



STANDARD TERMS AND CONDITIONS OF SERVICE

This document describes the standard terms and conditions for the provision of services by Favorite Healthcare Staffing, Inc. to its clients. In the event any of these terms and conditions conflict with other arrangements agreed upon in writing or stated in a Favorite Healthcare Staffing, Inc. billing rate letter, such other terms and conditions shall apply. Changes to these standard terms and conditions of service may occur from time to time and will be published at the www.favoritestaffing.com web site.

The Responsibilities of Favorite Healthcare Staffing, Inc.:

It is Favorite Healthcare Staffing, Inc.'s responsibility to:

1. Provide services in conformance with all Joint Commission standards applicable to Health Care Staffing Services.
2. Provide service coordinator staff on a 24 hour per day, 365 day per year basis to receive and process service requests and changes.
3. Match client service requests with Temporary Healthcare Personnel (THPs) who are properly screened and qualified in accordance with our standard hiring practices.
4. Provide clients, upon request, with documentation of the skills and qualifications of assigned personnel, either via e-mail or facsimile.
5. Instruct all THPs to always carry on their person an original license, evidence of current CPR and any applicable specialty certifications, for immediate client inspection.
6. Assume sole responsibility as the employer of record for the payment of wages to THPs and for the withholding of applicable federal, state and local income taxes, the making of required Social Security tax contributions, and the meeting of all other statutory employer responsibilities (including, but not limited to, unemployment and worker's compensation insurance, payroll excise taxes, etc.).
7. Comply with federal, state and local labor and employment laws applicable to Assigned Employees, including the Immigration Reform and Control Act of 1986; the Internal Revenue Code ("Code"); the Employee Retirement Income Security Act ("ERISA"); the Health Insurance Portability and Accountability Act ("HIPAA"); the Family Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); the Uniformed Services Employment and Reemployment Rights Act of 1994; as set forth in subparagraph h. below, the Patient Protection and Affordable Care Act (ACA); and the Occupational Safety and Health Act of 1970.
8. Comply with all provisions of the ACA applicable to Assigned Employees, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations.
9. Maintain a system documenting, tracking, and reporting unexpected incidents, including errors, unanticipated deaths and other events, injuries, and safety hazards relating to the care and services provided. (It is the Clients' responsibility to promptly notify Favorite Healthcare Staffing within 24 hours of when an incident occurs. Upon notification, Favorite Healthcare Staffing will then implements incident tracking/resolution processes and communicate with the client as needed.) Client may be required to provide written documentation to Favorite to facilitate the investigation and potential corrective actions of incidents. Depending on the severity of the incident; Favorite will also have our Risk Oversight Committee review and make recommendations.
10. Maintain general liability insurance and professional liability insurance with limits equal to or greater than \$1,000,000 per occurrence and \$3,000,000 aggregate and to provide certificates of insurance on request.
11. Not use subcontractors in the usual course of providing staffing services unless otherwise contracted for and approved in writing.
12. Not discriminate in employment with respect to race, religion, sex, creed, disability or national origin in compliance with all applicable laws including Title VII of the Civil Rights Acts of 1964, or any of its amendments, and the Americans with Disabilities Act.
13. Comply with Section 1861(v) of the Social Security Act, and, therefore, for a period of four years, make available upon written request such books, documents and records as are necessary to certify the nature and extent of the cost of providing services.



STANDARD TERMS AND CONDITIONS OF SERVICE

The Roles/Responsibilities of Client:

1. Make final determination of the suitability of THP documented competencies and experience as presented by Favorite Healthcare Staffing, Inc. for the designated assignment.
2. Provide orientation which, at minimum, includes the review of policies and procedures regarding medication administration, documentation procedures, patient rights, Infection Prevention, and Fire and Safety, OSHA and EMR/Charting (if applicable).
3. Manage Favorite Healthcare Staffing, Inc.' THPs consistent with their own policies and procedures and address any incident consistent with those policies and procedures. Promptly notify (within 24 hours) Favorite Healthcare Staffing, Inc. by written documentation of any unexpected incidents, errors and sentinel events that involve THPs and of any occupational safety hazards or events that involve THPs.
4. Recognize Favorite Healthcare Staffing, Inc.' policy regarding the floating of staff whereby THPs are instructed not to accept a floating assignment if they do not have the skills required to perform a competent level of care.
5. Assist Favorite Healthcare Staffing, Inc. with the periodic evaluation (no less than annually) of THP job performance. Travelers will be evaluated after each assignment.
6. If applicable, when advanced practice services are requested (NPs and/or PAs), it is the responsibility of the CLIENT to have an executed copy of the Collaborative Agreement between the advanced practice personnel and the collaborating physician.
7. Promptly notify (within 24 hours) Favorite Healthcare Staffing, Inc. by written documentation of any unsatisfactory job performance or action taken to terminate the services of a THP due to incompetence, negligence, or misconduct. In such event the client shall only be obligated to compensate Favorite Healthcare Staffing, Inc. for actual time worked by the THP.
8. If unable to resolve a problem or complaint at the branch or department level, please refer to our Client Grievance Policy located on our website at www.favoritestaffing.com for instructions on how to submit a grievance to Favorite or to report concerns to The Joint Commission. Client may submit a grievance in writing to the corporate office by mail or by email to clientcomments@favoritestaffing.com or by calling our corporate office Human Resources/Quality Assurance Director at 800-676-3456.
9. Provide at least two hours notice of any cancellation of assignment or accept responsibility for payment of two hours of service at the applicable rate for Per Diem shifts. Travelers should not be cancelled unless rescheduled within the same week.
10. Timely and accurately approve an appropriate employee assignment record, sign-in-sheet, etc. reflecting the **actual net time** (i.e. excluding meal breaks, etc.) worked by THP. If the client requires the THP to provide additional information such as nursing notes, narratives, etc., the client approval acknowledges the receipt of such additional information. All time records are due by Monday for the week ending the previous Friday.
11. Remit payment for services directly to Favorite Healthcare Staffing, Inc. upon receipt of invoice. In the event the client questions any amounts invoiced, an explanation of any items in question must be received by Favorite Healthcare Staffing, Inc.' Accounts Receivable department within 15 days. This notification must be made by one of the following means:

By telephone: (800) 676 – 3456	By U.S. mail to:
By fax: 866-291-1511	Favorite Healthcare Staffing, Inc.
By e-mail: accountsreceivable@favoritestaffing.com	Attn.: Accounts Receivable
	7255 W. 98 th Terr., Suite 150
	Overland Park, KS 66212
12. Pay interest equal to 1.5% per month plus cost and disbursements, including reasonable attorney and/or collection fees, incurred in the collection of the client's account in the event client fails to remit payment within 30 days from the invoice date.
13. To help offset the additional administrative and compliance costs attributable to the Affordable Care Act; effective May 1, 2015, an ACA surcharge will be applied at a minimal cost to you at \$0.25 per hour for the total hours billed on each invoice as a separate line item for the services we provide to your facility. We feel the surcharge will make for ease of implementation with the least amount of complication. Our goal is that the surcharge will have minimal impact on your facility.



STANDARD TERMS AND CONDITIONS OF SERVICE

The Roles/Responsibilities of Client Cont'd:

The following Policy and Fee Schedule shall apply to any Direct Hire placements that occur:

1. Direct Hire Option:

The direct hire fee shall be equal to the following percent of the candidate's first year's annualized salary for any candidate presented to Client by Favorite who accepts a position. Salary amount will be listed on the employment letter for the candidate; a copy of this letter will be provided to Favorite.

Table with 3 columns: Position Level, Job Specification, Direct Hire Fee. Rows include Staff Position (18%), Mid-Level (20%), Executive Level (25%), and Physicians (20K).

A. Client agrees to make payment to Favorite in the following manner:

- i. Client will be invoiced upon confirmation of placement for each candidate.
ii. Full payment of the direct hire fee will be due to Favorite within thirty (30) days of the invoice date.

B. Direct Hire Guarantee:

In the unlikely event that the client is unsatisfied with a candidate provided by Favorite prior to completion of ninety (90) days of the start date the client may choose to end the candidate's employment, resulting in a credit on a replacement as follows:

Table with 2 columns: Duration (0-30 days, 31-60 days, 61-90 days) and Credit (100%, 50%, 25%).

- i. No replacement will be offered in the event of layoff, a substantial change in the original job description, or elimination of the position.
ii. Credits may be used immediately or within twelve (12) months beginning at the termination date.
iii. Client will not directly hire a candidate from another staffing agency for 12 months from when Favorite initially presented the candidate for hire.

2. Temp-to-Perm Option:

A Temp-to-Perm position will include a temporary hourly bill rate and a reduced permanent placement (conversion) fee upon the successful completion of the temporary portion of the assignment based on a fee mutually agreed upon. Client must give Favorite a 30 day written notice of intent to hire. Full payment of the placement fee is due within 30 days of the Temporary Healthcare Professional's start date as an 'employee' of the client. These terms shall apply unless this right is specifically protected in accordance with state and/or local law. Please contact our Direct Hire Division at 800-676-3456 if you wish to use our Temp-to-Perm Option.

Joint Commission

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

Phone: 800-994-6610
E-Mail: complaint@jointcommission.org
Fax: 630-792-5636

Mail: Office of Quality and Patient Safety
The Joint Commission
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
Online: www.jointcommission.org

These terms shall apply unless this right is specifically protected in accordance with state and/or local law. (In accordance with the MN Statute 144A.72 Favorite will not, in any MN contract, with any MN employee or MN health care facility, require the payment of liquidated damages, employment fees, or other compensation should the employee be hired as a permanent employee of a health care facility. The following Direct Hire/Temp to Perm terms will apply for all allied personnel and/or personnel not providing "direct patient care"; excluding clinical RNs, LPNs, and CNAs in the State of Minnesota.