

AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT

between

DARTMOUTH-HITCHCOCK CLINIC

and

ALLIANCE HEALTH SERVICES

Effective As of January 1, 2010

Manchester, New Hampshire

PROFESSIONAL SERVICES AGREEMENT

This Amended and Restated Professional Services Agreement (this “Agreement”) is made and effective on January 1, 2010 (the “Effective Date”), by and between Dartmouth-Hitchcock Clinic (“DHC”), a New Hampshire not-for-profit corporation with a principal place of business in Lebanon, New Hampshire, on behalf of and for services to be provided by its Manchester Division, and Alliance Health Services (“AHS”), a New Hampshire not-for-profit corporation with a principal place of business in Manchester, New Hampshire and having as its sole member, CMC Healthcare Systems (“CMCHS”).

WHEREAS:

- A. DHC is a not-for-profit, tax-exempt corporation organized in 1983 to provide health care, medical education and research services in New Hampshire and surrounding states. DHC's tax-exempt purposes are:
1. The diagnosis, treatment and care of human ailments and the study of the causes and prevention thereof;
 2. The promotion of medical, surgical, and scientific learning and skill;
 3. The investigation of problems of health, hygiene, and public welfare;
 4. The aid, advancement, and conduct of scientific research in medicine and related fields; and
 5. The conduct of educational activities in medicine and related fields.
- B. DHC owns or leases land, buildings, furniture, fixtures, medical equipment and office equipment suitable for the operation of a multi-specialty group medical practice providing health care, medical education, and research services; and employs all non-physician allied health personnel required for these purposes.

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- C. DHC has developed a regional not-for-profit health care system serving both rural communities and population centers in New Hampshire and Vermont. DHC arranges for the delivery of medical and surgical care to patients from its central location in Lebanon, New Hampshire, and various community locations, including Bedford and Manchester, New Hampshire. DHC first began providing services in Bedford and Manchester in the mid-1980's, using facilities and equipment owned or leased by it that are located in proximity to the Catholic Medical Center and its sole member, CMC Healthcare Systems (“CMCHS”). DHC and CMCHS have worked together to provide health care services to the community and to support medical research and education.
- D. CMCHS has been organized as a not-for-profit, tax-exempt organization and is being operated exclusively for the charitable purpose of establishing and operating a healthcare system in the greater Manchester, New Hampshire area, without pecuniary gain and without distinction as to race, color, creed, sex or ability to pay, and to maintain the identity of CMCHS as a public juridic person pursuant to the Code of Canon Law of the Roman Catholic Church and according to the Roman Catholic teaching and tradition, including but not limited to the *Ethical and Religious Directives for Catholic Health Care Services* (the “ERDs”).
- E. Both DHC and CMCHS provide primary medical care in the Manchester and Bedford communities and both entities recognize that offering high quality medical care to all patients, regardless of their ability to pay, is a critical service to the Manchester and Bedford communities, which is consistent with the charitable missions of both CMCHS and DHC. Each party has offered these programmatic

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initiatives as a community service for many years.

- F. While each of these programmatic initiatives has provided some benefit to the respective organizations and to those persons whom they serve, none of the initiatives constituted an overall partnership or sustainable collaboration, particularly between CMCHS and DHC's Manchester Division. Therefore, both parties executed a Professional Services Agreement effective January 1, 2007 (the "Original Agreement") to broaden the clinical scope of this collaboration to include other future strategic initiatives in addition to increasing the primary care options available to indigent patients, expanding the care provided to pediatric patients, and offering the option for patients to obtain inpatient and outpatient care at either Manchester hospital.
- G. CMCHS desires to maintain and improve the quality and breadth of the health care services available to persons living or working in its service area. AHS has been created as an affiliate of CMCHS and as a not-for-profit, tax-exempt organization operated exclusively for the charitable purpose of facilitating health care programs that further the quality, accessibility, and efficiency of health care in the greater Manchester, New Hampshire community. In furtherance of its stated purposes, AHS desires to broaden the operations of certain clinical activities conducted to this point by DHC in its Manchester and Bedford, New Hampshire locations (as listed at Exhibit 1(a)), and on the terms and conditions contained herein.
- H. To enhance the availability and delivery of health care services in the greater Manchester service area, CMCHS has entered into an Affiliation Agreement (the "Affiliation Agreement") with Dartmouth-Hitchcock Health ("DHH") to integrate

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the clinical and health care services of CMCHS, CMC and AHS (the “Manchester System”) with the regional integrated health care delivery system operated by DHH (the “Regional System”).

- I. Given the enhanced integration of health care services within both the Manchester System and the Regional System, AHS desires to broaden the scope of the Original Agreement which provides the professional services of certain of DHC's physicians, physician assistants, nurse practitioners, and certified nurse midwives and of certain of DHC's ancillary personnel, including but not limited to nurses, clerical and management staff who are qualified to provide high quality medical services to patients, professional staff services to AHS, and otherwise generally to assist AHS in the pursuit of its charitable purposes.
- J. The parties desire to enter into this Agreement, in replacement of the Original Agreement, pursuant to which DHC will furnish the professional services of certain of the DHC physicians and DHC non-physician personnel to AHS on the terms set forth below. The parties anticipate that this Agreement will include most of the clinical services offered by DHC at the Wellington Road Facility. This Agreement will not include, however, any procedures and activities that are not in accordance with the ERDs, which are expressly excluded from this Agreement. The parties understand that DHC may continue to offer such procedures and activities after the effective date of this Agreement but shall do so solely under the direction and authority of DHC and in accordance with the training provided hereunder to DHC physicians regarding non-ERD procedures and activities, and such procedures and activities shall not be related to this Agreement. Any patient

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or third party financial arrangements associated with such procedures and activities shall be between DHC and the patient or party and shall not be included in any way under this Agreement. The Parties acknowledge that some of the individuals included in this Agreement may provide such procedures and activities within the scope of their employment with DHC and this is reflected in the lease terms contained herein. EXHIBIT A contains a listing of some of the procedures and activities and associated CPT-4 Procedure codes, where applicable, that are expressly excluded from this Agreement.

IT IS AGREED AS FOLLOWS:

1. Provision of Professional Services.

a. Facilities. The facilities subject to this Agreement are set forth on Exhibit 1(a) attached hereto and incorporated herein, and shall hereinafter be collectively referred to as the “Facilities”. Each particular facility shall be referred to by its address.

b. Personnel.

(1) DHC, through its Manchester Division, agrees to provide AHS with the professional services of certain DHC physicians, physician assistants, nurse practitioners, and certified nurse midwives, collectively referred to as “Providers” at the Facilities. The initial Providers included within this Agreement are listed at Exhibit 1(b)(1) attached hereto and incorporated herein, the FTE’s for which will be revised and updated periodically to reflect adjustments to the budget based on actual revenues, expenses and other budgeted items. With the exception of the initial eighteen (18) months of the term of this Agreement, the budget will be negotiated on an

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annual basis to cover a twelve (12) month fiscal period running from July 1 of one calendar year to June 30 of the succeeding calendar year (the “Annual Operating Budget”). These Providers will serve as AHS's professional staff and will be located at the Facilities that will be leased to AHS by a separate real estate lease agreement (the "Lease"), and made available to AHS, in order to allow AHS to provide medical care to its patients, professional staff services to affiliated institutions, and otherwise to assist AHS in the performance of its charitable purposes and its participation in the integrated health care delivery systems described above, all in accordance with the ERDs.

- (2) DHC will provide sufficient qualified nurses, technicians, and other allied health care, clerical and management personnel (hereinafter referred to collectively as the non-Provider personnel when referring to all such personnel or as the non-Provider clinical personnel when referring only to nurses, technicians, and other allied health care personnel) to support the Providers in the rendering of such services, such non-Provider personnel to generally conform to the FTE assumptions upon which the budget therefor is predicated. All personnel supplied by DHC to perform services pursuant to this Agreement who are required to maintain a license or certification shall be properly licensed or certified, respectively, to practice their specialties or conduct their services in the State of New Hampshire and, if so required in order to practice at CMC, shall be or become members or affiliates of the Medical Staff of CMC. Furthermore,

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all such personnel shall meet the credentialing requirements applicable to their profession and specialty established from time to time by DHC and AHS. This Agreement, however, shall not entitle any employee, agent or contractor of or with DHC to medical staff membership on, affiliation with, or the receipt of any particular clinical privileges at CMC. This Agreement, moreover, shall not be construed to prohibit or discourage any DHC Provider from being or becoming a member of or affiliated with the medical staff of any other hospital.

- (3) DHC will provide management services to include, with mutually agreed upon limitations, medical and administrative supervision for day to day operations, third party contracting, billing and collection of revenue as agent for AHS, risk management, materials management and other administrative functions required to ensure the smooth and effective operation of AHS.
- (4) All personnel supplied by DHC pursuant to this Agreement shall be subject to any general administrative and (subject to the provisions of Section 8 of this Agreement) clinical policies, the ERDs and rules and regulations promulgated by AHS's Board of Trustees generally applicable to its employees and other contractors, after consultation with the Board of Governors, which will be established by and between DHC, CMCHS and AHS in accordance with Section 2 herein (the "Board of Governors") and with the AHS Bylaws. In all other respects, the discipline and discharge of personnel supplied by DHC hereunder shall be the sole right

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and responsibility of DHC. Notwithstanding the aforesaid, any licensed individual whose license to practice his or her profession is revoked, restricted or suspended (except for administrative reasons and as otherwise permitted by CMCHS and DHC applicable bylaws and policies) shall not be eligible to provide services pursuant to this Agreement.

- (5) In conjunction with rendering the services required by this Agreement, both AHS and DHC shall comply with the ERDs, which are issued and revised from time to time by the United States Conference of Catholic Bishops and promulgated by the Bishop of the Roman Catholic Diocese of Manchester, (the “Bishop”), and shall have no power to take or perform any action that is prohibited by the ERDs. Specifically, the personnel supplied by DHC pursuant to this Agreement shall provide services in accordance with the ERDs. AHS and DHC shall ensure that each of the personnel supplied by DHC pursuant to this Agreement: (i) receives a copy of the ERDs; (ii) is trained regarding the applicability of the ERDs to procedures and activities provided by them and methods by which to comply with the ERDs, in accordance with training materials mutually-agreeable to AHS and DHC; and (iii) complies in all respects with the ERDs while performing services included under this Agreement. If any new procedures or treatments arise during the term of this Agreement, the parties agree to determine mutually and in good faith the compliance of such new procedures or treatments with the ERDs. An existing understanding between the parties regarding certain DHC practices is

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attached as Exhibit 1(b)(5) and incorporated into this Agreement by reference. The parties agree that the Bishop retains the ultimate authority to interpret non-compliance with the ERDs for purposes of this Agreement.

c. Operational and Financial Provisions.

- (1) Working with the CMCHS Chief Financial Officer and the DHC Vice President of Community Group Practices, the AHS Chief Physician Executive (“CPE”) will be responsible for preparing an annual operating budget for AHS’ operations, planning changes in mix or quantity of medical services to be offered to the community, assessment of any significant changes in clinical service needs by the community, and ongoing evaluation of AHS's financial performance. The parties intend that the budget reflect the anticipated cost to DHC of providing the services under this Agreement consistent with the ERDs. DHC shall cooperate with and provide to AHS all information necessary in order for the CPE to prepare the annual operating budget. The Board of Governors will review and approve the annual operating budget for recommendation to the AHS Board of Trustees for approval. The AHS Board of Trustees will approve the final budget for implementation subject to the approval of DHH.
- (2) DHC agrees to cooperate with AHS in reviewing periodically, and as often as appears necessary, the adequacy of the number of physicians, the types of physician specialties needed, the numbers of physicians within

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each specialty, and the number and types of non-physician personnel needed to fulfill the purposes of AHS. If additional personnel are determined by the Board of Governors and where applicable AHS Board of Trustees to be necessary, then, subject to appropriate budgetary adjustments to reflect the additional cost to DHC, DHC agrees to use its best efforts to recruit such additional physicians and non-physician personnel as the parties agree are reasonably required to provide professional medical services and related services to AHS pursuant to this Agreement and for the purposes of the Manchester System described in the Affiliation Agreement, and to assist AHS in carrying out its charitable purposes, including without limitation the preparation of any community benefit plan required by state law. Notwithstanding the foregoing, AHS shall have the right to veto the assignment of any physician by DHC for the provision of services at the Facilities pursuant to this Agreement.

- (3) Consistent with the budget, AHS will set the fees AHS charges for its services. DHC will be responsible for the billing of AHS' patients and the collection of revenue, and shall act as AHS' contracting and/or billing agent. Pursuant to the powers reserved to DHH under the Affiliation Agreement, AHS shall be considered a Dartmouth-Hitchcock affiliate in contracting with third-party payors. DHC agrees to cooperate fully with AHS in the determination of the amount, billing, and collection of fees for services rendered by AHS to its patients. DHC agrees to establish and maintain a billing procedure to distinguish between Affiliation services

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and procedures and activities outside of the Affiliation but provided at the Facilities.

2. Governance.

a. Consistent with the revised AHS Bylaws, AHS will form a Board of Governors which will advise AHS with regard to the operational and financial performance of AHS. (See Exhibit 2(a) for a list of the categories of members). Working with the CPE and other management personnel of AHS, the Board of Governors will have the following responsibilities in the discharge of its monitoring and oversight functions:

- (1) Develop and recommend strategic plans for AHS that are consistent with the respective missions of DHC, AHS, CMCHS and DHH;
- (2) Review annual operating and capital budgets prepared for AHS by management, and recommend approval to the AHS Board of Trustees;
- (3) Oversee the development of AHS's community benefit plan;
- (4) Develop a physician workforce plan as a part of the annual operating budget to identify service needs and approve any changes in the number or mix of physician positions during the fiscal year;
- (5) Participate in evaluating the performance of AHS' Medical Director;
- (6) Monitor and oversee the quality of care and service provided to patients;
and
- (7) Monitor and oversee the financial and operating performance of AHS.

b. Actions and recommendations of the Board of Governors relating to the annual operating budget of AHS shall require approval by the Boards of Trustees of

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AHS, CMCHS and DHH. All other actions and recommendations of the Board of Governors will be subject to approval by the Board of Trustees of AHS, unless otherwise required by CMCHS.

3. Charitable Purposes of Practice and Quality of Care.

- a. DHC agrees to cause its Providers and non-Provider personnel who are covered by this Agreement and located in a Facility to cooperate with AHS to accomplish AHS' charitable purposes and the goals of the Manchester System as described in the Affiliation Agreement, consistent with the ERDs. Other than as may separately be agreed with regard to part-time physicians and in other specific circumstances, DHC agrees to require its employed and contracted Providers and non-Provider personnel provided to AHS and located in a Facility to devote all their available working time (subject to normal coverage arrangements and to the services exclusion noted in EXHIBIT A) and their best efforts to the performance of this Agreement.
- b. AHS acknowledges and agrees that it is in the best interest of itself and its patients for DHC's Providers, and non-Provider clinical personnel to maintain a high level of competency in, and remain currently well-informed as to recent developments in, their particular areas of specialization and for them to be allowed reasonable vacations. Therefore, AHS agrees that so long as DHC is able to provide the necessary professional services to AHS to enable it to meet its obligations to its patients, affiliated institutions, and other parties, neither DHC nor any of its Providers and non-Provider clinical personnel shall be deemed to be in default hereunder because of the attendance by such Providers and non-

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Provider clinical personnel at lectures, seminars, symposia and similar professional educational programs relating to the improvement of their skills and knowledge regarding the delivery of health care, clinical teaching, or research services, or because of their absence on vacation or sabbatical leave. DHC acknowledges and agrees that it will bear the costs and expenses associated with such continuing professional education, vacations, and sabbatical leaves, without reimbursement by AHS other than the compensation payments provided under Section 6. The FTE definition contained in Exhibit 1(b)(1) and the FTEs contained in the budget include provision for Providers and non-Provider clinical personnel to take time to attend educational programs relating to the improvement of their work skills and knowledge within the parameters of the benefit provided under their employment agreement with DHC. Accordingly, DHC shall use best efforts to coordinate time off for such educational purposes such that the Facilities will have the necessary clinical coverage to remain capable of serving patients within the normal hours of operation.

- c. DHC agrees that all medical services provided pursuant to this Agreement shall be in accordance with generally accepted medical standards, the ERDs and the requirements of any accreditation or licensing agencies or organizations to which AHS is or may become subject.

4. Facilities and Equipment Provided.

DHC will provide to AHS, pursuant to the Lease, the necessary office and clinical space at its Facilities at 25 South River Road, Bedford, NH, 100 Hitchcock Way, Manchester, NH and 88 McGregor Street, Suite 301, including furniture, fixtures,

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medical and office equipment, and supplies necessary to provide medical care to AHS's patients pursuant to this Agreement, but excluding _____ percent (___%) of the rentable square footage of the Facilities as provided for in the budget.

5. Term and Termination.

- a. This Agreement will be co-terminus with the Affiliation Agreement.
- b. If either party shall, at any time, fail to perform such party's obligations under this Agreement or otherwise breach any material term or condition of this Agreement, and such default or breach continues for a period of sixty (60) days following written notice to such defaulting party from the other, or if either party shall at any time be prevented by governmental action, insolvency, bankruptcy, natural catastrophe, or other similar cause from continuing the operation contemplated by this Agreement, the other party may, upon written notice, terminate this Agreement forthwith.

6. Compensation for Services.

- a. For all of the services to be provided by DHC hereunder, AHS agrees to pay DHC: (1) for the eighteen (18) month period commencing January 1, 2010, and ending June 30, 2011, the amount of budgeted compensation (the "Compensation") agreed to in the then-current and approved initial Annual Operating Budget, attached hereto as Exhibit 6(a) and incorporated herein, (which budget reflects the exclusion of costs and overhead attributable to physicians providing excluded services in accordance with Section 1 herein, and DHC agrees to accept that amount from AHS, payable as provided in paragraph (c) below and subject to the possible

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adjustments provided in paragraph (e) below; (2) for the twelve (12) month period commencing July 1, 2010, the Compensation includes a provision to recognize that cost increases will be incurred during the eighteen (18) month initial period, and DHC agrees to accept that amount from AHS payable as provided in paragraph (c) below and subject to the possible adjustments provided in paragraph (e) below. For this initial period and for each fiscal year ending June 30 thereafter, the intent of the Parties is to provide to DHC Compensation for the services to be provided by DHC to AHS in the initial period and each fiscal year thereafter, subject to possible adjustment, that is based on the mutually agreed-upon annual operating budget for the period in question, intended to reflect the full DHC cost of providing the services under this Agreement. The Annual Operating Budget will include the Compensation, the Lease payment, and other expenses of AHS. Payments for new Providers added, or for FTE adjustments, will be made based on the actual salary paid to the Provider as long as this is within fair market value consistent with the DHC salary ranges, and including associated payment for malpractice insurance, benefits, and management services.

- b. The reasonableness of the compensation to be paid by AHS to DHC (including both the Compensation hereunder as well as the payments required pursuant to the Lease) shall be reviewed not less than every three (3) years jointly by the parties.
- c. The Compensation to be paid pursuant to this Section 6 shall be payable in monthly installments or other regular period, and in the manner, as mutually agreed to by the parties.
- d. The parties acknowledge and agree that the Compensation for the initial period has

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been based on the operating budget for the period of January 1, 2010 to June 30, 2011, and that such operating budget has been based on the expectation of the parties that the number of Provider and non-Provider personnel provided by DHC pursuant to this Agreement will remain stable throughout that period. During the course of the fiscal year, actual costs are likely to vary from budget and the Compensation will be adjusted accordingly to reflect these variances.

- e. Notwithstanding any other provisions of this Agreement, the parties acknowledge that the amount to be paid by AHS to DHC pursuant to this Agreement will be reflective of DHC actual costs associated with the provision of services under this Agreement, including contribution to overhead and other fixed costs associated with the operation of a physician group practice.
- f. Conditions.
 - (1) In the event that either party to this Agreement shall receive a written opinion from its legal counsel that its exemption from federal income taxation or that of any of its corporate affiliates is significantly jeopardized by the arrangement or operations contemplated by this Agreement or by the Lease or other agreements entered into by DHC with AHS, contemporaneously herewith, or that changes in federal or state laws or regulations subsequent to the date of this Agreement (or subsequent judicial or administrative interpretations of prior laws or regulations), or that changes in the ERDs or the canon law of the Roman Catholic Church (1) make such Party's participation in the arrangement or operations contemplated by this Agreement or such other agreements

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illegal, (2) cause AHS or CMC or, if applicable, CMCHS not to qualify for Medicare or Medicaid reimbursement, or (3) cause CMC or CMCHS to be in violation of the ERDs and/or the canon law of the Roman Catholic Church, the Parties shall attempt to agree upon an amendment to this Agreement to revise and reform the Agreement or enter into such other agreement in such a manner as to eliminate the regulatory problem at issue. If the regulatory problem is caused by some provision of this Agreement or such other agreement which may be severed from the Agreement or other such agreement without materially affecting the nature of the arrangement or operations contemplated thereby and without imposing any undue burden upon one of the Parties hereto, or parties thereto, the problematical provision shall be deemed excised and the remainder of the agreement in question shall continue to be in full force and effect. If, however, reformation of this Agreement or other such agreement is required, neither Party shall be required to consent to any reformation of the particular agreement to which it objects for any reason. If the Parties are unable within a period of sixty (60) days to reach agreement upon a reformation of this Agreement or other such agreement, the Party who received the written legal opinion which triggered the need for revision shall have the option to terminate this Agreement, as well as the Lease and all other related agreements, upon thirty (30) days written notice to the other Party. This provision will not be construed to limit or alter the termination provisions under the Affiliation Agreement.

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- (2) In the event that the Internal Revenue Service ("IRS") or the Roman Catholic Church requires AHS to make changes in its form of organization or manner of operation, including but not limited to, in order to recognize AHS as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") or as an agency of the Roman Catholic Church, and AHS is unable or unwilling to make the changes necessary to enable it to receive recognition from the IRS as such a Section 501(c)(3) organization or as an agency of the Roman Catholic Church, AHS shall promptly give notice of such circumstance to DHC and DHC may thereupon give notice of termination of this Agreement and the lease and other agreements to AHS and CMCHS, which termination shall be effective ten (10) days following the date the notice of termination was given or such later date as is agreed among the Parties.
- (3) AHS and DHC agree that this Agreement is intended to be, and shall be interpreted as, a personal services agreement of the sort described in Sections 1877 and 1903(s) of the Social Security Act [42 U.S.C. §1395nn and 1396b], 42 CFR §411.357(d) and 42 CFR § 1001.952(d) and consistent with the ERDs. In particular, and not by way of limitation, the Parties agree that this Agreement covers all of the services to be provided by DHC to AHS pursuant to the ERDs for the term of this Agreement and that the aggregate services contracted for herein do not exceed those which are reasonably necessary to accomplish the

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commercially reasonable business purposes of AHS, other than those services provided pursuant to the Lease, expressly referenced herein.

- (4) Further, the parties acknowledge and agree that the aggregate amount of compensation to be paid by AHS to DHC hereunder has been determined in a manner reflective of fair market value for the services to be provided under this Agreement, with reference to the results of past operations and the parties' best estimates of the results of the needs and operations of both parties, and with a view to compensating DHC in an appropriate amount for all of the professional services to be provided by DHC and to assuring that AHS will retain sufficient funds to cover its obligations, direct and indirect, incurred in furnishing its facilities and services to its patients and affiliated institutions and to be able to carry out the mission of providing high-quality care to patients, consistent with the ERDs, without regard to their ability to pay.
- (5) It is understood that the determination of compensation levels to be paid by DHC to its individual physicians shall be made by DHC.
- (6) It is further understood that the determination of compensation levels to be paid by DHC to its non-physician personnel shall be made by DHC, with such appropriate adjustments as the parties agree are necessary to reflect inflation (or deflation) and to maintain a salary structure for non-physician personnel of DHC which, for their respective positions at the Facilities, are commensurate with salaries at other comparable clinics operated on a not-for-profit, charitable and educational basis.

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7. Receipt of Fees for Services Rendered and Other Funds.
 - a. DHC acknowledges and agrees that all funds received by AHS from its patients, from affiliated institutions, or from any other source, on account of fees for services rendered or contract payments shall be the sole property of AHS, and neither DHC nor any of its Providers and non-Provider personnel shall have any interest therein or claims thereto.
 - b. DHC further agrees to deliver, endorse, assign, transfer, or convey to AHS any and all funds received by DHC or any of its personnel from whatever source which relate to services provided by DHC personnel, consistent with the ERDs, on behalf of AHS.
 - c. DHC agrees to require all of its Providers and non-Provider personnel covered by and included within this Agreement to execute and deliver to AHS (for AHS's account) assignments of their rights to any and all compensation, in whatever form, received by any of them for the rendition of patient care services by any of them during the term hereof, unless AHS shall otherwise agree in writing.

8. Responsibility for Medical Services.
 - a. Subject to the limitation set forth in Section 1 above and this Section, the Parties agree that only physicians who are personnel of DHC, either employed or provided through contract, will serve as members of AHS's professional staff and provide treatment to AHS's patients pursuant to this Agreement.
 - b. If, however, DHC's physicians and/or allied health practitioners in their capacity as AHS's professional staff shall determine that the proper treatment of any of AHS's patients requires the performance of professional services not within their

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competence or specialty, AHS and DHC agree to use their best efforts to cause such services to be furnished to said patients by other competent specialists on a referral basis. AHS and DHC agree that such referrals will be made in a manner consistent with the ERDs. Such specialists shall be entitled to retain all professional fees for their services, and shall not be required to reassign them to AHS. Notwithstanding the aforesaid, it shall not be a requirement or condition of this Agreement that DHC personnel shall refer such patients or any other patients to CMC, to physicians on its Medical Staff or to physicians employed by CMC, AHS or any of their affiliated entities.

- c. AHS acknowledges that physicians of DHC serving as its professional staff shall have the sole responsibility for, and control over, the rendition of such services consistent with the ERDs, subject to AHS's administrative direction, general policies, and standards relating to quality of care and utilization review.

9. Indemnity; Insurance; and Specific Performance.

- a. DHC covenants and agrees to forever indemnify and hold harmless AHS from and against all fines, penalties or other liabilities not otherwise covered by insurance (including without limitation reasonable attorney's fees and all other cost incurred by AHS in defending against such claims and enforcing this provision), resulting from DHC's failure to observe or comply in any material respects with any of the laws of the State of New Hampshire relating to employment practices, unemployment insurance or compensation, or licensure with respect to the services of the individuals to be provided by DHC to AHS. The indemnities set forth in this Paragraph (a) shall survive the termination of this Agreement. Notwithstanding the

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foregoing, DHC shall be responsible for all liabilities for false claims, billing fraud, civil money penalties, or other civil or criminal penalties relating to state, Federal or commercial health care programs arising from the services provided by the physicians hereunder. This allocation of liability is reasonable because DHC shall be responsible for the performance of the Providers under this Agreement.

- b. DHC will obtain and continuously maintain insurance coverage in at least the amounts set forth herein:
 1. Statutory Workmen's Compensation - \$XXXXXXX
 2. Comprehensive General Liability Insurance - \$XXXXXXX
 3. Comprehensive Auto Liability Insurance - \$XXXXXXX per accident.
 4. Umbrella excess liability coverage applying above the commercial general liability and comprehensive automobile liability described above in an amount not less than \$XXXXXXX per occurrence/accident.

- c. DHC shall, at its own expense, purchase or otherwise provide and maintain professional liability insurance coverage with coverage for DHC and its related entities, DHC's staff, employees and employed physicians. The professional liability coverage shall have limits of liability of at least \$XXXXXXX per claim and \$XXXXXXX in the aggregate generally, per employed physician. If DHC or any of its staff or employed physicians cancel or otherwise terminate their insurance coverage, for any reason, including termination or non-renewal of this Agreement, or non-renewal of any contract between DHC and its employees or contract personnel, then DHC will immediately provide AHS with evidence of tail coverage. The cost of this tail coverage will be borne by DHC. Tail limits shall be at least equal to the limits of liability set forth above.

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- d. AHS shall throughout the term of this Agreement maintain general liability and professional liability coverage covering its operations and employees for acts on their behalf and AHS's behalf. AHS shall be responsible for the cost of this coverage. The limits of liability for the coverage purchased by AHS shall be at least \$XXXXXX each occurrence and \$XXXXXX in the aggregate.
 - e. The parties agree that if either party, or its employees or agents, fail to observe the terms of this Agreement, including but not limited to compliance with the ERDs, after written notice of such failure and an opportunity to cure it, then the non-breaching party will have the right of specific performance.
10. Independent Contractors.
- a. AHS and DHC shall maintain separate and independent governance of their respective organizations and operations, subject to the integration of the Manchester System and the Regional System as described in the Affiliation Agreement and the governing documents of the parties.
 - b. DHC, in providing the professional services referred to in Section 1 above, shall be acting as, and said services shall be performed by DHC (and its Providers and non-Provider clinical personnel) subject to adherence to the ERDs, as an independent entity, but as part of the integrated health care delivery systems created under the Manchester System and Regional System. AHS shall have no obligation with respect to the withholding or payment of employment or payroll taxes, workers compensation insurance premiums, unemployment compensation contributions, social security or Medicare taxes or the like with respect to any of the personnel, Provider or non-Provider, supplied by DHC pursuant to this Agreement. If, contrary

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to the understanding and contemplation of the parties, any such liability is imposed upon AHS by any regulatory agency, court or other tribunal of competent jurisdiction, DHC will indemnify and hold AHS harmless from any and all such liability.

- c. Without limiting the generality of the foregoing and except as provided herein, neither DHC nor its Providers and non-Provider personnel are authorized to enter into any contracts in the name of or on behalf of AHS with any government, private insurer or any other party, and neither DHC nor any of its Providers and non-Provider personnel shall compromise, settle, reduce, or otherwise negotiate the amount of any payment owing to AHS from any third-party payor, without consent of AHS other than as stated in Section 1(b)(3). AHS designates DHC to act as its contracting and/or billing agent to deal with third party payors, and AHS is intended to be a Dartmouth Hitchcock Affiliate all as more specifically set forth in Exhibit 10(c) ("Contracting Delegation Agreement"), attached hereto.
- d. Without limiting the generality of the foregoing, neither AHS nor its personnel are authorized to enter into any contracts in the name of or on behalf of DHC with any other party, and neither AHS nor any of its personnel shall compromise, settle, reduce, or otherwise negotiate the amount of any payment owing to DHC from any third-party payor, without consent of DHC.

11. Non-Assignability.

Because this Agreement is in the nature of a contract for personal services, neither party shall have the right to assign its rights and responsibilities hereunder, or any portion of them, to a third party without the express written consent of the other party; provided, however, that the

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parties may assign all or a portion of this Agreement to any provider organization which is a member of the Manchester System and which is subject to compliance with the ERDs. The parties agree that any such action will have no effect on the obligations contained in this Agreement.

12. Notices.

All notices to be given under this Agreement shall be in writing and may be personally served upon the parties hereto or may be served by depositing the same in the United States mail as follows:

DHC:
Thomas A. Colacchio, M.D., President
Dartmouth-Hitchcock Clinic
One Medical Center Drive
Lebanon, New Hampshire 03756

AHS:
c/o
Alyson Pitman Giles, President
CMC Healthcare System
100 McGregor Street
Manchester, New Hampshire 03102

This provision is subject to the right of either party to change said address or addresses to which notices may be sent by proper notice in writing to the other party designating such new address.

13. Access to Books and Records.

To the extent that the provisions of Section 1861(v)(1)(1) of the Social Security Act [42 U.S.C. § 1395x(v)(1)(1)] are applicable to this Agreement, both parties agree to make available, upon the written request of the Secretary of the Department of Health and Human Services or upon the request of the Comptroller General, or any of their duly authorized representatives, this

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Agreement, and other books, records and documents that are necessary to certify the nature and extent of costs incurred by either party for services furnished under this Agreement. The obligations hereunder shall extend for four (4) years after furnishing such services. The parties shall notify each other of any such request for records. To the extent DHC enters into an agreement with another party to provide services hereunder with a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period, such agreement shall contain a clause consistent with the provisions of this section and federal law.

14. Confidentiality.

- a. This Agreement and all information related thereto (which includes historical financial statements, financial projections and budgets) shall remain confidential and, thus, DHC and AHS each mutually agree that it will not be disclosed to third parties, provided, however, that, for purposes of this Agreement, third parties shall not include affiliates of either party, or where required for State or Federal Regulatory approval.
- b. Notwithstanding the general prohibition against disclosure in Paragraph (a) above, either party may disclose the information to its employees, agents and advisors directly involved in this Agreement.

15. Entire Agreement.

The provisions of this Agreement constitute the entire agreement between the parties as to the subject matter hereof, and this Agreement may be amended, modified, or otherwise changed only upon the written consent of the parties hereto.

16. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an

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original, but all of which taken together shall constitute one instrument.

17. Trade Name Rights.

AHS shall use the trade name "Dartmouth-Hitchcock Manchester Alliance Health Services" for signage to mark the Facilities and as the name on the bills for services to be sent by DHC on behalf of AHS, all such usage to be in strict accordance with all applicable license agreements to which DHC is a party and Governing Law.

18. Governing Law.

This Agreement shall be governed by and construed under, and its validity determined by, the laws of the State of New Hampshire.

19. No Third Party Beneficiaries.

Neither this Agreement nor any of its exhibits shall create in any manner whatsoever any right in any other person or entity as a third party beneficiary of the Agreement or in any other manner except only when both parties hereto specifically agree in writing that a third party beneficiary relationship can be created.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed at Lebanon and Manchester, New Hampshire, respectively, effective as of the 1st day of January, 2010.

[Signature Page Follows]

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DARTMOUTH-HITCHCOCK CLINIC (“DHC”)

By: _____
Thomas A. Colacchio, M.D.
President

ALLIANCE HEALTH SERVICES (“AHS”)

By: _____
Steven Paris, M.D.
Chief Physician Executive

Approved:

CMC HEALTHCARE SYSTEM

By: _____
Alyson Pitman Giles
President & CEO

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Exhibit A

EXCLUDED SERVICES

[Identification In Process and to be Completed Prior to Closing]

Exhibit 1(a)

Facilities

- 1. 100 Hitchcock Way
Manchester, New Hampshire**
- 2. 25 South River Road
Bedford, New Hampshire**
- 3. 87 McGregor Street, Suite 1300
Manchester, New Hampshire**

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Exhibit 1(b)1

INITIAL DHC PROVIDER FTEs

[To Be Completed in Conjunction with Budgeting Process Pre-Closing]

Exhibit 1(b)5

See Attached Memorandum from Thomas A. Colacchio, M.D.



TO: Alyson Pitman Giles
FROM: Thomas A. Colacchio, M.D.
DATE: July 8, 2009

The Affiliation Professional Services Agreement ("PSA") provides a tremendous opportunity to build on the collaborative efforts that Dartmouth-Hitchcock and Catholic Medical Center have developed over the past several years. Through joint planning and more effective coordination of resources, our organizations will be better able to meet the health needs of the greater Manchester community.

Over the past several months, our organizations have worked diligently to develop a PSA that we are confident will enable us to better serve the community, consistent with and supportive of each organization's mission. To that end, the PSA references training materials required for healthcare providers within the Manchester System. These training materials include protocols on procedures and activities within the Manchester System as well as the South River Road and Wellington Road facilities.

Dartmouth-Hitchcock recognizes that its expanding relationship with Catholic Medical Center, through the PSA, has the potential to raise concerns within the Catholic community. We are aware of the need to recognize issues that may create 'scandal' as defined by the Catholic Church, and are committed to act in a manner to avoid this result. As we have discussed, pregnancy termination is not provided currently in our Bedford or Manchester facilities and we have agreed that such procedures will not be provided at these facilities during the term of our PSA. We believe this is appropriate, not only to address concerns of the Catholic community, but also to acknowledge that such activities typically require support services and programs not provided at these facilities.

Exhibit 2(a)

AHS BOARD OF GOVERNORS

Initial Members

President & Chief Executive Officer-CMCHS
Medical Director-Physician Practice Associates
AHS/CMCHS Chief Physician Executive
AHS Medical Director or Associate Medical Director
Associate Medical Director for Quality – DHC-M

DHC-M Pediatrics Department Chair
DHC-M Adult Medicine Department Chair
DHC-M Ob/Gyn Department Chair
DHC-M Surgery/Gastroenterology Department Chair
DHC-M Medical Specialties Department Chair
Pediatric Specialties (ChaD) Chair

3 Elected Physicians from DHC-M
1 Elected Associate Provider from DHC-M
1 Elected Staff Member from DHC-M

DHC-M Vice President of Community Group Practices

**[Up to 3 additional appointees of DHC-M to reflect other specialties not represented above,
if any]**

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Exhibit 6(a)
Annual Operating Budget

Exhibit 6(a)
AHS Operating Budget
Fiscal Years Ending June 30
(In thousands)

	<u>2010</u>	<u>2011</u>	<u>Total</u>
Gross Revenues	\$	\$	\$
Contractual Allowances and Bad Debts	<u>\$</u>	<u>\$</u>	<u>\$</u>
Net Patient Revenues	\$	\$	\$
Other Revenues	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total Revenues	\$	\$	\$
Operating Expenses			
Provider PSA Expense	\$	\$	\$
Support Staff Services	\$	\$	\$
Medical and Other supplies	\$	\$	\$
Facility Lease	\$	\$	\$
Direct occupancy costs	\$	\$	\$
Management services	\$	\$	\$
Total Expenses	<u>\$</u>	<u>\$</u>	<u>\$</u>
Net Operating Gain/(Loss)	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

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Exhibit 6(c)

Compensation * Payment Schedule

January 2010	\$
February 2010	\$
March 2010	\$
April 2010	\$
May 2010	\$
June 2010	\$
July 2010	\$
August 2010	\$
September 2010	\$
October 2010	\$
November 2010	\$
December 2010	\$
January 2011	\$
February 2011	\$
March 2011	\$
April 2011	\$
May 2011	\$
June 2011	\$

* Excludes payments due from AHS to DHC under the lease and those reimbursements for medical and other supplies costs and for direct occupancy costs that are due to DHC from AHS on a cost pass-through basis via monthly invoicing.

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Exhibit 6(d)

Provider Work Force Plan

[To Be Completed in Conjunction with Budgeting Process Pre-Closing]

Exhibit 6(f)(5)

Dartmouth-Hitchcock Clinic

Approved FY '10 Physician Compensation Ranges

<u>Specialty</u>	<u>Starting Salary</u>	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
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[To Be Completed in Conjunction with Budgeting Process Pre-Closing]

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Exhibit 10(c)

January 1, 2010

Thomas A. Colacchio, M.D.
Dartmouth-Hitchcock Clinic
One Medical Center Drive
Lebanon, NH 03756

Dear Dr. Colacchio:

This letter is to confirm our understanding and agreement that Dartmouth-Hitchcock Clinic ("DHC") will be acting as a billing and collection agent for AHS on and after January 1, 2010, with respect to all third-party payors. DHC will advise all such third-party payors that it is acting as agent for and on behalf of AHS, and will refer to (INSERT NAME) any such payors who desire confirmation or certification that DHC is authorized to so act for AHS. DHC will use its best efforts in good faith to bill and collect promptly for all services rendered by AHS, and will promptly transfer such collections to the account or accounts of AHS as may be designated from time to time by AHS.

It is the intent and expectation of the parties that DHC will continue in this role so long as the restated Professional Services Agreement dated as of January 1, 2010, between DHC and AHS remains in full force and effect, this agreement will remain in effect.

Sincerely,

CMC Healthcare System on behalf of ALLIANCE HEALTH SERVICES

By: _____
Alyson Pitman Giles, President and CEO

Agreed:

DARTMOUTH-HITCHCOCK CLINIC

By: _____
Thomas A. Colacchio, M.D.
President