

**RESIDENT AGREEMENT  
PGY1, PGY2 & PGY3**

**RESIDENT AGREEMENT**

**THIS RESIDENT AGREEMENT** is made and entered into as of the latter of June 21, 2017, or the execution of the Agreement by both parties (the “Effective Date”) by and between (“Resident Physician”) and VHS West Suburban Medical Center, Inc., a Delaware corporation doing business as **West Suburban Medical Center** (“Hospital”).

**RECITALS**

**WHEREAS**, Hospital operates a health care institution known as West Suburban Medical Center; and

**WHEREAS**, Hospital has established an Internal Medicine Residency Training Program (“Program”) as a way to provide quality healthcare and quality clinical education for Resident Physicians; and

**WHEREAS**, Hospital desires to enroll Resident Physician in Hospital’s Residency Training Program, and Resident Physician is willing and desirous to participate under mutually satisfactory terms and conditions;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, Hospital and Resident Physician agree:

**AGREEMENT**

1. **RESIDENT APPOINTMENT.** Hospital offers and Resident Physician hereby accepts an appointment with the Hospital as a Resident Physician in the PGY1 level in Hospital’s Training Program, during the first Resident Year of this Agreement. If Resident Physician is offered and accepts to continue as a Resident Physician during the second Resident Year of this Agreement, Resident will be appointed as a Resident Physician in the PGY2 level in Hospital’s Training Program. If Resident Physician is offered and accepts to continue as a Resident Physician during the third Resident Year of this Agreement, Resident will be appointed as a Resident Physician in the PGY3 level in Hospital’s Training Program.

2. **COMPENSATION.**

a) **PGY1.** During the Initial Term of this Agreement, as a PGY1, Hospital shall compensate Resident Physician at the annual rate of \$52,956.80 (prorated to a biweekly pay period amount for the Initial Term), corresponding to Hospital’s 26-period accounting system.

b) **PGY2.** If Resident Physician is offered, and accepts appointment as a PGY2 during the Renewal Term (if any) of this Agreement, Hospital shall compensate Resident Physician at the rate of \$54,787.20 *or the then-current salary for a PGY2 physician trainee*, corresponding to Hospital’s 26-period accounting system.

c) **PGY3.** If Resident Physician is offered, and accepts appointment as a PGY3 during the Renewal Term (if any) of this Agreement, Hospital shall compensate Resident

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Physician at the rate of \$55,806.40 *or the then-current salary for a PGY3 physician trainee*, corresponding to Hospital's 26-period accounting system.

d) **BENEFITS.** Resident Physician shall be entitled to the benefits described in Exhibit A, provided, however, that Exhibit A identifies the benefits currently available to resident physicians at Hospital and such benefits are subject to modification amendment from time to time by Hospital at Hospital's sole discretion.

**3. TERM & TERMINATION.**

a) **INITIAL TERM.** The initial term of this agreement begins on June 21, 2017, and ends June 30, 2018.

b) **RENEWAL TERM.**

(i) **Notice of Renewal/Non-Renewal.** If Hospital, in its sole discretion, offers the Resident Physician the opportunity to renew this Agreement for an additional term of twelve (12) months, Hospital will provide Resident Physician with written notice not less than four (4) months before the expiration of the Initial Term, unless the primary reason(s) for the non-renewal occurs within the four (4) months prior to the end of this Agreement. In that event, Hospital shall provide Resident Physician with at least five (5) days' notice of nonrenewal before the end of the Initial Term or applicable Renewal Term.

(ii) **Resident Obligation to Respond.** If Hospital offers a Renewal Term to Resident Physician, he or she must accept or reject Hospital's offer for renewal of the Agreement within ten (10) days after receipt of the offer.

c) **DISCIPLINARY ACTION.** At any time, if the Program Director of the Residency Program determines that the Resident Physician has failed to fulfill any obligation under this Agreement, such failure is cause for the termination of this Agreement. In the discretion of the Program Director, other disciplinary action may be imposed.

(i) **Resident's Right to Appeal/Grievance Process.** Resident Physician may appeal any termination or disciplinary action through the Grievance Process. Information regarding this process and applicable procedures may be obtained from the Hospital Intranet.

(ii) **Obligation at Termination of this Agreement.** Upon termination of this Agreement for any reason, Resident Physician shall return all Hospital property, including but not limited to books, equipment, digital pager and uniforms, and shall complete all records and satisfy all professional and financial obligations. Upon termination of this Agreement, any and all rights to further payments under this Agreement shall terminate without further notice or action being required by Hospital; provided, however, that Hospital shall pay to Resident Physician any sums which accrued to Resident Physician on or before the date of termination. Any amounts due to Resident Physician shall be paid within sixty (60) days after this Agreement is terminated.

d) **TERMINATION.** Notwithstanding any other provision of this Agreement, this Agreement may be terminated:

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- (i) at any time by mutual agreement of the parties; or
- (ii) as provided for in the Hospital's Graduate Medical Education Policy.

**4. RESIDENT'S OBLIGATIONS, DUTIES & REPRESENTATIONS.**

a) **EDUCATION, TRAINING & LICENSURE.** Resident Physician represents that he/she is a Medical Doctor and that he/she has a valid license to practice medicine in the State of Illinois ("State").

(i) **Licensure Revocation, Suspension or Other Action.** If Resident Physician's license to practice medicine in the State is revoked, suspended or otherwise subjected to discipline, then this Agreement shall automatically terminate as of the date of such revocation, suspension, or other disciplinary action.

(ii) **Required Notice.** Resident Physician further agrees to provide the Hospital with prompt written notice if any action is taken against Resident Physician's license to practice medicine in State or any other jurisdiction in which Resident Physician holds (or has held) a license to practice medicine, whether such action is of a temporary or permanent nature, or in the event that Resident Physician is subject to disciplinary action of any kind. The Hospital may, at its option, immediately terminate this Agreement upon or after commencement of any such disciplinary proceedings or other action.

b) **MANAGED CARE PARTICIPATION.** Resident Physician acknowledges that Hospital has entered into contracts to provide managed care, and may enter into additional managed care contracts in the future. As used herein the term "managed care" shall mean care provided by Health Maintenance Organizations, Preferred Provider Organizations, Prepaid Medical Plans and other similar healthcare systems. Resident Physician agrees to comply with the terms of all managed care arrangements in which Hospital participates now or in the future to the extent such terms do not conflict with the standards of the Accreditation Council for Graduate Medical Education.

c) **SUPERVISION, RULES & REGULATIONS.**

(i) **SUPERVISION.** Resident Physician shall be directly responsible to the Program Director of the Residency Program ("Program Director").

(ii) **RULES & REGULATIONS.** Resident Physician shall abide at all times by the Hospital's House Staff Manual, and the bylaws, rules and regulations, and policies and procedures of the Medical Staff and the Hospital, and shall conduct himself/herself in a professional manner. The Resident Physician also understands and agrees that the Hospital may, at its discretion, change or modify the aforesaid House Staff Manual, and the bylaws, rules and regulations, and policies and procedures of the Medical Staff and the Hospital and agrees to keep himself/herself apprised of the contents thereof at all times during the course of this Agreement.

d) **ABILITY TO FULFILL PROGRAM OBLIGATIONS/HEALTH REQUIREMENTS.**

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(i) Resident Physician must be fully capable of participating in the Program, with or without a reasonable accommodation. Once Resident Physician has applied for admission to and is conditionally accepted by the Program, Resident Physician shall be required to undergo a complete physical examination, including blood test and drug screen, to confirm that Resident Physician is fully capable of participating in the Program, with or without a reasonable accommodation.

(ii) In addition, Hospital may require evidence that the Resident Physician has been immunized against various viruses and may require that Resident Physician periodically take certain routine laboratory tests and chest x-rays.

(iii) **Illness/Injury.** In the event that Resident Physician is absent due to illness or injury, a Hospital staff physician prior to returning to work must clear Resident Physician. Hospital shall provide emergency first aid treatment to Resident Physician in the event that Resident Physician needs such care until the personal physician of Resident Physician can be summoned, but shall not be obligated to furnish any other medical or surgical services to Resident Physician and Hospital shall not be responsible for any costs involved in such treatment, any follow-up care, or any hospitalization.

e) **RESIDENT EDUCATION, TRAINING AND PROGRAM REQUIREMENTS.**

(i) Resident Physician agrees to fulfill the educational requirements of the Program and the obligations to provide appropriate patient care as assigned by the Program Director or the Medical Director of the clinical service to which the Resident Physician may be assigned from time to time. Resident Physician shall maintain proper professional conduct and appearance and demonstrate courtesy and respect to patients, their families and all persons employed by or associated with Hospital.

(ii) Resident Physician shall attend all education conferences required by the Program Director or the Medical Director of the clinical service to which Resident Physician is assigned from time to time, unless Resident Physician is engaged in the emergency care of patients or specifically directed to perform other responsibilities by the Program Director or said clinical service Medical Director. Resident Physician shall participate as directed by the Program Director in related medical education programs provided through the Hospital's affiliation with universities or other educational facilities.

(iii) All Resident Physicians must take and pass the USMLE Step 3 or COMLEX Level 3 examination by the end of the PGY-2 year of residency. **Written documentation of passing the exam must be presented to the Program Director PRIOR to a PGY-3 contract being issued.**

5. **HOSPITAL'S RIGHTS, OBLIGATIONS AND DUTIES.**

a) **TRAINING PARTICIPATION.** Hospital may refuse access to its clinical areas to Resident Physician if Resident Physician does not meet Hospital's employee standards for safety, health, or ethical behavior.

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b) **BILLING.** Hospital solely shall bill for all professional services rendered by the Resident Physician. Any and all fees received in connection with such billed services, including all fees and payments of any nature in payment for managed care services rendered by Resident Physician, belong to Hospital and should be paid as received to Hospital and, if payable to Resident Physician shall be assigned to or endorsed promptly to Hospital by Resident Physician. Resident Physician shall not bill or collect from any payor or patient any sums for professional services rendered by Resident Physician under this Agreement.

c) **RESIDENCY TRAINING PROGRAM.** Hospital shall provide a program of education that meets the standards established by the Accreditation Council for Graduate Medical Education.

d) **ELIGIBILITY FOR SPECIALTY BOARD EXAMS.** Hospital shall make available information relating to eligibility for specialty board examination(s) upon request of Resident Physician.

**6. MISCELLANEOUS PROVISIONS.**

a) **INCORPORATION.** THIS Agreement embodies the complete, full and exclusive understanding of the Hospital and the Resident Physician with respect to the Resident Physician's employment by Hospital, and it supersedes and cancels all prior agreements, written or oral, between the parties hereto regarding the Resident Physician's employment by Hospital. Any amendments, additions, or supplements to or cancellation of this Agreement shall be effective and binding on the Hospital and the Resident Physician only if in writing and signed by both parties.

b) **PARTIAL INVALIDITY.** In the event that any provision of this Agreement is deemed to be invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed to be restricted in scope or otherwise modified to the extent necessary to render the same valid and enforceable, or, in the event that such provision cannot be modified or restricted so as to be valid and enforceable, then the same shall be deemed excised from this Agreement if circumstances so require, and this Agreement shall be construed and enforced as if such provision had originally been incorporated herein as so restricted or modified, or as if such provision had not originally been contained herein, as the case may be.

c) **NOTICE.** Any written notice given under this Agreement by the parties shall be addressed to the addressee at the address of such addressee at the place identified on the signature page below, unless prior written notice of a change of address has been furnished.

*With copy to:* Tenet Healthcare  
1445 Ross Avenue  
Suite 1400  
Dallas, Texas 75202  
Attn: Law Department

d) **APPLICABLE LAW.** This Agreement shall be construed in accordance with the laws of the State. The provisions of this Section shall survive expiration or termination of this Agreement regardless of the cause of such termination.

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e) **COMPLIANCE OBLIGATIONS.** Resident Physician represents that he/she read, understands, and shall abide by Tenet’s Standards of Conduct. Resident Physician shall comply with Tenet’s Compliance Program and Tenet’s policies and procedures related to the Deficit Reduction Act of 2005, Anti-Kickback Statute and the Stark Law. Tenet’s Standards of Conduct, summary of Compliance Program, and policies and procedures, including a summary of the Federal False Claims Act and applicable state false claims laws (collectively “False Claims Laws”) with descriptions of penalties and whistleblower protections pertaining to such laws, are available at: <https://www.tenethealth.com/about/ethics-compliance>. Further, the parties to this Agreement certify that they shall not violate the Anti-Kickback Statute and Stark Law, and shall abide by the Deficit Reduction Act of 2005, as applicable, in providing services to Hospital. Resident Physician shall complete any training required under Tenet’s Compliance Program.

**IN WITNESS WHEREOF,** Hospital has caused this Agreement to be executed by its duly authorized officer, and the Resident Physician has executed this Agreement by hereunto setting his/her hand effective as of the day and year first above written.

Hospital: West Suburban Medical Center

Resident:

By: \_\_\_\_\_  
Joseph Ottolino                      Date  
Its: Interim Chief Executive Officer  
Address: 3 Erie Court  
Oak Park, Illinois 60302  
Date: \_\_\_\_\_

By: \_\_\_\_\_, M.D.  
Address: 3 Erie Court  
Oak Park, IL 60302  
Date: \_\_\_\_\_

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**EXHIBIT A**

**BENEFITS**

The following is intended to briefly describe the various benefits afforded to you. The full policy statement may be found on/in the Hospital Intranet under Policies and Forms, Policy and Procedure Administrative. *Benefits are subject to the terms of the plan documents or insurance contracts, as applicable, and may be changed at the discretion of Hospital.*

A. Insurance

*Hospital is required to comply with the IRS nondiscrimination rules. Because Residents are receiving Health & Welfare benefits 30 days earlier than any other employee, Hospital is required to impute income equal to the full premium amount for the first 30 days. The imputed income amount is based on the benefits and coverage tiers elected (i.e. Employee Only, Employee + Spouse, Employee + Child(ren), or Employee + Family). Please be advised that you will be responsible for paying the tax on the full premium amount (employer and employee costs). It will appear as an off-set in the earnings and deductions section of your paycheck that you will receive 60-90 days after your date of hire.*

1. **Health, Dental and Vision:** The Hospital offers medical, dental and vision insurance. The plans are not contingent on each other and are offered individually. Coverage is effective on the first day of employment if Resident Physician elects to enroll in the program by June 21, 2017.
2. **Life Insurance:** The Hospital offers group term life insurance. This benefit is offered to you at no cost.
3. **Disability Insurance:** The Hospital offers disability insurance for purchase by Resident.
4. **Professional and General Liability Insurance:** The Resident Physician shall be included in the coverage provided by the Hospital for professional activities directed by the Hospital. This coverage does not apply to activities by Resident Physician which are not part of the Hospital's training program.
5. **Workers' Compensation:** The Resident Physician shall be included in the coverage for professional activities directed by the Hospital. This coverage does not apply to activities by Resident Physicians which are not part of the Hospital's program.

B. Additional Benefits

1. **401(k) Retirement Savings Plan**
2. **Tuition Reimbursement (Educational Assistance)**
3. **Educational Resource Allowance ("Allowance")** – in accordance with the Educational Resource Allowance Policy and with prior approval of Program Director.  
PGY-1: An annual Allowance of \$500.00/3 days shall be provided to the Resident to be used toward education resources. Distribution of the Allowance will be made for educational resources requests with the approval of the Program Director.

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PGY-2: An annual Allowance of \$750.00/4 days shall be provided to the Resident to be used toward education resources. Distribution of the Allowance will be made for educational resources requests with the prior approval of the Program Director.

PGY-3:

For Allopathic PGY-3

An annual Allowance of \$1,000.00/5 days shall be provided to the Resident to be used toward education resources. Distribution of the Allowance will be made for educational resources requests with the approval of the Program Director.

For Osteopathic PGY-3 Family Medicine Residents

An annual Allowance of \$2,000.00/5 days shall be provided to the Resident to be used toward education resources. Osteopathic Residents are required to use \$1,000.00 of these funds to take the American Board of Family Medicine Certification Examination. Osteopathic Residents may use the remaining \$1,000.00 to take the American Osteopathic Board of Family Physicians Certification Exam, or other educational resources with the approval of the Program Director.

4. **Direct Deposit:** Available for all participating banks.
5. **Housing:** Resident Physicians are responsible to pay for his/her and their dependents' housing.
6. **Laundry:** Laundry service for lab coats for resident physicians is available.
7. **Meals:** Meal allowances are issued based on the annual required number of overnight coverage per PGY at \$11.50. Discounts include **reduced food prices** in the Hospital cafeteria. The annual meal allowance will be prorated to a biweekly pay period amount for each PGY corresponding to Hospital's 26-period accounting system and will be included in Resident Physicians' compensation.
8. **Parking:** Free parking is available for the Resident Physician at the Medical Center and at the River Forest Campus.

C. Paid Time Off

1. **Personal Time Off (PTO):**  
Personal time off is provided for vacation, holidays and illness per the Program's policy.
2. **Extended Illness Bank (EIB):** Time off with pay for reasons of illness or accident will be made available subject to the Program's policies which may be revised from time to time.
3. **Leave of Absence:** All leaves of absence require the approval of the Program Director. Absence without pay for a specified period of time shall be considered for reasons acceptable to the Program Director. Leave without pay for medical reasons, including maternity, is subject to the parameters of those prescribed in the leave of absence policy and requires approval from the Program Director. Total absence from the Program for any reason in excess of one (1) month will extend the time required for promotion or graduation for that particular training year as specified by the American Board of Family Medicine. Upon request, Hospital will provide Resident Physician with access to information relating to eligibility for specialty board examination(s).



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**EXHIBIT B**

**POLICIES AND PROCEDURES**

The following is intended to identify administrative policies and procedures relevant to you as a Hospital Resident. The full policy statement may be found on the Hospital Intranet.

West Suburban Medical Center

Graduate Medical Education Policies:

1. Accommodation for Disabilities
2. Corrective Action/Termination Policy
3. Disaster Policy
4. Duty Hours in the Learning and Working Environment
5. Educational Resource Allowance
6. Grievance
7. Internal Review
8. Leave of Absence
9. Minimum Time Off Between Scheduled Duty Periods
10. Moonlighting
11. Program Closure or Reduction
12. Resident Eligibility and Selection
13. Resident Fatigue or Stress
14. Resident Supervision
15. Social Media
16. Vendor Relationships

Human Resources Policies:

1. Bereavement
2. Criminal Background
3. Drug and Alcohol Free Workplace
4. Educational Assistance
5. Employee Assistance Program
6. Harassment
7. Leave of Absence