

## AFFILIATION AGREEMENT

**THIS AFFILIATION AGREEMENT** is made between Falck Northern California Corp. (Company) and The Chabot Las Positas Community College District (the "District") set out on the signature page of this Agreement.

**WHEREAS**, District is a program which offers a program of instruction leading to certification or licensure of its students as Emergency Medical Technician, Emergency Medical Technician-Paramedic and other, similar health care and pre-hospital providers ("Students"),

**WHEREAS**, As a part of the licensing and /or certification requirements, Students must complete a course of study including clinical experience ("Clinical Experience") on an ambulance providing the appropriate level of care and operating in normal service,

**WHEREAS**, Company is a provider of emergency medical service, including both advanced life support and basic life support pre-hospital care and transport,

**WHEREAS**, Company has agreed to assist District by providing a limited Clinical Experience for Students, upon certain terms and conditions, so long as its participation in the program does not jeopardize patient care or compromise Company's standards of service to its patients and clients.

**NOW THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### 1. TERM

**1.1 Commencement Date.** This agreement shall become effective when signed by all of the parties and completion of the written approval and certification contemplated in paragraph 2.2, 2.3 and 2.4. This agreement shall be for a term of twenty four (24) months from the effective date as set forth on the signature page. Any renewal shall be set forth in a writing signed by the parties.

**1.2 Termination.** This agreement may be terminated by either party, with or without cause, upon thirty (30) days written notice to the other party as provided herein.

### 2. RIGHTS AND OBLIGATIONS OF DISTRICT

**2.1 District's Accreditation.** District shall maintain a qualified educational program for Students designed to provide a smooth transition into licensure/certification of Students as Emergency Medical Technicians, Emergency Medical Technician-Paramedics or other similar pre-hospital health care providers. District's program shall include programming, administration, matriculation, promotion and graduation and shall be approved or accredited by relevant licensing/certifying agencies in the state(s) and

county(ies) in which District resides and in which the program contemplated herein is to operate.

#### 2.2 Approval by Licensing/Certifying Agency(ies).

District shall secure from all relevant licensing/certifying agencies written approval for the Clinical Experience program contemplated herein and shall maintain such approval throughout the course of the program. District shall provide Company with a copy of the written approval and applicable guidelines or protocols applicable to the program before assigning a Student to the Clinical Experience program.

#### 2.3 Student Licensure/Certification.

District shall ensure that each Student enrolled in the clinical program is compliant with any licensure certification required for participation in this program, which may include, but is not limited to state EMT and CPR credentials or any provisional licensure/certification. District shall provide Company with a copy of the requisite licensure and or certification for any Student enrolling in the Clinical Experience before the Student is allowed to participate in the program unless, the licensing/certifying agencies advise District and Company, in writing, that licensure/certification is not required and the Clinical Experience program is approved under all applicable, or potentially applicable, laws and regulations.

#### 2.4 Approval by Doctor or Agency Having Medical Control.

If applicable, District will secure from the doctor or agency having medical control in the state(s) or county(ies) in which program will operate, written approval for the Clinical Experience. Such written approval shall, at the minimum, define the scope of practice and required supervision of any Student participating in the course of clinical education. District will provide Company with a copy of the approval contemplated in this paragraph before assigning any Student to the clinical program.

#### 2.5 Records.

District will keep and maintain accurate records for all Students participating in the Clinical Experience. The records will include the Student's transcript, licensure or certification, temporary license or certification (if applicable), pre-assessment health record, and record of history / vaccination / immunization as set forth in paragraph 2.8 hereof. District will maintain the records for a period of at least four (4) years (or any greater period as may be required by applicable) from the date Student completes, or ceases to participate in, the Clinical Experience contemplated herein.

#### 2.6 List of Participants, Qualification, Objectives and Representations.

District will notify Company at least thirty (30) days prior to the inception of a course of Clinical Experience of the names, qualifications and performance objectives for each

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Student scheduled to begin their Clinical Experience. Inclusion by District of a Student's name on this list is District's representation that the Student possesses the necessary skills, licensure/certification and immunizations to engage in the Clinical Experience. The District shall comply with any requirements or procedures that Company requires regarding documentation to verify the Student's qualifications for the Clinical Experience.

- 2.7 Company Rules and Regulations.** District will use all reasonable efforts to cause Students to comply with Company's policies, procedures, work rules and regulations, including preservation of the confidentiality of patient care and patient care records. District will, prior to allowing a Student to participate in the Clinical Experience, review patient confidentiality as well as the Company's policies, procedures, work rules and regulations with Student and secure Student's agreement to abide by all such rules and regulations.
- 2.8 Pre-assignment Health Assessment.** District will cause Student to complete a pre-assignment health assessment at Student's or District's expense, which includes, but is not limited to: history of communicable diseases and immunization, proof of tetanus vaccination or immunization, proof of Hepatitis B vaccination or executed declination and waivers of the Hepatitis B vaccination by the Student, proof of MMR vaccination, respiratory certification by a physician and PPD test. District will provide proof of satisfactory completion/vaccination to Company upon request. Inclusion of a Student's name on the list referenced in paragraph 2.6 is District's representation that Student has completed the pre-assignment assessment and is physically able to perform the tasks associated with the program.
- 2.9 OSHA Compliance.** Prior to allowing Student to enroll in the course of clinical experience, District will educate and train Student in compliance with all relevant and required OSHA regulations including, but not limited to, Blood-borne Pathogens Standard and TB Standard.
- 2.10 Personal Protective Equipment.** District shall provide Student with all necessary personal protective equipment, including fitting, as is, or may be, required by OSHA or other regulatory agency as required in locale of Company prior to assignment to the Clinical Experience. Such equipment may include: safety glasses, face shields and particulate respirators. District recognizes and will inform Student that this equipment must be in the possession of the Student as a condition of their participation in the program. Failure to possess and use the required OSHA equipment will result in Student's dismissal from the program.
- 2.11 Assistance in Obtaining Signatures and Compliance.** District recognizes that its Students have certain obligations and will be required to execute certain documentation in order to be eligible to participate in the program. District shall assist Company in obtaining any necessary signatures and ensuring Student compliance with Company rules and this agreement including, but not limited to, those contained in part 3 of this agreement.
- 2.12 Evaluation of Performance.** District, in conjunction with Company personnel, is responsible for and shall make arrangements for evaluation Student's performance during the clinical program.
- 2.13 Minimum Age of Participants.** District and Company will only allow Students that are at least eighteen (18) years of age to participate in this program. Inclusion of a Student's name on the list referenced in paragraph 2.6 is District's representation that Student is at least eighteen years of age.

### 3. STUDENT OBLIGATIONS AND REQUIREMENTS.

- 3.1 Release.** Student will, prior to participating in the clinical experience, read, understand and sign Company's internal ride-along waiver releasing Company from any and all liability and/or responsibility arising out of Student's participation in the Clinical Experience. This release of claims must be executed, and on file with the Company, prior to Student participation in the program. The release is a condition precedent to Student's participation in the clinical experience and no Student will be permitted on a Company vehicle without having signed the release. The release is attached hereto and made a part hereof as Exhibit A.
- 3.2 Pre-assignment Health Assessment.** Student shall complete a pre-assignment health assessment as set forth in paragraph 2.8 hereof.
- 3.3 Company Rules and Patient Confidentiality.** Student shall comply with Company's procedures, policies, rules and regulations, including maintenance of patient and records confidentiality. Students, while participating in the clinical program, on Company property or in a Company vehicle, must meet all standards of appearance and conduct required by Company of its own employees. Student shall comply with all applicable OSHA rules or regulations. Student shall have in their possession at all times when on board a Company vehicle personal protective equipment and use such equipment when, as and where designated by Company personnel. Any information generated as a result of the activities set forth in this agreement, including information regarding patients or business activities of Falck Ambulance, as well as any information regarding the students and their

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performance or the Training Program itself, shall remain confidential. Students will be required to sign an acknowledgement of their understanding of the mandates for confidentiality as imposed by the US Health Insurance Portability and Accountability Act of 1996 (HIPAA); the U.S. Privacy Act of 1974 and any applicable state laws.

- 3.4 Student Intern Agreement.** Student will read and execute the student intern agreement. Execution of the student intern agreement is a condition precedent to participation in the Clinical Experience program. The student intern agreement is attached hereto and made a part hereof as Exhibit A.

### 4. COMPANY RIGHTS AND OBLIGATIONS

- 4.1 Company Rules.** Company requires Students, while participating in the clinical program, on Company property or in a Company vehicle, to meet all standards of appearance and conduct required by Company of its own employees. Company reserves the right to refuse to allow any Student to participate in the clinical program for failure to comply with Company standard.
- 4.2 Student's Skill Level.** Company reserves the right to discontinue Student's participation in the program should Company, in its sole discretion, determine that Student's skill level is substandard. Company will immediately advise District of any such concerns or situations.
- 4.3 Orientation Program.** Company may require Student to attend an orientation program designed to orient Student to Company's rules regulations and policies prior to beginning their Clinical Experience. The details and procedures for the orientation program shall be in the company's sole discretion.
- 4.4 Company's Control of Patient Care.** Company reserves the right to determine where, when and if a Student may participate in the provision of care to its patients. Company will endeavor to utilize Student, and allow them to utilize as many of their skills in as many situations as possible. However, patient care is paramount and Student shall follow Company's instructions with respect to the provision of patient care.
- 4.5 Right to Control Participation.** Company reserves the right to refuse to allow any Student to participate in the provision of care at the scene of an emergency where, in company's sole discretion, permitting Student to participate would endanger the Student, a patient or an employee of Company or otherwise be inappropriate.
- 4.6 Student Evaluations.** Company will cooperate with District in performing evaluations of Student's clinical experience.
- 4.7 Provision of Clinical Experience.** Company will provide a Clinical Experience for the District's Students in compliance with the guidelines, protocols, scope of practice provided by the licensing/certifying agency and in accord with the instructions of the Doctor or Agency having Medical Control. The number of Students that Company accepts into the Clinical Experience shall be determined in the Company's sole and absolute discretion.

### 5. INDEMNIFICATION

- 5.1 Indemnity for Student and Patient Claims.** District will save, defend, indemnify and hold harmless Company, its officers, employees, agents, affiliates and representatives of and from any and all claims, suits, costs and actions brought by any Student, or their heirs, against Company arising out of their participation in this program or by any patient claiming that the negligence of Student caused, compounded or exacerbated their injuries. This indemnity shall survive and remain enforceable after the expiration or termination of this Affiliation Agreement; provided, however, that this indemnity is not intended to cover claims against Company arising solely out of Company's own negligence or intentional conduct.
- 5.2 Scope of Indemnification.** District will save, defend, indemnify and hold harmless Company, its officers, employees, agents, affiliates and representatives of and from all potential claims, actions risks and costs incurred related to, or resulting from the Students' participation in the Clinical Experience program and Students' exposure to the pre-hospital environment including actions brought by patients/clients of Company where it is alleged that Students participation adversely impacted a patient/client outcome or condition. The risks include, but are not limited to, automobile accidents, assault, and injury from lifting, high speed driving, exposure to infectious/contagious diseases such as hepatitis, HIV, TB, malpractice and measles. This indemnity shall survive and remain enforceable after the expiration or termination of this Affiliation Agreement, provided however, that this indemnity is not intended to cover claims against Company arising solely out of Company's own negligence or intentional conduct.
- 5.3 Defense Obligation.** In any action in which District is obligated to provide Company with a defense, District shall at its cost and expense, fully and diligently defend Company against any claims brought, investigations undertaken or actions filed which concern claims for which Company is entitled to indemnification under paragraphs 5.1, 5.2, and 5.3.

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### 5.4 Indemnity for Student and Patient Claims.

Company will save, defend, indemnify and hold harmless District, its officers, employees, agents, affiliates and representatives of and from any and all claims, suits, costs and actions brought by any Student, or their heirs, against ~~company-the District~~ arising out of their participation in this program or by any patient claiming that the negligence of ~~Student-the Company~~ caused, compounded or exacerbated their injuries. This indemnity shall survive and remain enforceable after the expiration or termination of this Affiliation Agreement; provided, however, that this indemnity is not intended to cover claims against District arising solely out of District's own negligence or intentional conduct.

**5.5 Scope of Indemnification.** Company will save, defend, indemnify and hold harmless District, its officers, employees, agents, affiliates and representatives of and from all potential claims, actions risks and costs incurred related to, or resulting from the Students' participation in the Clinical Experience program and Students' exposure to the pre-hospital environment including actions brought by patients/clients of District where it is alleged that Students participation adversely impacted a patient/client outcome or condition. The risks include, but are not limited to, automobile accidents, assault, and injury from lifting, high speed driving, exposure to infectious/contagious diseases such as hepatitis, HIV, TB, malpractice and measles. This indemnity shall survive and remain enforceable after the expiration or termination of this Affiliation Agreement, provided however, that this indemnity is not intended to cover claims against District arising solely out of District's own negligence or intentional conduct.

**5.6 Defense Obligation.** In any action in which Company is obligated to provide District with a defense, Company shall at its cost and expense, fully and diligently defend District against any claims brought, investigations undertaken or actions filed which concern claims for which District is entitled to indemnification under paragraphs 5.1, 5.2, and 5.3.

5.7

## 6. INSURANCE

**6.1 Professional Medical Liability and General Liability Coverage.** ~~District~~District will maintain Professional Medical Liability and General Liability coverage of not less than one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000) aggregate. Coverage must specifically cover Students in the Clinical Experience, working under this agreement and within the course of their training and education during this program. ~~District~~District will name Company as an Additional Insured under the policy

and include an indemnification provision, by endorsement to be attached to the certificate ~~of~~ insurance. ~~District~~District will provide Company with written verification of coverage in the form of a certificate of insurance, which will be attached to this agreement. ~~District~~District covenants to keep the required insurance in force and effect through the term of this agreement and maintain tail coverage for five (5) years thereafter if the coverage was a "claims made" policy.

**6.2 Endorsement for Student Activities.** District assures Company that all coverage of insurance required herein includes specific provisions and/or endorsements to include Students within District's Medical Liability and General Liability coverage for all activities conducted under this program.

**6.3 Coverage for Student Injuries.** District recognizes that Students are NOT covered by Company's Workers Compensation Insurance or Self Insured Program. District represents and warrants that it will maintain, or ensure that its Students are covered, for bodily injury and disease should any Student be injured or become ill during the course of their Clinical Experience. District will provide Company with a written verification of insurance coverage in the form of a certificate of insurance which will be attached to this agreement.

**6.4 Amount of Coverage Not a Limitation.** The amount of insurance required hereunder shall not limit District's liability nor relieve District of any obligation hereunder.

**6.5 Minimum Qualifications of Insurer.** Any policies of insurance shall be maintained with insurance companies: (i) holding a "General Policyholder's Rating" of AIV or better, as set forth in the most current issue of "Best's Insurance Guide," or comparable rating from reputable rating organizations; (ii) licensed to operate and sell insurance in the state in which the Clinical Experience will occur; and (iii) in good standing and admitted, if applicable, with the state's Department of Insurance or other similar regulatory agency in the state in which the Clinical Experience will occur.

## 7. NOTICES

**7.1** Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated; (a) by personal delivery, when delivered personally; (b) by overnight courier, upon written verification of receipt, (c) by facsimile transmission, upon acknowledgment of receipt of electronic transmission; or (d) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the following addresses;

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If to District

[Chabot-Las Positas Community College District](#)  
[7600 Dublin Blvd, 3<sup>rd</sup> Floor](#)  
[Dublin, CA 94568](#)

[Contact Name](#)  
[3000 Campus Hill Dr](#)  
[Livermore, CA 95441](#)  
[925-424-1000 ext 1193](#)  
[cmcmullen@laspositascollege.edu](#)

If to Company:

Falck Northern California Corp  
2190 S. McDowell Blvd.  
Petaluma, CA 94954  
[www.falck.com](#)

Contact Name: William Sugiyama  
Street Address: 2190 S. McDowell Blvd.  
Petaluma, CA 94954  
Phone number: (707)766-2404  
[Bill.sugiyama@falck.com](#)

With Mandatory Copy to:

### 8. Fees, Compensation and Tuition

**8.1 Fees, Compensation and Tuition** Any \_\_\_fees, compensation and tuition that Company shall receive will be set ~~fourth~~forth and agreed upon within this agreement in Exhibit B.

### 9. Scope of Clinical Experience

**9.1 Scope of Clinical Experience.** The specific scope of the Clinical Experience that the Company shall provide will be set ~~forth in this agreement in~~ Exhibit C.

**10. Miscellaneous.** This Agreement (including the Schedules hereto); (a) constitutes the entire agreement between the parties with respect to the subject matter hereof, superseding all prior oral or written agreements with respect thereto; (b) may be amended only by written instrument executed by both parties; (c) may not be assigned by either party without the written consent of the other party, such consent not to be unreasonable withheld; (d) shall be binding on and inure to the benefit of the parties hereto and their respective successors and permitted assigns; (e) shall be interpreted and enforced in accordance with the laws of the State of the principal office of the District, without regard to the conflict of laws provisions thereof, and the federal laws of the United States applicable therein; (f) this Agreement may be executed in several counterpart (including by facsimile), each of which shall constitute an original

and all of which, when taken together, shall constitute one agreement; and (g) this Agreement shall not be effective until executed by both parties. In the event of a disagreement between this Agreement and any Schedule hereto, the terms of this Agreement shall govern.

### 11. Other.

**11.1 Compliance with Laws.** The parties will comply in all material respects with all applicable federal and state laws and regulations including, the federal Anti-kickback statute.

Compliance Program and Code of Conduct. has Falck Ambulance made available to the District a copy of its Code of Conduct, Anti-kickback policies and other compliance policies, as may be changed from time-to-time, at Falck's web site, located at: [www.falck.com](#), and the District acknowledges receipt of such documents. Falck Ambulance warrants that its personnel shall comply with Falck Ambulance compliance policies, including training related to the Anti-kickback Statute

**11.2 Non-Exclusion.** Each party represents and certifies that neither it nor any practitioner who orders or provide Services on its behalf hereunder has been convicted of any conduct that constitutes grounds for mandatory exclusion as identified in 42 U.S.C.\* 1320a-7(a). Each party further represents and certifies that it is not ineligible to participate in federal health care programs or in any other state or federal government payment program. Each party agrees that if 1)F11-IS/010 excludes it, or any of its practitioners or employees who order or provide Services, from participation in Federal health care programs, the party must notify the other party within five (5) days of knowledge of such fact, and the other party may immediately terminate this Agreement, unless the excluded party is a practitioner or employee who immediately discontinues ordering or providing Services hereunder.

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**IN WITNESS WHEREOF**, the parties have hereto executed this Agreement effective this 20th day of November 2018;

Falck Northern California Corp.

By: \_\_\_\_\_  
Authorized Signer, Title

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
(Signature)

Print Title: Interim Vice Chancellor of Business Services  
~~Vice Chancellor of Business Affairs~~

Date: \_\_\_\_\_

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### Exhibit A Student intern Agreement and Release

Student is enrolled in a course of study at \_\_\_\_\_ College ("District") designed to enable Student become a licensed/certified Emergency Medical Technician, Emergency Medical Technician-Paramedic or other similar pre-hospital health care provider. As part of the curriculum, Student has enrolled in the Clinical Experience, which is offered through the District, with Company's assistance. The Clinical Experience involves: 1) Student's performing acquired pre-hospital skills alongside Company's personnel; and, 2) accompanying and observing the Company's personnel providing emergency and non-emergency ambulance transport, care and related services.

Student has asked to participate in Clinical Experience knowing that participation will require Student to accompany Company personnel in dangerous and potentially life threatening situations. Student realizes that Company could not, and would not, allow Student to accompany its personnel without his/her agreement to: (i) release the company from any and all claims for injury or death which may result from Student's participation in the program.; (ii) assume the risk of death or injury associated with the Clinical Experience; (iii) agree to read, understand and follow Company's policies, procedures and guidelines; (iv) act in a professional and respectable manner at all times; and follow the instruction/direction of Company personnel with respect to patient care, demeanor, safety, use of personal protective devices, scene control, etc.

Student understands that he or she is exposing himself or herself to certain risks inherent in the activities associated with the Clinical Experience. Student hereby represents that he or she **AGREES TO ASSUME THE RISKS INHERENT IN THE ACTIVITY**. These risks include, but are not limited to, being hurt or injured: (1) by broken glass (or other scene hazards) including various cuts about the head, face, eyes, hands, legs, and torso; (2) by exposure to tetanus or contagious diseases such as the Hepatitis B virus and the Human Immunodeficiency Virus ("HIV"); (3) injury due to gurney lifts and or drops; (4) injury from slip and fall type incidents; (5) various strains and/or sprains to one and/or all muscle groups; (6) risks associated with emergency vehicle operation; and (7) risks at the scene of emergencies including assault and battery.

In consideration of Company's agreement to provide the Clinical Experience to Student, Student agrees to release and forever discharge Company and its agents, employees' affiliates, parent corporation, successors and assigns of and from all claims, demands, suits, injuries or damages of any kind arising in any way out of the participation in this program.

Student further agrees to: (i) follow Company's policies, procedures and work rules; (ii) follow Company's instruction and direction with respect to patient care, safety, personal protection; and, abide by Company rules and direction. Student understands that failure to follow the

Company's direction may result, in Company's sole discretion, in his/her expulsion from the Clinical Experience program.

The District shall require its students to complete a Criminal Offenders Record Information ("CORI") check. By virtue of this agreement, the District assures **COMPANY NAME** that it found no information that would, in accordance with the provisions of state EMS regulations, preclude the Student from the duties of an EMS provider.

The relationship of field internship Student and **COMPANY NAME** is that of a student being provided an educational experience by **COMPANY NAME** and such activity shall in no way be construed as creating any other relationship including an employment relationship. The Student shall receive no compensation from **COMPANY NAME** for activities during the internship.

**COMPANY NAME** has made available to the Student a copy of its Code of Conduct, Anti-kickback policies and other compliance policies, as may be changed from time-to-time, at **COMPANY NAME**'s web site, located at: [www.CompanyName.net](http://www.CompanyName.net) and the Student acknowledges receipt of such documents. **COMPANY NAME** warrants that its personnel shall comply with **COMPANY NAME**'s compliance policies, including training related to the Anti-kickback Statute

The Student represents and certifies that he/she has not been convicted of any conduct identified on Schedule "A". The Student further represents and certifies that he/she is not ineligible to participate in Federal health care programs or in any other state or federal government payment program, as provided on Schedule A or otherwise. The Student understands that if DHHS or OIG excludes he/she, from participation in Federal health care programs, he/she party must notify the other party within 5 days of knowledge of such fact, and the **COMPANY NAME** may immediately terminate the Agreement.

Student certifies that he/she is at least eighteen (18) years old and is an adult with full legal authority to execute this release.

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*By Signing this Document You Acknowledge That You Have Been Advised That There Are Risks Inherent in this Type of Activity and Have decided to Assume That Risk and Release the Company of and from All Liability. You Agree to Release the Company from Any Claims Associated with the Event and That You, Not the Company, Are Assuming Complete and Total Responsibility for and Any and All Injuries, Damages or Losses That You May Suffer as a Result of Participating in the Clinical Experience Program.*

I agree to all terms set forth above.

Dated: \_\_\_\_\_

Signature of Student: \_\_\_\_\_

Print Name: \_\_\_\_\_

### **Attachment "A"** **Overview of law regarding exclusion from Medicare and State Health Care Programs** **42 U.S.C. 1320a-7**

- a) **Mandatory exclusion.** The Secretary shall exclude the following individuals and entities from participation in an Federal health care program (as defined in section 1320a-7b(1) of this title):
- 1) Conviction of program-related crimes. Any individual or entity that has been convicted of a criminal offense related to the delivery of an item or service under subchapter XVIII of this chapter or under any State health care program.
  - 2) Conviction relating to patient abuse. Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to neglect or abuse of patients in connection with the delivery of a health care item or service.
  - 3) Felony conviction relating to health care fraud. Any individual or entity that has been convicted for an offense which occurred after August 21, 1996, under Federal or State law, in connection with the delivery of a health care item or service or with respect to any act or omission in a health care program (other than those specifically described in paragraph (1)) operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.
- 4) Felony conviction relating to controlled substance. Any individual or entity that has been convicted for an offense which occurred after August 21, 1996, under Federal or State law, of a criminal offense consisting of a felony relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.
- b) **Permissive exclusion.** The Secretary may exclude individuals and entities from participation in any Federal health care program. These Permissive Exclusions are for misdemeanors of the above (see 42 LISC 1320a-7(b)(1-15)) offenses plus other infractions that shall be determined on an individual case-by-case basis.

(NOTE: the DIMS and OIG list of excluded individuals/entities is available through the Internet at <http://www.hhs.gov/oip>), and an overview of the exclusion regulations is attached hereto).