

TACONIC IPA, INC. (“TACONIC”)

RECREREDENTIALING, TERMINATION AND NON-RENEWAL POLICY

1. Each Participating Physician shall have a continuing obligation to meet the Qualifications and Participation Criteria set forth in Administrative Policies 1-1 and 1-2. Taconic’s Credentialing Committee shall, periodically review each Participating Physician to determine, among other things, the Participating Physician’s qualifications to remain a Taconic participant. The Participating Physician shall promptly advise Taconic of any new information that arises during the course of this review or recredentialing that is responsive to any inquiry in the recredentialing process. Following such review, the Credentialing Committee shall submit a report to Taconic’s CEO. The Credentialing Committee’s recommendations shall be based upon the Participating Physician’s compliance or non-compliance with: (a) the Qualifications and Participation Criteria; (b) the Participating Physician Agreement; and (c) the results of any medical review activities undertaken by Taconic’s Quality Assurance Committee. If the Credentialing Committee determines that the Participating Physician has failed to comply with any of his or her obligations, the Credentialing Committee shall make a recommendation to the Taconic President of appropriate sanctions therefor.

2. The President shall review the entire record of any recommendation by any committee of Taconic for sanctions against a Participating Physician. If such Committee recommends not to renew a Participating Physician Agreement and the President concurs, the Participating Physician shall be notified in writing of this decision. In accordance with Taconic’s Participating Physician Agreement, written notice of non-renewal shall be mailed by registered or certified mail, return receipt requested not less than sixty (60) days prior to the December 31 annual renewal date of the Agreement. The Physician shall not be entitled to the reasons for non-renewal.

3. In the event a Committee recommends terminating a Participating Physician and the President concurs, termination shall be in accordance with the provisions of the Participating Physician Agreement and all applicable Taconic policies and procedures.

4. In the event that the Participating Physician Agreement of a Participating Physician who is a member of a Group Practice is terminated or is not renewed, the remaining physicians in the Group Practice (the “Remaining Physicians”) shall immediately cease utilizing the terminated or non-renewed physician for Taconic services and shall have one hundred and eighty (180) days within which to sever any business relationship relating directly or indirectly to the provision of medical services between themselves and the terminated or non-renewed physician. Taconic shall provide written notice to the Remaining Physicians notifying them of their obligations under these rules. The Remaining Physicians shall notify Taconic, in writing, when such severance of business relationship has been effected. In the event that the Remaining Physicians do not sever their business relationship with the terminated or non-renewed physician within the period prescribed above, Taconic shall non-renew the Participating Physician Agreements of the Remaining Physicians by giving written notice mailed by registered or certified mail, return

receipt requested not less than sixty (60) days prior to the December 31 annual renewal date of the Agreement.