**EMPLOYEE LEASE AGREEMENT**

**THIS EMPLOYEE LEASE AGREEMENT** (“Agreement”) is made as of this \_\_\_\_\_ day of \_\_\_\_\_\_\_, 20XX (the “Effective Date”) by and between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Hospital”), and XXXX UNIVERSITY (“University”).

**RECITALS**

**WHEREAS,** University is engaged in inter-professional medical and healthcare education, offering a range of degrees in health professions, including pharmacy and medicine, among others;

**WHEREAS,** University desires to place qualified University Pharmacy Students in experiential education programs at quality sites in \_\_\_\_\_\_\_\_\_\_\_\_ and the surrounding area;

**WHEREAS**, Hospital is a not-for-profit academic medical center located in \_\_\_\_\_\_\_\_\_\_\_;

**WHEREAS,** Hospital employs licensed pharmacists qualified to precept the University’s

Pharmacy Students; and

**WHEREAS,** University desires to lease from Hospital the services of a Hospital- employed licensed pharmacist to provide certain pharmacy education and preceptorship services for University’s Pharmacy Students conducting clinical rotations at Hospital, all upon the terms and conditions more fully provided in this Agreement.

**NOW, THEREFORE,** in consideration of the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A. **Lease of Pharmacist.**

1. Services. University agrees to lease from Hospital the services of one (1) licensed pharmacist (“Pharmacist”) mutually acceptable to both University and Hospital. Hospital agrees to cause Pharmacist to provide certain pharmacy education and preceptorship services for University’s Pharmacy Students who are conducting clinical rotations at Hospital pursuant to a schedule as shall be mutually agreeable to University and Hospital.

2. Pharmacy Practice Services. Hospital and University shall comply with all applicable federal and STATE laws and regulations governing pharmacists and pharmacy practice including but not limited collaborative pharmacy practice and pharmacist scope of practice. To the extent required to comply with STATE law, Hospital makes available to pharmacists its collaborating physicians.

3. Hospital Employee. Pharmacist shall at all times during the mutually agreed upon schedule at Hospital remain an employee of Hospital and not of University. Hospital shall retain sole responsibility for recruiting, hiring, training, disciplining, suspending, removing, reassigning or terminating the employee; computation and payment of compensation, benefits, withholding taxes, Social Security, unemployment or other insurance, workers’ compensation

and all other administrative functions usually performed by an employer. Hospital agrees to indemnify and to hold University harmless for any federal, state, or local taxes, costs, fines, or penalties.

Hospital shall notify University in writing of any suspension, removal, reassignment or termination of the Pharmacist and shall consult with the University regarding the replacement of Pharmacist.

University shall, to the extent relevant, comply with The Joint Commission or other accrediting entity standards and, upon request of Hospital, shall cooperate in any survey conducted by The Joint Commission or a similar accrediting body at Hospital.

4. University Pharmacy Students. Hospital shall accept qualified University Pharmacy Students as part of the experiential education program between the Hospital and University and in such numbers as described in Exhibit A. Classroom and laboratory instruction and other services shall also be provided by Hospital and are also further described in Exhibit A. Further details on the experiential education program shall be described in a separate clinical affiliation agreement between the University and the Hospital.

B.  **Licensure; Permits**. Hospital shall be responsible to verify that Pharmacist has and maintains any licenses, permits, certifications, registrations, accreditations, and approvals as required by law for such Pharmacist to provide Services under this Agreement.

C.  **Term**. The term of this Agreement shall commence on the Effective Date and continue for a term of two (2) years, expiring on \_\_\_\_\_\_\_\_\_\_, 2017, unless and until earlier terminated as provided for in this Agreement.

D. **Termination.**

1. Without Cause. University or Hospital may terminate this Agreement

without cause upon sixty (60) days’ written notice to the other. Students participating in this agreement at the time of termination shall be permitted to complete the current term of their clinical rotation.

2. With Cause. University or Hospital may immediately terminate this Agreement upon the occurrence of: (a) the other’s material breach of this Agreement, which breach is not cured within fourteen (14) days after written notice of such breach to the breaching party; (b) the loss, suspension or revocation of the other’s professional accreditation; or (c) any change in applicable laws, regulations or governmental or quasi-governmental standards that make this Agreement incapable of being performed by operation of law or otherwise not feasible.

E. **Fees & Payments.**

From the Effective Date through the date of the termination of this Agreement for any reason, University shall pay to Hospital the amount of fifty percent (50%) of Hospital’s cost and expense of Pharmacist’s annual salary, fringe benefits and any required withholdings over such period. Hospital shall bill UNIVERSITY quarterly for the fees and payment shall be made within 30 days of receipt of invoice.

University shall not owe Hospital any additional monetary compensation for placing up to sixty (50) University Pharmacy Students in any one academic year. In the event

University requires rotations for more than sixty (50) students, University shall request such additional placements in writing at least thirty (30) days before the proposed commencement date of such additional rotations. Compensation arrangements for University’s payment to

Hospital for each additional student rotation shall be incorporated by a written amendment to this agreement.

F. **Insurance.** During the term of this agreement, Hospital shall maintain the following types of insurance coverage with at least the following liability limits:

1. Professional liability insurance in the minimum amounts necessary to qualify Hospital and Hospital's employees, while acting in the course and scope of their employment by Hospital, under the STATE Medical Malpractice Act, codified at IC § 34-18 *et seq*. In addition, Hospital shall pay all surcharges and take such other actions as may be necessary to qualify and maintain qualification under the Act for itself and its respective employees while acting in the course and scope of their employment by Hospital.
2. Comprehensive general liability insurance (including, but not limited to: premises, operations, products and completed operations) covering itself and its employees against property damage, bodily or personal injury or death with liability limits of at least $1,000,000 each occurrence and $5,000,000 in the annual aggregate.
3. Worker’s Compensation insurance as provided by law.

G. **Compliance with Laws.**

1. Employment Laws. Neither party shall discriminate against its respective employees on the basis of race, religion, sex, national origin, ancestry, age, marital status, sexual orientation, physical or mental disability unrelated to the ability to perform Services, unfavorable discharge from the military or military discharge status, or any other status protected by relevant law service. In addition, the parties shall comply with all applicable laws, statutes and ordinances and all amendments thereto relating to the performance of services hereunder. These include: all federal, state or local statutes, laws, ordinances or regulations relating to conditions of employment, including without limitation, Title VII of the Civil Rights Act of 1964, Age Discrimination in Employment Act, Employee Retirement Income Security Act, Rehabilitation Act of 1973, Family Medical and Leave Act, the Fair Labor Standards Act, the Immigration and Reform Control Act of 1986, National Labor Relations Act, the American with Disabilities Act, Executive Order 11246, Vietnam Era Veterans' Readjustment Assistance Act of 1974, 38 USC

§4212, and applicable requirements of 41 CFR, §§ 60-1.4(a)(7), 60-250.5 and 60-741.5; all laws relating to safety and health in the workplace, including without limitation, Occupational Safety and Health Act of 1970; all laws relating to the payment of employee and employer taxes for and on behalf of employees, including without limitation, Internal Revenue Code, Illinois Unemployment Insurance Act, Illinois Worker's Compensation Act, and all applicable home rule taxes; and all laws relating to the delivery of health care, including without limitation, Medicare and Medicaid, False Claims Act, Fraud and Abuse amendments and Health Insurance Portability and Accountability Act.

2. HIPAA. University, Hospital and Pharmacist, in performing under this Agreement, shall comply with the administrative simplifications and security and privacy provisions of the Health Insurance Portability and Accountability Act of 1996 (the “Act”), the privacy standards adopted by the U.S. Department of Health and Human Services, as they may be amended from time to time, 45 C.F.R. 160 and 164 (“HHS”), subpart A and E (the “Privacy Rule”), the Security Standards adopted by HHS as they may be amended from time to time, 45

C.F.R., parts 160, 162 and 164, subpart C (the “Security Rule”) and the privacy provisions of theHealth Information Technology for Economic Clinical Health Act, Title VIII of Pub. III-5 and its implementing regulations (the “HITECH Act”). The Act, the Privacy Rule, the Security Rule and the HITECH Act are collectively referred to as “HIPAA” for purposes of this Agreement. Consistent with the requirements of HIPAA, University shall require Pharmacists to comply with this section by: (a) appropriately accessing and disclosing protected health information (“PHI”); (b) using appropriate safeguards to prevent unauthorized access to or disclosure of PHI; (c) protecting against any reasonable anticipated threats or hazards to the security or integrity of health information and unauthorized uses and disclosures of PHI; and (d) complying with other applicable requirements of HIPAA. University shall prohibit Pharmacists from allowing another individual to use a Pharmacist’s user identification, password or token. University shall inform Pharmacists that unauthorized access to or disclosure of PHI may result in criminal penalties, civil penalties, notification of licensing boards and notification of state and federal agencies.

H. **Patient and Business Records**.

In the course of providing Services hereunder, University may gain access to certain information that is either confidential or proprietary in nature, unauthorized disclosure of which could cause irreparable damage to Hospital. The parties therefore agree that all confidential or proprietary information is “Confidential” and shall remain so during the term of this Agreement and thereafter.

University agrees that they will hold in strict confidence and will cause their respective employees, staff, faculty and students not to use or disclose to any other person, firm, corporation or other entity, any Confidential information about Hospital and its respective employees, agents, patients or students except with the prior written authorization of Hospital, patient or patient’s representative. University further agrees not to use Hospital’s Confidential Information except in the course of performing herein and will not use such Confidential Information for its benefit or for the benefit of any third party except as provided in this section. The co-mingling of University’s Confidential Information shall not affect the confidential nature or ownership of same as stated herein.

All medical, administrative and financial records pertaining to Hospital’s business or patients is and shall at all times be the property of Hospital. Upon Hospital’s request or the termination of this Agreement, University shall return, transfer, destroy or assign to Hospital all of Hospital’s Confidential Information and all copies thereof. Provided, however, University may be given reasonable access to patient medical records to the extent necessary under the law for University to comply with the terms and conditions hereof or to defend itself against claims brought against it or them as a result of Services performed hereunder. University shall comply with all state and federal laws and any Hospital policies provided in advance by Hospital to University related to confidentiality of such records.

I. **Indemnification.**

1. By Hospital. Hospital shall indemnify and hold University harmless from and against any and all claims, actions, damages, liabilities or expenses, including all reasonable attorneys’ fees and the costs of defense of any actions incurred by University resulting from any alleged negligent act or omission or willful wrongdoing of either the Pharmacist or Hospital in connection with the performance of Services hereunder.

2. By University. University shall indemnify and hold Hospital harmless from and against any and all claims, actions, damages, liabilities or expenses, including all reasonable attorneys’ fees and the costs of defense of any actions incurred by Hospital resulting from any alleged negligent act or omission or willful wrongdoing of University.

Any obligation of University to hold Hospital harmless will be limited in substance by statutes designed to protect and limit the exposure and liability of University as an instrumentality of the State of XXX, including, without limitation, the XXXX Tort Claims Act, its aggregate liability limits, and its bar to liability for punitive damages and for acts or omissions of others. Furthermore, any obligation of either Party to hold harmless the other Party will be limited in substance by statutes designed to protect and limit the exposure and liability of the Parties as qualified health care providers, including, without limitation, the STATE Medical Malpractice Act.

J.  **Notices**. All notices required or permitted by this Agreement shall be in writing and shall be addressed as follows:

If to Hospital: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

If to University:

or to such other address as either party shall notify the other.

K.  **Waiver of Breach**. The waiver by either party of a breach or violation of any provision of this Agreement must be in writing to be effective and will not operate as nor be construed as a waiver of any other breach or any subsequent breach.

L. **Entire Agreement**. This Agreement supersedes all previous contracts or agreements between the parties with respect to the specific subject matter and constitutes the entire agreement between the parties with respect to the specific subject matter of this Agreement.

M.  **Amendments**. This Agreement may be amended only by an instrument in writing signed by each of the parties.

N. **Governing Law/Venue**. This Agreement is entered into in STATE and shall be governed by and construed in accordance with the substantive law (and not the law of conflicts) of the State of XXXX. Courts of competent authority located in XXXX County, XXXX shall have sole and exclusive jurisdiction of any action arising out of or in connection with the Agreement, and such courts shall be the sole and exclusive venue for any such action.

**O. Disputes.** At the written request of either Party, the Parties will attempt to resolve any dispute arising under or relating to this Agreement through the following informal process: 1) each party will appoint a senior management representative to the matter, and 2) the representatives will make a good faith effort to resolve the dispute without the necessity of any formal proceeding.

**P. Use Of Name And Marks.** Neither Party will use or make reference to the other, or use any of the other's logos, trademarks or trade names in any way without the other Party's specific written permission. Each Party may grant or withhold such permission in its sole discretion.

[ remainder of this page left intentionally blank ]

**IN WITNESS WHEREOF,** the parties have executed this Agreement to be effective on the Effective Date.

**HOSPTIAL**

By:

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**UNIVERSITY**

By:

Date signed:

Date signed:

Name:

Its:

**Exhibit A Services**

Pharmacist’s Services to Hospital under this Agreement shall include but not be limited to:

Medication therapy management; Medication reconciliation;

Patient counseling;

Medication-related consultations;

Other Hospital Pharmacist duties, as assigned by Hospital’s Department of Pharmacy. Pharmacist’s Services to University under this Agreement shall include:

 Coordination and education of University’s Pharmacy Students during their Introductory/ Advanced Practice experiences clinical rotations at Hospital;



Precept or coordinate the precepting of up to fifteen (50) qualified University Pharmacy Students at Hospital per academic year beginning June \_\_\_\_\_\_, periodically and as scheduled by agreement over the course of each academic year.



Numbers of qualified students are subject to change upon mutual agreement of University and Hospital, incorporated by written amendment to this Agreement.

 Teaching up to forty (40) hours of classroom lecture or professional practice labs per academic year beginning June \_\_\_\_\_\_, periodically and as scheduled by agreement over the course of each academic year.