



## Terms of Agreement

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**1. Definitions:** The capitalized words set forth below shall have the following meanings:

a. Benefit Plan means a written plan issued by a Payor setting forth the health care benefits the Enrollee is entitled to receive.

b. Corporation means Medical Network, Inc.

c. Covered Services means those Health Care Services for which the Payor is obligated to pay pursuant to a Benefit Plan.

d. Enrollee means a participant, spouse, or dependents covered by a Payor's Benefit Plan.

e. Health Care Services means those services, including diagnostic, therapeutic, evaluative, and preventive services, which are generally and customarily provided to patients by acute care general hospitals, emergenciers, or surgical centers, or by physicians, surgeons, and other professional and paramedical personnel.

f. Payor means an employer, insurer, health maintenance organization, competitive medical plan, association, or trust fund that provides a Benefit Plan to Enrollees for Health Care Services, that has agreed to provide certain financial or other incentives to Enrollees to use Physician, and that has entered an agreement with Corporation for the provision of Health Care Services to its Enrollees. Payor shall also include any responsible agent of the foregoing.

g. Physician is the signatory of this Physician Participation Application.

h. Utilization Management Program means any system of utilization review procedures adopted by Corporation or a Payor to assure the necessity and appropriateness of Covered Services.

**2. Covenants of Corporation.** Corporation hereby covenants and agrees that it will use its best efforts: (i) to enter agreements with Payors for the furnishing of Health Care Services to the Enrollees of such Payor; (ii) to pay to Physician, or to arrange for others to pay to Physician, as payment for Covered Services provided by Physician, the amount or amounts agreed to by the Corporation pursuant to fee schedules or other payment mechanisms (including, but not limited to, risk-sharing or capitation arrangements) negotiated with Payors; (iii) to pay, or to arrange for others to pay, such amount or amounts as promptly as is reasonably possible; (iv) to provide all necessary information concerning any Utilization Management Program, or modifications thereto, to Physician; and (v) to maintain the confidentiality of all credentialing information, peer review materials, and other professional competence review records in accordance with the applicable provisions of the Maine Health Security Act, 24 M.R.S.A. §§ 2510-A and 2510-B.

**3. Covenants of Physician.** In connection with the rendering of Covered Services to Enrollees of Payor's Benefit Plan pursuant to this Agreement, Physician agrees: (i) to provide treatment and services with the same care and in the same manner as Physician customarily provides for Physician's patients who are not enrollees; (ii) to abide by, cooperate with, and participate in the billing procedures established by Corporation, and accept the amount or amounts agreed to by the Corporation pursuant to fee schedules or other payment mechanisms (including, but not limited to, risk-sharing or capitation arrangements) negotiated with Payors; (iii) to comply with the requirements of any Utilization Management Program established by or on behalf of Corporation; (iv) to comply with any incentive payment mechanism established by the Corporation, including, but not limited to, risk-sharing or capitation arrangements; (v) to comply with all credentialing requirements established by or on behalf of the Corporation; (vi) to make available, subject to applicable restrictions regarding confidentiality of patient data and records, to Corporation and Payors, the medical records and other patient data of each Enrollee, as required by any Utilization Management Program or otherwise; (vii) to provide such service on professional committees established by the Corporation or other services to the Corporation, as is reasonably requested by the Corporation; (viii) to comply with all continuing medical education requirements established by law; and (ix) to notify Corporation of any disciplinary or corrective action proceedings which may be brought against Physician, or against any Physician employed by or associated with Physician, by any medical society, hospital, government agency, or contractor, including, without limitation, a Quality Improvement Organization, within five days after Physician becomes aware of the action..

**4. Independent Contractor Status.** Physician shall render services under this Agreement as an independent contractor and not as an employee of the Corporation. Corporation shall not be responsible for nor have control over the method or manner in which Physician delivers Health Care Services hereunder.

**5. Payment for Covered Services.** Physician agrees to accept as full payment for the provision of Covered Services, an amount which shall not exceed that which is agreed to by Corporation pursuant to fee schedules or other payment mechanisms (including, but not limited to, risk-sharing or capitation arrangements) negotiated with Payors. Physician understands and agrees that services rendered pursuant hereto can, at the option of the Corporation, certain Payors, or both, be subject to various Utilization Management Programs, and that amounts payable to Physician may be reduced to the extent that services rendered are determined pursuant to such Programs not to be or not to have been medically necessary.

**6. Independent Physician-Patient Relationship.** Physician shall maintain an independent physician-patient relationship with all Enrollees who are patients of Physician, and shall exercise Physician's independent professional judgment consistent with accepted standards of medical care in rendering treatment to said patients. Physician shall be solely responsible to such patients for all treatment rendered.

**7. Medical Records.** Physician shall maintain all information contained in the medical records of Enrollees in confidence and shall refrain from disclosing such information, except with the consent of the Enrollee, or pursuant to a valid order of a court of competent jurisdiction, or as otherwise provided by law, or in accordance with this Agreement. In order to permit Corporation and Payor to effectively evaluate the utilization of Health Care Services for payment purposes pursuant to any Utilization Management Program, Physician shall, during the term of this Agreement and thereafter for a period in conformance with state law, provide Corporation, Payor, and any duly designated agent of either, with reasonable access to the medical records of Enrollees. If necessary, Physician shall obtain from each Enrollee, prior to treatment by Physician, an authorization for Physician to make the Enrollee's medical and treatment records available to Corporation or to any party designated by Corporation.

**8. HIPAA Compliance.** Corporation and Physician shall each comply with any applicable requirements imposed pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including but not limited to any applicable requirements of the HIPAA Transactions Standards, the HIPAA Privacy Rule, or the HIPAA Security Rule.

**9. Professional Liability Insurance.** Physician shall throughout the term of this Agreement maintain professional liability insurance with an insurance carrier acceptable to Corporation, in amounts judged by Corporation to be sufficient to insure Physician and Physician's employees and agents against the professional and medical malpractice of each.

**10. Physician Directory.** Physician consents to the listing of Physician's name, office address, and specialty in a directory to be furnished to Enrollees.

**11. Nonexclusivity.** Nothing contained herein shall prevent Physician from rendering Health Care Services pursuant to fee-for-service or contractual arrangements which are independent of this Agreement, whether in Physician's individual capacity or as a participant in other provider arrangements.

**12. Liability and Indemnity.** Neither party to this Agreement, nor any of their respective agents, shall be responsible or liable to third parties for any act or omission of the other party. Physician agrees that no member of Corporation's Board of Directors, committees, or any of Corporation's employees or agents shall be liable to Physician for any action taken or recommendation made within the scope of Corporation's credentialing function or any Utilization Management Program.

**13. Term and Termination.**

a. This Agreement shall become effective upon execution by both parties, and shall continue in effect for one year.

b. This Agreement shall thereafter be automatically renewed for successive periods of one year each, unless terminated by either party by written notice to the other given

at least sixty (60) days prior to the expiration of the immediately preceding period.

c. Either party may terminate this Agreement prior to the expiration of the initial term, or any renewals thereof, by giving at least ninety (90) days prior written notice to the other; provided, however, that in the case of a nonrenewal by Corporation, Corporation shall provide a written explanation of the reasons for nonrenewal, and an opportunity for a review or hearing.

d. Either party may terminate this Agreement by notice in writing to the other party if the other party materially breaches this Agreement in any manner, and such material breach continues for a period of thirty (30) days after written notice is given to the breaching party by the other party specifying the nature of the breach and requesting that it be cured. The termination shall be effective as of the end of the sixty (60) day period following receipt of the notice of termination.

e. This Agreement may be terminated immediately by Corporation upon written notice to Physician in the event of: (i) circumstances giving rise to a risk of imminent harm to patient care; (ii) a final determination by a government agency that Physician has engaged in fraud; or (iii) a final disciplinary action by any state licensing board or other governmental agency that impairs the ability of Physician to practice.

f. If Payor has agreed to incentive or other additional payments to Physician in the event certain designated utilization targets are achieved, Physician agrees that Physician's right to any such payments not yet determined to be due for any contract period shall be forfeited if this Agreement is terminated (i) by Physician pursuant to Section 13(c), or (ii) by Corporation pursuant to Sections 13(d) or 13(e).

g. Corporation and Physician shall be individually responsible for any obligations or liabilities arising from activities carried on by such party prior to the effective date of termination of this Agreement.

h. Any termination of this Agreement shall be carried out in compliance with the provisions of the Maine Health Plan Improvement Act, 24-A M.R.S.A. § 4303(3-A), to the extent applicable thereto.

**14. Nonassignability.** This Agreement is nonassignable without the prior written consent of Corporation.

**15. Non-Parties.** No person shall have any rights under this Agreement unless such person is a party hereto. This Agreement is not intended to and shall not create any rights in any person, including an Enrollee, who is not a signatory hereto.

**16. Amendment.** This Agreement may be amended only by the written agreement of the parties.

Print Name \_\_\_\_\_

Signature \_\_\_\_\_  
(Stamped signature is not acceptable)

Date \_\_\_\_\_