

UNIVERSITY OF COLORADO MEDICINE

MEMBER PRACTICE AGREEMENT

THIS AGREEMENT is made by and between University Physicians, Inc., d/b/a University of Colorado Medicine (hereinafter referred to as "CU Medicine"), and the undersigned Member, effective as of the date set forth opposite the signature of the President and Executive Director of CU Medicine on the final page of this Agreement. The Member designated on the signature pages hereof (hereinafter referred to as "Member") shall satisfy the five requirements of the CU Medicine (also known as University Physicians Inc.) Amended and Restated Bylaws, Article III, Section 2, as amended and restated from time to time. This Agreement is intended to supplement any specific existing or future contractual agreements between Member and the Board of Regents of the University of Colorado. In the event of a conflict between this Agreement and any other agreement between the parties, this Agreement shall control.

I. Member hereby accepts the terms of this Agreement with CU Medicine. CU Medicine is a Colorado non-profit corporation established for the University of Colorado School of Medicine by action of the University's Board of Regents on June 17, 1982. The Operating Agreement entered into by and between the University of Colorado and CU Medicine is hereby incorporated by reference (copies of which are available from the CU Medicine Administrative Office). Pursuant to the terms of the Operating Agreement, CU Medicine has been designated as the University's agent to accomplish certain University purposes, including education, research and service, and CU Medicine is designated as the exclusive billing agent for the University of Colorado School of Medicine. Under the Operating Agreement, CU Medicine bills, collects, and supports clinical activities. A portion of the revenues therefrom shall be transferred to the University of Colorado School of Medicine to support, in part, Member's faculty salary. Member acknowledges and agrees that Member benefits from CU Medicine's contracting, billing and collection services and the transfer and provision of revenues to support member salaries. In accordance with CU Medicine's (also known as University Physicians Inc.) Bylaws, each School of Medicine Department ("Cost Center Unit") will be required to have in effect an incentive plan governing allocation of surplus CU Medicine revenues. The Member may also be eligible to earn incentive payments as provided in such incentive plan. Member will provide professional or clinical services only at CU Medicine-designated sites of practice, which may be revised by CU Medicine from time to time. Member shall not contract nor make any arrangements for the provision of services except as expressly permitted under contracts or arrangements entered into by CU Medicine.

II. In consideration of the promises of CU Medicine, Member hereby assigns to CU Medicine for purposes of billing, collection, administration, and distribution in accordance with CU Medicine's (also known as University Physicians Inc.) Bylaws and the Cost Center Unit Incentive Plan for Member's Cost Center, all Service Income (as that term is defined below) earned by Member at any time during the term of this Agreement, including vacation. The only exceptions to the above assignment are that a Member is not required to assign Service Income to CU Medicine if Member has been granted an official leave of absence by the Dean of the School of Medicine, or that portion of Service Income earned while the Member is employed by and paid directly by one of the following affiliated hospitals: Veterans Administration Medical Center; Denver Health & Hospital Authority; National Jewish Hospital; or other employment with an affiliated hospital approved in writing by the Dean of the School of Medicine.

A. Except as specifically provided in subparagraphs II.B, II.C, or II.D. below, this Agreement is applicable to all income or other compensation or remuneration earned by a Member at any time during the term of this Agreement for professional, clinical, consulting, advisory or similar services (hereinafter collectively referred to as "Service Income"), including, but not limited to, the following:

1. fees, retainers, payment or any other compensation earned for performing patient care, administrative or consultative services, teaching, lecturing, training, work-for-hire, product development, or honoraria (excluding Exempt Honoraria as defined below). Compensation for such services is hereby assigned by Member to CU Medicine regardless of whether such services were provided pursuant to a written contract; and
2. fees, retainers or any other form of compensation or remuneration earned for services rendered as an expert witness or consultant in a legal matter.

For purposes of this Agreement, any reference to "income," "compensation" or "remuneration" received for professional activities covered by this Agreement shall include, but not be limited to, income as defined under Section 61 of the Internal Revenue Code of 1986, as amended from time to time (26 U.S.C. §61), the regulations issued thereunder, and applicable federal case law. Without in any way limiting the definition of the terms "compensation," "income" or "remuneration," such terms shall include cash compensation, deferred compensation (whether pursuant to a qualified or non-qualified plans or arrangements), qualified or non-qualified deferred compensation plans, warrants, phantom stock, qualified, statutory and non-qualified stock option plans or arrangements, stock appreciation rights, restricted property plans or arrangements, book value and junior stock plans, and any other compensation or benefit plans or arrangements similar to any of the foregoing. Distribution of assigned income shall be subject to the School of Medicine Department Incentive Plan governing allocation of surplus CU Medicine revenues.

B. Provided the Member is in compliance with the University policies for commercializing intellectual property, royalties, licensing fees and other income from publications, editorial services, patents, copyrighted materials and trade secrets are not assignable Service Income.

C. Exempt Honoraria need not be assigned to CU Medicine. In order to be characterized as and qualify as Exempt Honoraria under this Agreement, the honoraria must satisfy the School of Medicine definition of "honoraria" as amended from time to time (i.e., as of July 31, 2003 honoraria consists of compensation which is provided in exchange for presentations by accomplished faculty who have achieved a level of expertise sought by others outside the University. Honoraria include one-time payments for lectures, articles, visiting professorships, NIH study sections and service on boards.) Any honoraria payments not meeting these requirements must be reviewed by the Cost Center Unit Director and Dean of the School of Medicine, and classified as either Exempt or assignable income in accordance with paragraph II.D, below.

With respect to any honoraria not meeting the definitional requirements for Exempt Honoraria status, Member must receive written approval as provided in paragraph D below and obtain the written assignment exemption from the appropriate Cost Center Unit Director and the Dean of the School of Medicine before entering into such arrangement or transaction.

D. All income, except for income described in paragraphs II.B and II.C above, shall be assigned to CU Medicine unless the Member obtains an exemption decision as provided in this paragraph. In order for Member's compensation or remuneration to be characterized as Exempt Honoraria, Member must submit a written request for exemption from assignment that includes the following information: (a) Member Name; (b) Department; (c) amount and method of determining compensation (e.g., \$200 per hour, \$1,000 per week, \$5,000 per year); (d) name of individual or entity paying the compensation; (e) a summary description of services Member must provide or other reason for receiving compensation; (f) copies of all correspondence (written or electronic) to and from the proposed contracting party that would be making payments to Member and a copy of the proposed contract or engagement letter; and (g) the reason(s) Member believes such compensation does not constitute Service Income and therefore should be exempt from assignment. If the compensation arrangement is memorialized in any form of written document, Member must attach a copy of any such documents to the written request. The written request for exemption shall be submitted to Member's Cost Center Unit Director. The Cost Center Unit Director and Dean of the School of Medicine shall use reasonable efforts to respond to Member's written request for assignment exemption within 60 days of receipt. The Dean of the School of Medicine shall provide Member with a written decision that is final, conclusive and binding on Member. The decision of the Dean of the School of Medicine is final and not appealable.

E. In each instance in which a Member intends to provide services that may generate income exempt from assignment, the Member must, prior to the performance of any such services, advise in writing the person, firm, or agency for whom any services specifically permitted under this Agreement are to be performed that (a) Member is acting solely as an independent contractor, and not as an agent or Member, or under the sponsorship, auspices, or control of either CU Medicine, the University of Colorado or University of Colorado School of Medicine, and (b) neither CU Medicine, the University of Colorado or University of Colorado School of Medicine assumes any responsibility whatever, express or implied, for the actions or omissions of the Member in his/her services.

F. CU Medicine, in consultation with the Cost Center Director, shall establish a reasonable fee for Member's professional services rendered, but Member shall have no personal claim whatsoever to such fees. All Service Income of Member is hereby irrevocably assigned to CU Medicine and will be billed and collected, or arranged to be billed and collected, received, held, and administered by CU Medicine in accordance with the CU Medicine (also known as University Physicians Inc.) Bylaws and Operating Agreement.

G. CU Medicine agrees to provide for the billing and collection of Service Income and to administer and distribute all fees in accordance with the Bylaws, organizational documents, and the aforementioned Cost Center Unit Incentive Plans. CU Medicine will maintain its accounts and the funds held by it in such a manner as to insure that Service Income attributable to each Cost Center Unit is not commingled with any other fund or funds, after provision is made for: (1) the expenses of billing, collection and administration; (2) reimbursement of allowable expenses attendant to the production of Service Income such as malpractice insurance premiums, as provided in the CU Medicine (also known as University Physicians Inc.) Bylaws and approved by the Board or Executive Committee; (3) the School of Medicine Academic Enrichment Fund as defined in the Bylaws; and (4) any approved allocations or assessments.

- III. Member acknowledges and agrees that Member has had adequate time to review this Agreement and its two (2) Addenda and hereby agrees to be fully bound to this Agreement and Addendum I, Member Covenant Not to Compete, and Addendum II, Member Professional Conduct, attached hereto and incorporated by this reference. All individuals hired by the School of Medicine with a regular faculty appointment after July 1, 1998 are required to sign a Member Practice Agreement and Addendum I, Covenant Not to Compete, as a condition of employment by the University of Colorado. Faculty of the University of Colorado and members of CU Medicine hired before July 1, 1998, may be required to sign a Covenant Not to Compete as a condition of being granted approval to participate in certain new programs or new clinical sites.
- IV. While Member remains a Member of CU Medicine, Member shall at all times fully comply with and be bound to the Member covenants and duties listed on Addendum I and Addendum II, attached hereto and incorporated herein by this reference, and abide by Member's University appointment letter, CU Medicine Compliance Plan, and applicable federal and state laws and regulation. Member hereby acknowledges and agrees that Member has reviewed and understands this Agreement, including Addendum I and Addendum II and hereby agrees to abide by this Agreement, including Addendum I and Addendum II, the University Appointment Letter, CU Medicine's Compliance Plan and applicable federal and state law and regulations.
- V. Member shall have no direct interest in the accounts receivable, billings, or cash proceeds therefrom arising from or attributable to Member's income assignable under this Agreement. This Agreement shall terminate upon Member's breach of this Agreement or Member's termination or loss of Membership in CU Medicine as provided in Article VI of the CU Medicine (also known as University Physicians Inc.) Bylaws (as amended from time to time), except for the noncompete obligations of Member as provided in Article III and the Noncompete Addendum I hereto, which shall survive any termination of this Agreement. A termination of this Agreement shall only terminate the Member's active practice agreement. Although such termination will not terminate the Member's faculty appointment, the Member's failure to maintain an active Member Practice Agreement will constitute a default of the Member's faculty appointment letter agreement with the University of Colorado School of Medicine. Upon termination of this Agreement, Member shall have no right to receive money or proceeds from accounts receivable or other funds collected and retained by CU Medicine. Termination of this Agreement does not affect the rights of CU Medicine or the University to the assignment of all Service Income earned, generated, received or to which Member became entitled during the term of this Agreement or the enforcement of the restrictive covenant or the payment of damages related thereto, all of which shall survive any termination or expiration of this Agreement.
- VI. In accordance with the Colorado Governmental Immunity Act, Member may be acting as a public employee when participating in approved programs and at approved practice sites of the School of Medicine and, to the extent eligible for coverage in accordance with the University's professional liability trust coverage document, shall be covered by said document. After termination, Member shall continue to receive coverage under the University's professional liability trust coverage document for the specific period of time Member was a full-time faculty Member at the University of Colorado in such amounts and under such terms as are provided for in the University of Colorado professional liability trust coverage document, as amended from time to time.
- VII. This Agreement shall be binding upon and shall inure to the benefit of the signatories hereto, their respective heirs, devisees, personal representatives, transferees, successors and assigns. This Agreement may be unilaterally amended from time to time by CU Medicine. Upon such amendment of this Agreement, CU Medicine shall provide written notice to Member and Member shall become obligated thereto as if Member had signed the amendment. This Agreement may be executed in more than one counterpart, each of which shall be considered an original.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date below written.

(PLEASE PRINT OR TYPE)

MEMBER:

<p>Name: _____</p> <p style="margin-left: 20px;">FIRST MI LAST TITLE</p> <p>Faculty Rank: _____</p> <p>Department: _____</p> <p style="margin-left: 40px;">EMPLOYED IN</p> <p>Office Address: _____</p> <p style="margin-left: 40px;">UCD CAMPUS BOX #</p> <p>_____</p> <p style="margin-left: 20px;">STREET ADDRESS</p> <p>_____</p> <p style="margin-left: 20px;">CITY ZIP CODE</p> <p>Office Telephone # _____</p>	<p>_____ SIGNATURE DATE</p> <p>Home Address: _____</p> <p style="margin-left: 40px;">STREET</p> <p>_____</p> <p style="margin-left: 40px;">CITY STATE ZIP CODE</p> <p>Home Phone # _____</p> <p>Professional License # _____</p> <p>Social Security # _____</p>
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ADDENDA: Addendum I, Member Covenant Not to Compete
Addendum II, Member Professional Conduct and Other Related Duties

PLEASE ROUTE IN ORDER
OF APPROVAL:

MEMBERSHIP APPROVAL:

ABOVE MEMBER IS HEREBY AUTHORIZED FOR MEMBERSHIP IN
UNIVERSITY OF COLORADO MEDICINE

COST CENTER DIRECTOR DATE

DEAN, SCHOOL OF MEDICINE DATE

UNIVERSITY OF COLORADO MEDICINE
(a Colorado non-profit corporation)

By: _____
President DATED, AS OF

By: _____
Executive Director DATED, AS OF

MAILING ADDRESS: P. O. BOX 111719, Aurora, CO 80042-1719

June 9, 2017

ADDENDUM I
UNIVERSITY OF COLORADO MEDICINE MEMBER PRACTICE AGREEMENT
MEMBER COVENANT NOT TO COMPETE

Liquidated Damages for Competition by Member. Member acknowledges and agrees that University Physicians, Inc., dba University of Colorado Medicine (hereinafter referred as "CU Medicine") and the University have an investment in Member and Member's practice and that CU Medicine and the University will be economically injured in a material amount in the event Member competes with the business of the University. The parties agree that the damages that may be suffered by CU Medicine and the University in the event Member engages in competition with the University or CU Medicine are difficult to assess and that the liquidated damages amounts provided for in this Agreement constitute a fair and reasonable good faith current estimate of the actual injury likely to be realized by CU Medicine and the University in the event Member competes with the University under the circumstances herein described and that measuring actual injury to CU Medicine and the University would be difficult in these circumstances. Consequently, the parties agree that, if Member's employment with the University terminates for any reason except if terminated by the University for: 1) lack of resources or program discontinuance, or 2) by exercising any at-will termination rights the University may have, and the Member enters into competition with the University as defined below, Member shall pay to CU Medicine and the University liquidated damages in the amount of _____.

For the purposes of this agreement, the terms "competition with the University" or "competes with the business of the University" means for a period of two (2) years after termination, establish, operate or provide professional medical services, either in his/her own practice or as an independent contractor, partner, shareholder, owner, or agent of a medical practice, clinic, or hospital within a _____ mile radius of the intersection of Colfax and Aurora Court, Aurora, Colorado or any other facility where the Member regularly provides medical services on behalf of the University.

Member acknowledges and agrees that these terms and conditions are reasonable as to geographic scope, duration and amount, and that the amount of liquidated damages specified above is reasonable, and reflects the actual damages that University and CU Medicine would suffer. Any amounts owed by Member hereunder can be offset by University and CU Medicine against any amounts owed by University and CU Medicine to Member.

The University, with the agreement of CU Medicine, may, in their sole discretion, elect not to enforce this provision. In considering whether to enforce this covenant the University will consider whether its enforcement will result in undue hardship to the Member.

If any provisions of this covenant not to compete relating to time period, scope of activity restricted, or geographic area described herein shall be declared by any court of competent jurisdiction to exceed the time period, scope of activity or geographic area which the court deems to be reasonable and enforceable, then the time period, scope of activity restricted and/or geographic area provided for in this covenant shall be modified and this covenant deemed amended to be that time period, scope of activity and/or geographic area which the court finds is reasonable and enforceable.

Agreed to:
Member:

Signature

Date

Print Name

Department Chair:

Signature

Date

Print Name

Dean, School of Medicine:

Signature

Date

Print Name

**ADDENDUM II
TO
UNIVERSITY OF COLORADO MEDICINE MEMBER PRACTICE AGREEMENT**

MEMBER PROFESSIONAL CONDUCT AND OTHER RELATED DUTIES OWED TO CU MEDICINE

1. **Professional Conduct.** Member shall at all times during this Agreement conduct Member's professional activities in accordance and compliance with all applicable federal, state, city, and local laws and regulations and standards of the medical profession.
2. **Medical Records and Recordkeeping.** Member shall complete and maintain, in a timely manner, adequate, legible and proper medical and administrative records with respect to all services rendered to or authorized for patients seen or treated by Member. In addition, Member shall complete and maintain all documents necessary for CU Medicine to obtain reimbursement for the services rendered by Member.
3. **Quality Assurance and Utilization Review.** Member shall participate in risk management, utilization review and management, cost-effectiveness studies and quality assurance plans as are reasonably requested by CU Medicine or third party payors with whom CU Medicine contracts for the services of CU Medicine members.
4. **Managed Care and Insurance Plans.** Member shall participate in all managed care programs, Medicare programs or plans, Medicaid programs or plans, other federal and state health care reimbursement programs, Blue Cross/Blue Shield plans, any commercial health care insurance programs, and any other HMO, PPO, managed care or health benefit program (collectively "Payor") that CU Medicine chooses to contract. To the extent permissible by a Payor, Member hereby assigns and shall execute any other assignment of fees or compensation to CU Medicine arising from a Payor contract if Member is listed as a signator or participating or in-network provider.
5. **Preserving Member's Qualifications.** Member represents Member currently meets the following qualifications and shall at all times during the term of this Agreement maintain the following qualifications:
 - a. Licensure and ability to practice medicine in the State of Colorado. Member shall have no qualifications, conditions or restrictions on his or her license to practice medicine in Colorado. Member shall notify the University of Colorado School of Medicine immediately of any discipline, restriction, surrender or any other action which affects the Member's license to practice medicine in the State of Colorado or any other jurisdiction.
 - b. Maintenance of an unrestricted federal DEA registration to prescribe all medications commonly prescribed by the Member's specialty.
 - c. Medical Staff membership at all affiliated hospitals where the Member provides patient care as part of the Member's regularly assigned duties, with appropriate practice privileges and compliance with the Medical Staff Bylaws and the administrative policies and procedures of said affiliated hospitals.
 - d. Eligibility to provide reimbursable physician services, and participation in the Medicare and Medicaid programs, and other similar state or federal government-sponsored programs.
 - e. Maintenance of professional standing and competence by attendance at continuing medical education courses, institutes or seminars from time to time; and membership in such medical or professional organizations as shall be determined by the parties to be in the best interests of the University of Colorado School of Medicine.

Agreed to:
Member:

Signature

Date

Print Name