

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
ROWAN COUNTY, NORTH CAROLINA**

AND

NOVANT HEALTH ROWAN MEDICAL CENTER

This **AGREEMENT** (“Agreement”) is made as of October 1, 2016 by and between the undersigned representatives of **ROWAN COUNTY, NORTH CAROLINA** (“Rowan County”) and **ROWAN REGIONAL MEDICAL CENTER, INC. d/b/a Novant Health Rowan Medical Center** (“NHRMC”), a non-profit corporation organized and existing under the laws of the State of North Carolina.

RECITALS:

WHEREAS, NHRMC is a North Carolina not-for-profit hospital that provides a disproportionate share of healthcare services to the Medicare population in addition to supporting many programs that benefit the indigent, uninsured, or underinsured population in the State of North Carolina;

WHEREAS, NHRMC desires to participate in the drug discount program established under Section 340B of the Public Health Services Act (the “340B Program”);

WHEREAS, in order to participate in the 340B Program, NHRMC must enter into an agreement with a unit of the local government pursuant to which NHRMC commits to provide health care services to low income individuals who are not entitled to Medicare or Medicaid benefits at no reimbursement or considerably less than full reimbursement from these patients;

WHEREAS, NHRMC desires to formalize its commitment to Rowan County;
and

WHEREAS, Rowan County agrees to accept such commitments on behalf of the citizens of Rowan County, North Carolina;

NOW THEREFORE, in consideration of the mutual agreements and covenants contained therein and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is mutually agreed and covenanted, under seal, by and between the parties to this Agreement, as follows:

1. Commitment of NHRMC to Provide Indigent Care: NHRMC will continue its commitment to the provision of health care to indigent, uninsured, and underinsured

residents of Rowan County. NHRMC's provision of care to indigent, uninsured, and underinsured is included in the Community Benefit Report filed annually with the North Carolina Hospital Association and is reported annually in NHRMC's Form 990, consistent with applicable guidelines. In carrying out its commitment to provide for this vulnerable population, NHRMC has implemented a Charity Care Policy, which it will follow.

2. Acceptance and Acknowledgment of Rowan County.

- a) Rowan County accepts the commitment of NHRMC set forth above;
- b) Rowan County hereby acknowledges that the healthcare services provided by NHRMC hereunder are in the public interest and are being provided to individuals who are not entitled to benefits under either Medicare or Medicaid; and
- c) Rowan County acknowledges that NHRMC is providing these services at no reimbursement or considerably less than full reimbursement from the patients.

3. Representations of NHRMC:

- a) NHRMC constitutes a corporation duly organized and validly existing in good standing under the laws of the State of North Carolina with the corporate power and authority to enter into and perform its obligations under this Agreement; and
- b) NHRMC is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code of the United States, as amended, and under applicable laws of the State of North Carolina.

4. Term and Termination. The term of this agreement shall commence on the date first written above and shall continue until terminated by either party upon not less than sixty (60) days prior written notice to the other.

5. Notices. All notices required or permitted to be given under this Agreement shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, addressed as follows:

If sent to Rowan County:

If sent to NHRMC:

Novant Health Rowan Medical Center
612 Mocksville Ave.
Salisbury, NC 28144

With copy to:

Novant Health, Inc.
Office of Legal Affairs
200 Hawthorne Lane
Charlotte, NC 28204

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, NHRMC and Rowan County have executed this Agreement as of the day and year first written above by their duly authorized representatives.

ROWAN REGIONAL MEDICAL CENTER, INC. d/b/a Novant Health Rowan Medical Center	ROWAN COUNTY, NORTH CAROLINA
By: _____	By: _____
Title: _____	Title: _____