

**COOPERATIVE ENDEAVOR AGREEMENT  
ST. CHARLES PARISH AND  
ST. CHARLES COMMUNITY HEALTH CENTER, INC.**

This Cooperative Endeavor Agreement ("Agreement") is made and entered into this 19 day of APRIL, 2004 ("Effective Date"), by and between St. Charles Parish, a political subdivision of the State of Louisiana ("Parish"), represented by, Albert D. Laque, its Parish President and St. Charles Community Health Center, Inc., a Louisiana nonprofit corporation (hereinafter referred to as "Center") represented by Mark Keiser, its Executive Director, who has been duly authorized by the Board of Directors of the Center.

**WITNESSETH:**

**WHEREAS**, the voters of the Parish, on July 15, 2000, approved a ten year sixty-five hundredths mill tax to be levied through 2009 for the purpose of acquiring, constructing, improving, maintaining, operating and supporting public health unit facilities in the parish, including acquiring and constructing a new public health unit and the acquisition of all sites, furnishings and equipment required therefore (hereinafter referred to as the "Tax"); and

**WHEREAS**, the Parish and the Center have agreed that the Center will assume the delivery of the health care services that historically have been provided by the Parish's Public Health Unit; and

**WHEREAS**, in furtherance thereof, the Parish has been instrumental in the establishment of the Center, which is a Louisiana nonprofit corporation that has been recognized by the Internal Revenue Service as a tax-exempt entity pursuant to Internal Revenue Code Section 501(c)3; and

**WHEREAS**, the Center has also been recognized by the United States Department of Health and Human Services ("DHHS"), Health Resources and Services Administration ("HRSA") as a federally qualified health care center ("FQHC") that is located in a medically underserved area ("MUA") and a health professional shortage area ("HPSA"); and

**WHEREAS**, the Center has assumed the delivery of various outpatient primary and preventative healthcare services to the residents of the Parish regardless of ability to pay, including the delivery of services that the State previously provided at the Parish Public Health Unit pursuant to La. R.S. 40:12 *et seq*, which services are collectively hereinafter referred to as the "Program"; and

**WHEREAS**, the Parish, in return for the Center's assumption of the Program operations, has tendered full operational control to the Center of the Parish-owned building located at 843 Milling Avenue, Luling, Louisiana (the "Facility") to facilitate the continuation of Program operations;

**WHEREAS**, the Parish declares that it is entering into this Agreement for the purpose of obtaining a tangible benefit and for a public purpose, namely, to provide for accessible healthcare services for residents of St. Charles Parish, regardless of their ability to pay; and

**WHEREAS**, the Parish finds that serving the primary care medical needs of the residents of the Parish is a public purpose and obligation of the Parish; and

**NOW THEREFORE**, in consideration of the premises, the mutual covenants hereinafter contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

## TERMS

### I. Premises and Services.

*a.* Parish represents and warrants that it has the authority to offer the Center exclusive use of the Facility during the term of this Agreement, which building is located at 843 Milling Avenue in Luling. In return for Center's provision of the Program services, Parish hereby agrees to provide the Center with exclusive use of the Facility during the term of this Agreement on the terms and conditions herein. Further, the Parish agrees to furnish the Facility's utilities in order to assist the Center with its provision of the Program's services.

*b.* Center hereby agrees to occupy the Facility on a full time basis and warrants that it will, on a best efforts basis, maintain federal approval to operate as a FQHC and will provide Program services to residents of St. Charles Parish to the best of Center's ability and in a non-discriminatory fashion. Center agrees not to discriminate on the basis of race, creed, religion, gender, disability, ability or inability to pay, or any other status. Center agrees that the delivery of Program services and the benefit derived by the residents of the Parish serve as the essential causes of this Agreement. Center agrees to seek any and all funding available to expand the volume and scope of Program services, including the application for all funding and grants from governmental agencies such as the HRSA and funding from charitable foundations and organizations. The Center agrees to seek network affiliations with other similar providers in an effort to expand the scope of health care access.

*c.* The Parish agrees to support the Center's operations, maintain the Facility, provide utilities for the Facility and the Center's operations, insure the Facility, maintain all Parish owned equipment located within the Facility and utilized by the Center in its operations, and provide the Center with exclusive use of the Facility, assuming the Center is not in breach of any obligation contained immediately above in Article I (b).

**II. Term.** This Agreement shall be effective on the Effective May 1, 2004 and may be renewed on an annual basis upon the mutual consent of the Center and the Parish, unless sooner terminated as provided or permitted herein. Notwithstanding any provision to the contrary, Parish may terminate this Agreement in the event that at any time during the term of this Agreement, Center no longer provides Public Health Program services.

**III. Maintenance, Fixtures, Taxes, Assessments, and Utilities.** Parish shall provide the following in its support of the Center's operations. Parish shall pay, at its costs and expense, all taxes, assessments (including special assessments), and charges of a similar nature which may be levied by any governmental entity with respect to the Facility. Parish shall pay, at its costs and expense, all taxes levied on the Parish's equipment in the Facility. Parish shall pay, at its costs and expense, all maintenance required for the Parish's equipment located in the Facility and utilized by the Center. Parish shall pay, at its costs and expense, all utilities necessary for the Center's operation within the Facility. Center shall pay at its cost and expense all personal property taxes and assessments which may be levied by any governmental entity with respect to Center's merchandise inventory, trade fixtures, or business operation and any taxes in the nature of a sales tax that may be imposed on the Agreement payments. Parish shall also be responsible for all maintenance and repair of the Facility and for installing any improvements, within budgeted allocations by the St. Charles Parish Council.

**IV. Assignment and Subletting.** Center may not sublet the Facility or assign its obligations hereunder without first obtaining Parish's express consent.

**V. Signs.** Center shall have the right to erect signage on the exterior and interior of the building to adequately identify the operations maintained by Center, such signage to be in a form and appearance reasonably acceptable to Parish. Parish shall not unreasonably withhold or delay its consent with respect to the signage proposed by Center. Center agrees that any signs it installs pursuant to this provision shall be in compliance with applicable governmental and zoning regulations, if any.

**VI. Center's Insurance.** As Center is a federally qualified health center, the Center receives liability protections under the Federal Tort Claims Protection Act and Center shall at all times Center occupies the Facility, at its sole expense, carry and maintain liability protections under the Federal Tort Claims Protection Act. Parish shall maintain comprehensive general liability insurance insuring Parish and Center against claims for injury, wrongful death, or property damage occurring in the Facility with minimum policy limits of a combined single event limit of \$1,000,000.00 on account of bodily injuries or death of one or more persons and a single event property damage insurance limit of \$2,500,000.00. Parish shall furnish Center with a certificate of insurance reflecting each policy of insurance required to be maintained by Parish.

**VII. Damage to Building.** If all or any portion of the Facility shall be condemned by lawful authority as unsafe or unfit for use, or if it becomes partially or wholly destroyed or damaged by fire or other casualty such as to render them

untenantable, this Agreement shall, at the option of either party, terminate unless the Facility can be repaired or restored within sixty (60) days.

#### VIII. Center's Default.

*a.* Upon failure to comply within 90 days after written notice of default of those obligations imposed upon Center pursuant to Article I (b), then Parish shall have the right, at its option, to terminate this Agreement and may require Center to remove all persons and property for the Facility. Notwithstanding the above, in the event of deficiency of the Center's status as a FQHC that is not cured within the applicable time period provided by DHHS to cure FQHC status defects, then Parish shall have the option after 90 days after written notice to terminate this Agreement.

*b.* If (i) a voluntary or involuntary petition in bankruptcy, or for reorganization, or for an arrangement, be filed by or against Center, or if Center be adjudicated bankrupt or insolvent, or if a receiver be appointed for all or substantially all of the business or assets of Center, or if Center makes a general assignment, or any assignment for the benefit of its creditors, or (ii) Center should be in default in the performance of any of its obligations hereunder and such default is not cured within ninety (90) days after written notice to Center, or if such default cannot be cured within ninety (90) days, then if Center does not commence to cure said default within said ninety (90) day period and cure the same as promptly as practicable thereafter; then, in any of such events and in addition to any or all rights or remedies of Parish hereunder and provided by law, Parish shall have the right, at its option, to terminate Center's right to possession and remove all persons and property therefrom.

*c.* In the event of entry or taking possession of the Agreement premises as aforesaid, Parish shall have the right to remove therefrom any part of the personal property located therein and place the same in storage at the expense of Center.

**IX. Parish's Default.** If (i) a voluntary or involuntary petition in bankruptcy, or for reorganization, or for an arrangement, be filed by or against Parish, or if Parish be adjudicated bankrupt or insolvent, or if a receiver be appointed for all or substantially all of the business or assets of Parish, or if Parish makes a general assignment, or any assignment for the benefit of its creditors, or (ii) Parish should be in default in the performance of any of its obligations hereunder and such default is not cured within ninety (90) days after written notice to Parish, or if such default cannot be cured within ninety (90) days, then if Parish does not commence to cure said default within said ninety (90) day period and cure the same as promptly as practicable thereafter; then, in any of such events and in addition to any or all rights or remedies of Center hereunder and provided by law, Center shall have the right, at its option, to terminate this Agreement.

**X. Holding Over.** Any holding over by Center beyond the original term of this Agreement or any renewal period thereof shall give rise to a tenancy from month to month on the same terms and conditions contained herein.

**XI. Mutual Release.** Except as otherwise provided herein, Center hereby releases Parish from all liability resulting from loss or damage caused by fire or other hazards to the Facility even if such fire or other casualty shall be brought about by the negligent act or omission of Parish, its agents, or employees. Parish hereby releases Center from any and all liability for any loss or damage caused by fire or other hazards to the Facility even if such fire or other casualty shall be brought about by the negligent act or omission of Center, its agents or employees. Parish and Center agree that all insurance policies shall include a clause waiving rights of subrogation against the other.

**XII. Quiet Possession.** Parish covenants that it will put Center into complete and exclusive possession of the Facility, free from all orders, restrictions and notices of any public or quasi-public authority, and that if Center shall perform all the covenants and provisions of this Agreement to be performed by Center, Center shall during the Agreement term and any renewal periods, freely, peaceably and quietly occupy and enjoy the full possession of the Facility, and the tenements and appurtenances thereto belonging, and the rights and privileges granted without hindrance. If at any time during the Agreement term the title of Parish shall fail or for any reason it shall appear that Parish is unable to make this Agreement for the term or on the conditions set forth, Center shall, in addition to all remedies available at law or in equity, have the right at Parish's expense to correct any default or terminate this Agreement.

**XIII. Entire Agreement.** This instrument and its attachments, if any, contain the entire agreement between the parties and there are no covenants, express or implied, except as contained herein. No statement, promise or inducement made by either party or agent of either party that is not contained in this written agreement shall be valid or binding. No waiver of any condition or covenant of this Agreement by either party shall be deemed to imply to constitute a further waiver of the same or any other condition or covenant of this Agreement.

**XIV. Hold Harmless.** Parish agrees to protect, defend, indemnify and hold harmless the Center and each and all of the Center's officers, employees, agents, representatives, contractors, invitees and all other persons, firms, corporations or other entities which might be liable from and against any and all claims, demands, actions, causes of action, liabilities, and expenses (including reasonable attorneys' fees) which may arise out of or in connection with this Agreement which arise from or are occasioned by Parish hereunder. The Center agrees to protect, defend, indemnify and hold harmless Parish and each and all of Parish's officers, employees, agents, representatives, contractors, invitees and all other persons, firms, corporations or other entities which might be liable from and against any and all claims, demands, actions, causes of action, liabilities, and expenses (including reasonable attorneys' fees) which may arise out of or in connection with this Agreement which arise from or are occasioned by the Center hereunder.

**XV. Captions.** All captions and headings are for convenience of reference only and in no way shall be used to construe or modify the provisions set forth in this Agreement.

**XVI. Notices.** All notices required under this Agreement shall be deemed to have been properly served if delivered in writing personally or by registered or

certified mail to Parish as follows:

If to the Parish: St. Charles Parish  
P. O. Box 302  
15045 River Road  
Hahnville, LA 70057  
Attn: Parish President

If to the Parish: St. Charles Community Health Center  
P. O. Box 62  
843 Milling Avenue  
Luling, Louisiana 70070  
Attn: Executive Director

or such other place or places as Center may designate in writing from time to time. Date of service of a notice served by mail shall be the date on which such notice is deposited in a Post Office of the United States Postal Service.

**XVII Governing Law.** This Agreement shall be governed by the laws of Louisiana applicable to contracts executed within and to be performed wholly within such state.

**XVIII. Binding Effect.** This Agreement shall bind and inure to the benefit of the parties hereto, their heirs, successors, executors, administrators, and assigns.

**XIX. Special Stipulations.**

*a. No Partnership or Joint Venture.* The relationship between Parish and Center at all times shall remain solely that of Parish and Center and shall not be deemed to constitute a partnership or a joint venture.

*b. Regulatory and Administrative Matters.* Parish and Center agree to cooperate fully with one another in complying with any and all applicable licensing regulations, safety regulations, health regulations, environmental regulations and other laws, rules, ordinances or regulations of the State of Louisiana, the federal government or any other applicable authority pertaining to the undertakings of the Parish and Center herein and the federal Medicare program and the federal and state Medicaid programs. Parish and Center shall also cooperate in connection with disaster planning and compliance with the Americans with Disabilities Act and OSHA regulations. Parish shall bear all costs incurred in connection with such compliance insofar as it relates to any changes that may be required to the building or the Agreement premises.

**XX. Severability.** If any clause, phrase, sentence or provision of this Agreement is illegal, invalid or unenforceable (in whole or in part) under present or future

laws effective during the Agreement term or any extension thereof, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected by the illegal, invalid or unenforceable portion and it is also the intention of the parties to this Agreement that in lieu of each clause, phrase, sentence or provision of this Agreement that is illegal, invalid or unenforceable, there be added as a part of this Agreement a clause, phrase, sentence or provision as similar in terms to such illegal, invalid or unenforceable clause, phrase, sentence or provision as may be possible and be legal, valid, and enforceable.

**XXI. Mutual Waiver of Subrogation Right.** Whenever (a) any loss, cost, damage or expense resulting from fire, explosion, or any other insured casualty or occurrence is incurred by either of the parties to this Agreement, and (b) such party is then required to be covered in whole or in part by insurance with respect to such loss, cost, damage, or expense, then the party so insured, or required to be insured, hereby releases the other party from any and all liability it may have on account of such loss, cost, damage, or expense, to the extent of any amount recovered, or which would have been recovered if so insured by reason of such insurance, and waives any right of subrogation which might otherwise exist in, or accrue to, any person on account thereof, to the full extent of such losses, costs, damages, or expenses, notwithstanding any deductible in such policy, provided, however, that such releases shall be void where the effect thereof is to invalidate such insurance coverage.

**XXII. Reports.** Center shall provide to Parish all written reports and surveys received by Center from any local, state or federal agencies that adversely impact continuing state and federal Medicaid and Medicare certification or FQHC status of the Facility. Center shall report its plan for correction of deficiencies and estimated time of compliance to Parish.

**XXIII. Access to Records.** Pursuant to Section 1861(v) (1)(I) of the Social Security Act, until the expiration of four years after the furnishing of services pursuant to this Agreement, Parish and Center shall make available, one to the other, upon written request from the Secretary of Health and Human Services or the U.S. Comptroller General or any of their duly authorized representatives, this Agreement, books, documents and records of Parish and Center that are necessary to verify the nature and extent of costs incurred by Parish or Center under this Agreement.

**XXIV. Amendments.** This Agreement may be amended only by an instrument signed by both parties.

**XXV. Waiver of Breach.** The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent or other breach hereof.

**XXVI. Legislative Auditor.** The parties agree to that, upon the request of the legislative auditor or any other lawful authority, the parties shall provide any and all documents relating to this Agreement for review by said authority.

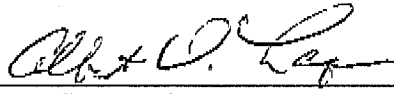
**XXVII. HIPAA Requirements.** Parish agrees to comply with the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320d through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder including without limitation the federal privacy regulations as contained in 45 C.F.R. Part 164 (the "Federal Privacy Regulations") and the federal security standards as contained in 45 C.F.R. Part 142 (the "Federal Security Regulations"). Parish agrees not to use or further disclose any protected health information, as defined in § 45 C.F.R. 164.504, or individually identifiable health information, as defined in 42 U.S.C. §1320d (collectively, the "Protected Health Information"), concerning a patient other than as permitted by this Agreement and the requirements of HIPAA or regulations promulgated under HIPAA including without limitation the Federal Privacy Regulations and the Federal Security Regulations. Parish will implement appropriate safeguards to prevent the use or disclosure of a patient's Protected Health Information other than as provided for by this Agreement. Parish will promptly report to Center any use or disclosure of a patient's Protected Health Information not provided for by this Agreement or in violation of HIPAA, the Federal Privacy Regulations, or the Federal Security Regulations of which Parish becomes aware. In the event Parish, with Center's approval, contracts with any party to whom Parish provides a patient's Protected Health Information received from Clinic, Parish shall include provisions in such agreements whereby the party agrees to the same restrictions and conditions that apply to Parish with respect to such patient's Protected Health Information. Parish will make its internal practices, books, and records relating to the use and disclosure of a patient's Protected Health Information available to the Secretary of Health and Human Services to the extent required for determining compliance with the Federal Privacy Regulations and the Federal Security Regulations. Notwithstanding the foregoing, no attorney-client, accountant-client, or other legal privilege shall be deemed waived by Parish or Center by virtue of this Section.

This Section XXVII shall not prohibit a party from disclosing any information deemed confidential hereunder to that party's employees, attorneys, accountants, consultants or affiliates provided that such employees, attorneys, accountants, consultants and affiliates agree to maintain the confidential nature of the information consistent with the requirements of Section XXVII.




IN WITNESS WHEREOF, the Parish and the Center have executed this Agreement on the date first written above.

St. Charles Parish

By:   
Name: Albert D. Laque  
Title: Parish President  
Date of Signature: 4/22/2004

St. Charles Community Health Center, Inc.

By:   
Name: Mark F. Keiser  
Title: Executive Director  
Date of Signature: 4-27-04