

CORPORATE INTEGRITY AGREEMENT

BETWEEN THE

OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND THE

CLINICAL PRACTICE PLANS OF THE UNIVERSITY OF PITTSBURGH SCHOOL OF MEDICINE

I. PREAMBLE

The Clinical Practice Plans of the University of Pittsburgh School of Medicine (the "CPPs")¹ agree to enter into this Corporate Integrity Agreement (the "Agreement") with the Office of Inspector General ("OIG") of the United States Department of Health and Human Services ("HHS") to provide for the establishment of a Corporate Integrity Program to assure compliance with the billing requirements of Medicare, Medicaid and all other federal health care programs by the CPPs, their subsidiaries and employees, and their physicians, dentists and other health care professionals (hereinafter collectively referred to as "physicians"), as well as all third parties with whom the CPPs contract to act as billing agents for the CPPs. The Corporate Integrity Program shall be maintained so as to ensure, to the extent reasonably possible, that the CPPs and each of their directors, officers, employees, physicians and contractors maintain the business integrity required of a participant in federal health care programs, and that the CPPs' billings for medical care are in compliance with all statutes and regulations applicable to such programs and with the terms of this Agreement as set forth below.

As expressed in the settlement agreement into which this Agreement is incorporated, it is anticipated that, in the future, the CPPs will consolidate their practices into a single centralized practice plan to be named University of Pittsburgh Physicians ("UPP"), of which UPMC Health System ("UPMCHS") shall be the parent organization. Accordingly, UPMCHS hereby agrees to cause the Board of Directors of UPP to adopt the Corporate Integrity Program set forth in this Agreement and all of the obligations and duties herein agreed to by the CPPs. UPMCHS agrees that it will do nothing in its capacity as a current or future related entity of the CPPs that will

¹ The CPPs are comprised of the following clinical practice plans: University Anesthesiology and Critical Care Medicine Foundation, University Dental Health Services, Inc., University Dermatology Associates, LTD, University Ear, Nose and Throat Specialists, Inc., University Emergency Physicians, Inc., University Family Practice Associates, Inc., University Internal Medicine Specialists, P.C., University Neurology Associates, Inc., University Neurosurgical Associates, Inc., University Women's Health Care Associates, Inc., Health Center Ophthalmology, Inc., University Orthopaedics, Inc., Pathology Education Research Foundation, University Pediatric Associates, Inc., University Psychiatric Associates, Inc., University Radiologists, Inc., University Radiotherapy Associates, Inc., and University Surgical Associates, Inc.

interfere with or diminish the CPPs' or their successor entity's ability to discharge the CPPs' obligations under this Agreement. Accordingly, UPMCHS will take all reasonable steps, in its capacity as a current or future related entity of the CPPs, to promote compliance with the terms of this Agreement by the CPPs or by their successor entity.

II. TERM OF THE AGREEMENT

The period of future compliance obligations assumed by the CPPs under this Agreement shall be five (5) years from the date of execution of this Agreement.

III. CORPORATE INTEGRITY PROGRAM

Within ninety (90) days of the date of execution of this Agreement, the CPPs agree to: (i) implement a Corporate Integrity Program (the "Program"), which shall include the provisions listed herein in addition to the policies, procedures and guidelines set forth in Attachment 1 attached hereto and incorporated herein by reference, which the CPPs have separately adopted and agreed to implement; and (ii) provide OIG's Office of Counsel to the Inspector General ("OCIG") with a report demonstrating that the CPPs have complied fully with the Program's requirements in subsections A, C, D, E, and F below.

A. CORPORATE COMPLIANCE COMMITTEE AND CORPORATE COMPLIANCE OFFICER

Within ninety (90) days of the date of execution of this Agreement, the Boards of Directors of the CPPs shall: (i) direct the creation of a Corporate Compliance Committee (the "Compliance Committee") for all of the CPPs; (ii) charge the Compliance Committee with the responsibility to establish and implement the Program; (iii) appoint an individual to serve as the CPPs' Compliance Officer; and (iv) provide notice of the creation of the Compliance Committee and the appointment of the Compliance Officer and provide their names, as provided in section VI of this Agreement.

The members of the Compliance Committee shall, at a minimum, include the Compliance Officer, the Executive Director of the CPPs, and a director of the CPPs, who shall be appointed by the President of the CPPs. Upon the appointment of the UPP Board of Directors, the Compliance Committee shall include an outside director of UPP (i.e., one who is not a practicing physician with UPP).

The Compliance Officer shall chair the Compliance Committee and shall be responsible for the day-to-day compliance activities engaged in by the CPPs to further the operations of the Program as well as any reporting obligations created under this Agreement or otherwise arising under the Program.

The Compliance Officer shall submit the Annual Reports (or more frequent, if

circumstances require) to the Boards of Directors of the CPPs, and upon their approval, to OCIG and the Pennsylvania Department of Public Welfare ("PADPW"), as required under the terms of this Agreement.

B. REVIEW AND AUDIT OF BILLING POLICIES, PROCEDURES AND PRACTICES

The CPPs shall contract with an independent professional organization, such as an accounting firm, to review and audit on an annual basis, the billing policies, procedures and practices of the CPPs' health care professionals. Prior to each review and audit, the CPPs (or their designee) shall prepare and submit for review to OCIG and PADPW the work plan describing the protocols they propose to follow in conducting the review and audit. At a minimum, the work plan must show that the review and audit are designed to determine the accuracy and validity of claims submitted for reimbursement to Medicare and Medicaid. The review and audit shall be aimed at ensuring that the Medicare and Medicaid programs are billed appropriately for services rendered.

Generally, if any of these annual reviews and audits uncovers billing policies, procedures and/or practices that result in material billing deficiencies, the CPPs shall notify the Medicare Part B carrier or PADPW, as appropriate, within thirty (30) days of discovering the deficiency and take remedial steps within sixty (60) days (or such additional time as may be agreed to by the carrier or PADPW) to correct the problem, including preventing the deficiency from reoccurring. For purposes of this Agreement, a "material billing deficiency" shall mean anything that has a significant, adverse financial impact upon the Medicare and/or Medicaid programs, which may be the result of an isolated event or a series of occurrences, and which lacks conformity with Medicare and/or Medicaid reimbursement principles or other applicable statutes, and the regulations and written directives issued by the Health Care Financing Administration ("HCFA") and/or its agents and/or PADPW to health care providers and practitioners or issued specifically to the CPPs.

Specifically, contemporaneous to the CPPs' notification to the Medicare Part B carrier or PADPW as provided above, if any audits conducted pursuant to this Agreement reveal material billing deficiencies in the CPPs' Medicare and Medicaid billing processes, the CPPs shall notify OCIG of: (i) their findings concerning the material billing deficiency; (ii) the CPPs's actions to correct such material billing deficiency; and (iii) any further steps the CPPs plan to take to address such material billing deficiency and prevent it from reoccurring.

While this reporting requirement focuses on occurrences having a "significant, adverse financial impact," this provision does not excuse the CPPs' statutory obligation as a Medicare or Medicaid participant to bring to a payor's attention any other billing deficiencies, however de minimis, make appropriate refunds and take any steps necessary

to prevent the occurrence in the future.

C. CORPORATE INTEGRITY POLICY

Within ninety (90) days of the date of execution of this Agreement, the CPPs shall:

(i) develop and implement written policies, as more fully set forth in Attachment 1 attached hereto, regarding its commitment to accurate billings consistent with published Medicare and Medicaid regulations and procedures or otherwise communicated by HCFA or its agents; and (ii) provide notice of the policies' development and implementation, as provided in section VI of this Agreement.

These policies shall be adopted by the CPPs' Boards of Directors and distributed to all employees and independent contractors involved in submitting or preparing Medicare and Medicaid bills on behalf of the CPPs. The CPPs shall post in a prominent place accessible to each employee a notice detailing their commitment to comply with all applicable Medicare and Medicaid statutes, regulations and written directives issued to health care providers and practitioners (as well as written directives issued specifically to the CPPs) in the conduct of their business. A copy of the policies and notice will be available, upon request, for review by OIG and PADPW.

D. INFORMATION AND EDUCATION PROGRAM

Within ninety (90) days of the date of execution of this Agreement, the CPPs shall:

(i) develop and institute an information and education program designed to ensure that each officer, director, employee and physician of the CPPs who are involved directly or indirectly in the delivery of patient care services or in the preparation or submission of claims for reimbursement for such care (including, but not limited to, coding and billing) are reasonably aware of all applicable health care laws including Medicare and Medicaid statutes, regulations and HCFA and PADPW written directives issued to health care providers and practitioners or issued specifically to the CPPs relating to their individual functions in the CPPs, as well as the standards of business conduct that such individuals are expected to follow and the consequences both to the individuals and the CPPs that will ensue from any violation of these requirements; and (ii) provide notice of the development and institution of the program as directed in section VI of this Agreement.

Pursuant to this program, each officer, director and employee who is involved directly or indirectly in the delivery of patient care services or in the preparation or submission of claims for reimbursement for such care (including, but not limited to, coding and billing) shall receive at least two (2) hours of initial training regarding the CPPs' Corporate Integrity Program. A schedule and topic outline of the training shall be included in the Annual Report submitted to OCIG. This program shall be maintained for the term of this Agreement.

The CPPs shall also implement a training program for current staff physicians and clerical employees involved in preparing or submitting Medicare or Medicaid bills through the CPPs or their subsidiaries. This program shall provide for no less than two (2) hours of formal training on an annual basis in: (i) the Corporate Integrity Program; (ii) the submission of accurate bills for services rendered to Medicare and/or Medicaid patients; (iii) the personal obligation of each individual involved in the billing process to ensure that such billings are accurate; (iv) applicable reimbursement rules and statutes; and (v) the legal sanctions for improper billings and examples of improper billing practices. Such training shall also be included in the formal orientation of new employees, including staff physicians and clerical employees. The CPPs shall certify that such training has been provided in their Annual Report to OCIG, in accordance with sections V and VI below. Information concerning the format, dates, and a copy of the materials provided will be available, upon request, for review by OIG and PADPW.

E. CONFIDENTIAL DISCLOSURE PROGRAM

Within ninety (90) days of the date of execution of this Agreement, the CPPs shall establish a confidential disclosure program enabling any employee to disclose any practices or billing procedures deemed by the employee to be inappropriate, to an identified individual not in that employee's direct chain of command. The CPPs shall, as part of this disclosure program, require the internal review of any disclosure that is sufficiently specific so that it: (i) permits a determination of the appropriateness of the billing practice alleged to be involved; and (ii) reasonably permits corrective action to be taken and ensure that proper follow-up is conducted. In an effort to address every disclosure, however, the CPPs shall, in good faith, make a preliminary inquiry for every disclosure instance to ensure they have obtained all of the necessary information that is reasonably required to determine whether an internal review, in accordance with the language above, should be conducted. Upon establishing the program, the CPPs shall provide notice of its creation to OCIG, in accordance with section VI of this Agreement.

The CPPs shall include in each Annual Report to OCIG a summary of the communications (including the number of disclosures by employees and their dates) concerning billing practices reported as, and found to be, inappropriate under the confidential disclosure program, the results of any internal review and the follow-up on such disclosures. OCIG will endeavor to afford the information furnished by the CPPs regarding the disclosure program the utmost confidentiality, subject to federal laws, such as the Freedom of Information Act, as provided in section IX below. To the extent feasible, and at OCIG's option, OCIG may also review the documentation on the CPPs' premises. In turn, the CPPs agree to maintain such reports in a manner agreeable to OCIG so that they will be readily available to OCIG for a minimum of six (6) years or one (1) year longer than the duration of this Agreement.

F. DEALING WITH EXCLUDED OR CONVICTED PERSONS OR ENTITIES

The CPPs shall implement a written internal operating policy that the CPPs shall not knowingly employ, with or without pay, an individual or entity that is listed by a federal agency as excluded, suspended or otherwise ineligible for participation in federal programs. In order to carry out the policy, the CPPs shall make a reasonable inquiry into the status of any potential employee or consultant. Such a reasonable inquiry shall be made during the hiring process and shall include, at a minimum, a review of the OIG's Cumulative Sanctions Report and the General Services Administration's ("GSA's") List of Parties Excluded from Federal Procurement and Non-Procurement Programs. Among other places, these reports can be found in the "Internet" at www.dhhs.gov/progorg/oig and www.arnet.gov/epls, respectively. OIG and PADPW understand that the current employees of the various practice entities at UPMCHS that will be consolidated or reorganized to form the CPPs will become CPPs' employees as of the time of such consolidation or reorganization and agree that such employees will not be considered new employees for purposes of this section.

It is understood that the CPPs' policy at the time of this Agreement does not require the CPPs to terminate the employment of individuals who become suspended or are proposed for exclusion during their employment with the CPPs. The CPPs, however, will remove such employees from responsibility for, or involvement with, the CPPs' Medicare or Medicaid business operations until the resolution of such suspension or proposed exclusion. In addition, if any employee of the CPPs is charged with a criminal offense relating to their Medicare, Medicaid or any other federal health care program business, the CPPs will remove that employee immediately from responsibility for, or involvement with, the CPPs' Medicare or Medicaid business affairs. If the employee is convicted or debarred, the CPPs' policy requires that the employee be terminated from employment with the CPPs. The CPPs shall notify OCIG of each such personnel actions taken and the reasons therefore, within fifteen (15) days of the action.

The CPPs shall not knowingly allow, or cause to be allowed, any person convicted in any local, state or federal court of any felony involving health care matters to hold the position of officer or director of the CPPs, or any of its subsidiaries either through an employment agreement or an independent contract.

Should the CPPs discover that they have employed an individual in contravention of this provision, the CPPs will have thirty (30) days to take the necessary steps to cure the problem, in accordance with this section and section VI below.

IV. OIG INSPECTION, AUDIT AND REVIEW RIGHTS

In addition to any other rights OIG may have by statute, regulation, contract or pursuant to this Agreement, OIG or its duly authorized representative(s) may examine the CPPs' books, records, and other documents and supporting materials for the purpose of verifying and evaluating: (i) the CPPs' compliance with the terms of this Agreement; and (ii) the CPPs' compliance with the requirements of the Medicare, Medicaid and other federal health care programs. The documentation described above shall be made available by the CPPs at all reasonable times for inspection, audit or reproduction. Furthermore, for purposes of this provision, OIG or its authorized representative(s) may interview any of CPPs' employees who consents to be interviewed at the employee's place of business during normal business hours or at such other place and time as may be mutually agreed upon between the employee and OIG. The CPPs agree to assist OIG in contacting and arranging interviews with such employees upon OIG's request. The CPPs' employees may elect to be interviewed with or without a representative of the CPPs present.

V. ANNUAL REPORTS

The CPPs shall make annual reports (each one of which is referred to throughout this Agreement as the "Annual Report") to OIG describing the measures the CPPs have taken to implement the Program and ensure compliance with the terms of this Agreement. In accordance with the provisions above, the Annual Report shall include:

1. In the first Annual Report, copies of the document or documents that comprise the CPPs' Corporate Integrity Program established under this Agreement, as adopted by the CPPs' Board of Directors and implemented by the Corporate Compliance Committee. For subsequent years, the CPPs shall note in the report any amendments or revisions to the Program documents made during the year covered by the Annual Report.
2. Copies of any revisions or amendments made to the billing policies, procedures and practices used or followed in the generation of claims or bills to the Medicare and Medicaid programs pursuant to section III.B and Attachment 1 of this Agreement.
3. A detailed description of the findings made during the reviews and audits conducted pursuant to section III.B of this Agreement relating to the year covered by the Annual Report, copies of the disclosure or notice documents made by the CPPs pursuant to this section, and a description of the corrective steps and proof of refund to the pertinent payor (where applicable).

4. **Any revisions or amendments made during the year covered by the Annual Report to the Corporate Integrity Policy developed pursuant to section III.C of this Agreement.**
5. **A description of the Information and Education Program implemented pursuant to section III.D of this Agreement and a summary of the activities engaged in, in furtherance of this program, including a schedule and topic outline of the training sessions.**
6. **A summary of communications received from the Confidential Disclosure Program established pursuant to section III.E and the results of any investigations performed as a result of any disclosures.**
7. **A summary of the background inquiries conducted pursuant to section III.F above on which any personnel actions (other than hiring) were taken as a result of these inquiries.**
8. **A statement about any ongoing investigation or legal proceeding conducted or brought by a governmental entity involving an allegation that the CPPs have committed a crime or have engaged in fraudulent activities. The statement shall include a description of the allegation, the identity of the investigating or prosecuting agency, and the status of such investigation or legal proceeding.**
9. **The names of the CPPs' officers, directors and Compliance Committee members.**
10. **A resolution (or its equivalent) from the CPPs' Boards of Directors certifying that they have reviewed the Annual Report and agree with the statements made therein.**

Where applicable, the Annual Report shall include a statement that, to the best of the CPPs' knowledge, no events subject to the reporting requirements identified above occurred. To the extent feasible, and at OCIG's option, OCIG may choose to review the documentation relating to the Annual Report on the CPPs' premises. In turn, the CPPs agree to maintain all information relating to such reports in a manner agreeable to OCIG so that they will be readily available to OCIG for a minimum of six (6) years or one (1) year longer than the duration of this Agreement.

The period covered by the Annual Report shall be twelve (12) months commencing on July 1 and ending on June 30 of the following calendar year. The Annual Report shall be submitted to OCIG no later than September 1 following the end of the period covered by the Annual Report.

VI. NOTIFICATIONS AND SUBMISSION OF REPORTS

Unless otherwise stated subsequent to the execution of this Agreement, all notifications and reports required under the terms of this Agreement shall be submitted to the entities listed below:

ATTN: Civil Recoveries Branch - Compliance Unit
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Cohen Building, Room 5527
Washington, DC 20201
Ph. 202.619.2078
Fax 202.205.0604

ATTN: Director, Bureau of Quality Management and Program Integrity
Office of Medical Assistance Programs
Department of Public Welfare
Commonwealth of Pennsylvania
1401 North Seventh Street, 6th Floor
Harrisburg, PA 17102-1110
Ph. 717.712.4606
Fax 717.772.4655

ATTN: Gregory K. Peaslee, Executive Director
University of Pittsburgh Physicians
University of Pittsburgh Medical Center
200 Lothrop Street
Pittsburgh, PA 15213-2582
Ph. 412.647.1911
Fax 412.647.1919

VII. DOCUMENT AND RECORD RETENTION

The CPPs shall maintain for inspection documents and records relating to reimbursement from the Medicare, Medicaid and other federal health care programs for a period of six (6) years following the execution of this Agreement or one (1) year longer than the duration of this Agreement.

VIII. BREACH AND DEFAULT PROVISIONS

The CPPs' compliance with the terms and conditions in this Agreement shall constitute an element of the CPPs' present responsibility with regard to participation in federal health care programs. Full and timely compliance by the CPPs shall be expected throughout the duration of this Agreement with respect to all of the obligations herein agreed to by the CPPs. As stated below in section X of this Agreement, any and all modifications to this Agreement (including changes to dates on which an obligation is due to be met) shall be requested in writing and agreed to by OIG in writing prior to the date on which the modification is expected to take effect.

A. STIPULATED PENALTIES FOR FAILURE TO COMPLY WITH CERTAIN OBLIGATIONS

Failure to comply with certain obligations set forth in this Agreement may lead to the imposition of the following monetary penalties (hereinafter referred to as "stipulated penalties") accordingly:

1. A stipulated penalty of \$2,500 for each day the CPPs fail to demonstrate to the OIG's satisfaction, in their Annual Report, that they have complied with this Agreement by having fully in force all of the following:
 - a. the Corporate Integrity Program adopted pursuant to section III of this Agreement;
 - b. the Corporate Compliance Committee and the Compliance Officer, discharging their respective duties, as required under section III.A of this Agreement;
 - c. the Education and Information Program required under section III.D of this Agreement;
 - d. the Confidential Disclosure Program required under section III.E of this Agreement.
2. A stipulated penalty of \$2,500 for each day the CPPs fail to grant access to the information or documentation necessary to exercise the OIG's inspection, audit and review rights set forth in section IV of this Agreement.
3. A stipulated penalty of \$1,500 for each day any of the CPPs employs an individual after that individual has been listed by a federal agency as excluded, debarred, suspended or otherwise ineligible for participation in the Medicare, Medicaid or any other federal health care program (as defined in 42 U.S.C. § 1320a-7b(f)). This stipulated penalty shall not be demanded if the CPPs can show they have

made a reasonable inquiry as to the current or potential status of the employee or consultant engaged, as described in section III.F of this Agreement.

4. A stipulated penalty of \$1,000 for each day any of the CPPs fails to comply with any other requirement in this Agreement, which is not covered by provisions 1 and 2 of section VIII.A of this Agreement.

B. PAYMENT OF STIPULATED PENALTIES

Upon finding that the CPPs have failed to comply with any of the above-enumerated obligations, OIG shall notify the CPPs by certified mail of: (i) the CPPs' failure to comply; and (ii) OIG's exercise of its contractual right to demand payment of the stipulated penalties payable under this Agreement (this notification is hereinafter referred to as the "Demand Letter"). The applicable stipulated penalties shall begin to accrue on the date the OIG determines the breach occurred, which date shall be indicated in the Demand Letter.

Within ten (10) days of receipt of the Demand Letter, the CPPs shall either: (i) cure the breach to the OIG's satisfaction and pay the applicable stipulated penalties; or (ii) request a hearing before an HHS administrative law judge to dispute the OIG's determination of noncompliance, pursuant to the agreed upon provisions set forth in section VIII.D of this Agreement.

Payment of the stipulated penalties shall be made by certified or cashier's check, payable to "Secretary of the Department of Health and Human Services," and submitted to OCIG at the address set forth in section VI of this Agreement.

These provisions for payment of stipulated penalties shall not affect or otherwise set a standard for the OIG's determination that the CPPs have materially breached this Agreement, which decision shall be made at the OIG's discretion and governed by the provisions in section VIII.C of this Agreement, below.

C. REMEDIES FOR MATERIAL BREACH OF THIS AGREEMENT

If any or all of the CPPs engage in conduct that OIG considers to be a material breach of this Agreement, OIG may seek exclusion of such CPP(s) from participation in the Medicare, Medicaid and any other federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)). Upon making its determination, OIG shall notify the CPPs of the alleged material breach by certified mail and of its intent to exclude as a result thereof (this letter shall be referred to hereinafter as the "Intent to Exclude Letter"). The CPPs shall have thirty-five (35) days from the date of the letter to proceed as follows:

1. cure the alleged material breach; or
2. demonstrate to the OIG's satisfaction that: (a) the CPPs are in full compliance with this Agreement; or (b) the material breach cannot be cured within the thirty-five (35) day period, but that the CPPs have begun to take action to cure the material breach, that the CPPs will pursue such action with due diligence, and that the CPPs will give the OIG a timetable for curing the material breach.

If at the conclusion of the thirty-five-day period (or other specific period as subsequently agreed by OIG and the CPPs), the CPP or CPPs fail to cure the material breach to OIG's satisfaction or otherwise fail to demonstrate either one of the requirements in provision 2 above, the CPPs agree to their immediate exclusion from participation in the Medicare, Medicaid and any other federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)). The exclusion shall have national effect and will also apply to all other federal procurement and non-procurement programs.

For purposes of this section, a "material breach" shall mean: (i) a failure to report a material billing violation, take corrective action and pay the appropriate refunds, as provided in section III.B of this Agreement; or (ii) repeated or flagrant violations of the obligations under this Agreement, including, but not limited to, the obligations addressed in section VIII.A of this Agreement.

In connection with the OIG's determination to exclude the CPPs pursuant to this provision, the CPPs shall have the right to dispute the OIG's determination in accordance with the agreed upon provisions set forth in section VIII.D of this Agreement.

D. DISPUTE RESOLUTION

Upon OIG's delivery to the CPPs of its Demand Letter or of its Intent to Exclude Letter, and as an agreed upon contractual remedy for the resolution of disputes arising under the obligation of this Agreement, the CPPs shall be afforded some review rights comparable to the ones that are provided in 42 U.S.C. § 1320a-7(f) and 42 C.F.R. § 1005 as if they applied to the stipulated penalties or exclusion sought pursuant to this Agreement. Specifically, the OIG's determination to demand payment of stipulated penalties or to seek exclusion shall be subject to review by an HHS administrative law judge in a manner consistent with the provisions in 42 C.F.R. §§ 1005.2-1005.21.

Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issue in a proceeding for stipulated penalties under this section shall be: (i) whether the CPPs were in full and timely compliance with the obligations in this Agreement for which OIG demands payment; (ii) whether the CPPs failed to cure; and (iii) the period of noncompliance. The CPPs shall have the burden of proving that they were in full and timely compliance and the steps taken to effect the cure,

if any. The OIG shall have the burden of proving the CPP's failure to cure. For purposes of paying stipulated penalties under this Agreement, and if the CPPs choose to seek review in lieu of curing the breach and paying the stipulated penalties, as set forth above, the administrative law judge's decision shall give rise to the CPP's obligation to pay. Thus, payment will be due twenty (20) days from the date the administrative law judge's decision is mailed.

Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based on a breach of this Agreement shall be: (i) whether the CPPs were in material breach of one or more of their obligations under this Agreement; and (ii) whether such breach was continuing on the date of the Intent to Exclude Letter. For purposes of the exclusion herein agreed to in the event of breach of this Agreement, the administrative law judge's decision shall be deemed to make the exclusion effective, at which time the OIG may proceed with its exclusion of the CPPs, if the administrative law judge finds in favor of the OIG.

The review by an administrative law judge provided for above shall not be considered to be an appeal right arising under any statutes or regulations. Consequently, the parties to this Agreement agree that the administrative law judge's decision shall be considered final for all purposes under this Agreement and shall not be appealed either administratively or judicially or otherwise be subject to review by any court or other adjudicative forum.

All notices required under any of the aforementioned proceedings shall be given to the OIG in accordance with section VI of this Agreement.

IX. PRIVILEGES AND DISCLOSURES

Nothing in this Agreement shall constitute or be construed as a waiver by the CPPs of their attorney-client or other applicable privileges. Subject to HHS's Freedom of Information Act ("FOIA") procedures, set forth in 45 C.F.R. Part 5, the OIG shall make a reasonable effort to notify the CPPs prior to any release by OIG of information submitted by the CPPs pursuant to their obligations under this Agreement and identified upon submission by the CPPs as trade secrets and commercial or financial information and privileged or confidential under the FOIA rules. The CPPs shall refrain from identifying any information as trade secrets and commercial or financial information and privileged or confidential that does not meet the criteria for exemption from disclosure under FOIA.

X. EFFECTIVE AND BINDING AGREEMENT

Consistent with the provisions in the settlement agreement pursuant to which this Agreement is entered, and into which this Agreement is incorporated, the CPPs and the OIG agree as follows:

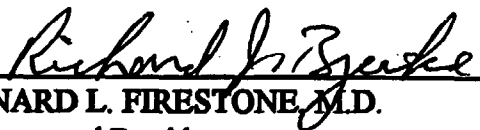
1. this Agreement shall be binding on the successors, assigns and transferees of the CPPs;
2. this Agreement shall become final and binding only upon signing by each respective party hereto;
3. any modifications to this Agreement shall be made with the prior written consent of the parties to this Agreement; and
4. the undersigned CPPs signatories represent and warrant that they are authorized to execute this Agreement. The undersigned United States signatory represents that he is signing this Agreement in his official capacity and that he is authorized to execute this Agreement.

**ON BEHALF OF THE CLINICAL PRACTICE PLANS
OF THE UNIVERSITY OF PITTSBURGH SCHOOL OF MEDICINE**



LEONARD C. HOMER, Esquire
Counsel for the Clinical Practice Plans

3/9/98
DATE



LEONARD L. FIRESTONE, M.D.
Chairman and President
University Anesthesiology and Critical
Critical Care Medicine Foundation

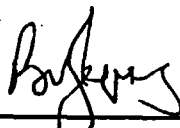
3/9/98
DATE

BY RICHARD J. BJERKE, M.D.
Vice President



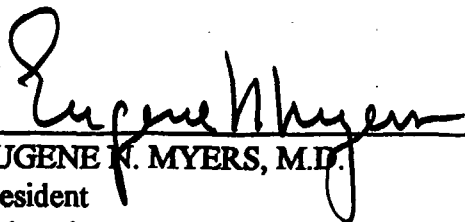
THOMAS W. BRAUN, M.D.
President
University Dental Health Services, Inc.

3.9.98
DATE



BRIAN V. JEGASOTHY, M.D.
President and Chairman
University Dermatology Associates, LTD.

3/9/98
DATE



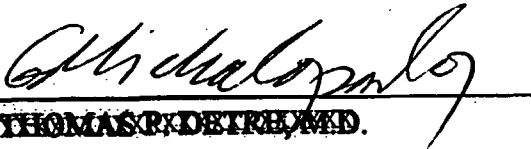
EUGENE N. MYERS, M.D.
President
University Ear, Nose and
Throat Specialists, Inc.

3/10/98
DATE



PAUL M. PARIS, M.D.
President
University Emergency Physicians, Inc.


3/9/98
DATE



THOMAS P. DEITRE, M.D.
President
University Family Practice
Associates, Inc.

3/12/98
DATE

BY GEORGE K. MICHALOPOULOS, M.D.
Director / Internist / Dean School of Medicine



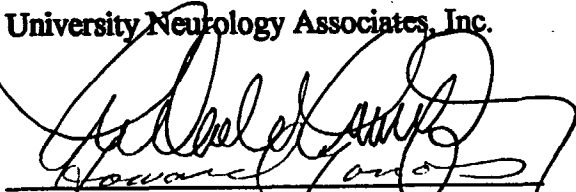
MARK L. ZEIDEL, M.D.
President
University Internal Medicine
Specialists, P.C.

3/9/98
DATE



ROBERT MOORE, M.D.
President
University Neurology Associates, Inc.

3/9/98
DATE



L. DADE LUNSFORD, M.D.
President
University Neurosurgical
Associates, Inc.

3/9/98
DATE

Richard L. Sweet, M.D.

RICHARD L. SWEET, M.D.
President
University Women's Health Care
Associates, Inc.

3/9/98
DATE

Gary N. Foulks

GARY N. FOULKS, M.D.
President
Health Center Ophthalmology, Inc.

3/9/98
DATE

Freddie Fu

FREDDIE FU, M.D.
President
University Orthopaedics, Inc.

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DATE

George K. Michalopoulos

GEORGE K. MICHALOPOULOS, M.D.
Chairman of the Board
Pathology Education Research
Foundation

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Mark A. Sperling

MARK A. SPERLING, M.D.
Chairman
University Pediatric Associates, Inc.

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DATE

David J. Kupfer

DAVID J. KUPFER, M.D.
President
University Psychiatric Associates, Inc.

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Richard L. Baron

RICHARD L. BARON, M.D.
President
University Radiologists, Inc.

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DATE

Joel S. Greenberger

JOEL S. GREENBERGER, M.D.
President
University Radiotherapy Associates, Inc.

3/5/98
DATE

Richard L. Simmons

RICHARD L. SIMMONS, M.D.
President
University Surgical Associates, Inc.

3/5/98
DATE

ON BEHALF OF THE UPMC HEALTH SYSTEM:



JEFFREY A. ROMOFF, M.Phil.
President
UPMC Health System

3/10/98
DATE

**ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL
OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES**



LEWIS MORRIS, Esquire
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U. S. Department of Health and Human Services

3/7/98
DATE