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STATE OF NEW HAMPSHIRE

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
603-271-4741 1-800-852-3345 Ext. 4741
Fax: 603-271-4506 TDD Access: 1-800-735-2964

NH DIVISION OF Public Health Services
Improving health, preventing disease, reducing costs for all

Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

October 29, 2012

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION 100% GEN

Authorize the Department of Health and Human Services, Division of Public Health Services, Bureau of Public Health Systems, Policy and Performance, Rural Health and Primary Care Section, to enter into an agreement with Dr. Ernest Hanowell, Doctor of Osteopathic Medicine, who will be specializing in General Surgery (Vendor #227510-B001), in an amount not to exceed $37,500.00, to provide reimbursement for payment of educational loans through the State Loan Repayment Program, to be effective January 1, 2013 or date of Governor and Council approval, whichever is later, through December 31, 2014. Funds are available in the following account for SFY 2013 and are anticipated to be available in SFY 2014, SFY 2015 and SFY 2016 upon the availability and continued appropriation of funds in future operating budgets.

05-95-90-901010-2217, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH SYSTEMS, POLICY & PERFORMANCE, HEALTH WORKFORCE.

Fiscal Year	Class/Object	Class Title	Job Number	Total Amount
SFY 2013	073-500578	Grants-Non Federal	90075000	$7,500.00
			Sub Total	$7,500.00

05-95-90-901010-7965, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH SYSTEMS, POLICY & PERFORMANCE, RURAL HEALTH & PRIMARY CARE.

Fiscal Year	Class/Object	Class Title	Job Number	Total Amount
SFY 2014	073-500578	Grants-Non-Federal	90075000	$13,750.00
SFY 2015	073-500578	Grants Non-Federal	90075000	$11,250.00
SFY 2016	073-500578	Grants Non-Federal	90075000	$5,000.00
			Sub Total	$30,000.00
			Total	**$37,500.00**

EXPLANATION

State funds in this agreement will be used to provide payments to Dr. Ernest Hanowell, New Hampshire Board Certified, Doctor of Osteopathic Medicine, to be applied to the principal and interest of qualifying educational loans for actual cost paid for tuition, reasonable educational expenses, and reasonable living expenses relating to graduate or undergraduate education of a primary health care provider.

The State Loan Repayment Program provides funds to health care providers working in areas of the state designated as being medically underserved. These medically underserved areas identified as Health Care Professional Shortage Areas, Mental Health Professional Shortage Areas, Dental Health Professional Shortage Areas, Medically Underserved Areas/Populations, and Governor's Exceptional Medically Underserved Populations are indicators that a shortage of health care professionals exist, posing a barrier to access healthcare services for the residents of these areas. As one of several approaches to improve access to healthcare services, the State Loan Repayment Program has proven to be a successful short and long-term strategy to recruit and retain physicians, dentists and other healthcare professionals into New Hampshire's underserved communities. In addition, the health care provider and practicing site that are participating in the State Loan Repayment Program agree to provide direct primary health care services especially for uninsured residents who are residing in our medically underserved areas of New Hampshire. A significant percentage of New Hampshire residents continue to face difficulty accessing primary care, mental, and oral health care services, due to workforce challenges.

The Contractor must be a U.S. citizen, must not have any unserved obligations for service to another governmental or non-governmental agency, must be licensed and ready to begin full-time or part-time clinical practice at the approved site once a contract has been signed. The Contractor is willing to commit to a minimum service obligation of thirty-six months (full-time employee) or a minimum service obligation of twenty-four months (part-time employee) with the State of New Hampshire to work in a federally designated medically underserved area or a State sponsored Dental Program with the Division of Public Health Services/Oral Health Program. A Contractor who has completed their initial service contract obligation with the State Loan Repayment Program may request a contract extension if funding is available.

The Contractor under this agreement is working full-time and is willing to commit to a minimum service obligation of thirty-six months with the State of New Hampshire to work in a federally designated medically underserved area. This Agreement contains the option to extend the Agreement for two additional years contingent upon satisfactory delivery of services, available funding, remaing loan obligation of the Contractor, agreement of the parties and approval of the Governor and Council.

Appropriate sites include community health centers, migrant health centers, health care entities that provide primary health care services to underserved populations, federally qualified health centers, and other systems of care that provide a full range of primary and preventive health and services.

Should Governor and Executive Council not authorize this Request, it will have a critical impact on the ability of New Hampshire health care facilities to recruit and retain qualified primary care health professionals to work in the State's Health Professional Shortage Areas. It is well-established that a sizeable number of healthcare professionals carry a heavy debt-burden as they come out of training and are attracted to serving in those areas where a share of that burden can be taken away. This program serves to attract and retain such providers into underserved areas by relieving some of their financial burden that would otherwise make service in such areas unattractive. This shortage of health care workers can impact health care in a variety of ways, including decreasing quality of care, decreasing access to care, increasing stress in the workplace, increasing medical errors, increasing workforce turnover, decreasing retention rates and increasing health care costs.

To assure that the highest need areas receive priority, the Rural Health & Primary Care Section has implemented an in-house scoring process for all state loan repayment applications. State Loan Repayment Program applications receive weighted points based on the information required in the program guidelines and application. The criteria are based on: community needs; the specialty of the health professional (ability to meet the needs); the percent of the population served using sliding-fee schedules; bad debt/charity care as a percentage of revenue by the facility; the underserved area being served; the type of facility; indebtedness of the applicant; retention or recruitment needs of the facility; language other than English that is significant to the area; and the applicant's commitment to the community. These criteria may change, as workforce needs of the State change.

The Contractor's commitment begins on January 1, 2013, or the date of Governor and Executive Council approval, whichever is later and the first State payment will begin on the first of the month of the following quarter, and quarterly thereafter for the duration of the contract. State payments are made directly to the Contractor to repay the principal and interest of any qualifying outstanding graduate or undergraduate educational loans. Before initiating each payment to the Contractor, the Rural Health & Primary Care Section will contact the employer to ensure the contract & Memorandum of Agreement are being met.

Each Contractor entering into any State Loan Repayment Program contract agrees to complete a service obligation that runs the length of the contract and remain at the eligible practice site for the term of the contract. Contractors who fail to begin or complete their State Loan Repayment Program obligation or otherwise breach the terms and conditions of the obligations are in default of their contracts and are subject to the financial consequences outlined in their contracts.

Valley Regional Hospital, located at 243 Elm Street, Claremont, NH 03743, Dr. Ernest Hanowell's employer, agrees that during the term of the state loan repayment contract signed between the State of New Hampshire and Dr. Ernest Hanowell, that the facility is willing to pay $37,500.00 in addition to the $37,500.00 with this state loan repayment contract throughout the thirty-six month loan repayment period. This local match provided by the employer cannot be part of the salary or bonuses that facility would normally provide the employee

Dr. Ernest Hanowell, New Hampshire Board Certified, Doctor of Osteopathic Medicine, who will be specializing in General Surgery, is working full-time at Valley Regional Hospital, which is a Critical Access Hospital. Valley Regional Hospital is located is located in a Medically Underserved Population Area of New Hampshire. Dr. Ernest Hanowell's presence in a medically underserved rural area is part of the continuing effort to improve access to health care and reduce disparities within New Hampshire. Attached is a copy of the participant's Certificate of Licensure, resume and the employer's (Valley Regional Hospital) Insurance Certificate.

Area served: Sullivan County.

Source of Fund: 100% General Funds.

Respectfully submitted,

Lisa L Lynch for

José Thier Montero, MD
Director

Approved by: Nicholas A. Toumpas
Nicholas A. Toumpas
Commissioner

JTM/dr

Subject: State Loan Repayment Program

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services Division of Public Health Services	**1.2 State Agency Address** 29 Hazen Drive Concord, NH 03301-6504
1.3 Contractor Name Dr. Ernest Hanowell	**1.4 Contractor Address** [redacted]

1.5 Contractor Phone Number	1.6 Account Number	1.7 Completion Date	1.8 Price Limitation
(402) 616-5219	#05-95-90-901010-2217-073-500578 #05-95-90-901010-7965-073-500578	December 31, 2015	$37,500.00

1.9 Contracting Officer for State Agency Joan H. Ascheim, Bureau Chief	**1.10 State Agency Telephone Number** 603-271-4501
1.11 Contractor Signature	**1.12 Name and Title of Contractor Signatory** Dr. Ernest Hanowell, Doctor of Osteopathic Medicine

1.13 Acknowledgement: State of NH, County of Sullivan

On Oct. 26, 2012, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

Annette Iacono

[Seal]

1.13.2 Name and Title of Notary or Justice of the Peace

Annette Iacono, Exec. Secretary

1.14 State Ageney Signature for	**1.15 Name and Title of State Agency Signatory** Joan H. Ascheim, Bureau Chief

1.16 Approval by the N.H. Department of Administration, Division of Personnel ***(if applicable)***

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution)

By: Jeanne P. Herrick, Attorney On: 12 NOV. 2012

1.18 Approval by the Governor and Executive Council

By: On:

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials: _____
Date: 10/22/19

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.
The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per occurrence; and
14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.
14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials: _____
Date: 10/26/12

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.
15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").
15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Contractor Initials: _____
Date: 10/26/12

NH Department of Health and Human Services

Exhibit A
Scope of Services

State Loan Repayment Program

CONTRACT PERIOD: January 1, 2013 or date of Governor and Council approval, whichever is later, through December 31, 2015.

CONTRACTOR NAME: Dr. Ernest Hanowell

ADDRESS: [redacted]

CONTRACTOR TITLE: Doctor of Osteopathic Medicine

TELEPHONE: Phone: [redacted] E-mail: [redacted]

The Contractor shall:

1. Be a U.S. Citizen or U.S. National.

2. Hold a current New Hampshire License or Certification in good standing in their health profession with no restrictions that would enable the contractor from performing his/her duties at the approved service site. If there are any restrictions now or during the contract term that would enable the contractor from doing his/her duties under the agreement, the contractor will be in violation of this agreement.

3. Be employed at an approved service site that is in a federally designated medically underserved area or a State sponsored Dental Program with the Division of Public Health Services/Oral Health Program and meet the required practice hours for full-time and part-time employment.

4. As a New Hampshire Board Certified, Doctor of Medicine, specializing in General Surgery, the contractor will be signing for a minimum service obligation of thirty-six months in exchange for full-time primary health services during the term of the contract. Full-time clinical practice" is defined as working a minimum of 40 hours per week, for at least 45 weeks each service year. The 40 hours per week may be compressed into no less than 4 days per week, with no more than 12 hours of work to be performed in any 24-hour period. Participants do not receive credit for hours worked over the required 40 hours per week, and excess hours cannot be applied to any other workweek. Research and teaching are not considered to be "clinical practice". Time spent for all health care providers and dentists in "on-call" status will not count toward the 40-hour workweek, except to the extent the provider is directly serving patients during that period. Up to 7 weeks (35 work days) of leave is allowed from the service site in each year (vacation, holidays, professional education, illness, or any other reason). At least 32 hours of the minimum hours per week must be spent providing direct patient care in the outpatient ambulatory care setting at the approved service site. The remaining 8 hours of the minimum 40 hours must be spent providing clinical services for patients in the approved practice site(s) providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing practice-related administrative activities. Practice-related administrative activities shall not exceed 8 hours of the minimum 40 hours per week.

5. Due to medical or personal emergency that will result in an extended period of absence beyond the recommended weeks allowed for full-time or part-time status, the contractor will need to request a suspension of their contract service commitment in writing to the Primary Care Workforce Coordinator. The Rural Health & Primary Care Section cannot guarantee that a suspension request will be allowed. If a suspension is requested and approved, the contractor's service commitment end date will be extended

Contraetor Initials: [signature]
Date: 10/26/12

and loan repayments will be delayed until the extension contract is approved by the Governor & Council and payments would begin quarterly from approval date.

6. Agree to complete a service obligation that runs the length of the contract and remains at the eligible service site for the term of the contract. Contractors under contract with the State who fail to begin or complete their State Loan Repayment Program obligation or otherwise breach the terms and conditions of the obligations are in default of their contracts and are subject to the financial consequences outlined in their contract and Memorandum of Agreements.

7. Use state funds in this agreement for any approved documented, valid and outstanding undergraduate and/or graduate loans that have been incurred in obtaining their specific health professional degree. The loan repayment funds must be used immediately to reduce outstanding loan balances that were deemed valid under the program.

8. Agree to charge for services at the usual and customary rates prevailing in the primary care service area, except the patients unable to pay the usual and customary rates shall be charged a reduced rate according to the service site's sliding-fee-schedule based on poverty level or not charged.

9. Agree not to discriminate on the patient's ability to pay for care or the payment source, including Medicare and Medicaid.

10. Not be concurrently taking part in any other federal or state loan repayment programs or be a member of the National Health Service Corps.

11. Allow the Division of Public Health Services, Rural Health & Primary Care Section to conduct periodic monitoring either through site visits, telephone calls, exit surveys, or compliance with written reports.

12. Sign a "Memorandum of Agreement" with their employer and representative from the Rural Health & Primary Care Section.

Contractor Initials: _____
Date: 10/26/12

NH Department of Health and Human Services

Exhibit B

Purchase of Services
Contract Price

State Loan Repayment Program

CONTRACT PERIOD: January 1, 2013 or date of Governor and Council approval, whichever is later, through December 31, 2015.

CONTRACTOR NAME: Dr. Ernest Hanowell

ADDRESS: [redacted]

CONTRACTOR TITLE: Doctor of Osteopathic Medicine

TELEPHONE: Phone: [redacted] E-mail: [redacted]

Vendor #227510-B001 **Job** #90075000 **Appropriation #** 05-95-90-901010-2217-073-500578
05-95-90-901010-7965-073-500578

1. The total amount of all payments made to the Contractor for cost and expenses incurred in the performance of the services during the period of the contract shall not exceed:

   $37,500.00 for the State Loan Repayment Program, funded from 100% General Funds

TOTAL: $37,500.00

2. The State of New Hampshire will pay directly to the Contractor the principal and interest owed by the Contractor, in an amount not to exceed $37,500.00 over the term of the contract, for validated and outstanding undergraduate and/or graduate educational loans which includes government commercial loans for actual costs paid for tuition, reasonable educational expenses, and reasonable living expenses relating to the graduate or undergraduate education of a health professional. This loan repayment is to be used solely for educational loan pay down.

3. Loan Reimbursements will be made by the State in twelve payments during the term of the contract. There will be a 50/50 match. Valley Regional Hospital, located at 243 Elm Street, Claremont, NH 03743 has agreed to provide non-federal funds of $37,500.00 to be paid directly to the contractor as specified in the attached Memorandum Agreement.

   3.1 Before initiating state payments, the Rural Health & Primary Care Section will contact the employer to ensure the Memorandum of Agreement & contract stipulations are being met and verify that their non-federal loan repayment funds have been paid to the participant prior to the State of New Hampshire releasing its funds, if employer's funds are to be paid.

   3.2 The contractor's commitment begins on the effective date, or date of Governor and Executive Council approval, whichever is later.

      3.2.1 The healthcare provider commences providing obligated services in accordance with Exhibit A of this contract.

Contractor Initials: [signature]
Date: 12/26/12

3.3 The first payment of the contract will be paid during the first month of the following quarter, and quarterly thereafter for the duration of the contract.

3.3.1 First payment of $3,750.00 of providing services obligated under this contract.

3.3.2 Second payment of $3,750.00 of providing services obligated under this contract.

3.3.3 Third payment of $3,750.00 of providing services obligated under this contract.

3.3.4 Fourth payment of $3,750.00 of providing services obligated under this contract.

3.3.5 Fifth payment of $3,125.00 of providing services obligated under this contract.

3.3.6 Sixth payment of $3,125.00 of providing services obligated under this contract.

3.3.7 Seventh payment of $3,125.00 of providing services obligated under this contract.

3.3.8 Eighth payment of $3,125.00 of providing services obligated under this contract.

3.3.9 Ninth payment of $2,500.00 of providing services obligated under this contract.

3.3.10 Tenth payment of $2,500.00 of providing services obligated under this contract

3.3.11 Eleventh payment of $2,500.00 of providing services obligated under this contract

3.3.12 Twelfth and final payment of $2,500.00 of providing services obligated under this contract.

4. The contractor who fails to begin or complete his/her loan repayment service obligation or otherwise breaches the terms and conditions of the obligation is in default of his/her contract and is subject to the financial consequences outlined in his/her agreement.

Contractor Initials: _____
Date: 6/20/12

Exhibit C
Special Provisions

1. Paragraph 14.1 of the General Provisions, shall be amended as follows:

   "The Contractor or assignee shall maintain and hold in force, both for the benefit of the state, insurance as stipulated in the attached copy of the insurance policy for the duration of the contract period as outlined in Section 1.6 of the General Provisions. In lieu of individual comprehensive liability insurance, the Contractor should provide proof of coverage provided by the employer, that is in effect for the duration of this contract."

2. The following paragraph shall be added to the General Provisions:

   2.1 In signing this agreement, the Contractor attests that s/he is a citizen or national of the United States and that s/he does not have an unserved obligation for service to a Federal, State, or local government, or any other entity.

   2.2 The following paragraphs shall be added to the General Provisions:

   2.2.1 Submit, in a timely manner to the State of New Hampshire, any changes to the information provided in application for this agreement, a copy of which is attached to this agreement.

   2.2.2 The Contractor agrees to: Provide the State of New Hampshire proof of employment or private practice agreement within the HPSA identified in Exhibit A, incorporating appropriate dates and working conditions.

   2.2.3 Provide all information necessary to the State of New Hampshire for it to meet its responsibilities under Exhibits A and B of this agreement.

   2.2.4 If the Contractor agrees to serve, and fails to complete the period of obligated services, s/he shall be liable to the State of New Hampshire, Department of Health and Human Services (DHHS) for an amount equal to the sum of: a) the total amount paid by the Department to, or on behalf of, the Contractor under this contract, and b) an amount equal to the unserved obligation penalty set forth in paragraph 2.2.5 of this section.

   2.2.5 The unserved obligation penalty is an amount equal to 20% of the total contract amount paid out.

   2.2.6 In the event the Contractor does not fulfill his/her obligations under this agreement, s/he shall forfeit any remaining allotment(s) under this contract.

   2.2.7 The Commissioner of the NH Department of Health and Human Services, or designee, shall review the circumstances associated with a failure of the Contractor to complete the period of obligated services. The Commissioner may waive any or all of the provisions of paragraphs 2.2.4 through 2.2.6, if the failure is determined to be caused by circumstances beyond the Contractor's control, such as if a breach was attributable solely to the capacity of the professional due to serious illness or death.

   2.2.8 Any amount the Commissioner determines that the Department is entitled to recover, shall be paid within one (1) year of the date the Commissioner determines that the Contractor is in breach of this contract.

   2.2.9 The Contractor shall comply with all applicable State and Federal laws.

Contractor Initials: [illegible]
Date: 10/2/12

3. Gratuities or Kickbacks

The Contractor agrees that it is a breach of this Agreement to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Agreement. The State may terminate this Agreement and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

4. Credits

All documents, notices, press releases, research reports, and other materials prepared during or resulting from the performance of the services or the Agreement shall include the following statement "The preparation of this (report, document, etc.) was financed under an Agreement with the State of New Hampshire, Department of Health and Human Services, Division of Public Health Services, with funds provided in part or in whole by the (State of New Hampshire and/or United States Department of Health and Human Services.)"

5. Debarment, Suspension and Other Responsibility Matters

If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with the provisions of Section 319 of the Public Law 101-121, Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions; with the provisions of Executive Order 12549 and 45 CFR Subpart A, B, C, D, and E Section 76 regarding Debarment, Suspension and Other Responsibility Matters, and shall complete and submit to the State of New Hampshire the appropriate certificates of compliance upon approval of the Agreement by the Governor and Council.

6. Renewal

This Agreement contains the option to extend the Agreement for two additional years contingent upon satisfactory delivery of services, available funding, remaining loan obligation of the contractor, agreement of the parties and approval of the Governor and Council.

Contractor Initials: _____
Date: 10/26/12

NH Department of Health and Human Services

Addendum C

1. **Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:**

4. CONDITIONAL NATURE OF AGREEMENT.
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. **Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;**

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

Contractor Initials: _____
Date: 10/20/12

Exhibit D-Certification Regarding Drug-Free Workplace Requirements does not apply to this contract.

Exhibit E- Certification Regarding Lobbying does not apply to this contract.

Contractor Initials:
Date: 12/26/12

NH Department of Health and Human Services

Standard Exhibit F

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

Instructions for Certification

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transition. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transition," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntary excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rule implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction", "provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties)

Contractor Initials: _____
Date: 6/26/12

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

   a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

   b. have not within a three-year period preceding this proposal (contract) been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

   c. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1 b of this certification; and

   d. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

Lower Tier Covered Transactions

By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

(b) where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

	Doctor of Osteopathic Medicine	10/26/12
Contractor Signature	**Contractor's Title**	**Date**

NH Department of Health and Human Services

Standard Exhibit G

CERTIFICATION REGARDING THE AMERICANS WITH DISABILITIES ACT COMPLIANCE

The contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Signature	Contractor's Title	Date
	Doctor of Osteopathic Medicine	10/26/12

NH Department of Health and Human Services

STANDARD EXHIBIT H

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor's Signature	Director of Osteopathic Medicine **Contractor's Title**

10/26/12
Date

Exhibit I- Health Insurance Portability and Accountability Act, Business Associate Agreement does not apply to this contract.

Exhibit J- Certification Regarding The Federal Funding Accountability and Transparency Act (FFATA) Compliance does not apply to this contract.

Contractor Initials: _____
Date: 10/26/12

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
603-271-4741 1-800-852-3345 Ext. 4741
Fax: 603-271-4506 TDD Access: 1-800-735-2964

NH DIVISION OF
Public Health Services

Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

MEMORANDUM OF AGREEMENT
State Loan Repayment Program

Between Dr. Ernest Hanowell, Valley Regional Hospital, New Hampshire Department of Health & Human Services, Division of Public Health Services, Bureau of Public Health Systems, Policy and Performance/Rural Health and Primary Care Section

PURPOSE

The New Hampshire's State Loan Repayment Program establishes contracts with qualified primary care, menta health and oral healthcare providers practicing full-time or part-time in nonprofit, private, or public sites who provide ambulatory patient care and who are seeking financial support for professional education loan repayments in exchange for their commitment to serving the underinsured population in our medically underserved areas that would otherwise make service in such areas unattractive.

These medically underserved areas; identified as Health Care Professional Shortage Areas (HPSAs), Mental Health Professional Shortage Areas (MHPSAs), Dental Health Professional Shortage Areas (DHPSAs), Medically Underserved Areas/Populations (MUA/Ps), and Governor's Exceptional Medically Underserved Populations (E-MUP) are indicators that a shortage of primary healthcare providers exist, posing a barrier to access to primary health care services for the residents of these areas. Health care providers participatiug in the State Loan Repayment Program agree to provide primary care services and dental services to all patients regardless of their ability to pay. In addition, the health care provider and the practice site must offer a sliding discount-to-fee schedule based on current federal poverty guidelines, accept Medicaid, Medicare, and provide free care when medically necessary.

New for the State Loan Repayment Program beginning January 1, 2013, Dentists and Registered Dental Hygienists who work for a State sponsored Dental Program for the N.H. Division of Public Health Services/Oral Health Program and meet the type of provider and required ambulatory care services. Medically underserved designation will be waived for State sponsored Dental Programs.

The New Hampshire Division of Public Health Services, The Bureau of Public Health Systems, Policy and Performance/Rural Health and Primary Care Section administers the New Hampshire State Loan Repayment Program. The Program eligibility requirements are established by federal law authorizing the State Loan Repayment Program (Section 388I of the Public Health Service Act, as amended by Public Law 101-597) and Division of Public Health Services under the provision of Chapter 410, Laws of NH 1994.

Full Time Services

Loan repayment contracts are available to;
"Full-time clinical practice" defined as working a minimum of 40 hours per week, for at least 45 weeks each service year. The 40 hours per week may be compressed into no less than 4 days per week, with no more than 12 hours of work to be performed in any 24-hour period. Participants do not receive credit for hours worked over the required 40 hours per week, and excess hours cannot be applied to any other work week. Research and teaching are not considered to be "clinical practice". Time spent for all health care providers and dentists in "on-call" status will not count toward the 40-hour workweek, except to the extent the provider is directly serving patients during that period. Up to 7 weeks (35 work days) of leave is allowed from the service site in each year (vacation, holidays, professional education, illness, or any other reason).

a. For most type of providers, at least 32 hours of the minimum hours per week must be spent providing direct patient care in the outpatient ambulatory care setting at the approved service site. The remaining 8 hours of the minimum 40 hours must be spent providing clinical services for patients in the approved practice site(s) providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing practice-related administrative activities. Practice-related administrative activities shall not exceed 8 hours of the minimum 40 hours per week.

b. OB/GYN physicians, family practice physicians who practice obstetrics on a regular basis, certified nurse midwives, and behavioral/ mental health providers: the majority of the 40 hours per week (not less than 21 hours per week) is expected to be spent providing direct patient care. These services must be conducted in an approved ambulatory care practice site during normal schedule office hours, with the remaining 19 hours spent providing inpatient care to patients of the approved service site, or providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved practice site(s), performing practice related administrative activities. Practice-related administrative activities shall not exceed 8 hours of the minimum 40 hours per week.

c. General Surgeon needs to be employed full time at a "Critical Access Hospital".

Part Time Provider

Loan repayment contracts are available to;
"Part-time clinical practice" working a minimum of 20 hours per week (not to exceed 39 hours) for a minimum of 45 weeks each service year. The 20 hours per week may be compressed into no less than 2 workdays per week, with no more than 12 hours of work to be performed in any 24-hour period. Participants do not receive credit for hours worked over the required 20 hours per week, and excess hours cannot be applied to any other work week. Full-time work done by a part-time participant will not change the participant's part-time status. Research and teaching are not considered to be "clinical practice". Time spent for all health care providers and dentists in "on-call" status will not count toward the 20-hour workweek, except to the extent the provider is directly serving patients during that period. Up to 3 weeks (15 work days) of leave is allowed from the service site in each year (vacation, holidays, professional education, illness, or any other reason).

a. For most type of providers, at least 16 hours of the minimum 20 hours per week must be spent providing direct patient care in an outpatient ambulatory care setting at the approved service site(s), specified in the agreement, during normally scheduled offiee hours. The remaining 4 hours of the minimum 20 hours per week must be spent providing clinical services for patients in the approved service site(s) or providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved service site(s) or performing practice-related administrative duties. No more than 4 hours per week can be devoted to practice related administrative activities.

b. OB/GYN physicians, family practice physicians who practice obstetrics on a regular basis, certified nurse midwives, and behavioral/ mental health providers: At least 11 hours of the minimum 20 hours per week must be spent providing direct patient care. These services must be conducted in an approved ambulatory care practice site during normal schedule office hours, with the remaining 9 hours of the minimum 20 hours per week must be spent providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved service site(s), or performing practice-related administrative hours with administrative activities not to exceed 4 hours per week. .

STATEMENT OF AGREEMENT

1. NOW COMES the State of New Hampshire through the Department of Health and Human Services, Division of Public Health Services, Bureau of Public Health Systems, Policy and Performance, Rural Health and Primary Care Section, who agree to make state loan repayment contributions for Dr. Ernest Hanowell, New Hampshire Board Certified, Doctor of Osteopathic Medicine, who will be specializing in General Surgery (Hereinafter referred to as the contractor). Funds in this agreement will be used to provide loan repayments to the contractor, who will be working full-time at the Valley Regional Hospital, 243 Elm Street, Claremont, NH 03743 (Hereafter referred to as the employer/service site

2. Valley Regional Hospital is located in a Medically Underserved Population Area of New Hampshire is a Critical Access Hospital. The geographic area to be served is Sullivan County, New Hampshire.

3. State funds in this agreement will be used to provide payments to the contractor to be applied to the principal and interest of qualifying educational loans for actual cost paid for tuition, reasonable educational expenses, and reasonable living expenses relating to graduate or undergraduate education of a primary care provider. The funds must be used immediately to reduce outstanding loan balances that are deemed valid under the program.

4. In this contract agreement, the contractor will be signing for a minimum continuous service obligation of thirty-six months in exchange for twelve payments, the State of New Hampshire will pay directly to the Contractor the principle and interest owed by the Contractor, in an amount not to exceed $37,500.00 over the service term. The agreement is to be effective January 1, 2013, or date of Governor and Executive Council, whichever is later through December 31, 2015. Following the effective date or the date of Governor and Council approval, whichever is later, the first payment of the contract will be paid during the first month of the following quarter, and quarterly thereafter for the duration of the contract. This agreement contains the option to extend the agreement for two additional years contingent upon

satisfactory delivery of services, available funding, remaining loan obligation of the contractor, the agreement of the parties and the approval of the Governor and Executive Council.

5. Before initiating state payments, the Rural Health & Primary Care Section will contact the employer to ensure the Memorandum of Agreement stipulations are being met and verification that their non-federal loan repayment funds have been paid to the contractor prior to the State of New Hampshire releasing its funds, if employer's funds are to be paid.

6. The Contractor and Employer/Service Site shall;

   a. The contractor and employer and/ or service site participating in the Loan Repayment Program agree to provide direct patient care in an outpatient ambulatory care setting at the approved service site during scheduled office hours under this agreement.
   b. The participant entering into any State Loan Repayment Program contract agrees to complete a service obligation that runs the length of the contract and remains at the eligible practice site for the term of the contract. Participants under contract with the State who fail to begin or complete their State Loan Repayment Program obligation or otherwise breach the terms and conditions of the obligations are in default of their contracts and are subject to the financial consequences outlined in their contracts and Memorandum of Agreements.
   c. The employer will maintain the employment of the participant in the program for the length of service required under the terms of the Memorandum of Agreement, except in the cases of the health professional's termination due to substandard job performance or lay off due to financial constraints.
   d. The employer and/or service site shall maintain the practice schedule of the health care provider for the number of hours per week specified in the Memorandum of Agreement. Any changes in practice circumstances that would not support the mission of the State of New Hampshire Loan Repayment Program are subject to the approval of the Rural Health & Primary Care Section based upon the policies of the program. The employer and/or service site must notify the Primary Care Workforce Coordinator and receive approval for any changes in writing at least two (2) weeks in advance of any consideration of permanent changes in the sites or circumstances of the contractor under their agreement. If the participant is relocated to a service site that is not in a designated medically underserved area, termination of the contract may result.
   e. The participant must maintain the appropriate professional license/certification and conform to all State laws and administrative rules pertaining to profession being practiced. If there are any restrictions that would prevent the participant from doing their duties at the service site, the participant will be in violation of the contract and Memorandum of Agreement.
   f. The participant and employer/service site will allow the Division of Public Health Services, Rural Health & Primary Care Section to conduct periodic monitoring either through site visits, telephone calls, exit surveys or compliance with written reports for the program.
   g. The participant and employer/service site will charge for services at the usual and customary rates prevailing in the service areas, except that the service site shall have a policy providing the patients unable to pay the usual and customary rate shall be charged a reduced rate according to the service site's sliding discount-to-fee-schedule based on poverty level or not charged; and
   h. The participant and employer/service site will not discriminate on the basis of a patient's ability to pay for care or the payment source including Medicare and Medicaid, and provide free care when medically necessary.
   i. If the participant is providing services in a designated medically underserved area and is relocated to a service site that is not in a designated medically underserved area, termination of the contract may result, and the health care provider will not be in default.
   j. If the participant is providing services in a State sponsored Dental Program for the N.H. Division of Public Health Services/Oral Health Program and the State Sponsored Dental Program ends, termination of the contract may result, and the oral health provider will not be in fault.
   k. The employer/service site shall notify the Primary Care Workforce Coordinator in writing at least thirty (30) calendar days prior if the full-time participant is absent more than seven (7) weeks (35 workdays) in one year due to vacation, holidays, continuing professional educational, illness, military obligation or any other reason. The following information should be included in the notice: type of leave, start date, end date or estimated end date, and whether the leave is paid or unpaid. Absences greater than seven (7) weeks in the State Loan Repayment Program service year will extend the service commitment end date and an amendment contract will need to be approved by the Governor & Council to continue loan repayments
   l. The employer/service site shall notify the Primary Care Workforce Coordinator in writing at least thirty (30) calendar days prior if the part-time participant is absent more than three (3) weeks (15 workdays) in one year due to vacation, holidays, continuing professional educational, illness, military obligation or any other reason. The following information should be included in the notice: type of leave, start date, end date or estimated end date, and whether the leave is paid or unpaid. Absences greater than three (3) weeks in the State Loan Repayment Program

service year will extend the service commitment end date and an amendment contract will need to be approved by the Governor & Council to continue loan repayments

m. The employer shall notify the Workforce Coordinator within seven (7) calendar days in the event of termination of employment of the participant and must include specific reason(s) for termination.

n. The employer shall notify the Workforce Coordinator in writing within seven (7) calendar days if the participant, for any reason chooses to take a leave of absence due to physical or mental health disability, or the terminal illness of an immediate family member, that results in the participant's temporary inability to perform the program's obligations. This includes any medical conditions or a personal situation: 1) would make it temporarily impossible for the participant to continue the service obligation or payment of the monetary debt; or 2) would temporarily involve an extreme hardship to the participant and would be against equity and good conscience to enforce the service or payment obligation.

o. Under certain criteria the agreement may be amended for a break in health care services in order to extend the end date. This will be at the discretion of the Section Administrator, Rural Health & Primary Care Section and an amendment contract will need to be approved by the Governor & Executive Council to be able to continue loan repayments.

p. Failure of the employer and/or service site to comply with the provisions contained within the Memorandum of Agreement may, at the discretion of the Section Administrator, Bureau of Public Health Systems, Policy and Performance, Rural Health & Primary Care Section, will be denied any loan repayment or service site who are out of compliance with the terms and conditions of the Memorandum of Agreement, may not be eligible for future State Loan Repayments.

q. In the event that a participant is found to be in default, the following procedure applies. The Commissioner of the NH Department of Health and Human Services, or designee, shall review the circumstances associated with a failure of the participant to complete the period of obligated services. The Commissioner, for state funded only contracts, may waive any or all of the provisions of paragraphs 2.2.4 through 2.2.6 if the failure is determined to be caused by circumstances beyond the Contractor's control, such as if a breach was attributable solely to the capacity of the professional due to serious illness, death, or laid off due to financial situation of the employer. A participant must provide documentation

r. Transfer requests are considered in extreme situations on a case-by-case basis. Loan repayment participants are expected to honor their contracts with the healthcare organization and the State. An example of when a transfer request might be a closure of the healthcare organization. Should a transfer request be approved the healthcare provider will be expected to continue at another qualified site. In the case of local match contracts the new employer must be willing to continue with the matching funds that are outlined under the original or extension contract. In no circumstances can a health care provider leave the employing healthcare service site without prior approval from the Rural Health & Primary Care Section, or s/he will be place in default and will be considered in breach of contract.

7. The contractor will be paid by the State in twelve payments during the term of the contract. The first payment of the contract will be paid during the month of the following quarter, and quarterly thereafter for the duration of the contract.

   a. First payment of $3,750.00 of providing services obligated under this contract.
   b. Second payment of $3,750.00 of providing services obligated under this contract.
   c. Third payment of $3,750.00 of providing services obligated under this contract
   d. Fourth payment of $3,750.00 of providing services obligated under this contract.
   e. Fifth payment of $3,125.00 of providing services obligated under this contract.
   f. Sixth payment of $3,125.00 of providing services obligated under this contract.
   g. Seventh payment of $3,125.00 of providing services obligated under this contract.
   h. Eighth payment of $3,125.00 of providing services obligated under this contract.
   i. Ninth payment of $2,500.00 of providing services obligated under the contract
   j. Tenth payment of $2,500.00 of providing services obligated under the contract
   k. Eleventh payment of $2,500.00 of providing services obligated under the contract
   l. Twelfth and final payment of $2,500.00 of providing services obligated under the contract

8. The Employer agrees that during the term of the state loan repayment contract signed between the State of New Hampshire and the Contractor, that the employer is willing to pay $37,500.00 in addition to the $37,500.00 with this state loan repayment contract throughout the thirty-six month loan repayment. This loan repayment is to be used solely for educational pay down. This local match provided by the employer cannot be part of the salary or bonuses that the employer would normally provide the employee.

9. The contractor will be paid by the employer in twelve payments during the term of the contract. The first payment of the contract will be paid on the first of the month of the following quarter, and quarterly thereafter for the duration of the contract.

   a. First payment of $3,750.00 of providing services obligated under this contract.
   b. Second payment of $3,750.00 of providing services obligated under this contract.
   c. Third payment of $3,750.00 of providing services obligated under this contract.
   d. Fourth payment of $3,750.00 of providing services obligated under this contract.
   e. Fifth payment of $3,125.00 of providing services obligated under this contract.
   f. Sixth payment of $3,125.00 of providing services obligated under this contract.
   g. Seventh payment of $3,125.00 of providing services obligated under this contract.
   h. Eighth payment of $3,125.00 of providing services obligated under this contract.
   i. Ninth payment of $2,500.00 of providing services obligated under the contract.
   j. Tenth payment of $2,500.00 of providing services obligated under the contract
   k. Eleventh payment of $2,500.00 of providing services obligated under the contract.
   l. Twelfth and final payment of $2,500.00 of providing services obligated under the contract

10. This Memorandum of Agreement shall be effective upon signature of all parties and will remain in force from the effective date, or date of Governor and Council approval, whichever is later, and quarterly thereafter for the duration of the contract. All parties my initiate review and/or a modification at any time should changing conditions warrant. Any modifications to this agreement shall be in writing and approved by all signatories. Termination of this agreement without providing written notice to all parties at least thirty (30) calendar days in advance will be considered in default of this agreement.

11. Failure to comply with Federal & State Loan Repayment Program requirements or the provisions contained within paragraphs 1 through 11 of this Memorandum of Agreement may, at the discretion of the Rural Health & Primary Care Section Administrator, result in denial of any further payments and termination of this contract. In addition the participant may be subject to penalties outlined in his/her contract. Employers, who are out of compliance with the terms and conditions of the Memorandum of Agreement, may be ineligible to participate in the State Loan Repayment Program in the future.

All information provided to the Division of Public Health Services, Rural Health and Primary Care Section will be held in strict confidence.

9/26/12

Dr. Ernest Hanowell, DO — Date
Valley Regional Hospital

9/26/12

Gregg Burdett, VP, Administration — Date
Valley Regional Hospital

10/23/12

Alisa Druzba — Date
Bureau of Public Health Systems, Policy & Performance
Rural Health & Primary Care Section

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/26/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER 1-617-531-6000
Integro USA Inc.
dba Integro Insurance Brokers
Two Financial Center
60 South Street, Suite 800
Boston, MA 02111

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : LEXINGTON INS CO	19437
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Valley Regional Healthcare, Inc.

Valley Regional Hospital
243 Elm Street
Claremont, NH 03743

COVERAGES **CERTIFICATE NUMBER:** 29283997 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			6795757	10/01/12	10/01/13	EACH OCCURRENCE	$ 1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 50,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$ 1,000,000
	X POLICY PRO-JECT LOC							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED / RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: State Loan Repayment Contract - Dr. Ernest Hanowell effective Jan 1, 2013 thru Dec 31, 2016

Evidence of GL insurance for Valley Regional Hospital

CERTIFICATE HOLDER

NH DHHS
Division of Public Health Svcs
Attn: David Roberts
29 Hazen Drive, 2E

Concord, NH 03301-6504
USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY
INFORMATION PAGE

New Hampshire Employers Insurance Company
20 Chenell Drive, Concord, New Hampshire 03301
603-223-0166

NCCI NO 78962

POLICY NO. ECC 4000307012012
PRIOR NO. ECC 4000307012011

ITEM
1. The Insured Valley Regional Healthcare, Inc. As Per Schedule

Mail Address: 243 Elm Street (Street No) Claremont (Town or City) (County) NH (State) 03743 (Zip Code)

FEIN xxxxx7338

☐ Individual ☐ Partnership ☒ Corporation ☐ Joint Venture ☐ Association ☐ Other

Other workplaces not shown above:

2. The policy period is from 10/01/2012 to 10/01/2013 12:01 a.m. standard time at the insured's mailing address.
3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here: NH
   B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A.

   The limits of our liability under Part Two are:
   Bodily Injury by Accident $ 500,000 each accident
   Bodily Injury by Disease $ 500,000 policy limit
   Bodily Injury by Disease $ 500,000 each employee

   C. Other States Insurance: See Endorsement AM 00 20 28

   D. This policy includes these endorsements and schedules: SEE SCHEDULE

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating plans. All information required below is subject to verification and change by audit.

Classifications	Premium Basis		Rates	
	Code No.	Estimated Total Annual Remuneration	Per $100 Of Remuneration	Estimated Annual Premium
INTRA 280255440				
SEE EXTENSION OF INFORMATION PAGE				

Minimum premium $ 500.00
As indicated interim adjustments of premium shall be made:
☐ Annually ☐ Semi Annually ☐ Quarterly ☒ Monthly

Total Estimated Annual Premium $ 283,991.00
Deposit Premium $ 70,998.00

MA Assessment Chg.

This policy, including all endorsements is hereby countersigned by _____ (Authorized Signature) 08/20/2012 (Date)

GOV STATE	GOV CLASS	KIND AUDIT	PLACING OFFICE	CLAIM OFFICE	NAME CHECK	SAFETY GROUP
NH	8833	8	406			0600

Eastern Insurance Group LLC
233 West Central Street
Natick, MA 01760

WC 00 00 01 A (7-11)

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Change of Address must be reported in writing to
New Hampshire Board of Medicine
2 Industrial Park Dr. - STE 6
Concord, NH 03301-8520 (603) 271-1848

State of New Hampshire
BOARD OF MEDICINE
ERNEST J HANOWELL, DO

ERNEST J HANOWELL, DO
[redacted]

License #: 15793

Issued: 8/1/2012

has been duly registered to practice medicine
in this state through 6/30/2014

President Robert J. Anderson

E. James Hanowell, D.O.

Education and Medical Training

Post-Graduate Training
General Surgery Resident — 06/2012
Creighton University Medical Center, Omaha, NE

General Surgery Intern — 06/2004
York Hospital, York, PA

Doctor of Osteopathy — 06/2003
University of New England College of Osteopathic Medicine
Biddeford, ME

Bachelor of Arts — 05/1997
Major in Biology
Bucknell University
Lewisburg, PA

Professional Work History

General Surgeon — 07/12 - Present
Valley Regional Hospital
Claremont, NH

Physician Researcher — 07/09 - 02/10
National Study Center for Trauma and Emergency Medicine
University of Maryland School of Medicine, Baltimore, MD

Anatomy Instructor — 06/03 - 06/04
York College of Pennsylvania, York, PA

Research Technician — 03/99 - 08/99
University of Vermont, Burlington, VT

Independent Researcher — 08/94 - 05/97
Bucknell University, Lewisburg, PA

Student Research Training Fellow — 04/94 - 08/96
Radiation Biology Branch, National Cancer Institute
National Institutes of Health, Bethesda, MD

Licensure and Certifications

Texas, Active, License #N2553	05/2013
ACLS Certified	05/2014
ATLS Certified	01/2013
BLS	05/2014

Professional Memberships

Candidate, Society of American Gastrointestinal and Endoscopic Surgeons
Candidate, American College of Surgeons

Research and Publications

***Hanowell EJ**, Pallati P, Srinivasan A, Sudan R, Forse AR* "Laparoscopic Versus Open Bilio-pancreatic Diversion With Duodenal Switch: Comparable Weight Loss With Decreased Long Term Morbidity" Presentation, SAGES, San Antonio, TX, March 2011

W. Peter Geis, MD, Harrish Kakkilaya, MD, Udayan B. Shah, MD, ***E. James Hanowell,*** *MD, Bhasker Reddy, MD* "Integrating Emergent Abdominal Laparoscopic Procedures into the Armamentarium of Laparoscopic Surgeons on a Consistent Basis: A Prospective, Identifiable, and Consistent Model" Presentation, SLS Annual Meeting and Endo Expo 2009, Supplement to JSLS, Volume 13, Number 2

***Hanowell EJ**, Mislowsky A, Hemphill A, You C, Heitmiller* RF "The Impact of the Intensive Care Rotation on Surgical Residency Education" Presentation, ACS 95th Annual Clinical Congress, Chicago, IL, October 2009

***Hanowell EJ**, McElveen R, Heitmiller RF* "Multiple Synchronous Esophageal Diverticular Disease" Pending publication.

***Hanowell EJ**, Mpinga E,* "Torsion of a Meckel's Diverticulum in the Presence of Duplication of the Iliun: An Unusual Cause of Abdominal Pain" Presentation, Resident Research Symposium, York, PA, May 2004

***Hanowell EJ**,* "Review: Nyhus and Condon's Hernia. 5th ed.", Current Surgery, May 2003, Volume: 60, number 3, Pages: 264-265