

PHYSICIAN AGREEMENT

Alliance Preferred Network

This Agreement, ("Agreement") entered into as of this _____ day of _____, 200__ by and between Corporate Benefits Service, Inc. DBA Alliance Preferred Network, Inc. ("APN"), a for profit corporation and _____ ("Physician").

RECITALS

WHEREAS, Physician wishes to participate in the Physician network to provide Covered Services to Covered Members of the APN, and

WHEREAS, APN wishes to enter into an agreement requiring Physician to supply Covered Services to Covered Members of the APN, and

WHEREAS, Physician agrees to supply such Covered Services to Covered Members under the terms and conditions of this Agreement, and

WHEREAS, APN and Physician both desire the delivery of cost-efficient, quality health care.

NOW, THEREFORE, in consideration of the premises and mutual promises stated herein, the parties agree to as follows:

DEFINITIONS

- 1.0 **Agreement** means the Provider Agreement, which together with any Exhibits hereto constitutes the entire understanding between APN and Physician.
- 1.1 **Covered Member** is any individual enrolled in APN who is eligible to receive Covered Services.
- 1.2 **Covered Services** are approved medical services that a Covered Member is eligible to receive from APN.
- 1.3 **Non-Covered Services** are those medical services that a Covered Member is not eligible to receive from APN.

- 1.4 **Deductible** is the amount that the Covered Member must pay to a Participating Physician for Covered Services prior to receiving benefits.
- 1.5 **Copay** is the fixed dollar amount that a Covered Member pays at the time Covered Services are rendered by a Participating Physician.
- 1.6 **Coinsurance** is the percentage amount that a Covered Member pays at the time Covered Services are rendered by a Participating Physician.
- 1.7 **Fee Schedule** means the method by which Participating Providers will be reimbursed by APN for Covered Services provided to Covered Members.
- 1.8 **Participating Physician** means an eligible, licensed physician who has agreed to provide Covered Services to Covered Members of APN, who has met all of APN's credentialing criteria, and who has entered into a Provider Agreement with APN.
- 1.9 **Hospital** means any hospital contracted with APN to provide Covered Services to Covered Members.
- 1.10 **Facility** means any facility contracted with APN to provide Covered Services to Covered Members.
- 1.11 **Participating Provider** means any Participating Physician, Facility, or Hospital contracted with APN to provide Covered Services to Covered Members.
- 1.12 **Coordination of Benefits** means the process of coordinating benefits payable by APN and one or more other group benefit plans.
- 1.13 **Medically Necessary** shall mean for purposes of payment that medical services provided by Participating Physicians to Covered Members: a) correspond with a diagnosis and treatment of a medical condition, b) are appropriate for the symptoms, diagnosis, and treatment, c) are not for the convenience of the Covered Member's family or for the Participating Physician, d) are within accepted standards of medicine, e) and are performed at a cost-effective setting in a manner that is appropriate with the patient's medical condition.

Physician Services

- 2.0 Physician agrees to provide Covered Services to Covered Members of APN that are considered to be Medically Necessary.
- 2.1 Physician agrees that claims will be paid only for Covered Benefits and that it is the responsibility of the Physician to verify benefits.
- 2.2 Physician agrees to provide 24-hour on-call physicians coverage with other participating Physicians in the APN. He/she also agrees that the Emergency Room shall not be considered appropriate 24 hour on-call coverage, except when Medically Necessary.
- 2.3 Physician agrees that Covered Members can be billed for any Deductible, Copay, Coinsurance, or Non-Covered Services only.
- 2.4 Physician agrees to submit claims on a HCFA 1500 form within 60 days of providing medical services to Covered Members and will designate assignment. Physician also recognizes that claims received more than one (1) year from the date of service will not be considered. APN will pay clean claims within 60 days upon receipt.
- 2.5 Physician agrees to Coordination of Benefits for Covered Members when necessary.
- 2.6 Physician will comply with all credentialing and recredentialing requirements as instituted by APN for evaluating his/her professional competence, character, and ethics.
- 2.7 Physician agrees to notify APN within 30 days of any reduction or suspension of his/her license to practice medicine, dispense narcotics, to admit patients to any facility with the recognition that such occurrences may result in the immediate termination of the Agreement.
- 2.8 Physician agrees to maintain \$1 million per occurrence and \$3 million aggregate liability insurance and provide proof of such coverage.
- 2.9 Physician agrees, whenever medically possible, to make referrals to other APN Participating Providers.
- 2.10 Physician agrees to meet any responsibilities as required in this Agreement and the Provider Office Manual by maintaining enough staff to perform these duties and any required by law.

- 2.11 If Physician does not have or maintain privileges at any Hospital, Physician agrees to arrange for any medical care needed by a Covered Member at a Hospital to be delivered under the supervision of another Participating Physician having such privileges. The Physician will obtain this agreement in writing and to submit it to APN.
- 2.12 Physician agrees to comply with any medical management programs in force by APN for purposes of evaluating any medical procedures (inpatient or outpatient) for medical necessity, appropriateness, quality, and cost-effectiveness. Components of this program include, but are not limited to: a) Precertification, b) Utilization Review, c) Concurrent Review (Telephonic or Onsite), d) Discharge Planning, and e) Case Management.
- 2.13 Physician agrees to maintain a standard medical record for each Covered Member receiving medical services. Each medical record shall contain all relevant information concerning the medical treatment of the Covered Member and shall be kept for any time period as required by state and federal laws. Medical records for Covered Members will be made available to APN by copy without charge upon request. Confidentiality of such records will be maintained as required by state and federal laws.
- 2.14 Physician agrees not to discriminate against any Covered Member because of age, sex, color, religion, nationality, marital status, disability, health status, or payment source. However, a Covered Member may be dismissed from the practice who continually exhibits the following: a) failure to comply with Participating Physician's sound medical treatment, b) unsuccessful compatibility with the patient-physician relationship, c) patient displays outwardly hostile behavior, whether verbal or physical, towards Participating Provider and/or staff members, and d) patient continually fails to resolve outstanding financial liabilities for copays, deductibles, coinsurance, or non-covered services.
- 2.15 Physician agrees to allow APN to publish his/her practice information in any materials having to do with APN's benefit plan(s) or provider network. It shall be the responsibility of Physician to furnish any changes relating to his/her practice information to APN for the correct publication of that information.
- 2.16 Physician agrees that in the event of termination of this Agreement by either party, Physician will continue providing medical care to Covered Members for the remainder of such person's hospital stay or treatment period.
- 2.17 Physician understands that Corporate Benefits Service, Inc. ("CBS") is the manager of the Physician panel and third party administrator of APN.

Non-Exclusivity

3.0 Either party bound by this Agreement may, at any time, contract with other organizations, firms, or persons.

Confidentiality

4.0 This Agreement and the terms and conditions set herein shall be treated by both parties as confidential in nature. Both parties agree not to directly or indirectly disclose any information contained in this Agreement. It is agreed by both parties that any breach or prospective breach of this provision will cause irreparable injury to such party. Therefore, it is agreed that the injured party will be entitled to injunctive relief to restrain the breach.

Hold Harmless

5.0 APN and CBS will be held harmless by Physician from any claims, judgments, liabilities, damages, penalties, costs, expenses, or attorney's fees resulting from care provided to Covered Members by a Physician in connection with this Agreement.

Fee Schedule

6.0 Reimbursement for Covered Services provided to Covered Members by Physician will be determined according to the Fee Schedule listed in Attachment A. Physician will be paid the amount on the Fee Schedule or billed charges, whichever is less.

6.1 Physician agrees that a Fee Schedule may be requested from APN from time to time, but said request will contain no more that thirty (30) procedure codes and will be submitted with his/her practice charges. APN will be given no more that 60 days to complete request.

6.2 The Fee Schedule may be modified by APN upon 90 days written notice to Physician.

Notice

7.0 Any notice required to be given in relation to this Agreement by either party must be in writing and must be hand-delivered, or sent certified or registered mail to:

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and to Alliance Preferred Network, Inc.:

Attention: Kenneth W. Harvey
Corporate Benefits Service
145 Scaleybark Road, Suite B
Charlotte, NC 28209
(704) 373-0447

Termination

8.0 Either party may terminate this Agreement without cause upon 60 days written notice.

Modification

9.0 This Agreement may be modified with mutual agreement of both parties. Any modification or amendment of this Agreement must be in writing and signed by both parties.

Resolution of Disputes

10.0 Both parties agree to meet and to confer in good faith to resolve any controversy or claim that may arise while this Agreement. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof.

General Provisions

11.0 This Agreement and the rights and duties of the parties hereto shall be interpreted and enforced in accordance with the laws of the State of North Carolina.

11.1 The waiver by either party of a breach or violation of any provision of this Agreement shall not be construed as a waiver of any subsequent breach thereof.

11.2 In the event any provision of this Agreement is rendered invalid or unenforceable by the laws according to which this Agreement is to be interpreted and enforced, or by a court with jurisdiction over the parties hereto, such provision shall be deleted from this Agreement and the remainder of this Agreement shall be continued in full force and effect.

IN WITNESS WHEREOF, the parties hereto, have executed this Agreement on the day and date first written above.

PHYSICIAN

ALLIANCE PREFERRED NETWORK, INC.

By:_____ By:_____

Print:_____ Print:_____

Date:_____ Date:_____

Attachment A

1. The Fee Schedule is set at 160% above Medicare.
2. Any procedure not found on the Fee Schedule will be paid at Usual and Customary derived from MDR's 50th percentile or 80% of billed charges if there is no set U & C.

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