connection with the Management Services that are Reimbursable Costs and not covered by the Centralized Administrative Support Fee. Manager's Reimbursable Costs shall be subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approval for certain unbudgeted expenditures. Table 2 of Exhibit D sets forth Manager's corporate and clinical support service departments (collectively, the "Departments") that will provide Consulting Services and other services to the Business as Management Services covered by the Centralized Administrative Support Fee.

- A. Consulting Services. Generally, Manager shall provide Consulting Services for the Business in such areas as: strategic planning, operational management, quality assurance programs, risk management, materials management, leadership development, facilities' development, productivity improvement programs, service utilization analysis, systems development, supply and charge systems, manpower utilization and control systems, technical skills training, evaluation of new products & services, educational programs for clinical staff, physician recruiting, compliance, and medical staff development. Any such Consulting Services provided to the Business by Manager's Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 regarding Excess Expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
  
- B. Revenue Cycle Consulting Services. The parties acknowledge that there are three components of revenue cycle: (i) front end, (ii) middle level, and (iii) back end. Front end revenue cycle generally includes scheduling, pre-service clearance, registration, payer credentialing, and case management / utilization review services. Middle level revenue cycle generally includes coding, HIM clinical documentation, charge capture, and pricing. Back end revenue cycle generally includes claims processing, denial management, collections, and accounts receivables management. Manager will arrange for the Hospitals to separately contract with third-party vendors to perform (i) all revenue cycle components for the Hospitals facility services for services provided by the Hospitals prior to the Effective Date and the front end and middle level revenue cycle components for the Hospitals' facility services for services provided by the Hospitals on or after the Effective Date; and (ii) all revenue cycle components for the Practitioners' (as defined in Exhibit C) professional services until approximately July 1, 2019, at which time the Hospitals' third-party vendor(s) shall provide only the front-end and middle level revenue cycle components, with the exception of coding and clinical documentation for the Practitioners' professional services which shall be provided by Manager in accordance with Exhibit C. The OLH Entities shall be solely responsible for the fees incurred by the Hospitals for any and all such third-party vendor revenue cycle services. However, Manager shall provide Consulting Services to the OLH Entities in connection with such third-party vendor provided

revenue cycle services through Manager's Departments as set forth on Table 2 of Exhibit D. These Consulting Services shall be covered by the Centralized Administrative Support Fee; provided, however, that subject to the limitation set forth in ARTICLE IV and Section 7.4 regarding Excess Expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee. In addition, in accordance with Exhibit B and Exhibit C, Manager shall directly provide the Facility Billing and Collection Services as of the Effective Date and Professional Coding, Billing and Collection Services as of approximately July 1, 2019 in exchange for the Facility Billing and Collection Fee and Professional Billing, Coding and Collection Fee, respectively.

- C. Information System Services. Manager shall provide Consulting Services for the OLH Entities' existing information systems which include the following (collectively, "Information Systems"):
- (i) electronic medical record system, (ii) enterprise resource planning system, (iii) human resource system, (iv) voice over IP, (v) data center system, (vi) laboratory and radiology systems, (vii) infrastructure system, and (viii) productivity system. The Consulting Services and other services that Manager shall provide in connection with the Business' Information Systems include:
1. Oversee the operation of the primary and, if applicable, secondary data centers. The fees, costs, and expenses for managing and operating such centers are Reimbursable Costs.
  2. Manage vendor relationships, renewals and new contracts.
  3. Develop an IT infrastructure that will enable the mutually agreed upon strategic plan.
  4. Create or purchase software/application solutions including the development and coordination of business requirements; vendor selection; product evaluation; contract negotiations. The fees, costs, and expenses for such software/applications are Reimbursable Costs.
  5. Plan for new IT products or services and oversee the implementation and management of same. The fees, costs, and expenses for such products and services are Reimbursable Costs.
  6. Arrange for the support and management of the following:
    - a. end users' desktop experience, including desktop, printer, keyboard, and mouse;
    - b. end users' mobile experience, as needed, including mobile device management and tablets;
    - c. multi-function printer solution, including faxing and scanning;
    - d. video conferencing solution;
    - e. information technology applications applicable to the Faculty Practice, including EHR;
    - f. telecommunication services (including telephone, internet, data circuit, local and long distance) related to the Faculty Practice;
    - g. server infrastructure (virtual server and physical server);
    - h. data storage infrastructure (SAN, NAS, XIO);
    - i. data backup infrastructure (Avamar, Data Domain);
    - j. network infrastructure;

- k. IT security and risk management program to include System Malware Protection, Desktop Malware Protection, Vulnerability Management, Risk Assessment and Remediation, Awareness and Education, and Mobile Device Security; and
- l. Operational Support Service - IT Help Desk, Desktop Support, changes to existing devices, End User Troubleshooting.

Consistent with Section 4.2, any such Consulting Services provided to the Business by Manager's Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for dedicated Manager employees, third-party consultant or vendor fees, or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee. Also, the license, maintenance and other fees associated with the OLH Entities' existing Information Systems shall at least initially be covered and paid for by the OLH Entities as a direct expense. However, during the Term, the OLH Entities' Information Systems may be transitioned to Manager's or Ochsner Affiliates' Information Systems, at which time the license, maintenance and other direct and indirect costs for such Information Systems will be incurred directly by Manager and constitute a Reimbursable Cost.

The parties acknowledge and agree that Manager or Ochsner Affiliate will acquire the assets and employees of and assume vendor and other contracts from Future State, LLC ("Future State"), which currently, among other things, (i) contracts with the vendor (Epic) which license and maintain the Hospitals' electronic medical record system and (ii) provides support services for the Hospitals' electronic medical record system and other Information Systems (collectively, "Future State Operations"). As of the Effective Date and following the consummation of such transaction, Manager shall provide the Future State Operations to the OLH Entities as a Reimbursable Cost. Such Reimbursable Costs shall include, among others, the salaries and benefits for Future State's former employees and the electronic medical record vendor's license, maintenance, and other contract fees. However, Manager anticipates transitioning the Future State Operations over time during the Term to Manager including, without limitation, transitioning Future State's current electronic medical record contracts and platform to Manager's or Ochsner Affiliates' electronic medical record contracts and platform ("Future State Transition"). Upon the occurrence of the Future State Transition, the allocated electronic medical record vendor and other costs incurred by Manager in connection with such operations shall constitute a Reimbursable Cost; provided, however, that such Reimbursable Costs following the Future State Transition shall be no greater than the costs the Hospitals incurred for the Future State Operations immediately prior to the Effective Date (as adjusted annually on each anniversary date of the effective date of the administrative support agreement in accordance with the consumer price index for medical services) for the same level, quantity and type of services. Subject to the limitation set forth in ARTICLE IV and Section 7.4 regarding Excess Expenditures and notwithstanding anything herein to the contrary, any expenses or fees incurred by Manager for third-party consultants, additional personnel dedicated to the OLH entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.

Notwithstanding the foregoing, Manager acknowledges and agrees that upon expiration or termination of this Agreement, Manager shall continue to provide the Hospitals with access to the OLHS-NL Records by either (1) standing up a separate information system for the Hospitals and

the other OLHS-NL Entities or their successors; or (2) providing the Hospitals and the other OLHS-NL Entities or their successors (including any new operator or manager of the Hospitals) and the Practitioners with ongoing access to Manager's Information Systems until such time as all OLHS-NL Records stored on Manager's Information Systems can be transitioned to the new operator's or manager's information system. Manager acknowledges and agrees that patient care is of the utmost importance and cannot be compromised or interrupted by lack of access to the OLHS-NL Records under any circumstances. Accordingly, Manager agrees that it shall not prevent or hinder access to the OLHS-NL Records needed to operate the Business.

- D. Accreditation Consulting Services. Providing Consulting Services for the Business in connection with assisting the Hospitals in maintaining the accreditation of the Hospitals with the proper agencies, including without limitation, The Joint Commission, and Consulting Services in connection with implementing the Hospitals' quality plan. Any such accreditation Consulting Services provided to the Business by Manager's Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- E. Operational Guidelines. Providing Consulting Services and various operational guidelines for the Business, including, but not limited to, protocols and medical guidelines and clinical standards and measurements of quality of care consistent with the standard of care applicable to the Hospitals, and periodically monitoring the Hospitals' implementation of and compliance with clinical standards in order to determine whether the Hospitals are achieving quality and cost containment goals. Providing standard formats for all charts, invoices and other forms used in the operation of the Business. Any such Consulting Services or other services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- F. Senior Executives. Employing and/or supervising, directing, procuring and discharging on behalf of the Business, at the reasonable expense of OLH Shreveport and OLH Monroe and as Reimbursable Costs, employees to serve as the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer of Ambulatory & Physician Network, Chief Operating Officer of Hospitals, Associate Administrator, and Business Development Executive of OLH (collectively, the "Key Personnel"), with such Key Personnel serving as employees of Manager, to oversee the day-to-day operations of the Business to ensure that the Business operations are conducted in a business-like manner.
- G. Strategic Plan. Providing Consulting Services and other services related to the development and presentation of strategic plans and annual operating and capital budgets to the OLHS-NL Board and Joint Management Committee for approval for the OLH Entities. Such Consulting Services and other services to include, without limitation, overseeing the day-to-day operations of the

Business and implementing the then-current strategic plan and budgets of the Business, as Manager determines appropriate and reasonable consistent with ARTICLE II of this Agreement and the terms of the ACCA. Any such Consulting Services and other services provided to the Business by Manager's Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.

- H. Negotiations. Subject to any applicable legal and regulatory requirements and the terms of the ACCA, negotiating, executing, entering into, terminating and administering on behalf of the Business and in the name of the Hospitals, as relevant, contracts for services. Any such Consulting Services or other services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- I. Contracts. Arranging for legal consultation and document preparation related to managed care contracts, Hospital-based physician contracts, outside service contracts, medical office building issues, maintenance contracts, physician recruitment and physician employment matters and patient confidentiality issues. Any such services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- J. Insurance. Arranging for the purchase by the OLH Entities, at each OLH Entity's expense (if purchased directly by the OLH Entities) or as Reimbursable Costs (if purchased by Manager on behalf of the OLH Entities), of hazard, liability, professional and other necessary insurance coverage for the OLH Entities, including any insurance necessary to cover the OLH Entities' obligations hereunder; provided, however, that the independent medical staff members and other independent health professionals not employed by an OLH Entity or Manager (or an Ochsner Affiliate thereof) practicing in the Hospitals shall be responsible for obtaining their own malpractice insurance. Any Consulting Services provided in connection with arranging such insurance for the OLH Entities by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D (e.g., procurement of insurance by Manager for the OLH Entities) in connection with its provision of these services

constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee;

- K. Group Purchasing Services. Providing administrative advisory services to the Business related to group purchasing; attempting to provide (if possible) the Hospitals' access to Manager's or Ochsner Affiliates' group purchasing arrangements, and identifying and maintaining quality vendor relationships. Any such services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- L. Workforce. Overseeing the employment and/or supervision, direction, procuring and discharging on behalf of the Business all non-physician personnel performing services at or on behalf of the Business who, except for the Key Personnel, shall be employed by OLH Shreveport, OLH Monroe, or OLH. Any such services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- M. Workforce Administration. Providing oversight services for the Business in such areas as professional recruitment, performance appraisal systems, personnel education and training, procurement of employee benefits and the design of incentive compensation packages. Any such services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.
- N. Workforce Quality Initiatives. Providing advisory services and other assistance for the Business with the design and implementation of initiatives to improve the quality and efficiency of the Business by improving utilization of employed staff, under arrangement staff and independent contractor relationships at Hospitals, including changes in the Human Resources policies and compensation programs for the Business. Any such services provided to the Business by Manager's corporate and Departments as set forth on Table 2 of Exhibit D are covered by the Centralized Administrative Support Fee. Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of



these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.

- O. Financial Reporting. Reviewing, directing and supervising the following accounting and bookkeeping services for the OLH Entities in the operation of the Business (with third party fees and expenses for the underlying services to be paid proportionately by the OLH Entities as Reimbursable Costs);
1. Implementing and administering policies and procedures for the management and control of the Business' assets and the recording of the Business' transactions;
  2. Making decisions on behalf of the OLH Entities as to the accounting principles and elections of the Business, for book or tax purposes (and such decisions may be different for each purpose but if for book purposes such decisions must be consistent with generally accepted accounting principles or if for tax purposes such decisions must be consistent with Internal Revenue Service laws or regulations).
  3. Access to checking and savings accounts in banks or similar financial institutions, in the name of each OLH Entity, for depositing all funds generated by the Business and disbursing all payments required to operate the Business subject to the terms of this Agreement;
  4. Preparing monthly and year-end unaudited financial statements for the OLH Entities. Manager shall provide copies of the financial statements to the Joint Management Committee and, upon request, to the OLHS-NL Board;
  5. Arranging the engagement of an external accounting firm to issue an audit report of the annual financial statements and providing the OLHS-NL Board and Joint Management Committee with copies of the audit reports;
  6. Arranging for the preparation of the Hospitals' annual cost reports due to government agencies;
  7. Arranging for the preparation of any required tax returns for the OLH Entities; and
  8. Responding to periodic audits of the OLH Entities by state and/or federal agencies and providing copies of its responses and the outcomes of the audits as requested by the OHLS-NL Board or Joint Management Committee.

Subject to the limitation set forth in ARTICLE IV and Section 7.4 requiring Joint Management Committee approvals for certain unbudgeted expenditures, any expenses or fees incurred by Manager in connection with these services for third-party consultants, subcontractors, additional personnel dedicated to the OLH Entities, or vendors or any other category of expenses or fees set forth on Table 1 of Exhibit D in connection with its provision of these services constitute Reimbursable Costs and are not covered by the Centralized Administrative Support Fee.

**Exhibit B**

**Facility Billing and Collection Services**

Manager or an Ochsner Affiliate shall provide or cause to be provided the Facility Billing and Collection Services described below (i.e., back end revenue cycle services exclusive of front end (e.g., payer credentialing) or middle level revenue cycle services) as of the Effective Date in accordance with the terms specified in the Agreement, provided that the scope of such Facility Billing and Collection Services may be further negotiated and memorialized by the parties in a mutually agreed upon statement of work:

- A. Providing the billing and collection services for hospital services provided by the Hospitals from patients and third-party payors;
- B. Assisting the Hospitals in setting patient charges for services provided by the Hospitals;
- C. Administering policies and procedures for the management and control of the Hospitals' patient billing, claims filing, accounts receivable, credit collection and receivables reporting;
- D. Designing and implementing initiatives to improve the quality and efficiency of the Business' revenue cycle management services;
- E. Overseeing the reporting of patient claims and utilization services in accordance with payor requirements on behalf of the Hospitals; and
- F. Reporting of key performance indicators and denials information.

The OLH Entities shall ensure that the Hospitals accurately and properly assign codes for hospital or other health care services (which may include CPT-4 codes, modifiers, units of service, and ICD-10 codes) rendered by such Hospitals in accordance with applicable law. Manager shall diligently work with the Hospitals and Practitioners to assist the OLH Entities in ensuring such compliance as part of the Services. In addition, the assignment of such codes shall be in accordance with all applicable policies and procedures of the Hospitals. The OLH Entities shall promptly provide Manager with all billing information reasonably requested by Manager (including applicable charge masters and fee schedule(s)) to enable Manager to provide or arrange for the Facility Billing and Collection Services. The OLH Entities shall procure consents to assignment and other approvals and documents necessary to enable Manager to facilitate payment or reimbursement from third-party payors and patients. The billing services Manager performs for the applicable OLH Entity shall use such OLH Entity's identification number to the extent required by applicable law. The OLH Entities shall provide all appropriate documents and other evidence and records reasonably necessary for the purpose of supporting claims submitted for the Hospitals. Manager shall work collaboratively with the OLH Entities to obtain the information necessary to provide or arrange for the Facility Billing and Collecting Services.

Manager shall be paid the following Facility Billing and Collection Fee for the provision of these Facility Billing and Collection Services:

**Facility and Collection Fee**

Billing and Collections for the Hospitals	2% of Net Facility Collections*
Bad Debt Collections	8% of Net Bad Debt Facility Collections**

\*“Net Facility Collections” mean the total sum of all monies collected by Manager or the Hospitals for any and all of the facility services rendered by the Hospitals, less amounts refunded to the Hospitals’ patients or third-party payors as the result of overpayments or erroneous payments, Medicaid supplemental payments (e.g., upper payment limit, Medicaid disproportionate share hospital (DSH), or Medicaid Full Medicaid Payment (FMP)), and any Bad Debt Net Facility Collections.

\*\*“Net Bad Debt Facility Collections” mean the total sum of all monies collected by Manager or the Hospitals for any and all of the facility services rendered by the Hospitals after such monies have been written off or characterized by the OLH Entities as bad debt, less amounts refunded to the Hospitals’ patients or third-party payors as the result of overpayments or erroneous payments and Medicaid supplemental payments.

The above fee schedule is subject to change if there is a change during any contract year during the Term in the Hospitals’ collective payer class mix of greater than five percent (5%) or a third-party vendor implements a fee adjustment. The fee schedule shall be adjusted no more frequently than once annually. Also, any fees or expenses incurred by Manager for third-party consultants or vendors, computer systems (e.g., claims scrubber, collections optimization manager, and patient eligibility systems), and billing statements shall be a Reimbursable Cost. Such fees and expenses shall be reflected in the Annual Budget. The Hospitals will be directly responsible for any banking related fees, such as lock-box, electronic remittances, and electronic funds transfer fees. Notwithstanding anything herein to the contrary, Manager shall ensure that the Manager’s Facility Billing and Collection Fee shall be comparatively less than the percentage of Net Facility Collections and percentage of Bad Debt Facility Collections fee paid by the OLH Entities pursuant to the terms of the agreement in effect with the prior vendor immediately prior to the Effective Date, for the same scope, quantity, and level of Facility Billing and Collection Services provided hereunder. Upon request by the Joint Management Committee, Manager shall provide documentation demonstrating the cost savings on the Facility Billing and Collection Services as compared to the fees and expenses paid to the prior vendor immediately prior to the Effective Date.

**Exhibit C**

**Professional Coding, Billing and Collection Services**

Prior to July 1, 2019, the date on which the parties agree to transition the professional coding, billing and collection services (i.e., coding, clinical documentation, and back end revenue cycle services) currently performed by PracticeMax to Manager for the Practitioners (as defined below), Manager and the OLH Entities may enter into a Statement of Work describing the Professional Coding, Billing and Collection Services to be performed by Manager, the corresponding Professional Coding, Billing and Collection Fee for such services, and the Reimbursable Costs associated with the Professional Coding, Billing and Collection Services (e.g., the fees, costs, expenses to maintain and operate information systems, and fees for billing statements, any lock box, Electronic Remittance Advice, Electronic Funds Transfer, etc.). The Professional Coding, Billing and Collection Fees shall be paid consistent with Section 7.3.

For purposes of this Agreement, the term “Practitioners” means the following: independent physicians employed by or contracted with OLH Monroe (including, without limitation, physicians employed by LSU), midlevel practitioners employed by or contracted with OLH Shreveport and OLH Monroe (including, without limitation, midlevel practitioners employed by LSU), and certified nurse anesthetists (“CRNAs”) employed by or contracted with OLH Monroe (including, without limitation, CRNAs employed by LSU).

The OLH Entities shall ensure that the Practitioners accurately and properly assign codes for professional medical or other health care services (which may include CPT-4 codes, modifiers, units of service, and ICD-10 codes) rendered by such Practitioners in accordance with applicable law. Manager shall diligently work with the Hospitals and Practitioners to assist the OLH Entities in ensuring such compliance as part of the Services. In addition, the assignment of such codes shall be in accordance with all applicable policies and procedures of the Hospitals. The OLH Entities shall promptly provide Manager with all billing information reasonably requested by Manager (including applicable charge masters and fee schedule(s)) to enable Manager to provide or arrange for the Professional Coding, Billing and Collection Services. The OLH Entities shall procure consents to assignment and other approvals and documents necessary to enable Manager to facilitate payment or reimbursement from third-party payors and patients. The billing services Manager performs for the applicable OLH Entity shall use such OLH Entity’s identification number to the extent required by applicable law. The OLH Entities shall provide all appropriate documents and other evidence and records reasonably necessary for the purpose of supporting claims submitted for professional and other services rendered by the Practitioners. Manager shall work collaboratively with the OLH Entities and Practitioners to obtain the information necessary to provide or arrange for the Professional Coding, Billing and Collecting Services.

Manager’s anticipated Professional Coding, Billing and Collection Fee for performing Professional Coding, Billing and Collection Services for the Practitioners are reflected in the following fee schedule:

**Professional Coding, Billing and Collection Fee**

Coding, Billing, Collections, Denials for Physicians and Midlevel Practitioners	8% of Net Professional Collections*
Coding, Billing, Collections, Denials for CRNA Practitioners	4% of Net CRNA Collections**
Bad Debt Collections	12% of Net Bad Debt Professional

\*“Net Professional Collections” mean the total sum of all monies collected by Manager for any and all of the professional services rendered by the Practitioners, less amounts refunded to the Practitioners’ patients or third-party payors as the result of overpayments or erroneous payments, Medicaid supplemental payments (e.g., upper payment limit, or Medicaid Full Medicaid Payment (FMP)), and any Bad Debt Net Professional Collections.

\*\*“Net CRNA Collections” mean the total sum of all monies collected by Manager for any and all of the professional services rendered by the Practitioners, less amounts refunded to the Practitioners’ patients or third-party payors as the result of overpayments or erroneous payments, Medicaid supplemental payments (e.g., upper payment limit, or Medicaid Full Medicaid Payment (FMP)), and any Bad Debt Net Professional Collections.

\*\*\*“Bad Debt Net Professional Collections” mean the total sum of all monies collected by Manager or the Hospitals for any and all professional services rendered by the Practitioners after such monies have been written off or characterized by the OLH Entities as bad debt, less amounts refunded to the Practitioners’ patients or third-party payors as the result of overpayments or erroneous payments and Medicaid supplemental payments for the OLPG Practitioners.

The above fee schedule is subject to change if there is a change during any contract year during the Term in the Practitioners’ collective payer class mix of greater than five percent (5%) or a third-party vendor implements a fee adjustment. The fee schedule shall be adjusted no more frequently than once annually. Also, any fees or expenses incurred by Manager for third-party consultants or vendors, computer systems (e.g., claims scrubber, collections optimization manager, and patient eligibility systems), and billing statements shall be a Reimbursable Cost. Such fees and expenses shall be reflected in the Annual Budget. The OLH Entities will be directly responsible for any bank accounts and related fees, such as lock-box, electronic remittances, and electronic funds transfer fees.

The final Professional Coding, Billing and Collection Fee must be approved by the OLHS-NL Board, be consistent with the Annual Budget, and reflect Manager’s completion of diligence as to the Professional Coding, Billing and Collection Services to be performed. Notwithstanding anything herein to the contrary, Manager shall ensure that Manager’s Professional Coding, Billing and Collection Fee as set forth in the fee schedule above shall be comparatively less than the percentage of Net Professional Collections, Net CRNA Collections, and Net Bad Debt Professional Collections fee paid by the OLH Entities pursuant to the terms of the agreement in effect with the PracticeMax immediately prior to the Effective Date, for the same scope, quantity, and level of the Professional Coding, Billing and Collection Services provided hereunder. Upon request by the Joint Management Committee, Manager shall provide documentation demonstrating the cost savings on the Professional Coding, Billing and Collection Services as compared to the fees and expenses paid to PracticeMax immediately prior to the Effective Date.

**Exhibit D**

**Reimbursable Costs**

Subject to Section 4.1, Section 4.3, and Section 7.4 regarding Excess Expenditures and Reimbursable Costs, the following Table 1 lists Reimbursable Costs. Manager acknowledges and agrees that such approval requirements in Section Section 4.1 and Section 4.3 (addressing the use of consultants, vendors, and subcontractors) extend to the categories of Reimbursable Costs reflected in Exhibit D, Table 1, as well as all other fees and/or costs that arise outside the scope of such categories.

<b><u>Table 1</u></b> <b><u>Reimbursable Costs</u></b>	
1	Personnel Expenses* for Manager’s employed personnel serving as the Business’ Key Personnel
2	Travel, meals, and lodging costs incurred by Manager’s personnel while performing Consulting Services pursuant to this Agreement. Airfare mileage shall be reimbursed at no more than the standard rate issued annually by the Internal Revenue Service. Meals and lodging shall be reimbursed at reasonable rates.
3	Professional services fees for third-party attorneys, accountants, consultants, and other professionals engaged to provide Services directly for the OLH Entities
4	Third party vendor costs for services, equipment, technology, licenses, material, and supplies procured directly for the OLH Entities
5	Certain costs for Facility Billing and Collection Services and Professional Coding, Billing and Collection Services provided by Manager (e.g., claims scrubber, collections optimization manager, and patient eligibility systems), including those Reimbursable Costs identified in Exhibit B and Exhibit C or in any State of Work referenced therein
6	Fees, costs, and expenses for Information System Management Services provided by Manager
7	Personnel Expenses for any personnel, corporate support services, or clinical support services paid for by the OLH Entities or Future State at the initiation of the Agreement and subsequently transferred to the Manager at the request of the OLH Entities or in accordance with the Future State transaction
8	Personnel Expenses of additional Manager personnel and additional support staff dedicated to the OLH Entities
9	Fees, costs, and expenses for any consulting outside of the services listed on Table 2, below.

\* “Personnel Expenses” include such fees, costs, and expenses for Manager’s Key Personnel and other personnel dedicated to providing Services under this Agreement (as reflected in the Annual Budget) including, but not limited to, wages and salaries, amounts required to provide employee benefits and other fringe benefits, federal and state taxes on wages, unemployment compensation premiums and workers’ compensation premiums, and all other reasonable expenses arising from or relating to the employment of such personnel (collectively, “Personnel Expenses”).

<b>Table 2 Manager's Consulting Services Available to the OLH Entities as Part of the Centralized Administrative Support Fee</b>			
<b><u>Corporate Support Services</u></b>	<b><u>Corporate Support Services</u></b>	<b><u>System Service Lines</u></b>	<b><u>Ancillary Support Services</u></b>
Internal Audit	Safety	Anesthesia	Ambulatory Nursing
Compliance & Privacy	Security & Emergency Preparedness	Hospital Medicine	Blood Bank
Community Outreach	Strategy & Business Development	Laboratory	Infection Control
Corporate Communications	Supply Chain	Men's Health	Medical Informatics
Facilities, Real Estate, & Support Services	Accounting	Orthopedics	Nursing Informatics
Human Resources	Accounts Payable	Primary Care	Pharmacy & Wellness
Legal Affairs & Risk Management	Payroll	Radiology	Patient Experience
Marketing	Decision Support	Surgery	Quality & Performance Improvement
Medical Informatics	Forms Management	Telemedicine	Rehab Therapy & Wellness
Medical Staff Administration	Managed Care Contracting	Urgent Care & Occupational Health	Research Administration
Philanthropy	Reimbursement		Spiritual Care & Education
Professional Staff Services	Treasury		Total Health Solutions
Information Systems	Revenue Cycle		

**Exhibit E**

**HIPAA Business Associate Agreement**

[See Attached]



## BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”) is entered into by and between Ochsner LSU Health System of North Louisiana, a Louisiana nonprofit corporation (“OLHS-NL”) and its wholly owned subsidiary entities--Ochsner LSU Hospitals, L.L.C., OLH Shreveport, L.L.C., and OLH Monroe, L.L.C. (collectively, the “Covered Entity”), and OLH Operational Management Company, L.L.C. (the “Business Associate” or “BA”) (collectively referred to herein the “Parties” or individually as a “Party”) to be effective as of the \_\_\_ day of \_\_\_\_\_, 2018 (“Effective Date”).

WHEREAS, Covered Entity has a business relationship with Business Associate that is memorialized in a separate agreement(s) (the “Underlying Agreement”) pursuant to which Business Associate is or may be considered a “Business Associate” of Covered Entity (as defined in 45 CFR §160.103) and therefore subject to the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”), and the implementing regulations set forth at 45 CFR Parts 160 and 164 (the “HIPAA Regulations”); and

WHEREAS, Business Associate may create, receive, maintain or transmit data for or from Covered Entity that constitutes Protected Health Information (“PHI”), as that term is defined under the HIPAA Regulations, on behalf of Covered Entity; and

WHEREAS, Business Associate is or may be directly subject to certain privacy and security obligations and penalty provisions of the HIPAA Regulations and state law.

For good and lawful consideration as set forth in the Underlying Agreement, Covered Entity and Business Associate enter into this Agreement for the purpose of ensuring compliance with the requirements of HIPAA, the HITECH Act, the HIPAA Regulations and the laws of the State of Louisiana.

NOW THEREFORE, in consideration of the mutual covenants contained herein which are made a contractual part hereof and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

### **Section 1. Definitions.**

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

- (A) “Electronic Protected Health Information” or “ePHI” shall have the same meaning as the term “Electronic Protected Health Information” in 45 CFR §160.103, limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.

- (B) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E, as amended from time to time.
- (C) “Protected Health Information” or “PHI” shall have the same meaning as the term “Protected Health Information” in 45 CFR §160.103, limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.
- (D) “Secretary” shall mean the Secretary of the U.S. Department of Health and Human Services or his or her designee.
- (E) “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, as amended from time to time
- (F) “Unsecured Protected Health Information” or “Unsecured PHI” shall have the same meaning as the term “Unsecured Protected Health Information” in 45 CFR §164.402, limited to the information created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity.

**Section 2. Permitted Uses and Disclosures by Business Associate.**

- (A) Permitted Uses. Except as otherwise limited in this Agreement, Business Associate may Use PHI to perform functions, activities, or services for, or on behalf of Covered Entity as specified in the Underlying Agreement; for the proper management and administration of the Business Associate; to carry out the legal responsibilities of the Business Associate; or to provide services and otherwise comply with the Underlying Agreement; provided that Business Associate shall not Use PHI in a manner that would violate the HIPAA Regulations if done by Covered Entity.
- (B) Data Aggregation. Business Associate may Use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR §164.504(e)(2)(i)(B).
- (C) Permitted Disclosures. Except as otherwise limited in this Agreement, Business Associate may Disclose PHI to perform functions, activities, or services for, or on behalf of Covered Entity as specified in the Underlying Agreement; for the proper management and administration of the Business Associate; to carry out the legal responsibilities of the Business Associate; or to provide services and otherwise comply with the Underlying Agreement; provided that such Disclosure is Required by Law, or Business Associate obtains, prior to making any such Disclosure, (i) reasonable written assurances from the recipient that such PHI will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was Disclosed to the recipient, (ii) a written agreement from the recipient to notify Business Associate without unreasonable delay and in no event later than sixty (60) days of any instances of which it is aware in which the confidentiality of the

information has been breached, and Business Associate shall not Use PHI in a manner that would violate the HIPAA Regulations if done by Covered Entity.

- (D) Disclosures Required by Law. Business Associate may Use or Disclose PHI as Required by Law.
- (E) De-Identified Data. Business Associate is authorized to Use PHI to de-identify the information in accordance with 45 CFR 164.514(a)-(c). The Parties hereby agree that, once so de-identified, such information is no longer covered by HIPAA or the HIPAA Regulations and Business Associate may Use and Disclose the information in compliance with applicable law and the Underlying Agreement.

### **Section 3. Prohibited Uses and Disclosures.**

- (A) Prohibited Uses and Disclosures. Business Associate shall not Use or Disclose PHI for any other purpose not permitted by this Agreement, the Underlying Agreement or the HIPAA Regulations. To the extent Business Associate is authorized to make Disclosures directly to health plans, Business Associate shall not Disclose PHI to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates, as required by 42 U.S.C. § 17935(a). Business Associate shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of Covered Entity and as permitted by the HITECH Act and the HIPAA Regulations. Notwithstanding the foregoing, this prohibition shall not limit or otherwise affect payment by Covered Entity to Business Associate for services provided pursuant to the Underlying Agreement. If Covered Entity notifies Business Associate of a restriction Covered Entity has agreed to that would limit Business Associate's Use or Disclosure of PHI, Business Associate shall comply with the restriction.

### **Section 4. Obligations and Activities of Business Associate.**

- (A) Compliance. Business Associate shall be directly responsible for full compliance with the relevant requirements of the Privacy Rule to the same extent as Covered Entity.
- (B) Appropriate Safeguards. Business Associate shall use and maintain reasonable and appropriate safeguards to prevent Uses or Disclosures of PHI and electronic PHI not permitted by the Underlying Agreement or this Agreement, including, but not limited to, administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the PHI and electronic PHI, in accordance with the applicable requirements of the Security Rule and any guidance issued by the Secretary.

- (C) Business Associate's Agents. Business Associate agrees to ensure that any agent, including a subcontractor, that creates, receives, maintains, or transmits PHI, in electronic or other form, on behalf of Business Associate agrees in writing to the same restrictions, terms and conditions that apply through this Agreement to Business Associate with respect to such information.
- (D) Duties of Business Associate Involving Breach or Unauthorized Access, Use of Disclosure of PHI.
- (1) Discovery of Breaches. A Breach shall be treated as discovered by Business Associate as of the first day on which such Breach is known to the Business Associate, or by exercising reasonable diligence would have been known to the Business Associate. Business Associate shall be deemed to have knowledge of a Breach if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer or other agent of Business Associate.
  - (2) Reporting of Improper Access, Use or Disclosure; Security Incident; Breach. Business Associate shall report to Covered Entity in writing of any access, Use or Disclosure of PHI not permitted by this Agreement, the Underlying Agreement or applicable federal or state law, any Security Incident (as defined at 45 CFR §164.304) and any Breach of Unsecured PHI of which it becomes aware or discovers without unreasonable delay and in no event later than sixty (60) days of discovery. In the event of a Breach of Unsecured PHI, written notice shall include, to the extent possible: (a) the date of discovery of the Breach; (b) a listing of the identification of individuals whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been accessed, acquired, Used or Disclosed during the Breach; (c) a general description of the nature of the Breach; and (d) any other available information that Covered Entity is required to provide pursuant to 45 CFR §164.404(c). Business Associate shall provide Covered Entity with updates of information concerning the details of such unauthorized access, Use or Disclosure, Security Incident or Breach and the final results of any Risk Assessment conducted by Business Associate, in the event of a Breach of Unsecured PHI.
  - (3) Mitigation of Harm. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of the requirements of this Agreement or the Underlying Agreement, a Security Incident, or a Breach of Unsecured PHI. Such mitigation may include, without limitation, promptly obtaining assurance from the recipient that the information will not

be further Used or Disclosed in a confidentiality agreement or that the information will be destroyed.

- (4) Notification to the Individual. It is the sole responsibility of the Covered Entity to notify Individuals of any Breach of Unsecured PHI. At no time, is the Business Associate to contact or speak directly to any of Covered Entity's patients/individuals who are the subject of any Breach. Any such inquiries should be directed to the Covered Entity's Compliance and/or Privacy Officer. Business Associate shall cooperate with Covered Entity as necessary to provide such notification and any details pertaining to any Breach.
  - (5) Cooperation with Law Enforcement. Business Associate shall cooperate with Covered Entity in the event law enforcement officials institute an investigation under this Agreement.
  - (6) Notification to Media. For a Breach of Unsecured PHI involving more than 500 individuals, it is solely the responsibility of Covered Entity to notify the media and appropriate law enforcement and federal and state agencies as required by the HITECH Act and 45 CFR §164.406. At no time is the Business Associate to contact or speak directly to the media without the prior authorization of Covered Entity. Business Associate shall cooperate with Covered Entity as necessary to provide such notification to the media.
  - (7) Security Incidents and Breaches Under State Law. Business Associate will report any security incidents or breaches of personal information reportable under applicable state laws, including without limitation La. Rev. Stat. Ann. §51:3071 *et seq.*, to Covered Entity consistent with the applicable state law and follow the same risk assessment, mitigation, reimbursement, and cooperation provisions set forth in this Section 4(D) for a Breach.
- (E) Access to PHI. If Business Associate maintains a Designated Record Set on behalf of Covered Entity, Business Associate agrees to promptly make available for inspection and duplicating any PHI about the individual in a Designated Record Set that is in Business Associate's custody or control, so that Covered Entity may meet its access obligations under under 45 CFR § 164.524. If an Individual requests access to PHI directly from Business Associate, Business Associate shall promptly forward such request to Covered Entity.
- (F) Access to Records. Business Associate agrees to make its internal practices, books, and records, including policies and procedures relating to the Use and Disclosure of PHI received from, or created, received, maintained or transmitted by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, for purposes of determining compliance with the HIPAA Regulations.

- (G) Minimum Necessary. Business Associate shall request, Use and Disclose only the minimum amount of PHI necessary to accomplish the purpose of the request, Use or Disclosure in the Underlying Agreement.
- (H) Data Ownership. Business Associate has no ownership rights with respect to the PHI.
- (I) Amendments of PHI. Business Associate, upon Covered Entity's request, agrees to make any amendment(s) to PHI in a Designated Record Set that is in the custody or control of Business Associate, to enable the Covered Entity to fulfill its obligations to pursuant to 45 CFR §164.526. If an Individual requests an amendment to the Individual's PHI directly to Business Associate, Business Associate shall promptly forward such request to Covered Entity.
- (J) Accounting. Business Associate shall make available to Covered Entity the information required to provide an accounting of disclosures to enable Covered Entity to fulfill its obligations under 45 CFR §164.528 (and any regulations issued pursuant to the HITECH Act). If an Individual requests an accounting of disclosures directly from Business Associate, Business Associate shall promptly forward such request to Covered Entity.

**Section 5. Continuing Obligations/Termination.**

- (A) Term. The obligations of Business Associate set forth herein shall commence on the effective date of the Underlying Agreement and shall terminate when the Underlying Agreement terminates and all of the PHI in Business Associate's possession is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, the terms of this Agreement are extended to cover such information and survive termination of this Agreement.
- (B) Effect of Termination.
  - (1) Except as provided in Section 5(D)(2) of this Agreement, upon termination of the Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or maintained by Business Associate on behalf of Covered Entity, at no cost to Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
  - (2) In the event that Business Associate reasonably determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Agreement to such PHI and limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

- (3) The provisions of this Section 5(D) shall survive termination of this Agreement.

**Section 6. Obligations of Covered Entity to Inform Business Associate of Privacy Practices and Individual Restrictions.**

- (A) Notice of Privacy Practices. Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR §164.520, as well as any changes to such notice.
- (B) Changes in Permitted Use. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to Use or Disclose PHI, if such changes affect Business Associate's permitted or required Uses and Disclosures.
- (C) Restrictions on Use. Covered Entity shall notify Business Associate of any restriction to the Use or Disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522.

## Section 7. General Provisions.

- (A) No Third Party Beneficiaries; Agency Relationship. Nothing in this Agreement shall be construed to create any rights or remedies in any third parties or any agency relationship between the parties.
- (B) Regulatory References. A reference in this Agreement to a section in HIPAA, the HITECH Act, or the HIPAA Regulations means the section as in effect or as amended.
- (C) Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with all federal, state and local laws and regulations, including, but not limited to, the requirements of HIPAA, the HITECH Act and the HIPAA Regulations. This Agreement shall be modified or amended only by an instrument in writing signed by a duly authorized representative of each of party, effective as of the date stipulated therein and attached hereto.
- (D) Survival. The respective rights and obligations of Business Associate with respect to PHI shall survive the termination of this Agreement.
- (E) Interpretation. Should there be any conflict between the language of this Agreement and any other agreement entered into between the parties, the language of and provisions of this Agreement shall control and prevail unless the parties specifically refer in a subsequent written agreement to this Agreement by its title and date and specifically state that the provisions of the later written agreement shall control over this Agreement. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the HITECH Act and the HIPAA Regulations.
- (F) Governing Law. This Agreement shall be construed in accordance with, interpreted and governed by the laws of the State of Louisiana without regard to any other state's conflicts of law provisions. Any action or proceeding regarding this Agreement shall be instituted and conducted in the parish of East Baton Rouge. The provisions of this Section 8(E) shall survive the termination of this Agreement.
- (G) Notices. All notices, demands and other communications to be given or delivered pursuant to or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given and received (i) if by hand or electronic delivery, when delivered; (ii) if given by nationally recognized and reputable overnight delivery service, the business day on which the notice is actually received by the party; (iii) if given by certified mail, return receipt requested, postage prepaid, three (3) business days after posted with the United States Postal Service. Notices, demands and communications to the parties shall, unless another address is specified in writing, be sent to the addresses indicated below:

**If to OLH Shreveport, OLH Monroe, or OLH:**



[Insert Name]  
Ochsner LSU Hospitals, LLC  
Ochsner LSU Health Shreveport  
1541 Kings Highway  
Shreveport, Louisiana 71103

with a required copy to:

Ochsner LSU Health System of North Louisiana  
1541 Kings Highway  
Shreveport, LA 71103  
ATTN: Chairman, Board of Directors

**If to OLHS-NL:**

[Insert Name]  
[Insert Address]

with a required copy to:

Board of Supervisors of Louisiana State  
University and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, LA 70808  
Attention: F. King Alexander, President

and

Taylor, Porter, Brooks & Phillips LLP  
8th Floor Chase Tower South  
451 Florida Street  
Baton Rouge, LA 70801  
Attention: Patrick D. Seiter, Esq.

**If to Manager:**

OLH Operational Management Company, L.L.C.  
1450 Poydras St. Ste 2250  
New Orleans, Louisiana 70112  
Attention: General Counsel

- (H) Entire Agreement. With regard to the subject matter herein, this Agreement supersedes prior discussions, agreements, understandings, and representations between the Covered Entity and Business Associate.

Except as set forth specifically above, the terms of the Underlying Agreement remain in full force and effect.

**[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.  
SIGNATURES ON FOLLOWING PAGE]**

*SIGNATURE PAGE TO BUSINESS ASSOCIATE AGREEMENT*

**IN WITNESS WHEREOF**, the parties have hereunto caused this Agreement to be executed as by law provided.

**COVERED ENTITY:**

**BUSINESS ASSOCIATE:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_