

## Revenue Cycle Management Automation Services Agreement

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This Agreement ("Agreement") made on \_\_\_\_\_, by and between Medical Innovation Centers of America Inc. having a place of business at 10338 S 233<sup>rd</sup> East Place, Broken Arrow, OK 74014 hereinafter referred to as "MICA", and \_\_\_\_\_ having a place of business at \_\_\_\_\_, hereinafter referred to as the "Client", MICA and the Client sometimes hereinafter collectively referred to as the "Parties", as follows:

### WITNESSETH:

**WHEREAS**, MICA is a healthcare billing company which will provide electronic claims, billing and collection services to Client as represented in Exhibit A; and

**WHEREAS**, MICA will provide services to Client on the terms and conditions hereinafter set forth; and

**NOW, THEREFORE**, in consideration of the promises and covenants contained herein and for other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

### 1. SERVICES

#### 1.1 Billing Services

See Exhibit A for full scope of Billing Services.

#### 1.2 Exclusivity

MICA will be the exclusive provider of services to Client during the term of this Medical Billing Services agreement. The Client is expressly prohibited from utilizing the services of any other claims processing and credentialing service provider companies or any other companies that provide a similar service to MICA.

#### 1.3 Compliance With Laws and Regulations

It is expressly understood and agreed that both parties, in performance with their duties hereunder, will comply with all applicable laws and regulations, including but not limited to laws and regulations (and government interpretations thereof) relating to billing, coding, and submission of claims to Medicare, Medicaid and other third-party insurance carriers and or programs.

### 2. TERM

The initial term of this Agreement will be for one (1) year (the "Initial Term") from the Effective Date. This Agreement will automatically renew for successive additional one (1)

year terms, unless either party gives the other written notice thirty (60) days in advance of the end of the one (1) year term. Notwithstanding the foregoing, this Agreement can be terminated at any time on written notice for cause consisting of a material breach of a term or condition hereof which is not corrected within thirty (30) days of prior written notice describing the breach in reasonable detail. This Agreement may also be terminated on written notice in the event either party becomes excluded from participation by the Medicare or Medicaid program; MICA becomes legally unable to provide the services contemplated herein; or Client becomes legally unable to provide medical services, insolvent or files for bankruptcy protection, or as otherwise specified herein.

### **3. CLIENT RESPONSIBILITY**

- 3.1. Client understands that MICA is relying entirely on the claims and billing information supplied to MICA by Client in preparing and submitting insurance claims for payment on behalf of Client. Client warrants and represents that all such claims and billing information is entirely accurate and truthful. If any investigation is initiated or if any action is brought by any individual, company, or entity whatsoever regarding any of the claims filed by MICA on behalf of Client, then Client agrees to cooperate fully in any such investigation or action and shall provide all relevant supporting documentation to support the claim(s) filed.
- 3.2. Client acknowledges and agrees to the ultimate responsibility for all claims submitted is that of the Client. The client shall be responsible for maintaining all original source documents to enable it to verify and document the claims submitted to third party payors. MICA shall have no liability or responsibility whatsoever regarding the accuracy or completeness of the coding or determinations regarding medical necessity.
- 3.3. The Client is prohibited from offering to offer employees any employment opportunities, money, or any gifts under any circumstances. During the term of this Agreement and for a one (1) year period commencing with the termination of this Agreement, each party agrees not to employ, directly or indirectly, any individual who was an employee of the other party during the term of this Agreement without the written consent of the other party. Each party agrees that the other party does not have an adequate remedy at law to protect its rights under this section and agrees that the non-defaulting party will have the right to injunctive relief from any violation or threatened violation of this section. In lieu of injunctive relief, the non-defaulting party may elect to require reimbursement by the defaulting party a \$1000 recruiting and retraining fee per employee hired in violation of Section 7. In the event, that Client violates these prohibitions, MICA will consider the termination of the Medical Billing Services agreement seek monetary and/or injunctive relief.

## 4. Fees and Expenses

### 4.1. Billing Services

- **Net Collections.** Client hereby agrees to pay MICA based on the following fee structure for the medical billing services and total (gross) amount collected from ALL insurance companies:

Description	Billing Rate (% of the gross amount)
New Billing <ul style="list-style-type: none"><li>• New claims (0-30 days)</li></ul>	5%
Existing AR Backlog <ul style="list-style-type: none"><li>• Existing AR backlog (31-60 days)</li></ul>	6%
Existing AR Backlog <ul style="list-style-type: none"><li>• Existing AR backlog (61-90 days)</li></ul>	8%
Existing AR Backlog <ul style="list-style-type: none"><li>• Existing AR backlog (91-120 days;120+ days)</li></ul>	12%

If the total billing rate per month is less than \$5,000, then MICA will collect a fixed flat rate of \$5,000 every month.

### 4.2 Expenses

Client shall reimburse MICA for all necessary incidental expenses. The incidental expenses include all expenses incurred for Client's account in connection with MICA's rendition of services and performance of duties hereunder, including but not limited to the cost of packaging material for shipment, postage, messenger and shipping charges. MICA shall obtain Client's prior written authorization before incurring any individual expense or cost in excess of \$100.00. All expenses not paid directly by Client shall be paid within fifteen (15) days of receipt of MICA invoice. All expense reimbursements shall be made at MICA direct out-of-pocket costs, without any markup for overhead, administrative costs, or otherwise.

### 4.3. Other Fees

Unless otherwise provided in this Agreement, all other services, including Out-of-Scope Assignments, rendered by MICA shall be subject to additional compensation under a separate agreement between MICA and Client.

### 4.4. Terms of Payment.

MICA shall invoice Client at the beginning of each month for the prior month's Services by electronic or Email. The invoice will summarize the total amount due based on the net collections for the month being invoiced. Payments are due upon receipt of invoice. Delinquent payment is subject to a late fee in the amount of \$100.00 per

delinquent month or 2% monthly interest, whichever is greater. Client agrees to pay MICA.

#### 4.5. Fee Dispute

Should Client dispute any portion of the invoice; Client must notify MICA within five (5) days of the date of invoice. Failure to notify MICA within this timeframe shall be deemed acceptance to pay MICA in full for the invoice. Payment of invoice shall also be deemed as acceptance of charges.

#### 4.6. Default in Payment.

Notwithstanding anything to the contrary in this Agreement, MICA will have the right to terminate this Agreement immediately if Client defaults on its payment obligations of any amounts due under Section 4 and such payment default is not cured within twenty (20) days after MICA delivers written notice of such default to Client. In addition, in such event, MICA may, in its sole discretion, decline to provide Services until and unless the Fees and additional charges are paid with interest. In addition, in such event, MICA may, in its sole discretion, decline to provide the wind-down services specified in Section 6.1, 6.2, and 6.3 and cease Services as provided in Section 6.3 until and unless Base Fees and Additional Charges are paid with interest.

### 5. CONFIDENTIALITY AND HIPAA

HIPAA Confidentiality. MICA hereby agrees to maintain medical records of patients and that in all events the contents of those records shall remain confidential pursuant to the terms of the Health Insurance Portability and Accountability Act ("HIPAA").

**Confidential Information.** MICA agrees not to disclose to anyone other than Client any information about Client's fee structure, internal compensation, managed care or facility contracting strategies, or similar business information that would commonly be understood to be confidential or any confidential medical information regarding Client's patients received in the course of performing the Services (collectively, Client's "Confidential Information"), except as required to bill charges, as required by law or legal or regulatory process or as otherwise provided herein Client agrees that it will not disclose to third parties the business methods, operating processes or documentation of the software employed by MICA to provide the Services or any information about MICA fees, operations, business methods or strategies or any other information specifically designated as confidential by MICA except as required by law or legal or regulatory process (MICA "Confidential Information").

Each party's Confidential Information shall remain the property of that party, during and after this Agreement.

### 6. TERMS AND TERMINATION.

In the event this Agreement is terminated, for whatever reason, or expires, except as specifically stated in Section 4.6, MICA will:

6.1. Continue to perform Services, at the then-current rates hereunder, for a period of thirty (30) days after the effective date of termination (the "Wind Down Period")

for all of Client's accounts receivable relating to Client's charges for Medical Services rendered prior to the termination date ("Existing Accounts Receivable");

- 6.2. Client expressly agrees to cooperate and assist MICA with its performance during the Wind Down Period and will timely report, or cause to be reported, all payments applicable to the existing Account Receivable for which MICA is responsible.
- 6.3. At the end of the Wind Down Period, discontinue performing Services as to Client's existing Accounts Receivable
- 6.4. Deliver to Client, after and conditioned upon full payment to MICA of all undisputed fees owed to MICA by Client under this Agreement, a complete list of existing Accounts Receivable (all debit and credit balances) in an industry standard electronic format, including data layout and/or translation tables.

## **7. SOFTWARE AND SYSTEM ACCESS**

MICA will provide an assessment of the existing software and third-party tools as it pertains to the performance of its Services. MICA will provide to Client specific recommendations on any critical software or third-party tool required to perform the Services under this Agreement. Client shall purchase the critical software or third-party tool within (20) days from signing of this agreement in order for MICA to begin its Services.

## **8. LIMITATION OF WARRANTY AND LIABILITY**

### **8.1. Limited Warranty**

Other than the foregoing limited warranty, all services are provided "as is", without any warranty whatsoever, whether express or implied, including but not limited to the warranties of merchantability and fitness for a particular purpose.

### **8.2. Limitation of Liability**

8.2.1. Client hereby agrees to indemnify and hold MICA harmless including but not limited to its owners, directors, employees and contractors harmless from and against any and all liability, claims, causes of action, damages, fines, demands, assessments, penalties, costs (including legal fees and disbursements in connection therewith and interest chargeable thereon) and responsibility of any kind arising from the performance or nonperformance of this agreement or any acts or omissions associated. Client shall hold MICA and its owners, directors, employees, and contractors harmless from and against any claims submitted on behalf of and in the name of the Client for which client has provided MICA false, fraudulent, incomplete, misleading, or otherwise incorrect information or data, including but not limited to, the coding of claims pursuant to Section 3.1 above.

8.2.2. To the maximum extent permitted by applicable law, in no event shall either party be liable for special, indirect, incidental, punitive, or consequential damages,

whether arising under contract, warranty, or tort (including negligence or strict liability) or any other theory of liability.

8.2.3. The submission of false, fraudulent, or misleading data, information, or statements to the government and/or commercial third-party payors in connection with health insurance coding, billing and claims submission is a crime and can subject the violator to imprisonment and fines.

8.2.4. Client expressly acknowledges and agrees that in no case shall MICA's liability for damages, regardless of the form of the action, exceed the amount of fees paid by client hereunder during the most recent three (3) month period immediately preceding the event giving rise to the claim. Notwithstanding anything to the contrary contained in this Agreement, neither party shall be liable to the other for any third-party claims even if a party has been apprised of the likelihood of such damages.

8.2.5. The parties will not incur liability to each other for failing to perform any obligation under this Agreement if such failure results from a force majeure event or any force beyond their reasonable control.

#### **9. GOVERNING LAW AND JURISDICTION.**

This Agreement shall be interpreted and governed by the laws and statutes of the State of California. In the event of disputes, it is agreed that all matters shall be tried in the state or federal court having jurisdiction of California. Each party consents to the jurisdiction and venue of said courts.

#### **10. DISPUTE**

Any dispute arising under this agreement may be resolved by the parties in a judicial forum or, if the parties agree, by arbitration, according to mutually agreed rules.

#### **11. INDEPENDENT CONTRACTORS**

The parties to this agreement are each independent contractors and nothing in this agreement shall be construed to create a partnership, joint venture, or other relationship between either party.

#### **12. FORCE MAJEUR**

It is mutually agreed that in the performance of all duties by each party under this Agreement, time is of the essence. However, performance of duties hereunder may be impeded by occurrences beyond the control of one or both parties. Events such as flood, earthquake, hurricane, tornado, blizzard, and other natural disasters; fire, riot, war, or civil disturbance; strikes by common carriers; extended loss (more than 48 hours) of utilities (except for non-payment); and similar events shall excuse the affected party from performance of services impeded by such event(s). Nevertheless, each party has a duty to use reasonable efforts to prevent or mitigate such impediments. In the event that any catastrophe shall prevent the timely billing of

Client's services by MICA for more than fifteen (15) working days, Client shall have the right to secure, without penalty, substitute services until MICA can restore services, at which time MICA's responsibilities and rights under this Agreement shall be reinstated. For its protection, Client shall, at its own expense, purchase and maintain business interruption and/or accounts receivable insurance to cover any such catastrophic event, as stated above

**13. NOTICES**

All notices, requests, demands, consents, waivers, and other communications required or permitted under this Agreement shall be in writing and shall be deemed given to a Party via email or postal mail. All notices pertaining to this Agreement shall be sent to the following addresses or e-mail addresses and marked to the attention of the person designated below. A Party may change its address or e-mail address and recipient at any time by giving written notice of the change to the other Party.

**MICA, Inc.**

**Address:** 10338 S 233<sup>rd</sup> East Place, Broken Arrow, OK

**Email:** kmcdugle@medicalinnovationcenters.com

\_\_\_\_\_  
**Address:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**14. NO THIRD-PARTY BENEFICIARIES**

None of the obligations and duties set forth or arising from this Agreement shall in any way or in any manner be deemed to create any obligation regarding any person or entity who is not a Party to this Agreement.

**15. ATTORNEY FEES**

In the event, that any action, suit, or other legal or administrative proceeding is instituted or commenced by a Party hereto against the other Party arising out of this Agreement, the prevailing Party shall be entitled to recover its reasonable attorneys' fees and court costs from the non-prevailing Party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representative as of the Effective Date.

**Medical Innovation Centers of America, Inc.**

\_\_\_\_\_  
**Signature**

Kevin McDugle

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**Printed Name**

CEO

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**Title**

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**Date**

  

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**Signature**

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**Printed Name**

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**Title**

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**Date**

***Revenue Cycle Management Services Agreement  
MICA's Services and Responsibilities***

**Client and MICA agree that MICA will provide the following Revenue Cycle Management Services except as otherwise delegated or performed by Client hereunder:**

1. For functions performed by MICA, MICA will use its own facilities. MICA will use preferred practice management software for performing the billing services which will be provided by the Client for all services.

2. MICA will submit insurance claims electronically to payers associated with current LCDs.
3. MICA will perform clearinghouse management services to ensure seamless claims submissions.
4. Insurance claims will be prepared and submitted by MICA personnel on a mutually agreed upon cycle, in most cases on a daily basis except public holidays. MICA agrees to submit insurance claims within two (2) business days unless prevented from doing so by reasons beyond MICA's control.
5. MICA will work diligently on all communications received from clearing house as well as insurance companies post claim submission to edit the rejected claims for resubmission of clean claims.
6. Receipts and adjustments will be posted to patient accounts by MICA personnel from payment notifications and billing correspondence which will be forwarded to MICA on a daily basis from Client.
7. MICA will take the necessary steps to correct wrong addresses as a result of return mail. Client will provide MICA with correct addresses of patients.
8. MICA will forward information to Client for the issuance of refund payments from Client's account.
9. MICA shall run analytic reports associated with Client's billing module within its EMR. MICA shall provide standard weekly billing reports. Any custom reports produced outside of Client's billing module shall be billed at the hourly consulting rate denoted in Exhibit 3 of this Agreement.
10. MICA will ensure timely and systematic accounts receivable follow-up of unpaid claims with insurance companies to which claims will be submitted. MICA will follow up on all claims which will drop on AR follow-up workbench. MICA will work correspondence batches, submit appeals and do all secondary submissions.
11. MICA will work patient AR and will generate patient statements using the statement services subscribed by the client or client's practice management software. Client is responsible for any third-party patient statement fees associated with MICA's performance of producing and sending statements. If Client requires MICA to perform patient financial hardship support, Client agrees to pay MICA per patient application referenced in Exhibit 3 of this Agreement.
12. MICA will at all times during the term of the Agreement, including any extensions thereto, maintain compliance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and HITECH. MICA agrees to immediately notify Client of any known issues affecting MICA's or Client's compliance with HIPAA and HITECH.
13. MICA will make its best efforts to keep the insurance AR days within reasonable industry standards or below. Insurance AR days to be calculated based on the AR which is under MICA's responsibility.

14. MICA will present at the end of each calendar month reports and statistics with a review meeting scheduled at the request of Client. Such report will be ready for Client to review by the 5<sup>th</sup> business day of the upcoming month at the latest.