Contract Body: Termination Rights | Assignment of Agreement or Obligations | Business Associate Agreement | Publicity | Payment



Virtual First Medical Practice Collaboration Hosted by the Digital Medicine Society (DiMe) and the American Telemedicine Association (ATA), IMPACT is a pre-competitive collaboration of leading digital health companies, investors, payers, and consultants dedicated to supporting virtual first care (V1C) organizations and their commitment to patient-centric care.

Language matters. Terms used throughout this resource are defined in the <u>Glossary of Terms</u>.

# **Contract Body: Payment**

This section provides the basic term governing how payment will occur between the two parties. A <u>Guide to V1C Payment Models</u> has been developed as a resource to support V1C companies and payers in determining the best fit payment model for their relationship.

## V1C CONSIDERATION: Payment

- A V1C service is a provider and should be <u>compensated at a fair payment rate</u> for the services performed that also takes into consideration the ongoing investment necessary to ensure these virtual first platforms are continuously maintained, seamlessly updated, and services can continue to expand as needed.
  - Claims are the preferred mechanism of billing for whatever payment model will be used, enabling claims data to be used in analysis and tracked explicitly.
  - There are some exceptions to the use of claims where invoicing will be necessary (e.g. if contract starts mid plan year).
- In setting payment timelines, payers should be mindful of V1C provider cash flow needs, and should adhere to industry best practices of terms that are payable net 30 (ideal) or net 45-60 (acceptable).

The following sections in the contract body should not deviate significantly from the approach taken when negotiating an agreement with a brick-and mortar provider and so are not covered here:

- Provider Rights and Obligations
- Payer Rights & Obligations
- Liability Indemnification & Risk
- Effective Date
- Applicable State & Local Laws

- This Agreement Supercedes All Prior Agreements
- Force Majeure •
- Disclaimer of Waiver of Performance •
- Unenforceable Parts of the Agreement (Severability) •
- Confidential Information (related to information exchanged about the two parties and businesses themselves. Information exchanged in the specific project the two parties will do together, including data sharing, is handled separately and in <u>Contract Exhibit: Data</u>)

### QUICK LINKS: GUIDE TO PAYER - VIRTUAL FIRST CARE (V1C) CONTRACTING

<u>Glossary of Terms</u>

- Payment

- Payer-V1C ContractContract BodyContract ExhibitsPayer-V1C Contract• Termination Rights• DataFundamentals• Assignment of Agreement<br/>or Obligations• Subcontractors<br/>• Credentialing/Certification &<br/>LicensesHow To Use The Guide to<br/>Payer-V1C Contracting• Business Associate<br/>Agreement<br/>• Publicity• Licenses<br/>• AuditsGlossary of Terms• Publicity• Audits

  - <u>Publication Rights</u>
    <u>Statement of Work</u>

