

**Cumberland Pediatric
Independent Practice Association
Provider Participation Agreement**

This Provider Participation Agreement (“Agreement”) is made and entered into this _____ day of _____ 20__, by and between Cumberland Pediatric IPA, a Tennessee not-for-profit corporation (hereinafter referred to as “IPA”), and _____, an individual licensed to provide, or a Legal Entity whose members are licensed to provide pediatric services in the State of Tennessee (hereinafter referred to as “Provider”), collectively referred to hereinafter as the “Parties.”

WITNESSETH:

WHEREAS, IPA has established, and continues to expand, a network of Providers who desire to deliver pediatric medical services under the terms and conditions provided herein, and

WHEREAS, IPA markets, either on its own or through one or more designees, the network to various third-party payors, and

WHEREAS, Provider is licensed to practice medicine in the State of Tennessee, and

WHEREAS, Provider understands that participation in each third party payor plan is voluntary, and

WHEREAS, Provider desires to provide his/her/its services to persons covered under the benefit plans of third-party payors who have entered into agreements with the IPA,

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

**ARTICLE 1
Definitions**

1.1 Clinical Quality Management Guidelines shall mean the protocols and pathways developed by Providers to enhance the quality of patient care and which shall be rooted in Evidence Based Medicine.

1.2 Legal Entity shall mean a professional corporation or association, partnership, limited liability company, or other entity composed of physicians authorized under applicable state law to provide healthcare services to patients, including pediatric patients.

1.3 Messenger Model shall mean the methodology wherein an independent agent conveys payors contract offers to distinct Providers, who in turn make unilateral decisions whether to accept the terms offered by payors. The Cumberland Pediatric IPA will serve as the “messenger” between providers and payors.

1.4 Participation Fee shall mean the fee assessed by IPA to Provider or Legal Entity, based on the number of Physician Members, and paid for participation in the IPA. Legal Entity may pay participation fee on behalf of individual physicians.

1.6 Physician Members shall mean the individual physicians who are members of Legal Entity.

1.7 Third Party Payor shall mean a self-insured employer; insurer, health maintenance organization, employee welfare benefit plan, governmental agency or third-party administrator which has entered into an agreement with IPA for the use of the network and such other services as may be set forth in such agreement.

ARTICLE 2 Responsibilities of IPA

2.1 General

- 2.1.1 IPA shall create a panel of pediatric providers and will market such panel, independently and in conjunction with others, to Third Party Payors and will enter into Third Party Payor plans in accordance with the terms of this Agreement.
- 2.1.2 IPA has full right power and authority and capacity to enter into this Agreement and is not under any obligation restriction or limitation contractual or otherwise, to any other entity or individual that would prohibit or impede performance hereunder. IPA further represents that this Agreement has been executed by its duly authorized representative.
- 2.1.3 The execution, delivery, and performance of the terms of this Agreement do not and will not conflict with or result in any violation of or constitute a default under any provision of any agreement, contract, document, arrangement or understanding to which IPA may be a party, or any law, regulation, judgment or other governmental authorization or approval that may be applicable.
- 2.1.4 IPA shall require agreements with Third Party Payors providing Third Party Payors will maintain all licenses and or certificates required by law, and accreditation or recommendation by applicable national organizations (e.g. the Joint Commission on the Accreditation of Healthcare Organizations or National Committee for Quality Assurance (NCQA)).
- 2.1.5 IPA shall abide by its bylaws.

2.2 Fees.

- 2.2.1 IPA will set the amount of Participation Fee and such other fees to be paid by each physician or Physician Member.

- 2.2.2 IPA shall furnish Provider 60 days advance notice prior to initiating any new fee, or increasing/decreasing annual Participation Fee or any other fee.
- 2.2.3 IPA shall account for all fees collected and shall provide periodic reports to Provider and the IPA Board of Directors.
- 2.2.4 IPA shall prepare an annual report of all activities funded from Participation Fees and make available to all Providers.

2.3 Network Agreements

- 2.3.1 IPA shall appoint a Managed Care Contracting Committee in accordance with the Bylaws of the IPA.
- 2.3.2 IPA shall seek to arrange for and enter into agreements with Third Party Payors to provide healthcare services to pediatric patients. IPA is authorized to represent to Third Party Payors, Provider's willingness to provide services through Third Party Payor Agreements.
- 2.3.3 IPA shall make best efforts to present to Provider fee-for-service arrangements in which Third Party Payor has significant plan design incentives, including rates for covered services and terms of participation favoring Provider. This includes to the best of IPA's ability, presenting agreements including criteria recommended by the Managed Care Contracting Committee.
- 2.3.4 The IPA Board of Directors shall review all Third Party Payor agreements and amendments and present same to Provider for acceptance or rejection. IPA will not express any opinion regarding the terms to Provider.
- 2.3.5 Contract opportunities will be presented to Provider in a "messenger model" process in compliance with applicable law.
- 2.3.6 The IPA shall furnish Provider a written summary of the terms and conditions of each Third Party Payor Agreement. It is anticipated that said summary shall include at a minimum, the payment terms, utilization review requirements, and claims filing procedures. IPA will also furnish Provider with either a written summary, or the full amendment to any Third Party Payor Agreements in which Provider is participating.
- 2.3.7 Provider shall unilaterally elect to accept or reject any Third Party Payor Agreement or amendment submitted to Provider by the IPA Board and shall have 30 days from receipt of the summary or amendment to notify IPA in writing of that decision. Failure to provide notice will result in Provider being deemed not to participate in the applicable Network Services Agreement.

- 2.3.8 IPA strictly adheres to the messenger model for fee-for-service contracting and under no circumstances will IPA negotiate, agree upon, or otherwise seek to determine compensation terms, or other competitively sensitive terms for any provider including Provider.
- 2.3.9 IPA, at its discretion, may establish for certain Third Party Payor plans, provider panels, which do not include Provider or one or more Physician Members.
- 2.3.10 Subject to the limitations in this Section, IPA shall market the medical services of Provider to Third Party Payors in order to obtain contracts.
- 2.3.10.1 Provider agrees to allow IPA to use Provider's, or in the case of a Legal Entity; it will obtain permission from Physician Members to use, individual physician's name, address, telephone number, medical specialty, medical education information, hospital affiliations and other similar information in its directory of Participating Providers and in its promotional materials.
- 2.3.10.2 Provider consents to the display of IPA brochures, signs or advertisements in his/her/its offices as Provider grants to any other Third Party Payor.
- 2.3.10.3 All information and materials provided by Provider to IPA remains proprietary to Provider, including but not limited to contracts, fee schedules, and any operations/policy manuals. IPA shall not disclose any of such information, or materials, or utilize them except as may be required to carry out IPA's obligations hereunder.
- 2.3.10.4 IPA agrees that Provider reserves the right to use and control the use of its name and all symbols, trademarks, and service marks, which may not be used without Provider's written consent. IPA or its designee shall provide Provider with a copy each time a paper directory is published.
- 2.3.10.5 IPA agrees to notify Provider, immediately in writing, when participation status has been affected and may result in non-payment for services rendered to subscribers of Third Party Payor.

2.4 Clinical Quality Management.

- 2.4.1 IPA shall, in accordance with the Bylaws, appoint a committee to develop Clinical Quality Management Guidelines and shall facilitate and assist the committee in this development.
- 2.4.2 IPA will obtain a specific time commitment from a cross-section of Providers to develop Clinical Quality Management Guidelines. While development of these guidelines will encompass all patient care, there will be particular emphasis on disease management programs designed to improve healthcare quality for patients with chronic conditions.

- 2.4.2 IPA shall assist the committee in the development of Clinical Quality Management Guidelines.
- 2.4.3 IPA intends to work with Payors to encourage, through the development of incentives, Providers to utilize Clinical Quality Management Guidelines. IPA intends to make reasonable efforts to include these initiatives as attachments or separate agreements to Third Party Payor Agreements.

2.5 Credentialing.

- 2.5.1 IPA is solely responsible for the determination of whether or not a Provider or Physician Member shall be entitled to membership as a participating Provider in IPA.
- 2.5.2 IPA agrees to retain a medical review committee as defined in state law (TCA 63-6-219) for purposes of determining whether a Provider or Physician Member shall be included as a participating Provider.
- 2.5.3 Credentialing may be delegated to a subcontractor.

ARTICLE 3 Responsibilities of Provider

3.1 General

- 3.1.1 Provider states that each physician member of Legal Entity is fully licensed to practice medicine or pediatrics in the State of Tennessee and shall maintain good professional standing at all times as required by the Credentialing Policy stated below;
 - 3.1.1.1 IPA will allow membership and credential physicians (M.D. or D.O) that are: a) Board Eligible and are in the process of becoming Board Certified within the time period stipulated by the Board, or for general pediatricians by their first reappointment, and for specialists by their second reappointment if there is no time period specified; b) Board Certified or c) who are not board certified but have been pediatricians in continuous practice since April 30, 1988. Physician providers will be required to possess admitting staff privileges at a hospital. IPA will not discriminate against any physician based on race, gender, national origin, religious affiliation, sexual orientation, or economic status. IPA will make available for review by the prospective IPA physician a complete copy of the IPA Policies and Procedures for credentialing, including physician credentialing, physician recredentialing, and continuous credentialing. The Board of Directors (BOD) of IPA will establish a credentialing committee to review credentialing policies and procedures annually. The BOD will maintain responsibility of the IPA credentialing program but may delegate the function of primary source

verification to an independent Credentialing Verification Organization (CVO). The BOD will serve to approve the IPA credentialing policies and procedures.

Prospective IPA physicians are not required to secure admitting privileges and faculty appointments at Vanderbilt Medical University Center. However, they are required to have hospital privileges at a Middle Tennessee Facility. Physicians that do desire these credentials must contact VUMC Physician Support Services to initiate both credentialing and faculty appointment processes. Physicians not seeking privileges and not seeking faculty appointments should submit credentialing applications directly to the IPA. CVO performs established primary source verification procedures that are audited by IPA, NCQA and JCAHO for compliance. CVO provides IPA with confirmation that primary source verification has been completed and that hospital privileges have been granted, if applicable.

- 3.1.2 Provider agrees to abide by the bylaws and policies established by the IPA Board and Committees.
- 3.1.3 Provider/Legal Entity agrees to notify the IPA immediately of any change in employment status of physicians in the practice.
- 3.1.4 Provider/Legal Entity agrees all physicians practicing under the Legal Entity will be members of the IPA. Physicians can be considered part time if they work less than six days per month.
- 3.1.5 Provider states that each individual physician or Physician Member is a medical doctor principally dedicated to pediatrics or a pediatric specialty and provides at least 70% of his/her services to children under 18 years of age.

3.2 Fees

- 3.2.1 Provider/Physician Member shall pay an initial fee of \$600 plus a prorated annual fee of \$850 starting at the date of application, which entitles Provider to participation as of the effective date of this Agreement. (Initial Term). Part time physicians shall pay an initial fee of \$600 plus a prorated annual fee of \$200 starting at the date of application. After Initial Term, Provider shall pay the amount of annual fee as determined from year to year by the Board of Directors of IPA. The Participation Fee, assessed to Legal Entity, paying on behalf of its Physician Members, will be based on a list of physicians supplied by Legal Entity to IPA for Initial Term and annually thereafter.
- 3.2.2 Provider will not be enrolled in Third Party Payor plans until all Participation Fees due and owing have been paid in full.
- 3.2.3 Provider agrees to timely pay such other fees that IPA may require as approved by the Board.

Provider shall pay any and all fees due on or before July 1 of each year. Fees paid more than 90 days after July 1 (October 1) will be charged an additional \$250 per physician. If fees are not received within 120 days, all members of the legal entity are subject to termination (at the board's discretion) from IPA contracts.

3.3 Network Agreements

- 3.3.1 Provider agrees to review and consider participation in each Third Party Payor Agreement received from IPA.
- 3.3.2 Provider may unilaterally accept or reject each contract offer, or offer to amend, made by a Third Party Payor through the IPA process. Provider shall notify IPA in writing, of his/her/its decision to accept or reject a new Third Party Payor Agreement or amendment to an existing agreement, within 30 days of receipt of IPA summary.
- 3.3.3 All information and materials provided by IPA to Provider remains proprietary to IPA, including but not limited to contracts, fee schedules and any operations manuals. Provider shall not disclose any of such information or materials or utilize them except as may be required to carry out Provider's obligations hereunder.
- 3.3.4 The relationship between IPA and Provider is nonexclusive in that Provider may freely contract with any Third Party Payor without contracting through the IPA. For any fee-for-service arrangement between IPA and a Third Party Payor, Provider agrees that the IPA's fee-for-service arrangement shall supersede any pre-existing agreement between Provider and such Third Party Payor for the provision of covered services. Nothing in this Agreement is intended or shall be construed to prevent Provider from entering into or continuing an agreement with a Third Party Payor for provisions of medical services to patients other than enrollees under IPA's fee for service arrangement.

3.4 Credentialing.

- 3.4.1 Provider/ Physician Members shall complete an application to become a participating Provider.
- 3.4.2 Provider/Legal Entity agrees to obtain consent of Physician Members to comply with IPA's credentialing/re-credentialing and procedures.
- 3.4.3 Provider consents, and Legal Entity agrees to obtain consent of Provider Members, to allow IPA to consult with third-parties, as required, to verify the information contained in Provider's application or in the credentialing/re-credentialing process.
- 3.4.4 Provider/Legal Entity agree to notify IPA, as soon as possible, of any known material change in information provided on an application. In accordance with Third Party

Payor contract stipulations, IPA may have an obligation to notify Third Party Payors of changes in the physician's participation status with IPA.

- 3.4.5 Provider agrees to notify IPA at least 60 days prior to closing a practice to new patients, provided that the effective date of such closure shall not occur until the last day of the month in which such closure is to be effective.

3.5 Committees.

- 3.5.1 Provider agrees to participate in IPA committees. The parties will work with each other to set reasonable time commitments based on IPA needs and availability of Provider/Physician Members.
- 3.5.2 Provider agrees to participate in active and ongoing programs to evaluate and modify clinical practice patterns to ensure quality of care and to clinically integrate Best Practice Guidelines in his/her/its pediatric practice.

ARTICLE 4

Insurance

- 4.1** Provider shall at its sole expense throughout the term of this Agreement procure and maintain a policy of professional liability insurance or retain coverage through a program of self-insurance and shall furnish proof of professional liability coverage in the following amounts. Insurance coverage shall be on a claims-made basis with limits of at least \$1,000,000 per occurrence and \$3,000,000 annual aggregate of all claims, or as subsequently ordered by the IPA Board as sufficient.
- 4.2** Provider shall notify IPA of any material adverse change in his or her professional liability coverage within five (5) days of receiving notice of such change.
- 4.3** Each party, at its sole cost and expense, shall procure and maintain a policy of general liability insurance, or maintain adequate resources to insure itself and its respective officers, agents and employees against any liability of claims for damages arising by reason of personal injuries or death, occasioned directly or indirectly by the negligence or negligent omission of such party or its officers, agents or employees in connection with the performance of such party's responsibilities under this agreement.
- 4.4** Nothing in this agreement shall be construed to make IPA or Provider, or their respective agents or representatives, liable to any third party in situations in which they are otherwise not subject to liability. Nor shall anything herein be construed as, or be deemed to create, any right or remedies in any third party, including but not limited to any Covered Person or medical facility.

ARTICLE 5

Term and Termination

5.1 Term and Renewal. This agreement shall become effective on the date first written above. After the Initial Term, it shall automatically be renewed for successive one (1) year terms unless terminated in accordance with the terms of this Article.

5.2 Termination.

- 5.2.1 This Agreement may be terminated if either party, with or without cause, gives to the other party ninety (90) days written notice.
- 5.2.2 This Agreement may be terminated by Provider upon receipt of notice of a fee increase outlined in Article 3 above, by giving 45 days written notice of termination.
- 5.2.3 IPA may terminate Agreement, immediately in the event Provider:
 - 5.2.3.1 Ceases to be a physician licensed in the State of Tennessee.
 - 5.2.3.2 Loses or suffers a reduction of his or her professional liability insurance.
 - 5.2.3.3 commits any act or engages in any conduct for which his or her license or certificate is revoked, suspended or restricted by any licensing authority; or
 - 5.2.3.4 Is found to have made any untrue statements of material fact or any intentional misrepresentation of any fact, whether or not material, in any claim for payment, application forms or credentialing material.
 - 5.2.3.5 In the event a Physician Member of Legal Entity meets the criteria set out above in 1 – 4 of this subsection, IPA may require Legal Entity to remove Physician Member from the panel providing services under Third Party Payor Agreements.

5.3 Benefit Plan Termination.

- 5.3.1 IPA intends that Provider's participation under the Benefit Plan of any particular Third-Party Payor may be terminated in accordance with the terms of the contract between IPA and that Third-Party Payor and a minimum of 60 days advance notice to Provider.
- 5.3.2 Notwithstanding anything herein to the contrary, upon termination of this Agreement, all Third Party Payor Contracts in which Provider has agreed to participate are automatically terminated, unless extended by written agreement between the Third Party Payor and Provider.

ARTICLE 6 Amendments

- 6.1** This Agreement may be amended by IPA upon sixty (60) days prior written notice to Provider of the proposed amendment.
- 6.2** If Provider does not object to such proposed amendment in the manner hereinafter set forth, the amendment shall be effective and Provider shall be bound by the terms thereof upon the expiration of such sixty (60) days.
- 6.3** If a proposed amendment is not acceptable to Provider, he or she may terminate this Agreement as of the date the amendment becomes effective, by giving written notice to IPA no later than sixty (60) days after receipt of written notice of the proposed amendment.

ARTICLE 7 Dispute Resolution

- 7.1 Negotiation.** Provider and IPA agree to attempt in good faith to resolve any dispute arising out of or relating to this agreement promptly by negotiation. If the matter has not been resolved within sixty (60) days of a party's request for negotiation, either party may initiate an appeal as hereinafter provided.
- 7.2 Appeal.** If IPA and Provider have not been able to resolve a dispute by negotiation as set forth above, Provider may appeal the issue to the IPA Board of Directors. Upon request, Provider may meet with a committee appointed by the Board to hear the dispute and to recommend a resolution to the Board. The decision of the Board after such recommendation shall be final.
- 7.3 Further Action.** Either party may file an action in a court of competent jurisdiction.

ARTICLE 8 Miscellaneous Provisions

- 8.1 Assignment.** Provider shall not assign this Agreement without the prior written consent of IPA. Any purported assignment without such consent shall be null and void. This agreement shall extend to and be binding upon the successors and assigns of the Provider should any assignment be consented to and made.
- 8.2 Relationship of Parties.** The parties hereto are independent legal entities. Nothing in this Agreement shall be deemed to create any relationship of joint venture, employer and employee, or principal and agent between IPA and Provider. In performing services under this Agreement, IPA and Provider are independent contractors.

8.3 Cooperation by the Parties. Each party agrees to perform any further acts and to execute and deliver any documents and legal instruments which may be reasonably necessary to effectuate and carry out the provisions of this Agreement.

8.4 Governing Law. This Agreement shall be interpreted, construed, governed by And enforced in accordance with the laws of the State of Tennessee.

8.5 Notices. All notices required under this Agreement, shall be in writing, and shall be deemed to have been duly given on the date delivered if delivered in person, or one (1) day after being sent if sent overnight by prepaid Federal Express or other similar prepaid, receipted overnight courier service, or two (2) days after being sent, if sent by certified mail, postage prepaid, return receipt requested, properly addressed to the respective party at the address set forth herein.

Cumberland Pediatric IPA
1900 Church Street Suite 502
Nashville, TN 37203
(615) 936-6052

Provider

8.6 Survival. All representations, warranties, and covenants made or furnished by any party hereunder, as well as all of the terms and conditions hereof which by their nature survive, whether expressly set forth herein or otherwise, shall be construed to be continuous and shall survive the execution, performance, termination or expiration of this Agreement and shall remain in full force and effect, and shall be enforceable by the parties hereto and their respective legal representatives, successors and permitted assigns.

8.7 Severability. In the event that any part of an provision of this Agreement is rendered invalid or unenforceable under applicable law, or is declared null and void by any court of competent jurisdiction, such part shall be ineffective to the extent of such invalidity or unenforceability only, without in any affecting the remaining parts of such provision or the remaining parts of the Agreement.

8.8 Regulatory Approval. The appropriate party or parties will use its best efforts to obtain any regulatory approvals that may be required by this Agreement. In the event such approval is denied, or is conditioned upon certain changes hereto, the parties will enter into good faith negotiations to revise this Agreement to the extent necessary to obtain regulatory approval.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the day and year first written above.

Cumberland Pediatric IPA

Provider

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____