

COVER SHEET

Civil Case Filing Form

(To be completed by Attorney/Party
Prior to Filing of Pleading)

Court Identification Docket #

59 2 01

County # Judicial District Court ID
(CH, CI, CO)

042420

Month Date Year

This area to be completed by clerk

Case Year

2020

Docket Number

93

Local Docket ID

Mississippi Supreme Court

Form AOC/01

Administrative Office of Courts

(Rev 2020)

Case Number if filed prior to 1/1/94

In the CIRCUIT

Court of PANOLA

County

SECOND

Judicial District

Origin of Suit (Place an "X" in one box only)

☒ Initial Filing☐ Reinstated☐ Foreign Judgment Enrolled☐ Transfer from Other court☐ Other☐ Remanded☐ Reopened☐ Joining Suit/Action☐ Appeal

Plaintiff - Party(ies) Initially Bringing Suit Should Be Entered First - Enter Additional Plaintiffs on Separate Form

Individual Pannel

Sarah

Last Name

First Name

Maiden Name, if applicable

K.

M.I.

Jr/Sr/III/IV

Check (x) if Individual Plaintiff is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:

Estate of

Check (x) if Individual Plaintiff is acting in capacity as Business Owner/Operator (d/b/a) or State Agency, and enter entity:

D/B/A or Agency

Business

Enter legal name of business, corporation, partnership, agency - If Corporation, indicate the state where incorporated

Check (x) if Business Plaintiff is filing suit in the name of an entity other than the above, and enter below:

D/B/A

Address of Plaintiff 1123 East Wellsate Drive, Oxford, MS 38655

Attorney (Name & Address) Rachel Pierce Waide

MS Bar No. 100420

Check (x) if Individual Filing Initial Pleading is NOT an attorney

Signature of Individual Filing:

Rachel Pierce Waide

Defendant - Name of Defendant - Enter Additional Defendants on Separate Form

Individual

Last Name

First Name

Maiden Name, if applicable

M.I.

Jr/Sr/III/IV

Check (x) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:

Estate of

Check (x) if Individual Defendant is acting in capacity as Business Owner/Operator (d/b/a) or State Agency, and enter entity:

D/B/A or Agency

Business Batesville Regional Medical Center, Inc.

Enter legal name of business, corporation, partnership, agency - If Corporation, indicate the state where incorporated

Check (x) if Business Defendant is acting in the name of an entity other than the above, and enter below:

D/B/A

Attorney (Name & Address) - If Known

MS Bar No.

Check (x) if child support is contemplated as an issue in this suit.*

*If checked, please submit completed Child Support Information Sheet with this Cover Sheet

Nature of Suit (Place an "X" in one box only)

Domestic Relations

- ☐
- Child Custody/Visitation
-
- ☐
- Child Support
-
- ☐
- Contempt
-
- ☐
- Divorce: Fault
-
- ☐
- Divorce: Irreconcilable Diff.
-
- ☐
- Domestic Abuse
-
- ☐
- Emancipation
-
- ☐
- Modification
-
- ☐
- Paternity
-
- ☐
- Property Division
-
- ☐
- Separate Maintenance
-
- ☐
- Term. of Parental Rights-Chancery
-
- ☐
- UIFSA (eff 7/1/97; formerly URESA)
-
- ☐
- Other

Appeals

- ☐
- Administrative Agency
-
- ☐
- County Court
-
- ☐
- Hardship Petition (Driver License)
-
- ☐
- Justice Court
-
- ☐
- MS Dept Employment Security
-
- ☐
- Municipal Court
-
- ☐
- Other

Business/Commercial

- ☐
- Accounting (Business)
-
- ☐
- Business Dissolution
-
- ☐
- Debt Collection
-
- ☐
- Employment
-
- ☐
- Foreign Judgment
-
- ☐
- Garnishment
-
- ☐
- Replevin
-
- ☐
- Other

Probate

- ☐
- Accounting (Probate)
-
- ☐
- Birth Certificate Correction
-
- ☐
- Mental Health Commitment
-
- ☐
- Conservatorship
-
- ☐
- Guardianship
-
- ☐
- Joint Conservatorship & Guardianship
-
- ☐
- Heirship
-
- ☐
- Intestate Estate
-
- ☐
- Minor's Settlement
-
- ☐
- Muniment of Title
-
- ☐
- Name Change
-
- ☐
- Testate Estate
-
- ☐
- Will Contest
-
- ☐
- Alcohol/Drug Commitment (voluntary)

☐ Alcohol/Drug Commitment (voluntary)☐ Other

Children/Minors - Non-Domestic

- ☐
- Adoption - Contested
-
- ☐
- Adoption - Uncontested
-
- ☐
- Consent to Abortion
-
- ☐
- Minor Removal of Minority
-
- ☐
- Other

Civil Rights

- ☐
- Elections
-
- ☐
- Expungement
-
- ☐
- Habeas Corpus
-
- ☐
- Post Conviction Relief/Prisoner
-
- ☐
- Other

Contract

- ☒
- Breach of Contract
-
- ☐
- Installment Contract
-
- ☐
- Insurance
-
- ☐
- Specific Performance
-
- ☐
- Other

Statutes/Rules

- ☐
- Bond Validation
-
- ☐
- Civil Forfeiture
-
- ☐
- Declaratory Judgment
-
- ☐
- Injunction or Restraining Order
-
- ☐
- Other

Real Property

- ☐
- Adverse Possession
-
- ☐
- Ejectment
-
- ☐
- Eminent Domain
-
- ☐
- Eviction
-
- ☐
- Judicial Foreclosure
-
- ☐
- Lien Assertion
-
- ☐
- Partition
-
- ☐
- Tax Sale: Confirm/Cancel
-
- ☐
- Title Boundary or Easement
-
- ☐
- Other

Torts

- ☐
- Bad Faith
-
- ☐
- Fraud
-
- ☐
- Intentional Tort
-
- ☐
- Loss of Consortium
-
- ☐
- Malpractice - Legal
-
- ☐
- Malpractice - Medical
-
- ☐
- Mass Tort
-
- ☐
- Negligence - General
-
- ☐
- Negligence - Motor Vehicle
-
- ☐
- Other
-
- ☒
- Other Public Policy

MISSISSIPPI
CIRCUIT CLERK

IN THE CIRCUIT COURT OF PANOLA COUNTY, MISSISSIPPI
SECOND JUDICIAL DISTRICT, CITY OF _____

Docket No. _____
File Yr _____ Chronological No. _____ Clerk's Local ID _____

Docket No. If Filed
Prior to 1/1/94 _____

DEFENDANTS IN REFERENCED CAUSE - Page 1 of _____ Defendants Pages
IN ADDITION TO DEFENDANT SHOWN ON CIVIL CASE FILING FORM COVER SHEET

Defendant #2:

Individual: Schneider Mark (_____) _____
Last Name First Name Maiden Name, if Applicable Middle Init. Jr/Sr/III/IV

____ Check (✓) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:

Estate of _____

____ Check (✓) if Individual Defendant is acting in capacity as Business Owner/Operator (D/B/A) or State Agency, and enter that name below:

D/B/A _____

Business _____
Enter legal name of business, corporation, partnership, agency - If Corporation, indicate state where incorporated

____ Check (✓) if Business Defendant is being sued in the name of an entity other than the name above, and enter below:

D/B/A _____

ATTORNEY FOR THIS DEFENDANT: _____ Bar # or Name: _____ Pro Hac Vice (✓) _____ Not an Attorney(✓) _____

Defendant #3:

Individual: _____ (_____) _____
Last Name First Name Maiden Name, if Applicable Middle Init. Jr/Sr/III/IV

____ Check (✓) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:

Estate of _____

____ Check (✓) if Individual Defendant is acting in capacity as Business Owner/Operator (D/B/A) or State Agency, and enter that name below:

D/B/A _____

Business _____
Enter legal name of business, corporation, partnership, agency - If Corporation, indicate state where incorporated

____ Check (✓) if Business Defendant is being sued in the name of an entity other than the name above, and enter below:

D/B/A _____

ATTORNEY FOR THIS DEFENDANT: _____ Bar # or Name: _____ Pro Hac Vice (✓) _____ Not an Attorney(✓) _____

Defendant #4:

Individual: _____ (_____) _____
Last Name First Name Maiden Name, if Applicable Middle Init. Jr/Sr/III/IV

____ Check (✓) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:

Estate of _____

____ Check (✓) if Individual Defendant is acting in capacity as Business Owner/Operator (D/B/A) or State Agency, and enter that name below:

D/B/A _____

Business _____
Enter legal name of business, corporation, partnership, agency - If Corporation, indicate state where incorporated

____ Check (✓) if Business Defendant is being sued in the name of an entity other than the above, and enter below:

D/B/A _____

ATTORNEY FOR THIS DEFENDANT: _____ Bar # or Name: _____ Pro Hac Vice (✓) _____ Not an Attorney(✓) _____

FILED

APR 24 2020

MELISSA WOOTEN-CLIPS
CIRCUIT CLERK

**IN THE CIRCUIT COURT OF PANOLA COUNTY, MISSISSIPPI
SECOND JUDICIAL DISTRICT**

SARAH KATHERINE GANTZ PANNEL, D.O.

PLAINTIFF

VS.

CAUSE NO. CV 2020 - 93 SMP2

**BATESVILLE REGIONAL MEDICAL
CENTER, INC.; MARK SCHNEIDER;
and JOHN DOES 1-5**

DEFENDANTS

JURY TRIAL DEMANDED

COMPLAINT

COMES NOW Plaintiff Sarah Katherine Gantz Pannel, D.O., by and through counsel, and files her Complaint against Defendants Batesville Regional Medical Center, Inc.; Mark Schneider; and John Does 1-5, and would respectfully show unto the Court as follows:

I. THE PARTIES

1. Plaintiff Sarah Katherine Gantz Pannel, D.O. ("Dr. Pannel"), is an adult resident citizen of Lafayette County, Mississippi.

2. Defendant Batesville Regional Medical Center, Inc. ("BRMC"), is a Tennessee corporation, authorized and doing business in the State of Mississippi. BRMC has failed to maintain a registered agent for service of process. Accordingly, pursuant to MISS. CODE ANN. § 79-35-13, BRMC may be served with process upon by service on Sarah Moore at 1721 Midpark Road, Suite B200, Knoxville, Tennessee 37921. Alternatively, BRMC may be served with process by service upon the Mississippi Secretary of State.

FILED

APR 24 2020

**MELISSA WOODWARD
CIRCUIT CLERK**

3. Defendant Mark Schneider is an adult resident citizen of Jefferson Parish, Louisiana, who may be served with process at 102 Chateau Latour Drive, Kenner, Louisiana 70065.

4. Defendants John Does 1-5 are unknown Defendants who may have participated in the civil conspiracy to terminate Dr. Pannel, in violation of Mississippi public policy or Defendants who may have tortiously interfered with Dr. Pannel's employment, or both. This Complaint may be amended to name said individual Defendants.

II. JURISDICTION AND VENUE

5. This Court has proper jurisdiction over the subject matter and the Parties.

6. The substantial events which caused Dr. Pannel's injury occurred in Panola County, Mississippi. Venue is proper before this Court.

III. FACTS

7. Dr. Pannel and BRMC entered into a Professional Services Agreement on November 27, 2017. Pursuant to Miss. R. Civ. P. 10(d), a true and correct copy of that agreement is attached hereto as Exhibit "A," and incorporated herein by reference.

8. Dr. Pannel is a psychiatrist. She specializes in the treatment of geriatric patients.

9. The subject contract provided for Dr. Pannel to provide psychiatric services for patients at the ". . . Facility and Emergency Department on an as-needed basis." (See Professional Services Agreement, attached hereto as Exhibit "A," at p. 2.) Dr. Pannel's specific duties included providing services and call service for the hospital's "Psychiatry Patients." (See Professional Services Agreement, attached hereto as Exhibit "A," at p. 3.)

10. Dr. Pannel is a part of the Mississippi State Medical Association COVID-19 Task Force. She shared specialized knowledge of protocols and precautions for COVID-19 with her colleagues at BRMC.

11. In March 2020, a female patient in her mid-eighties was admitted to the hospital and began displaying worrisome symptoms. For example, she had a cough, chills, myalgia, sore throat, fatigue, and multiple low-grade fevers. This patient was housed in the geriatric psychiatric unit of the facility.

12. Dr. Pannel and the nurse practitioner assigned to the case tested the patient for COVID-19.

13. Once a patient has been tested for COVID-19, the proper protocol is to quarantine the patient until test results are received or until fourteen (14) days have passed.

14. Ten (10) days passed, but no test results were received for the patient with the possible COVID-19 diagnosis.

15. At that time, BRMC demanded Dr. Pannel to admit four (4) new patients to the geriatric psychiatric unit.

16. Dr. Pannel declined to admit those patients because to do so would risk that the new patients would be infected with COVID-19. Dr. Pannel was exercising sound medical judgment in the face of dangerous demands from non-medical management.

17. In late March 2020, within hours of her declining to admit the four (4) new patients, Defendant Mark Schneider contacted Dr. Pannel and notified her that she was terminated from her position, as of April 1, 2020.

IV. DISCHARGE IN VIOLATION OF PUBLIC POLICY

18. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

19. There is public policy in favor of protecting patients and healthcare providers from serious illnesses, such as COVID-19.

20. All Defendants violated Mississippi public policy by discharging and causing the discharge of Dr. Pannel because she declined to endanger potential patients by admitting them to a unit where a patient might have been infected with COVID-19.

21. Defendants' violation of public policy is the sort of action which evokes outrage or revulsion in a civilized society such that punitive damages are due Dr. Pannel.

22. Defendants' actions in firing Dr. Pannel, in violation of public policy, also warrant punitive damages because such damages are necessary to prevent Defendants from taking future actions which will endanger patients and healthcare providers.

V. BREACH OF CONTRACT

23. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

24. A valid contract existed between Dr. Pannel and BRMC.

25. The contract provided for Dr. Pannel's continued employment until the contract was terminated under the terms of the Professional Services Agreement.

26. The contract was not terminated under any of its terms.

27. BRMC breached the contract.

28. Dr. Pannel is entitled to damages caused by the breach of contract.

VI. TORTIOUS INTERFERENCE WITH CONTRACT

29. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

30. Defendant Mark Schneider and the John Doe Defendants intentionally and improperly interfered with Dr. Pannel's business relations and her contract with BRMC.

31. Specifically, Defendant Mark Schneider and the John Doe Defendants interfered with and caused the breach of Dr. Pannel's contract with BRMC.

32. Dr. Pannel suffered lost income and damage to her reputation as a result of the interference by Defendant Mark Schneider and the John Doe Defendants. Dr. Pannel also suffered mental anxiety and emotional distress.

33. Defendant Mark Schneider and the John Doe Defendants are liable to Dr. Pannel for the tort of intentional interference with contract.

34. Dr. Pannel is entitled to compensatory damages.

35. Because the conduct of Defendant Mark Schneider and the John Doe Defendants was intentional and egregious, Dr. Pannel is entitled to punitive damages and reasonable attorneys' fees.

VII. BREACH OF CONTRACT – AMBIGUITY CONSTRUED AGAINST DRAFTER

36. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

37. The contract provides for Dr. Pannel's contractual entitlement to her annual salary, productivity bonus (if earned), payment for mid-level provider supervision services (if provided), and payment for chief medical officer services (if provided).

38. BRMC drafted the subject contract.

39. Accordingly, even if the contract were ambiguous in some respect, the contract must be strictly construed against Defendants and in favor of Dr. Pannel.

VIII. CIVIL CONSPIRACY

40. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

41. Defendants BRMC, Mark Schneider, and the John Doe Defendants engaged in a civil conspiracy to terminate Dr. Pannel's contract in breach of the agreement.

42. Defendants, or some combination of them, entered into a tacit agreement to terminate Dr. Pannel's contract.

43. Defendants entered into the conspiracy to accomplish the unlawful purpose of terminating Dr. Pannel's contract in breach of the agreement.

44. Defendants are liable to Dr. Pannel for the tort of civil conspiracy.

IX. INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS

45. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

46. All Defendants acted willfully and wantonly in terminating Dr. Pannel, in clear violation of the contract.

47. Defendants' actions are of the sort which evoke outrage or revulsion in a civilized society.

48. Defendants' actions were directed at Dr. Pannel, and either intended to cause harm or were grossly negligent and performed with reckless indifference.

49. Dr. Pannel suffered severe emotional distress as a foreseeable result of Defendants' actions.

X. DAMAGES

50. Dr. Pannel adopts and incorporates by reference the averments of each of the preceding paragraphs, as if fully set forth herein.

51. Dr. Pannel is entitled to damages for the unpaid compensation under the Professional Services Agreement.

52. Dr. Pannel is entitled to damages for the injury to her reputation.

53. Dr. Pannel is entitled to damages for mental anxiety and emotional distress.

54. Dr. Pannel is entitled to punitive damages.

55. Dr. Pannel is entitled to attorneys' fees.

56. Dr. Pannel is entitled to pre-judgment interest as to the liquidated portion of damages owed.

57. Dr. Pannel is entitled to post-judgment interest.

XI. PRAYER FOR RELIEF

WHEREFORE, PREMISES CONSIDERED, Plaintiff Sarah Katherine Gantz Pannel, D.O., requests a judgment against all Defendants for damages. Plaintiff requests pre-judgment interest, post-judgment interest, and all costs of Court. Plaintiff requests punitive damages and an award of her reasonable attorneys' fees. Plaintiff requests trial by jury. Plaintiff further seeks such other and more general relief to which she is entitled.

RESPECTFULLY SUBMITTED, this the 23rd day of April, 2020.

SARAH KATHERINE GANTZ PANNEL, D.O.,
Plaintiff

By: Rachel Pierce Waide
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waide@waidelaw.com
Rachel Pierce Waide, MS Bar No. 100420
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(662) 840-5043 / Facsimile

ATTORNEYS FOR PLAINTIFF

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT (this "Agreement") is made and entered into effective as of the 27th day of November, 2017 (the "Effective Date"), by and between BATESVILLE REGIONAL MEDICAL CENTER, INC., a Tennessee nonprofit corporation ("Hospital"), and KATHERINE PANNEL, D.O. ("Physician").

WITNESSETH:

WHEREAS, Hospital is a licensed hospital engaged in the business of providing health care and related services to persons living in the Panola County, Mississippi, area (the "Community"); and

WHEREAS, Hospital operates an Emergency Department and an acute, inpatient psychiatric facility in the Community that specializes in the stabilization of psychiatric emergencies in adults (the "Facility") and is seeking a physician specializing in Psychiatry to perform call coverage and psychiatric services for the Facility and the Emergency Department; and

WHEREAS, Physician is a duly licensed physician, specializing in Psychiatry (the "Specialty"), who wishes to provide psychiatric services and call coverage for the Facility and the Emergency Department, and Hospital desires to engage Physician to provide the same services.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the above premises, the mutual covenants hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

SECTION I ENGAGEMENT

Section 1.1 Nature of Relationship: Independent Contractor. Physician is and shall act as an independent contractor of Hospital in the performance of Physician's obligations under this Agreement to provide Services at the Facility for the period specified in Section 3.1 hereof. Nothing in this Agreement shall be deemed to create any other relationship between the Parties, including, without limitation, a partnership, agency, or employer-employee relationship. Physician will, at all times, act as an independent contractor and will not act or hold himself out to third parties as a partner, employee, or agent of Hospital or its affiliates in the provision of services under this Agreement. Notwithstanding anything herein to the contrary, Hospital will not have such control over the manner in which the duties are performed as would jeopardize the status of Physician as an independent contractor for Hospital. Hospital will not withhold income tax or Social Security tax on behalf of Physician. In addition, Physician will not have any claim under this Agreement for unemployment insurance, workers' compensation, retirement benefits, disability benefits, or employee benefits of any kind. Physician will have the exclusive responsibility for the payment of all such taxes and arrangements for insurance coverage.



Section 1.2 Engagement and Duties of Physician.

(A) Physician shall use best efforts in providing professional medical services in the Specialty for the Facility and Emergency Department as further set forth in Section 2.1 and 2.2 and shall perform such other duties and responsibilities as may be assigned to Physician by Hospital from time to time so long as such duties or responsibilities relate to the provision of such services (the "Services").

(B) Physician is hereby retained and engaged by Hospital to provide the Services for the Facility and the Emergency Department. Physician hereby accepts such engagement in accordance with the terms hereof and agrees to provide the Services to the degree which will meet the needs of the staff and the patients of the Facility and Emergency Department.

**SECTION II
RESPONSIBILITIES OF PHYSICIAN**

Section 2.1 Responsibilities and Functions.

Physician is engaged to provide Services for the Facility and Emergency Department on an as-needed basis. As such, Physician shall, to the extent required in her professional medical judgment and within Physician's medical training and expertise, fulfill the following obligations:

(A) Hold a valid and unrestricted license to practice medicine in the State and an unrestricted federal and/or state registration to prescribe controlled substances;

(B) Be fully capable and qualified, in accordance with good medical practice, to provide the Services;

(C) Prepare such administrative and business records and reports related to the Services in such format and upon such intervals as Hospital may reasonably require;

(D) Submit complete and accurate time records documenting all time spent in providing the Services. Such time records shall be submitted in intervals and on such forms as Hospital may reasonably require;

(E) Assist Hospital in obtaining and maintaining any and all licenses, permits, and other authorization, plus achieving accreditation standards, which are dependent upon, or applicable to, in whole or in part, Physician's Services under this Agreement;

(F) Inform Hospital of any other arrangements which may present a conflict of interest or materially interfere with Physician's performance of Physician's duties under this Agreement. In the event Physician pursues conduct which does, in the sole reasonable discretion of Hospital, constitute a conflict of interest or which materially interferes with (or is reasonably anticipated to interfere with) Physician's performance under this Agreement, Hospital may exercise its rights and privileges identified in Section 3.3;

(G) Will not use any part of the Facility or Hospital for any purpose other than

the performance of the Services under this Agreement. Without limiting the generality of the foregoing, Physician agrees that no part of the premises of the Facility or Hospital shall be used at any time as an office for private practice and delivery of care for non-Facility or Hospital patients. This provision shall not, however, be construed as prohibiting Physician from maintaining an office for private practice at any professional building owned by Hospital or any of its affiliates;

(H) Shall not have the right or authority to enter into any contract in the name of Hospital or otherwise bind Hospital in any way without the express written consent of Hospital;

(I) Shall comply with the bylaws, rules and regulations, policies and directives of Hospital;

(J) Make available, as and to the extent required by law, upon the written request of the Secretary of Health and Human Services, the Comptroller General or any of their duly authorized representatives, those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing Services under this Agreement. Such inspection shall be available for up to four (4) years after the rendering of such Services. This section is included pursuant to and is governed by the requirements of 42 U.S.C. Section 1395x(v)(1) and the regulations thereto. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by Hospital or Physician by virtue of this Agreement;

(K) Conform to any and all lawful directives issued from time to time by Hospital's Chief Executive Officer, provided that such directives are consistent with the scope and principles of this Agreement; and

(L) Display courteous, mutual respect for employees of Hospital and its affiliates who may be employed at the Facility or Hospital from time to time.

Section 2.2 Specific Duties. Physician agrees to provide the Services and call coverage for the Facility and Hospital's patients (the "Psychiatry Patients"). While performing call coverage, Physician agrees to respond to calls by telephone within twenty (20) minutes of receiving the call, and Physician agrees to come to the Facility or Hospital if Physician's presence is required for the care of the patients. If Physician has to come to the Facility or Hospital due to a call, Physician agrees to perform psychiatry services for the Psychiatry Patients at the request of Hospital. Hospital and Physician have developed protocols, rules and regulations for the Facility, and Physician agrees to comply with the same. When providing the Services to the Psychiatry Patients, Physician shall, among other things, and to the extent deemed necessary in Physician's professional medical judgment and to the extent within the Physician's medical training and expertise:

(A) provide psychiatry medical care and treatment to Psychiatry Patients;

(B) order and/or execute various tests, analyses, and diagnostic images to provide information on Psychiatry Patients;

- (C) analyze reports of tests and examinations and diagnose conditions;
- (D) administer or prescribe treatment and drugs;
- (E) refer Psychiatry Patients to other medical specialists or practitioners for specialized treatments beyond Physician's capacity to perform;
- (F) provide timely reports of the patient's progress to the referring physician, if any;
- (G) participate in quality assessment, surveys, utilization management, coding and utilization review activities as requested by Hospital;
- (H) begin and coordinate the discharge planning process;
- (I) provide patients with a written post-discharge care plan;
- (J) provide a discharge summary to the referring physician, if any;
- (K) review the post-discharge care plan with the patient;
- (L) maintain current licensure and continuing education requirements;
- (M) display reasonable professionalism and leadership; and
- (N) perform such other duties consistent with the foregoing as may be reasonably requested by Hospital.

Section 2.3 Schedule. Physician shall provide the Services in accordance with Mississippi law, on an as-needed basis, pursuant to a schedule set forth by Hospital.

Section 2.4 Professional Liability Insurance. As a condition precedent to Hospital's responsibilities under this Agreement, Physician shall be required to be deemed insurable through the Hospital's affiliated insurance program.

Section 2.5 Compliance with Law and JCAHO Requirements. To the extent Physician is involved in the billing process, Physician shall fully comply with all applicable laws, rules and regulations in coding for and preparation of bills for professional and technical services. In the event Physician discovers or suspects any errors, omissions, or fraudulent acts in the billing process, Physician shall immediately notify Hospital in writing of such act including a complete description of the act and any and all supporting documentation so that the problem may be investigated and corrected. In addition, Physician shall at all times comply with all applicable federal and state laws, rules and regulations related to the operation of the Clinic, including but not limited to Title VI and Title VII of the Civil Rights Act of 1964, the AMA Code of Ethics, requirements of the State Board of Medicine and the State Board of Osteopathy, the Medicare and Medicaid conditions of participation and any amendments thereto, and shall assist the Hospital and

Facility in complying with all requirements for accreditation by the Joint Commission on Accreditation of Healthcare Organizations ("JCAHO"). Physician represents to Hospital that Physician has never been excluded from participation in the Medicare or Medicaid program, and that to the best of her knowledge, has not been subject to any investigation or proceeding that could lead to exclusion from participation in the Medicare or Medicaid programs.

Section 2.6 HIPAA. Because Physician, on behalf of Hospital, may provide administrative services that involve the use and/or disclosure of individually identifiable health information relating to the Hospital or Facility's patients (the "Protected Health Information" or "PHI"), Physician may be deemed a business associate of Hospital under the federal privacy regulations set forth at 45 CFR Part 160 and Part 164 (the "HIPAA Privacy Regulations"). The HIPAA Privacy Regulations require Hospital to have written contracts with all business associates incorporating assurances that the business associate will appropriately safeguard the Protected Health Information, as more particularly described in the HIPAA Business Associate Agreement attached hereto and incorporated into this Agreement as Exhibit A. Physician shall execute the HIPAA Business Associate Agreement attached hereto as Exhibit A.

SECTION III TERM

Section 3.1 Term. This Agreement is for a term of one (1) year, commencing on December 1, 2017 (the "Commencement Date"), and ending on November 31, 2018 (the "Initial Term"). This Agreement shall automatically renew for additional and consecutive periods of twelve (12) months each following the Initial Term (each, a "Renewal Term") upon the same terms and conditions contained herein, unless and until either party gives written notice of non-renewal to the other party not less than ninety (90) days prior to the last day of the Initial Term or the then-existing Renewal Term. The word "Term" shall mean the Initial Term and any Renewal Term.

Section 3.2 Termination Without Cause. Either party may terminate this Agreement without cause upon giving the other party written notice at least ninety (90) days prior to the date of termination. After either party gives notice of termination, Hospital may require Physician to provide services hereunder during all or part of the ninety (90) day notice period (the "Notice Period") or prevent Physician from providing services altogether.

Section 3.3 Termination by Hospital "for cause." Hospital may terminate this Agreement "for cause" at any time upon written notice to Physician. For purposes of this Section, "cause" shall be defined as:

(A) commission by Physician of a felony;

(B) failure to obtain and maintain an unrestricted license to practice as a certified Physician in the State of Mississippi or loss of eligibility to participate in the programs under Titles XVIII (Medicare) and XIX (Medicaid) of the Social Security Act, as amended, or the loss of the right to prescribe controlled substances;

(C) failure to effectively perform Physician's duties or obligations under this Agreement, including failure to timely respond to a call while on call;

(D) commission of an act of fraud or dishonesty or willful or wanton conduct which jeopardizes the health, safety or welfare of any patient treated by Physician;

(E) conduct which Hospital determines to be unethical, disruptive of patient care, or in any manner creates a negative working environment in the Facility, or impairs the reputation or operations of Facility or Hospital;

(F) conduct which could affect the name, goodwill, or reputation of the Hospital, the Facility, any of the Hospital's affiliates, or any of their relationships with employees, patients, medical doctors, or other institutions the Hospital or Facility serves;

(G) conduct which may have a material adverse effect on the Hospital, or may jeopardize the nonprofit or tax-exempt status of Hospital;

(H) failure by Physician to meet utilization, performance, efficiency, or quality standards established by Hospital;

(I) failure by Physician to conform and comply with Hospital's professional requirements concerning maintenance of medical records including, but not limited to, repeated failure to complete patient charting within the time specified by the policies and procedures of Hospital or the Hospital;

(J) cancellation of Physician's professional liability coverage due to Physician's uninsurability, failure to comply with the terms and conditions of the professional liability insurance provided by Hospital, or other reason outside the control of Hospital;

(K) Physician's breach of the fiduciary duty and duty of loyalty to Hospital, including, but not limited to, Physician's provision of the same or similar services offered at the Facility that is outside the scope of this Agreement;

(L) Physician's failure to maintain acceptable billing and coding standards and practices, as demonstrated by failing two (2) successive coding audits (defined as a score of 70% or less), after receiving education and training on acceptable billing and coding standards and practices;

(M) Hospital determines Physician provided misleading or materially false information to Hospital prior to signing this Agreement;

(N) The material breach by Physician of any of Physician's representations, warranties, covenants or agreements contained in this Agreement; and

(O) the death or permanent disability of Physician with permanent disability defined as the inability of the Physician to maintain a full-time practice of medicine for a period of more than ninety (90) days.

SECTION IV INDEMNIFICATION

Section 4.1 Subject to Section 4.3, Physician hereby agrees to indemnify and hold harmless Hospital and its affiliated hospitals, their officers, directors, employees, agents, successors and assigns from and against any claim, damage, loss, expense, liability, obligation, action or cause of action, including reasonable attorneys' fees and reasonable costs of investigation, which Hospital or Hospital's affiliated hospitals may sustain, pay, suffer or incur by reason of any negligent act or omission of Physician in connection with services provided and duties undertaken under this Agreement, including any claims for personal injury or wrongful death.

Section 4.2 Subject to Section 4.3, Hospital hereby agrees to indemnify and hold harmless Physician from and against any claim, damage, loss, expense, liability, obligation, action or cause of action, including reasonable attorneys' fees and reasonable costs of investigation, which Physician may sustain, pay, suffer, or incur by reason of any negligent act or omission of Hospital, its agents, or employees in connection with services provided and duties undertaken under this Agreement, including any claims for personal injury or wrongful death.

Section 4.3 Physician and Hospital each agree and it is the stated intent of each that they shall only be liable to the other party under this Section for the proportionate liability or representative share of negligence allocated to such party based on the negligent acts or omissions of each party. If such allocation is not determined by a court of competent jurisdiction and the parties in good faith are otherwise unable to agree to such allocations, either party hereto may bring an action, including a summary or expedited proceeding, to compel binding arbitration of such matter.

SECTION V FINANCIAL ARRANGEMENTS

Section 5.1 Fees.

(A) On-Site Provision of Services. For Services performed on-site at the Hospital or Facility, Hospital shall pay Physician One Thousand Three Hundred Seventy and 00/100 Dollars (\$1,370.00) per day. Such fees shall be paid by the 15th day of the month following that in which such Services were rendered. However, such payment shall not be made until Physician has submitted an invoice stating the services performed during the period for which payment is due. In the event of an early termination of this Agreement, fees shall be paid for periods in which Services were performed and cease as of the date of termination.

(B) Call Coverage. For call coverage Services performed by Physician in excess of ten (10) days per month, Hospital shall pay Physician One Hundred Fifty and 00/100 Dollars (\$150.00) per day. If Physician, while on call, refuses to come to the Hospital or

otherwise fails to care for any patients whom Physician is obligated to provide care by virtue of being on call, Physician will not receive the payment provided herein for that day and such refusal by Physician shall be grounds for immediate termination, pursuant to Section 3.3.

SECTION VI ADDITIONAL PROVISIONS

Section 6.1 Assignment. This Agreement is in the nature of a personal service agreement, and nothing contained in the Agreement shall be construed to permit the assignment or delegation by Physician of any rights or obligations hereunder and such assignment by Physician is expressly prohibited without the prior written consent of Hospital. Hospital may assign this Agreement to any successor to all, or substantially all, of Hospital's operating assets or to any affiliate of Hospital. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assignees.

Section 6.2 Other Agreements. Physician represents and warrants that neither the execution nor performance of this Agreement by Physician shall, with the passage of time or the giving of notice or both, constitute an event of default by Physician under any other agreement or obligation of Physician, nor result in a violation of any noncompetition agreement or covenant not to compete previously entered into by Physician.

Section 6.3 No Referrals. Physician represents and warrants that no part of the compensation paid hereunder is in exchange for the referral or arrangement for referral of any patient to Hospital or Facility. Physician represents and warrants that, with respect to the Services to be performed pursuant to this Agreement, she shall only accept compensation from Hospital in a manner that complies with the Federal Anti-Kickback Statute, an exception to the Stark laws, and as applicable, an appropriate exception to any state statutes similar to either or both of the foregoing federal statutes.

Section 6.4 Regulatory Challenge. Should the Centers for Medicare and Medicaid Services, Office of the Inspector General, Internal Revenue Service or any other federal or state regulatory agency or body, which may have authority over Hospital or Physician institute or threaten to institute any proceedings or process that could, in the opinion of counsel to Hospital, potentially lead to (a) the revocation of the tax-exempt status of Hospital or any Affiliate, or (b) the exclusion of Hospital, any Affiliate of Hospital, and/or Physician from Medicare participation as the result of the undertakings in this Agreement, or should any regulatory authority hereinafter, at any time, by administrative rulings or public pronouncements or other similar events, indicate that any of the undertakings of Hospital or Physician as set forth in this Agreement violate any applicable law, regulation or the like, then, and in such event, the parties agree to negotiate in good faith to modify the obligations and undertakings herein to such extent as may be necessary to eliminate any basis which any regulatory body or agency may have to challenge such undertakings, making every reasonable effort to maintain the benefits of the respective parties hereunder. If the parties are unable to agree on such modifications, either party may terminate this Agreement without further obligation.

Section 6.5 Confidentiality of Information. Physician agrees to keep confidential and not to disclose to others at any time, except as expressly required in writing by Hospital, Facility, Hospital, or by law, any trade secrets or financial or other proprietary information of Facility or Hospital or any other matter or information obtained during the term of this Agreement, the use or disclosure of which might be contrary to the best interest of Hospital or Hospital.

Section 6.6 Notice. All notices hereunder shall be in writing and shall be effective upon delivery if delivered to the addressee in person; effective three (3) business days after mailing if mailed by registered or certified mail, return receipt requested; or effective the next business day if delivered by overnight courier with charges prepaid, to any party hereto at the address set forth below or at such other address as any party shall subsequently designate in writing:

If to Hospital:

303 Medical Center Drive
Batesville, Mississippi 38606
Attn: Chief Executive Officer

With copy to:

Egerton, McAfee, Armistead & Davis, P.C.
900 South Gay Street, Suite 1400
Knoxville, Tennessee 37902
Attn: Stephen A. McSween

If to Physician:

Katherine Pannel, D.O.
1123 East Wellsgate
Oxford, Mississippi 38655

Section 6.7 Compliance. Physician acknowledges that Hospital has established a Compliance Program for the purpose of preventing, detecting, and correcting any instances of misconduct. Physician shall immediately notify Hospital's Compliance Officer of any potential violation of any applicable law, regulation, third party payor requirement, or breach of Hospital's Compliance Program of which Physician becomes aware.

Section 6.8 Litigation. During the Term, Physician shall immediately give Hospital notice in writing (i) of any claim, demand, or suit arising out of or from the provision of Services under the terms of this Agreement or (ii) if the Physician's license to practice medicine or DEA registration is suspended or revoked, or the Physician is reprimanded, sanctioned or disciplined by any licensing or specialty board or by any state or local medical society.

Section 6.9 Severability. If any term, covenant, or condition of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable, the remainder of this Agreement and the application of any term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be

affected thereby, and all other terms shall be valid and enforceable to the fullest extent permitted by law.

Section 6.10 Entire Agreement. This instrument contains the entire Agreement of the parties and supersedes any and all prior agreements on the same subject matter. It may not be changed orally but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.


Section 6.11 Governing Law. This Agreement shall be governed by the applicable laws of Mississippi, without regard to its law of conflicts.

[Signature Page Follows]

[Signature Page to Professional Services Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**BATESVILLE REGIONAL MEDICAL
CENTER, INC.**

By: 
Travis Sisson, CEO

PHYSICIAN:



Katherine Pannel, D.O.

EXHIBIT A

HIPAA BUSINESS ASSOCIATE AGREEMENT

This BUSINESS ASSOCIATE AGREEMENT (this "Agreement") is made as of the ___ day of November, 2017, by and between BATESVILLE REGIONAL MEDICAL CENTER, INC., a Tennessee nonprofit corporation ("Covered Entity"), and KATHERINE PANNEL, D.O. ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate have entered into an agreement or agreements, pursuant to which Business Associate provides certain services to Covered Entity (collectively, the "Services Agreement").

WHEREAS, to carry out its obligations under the Services Agreement, Business Associate may create, maintain, transmit, or receive, on behalf of Covered Entity, Individually Identifiable Health Information, as such term is defined in 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "Privacy Rule").

WHEREAS, the Privacy Rule and 45 C.F.R. Parts 160 and Subparts A and C of Part 164 (the "Security Rule") obligate Covered Entity to enter into a contract with Business Associate to ensure that Business Associate appropriately safeguards such information.

WHEREAS, Covered Entity and Business Associate desire to enter into this Agreement in addition to the Services Agreement in order to enable Covered Entity to satisfy its obligations under the Privacy Rule and Security Rule.

NOW, THEREFORE, for and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. DEFINITIONS

1.1 "Breach" shall have the same meaning as the term "breach" in 42 U.S.C. § 17932 and 45 C.F.R. Part 164, Subpart D (the "Breach Notification Rule").

1.2 "Data Aggregation" shall have the same meaning as the term "data aggregation" in the Privacy Rule.

1.3 "Designated Record Set" shall have the same meaning as the term "designated record set" in the Privacy Rule.

1.4 "Disclosure" shall have the same meaning as the term "disclosure" in the Privacy Rule.

1.5 "Discovery" shall have the same meaning as the term "discovery" in 45 C.F.R. § 164.410(a)(2).

1.6 "Electronic Protected Health Information" shall have the same meaning as the term "electronic protected health information" in the Security Rule.

1.7 "Health Care Operations" shall have the same meaning as the term "health care operations" in the Privacy Rule.

1.8 "HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated pursuant thereto.

1.9 "HITECH Act" shall mean the Health Information Technology for Economic and Clinical Health Act and regulations promulgated pursuant thereto.

1.10 "Individual" shall have the same meaning as the term "individual" in the Privacy Rule and shall include a person who qualifies as a personal representative in accordance with the Privacy Rule.

1.11 "Minimum Necessary" shall have the same meaning as the term "minimum necessary" in the Privacy Rule.

1.12 "Notice of Privacy Practices" shall have the same meaning as the term "notice of privacy practices" in the Privacy Rule.

1.13 "Protected Health Information" shall have the same meaning as the term "protected health information" in the Privacy Rule, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

1.14 "Required by Law" shall have the same meaning as the term "required by law" in the Privacy Rule.

1.15 "Secretary" shall mean the Secretary of the United States Department of Health and Human Services ("HHS").

1.16 "Security Incident" shall have the same meaning as the term "security incident" in the Security Rule.

1.17 "Transaction" shall have the same meaning as the term "transaction" in 45 C.F.R. Parts 160 and 162 (the "Transactions Rule").

1.18 "Unsecured Protected Health Information" shall have the same meaning as the term "unsecured protected health information" in the Breach Notification Rule.

II. OBLIGATIONS OF BUSINESS ASSOCIATE

2.1 Confidentiality. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required by Law.

2.2 Safeguards. Business Associate agrees to use appropriate safeguards and comply, where applicable, with the Security Rule with respect to Electronic Protected Health Information, to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.

2.3 Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

2.4 Reporting. Business Associate agrees to promptly report to Covered Entity any use or disclosure of Protected Health Information not provided for by this Agreement of which it becomes aware, including any Breach of Unsecured Protected Health Information as required by 45 C.F.R. § 164.410.

2.5 Agents and Subcontractors. Business Associate agrees to ensure, in accordance with 45 C.F.R. § 164.502(e)(1)(ii), that any agents, including without limitation subcontractors, that create, receive, maintain or transmit protected health information on behalf of Business Associate agree to the same restrictions and conditions that apply to Business Associate with respect to such information.

2.6 Access and Amendment. Business Associate agrees to provide access, within five (5) days of receiving a written request from Covered Entity, to Protected Health Information in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual, in order to meet the requirements under 45 C.F.R. § 164.524. Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 within five (5) days of receiving written notice from Covered Entity. In the event an Individual requests such access or amendment directly from Business Associate, Business Associate shall promptly forward such request to Covered Entity within five (5) days.

2.7 Performing Obligations of Covered Entity. To the extent that Business Associate is to carry out any obligation of Covered Entity under the Privacy Rule, Business Associate agrees to comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligation.

2.8 Books and Records. Business Associate agrees to make its internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information available to (i) Covered Entity, upon written request, and (ii) the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's and/or Business Associate's compliance with the Privacy Rule. If the Secretary requests such access, Business Associate shall promptly notify Covered Entity and shall consult and cooperate with Covered Entity concerning the proper response to such request. Notwithstanding the foregoing, nothing in this section shall impose upon Covered Entity any obligation to review Business Associate's practices, books or records.

2.9 Accounting. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528. Business Associate agrees to provide to Covered Entity, within fifteen (15) days of receiving a written request from Covered Entity, information collected in accordance with this section to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528. In the event an Individual requests an accounting of disclosures of Protected Health Information directly from Business Associate, Business Associate will forward such request to Covered Entity within five (5) days.

2.10 Uses and Disclosures Required By Law. Except to the extent prohibited by law, Business Associate shall immediately notify Covered Entity if it receives a request for disclosure of Protected Health Information with which Business Associate believes it is Required by Law to comply and disclose pursuant to which would not otherwise be permitted by this Agreement. Business Associate shall provide Covered Entity with a copy of such request, shall consult and cooperate with Covered Entity concerning the proper response to such request.

2.11 Electronic Protected Health Information. With regard to Protected Health Information which is Electronic Protected Health Information (as defined in the Security Rule), Business Associate shall: (i) comply with the applicable requirements of the Security Rule and develop, document, implement, maintain, and use administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of such information; (ii) in accordance with 45 C.F.R. § 164.308(b)(2), ensure that any subcontractors that create, receive, maintain, or transmit Electronic Protected Health Information on behalf of Business Associate agree to comply with the applicable requirement of the Security Rule by entering into a contract or other arrangement that complies with 45 C.F.R. § 164.314; and (iii) report to Covered Entity any Security Incident of which Business Associate becomes aware, including any Breach of Unsecured Protected Health Information as required by 45 C.F.R. § 164.410. Business Associate's obligations under this Section are in addition to its other obligations set forth in Section 2 of this Agreement.

2.12 Breach Notification. Following discovery by Business Associate of any Breach of Unsecured Protected Health Information, Business Associate shall notify Covered Entity of such Breach in accordance with the data breach notification requirements set forth in the Breach Notification Rule. In the event of a Breach, without unreasonable delay, and in any event no later than five (5) days after Discovery, Business Associate shall provide Covered Entity with written notification that includes: (i) a description of the Breach, (ii) to the extent possible, the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, used or disclosed during the Breach, and (iii) any other available information that Covered Entity is required to include in notifications to Individuals under 45 C.F.R. § 164.404(c) at the time of the written notification or promptly thereafter as information becomes available. Further, Business Associate will provide Covered Entity any additional information required under the HITECH Act and its implementing regulations, as amended from time to time.

2.13 HITECH Act. Business Associate and Covered Entity agree that to the extent not incorporated or referenced in this Agreement, other requirements under the HITECH Act (as well as any other requirements under HIPAA) that apply to business associates and that are required to be incorporated by reference in a business associate agreement are incorporated into this Agreement as if set forth in this Agreement in their entirety and are effective as of the applicable date for each such requirement on which HHS will require business associates to comply with such requirement. Business Associate shall comply with the obligations of a business associate as prescribed by HIPAA and the HITECH Act commencing on such applicable date of each such requirement.

III. PERMITTED USES AND DISCLOSURES

3.1 Use or Disclosure to Provide Services Under the Services Agreement. Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Services Agreement, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.

3.2 Use or Disclosure for Business Associate's Management and Administration. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for its proper management and administration or to carry out its legal responsibilities. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for its proper management and administration, provided that such disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

3.3 Use or Disclosure to Provide Data Aggregation Services. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

3.4 De-Identification of Protected Health Information. Business Associate may de-identify any and all Protected Health Information provided that de-identification conforms to the requirements of the Privacy Rule. The parties acknowledge and agree that data that is de-identified in accordance with the Privacy Rule is not Protected Health Information under the terms of this Agreement.

3.5 Minimum Necessary Uses, Disclosures and Requests. Subject to the exceptions described in 45 C.F.R. §164.502(b)(2), Business Associate must make reasonable efforts to limit Protected Health Information to the minimum necessary to accomplish the intended purpose of a use, disclosure or request otherwise permitted by this Agreement, as required by the Privacy Rule.

IV. RESPONSIBILITIES OF COVERED ENTITY

4.1 Notice of Privacy Practices. Covered Entity shall notify Business Associate of any limitation(s) of which it is aware in the notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.

4.2 Change or Revocation of Permission. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose Protected Health Information of which Covered Entity is aware, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

4.3 Restrictions on Use or Disclosure. Covered Entity shall notify Business Associate of any restriction, of which Covered Entity is aware, to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

V. PERMISSIBLE REQUESTS BY COVERED ENTITY

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

VI. TERM AND TERMINATION

6.1 Term. The term of this Agreement shall be effective as of the date first written above and shall expire when all of the Protected Health Information is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in Section 6.3 of this Agreement.

6.2 Termination. Upon Covered Entity's knowledge of a material breach or violation of this Agreement by Business Associate, Covered Entity may either: (i) provide an opportunity for Business Associate to cure the breach or end the violation and terminate, without penalty, this Agreement and the Services Agreement if Business Associate does not cure the breach or end the violation within forty-five (45) days of receiving notice of such breach or violation from Covered Entity; or (ii) immediately terminate, without penalty, this Agreement and the Services Agreement if Business Associate has breached or violated a material term of this Agreement and Covered Entity reasonably determines that cure is not feasible.

6.3 Return or Destruction of Protected Health Information Upon Termination.

(a) Except as provided in (b) below, upon termination for any reason of this Agreement, Business Associate shall return or destroy all Protected Health Information, including such information in the possession of subcontractors or agents of Business Associate, and shall certify to Covered Entity in writing and provide satisfactory

evidence that Business Associate has fully accomplished the same. Business Associate shall retain no copies of the Protected Health Information.

(b) In the event Business Associate determines that returning or destroying such Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall then extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

VII. INDEMNITY

Generally. Business Associate will indemnify and hold harmless Covered Entity and any affiliate, officer, director, employee or agent of Covered Entity from and against any claims, causes of action, liabilities, penalties, demands, costs or expenses, including attorneys' fees and judicial, administrative, arbitration or other proceeding costs, arising out of or in connection with any non-permitted use or disclosure of Covered Entity's Protected Health Information or other breach of this Agreement by Business Associate or any subcontractor or agent of Business Associate.

VIII. MODIFICATIONS TO COMPLY WITH STANDARDS

Covered Entity and Business Associate agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of HIPAA, the HITECH Act and any other applicable law.

XI. MISCELLANEOUS

9.1 Organizational Representations. Each party represents and warrants to the other party that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized or licensed;

(b) It has the full power to enter into this Agreement and to perform its obligations described in this Agreement;

(c) The performance by it of its obligations hereunder have been duly authorized by all necessary corporate or other actions and will not violate any provision of any charter or bylaws or similar organizational or governing document;

(d) Neither the execution of this Agreement by such party nor its performance hereunder will directly or indirectly violate or interfere with the terms of any other agreement to which it is a party or give any governmental entity the right to suspend, terminate or modify any of its governmental authorizations or assets required for its performance;

(e) Its employees, agents, representatives and members of its workforce, whose services may be used to fulfill obligations under this Agreement, are or shall be appropriately informed of the terms of this Agreement and are under legal obligations, by contract or otherwise, sufficient to enable such party to fully comply with all provisions of this Agreement; and

(f) It will reasonably cooperate with the other party in the performance of the mutual obligations under this Agreement.

9.2 Regulatory References. A reference in this Agreement to a section in the Privacy Rule, the Security Rule, the HITECH Act, or any other section promulgated under HIPAA means the section as in effect or as amended.

9.3 Survival. Any provision of this Agreement which by its terms imposes an obligation which continues following termination of this Agreement shall survive the termination of this Agreement and shall continue to be binding on the parties.

9.4 Injunctive Relief. Business Associate understands and acknowledges that any use or disclosure of Protected Health Information in violation of this Agreement will cause Covered Entity irreparable harm, the amount of which may be difficult to ascertain, and therefore agrees that Covered Entity shall have the right to apply to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining any such further use or disclosure and for such other relief as Covered Entity shall deem appropriate. Such right of Covered Entity is to be in addition to the remedies otherwise available to Covered Entity at law or in equity. Business Associate expressly waives the defense that a remedy in damages will be adequate and further waives any requirement in an action for specific performance or injunction for the posting of a bond by Covered Entity.

9.5 Interpretation; Entire Agreement; Amendment; Waiver. The headings of sections in this Agreement are for reference only and shall not affect the meaning of this Agreement. Any ambiguity in this Agreement shall be resolved to permit Covered Entity and Business Associate to comply with HIPAA and/or the HITECH Act. With respect to the subject matter of this Agreement, this Agreement supersedes all previous contracts by and between the parties and, together with the Services Agreement, constitutes the entire agreement between the parties. In the event that a provision of this Agreement conflicts with a provision of the Services Agreement, the provision of this Agreement shall control; provided, however, that to the extent that any provision within the Services Agreement imposes more stringent requirements than that required in the Agreement, the parties agree to adhere to the terms of the Services Agreement. Otherwise, this Agreement shall be construed under, and in accordance with, the terms of the Services Agreement. This Agreement may be amended only by written agreement between the parties. The failure of either party to enforce at any time any provision of this Agreement shall not be construed as a waiver of such provision, nor in any way affect the validity of this Agreement or the right of either party thereafter to enforce each as every such provision. Waiver of a breach of any provision of this Agreement shall not be deemed a waiver of any other breach of the same or any different provision.

9.6 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors and assigns of the parties any rights, remedies, obligations, or liabilities whatsoever.

9.7 Notices. Any notice required or permitted under this Agreement shall be given in writing and delivered by electronic mail or facsimile with confirmation of receipt, by hand, by nationally recognized overnight delivery service or by registered or certified mail, postage pre-paid and return receipt requested, to the following:

Business Associate: Katherine Pannel, D.O.
1123 East Wellsgate
Oxford, Mississippi 38655

Covered Entity: Batesville Regional Medical Center, Inc.
303 Medical Center Drive
Batesville, Mississippi 38606
Attn: CEO

Notice of a change in address of one of the parties shall be given in writing to the other party as provided above. All notices shall be effective upon receipt.

9.8 Assignment; Binding Effect. No assignment of the rights or obligations of either party under this Agreement shall be made without the express written consent of the other party, which consent shall not be unreasonably withheld. This Agreement shall be binding upon and shall inure to the benefit of the parties, their respective successors and permitted assignees.

9.9 Severability. If any provision of this Agreement is rendered invalid or unenforceable by the decision of any court, arbitrator or administrative body, such invalid or unenforceable provision shall be severed from this Agreement and all other provisions of this Agreement shall remain in full force and effect.

9.10 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

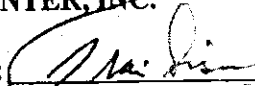
[Signature Page to Follow]

[Signature Page to Business Associate Agreement]

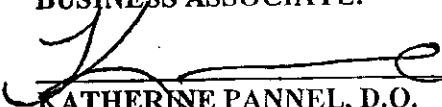
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

COVERED ENTITY:

**BATESVILLE REGIONAL MEDICAL
CENTER, INC.**

By: 
Name: Teres Sisson
Title: CEO

BUSINESS ASSOCIATE:

 D.O.
KATHERINE PANNEL, D.O.