

REMITTANCE AGREEMENT

This Remittance Agreement (this "Agreement") is made and entered into effective as of the 1st day of October, 2013 (the "Commencement Date"), by and among **BRFHH SHREVEPORT, L.L.C.** ("BRFHH Shreveport"), a Louisiana limited liability company, and the **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE** ("LSU"), a public constitutional corporation of the State of Louisiana.

WITNESSETH:

WHEREAS, LSU and BRF Hospital Holdings, L.L.C. ("Holdings") have entered into that certain Cooperative Endeavor Agreement dated as of September 30, 2013 (hereinafter referred to as the "CEA") relating to Holdings' lease of LSU Medical Center–Shreveport (the "Facility"); and

WHEREAS, pursuant to the CEA, LSU agreed to assign to Holdings the Medicare Provider Agreements associated with Medicare Provider Nos. 19-0098 and 19-S098 and the Medicaid Provider Agreements associated with Medicaid Provider Nos. 1737712 and 1705675 as well as certain other third party payor contracts; and

WHEREAS, immediately following the lease of the Facility by LSU to Holdings, Holdings will sublease the Facility to BRFHH Shreveport and will assign to BRFHH Shreveport the Medicare Provider Agreements associated with Medicare Provider Nos. 19-0098 and 19-S098 and the Medicaid Provider Agreements associated with Medicaid Provider Nos. 1737712 and 1705675 as well as certain other third party payor contracts; and

WHEREAS, LSU has agreed to allow BRFHH Shreveport to continue to use all of the Facility's current third party payor provider numbers after the Commencement Date during the period during which the third party payors are processing the change of ownership ("CHOW") documentation; and

WHEREAS, BRFHH Shreveport intends to continue to use the Facility's current Medicare and Medicaid provider numbers (19-0098 and 19-S098 and 1737712 and 1705675 respectively) after the Commencement Date during the period during which Medicare is processing the CHOW documentation and has learned from the Facility's Medicare and Medicaid intermediaries that until the CHOW documentation is approved and a "Tie-in Notice" is issued by the Centers for Medicare and Medicaid Services ("CMS"), payments made for services provided on and after the Commencement Date and billed under the Facility's current Medicare provider numbers (19-0098 and 19-S098) and Medicaid provider numbers (1737712 and 1705675) will be remitted to LSU's designated bank account; and

WHEREAS, LSU has agreed to allow payments for services provided on and after the Commencement Date related to the Facility to be remitted to LSU's designated bank account by Medicare, Medicaid and the other third party payors and to transfer such payments from LSU's

designated bank account to BRFHH Shreveport's designated bank account on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of these premises and the terms and conditions of the CEA, and for and in consideration of the terms and conditions set forth herein, LSU and BRFHH Shreveport agree as follows:

1. **Final Billing by LSU**

LSU will use best efforts to bill the appropriate third party payors for all services provided by the Facility prior to the Commencement Date by October 30, 2013. BRFHH Shreveport agrees to cause its employees to promptly enter all charges for services provided by the Facility prior to the Commencement Date. In the event charges for such services are inadvertently omitted or there are corrections, modifications and/or adjustments required to prior billings, LSU retains the right to make adjustments or issue new bills resulting therefrom, as well as to bill any other facility charges for services delivered prior to the Commencement Date at any time prior to the timely filing deadline.

2. **Use of Medicare and Medicaid Provider Numbers after the Commencement Date**

LSU agrees to allow BRFHH Shreveport (or its designated billing agent) to continue to use the Facility's current Medicare provider numbers (19-0098 and 19-S098) and the Facility's current Medicaid provider numbers (1737712 and 1705675) on and after the Commencement Date during the period during which CMS is processing the CHOW documentation. BRFHH Shreveport agrees to take all steps necessary to expedite the processing of the CHOW documentation. Upon completion of the applicable access forms by BRFHH Shreveport, LSU will provide BRFHH Shreveport with all access codes necessary to allow BRFHH Shreveport (or its designated billing agent) to bill Medicare and/or Medicaid electronically after the Commencement Date for services provided by the Facility on and after the Commencement Date using the Facility's current Medicare provider numbers (19-0098 and 19-S098) and Medicaid provider numbers (1737712 and 1705675).

3. **Billing by BRFHH Shreveport after the Commencement Date**

BRFHH Shreveport (or its designated billing agent) shall bill for all services provided by the Facility on and after the Commencement Date. BRFHH Shreveport represents and warrants that all claims for services provided by the Facility on and after the Commencement Date and filed during the term of this Agreement shall be accurate, valid and justified and shall comply with the requirements of all applicable federal and state laws and regulations, including, but not limited to, those promulgated by applicable governmental and other third party payors, and shall meet the reimbursement requirements imposed by applicable governmental and other third party payors.

4. **Remittances Process**

On each business day during the term of this Agreement, the parties hereto, or their respective Revenue Cycle Managers, will check their billing systems and remittance advices for information on the status of remittances due to be received by them from all third party payors (including Medicare and Medicaid) for services provided by the Facility. The parties hereto, or their respective Revenue Cycle Managers, will provide copies of the remittance information received by them from all third party payors (including Medicare and Medicaid) related to services provided by the Facility to the other party, or their designated billing agent, by email, fax or courier on the day it is received. LSU and BRFHH Shreveport, or their respective Revenue Cycle Managers, will audit the remittance information on a daily basis to determine which portion of the anticipated remittances are attributable to billings for services provided by the Facility prior to the Commencement Date and which portion of the anticipated remittances are attributable to billings for services provided by the Facility on and after the Commencement Date. Once the remittance information is audited and LSU and BRFHH Shreveport have agreed to an allocation of the anticipated remittances, the parties, or their designated billing agent, shall use their best efforts to remit to the designated bank account that portion of the payments received by them during the day from all third party payors (including Medicare and Medicaid) attributable to billings for services provided by the Facility in accordance with the date that the service was provided. The Remittance Process to be followed by the parties on a daily basis is summarized in Exhibit A attached hereto and made a part hereof.

5. **Indemnification**

A. Indemnification by BRFHH Shreveport

BRFHH Shreveport hereby agrees to indemnify LSU against, and hold the same harmless from all damages actually incurred by LSU (including reasonable legal fees, interest, penalties, and all reasonable amounts paid in investigation, defense or settlement of any and all demands, claims, actions or causes of action made against LSU or for conduct attributable to BRFHH Shreveport, and whether or not any such demands, claims, etc., of third parties are meritorious) resulting from or arising out of, directly or indirectly, a breach of its obligations hereunder or any improper or illegal billing or false claims filed by BRFHH Shreveport.

If any claim shall arise hereunder, LSU shall give prompt written notice of such claim to BRFHH Shreveport, except that any delay or failure of notice shall not relieve BRFHH Shreveport of the obligations within its scope of responsibility hereunder except to the extent such delay has materially prejudiced BRFHH Shreveport.

B. Indemnification by LSU

LSU hereby agrees to indemnify BRFHH Shreveport against, and hold the same harmless from all damages actually incurred by BRFHH Shreveport (including reasonable legal fees, interest, penalties, and all reasonable amounts paid in investigation, defense or settlement of any and all demands, claims, actions or causes of action made against BRFHH Shreveport or for conduct attributable to LSU, and whether or not any such demands, claims, etc., of third parties are meritorious) resulting from or arising out of, directly or indirectly, a breach of its obligations hereunder.

If any claim shall arise hereunder, BRFHH Shreveport shall give prompt written notice of such claim to LSU, except that any delay or failure of notice shall not relieve LSU of the obligations within its scope of responsibility hereunder except to the extent such delay has materially prejudiced LSU.

6. **No Right To Set Off**

Nothing herein shall be construed as an agreement to allow BRFHH Shreveport to set off against monies due to LSU hereunder, any amounts deducted from monies due to BRFHH Shreveport hereunder resulting from or arising out of, directly or indirectly, a breach of LSU's obligations hereunder or any improper or illegal billing or false claims filed by LSU during the term of this Agreement. Notwithstanding the foregoing, nothing in the paragraph shall be construed as a waiver by BRFHH Shreveport of any indemnity rights against LSU under Section 5.B. above.

7. **Term; Termination**

The term of this Agreement shall commence at 12:01 a.m. on the Commencement Date and shall continue in full force and effect until (i) the CHOW documentation is approved by the Medicare contractor, Novitas Solutions, Inc. ("Novitas"), or (ii) a "Tie-in Notice" is issued by CMS and (iii) Novitas has set up new EDI and Submitter ID accounts for BRFHH Shreveport. BRFHH Shreveport shall provide LSU with prompt written notice once the CHOW documentation is approved by Novitas, a "Tie-in Notice" is issued by CMS and Novitas has set up new EDI and Submitter ID accounts for BRFHH Shreveport. Notwithstanding the foregoing sentence, in no event shall the term of this Agreement extend beyond three hundred sixty (360) days after the Commencement Date without the written consent of LSU and BRFHH Shreveport.

8. **Compliance with Local, State and Federal Laws**

LSU and BRFHH Shreveport warrant that they shall comply with all local, state and federal laws in performance of their respective duties as outlined by this Agreement.

9. **Notices**

All notices, requests, demands, elections and other communications which any party to this Agreement may be required to give hereunder shall be in writing and shall be delivered personally, by a reputable courier service which requires a signature upon delivery, by mailing the same by registered or certified first class mail, postage prepaid, return receipt requested, or by telecopying with receipt confirmation (followed by a first class mailing of the same) to the party to whom the same is so given or made at the addresses set forth below or to such other addresses as such party shall have specified by notice to every other party hereto. Such notice, request, demand, waiver, election or other communication will be deemed to have been given upon receipt.

If to LSU:

Board of Supervisors of Louisiana State
University and Agricultural and
Mechanical College
3810 West Lakeshore Drive
Baton Rouge, LA 70808
Attention: F. King Alexander, President
and
Chancellor Robert A. Barish, MD, MBA

With a copy to:

Taylor, Porter, Brooks & Phillips LLP
8th Floor Chase Tower South
451 Florida Street
Baton Rouge, LA 70801
Attention: Patrick D. Seiter, Esq.

If to BRFH Shreveport:

BRFH Shreveport, L.L.C.
c/o Biomedical Research Foundation
of Northwest Louisiana
1505 Kings Highway
Shreveport, LA 71133
Attention: Office of the President

With a copy to:

Sullivan Stoler Knight LC
909 Poydras St. Suite 2600
New Orleans, LA 70112
Attention: Stephen M. Sullivan, Esq
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10. **Waiver**

No failure of any party to notify any other party of any default or to exercise its rights of termination because of any such default shall prejudice any remedy for any subsequent default.

11. **Severability**

The provisions of this Agreement are severable, each provision does not depend upon any other provision for its enforceability, and each provision constitutes an enforceable obligation between parties. If any provision shall be held invalid or unenforceable by a judicial decision directly binding upon any of the parties, the remaining provisions shall remain in full force and effect.

12. **Governing Law**

This Agreement shall in all respects be interpreted and governed by and in accordance with the laws of the State of Louisiana applicable to contracts executed within and to be performed wholly within such state.

13. **Cumulative Rights**

All rights powers and privileges conferred hereunder upon the parties shall be cumulative and are not restricted to those given by law.

14. **Independent Contractors**

Each party rendering services under this Agreement shall do so as an independent contractor and not as an agent or employee of the other party. Each party shall be solely responsible for obtaining employee insurance as may be required by law. Under no circumstance shall one party be liable to employees of the other party for their wages, compensation, or employee benefits including worker's compensation.

15. **Amendment**

This Agreement may be modified or amended from time to time by mutual agreement of the parties, any such modifications or amendment shall be in writing and be attached and become part of this Agreement.

16. **Assignment**

This Agreement may not be assigned by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld.

17. **Entire Agreement**

This Agreement contains the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, express or implied, oral or written.

18. **Counterparts**

This Agreement may be executed in one or more counterparts, all of which together shall constitute one Agreement.

19. **Headings**

The headings of this Agreement are inserted for convenience only and are not to be considered in the interpretation of this Agreement. They shall not in any way limit the scope or modify the substance or context of any sections of this Agreement.

20. **Mutual Cooperation**

Both LSU and BRFH Shreveport acknowledge that mutual cooperation and assistance is essential to either party's performance under this Agreement; therefore, it will be the duty of both parties to make all good faith efforts to fully cooperate in the execution of this Agreement.

21. **No Rule of Construction**

The parties acknowledge that all parties and their counsel hereto have read and fully negotiated all the language used in this Agreement. The parties acknowledge that because all parties had an opportunity for their counsel to participate in negotiating and drafting this Agreement, no rule or construction shall apply to this Agreement, which construes ambiguous or unclear language in favor of or against any party.

22. **Binding Effect**

This Agreement shall be binding upon all the parties and their successors and assigns.

23. **Execution Warranty**

Each individual signing this Agreement warrants that such execution has been duly authorized by the party for which such individual is signing, that the execution and performance of this Agreement by such party has been duly authorized by all applicable laws and regulations and all necessary corporate action, if any, and that this Agreement constitutes the valid and enforceable obligation of such party in accordance with the terms of this Agreement.

24. **Attorneys' Fees**

If a dispute arises among the parties as a result of which an action is commenced to interpret or enforce any of the terms of this Agreement, the non-prevailing party shall pay the prevailing party's reasonable out-of-pocket attorney's fees, costs and expenses incurred in connection with the prosecution or defense of such action.

25. **Definition**

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the CEA.

25. **Survival**

The provisions of this Agreement related to auditing remittance advices and assuring proper allocation of collections to the party providing the service shall survive the termination of this Agreement.

[Separate Signature Page to Immediately Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their names on the dates written below and agree that this Agreement shall be effective as of the Commencement Date.

WITNESSES:

LSU:

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE, a public constitutional corporation of the State of Louisiana

By: _____
F. King Alexander, President of Louisiana State University System

Date: _____

BRFHH SHREVEPORT:

BRFHH SHREVEPORT, L.L.C.

By: _____
Stephen F. Skrivanos, Chair

Date: _____

EXHIBIT A

Summary of Remittance Process

8:00 AM – 8:30 AM	<ul style="list-style-type: none">• Retrieve detail of bank account / lockboxes (Regions & Chase)<ul style="list-style-type: none">○ Determine electronic remits to be posted○ Determine manual EOBs to be manually posted○ Print / send detail to appropriate poster
8:30 AM – 12:30 PM	<ul style="list-style-type: none">• Electronic remits will be imported into EPIC• Posters will manually key cash received without electronic remit<ul style="list-style-type: none">○ Any cash not yet posted as of 12:30 PM will be posted in a separate batch during the afternoon and reported on the next business day• Close out batches as of 12:30 PM• Complete batch log for batch numbers closed as of 12:30 PM – AM Batch
12:30 PM – 5:00 PM	<ul style="list-style-type: none">• Posters will create new batches for cash without electronic remit not yet posted• Close out batches at 5:00 PM• Complete batch log for batch numbers closed as of 5:00 PM – PM Batch
12:30 PM – 1:30 PM	<ul style="list-style-type: none">• Reconcile EPIC cash batches to bank account (by lockbox/account) for those batches created as of 12:30 PM previous day through 12:30 PM of current day<ul style="list-style-type: none">○ This detailed process will be further defined within the next week

<p>1:30 PM – 2:00 PM</p>	<ul style="list-style-type: none"> • Create Report to Determine Funds to EFT to BRFHH Shreveport <ul style="list-style-type: none"> ○ Run EPIC query for cash batches posted and closed as of previous day through current day ○ Information will be converted to Excel and sorted by batch number ○ Delete batches prior to 12:30 PM of previous day (refer to batch log for batch numbers to be deleted – previous day AM batch numbers) ○ Segregate any batches related to Chase bank (BRFHH Shreveport has already received these funds – refer to batch log to determine the batches related to Chase) ○ Sort remaining data (batches related to Region bank) by discharge date (IP) / service date (OP) ○ Break data at discharge date / service date ○ Total all dates 10/01/13 and forward – this is the amount to be send via EFT to BRFHH Shreveport ○ Update the batch log – note today’s date for the batches that have been reviewed/split between LSU and BRFHH Shreveport on current day’s query <p style="text-align: center;">The report will include the following information: Deposit Date, Batch #, Discharge Date/Service Date, Account #, Plan, and Posted Amount</p>
<p>2:00 PM</p>	<ul style="list-style-type: none"> • Send Excel file detail of EFT transfer to Janie Binderim via email • Janie will have the funds sent via EFT to BRFHH Shreveport