



FAX TRANSMISSION

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SENT TO: Jim M.

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PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is effective as of this 1st day of July 2006, between Lenawee Health Alliance, Inc., a Michigan nonprofit corporation, located at 818 Riverside Avenue, Adrian, Michigan ("LHA") and Harold Johnson, M.D., a physician duly licensed to practice medicine in the State of Michigan ("Physician").

WITNESSETH

WHEREAS, LHA is organized and conducted for the purpose of providing facilities for the care of sick, afflicted and injured persons; and

WHEREAS, LHA desires to contract with Physician so that Physician may provide professional and administrative services to Emma L. Bixby Medical Center and to Herrick Memorial Hospital (collectively referred to as "Hospitals"), and Physician desires to perform such services on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, LHA and Physician agree as follows:

1. **Professional Services.** Physician shall provide professional and administrative services to Hospitals as detailed on Exhibit A, attached hereto and incorporated herein, upon a schedule mutually agreed to by Physician and Hospitals. Physician shall provide such services to Hospitals five (5) hours per month.

2. **Time Records and Compensation.** Physician shall maintain contemporaneous time records reflecting the time allocated and describing the services contemplated herein and shall comply with any other requirements applicable to such duties as may be promulgated by the U.S. Department of Health and Human Services. Physician shall submit such time records to LHA's Administrator no less frequently than monthly. LHA shall pay Physician One Thousand Dollars (\$1,000.00) per month as total compensation to be paid to Physician for services provided under this Agreement. Such amounts shall be payable on the last pay period of each month during which services are rendered and in which Physician submitted completed time records, in accordance with LHA's regular accounting practices. Payment to Physician shall be pro-rated in the first and last months of the Agreement if the commencement date is not the first day of the month. Nothing in this Agreement shall preclude Physician from accepting other professional engagements so long as Physician fulfills the responsibilities as set forth herein.

3. **Taxes and Fringe Benefits.** Neither LHA nor Hospitals shall withhold on behalf of Physician, nor be responsible for payment of any taxes (including income, social security, worker's compensation or unemployment compensation taxes) that might be due and payable by Physician in connection with services rendered pursuant to this Agreement, the payment of such taxes being the

sole responsibility of Physician. Nor shall Physician be covered by, and LHA and Hospitals shall not withhold any monies for, any insurance benefits (including health, life, disability, medical malpractice or professional liability) or other fringe benefits that might otherwise be provided to LHA's or Hospitals' employees. Physician shall have sole responsibility for the payment of any required taxes.

4. Assignment of Billings. Physician hereby assigns Physician's rights, if any, to billing, collection and retention of all income derived from the rendering of services pursuant to this Agreement to LHA, except as to such compensation paid to Physician pursuant to Paragraph 2 of this Agreement. Physician shall comply with all requirements of third-party payors that will enable LHA to obtain reimbursement for services rendered pursuant to this Agreement.

5. Facilities and Supplies. LHA and Hospitals shall provide, at its expense, all expendable and non-expendable medical equipment, drugs, supplies, furniture, and fixtures as are reasonably necessary for Physician to provide the services contemplated herein.

6. Licensure. Physician shall be and remain duly licensed to practice medicine in the State of Michigan. Physician shall immediately advise LHA, in writing, if Physician's license to practice medicine is suspended or revoked, or if Physician is reprimanded, sanctioned or disciplined by any licensing board or specialty group. Physician agrees to abide by Hospitals' policies and procedures in Physician's dealings with Hospitals' patients and employees, including but not limited to ProMedica Health System's Signature Service program.

7. Medical Staff Membership. Physician shall be and remain an active member in good standing of Hospitals' medical staffs. Physician shall immediately advise LHA, in writing, if Physician is denied membership or reappointment of membership to the medical staff of any hospital, if Physician's clinical privileges at any hospital are revoked, suspended, or otherwise curtailed, or if Physician is disciplined by any state or local medical society.

8. Patient Care. This Agreement shall in no way affect or hamper Physician's ability to render medical care to patients at Hospitals or in Physician's private medical practice, nor shall it affect Physician's ability to bill patients for such services and retain the proceeds from such billings.

9. Insurance Coverage. Physician shall obtain and maintain medical malpractice and professional liability insurance coverage in such amount as may be required by LHA. Such policy shall provide that it may not be canceled without at least thirty- (30) days' written notice to LHA. Physician shall provide a certificate of insurance verifying such coverage upon LHA's request. Physician shall immediately advise LHA in writing of any claim, investigation, cause of action or threaten to cause of action allegedly arising from any act or omission relating to the services contemplated herein.

10. Quality Assurance Requirements. Physician shall comply with all relevant quality assurance and utilization review requirements adopted by LHA or Hospitals' medical staffs, as such

requirements may be amended from time to time.

11. Independent Contractor. In the performance of the work, duties and obligations contemplated herein, it is mutually understood and agreed that Physician is at all times acting and performing as an independent contractor responsible only for Physician's own acts or omissions, and not as a partner, agent, employee or joint venturer of LHA or Hospitals.

12. Nondiscrimination. The parties shall conduct themselves in a professional manner, which reflects concern for the preservation of the integrity and human dignity of Hospitals' patients. Physician shall not differentiate or discriminate in the treatment of patients or in the quality of services rendered to patients on the basis of race, creed, color, handicap, marital or veteran status, sexual orientation, sex, age, pregnancy, disability, religion, citizenship status or ancestry.

13. Mutual Indemnification. Physician shall indemnify and hold LHA, Hospitals, their respective trustees, officers and employees, harmless from all claims, damages, and costs (including reasonable attorneys' fees) arising from any alleged act or omission of Physician. LHA and Hospitals shall indemnify and hold Physician harmless from all claims, damages and costs (including reasonable attorneys' fees) arising from any alleged act or omission of LHA, Hospitals, their respective trustees, officers or employees.

14. Medical Records and Confidentiality. All documents, books and records relating to LHA patients (including medical records, x-rays and historical data) generated by Physician pursuant to this Agreement shall belong to and remain the property of LHA or Hospitals. LHA and Hospitals shall provide Physician access to such records as may be necessary for Physician to perform the services contemplated herein. Physician agrees to maintain the confidentiality of all LHA, Hospitals or ProMedica Health System, Inc. information acquired by Physician during the course of this Agreement, including, but not limited to any strategic, financial, patient, and business information relating to LHA, Hospitals, ProMedica Health System or any of its affiliates.

15. Audits by Third Party Payors. In the event a third party payor audits the medical necessity or quality of professional services provided herein, the parties shall cooperate in responding to the audit, including the compilation and timely delivery of all required documentation.

16. Access to Records. In the event that it should be determined that Section 952 of the Omnibus Reconciliation Act of 1980 (P.L. 96-499) and the regulations adopted pursuant thereto apply to this Agreement, Physician agrees for a period of four (4) years after performance hereof to make available to the Secretary of Health and Human Services or to the Comptroller General, or to any of their duly authorized representatives, upon written request, this Agreement and such books, documents and records necessary to certify the nature and extent of the costs thereof. If any portion of this Agreement is to be performed through a subcontract with a related organization at a cost in excess of Ten Thousand Dollars (\$10,000.00) over a twelve (12) month period, such subcontract shall also contain this requirement.

17. Term and Termination. This Agreement shall commence as of the date first entered above and shall continue for one (1) year ("Initial Term"), unless sooner terminated as provided herein. Upon the expiration of the Initial Term, this Agreement may renew for one (1) additional year, unless sooner terminated as provided herein. Notwithstanding any term of this Agreement to the contrary, LHA may terminate this Agreement immediately upon giving Physician written notice in the event that Physician fails to fulfill Physician's obligations under this Agreement; Physician's license to practice medicine is suspended or terminated; the clinical privileges granted to Physician by either one of Hospitals' medical staffs are suspended or terminated; any provision of this Agreement is deemed to adversely impact the tax-exempt status granted to LHA pursuant to the Internal Revenue Code or regulations; or changes in governmental, statutory or regulatory schemes adversely affect this Agreement. Notwithstanding any term of this Agreement to the contrary, Physician may terminate this Agreement immediately upon giving LHA written notice in the event that any provision of this Agreement is deemed to adversely impact Physician's license to practice medicine in the State of Michigan. Additionally, this Agreement may be terminated without cause by either party upon thirty- (30) days' written notice.

18. Effect of Termination. Termination of this Agreement, for whatever reason, shall have no impact, in and of itself, upon Physician's membership on, or upon the clinical privileges granted by Hospitals' medical staffs.

19. Corporate Compliance. Physician shall at all times comply with the ProMedica Standards of Conduct policies for physicians (copy to be provided to Physician for Physician's review and signature) while performing services pursuant to this Agreement, shall faithfully, honestly and diligently perform Physician's obligations under this Agreement, and shall continually exert Physician's best efforts to promote and enhance the efficient operation and functioning of the Program.

20. Assignment or Change of Control. Physician may not assign Physician's rights or obligations under this Agreement, nor transfer Physician's rights or obligations as part of a transaction under which it transfers substantially all of Physician's assets, whether by deed, act, by operation of law, agreement or otherwise without the express written consent of LHA. Any attempted assignment or delegation in violation of this provision shall be void and have no binding effect, and LHA reserves the right to terminate this Agreement effective immediately if LHA's written consent is not obtained. LHA may assign its rights and obligations under this Agreement to any one or more of its affiliates without the consent of Physician to this Agreement, provided that such assignment shall not release LHA from its obligations under this Agreement.

21. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties concerning the services contemplated herein and supersedes all prior or contemporaneous, oral or written representations, understandings and agreements concerning same. Any other agreement between LHA, Hospitals and Physician (or an immediate family member of Physician) shall be listed in the master list of physician contracts maintained and updated by ProMedica. ProMedica shall make such list available to the Secretary of the Department of

EXHIBIT A

The Radiation Safety Officer ("*RSO*") shall provide the following services to Hospitals:

1. Implement the Radiation Program as referenced in 10 CFR 20.1101.
2. Have the authority, organizational freedom, time, resources, and management prerogative to and shall:
 - (a) **Identify radiation safety problems;**
 - (b) **Initiate, recommend or provide correction actions;**
 - (c) **Stop unsafe operations; and**
 - (d) **Verify implementation of corrective actions.**
3. Investigate deviations from the radiation safety practices approved by facility management and/or the Radiation Safety Committee, if applicable.
4. Collect in a centralized location, executive management approved procedures addressing policy and technical issues that would makeup the Radiation Protection Program including:
 - (a) **Authorization for the purchase of radioactive material;**
 - (b) **Receipt and opening of packages containing radioactive material;**
 - (c) **Storage of radioactive material;**
 - (d) **Inventory control of radioactive material;**
 - (e) **Safe use of radioactive material;**
 - (f) **Emergency procedures in the event of loss, theft, etc.**
 - (g) **Periodic radiation surveys and wipe tests;**
 - (h) **Checks of radiation survey and other radiation safety instruments;**
 - (i) **Disposal of radioactive material; and**
 - (j) **Personnel training of those who work in or frequent areas of radioactive material use or storage.**
5. Oversee the record system of the Radiation Protection Program per 10 CFR 20.2102 to include at least the following:
 - (a) **The provisions of the Radiation Protection Program such as:**
 - (i) **All records, reports, written policies and procedures required by regulatory agencies concerning radioactive material.**
 - (ii) **A copy of the regulations governing the possession, use and disposal of licensed material, such as Title 10 Code of Federal Regulations.**
 - (b) **Audits and other reviews of the Radiation Protection Program content and implementation for a period of three (3) years after the record is made.**

6. Periodically evaluate "action levels" for continued appropriateness to ensure compliance with 10 CFR 20.1501 and 1502 for the following:
 - (a) Personnel exposure investigation levels;
 - (b) Area surveys of dose rate and contamination levels;
 - (c) Bioassays, if necessary;
 - (d) Radioactive effluent concentrations, if necessary.
7. Review the following Radiation Protection Program records, as appropriate:
 - (a) Sealed source inventories
 - (b) Sealed source leak tests
 - (c) Dose calibrator linearity tests
 - (d) Dose calibrator accuracy tests
 - (e) Dose calibrator geometrical variation tests
 - (f) Occupational radiation exposure reports
 - (g) Medical event documentation
 - (h) Spill/incident reports for cause and corrective action
 - (i) Dose rate and contamination survey results
 - (j) Changes in the radiation safety program
8. Ensure the use of reasonable practices and controls to strive to maintain doses to workers and to the public are ALARA, in compliance with 10 CFR 20.1101(b).
9. Review with facility management at least annually of the content of the Radiation Protection Program and determine if the written program is being implemented in compliance with 10 CFR 20.1101(c).
10. Ensure as a part of the ALARA effort that individual members of the public shall not receive a Total Effective Dose Equivalent (TEDE) of more than 10 mrem (0.1 mSv) per year from airborne radioactive material releases as per 10 CFR 20.1101(d) as necessary.
11. Be a member of the Radiation Safety Committee (RSC), if applicable, that will oversee all uses of byproduct material permitted by the license as per 10 CFR 35.24(f).


Health and Human Services upon request. This Agreement shall be deemed to have been made and shall be construed in accordance with the laws of the State of Michigan. Modification or supplements to this Agreement shall be effective only if made in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate as of the date first aforesaid.

LENAWEE HEALTH ALLIANCE, INC.

PHYSICIAN

By: 
Randy Oostra, President


Harold Johnson, M.D.