



Part of Acacium Group

FAVORITE HEALTHCARE STAFFING STANDARD TERMS AND CONDITIONS OF SERVICE

The following terms and conditions describe the standard terms and conditions for the provision of services by Favorite Healthcare Staffing LLC ("Favorite") to its clients. In the event any of these terms and conditions conflict with other arrangements agreed upon in writing or stated in a Favorite agreement or rate schedule, such other terms and conditions shall apply. Changes to these standard terms and conditions of service may occur from time to time and will be published at the www.favoritestaffing.com public website and can be found by going to <https://www.favoritestaffing.com/hubfs/documents/Standard-Terms-and-Conditions.pdf>.

Definitions:

- A. THP is a temporary healthcare professional working as an employee of Favorite on assignment at Client.
- B. Per Diem THP is any THP not regarded as a Local or Travel Contract THP under these terms and conditions.
- C. Local or Travel Contract THP is any THP provided by Favorite for whom a Confirmation of terms of an assignment of not less than 4 weeks in duration has been made by Client. A Local or Travel Contract THP may be on a travel assignment (including Stipend Pay) or a local assignment.
- D. Confirmation is the Client's written acceptance of a particular Local or Travel Contract THP to fill a specific Client need.

Responsibilities of Favorite

Favorite shall:

1. Provide services in conformance with all Joint Commission standards applicable to Health Care Staffing Services.
2. Provide service coordinator staff on a 24 hour per day, 365 day per year basis to receive and process service requests and changes.
3. Match client service requests with THPs who are properly screened and qualified in accordance with applicable laws and Favorite's standard hiring practices attached hereto.
4. Provide clients, upon request, with documentation of the skills and qualifications of assigned personnel, either via e-mail or facsimile.
5. Instruct all THPs to always carry on their person an original license, evidence of current CPR and any applicable specialty certifications, for immediate client inspection.
6. Assume sole responsibility as the employer of record for the payment of wages to THPs and for the withholding of applicable federal, state and local income taxes, the making of required Social Security tax contributions, and the meeting of all other statutory employer responsibilities (including, but not limited to, unemployment and worker's compensation insurance, payroll excise taxes, etc.).
7. Comply with federal, state and local labor and employment laws applicable to THPs, including the Immigration Reform and Control Act of 1986; the Internal Revenue Code ("Code"); the Employee Retirement Income Security Act ("ERISA"); the Health Insurance Portability and Accountability Act ("HIPAA"); the Family Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); the Uniformed Services Employment and Reemployment Rights Act of 1994; the

Patient Protection and Affordable Care Act (ACA); and the Occupational Safety and Health Act of 1970.

8. Comply with all provisions of the ACA applicable to THPs, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations.
9. Maintain a system documenting, tracking, and reporting unexpected incidents, including errors, unanticipated deaths and other events, injuries, and safety hazards relating to the care and services provided. (It is the Clients' responsibility to promptly notify Favorite within 24 hours of when an incident occurs. Upon notification, Favorite will then implement incident tracking/resolution processes and communicate with the client as needed.) Client may be required to provide written documentation to Favorite to facilitate the investigation and potential corrective actions of incidents. Depending on the severity of the incident, Favorite will also have its Director of Nursing review and make recommendations.
10. Maintain general liability insurance and professional liability insurance with limits equal to or greater than \$1,000,000 per occurrence and \$3,000,000 aggregate. Maintain workers compensation insurance in the amounts mandated by applicable state law in which services are being performed. Favorite will provide certificates of insurance upon request.
11. Use subcontractors in the usual course of providing staffing services, in its discretion.
12. Not engage in unlawful discrimination, harassment, or retaliation with respect to race, religion, sex, creed, disability, age, national origin, or any other protected category under applicable federal, state or local laws.
13. Comply with Section 1861(v) of the Social Security Act, and, therefore, for a period of four years, make available upon written request such books, documents and records as are necessary to certify the nature and extent of the cost of providing services.
14. If providing services to a Client located within the State of Missouri, comply with Section 198.644(1)(10) of RSMo.

Responsibilities of Client

Client shall:

1. Provide Favorite with sufficient and accurate information to enable Favorite to match the position's requirements to the skills and experience of THPs. Client shall make final determination of the suitability of THP's documented competencies and experience as presented by Favorite for the designated assignment and shall not permit or direct any THP to act beyond the scope of their specific assignment duties, education, licensing, or certification, or in a manner other than what is reasonable and customary within THP's profession.
2. Provide orientation which, at minimum, includes the review of policies and procedures regarding medication administration, documentation procedures, patient rights, Infection Prevention, and Fire and Safety, OSHA and EMR/Charting (if applicable). Client shall provide adequate job instructions, training, assistance, and on-site supervision and direction to

THPs in the same manner as Client provides to its own employees. Client shall provide THPs with a safe worksite and provide appropriate information, training, and safety equipment as necessary. Client is responsible for the care of patients and will maintain administrative and professional supervision of THPs with respect to provision of services to Client's patients and ensure such services comply with all treatment plans as determined by Client.

3. Manage Favorite's THPs consistent with their own policies and procedures and address any incident consistent with those policies and procedures. Promptly notify (within 24 hours) Favorite by written documentation of any unexpected incidents, errors and sentinel events that involve THPs and of any occupational safety hazards or events that involve THPs.
4. Recognize Favorite's policy regarding the floating of staff whereby THPs are instructed not to accept a floating assignment if they do not have the skills required to perform a competent level of care.
5. Assist Favorite with the periodic evaluation (no less than annually) of THP job performance. Local or Travel Contract THPs will be evaluated after each assignment. In the event Client requests a THP's assignment to be ended for any reason, Client shall provide Favorite with reasonably sufficient details with respect to the reason for the assignment termination. Client shall not request an assignment to be ended for any unlawful reason.
6. If applicable, when advanced practice services are requested (NPs and/or PAs), Client shall provide an executed copy of the Collaborative Agreement between the advanced practice personnel and the collaborating physician.
7. Promptly notify (within 24 hours) Favorite by written documentation of any unsatisfactory job performance or action taken to terminate the services of a THP due to incompetence, negligence, or misconduct. In such event the client shall only be obligated to compensate Favorite for actual time worked by the THP.
8. Comply with all applicable federal, state, and local laws, including, but not limited to, not engaging in unlawful discrimination, harassment, or retaliation with respect to race, religion, sex, creed, disability, age, national origin, or any other protected category under applicable federal, state or local laws with respect to THPs.
9. If unable to resolve a problem or complaint at the branch or department level, please refer to Favorite's Client Grievance Policy located on Favorite's website at www.favoritestaffing.com for instructions on how to submit a grievance to Favorite or to report concerns to The Joint Commission. Client may submit a grievance in writing to the corporate office by mail or by email to clientcomments@favoritestaffing.com or by calling Favorite's corporate office Human Resources/Quality Assurance Director at 800-676-3456.
10. Provide at least 24 hours' notice of any cancellation of assignment or accept responsibility for payment of an entire shift at the applicable rate for Per Diem shifts. Local or Travel Contract THPs should not be cancelled unless rescheduled within the same week. Minimum billing once THP has started to work a four (4) hour or greater assignment is 4 hours.
11. Timely and accurately approve THP's time each week via Favorite's Timecard Mobile App. THP will provide the shift information via mobile phone to the Client and Client will review, approve and sign on the THP's mobile phone. Once a THP's timecard has been approved it will be submitted to Favorite Healthcare electronically and an email confirmation will be sent to the Client Supervisor if they choose to receive one. Weekly invoices will include a copy of the Client

Supervisor's signature along with the approval details for each shift. A copy of Favorite's Timecard Mobile App Instructions can be found on Favorite's website at www.favoritestaffing.com for Client's convenience and reference. If the Client requires the THP to provide additional information such as nursing notes, narratives, etc., the Client approval acknowledges the receipt of such additional information.

12. Remit payment for services directly to Favorite upon receipt of invoice, **no later than 30 days from the invoice date**. In the event the Client disputes any amounts invoiced, an explanation of any items in question must be received by Favorite's Accounts Receivable department within 15 days. This notification must be made by one of the following means:

By telephone: (800) 676 – 3456
 By fax: 866-291-1511
 By e-mail: accountsreceivable@favoritestaffing.com

By U.S. mail to:
 Favorite Healthcare Staffing, LLC
 Attn.: Accounts Receivable
 9800 Metcalf Avenue, 4th Floor
 Overland Park, KS 66212

13. Pay interest equal to annual maximum allowable by state law, plus cost and expenses, including but not limited to reasonable attorney and collection fees, incurred in the collection of the client's account in the event client fails to remit payment within 30 days from the invoice date.
14. Client shall be responsible for all taxes of any kind imposed upon the sale of services under these terms and conditions; provided, however, that Favorite shall be responsible for any and all taxes imposed upon the net income earned by Favorite hereunder.
15. Except where prohibited by applicable law, in the event Client wishes to hire, directly or indirectly through any other person or entity, a THP within 12 months from the subject THP's last worked shift at Client's facility, Favorite shall invoice and Client agrees to pay a conversion fee based upon the Temp-to-Perm conversion fee schedule below:

Hours Worked at Client Through Favorite:		Fee:
0-249	=	100% of Direct Hire Fee
250-579	=	75% of Direct Hire Fee
580-1,079	=	50% of Direct Hire Fee
1,080+	=	25% of Direct Hire Fee

The "Direct Hire Guarantee" below shall not apply with respect to any converted THPs pursuant to this Section 16.

Direct Hire

Direct Hire Placements. In the event Client requests Favorite to recruit and refer qualified candidates for direct hire by Client ("Direct Hire Services"), Client agrees to pay a direct hire fee equal to the percentage of the direct hired candidate's first year annualized salary ("Direct Hire Fee") in the table below for any candidate presented to Client by Favorite who accepts a position within twelve months of Favorite's introduction with any clinic, group, healthcare facility or organization owned, operated, or affiliated with Client whether or not in Client's actual local community. Salary amount will be listed on the employment letter for the candidate. In the event Favorite submits a candidate that has been in Client's database, but

has not been contacted by Client within the immediately preceding 45 days, the candidate is considered eligible to be presented through Favorite. Favorite shall invoice Client for Direct Hire Services upon confirmation of placement for each candidate and Client agrees to pay invoices for Direct Hire Services upon receipt.

Position Level	Job Specification	Direct Hire Fee
Staff Position	Registered Nurse, Licensed Practical Nurse, Certified Nursing Assistant, Case Manager, Charge RN, Health Informatics	18%
Mid-Level	Nurse Practitioner, Physician Assistant, Department Manager/Director	20%
Executive Level	Director of Nursing, VP Operations and C-Level Healthcare Personnel	25%
Physicians		25%

Direct Hire Guarantee. The Direct Hire “Guarantee” will apply if payment in full is received within thirty (30) days of the invoice date. In the unlikely event that the Client is unsatisfied with a direct hire candidate introduced by Favorite and terminates the candidate’s employment prior to the subject direct hire candidate’s completion of ninety (90) days of employment with Client, or in the event such candidate resigns or quits within the same period, Favorite will work with Client to replace the candidate, or Client will be issued a credit on a replacement based upon the following credit schedule:

0 – 30 days	75% credit
31 – 60 days	50% credit
61 – 90 days	25% credit

The Direct Hire Guarantee shall not apply to terminations as a result of layoff, a substantial change in the original job description, or elimination of the position. Credits shall be available for use immediately or within twelve (12) months of the subject termination date. A credit may only be used for a replacement on the original candidate search and any deviation from this will need to be approved in advance by Favorite.

Confidentiality. Favorite and Client (“Disclosing Party”) may share with each other (“Receiving Party”) information that the Disclosing Party deems confidential while performing or accepting services under these terms and conditions. The Receiving Party agrees to maintain the confidentiality of the Disclosing Party’s confidential information. In addition, Client agrees all candidate referrals and THP information is provided by Favorite on a confidential basis and Client shall hold Favorite harmless from any liability resulting from Client’s unauthorized disclosure or misuse of information regarding any candidates or THPs. No knowledge, possession, or use of Client’s confidential information by a THP will be imputed to Favorite as a result of a THP’s access to such information.

Mutual Indemnification.

Each Party (an “Indemnifying Party”) agrees to indemnify, defend, and hold harmless the other Party and its affiliates, and their directors, officers, employees, agents, successors and assigns (collectively, the “Other Party Indemnitees”) from and against all liabilities, losses, damages and costs (including reasonable attorneys’ fees) (collectively, “Losses”) they may suffer as the result of third party claims, demands, actions, suits or judgments against them resulting from or arising out of : (a) the negligence, recklessness, or willful misconduct on the part of the indemnifying Party; (b) a Indemnifying Party’s violation of applicable law; and (c) any breach of the rate agreement or these standard terms by the Indemnifying Party. The foregoing indemnification obligation shall

not apply to Losses to the extent such Losses result from or arise out of: (i) the negligence, recklessness, or willful misconduct on the part of any of the Other Party Indemnitees; (ii) the failure by any of the Other Party Indemnitees to comply with applicable Law; or (iii) any breach of the rate agreement or these standard terms by any of the Other Party Indemnitees.

Any Party seeking indemnity hereunder shall promptly notify the other Party in writing of any third party claims, demands, actions, suits or judgments that fall within the scope of this Mutual Indemnification provision, promptly give the other Party the opportunity to assume sole control of the defense or settlement of such third party claims, demands, actions, suits or judgments, and promptly provide the other Party all necessary information and assistance (at the other Party’s sole expense) in connection with such defense and settlement. The indemnifying Party shall have the sole authority to settle any matter subject to indemnification without the consent of the indemnified Party; provided, however, that such settlement shall not impose any restrictions or liabilities upon the indemnified Party.

Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, PUNITIVE, CONSEQUENTIAL OR INCIDENTAL LOSSES OR DAMAGES OF ANY KIND OR NATURE WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOST RECORDS OR DATA, LOSS OF USE OF FACILITY OR EQUIPMENT, LOSS BY REASON OF A FACILITY SHUT-DOWN, NON-OPERATIONS OR INCREASED EXPENSE OF OPERATIONS, OR OTHER COSTS, CHARGES OR PENALTIES REGARDLESS OF WHETHER ARISING FROM BREACH OF CONTRACT, WARRANTY, TORT, STRICT LIABILITY OR OTHERWISE EVEN IF THE POSSIBILITY OF SUCH DAMAGES HAS BEEN ADVISED.

Severability. To the extent any applicable law or court of competent jurisdiction renders any provision of these terms and conditions void or unenforceable, in whole or in part: (a) all remaining provisions and any unimpacted portions of the subject provision shall remain enforceable to the full extent permitted by applicable law; and (b) such provision, in whole or in part, shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto.

Governing law. These terms and conditions will be governed by and construed in accordance with the laws of the state of Kansas, without reference to any conflicts of law principles thereof

Joint Commission

The Joint Commission standards under which Favorite is certified relate to quality and safety of care issues as impacted by Favorite’s temporary healthcare professionals. Anyone believing that he or she has pertinent and valid concerns about such matters should report these to the management of Favorite Healthcare Staffing either at the branch office or the corporate office (please see www.favoritestaffing.com for contact information). If the concerns cannot be resolved through Favorite, the individual is encouraged to contact The Joint Commission.

Phone: 800-994-6610
 E-Mail: patientsafetyreport@jointcommission.org
 Fax: 630-792-5636
 Mail: Office of Quality and Patient Safety
 The Joint Commission
 One Renaissance Boulevard
 Oakbrook Terrace, IL 60181
 Online: www.jointcommission.org

1. THE FOLLOWING DOCUMENTATION COLLECTED AND RETAINED IN THE PERSONNEL FILE FOR ALL PERSONNEL:

- A. Picture Identification: A photo I.D. from a reliable source.
- B. Pre-Employment Screening: All applicants are subjected to a 10-panel drug screen and otherwise tested in accordance with applicable regulatory requirements.
- C. Criminal Background Investigation: Employees are checked in a manner compliant with the requirements of Client and always in accordance with government regulations.
- D. I-9: Documentation and verification upon Pre-employment
- E. Education: Documentation of Education associated with profession/class. (Accepted if it is documented on the application)
- F. Work History: Documentation of work history associated with profession/class or as required by client. (Accepted if it is documented on the application)
- G. References: At least two satisfactory written or verbal references verifying work performance in applicable clinical areas.

2. THE FOLLOWING DOCUMENTATION COLLECTED AND RETAINED IN THE PERSONNEL FILE FOR CLINICAL PERSONNEL:

- A. License Verification: Primary Source On-Line Verification of the employee's license/certification verified with the state, unless the state does not offer verification.
- B. Certifications: C.P.R. card and/or other certifications (ACLS, PALS, etc.) as required by policy and client requirements.
- C. Skills Inventory: A comprehensive skills inventory appropriate to job classification and age-specific self-assessment.
- D. OIG/GSA: Automatically checked on all new hires and then approximately every 1-3 months thereafter.
- E. Annual Training and Orientation: Evidence of a yearly review of Fire & Safety, Infection Prevention, Hazardous Waste, Joint Commission Patient Safety Goals and OSHA and HIPAA Privacy and Security standards.
- F. Health and TB Test: Pre-employment health self-assessment. Upon hire, TB within the past year/or TB questionnaire and current clear chest x-ray. Other specific health requirements as directed by client or state health guidelines. Each applicant must have received the Hepatitis B vaccination series or have provided a declination.
- G. Testing: Documentation of applicants' competency tests for most clinical staffing areas. A passing grade of 75 percent or better must be obtained. Certain specialty areas and paraprofessional testing may be replaced with client interview or other evaluation.

3. INTERVIEW, PLACEMENT AND ORIENTATION:

- A. Prospective employees are interviewed by the branch director or designee. During the interview, emphasis is placed upon work history and clinical expertise.
- B. Information is provided to applicants regarding performance requirements, Favorite's policies and procedures and, in many cases, specific policies and procedures of client institutions.
- C. The assignment of employees is made with consideration for the skills and expertise of the employee, the needs of the client and ultimately the client's acceptance of the suitability of the employee to perform the duties of the assignment.
- D. Favorite Healthcare Staffing, LLC assists its client institutions, as requested, with implementation of their orientation policies and procedures.