

Memorandum of Understanding
Between the City of Valdez, Alaska and Providence Valdez Medical Center

This Memorandum of Understanding ("MOU") is made and entered into by and between the City of Valdez ("City") and Providence Health and Services – Washington, d.b.a. Providence Valdez Medical Center ("Hospital").

WHEREAS, the provision of reliable high quality medical services is of great importance to the health and wellbeing of Valdez citizens; and

WHEREAS, the City has determined that an insufficient number of physicians presently serve the community and the high turnover rate of physicians practicing within the City of Valdez is detrimental to the health and wellbeing of Valdez citizens; and

WHEREAS, the City has enacted by a resolution a Physician Recruitment and Retention Program ("Program") in order to recruit and retain highly capable physicians to practice in the City of Valdez; and

WHEREAS, the Program will provide up to a total of \$300,000 annually with \$60,000 being available to any qualifying physician practicing medicine on a full time basis within the City of Valdez; and

WHEREAS, the Program provides benefits to the Hospital by allowing the Hospital to recruit and retain physicians.

WHEREAS, the Hospital employs physicians that benefit from the Program and possesses information necessary for the successful administration of the Program.

WHEREAS, the purpose of this Memorandum of Understanding ("MOU") is to ensure that Hospital and City will work cooperatively to ensure the success of the Program.

NOW THEREFORE, the City and Hospital agree as follows:

1. Hospital agrees to provide quarterly reports to the City containing the number of hours each employed physician worked during the preceding quarter and certifying that the physician practiced as a full time physician during the preceding quarter.

2. Hospital agrees that no aspect of physician's compensation or benefits, including bonuses customarily offered to physicians upon signing an employment agreement to practice medicine within the City of Valdez, that would otherwise be provided to physician by the Hospital will be reduced in any way as a

result of physician's receipt of compensation under this Agreement.

3. Hospital will not require the physician to enter into an agreement with a provision not to compete with the Hospital as a condition of employment.

4. Hospital agrees not to require physician to pay or transfer any amount of the compensation contemplated under this Agreement to Hospital or any third party.

5. The City and the Hospital agree to exercise good faith in upholding the intent of this MOU.

6. The City and the Hospital shall hold the other harmless from any liability that may arise from performance under this MOU.

7. The City or the Hospital may, in its sole discretion, withdraw from this MOU after providing the other party with 30 days' notice of the withdrawal.

IN WITNESS THEREOF, the Hospital and the City of Valdez have executed this MOU on the dates listed below.

PROVIDENCE VALDEZ MEDICAL CENTER

By: _____

Date

CITY OF VALDEZ

Dennis Fleming, Mayor Pro-Tempore

Date

Attest: _____
Sheri L. Pierce, MMC, City Clerk

Approved as to Form

By: _____
Jake W. Staser, City Attorney