AFFILIATION AGREEMENT

THIS AGREEMENT ("Agreement") is made on this _1_ day of July 2005, by and between The Rector and Visitors of the University of Virginia, a not-for-profit educational institution of the Commonwealth of Virginia ("Institution"), and Inova Health Care Services, a Virginia non-stock, nonprofit corporation ("Inova").

RECITALS

WHEREAS, the Institution, as part of its formal, educational course of studies for health care professionals may require clinical experiences of students, and desires to assign certain of its students to one or more Inova facilities to obtain such clinical experience; and

WHEREAS, Inova, in service to the community and to promote high standards of preparation and training for health care professionals is willing to provide the necessary facilities for a clinical experience;

NOW, THEREFORE, in consideration of the foregoing premises and mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1.0 Definitions.

1.1 "Administrator" shall mean the administrator or other appointed director of the Inova Facility, or his/her designee.

1.2 "Clinical Experience" shall mean a structured learning experience at an Inova Facility in which a Student participates in the care of patients under the guidance of a Preceptor and participates in observational and other educational activities appropriate to the Student's level of preparation.

1.3 "Director" shall mean the Director of the Program.

1.4 "Facility" shall mean an Inova Fairfax Hospital/Inova Fairfax Hospital for Children or other Inova owned or affiliated facilities that Inova designates.

1.5 "Faculty" shall mean each individual employed by or affiliated with the Institution to instruct and supervise Students as part of the Program.

1.6 "Preceptor" shall mean an individual staffed at the Facility to facilitate Student learning and to provide guidance to Students at the Facility as part of the Clinical Experience.

1.7 "Program" shall individually and collectively mean the program(s) that is/are identified in Attachment 1 (attached hereto and incorporated herein by reference) and in which students are enrolled at the institution and receive all pre-placement training and education related to their field.
1.8 "School Year" shall mean July 1 – June 30.

1.9 "Student" shall mean a student officially enrolled in the Program at the Institution who participates in a Clinical Experience at the Facility.

2.0 **Obligations of Institution.** The Institution shall:

2.1 Review the Program’s philosophy and objectives for the Clinical Experience with the Administrator prior to the start of the Clinical Experience.

2.2 Initiate planning for Clinical Experiences at least six (6) weeks prior to the start of the School Year by submitting a written request to the Administrator indicating the number of Students expected to be assigned to each Clinical Experience, the length of time and dates of each Clinical Experience, and the proposed days and hours of each Clinical Experience and the Inova Facility to which the Institution seeks to assign the Student. The specific placement of Students, including schedules and the exact number of Students, shall be mutually agreed upon by the parties. The Institution shall provide the Administrator with the name of each Student participating in a Clinical Experience at least thirty (30) days prior to the start of the Clinical Experience and shall promptly notify the Administrator of any changes.

2.3 Advise Students who perform activities pursuant to this Agreement of their obligation to observe the rules, regulations, policies and procedures of the Facility and strictly adhere to all laws and regulations pertaining to confidentiality and patient rights. Inova expects and demands that every Student will abide by said rules and strictly adhere to its policies as both a precondition of acceptance and a condition of retention. The Institution shall assure itself that each Student understands the gravity of the foregoing in terms of the relationship of the parties, and to the success of the Student.

2.4 Present for Clinical Experiences only those Students who have had adequate preclinical instruction and who, in the expert judgment of the Director, have successfully fulfilled the pre-clinical requirements of the Program curriculum.

2.5 Provide evaluation forms for the evaluation of Students who participate in the Clinical Experience.

2.6 Retain responsibility for education of Students in the Program and for the design, delivery, quality, and curriculum of the Program.

2.7 Maintain all educational records and reports relating to the Clinical Experience of the Students.

2.8 Require that school name pin identification, or such other identification as may reasonably be required by the Administrator, be appropriately displayed by Students.
2.9 Require Students to provide documentation prior to the beginning of each Clinical Experience that he or she meets the health requirements established by the Hospital. Each Student shall maintain health insurance coverage and shall provide to the Administrator prior to commencement of the Clinical Experience documentation evidencing such coverage.

2.10 Require Students to provide evidence of inoculation for Hepatitis B or a declination signed by Student for each such Student; provide educational program(s) for Students regarding Occupational Health and Safety Act ("OSHA") compliance standards; and otherwise comply with applicable federal, state and local law and regulations, including but not limited to those contained in OSHA and implementing regulations.

2.11 Institution shall ensure that each Student who performs activities at Facility pursuant to this Agreement is covered by professional liability insurance for occurrences during the term of this Agreement with the following limits: (a) per occurrence limits of not less than the cap on damages in a medical malpractice suit, as set forth in Virginia Code § 8.01-581.15; and (b) annual aggregate limits equal to three (3) times the amount of the required per occurrence limit set forth in item (a) above, or in such other amounts as the governing board of Inova may from time to time require. Institution shall also ensure that each Student has “tail” coverage surviving termination of this Agreement and extending to all periods during which services were rendered at Facility pursuant to this Agreement. Further, Institution shall ensure that each Student, prior to the commencement of the Clinical Experience, provides the Administrator and the Institution with certificates evidencing such coverage and shall immediately notify the Administrator and the Institution of any changes regarding such insurance coverage.

Institution shall also maintain for all Students, Faculty, employees and agents who perform activities at the Facility pursuant to this Agreement, comprehensive general liability insurance with a combined single limit of not less than Two Million Dollars ($2,000,000).

2.12 Provide to the Administrator the name and telephone number of the Faculty who shall:

(i) Plan, in conjunction with Facility staff, Clinical Experiences which will fulfill the Program’s educational requirements and meet the objectives mutually agreed upon by the parties;

(ii) Meet with Facility staff to evaluate the Clinical Experiences and discuss any problems which have arisen; and

(iii) Notify the Facility of any changes in the Program’s curriculum.

2.13 Prior to performing their duties pursuant to this Agreement, make reasonable efforts to advise Students of their obligations and responsibilities pursuant to this Agreement.

2.14 Institution shall immediately notify Inova of: (i) any adverse action taken by the Institution’s accrediting body against the Institution’s Program, including but not limited to, a downgrade in accreditation status, withholding of accreditation, or probation; or (ii) a change in
the Institution's accreditation status that materially affects the continued operation of this Agreement.

3.0 **Obligations of Inova.** Inova shall:

3.1 **Provide clinical facilities suitable for fulfillment of the course objectives for the Clinical Experience mutually agreed upon.**

3.2 **Determine, upon mutual consideration and agreement, the maximum number of Students to be assigned to the Facility for each Clinical Experience and the schedule for each Clinical Experience.**

3.3 **Select patients for Student assignments required by the Clinical Experience.** The Facility may, at its discretion and at any time, make changes in the selection of patients for Student assignments.

3.4 **Within normal limits imposed by the institutional setting and space constraints of the Facility, provide classrooms, conference rooms, lockers and storage space for the Clinical Experience as appropriate.**

3.5 **Permit Students to use available cafeteria facilities at their own expense.**

3.6 **Where applicable, permit Students to utilize parking spaces.** If parking at an Inova hospital and the hospital chooses to charge for the use of such parking spaces, Students shall be responsible for the payment of such parking fees.

3.7 **Permit Students to use the medical library for research and study, provided that library books and materials shall not be removed from the library.**

3.8 **Orient the Students to the Facility and provide information regarding the Facility's rules, regulations, policies, and procedures.** As part of the orientation, the Facility will inform Students that they will be expected to adhere to all hospital policies related to patient care issues, including the confidentiality of patient records and information. The Facility also will inform Students that they are expected to adhere to the Facility's dress code and code of conduct.

3.9 **Provide emergency medical treatment to Students while on Facility premises during performance of activities pursuant to this Agreement.** If at an Inova hospital, the Student shall report to the Emergency Department or such other Department as designated by the hospital and shall receive treatment in accordance with standard procedures in effect in such Department. If the Student is at a non-hospital Inova facility, arrangements shall be made for the Student to be transported to the nearest appropriate hospital, if necessary. The cost of any such treatment, including diagnostic tests and procedures, shall be the responsibility of the Student to whom such treatment was rendered, at the treating hospital's usual and customary charge.

3.10 **Provide to the Director the name and telephone number of the Preceptor who shall:**
(i) Plan, in conjunction with the Director, Clinical Experiences which will fulfill the Program's educational requirements and meet the objectives mutually agreed upon by the parties;

(ii) Meet with the Faculty to discuss any problems;

(iii) Provide guidance to the Students during the Clinical Experiences; and

(iv) Participate in periodic evaluation conferences in which the Clinical Experiences are evaluated, and provide an evaluation for each Student who participates in a Clinical Experience on forms furnished by the Institution.

3.11 The Facility will provide Students with safe sleeping quarters and meals during student rotations.

3.12 Nothing in this Agreement shall be construed to require Inova or the Facility to contract with any additional person(s) to meet its obligations hereunder.

4.0 Care to Patients. Inova shall retain responsibility for the overall care provided to patients in the Facility. Students shall at all times be under the guidance of a Preceptor while performing activities at the Facility pursuant to the terms of this Agreement. Inova reserves the right to establish limits on the numbers and types of Students permitted in each patient care unit of the Facility and to restrict specific Student activities in each patient care unit.

Patient notes prepared by Students shall be included as a portion of the patient’s record to facilitate faculty review of the Student’s participation and competence. Students will not be responsible for writing or dictating discharge summaries. Students may be responsible for writing progress notes and procedure notes in addition to recording initial history and physical examinations. These notes will be countersigned by a resident or attending member of the Facility’s medical staff.

5.0 No Payments. The Clinical Experience furnished to Students in connection with this Agreement is gratuitous and voluntary and shall be accomplished without any payment made by Inova to the Institution, its Faculty, Students, employees, or agents. Inova shall not be responsible for any income tax withholding, social security taxes, workers' compensation, and unemployment compensation with respect to Institution's Faculty, Students, employees and agents.

6.0 Nondiscrimination. The parties agree that they will not discriminate against any Student on the basis of color, race, religion, sex, age or national origin, except where religion, sex, age, or national origin is a bona fide qualification reasonably necessary to the normal operation of the Facility or Inova. Furthermore, the parties shall not discriminate against any Student because of a disability, except where accommodation would result in undue hardship on the Facility or Inova or fundamentally alter the nature of the services provided.
7.0 Right to Refuse or Terminate Students.

7.1 Inova reserves the right to refuse acceptance of any Student designated by the Institution for participation in a Clinical Experience and to terminate participation by any Student in a Clinical Experience when, in the sole opinion of the Inova: (i) the Student is deemed to be a risk to the Facility’s patients, employees, or to himself or herself, (ii) the Student fails to meet or abide by the rules, regulations, policies and procedures of the Facility, (iii) the Student's conduct is detrimental to the business or reputation of the Facility or Inova, (iv) the Student fails to accept or comply with the direction of Facility staff, or (v) further participation by the Student would be inappropriate.

7.2 The Institution reserves the right to terminate a Student’s participation in a Clinical Experience when, in its sole discretion, further participation by the Student would be inappropriate.

8.0 Independent Contractors/No Agency. In the performance of duties and obligations hereunder, no Faculty, Student, employee, or agent of the Institution shall, for any purpose, be deemed to be an agent, servant or employee of Inova. No employee or agent of Inova shall be authorized to act for or on behalf of the Institution. Neither party shall withhold on behalf of the employees of the other, any sums for income tax, unemployment insurance, social security or any other withholding or benefit pursuant to any law or requirement of any governmental body. Nothing in this Agreement is intended nor shall be construed to create any employer/employee relationship, a joint venture relationship, or to allow the parties to exercise control over one another or the manner in which their employees or agents perform the services which are the subject of this Agreement.

9.0 Access to Records. Until the expiration of four (4) years after the furnishing of services under this Agreement, Institution shall make available to the Secretary of Health and Human Services, the U.S. Comptroller General, or any of their duly authorized representatives, this Agreement and such of the Institution’s books, documents and records as are necessary to verify the nature and extent of costs incurred by Inova or the Institution with respect to such services for which payment may be made under Title XVIII or Title XIX of the United States Social Security Act.

10.0 Assignment. This Agreement shall not be assigned or subcontracted, whether individually or by operation of law, by either party hereto.

11.0 Term. The term of this Agreement shall be the two (2) year period commencing July 1, 2005, through June 30, 2007. This Agreement may be renewed upon the mutual written consent of the parties.

12.0 Termination.

12.1 This Agreement shall run for the Term unless earlier terminated as provided herein.
12.2 This Agreement may be terminated at any time upon written mutual consent of the parties.

12.3 This Agreement may be terminated by either party without cause by giving prior written notice of not less than sixty (60) days.

12.4 This Agreement shall terminate based on a material breach of this Agreement by either party, provided that the breaching party fails to cure the breach within thirty (30) days of the date of a written notice of the breach. If such breach is not cured within thirty (30) days of the notice, the date of termination shall be the thirtieth (30th) day following the date of the notice.

12.5 This Agreement shall terminate automatically on the insolvency or termination of the State Insurance Reserve Trust Fund, in the absence of any other provision for insurance conforming to the requirements of Section 2.11, above.

13.0 Confidentiality.

13.1 The Institution, its Faculty, Students, employees and agents shall not at any time during or after the Term of this Agreement, without the prior written consent of the Facility and Inova, either directly or indirectly divulge, disclose or communicate in any manner whatsoever to any person not employed or affiliated with the Facility or Inova: (a) any confidential information, including, but not limited to, patient information and information regarding quality assurance, risk management and peer review activities; and (b) any information concerning any matters affecting or relating to the business or operations or future plans of the Facility, Inova or any of its affiliates, including, but not limited to, Facility or Inova policies, procedures, rules, regulations, and protocols. This prohibition extends to, but is not limited to, divulging such information for the purpose of acting as an expert witness, reviewer, or consultant on behalf of a plaintiff or an attorney acting on behalf of a plaintiff, in a claim or action against an Inova Facility, Inova, or any of its affiliates. This paragraph, however, shall not prohibit or restrict the divulgence, disclosure, or communication made pursuant to an order of a court of competent jurisdiction, or to sworn affidavits, depositions, or other testimony, or otherwise required by law, required in connection with the defense of any claim or action against the Institution, its Faculty, Students, employees or agents. Any breach of the terms of this Confidentiality Section shall be a material breach of this Agreement. Student and Faculty who perform activities at the Facility pursuant to this Agreement shall be required to sign an acknowledgment letter substantially similar to Attachment 2 (attached hereto and incorporated herein by reference) agreeing to abide by this Confidentiality Section.

13.2 The parties agree that the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, including the Privacy Rule (Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E), require certain protection of Protected Health Information (as defined by HIPAA and the Privacy Rule). Institution acknowledges that its Faculty and Students may have access to Facility’s Protected Health Information during its Students’ Clinical Experience. Institution shall train its participating Faculty and Students on the protection and privacy of Protected Health Information and provide Inova with evidence of such training prior
to assigning Faculty and Students to an Inova Facility. Such training shall meet the requirements of HIPAA and the Privacy Rule. Nothing in this Section 13.2 shall be construed as diminishing or eliminating Inova's obligation to orient Students to its facility-specific policies and procedures in accordance with Section 3.8.

13.3 The parties recognize that a breach of this Confidentiality Section of this Agreement may result in irreparable harm to Inova. In the event of such material breach, and without limiting the right of Inova to seek any other remedy or relief to which it may be entitled under law, Inova may seek injunctive relief against Institution, its Faculty, Students, employees, and agents. This section 13.3 shall not be construed as an express or implied waiver of the sovereign immunity of the Institution.

13.4 This Confidentiality Section shall survive termination of this Agreement.

14.0 Notice. All notices under this Agreement shall be in writing and delivered by hand or deposited, postage prepaid, in first-class U.S. mail, registered and return receipt requested, addressed as follows or to such other address as a party may designate in writing accordance with this Section:

If to Inova:
Douglas Cropper
Vice President, Inova Health System
Administrator, Inova Fairfax Hospital/Inova Fairfax Hospital for Children
3300 Gallows Road
Falls Church, Virginia 22042

With a Copy to:
Russell Seneca, M.D.
Vice President, Academic Affairs
3300 Gallows Road
Department of Surgery
Falls Church, Virginia 22042

Shannon E. Sinclair
Vice President & General Counsel
Inova Health System
8110 Gatehouse Road, Suite 200 East
Falls Church, Virginia 22042

If to Institution:
Stephen A. Kimata
Assistant Vice President for Finance & University Comptroller
University of Virginia
1001 North Emmet Street
Charlottesville, VA 22904-4195
With a copy to:

Jay Scott
Senior Associate Dean for Finance and Administration
University of Virginia School of Medicine
P.O. Box 800793
Charlottesville, VA 22908-0793

15.0 **Entire Agreement.** This Agreement supersedes all earlier agreements between the parties and contains the final and entire Agreement between the parties with respect to the subject matter hereof and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not herein contained, unless contained in a written executed amendment of this Agreement signed by all parties.

16.0 **Severability.** Should any provision(s) of this Agreement be held invalid, unlawful or unenforceable, the validity of any other provision(s) of this Agreement or the Agreement as a whole shall not be affected.

17.0 **Governing Law.** This Agreement shall be construed under and enforced in accordance with the laws of the Commonwealth of Virginia (excluding her choice of law provisions), and it shall be construed in a manner so as to conform with all applicable federal, state and local laws and regulations.

18.0 **Compliance with Applicable Laws.**

18.1 The parties agree to comply with applicable laws, regulations, rulings, and standards and amendments thereto, of all entities which regulate, license, govern and/or accredit the parties, including, but not limited to, federal, state and local governmental agencies.

18.2 In the event there are changes to or clarifications of federal, state or local statutes, regulations or rules which would materially affect the operations of the Facility or Inova, including, but not limited to, third-party reimbursement or Inova's tax-exempt status, the parties agree to examine this Agreement and to renegotiate any applicable provisions to accommodate the changes in the law.

19.0 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

20.0 **Headings.** Headings used in this Agreement are solely for the convenience of the parties and shall be given no effect in the construction or interpretation of this Agreement.

21.0 **Waiver.** No waiver of any breach of this Agreement shall constitute or be deemed a waiver of any other or subsequent breach. All remedies afforded in this Agreement shall be taken and construed as cumulative to every other remedy provided hereby or at law.
22.0 **No Third Party Beneficiaries.** This Agreement is not intended to and shall not confer upon any other person or business entity, other than the parties hereto, any rights or remedies with respect to the subject matter of this Agreement.

IN WITNESS WHEREOF, and in agreement hereto, Inova and the Institution have caused this Agreement to be executed in their respective behalf by their authorized representatives.

**INOVA HEALTH CARE SERVICES**

By: [Signature]
Name: Donald P. Cooper
Title: [Position]

**INSTITUTION**

By: [Signature]
Name: Stephen A. Kimata
Title: Assistant Vice President for Finance & University Comptroller

Copy to Notice Recipients
ATTACHMENT 1

PROGRAM

1. Medical School Student Rotations – 3rd and 4th year medical students
ATTACHMENT 2

CONFIDENTIALITY ACKNOWLEDGMENT

I, ______________________________________, will be participating as a Student or Clinical
(name of individual)
Instructor in a clinical/occupational experience at an Inova Health System facility pursuant to an
agreement between Inova Health Care Services, Inova Health System Services and Inova
Alexandria Hospital ("Inova") and my college/university,
__________________________________________ ("Institution").
(name of college/university)
The term "facility" includes, but is not limited to, hospitals, emergency care centers, nursing
homes and rehabilitation centers owned and operated by Inova or an Inova affiliate.

In performing my duties at the facility, I understand that I may come in contact with, or
be provided with, confidential or proprietary information. Therefore, I hereby agree that I will
not now or at any time in the future, without the prior written consent of Inova, either directly or
indirectly divulge, disclose, or communicate in any manner whatsoever to any person not
employed or affiliated with the facility or Inova: (a) any confidential information, including, but
not limited to, patient information and information regarding quality assurance, risk management
and peer review activities; and (b) any confidential or proprietary information concerning any
matters affecting or relating to the business or operations or future plans of the facility, Inova or
any of its affiliates, including, but not limited to, policies, procedures, rules, regulations and
protocols of the facility or of Inova. I understand that this prohibition extends to, but is not
limited to, divulging such information for the purpose of acting as an expert witness, reviewer or
consultant on behalf of a plaintiff or an attorney acting on behalf of a plaintiff, in a claim or
action against Inova or any of its affiliates. This acknowledgement, however, shall not prohibit
or restrict any such divulgence, disclosure or communication made pursuant to an order of a
court of competent jurisdiction or otherwise required by law, including testimony or other sworn
statements or activities pursuant to lawful process or subpoena; and furthermore shall not
prohibit any such divulgence, disclosure or communication required in connection with the
defense of any claim or action against the Institution, its Clinical Instructors, Faculty, Students,
employees or agents; provided that Institution notifies Inova of its need to disclose and works
with Inova to limit the disclosure to information required for its defense. I further agree that in
the event I breach this confidentiality requirement, and without limiting the right of the facility or
Inova to seek any other remedy or relief to which it may be entitled under law, I consent to
injunctive relief in favor of Inova. My acknowledgments and agreements shall survive
termination of the agreement between Institution and Inova.

I certify that I have been trained on the privacy and protection of patient information, as
required by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and
regulations promulgated thereunder, including the Privacy Rule (Standards for Privacy of
Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and
E). My failure to adhere to the standards of the HIPAA, the Privacy Rule, and Inova policies and
procedures may result in termination of my participation in the clinical/occupational experience.

Date __________________________ Signature: __________________________