

BILLING SERVICES ADDENDUM TO MASTER SERVICES AGREEMENT

This Billing Services Addendum (“**Addendum**”) is entered into as of the Effective Date (“**Effective Date**”) set forth on the Valant Billing Services Order Form (“**Order Form**”) by and between Valant Medical Solutions, Inc. (“**Valant**”), a Washington corporation, and the “**Customer**” set forth on the Order Form. The Addendum supplements the Valant Master Services Agreement by and between Valant and Customer (the “**Agreement**”) as referenced in the Order Form. Valant and Customer are each referred to individually as a “**Party**” and collectively as the “**Parties**”. Defined terms shall have the meaning set forth in the Agreement or as otherwise defined in this Addendum.

WHEREAS, Valant provides billing services to behavioral health care practices (the “**Services**”); and

WHEREAS, Customer is a behavioral health care practice that desires to procure such Services from Valant, and Valant desires to provide such Services to Customer, pursuant to the terms of the Order Form, the Agreement, and the Addendum.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Valant Billing Services.

1.1 **Services.** Subject to Customer obligations described in Section 2 below, Valant shall perform the following Services in support of Customer’s billing, credentialing, and related financial functions in connection with Customer’s patient services. The table below identifies such Services together with the applicable Fees methodology (as further discussed in Section 4 below):

<u>Service</u>	<u>Fee Calculation</u>
CAQH Profile Setup, Verification and Maintenance	Initial Set-up Fee (per Provider)
Claims Denial Management	Included in Base Services Fee
Claims Review and Submissions	Included in Base Services Fee
Document Collection and Verification	Included in Base Services Fee
EFT Set Up / Update	Included in Base Services Fee
Electronic Clearinghouse Services	Included in Base Services Fee
Eligibility and Benefit Checks	Per Check
Filing Claim Appeals	Included in Base Services Fee

Generating Accounts Receivable Reports	Included in Base Services Fee
Ongoing Maintenance	Included in Base Services Fee
Panel Portal Attestations	Initial Set-Up Fee (per Provider)
Posting Insurance and Patient Payments	Included in Base Services Fee
Provider Demographic Updates	Included in Base Services Fee
Provider Enrollment and Insurance Paneling	Per Provider / Per Panel
Quarterly Provider Directory	Included in Base Services Fee
Re-credentialing and Ongoing Maintenance	Per Provider / Per Panel
Sending Patient Statements	Included in Base Services Fee

1.2 **Out of Scope.** For the avoidance of doubt, while the following may be features in the Valant System and software offerings, they are out of scope from a professional services and not included in the Services provided pursuant to this Addendum:

Bad Debt and Third Party Collection Services	Patient Customer Service
Coding Services	Record Archival Services
Patient Access and Registration Services	Scheduling Services
Patient Financial Screening Services	Third Party Administrator (TPA) Services

1.3 **Services Limitations.** Notwithstanding any language to the contrary, in respect of billing support for patient services rendered by Customer prior to the Effective Date (“**Customer Legacy Billing**”), Valant and Customer agree that (i) the Services do not apply to Customer Legacy Billing, (ii) Valant is not responsible for providing support or assistance in regard to Customer Legacy Billing, and (iii) Valant shall have no liability in respect of Customer Legacy Billing.

1.4 **Valant Responsibilities.** Valant shall be responsible for the following in connection with the performance of the Services:

- (i) Valant shall, on behalf of Customer, review, prepare and transmit all claims and statements for patient services provided by Customer to the appropriate governmental or commercial payor, based upon Customer’s payor enrollments or in the case of out-of-network billing (as applicable), file appeals with such payors for claims denials as applicable, and perform all other payor related billing and accounts receivable functions as described in Section 1.1 above, including retrieval of patient benefit information and billing patients for the amount of such patient’s payment responsibility (e.g., copays, coinsurance, and

deductibles).

- (ii) Valant shall, on behalf of Customer, review, prepare and transmit all credit card claims and statements for patient services provided by Customer to the appropriate Customer enrolled credit card processors, and perform all other credit card processing related billing and accounts receivable functions as described in Section 1.1 above. The foregoing shall apply to all patient credit card transactions including patient self-pay (i.e., non-payor) and/or payor related patient copays, coinsurance and deductibles.
- (iii) Valant shall record all payments made to Customer's accounts, subject to Receivables information obtained by Valant or otherwise reported to Valant by Customer in accordance with Section 3 below, compute and post all contractual adjustments on payments received from payors and credit card processors, and prepare reconciliation reports in respect of such collections and open Receivables. Such Valant generated reports will be provided to Customer on a monthly basis or as otherwise agreed in writing by Valant and Customer.
- (iv) Valant shall apply all payment information to the appropriate patient account and generate an itemized statement of account for a patient or payor, upon request from such patient or payor.
- (v) Valant shall provide Customer with support as needed to assist Customer with setting up its Lockbox Account and enrolling with credit card processors and payors for EFT purposes as further described in Section 3 below.
- (vi) Valant shall prepare a list of refunds generated from overpayments on patient accounts. Customer acknowledges that overpayments sometimes occur and Valant shall not be responsible to the payor, credit card processor, Customer, or any other third parties for the amount of any overpayment with such responsibility for overpayment amounts remaining solely that of the Customer.
- (vii) In addition to the obligations described in items (i) through (vi) above, Valant shall perform all other Services identified in Section 1.1 above.
- (viii) Valant shall maintain and comply at all times with a compliance plan for the Services that is consistent with the standards in the U.S. Department of Health and Human Services Office of Inspector General's Compliance Program Guidance for Third-Party Medical Billing Companies, and shall notify Customer promptly if any person employed by, contracted with, leased by or otherwise affiliated with Valant is listed by the U.S. Department of Health and Human Services' Office of Inspector General's List of Excluded Individuals/Entities.

1.5 **Standard.** Valant shall perform its duties and responsibilities hereunder in good faith, with reasonable care and in a professionally responsible manner, and in accordance with applicable statutory and regulatory requirements and industry standards. Notwithstanding any language to the contrary, Valant shall not be liable to Customer for the failure to achieve or obtain a desired aim or result.

1.6 **Exclusive Service Provider.** For the Services identified above, Valant shall be the exclusive provider of such Services to Customer during the Term specified on the Order Form, unless otherwise agreed in writing by Valant.

1.7 **Appointment.** Customer hereby appoints Valant as its agent for the Services described above, and Customer shall execute such documents and instruments as Valant may reasonably request from time to time to evidence the authority of Valant as Customer's agent for the above-referenced Services. Customer agrees that such appointment hereby authorizes Valant to receive and open Customer's billing related correspondence, and to receive and endorse in the name of Customer all checks, money orders, and other financial instruments received by or on behalf of Customer in connection with patient payments or reimbursements.

1.8 **Collections.** As described above, bad debt and collection services are out of scope and not included in the Services being purchased by Customer. In respect of patient accounts that are past due beyond a due date established by Customer and confirmed with Valant, Valant shall turn over the collection responsibilities for such accounts to Customer for Customer's sole responsibility.

1.9 **Customer Responsibilities.** In addition to the Customer responsibilities set forth in the Addendum, Order Form and Agreement, Customer shall: (i) submit to Valant, on a timely basis, complete and accurate charge slips, claims, or encounter reports specifically identifying services rendered by Customer and its providers, service and diagnosis codes in a form and substance as required by payors; (ii) ensure that all processed claims are signed on a timely basis in accordance with third-party payor guidelines; (iii) provide Valant with copies of Customer's payor agreements, credit card processing agreements, and all other documents required for credentialing or as otherwise required by Valant to perform the Services; (iv) verify patient insurance eligibility and benefits (to the extent not performed by Valant); (v) collect payments from patients representing patient responsibility amounts at the time of the patient encounter (e.g., copays, coinsurance, deductibles, and self-pay); (vi) deposit patient payments received by the Customer into Customer's bank account (as further described in Section 3 below); (vii) communicate directly with patients regarding patient financial responsibility; (viii) respond to patient requests for customer service; (ix) be responsible for the functions identified in Section 1.2 above as out of scope; and (x) assist Valant with all necessary steps for Valant to perform the Services.

1.10 **Customer Billing Policies.** Valant shall conduct the Services in accordance with the billing policies of Customer except to the extent (i) Valant and Customer agree that Valant should do otherwise, or (ii) such Customer policies are not in compliance with applicable laws and regulations. Valant shall also propose policy standards for billing activities where a need for change in Customer's policies is perceived by Valant. Notwithstanding any language to the contrary, Customer is responsible for ensuring that Customer's billing policies comply with applicable laws and regulations.

1.11 **Coding.** Customer or Customer's third party coding agent shall be responsible for all coding and modifiers, as applicable (collectively, "**Coding**"), to be included in applicable claims being submitted on behalf of Customer for the reimbursement of charges for patient services rendered by the Customer. Customer shall cause its providers to participate in training as necessary to ensure the Customer's providers are Coding in accordance with payor requirements and applicable laws. **Notwithstanding any language to the contrary, Customer acknowledges and agrees that Valant is relying on Customer or Customer's third party coding agent to ensure that all coding is**

accurate and complies with applicable law and regulations and shall not be responsible for errors or overpayments resulting from incorrect Coding by Customer or Customer's third party coding agent; moreover, Customer agrees that Valant shall have no liability whatsoever for any fines, fees, costs, expenses, damages, or other amounts attributable to the coding conducted by Customer or Customer's third party coding agent and/or claims submitted on behalf of Customer based upon such coding.

2.0 Billing Systems; Valant System.

2.1 Valant System. Customer acknowledges that the Services are being made available only to Valant's customers under contract with Valant for the Valant System (i.e., the Valant electronic health record system customers) and agrees, at Customer's cost and expense, to maintain such Valant System contract during the term of this Addendum and the Services performance period as reflected on the Order Form; moreover, Customer understands the following Valant System functions are a condition precedent to receiving the Services and agrees to utilize the following Valant System functions during the Service performance period: (i) integrated credit card processing; (ii) patient reminders; and (iii) the MYIO patient portal. Customer further understands and agrees that any costs or expenses incurred by Customer in respect of any need to transition from a third party electronic health record system to the Valant System are the sole responsibilities of Customer.

2.2 Billing System. Customer is responsible for acquiring and maintaining, at Customer's expense, management information, billing, accounting and reporting system hardware, software and related technology (collectively, the "**Billing System**") necessary in order for Valant to provide the Services to Customer as provided in this Addendum and the Order Form. In respect of the foregoing, Customer shall procure such Billing System in accordance with Section 2.1 above and with the further understanding that any Billing System components may be procured from third party sources only to the extent such components are not otherwise available through Valant.

3.0 Receivables; Lockbox Deposits.

3.1 Receivables. As used in this Addendum, payments due from Customer's patients and claims reimbursements due from applicable payors shall be collectively referred to as the "**Receivables**".

3.2 Patient Payments; Lockbox Account. Unless otherwise agreed in writing by Customer and Valant, Customer shall direct its patients that mail in payments to send payments to Customer's bank lockbox for deposit into Customer's bank account (the "**Lockbox Account**"). Valant's Services shall include support to Customer in connection with such Customer notification and to assist Customer with setting up the necessary lockbox service to support such process as reasonably required. Authorized signers on the Lockbox Account shall be designated by Customer. Valant will have no ownership rights in the Lockbox Account, nor shall Valant have authority to negotiate or assert ownership rights in such Receivables. In respect of payments from Customer's patients that are hand delivered to Customer or otherwise received by Customer, it is the responsibility of Customer to deposit such payments into Customer's bank account daily. Customer shall also direct its credit card processors to deposit electronic funds transfers ("**EFT**") or other form of remittance directly to Customer's bank account. Customer shall provide Valant with a daily report of such bank account deposits together with the applicable patient account information as needed for Valant to perform related reporting and account posting Services.

3.3 Payor Claims Reimbursements. Customer, with support from Valant's Services as needed from time to time, will enroll with its payors to receive claim reimbursement via EFT together with the applicable electronic remittance advice ("ERA"). Customer shall provide Valant with copies of such ERA on a daily basis together with other information as requested by Valant in respect of such payor claims reimbursements to support Valant's performance of the Services.

4. Fees.

4.1 Service Fees.

(i) Customer shall pay Valant the fees (the "**Fees**") for the Services as specified in the Order Form and this Addendum. In respect of the Services in the Order Form and this Addendum identified as being included in the base Services Fee ("Base Services Fee"), Customer shall pay Valant an amount on a monthly basis equal to (i) a percentage (as specified in the Order Form) of net monthly collections actually received, reduced by refunds and returns paid, as determined by Valant and in accordance with Section 4.3 below, or (ii) a fixed monthly minimum recurring rate (as specified in the Order Form). Customer will be billed at the greater of the percentage of net monthly collections or the fixed monthly minimum rate as determined monthly by Valant. In regard to option (i), the cash basis method of accounting shall be used to compute net monthly collection for the purpose of determining the amount of the Fees.

(ii) An initial set-up fee shall be charged on a per provider basis for certain Services as identified in the Order Form and this Addendum.

(iii) For payor related provider enrollment Services, Customer shall pay Valant on a per provider per insurance panel basis as indicated in the Order Form and this Addendum.

(iv) For eligibility and benefit check Services, Customer shall pay Valant on a per check basis as indicated in the Order Form and this Addendum.

4.2 Invoices. Valant shall provide Customer with a monthly invoice that shall be due and payable immediately upon receipt of an invoice. If the Fees are not timely paid, in whole or in part, interest shall accrue on the unpaid balance at the lesser of (i) one and one-half percent (1.5%) per month, or (ii) the highest rate permitted by applicable law. Customer shall pay all applicable taxes, including sales and use tax, payable in respect of the goods and services provided under this Agreement and any penalties or interest owing on those taxes. In addition, Customer shall reimburse Valant for all reasonable costs and expenses (including attorneys' fees) incurred by Valant if, in Valant's reasonable judgement it becomes necessary to collect any amounts owed by Customer.

4.3 Adjustments related to Customer Overpayments. The Parties acknowledge and agree that the net monthly calculation described in Section 4.1 above may include Customer refund or repayment obligations arising out of an overpayment determination that was made in such month. It is agreed that any such Customer overpayment obligation shall impact the Fees owed to Valant in the month such overpayment obligation is determined and shall not result in a retroactive adjustment to prior Fees paid to Valant that may otherwise have been calculated at the time of such overpayment.

4.4 Fair Market Value. The Parties agree that the Fees and other terms of this Addendum have been determined through good faith and arm's-length bargaining and are intended to be consistent

with fair market value of the Services to be provided by Valant pursuant to this Agreement. No amount paid or Service provided hereunder is intended to be, nor shall it be construed to be, an inducement or payment for the referral of, or recommending the referral of patients by Valant or its affiliates to the Customer. The Parties acknowledge that the Fee does not include any discount, rebate, kickback, or other reduction in charge in exchange for or in order to induce any referrals between the Parties.

5. Term and Termination.

5.1 **Term.** The term of this Addendum (the “**Term**”) shall commence on the Effective Date and shall continue until such as the period set forth on the Order Form as expired or has otherwise been terminated in accordance with the terms of the Agreement and this Addendum as applicable.

5.2 **Termination.** The Parties shall have the respective right to terminate the Order Form and this Addendum in accordance with the terms and conditions regarding termination as set forth in the Agreement.

6. Option to Bill and Collect Accounts.

6.1 **Transition Period.** Upon the expiration or termination of the Services, in accordance with the Order Form and this Addendum, Valant shall have the option, exercisable upon written notice to Customer, to bill and collect all Customer charges having dates of service prior to the effective date of such expiration or termination, and shall be entitled to the Fees with respect thereto, as provided in this Addendum and the Order Form; provided, however, that in no event shall this option extend for more than one hundred twenty (120) days beyond the effective date of termination. Upon expiration of such one hundred twenty (120) day period, Valant shall transfer any data relating to remaining uncollected Customer accounts to Customer via hard copy or electronic media. Customer agrees to pay all compensation due to Valant under this Addendum and the Order Form on a timely basis, and Valant agrees to cooperate with any new billing agents during transition.

7. Confidentiality; HIPAA Compliance.

7.1 **Nondisclosure.** The terms and conditions in the Agreement pertaining to confidentiality and nondisclosure shall apply to the performance of the Services.

7.2 **HIPAA.** Valant and Customer recognize that in Valant’s performance of the Services, Valant and its subcontractors, employees, affiliates, agents, or representatives may have reason to access electronic medical records and other patient information and protected health information maintained by Customer. In doing so, Valant acknowledges and agrees that it is a “business associate” as defined by the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”) and, as such it shall comply with the terms and conditions of that certain Business Associate Agreement entered into in connection with the Agreement.

8. Warranty and Disclaimer.

8.1 **Limited Warranty.** Valant warrants that the Services will be performed in a professional and workmanlike manner. CUSTOMER’S EXCLUSIVE REMEDY, AND VALANT’S SOLE OBLIGATION, FOR BREACH OF WARRANTY SHALL BE, AT

VALANT'S OPTION, TO USE COMMERCIALY REASONABLE EFFORTS TO REPERFORM THE NON-CONFORMING SERVICE OR TO PROVIDE CUSTOMER WITH A PRORATED REFUND IN THE FORM OF A CREDIT.

8.2 DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN THIS ADDENDUM, THE SERVICES ARE PROVIDED STRICTLY ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT ANY GUARANTEES AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AND VALANT EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. VALANT EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY INCORRECTLY ENTERED OR INPUT CUSTOMER DATA OR ANY INACCURATE INFORMATION PROVIDED BY CUSTOMER.

9. Indemnification.

9.1 Customer Indemnification. Customer hereby agrees to indemnify, defend, and hold harmless Valant, its affiliates and their respective officers, directors, employees and agents (individually and/or collectively the “Valant Indemnitees”), from and against any and all third party claims, demands, actions, damages, costs, judgements and other expenses to the extent arising out of or otherwise related to (i) the improper, inaccurate, incomplete and/or unlawful Coding by Customer or its personnel or contractors, (ii) any grossly negligent or malicious act or omission by Customer or its personnel or contractors, (iii) failure by Customer to obtain any required consents or other authorizations as necessary for Valant to provide the Services or as otherwise required under applicable law, (iv) Customer’s breach of its material obligations under the Addendum and/or Order Form, and/or (v) Customer’s failure to comply with all applicable federal and state laws.

10. Storage and Storage Costs.

10.1 Billing Records. Customer shall be solely responsible for storage of all records relating to its patient services and to the billings and collections for such services, at its cost. Customer acknowledges that the Services do not include record archival services.

11. Data and Intellectual Property.

11.1 Intellectual Property. Ownership of all intellectual property rights in the Services shall remain solely vested in Valant or its third-party licensors, as applicable. The terms and conditions set forth in the Agreement pertaining to intellectual property and data rights shall apply to this Addendum and the performance of the Services, except as otherwise set forth in this Addendum, and are incorporated by reference.

11.2 Data. References in the Agreement to “De-Identified Data” shall also include all data obtained or accessed by Valant in connection with the performance of the Services that has been de-identified by Valant and may include, by way of illustration and not limitation, fee schedules.

12. Addendum Updates.

12.1 Updates. Customer acknowledges that Valant shall have the right to update the terms and

conditions set forth in this Addendum from time to time. Valant shall notify Customer in advance of the effective date of such updates and Customer shall have the right to notify Valant in writing of its objection to such updates and decision to terminate the Services with such termination date being the effective date of the updated Addendum. In the event Customer fails to notify Valant of its election to terminate by the effective date of such updated Addendum, Customer shall be deemed to have accepted the updated Addendum terms and conditions.

13. Valant Master Services Agreement.

13.1 Agreement; Controlling. The Agreement is incorporated by reference with the terms set forth therein applying to the performance of the Services, as supplemented by this Addendum, to the extent applicable. In the event of any conflict between the terms and conditions of this Addendum and the terms and conditions of the Agreement, the terms and conditions of the Addendum shall control in respect of the subject matter of the Order Form and this Addendum.

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