

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“Agreement”) is made and entered into on the 1st day of July, 2014 (“Commencement Date”) by and between **Tucson Unified School District** (hereinafter referred to as “TUSD”) and **University Physicians Healthcare dba The University of Arizona Physicians** (hereinafter “UPH”), (collectively “the Parties”).

ARTICLE I: RECITALS

WHEREAS, UPH is authorized to do business in the state of Arizona through physicians who are (i) duly licensed and authorized to practice medicine in the state of Arizona; (ii) Board Certified in the practice of their specialty, where applicable (iii) qualified by proper and adequate education, training and practice to provide the services required hereunder; and (iv) privileged and credentialed members of the Medical Staff of University of Arizona Medical Center – University Campus and/or the University of Arizona Medical Center – South Campus; and

WHEREAS, TUSD desires to engage the services of UPH primary care physicians to provide the consultative services set out in this agreement to TUSD personnel; and

WHEREAS, UPH desires to make available UPH primary care physicians for such purposes upon the terms and conditions set forth herein and the UPH primary care physicians desire to provide such services.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledge and intending to be legally bound hereby, it is mutually covenanted and agreed by and between the parties hereto as follows:

ARTICLE II: SCOPE OF SERVICES

2.1 Services.

2.1.1 Services. UPH will provide the services of UPH primary care physicians (“Physicians”) to supply consultation services to TUSD personnel as set out on Attachment A. Physicians will not provide direct primary care services to TUSD students.

2.1.2 Staffing. In order to provide consultative services, UPH shall have available Physicians who meet the qualifications of Paragraph 2.2.

2.2 Qualifications. Each Physician performing services hereunder shall at all times during the term of this Agreement: (i) hold a valid an unrestricted license to practice medicine in the State of Arizona; (ii) maintain Board Certification or Board Eligibility in the practice of their specialty, where applicable; and (iii) be an active member of the Medical Staff of the University of Arizona Medical Center- University Campus or South Campus and subject to the supervision of the related Medical Staff Executive Committee.

2.3 Standards of Practice. UPH and its employed Physicians shall be solely responsible for the services hereunder. The professional services shall be rendered in accordance with (i) recognized standards of the medical profession and of their specialty, (ii) the Code of Medical Ethics of the American Medical Association; and (iii) all applicable federal, state and local laws and regulations.

**ARTICLE III:
TERM AND TERMINATION**

3.1 Term. The term of this Agreement (the “Initial Term”) shall begin on the Commencement Date and shall continue for a period of one (1) year. The parties may agree to extend this Agreement for two additional one (1) year periods by the provision of a written notice, executed by both parties, at least thirty (30) days prior to the then ending term.

3.2 Termination.

3.2.1 Termination Without Cause. This Agreement may be terminated without cause by either Party upon sixty (60) days prior written notice to the other Party. Upon such termination, the Parties shall be released from

their obligations set forth herein unless such obligations expressly survive the expiration or earlier termination of this Agreement

- 3.2.2 Termination with Cause. This Agreement may be terminated by either Party immediately for cause or failure to maintain required insurance coverage.
- 3.2.3. Termination due to Funding. In the event that funds are not available in TUSD's Budget for this program, TUSD agrees to provide a thirty (30) day written notice to UPH of the termination. TUSD shall pay to UPH the compensation earned under Section 2, Attachment A to the effective date of the termination.
- 3.2.4 Either Party may terminate immediately if this Agreement violates any State or Federal law or regulation or could result in the loss or restriction of the Party's license or right to participate in Medicare, AHCCCS, or other government program.
- 3.2.5 In the event of termination for any reason set forth above, TUSD shall be required to pay UPH the compensation earned but not yet collected under Article V and Attachment A to the effective date of the Termination.
- 3.2.6 If this Contract is terminated during the first contract year, the Parties shall not re-enter an arrangement that is the same or substantially the same as the arrangement covered by this Agreement until the first year of the original contract period has expired.

ARTICLE IV: TUSD OBLIGATIONS

4.1 Patient information. Subject to 4.2 below, TUSD shall provide de-identified, adequate, and accurate patient information to enable UPH to provide consultations. Parties agree to work diligently together on obtaining correct and accurate patient information.

4.2 Student Records.

- 4.2.1 Confidentiality. FERPA (the Federal Education Responsibility and Privacy Act) governs the confidentiality and release of student records in

schools, including records created by TUSD personnel in the scope and course of their employment. FERPA standards shall apply to TUSD personnel under this Agreement and any student educational record created and maintained by TUSD as a result of this Agreement shall be governed by FERPA. TUSD shall not provide UPH with any personal identifiable information about any particular student. It is not the intention of either party to this Agreement for UPH to provide direct primary care services through this agreement to TUSD students.

4.2.2 Ownership of Student Records: All student records created and maintained by TUSD under this agreement shall remain the property of TUSD.

4.3 Reports and Records. TUSD shall be responsible for maintaining or causing to be maintained accurate and complete records and files of all required information pertaining to the services provided hereunder, including, but not limited to patient records for the services provided under this Agreement. Parties agree to cooperate and make available at reasonable times, dates and places during the Term of this Agreement and thereafter, all records and personnel reasonably requested by the other Party for purposes of any litigation, investigation or review with which either Party may become involved. Any Party's provision of any records and cooperation with any such request shall not be deemed to waive any legal privilege to which either Party is entitled under the law.

**ARTICLE V:
BILLING**

5.1 Fee. The total fee to be paid by TUSD to UPH for the services provided by Physicians, as described in Attachment A, shall be \$3,500. The source of funds for financing the cost of the program in this Agreement is Fund Number 00100, Tucson Unified School District, and budgeted as follows:

Salary Expense	\$2,999
Travel Expense	<u>501</u>
Total	\$3,500

5.2 Payment. During the school year, UPH Department of Pediatrics shall remit monthly invoices (August – April each in the amount of \$368.50; and May in the

amount of \$183.50) to TUSD. TUSD shall pay UPH within sixty (60) days following the receipt of each invoice.

Payments should be made to University Physicians Healthcare and be sent to the following address:

UPH-Department of Pediatrics
Attn: Contract Specialist
535 N Wilmot Rd, Ste 101
Tucson, AZ 85711

5.3 Late Penalty. It is understood by all parties that time is of the essence regarding payment of all amounts payable pursuant to this Agreement. If payment is not received from TUSD on or before sixty (60) days following the receipt of invoice (off-site services) or on or before sixty (60) days past the first of the month following the month in which on-site services were rendered (the "Due Date"), then interest on any such unpaid amounts owed shall accrue at a rate of 12% per annum commencing on the applicable Due Date for any accrued and unpaid amounts owed. Any payment received shall be credited first to any accrued and unpaid interest then owing, and the remainder to the payment of money then owing.

ARTICLE VI: INDEMNIFICATION AND INSURANCE

6.1 Indemnification. Each party will be responsible and assume liability for its own acts or omissions while performing any services or obligations under this contract. In the event that a claim is made against both parties for acts or omissions of both, it is the intent of the parties to cooperate in the defense of said claim and to cause their insurers to do likewise, if possible.

6.2 Insurance.

6.2.1 Coverage UPH. UPH agrees to secure and maintain a professional liability insurance policy, in force during the term of this Agreement to cover all services performed under this Agreement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) aggregate.

6.2.2 Coverage TUSD. TUSD shall secure and maintain general liability in the amounts of One Million Dollars (\$1,000,000.00/\$3,000,000.00) per

claim/aggregate and professional liability in the amounts of One Million Dollars (\$1,000,000/\$3,000,000.00) per claim/aggregate to provide coverage for all TUSD personnel rendering services which impact upon services provided by UPH under this contract.

6.2.3 Failure to Maintain Coverage. If TUSD or UPH fails to secure or maintain the insurance coverage required under this section during the term of this Agreement, the party failing to secure or maintain such coverage shall promptly notify the other party in writing and the other party shall have the right to terminate this Agreement immediately.

ARTICLE VII: MISCELLANEOUS AGREEMENTS

7.1 Relation of Parties. The relationship of the Parties under this Agreement is that of Independent Contractors, and nothing herein shall create or imply an agency relationship between TUSD and UPH, nor shall this Agreement be deemed to constitute a joint venture or partnership between the Parties.

7.2 Confidentiality. Parties shall hold and maintain all information received under this Agreement as confidential. All confidential information, including but not limited to, terms of this Agreement, shall be treated by Parties as strictly confidential and shall not be disclosed, voluntarily or involuntarily, or otherwise made available to a non-party without the prior express written permission or unless otherwise authorized or required by law.

7.3 Privacy. In performing services hereunder, the Parties warrant and agree they will make every reasonable effort to ensure that the services rendered hereunder shall fully comply with all applicable federal, state and local laws, rules and regulations. Specifically, but not by way of limitation, UPH warrants and agrees that in the event that it will receive, access or encounter Protected Health Information it will make every reasonable effort to ensure its provision of services rendered hereunder shall comply with privacy and security requirements imposed by the Health Insurance Portability and Accountability Act of 1996, as amended (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (“HITECH”), and with the

Parties' Privacy and Security compliance policies, and will take such actions as are necessary and appropriate in connection therewith.

7.4 Books and Records. To the extent that 42 U.S.C. 1395x(v)(1)(I) is applicable, any regulations implementing such Section or any successor statutory provision or regulations (collectively called the "Provisions"), until the expiration of four years after the furnishing of any service pursuant to this Agreement, TUSD will make available at its cost, upon written request of the Secretary of the Department of Health and Human Services or its duly authorized representative, copies of the Agreement and any records of its that are necessary to certify the nature and extent of costs under this Agreement.

To the extent required by applicable law, TUSD shall, upon request, make available to any federal, state or local government agency this Agreement, and all books, documents, and records necessary to certify the nature and extent of costs for Services provided under this Agreement.

Any Party's provision of any records and cooperation with any such request shall not be deemed to waive any legal privilege to which either Party is entitled under the law.

7.5 Exclusion and Compliance.

7.5.1 UPH represents and warrants that it and all personnel providing services under this Agreement are not excluded from participation, and are not otherwise ineligible to participate in a "Federal health care program" as defined in 42 U.S.C. 1320a-7b(f) or in any other government payment program.

7.5.2 Corporate Compliance Program. UPH has in place a Corporate Compliance Program to ensure compliance with Federal, state, and local laws and regulations. The Program focuses on risk management, the promotion of good corporate citizenship, the commitment to uphold a high standard of ethical and legal business practices, and the prevention of misconduct. UPH and its employed physicians will to conduct all business transactions pursuant to this Agreement in accordance with its Corporate Compliance Program.

7.6 Discrimination and Employment. Neither party will discriminate against any patient on the grounds of ability to pay, race, color, religion, sex, national

origin, age, disability, health status and genetics, political affiliation or belief. The Parties will, to the extent such provisions apply, comply with all state and federal equal employment opportunity, and immigration requirements including 42 U. S.C. Sec. 2000 (e) et.seq., the Civil Rights Act of 1964, the Civil Rights Act of 1991, Sections 503 and 504 of the Rehabilitation Act of 1973, Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, and the Immigration Reform Act of 1986, Americans with Disabilities Act, Arizona Executive Order 99-4 (which mandates that all persons will have equal access to employment opportunities), and any other applicable law.

7.7 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Arizona.

7.8 Fair Market Value. The Parties agree that compensation is fair market value for services actually provided and not determined in any manner that takes into account the value or volume of referrals or other business generated by and between the Parties.

7.9 No Inducement of Referrals. This Agreement is not intended to induce either Party to refer patients to the other Party or to purchase or order items or services from the other Party or to recommend that others purchase or order items or services from the other Party. This Agreement shall be construed in a manner consistent with compliance with such statutes and regulations, and the parties hereto agree to take such actions as are necessary to construe and administer this Agreement consistent therewith. In the event any court or administrative agency of competent jurisdiction determines this Agreement violates any of such statutes or regulations, or that the compensation hereunder exceeds reasonable compensation for purposes of any limitations applicable to tax-exempt entities, then the parties hereto agree to take such actions as necessary to amend this Agreement to comply with the applicable statutes or regulations.

7.10 Attorney's Fees. If any litigation or arbitration is necessary to enforce the terms of this Agreement, each party is reasonable for their respective attorneys' fees and costs.

7.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. This Agreement shall be deemed executed by

the parties when any one or more counterparts hereof, individually or taken together, bears the signatures of each of the parties hereto.

7.12 Default Cure. Except as otherwise provided in this Agreement, in the event of any material default by either party, the non-defaulting party shall provide notice to the defaulting party, specifically setting forth the particulars causing the default. The defaulting party shall then have thirty (30) days in which to cure the default, or to commence appropriate action to cure the default if the default cannot reasonably be cured during the thirty (30) day cure period. If the default has not been cured within the thirty (30) day period, or if reasonable procedures to cure the default have not been instituted within this time period, then the non-defaulting party shall have the right to immediately terminate this Agreement by giving written notice of termination to the defaulting party.

7.13 Dispute Resolution. In the event that any dispute or controversy (“Dispute”) arising out of or related to this Agreement cannot be settled by the parties, such Dispute shall be submitted for informal mediation. If the Dispute is not settled through mediation, then the parties may but are not required to participate in further alternate dispute resolution efforts. Both alternate dispute resolution activities and any court proceedings must be conducted in Pima County, Arizona, Arizona law shall apply and both parties shall bear their own costs, including attorney’s fees.

7.14 Assignment. Except as provided herein, neither party may assign this Agreement, in whole or in part, without the prior written consent of the other party. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto, together with their respective legal representatives, successors, and assigns, as permitted herein.

7.15 Severability and Enforceability. If any term of this Agreement is found to be unenforceable or contrary to law, it shall be modified to the least extent necessary to make it enforceable, and the remaining portions of this Agreement will remain in full force and effect.

7.16 Delay. Neither party shall be held responsible for any delay nor is failure in performance of any part of this Agreement to the extent such delay is caused by events or circumstances beyond the delayed party's reasonable control, including but not limited to, war, strikes, lockouts, fire, flood, storm, or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failures or delays.

7.17 Waiver. The waiver by any party of any breach of covenant shall not be construed to be a waiver of any succeeding breach or any other covenant. All waivers must be in writing, and signed by the party waiving its rights. This Agreement may be modified only by a written instrument executed by authorized representatives of the parties hereto.

7.18 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, proposals, negotiations, representations or communications relating to the subject matter. Both parties acknowledge that they have not been induced to enter into this Agreement by any representations or promises not specifically stated herein.

7.19 Notice. All notices must be in writing and effected by personal delivery, or by an overnight courier which provides receipts, or certified or registered mail, return receipt requested, postage prepaid and properly addressed to the Parties at the following addresses or such other address as the parties may designate in writing from time to time:

UPH:

Contract Specialist
Department of Pediatrics
535 N. Wilmot, Ste 101
Tucson, AZ 85711

TUSD:

Director, School Health Services
Tucson Unified School District No. 1
102 North Plummer
Tucson, AZ 85719

With copy to:
Attn: General Counsel
1501 N. Campbell Avenue
Tucson, Arizona 85724

7.20 Headings. All section and Part headings are inserted for convenience. Such headings shall not affect the construction or interpretation of this Agreement.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

**UNIVERSITY PHYSICIANS HEALTHCARE
dba The University of Arizona Physicians**

By _____
Lynn Schneider Grennan
Sr. Vice President and Executive Director
The University of Arizona Physicians

Date: _____

TUCSON UNIFIED SCHOOL DISTRICT

By _____
Director

Date: _____

ATTACHMENT A

Consultative Services

UPH will provide twenty-four (24) hours of consultative services in the ten (10) month period of the school year. During such time, UPH Primary Care Physicians will provide the following services as requested:

1. Provide standing orders to TUSD school nurses as needed concerning the following: (a) guidelines for emergency management of allergic and anaphylactic reactions; (b) guidelines for over the counter medications (for example, acetaminophen (Tylenol), Ambesol, Bacitracin Ointment, Calamine Lotion, Carmex, and Ibuprofen); (c) guidelines on the treatment of head lice and hypoglycemia; and (d) other similar matters.
2. Consult with TUSD school nurses and the Assistant Superintendent of Curriculum & Instruction concerning the provision of services, in general, to students, including appropriate management procedures. Notwithstanding the above, TUSD shall not provide UPH with any personal identifiable information about any particular student. It is not the intention of either party to this Agreement for UPH to provide direct primary care services through this agreement to TUSD students.
3. Consult with TUSD school nurses to help nurses enhance their skills in dealing with children and in dealing with community health care providers.
4. Act as a consultant to TUSD health education programs, if needed.
5. Conduct at least one in-service training program for TUSD school nurses.
6. Serve as a consultant to the TUSD Director of School Nurses in developing and planning appropriate preventive health services for TUSD students.
7. Provide TUSD with specialized consultation on immunizations and communicable disease control.