



PARTICIPATING ANCILLARY SERVICE AGREEMENT

by and between

CONSUMER HEALTH NETWORK PLUS, LLC
a division of Consolidated Services Group, Inc.

and

300 American Metro Blvd. Suite. 170
Hamilton, New Jersey 08619
Tel. 1-800-225-4246 Fax 1-609-584-8052
www.CHN.com

NAME OF ANCILLARY

PARTICIPATING ANCILLARY SERVICE AGREEMENT

This PARTICIPATING ANCILLARY SERVICE AGREEMENT ("Agreement") is made and entered into as of the Effective Date set forth on the signature page of this Agreement, by and between CONSUMER HEALTH NETWORK PLUS, LLC, d/b/a CHN PPO a New Jersey limited liability company ("CHN"), and the entity whose name is indicated under the heading "Ancillary" on the signature page of this Agreement ("Ancillary").

WITNESSETH:

WHEREAS, Ancillary is a health care provider/facility that is duly licensed to provide health care services in the state of location; and
WHEREAS, CHN desires to obtain cost efficient health care services from selected health care providers and to negotiate agreements with purchasers of such services; and
WHEREAS, CHN desires to engage Ancillary to furnish such services and Ancillary desires to furnish such services.
NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1 Preamble and Recitals The preamble and recitals hereinabove set forth are hereby incorporated into and made part of this Agreement.
2 Definitions
2.1 Plan "Plan" means an arrangement under which a Payor is obligated to pay, directly or indirectly, a provider of health care services, in connection with the provider's rendering Covered Services to Eligible Members.
2.2 Eligible Persons "Eligible Persons" means the persons entitled to receive the Covered Services pursuant to a Plan.
2.3 Covered Services "Covered Services" means the health care services provided pursuant to a Plan.
2.4 Participating Provider and Ancillary
2.4.1 "Participating Provider" means those health care providers who (i) have directly entered into an agreement with CHN to perform the Covered Services (ii) have indirectly through CHN agreements with IPAs, PHOs or other organizations agreed to provide Covered Services to Eligible Persons or (iii) have indirectly through CHN agreements with other networks ("Leased Networks") agreed to provide Covered Services to Eligible Persons.
2.4.2 Providers employed by Ancillary shall be deemed to be "Ancillary" as defined in this Agreement. The Fee Schedule shall apply to such providers.
2.4.3 Independent contractors who are providers engaged by Ancillary shall not be deemed to be "Ancillary" as defined in this Agreement. Ancillary shall cause such providers to execute a separate Participating Provider Agreement with CHN to become Participating Providers.
2.5 Payor "Payor" means the party responsible for the actual payment for Covered Services rendered to Eligible Persons that has, directly or indirectly, entered into a Payor Agreement with CHN. Payors may include health insurance carriers, auto insurance carriers, workers compensation carriers, workers compensation managed care organizations, health maintenance organizations, self-funded employee benefit plans, and the like. Payors "indirectly" entering into Payor Agreements with CHN assume the obligation to pay claims pursuant to arrangements with Network Lessees, as defined below, and do not include "Carriers" as that term is defined in N.J.A.C. 11:24B-1.2.
2.6 Network Lessee "Network Lessee" means a party to an agreement with CHN under which CHN provides access to its Participating Providers.
2.7 Payor Agreement "Payor Agreement" means an agreement with a Payor, directly or indirectly with a Network Lessee or other entity, pursuant to which Participating Providers shall provide the Covered Services for Eligible Persons.
2.8 Standard Terms "Standard Terms" means the terms set forth in EXHIBIT 2.8.
2.9 Fee Schedule
2.9.1 "Fee Schedule" means the schedule of maximum reimbursement amounts pursuant to which a Payor shall pay Ancillary to provide Covered Services.
2.9.2 The Fee Schedule shall include fees for services of Ancillary's Professional Personnel.
2.9.3 The description of the Fee Schedule applicable to Ancillary is set forth in EXHIBIT 2.9.
2.10 Provider/Facility Manual "Provider/Facility Manual" means the manual of rules, regulations, policies and procedures of CHN as provided to Ancillary.
2.11 Utilization Management Program "Utilization Management Program" means either the utilization management program established, administered or subcontracted by CHN or the utilization management programs required by a Payor in a Payor Agreement or required by an entity pursuant to an Agreement with CHN. A summary of the Utilization Management Program is set forth in the Provider/Facility Manual.
2.12 Credentialing Criteria "Credentialing Criteria" means the criteria established by CHN for the credentialing and re-credentialing (every 3 years) of Participating Providers which may be amended from time to time by CHN in its sole discretion. The Credentialing Criteria pertaining to Ancillary and Ancillary Professional Personnel are set forth in EXHIBIT 2.12. All Providers, Ancillaries and Facilities must pass the CHN credentialing process prior to participation in any Plan of CHN PPO.
2.13 Medically Appropriate "Medically Appropriate" or "Medical Appropriateness" means services or supplies which, under the provisions of this Agreement, are determined to be: (i) appropriate and necessary for the symptoms, diagnosis or treatment of the injury or disease; (ii) provided for the diagnosis or direct care and treatment of the injury or disease; (iii) in accordance with commonly recognized and accepted medical standards; (iv) not primarily for the convenience of the

Eligible Person or of any provider providing Covered Services to the Eligible Person; (v) an appropriate supply or level of care; (vi) within the scope of the medical specialty education and training of a provider; and (vii) provided in a setting consistent with the required level of care.

2.13.1 Under a particular Plan Covered Services may not include all services which are Medically Appropriate.

2.14 **Review Procedure** "Review Procedure" means the procedure whereby an ancillary or Participating Ancillary may request a reconsideration of various actions of CHN. The Review Procedure may be modified from time to time by CHN, within its sole discretion and is included in the Provider/Facility Manual.

2.15 **Carrier** is given the meaning set forth in N.J.A.C. 11:24B-1.2.

2.16 **Ancillary's Professional Personnel** " Ancillary's Professional Personnel" means those partners, shareholders, members and professional provider employees of Ancillary who (i) are duly authorized to practice in the states of practice, (ii) have satisfied the Credentialing Criteria and such other eligibility standards as may from time to time be established by CHN, and (iii) have been designated in EXHIBIT 2.16 as the individual health care practitioners through whom the Ancillary will be furnishing Covered Services hereunder, as such exhibit may from time to time be amended.

### 3 **Terms and Fee Schedules**

#### 3.1 **Standard Terms and Fee Schedule**

3.1.1 Ancillary accepts and is hereby bound by the Standard Terms and by the Fee Schedule of this Agreement.

3.1.2 Ancillary shall provide Medically Appropriate Covered Services to Eligible Persons of each Payor executing a Payor Agreement with CHN or revising an existing Payor Agreement if the terms are substantially similar to the Standard Terms.

3.1.3 Upon written request from a Ancillary, CHN shall provide the following within 45 days of request:(i) the list of clients or other Payors that are entitled to any contracted rate under CHN's contract with Ancillary; and (ii) the identity of the specific client or other Payor by whom a contracted rate was applied to a particular claim under CHN's contract with the Ancillary.

#### 3.2 **Modification of Standard Terms and Fee Schedule**

3.2.1 During the term of this Agreement and subject to Ancillary's right to reject as set forth below, CHN may (i) modify or create new Standard Terms or (ii) create separate terms and Fee Schedules for various CHN programs.

3.2.2 CHN shall submit the proposed modified terms ("Modifications") to Ancillary. Ancillary shall have the option to reject the Modifications by serving written notice of such rejection upon CHN within thirty (30) days of the effective date of the notice from CHN.

3.2.3 Failure to provide notice of rejection within such thirty (30) day period shall constitute acceptance by Ancillary of the Modifications.

3.2.4 If Ancillary rejects the Modifications for a CHN program or Modifications which have been negotiated with an individual Payor, Ancillary shall not be required to provide Covered Services to Eligible Persons in such CHN program or for such Payor, as applicable.

3.2.5 If Ancillary rejects the Modifications, CHN shall have the option to (i) implement Modifications without inclusion of Ancillary; or (ii) withdraw the Modifications in which case Modifications shall not apply; or (iii) terminate this Agreement in accordance with Section 10.4.3 in which case the Modifications shall not apply.

### 4 **Obligations of CHN**

4.1 **Administration** CHN shall administer and, in its sole discretion, determine the composition of the network of Participating Providers of CHN.

4.2 **Marketing and Promotion** CHN shall, within its discretion,

4.2.1 market, advertise and actively promote CHN; and

4.2.2 solicit Payor Agreements from Payors offering Plans that may, but shall not be required to, include financial incentives or other programs to encourage Eligible Persons to use Participating Providers.

4.3 **Assistance** To permit CHN to perform its obligations pursuant to this Agreement, Ancillary shall reasonably assist CHN in marketing, advertising and promotion. CHN shall use its best efforts to furnish Ancillary with appropriate materials to support such efforts.

4.4 **Information** CHN shall use reasonable efforts to obtain information from each Payor with regard to the identity of Payors and disseminate such information to the Participating Providers of CHN as CHN shall, in its sole discretion, deem appropriate to keep each Participating Provider reasonably informed as to the identity of Payors.

4.5 **Liability for Claims, Decisions and Fees**

4.5.1 Payors shall be liable for claims decisions and for the payment of a Payor's portion of claims pursuant to a Plan.

4.5.2 CHN shall not be responsible or liable for any claims decisions or for the payment of any claims submitted by any provider for furnishing Covered Services or non-Covered Services to Eligible Persons. CHN shall not be an insurer, guarantor or underwriter of the responsibility or liability of any Payor to provide benefits pursuant to any Plan.

4.5.3 Ancillary and Ancillary's Professional Personnel hereby acknowledge that payment for Covered Services furnished to Eligible Persons shall be due solely from a Payor and such Eligible Persons

4.5.4 CHN is not involved in and shall not be responsible or liable for plan design or benefit determinations of Payors.

4.6 **Use of Credentialing Forms** CHN shall accept the New Jersey Universal Physician Application, referenced in N.J.A.C. 11:42C-1.3(a) with respect to Providers who are physicians, and hereby gives notice that a downloadable version of such application is available through the website of the New Jersey Department of Banking and Insurance (<http://www.state.nj.us/dobi/mccred.htm>) and, upon written request, CHN shall provide a hardcopy of such application form to Provider.

### 5 **Obligations of Ancillary**

5.1 **Ancillary Standards** Ancillary, on behalf of itself and the Ancillary's Professional Personnel, hereby warrants and represents that:

5.1.1 Ancillary is and, at all times during this Agreement, shall be in compliance with the Credentialing Criteria; and

- 5.1.2 the information contained in the application of Ancillary for membership in CHN is true and correct in all respects and does not fail to state a material fact that would make it otherwise misleading.
- 5.1.3 Ancillary's Professional Personnel have been credentialed by Ancillary and satisfy the Provider Credentialing Criteria as set forth in Section 2.12.
- 5.1.4 Ancillary has the authority to bind the Ancillary's Professional Personnel to the Fee Schedule.

5.2 **Ancillary Services and Obligations** Ancillary, through the Ancillary's Professional Personnel shall:

- 5.2.1 provide Medically Appropriate Covered Services to Eligible Persons from the location of Ancillary listed on the signature page. All of Ancillary's locations whether or not listed on the signature page shall be included in the term Ancillary pursuant to this Agreement; and
- 5.2.2 perform the Covered Services pursuant to the requirements of state licensure, applicable state and federal certification, and applicable accreditation requirements and standards; and
- 5.2.3 treat Eligible Persons in all respects no less favorably than Ancillary and Ancillary's Professional Personnel treats all other patients, and determine whether or not to accept Eligible Persons for treatment or terminate the treatment of Eligible Persons only on the basis of the same criteria employed by Ancillary to make such determinations in connection with all other patients; and
- 5.2.4 obtain from Eligible Persons a written assignment of benefits and an authorization to release medical records and cooperate and comply with the billing and other procedures established by CHN or a Payor and set forth in the Provider/Facility Manual or in other written communications from CHN; and
- 5.2.5 submit all claims for Covered Services as provided in the Provider/ Facility Manual and pursuant to the Standard Terms. Ancillary shall accept as full payment from each Payor for Covered Services deemed Medically Appropriate pursuant to the Utilization Management Program the lesser of charges customarily charged to other patients or the consideration provided in the Fee Schedule. Ancillary hereby waives any amounts from any Payor and any Eligible Person (i) in excess of the fees customarily charged to other patients or the amount provided in the Fee Schedule; and (ii) after Ancillary has appealed the UM determination and the outcome remains not to be Medically Appropriate, any amounts from any Payor or any Eligible Person for services performed which have been deemed not to be Medically Appropriate by the Utilization Management Program. Ancillary hereby acknowledges that payment for Covered Services furnished to Eligible Persons shall be due solely from a Payor and such Eligible Persons; and
- 5.2.6 subject to Section 6.3, provide any party operating the Utilization Management Program with access, upon reasonable notice during normal business hours, to the appropriate records and information regarding Covered Services rendered to Eligible Persons for inspection and copying, without charge to Ancillary, in such a manner as may be reasonably requested to permit the party operating the Utilization Management Program to implement the Utilization Management Program and perform its administrative obligations set forth herein and to verify claims for Covered Services submitted by Ancillary; and
- 5.2.7 comply with the rules, regulations, policies and procedures as enacted by CHN from time to time and summarized in the Provider/Facility Manual, comply with the Utilization Management Program, participate in and observe the protocols of the Utilization Management Program, submit to performance reviews in conjunction therewith; and
- 5.2.8 within ten (10) days of occurrence, notify CHN and provide CHN with all information with respect to any disciplinary action against Ancillary or Ancillary's Professional Personnel, malpractice actions, judgments or settlements of Ancillary. Ancillary hereby authorizes any governmental agency or professional licensing, accrediting or certifying agency, or any other person or entity to release to CHN any information pertaining to any such matters and pertaining to the Credentialing Criteria; and
- 5.2.9 when reported to the National Practitioner Data Bank notify CHN of any disciplinary action involving clinical issues taken by Ancillary with respect to any Participating Provider signing a release authorizing such disclosure; and
- 5.2.10 within ten (10) days of occurrence, notify CHN of any material modifications to the process by which Ancillary grants admitting or attending privileges to physicians;
- 5.2.11 consent to the inspection by CHN, Network Lessees, independent credentialing entities, independent accreditation entities, their agents and their representatives of the contents of the credentialing file of Ancillary and all documents that may be material to an evaluation of the qualifications and competence of Ancillary and consent to the release of such information to such parties. Ancillary hereby releases from liability CHN and Network Lessees and their respective officers, directors, employees and agents from their acts performed and statements made, in good faith and without malice, in connection with evaluating the credentials and qualifications of Ancillary. Ancillary hereby releases from liability CHN, Network Lessees and any and all individuals who provide information to CHN and Network Lessees, their medical directors and their representatives and agents, in good faith and without malice, concerning the Credentialing Criteria, Ancillary's disciplinary actions, professional competence, background, experience, ethics, character, utilization practice patterns, health status and other qualifications to be a Participating Provider; and
- 5.2.12 as requested by CHN in writing from time to time investigate and provide CHN with a written report of all quality problems involving Eligible Persons; and
- 5.2.13 survey the providers and patients of Ancillary, in the format and methodology required by the Joint Commission on the Accreditation of Healthcare Organizations ("JCAHO") or applicable accreditation agency, with respect to quality, access, utilization and service levels of Ancillary and CHN and provide CHN with a copy of the results of such survey as set forth in EXHIBIT 5.2.13.
- 5.2.14 give prior written notice to CHN within ten (10) days if Ancillary shall add a partner, shareholder, member or professional provider employee, if Ancillary shall cease to fulfill the Credentialing Criteria or if the health status of any professional provider employee shall effect patient care
- 5.2.15 give prior written notice to CHN within ten (10) days if the Ancillary will begin to provide Services under tax identification numbers not listed on the signature page (whether as a partner, shareholder, member or professional provider employee), and/or from sites or office locations not listed as Ancillary's offices. If Ancillary fails to notify CHN, the new or additional tax identification number(s) and/or new additional location(s) shall be included in the capitalized term "Ancillary" for purposes of this Agreement.
- 5.2.16 follow clear procedures for granting admitting and attending privileges to physicians, and shall notify CHN when such procedures are no longer appropriate.
- 5.2.17 follow the procedures established by CHN for verification of referrals and pre-certification of admissions and other treatment of Eligible Persons and of individuals' respective entitlement to receive services as Eligible Persons as more fully set forth in the Utilization Management Section of the Provider/Facility Manual.

6 **Confidential Information**

- 6.1 **Legal Restrictions** Neither party hereto shall be in default for failure to supply information which such party, in good faith, believes cannot be supplied due to prevailing law, or for supplying information which such party, in good faith, believes is required to be supplied due to prevailing law. In a manner consistent with the preceding sentence, either party may disclose Confidential Information as necessary to investigate and/or resolve a dispute between Ancillary or Ancillary's Professional Personnel and Payor or Eligible Person or CHN.

## 6.2 **Non-Disclosure of Confidential Information**

- 6.2.1 Ancillary (and their respective officers, directors, employees, agents, successors and assigns) shall hold any and all Confidential Information in the strictest confidence as a fiduciary, and shall not, voluntarily or involuntarily, sell, transfer, publish, disclose, display or otherwise make available to others, except for governmental agencies, any portion of the Confidential Information without the express written consent of the other party. Ancillary shall use its best efforts to protect the Confidential Information consistent with the manner in which Ancillary protects the confidential business information of Ancillary. Notwithstanding the foregoing, Confidential Information may be disclosed to federal, New Jersey or other State governmental agencies to the extent such disclosure is required by law.
- 6.2.2 "Confidential Information" shall mean information of a party that shall be subject to patent, copyright, trademark, trade name or service mark protection, or described as confidential by a party, or not otherwise in the public domain and related to the business and operations of a party, including, without limitation, this Agreement and the exhibits hereto, the Fee Schedule, lists of Payors, Participating Providers and Network Lessees and information related thereto, eligibility data, information relating to earnings, volume of business, methods, systems, practices or plans of a party, Payors and Network Lessees, data provided pursuant to **EXHIBIT 5.2.13** and all similar information of any kind or nature whatsoever which is known only to persons having a fiduciary or confidential relationship with CHN and its Payors.

## 6.3 **Medical Records**

- 6.3.1 The parties hereto shall maintain the confidentiality of any and all medical records which shall be in their possession and control, and such information shall only be released or disseminated pursuant to the valid authorization of the patient whose medical condition is reflected in such medical records or as shall be otherwise permitted under applicable law.
- 6.3.2 Medical records shall be maintained in accordance with the provisions of applicable law and in accordance with the standards of American Accreditation HealthCare Commission/URAC ("URAC") and JCAHO.
- 6.3.3 CHN shall have the right to conduct an annual review of the medical records of Eligible Persons in the possession of Ancillary to determine compliance with the quality management policies and procedures of CHN.

- 6.4 **Trademarks and Copyrights** Each party acknowledges each other party's sole and exclusive ownership of its respective trade names, commercial symbols, trademarks and service marks, whether presently existing or later established (collectively "Marks"). No party shall use the other party's Marks in advertising or promotional materials or otherwise without the owner's prior written consent; PROVIDED, HOWEVER, that CHN, Payors, Network Lessees and other entities with agreements with CHN may, but shall not be required to, list Ancillary in the CHN Participating Provider directory or otherwise publicize the status of Ancillary as a Participating Provider.

- 7 **Indemnification** CHN and Ancillary shall indemnify, defend and hold harmless the other party and its officers, directors, employees, agents, successors and assigns ("Indemnified Parties") from and against any and all liability, loss, damage, claims or expenses of any kind whatsoever, including without limitation, reasonable attorneys' fees and costs and expert witness' fees, which may be sustained, suffered, recovered or made against any Indemnified Party by any third party which arises from or is in any way connected with the performance by the indemnifying party of its duties and obligations pursuant to this Agreement.

## 8 **Delegation of Credentialing**

- 8.1 Ancillary shall conduct credentialing and re-credentialing pursuant to the Credentialing and Re-credentialing Procedure for Ancillary's Professional Personnel as set forth in **EXHIBIT 2.12**.
- 8.2 If Ancillary's Professional Personnel ceases to satisfy the CHN Credentialing Criteria including, without limitation, the failure by Ancillary's Professional Personnel to maintain the required professional liability coverage in force, Ancillary shall immediately terminate such Ancillary Provider as a Participating Ancillary Provider and provide CHN with notice of such termination.
- 8.3 CHN reserves the right to credential or re-credential any Ancillary Provider and Ancillary shall provide CHN with the credentialing information sufficient to credential or re-credential such Ancillary Provider.
- 8.4 After the implementation of the delegation of credentialing, CHN shall have the right to audit the Ancillary Credentialing Process to verify compliance with the terms of this Agreement. Audits shall be conducted in accordance with the standards of the American Accreditation HealthCare Commission/URAC ("URAC") and Joint Commission on the Accreditation of Healthcare Organizations ("JCAHO") if applicable.
- 8.5 If Ancillary delegates credentialing to any other entity, such entity shall execute a delegation of credentialing agreement with Ancillary substantially in the form of this Agreement and such agreement shall be in compliance with URAC and JCAHO Standards if applicable.

- 9 **Non-Solicitation of Payors and Network Lessees** During the term of this Agreement and for twenty-four (24) months following the termination of this Agreement, whether for cause or not for cause, whether voluntary or involuntary, Ancillary shall not enter into a direct contract to perform services for Payors or Network Lessees of CHN utilizing Ancillary prior to the date of termination pursuant to this Agreement.

## 10 **Term and Termination**

- 10.1 **Term and Voluntary Termination** The initial term of this Agreement ("Initial Term") shall commence on the Effective Date of this Agreement and shall continue for one (1) year. This Agreement shall be automatically renewed for periods of one (1) year (each a "Renewal Term") unless either party shall give at least four (4) months prior written notice via certified mail, return receipt requested of non-renewal or termination to the other party.
- 10.2 **Termination of an Individual Payor**
- 10.2.1 Subject to Section 10.2.2, Ancillary shall have the right to terminate a Payor as a Payor under this Agreement if a Payor shall: (i) apply the Fee Schedule to claims submitted by Ancillary for services rendered prior to the effective date of the Payor Agreement with CHN ("Payor Effective Date"); (ii) repeatedly fails to provide payment to Ancillary pursuant to the Standard Terms or Fee Schedule; or (iii) apply the Fee Schedule to claims which cause a breach of this Agreement ("Prohibited Practices").
- 10.2.2 If a Payor shall engage in Prohibited Practices, Ancillary shall provide CHN with notice which details the Prohibited Practice. If the Payor fails to cure the Prohibited Practices within one hundred twenty (120) days from the effective date of the notice, Ancillary may terminate such Payor as a Payor under this Agreement by providing notice to CHN within thirty (30) days after the expiration of the one hundred twenty (120) day period. The remaining Payors of CHN shall not be effected by such action and this Agreement shall remain in full force and effect with respect to any remaining Payors of CHN.
- 10.3 **Termination for Relocation** If Ancillary shall relocate from the location shown on the signature page or add additional locations, Ancillary shall provide notice to CHN and CHN shall have the option, for one hundred twenty (120) days from the effective date of the notice, to accept such relocated or additional location. If Ancillary fails to notify CHN of relocation or adding of locations, the new or additional location(s) shall be included in the definition of "Ancillary" for purposes of this Agreement. Failure to notify Ancillary of such acceptance within the one hundred twenty (120) day period shall constitute acceptance by CHN.

#### 10.4 **Termination of Agreement**

- 10.4.1 Either party may terminate this Agreement for cause upon the breach of this Agreement by the other party not remedied within thirty (30) days after receipt by such other party of notice thereof from the terminating party.
- 10.4.2 Anything elsewhere in this Agreement to the contrary notwithstanding, CHN shall have the option to terminate this Agreement at any time upon written notice if CHN reasonably concludes that: (A) Ancillary has engaged in fraud; or (B) the continuation of this Agreement may result in imminent danger to Covered Persons or to the public health, safety or welfare; or (C) Ancillary has breached this Agreement. The following shall be deemed to be breach of this Agreement: (i) failure to satisfy the Credentialing Criteria; (ii) failure to purchase or maintain policies of insurance as required in the Credentialing Criteria; (iii) disqualification or suspension from practice or reasonable threat of disqualification or suspension in any state, or if Ancillary has other license, certification or authorization required to perform any duties hereunder restricted, suspended or terminated; (iv) Ancillary is disciplined or threatened with disciplinary action by any governmental authority or agency, managed care organization, hospital or other Ancillary; (v) Ancillary commits professional misconduct, or violates the principles of professional ethics; (vi) in the sole determination of CHN, there are an excessive number of professional liability claims filed or resolved against Ancillary; or (vii) Ancillary is subject to an indictment or information for a felony.
- 10.4.3 CHN exercises its option to terminate pursuant to Section 3.2.5, this Agreement shall terminate ninety (90) days following notice of Ancillary's rejection
- 10.4.4 If CHN terminates this Agreement, Ancillary shall receive a written statement setting forth the reason(s) for the termination. CHN's obligation to provide such written notice is more fully set forth in the Provider/Facility Manual. Ancillary shall have the right to a hearing in connection with the termination of this Agreement under certain circumstances, more fully set forth in the Provider Review Procedure which is included in the Provider/Facility Manual.

#### 10.5 **Termination Loss of Licensure, Certification or Accreditation**

- 10.5.1 Anything elsewhere in this Agreement to the contrary notwithstanding, CHN shall have the option to terminate this Agreement at any time upon notice if (i) Ancillary ceases to qualify under the Credentialing Criteria, including without limitation, the loss or threatened loss of any license, certification, JCAHO accreditation or certification under Medicare; or (ii) the failure to provide evidence of insurance; or (iii) in the sole determination of CHN, Ancillary has an excessive number of professional liability claims filed or resolved against Ancillary.

#### 10.6 **Procedure Upon Termination** Upon the termination of this Agreement by either party for any reason, whether for cause or not for cause, whether voluntary or involuntary, all rights and obligations hereunder shall cease, except (i) those rights and obligations provided in Section 5, Section 6, Section 7 and this Section 9.5; and (ii) those rights and obligations which shall have accrued as a result of the operation of this Agreement. Upon termination of this Agreement Ancillary shall:

- 10.6.1 continue to provide Covered Services pursuant to this Agreement (i) until either the termination of each Payor Agreement of CHN in force on the date of termination or twelve (12) months, whichever shall be earlier; and (ii) thereafter, to Eligible Persons who shall be receiving care from Ancillary until the later of the conclusion of any treatment for a specific condition existing as of such termination or the discharge or transfer of such Eligible Person; and
- 10.6.2 immediately discontinue use of any and all signs, plaques, letterheads, forms or other materials identifying Ancillary as a Participating Provider of CHN and each Network Lessee and as a participant in the Plans of each Payor; and
- 10.6.3 immediately disclose to each Eligible Person in Ancillary's care, in the form prescribed by CHN or by a Payor, the possible adverse economic consequences to such Eligible Persons of Ancillary's termination.

#### 10.7 **Termination and Eligible Persons** In the event of notice of termination of this Agreement and upon actual termination of this Agreement, CHN may (i) inform Eligible Persons of such termination; (ii) inform Eligible Persons of the economic effect of using Ancillary as a non-Participating Provider; and (iii) recommend that Eligible Persons engage other Participating Providers.

#### 10.8 **Prohibited Terminations (and Penalties)** CHN shall not terminate this Agreement or otherwise penalize Ancillary because Ancillary: (a) submits its own complaints; (b) submits complaints on behalf of an Eligible Person; (c) acts as an advocate for an Eligible Person in seeking Medically Necessary Covered Services under the Eligible Person's Plan.

#### 10.9 **Suspension Pending Investigation** CHN shall have the right to suspend Ancillary's status as a Participating Ancillary upon written notice if CHN reasonably concludes that Ancillary may constitute imminent danger to Eligible Persons. Suspensions initiated under this provision shall be governed by the Provider Review Procedure set forth in the Provider/Facility Manual.

### 11 **Miscellaneous Provisions**

#### 11.1 **Provider-Patient Relationship** Nothing contained in this Agreement shall interfere with or in any way alter any provider-patient relationship and Ancillary shall have the sole responsibility for the care and treatment of Eligible Persons under Ancillary's care. Nothing contained herein shall grant CHN or any party performing utilization management the right to govern the level of care of a patient. Utilization management decisions shall only affect reimbursement of Ancillary for services rendered and shall not limit the performance of the services of Ancillary or effect professional judgment. Ancillary / Provider shall have the right and obligation to communicate openly with all Eligible Persons regarding diagnostic tests and treatment options.

#### 11.2 **Remedies** Remedies at law may be inadequate and the parties shall be entitled to all remedies provided hereunder or available to the parties at law or equity. No remedy made available by any of the provisions of this Agreement is intended to be exclusive of any other remedy.

#### 11.3 **Non-Exclusivity** Nothing in this Agreement shall be intended or construed to prevent either party from entering into substantially similar agreements with other entities similar to the other party.

#### 11.4 **Independent Contractors** Each party, its officers, agents and employees are at all times independent contractors to the other party. Nothing in this Agreement shall be construed to make or render either party or any of its officers, agents, or employees an agent, servant, or employee of, or joint venturer of or with, the other.

#### 11.5 **Licensure Requirements** Nothing in this Agreement shall be intended or construed to impose obligations or responsibilities upon Ancillary which would cause Ancillary to violate any statutes or rules governing the licensure of Ancillary.

#### 11.6 **Notices** Notices shall be written and personally delivered, or by fax, effective on delivery, or sent by United States mail, postage prepaid, effective on the third (3rd) day following the date deposited in the mail, addressed to the parties as set forth below, or to any other address specified in writing by such party.

#### 11.7 **Entire Agreement**. This Agreement represents the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and all prior and concurrent agreements, understandings, representations and warranties with respect to such subject matter, whether written or oral, are and have been merged herein and superseded hereby.

#### 11.8 **Amendment** Except as otherwise specifically provided herein, no amendment to this Agreement shall be effective against a party to this Agreement unless such amendment is in writing signed by such party; PROVIDED, HOWEVER, CHN may, from time to time, in its sole discretion, amend the Provider/Facility Manual.

- 11.9 **Compliance with Terms** Failure to insist upon strict compliance with any of the terms herein (by way of waiver or breach) by either party hereto shall not be deemed to be a continuous waiver in the event of any future breach or waiver of any condition hereunder.
- 11.10 **Rights of Parties** Except for the right granted by CHN, in writing, to certain payors or Network Lessees to enforce this Agreement as a third party beneficiary, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to this Agreement and their respective successors and assigns.
- 11.11 **Assignment** This Agreement may not be assigned by Ancillary without the express written consent of CHN. CHN may assign this Agreement, upon notice to Ancillary, to any other entity.
- 11.12 **Benefits** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, personal representatives, executors, administrators, successors and assigns.
- 11.13 **Severability** If any portions of this Agreement shall, for any reason, be invalid or unenforceable, such portions shall be ineffective only to the extent of such invalidity or unenforceability, and the remaining portion or portions shall nevertheless be valid, enforceable and of full force and effect.
- 11.14 **Multiple Counterparts** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute a single instrument.
- 11.15 **Conflict of Laws** This Agreement shall be governed by the laws of the State of New Jersey without giving effect to its conflicts of law provisions.

IN WITNESS WHEREOF, the parties hereto have set their hands on the dates set forth below, as of the Effective Date set forth below.

Ancillary  
 \_\_\_\_\_  
 \_\_\_\_\_

CONSUMER HEALTH NETWORK PLUS, LLC  
 d/b/a CHN PPO  
 300 American Metro Blvd. Ste. 170  
 Hamilton, NJ 08619

By: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 State License, Certificate or other Authorization Number

\_\_\_\_\_  
 Federal Tax ID Number

\_\_\_\_\_  
 Effective Date of Agreement

\_\_\_\_\_  
 NPI Number

Location(s) of Ancillary:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## EXHIBIT 2.8

### STANDARD TERMS

The following shall constitute the Standard Terms as defined in this Agreement. As part of a separate agreement between CHN and Payors, each Payor has agreed to be substantially bound by the Standard Terms applicable to such Payor as indicated herein:

- 1 **Covered Services** Participating Ancillary shall furnish to Eligible Persons those Medically Appropriate Covered Services customarily furnished by such Participating Ancillary in the same physical setting and in the same manner as such services are customarily provided to other similarly situated patients of Participating Ancillary.
- 2 **Payment to Participating Provider** Pursuant to the terms of the applicable Plan, Payor or its agent and the Eligible Person shall pay to Participating Provider the lesser of Participating Provider's charges customarily billed to other patients or the amounts set forth in the applicable Fee Schedule (unless otherwise provided in the Fee Schedule) as full payment of any claim submitted by Participating Provider for Covered Services furnished to Eligible Persons pursuant to such Plan.
- 3 **Payment by Eligible Persons** Participating Provider shall: (i) bill Eligible Persons directly for, and use best efforts to collect, any deductible, co-payment or coinsurance for Covered Services only as provided in the Facility Manual in amounts which, when added to Payor's payments shall not exceed the lesser of charges customarily charged to other patients or the consideration provided in the applicable Fee Schedule (unless otherwise provided in the Fee Schedule); (ii) bill Eligible Persons directly for any services that are not Covered Services; and (iii) bill Eligible Persons directly for any Covered Services provided to Eligible Persons after the benefits set forth in a Plan to which the Eligible Person is entitled have been exhausted.
- 4 **Claims Submission** Each Participating Provider shall, as provided in the applicable Plan, submit claims to CHN, the agent of CHN, Payor or the agent of Payor, on a UB-92 form or HCFA 1500 form, or successor forms, as applicable. Participating Providers shall use best efforts to submit claims within thirty (30) days after providing Covered Services. Payors shall have the right to deny payment of any claims which have not been submitted by Participating Provider within six (6) months after providing Covered Services. CHN, CHN's agent, Payor or Payor's agent shall apply the applicable Fee Schedule, which was in effect on the date the Covered Services were provided, to each Participating Provider's claim to determine the amount due such Participating Provider.
- 5 **Time for Payment**
  - 5.1 Except where coordination of benefits applies or when a claim is subject to audit, Payor or its paying agent shall use all reasonable efforts to make all payments due to Participating Provider within forty-five (45) days following receipt by Payor, or its paying agent, of a complete and proper claim form and other information required to determine that the claim is payable under the Plan; PROVIDED, HOWEVER, the timing of payment of claims by government entity Payors shall be subject to adequate funding of such Payors.
  - 5.2 Payment by Payor of any claim shall be final ninety (90) days after payment and neither Payor nor Ancillary shall have further recourse. Ancillary may initiate an appeal on or before the 90<sup>th</sup> calendar day following receipt of payment.
- 6 **Verification of Eligible Persons** Participating Providers shall be notified of the eligibility of Eligible Persons in accordance with Payors' customary verification procedures.
- 7 **Exhaustion of Benefits** If an Eligible Person shall exhaust any benefits under any Plan, Participating Provider shall arrange for payment to be made by such Eligible Person directly to Participating Provider.
- 8 **Coordination of Benefits** If coordination of benefits is required with respect to a New Jersey issued group insured health plan, subject to New Jersey's regulations governing the coordination of benefits, such coordination of benefits shall be in accordance with N.J.A.C. 11:4-28.7(e). In all other instances the following (a) – (c) shall apply: (a) to the extent additional parties shall be liable, under coordination of benefits for payment to Participating Ancillary for Covered Services rendered to Eligible Persons, such other party or parties shall not be entitled to the benefit of any rates set forth in the Fee Schedule if this Agreement is primary, regardless of any coordination of benefit provisions in such party's agreement with the Eligible Person or Participating Ancillary and regardless of whether such party is the primary or secondary insurer; (b) Secondary Payor shall be responsible for any copayments, deductibles or coinsurance for which Covered Person is liable up to the amount set forth in the Fee Schedule; and (c) When the amount due to the Participating Ancillary from the Eligible Person and the primary and/or secondary Payor is equal to or greater than the Fee Schedule under this Agreement, no payment shall be due under this Agreement.
- 9 **Workers' Compensation, EPO, POS and Other Programs** The standard terms for workers' compensation, EPO, POS and other programs shall be set forth in the Provider/Facility Manual and subject to the applicable requirements of the laws of the appropriate state.
- 10 **Service**. Participating Provider shall establish procedures, including an appropriate call system, to provide that Covered Services are available to Eligible Persons twenty-four (24) hours per day, seven (7) days per week.
- 11 **Communication with Eligible Person**. Ancillary shall not be penalized and this Agreement shall not be terminated solely because Ancillary acts as an advocate for an Eligible Person in seeking Medically Appropriate Covered Services. Ancillary is encouraged to communicate all Medically appropriate diagnostic testing and treatment options to Eligible Persons.
- 12 **Amendment of Standard Terms**. The Standard Terms shall be automatically amended to include applicable statutory or regulatory requirements.
- 13 **Standard Terms Applicable to Carriers Only**. Accordingly, these terms are in addition to the other terms and conditions of this Agreement including the Standard Terms.
  - 13.1 **Carrier Insolvency**. Provider shall not have a right in any event, including but not limited to nonpayment by an HMO of amounts due the Provider under this Agreement, insolvency of a Carrier or any breach of this Agreement by the Carrier, to seek any type of payment from, bill, charge, collect a deposit from, or have any recourse against, the Eligible Person, persons acting on the Eligible Person's behalf (other than the Carrier), an employer or group contract holder for services provided pursuant to this Agreement except for the payment of applicable co-payments or deductibles for services covered by the Carrier or fees for services not covered by the HMO. The requirements of this clause shall survive any termination of this Agreement for services rendered prior to such termination, regardless of the cause of such termination. The Carrier's Eligible Persons, the persons acting on the Eligible Person's behalf (other than the Carrier) and the employer or group contract holder shall be third party beneficiaries of this section. This section supersedes any oral or written agreement now existing or hereafter entered into between Provider and the Eligible Person, persons acting on the Eligible Person's behalf (other than the Carrier) and the employer or group contract holder. This Section 13.1 shall be automatically amended to conform to any applicable statutory requirements of the state in which services are rendered by Provider.

**EXHIBIT 2.9**  
**FEE SCHEDULE**

1 The schedule of maximum reimbursement amounts pursuant to which Payors shall pay Ancillary to provide Medically Appropriate Covered Services shall be the lesser of the following:

- 1.1 the actual fees or charges of Ancillary; or
- 1.2 any applicable state, federal or other mandated fee schedule.

PROVIDED HOWEVER, the maximum reimbursement amount shall not exceed the following:

**APPLICABLE CHN FEE SCHEDULE**

2 Ancillary and Ancillary's Professional Personnel shall accept as full payment from each Payor for the Covered Services deemed Medically Appropriate pursuant to the Utilization Management Program the lesser of charges customarily charged to other patients or the consideration provided in the Fee Schedule. Ancillary and Ancillary's Professional Personnel hereby waive any amounts from any Payor and any Eligible Person (i) in excess of the fees customarily charged to other patients or the amounts provided in the Fee Schedule; and (ii) any amount from any Payor or Eligible Person for services performed which have been deemed not to be Medically Appropriate by the Utilization Management Program. Ancillary and Ancillary's Professional Personnel hereby acknowledge that payment for Covered Services furnished to Eligible Persons shall be due solely from a Payor and such Eligible Persons.

3 Amendment. This Fee Schedule shall remain in force until modified, in writing, pursuant to Section 3.2 of this Agreement.

4 New York Facilities. This Section 4 applies only to Facilities located in the State of New York. This Fee Schedule does not include any amounts payable to the Indigent Care and Health Care Initiatives Pool or the Graduate Medical Education Pool as established by the State of New York pursuant to the New York Health Care Reform Act of 1996 ("NYHCRA"). If a Payor shall elect not to pay directly into such pools or changes its election during the term of this Interim Agreement, the negotiated rates set forth in Schedule A shall be increased for that Payor in accordance with the provisions of NYHCRA.

## EXHIBIT 2.12

### CREDENTIALING CRITERIA

#### THE CREDENTIALING CRITERIA OF CHN FOR FACILITIES AND ANCILLARIES ARE AS FOLLOWS:

##### 1 PROFESSIONAL CREDENTIALS

1.1 Ancillary is (i) duly licensed to operate in the state of location; (ii) accredited by the JCAHO; and (iii) certified under Medicare, if applicable.

1.2 Ancillary, where applicable, has not and shall not (i) have been restricted from receiving payments from Medicare, Medicaid or any other third party reimbursement programs; (ii) been subject to disciplinary action by the state of location or any other governmental unit; or (iii) has not at any time received a warning from JCAHO threatening its accreditation with JCAHO.

1.3 Ancillary shall purchase and maintain, at the sole cost and expense of Ancillary, policies of professional liability insurance in amounts as required by CHN from time to time. At the present time such insurance shall be a minimum of ONE MILLION DOLLARS (\$1,000,000.00)/THREE MILLION DOLLARS (\$3,000,000.00). Such insurance shall cover Ancillary. Ancillary shall provide that CHN is an additional insured on Ancillary's policies and shall authorize the insurance carrier to issue to CHN a certificate of insurance policies of Ancillary and each such policy shall contain an endorsement requiring the insurer to give CHN not less than thirty (30) days prior written notice of any cancellation, termination or material alteration of such policy. Notwithstanding the foregoing, Ancillary shall provide CHN with notification within fifteen (15) days of any cancellation, termination or material alteration of any such insurance policies. Prior to the expiration or cancellation of any such policy, Ancillary shall secure replacement of such insurance coverage upon the same terms, and shall furnish CHN with a certificate and endorsement as described herein.

1.4 Ancillary shall provide the following information upon request:

1.4.1 Details of any professional liability actions that have resulted in adverse judgments or any financial settlements.

1.4.2 Details of any pending professional liability actions.

This information shall be reviewed by CHN. The evaluation shall consider the frequency of such actions, the financial impact of such actions and the clinical circumstances surrounding the alleged acts. CHN is fully cognizant of the current litigious conditions in the United States and its evaluation shall consider the litigious climate as part of the credentialing process. Facilities shall not be automatically disqualified from participation in CHN due to a history of judgments and/or settlements. CHN has sole discretion in the determination of the impact of this information for purposes of credentialing.

1.5 CHN reserves the right to require independent verification of any and all of the Credentialing Criteria and to perform site visits to the location of Provider.

##### 2 ECONOMIC AND BUSINESS NEEDS CRITERIA (TIER II)

The Professional Credentials constitute the Credentialing Criteria for the professional qualifications of Facilities. Facilities qualifying under the Professional Credentials shall be evaluated by CHN to determine if such Ancillary fulfills the Economic and Business Needs Criteria. The Economic and Business Needs Criteria of CHN regard the economic evaluation of the Ancillary and a determination of the need for additional Facilities and/or additional geographical representation.

2.1 CHN shall utilize available data sources to evaluate, where possible, the quality and cost effectiveness of Ancillary. The evaluation factors may include morbidity data, mortality data, recidivism (for mental health and substance abuse Facilities), average length of stay, occupancy rate, readmission rates, cesarean section rates, infection rates and other indicators as determined by CHN. A significant differentiation by Ancillary in any of the parameters subject to this evaluation may disqualify Ancillary pursuant to the Credentialing Criteria.

2.2 It is anticipated that the number of Facilities qualifying pursuant to the Professional Credentials shall exceed the number of Facilities required by CHN. Therefore, a Ancillary qualifying under the Professional Credentials shall be evaluated under the Economic and Business Needs Criteria by CHN to determine if Ancillary's participation enables CHN to better fulfill its business needs. The evaluation shall include, without limitation: Ancillary's specialties; the need for a Ancillary in a specific geographic area; the number of Facilities necessary to service the population; and, the relationship of a Ancillary to other Participating Providers. Qualification under the Economic and Business Needs Criteria shall be in the sole discretion of CHN. A qualifying Ancillary may become a Participating Provider immediately or at a subsequent time as CHN expands its services, patients and/or area.

2.3 From time to time, CHN may, in its sole discretion, to fulfill its business objectives, offer Participating Provider Agreements to Facilities deemed to be competent Facilities who may not fulfill each aspect of the Credentialing Criteria. Input may be sought from Payors and other Participating Providers. For example, geographic considerations with respect to access to medical care may cause CHN to accept a Ancillary in the best interest of Eligible Persons.

2.4 It is anticipated that, from time to time, CHN may adopt various additional Economic and Business Needs Criteria and/or performance standards. The adoption of additional Economic and Business Needs Criteria and performance standards shall be at the sole discretion of CHN.

#### THE CREDENTIALING CRITERIA OF CHN FOR ANCILLARY'S PROFESSIONAL PERSONNEL ARE AS FOLLOWS:

**All references to "Provider" herein shall be deemed to encompass and apply to all of the "Ancillary's Professional Personnel," as such term is defined in the Agreement.**

##### 3 PROFESSIONAL CREDENTIALS

3.1 Provider is either (i) a person with an unrestricted license or other authorization to practice in the state of location; or (ii) a partnership, professional service corporation or other entity, all of the partners, shareholders, members and provider employees of which have an unrestricted license or other necessary authorization to practice in the state of location. A copy of Provider's current valid license shall be provided with Provider's application to CHN ("Application").

3.2 Provider, where applicable, has active full and unrestricted clinical and admitting privileges in Provider's specialty at a minimum of one (1) Participating Provider facility ("Participating Facility") or if Provider is a member of a non-admitting specialty, maintain full and unrestricted privileges appropriate to such specialty at a Participating Facility. Provider shall maintain each Participating Facility and other hospital, medical or professional staff appointment and all clinical and admitting privileges granted in connection therewith that Provider possessed as of the Effective Date of Provider's Participating Provider Agreement. A letter from each Participating Facility stating the Provider has such clinical privileges shall be provided with the Application.

3.3 Provider shall, if permitted under Provider's license, have and maintain unrestricted prescribing privileges. A copy of Provider's current DEA certification and state drug registration ("CDS"), if applicable, shall be provided with the Application.

3.4 Provider, where applicable, has not and shall not (i) have any hospital appointment or privileges reduced, limited, suspended or terminated or been placed on probation by any hospital at which Provider has had a medical or professional staff appointment or privileges; (ii) been restricted from receiving payments from Medicare, Medicaid or any other third party reimbursement programs; (iii) been subject to disciplinary action by any state or local medical society, specialty society, state board of medical examiners or the Drug Enforcement Agency; or (iv) been subject to sanctions of any kind whatsoever by any person or entity for improper prescribing procedures or actions; PROVIDED, HOWEVER, that, in the discretion of CHN, the foregoing shall not apply to suspensions related to a reasonable delay in completing medical records. Any such actions shall be reported by Provider on the Application.

3.5 Provider has not and shall not have been disciplined, suspended or terminated from a PPO, HMO or other managed care organization.

3.6 Provider has not been convicted of a felony.

3.7 Provider is in good general health.

3.7.1 Provider shall report on the Application any physical or mental problems that may affect Provider's ability to practice Provider's profession. If Provider has such disabilities the Provider shall provide, with the Application, a statement from Provider's personal physician stating that the disabilities shall not interfere with the Provider's ability to provide high quality medical care.

3.7.2 Provider shall certify on the Application that Provider does not have a history of and is not presently abusing drugs or alcohol. A Provider with a history of drug or alcohol abuse may be considered for membership in CHN, within the sole discretion of CHN, if such Provider's personal physician provides a statement that Provider has been rehabilitated and is continuing with the rehabilitation program.

3.7.3 Provider shall certify on the Application that Provider does not have any communicable and/or chronic infectious disease that may be a potential danger to patients.

3.7.4 CHN shall have sole discretion in the determination of the impact of the health status of Provider for purposes of credentialing.

3.8 Provider shall purchase and maintain, at the sole cost and expense of Provider, policies of professional liability insurance in amounts as required by CHN from time to time. At the present time such insurance shall be a minimum of ONE MILLION DOLLARS (\$1,000,000.00)/THREE MILLION DOLLARS (\$3,000,000.00). Provider shall authorize the insurance carrier to issue to CHN a certificate of insurance policies of Provider upon the request of CHN, and each such policy shall contain an endorsement requiring the insurer to give CHN not less than thirty (30) days prior written notice of any cancellation, termination or material alteration of such policy. Notwithstanding the foregoing, Provider shall provide CHN with notification within fifteen (15) days of any cancellation, termination or material alteration of any such insurance policies. Prior to the expiration or cancellation of any such policy, Provider shall secure replacement of such insurance coverage upon the same terms, and shall furnish CHN with a certificate and endorsement as described herein. A copy of the issuing section of the policy reflecting such insurance shall be provided with the Application.

3.9 Provider shall provide the following information on the Application:

3.9.1 Details of any professional liability actions that have resulted in adverse judgments or any financial settlements.

3.9.2 Details of any pending professional liability actions or claims or threatened claims with respect to professional liability.

This information shall be reviewed by CHN. The evaluation shall consider the frequency of such actions, the financial impact of such actions and the clinical circumstances surrounding the alleged acts of malpractice. CHN is fully cognizant of the current litigious conditions in the United States and its evaluation shall consider the litigious climate as part of the credentialing process. Providers shall not be automatically disqualified from participation in CHN due to a history of judgments and/or settlements. CHN shall have sole discretion in the determination of the impact of this information for purposes of credentialing.

3.10 Physician Providers (i) shall be board certified in a specialty recognized by the American Board of Medical Specialties ("ABMS") or other appropriate boards applicable to the specialty of Provider in the sole discretion of CHN; or (ii) shall have completed a fully-approved formal residency program that meets all of the educational requirements of the ABMS, American Osteopathic Association or the American Podiatric Association, as applicable. A copy of Provider's board certification or appropriate training shall accompany the application. Expiration or re-certification dates shall be indicated where applicable.

3.11 The Provider shall provide complete information with respect to professional training which shall include, without limitation, the following:

- 3.11.1 Undergraduate Education
- 3.11.2 Medical and/or Professional Education
- 3.11.3 Internship and Residency
- 3.11.4 Fellowships
- 3.11.5 Teaching/Faculty appointments
- 3.11.6 Professional publications
- 3.11.7 References where required on the Application

The credentials of Providers shall only be acceptable if the Provider's practice is limited to the specialty in which the Provider has received training and Provider has completed an acceptable residency program. CHN shall have the sole discretion with respect to the determination of the impact of this information for purposes of credentialing. CHN reserves the right to require specific formal training in new procedures and/or technologies prior to credentialing, recredentialing or, if applicable, recommending payment for procedures.

3.12 Provider shall request the personal profile of Provider from the National Practitioner Data Bank and attach a copy of the request to the Application. Upon receipt of the profile, the Provider shall forward the original copy to CHN. If the profile has not been received by CHN within ninety (90) days of the date of the application, Provider shall provide an acceptable explanation and request an extension or the application shall be automatically terminated.

3.13 Provider shall, in the sole discretion of CHN, demonstrate a commitment to continuing medical education. The attachment of a current Physician's Recognition Award from the American Medical Association shall satisfy this requirement. In the absence of this Award, Provider shall attach to the Application evidence of a minimum of fifty (50) hours of Category I CME Credits within the previous two (2) year period satisfactory to CHN.

3.14 Applicant shall maintain appropriate medical records and shall, subject to applicable law, provide such records to CHN as deemed necessary by CHN, in its sole discretion, for purposes of utilization management and/or quality assessment.

3.15 Applicant shall provide twenty-four (24) hour-a-day coverage, seven (7) days a week by other Participating Providers with training equivalent to the Provider. Individual exemptions of this requirement may be granted for Providers for which there are no local equivalently trained Providers. Determinations of equivalent training and the granting of any waiver of this requirement shall be in the sole discretion of CHN.

3.16 Provider shall: (i) properly maintain, calibrate and license all diagnostic equipment in Provider's offices; (ii) maintain a formal quality control program for all office diagnostic equipment; and (iii) allow diagnostic testing and procedures to be performed and interpreted only by persons with appropriate training and/or certification.

3.17 CHN reserves the right to require independent verification of any and all of the Credentialing Criteria and to perform site visits to the locations of Provider.

**EXHIBIT 5.2.13**

**DATA**

I. A year-end Report Card on hospital quality activities

II. Most recent year-end reports on the following:

- A. Number of Admissions
- B. Average Charge Per Day
- C. Number of medication errors
- D. Number of repetitions of routine tests
- E. Number of lost specimens

## ADDENDUM

The following applies to fully insured health benefits clients and supersedes any terms in the main body of the Agreement which are inconsistent with this addendum.

### 1 Definitions

- 1.1 **Medical Necessity** - means or describes a health care service that a health care provider, exercising his prudent clinical judgment, would provide to a covered person for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms and that is: in accordance with the generally accepted standards of medical practice; clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the covered person's illness, injury or disease; not primarily for the convenience of the covered person or the health care provider; and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that covered person's illness, injury or disease.

### 2 Amendments

- 2.1 This Agreement and any material amendments thereto are subject to prior approval of the NJ DOBI, and may not be effectuated without such approval. Any amendments that alter numbers, be they dollar amounts, enrollment amounts or the like, without altering methodologies from which the numbers were derived are not subject to prior approval of the NJ DOBI.
- 2.2 Any sections of the Agreement that conflict with State or Federal law are effectively amended to conform to the requirements of the State or Federal law.

### 3 Time for Payment

- 3.1 For claims submitted electronically, Payor shall remit payment no later than the 30<sup>th</sup> calendar day following receipt of claim by Payor or no later than the limit established for the payment of claims in the Medicare program pursuant to 42 U.S.C. s. 1395u(c)(2)(B), whichever is earlier. If the claim is submitted by other than electronic means, Payor shall remit payment no later than the 40<sup>th</sup> calendar day following receipt of claim by Payor. All payment is pursuant to the following:
- 3.1.1 (a) the health care provider is eligible at the date of service; (b) the person who received the health care service was covered on the date of service; (c) the claim is for service or supply covered under the health benefits plan; (d) the claim is submitted with all the information requested by the Payor on the claim form or in other instructions that were distributed in advance to the health care provider or covered person; and (e) the Payor has no reason to believe that the claim has been submitted fraudulently.

### 4 Procedure Upon Termination – Upon the termination of this Agreement, whether for cause or not for cause, whether voluntary or involuntary, all rights and obligations hereunder shall cease except (i) those rights in this section 4; and (ii) those rights and obligations which shall have accrued as a result of the operation of this Agreement. Upon termination Ancillary Facility shall:

- 4.1 continue to provide Covered Services pursuant to this Agreement (i) until either the termination of each Payor Agreement in force on the date of termination or twelve (12) months, whichever is earlier; and (ii) thereafter, to Eligible Persons who shall be receiving care from Provider until the earlier of the conclusion of any treatment for a specific condition existing as of such termination except in cases of pregnancy where covered services shall continue to the postpartum evaluation up to six weeks after delivery, post operative care covered services shall continue for a period of up to six months, oncological treatment covered services shall continue for a period of up to one year and psychiatric treatment covered services shall continue for a period of up to one year or the discharge or transfer of such Eligible Person;

### 5 Fee Schedule – If required by New Jersey law, CHN, on behalf of Payor, shall provide fee schedule information to health care providers as follows:

CHN shall, upon request, furnish Group with a written fee schedule, or in an electronic format if agreed upon by both parties, showing the fees for the 20 most common evaluation and management codes and the 20 most common office-based or hospital-based in-network services for Group, to be provided by Group under the applicable Payor Agreement to which the request applies. If CHN negotiates a fee schedule with Group that is specific to Group, CHN carrier shall provide only the applicable fee schedule for Group. CHN shall furnish the information requested under this Section 5 within 15 days of the request of Group.

Group agrees that information provided under this Section 5 is proprietary and shall be kept confidential by Group. Unauthorized distribution of such information may result in the health care provider's termination from the network.