

AGREEMENT FOR LABORATORY SERVICES

Date of Agreement: 04/05/2021

Purchaser Name: City of Foley

Facility Name: Foley Hospital Corporation
d/b/a South Baldwin Regional Medical Center

Select One: ☐ individual ☐ partnership
☐ professional service corp. ☐ association
☒ other

Address of Facility:
1613 N McKenzie St
Foley, AL 36535

Address of Contractor at Date of Agreement:
PO Box 1750
Foley, AL 36535

Effective Date: Date of signature

Expiration Date: 60 months after date of signature

The attached Standard Terms and Conditions are incorporated into the Agreement for Laboratory Services by this reference. The capitalized terms in the attached Standard Terms and Conditions not otherwise defined shall have the definition of such terms as set forth on this Face Sheet. The following Addenda are also attached to and incorporated into the Service Agreement by this reference.

ADDENDUM	TITLE	CHECK IF INCLUDED
1	Additional Services	☐
2	Billing and Fees	☐
3	Clinical and Lab Services	☐

Neither the Agreement nor any amendment or modification hereto shall be effective or legally binding upon Facility, or any officer, director, employee or agent thereof, unless and until it has been reviewed and approved electronically by the President of the Division within which Facility is located and Facility's Legal Counsel.

SIGNATURES AND APPROVALS: (see the section that pertains to Approvals in the Standard Terms and Conditions)

PURCHASER:
City of Foley, Alabama

FACILITY:
Foley Hospital Corporation
South Baldwin Regional Medical Center

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

AGREEMENT FOR LABORATORY SERVICES
(Facility serves as a reference lab)

This Agreement for Laboratory Services (this “Agreement”) is entered into to be effective as of the Effective Date, as specified on the Face Sheet, by and between the Purchaser, identified on the Face Sheet and the Facility, identified on the Face Sheet.

WHEREAS, Facility is the owner and operator of a clinical laboratory that is duly licensed and certified under the Clinical Laboratory Improvement Amendments of 1988, the Medicare and Medicaid programs, and any applicable statutes and regulations of the state in which Facility is located; and

WHEREAS, Facility employs individuals qualified to perform various tests and examinations of human body materials for the purpose of providing information for the diagnosis, prevention or treatment of disease, or the assessment of medical conditions; and

WHEREAS, Purchaser desires for Facility to perform certain Clinical Laboratory Services (defined below) for Purchaser’s patients, and Facility desires to perform such Clinical Laboratory Services, under the terms and conditions contained in this agreement;

NOW, THEREFORE, for the reasons set forth above, and in consideration of the mutual agreements, covenants, terms and conditions herein contained and intending to be legally bound hereby, the parties mutually agree as follows:

1. Services Provided by Facility.

Facility will provide clinical laboratory testing services, excluding laboratory services for end stage renal disease patients (“Clinical Laboratory Services”), in accordance with Facility’s then-current standard operating procedures upon request of Purchaser. In connection with the provision of Clinical Laboratory Services by Facility to patients of Purchaser, the parties further agree as follows:

- A. In the event Facility does not perform a particular laboratory test ordered by Purchaser in-house, the following provisions shall apply:
 - i. For Clinical Laboratory Services to be billed to the patient or applicable third-party payor by Facility pursuant to Section 6, Facility may, in its sole discretion, provide such services through a third-party vendor of lab services (a “Third-Party Vendor”).
 - ii. For Clinical Laboratory Services to be direct billed to Purchaser by Facility pursuant to Section 6, Facility may provide such services through a Third-Party Vendor upon Purchaser’s prior consent.
 - iii. Facility shall have no liability to Purchaser or its patients due to Facility’s failure or inability to provide such Clinical Laboratory Service.
- B. Facility will maintain approval to perform Clinical Laboratory Services by (1) the Medicare and Medicaid programs, and (2) any applicable accrediting bodies and state agencies.
- C. During the laboratory’s normal business hours, Facility will provide STAT Testing (defined below) in accordance with Facility’s then-current standard operating procedures upon request of Purchaser. For purposes of this Agreement, “STAT Testing” shall mean Clinical Laboratory Services for which test results are requested within four (4) hours of the receipt of the specimen by Facility.

- D. Facility will provide a written or faxed copy of all Clinical Laboratory Services completed to Purchaser and to each patient's attending physician (if different than Purchaser). Written results will be delivered by mail, fax or by courier.
- E. Facility will make a medical director available for consultation with Purchaser as deemed necessary between Facility and Purchaser.
- F. Facility will notify Purchaser of all Critical Values (defined below) by telephone and document the call as soon as possible, all pursuant to Facility's then-current policies relating thereto. "Critical Values" shall mean clinical laboratory test results indicating a potentially life-threatening condition, as determined by Facility's then-current policy relating thereto.

2. Services Provided by Purchaser.

Purchaser agrees to provide to Facility all information necessary to accurately process billing claims for Clinical Laboratory Services performed. This includes, but is not limited to, the patient's name, social security number, date of birth, physician name, patient accident history (if applicable), signature of the authorized person ordering tests, proof of medical necessity of the laboratory testing ordered in the form of a narrative diagnosis or ICD-9 Code(s), and such other information as Facility may reasonably request from time-to-time. Purchaser further agrees to:

- A. Unless Facility is providing venipuncture services, provide a Purchaser representative to be responsible for the collection and proper labeling of specimens, and the proper handling and preparation of specimens for pick-up by Facility.
- B. Provide a properly completed laboratory requisition for each series of procedures to be performed by Facility. Without limiting the generality of the foregoing:
 - i. When required, Purchaser shall ensure that the patient completes the Advance Beneficiary Form ("ABN") statement.
 - ii. Purchaser accepts the responsibility for providing the ordering physician's signature by stamp, electronic or actual signature on all requests for Clinical Laboratory Services. Purchaser acknowledges and agrees that Facility cannot perform or bill for Clinical Laboratory Services without this signature.
 - iii. Purchaser agrees to complete fully the laboratory requisition billing instructions section, including the provision of any and all provider insurance billing information and any Medicare Secondary Payor (MSP) billing information.
 - iv. Purchaser will consult with Facility as to collection times and proper procedures for specimen collection when in question.
- C. Provide time for in-service education as deemed necessary by Facility and Purchaser.
- D. Accept responsibility for all patient follow-up in the event of Critical Values.
- E. Provide a Purchaser contact person to discuss and resolve any issues arising under this Agreement.
- F. Without limiting the generality of Section 2(B)(i), provide a signed ABN for all screening tests. Screening tests and non-covered tests (i.e., tests that are not paid for by a third party payor) will only be performed if the patient (1) signs an ABN, and (2) understands and accepts financial responsibility for the test.

3. Term. The term of this Agreement shall commence on upon date of final signatures and shall continue for an initial term of sixty (60) months (the "Initial Term"). Thereafter, this

Agreement will automatically renew for successive one (1) year terms (each a "Renewal Term") unless sooner terminated by either party pursuant to Section 4. The Initial Term and any Renewal Terms are collectively referred to herein as the "Term."

4. Termination.

- A. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to the other party. Notwithstanding anything herein to the contrary, if this Agreement is terminated prior to the first anniversary of the Effective Date, the parties agree not to renegotiate this Agreement or enter into an agreement for services similar to the Clinical Laboratory Services until the first anniversary of the Effective Date.
- B. Either party may terminate this Agreement immediately upon written notice to the other party if such other party becomes excluded, debarred or sanctioned under any federal program.
- C. Upon termination of this Agreement, Purchaser agrees to promptly surrender to Facility any equipment, supplies or written materials provided to Purchaser by Facility.

5. Error Reporting. Purchaser agrees to immediately report to Facility the discovery of any type of discrepancy, anomaly or errors related to results reporting. Purchaser further agrees to promptly meet with Facility representatives, at mutually agreeable times, to discuss any issues arising under this Agreement.

6. Compensation for Clinical Laboratory Services.

- A. Upon request of Purchaser at the time a Clinical Laboratory Service is ordered, Facility will either (1) bill the patient or applicable third-party payor (e.g., the patient's insurance company or the Medicare and Medicaid programs), or (2) direct bill Purchaser in accordance with Section 6(C) of this Agreement. If Purchaser does not specify whether Facility should bill the patient or applicable third-party payor or direct bill Purchaser, Facility will bill the patient or applicable third-party payor.
- B. In the event Facility bills the patient or applicable third-party payor for Clinical Laboratory Services provided hereunder, (1) Facility shall be entitled to retain all receipts attributable thereto, and (2) Purchaser represents, warrants, covenants and agrees that it will not bill the patient or applicable third-party payor.
- C. Clinical Laboratory Services that are direct billed to Purchaser will be billed based on Facility's fee schedule for such services attached hereto as Exhibit A. This fee schedule may be amended from time-to-time by Facility upon thirty (30) days written notice to Purchaser. If Purchaser objects to such amended fee schedule, Purchaser may terminate this Agreement in accordance with Section 4(A).
- D. Charges for STAT Testing and laboratory testing performed by a Third-Party Vendor shall be the same as the charges for other Clinical Laboratory Services.
- E. Venipuncture services provided by Facility will be billed to the patient, applicable third-party payor or Purchaser, as appropriate, at Facility's rate for such services set forth on Exhibit A.

7. Invoices. Facility shall submit an invoice to Purchaser for all direct billed Clinical Laboratory Services provided hereunder within ten (10) days after the end of each month. Facility shall only invoice Purchaser for Clinical Laboratory Services that have been completed at the time of invoice. Purchaser shall remit payment for services within

thirty (30) days of receipt of the invoice to the address of Facility set forth in the Face Sheet.

8. Insurance. During the Term of this Agreement, Purchaser and Facility each agree to maintain in full force and effect general and professional liability insurance covering their respective acts and omissions in amounts not less than \$1,000,000 per occurrence and \$3,000,000 aggregate. In the event that any insurance referred to herein is of the "claims made" type, each party with such insurance agrees that the insurance shall be continued for a period of twenty (20) years after the termination of this Agreement, or the party shall purchase extended reporting period insurance (also referred to as "tail coverage") to extend the insurance for a minimum of twenty (20) years beyond the termination of this Agreement. The provisions of this Section 8 shall survive termination of this Agreement. Upon request, Purchaser and Facility agree to furnish each other with a current and valid certificate of insurance, or proof of adequate self-insurance, evidencing their general liability and professional liability coverage. Any material modification or alteration in such coverage shall be promptly communicated to the other party.
9. Indemnification. Purchaser and Facility shall indemnify, defend and hold the other harmless (including the respective affiliates, employees, officers, directors and agents of each party) from and against any and all losses, claims, suits, damages, liabilities and expenses (including, without limitation, reasonable attorney's fees and court costs) based upon, arising out of or attributable to any acts or omissions of the indemnifying party, its employees, officers, directors or agents. Neither party shall have any responsibility for the acts or omissions of the other party or its representatives. For purposes of this Agreement, physicians who are members of the medical staff of Facility do not constitute agents, representatives or employees of Facility due to their medical staff membership. The provisions of this Section 9 shall survive the termination of this Agreement. The party requesting to be indemnified must place such a demand, in writing, to the other party within ninety (90) days of its notice of the claim. The indemnified party must cooperate fully with the investigation and defense of the claim or suit, and may not take any action which will prejudice the claim or suit.
10. Independent Parties. This Agreement is an independent contract between Purchaser and Facility. Neither party, nor any employee of either party, shall be construed in any manner whatsoever to be an employee or agent of the other, nor shall this Agreement be construed as a contract of employment or agency.
11. General Provisions.
 - A. Amendment. This Agreement may be amended, but only in writing, dated and executed by the parties' authorized representatives and attached hereto.
 - B. Assignment. Neither party may assign its rights or delegate its duties under this Agreement without the prior written consent of the other party, except that Facility may assign this Agreement to an affiliate of Facility or to an entity who acquires substantially all the assets of Facility.
 - C. Compliance with Law. Each of the parties represents and warrants to the other party that it will comply with all applicable federal, state and local laws, rules and regulations, including, but not limited to: the federal Physician Self-Referral Law (42 U.S.C. 1395nn), the regulations promulgated thereunder and similar state physician self-referral laws and regulations; the federal Medicare/Medicaid Anti-Kickback Law (42 U.S.C. 1320a-7b), the regulations promulgated thereunder and similar state anti-kickback laws and regulations; and the Health Insurance

Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

- D. Entire Agreement. This Agreement together with Exhibit(s) attached hereto contains the complete and full agreement between the parties regarding the subject matter hereof.
- E. Notices. Any notice required to be given hereunder must be in writing and will be deemed to have been served properly, if sent by recognized overnight courier, or certified mail, postage prepaid, properly addressed and posted in a United States depository to the respective parties hereto at the addresses set forth in the Face Sheet, with copy to:

Legal Department
4000 Meridian Boulevard
Franklin, TN 37067
Attn: General Counsel

- F. No Waiver. No waiver of any breach or failure by either party to enforce any of the terms or conditions of this Agreement at any time will, in any manner, limit or waive such party's right thereafter to enforce and to compel strict compliance with every term and condition hereof.
- G. Severability. It is the intention of the parties to comply with all applicable laws and for the provisions of this Agreement to be enforceable to the fullest extent permissible under applicable laws, and that the unenforceability of any provisions under such laws will not render unenforceable, or impair, the remainder of the Agreement. If any provisions hereof are deemed invalid or unenforceable, either in whole or in part, this Agreement will be deemed amended to delete or to modify, as necessary, the offending provisions and to alter the bounds thereof in order to render it valid and enforceable.
- H. Assistance in Litigation/Arbitration. Each party shall make its employees reasonably available to the other to testify as expert witnesses, or otherwise, in the event litigation or arbitration is brought against a party, its directors, officers or representatives.
- I. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the state in which Facility is located without regard to the conflict of law provisions thereof.
- J. Access to Books and Records. If the services to be provided by Facility hereunder are subject to the disclosure requirements of 42 U.S.C. section 1861 (v)(1)(I), Facility shall until expiration of four (4) years after the provision of services hereunder make available, upon written request of the Secretary of the U.S. Department of Health and Human Services, or upon request of the Comptroller General, or any of their fully authorized representatives, a copy of this Agreement and the books, documents and records of Facility that are necessary to certify the nature and extent of the costs incurred under this Agreement through a subcontractor with a value or cost of \$10,000.00 or more over a 12 month period. In addition, with respect to any applicable subcontract, such subcontract shall contain a clause to the effect that, should the third party be deemed a related organization, until the expiration of four years after the furnishing of services pursuant to such subcontract, the third party shall make available, upon written request of the Secretary of the U.S. Department of Health and Human Services, or upon request of the Comptroller General, or any of their duly authorized representatives, a copy of the subcontract, and the books, documents and records of such third party that are necessary to verify the nature and extent of the costs incurred under this Agreement.

- K. Approvals. Neither this Agreement nor any amendment or modification hereto shall be effective or legally binding upon Facility, or any officer, director, employee or agent thereof, unless and until it has been reviewed and approved by a Division President of CHSPSC, LLC, Facility's Management Company, and by Facility's Legal Counsel.
- L. Focus Arrangement Compliance Language. The parties to this Agreement certify they shall not violate the Anti-Kickback Statute and/or the Stark Law with respect to the performance of the Agreement.

Each party to this Agreement is subject to and required to abide by its Code of Conduct and other compliance policies including Stark and Anti-Kickback Statute policies. A copy of relevant policies may be made available to the other upon request.

IN WITNESS WHEREOF, this Agreement has been executed to be effective as of the Effective Date.

Addendum 2

Billing and Fees

☐ **Provider Billing.** Provider shall have the sole right to bill patients or responsible third-party payors for all Laboratory Services and Phlebotomy Services rendered in accordance with this Agreement, and all fees collected for such services will be the sole property of Provider. Client shall make reasonably available to Provider any information it may have regarding each patient's responsible payor. Client and Provider will work together in good faith to reduce reimbursement denials by providing adequate documentation, including proper coding for the medical necessity of Laboratory Services. Failure of Client to provide the information required by Provider to bill the Laboratory Services or the Phlebotomy Services shall be a material breach of this Agreement.

☐ **SNF Billing (to be used only where the Client is a Skilled Nursing Facility).** Client shall have the sole right to bill patients or responsible third-party payors for all Laboratory Services and Phlebotomy Services rendered in accordance with this Agreement and all fees collected for such services will be the sole property of Client. By the twentieth (20th) day of each calendar month, Provider will submit a detailed invoice to Client reflecting the services rendered by Provider to patients of Client in the immediately preceding month. Within ten (10) business days of receipt of Provider's invoice, Client will pay Provider directly for such services in accordance with the fee schedule maintained by Provider and incorporated into this Agreement as Addendum 2(a).

Addendum 2(a)

Fee Schedule

Rapid Covid Testing -- \$60.00

Drug Screen -- \$60.00

Breath Analysis -- \$65.00

Specimen Collection -- \$22.90