

TACONIC IPA, INC. (“TACONIC”)

HEARING PROCESS FOLLOWING PROPOSED TERMINATION

1. In the event that the Credentialing Committee or the Quality Assurance Committee recommends after a reasonable investigation that a Participating Physician’s Agreement be terminated, the Committee shall notify the Taconic President. After reviewing the entire record of the Committee’s investigation and determination, the President shall provide written notice to the affected Physician in accordance with the provisions set forth below.

(a) The President shall notify the Physician, in writing, of the proposed action. The notice shall include: (a) the reasons for the proposed action; (b) notice that the Physician has the right to request a hearing before a panel appointed by Taconic (the “Hearing Body”); (c) a time limit of not less than thirty (30) days within which the Physician may request a hearing; and (d) a time limit for a hearing which must be held within thirty (30) days after Taconic’s receipt of a request for a hearing unless the parties agree to a later date.

(b) The Hearing Body shall be comprised of three (3) persons appointed by the President. At least one (1) person on such Hearing Body shall be a clinical peer in the same discipline and the same or similar specialty as the affected Physician. Action may be taken by the Hearing Body based upon a two-thirds (2/3) majority. Hearing Body members shall not be in direct economic competition with the affected Physician.

(c) Rules relating to the examination of witnesses and the presentation of evidence in a court of law shall not apply at the hearing. Taconic may adopt such rules and make such rulings and determinations with respect to the conduct of the hearing as it deems appropriate in the interests of arriving at a just result in an orderly and efficient manner.

(d) Following the hearing, the Hearing Body shall render a written decision on the proposed action in a timely manner. Such decision shall include one of the following: (i) reinstatement of the Physician by Taconic; (ii) provisional reinstatement subject to conditions set forth by Taconic; or (iii) termination of the Physician’s Participating Physician Agreement. The Hearing Body decision shall be provided, in writing, to the Physician. A decision by the Hearing Body to terminate a Physician’s Participating Physician Agreement shall be effective not less than thirty (30) days after the receipt by the Physician of the Hearing Body’s decision. In no event shall termination be effective earlier than sixty (60) days from the receipt of the original notice of termination.

2. Notwithstanding anything to the contrary herein, the President shall have the right to terminate immediately a Participating Physician Agreement in cases involving: (a) imminent harm to patient care; (b) a determination of fraud; or (c) a final disciplinary action by a state licensing board or governmental agency that impairs the Physician’s ability to practice. Such termination shall be effective upon delivery of the notice of termination. Furthermore, such Physician shall not be entitled to a hearing as provided above.

3. Taconic may also exercise its right to non-renew a Participating Physician Agreement as set forth therein upon sixty (60) days notice, provided, however, such non-renewal shall not constitute a termination for purposes of this policy. Therefore, Physician shall not have any hearing rights if Taconic elects to non-renew a Participating Physician Agreement.

4. To the extent applicable, Taconic shall comply with the federal and state reporting requirements set forth in the Health Care Quality Improvement Act of 1986 (42 U.S.C. §11101 et seq.), 45 C.F.R. Part 60, New York Public Health Law § 4405-b and such other statutes, rules or regulations.