



MercyOne New Hampton Medical Center
308 North Maple
Avenue
New Hampton,
IA 50659

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MercyOne.org

February 2, 2023

New Hampton Community Schools
710 West Main Street
New Hampton, IA 50659

Dear New Hampton Community Schools:

MercyOne New Hampton Medical Center is in the process of updating our Medical Waste Agreements to reflect our name change, personnel changes and/or address changes. There is also an increase in the per pound of medical waste and handling per scheduled delivery, as shown on Exhibit B.

Attached, please find, and review the Agreement for Medical Waste Disposal. After review of this document, please sign both copies, returning one copy for our files and maintaining one for your files.

Also enclosed is the Procedure for Handling Sharps and Medical Waste. It is important to follow this procedure to protect all persons who might come in contact with the sharps or medical waste.

If you have any questions or concerns, please feel free to call me at 394-1660.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Aaron Flugum". The signature is fluid and cursive.

Aaron Flugum, CEO

Enclosures / 3

**PROCEDURE
FOR
PROPER DISPOSAL OF SHARPS AND MEDICAL WASTE**

MercyOne New Hampton Medical Center will serve as a collection place for certain medical wastes from facilities in its trade area. The collected medical wastes will then be picked up at the hospital, transported and properly disposed of by our contracted vendor licensed by the state of Iowa.

1. All sharps will be placed in a puncture-proof container which is marked with the biohazard insignia of the user site. The container must be tightly sealed to prevent from spilling.
2. All regulated medical waste will be placed in a red bag which is marked with the biohazard insignia.
3. A phone call will be placed to the maintenance department (641-394-1620) of MercyOne New Hampton Medical Center to schedule a delivery of medical waste.
4. Sharps and regulated medical waste will be delivered to MercyOne New Hampton Medical Center's maintenance department through the loading dock entrance.
5. Maintenance personnel will weigh the waste, place it in the disposal vendors' container, and complete the appropriate forms.
6. The Business Office of MercyOne New Hampton Medical Center will bill quarterly at the agreed upon rate.

SERVICES AGREEMENT

This Services Agreement ("Agreement") is entered into this First day of January 2023 ("Effective Date") by and between New Hampton Community School, an Iowa Public School System ("Facility") and Mercy Health Services – Iowa, Corp. dba MercyOne New Hampton Medical Center, a Delaware nonprofit corporation ("MercyOne").

1. MERCYONE DUTIES.

- A. MercyOne shall provide Facility with the services ("Services") set forth in Exhibit A.
- B. In Providing Services, MercyOne Shall:
 - i. Cooperate in good faith with Facility (during and after the Term of this Agreement) to the extent allowable by law, in the defense of any litigation arising from or related to Services;
 - ii. Actively participate in facility quality improvement, utilization review, risk management, compliance and/or other programs as requested by Facility;
 - iii. Document, in a timely manner, all Services provided under this Agreement. Such documentation shall be on forms and in formats specified or approved from time to time by Facility; and
 - iv. Act in good faith and in the best interests of Facility and its patients.
- C. MercyOne Personnel Qualifications. MercyOne shall ensure that all employees, agents and subcontractors or other persons or entities which provide any items or services on behalf of, or at the direction of MercyOne under this Agreement ("Personnel") have and maintain all the skills, experience, and qualifications necessary to provide the Services, including any required training, registration, certification or licensure.
 - i. Removal of Personnel. MercyOne shall, at all times, have the affirmative obligation to ensure that Services are provided only by qualified and experienced Personnel. Facility shall have the right to request the immediate removal of any individual Personnel upon written notice to MercyOne. The timing for replacement of Personnel shall be mutually determined in order to ensure continuation of key activities and minimize potential impacts on the Services and applicable engagement schedules. MercyOne is solely responsible for all costs related to the removal or replacement of Personnel. Removal of Personnel is an internal matter of MercyOne and MercyOne remains responsible for all matters associated with recruiting, hiring, employment, compensation, benefits, insurance, promotion, discipline, discharge and work environment of each Personnel.
 - ii. Compliance Concerns. Personnel shall be familiar with the performance standards of this Agreement, as well as the risk areas of fraud and abuse. MercyOne shall require

its Personnel to report any compliance concerns immediately to Facility's principle contact.

2. COMPENSATION

- A. Facility shall pay MercyOne the amounts set forth in Exhibit B for the Services provided.
- B. Payment for the Services under this Agreement is due within thirty (30) days of Facility's receipt of MercyOne's invoice. Late payment shall accrue interest at the rate of one percent (1.00%) per month until paid in full.

3. COOPERATION

- A. Facility shall cooperate with MercyOne in the performance of the Services, providing MercyOne with reasonable facilities and timely access to appropriate data, information and personnel of Facility. Facility will provide on-site MercyOne personnel with suitable office space, adequate computer resources, telephone, copying, and other standard office equipment and support, which may be necessary in connection with MercyOne's performance of the Services. All such property, regardless of its physical location or use, will be deemed to be in the care, custody, and control of Facility.

4. TERM AND TERMINATION

- A. Term. This Agreement shall commence on the Effective Date and shall remain in effect for a term of three (3) years ("Initial Term"). Following the Initial Term, the Parties may, by mutual written agreement, agree to renew this Agreement for a period of two (2) years ("Extension Term"). The Initial Term and any Extension Term shall be referred to herein as the "Term".
- B. Termination.
 - i. Termination by Either Party. This Agreement may be terminated with or without cause by either party on thirty (30) days written notice.
 - ii. Termination for Material Breach. For a material breach of this Agreement for which a shorter correction period is not specified, this Agreement may be terminated by either party upon thirty (30) days prior written notice to the other party; provided, however, that if the material breach is cured within such thirty (30) day period, the termination notice shall be of no force and effect. Notwithstanding the foregoing, in the event of multiple material breaches of the same nature, this Agreement may be terminated by either party upon ten (10) days prior written notice.
 - iii. Either Party may terminate this Agreement immediately upon written notice to the other party if such other party becomes excluded, debarred or otherwise ineligible to participate in any governmental program.

C. Post Termination Obligations/Effect of Termination. MercyOne will cooperate with Facility in the orderly completion and/or transfer of applicable Services and return of all Facility data, including any work in progress. Facility shall compensate MercyOne for Services performed prior to notice of termination based on the percentage of the Services that have been completed.

5. COMPLIANCE WITH LAWS AND REGULATIONS

- A. Compliance With Laws. MercyOne shall comply with all applicable federal and state laws, rules and regulations, including, but not limited to, those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety. MercyOne has obtained or will obtain all permits, licenses and other authorizations that may be necessary for it to commence and continue its performance under this Agreement.
- B. Exclusion from Governmental Programs. MercyOne warrants that MercyOne, including its Personnel, is not excluded from participating in the Medicare or Medicaid program and is not ineligible to participate in any governmental program. MercyOne is responsible for regularly screening its Personnel against the United States Department of Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities. MercyOne shall immediately notify Facility in the event MercyOne becomes debarred or suspended from any governmental program during the term of this Agreement.
- C. On-site Policy. On-site MercyOne Personnel shall comply with all Facility requirements for on-site vendors. MercyOne Personnel shall follow and adhere to additional Facility policies and procedures applicable to the provision of the Services which have been communicated to MercyOne, either electronically or in writing.
- D. Medicare Records Access Requirements. If this Agreement is subject to the Medicare statutes and regulations governing access to books and records of subcontractors, then for a minimum of four (4) years after the expiration of this Agreement, MercyOne shall retain and allow the authorized representatives of Facility, the Comptroller General and the Department of Health and Human Services access to this Agreement and to the books, records, and other documents of MercyOne that are necessary to verify the nature and costs paid to MercyOne pursuant to this Agreement. If MercyOne carries out any duties of this Agreement by means of a subcontractor, including any organization related by ownership or control with MercyOne, and the cost or value of which is \$10,000 or more over a twelve (12) month period, then MercyOne shall require the subcontractor to comply with the provisions of this Section. In the event MercyOne receives a request for access, MercyOne agrees to promptly notify Facility.
- E. Nondiscrimination. MercyOne agrees that in the performance of its duties and obligations under this Agreement, it will not discriminate against any person or entity because of race, color, religion, sex, national origin, weight, height or any other

characteristic protected from discrimination as set forth in applicable laws and regulations.

- F. Good Standing. MercyOne warrants that MercyOne is a legally organized entity in good standing under the laws of the state of its organization and, where required, in good standing under the laws of the State of Iowa.

6. CONFIDENTIALITY

- A. Confidentiality. Each party acknowledges and agrees that: (i) it may access, use, disclose or duplicate Confidential Information only in accordance with the provisions of this Agreement; (ii) will maintain all Confidential Information in confidence and restrict access to those employees or agents whose duties reasonably require access to such Confidential Information and (iii) it will take all commercially reasonable precautions necessary to safeguard the confidentiality of the other party's Confidential Information, including, at a minimum, those precautions taken by a party to protect its own Confidential Information of a similar nature, which will in no event be less than a commercially reasonable degree of care. Obligations of confidentiality survive termination or expiration of this Agreement for any reason.
- i. Definition of Confidential Information. For purposes of this Agreement, Confidential Information shall be defined as including any and all information (i) related to patients or employees; (ii) protected by rights embodied in copyrights, patents, trade secrets, and any other intellectual property rights of a party; (iii) about Facility that is not known to the general public, including any information regarding the business, personnel and operations of Facility obtained during the course of MercyOne's work or association with Facility; (iv) non-public information that belongs or relates to third parties to whom Facility has an obligation of confidentiality, including other vendors and business associates; and (v) conveyed under this Agreement that is identified in writing as confidential at the time of its conveyance or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure.
 - ii. Limited Uses of Confidential Information. Facility shall have the right to use MercyOne's Confidential Information for its internal analysis and to disclose such information to third party consultants who assist in the performance of such analyses pursuant to a confidentiality agreement.
 - iii. Agreement Confidentiality. Except for internal business purposes, the existence of this Agreement and its terms is confidential. MercyOne may not make any public statement, including a press release, customer list or advertisement, describing Facility's relationship with MercyOne or Facility's endorsement of MercyOne without the prior written consent of Facility.
- B. Security. Each party must establish and maintain commercially reasonable security practices, including administrative, physical and technical safeguards, designed to ensure

the following: (a) security and confidentiality of Confidential Information; (b) protection against anticipated threats or hazards to the security or integrity of Confidential Information; and (c) protection against the unauthorized access or use of Confidential Information. MercyOne will immediately notify Facility of any security breach involving its Confidential Information, including any actual or suspected theft, accidental disclosure, or loss of any Confidential Information and/or any unauthorized intrusions into the facilities or secure systems which contain Confidential Information. Such notice shall include a detailed description of the security breach, including the nature of the Confidential Information disclosed and the corrective action MercyOne has taken to prevent further security breaches.

7. INSURANCE AND INDEMNIFICATION

- A. Indemnification by MercyOne. MercyOne shall indemnify and hold harmless Facility and its affiliates, employees, agents, directors, and officers, against any and all liability arising out of MercyOne's failure to comply with the terms or conditions of this Agreement or for injury, loss, claims or damages arising from the MercyOne's negligence or willful misconduct, in performing under or in any way connected with this Agreement.
- B. Indemnification by Facility. Facility shall indemnify and hold harmless MercyOne and its affiliates, employees, agents, directors, and officers, against any and all liability arising out of Facility's failure to comply with the terms or conditions of this Agreement or for injury, loss, claims or damages arising from Facility's negligence or willful misconduct, in performing under or in any way connected with this Agreement.
- C. Both Parties Have Responsibility. If both parties have an obligation to the other under the foregoing provisions, tort comparative fault principles shall be applied to allocate payment between the parties.
- D. Insurance. MercyOne shall maintain in force, at MercyOne's sole cost and expense, the insurance coverage described below. MercyOne may provide insurance through a program of self-insurance. These limits may be satisfied in combination with applicable excess or umbrella coverage, following form of the general liability insurance.
 - i. General liability insurance, covering bodily and personal injury, property damage, and contractual liability, in a minimum amount of One Million Dollars (\$1,000,000) per claim and Five Million Dollars (\$5,000,000) in the annual aggregate.
 - ii. If applicable to the Services provided, professional liability insurance in the minimum amount of One Million Dollars (\$1,000,000) per claim and Three Million Dollars (\$3,000,000) in the annual aggregate.
 - iii. Workers compensation insurance in an amount to satisfy state minimums.

8. MISCELLANEOUS

- A. Independent Contractors. At all times hereunder, the parties shall be independent contractors. Neither MercyOne, nor MercyOne's Personnel, shall be deemed to be agents or employees of Facility. This Agreement is not intended to establish a partnership, joint venture, employer-employee or joint employer relationship. MercyOne is responsible for all salaries, payroll taxes and other taxes, benefits, fees, and other charges or insurance required by any federal, state and local law, statute or regulation (including, but not limited to, unemployment taxes, Social Security contributions, workers' compensation premiums and all similar taxes, payments, and any penalties and fines relating thereto), attributable to each of its Personnel. Neither MercyOne nor any MercyOne Personnel shall have any power or authority to bind Facility to contractual or other obligations.
- B. Employee Inducement. During the Term of This Agreement and for one (1) year thereafter, Facility will not directly or indirectly, whether as an individual, advisor, employee, agent, or otherwise take any action to induce any employee to cease his or her employment with MercyOne.
- C. Access to Audit. MercyOne shall permit Facility (or its agents) access to conduct periodic audits of its records relating to MercyOne's compliance with the terms of this Agreement, including without limitation, use of Facility data, invoices, volume reports and discounts. The audits shall be conducted upon reasonable advance notice during regular business hours and in such a manner as not to unduly interfere with MercyOne's operations.
- D. Notices. Notice shall be given in writing and shall be effective upon depositing the notice in first-class mail or certified mail, return receipt requested, at the addresses below or upon actual receipt by the other party. Either party may change the address to which notices are to be sent by notice given in accordance with the provisions of this Section.

Facility:

New Hampton Community Schools
710 West Main Street
New Hampton, IA 50659

Contact: Superintendent

MercyOne:

MercyOne New Hampton Medical Center
308 North Maple Avenue
New Hampton, Iowa 50659

Contact: Aaron Flugum, CEO

- E. Notification of Incidents. MercyOne agrees to notify Facility within a reasonable time after becoming aware of any incidents, occurrences, asserted or unasserted claims, or patient-related causes of action involving MercyOne's performance under this Agreement.

- F. Dispute Resolution. MercyOne and Facility will attempt to settle any claim or controversy arising from this Agreement through negotiation in good faith. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary. Unless either party has issued a notice of termination, the parties will continue to fulfill their obligations under this Agreement while working towards resolution of any dispute.
- G. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Iowa without regard for principles of choice of law.
- H. Entire Agreement and Amendment. This Agreement, including all Exhibits referenced herein, constitutes the entire agreement between the parties concerning the subject matter herein and may not be amended except by an agreement signed by an authorized representative of Facility and MercyOne.
- I. Waiver. Waiver of any provision(s) of this Agreement is not effective unless the waiver is in writing and signed by the party against whom enforcement of the waiver is sought. Failure to enforce any provision does not constitute a waiver.
- J. Enforceability. This Agreement is intended for the benefit of the parties only. There are no other intended third party beneficiaries.
- K. Subcontractors. MercyOne shall require that all subcontractors comply with the terms of this Agreement, including confidentiality requirements. MercyOne remains responsible for the performance of its subcontractors and the acts or omissions of MercyOne's subcontractors shall be deemed to be the acts or omissions of MercyOne.
- L. Assignment. Neither party may assign this Agreement without the prior consent of the other party, which will not unreasonably be withheld.
- M. Survivability. Provisions surviving termination or expiration of this Agreement are those which on their face affect rights and obligations after termination or expiration and also include provisions concerning indemnification, confidentiality, warranty and choice of law.

The signature page follows.

IN WITNESS WHEREOF, the undersigned authorized representatives of the Parties have executed this Agreement, effective as of the Effective Date.

FACILITY

By: _____

Name: _____

Title: _____

Dated: _____

MERCYONE

By:  _____

Name: Aaron Flugum

Title: CEO

Dated: 2-2-2023

EXHIBIT A – SERVICES

In performing the duties required under this Agreement, MercyOne agrees to the following:

- Serve as a collection location for small quantities of regulated medical waste and/or sharps
- Collected medical waste will be picked up at MercyOne, transported, and properly disposed of by a contracted medical waste disposal vendor.

Facility Agrees to the following:

- Call MercyOne Maintenance Department to schedule delivery
- Properly contain and/or seal all medical waste
 - Sharps
 - Must be in puncture proof container
 - Marked with biohazard insignia
 - Must be tightly sealed to prevent spilling
 - Regulated Medical Waste
 - Placed in Red Bag
 - Marked with biohazard insignia
- Place all properly contained medical waste in a box for transportation

EXHIBIT B – COMPENSATION

Facility shall pay:

\$0.75 per pound of medical waste

\$20.00 for handling per scheduled delivery

All fees listed herein may be updated on an annual basis by MercyOne, with thirty (30) day prior notice.