

AGREEMENT FOR PROVISION OF MEDICAL SERVICES

THIS AGREEMENT for the Provision of Medical Services ("Agreement") IS MADE effective the 1st day of January, 2018, by and between The Ouray County Regional Service Authority(RSA), a duly empowered political subdivision of the State of Colorado, mailing address of PO Box 1262, Ridgway, CO 81432 (hereinafter "RSA") and Mountain Medical Center, L.L.C. a Colorado limited liability company, mailing address 295 Sherman St. Ridgway, CO 81432 (hereinafter referred to as "Provider"). Beginning on the Effective Date, this Medical Services Agreement shall supersede and replace that certain Medical Services Agreement between the parties, dated January 1, 2013, which shall no longer be in force. In consideration of their mutual promises and agreements, the parties agree to the following:

WHEREAS, the RSA is the owner of the real property described on Exhibit 1 (hereinafter the "Clinic"), and has full rights of exclusive possession of the same; and,

WHEREAS, the RSA has exclusive rights of possession of the certain equipment and medical trade fixtures inside the Clinic; and,

WHEREAS, the RSA was established by the voters of Ouray County to provide a medical facility and to contract with a medical provider to provide medical services to the people residing in and visiting Ouray County and surrounding areas; and,

WHEREAS, the Provider is desirous of providing medical services to the people of Ouray County utilizing the Clinic; and,

WHEREAS, there are furniture, fixtures, and equipment inside the Clinic that is intended for use by medical provider to provide medical services ("Equipment"); and,

WHEREAS, the Board of the RSA has determined that Mountain Medical Center, L.L.C. with Joel T. Gates, DO is an appropriate medical provider to address the medical needs of Ouray County, utilizing the Clinic and Equipment located therein; and,

WHEREAS, the RSA is not a medical entity and does not desire to interfere in either the finances or the conduct of the medical practice of the Provider, provided that it is the duty of the RSA to ensure that taxpayer dollars are utilized in the most efficient manner feasible to fulfill its duties and mission. It is not the mission of the RSA to arbitrate any disagreement, which may occur during the ethical pursuit of the medical practice of the Provider and the RSA will not do so.

THEREFORE in consideration for the mutual covenants contained in this document the parties agree to the following:

1. Term and Amendment. The initial term of this Agreement shall commence on January 1, 2018, and end on December 31, 2022. After the initial term, this agreement will automatically renew for subsequent five-year terms, unless it is terminated or replaced by a different written agreement between the parties. This agreement may be amended only by a written instrument signed by all of the parties hereto. Either party may terminate this Agreement without cause upon the giving of a one hundred eighty (180) days written notice.

2. Duties of RSA. RSA agrees to provide the following during the term of this Agreement:

- a. Lease. The RSA shall lease the Clinic and Equipment to the Provider for its primary use; and,
- b. Exclusive Use. The RSA shall provide all Equipment located in the Clinic at the Effective Date of this Agreement for the exclusive use of the Provider during the term of this Agreement and the concurrent Lease Agreement; and,
- c. Maintenance. While, under the terms of the Lease Agreement, the RSA shall be responsible for maintenance and repair of the Equipment and fixtures, as further quantified by SECTION 6 – REPAIRS AND MAINTENANCE in the LEASE AGREEMENT, the RSA, provided it has proper written notification, shall be responsible for the maintenance of the Clinic, Equipment and trade fixtures owned by LESSOR and provided to LESSEE; and,
- d. Medical Records Disposition. Should Provider cease to provide medical services at the Clinic, Provider shall comply with the Colorado Medical Board Policies regarding patient record release and retention and departure from medical practice, if applicable. The RSA shall cooperate fully with Provider, at no cost to the Provider, as Provider arranges for a proper custodianship of the records. The RSA will cooperate fully in order to facilitate availability to medical records for the individual physicians engaged by Provider as necessary for such physicians to conduct their medical practices in the ordinary course of business. This Paragraph shall survive termination of this Agreement and continue until the records are properly transitioned.

3. Provider Duties. The Provider agrees to the following during the term of this Agreement:

- a. Credentials. The Provider hereby certifies that the physician signing this Agreement: (1) Holds a degree of Doctor of Medicine or Osteopathy as defined by Colorado statutes; (2) is and at all times during the term of this Agreement, will be currently licensed by the Colorado Board of Medical Examiners without restriction; (3) has completely and accurately qualified and/or made application for Board certification in family medicine. Provider shall provide to the RSA written proof of compliance with the items listed above upon request.
- b. Hours, Adequate Coverage. The Provider shall maintain office hours of a minimum of forty (40) hours a week, excluding holidays. During these regular office hours the Provider shall have a minimum of one Physician and/or one Nurse Practitioner or Physician's Assistant present in the Clinic. It shall be the responsibility of the Provider to arrange for adequate coverage by substitute licensed personnel in case of illness or other unavoidable absence. Dr. Gates will personally provide medical services at the Clinic during the term of this Agreement.
- c. Care to Ouray County Residents and Visitors. The purpose of this arrangement is to facilitate medical care for residents of, and visitors to Ouray County. Provider will use its best efforts to facilitate the delivery of primary care services to all Ouray County residents and visitors. Provider shall not refuse care to someone due the source of payment for care delivered. However, Provider may enforce its policies and procedures regarding payment for services and shall maintain the independent medical judgement of its medical practitioners. In no event shall medical practitioners engaged by Provider be obligated by this Agreement to provide care that is outside the scope or ability of such practitioner to deliver competently, in the independent medical judgment of such practitioner. As provided by State law, lay directors and officers of the RSA shall not exercise any authority whatsoever over the independent medical judgment of persons licensed by the board to

- practice medicine in this state.
- d. Telephone Coverage. The Provider shall provide patients 24 hour, seven day a week on-call telephone access to practitioners through a call service for the urgent care needs of the residents of and visitors to the Ouray County community.
 - e. Professional Conduct. The Provider shall operate its business in the Clinic in a professional manner that complies with generally accepted standards of professional conduct and with the Colorado Board of Medical Examiners' requirements for medical professionals. Such services shall be provided by a physician who provides the full scope of primary care services, including care for infants, children, adults and the elderly. Due to the distance to a hospital from the Clinic, obstetric and inpatient care are excluded.
 - f. Insurance. The Provider shall at all times maintain professional negligence/malpractice insurance covering the provision of medical services by any member of the Provider's staff and/or any contract workers working at the facility. Said malpractice insurance shall provide coverage at levels no less than the minimum required by state law. A current certificate of insurance shall be provided to the RSA at all times during the term of this Agreement. Nothing in this agreement shall be construed to waive any governmental or other immunity RSA may have.
 - g. Permits and Licenses. The Provider shall be solely responsible for acquiring and maintaining all governmental permits, licenses, approvals, etc., necessary to operate the Clinic. This includes but is not limited to current licenses for all medical personnel and any applicable permits and/or licenses needed to operate the Clinic. Provider's failure to do so will be a breach of this Agreement.
 - h. Medical Records. The Provider shall have custody of all patient records and shall be responsible for maintaining all medical records in a confidential manner. Provider shall comply with state and federal laws and regulations and comply with the guidelines specified in policy 40-7 as adopted and subsequently amended by the Colorado Board of Medical Examiners during this Agreement. Provider shall perform electronic backup of the medical record system according to the generally accepted standard in the industry. The Provider and the RSA shall ensure that all confidential patient information and medical records are covered by a "cyber liability" insurance policy which will insure against unauthorized disclosure of Protected Health Information, in violation of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act ("HITECH"). Provider will make a written request to the applicable cyber liability insurance company that the RSA be named as an additional insured. The Provider shall pay for 10% of the costs of such cyber liability policy, and the RSA shall pay for the remaining 90% of the cost of such policy.
 - i. Lease Agreement. This contract will run concurrently with the term of that certain accompanying Lease Agreement for the Clinic facility and Equipment, dated January 1, 2018, by and between the same parties hereto (hereinafter referred to as the "Lease"). The terms and conditions of the Lease are hereby incorporated herein by this reference thereto as if set out in full herein. If the Lease is terminated by either party for any reason, this Agreement shall terminate on that date.
 - j. Specialized Equipment. RSA has expended significant resources to provide expensive specialized equipment, such as digital imaging and equipment related to occupational physical examinations.

For digital imaging and similar equipment, Provider shall use its best efforts to ensure that trained personnel are available each week-day during normal operating hours to utilize such equipment. For specialized equipment needed for employment physicals and similar uses, Provider shall use its best effort to ensure that a qualified operator is available on a schedule that meets the requirements of employers in the county.

- k. Rent Abatement. If the Provider requests the abatement of rent, in whole or in part, or if the RSA has a good faith, reasonable cause to believe that the Provider is not maintaining the facility or equipment as specified in this Agreement, and the RSA has given Provider written notice of such belief along with thirty (30) days to cure or respond to the RSA in a manner that is satisfactory to the RSA, and the Provider has not responded or cured, the RSA may require the following submissions from the Provider:
1. Monthly Provider Statistics including:
 - A. Average Number of Patient Visits by Provider
 - B. Average Annual Income Billed per Provider
 - C. Average Income per Patient Visit
 2. Monthly Accounts Receivable Aging.
 3. Monthly gross amounts billed, collected and written off as uncollectible.
 4. Quarterly financial statements to include a balance sheet, profit and loss statement and comparison of actual expenditures with budget projections.
 5. Annually compiled financial statements prepared in accordance with generally accepted accounting principles (GAAP) prepared by a public accountant.

Provider considers the content of the documents listed above proprietary and confidential. As permitted by law, the RSA shall use its best efforts to maintain the documents listed above as confidential.

- l. Regular Reports to RSA. Provider will deliver to the RSA on a quarterly basis reports that include the following: 1) The number of patients seen at Provider by month, 2) The number of active patients, 3) Percentage or number of patients by reimbursement source, i.e. self-pay, Medicare, etc., 4) Utilization statistics on the X-ray. In addition, on or about the first two weeks in September each year, Dr. Gates will deliver a presentation to the RSA Board including the financial health of Provider, quality program participation, budget requests for the following year, and other items requested by the RSA or deemed relevant by Provider. These annual reports will be kept confidential by the RSA and shall not be made available to the public unless Provider gives written permission to do so. Within 3 weeks following the annual presentation, Provider shall provide to the RSA a copy of the presentation with all information deemed to be confidential to Provider removed, and such remaining presentation information may be made available to the public by the RSA.

Effective the date and year first above-written.

Ouray County Regional Service Authority




Michael S. Boland

President, RSA Board of Directors

PROVIDER:

Mountain Medical Center, L.L.C.



Joel T. Gates, D.O.

Managing Member

EXHIBIT 1
To The Agreement for the Provision of Medical Services
January 1, 2013

Lot 1 of the Colby Minor Subdivision, in Tract A and Tract J of the Park Subdivision (Section 16, Township 45, Range 8), Town of Ridgway, County of Ouray, State of Colorado.