



**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING**

**Elephant Butte Lake RV
Resort Center
2-7-24**

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High quality for every patient, every day.

AGENDA
SIERRA VISTA HOSPITAL
GOVERNING BOARD SPECIAL MEETING

February 7, 2024

1:00pm

SVH Boardroom

MISSION STATEMENT: Provide high quality, highly reliable and medically proficient healthcare services to the citizens of Sierra County.

VISION STATEMENT: Become the trusted, respected, and desired destination for the highest quality of healthcare in the state of New Mexico; exceed compliance and quality expectations and improve the quality of life for our patients and community.

VALUES: Stewardship. Honest. Accountable. Respect. Professional. Kindness. Integrity. Trust. (SHARP KIT)

GUIDING PRINCIPLES: High quality for every patient, every day.

TIME OF MEETING: 1:00pm

PURPOSE: Special Meeting

ATTENDEES:

GOVERNING BOARD

COUNTY

Kathi Pape, **Vice Chair**
Serina Bartoo, Member
Shawnee R. Williams, Member

ELEPHANT BUTTE

Katharine Elverum, Member
Vacant, Member

CITY

Bruce Swingle, **Chairperson**
Jesus Baray, Member
Greg D'Amour, Member

EX-OFFICIO

Frank Corcoran, CEO
Amanda Cardona, VCW
Vacant, City Manager, EB
Amber Vaughn, County Manager
Angie Gonzales, City Manager, TorC
Jim Paxon, JPC Chair

VILLAGE of WILLIAMSBURG

Denise Addie, **Secretary**

SUPPORT STAFF:

Ming Huang, CFO
Sheila Adams, CNO
Zach Heard, Compliance
Lawrence Baker, HR Director

GUEST:

| AGENDA ITEMS | PRESENTER | ACTION REQUIRED |
|---|-------------------------------------|------------------------|
| 1. Call to Order | Bruce Swingle, Chairperson | |
| 2. Pledge of Allegiance | Bruce Swingle, Chairperson | |
| 3. Roll Call | Jennifer Burns, Recording Secretary | Quorum Determination |
| 4. Approval of Agenda | Bruce Swingle, Chairperson | Amend/Action |
| “Are there any items on this agenda that could cause a potential conflict of interest by any Governing Board Member?” | | |
| 5. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 2 the Governing Board will vote to close the meeting to discuss the following items: | | |
| 10-15-1 (H) 2 – Limited Personnel Matters | | |
| A. Provider Contract 1 | | Frank Corcoran, CEO |
| B. Provider Contract 2 | | Frank Corcoran, CEO |
| Roll Call to Close Meeting: | | |
| 6. Re-Open Meeting – As required by Section 10-15-1(J), NMSA 1978 matters discussed in executive session were limited only to those specified in the motion to close the meeting. | | |
| 10-15-1 (H) 2 – Limited Personnel Matters | | |
| A. Provider Contract 1 | | Action |
| B. Provider Contract 2 | | Action |
| 7. Adjournment | | Action |



**GENERAL SURGEON
EMPLOYMENT AGREEMENT**

THIS GENERAL SURGEON EMPLOYMENT AGREEMENT (“Agreement”) is dated as of this ___ day of January 2024, and is by and between Sierra Vista Hospital, a New Mexico entity (“SVH”) and Frank Walker (“Employee”) (together, the “Parties”).

I. RECITALS

- A. SVH requires employment services for a General Surgeon to cultivate the expansion of its general surgery program.
- B. SVH and Employee desire to codify the terms of an employment agreement for Employee’s services as a General Surgeon.

II. EMPLOYMENT STATUS

- A. Commencement. SVH hereby offers to enter into this agreement with the Employee and Employee hereby accepts this agreement commencing on or about March 6th, 2024.
- B. Terms of Employment. Employee agrees to work as a Full-Time professional staff member at SVH in an in-person (on-site) role to perform duties required as a General Surgeon throughout the term thereof. Off-site or tele-work consulting services may be required from time-to-time to facilitate program execution.

III. DUTIES

- A. Performance. In serving as the General Surgeon for SVH, Employee will provide requested services commonly sought from a General Surgeon in a clinic and operating room environment. Employee will provide services on a mutually agreed upon four (4) day schedule comprised of two (2) clinic days and two (2) surgery days per week or as modified by the CEO. Employee will obtain VPN services to conduct off-site consulting or tele-work from his out of state residence. Employee agrees to devote focused energy and best efforts to this position and the business of SVH. The General Surgeon shall:
 - a. Maintain unrestricted licensure to practice as a General Surgeon in New Mexico.
 - b. Maintain unrestricted registration with the DEA and New Mexico Board of Medicine.
 - c. Report threats or actions alleging malpractice or other wrongdoing to the Chief Executive Officer.
 - d. Meet continuing education requirements of the New Mexico Board of Medicine.
 - e. Perform only those duties and practices in the hospital for which General Surgeon has been granted clinical privileges.

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Approved/Initial FW

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- f. Carry out the responsibilities and duties enumerated in the General Surgeon job description including:
 - i. Furnishing full-time medical services (defined as seeing patients for a minimum of 28 hours per week, with a maximum of four hours per week for administrative and educational time) at the Hospital and remote location.
 - ii. Providing out-patient care to patients on a schedule to be determined by SVH.
 - iii. Provide consultation to the Emergency Department and other RHC providers.

- B. Report organizationally to the Chief Executive Officer of SVH.

- C. Fees. Hospital will establish fees for surgical services in accordance with usual and customary fees in the area. General Surgeon hereby assigns all fees earned as a result of medical services to SVH and will execute such additional documents to evidence such assignment as SVH may request.

- D. Rules, Regulations and Procedures. General Surgeon will comply with all rules, regulations and procedures adopted by SVH in connection with surgeon's services under this Employment Agreement. No such rules, regulations or procedures adopted by SVH will interfere with the professional medical judgment exercised by General Surgeon in the provision of care to patients.

- E. Contracting. At the request of SVH, General Surgeon will contract with each third-party payor designated by SVH for the provision of services at SVH. The General Surgeon will perform all obligations under each such contract as an employee of SVH and will assign all receipts under such contract to SVH.

- F. Risk Management. General Surgeon will comply with all Risk Management Policies established by SVH. If or where hospital policies and medical staff bylaws conflict, the medical staff bylaws will prevail.

- G. Discrimination. In the provision of medical services under this Employment Agreement, General Surgeon will not discriminate against any individual based upon age, race, color, creed, sex, national origin, disability, or the ability to pay for the services rendered. Further, General Surgeon agrees to accept Medicare assignments and participate in the Medicaid program.

IV. COMPENSATION

- A. Payment. Employee will provide professional services at an agreed-upon **base salary of \$401,000 annually**. This sum shall be earned and paid to the General Surgeon at an estimated payment of \$15,423.07 over twenty-six (26) installments according to the SVH pay cycle calendar for so long as surgeon remains employed and providing services for SVH. The payments will be subject to all lawful withholding under state and federal law and any other authorized deductions. SVH shall remain responsible for the filing of all required reports and returns and paying any state, federal, social security, or any other taxes levied upon or determined to be owed with respect to payments made to Employee pursuant to this Agreement as required by law. Surgeon's total compensation may not exceed fair market

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value and shall include qualified expenses for travel (airfare, rental car, mileage for POV use and airport parking; New Mexico housing of \$2000.00 to be paid monthly by SVH; and per diem for meals during travel to and from SVH rotations, in addition to compensation incentives as set forth in Exhibit A to this Employment Agreement.

- B. Holidays and Paid Time Off (PTO). Employee shall be entitled to observe 6 (six) holidays and will accrue paid time off at the same rate as other SVH employees with the same years of experience and shall be entitled to cash-out of PTO to the same extent as other SVH employees (see **Paid Time Off Policy**).
- C. Benefits. Employee shall be entitled to participate in all fringe benefits in effect and which are available for employees of SVH during the term of employment (see **SVH Benefits Summary Packet**). To the extent that any modification, suspension, or discontinuance affects all comparable employees of SVH, SVH reserves the right to modify, suspend or discontinue any or all such benefits at any time without recourse by the General Surgeon.
- D. Retention Incentives. As an incentive to remain employed by SVH, the hospital agrees to pay General Surgeon Productivity Retention Incentives on the terms, conditions and schedule set forth in Exhibit A to this Employment Agreement. General Surgeon and SVH CEO or his designee shall review wRVU calculations monthly in accordance with MGMA percentage guidelines.
- E. Education/CME Allowance. General Surgeon shall be entitled to up to five (5) days per year time off to participate in CME. SVH shall reimburse to employee receipted expenses for continuing medical education up to a limit of \$5,000 annually. Allowable expenses include books and journals, registration fees and travel, lodging, and meals for General Surgeon. Private vehicle travel will be reimbursed at the IRS-allowable per mile expense.

V. PERIODIC REVIEW AND EVALUATION

- A. Quality Evaluation. General Surgeon will be evaluated by the Peer Review and the credentialing process.

VI. TERM

- A. The term of this Agreement is two (2) years from the date of Commencement as set forth in Section II A. Continuance of this Agreement shall be reviewed annually between the Employee, CEO, and Director of Human Resources and External Relations (30) thirty days prior to the contract anniversary date, and an agreement for contract continuation shall be reached on a schedule not to exceed (10) ten days beyond the contract anniversary date.

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VII. TERMINATION OF THIS AGREEMENT

- A. By SVH for Cause. This Employment Agreement may be terminated by SVH for cause upon thirty (30) days written notice. Cause includes, but is not limited to, the following:
1. General Surgeon fails to perform any duties or obligation imposed upon General Surgeon by this Employment Agreement, or by reason of disability is unable to perform.
 2. General Surgeon violates any SVH Personnel Policies or Guidelines that are grounds for termination for any employee of SVH.
 3. Notice is received that the applicable New Mexico Medical Board has restricted, suspended, or revoked General Surgeon's license.
 4. General Surgeon's Clinical privileges at SVH are revoked, suspended, or modified by SVH to substantially limit the effective practice by General Surgeon in General Surgeon's specialty.
 5. General Surgeon abuses or neglects any patient assigned to General Surgeon's care.
 6. General Surgeon is charged with violating any law of the United States of America or the State of New Mexico related to or arising from General Surgeon's practice.
 7. General Surgeon displays or engages in behavior which does or could compromise the professional manner in which SVH or General Surgeon provide services to patients or the orderly delivery of patient care.
- B. Depending on the circumstances, SVH reserves the right to place General Surgeon on a thirty (30) day leave with pay in lieu of a corresponding advance notice of termination for cause.
- C. By General Surgeon for Cause. This Employment Agreement may be terminated by General Surgeon upon thirty (30) days written notice upon SVH's failure to perform any duty or obligation imposed upon SVH by this Employment Agreement.
- D. By SVH without Cause. SVH shall have the right to terminate this Employment Agreement at any time and without cause by giving ninety (90) days written notice thereof to General Surgeon. Upon issuance of any such notice, SVH at its option may relieve General Surgeon of any obligation to perform additional services hereunder provided that SVH shall continue to pay salary and benefits to General Surgeon during such period.
- E. By General Surgeon without Cause. General Surgeon shall have the right to terminate this Employment Agreement at any time and without cause by giving ninety (90) days written notice thereof to SVH.

VIII. EFFECT OF TERMINATION

- A. No termination of this Employment Agreement will impair the enforcement of any obligation accrued prior to or as a result of such termination. No termination will impair any continuing obligation under this Employment Agreement which by its terms or because of its purpose services termination.

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IX. PROFESSIONAL LIABILITY COVERAGE

- A. Coverage – Malpractice Insurance. SVH will maintain professional liability insurance covering General Surgeon and Hospital consistent with the requirements of the Medical Staff Bylaws. General Surgeon shall be named as an additional insured under Hospital’s professional liability insurance. If the professional liability insurance is written on a claim made policy form, the policy shall also provide “tail coverage” following the last date the policy was in effect.
- B. Defense.
1. Except as otherwise provided in the remainder of this paragraph, SVH and its professional liability insurer will have the sole right to control all aspects of a liability claim asserted as a result of General Surgeon’s services under this Employment Agreement, including the selection of defense counsel and settlement of all claims. With respect to claims covered by the General Surgeon’s professional liability insurer, the General Surgeon defense counsel will be selected by the General Surgeon and insurer.
 2. As between SVH and General Surgeon, SVH will have the sole right to control all decisions regarding settlement of claims. General Surgeon agrees to abide by the decision of SVH.
- C. Risk Management. Surgeon agrees to fully comply with all risk management policies established by SVH.

X. MEDICAL JUDGMENT

- A. General Surgeon will be solely responsible for making all professional medical judgments in the care of patients. SVH will not exercise any control of any General Surgeon’s professional medical judgment. General Surgeon will ensure that the quality of medical services provided by General Surgeon meets or exceeds currently approved and generally accepted standards for the treatment of patients in the community.

XI. MEDICAL RECORDS

- A. While providing services under this Agreement, the Employee may have access to records relating to the treatment of patients at SVH (“Medical Records”). Except as otherwise provided in this paragraph, Employee agrees to comply with all laws and regulations regarding non-disclosure of Medical Records and agrees not to disclose any Medical Records or the contents of any Medical Records to anyone other than any employee of SVH who needs to know the contents of the Medical Records in the performance of their employment; members of the Medical Staff involved in the direct care of the concerned patient; and an individual or entity designated in a release signed by a patient. Employee shall refer all requests for releases of patient records or information to the SVH Medical Records Department for processing in accordance with SVH policy and applicable law.

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XII. DISCLOSURE OF INFORMATION

During or any time after the term of this Agreement, Employee will not, without authorization of SVH, disclose to or use for the benefit of any person, corporation, or other entity, or himself, any files, medical records, or other confidential or proprietary information concerning the business, clients, patients, methods, operation, financing, or services of SVH. Confidential or proprietary information shall mean all patient-related information and all information not generally known to the public that is disclosed to or learned of by Employee.

XIII. RIGHTS TO COMPANY MATERIAL

- A. General Surgeon agrees that all materials, including patient files and records, other files, books, reports correspondence, records, and other documents (“SVH Materials”) used, prepared, or made available to General Surgeon, shall be and shall remain the property of SVH. Upon the termination of employment or the expiration of this Employment Agreement, all SVH material shall be returned immediately to SVH, and surgeon shall not make or retain any copies thereof. The provisions of this paragraph are for the sole benefit of SVH and may be waived, in whole or in part, by SVH only in a written instrument executed by the Administrator of SVH or his designee.

XIV. BINDING EFFECT

- A. This Employment Agreement shall be binding upon and extend to the benefit of any successor of SVH, and any such successor shall be deemed substituted for SVH under the terms of this Employment Agreement for all purposes. As used herein, “successor” shall include any person, firm, corporation, or other business entity, which at any time, whether by purchase, merger, or otherwise, directly, or indirectly acquires the assets or business of SVH.

XV. DISPUTE RESOLUTION

- A. Except with regard to the provisions of Section VII regarding Termination, or the provisions of the Medical Staff Bylaws, SVH and General Surgeon agree to administratively exhaust any dispute resolution procedures provided for by SVH employee policies or procedures then in effect at the time a dispute arises between SVH and General Surgeon. Any dispute or controversy arising out of this Agreement that cannot be settled by the parties through existing SVH dispute resolution procedures shall proceed as follows:
1. Mediation. The parties shall first submit the dispute or controversy to mediation in accordance with the following procedure. Each party shall have five (5) business days from the date they cease direct negotiations to submit to each other a written list of acceptable qualified mediators not affiliated with any of the parties. Within five (5) days from the date of receipt of such list, each party shall rank the mediators in numerical order preference and exchange such rankings. If one or more names are on both lists, the highest-ranking person shall be designated as the mediator. If no mediator has been selected under this procedure, the parties agree jointly to request a District Judge from the Seventh Judicial District of New Mexico of their choosing to supply within ten (10) business days a list of potential qualified mediators. Within five (5) business days of receipt of the list, the parties shall again rank the proposed mediators in numerical order

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of preference and shall simultaneously exchange such list and shall select as the mediator the individual receiving the highest combined ranking. If such mediator is not available to serve, they shall proceed to contact the mediator who was next highest in ranking until they promptly designate a mutually convenient time and place for the mediation, and unless circumstances require otherwise, such time is to be not later than forty-five (45) days after selection of the mediator. The parties agree to participate in the mediation procedure to its conclusion. The mediation shall be terminated (i) by the execution of a settlement agreement by the parties, (ii) by a declaration of the mediator that the mediation is terminated or (iii) by a written declaration of a party to the effect that mediation process is terminated. If the mediation is terminated without a resolution of the dispute, the parties agree to arbitrate in accordance with the following Section XIV.B The fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, consultant, expert, or counsel for any party with respect to the dispute and any related matters.

2. Arbitration. If any dispute or controversy cannot be settled by the parties in accordance with the above procedure, above, the dispute or controversy shall be settled by binding arbitration in Sierra County, Truth or Consequences, New Mexico. The Parties shall agree upon an arbitrator and in the event the Parties do not agree upon an arbitrator, the Chief Judge (Civil) of the Seventh Judicial District shall name an appropriate arbitrator. The arbitrator shall decide procedural issues including discovery procedures. The arbitrator's award will be final, and binding and judgment may be entered in any court of competent jurisdiction.

XVI. ATTORNEY'S FEES

- A. SVH and General Surgeon agree that if either party must employ attorneys or accountants to enforce the terms of this Employment Agreement or otherwise as a result of a breach of this Employment Agreement by the other, and if such dispute is presented to a court of law or arbitration under Section XIV, then the prevailing party in any such proceeding(s) shall be entitled to reasonable attorneys' fees, fees of experts permitted to testify as such by the court, and costs, to be determined by the court or the arbitrator.

XVII. SAVINGS CLAUSE

- A. Should any valid federal or state law or final determination of any administrative agency or, court of competent jurisdiction affect any provision of this Employment Agreement, the provision or provisions so affected shall be automatically conformed to the law or determination and otherwise this Employment Agreement shall continue in full force and effect.

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XVIII. CONSTRUCTION

SVH and Employee have freely negotiated this Agreement and in any construction to be made of this Agreement, the same shall not be construed against any party on the basis of that party being the "drafter." All pronouns and relative words used in this Agreement shall, where appropriate, be read as if written in the plural, and shall be construed to refer to either the masculine or feminine or non-binary gender as the context may require.

XIX. ENTIRE AGREEMENT AND WAIVER

This instrument constitutes the entire agreement of SVH and Employee and may be modified, amended, or waived only by a written instrument executed by both of them. No waiver of a breach hereto shall be deemed to constitute a waiver of a future breach whether of a similar or a dissimilar nature.

XX. GOVERNING LAW

This Agreement has been negotiated and executed in the State of New Mexico and the laws of that state shall govern its construction and validity.

XXI. BATEMAN ACT CLAUSE AND FORCE MAJEURE

- A. Pursuant to the Bateman Act, under New Mexico law SVH may terminate this Employment Agreement in the event that funds are not appropriated for its performance in any fiscal year.
- B. Notwithstanding any contrary provision in this Employment Agreement, SVH may in its sole discretion elect to modify or suspend any notice provisions and provisions for payments if the events giving rise to any termination of this Employment Agreement are caused, directly or indirectly, by circumstances beyond the reasonable control of SVH including, without limitation, Acts of God, earthquakes, fires, floods, wars, civil or military disturbances, acts of terrorism, sabotage, epidemics, pandemics, public health emergencies, riots, acts of civil or military authorities, or other government actions.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement between Frank Walker and Sierra Vista Hospital as of the date first above written.

EMPLOYEE:

Frank Walker, M.D.
1/24/2024
1230

SIERRA VISTA HOSPITAL:

Frank A. Corcoran, CEO

Approved/Initial FW

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EXHIBIT A TO EMPLOYMENT AGREEMENT

This Addendum to and Extension of Employment Agreement (“Agreement”) is made and dated as of January ____, 2024, between Sierra Vista Hospital, a New Mexico governmental organization (“SVH”) and Frank Walker, MD. (“General Surgeon”) (together the “Parties”).

I. Productivity Retention Incentive - Work Relative Value Unit (wRVU)

A. Sierra Vista Hospital agrees to pay a quarterly productivity retention incentive based on Work Relative Value Unit (wRVU) based on the most current Medical Group Management Association (MGMA) database for General Surgeon: Sierra Vista Hospital shall pay 3.75% of base pay quarterly (15% of base annually) for wRVU at the 75th percentile of the most current MGMA for a General Surgeon.

Sierra Vista Hospital shall pay 7.5% of base pay quarterly (30% Annually) for worked RVUs at the 90th percentile of MGMA for a General Surgeon.

B. The current MGMA 2020 annual wRVU for a General Surgeon:

- The 75th percentile annual wRVU is 7,844 with a quarterly target of 1961.
- The 90th percentile annual wRVU is 10,013 with a quarterly target of 2503.

C. wRVU targets are updated annually with the most current MGMA database.

**** General Surgeon and SVH CEO or CEO designee shall review wRVU calculations monthly to agree to expected productivity in accordance with MGMA percentages. ****

By: Frank Walker MD
Frank Walker, MD
1/24/2024
1230P

By: _____
Frank A. Corcoran, CEO



**SIERRA VISTA HOSPITAL & CLINIC
EMPLOYMENT AGREEMENT**

THIS EMPLOYMENT AGREEMENT is dated as of this ____ day of February 2024, and is by and between Sierra Vista Hospital, a New Mexico governmental organization (“SVH”) and Nichelle Virgil, (“Nurse Practitioner”) (together, the “Parties”).

I. RECITALS

- A. SVH and Nurse Practitioner have negotiated terms of employment and wish to memorialize those terms.

II. EMPLOYMENT

- A. Commencement. SVH hereby employs Nurse Practitioner and Nurse Practitioner hereby accepts employment upon the terms and conditions hereinafter set forth, for a three (3) year period, with a start date of on or about March 4th, 2024. This employment agreement shall be reviewed annually. In carrying out its obligations under this Employment Agreement, SVH will provide Nurse Practitioner with office space, staffing, supplies, equipment, and administrative support deemed reasonably necessary by SVH to assist Nurse Practitioner in carrying out the duties set forth herein.

- B. Terms and Conditions of Employment. The terms and conditions of this Employment Agreement apply for so long as the Nurse Practitioner is employed in the capacity described in Section III. Nurse Practitioner shall also be subject to all SVH Personnel Policies and Procedures which apply to employees of SVH provided that, in the event of dispute between this Employment Agreement and SVH’s Personnel Policies, the terms of Employment Agreement shall control. The Parties recognize and agree that this Employment Agreement is the result of negotiations solely between Nurse Practitioner and SVH. This Employment Agreement is not binding on nor is it dependent on any other negotiations or agreements with other providers or practice groups. The Nurse Practitioner agrees to the SVH Credentialing process and will abide by the Medical Staff Bylaws, Rules, and Regulations.

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III. DUTIES

- A. Employment Duties. Nurse Practitioner shall serve during the course of employment under this Employment Agreement as a Psychiatric Mental Health Nurse Practitioner for Sierra Vista Hospital. Nurse Practitioner agrees to devote full-time energy and best efforts to this position on a mutually agreed upon schedule in support of the business of SVH. The Nurse Practitioner shall:
1. Maintain unrestricted licensure to practice as Nurse Practitioner in New Mexico.
 2. Maintain unrestricted registration with the DEA and New Mexico Board of Nursing.
 3. Report threats or actions alleging malpractice or other wrongdoing to the Chief Executive Officer.
 4. Meet the continuing education requirements of the New Mexico Nursing Board.
 5. Perform only those duties and practices in the hospital for which Nurse Practitioner has been granted clinical privileges.
 6. Carry out the responsibilities and duties enumerated in the Nurse Practitioner job description including:
 - a) Furnishing full-time medical services (defined as seeing patients for a minimum of 36 hours per week, with a maximum of four hours per week for administrative and educational time) at the Hospital and its locations.
 - b) Provide outpatient care to patients on a schedule to be determined by SVH.
 - c) Provide consultation to the Emergency Department and to other providers.
 - d) Report organizationally to the Chief Executive Officer of SVH.
- B. Fees. Hospital will establish fees for Nurse Practitioner's services in accordance with usual and customary fees in the area. Nurse Practitioner hereby assigns all fees earned as a result of medical services to SVH and will execute such additional documents to evidence such assignment as SVH may request.
- C. Rules, Regulations and Procedures. Nurse Practitioner will comply with all rules, regulations and procedures adopted by SVH in connection with Nurse Practitioner's services under this Employment Agreement. No such rules, regulations or procedures adopted by SVH will interfere with the professional medical judgment exercised by Nurse Practitioner in the provision of care to patients.
- D. Contracting. At the request of SVH, Nurse Practitioner will contract with each third-party payor designated by SVH for the provision of services at SVH. Nurse Practitioner will perform all obligations under each such contract as an employee of SVH and will assign all receipts under such contract to SVH.

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- E. Risk Management. Nurse Practitioner will comply with all Risk Management Policies established by SVH. If or where hospital policies and medical staff bylaws conflict, the medical staff bylaws will prevail.

- F. Discrimination. In the provision of medical services under this Employment Agreement, Nurse Practitioner will not discriminate against any individual based upon age, race, color, creed, sex, national origin, handicap, or the ability to pay for the services rendered. Further, Nurse Practitioner agrees to accept Medicare assignments and participate in the Medicaid program.

IV. COMPENSATION

- A. Salary. While this Employment Agreement is in effect, SVH shall pay Nurse Practitioner an annual base salary of \$122,000.00 per year for services performed in the capacity described in Paragraph III. This sum shall be earned and paid to the Nurse Practitioner in twenty-six (26) installments according to the SVH pay cycle calendar for so long as Nurse Practitioner remains employed and providing services. The payments will be subject to all lawful withholding under state and federal law and any other authorized deductions.

- B. Retention Incentive. As an incentive to remain employed by SVH, the hospital agrees to pay Nurse Practitioner a Retention Incentive on the terms, conditions and schedule set forth in Exhibit A to this Employment Agreement.

- C. Relocation Allowance. Practitioner will be provided reimbursement of up to \$5,000, upon submission of satisfactory receipts or travel records, for relocation expenses associated with move to Sierra County, New Mexico. Eligible expense categories include moving truck or moving company expenses, lodging, meals, temporary storage (not to exceed one (1) month), and mileage accrued on personally owned vehicle (not to exceed one (1) vehicle).

- D. Education/CME Allowance. Nurse Practitioner is entitled to up to five (5) days per year time off to participate in CME (Provider's appointment schedule may be adjusted to accommodate CME). SVH shall reimburse to Nurse Practitioner receipted expenses for continuing medical education up to a limit of \$5,000 annually. Allowable expenses include books and journals, registration fees and travel, lodging and meals for Nurse Practitioner. Private vehicle travel will be reimbursed at the IRS-allowable per mile expense.

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- E. Paid Time Off. Nurse Practitioner will accrue paid time off at the same rate as other SVH employees with the same years of experience and shall be entitled to cash-out of PTO to the same extent as other SVH employees.
- F. Benefits. Nurse Practitioner shall be entitled to participate in all fringe benefits in effect and which are available for employees of SVH during the term of employment. To the extent that any modification, suspension, or discontinuance affects all comparable employees of SVH. SVH reserves the right to modify, suspend or discontinue any or all such benefits at any time without recourse by the Nurse Practitioner.

V. PERIODIC REVIEW AND EVALUATION

- A. Quality Evaluation. Nurse Practitioner will be evaluated through the Peer Review and credentialing process.

VI. TERM

- A. The term of this Agreement is three (3) years from the date of Commencement as set forth in Section II A.

VII. TERMINATION

- A. By SVH for Cause. This Employment Agreement may be terminated by SVH for cause upon thirty (30) days written notice. Cause includes, but is not limited to, the following:
 1. Nurse Practitioner fails to perform duties or obligations imposed upon Nurse Practitioner by this Employment Agreement, or by reason of disability is unable to perform.
 2. Nurse Practitioner violates any SVH Personnel Policies or Guidelines that are grounds for termination for any employee of SVH.
 3. Notice is received that the applicable New Mexico Medical Board has restricted, suspended, or revoked Nurse Practitioner's license.
 4. Nurse Practitioner's Clinical privileges at SVH are revoked, suspended, or modified by SVH to substantially limit the effective practice by Nurse Practitioner in Nurse Practitioner's specialty.
 5. Nurse Practitioner abuses or neglects any patient assigned to Nurse Practitioner's care.
 6. Nurse Practitioner is charged with violating any law of the United States of America or the State of New Mexico related to or arising from Nurse Practitioner's practice.

Approved/Initial _____

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7. Nurse Practitioner displays or engages in behavior which does or could compromise the professional manner in which SVH or Nurse Practitioner provides services to patients or the orderly delivery of patient care.
- B. Depending on the circumstances, SVH reserves the right to place Nurse Practitioner on thirty (30) days leave with pay in lieu of a corresponding advance notice of termination for cause.
- C. By Nurse Practitioner for Cause. This Employment Agreement may be terminated by Nurse Practitioner upon thirty (30) days written notice upon SVH's failure to perform any duty or obligation imposed upon SVH by this Employment Agreement.
- D. By SVH without Cause. SVH shall have the right to terminate this Employment Agreement at any time and without cause provided that ninety (90) day written notice is delivered to Nurse Practitioner. Upon issuance of any such notice, SVH at its option may relieve Nurse Practitioner of any obligation to perform additional services hereunder provided that SVH shall continue to pay salary and benefits to Nurse Practitioner during such period.
- E. By Nurse Practitioner without Cause. Nurse Practitioner shall have the right to terminate this Employment Agreement at any time and without cause by giving ninety (90) days written notice thereof to SVH.

VIII. EFFECT OF TERMINATION

- A. No termination of this Employment Agreement will impair the enforcement of any obligation accrued prior to or as a result of such termination. No termination will impair any continuing obligation under this Employment Agreement which by its terms or because of its purpose services termination.

IX. PROFESSIONAL LIABILITY COVERAGE

- A. Coverage. SVH will maintain professional liability insurance covering Nurse Practitioner and Hospital consistent with the requirements of the Medical Staff Bylaws. Nurse Practitioner shall be named as an additional insured under Hospital's professional liability insurance. If the professional liability insurance is written on a claim made policy form, the policy shall also provide "tail coverage" following the last date the policy was in effect.

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B. Defense.

1. Except as otherwise provided in the remainder of this paragraph, SVH and its professional liability insurer will have the sole right to control all aspects of a liability claim asserted as a result of Nurse Practitioner's services under this Employment Agreement, including the selection of defense counsel and settlement of all claims. With respect to claims covered by the Nurse Practitioner's professional liability insurer, the Nurse Practitioner defense counsel will be selected by the Nurse Practitioner and insurer.
2. As between SVH and Nurse Practitioner, SVH will have the sole right to control all decisions regarding settlement of claims. Nurse Practitioner agrees to abide by the decision of SVH.

X. MEDICAL JUDGMENT

- A. Nurse Practitioner will be solely responsible for making all professional medical judgments in the care of patients. SVH will not exercise any control of any Nurse Practitioner's professional medical judgment. Nurse Practitioner will ensure that the quality of medical services provided by Nurse Practitioner meets or exceeds currently approved and generally accepted standards for the treatment of patients in the community.

XI. DISCLOSURE OF INFORMATION

- A. During or any time after termination of employment hereunder, Nurse Practitioner will not, without authorization of SVH, disclose to or use for the benefit of Nurse Practitioner personally, any person, corporation, or other entity, any files, medical records, or other confidential information concerning the business, clients, patients, methods, operation, financing, or services of SVH. Confidential information shall mean all patient-related information and all information not generally known to the public that is disclosed to Nurse Practitioner or known as a consequence of employment by SVH, whether or not pursuant to this Employment Agreement. Nurse Practitioner shall maintain appropriate patient charts, files and records of all professional services rendered pursuant to this Employment Agreement, and Nurse Practitioner shall prepare in connection with these services all reports, insurance claims and correspondence necessary or appropriate in the circumstances.

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XII. RIGHTS TO COMPANY MATERIAL

- A. Nurse Practitioner agrees that all materials, including patient files and records, other files, books, reports correspondence, records, and other documents (“SVH Materials”) used, prepared, or made available to Nurse Practitioner, shall be and shall remain the property of SVH. Upon termination of employment or the expiration of this Employment Agreement, all SVH material shall be returned immediately to SVH, and Nurse Practitioner shall not make or retain any copies thereof. The provisions of this paragraph XIII are for the sole benefit of SVH and may be waived, in whole or in part, by SVH only in a written instrument executed by the Administrator of SVH or his designee.

XIII. BINDING EFFECT

- A. This Employment Agreement shall be binding upon and continue to the benefit of any successor of SVH, and any such successor shall be deemed substituted for SVH under the terms of this Employment Agreement for all purposes. As used herein, “successor” shall include any person, firm, corporation, or other business entity, which at any time, whether by purchase, merger, or otherwise, directly, or indirectly acquires the assets or business of SVH.

XIV. DISPUTE RESOLUTION

- A. Except with regard to the provisions of Section VII regarding Termination, or the provisions of the Medical Staff Bylaws, SVH and Nurse Practitioner agree to administratively exhaust any dispute resolution procedures provided for by SVH employee policies or procedures then in effect at the time a dispute arises between SVH and Nurse Practitioner. Any dispute or controversy arising out of this Agreement that cannot be settled by the parties through existing SVH dispute resolution procedures shall proceed as follows:
 - 1. Mediation. The parties shall first submit the dispute or controversy to mediation in accordance with the following procedure. Each party shall have five (5) business days from the date they cease direct negotiations to submit to each other a written list of acceptable qualified mediators not affiliated with any of the parties. Within five (5) days from the date of receipt of such list, each party shall rank the mediators in numerical order preference and exchange such rankings. If one or more names are on both lists, the highest-ranking person shall be designated as the mediator. If no mediator has been selected under this procedure, the parties agree jointly to request a District Judge from the Seventh Judicial District of New Mexico of their choosing to supply within ten (10) business days a list of potential qualified mediators. Within five (5) business days of receipt of the list, the parties shall again rank the

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proposed mediators in numerical order of preference and shall simultaneously exchange such list and shall select as the mediator the individual receiving the highest combined ranking. If such mediator is not available to serve, they shall proceed to contact the mediator who was next highest in ranking until they promptly designate a mutually convenient time and place for the mediation, and unless circumstances require otherwise, such time is to be not later than forty-five (45) days after selection of the mediator. The parties agree to participate in the mediation procedure to its conclusion. The mediation shall be terminated (i) by the execution of a settlement agreement by the parties, (ii) by a declaration of the mediator that the mediation is terminated or (iii) by a written declaration of a party to the effect that mediation process is terminated. If the mediation is terminated without a resolution of the dispute, the parties agree to arbitrate in accordance with the following Section XIV. B The fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, consultant, expert, or counsel for any party with respect to the dispute and any related matters.

2. Arbitration. If any dispute or controversy cannot be settled by the parties in accordance with the above procedure, above, the dispute or controversy shall be settled by binding arbitration in Sierra County, Truth or Consequences, New Mexico. The Parties shall agree upon an arbitrator and in the event the Parties do not agree upon an arbitrator, the Chief Judge (Civil) of the Seventh Judicial District shall name an appropriate arbitrator. The arbitrator shall decide procedural issues including discovery procedures. The arbitrator's award will be final, and binding and judgment may be entered in any court of competent jurisdiction.

XV. ATTORNEY'S FEES

- A. SVH and Nurse Practitioner agree that if either party must employ attorneys or accountants to enforce the terms of this Employment Agreement or otherwise as a result of a breach of this Employment Agreement by the other, and if such dispute is presented to a court of law or arbitration under Section XIV, then the prevailing party in any such proceeding(s) shall be entitled to reasonable attorneys' fees, fees of experts permitted to testify as such by the court, and costs, to be determined by the court or the arbitrator.

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XVI. SAVINGS CLAUSE

- A. Should any valid federal or state law or final determination of any administrative agency or, court of competent jurisdiction affect any provision of this Employment Agreement, the provision or provisions so affected shall be automatically conformed to the law or determination and otherwise this Employment Agreement shall continue in full force and effect.

XVII. CONSTRUCTION

- A. The parties have negotiated this Employment Agreement and have cooperated in the drafting and preparation of this Employment Agreement. In any construction to be made of this Employment Agreement, the same shall not be construed against any party on the basis of that party being the “drafter.” All words used in this Agreement shall, where appropriate, be read as if written in the plural, and shall be construed to refer to either the masculine or feminine or non-binary identification as the context may require.

XVIII. ENTIRE AGREEMENT AND WAIVER

- A. This instrument constitutes the entire agreement of the parties hereto regarding Nurse Practitioner’s employment as described in this Agreement. This Employment Agreement may be modified, amended, or waived only by written instrument executed by both parties. No waiver of a breach hereto shall be deemed to constitute a waiver of a future breach whether of a similar or a dissimilar nature.
- B. Nurse Practitioner may not assign rights nor delegate duties under this Employment Agreement without the prior written consent of SVH. Except as provided in the next sentence, SVH may not assign its rights nor delegate its duties under this Employment Agreement without the prior written consent of Nurse Practitioner. Notwithstanding the foregoing, SVH may assign its rights under this Employment Agreement and delegate its duties under this Employment Agreement to any organization affiliated with SVH or to any successor organization.

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XIX. MEDICAL RECORDS

- A. While performing services under this Employment Agreement, Nurse Practitioner may have access to records relating to the treatment of patients at SVH (“Medical Records”). Except as otherwise provided in this paragraph, Nurse Practitioner agrees not to disclose any Medical Records or the contents of any Medical Records to anyone other than (i) any employee of SVH who needs to know the contents of the Medical Records in the performance of their employment; members of the Medical Staff involved in the direct care of the concerned patient; and an individual or entity designated in a release signed by a patient. Nurse Practitioner shall refer all requests for releases of patient records or information to the SVH Medical Records Department for processing in accordance with SVH policy and applicable law.

XX. GOVERNING LAW

- A. Applicable Law. This Employment Agreement has been negotiated and executed in the State of New Mexico and the laws of that State shall govern its construction and validity.
- B. Compliance with Law. It is the intent of the parties that this Employment Agreement comply in all respects with all federal, state, and local laws, regulations, rules, and interpretive case decisions governing the relationship between and among tax exempt health care Providers and their employees (“Health Care Laws”), and the Parties have structured their relationship with that specific intent. However, each of the Parties also understands that Health Care Laws are both complicated and in a state of flux. Therefore, in the event that any provision of the Employment Agreement is rendered invalid or unenforceable; or Health Care Laws are altered by Congress, the State of New Mexico, or by any regulation duly promulgated by any agency or department of the United States or the State of New Mexico, acting in accordance with law; or either party reasonably believes that it could be materially adversely affected by the application of such Health Care Laws to this Employment Agreement or the performance by either party hereunder, then and in any of the foregoing events, the remainder of the provisions of this Employment Agreement shall remain in full force and effect, subject to the following:
1. If any of the events set forth above arise, any party deeming itself to be adversely affected thereby shall notify the other party of the issue. The Parties agree to meet and to negotiate in good faith to determine whether this Employment Agreement can be restructured in such a manner that is consistent with Health

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Care Laws and will allow the Parties to continue to implement the intent of this Employment Agreement without there being adverse impact on either party.

2. If the Parties are unable to reach a mutually agreeable restructuring within ninety (90) days of said notification, then the party adversely affected shall have the right to submit the issue for Dispute Resolution as outlined above to accomplish a restructuring of this Employment Agreement to comply with such Health Care Laws.

XXI. BATEMAN ACT CLAUSE AND FORCE MAJEURE

- A. Pursuant to the Bateman Act, under New Mexico law SVH may terminate this Employment Agreement in the event that funds are not appropriated for its performance in any fiscal year.
- B. Notwithstanding any contrary provision in this Employment Agreement, SVH may in its sole discretion elect to modify or suspend any notice provisions and provisions for payments if the events giving rise to any termination of this Employment Agreement are caused, directly or indirectly, by circumstances beyond the reasonable control of SVH including, without limitation, Acts of God, earthquakes, fires, floods, wars, civil or military disturbances, acts of terrorism, sabotage, epidemics, pandemics, public health emergencies, riots, acts of civil or military authorities, or other government actions.

XXII. EXECUTION

- A. Date of Execution. This employment Agreement is effective from and after the date specified in the introductory paragraph and Section II of this agreement.
- B. Other Agreements. By executing this Agreement, the Nurse Practitioner warrants to SVH that Nurse Practitioner is not prohibited by any agreements to which the Nurse Practitioner is a party from: (i) becoming an employee of SVH; or (ii) performing the services herein described.
- C. Counterparts. This Employment Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Photographic copies of such signed counterparts may be used in lieu of the originals for any purpose.

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IN WITNESS WHEREOF, the Parties hereto have executed this Employment Agreement between Ranjana Verma, PMHNP and Sierra Vista Hospital as of the date first above written.

NURSE PRACTITIONER:

SIERRA VISTA HOSPITAL:

Nichelle Virgil, PMHNP

Frank A. Corcoran, CEO

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EXHIBIT A TO EMPLOYMENT AGREEMENT

This Addendum to and Extension of Employment Agreement (“Agreement”) is made and dated as of February ____, 2024, between Sierra Vista Hospital, a New Mexico governmental organization (“SVH”) and Nichelle Virgil, PMHNP (“Psychiatric Mental Health Nurse Practitioner”) (together the “Parties”).

I. Retention Incentive – Hard to fill Clinical Positions

The Incentive will be paid as follows (Anniversary of hire date used for 2nd & 3rd Payments):

- \$5,000.00 on the first payroll following the 90-day probationary period.
- \$5,000.00 upon completion of one year of successful employment.
- \$5,000.00 upon successful completion of the second year.

II. Productivity Retention Incentive - Work Relative Value Unit (wRVU)

A. Sierra Vista Hospital agrees to pay a quarterly productivity retention incentive based on Work Relative Value Unit (wRVU) based on the most current Medical Group Management Association (MGMA) database for Psychiatric Mental Health Nurse Practitioner: Sierra Vista Hospital shall pay 3.75% of base pay quarterly (15% of base annually) for wRVU at the 75th percentile of the most current MGMA for a Psychiatric Mental Health Nurse Practitioner.

Sierra Vista Hospital shall pay 7.5% of base pay quarterly (30% Annually) for worked RVUs at the 90th percentile of MGMA for a Psychiatric Mental Health Nurse Practitioner.

B. The current MGMA 2020 annual wRVU for a Psychiatric Mental Health Nurse Practitioner:

- The 75th percentile annual wRVU is 3066 with a quarterly target of 2044 (total compensation potential \$140,336).
- The 90th percentile annual wRVU is 3727 with a quarterly target of 2779 (total compensation potential \$162,238).

C. wRVU targets are updated annually with the most current MGMA database.

By: _____
Nichelle Virgil, PMHNP

By: _____
Frank A. Corcoran, CEO