



October 19, 2023

TO: Legal Counsel

News Media

Salinas Californian

El Sol

Monterey County Herald

Monterey County Weekly

KION-TV

KSBW-TV/ABC Central Coast

KSMS/Entravision-TV

The next regular meeting of the **PERSONNEL, PENSION AND INVESTMENT COMMITTEE - COMMITTEE OF THE WHOLE** of **SALINAS VALLEY HEALTH**<sup>1</sup> will be held **TUESDAY, OCTOBER 24, 2023, AT 12:00 P.M., DOWNING RESOURCE CENTER, ROOMS A, B, & C SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA** or via **TELECONFERENCE**.  
(Visit [SalinasValleyHealth.com/virtualboard](https://www.SalinasValleyHealth.com/virtualboard) meeting for Access Information).

A handwritten signature in black ink, appearing to read "Pete Delgado".

Pete Delgado  
President/Chief Executive Officer

Committee Members: Juan Cabrera, Chair; Catherine Carson, Vice Chair; Pete Delgado, President/CEO; Augustine Lopez, Chief Financial Officer; Michelle Childs, Chief Human Resources Officer; Glenn Berry, MD, Medical Staff Member; Tony Redmond, Community Member

**PERSONNEL, PENSION AND INVESTMENTS COMMITTEE  
COMMITTEE OF THE WHOLE  
SALINAS VALLEY HEALTH<sup>1</sup>**

**TUESDAY, OCTOBER 24, 2023, 12:00 P.M.  
DOWNING RESOURCE CENTER, ROOMS A, B & C**

**Salinas Valley Health Medical Center  
450 E. Romie Lane, Salinas, California  
or via Teleconference  
(Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information)**

**AGENDA**

1. Call to Order / Roll Call
2. Consider Recommendation for Board Approval of
  - a. The Findings Supporting Recruitment of Nicholas Klimberg, MD,
  - b. The Contract Terms for Dr. Klimberg's Recruitment Agreement, and
  - c. The Contract Terms for Dr. Klimberg's Pulmonology Professional Services Agreement (RADNER /RAY)
3. Consider Recommendation for Board Approval of Contract Terms for Juan Rodriguez, MD's Diagnostic and Interventional Radiology Professional Services Agreement (RADNER /RAY)
4. Consider Recommendation for Board Approval of Findings Supporting Recruitment of Physicians to Monterey Bay GI Consultants Medical Group and Approval of Recruitment Incentives (RADNER /RAY)
5. Public Input  
This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda.
6. Closed Session
7. Reconvene Open Session/Report on Closed Session
8. Adjournment  
The next Personnel, Pension and Investment Committee Meeting is scheduled for **Tuesday, November 14, 2023 at 12:00 p.m.**

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Committee packet is available at the Committee Meeting, at [www.SalinasValleyHealth.com](http://www.SalinasValleyHealth.com), and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Committee.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-759-3050. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

**PERSONNEL, PENSION AND INVESTMENT COMMITTEE MEETING  
COMMITTEE OF THE WHOLE**

**AGENDA FOR CLOSED SESSION**

*Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.*

**CLOSED SESSION AGENDA ITEMS**

**PUBLIC EMPLOYEE APPOINTMENT**

(Government Code §54957)

**Title:** (Specify description of position to be filled): Chief Executive Officer

**ADJOURN TO OPEN SESSION**

*CALL TO ORDER*  
*ROLL CALL*

*(Chair to call the meeting to order)*

## Board Paper: Personnel, Pension and Investment Committee

Agenda Item: **Consider Recommendation for Board Approval of (i) the Findings Supporting Recruitment of Nicholas Klimberg, MD, (ii) the Contract Terms for Dr. Klimberg's Recruitment Agreement, and (iii) the Contract Terms for Dr. Klimberg's Pulmonology Professional Services Agreement**

Executive Sponsor: Allen Radner, MD, Chief Medical Officer, Salinas Valley Health  
Gary Ray, Chief Administrative Officer, Salinas Valley Health Clinics

Date: October 24, 2023

### Executive Summary

In consultation with members of the medical staff, Salinas Valley Health (SVH) executive management has identified the recruitment of a physician specializing in Pulmonology/Critical Care as a recruiting priority for the Medical Center's service area. Based on the Medical Staff Development Plan, completed by ECG Management Group in January 2023, the specialty of Pulmonology is recommended as a priority for recruitment. In addition, the retirement of one part-time pulmonologist and succession planning for another full-time pulmonologist emphasizes the need for an additional physician.

The recommended physician, Nicholas Klimberg, MD, received his Doctor of Medicine degree at New York Medical College in Valhalla, New York. Dr. Klimberg completed his Internal Medicine residency at University of California (UC) Davis in 2019 and continued to provide hospitalist medicine services at UC Davis after residency training. Dr. Klimberg served as Chief Pulmonology & Critical Care Fellow during his Fellowship training at University of Arizona - Banner Health in Tucson. Since completing his training in June 2023, Dr. Klimberg has been providing intensivist services on a per-diem basis at Sound Critical Care in San Jose. Dr. Klimberg has a California medical license, speaks medical Spanish and plans to join Salinas Valley Health Clinics in January 2024.

### Terms and Conditions of Agreements

The proposed physician recruitment requires the execution of two types of agreements:

- 1. Professional Services Agreement.** The proposed professional services agreement includes the following terms and conditions:
  - **Professional Services Agreement (PSA).** Physician will be contracted under a PSA with Salinas Valley Health and a member of Salinas Valley Health Clinics that provides W-2 relationship for IRS reporting.
  - **Term.** PSA is for a term of 2 years. Physician's annual compensation will be reported on an IRS W-2 Form as a contracted physician.
  - **Schedule.** Physician will provide patient services on a full-time basis, in the clinic, hospital intensive care unit, or on hospital rounds 204 weekday shifts and 26 weekend shifts per year. These shifts are included in physician's base compensation.
  - **Hospital Call.** Physician will cover the pulmonary hospital call panel 65 weekday night shifts and 26 weekend night shifts year. Hospital call shifts are included in physician's base compensation.
  - **Base Compensation.** Physician will receive base compensation of \$509,255 per year.
  - **Excess Shift Compensation.** Day shift and hospital call shift coverage in excess of the number of shifts included in Physician's Base Compensation will be paid at the following rates:
    - ❖ **Excess Day Shift Compensation.** \$1,630.00 per excess shift.
    - ❖ **Excess Hospital Call Weekday Night Shift:** \$1,325.00 per excess shift.
    - ❖ **Excess Hospital Call Weekend Night Shift:** \$1,855.00 per excess shift.
  - **Annual Incentive Plan.** Compensation of up to \$9,500 annually by meeting established performance metrics.

- **Benefits.** Physician will be eligible for standard SVH Clinics physician benefits:
    - ❖ Access to SVH Health Plan for physician and qualified dependents. Premiums are projected based on 15% of SVH cost.
    - ❖ Access to SVH 403(b) and 457 retirement plans. Five percent (5%) base contribution to 403b plan that vests after three years. This contribution is capped at the limits set by Federal law.
    - ❖ Four weeks (20 days) of time off each calendar year.
    - ❖ Continuing Medical Education (CME) annual stipend in the amount of \$2,400 paid directly to physician and reported as 1099 income.
  - **Professional Liability.** Physician will receive professional liability policy through BETA Healthcare Group.
2. **Recruitment Agreement** that provides a sign-on bonus of \$30,000 which is structured as forgivable loan over two years of service.

**Meeting our Mission, Vision, Goals  
Strategic Plan Alignment:**

The recruitment of Dr. Klimberg is aligned with our strategic priorities for the growth and finance pillars. We continue to develop Salinas Valley Health Clinics infrastructure that engages our physicians in a meaningful way, promotes efficiencies in care delivery and creates opportunities for expansion of services. This investment provides a platform for growth that can be developed to better meet the needs of the residents of our District by opening up access to care regardless of insurance coverage or ability to pay for services.

**Pillar/Goal Alignment:**

- Service**     **People**     **Quality**     **Finance**     **Growth**     **Community**

**Financial/Quality/Safety/Regulatory Implications**

The addition of Dr. Klimberg to SVH Clinics has been identified as a need for recruitment while also providing additional resources and coverage for the SVH Specialty Clinic practice.

The compensation proposed in these agreements have been reviewed and compared to published industry benchmarks to confirm that the terms contemplated are fair market value and commercially reasonable.

**Recommendation**

Salinas Valley Health Administration requests that the Personnel, Pension and Investment Committee recommend to the Salinas Valley Health Board of Directors approval of the following:

1. **The Findings Supporting Recruitment of Nicholas Klimberg, MD,**
  - That the recruitment of a pulmonologist to Salinas Valley Health Clinics is in the best interest of the public health of the communities served by the District; and
  - That the recruitment benefits and incentives the hospital proposes for this recruitment are necessary in order to attract and relocate an appropriately qualified physician to practice in the communities served by the District;
2. **The Contract Terms of the Recruitment Agreement for Dr. Klimberg; and**
3. **The Contract Terms of the Pulmonology Professional Services Agreement for Dr. Klimberg.**

**Attachments**

- Curriculum Vitae for Nicholas Klimberg, MD

# Nicholas Klimberg, M.D.

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## PROFESSIONAL EXPERIENCE

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<b>Intensivist – Sound Critical Care</b> Regional Medical Center, San Jose, CA	July 2023 – Present
<b>Chief Fellow - Pulmonary / Critical Care Fellowship</b> University of Arizona / Banner Health, Tucson, AZ	July 2020 – June 2023
<b>Hospitalist - Associate Physician</b> Department of Internal Medicine UC Davis Medical Center, Sacramento, CA	July 2019 – June 2020
<b>Internal Medicine Residency</b> UC Davis Health, Sacramento, CA	July 2016 – June 2019

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<b>M.D.</b> New York Medical College, Valhalla, NY	2012 - 2016
<b>B.S., Exercise Biology with Honors</b> University of California, Davis, CA	2007 - 2011

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## LICENSURE/CERTIFICATIONS

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Medical Board of California License (A152442)	Active
ABIM – Pulmonary Medicine	BC
ABIM – Critical Care	BE
ABIM – Internal Medicine	BC
ACLS, ENLS, NIHSS	Certified

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## ACTIVITIES

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### *Professional Development*

<b>Pulmonary Grand Rounds Conference</b> University of Arizona / Banner Health	July 2022 – June 2023
▪ Organize curriculum and schedule speakers for weekly grand rounds conference	
<b>Leadership Workshop</b> University of Arizona / Banner Health	July 2022
▪ Participated in a full-day leadership workshop for chief residents/fellows	
<b>Global Health Elective</b> University of Peradeniya, Sri Lanka	March 2019
▪ Selected for a one-month elective working at a government hospital in Sri Lanka	
<b>Leadership Track</b> UC Davis Health	2018 - 2019
▪ Engaged in journal clubs, book clubs, and seminars about leadership	
<b>Research Track</b> UC Davis Health	2017 - 2019
▪ Participated in a structured research curriculum	

<b>Medical Education Track</b>	2017 - 2018
UC Davis Health	
▪ Engaged in seminars on student feedback, teaching, and evidence-based exams	
<b>Quality Improvement &amp; Patient Safety Seminar</b>	2013 - 2014
New York Medical College	
▪ Participated in a 6-session small-group seminar on patient health and safety	
<b>Medical Spanish Program</b>	Summer 2013
Institute for Spanish Language Studies, Costa Rica	
▪ Studied medical Spanish and volunteered in local clinics to practice skills	
<i>Teaching/Mentoring</i>	
<b>Doctoring Program – Preceptor</b>	2017 - 2018
UC Davis School of Medicine	
▪ Tutored 2 <sup>nd</sup> year medical students on clinical reasoning and exam skills	
<b>Peer Tutoring Program – Tutor</b>	2015 - 2016
New York Medical College	
▪ Tutored 3 <sup>rd</sup> year medical students during clinical clerkships	
<b>Peer Mentoring Program – Mentor</b>	2015 - 2016
New York Medical College	
▪ Mentored medical students progressing through their 3 <sup>rd</sup> year	
<b>AOA Tutoring Program – Tutor</b>	Fall 2013
New York Medical College	
▪ Tutored 1 <sup>st</sup> year medical students on medical anatomy	
<b>Science and Technology Entry Program (STEP) – Tutor</b>	2012 - 2014
New York State STEP / New York Medical College	
▪ Tutored under-represented high school students with STEM interests	
<b>Human Gross Anatomy - Teaching Assistant</b>	Winter Qtr. 2011, 2012
University of California at Davis	
▪ Instructed 50 students on bi-weekly, three-hour anatomy lab sessions	
<i>Community / Institutional Service</i>	
<b>Patient Quality and Safety Committee - Member</b>	Oct. 2022 - June 2023
Graduate Medical Education, University of Arizona	
▪ Selected to serve on the GME patient quality and safety committee	
<b>ICU Committee - Resident Representative</b>	2017 - 2018
UC Davis Medical Center	
▪ Participated in monthly ICU Committee meetings and reported updates to the residency	
<b>La Casita de la Salud Clinic</b>	2017 - 2018
Metropolitan Hospital, East Harlem, NY	
▪ Cared for underserved patients at our NYMC student-run health clinic	
<b>Multiple Mini Interviewer</b>	March 2014



New York Medical College

- Interviewed medical school applicants for our multiple mini-interview process

**AMSA Global Health Committee - Medication Chair**

Jan.-Apr. 2013

New York Medical College

- Assisted in procuring medications/supplies for a medical relief trip to Honduras

**International Medicine Club – Secretary**

2013 - 2014

New York Medical College

- Recorded meeting minutes and communicated club events to the medical school class

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**SCHOLARSHIP**

Research Publications & Presentations

**Klimberg, N**, Patel B, Miller DC. Not your average ground glass opacity. Presented at: American Thoracic Society 2023 International Conference; May 19-24, 2023; Washington, D.C.

Yoshino KY, Shrestha P, Upson SM, **Klimberg N**. Use of infliximab as therapeutic option for steroid-resistant paradoxical reaction in TB. Presented at: Chest 2022 Annual Meeting; Oct 16-19, 2022; Nashville, TN. *Chest*. 2022;162(5), Suppl:A326.

**Klimberg NI**, Louie S, Harper RW. Sarcoidosis: protean presentations and pitfalls in diagnosis. *Consultant*. 2020;60(7):e11.

Alqalyoobi S, Boctor N, Sarkeshik AA, Hoerger J, **Klimberg N**, Bartolome BG, Stewart SL, Albertson TE. Therapeutic hypothermia and mortality in the intensive care unit: systematic review and meta-analysis. *Crit Care Resusc*. 2019;21(4):287-298.

**Klimberg N**, Harper RW. Factors affecting the diagnostic performance of bronchoalveolar lavage in sarcoidosis. Presented at: American Thoracic Society 2019 International Conference; May 17-22, 2019; Dallas, TX. *Am J Respir Crit Care Med*. 2019;199:A1536

Other Research Experience

**Senior Thesis Research Project, Dr. William Frishman MD**

2015-2016

Department of Medicine, New York Medical College

- Authored a clinical review on cardiac rehabilitation modalities for systolic heart failure

**NYMC Orthopedics Lab, Dr. Paul Lucas PhD**

Apr. 2015

Department of Orthopedic Surgery, New York Medical College

- Prepared immunohistologic slides for a xenogenic stem cell study

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**PROFESSIONAL SOCIETIES**

American Thoracic Society

American College of Chest Physicians

American Medical Association

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**INTERESTS**

**Professional:** Critical care, airway management, obstructive lung disease, interstitial lung disease, quality improvement and patient safety, community-oriented patient service

**Personal:** Hiking, camping, cycling, traveling, gardening, sports

## Board Paper: Personnel, Pension and Investment Committee

Agenda Item: **Consider Recommendation for Board Approval of Contract Terms for Juan Rodriguez, MD's Diagnostic and Interventional Radiology Professional Services Agreement**

Executive Sponsor: Allen Radner, MD, Chief Medical Officer, Salinas Valley Health  
Gary Ray, Chief Administrative Officer, Salinas Valley Health Clinics

Date: October 24, 2023

### Executive Summary

In consultation with members of the medical staff, Salinas Valley Health (SVH) executive management has identified the recruitment of a physician specializing in Interventional Radiology and Diagnostic Radiology as a recruiting priority for the Medical Center's service area.

The recommended physician, Juan Rodriguez, MD, received his Doctor of Medicine degree in 1998 from University of Zaragoza School of Medicine in Spain. After completing a surgery internship in 1999 at Hospital Comarcal de Alcañiz in Spain, Dr. Rodriguez completed his radiology residency at Louisiana State University Health and Sciences Center in Shreveport, LA. Dr. Rodriguez obtained his Interventional Radiology Fellowship training at University of California San Francisco. Dr. Rodriguez has been practicing in Santa Cruz since 2006 and has worked simultaneously at other organizations on the Central Coast and in Northern California, including Natividad Medical Center in Salinas. Dr. Rodriguez holds a California medical license, is fluent in Spanish, and plans to join Salinas Valley Health Clinics in January 2024.

### Terms and Conditions of Agreements

The proposed physician recruitment requires the execution of the following agreement:

1. **Professional Services Agreement.** The proposed professional services agreement includes the following terms and conditions:
  - **Professional Services Agreement (PSA).** Physician will be contracted under a PSA with Salinas Valley Health and a member of Salinas Valley Health Clinics that provides W-2 relationship for IRS reporting.
  - **Term.** PSA is for a term of 2 years. Physician's annual compensation will be reported on an IRS W-2 Form as a contracted physician.
  - **Schedule.** Radiologist Services provided during each coverage week can be either interventional radiology or diagnostic radiology services. Physician will provide during every four-week period: (i) Seven days of 24/7 coverage for Interventional Radiology (IR), plus Diagnostic Imaging (DI) coverage on weekend; (ii) Five days of ten hours of coverage for Diagnostic Radiology, plus emergency on-call coverage; (iii) IR physician will commit to 26 weeks of IR/DI coverage 13 call weekends per year.
  - **Base Compensation.** Physician's compensation for Radiologist Services and Hospital coverage activities pursuant to the above schedule obligations and service responsibilities shall be in the amount of \$700,000.00 per year.
  - **Benefits.** Physician will be eligible for standard SVH Clinics physician benefits:
    - ❖ Access to SVH Health Plan for physician and qualified dependents. Premiums are projected based on 15% of SVH cost.
    - ❖ Access to SVH 403(b) and 457 retirement plans. Five percent (5%) base contribution to 403b plan that vests after three years. This contribution is capped at the limits set by Federal law.
    - ❖ Four weeks (20 days) of time off each calendar year.
    - ❖ Continuing Medical Education (CME) annual stipend in the amount of \$2,400 paid directly to physician and reported as 1099 income.
  - **Professional Liability.** Physician will receive professional liability policy through BETA Healthcare Group.

## Meeting our Mission, Vision, Goals Strategic Plan Alignment:

The recruitment of Dr. Rodriguez is aligned with our strategic priorities for the growth and finance pillars. We continue to develop Salinas Valley Health Clinics infrastructure that engages our physicians in a meaningful way, promotes efficiencies in care delivery and creates opportunities for expansion of services. This investment provides a platform for growth that can be developed to better meet the needs of the residents of our District by opening up access to care regardless of insurance coverage or ability to pay for services.

### Pillar/Goal Alignment:

Service     People     Quality     Finance     Growth     Community

### Financial/Quality/Safety/Regulatory Implications

The addition of Dr. Rodriguez to SVH Clinics has been identified as a need for recruitment while also providing additional resources and coverage for the SVH Imaging practice.

The compensation proposed in these agreements have been reviewed and compared to published industry benchmarks to confirm that the terms contemplated are fair market value and commercially reasonable.

### Recommendation

Salinas Valley Health Administration requests that the Personnel, Pension and Investment Committee recommend to the Salinas Valley Health Board of Directors approval of the Contract Terms of the Diagnostic and Interventional Professional Services Agreement for Juan Rodriguez, MD.

### Attachments

- Curriculum Vitae for Juan Rodriguez, MD

# Curriculum Vitae

## Juan R. Rodriguez, M.D.

**Citizenship:** American      **Languages:** Spanish and English

### Education

Cardenal Ram Institute: B.S. Biology, Chemistry, Physics and Mathematics (1988-1992)  
University of Zaragoza, School of Medicine. (1992-1998)  
M.D. issued in Zaragoza, Spain. September 15, 1998

### Honors & Awards

Selected to represent Cardenal Ram Institute to receive **National Bachelor Award**, 1992

Anatomy Instructor, 1992-93. University of Zaragoza, School of Medicine

**Cum Laude** qualifications in: Anatomy I and II, Histology, Surgical Pathology I and II, Dermatology, Preventive Medicine, Legal Medicine, *Radiology*, Urology, and Orthopedics

**2002 Chairman's Award:** Highest score on the in-training exam. 99<sup>th</sup> percentile in the US. Radiology Department. LSUHSC- Shreveport

**2003 Chairman's Award:** Highest score on the in-training exam. 95<sup>th</sup> percentile in the US. Radiology Department. LSUHSC- Shreveport

Nominated to become **Chief Resident** for the 2004 academic year.

**2004 Chairman's Award:** Highest score on the in-training exam. 97<sup>th</sup> percentile in the US. Radiology Department. LSUHSC- Shreveport

**2004 RSNA Roentgen Resident/ Fellow Research Award**

### Post-Graduate Training

Internship (Non-accredited) in Surgery (October 1998- June 1999): Hospital Comarcal de Alcañiz; Teruel. Spain

Transitional Year Internship (July 1, 2000- June 30, 2001): LSU Health Sciences Center Shreveport, LA

Radiology Residency (July 1, 2001- June 30, 2005): LSU Health Sciences Center Shreveport, LA

Interventional Radiology Fellowship (July 1, 2005- June 30, 2006): UCSF; San Francisco, CA

## Special Post Graduate Education

Clinical Skills Assessment Program (January 2001) Kaplan/Morchand. Felician College Rutherford, New Jersey

Introduction to Research Course (May 2003) 103<sup>rd</sup> Annual Meeting of the American Roentgen Ray Society. San Diego

## Certifications

- E.C.F.M.G. Certificate number: 0-603-515-8, issued: March 24, 2000

- STEP 1: October 20, 1999      **246 (97%)**

- STEP 2: March 3, 1999      **234 (89%)**

- CSA: January 30, 2000      **Passed**

- STEP 3: June 26, 2001      **225 (91%)**

**ABR CERTIFICATION**, June 7th, 2005. Renewed 2015. MOC annually enrolled.

**DR/IR CERTIFICATION**, oral exam scheduled October 20<sup>th</sup>, 2023.

## Medical Licenses

Louisiana State Board of Medical Examiners, License No. 026637, issued May 20, 2003

California License, issued March 3<sup>1st</sup>, 2005; Certificate No. A90344

## Medical Society Memberships

**Member:** Spanish Red Cross, 1998-2000  
The Radiological Society of North America, 2001-present  
American Medical Association, 2001-present  
American College of Radiology, 2001-present  
Sociedad Iberoamericana de Intervención (SIDI), 2002-2006  
Editorial Board Member of the Journal of SIDI, 2009-2010  
Society of Interventional Radiology, 2003-present

American Roentgen Ray Society, 2007-present  
Santa Cruz Medical Society, 2008-present  
Member of the Board of Governors: 2012-13  
Treasurer: 2013-14  
President Elect 2014-15  
CIRSE, 2009-2010

## **Hospital Affiliations**

1. Dominican Hospital, Santa Cruz, CA. IR Medical Director. Vice Chair Radiology Department.  
Treasurer of Dominican Medical Staff, 2019-2020  
Vice Chief of Medical Staff, 2021—2022  
(Chief of Medical Staff, 2023-2024, voluntary resignation due to contract requirements at Natividad Medical Center)
2. Watsonville Community Hospital, Watsonville, CA
3. Natividad Medical Center, Salinas, CA

## **Employment History**

1. 2006-2007; Employee, Radiology Medical Group of Santa Cruz, CA
2. 2007-present; Partner, Radiology Medical Group of Santa Cruz, CA
3. 2010-present; IR Medical Director, Dominican Hospital, Santa Cruz, CA
4. 2013-present; Vice Chair Radiology Department, Dominican Hospital, Santa Cruz, CA
5. 2012-2013; Locums at El Camino Hospital, IR section (3 weeks total, mostly weekends)
6. 2014-2018; Staff Radiologist at Hazell Hawkins in Hollister, California
7. 2016-2018: Staff Interventional Radiologist at Tri County Vascular Center, San Jose, CA

## **Lectures (CME 1 credit Lectures)**

1. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. July 1, 2001
2. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. September 20, 2001
3. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. October 18, 2001
4. "Rad-Path Conference." LSUHSC-S Department of Radiology. January 7, 2002
5. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. January 17, 2002
6. "Traumatic Aortic Injuries." LSUHSC-S Department of Surgery, Trauma Conference. February 1, 2002
7. "Interesting Cases." LSUHSC-S Department of Radiology MIDAT Conference. March 25, 2002
8. "Radiology Spring Research Conference." LSUHSC-S Department of Radiology. April 4, 2002
9. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. April 18, 2002
10. "Rad-Path Conference." LSUHSC-S Department of Radiology. May 6, 2002
11. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. May 30, 2002
12. "Rad-Path Conference." LSUHSC-S Department of Radiology. June 3, 2002
13. "Radiology Grand Rounds Conference." LSUHSC-S Department of Radiology. June 27, 2002
14. "Radiology Grand Rounds Conference: Pneumobilia vs. Portomesenteric Venous Gas, Review of Recent Cases". LSUHSC-S Department of Radiology. August 15, 2002
15. "Traumatic Aortic Injuries: The Endovascular Therapeutic Option" LSUHSC-S Department of Radiology MIDAT Conference. August 26, 2002
16. "Anatomy of the Chest, Radiologic Correlation" Lecture given to medical students at LSUHSC-S, September 3, 2002
17. "Rad-Path Conference." LSUHSC-S Department of Radiology. October 7, 2002
18. "Rad-Path Conference." LSUHSC-S Department of Radiology. February, 2003
19. "Cases of the Month Conference" LSUHSC-S Department of Radiology. March, 2003
20. "Traumatic Aortic Injuries: Revision of Recent Cases Treated by Endovascular Technique" LSUHSC-S Department of Radiology MIDAT Conference. May, 2003
21. "Neuroradiology: Intraventricular Lesions" LSUHSC-S Department of Radiology. August 28, 2003
22. "Acute Radiology: Gun Shot Injuries" LSUHSC-S Department of Radiology. September 10, 2003

23. "Rad-Path Conference." LSUHSC-S Department of Radiology. February, 2004
24. "Radiologic Imaging in Child Abuse" 1<sup>st</sup> Annual Radiology for the Non-Radiologist, March 20, 2004
25. "Acute Abdomen in Infancy and Childhood" 1<sup>st</sup> Annual Radiology for the Non-Radiologist, March 20, 2004
26. "Cases of the Month Conference" LSUHSC-S Department of Radiology. June, 2004
27. "Pelvic Imaging" Lecture given to first year medical students at LSUHSC, Shreveport, September 28<sup>th</sup>, 2004.
28. "Interventional Radiology for Physician Assistants" Lecture given to physician assistants at LSUHSC, Shreveport, September 30<sup>th</sup>, 2004.
29. "Abdominal Imaging for Physician Assistants" Lecture given to physician assistants at LSUHSC, Shreveport, November 18<sup>th</sup>, 2004.
30. "Hepatobiliary Interventions" Dominican Hospital Grand Rounds, Santa Cruz, September 2006.
31. "Endovascular treatment of Abdominal Aortic Aneurysms" Dominican Hospital Grand Rounds, Santa Cruz, December 2006.
32. "Deep Venous Thrombosis, Endovascular treatment" Dominican Hospital Grand Rounds, Santa Cruz, October 2007.
33. "Diagnostic Imaging 2008" Dominican Hospital Grand Rounds, Santa Cruz, August 2008.
34. "IVC Filtration" Dominican Hospital Grand Rounds, Santa Cruz, August 2009.
35. "Imaging of Gunshot Wound Injuries" Dominican Hospital Grand Rounds, Santa Cruz, April 2010.
36. "Radiation Protection" Dominican Hospital, March 2012.
37. "Radiation Protection II" Dominican Hospital, March 2013
38. "Enteral Nutrition, IR Service. Why me?" Dominican Hospital, March 2013
39. "Why treat sub massive pulmonary embolism aggressively" Palo Alto Medical Foundation Invited Guest Lecture, Santa Cruz, June 2014.
40. "Interventional Oncology at Dominican Hospital" Seascape Lecture, Santa Cruz, April 2017
41. "Introduction to Interventional Radiology Services to Primary Care Physicians" Dignity Medical Foundation Lecture, September 2021

## **Publications/Articles**



1. Malik A, Odita J, **Rodríguez J**, Hardjasudarma M. Pediatric Neck Masses: A Pictorial Review for Practicing Radiologists. *Curr Probl Diagn Radiol*. 2002; July/August: 146-157.
2. **Rodríguez JR**, Malik A: Pelvis Lipomatosis, a case report. *Applied Radiology*, April 2003; 32(4).
3. De Gregorio MA, Mainar A, **Rodríguez J**, Alfonso ER, Tejero E, Herrera M, Medrano J, D'Agostino H: Colon Stenting: A Review. *Seminars in Interventional Radiology* Sept 2004; 21 (3): 205-216
4. De Gregorio MA, Gimeno MJ, Medrano J, Schönholz C, **Rodríguez J**, D'Agostino H: Ileocolic Arteriovenous Fistula with Superior Mesenteric Vein Aneurysm: Endovascular Treatment. *Cardiovasc Intervent Radiol*. 2004 Sep-Oct; 27(5): 556-9
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6. **Rodríguez JR**, Mailk A, Hardjasudarma M: Acute Prevertebral Calcific Tendinitis. *Applied Radiology*, September 2004; 33(9).
7. **Rodríguez, Juan MD**; Heldmann, Maureen MD; Sittig, Kevin M. MD; Modi, Kalgi MD; Reddy, Madhusudhan P. MD: Superior Vena Cava and Right Atrial Thrombus Detected on Lung Perfusion Scintigraphy. *Clinical Nuclear Medicine*. 30(9):619-620, September 2005.
8. Mendrek M, **Rodríguez JR**, Hardjasudarma M: Traumatic Rupture of the Gallbladder. *Applied Radiology*, Volume: 35 Number: 9; September 2006.

## Book Chapters

1. D'Agostino HR, Sangster G, de Gregorio Ariza MA, **Rodríguez Viñuales JR**: Biopsies. Tumor ablation. Percutaneous drainage of fluid collections. Neurolysis. Cyst sclerosis. Chapter 28. In Carreira Villamor JM, Maynar Moliner M (Eds). *Diagnóstico y Terapéutica Endoluminal. Radiología Intervencionista*, 1st ed. Barcelona: Masson; 2002: 704-718.
2. **Rodríguez JR**, D'Agostino HR, Schönholz C, Malik A. Percutaneous Drainage of pulmonary collections. In de Gregorio Ariza MA (Ed). *Técnicas Intervencionistas en el Tórax*. 2nd ed. Zaragoza: Editorial Aqua; 2003: 106-117

## Exhibits (including presentations and posters)

1. Zaritzky MF, Szulman C, De la Torre H, Donaldson JS, **Rodríguez J**, D'Agostino HR. *Role of Percutaneous Drainage in Multidisciplinary Management of Pancreatic Fluid Collections in Children: Indications, Technique, and Results*. 87<sup>th</sup> Scientific Assembly and Annual Meeting of the Radiological Society of North America. November 2001.

2. D'Agostino HB, Schönholz C, **Rodríguez J**, Malik A, Zamani R. *Outcome of Image-Guided Drainage of Fluid Collections Complicating Pancreatitis of uncommon Etiology*. 27<sup>th</sup> Annual Scientific Meeting of the Society of Cardiovascular and Interventional Radiology. April 2002.
3. D'Agostino HB, Schönholz C, **Rodríguez J**, Sittig K, Fotoohi M, vanSonnenberg E. *Multidisciplinary Management of Postoperative/ Blunt Trauma Pancreatic Fluid Collections: Experience in 43 patients*. 27<sup>th</sup> Annual Scientific Meeting of the Society of Cardiovascular and Interventional Radiology. April 2002.
4. D'Agostino HB, Venable D, Jimenez M, de Gregorio Ariza MA, Guerrini N, Schönholz C, **Rodríguez J**. *Percutaneous Videoendoscopy-Assisted Removal of Necrotic Debris from Pancreatic Fluid Collections*. 27<sup>th</sup> Annual Scientific Meeting of the Society of Cardiovascular and Interventional Radiology. April 2002.
5. Anil Malik MD, Chandana Lall MD, Girish Agrawal MD, **Juan Rodríguez MD**, Horacio D'Agostino. *Multiplanar Imaging of Abdominal Wall, "a Radiological Spectrum of Disease Entities beyond the Ventral Hernia"*. 102<sup>nd</sup> Annual Meeting of the American Roentgen Ray Society. Atlanta April-May, 2002.
6. Anil Malik, John C. Oditá, **Juan Rodríguez**, Arun Pramanik. *Radiologic Imaging of Iatrogenic Complications in Newborn Infants*. 88<sup>th</sup> Scientific Assembly and Annual Meeting of the Radiological Society of North America; 2002
7. Claudio Schönholz, **Juan Rodríguez**, Grady Yoder, Lou Smith, and Horacio D'Agostino. *Endovascular management of life-threatening hemorrhage in a Trauma I Center Hospital*. XVI International Congress of Endovascular Interventions. Phoenix, Arizona; February 9-13, 2003.
8. **Rodríguez J.**; Braud J.; Burrell M.; Schönholz C.; Zibari G.; D'Agostino H. *Multidisciplinary Strategy for Management of Pancreatic Fluid Collections: Experience in 120 Cases*. 103<sup>rd</sup> Annual Meeting of the American Roentgen Ray Society. San Diego, May 2003.
9. **Rodríguez J.**; Stein E.B.; Nall L.; Dowden K.; Braud J.; Schönholz C, D'Agostino H. *Approach and Outcome of Patients with Nondiagnostic Fine Needle Biopsy*. 103<sup>rd</sup> Annual Meeting of the American Roentgen Ray Society. San Diego, May 2003.
10. D'Agostino H.; Braud J.; Burrell M.; **Rodríguez J.**; Schönholz C.; Sittig K. *Recurrence and Failure of Percutaneous Drainage of Pancreatic Fluid Collections in 118 patients*. 2003 Society of Interventional Radiology Annual Meeting. Salt Lake City, Utah.
11. De Gregorio MA, Schönholz C, **Rodríguez J**, Pueyo J, Cano C, De Blas M, Julia J, Montaña J, Reyes Palmero JR, Tobio R, Trueba J.: Preliminary Results of the Spanish Multicenter Herculink Plus® Renal Stent Study: the Euripides trial. Submitted to XVII International Congress of Endovascular Interventions. Phoenix, Arizona; February 2004.
12. Gonzalez-Toledo E, **Rodríguez J**: MR Physics, at [www.wfns.org](http://www.wfns.org)
13. Gonzalez-Toledo E, **Rodríguez J**: MR Spectroscopy, at [www.wfns.org](http://www.wfns.org)
14. Grady Yoder MD, **Juan Rodríguez MD**, Travis Henley MD, et al: *Magnetic Resonance Imaging as the Initial Modality for Detection and Diagnosis of Stroke*. Annual Meeting, American Society of Emergency Radiology. Las Vegas, October 2003
15. **Juan Rodríguez MD**, Claudio Schönholz MD, Miguel Ángel de Gregorio MD, Grady Yoder MD, Anil Malik MD Lou Smith MD, Horacio D'Agostino MD: *Manejo Endovascular de la Hemorragia de causa*

*Yatrogénica y Traumática*. VI Convención Nacional de Médicos Hispanoperuanos. Zaragoza, Spain. October 2003

16. Braud JA, **Rodríguez J**, Schönholz CJ, Zibari G, Burrell M, D'Agostino HB: *The Evolution of Image-guided Treatment of Pancreatic Fluid Collections: Broadening the Scope of Patient Care*. 89<sup>th</sup> Scientific Assembly and Annual Meeting of the Radiological Society of North America; 2003

17. Pilat M, **Rodríguez J**, Lemoine N, Black G, Schönholz C, D'Agostino H: *A Comparison of Two Different Pathways for Core Liver Biopsy: Is Patient Admission Necessary?* Annual Meeting, Society of Interventional Radiology. Phoenix, Arizona 2004

18. D'Agostino HB, **Rodríguez J**, Schönholz C, Martinez R, Sangster GP, D'Agostino AM: *Nasojejunal and Gastrojejunostomy Enteral Feeding for Acute Pancreatitis: Experience in 40 Patients*. Annual Meeting, Society of Interventional Radiology. Phoenix, Arizona 2004

19. Schönholz C, **Rodríguez J**, D'Agostino HB, Krajcer MA, DeGregorio MA, Parodi J: *Stent Graft Technique for Carotid Artery Injuries: Report on 15 Patients*. Annual Meeting, Society of Interventional Radiology. Phoenix, Arizona 2004

20. **Rodríguez J**, Yoder, G, Hurvitz D, Schönholz C, D'Agostino HB: *Endovascular Treatment of Traumatic and Iatrogenic Arterial Injuries Using Stent-Grafts*. 105<sup>th</sup> Annual Meeting of the American Roentgen Ray Society. New Orleans, May 2005

21. Ketkar, M, **Rodríguez J**, Karim, A, Fowler M, Hardjasudarma M, Nanda A, Gonazalez-Toledo, E: *Report of a Rare Case of High-Grade Leiomyosarcoma of the Skull*. 43<sup>rd</sup> Annual Meeting of the American Society of Neuroradiology, Toronto, May 2005

22. **Rodríguez J**. DVT Intervention, Shaping Referrals Patterns, and the Role of Technologist. AVIR; 22<sup>nd</sup> Annual Scientific Meeting. San Francisco; March 27<sup>th</sup>, 2012

## **PRACTICE QUALITY IMPROVEMENT PROJECTS**

1. Radiation Dose Registration in IR Section, 2010- present
2. IVC Filter Registry, 2011-present
3. Dose Reduction for CT Guided Interventions, 2012
4. Patient Surveys in IR Section, annual analysis since 2010
5. Lung Cancer Screening Program Director at Dominican Hospital, 2014-present
6. Member of Cancer Committee, Dominican Hospital, 2012-present
7. Physician Advisory Committee, Dominican Hospital, 2018-2022
8. Co-director of Pulmonary Embolism Response Team, Dominican Hospital. 2018-present

## Board Paper: Personnel, Pension and Investment Committee

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Agenda Item: **Consider Recommendation for Board Approval of Findings Supporting Recruitment of Physicians to Monterey Bay GI Consultants Medical Group and Approval of Recruitment Incentives**

Executive Sponsor: Allen Radner, MD, Chief Medical Officer, Salinas Valley Health  
Gary Ray, Chief Administrative Officer, Salinas Valley Health Clinics

Date: October 24, 2023

### Executive Summary

In consultation with members of Salinas Valley Health (SVH) medical staff, and in compliance with requirements of Stark Law, SVH executive management has identified the recruitment of physicians in certain medical specialties as a recruiting priority for the hospital's service area.

The Medical Staff Development Plan, completed by ECG Management Consultants in January 2023, identified the specialty of Gastroenterology as a priority for recruitment. Furthermore, the opening of the new Monterey Bay Endoscopy Center, located near the SVH Medical Center, has resulted in an increased demand for gastroenterology services in Salinas.

To support physician recruitment to the District's service area, SVH collaborates with local medical groups and practices in the recruiting process through contributions to incentives paid to physicians that relocate to our community.

Monterey Bay GI Associates Medical Group (MBGI) has requested financial support in the form of recruitment incentives to recruit two gastroenterologists into the District's service area.

Financial support for each of these recruitments consists of \$25,000 in incentive payments to the recruited physicians. The incentives will be structured as forgivable loans over two years of service with SVH.

### Required Documents

The proposed physician recruitments will require the execution of a Physician Recruitment Agreement among SVH, the MBGI, and the Physicians. A template of the Physician Recruitment Agreement is attached for your review.

### Meeting our Mission, Vision, Goals

#### Strategic Plan Alignment

The recruitment of certain specialty physicians is aligned with our strategic priority for growth. We continue to support the local community physicians and private practice offices that provide care to our patients both in the hospital and the clinics. This investment provides a platform for growth that can be developed to better meet the needs of the residents of our District by increasing access to necessary care.

#### Pillar/Goal Alignment:

Service     People     Quality     Finance     Growth     Community

#### Financial/Quality/Safety/Regulatory Implications

The addition of gastroenterologists to the community has been identified as a need for recruitment and demonstrates the support from Salinas Valley Health to community practices. The recruitment incentive proposed for the recruitments is within fair market value and is commercially reasonable.

## **Recommendation**

Administration requests that the Personnel, Pension and Investment Committee recommend to the SVH Board of Directors to take the following actions:

- (i) The Board makes the following findings supporting the recruitment of the physicians in the specialty of gastroenterology:**
  - **The assistance by SVH in the recruitment of physicians in the specialty of gastroenterology by Monterey Bay GI Associates Medical Group is in the best interest of the public health of the communities served by the District; and**
  - **The recruitment incentives requested by Monterey Bay GI Associates Medical Group and supported by SVH for these recruitments are necessary in order to attract and relocate appropriately qualified physicians to practice in the communities served by the District.**
- (ii) Approve the recruitment support to Monterey Bay GI Associates Medical Group and the recruitment incentives for the medical specialty of gastroenterology to be set forth in Recruitment Agreements among SVH, the Monterey Bay GI Associates Medical Group, and the physicians.**

Attachments:

- SVH Physician Recruitment Agreement

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
PHYSICIAN RECRUITMENT AGREEMENT**

**(physician and group)**

This Physician Recruitment Agreement (“Agreement”) is made effective on [REDACTED] (“Effective Date”), by and among **Salinas Valley Memorial Healthcare System**, a local health care district organized and operating pursuant to Division 23 of the California Health & Safety Code, operating as Salinas Valley Health (“SVMHS”), [REDACTED], a physician (“Physician”) specializing in [REDACTED] (“Specialty”), and [REDACTED], a California professional medical corporation (“Group”). SVMHS, Physician, and Group are referred to as the “Parties” and individually as a “Party.”

**RECITALS**

- A. SVMHS owns and operates Salinas Valley Health Medical Center, a general acute care hospital located at 450 East Romie Lane, Salinas, California (“Hospital”). SVMHS provides health care services to residents of the district and surrounding communities (“Service Area”). Group is a California professional medical corporation providing medical services in the Service Area. Physician intends to practice Physician’s Specialty with Group in the Service Area.
- B. SVMHS has determined that there is a shortage of, and a need for, physicians specializing in Physician’s Specialty in the Service Area. The shortage of such physicians jeopardizes SVMHS’s ability to provide such health care services to residents of the Service Area. SVMHS also has determined that such shortage is not likely to resolve itself through market forces, but that financial support is needed if the appropriate physician is to relocate to the Service Area.
- C. To facilitate its goal of providing medical services in the Service Area, SVMHS has determined that it must provide certain incentives in order to enable a physician specializing in Specialty to join a medical practice in the Service Area. SVMHS has determined that the incentives set forth in this Agreement meet a community need and promote SVMHS’s mission and goal of providing health care services to all residents in the Service Area who need such care.
- D. Physician is duly licensed to practice medicine in the State of California and is qualified to provide medical services in Physician’s Specialty (“Professional Services”). Physician is prepared to join Group in order to practice in the Service Area and to provide Professional Services, in return for the financial assistance provided in this Agreement.
- E. SVMHS has determined that the financial assistance required by Physician to relocate is justified by the benefit to patients in the Service Area. Accordingly, SVMHS is prepared to offer financial assistance to Physician under the terms and conditions set forth in this Agreement. Physician hereby acknowledges and agrees that the financial assistance provided by SVMHS under this Agreement is reasonable and not in excess of fair market value, which is not determined in a manner that takes into account the volume or value of any actual or anticipated referrals by Physician or Group to Hospital. Physician and SVMHS shall enter into an unsecured Promissory Note, attached as Exhibit A to this Agreement, for any payments made under this Agreement.
- F. SVMHS, Physician, and Group wish to enter into this Agreement in order to set forth a full statement of the terms of this recruiting arrangement, which all Parties acknowledge is necessary in order to allow Physician to relocate to the Service Area and to provide Professional Services to its residents.

The Parties agree as follows:

**Article 1 Duties of Physician and Group**

- 1.1 **Full-Time Practice.** Physician shall conduct a full-time practice with Group in Physician’s Specialty within the Service Area as determined by Hospital, with Group’s practice location being the Hospital which is open twenty-four (24) hours a day, seven (7) days a week. Physician shall commence Physician’s practice with

Group in accordance with this Agreement on or about [REDACTED] (“**Start Date**”). Physician shall comply with the requirements of this Agreement in order for Physician to begin practicing on the Start Date.

- 1.2 Services to Patients, Billing, and Collection. Physician shall provide services under this Agreement to all patients presenting at Hospital including privately insured, Medicare, Medi-Cal, and uninsured patients at a level which is at least consistent with the custom and practice in the community. Group shall be responsible for billing and collecting for Physician’s Professional Services on a timely, consistent, accurate, and commercially reasonable basis.
- 1.3 Employment by Group. Physician has selected Group with whom Physician intends to be employed in the practice of Physician’s Specialty. Physician has agreed to this employment voluntarily and without inducement or influence of SVMHS. Physician shall use reasonable, good-faith efforts to maintain this employment during the term of the Agreement. The termination of Physician’s employment shall not in any way affect Physician’s, Group’s, or SVMHS’ obligations under this Agreement.
- 1.4 Duties of Group. Group shall use best effort to provide Physician with a stable, productive work environment and shall take steps reasonably necessary to promote the growth of Physician’s practice.

## **Article 2 Standards**

- 2.1 Licensure and Board Certification. Physician shall maintain California licensure in good standing during the term of this Agreement. Physician shall be board certified or board eligible in Specialty during the term of this Agreement.
- 2.2 Medical Staff Standing and Hospital Regulations. Physician shall be responsible for obtaining and maintaining membership on the Hospital’s Medical Staff with active Status and appropriate privileges, and shall be subject to all of the responsibilities of that membership. Subject to Section 4.4 below, in the event Physician loses active Medical Staff membership or necessary privileges, this Agreement shall terminate immediately, and any sums owed by Physician to Hospital under this Agreement shall become due and payable immediately. Physician shall at all times comply with all applicable bylaws, rules and regulations, and policies of SVMHS, Hospital, and Hospital’s Medical Staff.
- 2.3 Corporate Compliance Program. Group and Physician shall support and comply with Hospital’s Corporate Compliance Program, as applicable to this Agreement. Group and Physician shall comply with all policies and procedures adopted by Hospital in support of the Corporate Compliance Program.

## **Article 3 Term & Termination**

- 3.1 Term. The term of this Agreement shall commence on the Effective Date of this Agreement and continue until the later of two (2) years from the Start Date of this Agreement, or until all sums are repaid or forgiven under the terms of this Agreement.
- 3.2 Immediate Termination by SVMHS. SVMHS may terminate this Agreement immediately upon the occurrence of any of the following events: (i) loss or suspension of Physician’s license to practice medicine; (ii) termination of Physician’s Medical Staff Membership and/or hospital/clinical privileges; (iii) Physician’s failure to maintain, for any reason, Physician’s Medical Staff Membership at Hospital with appropriate privileges; (iv) restriction or suspension by the Hospital Medical Staff of Physician’s privileges including an administrative suspension or summary suspension of privileges; (v) Physician’s conviction (final or on appeal) of a felony or any crime involving moral turpitude; or (vi) Physician’s appointment of a receiver for Physician’s assets, assignment for the benefit of creditors, or any relief sought by him under any bankruptcy or insolvency act. In the event SVMHS terminates this Agreement pursuant to this Section 3.2, subject to Section 4.4 below, Physician shall pay any outstanding debt to SVMHS under this Agreement and any Related Agreements.
- 3.3 Termination Due to Total Disability. Either Party shall have the right to terminate this Agreement in the event of total disability of Physician. Physician shall be deemed to suffer a “total disability” if Physician becomes physically or mentally incapacitated for more than three (3) months as shown by inability to perform all or substantially all of the material obligations of this Agreement, and which disability is likely, in the opinion of a physician mutually designated by Physician and SVMHS, to persist for six (6) months



following the date of determination of said physician. The cost of a disability examination, if requested by SVMHS, shall be paid by SVMHS.

- 3.4 Termination Not Subject to Fair Hearing. It is agreed among the Parties that should this Agreement be terminated for any reason, such decision to terminate and actual termination shall apply to rights under this Agreement only and not to Physician's Medical Staff privileges or membership on the Medical Staff of Hospital. The termination of this Agreement shall not be subject to the Fair Hearing Plan of the Medical Staff Bylaws, any hearing procedures provided by Local Health Care District Law, or any other Fair Hearing procedures regarding medical staff appointments or privileges.
- 3.5 Effect of Termination. Following expiration or termination of the Agreement for any reason, the Parties shall cooperate in the resulting transition in a manner that serves the best interests of the patients of SVMHS. Termination of this Agreement shall have no effect on Physician's Medical Staff membership or clinical privileges at the Hospital, which will continue unless terminated in accordance with the Hospital's Medical Staff Bylaws. Termination of this Agreement shall not affect the obligation of Physician to repay money as otherwise provided in this Agreement.

#### **Article 4 Recruitment Incentive**

- 4.1 Recruitment Incentive. As part of the consideration for Physician entering into and complying with the terms and conditions of this Agreement and provided that Physician commences practice in the Service Area consistent with the terms of this Agreement by the Start Date, SVMHS shall pay to Physician a recruitment incentive in the amount of [REDACTED] Dollars (\$ [REDACTED].00) on or about the Effective Date of this Agreement. Physician agrees that (i) this amount is reasonable and necessary to secure Physician's relocation and Physician's services under this Agreement, (ii) this amount is not in excess of fair market value, and (iii) this amount is not made in consideration for the referral of patients by Physician or Group to SVMHS or its affiliates.
- 4.2 Repayment. If either Party terminates this Agreement prior to the expiration of two (2) years from the Start Date, Physician shall be obligated to repay to SVMHS a pro-rated amount of the payment advanced by SVMHS to Physician pursuant to Section 4.1 of this Agreement, plus interest at an annual rate equal to the most recent prime rate published in the Wall Street Journal (or any successor publication) from time to time ("Prime Rate"), plus one percent (1.0%), payable monthly.

For example, if this Agreement is terminated after ten (10) months, Physician shall repay to SVMHS 14/24ths of the recruitment incentive, plus ten (10) months of accrued interest at an annual rate equal to the Prime Rate, plus one percent (1.0%), payable monthly. Such repayment shall be made within ninety (90) days of the event triggering Physician's repayment obligation. If Physician fails to make such repayment to SVMHS within this ninety (90) day period, SVMHS shall have the right to increase the interest rate on the amount owed to SVMHS to the Prime Rate plus two percent (2%), beginning on the ninety-first day.

- 4.3 Promissory Note. At the time of payment to Physician of any amounts under this Agreement, Physician shall execute a Promissory Note substantially in the form attached to this Agreement as Exhibit A to secure repayment of any amounts paid to Physician under this Agreement which are not forgiven by SVMHS pursuant to the terms of this Agreement.
- 4.4 Debt Forgiveness Over Term of Agreement. If Physician has complied and is continuing to comply with all of the terms of this Agreement, SVMHS shall reduce and eliminate the debt due to SVMHS as follows: SVMHS shall forgive fifty percent (50%) of the recruitment incentive, including accrued interest, for each full year of physician services provided by Physician after the Start Date, such that the recruitment incentive will be forgiven upon the second (2nd) anniversary of Physician's Start Date.
- 4.5 Debt Forgiveness at Death/Disability. SVMHS shall forgive all sums advanced by SVMHS under this Agreement and accrued interest, in the event of Physician's death or permanent disability during the Term of this Agreement.

#### **Article 5 General Provisions**



- 5.1 Other Agreements. This Agreement may be one of several between SVMHS, Group, and/or Physician, dealing with different aspects of their relationships. SVMHS maintains a current master list of such agreements with Group and/or Physician, together with copies of the actual agreements, that is available for review by the Department of Health and Human Services in accordance with Stark Law regulations.
- 5.2 Referrals. Physician shall be entitled to refer patients to any hospital or other institution Physician deems qualified to deliver health care services to a particular patient. Nothing in this Agreement shall be deemed to require Physician or Group to refer patients to Hospital, and SVMHS may not terminate this Agreement because of Physician's or Group's referral decisions. No payment or other consideration is or will be made under this Agreement for the referral of patients to SVMHS or its affiliates.
- 5.3 Medical Staff Privileges. Throughout the term of this Agreement, and thereafter, Physician shall be permitted to maintain medical staff privileges at other area hospitals.
- 5.4 Waiver. The failure of SVMHS to insist in any one or more instances upon strict performance of any of the terms of this Agreement shall not be construed as a waiver or relinquishment for the future of such terms, but the same shall continue and remain in full force and effect.
- 5.5 Governing Law/Venue. This Agreement shall be interpreted in accordance with the laws of the State of California, and any questions arising under it shall be construed or determined in accordance with such laws. Jurisdiction and venue shall be in Monterey County, California.
- 5.6 Attorneys' Fees. In the event that suit is brought regarding the enforcement of the provisions of this Agreement, the prevailing Party/Parties shall be awarded its costs of suit and reasonable attorneys' fees as part of any judgment rendered.
- 5.7 Partial Invalidity. Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of the remaining portions which shall remain in effect as if this Agreement had been executed with the invalid portion eliminated.
- 5.8 Government Audit. Until the expiration of five (5) years after the furnishing of any services pursuant to this Agreement, Group and Physician shall make available to the Secretary of the United States Department of Health and Human Services or to the United States Comptroller General, or to any of their duly authorized representatives, upon written request of the same, this Agreement and such books, documents, and records of Group or Physician necessary to certify the nature and the reasonable cost of services of the Hospital.
- 5.9 Agreements between Physician and Group. Upon request by SVMHS, Group agrees to provide SVMHS with copies of its employment agreement with Physician. Nothing in Group's agreements with Physician shall be inconsistent with Physician's obligation to perform the terms and conditions of this Agreement. Group agrees that payments by SVMHS under this Agreement shall be for the benefit of Physician. Nothing in Group's agreements with Physician shall be inconsistent with the requirements Stark Law.
- 5.10 Income Tax Ramifications. The Parties acknowledge that Physician may incur federal and state income tax obligations from certain of the transactions provided for in this Agreement that SVMHS is required to report items of income under relevant income tax laws and regulations, and that forgiveness of debt may constitute income to Physician. It is Physician's responsibility to consult with tax advisors with respect to the filing of income tax returns and the tax treatment of items provided for in this Agreement.
- 5.11 Assignment. Except as otherwise agreed in writing by the SVMHS, nothing contained in this Agreement shall be construed to permit assignment or delegation by Physician of any rights or obligations under this Agreement, and any such assignment or delegation is expressly prohibited. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of SVMHS.
- 5.12 Applicable Legal Standards. The Parties shall exercise their rights and perform their duties under this Agreement in accordance with the legal standards set forth in the United States Code, the Code of Federal Regulations, the California Health and Safety Code, the California Business and Professions Code, and any other pertinent and applicable laws, rules, regulations, and orders of the United States and the State of California and their agencies, to the extent that such laws, rules, regulations, and orders pertain to the powers, functions, and duties of SVMHS, Group, and Physician.

5.13 Confidentiality. The Parties agree that this Agreement is personal and confidential between them, and agree, unless otherwise required by law, not to release information concerning this Agreement, or any information exchanged between the Parties pursuant to this Agreement, to any person without the consent of the other Party, which consent shall not be unreasonably denied.

5.14 Notices. All communications and notices which any Party may be required or desire to give or serve upon any other Party under this Agreement shall be made in writing and shall be delivered in person or sent by registered or certified mail, return receipt requested, to the addresses below. Any Party may change its address by giving any other Parties written notice of its new address as provided in this Agreement.

SVMHS: Salinas Valley Health  
Attn: President/Chief Executive Officer  
450 East Romie Lane  
Salinas, CA 93901

Physician: [Redacted]  
c/o [Redacted]  
[Redacted]

Group: [Redacted]  
[Redacted]  
[Redacted]

5.15 Conditions and Effective Date. This Agreement is subject to approval by the Board of Directors of SVMHS, which approval has not been secured and is not guaranteed. This Agreement shall be effective as of the later of the date the Board approves the Agreement and the date it is signed by all Parties.

5.16 Entire Agreement/Modifications. This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter and supersedes any and all prior negotiations, understandings, and agreements. All modifications to this Agreement must be in writing and signed by the Parties.

The Parties have executed this Agreement as of the Effective Date first set forth above.

**SVMHS**  
Salinas Valley Memorial Healthcare System

By: \_\_\_\_\_  
Pete Delgado, President/CEO

Date: \_\_\_\_\_

**PHYSICIAN**  
[Redacted]

\_\_\_\_\_  
[Redacted]

Date: \_\_\_\_\_

**GROUP**  
[Redacted]

By: \_\_\_\_\_

Date: \_\_\_\_\_

[Redacted]

By: \_\_\_\_\_  
[Redacted]

Date: \_\_\_\_\_

SAMPLE

**EXHIBIT A**

**PROMISSORY NOTE  
(Recruitment Incentive)**

\$ [REDACTED].00 [REDACTED]

FOR VALUE RECEIVED, the receipt of which is hereby acknowledged, [REDACTED] (“Maker”) hereby promises to pay to the order of **Salinas Valley Memorial Healthcare System** (“Holder”), at the place designated by Holder, the principal sum of [REDACTED] **Dollars (\$ [REDACTED].00)**, plus accrued interest on such amount calculated at an annual fixed rate equal to the prime rate published on the effective date of this Promissory Note in the Wall Street Journal (“Prime Rate”), plus one percent (1%), from the date of this Promissory Note, payable in lawful money of the United States of America. Principal and interest shall be immediately due and payable to Holder on [REDACTED]. Notwithstanding the foregoing, if Maker is and remains in full compliance with the **PHYSICIAN RECRUITMENT AGREEMENT** effective [REDACTED], by and between Maker and Holder (“Recruitment Agreement”), the principal and interest due under this Promissory Note shall be forgiven pursuant to the terms and conditions of the Recruitment Agreement.

This Promissory Note is unsecured. In no event shall any payment of interest or any other sum payable hereunder exceed the maximum amount permitted by applicable law. If it is established that any payment exceeding lawful limits has been received, Holder will refund such excess or, at its option, credit the excess amount to the principal due hereunder, but such payments shall not affect the obligation to make periodic payments required herein.

Maker agrees to pay, to the extent permitted by law, all costs and expenses incurred by Holder in connection with the collection and enforcement of this Promissory Note, including, but not limited to, expenses and reasonable attorneys’ fees to the extent permitted by applicable law, irrespective of whether any suit or security foreclosure or court proceeding has been commenced. Maker and all endorsers and all persons liable or to become liable on this Promissory Note, and each of them, hereby waive diligence, demands, presentation for payment, notice of nonpayment, protest and notice of protest, and specifically consent to and waive notice of any renewals or extensions of this Promissory Note, or any modification or release of security for this Promissory Note, whether made to or in favor of Maker or any other person or persons, and further agree that any such action by Holder shall not affect the liability of Maker or any person liable or to become liable on this Promissory Note.

No delay or omission by Holder in exercising any remedy, right or option under this Promissory Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The invalidity of any one or more covenants, phrases, clauses, sentences or paragraphs of this Promissory Note shall not affect the remaining portions hereof, and this Promissory Note shall be construed as if such invalid covenants, phrases, clauses, sentences or paragraphs, if any, had not been included herein.

This Promissory Note is to be construed in all respects and enforced according to the laws of the State of California. This Promissory Note may not be amended or modified except by a written agreement duly executed by Maker and Holder. This Promissory Note and the obligations created hereby shall bind Maker and, to the extent applicable, Maker’s respective successors and assigns, and the benefits hereof shall inure to Holder and its successors and assigns. This Promissory Note may be assigned by Holder in its sole discretion.

Any notice to Maker under this Promissory Note shall be in writing and shall be deemed to have been given upon (i) receipt, if hand delivered, (ii) transmission, if delivered by facsimile transmission, (iii) the next business day, if delivered by express overnight delivery service or (iv) the third business day following the day of deposit of such notice in U.S. certified mail, return receipt requested to the following address:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Maker has executed and delivered this Promissory Note effective as of the date first set forth above.

MAKER: \_\_\_\_\_

Date: \_\_\_\_\_



SAMPLE

# *PUBLIC INPUT*

*CLOSED SESSION*

*(Report on Item to be  
Discussed in Closed Session)*

*RECONVENE OPEN SESSION/  
REPORT ON CLOSED SESSION*



# **ADJOURNMENT**