

RESIDENCY AGREEMENT

between

MULTICARE HEALTH SYSTEM

and

_____, [D.O.] [M.D.]

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Residency Agreement

This Residency Agreement ("Agreement") is entered into by and between MultiCare Health System ("MHS") and _____, [D.O.] [M.D.] ("Resident") (collectively, the "Parties"). MHS administers [ENTER PROGRAM NAME] (the "Program"), a residency program. This Agreement sets forth the terms and conditions of MHS's employment of Resident while in the Program.

1. Term. MHS shall employ Resident for a period of approximately thirty-six (36) months, unless earlier terminated under paragraph 4. This period shall extend from _____, 20__ through _____, 20__ (the "Term"). The Term may be extended by written agreement of the Parties or as required by the Accreditation Council for Graduate Medical Education ("ACGME") rules.

2. Resident's Duties and Responsibilities. Resident shall render medical and related services as directed by the Program and shall consistently meet or exceed the clinical (patient care), academic (conference and study), humanistic (doctor-patient relationship), scientific (scholarly and/or research), professional (peer, colleague and staff relationships) and moral and ethical requirements of residency training. More specifically, and without limitation, Resident shall:

(a) Exercise sound, independent medical judgment in a manner consistent with currently approved methods and practices of the profession and the best interests of the patient;

(b) To the extent requested, provide supervision with respect to services for MHS or Program patients rendered by non-physician personnel;

(c) Interact with all Program and MHS physicians, residents, staff, patients and representatives, including family members and significant others, and generally represent the Program and MHS in a manner that is consistently prompt, courteous, respectful and professional;

(d) Abide by the letter and spirit of all applicable agreements, whether written or oral, to which MHS or the Program is a party;

(e) Timely and fully comply with, support and/or participate in all Program and/or MHS self-regulatory, quality control and/or service enhancement efforts and initiatives, including without limitation internal and external audit activities, credentialing processes, and quality improvement programs;

(f) Comply with all MHS and Program policies, rules and procedures, as MHS or the Program, at their discretion, may from time to time adopt, amend and/or modify, including without limitation all onboarding and drug testing policies and procedures;

_____, [M.D.]/[D.O.]

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(g) Timely and accurately prepare and maintain medical records for patients in accordance with accepted standards of practice in the community, applicable law regarding confidentiality, the terms of any third-party payor agreements, and MHS directives, policies and/or procedures as currently in effect or hereafter implemented or modified at MHS's discretion;

(h) Be punctual, maintain consistent and reliable attendance, and otherwise respect the time and commitment of patients, faculty, staff, fellow residents and others;

(i) Participate fully in the educational and scholarly activities of the Program and, as required, assume responsibility for teaching and/or supervising other residents and students;

(j) Comply with all federal, state and local laws and regulations applicable to Resident's services, the licensing of health care practitioners, the delivery of services reimbursed pursuant to governmentally regulated third-party payors, and other matters related to MHS's employment of Resident;

(k) Comply with all laws and regulations governing the access, use, and disclosure of patient health information and with the MultiCare Health System Corporate Compliance Program, as now in effect or hereafter amended; and

(l) Care for, and render services to, all persons without regard to race, gender, age, religion, disability, national origin, sexual orientation, military service, or any other trait or activity protected by law.

Notwithstanding the above, Resident's precise duties may be changed, extended or curtailed from time to time at the Program's discretion and Resident shall assume and perform the further reasonable responsibilities and duties that the Program may assign. Resident shall devote Resident's entire working time, effort and skill to the Program, faithfully and diligently serve the Program's interests, and not render medical or other professional services and/or otherwise engage in any business or employment activity that is not on the Program's behalf (whether or not pursued for gain or profit), except for: (i) activities pre-approved in writing by the Program Director, and (ii) passive investments that do not involve Resident rendering advice or services to the businesses in which they have invested.

3. Duty Hours and Fatigue Mitigation. MHS adheres to the ACGME duty hours and fatigue mitigation requirements.

(a) Regular. Resident may work varying shift lengths and times, including holidays, nights, and weekends. These work hours are generally planned well in advance but may be adjusted due to the needs of the Program and Resident. The Program has designed Resident's schedule to conform to requirements of the ACGME, as applicable. These requirements are publicly available on the ACGME website.

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(b) Call. Residents will rarely take call, as most work is scheduled in shifts. In the rare circumstance that call is required, it will be scheduled no more frequently than every fourth night. Unforeseen circumstances, such as the extended absence of a resident or residents, may necessitate more frequent call on a temporary basis.

4. Evaluation, Promotion, Remediation, Suspension and Termination.

(a) If Resident remains in good standing and performs satisfactorily, as determined by the Program Director, then Resident may be eligible for promotion to the next level of responsibility and corresponding advancement to the next year in the Program, and ultimately may be awarded a certificate of completion from the Program. If Resident performs at a lower than satisfactory level, or otherwise fails to meet program requirements for progress approval, as determined by the Program Director, then Resident may be provided with an opportunity for remediation and performance improvement, on terms and conditions determined at the Program Director's discretion and consistent with the *Due Process Guideline for Resident Progress and Residents in Difficulty*. If, in the Program Director's judgment, Resident fails to demonstrate the requisite improvement, then Resident may be required to extend Resident's training, and/or may be placed on probation, suspended or terminated. If Resident engages in unacceptable or egregious misconduct, as determined by the Program Director in consultation with the ACGME Designated Institutional Officer and/or the MHS physician or corporate officer in charge of Graduate Medical Education, then Resident may be immediately suspended or terminated.

(b) In the event this Agreement is terminated prior to its expiration date, Resident and/or the Program, at its option, may submit an explanatory statement to the Accreditation Council for Graduate Medical Education.

(c) Upon completion of residency or termination of this Agreement prior to completion, Resident shall complete all items on the resident checkout list, an example of which is attached as Exhibit B and may change in MHS's discretion. All MHS and Program materials such as keys, pagers, lab coats must be returned and all Program requirements, including but not limited to completion of medical records, satisfied. Resident's graduation certificate will be withheld until the checkout list has been completed and signed by the Residency Program Director.

5. MHS Responsibilities. MHS shall provide a residency program that at all times meet the standards established by the Accreditation Council for Graduate Medical Education and Residency Review Committee for Family Medicine. The nature and extent of this training program has previously been reviewed and accepted by Resident. MHS or the Program shall provide the equipment, personnel, services, and supplies, necessary for proper administration of the Program.

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6. Compensation and Benefits.

(a) Compensation. For all services rendered during the Term, MHS shall pay Resident an annual base salary in a gross amount as set forth in the following schedule:

First Year Resident:	\$63,856
Second Year Resident:	\$66,106
Third Year Resident:	\$68,577

Resident's salary shall be paid in accordance with MHS's regular payroll cycle and shall be subject to routine and authorized payroll deductions and withholding. No salary shall be paid during any period in which Resident is suspended from clinical activity or on an unpaid leave of absence.

(b) Benefits. Resident shall be eligible to participate in all benefit plans that MHS now or hereafter provides to residents of similar specialty, practice, employment status, and location. Those benefits currently are described in Appendix A, attached hereto and incorporated herein. MHS reserves the right to terminate or modify the benefits provided. Any changes in benefits, however, shall not affect rights that have vested under the terms of any written benefit plan, as determined under federal benefits law (ERISA).

7. Billing and Collections. During the Term, all revenues and accounts receivable generated by Resident belong solely and exclusively and shall immediately be relinquished to MHS, except for billings for care delivered at non-MHS facilities as part of the Program. MHS shall have the sole and exclusive right to bill for all such services and retain all related revenue for its own account. Resident expressly assigns to MHS, and designates MHS, and/or its designee, as billing agent for the collection of all fees, benefits, and other remuneration payable to Resident by third-party payors, including, without limitation, Medicare, Medicaid, and any other governmental reimbursement program, and to obtain a provider number on behalf of Resident to facilitate such billing. MHS assumes all responsibility associated therewith. Resident shall not independently bill or accept payment from any person or entity for such services. The schedule of charges for all services performed by Resident shall be determined by MHS at its discretion and Resident shall cooperate with MHS as necessary for billing and collection purposes. If third party payment programs require any services performed by Resident to be billed in the name of or on behalf of Resident, Resident hereby appoints MHS as their agent, and grants MHS a limited power of attorney to bill on behalf of Resident for all services performed by Resident.

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8. Malpractice Coverage. MHS shall provide at its cost and expense professional liability insurance or self-insurance (including tail coverage associated with Resident's employment by MHS) that covers Resident for liabilities as a result of Resident's acts or omissions within the scope of their employment by MHS. The amount of coverage shall be determined by MHS and may be modified by MHS from time to time but shall be equally applicable to all MHS residents practicing within the same program and specialty as Resident.

9. Protection of MHS and Program Business Interests. Resident agrees that information not generally known to the public to which Resident shall be exposed as a result of their employment by MHS is confidential information that belongs to MHS and/or the Program. Confidential information includes, without limitation, information that relates or refers to MHS's or the Program's know-how, procedures, techniques, accounting, marketing, patient identities and medical needs, finances, policies and procedures, protocols, and third-party payor contracts. During the Term and at all times thereafter, Resident shall hold MHS's and the Program's confidential information in strict confidence and shall not disclose, copy, or use it except as authorized in writing by MHS or the Program and for MHS's or the Program's sole and exclusive benefit.

10. Medical, Financial and Personnel Records. All medical and financial records pertaining to patients treated by Resident within the scope of their employment hereunder, including but not limited to patient lists, charts, x-rays, medical reports, fees, billings and payment of fees, and all personnel records of Resident, shall at all times be the property of MHS. Resident shall have access to their own personnel record in accordance with applicable law and MHS policy.

11. Possession of Materials. Upon termination of Resident's employment under this Agreement or request by MHS or the Program, Resident shall turn over to MHS or the Program all documents, files, electronic media and other documents, materials and/or work product in Resident's possession, custody or control that were created pursuant to, or derived from, in whole or in part, Resident's services for MHS or the Program. This obligation to return documents, materials and work product extends to all drafts, derivatives, and copies thereof.

12. Governing Law/ Venue/Jurisdiction. This Agreement is governed by the internal laws of the state of Washington without giving effect to provisions thereof related to choice of laws or conflict of laws. Venue and jurisdiction of any lawsuit shall exist exclusively in state and federal courts in the county in which Resident's Program spends the majority of its time, unless injunctive relief is sought by MHS, and in its judgment may not be effective unless obtained in some other venue.

13. Notices. Any notices required or desired to be given to the parties hereto shall be deemed given if in writing and served either by personal delivery to the Program Director or Resident to whom it is intended or five (5) days following deposit postage prepaid, certified or registered mail, return receipt requested (or such form of mail as may be substituted therefore by postal authorities), in the United States mail. For MHS:

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Medical Academics, Institutional Coordinator, 1322 3rd Street SE, Suite 240, Puyallup WA 98372; for Resident: their address on file with MHS Human Potential.

14. Enforcement/Saving Provision/Waiver. The provisions of this Agreement shall be enforceable notwithstanding the existence of any claim or cause of action against MHS or the Program by Resident, whether predicated on this Agreement or otherwise. If any part of this Agreement is held to be unenforceable, it shall not affect any other part. If any part of this Agreement is held to be unenforceable as written, it shall be enforced to the maximum extent allowed by applicable law. No waiver of any provision of this Agreement shall be valid unless in writing, signed by the party against whom the waiver is sought to be enforced. The waiver of any breach of this Agreement or failure to enforce any provision of this Agreement shall not waive any later breach.

15. Assignment/Successors. Neither MHS nor Resident may assign their rights under this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which, taken together, shall constitute a single Agreement.

17. Legal Counsel. Resident acknowledges that they have consulted with independent legal counsel or have had adequate opportunity to do so. Resident further acknowledges that Resident has participated in, or had the opportunity to participate in negotiating, drafting and preparing this Agreement and, therefore, waives the general rule of construction that a document shall be construed against its drafter.

18. Entire Agreement/Amendment. This Agreement, together with all Appendices hereto, is the final and complete expression of the parties' agreement relating to Resident's employment by MHS and supersedes any previous employment agreement between MHS and Resident, and all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written; supersedes any inconsistent course of performance and/or usage or practice of trade; and controls over any inconsistent policies or procedures of MHS or the Program, in effect now or later adopted, but MHS's and/or the Program's policies and procedures that are consistent with this Agreement, in effect now or adopted later, shall apply to Resident according to their terms. This Agreement may be changed, modified, or amended only by the written agreement of both Resident and Program Director.

_____, [M.D.][D.O.]

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RESIDENT

_____, [M.D.][D.O.]
Date: _____

MULTICARE HEALTH SYSTEM

By:
Its: [Program name] Program Director
Date: _____

MULTICARE HEALTH SYSTEM

By:
Its: Chief Academic Officer/Designated
Institutional Official
Date: _____

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APPENDIX A BENEFITS FOR FAMILY MEDICINE RESIDENTS

The following benefits are provided to Residents:

1. Sick Leave. Twelve (12 days) of sick leave each Academic Year (an “Academic Year” is July 1 through the following June 30), available 90 days after commencement of employment. Such leave may be accumulated and carried over from one academic year to the next during the Term. Sick leave is not paid out at termination. (Use of sick leave may result in extension of residency term based on ACGME and ABFM rules.)
2. Vacation/Annual Leave. Seventeen (17) days of vacation/annual leave per Academic Year. This total includes two (2) personal days for Resident to take paid time off to celebrate/observe occasions that are meaningful for them. (Vacation leave must be used in the year credited and may not be carried over from year-to-year. Unused vacation leave is not paid out at termination.)
3. Paid Holidays. Paid time off for the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and December 25. Resident will be required to work on one or more of the above holidays as a condition of the Program. When required to do so, Resident will be permitted to take another paid day off within the same or next pay period.
4. Health Insurance. Prepaid group medical and dental insurance for Resident and Resident’s dependents. (Dependents eligible for insurance under another employer group medical and/or dental plan are ineligible for coverage under the Resident’s group medical or dental plan).
5. Continuing Medical Education. Approved continuing education leave and CME expense allowance will be provided at the following rates:
 - (a) First year resident: 3 days leave; \$900.00
 - (b) Second year resident: 5 days leave; \$1,150.00
 - (c) Third year resident: 5 days; \$1,400.00

CME leave may not be carried over from year to year. One-year of CME expense allowance may be carried over.

Up to \$1,000 of Resident’s CME allowance may be used for purchase of a non-phone electronic device (e.g. iPad, laptop, etc.) once during the Term.
6. On-line library resources. Provided on-line by MultiCare Health System
7. Meal Stipend. An annual stipend per Academic Year will be provided for the purpose of purchasing meals when Resident is assigned to in-house/hospital duty.

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8. Professional Dues & Membership. The Program will pay the following dues/fees for Resident, including any renewals required during the Term. The Program reserves the right to withhold payment for any of these items if Resident is not in good academic standing.
- (a) Washington state limited medical license (training license);
 - (b) Washington state full medical license (first application only);
 - (c) Drug Enforcement Administration license;
 - (d) Membership in the American Academy of Family Physicians;
 - (e) Membership in the American College of Osteopathic Family Physicians (for D.O. residents only);
 - (f) Resident's first attempts at Board exams, to include the following:
 - i. USMLE Step 3 or COMLEX Level 3 required at end of PGY-1 year;
 - ii. ABFM Initial Board Certification required at the end of PGY-3 year; and
 - iii. AOBFP Initial Board Certification (optional for D.O. residents at the end of PGY-3 year and may be substituted for ABFM Initial Board Certification with consent of Program Director);
 - (g) Life safety courses required, including:
 - i. Basic Life Support ("BLS");
 - ii. Advanced Cardiac Life Support ("ACLS");
 - iii. Pediatric Advanced Life Support ("PALS");
 - iv. Neonatal Resuscitation Program ("NRP"); and
 - v. Advanced Life Support in Obstetrics ("ALSO").
9. Leaves of Absence. Resident is eligible for medical and family leaves of absence (including parental and caregiver leaves) as provided in MHS's Leaves of Absence policy. This includes, among other leaves, leave under the federal Family and Medical Leave Act (FMLA) and the Washington State Paid Family and Medical Leave Program (PFML). Any total leave in excess of thirty (30) days per residency year may require time to be added to the current residency year and carried forward to any subsequent residency year(s) in order to satisfy graduation requirements defined by the American Board of Family Medicine.
- (a) For up to the first six weeks of the first approved medical or family leave, MHS will provide Resident the equivalent of 100 percent of their salary. To the extent eligible, Resident must take FMLA concurrently with this leave. If Resident chooses to take this leave concurrently with PFML, MHS will provide

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supplemental pay to bring Resident's total salary replacement up to 100 percent of their salary. This leave is available immediately upon commencement of Resident's employment and will not count against a Resident's vacation leave.

- (b) Resident may use their vacation leave or sick leave for family and medical leaves outside of the first six weeks of the first approved medical or family leave of absence.
- (c) Resident may maintain their health insurance during any approved medical or family leave of absence on the same terms as before the leave.

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**APPENDIX B
[SAMPLE] RESIDENT CHECKOUT LIST**

RESIDENT'S NAME: _____

Obtain initials from appropriate parties as verification that each item has been completed. Once all items have been verified the form should be signed by the Resident's Advisor.

- _____ Lab coats and scrubs turned in
- _____ Keys turned in
- _____ Swipe Card / ID Badge turned in
- _____ Clinic visits completed and encounters closed
- _____ Hospital charts completed and signed
- _____ EPIC in-basket issues closed and "out of office" function Initiated
- _____ All expense reports submitted

Checkout completed and verified by:

Advisor or Program Director

Date