

THE FLORIDA ATLANTIC UNIVERSITY COLLEGE OF MEDICINE FACULTY PRACTICE PLAN

The Florida Atlantic University Charles E. Schmidt College of Medicine (the “College” or the “College of Medicine”) provides educationally oriented professional practice settings and opportunities through which faculty members provide professional services, including medical care and treatment to patients, including patients at independent hospitals, other institutions and various clinical sites as an integral part of their academic activities and employment as faculty members. Such faculty practice activities are designed to assure professional and clinical practice opportunities and experiences that are essential in the training of students, residents and other postgraduate health professionals and that will enhance skills and knowledge of faculty members who must teach and train medical students, residents and other health professional students. Participation in such faculty practice activities by members of the faculty of the College of Medicine is vital to the educational mission, the maintenance of skills in the treatment and diagnosis of diseases, and the maintenance of patient management skills, clinical expertise and medical judgment. Such participation is a necessary and essential part of their employment as faculty members.

Because faculty practice activities generate income from a cross section of patients and third party payors that is critical to support the College’s mission, the College is authorized, in accordance with Florida Board of Governors Regulation 9.017 and Florida Atlantic University Regulation 9.001, to regulate and collect fees and other income generated from such faculty practice and to develop and maintain a faculty practice plan for the orderly collection, administration and distribution of such fees and other income. The College of Medicine is authorized to form corporate entities as agents to achieve the objectives of the faculty practice plan. The faculty practice plan, any subsequent changes thereto, and any proposed corporate entities must be approved by the Dean of the College of Medicine and the President of the University prior to submission for approval by the FAU Board of Trustees and, as necessary, the Florida Board of Governors. The faculty practice plan must be consistent with, and supportive of, the objectives of the College of Medicine and the University. This document provides a formal statement of such plan for the College of Medicine, to be known as the Florida Atlantic University College of Medicine Faculty Practice Plan (the “Faculty Practice Plan”).

Faculty practice income shall include all payments resulting from the clinical or professional services rendered by College of Medicine faculty. Honoraria, royalties, non-clinical consultation fees, or other income derived from outside employment approved by the Dean of the College are not considered to be faculty practice income as described herein.

Faculty members employed by the Florida Atlantic University College of Medicine who engage in the practice of medicine must do so exclusively through the College of Medicine and its Faculty Practice Plan, unless otherwise specifically approved in writing by the Dean of the College. Each member of the faculty will assign to Florida Atlantic University all faculty practice income generated by or on behalf of him or her, and adequate records will be kept of these collections.

In order to achieve the objectives of the Faculty Practice Plan, the University has authorized the formation and operation of a Florida not-for-profit corporation, FAU Clinical Practice Organization, Inc. (“FAU CPO”), as the University’s agent to support the clinical and professional activities of the College of Medicine, including the orderly collection and administration of income generated from College of Medicine clinical and professional activities. FAU CPO will be responsible for billing and collections, contracting, and the development and reporting to its various oversight entities appropriate data with

regard to its activities (and may contract with other entities to provide such services). A separate bank account shall be maintained into which all income and fees generated by the College of Medicine faculty practice are to be deposited, which shall be held, administered and distributed by FAU CPO, acting as the University's agent under right of control by the University and the College of Medicine.

Faculty practice income shall be distributed to appropriate funds of Florida Atlantic University to be used for the support and advancement of the academic mission of the College of Medicine and the University. The University shall distribute such funds for purposes that may include, but are not limited to, the payment of clinical practice expenses and faculty and staff salaries and benefits. The assets and activities of FAU CPO will be managed and directed by a Board of Directors in accordance with the Articles of Incorporation and Bylaws of FAU CPO.

FAU CPO shall serve as the administrative services supporting organization for the Faculty Practice Plan and shall not be involved in the delivery of medical services; the maintenance of any medical facilities; the employment, control or compensation of medical doctors or other health professionals; or the determination, control, or evaluation of any medical procedures or standards for any medical doctor, other health professional or medical facility.

The Faculty Practice Plan operating budget will be prepared at least annually and submitted to the Dean of the College of Medicine for approval. The budget shall then be recommended by the Dean of the College of Medicine and the President of the University to the FAU Board of Trustees. An annual financial audit and management letter for the Faculty Practice Plan and FAU CPO shall be conducted and prepared by an independent outside certified public accountant or firm, submitted to the Dean of the College of Medicine, and forwarded to the President of the University, FAU Board of Trustees and the Florida Board of Governors for review and oversight.

The Faculty Practice Plan, including FAU CPO, shall at all times comply with applicable regulations, rules, policies and procedures of the University and the Florida Board of Governors. All agreements and contracts involving the Faculty Practice Plan or FAU CPO shall be submitted to the FAU Office of the General Counsel for prior review.

This plan shall become effective on the date approved by the Dean of the College of Medicine, the President of the University, the FAU Board of Trustees, and the Chancellor of the Florida Board of Governors.

APPROVED:



Dean, College of Medicine

Date



President, Florida Atlantic University

Date



Chair, Florida Atlantic University Board of Trustees

Date

Chancellor, Florida Board of Governors

Date