

AAMC Resident Rotation Uniform Agreement

Frequently Asked Questions

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A. Purpose

1. Where did the AAMC Residency Rotation Uniform Terms and Conditions originate?

The Association of American Medical Colleges (AAMC, or “we”) heard from many of our member institutions about the need to make the approval process for resident rotations easier. With help from AAMC member teaching hospitals and with extensive consultation with attorney members of the American Health Lawyers Association and others, we developed the Uniform Terms and Conditions. We incorporated language from templates and models from various universities and hospitals into the agreement.

2. What is the advantage of using the Uniform Terms and Conditions?

A set of uniform terms and conditions provides consistency and standardized expectations for both parties and can be incorporated into the Program Letter of Agreement (or other agreement) between the parties. (For ACGME-accredited programs, the Program Letter of Agreement will continue to be signed by the parties, and can be modified to incorporate the Uniform Terms and Conditions.) It should make the process easier for everyone and thus should save time and money.

3. Are the Uniform Terms and Conditions intended to supplant our long-standing and comprehensive affiliation agreement that covers many aspects of our relationship beyond residency rotations?

No, the Uniform Terms and Conditions are intended to address only a “battle of the forms” related to residency rotations, one that was delaying some rotations and otherwise taking up scarce time among program administrators and counsel. If closely-affiliated institutions have worked through residency rotations and are not experiencing the “battle of the forms,” they may have no need to adopt our approach. But any institution is free to adopt all or part of the Uniform Terms and Conditions as it deems appropriate.

4. Are we required to use the Uniform Terms and Conditions?

No, the Uniform Terms and Conditions were developed by the AAMC to help streamline the residency rotation process by using a common approach to basic legal issues. Use is completely voluntary.

5. Aren't you concerned that program administrators will be put off by the eight-page uniform terms and conditions?

Our hope is that program administrators, working with counsel, will find it useful to have a common set of legal terms that don't need to be re-negotiated for each residency rotation, and they will see the uniform terms and conditions as a benefit rather than a burden.

B. Specific Provisions of the Uniform Terms and Conditions

1. Can you provide a list of what is covered in the Uniform Terms and Conditions?

A. Responsibilities of Sponsoring Institution

1. Administration of Residency Program
2. Designation of Residents
3. Program Policies, Rules and Regulations
4. Responsibility for Residents
5. Resident Salaries and Benefits
6. Immunizations
7. Criminal Background Checks
8. Licensure
9. Availability of Mental Health Resources
10. Change in Program Accreditation Status

B. Responsibilities of Participating Site

1. Site Director
2. Participating Site Program Faculty Changes
3. Cooperation with Accreditation
4. Access to Resources
5. Resident Supervision
6. Resident Evaluation
7. Resident Removal from Participation
8. Supervision and Limitation of Resident's Authority
9. License and Accreditation
10. Emergency Medical Treatment

C. Financial Arrangements (Financial Arrangements between the parties, if any, are set forth in the Program Letter of Agreement)

- D. Insurance
- E. Term and Termination
- F. Independent Contractors
- G. Confidentiality & Health Insurance Portability and Accountability Act
- H. Compliance with Applicable Laws, Rules and Regulations
- I. Assignment
- J. Governmental Immunity
- K. No Exclusion from Federal Healthcare Programs
- L. Choice of Law
- M. No Third Party Beneficiary
- O. Notices
- P. Severability

2. The Uniform Terms and Conditions provide for the Participating Site to take on many functions in the support and supervision of residents. Does this mean the Sponsoring Institution is relieved of responsibility for those functions?

No, the Sponsoring Institution assumes and retains responsibility for the overall administration of the Program, including supporting and supervising residents.

3. Why don't the Uniform Terms and Conditions include choice of law and indemnification provisions?

We consulted with many attorneys representing both hospitals and medical schools as we developed the uniform terms and conditions. Because choice of law and indemnification provisions are non-negotiable for a number of schools and hospitals, including State institutions, and because the common law provides a resolution to those issues should they ever arise, we chose to omit them. To put an end to the “battle of the forms,” the uniform terms and conditions include what we believe will be acceptable to many institutions.

4. The Uniform Terms and Conditions provide for the Sponsoring Institution to conduct a criminal background check on each resident before the start of a rotation. What if a Participating Site wants to see any “positive” results?

The Uniform Terms and Conditions provide that a Sponsoring Institution may assign only residents who it has determined are qualified and meet all educational, clinical, and ethical standards of the Sponsor Institution. If a site wants to receive specific findings in a background check, that is an additional step that would need to be included in a Program Letter of Agreement.

5. Why don't the Uniform Terms and Conditions specify requirements relating to drug testing?

The Uniform Terms and Conditions provide that residents shall be required to comply with the policies of both the Sponsor and the participating site, with the expectation that the parties will separately communicate requirements relating to drug testing.

6. If residents may rotate at our site without being required to obtain a license, how should we memorialize that in our agreements?

The Uniform Terms and Conditions provide for residents to be licensed “or otherwise authorized” to engage in the practice of medicine in the participating site’s jurisdiction. The Program Letter of Agreement would be an appropriate place to memorialize the basis for the alternative authority.

7. What do the Uniform Terms and Conditions require regarding the availability of mental health resources for residents?

The Uniform Terms and Conditions provide that the Sponsoring Institution and the Participating Site must cooperate in providing access to confidential, affordable, and 24/7 mental health services.

8. What if a participating site does not have the capability itself to provide mental health resources on a 24/7 basis?

This provision tracks ACGME program requirements which provide that each residency program, in partnership with its Sponsoring Institution, must “provide access” to mental health services on a 24/7 basis.

C. Using the Uniform Terms and Conditions

1. Is adding my institution’s name to the AAMC Registry sufficient to effectuate the AAMC Resident Rotation Uniform Terms and Conditions?

By itself, simply asking to be listed on the AAMC Registry would not implement the Uniform Terms and Conditions. You can effectuate the Uniform Terms and Conditions by executing a separate Program Letter of Agreement, signed by the sponsor and the participating site, which incorporates the terms and conditions by reference.

2. We have many clinical training affiliations. Some agreements expire next year, some in several years. It is too much work to track them all down and replace them. Can we leave these in place and just use the Uniform Terms and Conditions as new agreements are needed?

Yes. We understand that it may take some time to cycle through all the existing agreements. We hope that the AAMC Uniform Terms and Conditions will assist you in a smooth and speedy renegotiation of your clinical training affiliation relationships.

3. A large number of our residents complete elective rotations at VA or other Government facilities. How well do the Uniform Terms and Conditions track the agreements now used in Government facilities?

There are unique conditions that attach to graduate medical training at Government facilities (e.g., Federal Tort Claims Act coverage for residents). For that reason, while it might be helpful to use the Uniform Terms and Conditions to streamline negotiations relating to a residency rotation, we are uncertain whether it is feasible to incorporate them by reference into agreements involving Government facilities.

4. Can the Uniform Terms and Conditions be adapted for other health professional programs like nursing or physical therapy?

Yes. While the Uniform Terms and Conditions were drafted for medical resident clinical training -- which means they are designed to meet medical residency accreditation standards -- we are supportive of their adaptation for other health professional programs. For that reason, the term “Program Letter of Agreement,” which is used for ACGME-accredited programs, may be modified to the particular programmatic setting.

D. Using the Program Letter of Agreement

1. What if a term not included in the Uniform Terms and Conditions is something that is so important to our institution (or to our General Counsel) that we can’t proceed without including?

We have anticipated the need for you to include additional terms or terms at variance with ones in the AAMC’s uniform set. (For ACGME-accredited programs, Section 7 of the Program Letter of Agreement is where you would insert such terms.)

2. Our state attorney general has told us we need to have certain “boilerplate” language in all of our agreements. How should we handle differences between our boilerplate language and the Uniform Terms and Conditions?

If you incorporate boilerplate provisions into the Program Letter of Agreement, we have included language in the Uniform Terms and Conditions stating that any conflicts between the Uniform Terms and Conditions and the Program Letter of Agreement are to be interpreted in favor of the Program Letter of Agreement.

3. We are a state university with favorable governmental immunity laws that apply when our residents do clinical rotations at hospitals within our state. We don’t carry the levels of insurance provided for in the Uniform Terms and Conditions. Can we still use them?

Yes. Because many state institutions have some form of governmental immunity, the Uniform Terms and Conditions are designed to respect those laws when applicable. We also

recognize that certain institutions have state law or institutional policies that might conflict with an aspect of the Uniform Terms and Conditions. The Program Letter of Agreement may be customized for a state institution to specify if it has different or additional provisions that must be included.

4. We are a Sponsoring Institution, but our residents are employed by another organization. How should we handle this?

You can identify the additional organization and define its role or relationship to the residents in the separate Program Letter of Agreement signed by the parties. For example, you could define Sponsor to mean the organization signing the Program Letter of Agreement and any entity acting on its behalf for purposes of carrying out all or part of the agreement.

5. If we require supervising attending physicians to maintain faculty appointments at the Sponsoring Institution, can we memorialize that in the Program Letter of Agreement?

Yes, you may insert that type of requirement in Section 7 of the Program Letter of Agreement.

6. The Uniform Terms and Conditions provide for the Sponsor to provide professional liability insurance or a program of self-insurance for its residents with limits of at least \$1M per occurrence and \$3M in annual aggregate. What if my state law or our institution as a risk management policy has different requirements?

We drafted the Uniform Terms and Conditions to meet the needs of the vast majority of institutions. However, we also recognize that there are unique state law requirements or institution-specific requirements that fall outside of the norm. For that reason, the Program Letter of Agreement may be modified so that those institutions that are subject to unique state law or institution-specific requirements can modify or add terms.

7. Is the Program Letter of Agreement an appropriate vehicle for memorializing an agreement between the parties as to which entity may claim a resident on an IRIS report for purposes of CMS reimbursement?

You should consult institutional counsel on that question, as eligibility for Medicare reimbursement is determined by the facts and circumstances of the specific program's structure and operation.

E. General Definitions

1. Does the term “resident physician” also include fellows and interns?

Yes, the Uniform Terms and Conditions define resident physicians to include fellows and interns.

2. The Uniform Terms and Conditions provide that Participating Site faculty identified in the Program Letter of Agreement are responsible for resident training during rotations at the site. How is “faculty” defined?

The term “faculty” is defined to include any individual who has received a formal assignment to teach resident/fellow physicians.