..

AMENDMENT TO THE CONTRACT REGARDING THE TRANSITION OF MEDICAL EDUCATION IN SOUTHERN NEVADA

WHEREAS, the Office of the Chancellor of the Board of Regents of the Nevada
System of Higher Education ("NSHE"), the University of Nevada, Reno School of
Medicine ("UNR Med"), University of Nevada School of Medicine Integrated Clinical
Services, Inc. ("ICS"), the University of Nevada, Las Vegas School of Medicine
("UNLVSOM"), and UNLV Medicine, the Faculty Practice Plan for UNLVSOM ("UNLV
Medicine"), each a "Party" and all collectively, the "Parties", have signed a Contract Regarding the Transition of Medical Education in Southern Nevada (hereinafter
"Contract"), subject to the approval of the NSHE Board of Regents, and

WHEREAS, Paragraph 16 of said Contract requires the Deans of UNR Med and
UNLVSOM to meet and agree to proposed language to submit to the Nevada
Legislature to amend "University of Nevada School of Medicine the Nevada Rised
Statutes ("NRS") and to enter into a Memorandum of Understanding ("MOU") regarding responsibilities under the NRS, by September 1, 2016; and

WHEREAS, the said Deans have not been able to schedule a meeting for the
purpose of reaching agreement on and the MOU until September 9, 2016; and

WHEREAS, the Parties wish to amend the Contract accordingly;

NOW, approval of the NSHE Board of Regents,
the Parties agre as

1. The Parties agrement that Paragraph 16 of the Contract is amended and
replaced in its entirety as

Provisions: On or before September 30, 2016, NSHE, UNR Med and
UNLVSOM will language to submit tohe Nevada Legislature
regarding the meaning of of Nevada School of Medicine" in the
Nevada Revised Statutes and enter into a Memorandum of U1.7 4 0 Td 87520..7 415.22 31367 ET BT entSuspe258 0 Td (8.47sl58.0496EMCwork

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Board of Regents Health Sciences Committee for determination.

2. All other terms, conditions and covenants of the Contract shall remain the same
in full force and effect, except as specifically amended herein.

IN WITNESS HEREOF, the Parties have executed this AMENDMENT TO THE CONTRACT REGARDING THE TRANSITION OF MEDICAL EDUCATION IN

SOUTHERN NEVADA as of the respective dates below, contingent upon approval by the NSHE Board of Regents.

Marc Johnson Date
President, University of Nevada, Reno

Thomas L. Schwenk D te
Dean, University of Nevada School of
Medicine

Len Jessup Date President, University of Nevada, Las Vegas

Barbara Atkinson Date Planning Dean, University of Nevada, Las Vegas School of Medicine

John White Date

Integrated Clinical Servi.c

Chancellor, (L. )Tj EMC802 TcDate 1

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President, University of Nevada, Reno

Thomas L. Schwenk D te
Dean, University of Nevada School of
Medicine

Barbara Atkinson Date Planning Dean, University of Nevada, Las Vegas School of Medicine

John White Date

Integrated Clinical Servic

Chancellor, Nevada System of Higher Education

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~'~1;, UNL VSOM Medicine Date

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WHEREAS, (UNLVSOM Medicine) Is a newly formed Nevada non-profit corporation that
is seeking 501(c)(3) status, which Is Intended to manage the clinical practice of medicine
by the UNl VSOM faculty In southern Nevada;

WHEREAS, with the announcement of the establishment of UNLVSOM, UNR Med has
begun expanding Its Reno campus to encompass all four years of medical training and
will eventually close many of its departments In las Vegas:

WHEREAS, as part of establishing UNLVSOM In Las Vegas, certain of UNR Med's leases
and assets will be acquired by and/or transferred to UNLVSOM, most current employees
physically located In Southern Nevada, currently employed through one NSHE institution,
UNRIUNR Med, will be offered employment with another NSHE Institution,
UNLVIUNLVSOM, UNR funds previously used for medical education in Southem Nevada
will be used to expand the UNR rt Nstiect <</Conf 3283.61 Tf 11.438 0 X 0 >>BDC /T1_0 1 Tf 11.4133 0 0 12.1 3

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the amount of salaries paid as shown on Exhibit X; reduces the number of residents In
the Family Medicine Residency Program In Las Vegas from the number shown on Exhibit
X or decreases the amount of salary support for residents shown on Exhibit X; reduces
the number of residents in the Psychiatry Residency Program in Las Vegas from the
number shown on Exhibit X or decreases the amount of salary

of

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resolution. If a resolution Is still not reached It shall be resolved pursuant to the dispute
resolution process In section 23 of 1his Contract.

4.3 Support for UNR Med Third Year Student Teaching In Fiscal Year 2018

UNR Med, beginning on July 1, 2017, and continuing for the next eleven (11)
monthe, shall provide payments to UNLVSOM up to the total annual amount of $391,710.00 to support medical student teaching of up to 20 student FTE for 3rc1 year
UNR Med students during Fiscal Year 2018 attending clerkship& In southern Nevada, as
detennlned by UNR Med.

UNR Med shall pay the appropriate sum to UNLVSOM at the beginning of each
clerkship In FY 2018 during which UNR Med arct year medical students are attending
clerkshlps through UNLVSOM. This sum was calculated by multiplying 75% of the In-
state tuition amount for a 3n1 year medical student the $26,6.5 0 ).4593 0 0 11.8 172.22 536.63258.98 550.09 Tm (I

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written offers of employment, effective July 1, 2017, to each of the faculty that It approves
to be hired by UNR Med.

SA Offera from UNLVSOM

On or before August 15, 2016 UNVLSOM shall issue written offers of employment
to any current UNR Med faculty eligible for auch offers under Section 5.2 of this Contract.
The wrttten offers shall contain at least the following tnfonnatlon:

• UNLVSOM intends to hire the faculty member effective July 1, 2017.
• Written employment contracts for Fiscal Year 2018 will be Issued by
UNLVSOM on or before Aprll1,2017.
• Nottflcatlon that UNLVSOM will credit the faculty member for annual and
sick leave (up to 48 days of annual leave and 96 days of slok leave), on a one time basi$, based on the balance of leave that would have been available to faculty member at UNR Med on 7/1/16. This crediting of leave Is In neu of any payout of leave by UNR Med to the faculty member.
• Notlfloatlon that the UNLVSOM New Hire's transfer of annual leave must be
used by the end of the second year of employment or be forfeited; and that he/she would be subject to the UNLVSOM leave policy upon exhaustion of the transferred annual leave.

• Notification that, except for the acceptance of leave obligations, the faculty
member will be considered a new employee of NSHE (i.e. with

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6.6 Faculty on the Compliance Review Llat Faculty on the Compliance Review List will Llat

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If a UNLVSOM New Hire's employment with UNLVSOM Is terminated, whether
voluntarily or involuntarily, on or before June 30, 2019, UNR Med shall reimburse UNLVSOM for a proportional share of the annual leave (pursuant to the schedule below
developed by UNR Med and UNLVSOM) that UNLVSOM Is legally obligated to pay and
actually pays out to the UNLVSOM New Hire.

EXAMPLE @48 DAYS
Year
0.25
0.5
0.76
1
1.25
1.5
1.76
2

LIABILI'TY FOR PAYMENT OF LEAVE UNR Med UNLVSOM
42 e
36 12
30 18
24 24
18 30
12 36
6 42
0 48

Total
48
48
48
48
48
48
48
48

In the event that the UNLVSOM New Hire does not have 48 days of leave, the fonnula above will be applied proportionally to the number of leave days that transfers with the UNLVSOM New Hire.

For any UNR Med employees that leave UNR Med prior to July 1, 2017, but after
the signing of this Contract, and who are subsequently employed by UNLVSOM prior to July 1, 2018 (•Applicable Time Frame"), his/her annual leave that was previously paid out by UNR Med will be reimbursed by UNLVSOM to UNR Mad on the same pro-rated guidelines as set forth above whloh equates to 12.6% of the leave pay out previously made by UNR Mad for each three months that the rehired employee remains employed by UNLVSOM. There will not be retroactive application of this provision with respect to any UNR Med employees who already left UNR Med to join UNLVSOM as of August 1, 2016. With respect to any UNR MED employees that leave UNR Mad and then seek employment with UNLVSOM within the Applicable Time Frame UNLVSOM may require that. as a condition of employment with UNLVSOM, the fonner UNR Med employee will need to repay to UNLVSOM the annual leave that UNLVSOM is required to reimburee UNR Mad as detailed in this paragraph.

8.2 Support of NSHE Code Amendment

UNR Med, UNLVSOM and the Chancellor shall support a mutually agreeable amendment to the NSHE Code providing that leave will be credited by UNLVSOM to faculty that accept new positions with UNLVSOM, pursuant to Section 6.1 of this Contract, and that employment with UNLVSOM will mean new NSHE date of hire and application
of a compensation and leave beneflte plan that differs from that currently used by UNR Med. Once the NSHE Code amendment is approved by the Board of Regents the Code
It shall be considered to be part of this Contract.

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7. M!adlcal Benefits for Facultv

UNLVSOM will make available health Insurance coverage to any and all UNR Med
Faculty that accept employment wHh UNLVSOM with an effective date of coverage July
1, 2017. This provision shall not apply to UNR Med faculty members that have not
accepted employment with UNLVSOM on or before July 1, 2017.

8. Crowe Horwath Audit

UNR Med will provide UNLVSOM a complete copy (once provided to UNR Med)
af the Crowe Horwath Due Diligence Audit (all phases) in its entirety. UNLVSOM and UNR previously agreed to spilt the cost of the Crowe Horwath Due Diligence Audit.

I. lndemnltv for Certain Claims

NSHE and UNR Med and/or the ICS will Indemnify, defend and hold harmless the UNLVSOM and the UNLVSOM practice plan for actions, claims, judgments, verdicts, settlements and all other monetary and non-monetary obligations, Imposed on UNLVSOM and the UNLVSOM practice plan, If any, arising ftom governmental Investigations, proceedings or any other action( a) arising from such lnvestlgaUons and/or qui tam lawsuits arising out of conduct of the UNLVSOM New Hites and/or the ICS that occurred on or before June 30, 2017 eActlon"), subject to the protections and coverage of any Insurance policy covering such claims. Thle Indemnity does not apply to any conduct of the UNLVSOM New Hires that occurred on or before June 30,2017 that was done pursuant to a program managed and controlled by UNLVSOM (e.g. the UNLV Autism Clinic or other joint appointments so long as under the oversight and/or management of UNLVSOM).

10.Currlcylar Review for UNR Mtcl

On or after August 16, 2016, UNR Med will, pursuant to the applicable provisions of the NSHE Code, submit a plan for curricular review to close its departments In Southam Nevada, except for Compliance, Information Technology, Legal, and Office of Admiseions and Student Affairs. This plan will be brought to the University of Nevada, Reno Faculty Senate at Its September 15, 2016 meeting. The Chancellor agrees to support efforts to put this plan on the agenda for the Special

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1524 Pinto Lane
1703/1707 W Charleston Blvd
2231 W. Charleston Blvd
2410 Fire Meea St
3196 S. M~rytand ~J<wy
4000 E Charleston Blvd.
4538 W Craig Rd
520 E Lake Mead
6375 W Charleston

To the extent required, the Parties shall work together to obtain assignments of these leases.

11.2 If additional space is needed to accommodate UNLVSOM's educational and/or administrative needs, UNLVSOM Is responsible for Identifying such space, entering Into a lease agreement for appropriate space, and paying all costs associated with the lease.

11.3 UNR Mad will remain raeponalble for the following Southam Nevada leases
and may negotiate wHh the landlord to terminate the lease, find subtenants for the leases, or otherwise resolve the leases with the landlord:

1701 W. Charleston
Blvd
3150 N. Tenaya
3175 St Rose PkwV
6380 South Rainbow
7310 Smoke Ranch Rd

UNLVSOM shall maintain the lease of 7310 Smoke Ranch Road, which Is grant-supported omce apace, through the expiration of the grant connected to that storage facility and shall pay rent for July and August 2017. UNLVSOM shall pay rent for July and August 2017 for 7310 Smoke Ranch Road.

If addHional space Is needed to accommodate UNR Med's educational and/or administrative needs In southern Nevada after July 1, 2017, UNR Med Is responsible for Identifying such space and entering Into a leaee agreement for appropriate space.

11,4 UNLV and UNR Med shall terminate the following lease effective July 1,
2017:

11001 Shadow Lane

12. Formation pf UNLVSOM Practice Plan: UNLVSOM shall create a practice plan entity to begin operations and providing medical services to patients on July 1, 2017.

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Except as otherwise set forth herein, UNLVSOM, with the assistance of Its retained
counsel, Is responsible for the creation, structure, contracting, employment model,
employee benefits and compliance for the UNLVSOM practice plan.

13.

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IN WITNESS HEREOF, the Parties have executed this CONTRACT as of the respective
dates below, contingent upon approval by the NSHE Board of Regents.

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President, University of Nevada, Reno President, Unlv slty o~ evada, Joact <</he