

GROUP PARTICIPATION AGREEMENT

This Group Participation Agreement ("Agreement") is made and entered into by and between NORTH TEXAS ENT, MOSE AND THOMPSON (hereinafter referred to as "GROUP") and Health Value Management, Inc. d/b/a ChoiceCare Network (hereinafter referred to as "CHOICECARE").

RELATIONSHIP OF THE PARTIES

1.1 In performance of their respective duties and obligations hereunder, CHOICECARE and GROUP, and their respective employees and agents, are at all times acting and performing as independent contractors and neither party, nor their respective employees and agents, shall be considered the agent, servant, employee of, or joint venturer with, the other party. Unless otherwise agreed to herein, the parties acknowledge and agree that neither GROUP nor CHOICECARE will be liable for the activities of the other nor the agents and employees of the other, including but not limited to, any liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims or demands of any kind or nature by or on behalf of any person, party or governmental authority arising out of or in connection with: (i) any failure to perform any of the agreements, terms, covenants or conditions of this Agreement; (ii) any negligent act or omission or other misconduct; (iii) the failure to comply with any applicable laws, rules or regulations; or (iv) any accident, injury or damage to persons or property.

SERVICES TO MEMBERS

2.1 Subject at all times to the terms of this Agreement, GROUP agrees to provide services to individuals (hereinafter "Members") covered under designated self-insured employer plans, employer trusts, insurance policies, government sponsored programs or other third party payors' health benefits contracts (hereinafter referred to as "Plan" or "Plans"). CHOICECARE administers the provider network for such other third party payor(s) (hereinafter "Payor" or "Payors") issuing and/or administering the Plans. Members shall have an identification card or other means of identification of the Payor Plan covering Member.

THIRD PARTY BENEFICIARIES

3.1 Except as is otherwise specifically provided in this Agreement with respect to Payors, the parties have not created and do not intend to create by this Agreement any rights in other parties as third party beneficiaries of this Agreement, including, without limitation, Members.

SCOPE OF AGREEMENT

4.1 This Agreement sets forth the rights, responsibilities, terms and conditions governing: (i) the status of GROUP, and GROUP's employees, subcontractors, and independent contractors required to be credentialed under CHOICECARE's policies and procedures, as health care providers (hereinafter "Participating Providers") providing health care services and (ii) GROUP's provision of professional medical services ("Physician Services") to Members.

4.2 GROUP acknowledges and agrees that all rights and responsibilities arising with respect to benefits to Members shall be subject to the terms of the Payor Plan covering the Member. Further, with respect to such Plans, unless otherwise provided herein, GROUP acknowledges and agrees that CHOICECARE's responsibilities are limited to provider network administration for Payors.

4.3 GROUP represents and warrants that GROUP's employees, subcontractors, and independent contractors will abide by the terms and conditions of this Agreement. The parties acknowledge and agree that nothing contained in this Agreement is intended to interfere with or hinder communications between GROUP and Members regarding a Member's medical condition or available treatment options, and GROUP acknowledges that all patient care and related decisions are the sole responsibility of the

GROUP and that CHOICECARE does not dictate or control GROUP's clinical decisions with respect to the medical care or treatment of Members.

POLICIES AND PROCEDURES

5.1 GROUP agrees to abide by all quality assurance, quality improvement, accreditation, risk management, utilization management, credentialing, recredentialing, and other administrative policies and procedures established and revised from time to time by CHOICECARE or Payors. CHOICECARE administrative policies and procedures are set out in bulletins or other written materials, current copies of which will be provided to GROUP. GROUP will be notified by CHOICECARE of any revisions to its policies and procedures and they shall become binding upon GROUP thirty (30) days after such notice, or such lesser period of time as necessary for CHOICECARE to comply with any statutory, regulatory and/or accreditation requirements

CREDENTIALING

6.1 Participation under this Agreement by GROUP and Participating Providers is subject to the satisfaction of all credentialing and recredentialing standards established by CHOICECARE. GROUP shall provide CHOICECARE and Payors, or their respective designees, the information necessary to ensure compliance with such standards. GROUP shall within forty-eight (48) hours of service upon GROUP, or such lesser period of time as may be required by any applicable state statute, rule or regulation, notify CHOICECARE in writing of any Member lawsuit alleging malpractice involving a Member.

6.2 GROUP shall maintain, at no expense to CHOICECARE or Payors, such policies of comprehensive general liability, professional liability, and workers' compensation coverage as required by law, insuring GROUP, and GROUP'S employees and agents, against any claim or claims for damages arising as a result of injury to property or person, including death, occasioned directly or indirectly in connection with the provision of medical services contemplated by this Agreement and/or the maintenance of GROUP's facilities and equipment. Upon request, GROUP shall provide CHOICECARE with evidence of said coverage, of which professional liability coverage shall be one million dollars (\$1,000,000) per occurrence/three million dollars (\$3,000,000) in the aggregate, or such lesser amount as required by state law or ChoiceCare Credentialing Department. GROUP shall provide and/or shall require the carrier(s) of such insurance to provide CHOICECARE with written notice at least ten (10) days prior to any cancellations or material modifications in the coverage.

PROVISION OF MEDICAL SERVICES

7.1 GROUP agrees to provide Physician Services to Members in accordance with this Agreement and the applicable Plans ("Covered Services"). GROUP's responsibilities for providing and/or arranging Covered Services for Members are set forth in Attachment A. GROUP will establish and maintain regular business hours for the provision of services to Members.

STANDARDS OF PROFESSIONAL PRACTICE

8.1 GROUP agrees to provide Members with Physician Services that are Medically Necessary and within the normal scope of GROUP's medical practice, and consistent with GROUP's credentialing, licensure and/or certification pursuant to Article 6.1 of this Agreement. Physician Services shall be made available to Members without discrimination on the basis of type of Plan, source of payment, sex, age, race, color, religion, national origin, health status or handicap. GROUP agrees to provide medical services to Members in the same manner as provided to GROUP's other patients and in accordance with prevailing practices and standards of the profession.

MEDICAL RECORDS

9.1 GROUP shall prepare, maintain and retain records on all Members receiving Physician Services in a form, and for a period required by, applicable state and federal laws, and licensing, accreditation and regulations to which GROUP is subject. GROUP shall obtain authorization of Member permitting CHOICECARE or the Members' Payor to obtain a copy, and have access, upon reasonable request, to any medical record of Physician Services provided by GROUP to any Member.

9.2 Payor may request copies of medical records from time to time and GROUP agrees to accept Payors standard reimbursement rate for copies of medical records.

GRIEVANCE AND APPEALS PROCESS

10.1 GROUP agrees to cooperate and participate with CHOICECARE and/or Payor, as applicable, in grievance and appeals procedures to resolve disputes which may arise between CHOICECARE, Payors, GROUP, and Member, if any. GROUP shall abide by all final determinations made through the grievance and appeals process, however, nothing in this Article shall prohibit or hinder any Member or GROUP from using any further appeal or review process available under applicable law.

USE OF NAMES

11.1 CHOICECARE and Payors shall have the right to include the following information in any and all marketing and administrative materials distributed by Payors or GROUPS in any format or media: GROUP's name, telephone number, address, office hours, type of practice or specialty, hospital affiliation, and the names of all other Participating Providers, including physicians, providing care at GROUP's office, GROUP's e-mail address, GROUP Internet web-site address, board certification, and other education and training history. CHOICECARE will provide GROUP with access information or copies of such administrative or marketing materials upon request.

11.2 GROUP shall not acquire any right or title in or to the marketing materials, logos, trade names, service marks, or other materials of CHOICECARE and the same shall remain at all times the exclusive property of CHOICECARE or Payors.

11.3 GROUP agrees to: (i) allow CHOICECARE to place CHOICECARE signage and/or brochures in GROUP's office; and (ii) allow CHOICECARE to publish and distribute in any format or media an announcement of GROUP's affiliation with CHOICECARE to Members and Payors, and (iii) allow Payors to disclose in their provider directories GROUP's cost of services relative to other physicians of same specialty cost of services in the CHOICECARE network.

PAYMENT

12.1 GROUP shall be paid for the provision of Covered Services provided to Member in accordance with the terms outlined in Attachment D. GROUP shall collect directly from Member any co-payment, coinsurance, or other Member cost share amounts ("Copayments") applicable to the Covered Services provided and shall not waive, discount or rebate any such Copayments. The payment listed in Attachment D less the Copayments owed by Members pursuant to their Plans shall be accepted by GROUP as payment in full from Payors for all Covered Services.

12.2 GROUP understands that no payment may be made by Payors for services rendered to Members which are determined by a Payor, not to be medically necessary. Unless otherwise defined in the applicable Payor Plan, "Medically Necessary" (or "Medical Necessity") shall mean services or supplies provided by a physician licensed by the appropriate government agency, or as otherwise approved as required, to identify or treat a condition, disease, ailment, sickness or bodily injury and which are: (i) consistent with the symptoms, diagnosis and treatment of the condition, disease, ailment, sickness or bodily injury; (ii) appropriate with regard to standards of accepted medical practice; (iii) not primarily for the convenience of the patient or the qualified hospital, physician, or other health care

provider; (iv) the most appropriate supply, setting, or level of service which safely can be provided to the patient; and (v) substantiated by records and documentation maintained by the provider of services.

12.3 CHOICECARE's agreements with Payors require Payors to pay GROUP for Medically Necessary Covered Services, and except for Member Copayments, GROUP agrees to seek payment for such services solely from Payors. GROUP agrees that Payors may deny payment to GROUP for medical services which are not Medically Necessary. GROUP agrees that in the event of a denial of payment for such services rendered to Members, GROUP shall not bill, charge, seek payment or have any recourse against CHOICECARE or the Members' Payor for such services.

12.4 In the event that GROUP is a party to more than one agreement with CHOICECARE for the provision of Covered Services to Members, CHOICECARE will determine under which agreement payment will be made. GROUP shall participate as a participating group in all Payors' Plans designated by CHOICECARE pursuant to the terms and conditions of this Agreement.

12.5 Nothing in this agreement shall limit or prohibit a Payor from contracting directly with or maintaining a direct agreement with GROUP. If GROUP is party to such a direct agreement with Payor, Payor shall determine under which agreement payment shall be made for Covered Services to GROUP.

12.6 GROUP hereby authorizes Payors, or their designees, to deduct amounts that may otherwise be due and payable to GROUP from any outstanding amounts that GROUP may, for any reason, owe Payors.

12.7 GROUP agrees that Payors may make retroactive adjustments to payments to GROUP for errors and omissions relating to claims payment errors, data entry errors and incorrectly submitted claims.

SUBMISSION OF CLAIMS

13.1 GROUP shall prepare and submit claims to Payors, or their designees, as applicable, according to the billing procedures established by Payors. GROUP agrees to use industry standard billing (HCFA 1500 or its successor) claim forms. For purposes of this Agreement, "claims" shall be defined as notification to an insurance or managed health care company that payment of an amount is due under the terms of this Agreement and in accordance with the applicable Plan.

13.2 GROUP agrees to submit all claims to Payors or their designees, as applicable, within sixty (60) days from the date of service or within the time specified by applicable state law. Payors may, in their sole discretion, deny payment for any claim(s) received after sixty (60) days from the date of service. GROUP acknowledges and agrees that at no time shall Members be responsible for any payments in addition to applicable Copayments for Covered Services provided to such Members.

13.3 GROUP shall submit all claims to Payors or their designees electronically by means available and accepted as industry standards that are mutually agreeable and which may include claims clearinghouses or electronic data interface companies used by Payor. Should GROUP be unable to submit claims electronically upon execution of this Agreement, GROUP shall make such arrangements as may be necessary to do so within six (6) months from the date of execution of this Agreement. GROUP agrees that Payors may require and/or market certain products that will require electronic submission of claims in order for GROUP to participate.

COORDINATION OF BENEFITS

14.1 Payments for Covered Services provided to each Member are subject to coordination with other benefits payable or paid to or on behalf of the Member. In cases where a Member has coverage, which requires or permits coordination of benefits with another third party payor, Payors will coordinate their benefits with such other payor(s). In the event Medicare is the primary payor, Payors shall pay GROUP the amount of deductible, coinsurance and/or other plan benefits which are not covered services under

Title XVIII of the Social Security Act, as amended, subject to the benefit limits and applicable rates of the applicable Plan. In no event will payors' pay an amount which when combined with payments from the other payor(s) exceeds the contracted rate provided in this Agreement. Payors will in all cases coordinate benefits payments in accordance with applicable statutes, laws, rules and regulations and in accordance with its Plans.

NO LIABILITY TO CHOICECARE FOR PAYMENT

15.1 GROUP hereby agrees that in no event, including, but not limited to, nonpayment by Payor, or Payors' insolvency, shall GROUP bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against CHOICECARE for services provided by GROUP. This provision shall not prohibit collection by GROUP from Member for any non-covered service and/or Copayments in accordance with the terms of the applicable Member Plan.

15.2 GROUP agrees that in the event of CHOICECARE's or Payors insolvency or other cessation of operations, GROUP shall provide services to Members confined in an Inpatient facility on the date of insolvency or other cessation of operations until their discharge.

15.3 GROUP further agrees that (i) this provision shall survive the termination of this Agreement regardless of the cause giving rise to termination and shall be construed to be for the benefit of the Members, (ii) this provision supersedes any oral or written contrary agreement now existing or hereafter entered into between GROUP and Member or persons acting on their behalf, and (iii) this provision shall apply to all Participating Providers.

ACCESS TO INFORMATION

16.1 GROUP agrees that CHOICECARE, Payors, or their designees, shall have reasonable access and an opportunity to examine Members medical records during normal business hours, on at least seventy-two (72) hours' advance notice, or such shorter notice as may be imposed on Payor by a federal or state regulatory agency or accreditation organization.

16.2 Failure or refusal by GROUP to comply with any requests for access by CHOICECARE, Payors, or their designees, within seven (7) business days of receipt of notification shall constitute a breach of this Agreement

NEW PRODUCT INTRODUCTION

17.1 From time to time during the term of this Agreement, CHOICECARE and/or Payors may develop/implement new products or Plans. Should CHOICECARE and/or Payor elect to offer any such new products or Plans to GROUP, GROUP shall be provided with thirty (30) days' written notice from CHOICECARE prior to the implementation of such new product. If GROUP does not object in writing to the implementation of such new product of Plans within such thirty (30) day notice period, GROUP shall be deemed to have accepted participation in the new product or Plan. In the event GROUP objects to any such new product or Plan, the parties shall confer in good faith to reach agreement on terms or GROUP's participation as a provider in the new product or Plan.

17.2 Notwithstanding anything to the contrary in this Agreement, CHOICECARE reserves the right, at its discretion, to develop and market provider networks in which GROUP may not be selected to participate. The parties agree that this Agreement applies only to those Members and Plans designated by CHOICECARE

ASSIGNMENT AND DELEGATION

18.1 The assignment by GROUP of this Agreement or any interest hereunder shall require notice to and the written consent of CHOICECARE. Any attempt by GROUP to assign this Agreement or its interest hereunder without complying with the terms of this paragraph shall be void and of no effect, and CHOICECARE, at its option, may elect to terminate this Agreement, in accordance with the terms of Attachment C, without any further liability or obligation to GROUP. CHOICECARE may assign this Agreement in whole or in part to any purchaser of or successor to the assets or operations of CHOICECARE, or to any affiliate of CHOICECARE, provided that the assignee agrees to assume CHOICECARE's obligations under this Agreement.

18.2 Notwithstanding the above, in the event a change of control or ownership occurs as a result of the death or disability of GROUP, or one of the principals of GROUP, GROUP (or its personal representative) shall notify CHOICECARE of any such change or impending change within fifteen (15) days of the date of death or petition for a judgment of incompetence.

TERM AND TERMINATION OF AGREEMENT

19.1 This Agreement shall be effective when CHOICECARE has separately notified GROUP of its acceptance of GROUP. The term of this Agreement and provisions for its termination are outlined in Attachment C.

COMPLIANCE WITH REGULATORY REQUIREMENTS

20.1 GROUP acknowledges, understands and agrees that this Agreement may be subject to the review and approval of state regulatory agencies to which this Agreement may be subject. Any modification of this Agreement requested by such agencies or required by applicable law or regulations shall be incorporated herein as provided in Article 21.11, of this Agreement.

20.2 GROUP agrees to be bound by and comply with the provisions of all-applicable state and federal laws, rules and regulations. GROUP shall notify CHOICECARE immediately of any changes in licensure or certification status of GROUP and other Participating Providers, as applicable. If GROUP violates any of the provisions of applicable state and/or federal laws, rules and regulations, or commits any act or engages in conduct for which GROUP'S or other Participating Provider's license or certification is revoked or suspended, or otherwise is restricted by any state licensing or certification agency by which a Participating Provider or the GROUP is licensed or certified, or is otherwise disciplined by such agency, department or any professional organization of physicians, CHOICECARE may immediately terminate this Agreement or any individual Participating Provider.

MISCELLANEOUS PROVISIONS

21.1 **SEVERABILITY** If any part of this Agreement should be determined to be invalid, unenforceable, or contrary to law, that part shall be reformed, if possible, to conform to law, and if reformation is not possible, that part shall be deleted, and the other parts of this Agreement shall remain fully effective.

21.2 **RIGHT TO INJUNCTION** In the event of an actual or threatened breach of this Agreement, CHOICECARE and/or GROUP shall be entitled to an injunction enforcing this Agreement in addition to all other remedies available at law.

21.3 **GOVERNING LAW** This Agreement shall be governed by and construed in accordance with the laws of the state in which Physician Services are provided. The parties agree that applicable federal and state laws and regulations make it necessary to include in this Agreement specific provisions relevant to the subject matter contained herein. Such provisions, if any, are set forth in Attachment B hereto. The parties agree to comply with any and all such provisions and in the event of a conflict between the

provisions in Attachment B and any other provisions in this Agreement, the provisions in Attachment B shall control.

21.4 WAIVER Waiver, whether expressed or implied, of any breach of any provision of this Agreement shall not be deemed to be a waiver of any other provision or a waiver of any subsequent or continuing breach of the same provision. In addition, waiver of one of the remedies available to either party in the event of a default or breach of this Agreement by the other party shall not at any time be deemed a waiver of a party's right to elect such remedy at any subsequent time if a condition of default continues or recurs.

21.5 NOTICES Any notices, requests, demands or other communications, except notices of changes in policies and procedures pursuant to Article 5, required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given: (i) on the date of personal delivery, or (ii) provided such notice, request, demand or other communication is received by the party to which it is addressed in the ordinary course of delivery: (a) on the third day following deposit in the United States mail, postage prepaid, by certified mail, return receipt requested; (b) on the date of transmission by telegram, cable, telex or facsimile transmission, or e-mail; or (c) on the date following delivery to a nationally recognized overnight courier service, each addressed to the other party at the address set forth below their respective signatures to this Agreement, or to such other person or entity as either party shall designate by written notice to the other in accordance herewith.

21.6 CONFIDENTIALITY GROUP agrees that the terms of this Agreement and information regarding any dispute arising out of this Agreement are confidential, and agrees not to disclose the terms of this Agreement nor information regarding any dispute arising out of this Agreement to any third party without the express written consent of CHOICECARE, except pursuant to a valid court order, or when disclosure is required by a governmental agency. Notwithstanding anything to the contrary herein, the parties acknowledge and agree that GROUP may discuss the reimbursement methodology included herein with Members requesting such information.

21.7 COUNTERPARTS AND HEADINGS This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument. The headings in this Agreement are for reference purposes only and shall not be considered a part of this Agreement in construing or interpreting any of its provisions. Unless the context otherwise requires, when used in this Agreement, the singular shall include the plural, the plural shall include the singular, and all nouns, pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, as the identity of the person or persons may require.

21.8 INCORPORATION OF ATTACHMENTS. Attachments A, B, C, D and E are incorporated herein by reference and made a part of this Agreement.

21.9 FORCE MAJEURE No party to this Agreement shall be deemed to breach its obligations under this Agreement if that party's failure to perform under the terms of this Agreement is due to an act of God, riot, war or natural disaster.

21.10 ENTIRE AGREEMENT This Agreement, including the Attachments, Addenda and Amendments hereto and the documents incorporated herein, constitutes the entire Agreement between CHOICECARE and GROUP with respect to the subject matter hereof, and it supersedes any prior or contemporaneous agreements, oral or written, between CHOICECARE and GROUP.

21.11 MODIFICATION OF THIS AGREEMENT GROUP acknowledges and agrees that this Agreement may be amended or modified in writing as mutually agreed upon by the parties. In addition, CHOICECARE may modify or amend this Agreement upon thirty (30) days' written notice to GROUP. Failure of GROUP to object to such modification or amendment during the thirty (30) day notice period shall constitute acceptance of such modification.

IN WITNESS WHEREOF, the parties have the authority necessary to bind the entities identified herein and have executed this Agreement to be effective as set out in Article 19.1.

GROUP

By: John M. Moore
Print Name: JOHN MOORE, M.D.
Title: PRESIDENT
Date: 9.24.01

CHOICECARE NETWORK

By: Matthew P. White
Print Name: Matthew P. White
Title: Regional Director
Date: 10/03/01

Address For Notice:

GROUP:

4333 N. JOSEY LN.
SUITE 100
CARROLLTON, TX 75010

CHOICECARE:

ChoiceCare Network
500 West Main Street
Louisville, Kentucky 40202
Attn: President

ATTACHMENT A

GROUP PHYSICIAN RESPONSIBILITIES

A. GROUP PHYSICIAN SERVICES

GROUP PHYSICIANS shall provide Members all available medical services within the scope of and in accordance with his/her medical license and certification. GROUP PHYSICIANS shall be responsible twenty-four (24) hours a day, seven (7) days a week for providing or arranging for all Covered Services for Members, including but not limited to prescribing, directing and authorizing all urgent and emergency care for Members.

In the event that this Agreement is terminated for whatever reason, GROUP PHYSICIANS shall continue Member(s)' course of treatment, including but not limited to medication therapy, until the Member(s) has been evaluated by a new participating provider and the new participating provider has had a reasonable opportunity to review or modify Member(s)' course of treatment.

B. ANCILLARY SERVICES

GROUP PHYSICIAN shall provide only those laboratory, injectible, infusion therapy, durable medical equipment, radiology, nuclear medicine, physical therapy and other "Ancillary Services" which GROUP PHYSICIAN is qualified to provide by license, certification, and state and/or federal law. GROUP PHYSICIAN shall direct or refer Payor's Members to ancillary providers contracted with CHOICECARE unless otherwise directed by Payor.

In the event GROUP PHYSICIAN orders home health care, home infusion therapy, durable medical equipment or other home care services for a Member, GROUP PHYSICIAN shall within thirty (30) days following such order, and within each thirty (30) day period thereafter, examine the Member or otherwise provide Payor with documentation of the Medical Necessity for such Ancillary Services, unless otherwise directed by Payor.

C. QUALITY IMPROVEMENT ACTIVITIES

GROUP agrees to cooperate with CHOICECARE's or Payors quality improvement activities.

ATTACHMENT B

STATE LAW COORDINATING PROVISIONS

TEXAS

CHOICECARE and PROVIDER agree that the following provisions are incorporated into the Agreement as they relate to Payors, Plans and/or Members and solely to the extent specifically required to ensure compliance with Texas laws, rules and regulations.

1. Payors shall pay PROVIDER for Medically Necessary Covered Services rendered to Members within forty-five (45) days after claims are received by Payors or their designee, as applicable. Payors shall comply with applicable state and federal laws, rules and regulations regarding the timeliness of claims payments, including without limitation, Article 3-70-3C, Texas Insurance Code.
2. PROVIDER shall post in a conspicuous place in its medical office a notice to Members on the process for resolving complaints with CHOICECARE and/or Payors. Such notice shall include the Texas Department of Insurance's toll-free telephone number for filing complaints.
3. Payors will pay PROVIDER for the provision of emergency care services to Members as follows:
 - (a) Any medical screening examination or other evaluation required by state or federal law which is necessary to determine whether an emergency medical condition exists will be provided to a Member in the emergency department of a hospital;
 - (b) Medically Necessary emergency care services, including treatment and stabilization of an emergency medical condition; and
 - (c) Services originating in a hospital emergency department following treatment of an emergency medical condition as provided for by a Plan.

Payors will approve or deny coverage of post stabilization care as requested by the treating PROVIDER within the time appropriate to the circumstances relating to the delivery of the services and the condition of the patient.

4. Reasonable advance notice will be given to a Member of the impending termination from the network of PROVIDER who is then providing services to the Member. The termination of this Agreement, except for reason of medical competence or professional behavior, does not relieve the obligation of Payors to reimburse the PROVIDER treating a Member of special circumstance, such as a Member who has a disability, acute condition, life threatening illness, is past the twenty-fourth (24th) week of pregnancy, or other condition, at no less than the rates provided for herein, in the event the PROVIDER reasonably believes that discontinuing care by the PROVIDER could cause harm to the patient. Special circumstance shall be identified by the PROVIDER. PROVIDER must request that the Member be permitted to continue treatment and agree not to seek payment from the Member of any amounts for which the Member would not be responsible if the Agreement had not terminated. Any dispute between a Payor and the PROVIDER regarding the necessity of continued treatment by the PROVIDER shall be submitted to the quality assurance committee or utilization committee of the Payor. In no event, however, is a Payor obligated to reimburse PROVIDER for ongoing treatment of a Member after ninety (90) days from the effective date of the termination of this Agreement.

5. Before terminating this Agreement, CHOICECARE shall provide a written explanation to the PROVIDER, of the reason(s) for termination and shall comply with all relevant regulations promulgated by the Texas Department of Insurance. Upon termination of this Agreement by PROVIDER, PROVIDER may notify Members who are PROVIDER'S patients. CHOICECARE shall assist PROVIDER in assuring all notice requirements are satisfied.

6. Participating Providers, upon written request and before the effective date of termination of such provider from participation under this Agreement, are entitled to an advisory panel review of such termination. The advisory panel will be appointed by CHOICECARE or Payor, and will be comprised of three (3) other Participating Providers, including at least one representative in the individual provider's specialty, if available. CHOICECARE and Payor shall abide by the requirements set forth in Texas State regulations concerning the advisory panel. This provision shall not apply in cases where there is: (I) imminent or the threat of imminent harm to a Member's health, safety or welfare; (II) action taken by a state medical, dental or other professional licensing board, or other governmental agency that effectively impairs the provider's ability to practice the profession; or (III) fraud or other malfeasance. The decision of the advisory panel must be considered but is not binding upon CHOICECARE or Payor. CHOICECARE shall provide the individual provider upon written request, a copy of the recommendation of the advisory panel and CHOICECARE's final determination.

7. PROVIDER shall not be prohibited from protesting or expressing disagreement with a medical decision, medical policy, or medical practice of a Payor or an entity representing or working for the Payor.

CHOICECARE and Payors or an entity representing or working for a Payor will not be prohibited from protesting or expressing disagreement with a medical decision medical policy or medical practice of the PROVIDER. CHOICECARE shall not penalize PROVIDER because PROVIDER, in good faith, reports to state and federal authorities any act or practice by CHOICECARE or a Payor that jeopardizes patient health or welfare of a Member, or because PROVIDER discusses the financial incentives or financial arrangements, if any, between PROVIDER and a Payor or CHOICECARE.

ATTACHMENT C

TERM AND TERMINATION OF AGREEMENT

The term of this Agreement shall be for two (2) years commencing on 11.1.01 (the "Effective Date") (to be completed by CHOICECARE). This Agreement shall automatically renew for subsequent one (1) year terms unless either party provides written notice of termination to the other party at least one hundred and eighty (180) days prior to the end of the initial term or any subsequent renewal terms. In addition, this Agreement may be terminated by the mutual consent of both parties at any time.

Notwithstanding anything to the contrary herein, subsequent to the initial two (2) year term, either party may terminate this Agreement without cause upon at least one hundred and eighty (180) days prior written notice to the other party. GROUP may terminate its participation under this Agreement for cause with respect to any Payor that fails to make payments to GROUP for Covered Services, but only after written notice to such Payor and CHOICECARE and providing at least thirty (30) days in which the Payor may avoid termination by curing the default in payment. GROUP agrees to provide Physician Services as described in Attachment A for existing patients who are Members until applicable Payors have notified Members of the termination of this Agreement and through any applicable notice period and periods following the termination or expiration of this Agreement as may be required by state or federal law. Payment to GROUP for services provided to such Members following the termination or expiration shall be made in accordance with the terms of this Agreement.

CHOICECARE may terminate this Agreement immediately upon written notice, stating the cause for such termination in the event CHOICECARE reasonably determines that: (i) GROUP's or any other Participating Provider's continued participation under this Agreement may adversely affect the health, safety or welfare of any Member or bring CHOICECARE or its health care networks into disrepute; or (ii) GROUP fails to meet CHOICECARE's or Payors' credentialing criteria. Further, CHOICECARE may terminate this Agreement immediately upon written notice to GROUP in the event that: (i) GROUP engages in or acquiesces to any act of bankruptcy, receivership or reorganization; or (ii) CHOICECARE loses its authority to do business in total or as to any limited segment of business but then only as to that segment or (iii) GROUP is excluded from participation in any federal health care program, regardless of the cause..

GROUP understands and agrees that termination of this Agreement shall not relieve GROUP's obligation to provide or arrange for Covered Services through the effective date or termination or expiration of this Agreement.

ATTACHMENT D

GROUP REIMBURSEMENT

A. PAYORS PLANS

GROUP agrees to accept as payment in full from Payors for Covered Services rendered to Members covered under Plans offered by Payors, the CHOICECARE Fee Schedule illustrated in Table 1, or GROUP's usual and customary charges, whichever is less, less any Copayments due from Member.

Table 1: CHOICECARE Fee Schedule

Services	Fee Schedule
Physician Services (excluding Anesthesiology)	CHOICECARE Fee Schedule reimbursement is as follows: ◆ E&M Codes reimbursed at 115% of Dallas Area Current Year Medicare Fee Schedule ◆ Medicine and Radiology Codes reimbursed at 120% of Dallas Area Current Year Medicare Fee Schedule ◆ Surgery and Obstetrical codes reimbursed at 140% of Dallas Area Current Year Medicare Fee Schedule ◆ Pathology codes will be reimbursed at 85% of Dallas Area Current Year Medicare Fee Schedule with the exception of the STAT codes at 100% of Dallas Area Medicare Fee Schedule
Anesthesiology Services	\$48 per 15 Minute ASA Unit

GROUP understands that some Payors may market or administer products that contain variable Copayment amounts due from the Member for Covered Services based on the medical specialty of certain physicians, the unit costs or reimbursement rates provided for in provider participation agreements, and other utilization profile information. GROUP agrees to participate in such Payor products and to bill and accept as payment in full for Covered Services rendered to Members of such Payors the reimbursement rates set out above less any Copayment amounts due from the Member. Inquiries regarding specific Payor products should be directed to the Payor.

ATTACHMENT E

PROVISIONS APPLICABLE TO PHYSICIAN'S PARTICIPATION IN EMPHESYS PLANS

Emphesys Insurance Company ("Emphesys"), a Payor as defined in this Agreement, is an insurance company that offers Plans which encourage physicians and other health care providers participating in provider networks developed or used by Emphesys to communicate with Emphesys electronically through the provider portal on the Emphesys Web site, and further to conduct transactions, including without limitation claims submission and payment, electronically.

1. Except as otherwise specifically provided in this Agreement, within six (6) months from the Effective Date of this Agreement, GROUP agrees to communicate with Emphesys electronically via access to Emphesys' Web site and electronic mail. GROUP and Emphesys agree that any and all references in this Agreement to submission, approval, consent, or notice in "writing" or "written" notice shall include written or electronic communications, including, without limitation, U.S. Mail electronic mail, at the address set out beneath each of the party's signatures to this Agreement, or such other address as indicated in accordance with subsection 21.5 herein.

2. GROUP understands that Payors may market or administer products that contain variable copayment amounts due from the Member for Covered Services that are based on the service profile of GROUP PHYSICIANS. GROUP agrees and understands that Payors may disclose to Members and potential Members GROUP PHYSICIANS' service profiles. Inquiries by GROUP regarding specific Payor products should be directed to the Payor.

3. Emphesys may offer certain Plans that contain variable copayment requirements for Members based on profile information regarding payment and utilization for certain medical specialties. For provider network(s) maintained and/or used for these types of Plans, Emphesys will initially assign GROUP PHYSICIANS to a copayment level. For physicians in certain medical specialties, this assignment may be modified by Emphesys on a quarterly basis, subject to ninety (90) days' prior notice, during which time, GROUP PHYSICIAN may object to the proposed modification. Should GROUP PHYSICIAN object to any such modification, the parties agree to discuss possible alternatives.

ATTACHMENT F

AMENDMENT TO THE GROUP PARTICIPATION AGREEMENT

The following amendments are made and incorporated in the GROUP Participation Agreement in this Attachment F:

1.) Amend Article 6 **CREDENTIALING** to read as follows:

6.1 Participation under this Agreement by GROUP and Participating Providers is subject to the satisfaction of all delegated credentialing and recredentialing standards established by CHOICECARE. GROUP shall provide CHOICECARE and Payors, or their respective designees, the information necessary to ensure compliance with such delegated credentialing standards. GROUP shall within five (5) days of service upon GROUP, or such lesser period of time as may be required by any applicable state statute, rule or regulation, notify CHOICECARE in writing of any Member lawsuit alleging malpractice involving a Member.

6.2 GROUP shall maintain, at no expense to CHOICECARE or Payors, such policies of comprehensive general liability, professional liability, and workers' compensation coverage as required by law, insuring GROUP, and GROUP'S employees and agents, against any claim or claims for damages arising as a result of injury to property or person, including death, occasioned directly or indirectly in connection with the provision of medical services contemplated by this Agreement and/or the maintenance of GROUP's facilities and equipment. Upon request, GROUP shall provide CHOICECARE with evidence of said coverage, of which professional liability coverage shall be two hundred thousand dollars (\$200,00) per occurrence/six hundred thousand dollars (\$600,00) in the aggregate, or such lesser amount as required by state law or ChoiceCare Credentialing Department. GROUP shall provide and/or shall require the carrier(s) of such insurance to provide CHOICECARE with written notice at least ten (10) days prior to any cancellations or material modifications in the coverage.

2.) Amend Article 9 **MEDICAL RECORDS**, Section 9.2 to add the following language:

Payor may request copies of Medical records from time to time and GROUP agrees to accept reimbursement from Payor at the rate of \$0.25 per page not to exceed \$25.00 per record.

3.) Amend Article 11 **USE OF NAMES**, to read as follows:

11.3 GROUP agrees to: (i) allow CHOICECARE to place CHOICECARE signage and/or brochures in GROUP's office; and (ii) allow CHOICECARE to publish and distribute in any format or media an announcement of GROUP's affiliation with CHOICECARE to Members and Payors.

4.) Article 13 **SUBMISSION OF CLAIMS**: Amend to read as follows:

13.2 GROUP agrees to submit all claims to Payors or their designees, as applicable, within ninety (90) days from the date of service or within the time specified by applicable state law. Payors may, in their sole discretion, deny payment for any claim(s) received after ~~sixty (60)~~ ninety (90) days from the date of service. GROUP acknowledges and agrees that at no time shall Members be responsible for any payments in addition to applicable Copayments for Covered Services provided to such Members.

13.3 GROUP shall use best efforts to submit all claims to Payors or their designees electronically by means available and accepted as industry standards that are mutually agreeable and which may include claims clearinghouses or electronic data interface companies used by Payor.

ATTACHMENT F (continued)

AMENDMENT TO THE GROUP PARTICIPATION AGREEMENT

5.) Amend first and second paragraph of ATTACHMENT C: TERM AND TERMINATION OF AGREEMENT to read as follows:

The term of this Agreement shall be for two (2) year commencing on 10.1.01 (the "Effective Date") (to be completed by CHOICECARE). This Agreement shall automatically renew for subsequent one (1) year terms unless either party provides written notice of termination to the other party at least one hundred and twenty (120) days prior to the end of the initial term or any subsequent renewal terms. In addition, this Agreement may be terminated by the mutual consent of both parties at any time.

Notwithstanding anything to the contrary herein, subsequent to the initial two (2) year term, either party may terminate this Agreement without cause upon at least one hundred and twenty (120) days prior written notice to the other party. GROUP may terminate its participation under this Agreement for cause after written notice to CHOICECARE and providing at least thirty (30) days in which CHOICECARE in working with Payor may avoid termination. GROUP agrees to provide Physician Services as described in Attachment A for existing patients who are Members until applicable Payors have notified Members of the termination of this Agreement and through any applicable notice period and periods following the termination or expiration of this Agreement as may be required by state or federal law. Payment to GROUP for services provided to such Members following the termination or expiration shall be made in accordance with the terms of this Agreement.

6.) Delete the following language for ATTACHMENT D: GROUP REIMBURSEMENT, second paragraph:

GROUP understands that some Payors may market or administer products that contain variable Copayment amounts due from the Member for Covered Services based on the medical specialty of certain physicians, the unit costs or reimbursement rates provided for in provider participation agreements, and other utilization profile information. GROUP agrees to participate in such Payor products and to bill and accept as payment in full for Covered Services rendered to Members of such Payors the reimbursement rates set out above less any Copayment amounts due from the Member. Inquiries regarding specific Payor products should be directed to the Payor.

7.) Delete ATTACHMENT E: PROVISIONS APPLICABLE TO PHYSICIAN'S PARTICIPATION IN EMPHESYS PLANS in its entirety.