**Direct Agreement**

This Direct Agreement (the “**Agreement**”) is between [] (“**Group Purchaser**”) and [•] (“**Provider**”), effective as of [•] (“**Effective Date**”). Group Purchaser and Provider are sometimes individually referred to herein as a “**Party**” and collectively as the “**Parties**.”

Group Purchaser wishes to offer its employees and their eligible dependents access to high-quality healthcare with streamlined administration and costs.

Provider desires to provide high-quality healthcare services directly to the Group Purchaser’s Employees according to the terms of this Agreement.

The Parties agree as follows:

1. **DEFINITIONS**
	1. **Affiliated Provider**: A health care professional employed by or contracted with Provider to provide Covered Services to Covered Persons.
	2. **Applicable Law**: All federal, state, and local laws, regulations, ordinances, executive orders, directives, and other legally binding provisions applicable to this Agreement, as well as, with respect to Provider, applicable accreditation body requirements, as may be adopted, amended, or issued from time to time.
	3. **Benefit Plan**: The health benefit policy, health benefit contract or coverage document issued or provided by Group Purchaser for Covered Persons.
	4. **Claim**: A written request submitted by Provider to Group Purchaser for payment of Covered Services.
	5. **Clean Claim**: A Claim submitted by Provider for payment that provides all reasonably required information necessary for Group Purchaser to document Covered Services provided and issue payment. A Clean Claim may be submitted electronically or on paper. When claims are submitted by electronic mail or overnight delivery, they shall be deemed received by Group Purchaser on the next business day.
	6. **Cost Sharing Amount**: The amount that a Covered Person is obligated to pay directly to Provider for Covered Services in accordance with the Benefit Plan.
	7. **Covered Person**: An individual who is eligible to receive healthcare services under a Benefit Plan offered by Group Purchaser.
	8. **Covered Services**: Medically Necessary healthcare services, equipment, or supplies provided to a Covered Person, for which benefits are provided under the Benefit Plan.
	9. **Group Purchaser:** The entity providing the Benefit Plan to Covered Person and legally responsible for the payment of Covered Services on behalf of a Covered Person. The term Group Purchaser shall include itself, as well as any designee or administrator engaged by Group Purchaser to provide services to Group Purchaser in administration of plan.
	10. **License**: A state or federal license, certification, or registration required for Provider or Affiliated Provider to perform Covered Services under this Agreement. This also includes a Drug Enforcement Agency registration number if relevant or required for a specific Affiliated Provider's practice specialty.
	11. **Medically Necessary**: Unless specified otherwise by Applicable Law or the Benefit Plan, a service provided: (1) by a healthcare Provider for the prevention, diagnosis, or treatment of an illness, injury, disease, or its symptoms and (2) in accordance with generally accepted medical standards, clinically appropriate in various aspects for the Covered Person's condition, and not primarily for the convenience of the Covered Person, physician, or others involved.
	12. **Non-Covered Services**: Healthcare services, equipment or supplies that are not considered Covered Services under the Benefit Plan. For the avoidance of doubt, Non-Covered Services include any healthcare service, equipment or supply that may otherwise be a Covered Service but is not Medically Necessary.
2. **PROVIDER’S RESPONSIBILITIES**
	1. **Provision of Health Care Services.** Provider and Affiliated Providers shall provide Covered Services for which Provider and Affiliated Providers are qualified and customarily furnish to the general public in accordance with professional, clinical, and ethical standards and the terms of this Agreement.
	2. **Submission of Claims.** Provider shall submit Claims to Group Purchaser consistent with Applicable Law and industry standards. Electronic Claims submission will be preferred over hard copy formats. Provider acknowledges that payment is contingent on providing Group Purchaser with all information necessary for Group Purchaser to determine its payment liability, including submission of a Clean Claim. Provider shall use best efforts to submit Clean Claims within thirty (30) days from the date of discharge or the date of the service, as applicable, but in no event more than ninety (90) days.
	3. **Qualifications.** At all times during the term of this Agreement, Provider and all Affiliated Providers, as applicable, shall:
		1. Be licensed to perform Covered Services in the state(s) in which they are providing services in good standing under Applicable Law;
		2. Maintain all applicable License(s), authorization(s), and accreditation(s) required by Applicable Law and enrolled without limitation with the Center for Medicare and Medicaid Services;
		3. Provide Covered Services with the same standard of care, skill, availability and diligence customarily used by similar physicians and health care Facilities in the community in which such services are rendered, in accordance with nationally accepted standards of care and in the same manner as offered to individuals who are not Covered Persons; and
		4. Not be subject to any agreements or obligations that would interfere with Provider’s ability to enter into or perform its obligations under this Agreement.
	4. **Access to Services.** Provider shall provide Covered Services with availability that is customary for the type of Services being provided. For acute care hospitals, such Covered Services shall be available twenty four hours a day, seven days a week in accordance with Applicable Law, and all physicians shall ensure call coverage is available for Covered Persons.
	5. **Provider Data Including Locations.**  Provider shall provide basic data regarding itself, including the locations where Covered Services will be available at Schedule 2.5, as may be amended from time to time by Provider giving advanced written notice to Group Purchaser.
	6. **Affiliated Providers and Hospital Based Providers**. Provider shall require Affiliated Providers to comply with all provisions of this Agreement. Provider represents and warrants that it has full and complete authority to bind Affiliated Providers to the terms and conditions of this Agreement. If applicable, Provider agrees to use best efforts to ensure that its Affiliated Providers who provide hospital based services (such as anesthesiologists and CRNAs, radiologists, hospitalist or emergency medicine physicians and neonatologists) or those with exclusive privileges at Provider obtain and maintain a contract with Group Purchaser.
	7. **Compliance with Group Purchaser Requirements.** Provider shall use commercially reasonable efforts to comply with the requirements of the Group Purchaser and its Benefit Plan, including not not limited to following procedures, policies and reporting requirements.
	8. **Prior Authorization.** Provider shall cooperate with any prior authorization protocols of the Benefit Plan. Provider shall not bill the Covered Person for any reduction in payment as a result of non-cooperation.
	9. **Complaints.** Provider shall cooperate with Group Purchaser to resolve complaints of Group Purchasers and Covered Persons.
	10. **Nondiscrimination.** Provider shall render care and treat Covered Persons with respect and dignity and give consideration for the privacy of all Covered Persons. Provider shall treat Covered Persons in all respects no less favorably than Provider treats all other patients. Provider shall not discriminate against Covered Persons based upon race, religion, national origin, color, sex, gender, marital status, sexual orientation, age, health status, disability, or socioeconomic status or in violation of Applicable Law.
	11. **Notices to Group Purchaser.** Provider shall notify Group Purchaser within five (5) business days in writing upon if Provider or Affiliate Provider no longer meets the requirements of Section 2.3 (Qualifications).
	12. **Insurance Coverages.** Provider shall purchase and maintain professional liability insurance consistent with the requirements of Applicable Law as well as comprehensive general liability insurance. Upon request, Provider shall provide Group Purchaser with satisfactory evidence of the insurance coverages. Provider shall provide Group Purchaser with prior notification of any cancellation, non-renewal, or other material change in any such insurance coverage within ten (10) days in writing of such cancellation, non-renewal or other material change.
3. **GROUP PUCHASER RESPONSIBILITIES**
	1. **Identification of Covered Persons.** An identification card, either physical and/or electronic, will identify a patient as a Covered Person.
	2. **Benefit Plan Requirements.** Group Purchaser shall work collaboratively with Provider to communicate requirements or logistical operating procedures related to the Benefit Plan.
4. **COMPENSATION; PAYMENT FOR COVERED SERVICES**
	1. **Payment for Services**. Provider shall be compensated by Group Purchaser for Covered Services at the rates set forth in Schedule 4.1 less applicable Cost Sharing Amount.
	2. **Payment of Claim**. Group Purchaser will use best efforts to pay Clean Claims timely as set forth in this Agreement.
	3. **Prohibition on Balance Billing/Hold Harmless.** Provider shall not under any circumstances bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, engage in any collection activities against, or have any recourse against Covered Persons for amounts due under this Agreement by the Group Purchaser. This provision shall not prohibit Provider’s collection of applicable Cost Sharing Amount nor prohibit Provider from billing Covered Persons for Non-Covered Services in compliance with this Agreement.
	4. **Non-Covered Services.** Provider may bill Covered Persons for Non-Covered Services only if: (i) the service or supply is excluded from Covered Services under the Benefit Plan or (ii) the Covered Person was advised in writing prior to the service or supply being rendered that the specific service or supply may not be a Covered Service and the Covered Person agreed in writing to pay for such service or supply after being so advised.
	5. **Cost Sharing Amount.** Group Purchaser will work with Provider to facilitate Provider’s ability to verify Cost Sharing Amount prior to billing any Covered Person. Provider shall not routinely waive the Cost Sharing Amount.
	6. **Non-Covered Persons.** If it is determined that an individual was not a Covered Person, Provider may directly bill the individual for health care services provided. If Group Purchaser determines that the individual was not eligible for coverage after payment by Group Purchaser has already occurred, Provider shall provide a refund to Group Purchaser of such funds or Group Purchaser may use all remedies to recoup such amount.
	7. **Audits.** Group Purchaser, or its representative, or Group Purchaser on behalf of Group Purchaser, may conduct audits of Claims paid to Provider for a period of the longer of up to twelve (12) months from the original date of payment or such other period as may be permitted under Applicable Law. If Group Purchaser suspects fraud or abuse Group Purchaser may audit Claims at any time.
5. **DATA AND RECORDS**
	1. **Confidentiality of Medical Records and other Protected Health Information**. Medical records of Covered Persons and any other records containing individually identifiable information with respect to Covered Persons shall be treated as confidential. Provider and Group Purchaser shall comply with all Applicable Laws regarding the privacy and security of such records. Provider shall be responsible for obtaining consent to or authorization from Covered Persons for the disclosure of such information to the extent such consent or authorization is required by Applicable Law.
	2. **Record Maintenance and Retention.** Provider shall prepare and maintain accurate, complete, detailed and current medical, billing, financial, administrative, and other records and information related to the provision of Covered Services. Such records shall be maintained in accordance with accepted medical practice and in compliance with Applicable Law. Provider shall retain all records related to the provision and billing of Covered Services for the shorter of: (i) ten (10) years from the date of the last service provided to the Covered Person or (ii) the period required under Applicable Law.
	3. **Confidentiality of Proprietary Information.** As a result of this Agreement, either Party may obtain access to certain non-public trade secrets or other confidential and proprietary information of the other Party or its affiliates (“**Proprietary Information**”). Each Party shall hold such Proprietary Information in confidence and shall not use or disclose such Proprietary Information, either by publication or otherwise, to any person without the prior written consent of the other Party, except (i) to its attorneys, accountants, and similar professionals who are professionally or otherwise obligated to keep the same confidential, (ii) as may be required by Applicable Law, or (iii) as may be required for the Party to fulfill its rights and obligations set forth in this Agreement. Nothing in this provision shall be construed to prohibit communications necessary or appropriate for the delivery of Covered Services, communications regarding coverage and coverage appeal rights, or any other communications expressly protected under Applicable Law.
	4. **Use of Name, Trademarks and Service Marks.** Group Purchaser may use Provider’s name and other identifying and descriptive information in all patient experience related materials (e.g., Provider directories) in all formats, including, but not limited to, electronic media. Group Purchaser shall not otherwise use or refer to Provider’s name, symbol, or service mark without Provider’s express prior written consent. Except as otherwise provided in this Agreement, each Party reserves the exclusive right to the control and the use of its name and all symbols, trademarks, or service marks presently existing or later established.
6. **RELATIONSHIP OF THE PARTIES**
	1. **Independent Contractors.** For purposes of this Agreement, Group Purchaser and Provider are and will act at all times as independent contractors. Nothing in this Agreement shall be construed, or be deemed to create a relationship of employer or employee or principal and agent, or any relationship other than that of independent entities contracting with each other for the purposes of effectuating this Agreement.
	2. **Medical Independence.** Provider shall maintain a health care/patient relationship with each Covered Person whom Provider treats. Provider shall be solely responsible for the provision and quality of health care services it provides to Covered Persons. Nothing in this Agreement shall (i) limit or otherwise restrict Provider’s medical judgment and ultimate responsibility for patient care in the provision of Covered Services or (ii) is intended to create any right for Group Purchaser to intervene in the medical decision-making regarding the Covered Person.
7. **TERM AND TERMINATION**
	1. **Term.** The term of this Agreement shall be for one (1) year commencing on the Effective Date (“**Initial Term**”) and shall continue for consecutive one (1) year renewal terms thereafter (each a “**Renewal Term**”) unless terminated pursuant to the terms of this Agreement. The Initial Term and any Renewal Term(s) together constitute the “**Term**.”
	2. **Termination Without Cause.** Following the expiration of the Initial Term, either Party may terminate this Agreement by giving at least ninety (90) days’ prior notice of termination to the other Party in writing.
	3. **Termination for Cause.** Either Party may terminate this Agreement for cause in the following circumstances: (i) upon written notice to the other Party if either Party becomes insolvent or (ii) upon written notice in the event of a material breach of this Agreement by the other Party not remedied within thirty (30) days after notice thereof from the terminating Party.
	4. **Immediate Termination.**
		1. Group Purchaser may terminate this Agreement in its entirety, or with respect to one or more Affiliated Providers, immediately, by delivering writing notice to Provider, if any of the following happen regarding Provider or an Affiliated Provider: (i) License is suspended, terminated, withdrawn, expired, revoked or not renewed, (ii) their general or professional liability insurance is canceled, significantly changed in a way that violates this Agreement, or not renewed, (iii) Group Purchaser discovers a significant misrepresentation or false statement, (iv) a court or tribunal of competent jurisdiction finds them engaged in unlawful activity related to professional practice or financial misconduct, (v) they are indicted, arrested, or convicted of a felony, or they are subject to any indictment, arrest, or conviction of a criminal charge that affects their License, (vi) they are excluded from either Medicare or Medicaid, or (vii) Group Purchaser determines that their continued participation threatens the health, safety, or well-being of any Covered Person.
		2. Provider may terminate this Agreement immediately upon written notice (or as required by Applicable Law, if any) if court or tribunal of competent jurisdiction finds Group Purchaser has engaged in unlawful activity related to business practice or financial misconduct.
	5. **Obligations upon Termination.** Upon termination of this Agreement, unless termination was due to quality of care issues or as otherwise directed by Group Purchaser, Provider shall continue to provide Covered Services pursuant to this Agreement to Covered Persons who are receiving care from Provider at the time of such termination until the latest of the following: (i) the conclusion of such treatment (including but not limited to Covered Persons (a) undergoing a course of treatment for a serious and complex condition from Provider; (b) undergoing a course of institutional or inpatient care from Provider; (c) is scheduled to undergo nonelective surgery including receipt of postoperative care from Provider with respect to such a surgery; (d) is pregnant and undergoing a course of treatment for the pregnancy from the Provider; or (e) is or was determined to be terminally ill); or (ii) the period of time required by Applicable Law. During such period, the terms and conditions of this Agreement shall continue to apply to Covered Services rendered by Provider.
8. **LIMITATION OF LIABILITY**
	1. **Each Party Responsible for its Own Acts.** Each Party shall each be responsible for its own acts or omissions and for any and all claims, liabilities, injuries, suits, demands and expenses of all kinds which results or arises out of any alleged wrongful or negligent act or omission caused or alleged to have been caused by that party or its employees or representatives in the performance or omission of any act or responsibility of such party under this Agreement.
	2. **Notification of Action.** Each Party will promptly, but in no event later than ten (10) days, notify the other Party in writing of any complaint to or from any governmental authority or of any litigation (or threat of litigation) of which that Party becomes aware that relates to any matter covered by this Agreement, as well as forward to the other Party all summonses, complaints, and notices of claims received by that Party related to any matter covered by this Agreement.
	3. **Responsibility for Acts and Medical Decisions of Provider.** Nothing in this Agreement shall be construed as making Group Purchaser legally liable to any Covered Person or other third party for the acts or omissions of Provider or any Affiliate Provider. Provider and each Affiliate Provider acknowledges and agrees that Group Purchaser shall not be liable under any circumstances for any act or omission of Provider or Affiliated Provider relating to the medical care provided by, or the professional medical judgment of, Provider or Affiliate Provider.
9. **MISCELLANEOUS**
	1. **Amendment**. Except as otherwise expressly provided herein, this Agreement may be modified or amended only by a written instrument executed by duly authorized representatives of both Parties.
	2. **Entire Agreement; No Liability Related to Form.** This Agreement, including any exhibit, state compliance attachment or other attachment, addendum or amendment, constitutes the entire understanding between the Parties and supersedes all prior oral or written agreements between them with respect to the matter provided for herein. Group Purchaser and Provider are the only two parties to the Agreement and each have had the opportunity to review (and have their legal counsel review) the terms, conditions and obligations of this Agreement. Any person or entity creating this Agreement, whether in whole or in part, makes no warranty or guarantee as to the accurateness, completeness or functionality of the form, content or adequacy of the document for any purpose and shall be held harmless from any liability related to the form or content of this Agreement.
	3. **Force Majeure.** Either Party shall be excused from any inability to meet its obligations under this Agreement due to extraordinary circumstances beyond its reasonable control occasioned by war, acts of government, labor disputes, acts of terrorism, fire, flood, earthquake, extreme weather or other acts of nature provided that the affected party gives prompt written notice to the other party within two (2) business days of discovery, or as soon as practicable, of any of the foregoing events or conditions, including a description of the date of the occurrence and the anticipated duration.
	4. **Compliance with Laws.** Each Party shall comply with all Applicable Law in connection with the performance of its obligations under this Agreement.
	5. **Notices.** Any notice required to be given pursuant to this Agreement shall be delivered by electronic mail or in writing, unless otherwise specified in this Agreement or specifically agreed to by the Parties in writing. Notice shall be effective upon the date of delivery.
	6. **Severability.** In case any one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the remaining provisions shall be construed liberally in order to effectuate the purposes hereof, and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
	7. **Survival.** All provisions of this Agreement that contemplate performance or observance subsequent to any termination or expiration of this Agreement or are required to survive to give the Parties the benefit accorded through this Agreement shall survive any termination or expiration of this Agreement and continue in full force and effect.
	8. **Waiver.** Neither the waiver of either Party of a breach or any of the provisions of this Agreement, nor the failure of either Party, on one or more occasion, to enforce any of the provisions of this Agreement, shall thereafter be construed as a waiver of any subsequent breach of any of the provisions of this Agreement.

 In consideration of the mutual covenants and promises stated herein and other good and valuable consideration, the undersigned have executed this Agreement as of Effective Date.

| **[Provider Legal Entity Name]**Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email address for notice:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **[Group Purchaser ]**Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email address for notice:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
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**Schedule 2.5**

**Provider Locations and Relevant Information**

**Schedule 4.1**

**Reimbursement Rates**

**Payment Rates.** [To Be Inserted]