12-064

ROCKFORD HEALTH system
Respectful Care

2350 NORTH ROCKTON AVENUE
SUITE 205
ROCKFORD, IL 61103

LEGAL 815-971-7420
COMPLIANCE 815-971-7333
FAX 815-961-1449

VIA U.S. MAIL

August 14, 2012

Ms. Joan Cappelletti, RN, MSN, MSML
Executive Director of Nursing
St. Alexius Medical Center
1555 Barrington Road
Hoffman Estates, IL 60169

Re: Renewal of Perinatal Affiliation Agreement for Level III Hospital

Dear Ms. Cappelletti:

Enclosed for your files is a fully executed original copy of the Renewal of Perinatal Affiliation Agreement for Level III Hospital between St. Alexius Medical Center and Rockford Memorial Hospital.

Thank you for your assistance with the Renewal. If you have any questions or need anything further please contact me at (815) 971-7445.

Sincerely,

Joan E Meyer

Joan E. Meyer, Paralegal
Rockford Health System, Office of Legal Affairs
Rockford Medical Building, Suite 205
2400 North Rockton Avenue
Rockford, IL 61103

Enclosures

RENEWAL OF PERINATAL AFFILIATION AGREEMENT FOR LEVEL III HOPSITAL

THIS RENEWAL OF PERINATAL AFFILIATION AGREEMENT FOR LEVEL III HOPSITAL ("Renewal") is made and effective as of this 10th day of July, 2012 (the "Effective Date") between the **Northwest Illinois Perinatal Network at Rockford Memorial Hospital** ("Perinatal Center") and **St. Alexius Medical Center** ("Hospital").

RECITALS:

A. Perinatal Center and Hospital have been parties to that certain Perinatal Affiliation Agreement for Level III Hospital effective as of July 30, 2010 (the "Agreement").

B. The Agreement was to have expired as of July 29, 2012.

C. The Agreement provides under Section IV "Joint Responsibilities " letter A that the Agreement may be renewed of a term mutually agreed upon by both parties

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the parties agree as follows:

1. The term of the Agreement is hereby renewed for an additional term of one (1) year commencing as of **July 30, 2012** and ending as of **July 29, 2013**.

2. All other terms and conditions of the Agreement shall remain in full force and effect.

THE PARTIES HERETO have executed this Renewal of Perinatal Affiliation Agreement for Level III Hospital as of the day and year first above written.

ROCKFORD MEMORIAL HOSPITAL

By: _____

Name: Dan Parod

Title: Sr VP Hospital & Admin Affairs

ST. ALEXIUS MEDICAL CENTER

By: _____

Name: Edward Goldberg

Title: President & CEO

ROCKFORD HEALTH
system

Respectful Care
2350 North Rockton Avenue
Suite 205
Rockford, IL 61103

Legal (815) 971-7420
Compliance (815) 971-7333
Fax (815) 961-1449

VIA FEDERAL EXPRESS

August 23, 2010

Ms. Joan Cappelletti
Administrative Director
Women & Children's Services
St. Alexius Medical Center
1555 Barrington Road
Hoffman Estates, Illinois 60169

Re: Perinatal Affiliation Agreement between Rockford Memorial Hospital and St. Alexius Medical Center

Dear Ms. Cappelletti:

Please find enclosed three (3) original copies of the Perinatal Affiliation Agreement for Level III Hospital ("Agreement"). I have had the Agreement executed by the appropriate parties at Rockford Memorial Hospital. Please have the appropriate parties at your institution execute the Agreement where indicated and return two (2) original copies to me at the address below. We will forward one original copy to IDPH for their records and retain the other in our files.

Thanks for your assistance with the Agreement and for your patience as I obtained appropriate signatures. If you have any questions or need anything further please contact me at (815) 971-7445.

Sincerely,

Joan E. Meyer

Joan E. Meyer, Paralegal
Rockford Health System, Office of Legal Affairs
2400 N. Rockton Avenue
Rockford, IL 61103
(815) 971-7445

Enclosures

cc: Barb Prochnicki, Perinatal Grant Administrator

PERINATAL AFFILIATION AGREEMENT FOR LEVEL III HOSPITAL

This Perinatal Affiliation Agreement ("Agreement") is made this 30th day of July 2010 by and between St. Alexius Medical Center, ("Hospital") located and doing business in Hoffman Estates, Illinois, and the Northwest Illinois Perinatal Network at Rockford Memorial Hospital ("Perinatal Center") located and doing business in Rockford, Illinois. The Perinatal Center is recognized and designated by the Illinois Department of Public Health as a Level III Perinatal Center providing obstetrical care and neonatal care. In order to serve as a Level III affiliated perinatal facility designated by the Illinois Department of Public Health, Hospital agrees to affiliate with the above Perinatal Center on the terms and conditions set forth herein.

I. PURPOSE

This Agreement has been entered into pursuant to the Adopted Rules of the Illinois Department of Public Health, Regionalized Perinatal Health Care Code (77 Ill. Adm. Code 640), with the express purpose and intent of establishing procedures for the care, support and transport of high-risk obstetrical and neonatal patients.

II. PERINATAL CENTER OBLIGATIONS

A. The Perinatal Center will maintain "hot-lines" staffed 24-hours a day so that Hospital may consult with the Perinatal Center regarding obstetrical and neonatal patients and/or arrange for support services, referral or transport. These numbers, which are subject to change upon written notice to Hospital, shall be:

	Obstetrical Number	Neonatal Number
Rockford:	1-800-373-6155 or 815-971-6310	1-800-397-6861 or 815-971-6500

Any physician affiliated with Hospital may request a patient transfer in accordance with the terms of this Agreement by contacting the Perinatal Center through the appropriate numbers.

B. The Perinatal Center will accept all medically eligible obstetrical/neonatal patients.

C. The Perinatal Center shall provide medical and surgical treatment and support services unavailable from Hospital to those neonatal and/or obstetrical patients whom the Perinatal Center determines need such treatment or services but whom the Perinatal Center determines need not or cannot be transported to the Perinatal Center. The Perinatal Center shall bill such patients for any such treatment or services provided.

D. If the Perinatal Center is unable to accept a referred maternal or neonatal patient because of a lack of capacity or capability, Perinatal Center will assist in arranging for admission of the patient to another facility capable of providing the appropriate level of care.

E. Transportation of all patients transferred pursuant to this Agreement will be the responsibility of the Perinatal Center. Decisions regarding transport and mode of transport will be made by the Perinatal Center in collaboration with the referring physician. Responsibility for the patient remains with Hospital until the transportation selected by the Perinatal Center accepts the patient.

F. Consultation with Maternal Fetal Medicine at the Hospital in collaboration with the referring physician will occur to decide whether to have an obstetrical patient stabilized before transfer, kept in the affiliated unit or transferred immediately. If transfer is necessary, collaboration with Maternal Fetal Medicine at the Perinatal Center will occur to determine the best possible alternatives and the staff needed for transport.

G. Written protocols for the mechanism of referral/transfer/transport will be distributed by the Perinatal Center to Hospital's physicians, administration and nursing service. This is to include a mechanism for data recording of the time, date and circumstances of transfer so that this information can be utilized as part of the morbidity and mortality reviews.

H. A written summary of patient management and outcome for patients transferred under this Agreement will be sent by the Perinatal Center to the referring physician of record and to Hospital's chart at the time the patient is discharged. In addition, the Perinatal Center will endeavor to keep the referring physician informed of the patient's progress prior to discharge as appropriate.

I. The Perinatal Center will conduct Joint Mortality and Morbidity conferences at the Hospital. The parties agree that information disclosed or developed in such conferences shall be used for the exclusive purpose of evaluating and improving quality of care, and is privileged and strictly confidential and may only be used for the purposes described in the Illinois Medical Studies Act ("**Medical Studies Act**"):

1. The Perinatal Center will be represented by Maternal Fetal Medicine specialists, neonatologist, and a nursing representative.

2. The Hospital will be represented by obstetricians, maternal fetal medicine, pediatricians, neonatology, family physicians, nurse midwives, and a nursing representative.

3. The Hospital will provide case material to the Perinatal Center at least two weeks prior to conference.

4. The content of the review will be determined by the Perinatal Center and Hospital in accordance with guidelines contained in Regionalized Perinatal Health Care Code. The review must include but not limited to maternal

deaths, fetal deaths, neonatal deaths, selected morbidity, transfers, and continuous quality improvement projects.

J. The Perinatal Center will transfer patients back to Hospital when medically feasible in accordance with physician to physician consultation. Where patients are transferred back to Hospital in accordance with this paragraph, Hospital shall be responsible for notifying the appropriate health department of the patient's eventual discharge to home via the Adverse Pregnancy Outcome Reporting System (APORS) and for referring to appropriate state and local education service agencies those children having an identified handicapping condition or developmental disability. Where the Perinatal Center discharges the patient to his or her home, the Perinatal Center shall be responsible for these notifications and referrals. Each party shall use its own established procedures for making such notification and referrals and for obtaining appropriate parental consent. The Hospital will establish a method for securing a primary physician for any neonate returning from the Perinatal Center without a primary physician on admission to the Perinatal Center. Hospital and the Perinatal Center agree that stable infants with may be returned to the Hospital where Hospital resources permit:

K. The Perinatal Center will develop and offer Perinatal Outreach Education programs at a reasonable cost to include the following:

1. Periodic obstetrical and neonatal needs assessment of Hospital.

2. Protocols for patient management for Hospital.

3. Continuing Medical Education programs for obstetricians, pediatricians and family practitioners either at Hospital or at the Perinatal Center site.

4. Mini-Fellowships at the Perinatal Center for Hospital physicians and nurses.

5. Programs based on need assessment by outreach nurse educators at Hospital for obstetrical and neonatal nursing staff.

L. The Perinatal Center will establish, maintain and coordinate the educational programs offered by and for all Level I, Level II, Level II+ and Level III hospitals for which it serves.

M. The Perinatal Center shall develop a Regional Perinatal Management Group, Regional Quality Council, and Nurse Leadership Group, including, but not limited to, representatives of each hospital in the Perinatal Network. This group shall meet at least quarterly to plan management strategies, evaluate morbidity and mortality reviews, evaluate the effectiveness of current programs and services, determine the methodologies used to monitor, evaluate, and improve the quality of health care services for neonatal and obstetrical patients at Hospital, and to set future goals. The Regional Quality Council shall determine the projects and data collection system to be used.

N. Perinatal Center will provide statistical analysis of currently available data on the affiliate hospitals at their request and develop data systems as needed. All data will be presented in aggregate or coded form and neither institutional nor patient specific data will be shared with any other institution within the Perinatal Network. Aggregate, coded data of the perinatal Network will be presented at the Annual Meeting for educational and priority setting purposes.

III. HOSPITAL OBLIGATIONS

A. The Hospital, through its administrative staff, will inform the physician and nursing staff of the guidelines in this document.

B. The Hospital physicians will utilize the "hot-line" established by the Perinatal Center for consultation, referral, and transport of obstetrical and neonatal patient.

C. The Hospital designated as a Level III will usually care for maternal and neonatal patients defined in Level III guidelines of the 640 code.

D. The Hospital physicians will consult and/or transfer high risk patients to the Perinatal Center obstetrical and neonatal patients for treatment in the event the Hospital is unable to provide the specialized care required by such patients.

E. Hospital shall develop and implement a system for assigning a physician to those neonatal patients referred to the Perinatal Center who have no physician. When the Perinatal Center has determined that it is medically feasible to transfer a patient back to Hospital, such assigned physician shall become the patient's primary physician. When no physician has been assigned to such patient, Hospital agrees that the designated pediatrician on call at Hospital at the time of transfer back to the Hospital shall be designated as the patient's primary physician.

F. The Hospital staff will develop and maintain in-house continuing educational programs for obstetrical and neonatal/pediatric medical and nursing staff and other disciplines as needed. Staff will be encouraged to participate in continuing educational programs for nurses and physicians developed by the Perinatal Center.

G. The Hospital will designate representatives to serve on the Perinatal Regional Continuous Quality Improvement Council and Regional Management Group, Northwest Illinois Perinatal Regional Advisory Council (NIPRAC). It is recommended that physician, nursing and/or administration represent the Hospital.

H. The Hospital will maintain and share such statistics as the Perinatal Regional Quality Improvement Council may deem appropriate. Charts for Mortality and Morbidity cases are to be submitted to the Perinatal Center two (2) weeks prior to the conference of Mortality and Morbidity.

I. The Hospital physicians will make appropriate referrals for high-risk infants and neonates with handicapping conditions to appropriate follow-up programs.

J. The Hospital will provide documented evidence of the support services available as required by requirements for Level III hospitals in the Regionalized Perinatal Health Care Code.

K. The Hospital will participate in the Adverse Pregnancy Outcome Reporting System.

L. The Hospital will provide information, counseling and referral services to parents or potential parents of its neonatal patients who have handicapping conditions or developmental disabilities and perform an evaluation of such patients within 24 hours from the time the condition is first identified.

M. The Hospital will comply with the requirements outlined in Attachment 1.

IV. JOINT RESPONSIBILITIES

A. This agreement will remain in effect for a period of two years beginning on **July 30, 2010** and ending on **July 29, 2012**. Thereafter, this agreement may be renewed for a term mutually agreed upon by both parties. If either party wishes to terminate this agreement, they may do so upon 90 days prior written notification to the other. The Illinois Department of Public Health will also be notified of the intent to terminate.

B. Hospital and Perinatal Center acknowledge that in the course of the term of this Agreement, Hospital and Perinatal Center will have access to patient records, reports, and similar documents, and to individually identifiable health information, as that term is defined in the Health Insurance Portability and Accountability Act of 1997 (HIPAA) regulations. Hospital and Perinatal Center agree to prepare, preserve, disclose, and maintain the confidentiality and security of all such records and information in accordance with the accepted standards of medical practice, the parties' policies, the requirements of this Agreement, and all applicable laws and regulations concerning the confidentiality and disclosure of medical records, medical records information, and individually identifiable health information, including, but not limited to, HIPAA and the rules and regulations related thereto. Hospital and Perinatal Center agree to assume full responsibility for the compliance, education, and training of its respective employees and agents regarding the standards, policies, requirements, laws, and regulations referred to above. The provisions of this Section shall survive termination of this Agreement.

C. None of the provisions of this Agreement are intended to create, nor shall they be deemed or construed to create, any relationship between the parties other than that of independent entities contracting or cooperating with each other solely for the purpose of effectuating the provisions of this Agreement. Neither party to this Agreement, nor their respective employees, contractors, or agents, shall be construed to be the agent, employer, employee, or representative of the other or entitled to any benefits provided by the other to its employees or contractors.

D. Any notice required or permitted under the terms of this Agreement shall be in writing and shall be deemed to have been given: (1) upon delivery when delivered

personally; (2) one (1) business day after dispatch by a nationally recognized overnight delivery service; or (3) three (3) business days after deposit in the United States mail with first-class postage and registered mail or certified mail fees prepaid, return receipt requested, to the following address or addresses (or at such other addresses designated by the parties in writing from time to time):

If to Hospital:

St. Alexius Medical Center
1555 Barrington Rd.
Hoffman Estates, IL 60194
Attention: Chief Executive Officer

If to Perinatal Center:

Rockford Memorial Hospital
2400 North Rockton Avenue
Rockford, IL 61103
Attention: Barb Prochnicki
Perinatal Grant
Administrator

With Copy To:

Rockford Health System
2400 North Rockton Avenue
Rockford, IL 61103
Attention: VP Legal Affairs

V. MISCELLANEOUS

A. Hospital will maintain a Level III nursery, with a Board Certified Neonatologists director. The director shall be responsible for:

1. Supervising and coordinating the care provided at the nursery and providing consultation to other physicians when needed; and

2. Securing twenty-four hour coverage, 365 days a year (366 on leap years) by developing and implementing a call schedule.

The director or his designee will be notified of all admissions to the nursery and will decide in conjunction with the private physician whether consultation is needed, consistent with the terms and conditions of this Agreement. All neonatologists providing coverage for the nursery shall be Board Certified or Eligible.

B. Both parties agree to comply with all applicable laws and regulations in effect at the time of this Agreement, as amended from time to time.

C. It is required that the Chairpersons of Hospital's Departments of Obstetrics and Gynecology, and Neonatology be Board Certified.

To evidence their agreement, the parties each have caused this Agreement to be duly executed and delivered in its name and on its behalf.

Rockford Memorial Hospital

Dan Parod — 8/19/10 Date
Sr. V.P. Hospital and Administrative Affairs

Paula Melone, D.O. — 8/16/10 Date
Director, Maternal Fetal Medicine

Jose Gonzalez, M.D. — 8/11/10 Date
Director, Neonatology

St. Alexius Medical Center

Edward Goldberg — 8/27/2010 Date
President and CEO

Lee Yang, D.O. — 8/27/2010 Date
Director, Maternal Fetal Medicine

Ishwar K. Patel, M.D. — 8/27/10 Date
Chairman, Department of Obstetrics and Gynecology

Alireza Zand, M.D. — 8/27/10 Date
Chairman, Department of Pediatrics

Maliha Shareef, M.D. — 8/27/10. Date
Director, NICU

ATTACHMENT 1

LEVEL III HOPSITAL

A. St. Alexius agrees to comply with all requirements of the Illinois Department of Public Health as a Level III facility within the Perinatal Network ("Network"), including assumption of responsibility for, consultation, education, data collection and administration of perinatal services for the hospitals affiliated with the Hospital through the Network.

B. The Hospital will maintain 24-hour obstetrical and neonatal telephone numbers located in Labor and Delivery and the Intensive Care Nursery for consultation and transfer/transport calls and will accept all medically eligible Illinois residents from Network hospitals.

C. The Hospital will provide timely and regular communication to referring physicians regarding management and outcomes of their patients transferred to the Hospital

D. The Hospital will establish a system to return patients to referring hospitals within the Network when such patients become stable.

E. The Hospital will provide all services/personnel as required of a Level III perinatal facility in the Illinois Perinatal Rules and Regulations, as may be amended from time to time, including, without limitation:

- Maintain a full-time Medical Director of Neonatology certified by the American Board of Pediatrics, with a subspecialty certificate in Neonatal/Pediatric Medicine.
- Maintain a full-time Medical Director certified by the American Board of Obstetrics and Gynecology in the subspecialty of Maternal and Fetal Medicine or a licensed osteopathic physician with equivalent training and experience and certified by the American Osteopathic Board of Obstetricians and Gynecologists;
- Maintain 24-hour in-house obstetrical coverage by a board-certified or board-eligible candidate in obstetrics;
- Develop/maintain an Administrative Director to direct planning, development and operations of the non-medical aspects of the Level III facility;
- Maintain a physician or advanced practice nurse experienced in the management of mechanically ventilated infants in-house during the entire time any infant receives mechanical ventilation;
- Provide pediatric/neonatal respiratory therapy services under the direction of a full-time licensed respiratory care practitioner with at least three years experience in all aspects of pediatric and neonatal respiratory care, preferably with a bachelor's degree, and one successful completion of the neonatal/pediatric exam of the National Board of Respiratory Care;
- Provide dedicated obstetrical anesthesia services under the direct supervision of a board-certified anesthesiologist with extensive training or experience in maternal, fetal and neonatal anesthesia available 24 hours per day;
- Provide neonatal surgical services 24 hours per day supervised by a board-certified surgeon or a board-eligible candidate in pediatric surgery;

- Provide neonatal surgical anesthesiologists with extensive training and/or experience in pediatric and neonatal anesthesia for neonatal surgical services;
- Maintain neonatal radiology services 24 hours per day;
- Have available consultative neonatal neurology services 24 hours per day;
- Have available consultative neonatal cardiology services 24 hours per day; Provide other clinical and follow-up services as outline in the State of Illinois Perinatal Rules and Regulations, as amended; and
- Maintain policy for referral of patients to genetics and maintain Full time genetic counselor.

F. If there is a material change in personnel that would affect the ability of the Hospital to met the requirements set forth in this Attachment, or any of the above services are otherwise unavailable, the Hospital shall immediately notify the Perinatal Center office at Rockford Memorial Hospital