COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT (**"CEA"**) is made and entered into effective the 1st day of October, 2018 (**"Effective Date"**), by and among the State of Louisiana, (**"State"**), acting by and through the Louisiana Division of Administration (**"DOA"**), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (**"LSU"**), and Ochsner LSU Health System of North Louisiana (**"OLHS-NL"**), a private Louisiana nonprofit corporation. (The State, LSU and OLHS-NL may be referred to individually as a **"Party"** and collectively as the **"Parties."**)

WITNESSETH:

WHEREAS, Article VII, Section 14(c) of the Constitution of the State of Louisiana provides that "for a public purpose, the state and its political subdivisions may engage in cooperative endeavors with each other… and with any public or private corporation;" and

WHEREAS, the State and LSU desire to engage OLHS-NL, a private, nonprofit corporation, to operate the hospitals previously operated by LSU in Shreveport and Monroe, Louisiana (**"Hospitals"**), either directly or through one or more of OLHS-NL's wholly owned subsidiary entities (collectively, OLHS-NL and any wholly owned subsidiary entities are referred to hereinafter as "**OLHS-NL"**), as part of a public/private partnership (**"PPP"**) to operate an academic medical center (**"AMC"**), as hereinafter provided, for the public purpose described and defined in Article I (the **"Public Purpose"**); and

WHEREAS, LSU operates and administers the affairs of Louisiana State University Health Sciences Center at Shreveport, which is comprised of the School of Medicine, School of Allied Health and School of Graduate Studies (**"HSC-S"**); and

WHEREAS, HSC-S's three part mission is to (*a*) train Louisiana's health care workforce through effective and innovative medical education programs, (*b)* discover new knowledge through scientific research, and (*c*) provide high quality, patient-centered, cost-effective clinical care (the **"HSC-S Mission"**); and

WHEREAS, the AMC is comprised of three critical components: (*a*) HSC-S, as the academic institution around which the AMC is centered, (*b*) HSC-S faculty, including, without limitation, faculty physicians (**"Faculty Physicians"**) who provide education to students, residents and fellows, engage in research, and provide clinical care to patients; and (*c*) the Hospitals and other clinical sites where clinical care is provided and students, residents and fellows receive first-hand experience, *i.e.,* the AMC's "clinical classrooms;" and

WHEREAS, the Hospitals, accordingly, are a critical component of the AMC and play a critical role in HSC-S's ability to achieve the HSC-S Mission; and

WHEREAS, the PPP is governed by an Academic and Clinical Collaboration Agreement (**"ACCA"**) dated October 1, 2018, and attached hereto as Exhibit 1; and

WHEREAS, further as part of the PPP and in connection with this CEA, OLHS-NL or one or more of if its affiliates will enter into a Master Hospital Lease Agreement (**"Master Hospital Lease"**) substantially in the form attached hereto as Exhibit 2 and an Equipment Lease Agreement (**"Equipment Lease"**) substantially in the form attached hereto as Exhibit 3 with the State on commercially reasonable terms to occupy the Hospitals' facilities and utilize the Hospitals' equipment for the Public Purpose; and

WHEREAS, among the purposes for which OLHS-NL was created is to assume operational control of the Hospitals and to operate them in the manner specifically set forth in Article I of the ACCA (the "**Partnership Goals**"); and

WHEREAS, the State and LSU have a longstanding obligation and commitment to assuring that health care services which are important to the health of the citizens of the State and to which they may not otherwise have access, whether such lack of access is due to the financial resources available to the patient, lack of availability of the service through alternative providers in the community, or other reason, specifically including, without limitation, to the extent applicable, LSU's current obligations set forth in La. R.S. 17:1519 *et seq.,* or any successor statutes (**"Safety Net Services"**), are available to the citizens of north Louisiana, including the uninsured, medically indigent Medicaid recipients, and other vulnerable populations, with the ultimate goal of improving the overall health of the citizens of north Louisiana; and

WHEREAS, the State has a vital interest in assuring that (*a*) the Hospitals support the HSC-S Mission as part of an AMC that provides quality patient care and outstanding medical education programs to the citizens of north Louisiana, and (*b*) the citizens of north Louisiana have access to Safety Net Services.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I
PUBLIC PURPOSE AND MONITORING

Section 1.1 Public Purpose.

In accordance with Article VII, Section 14(c) of the Louisiana Constitution, the State and LSU hereby engage OLHS-NL for the Public Purpose of operating the Hospitals in a manner that promotes, enhances, supports and is consistent with (*a*) the Partnership Goals, and (*b*) the State's and LSU's historical commitment to providing high-quality Safety Net Services to the State's most vulnerable populations.

Section 1.2 Monitoring.

In determining whether this CEA is achieving the Public Purpose for which it is intended, the State and LSU will evaluate, in good faith and on an ongoing, continuous basis: (*a*) whether OLHS-NL is operating the Hospitals in a manner that is consistent with and promotes the Public Purpose, (*b*) whether the PPP is making adequate progress toward achieving the Public Purpose, and if not, the reasons therefor, and (*c*) whether OLHS-NL is fulfilling the State's and LSU's commitment to assure that high-quality Safety Net Services are available to the citizens of north

Louisiana, whether the provision of such Safety Net Services is achieving the goal of improving the overall health of the citizens of north Louisiana, and if not, the reasons therefor. If the State or LSU determines in good faith that any aspect of the Public Purpose is not being achieved by this CEA and the reason therefor is attributable to OLHS-NL in any respect, the State, LSU and OLHS-NL will work collaboratively to address such issues. If the Parties are unable to address such issues to their mutual satisfaction, any disputes between or among the State, LSU and OLHS-NL regarding whether this CEA is achieving the Public Purpose will be resolved in accordance with the process outlined in Article IV.

ARTICLE II
OLHS-NL DUTIES AND OBLIGATIONS

Section 2.1 Commitment to Public Purpose.

Beginning on the Commencement Date and for the remainder of the term of this Agreement as provided in Article V (**"Term"**), OLHS-NL will operate the Hospitals in accordance with, using its best efforts to achieve, the Public Purpose, specifically including, but not in any event limited to, the commitment to academic excellence set forth in Section 1.3 of the ACCA, the commitment to improved financial performance set forth in Section 1.4 of the ACCA, and the commitment to improved clinical performance set forth in Section 1.5 of the ACCA.

Section 2.2 Safety Net Services.

Beginning on the Commencement Date and for the remainder of the Term, OLHS-NL will operate the Hospitals in a manner that assures Safety Net Services are available to the citizens of north Louisiana through the Hospitals. Except as may otherwise be provided in this CEA, OLHS-NL will not close either Hospital or either Hospital's emergency room unless such closure is approved by the Louisiana Legislature. OLHS-NL will not reduce health care services currently provided by the Hospitals in any manner that would cause either Hospital's expenditures to be reduced on an annualized basis by greater than thirty-five percent (35%) of the previous fiscal year's actual spending level. If OLHS-NL reduces services at either Hospital by greater than fifteen percent (15%) in any one year, then, subject to its receipt of Adequate State Funding as provided in Article III, OLHS-NL will not reduce services at either Hospital by more than fifteen percent (15%) in any year for the next three (3) years unless such reduction is approved in advance by the Louisiana Legislature.

ARTICLE III
FUNDING

Section 3.1 LSU Funding.

LSU will support the provision of health care services to low income uninsured and underinsured patients in north Louisiana by contributing an annual amount of Ten Million Two Hundred Fifty-Five Thousand Five Hundred Sixty-Seven Dollars ($10,255,567) in "Public Funds" as defined in Section 433.51 of Title 42 of the Code of Federal Regulations, as amended, as the non-federal share of Medicaid disproportionate share hospital payments to one or both of the Hospitals, subject to any applicable federal or state limits on uncompensated care payments or

other applicable federal or state limits on payments the Hospitals may receive as Medicaid reimbursement.

Section 3.2 State Funding Responsibilities.

The Hospitals shall serve as major providers of Safety Net Services in north Louisiana. In order to help compensate OLHS-NL for its role in ensuring the availability of Safety Net Services to Medicaid beneficiaries, including high-risk Medicaid beneficiaries who present for treatment, the State commits to include the amount of Two Hundred Ninety-Four Million Dollars ($294,000,000) in Schedule 9 of its Executive Budget in state fiscal year 2019-2020 for Total Medicaid payments to the Hospitals. The Commissioner of Administration will direct LDH to include this amount in the Department's initial budget that is sent to the Division of Administration. For the current State Fiscal Year 2018-2019, the State commits the above amount as a maximum allocation for Total Medicaid payments to the Hospitals. Further, the State commits to put forth reasonable good faith efforts to help insure that the Louisiana Legislature approves this amount in the final state fiscal year budget of the Louisiana Department of Health. If the budget approved by the Legislature permits payment of the above amount, payments to the Hospitals may be paid through whatever mechanism LDH deems the most appropriate and cost efficient, subject to any applicable federal or state regulations concerning Medicaid reimbursement.

In state fiscal years subsequent to SFY 2019-20, the Parties agree that the State, as outlined above, will continue to include the above specified amount in its annual budget request and to put forth reasonable good faith efforts to help insure that the Louisiana Legislature approves an appropriation in subsequent fiscal years for which the CEA is effective.

In the event LDH implements and funds a program that increases Medicaid base claims reimbursement to the Hospitals under a diagnosis-related group ("**DRG**") reimbursement model, the Parties agree to work together to develop a methodology to include the increase in base claims reimbursement into the Total Medicaid payments provided under this Article.

LDH shall pay any portion of the Total Medicaid payments provided under this Article, that it elects to pay through the Medicaid disproportionate share hospital program, in the following amounts and by the following dates: the first payment of each State fiscal year will be made by October 30 and will be 25 percent of the annual calculated uncompensated care costs, and the remainder of the payment will be made by January 30, April 30 and June 30 of each State fiscal year.

Section 3.3 Adjustment for State Funding Support.

If the total amount mentioned above is reduced by more than five percent (5%) due to (a) reductions in the federal medical assistance percentage (FMAP), or (b) any factor within the control of the State, then the State will endeavor in good faith to explore ways to increase budgetary support throughout the state fiscal year to the Hospitals.

Section 3.5 MCPI Adjustment and Base Rates.

The Parties agree that the State, when formulating its annual budget request related to reimbursement for the Hospitals, will utilize the Medical Consumer Price Index (MCPI) to determine if a budget request adjustment is necessary. If the State determines an adjustment is necessary, it may include such a request for adjustment in its yearly budget and, if included, will utilize good faith efforts to obtain legislative approval. The parties agree that Total Medicaid payments to the Hospitals may include, but are not necessarily limited to, Upper Payment Limit reimbursement, Disproportionate Share payments, and the amount of any Medicaid managed care payments above the base rates that the Hospitals negotiate with Medicaid managed care organizations but excludes any Medicaid fee-for-service or Medicaid managed care claims reimbursements. Further, any reimbursement OLHS-NL may receive from the Department of Corrections for the provision of services to person in Department of Corrections custody, or payments received from any other state or federal agency or third-party payer for the provision of health care services will be separate from Medicaid reimbursement. For any transfer of the nonfederal share under this PPP by any governmental entity for Medicaid payments to the Hospitals or to affiliated hospitals or payments to physicians or physician groups under common control with the Hospitals or affiliated hospitals, LDH shall ensure that the hospital, physician, or physician group receives the maximum amount of Medicaid payments it is individually entitled to receive under federal law resulting from such transfer.

Section 3.6 No Diminution in Budget Request.

The State warrants that it will make reasonable good faith efforts to attempt to insure that the annual budget request set forth in Section 3.2 shall not result in a diminution of any budget requests for funding to the Hospitals, the Hospitals' manager, or any of their affiliates, unless any such diminution in budget request is applicable to all similarly situated non-state owned private hospitals in the State of Louisiana that are parties to a Public Private Partnership with LSU. A violation of this Section shall constitute grounds for termination and OLHS-NL, or LSU, as applicable, will have the option to give notice of its intent to terminate and initiate Wind Down of the CEA in accordance with Article VI.

ARTICLE IV
DISPUTE RESOLUTION

Section 4.1 Dispute Process

All capitalized terms in this Article IV not defined herein are defined in the ACCA. Except with respect to Financial Defaults as provided in Section 4.2, in the event of a dispute, disagreement or claim arising out of or in any way related to this Agreement (a "**Dispute**"), regardless of whether the Dispute would constitute a breach of this Agreement, the Dispute Process below shall be the exclusive means available to the Parties, and the Parties shall follow the Dispute Process in a good faith attempt, to resolve the Dispute:

Section 4.1.1 Informal Discussions. The Notice Party shall first send the Initial Dispute Notice to the other Parties. Within fifteen (15) days of the other Parties' receipt of the Initial Dispute Notice, the Parties will confer in an effort to resolve the Dispute through informal

negotiation. The Parties shall strive in good faith to resolve all Disputes through the informal process in accordance with this Section 4.1 whenever possible; provided, however, if forty-five (45) days have elapsed since issuance of the Initial Dispute Notice and the Parties have neither resolved the Dispute nor made sufficient progress towards resolving the Dispute, in either instance to the reasonable satisfaction of the Notice Party, then the Notice Party may refer the Dispute for more formal negotiations according to and as set forth in Section 4.1.2 below.

Section 4.1.2 Executive Discussions. If the Notice Party desires to refer the Dispute for more formal negotiations according to this Section 4.1.2, the Notice Party shall send a Collaborative Dispute Notice to the other Parties, and the Parties shall follow the procedure set forth below in a good-faith attempt to resolve the Dispute:

(1) If the individuals who participated in the informal negotiations under Section 4.1.1 did not include the Commissioner of Administration, the Chief Executive Officer of Ochsner and the President of LSU, or their designees ("**Party Executives**"), then such Party Executives will have an additional fifteen (15) days to resolve the Dispute.

(2) If the individuals who participated in informal negotiations under Section 4.1.1 included all of the Party Executives and the Notice Party wishes to continue the Dispute Process, the Parties will proceed in accordance with Section 4.1.3 .

Section 4.1.3 Mediation. If the Party Executives and/or their designees are unable to resolve the Dispute, the Notice Party may refer the Dispute for non-binding mediation as follows:

(1) The Parties shall identify a Qualified Individual. Upon disclosure of any prior relationships with any Party or any principal of any Party or any other actual or potential conflict of interest and the agreement of the Parties and the Qualified Individual, such Qualified Individual will serve as mediator.

(2) If the Parties are unable to agree on a Qualified Individual to act as the mediator, each Party may name a Qualified Individual, and those Qualified Individuals will select another Qualified Individual who, upon disclosure of any prior relationships with any Party or any principal of any Party or any other actual or potential conflict of interest, will serve as the mediator.

(3) The mediator shall mediate the Dispute for a period of time not to exceed sixty (60) days (unless extended by mutual agreement of the Parties). The Parties will follow such process(es) as the mediator may prescribe, including without limitation submission of written position statements, participation in conference calls, and attendance at meetings. All proceedings in connection with the mediation are for purposes of settlement and shall be confidential and inadmissible as evidence at any trial, hearing, or other legal proceeding. The mediator shall not issue any findings of fact, conclusions of law, or recommendations.

(4) In the event that two (2) material Disputes initiated in the same fiscal year or three (3) material Disputes initiated in any two consecutive fiscal years are not resolved to a Party's satisfaction at the conclusion of mediation, such Party may elect as a matter of right to issue a Termination Notice and initiate the wind down in accordance with Article VI, subject to Section

4.1.3 (5) below. In accordance with Section 5.5 and except as specifically set forth in Section 4.1.3 (5) below, no Party to this Agreement shall have a right to injunctive or other relief to prevent termination of this Agreement and wind down following such Termination Notice, but shall not be precluded from pursuing a claim for damages for wrongful termination of this Agreement or to enforce any liquidated financial obligation owed to such Party under this Agreement.

(5) If a Party issues a Termination Notice pursuant to Section 4.1.3 (4) above, and if any other Party to this Agreement contests whether the issuing Party had a Good Faith Basis for issuing such Termination Notice, then the contesting Party may initiate an arbitration proceeding pursuant to the AHLA Rules, provided that the arbitration shall be limited solely to the issue of whether the issuing Party had a Good Faith Basis for issuing such notice. For this purpose, "Good Faith Basis" means a reasonable and non-frivolous belief formed after an inquiry reasonable under the circumstances: (a) that there was factual support for the issuing Party's initiation of each of the material Disputes forming the basis for the Termination Notice, and that none of the material Disputes were initiated for an improper purpose such as to harass, cause unnecessary delay, or needlessly increase the costs to any Party, and (b) that the cumulative effect of the material Disputes forming the basis for the Termination Notice materially impacted the Parties' ability to cooperate to achieve the Public Purpose. Any arbitration must be initiated by the contesting Party filing a demand for arbitration form with the AHLA Dispute Resolution Service and conducted pursuant to the AHLA Rules within thirty (30) days of the contesting Party's receipt of the Termination Notice. The arbitration shall be conducted by a single arbitrator selected in accordance with the AHLA Rules, provided that the Parties agree that any arbitrator selected must be a Qualified Individual. Unless the Parties agree otherwise at that time, the Parties agree to expedited review and issuance of a final ruling within ninety (90) days of the appointment of the arbitrator. In the event the arbitrator rules that the terminating Party did not have a Good Faith Basis for issuing a Termination Notice, then the arbitrator shall not have the authority to enjoin or otherwise prevent termination and wind down of the Collaborative, but notwithstanding anything in this Agreement to the contrary, the contesting Party may file suit to enjoin termination and wind down of the Collaborative and the arbitrator's ruling shall constitute presumptive evidence of wrongful termination in such proceeding. For clarity, the arbitration shall not include, and the arbitrator shall not rule on: *(x)* the relative merits of the Parties' positions and arguments in any of the Disputes giving rise to the Termination Notice, *(y)* the relative merits of the Parties' positions and arguments regarding the cumulative effect of the Disputes, and *(z)* whether or not any Party has breached the Agreement; provided, however, that such limitations shall not preclude a Party from introducing or the arbitrator from considering any factual information determined by the arbitrator to be relevant to the issue whether the issuing Party had or did not have a Good Faith Basis for issuing the Termination Notice..

Section 4.2 Financial Defaults

In the event of a Financial Default, the Parties are not required to follow the Dispute Process set forth in Section 4.1 above. Instead, the Defaulting Party shall have a Financial Default Cure Period following the provision of notice of Financial Default by the non-Defaulting Party to the Defaulting Party to pay the amount owed in full. If the Defaulting Party: (*a*) fails to cure a Financial Default in full within the Financial Default Cure Period, or (*b*) incurs three (3) or more Financial Defaults in any given fiscal year within the Term, regardless of

whether cured, the non-Defaulting Party may issue a notice of intent to terminate this Agreement and initiate wind down in accordance with Article VI. In accordance with Section 5.5, neither the Defaulting Party nor any other party to this Agreement shall have a right to injunctive or other relief to prevent termination of this Agreement and wind down under this Section 4.2, but shall not be precluded from pursuing a claim for damages for wrongful termination of this Agreement or to enforce any liquidated financial obligation owed to such Party under this Agreement.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term.

Unless earlier terminated as provided herein, the initial term of this CEA (the **"Initial Term"**) shall be ten (10) years, beginning on the Commencement Date, and shall automatically renew for two (2) successive five (5) year terms (each a **"Renewal Term"**), for a total term (**"Term"**) of twenty (20) years, unless any Party gives written notice of its intent not to renew the Agreement for a Renewal Term (a **"Non-Renewal Notice"**) not less than six (6) months prior to the expiration of the Initial Term or the Renewal Term then in effect, as applicable.

Section 5.2 Termination Events.

Any Party may give written notice of its intent to terminate this CEA (a **"Termination Notice"**) prior to the expiration of the Initial Term or any Renewal Term upon the occurrence of any of the following events:

Section 5.2.1 The mutual agreement of the Parties.

Section 5.2.2 Issuance or receipt of a Termination Notice as defined by and in accordance with the ACCA, or notice to terminate by any Party to the Master Hospital Lease, the Equipment Lease, or any related agreements to which the State and/or LSU and OLHS-NL are parties.

Section 5.2.3 Failure of the State to comply with its obligations under Article III.

Section 5.2.4 Failure of the Louisiana Legislature to appropriate the funds necessary for this CEA as provided in Section 8.22.

Section 5.2.5 The failure or inability of the Hospitals to participate in the Medicaid program.

Section 5.2.6 The failure of the State to implement a program under Section 438.6(b) of Title 42 of the Code of Federal Regulations.

Section 5.2.7 OLHS-NL's failure to comply with the nondiscrimination requirements of Section 8.23.

Section 5.2.8 Failure to resolve two (2) material Disputes in any State fiscal year or three (3) Disputes in any two consecutive State fiscal years to a Party's satisfaction at the conclusion of mediation as provided in Section 4.3.4.

Section 5.3 Reimbursement of Working Capital Payments.

Notwithstanding anything herein to the contrary, in the event that this Agreement (a) terminates for a reason other than a termination directly resulting from a material breach by the Hospitals' manager or any of its affiliates or (b) a Party exercises its non-renewal right under Section 5.1 prior to the expiration of the full twenty (20) year Term, DOA shall reimburse (or cause any successor entity to the AMC or the Hospitals to reimburse) the Hospitals' manager or its affiliates, as applicable, an amount equal to any working capital support funding from the Hospitals' manager or its affiliates to OLHS-NL, or any of its subsidiaries from the Commencement Date through the termination date of the CEA to support, among other things, the availability of healthcare services for the low-income patient population in Northern Louisiana (collectively, **"Working Capital Payments"**).

Section 5.4 Effects of Non-Renewal Notice or Termination Notice.

The issuance of a Non-Renewal Notice or a Termination Notice will commence the Wind Down Period as provided in Article VI. The Parties will continue to comply with all terms and conditions of this CEA throughout the Wind-Down Period.

Section 5.5 Express Waiver of Claims for Injunctive Relief.

No Party shall have a right to injunctive or other relief to prevent termination of this CEA and the Wind Down Period at any time following issuance of a Non-Renewal Notice or the occurrence of any event that could give rise to a Termination Notice under Section 5.2 of this CEA; provided, however, that no Party shall be precluded from pursuing a claim against a Party for money damages for wrongful termination of this CEA.

ARTICLE VI
WIND DOWN

The Parties acknowledge and agree that if this CEA is terminated for any reason, it is imperative that the Parties continue to work together in good faith during a transition period (the **"Wind Down Period"**) to minimize potential disruption to the education, research and patient care services provided through the AMC, of which the Hospitals are a vital component.

Section 6.1 Wind Down Period.

The Wind Down Period will commence upon issuance of the Non-Renewal Notice or the Termination Notice, whichever is applicable, and end (*a*) in the case of a Non-Renewal Notice, upon the expiration of the Initial Term or the Renewal Term then in effect, as applicable, or (*b*) in the case of a Termination Notice, six (6) months from the date of the Termination Notice (in either case, the **"Termination Date"**).

Section 6.2 Wind Down Process.

Subject to Section 6.3, as soon as practicable following commencement of the Wind Down Period, the Parties shall begin discussions for a replacement for OLHS-NL and the orderly transition of the Hospitals. The Parties will work together in good faith to minimize the costs of the transition to all Parties. Subject to Section 6.3, areas to be addressed and, to the extent possible, concluded during the Wind Down Period to assure the orderly transition of the Hospitals will include, but are not limited to, the following:

Section 6.2.1 Transfer of the Hospitals' Medicare, Medicaid and other provider numbers to LSU or another entity selected by LSU to partner with HSC-S in the AMC (**"New Partner"**) to assure continuing cash flow to the Hospitals and retention of all residency caps associated with such provider numbers in north Louisiana and HSC-S.

Section 6.2.2 Transfer of any applicable licenses, permits, and similar authorizations needed to do business to LSU or a New Partner.

Section 6.2.3 Transition of the Hospitals' electronic information systems and data to LSU or a New Partner at no additional charge to LSU or a New Partner.

Section 6.2.4 Transfer of all patient records to LSU or a New Partner at no additional charge to LSU or a New Partner.

Section 6.2.5 Retention of employees providing services to the Hospitals and/or the potential transition of such employees to LSU or a New Partner.

Section 6.2.6 Ongoing compliance with all terms and conditions of this CEA through the Termination Date.

Section 6.2.7 Termination or assignment to LSU or a New Partner of all contracts to which OLHS-NL or any Subsidiary is a party.

Section 6.2.8 Such other issues as the Parties may need to address to assure the orderly transition with minimal disruption to the AMC and minimal additional costs to OLHS-NL, LSU and any New Partner.

Section 6.3 Transition in Lieu of Wind Down.

If the parties to the ACCA agree to restructure OLHS-NL upon issuance of a Non-Renewal Notice or a Termination Notice under the ACCA and OLHS-NL is restructured with a New Partner but is not dissolved as a legal entity, the Parties to this CEA may agree to continue the terms of this CEA in effect with OLHS-NL as restructured.

ARTICLE VII
INSURANCE AND INDEMNIFICATION

Section 7.1 OLHS-NL Insurance.

In addition to any policies of insurance required under the Master Hospital Lease and the Equipment Lease, and any documents required in connection therewith, including, without

limitation, participation as a qualified health care provider in the Louisiana Patients' Compensation Fund, OLHS-NL will maintain such other policies of insurance as are customary for a company of similar size and scope of the operations of OLHS-NL, with such limits and other terms of coverage as are commercially reasonable for companies similar in size and scope to OLHS-NL. Pursuant to the provisions of R.S. 40:1237.1 and to the extent covered thereby, employees and independent contractors of OLHS-NL who are acting in a professional capacity in providing health care services on behalf of the State, and are acting within the course and scope of their engagement with OLHS-NL in providing such healthcare services pursuant to, and within the context of, this CEA, will be provided professional liability insurance coverage by the State through the Office of Risk Management to the extent permitted, and such persons shall be considered as named insureds. Such coverage shall also extend to OLHS-NL.

Section 7.2 State Indemnification.

To induce OLHS-NL to assume control of operations of the Hospitals from their prior operator, including the Hospitals' Medicare and Medicaid provider numbers, in accordance with this CEA, to the extent permitted by law the State will indemnify OLHS-NL and LSU and their affiliates and subsidiaries, together with their directors, officers, managers and agents, as third-party beneficiaries (individually an **"Indemnified Party"** and collectively the **"Indemnified Parties"**) for all costs, expenses, losses, damages, fines, penalties, forfeitures or liabilities (including, without limitation, interest which may be imposed by a court in connection therewith), court costs, litigation expenses, reasonable attorneys' and paralegals' fees and accounting fees (collectively, the **"Damages"**) incurred by an Indemnified Party arising prior to the Commencement Date and which implicates any violation of the Health Care Laws, as defined below, and which is directly related to either or both of the Hospitals' participation in the Medicare and Medicaid programs.

Section 7.2.1 Third Party Claims.

(1) Promptly after an Indemnified Party's receipt of notice from any third-party of a claim against which the Indemnified Party is entitled to indemnification by the State hereunder (a **"Third Party Claim"**), the Indemnified Party shall give notice to the State of the assertion of such Third-Party Claim, provided that the failure to notify the State will not relieve the State of any liability that it may have to the Indemnified Party, except to the extent that the State demonstrates that the defense of such Third-Party Claim is prejudiced by the Indemnified Party's failure to give such notice.

(2) If an Indemnified Party gives notice to the State pursuant hereto of the assertion of a Third-Party Claim, the State shall be entitled to participate in the defense of such Third-Party Claim and, to the extent that it wishes (unless (*a*) the Third-Party Claim is also asserted against the State and the Indemnified Party determines in good faith that joint representation would be inappropriate or (*b*) the State fails to provide reasonable assurance to the Indemnified Party of its willingness to defend and provide indemnification with respect to such Third-Party Claim), to assume the defense of such Third-Party Claim with counsel satisfactory to the Indemnified Party. After notice from the State to the Indemnified Party of its election to assume the defense of such Third-Party Claim, the State shall not, so long as it diligently conducts such defense, be liable to the Indemnified Party under this Article VII for any fees of other counsel or any other expenses

with respect to the defense of such Third-Party Claim, in each case subsequently incurred by the Indemnified Party in connection with the defense of such Third-Party Claim, other than reasonable costs of investigation. If the State assumes the defense of a Third-Party Claim, no compromise or settlement of such Third-Party Claim may be effected by the State without the Indemnified Party's written consent unless (*x*) there is no finding or admission of any violation of any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, statute or treaty, including without limitation, any federal, state or local laws, statutes, codes, ordinances, regulation manuals or principles of common law relating to healthcare regulatory matters, including without limitation, (i) 42 U.S.C. §§ 1320a-7a and 7b, which are commonly referred to as the "Federal Anti-Kickback Statute"; (ii) 42 U.S.C. § 1395nn, which is commonly referred to as the "Stark Law"; (iii) 31 U.S.C. §§ 3729-3733, which is commonly referred to as the "Federal False Claims Act"; (iv) Titles XVIII and XIX of the Social Security Act, implementing regulations and program manuals; and (v) 42 U.S.C. §§ 1320d-1320d-8 and 42 C.F.R. §§ 160, 162 and 164, which is commonly referred to as "HIPAA"; (vi) 42 U.S.C. §§ 1395dd, et. seq., which is commonly referred to as the "Emergency Medical Treatment and Active Labor Act" (EMTALA) (such laws relating to health care regulatory matters collectively referred to as **"Health Care Laws"**), (*y*) the sole relief provided is monetary damages that are paid in full by the State; and (*z*) the Indemnified Party shall have no liability and is fully released with respect to any compromise or settlement of such Third-Party Claims effected without its consent.

(3) Notwithstanding the foregoing, if an Indemnified Party determines in good faith that there is a reasonable probability that a Third-Party Claim may adversely affect it other than as a result of monetary damages for which it would be entitled to indemnification under this CEA, such Indemnified Party may, by notice to the State, assume the exclusive right to defend, compromise, or settle such Third-Party Claim, but the State will not be bound by any determination of any Third-Party Claim so defended for the purposes of this CEA or any compromise or settlement effected without its written consent (which consent may not be unreasonably withheld).

(4) With respect to any Third-Party Claim subject to indemnification under this Article: (*a*) both the Indemnified Party and the State, as the case may be, shall keep the other Party fully informed of the status of such Third-Party Claim and any related proceedings at all stages thereof unless the other Party is represented by its own counsel, and (*b*) the Parties agree (each at its own expense) to render to each other such assistance as they may reasonably require of each other and to cooperate in good faith with each other in order to ensure the proper and adequate defense of any Third-Party Claim.

(5) With respect to any Third-Party Claim subject to indemnification under this Article, the Parties agree to cooperate in such a manner as to preserve in full (to the extent possible) the confidentiality of all proprietary information and the attorney-client and work-product privileges. In connection therewith, each Party agrees that, to the extent allowed by law: (*a*) it will use its commercially reasonable efforts, in respect of any Third-Party Claim in which it has assumed or participated in the defense, to avoid production of proprietary information (consistent with applicable law and rules of procedure), and (*b*) all communications between any Party hereto and counsel responsible for or participating in the defense of any Third-Party Claim shall, to the extent possible, be made so as to preserve any applicable attorney-client or work-product privilege.

Section 7.2.2 Other Claims. A claim for indemnification for any matter not involving a Third-Party Claim may be asserted by notice from the Indemnified Party to the State and shall be paid promptly after such notice.

ARTICLE VIII
GENERAL PROVISIONS

Section 8.1 Interpretation.

In this Agreement, unless a clear contrary intention appears:

(1) the singular number includes the plural number and vice versa;

(2) reference to any person includes such person's successors and assigns but, if applicable, only if such successors and assigns are not prohibited by this CEA, and reference to a Person in a particular capacity excludes such person in any other capacity or individually;

(3) reference to any gender includes the other gender;

(4) reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;

(5) "hereunder," "hereof," "hereto," and words of similar import shall be deemed references to this CEA as a whole and not to any particular Article, Section or other provision hereof;

(6) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term;

(7) "or" is used in the inclusive sense of "and/or";

(8) with respect to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding";

(9) references to "day" shall mean a business day; and

(10) references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto.

Section 8.2 Legal Representation of the Parties.

This CEA was negotiated by the signatories hereto with the benefit of legal representation, and any rule of construction or interpretation otherwise requiring this CEA to be construed or interpreted against any signatory hereto shall not apply to any construction or interpretation hereof.

Section 8.3 Special Medicaid MCO Contract Provisions.

Beginning in State Fiscal Year 2019, it is the intent of the State, through LDH, to adopt and implement a Managed Care Incentive Payment program under Section 438.6(b) of Title 42 of the Code of Federal Regulations. It is the intent of the State to begin providing payments to participating Medicaid managed care organizations by January 31, 2019, subject to CMS approval of the program. The Parties understand and agree that the Managed Care Incentive Program, consistent with the parameters LDH has identified to date, is necessary and essential to the success of this CEA. To that end, the State, DOA, and LDH will use their best efforts to support and implement such a Managed Care Incentive Program as expeditiously as possible, to permit meaningful improvements beginning in State Fiscal Year 2019.

Section 8.4 Expenses.

Except as otherwise provided in this CEA, each Party to this CEA will bear its respective fees and expenses incurred in connection with the preparation, negotiation, execution, and performance of this CEA, including all fees and expense of its representatives.

Section 8.5 Public Announcements.

Any public announcement, press release, or similar publicity with respect to this CEA will be issued, if at all, at such time and in such manner as the Parties shall mutually determine.

Section 8.6 Notices.

Except as otherwise provided in this CEA, any notice, payment, demand, request, or communication required or permitted to be given by any provision of this CEA shall be in writing and shall be duly given by the applicable Party if personally or electronically delivered to the applicable Party, or if sent by overnight courier or by certified or registered mail, at its address set forth below:

If to LSU:

Louisiana State University
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Attention: President

With a copy to:

Louisiana State University
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Attention: General Counsel

If to the State:
Division of Administration
Claiborne Building
1201 North Third Street
Baton Rouge, LA 70801
Attention: Commissioner

If to OLHS-NL:
Ochsner LSU Health System of North Louisiana
1541 Kings Hwy
Shreveport, LA 71103

Attention: Chief Executive Officer

or to such other address as a Party may from time to time specify by written notice to the other Parties. Any such notice shall, for all purposes, be deemed to be given and received (*a*) if by hand or electronic delivery, when delivered, (*b*) if given by nationally recognized and reputable overnight delivery service, the business day on which the notice is actually received by the Party, or (*c*) if given by certified mail, return receipt requested, postage prepaid, three (3) business days after posted with the United States Postal Service.

Section 8.7 Jurisdiction, Venue and Service of Process.

The exclusive venue for any lawsuit filed by any Party to this CEA and arising out of or related to this CEA, the ACCA or any related agreement may be filed only in the Nineteenth Judicial District Court for the Parish of East Baton Rouge, State of Louisiana. The Parties agree that any of them may file a copy of this Section with any court as written evidence of the knowing, voluntary, and bargained agreement between the Parties irrevocably to waive any objections to venue or to convenience of forum as set forth hereinabove. Process in any lawsuit referred to in the first sentence of this Section may be served on any party anywhere in the world.

Section 8.8 Money Damages; Legal Fees and Costs.

The Parties expressly acknowledge and agree that the Dispute Process set forth in Article IV is the exclusive means by which the Parties will resolve Disputes, and in the event of any Dispute that the Parties are unable to resolve to their mutual satisfaction pursuant to the Dispute Process, including, without limitation, any claim that a Party has failed to participate in the Dispute Process in good faith, such Dispute may be addressed and the Parties may be adequately compensated through a claim for monetary damages. Accordingly, no Party shall be entitled, at law or in equity, to enforce any provision of this CEA by a decree of specific performance, temporary, preliminary, or permanent injunctive, or other equitable relief to resolve any Dispute arising under this CEA, and the Parties expressly waive any rights they may otherwise have to pursue such equitable relief. In the event that any Party elects to incur legal expenses to pursue a claim for monetary damages under this CEA, the prevailing Party will be entitled to recover such legal expenses, including, without limitation, reasonable attorneys' fees, costs and necessary disbursements, in addition to such other money damages to which such Party shall be entitled.

Section 8.9 Entire Agreement and Modification.

This CEA supersedes all prior agreements, whether written or oral, among the Parties with respect to its subject matter and, along with the provisions of the ACCA incorporated herein, constitutes a complete and exclusive statement of the terms of the agreement between the Parties with respect to its subject matter. This CEA may not be amended, supplemented, or otherwise modified except by a written agreement executed by the Parties.

Section 8.10 Assignments, Successors and Third-Party Rights.

No Party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other Parties. Subject to the preceding sentence, this CEA will apply to, be binding in all respects upon and inure to the benefit of the successors

and permitted assigns of the Parties. This provision shall not be construed to prohibit OLHS-NL from assigning its bank, trust company, or other financial institution any money due or to become due under this CEA without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State and the Office of Contractual Review. Nothing expressed or referred to in this CEA will be construed to give any person other than the Parties to this CEA any legal or equitable right, remedy, or claim under or with respect to this CEA or any provision of this CEA, except such rights as shall inure to a successor or permitted assignee pursuant to this Section.

Section 8.11 Severability.

If any provision of this CEA is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this CEA will remain in full force and effect. Any provision of this CEA held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Section 8.12 Construction.

The headings of Articles and Sections in this CEA are provided for convenience only and will not affect its construction or interpretation. All references to "Articles," and "Sections" refer to the corresponding Articles and Sections of this CEA.

Section 8.13 Time of Essence.

With regard to all dates and time periods set forth or referred to in this CEA, time is of the essence.

Section 8.14 Governing Law.

This CEA will be governed by and construed under the laws of the State of Louisiana without regard to conflicts-of-laws principles that would require the application of any other law.

Section 8.15 Execution in Counterparts.

This CEA may be executed in one or more counterparts, each of which will be deemed to be an original copy of this CEA and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this CEA and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this CEA as to the Parties and may be used in lieu of the original CEA for all purposes. Signatures of the Parties transmitted by facsimile or electronic transmission shall be deemed to be their original signatures for all purposes.

Section 8.16 Access to Records.

To the extent that any services provided under this CEA are deemed by the Secretary of the Department of Health and Human Services, the U.S. Comptroller General, or the Secretary's or Comptroller's delegate, to be subject to the provisions of Section 952 of Public Law 96-499, the Parties, until the expiration of four (4) years subsequent to the furnishing of services under this

CEA, shall make available, upon written request to the Secretary, the Comptroller, or any of their duly authorized representatives, this CEA, and the books, documents, and records of the Parties that are necessary to certify the nature and extent of the charges to each Party. If any Party carries out any of its duties under the CEA through a subcontract with a value of $10,000 or more over a twelve (12)-month period with a related organization (as that term is defined with regard to a provider in 42 C.F.R. § 413.17(1)), such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization upon written request shall make available to the Secretary, the Comptroller, or any of their duly authorized representatives, the subcontract, and books, documents, and records of such organization that are necessary to verify the nature and extent of such costs. If any Party is requested to disclose any books, documents, or records relevant to this CEA for the purpose of an audit or investigation relating directly to the provision of services under this CEA, such Party shall notify the other Parties of the nature and scope of such request and shall make available to the other Parties, upon written request, all such books, documents, or records. This Section is included pursuant to and is governed by the requirements of federal law. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by the Parties or any of the Parties' representatives by virtue of this CEA.

Section 8.17 Name and Trademark.

No Party will use any other Party's name, symbol, or trademark in any marketing, advertising, or any other public communications without the prior written consent of such other Party regarding the use of its name, symbol, or trademark.

Section 8.18 Further Acts and Assurances.

Each Party shall, at any time and from time to time at and after the execution of this CEA, upon reasonable request of any other Party, take any and all steps reasonably necessary to consummate this CEA, and will do, execute, acknowledge, and deliver, or will cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be required to consummate this CEA.

Section 8.19 Taxes.

OLHS-NL hereby agrees that the responsibility for payment of taxes from the funds received under this CEA and/or legislative appropriation, if any, shall be OLHS-NL's obligation and identified under Federal tax identification number _____.

Section 8.20 Ownership.

All records, reports, documents and other material delivered or transmitted to OLHS-NL by the State shall remain the property of State, and shall be returned by OLHS-NL to the State, at Contractor's expense, at termination or expiration of this CEA. All records, reports, documents, or other material related to this contract and/or obtained or prepared by OLHS-NL in connection with the performance of the health care and related services contracted for herein shall become the

property of State, and shall, upon request, be returned by OLHS-NL to the State, at OLHS-NL's expense, at termination or expiration of this CEA.

Section 8.21 Auditors' Clause.

It is hereby agreed that the Legislative Auditor of the State of Louisiana and/or DOA auditors shall have the option of auditing all accounts of OLHS-NL which relate to this CEA.

Section 8.22 Nonappropriation.

The continuation of this CEA is contingent upon the appropriation of funds to fulfill the requirements of the CEA by the Louisiana Legislature. If the Louisiana Legislature fails to appropriate sufficient monies to provide for the continuation of the CEA, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the CEA, subject to the terms of Article III, the CEA shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

Section 8.23 Nondiscrimination Clause.

OLHS-NL agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and OLHS-NL agrees to abide by the requirements of the Americans with Disabilities Act of 1990. OLHS-NL agrees not to discriminate in its employment practices, and will render services under this CEA without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities. Any act of discrimination committed by OLHS-NL or failure to comply with these statutory obligations when applicable shall be grounds for termination of this CEA.

[signatures appear on following page]

THUS DONE AND SIGNED at Baton Rouge, Louisiana, effective on the 1st day of October, 2018.

LSU: BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE

By:_____

Name:_____

Title:_____

STATE: STATE OF LOUISIANA THROUGH THE DIVISION OF ADMINISTRATION

By:_____

Name:_____

Title:_____

OLHS-NL: OCHSNER LSU HEALTH SYSTEM OF NORTH LOUISIANA

By:_____

Name:_____

Title:_____