Zollege Clinical Partner Terms

Version 1.0 · Effective September 2, 2026 · Texas Nurse Aide Training and Competency Evaluation Program (NATCEP) Clinical Sites

Version 1.0
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Regulatory baseline: 26 Tex. Admin. Code Ch. 556, as amended effective July 30, 2026.

Authority labels used throughout: [Rule] = binding regulation; [Statute] = binding statute; [Guidance] = HHSC or federal policy, persuasive only; [Policy] = Zollege risk policy, not legally compelled; [Contract] = obligation created by agreement only; [Reference] = non-binding analogy.

In plain English

These Terms are the operating manual behind the Clinical Site Participation Agreement you signed. They spell out how Zollege runs Texas nurse aide training (NATCEP) clinical rotations at your site: who supervises trainees and when a licensed nurse must be available; what Zollege screens before a trainee ever sets foot in your building; how rotations get scheduled, cancelled, and made up; what records each side keeps; the insurance each side carries; how patient privacy (HIPAA) and student-record privacy (FERPA) are handled; what happens after a needlestick, injury, or suspected abuse; how either side can pause or exit; and how disputes get escalated before anyone files suit. **Where these Terms conflict with the Participation Agreement, the Agreement controls.** Indemnification, limitation of liability, the governmental-entity alternative, governing law, venue, and the jury waiver are **not** in these Terms — they are in the signed Agreement.

Relationship to the Participation Agreement

These Terms are incorporated by reference into the Clinical Site Participation Agreement (the "Agreement") between Zollege ("School") and the facility identified in the Agreement ("Facility"). Where these Terms conflict with the Participation Agreement, the Agreement controls, except that a provision of these Terms required by applicable law controls to the extent of that requirement. The version of these Terms in effect on the Effective Date of the Agreement governs for the entire Term; new versions bind an executed Agreement only as the Agreement provides (next Renewal Term, ≥60 days' notice with link and redline, and no written objection by Facility). Cross-references are written as "**Terms §X**" and "**Agreement §X**" so it is always clear which document to read.

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1. Definitions

1.1 "Act" means the Omnibus Budget Reconciliation Act of 1987 provisions codified at §§1819 and 1919 of the Social Security Act, as referenced in 26 TAC Ch. 556.

1.2 "Business Day" means any day other than a Saturday, Sunday, or day on which Texas state offices are closed.

1.3 "Clinical Site" means the physical location(s) of Facility identified in the **Agreement (Facility Information)** and detailed in **Schedule 6**, which School will identify (or has identified) on its NATCEP application to HHSC; once HHSC approval issues, the term refers to that location as identified in both the Agreement and the approved application. Between execution and approval, the Agreement's identification alone controls, so that Terms §7.1(b), §16.1, and §16.2 operate before approval.

1.4 "Facility Liaison" means the single individual designated by Facility in the **Agreement (Facility Information)** as its primary operational contact. This term replaces and supersedes the terms "designated liaison," "Facility's designated liaison," "clinical liaison," and "Facility contact" wherever they may appear.

1.5 "Form 5497" means HHSC Form 5497-NATCEP, Texas Nurse Aide Performance Record.

1.6 "HHSC" means the Texas Health and Human Services Commission, including its Long-Term Care Regulation division and any successor agency.

1.7 "NAR" means the Texas Nurse Aide Registry.

1.8 "PHI" means Protected Health Information as defined at 45 C.F.R. §160.103.

1.9 "Program Director" means the individual approved by HHSC as School's NATCEP program director under 26 TAC §556.5(b) and §556.5(e).

1.10 "Program Instructor" means an individual meeting 26 TAC §556.5(c) who conducts classroom and clinical training under the general supervision of the Program Director (§556.5(f)).

1.11 "Rotation" means a scheduled block of clinical training hours for an identified cohort of Trainees at the Clinical Site.

1.12 "School Clinical Coordinator" means the single individual designated by School in **Schedule 7** as its primary operational contact. This term replaces "clinical coordinator" and "School's designated coordinator" wherever they may appear.

1.13 "SEMARC" means the Search Engine for Multi-Agency Reportable Conduct established under Tex. Health & Safety Code Ch. 810, the search required by 26 TAC §556.3(v)(2) effective July 30, 2026.

1.14 "Supplemental Trainer" means an individual described in 26 TAC §556.5(g) and 42 C.F.R. §483.152(a)(5)(iv).

1.15 "Term" means the Initial Term stated in the Agreement (Key Terms) and Terms §15.1, together with any Renewal Term then in effect, continuing until the Agreement terminates or expires under Terms §15.

1.16 "Trainee" means an individual enrolled in School's NATCEP and placed or scheduled for placement at the Clinical Site.

1.17 Incorporation of Schedules. Schedules 1 through 7 are incorporated into and made a part of these Terms by reference and are binding on the Parties to the same extent as the numbered sections, **except that Schedule 4 is a checklist of required elements for a business associate agreement to be executed if Terms §11.3 is triggered and is not itself an operative agreement**. In the event of a conflict between these Terms and a Schedule, these Terms control, except that Schedule 6's operational data (units, schedules, capacity, blackout dates) controls as to those facts. Exhibits to the Agreement (including Exhibit I and Exhibit T) are incorporated into the Agreement, not into these Terms; **Exhibit I is a determination worksheet and counsel-review record and is not itself a certification or verification — any statutory verification whose trigger Exhibit I shows as met is executed as Agreement §B.5 provides and is binding once executed.**

1.18 "School Compliance" means School's compliance function, acting through School's Director of Compliance (the School notice addressee in the Agreement) or that person's written designee. References to "Compliance," "School Compliance," or the "School Director of Compliance" in these Terms and their Schedules are to this function.

1.19 Interpretation. "Including" means "including without limitation." Section headings are for convenience only. References to a statute or rule mean that authority as in effect on the date the obligation is performed, subject to Terms §25.5.

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2. Program Structure and Regulatory Framework

2.0 Regulatory framework and non-incorporation. Texas requires 100 total training hours, consisting of 60 hours of classroom training and 40 hours of clinical training with at least one program instructor for every 10 trainees (26 TAC §556.3(o)) [Rule], exceeding the federal floor of 75 clock hours including at least 16 hours of supervised practical training (42 C.F.R. §483.152(a)(1), (a)(3)) [Rule]. A NATCEP application must identify one or more facilities used as clinical sites, and each clinical site must have all necessary equipment needed to practice and perform skills training (26 TAC §556.3(d); see also §556.4 (filing and processing)) [Rule]. **The Parties acknowledge that 26 TAC Chapter 556 does not itself mandate a written clinical affiliation agreement; the Agreement and these Terms are contractual and evidentiary in nature.** The Parties have consulted, **for reference only**, the Texas Board of Nursing standard for professional-nursing clinical learning experiences at 22 Tex. Admin. Code §215.10 [Reference], which by its terms governs Board-approved RN and LVN programs and **does not** govern NATCEPs. **No provision of 22 TAC §215.10 is incorporated into the Agreement or these Terms, and neither Party's compliance will be measured against 22 TAC §215.10.** Where these Terms adopt a §215.10-like structure (both Parties' responsibilities in Terms §§7–8; periodic review in Terms §15.8; withdrawal of participation in Terms §15.7), they do so as a matter of contract, not regulatory obligation.

2.1 Grant of access. Facility grants School, its Program Director, Program Instructors, Supplemental Trainers, and Trainees non-exclusive access to designated areas of the Clinical Site solely for the purpose of conducting some or all of the clinical training hours of School's NATCEP under an approved Rotation schedule.

2.2 Non-employment. Trainees at Facility are learners. Trainees are not employees of School or of Facility for purposes of wage, benefit, or employment law, except as stated in Terms §18.3. Ultimate responsibility for all resident/patient care remains with Facility at all times. **Nothing in this §2.2 limits, qualifies, or reduces School's indemnity obligations under Agreement §A.1–§A.2; Agreement §A.2 expressly makes School responsible for the acts and omissions of Trainees.**

2.3 Non-exclusivity. Nothing in the Agreement obligates Facility to accept any specific Trainee, and nothing obligates School to place Trainees at Facility exclusively.

2.4 Conditional effectiveness. The Agreement is subject in all respects to Terms §16 (Regulatory Conditions Precedent and Stop-Work).

2.5 Hours. School will deliver the 100 total training hours required by 26 TAC §556.3(o) [Rule], consisting of:

(a) 60 hours of classroom training, either taught by School in person or virtually (§556.3(o)(1)(A)) or completed by the Trainee through HHSC's computer-based training ("**CBT**") within the preceding 12 months (§556.3(o)(1)(B)); and

(b) 40 hours of clinical training with at least one Program Instructor for every 10 Trainees (§556.3(o)(2)).

The Texas 100/60/40 structure is a **state** requirement. The federal floor is 75 clock hours including at least 16 hours of supervised practical training (42 C.F.R. §483.152(a)(1), (a)(3)); Texas exceeds it.

2.6 Curriculum content. School will teach the curriculum established by HHSC and described in 42 C.F.R. §483.152, as required by 26 TAC §556.3(q) [Rule].

2.7 Introductory prerequisites. No Trainee will have direct contact with a resident or patient at the Clinical Site until the Trainee has completed either:

(a) at least the 16 introductory hours of classroom training listed in §556.3(q)(1)–(11) **and** the 8 hours of infection-control and PPE training required by §556.3(u); or

(b) HHSC's 60-hour CBT, proof of which School must accept in lieu of (a) under §556.3(r). School acknowledges that failure to accept valid CBT proof may subject its NATCEP to withdrawal of approval under §556.8 (§556.3(s)).

2.8 No unapproved content or hours. The Parties acknowledge that HHSC approval of a NATCEP applies **only** to the required curriculum and hours, and HHSC does not approve additional content or hours (26 TAC §556.3(dd)) [Rule]. Neither Party will represent that any supplemental orientation, in-service, or Facility-specific content is HHSC-approved NATCEP content. Facility acknowledges that a new-employee or trainee orientation given by a nursing facility to a nurse aide employed by the facility does not constitute part of a NATCEP (§556.3(ee)) [Rule] and therefore does not count toward the 100 hours.

2.9 Competency evaluation. The "CE" in NATCEP is the competency evaluation required by 42 C.F.R. §483.154 [Rule]. School is solely responsible for coordinating Trainees' competency evaluations with HHSC's

contracted competency-evaluation vendor (as of the Effective Date, Prometric) [Guidance — HHSC procures this service by contract and has solicited it publicly; verify the current vendor before each cohort], including:

(a) determining, through the Program Director, whether each Trainee has passed both the classroom and clinical portions of the NATCEP (26 TAC §556.5(e)(3)(D)) [Rule];

(b) having the Program Director sign each Trainee's competency evaluation application (§556.5(e)(3)(E)) and, where the Trainee tests with a different program, a certificate or letter of completion stating the completion date, total hours, and official NATCEP name and number on file with HHSC (§556.5(e)(3)(F));

(c) assisting Trainees with registration and scheduling; and

(d) if the competency evaluation is to be administered at the Clinical Site, obtaining Facility's prior written consent (which may be given in **Schedule 6**), and confirming that the skills examiner is HHSC-approved and **was not** the Program Director, Program Instructor, or a Supplemental Trainer for the Trainee being examined (26 TAC §556.5(h)(1), (h)(2)(E)) [Rule].

Facility has no obligation to host competency evaluations absent its written consent, and no fee is payable by either Party under this §2.9 (see Terms §24).

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3. Permitted Services and Setting

3.1 Clinical training will be conducted only in areas of the Clinical Site, and only for services, that Facility is authorized to provide under its applicable Texas Health and Safety Code chapter, in accordance with 26 TAC §556.3(h)–(k) [Rule]:

Site type	Scope limit	Rule
Nursing facility (Ch. 242)	Full NATCEP clinical scope	§556.3(d), (o)(2)
Assisted living facility	Only services authorized under Tex. H&S Code Ch. 247	§556.3(h)
ICF-IID	Only services authorized under Tex. H&S Code Ch. 252	§556.3(i)
Hospice inpatient unit	Only services authorized under Tex. H&S Code Ch. 142	§556.3(j)
General or special hospital	Only services authorized under Tex. H&S Code Ch. 241	§556.3(k)

3.2 Non-nursing-facility supervision. If the Clinical Site is a setting other than a nursing facility, **School's Program Instructor will provide direct supervision of Trainees at all times, and such supervision will not be delegated to any staff of Facility**, as required by 26 TAC §556.3(g) [Rule]. Facility will not accept, and School will not offer, any delegation of that supervision.

3.3 Trainees will not perform any service, procedure, or task outside the scope identified in Terms §3.1 for the applicable site type, or for which the Trainee has not been trained and found proficient by a Program Instructor (§556.3(w)(2)).

4. Supervision and Program Personnel

4.1 Supervision matrix. Supervision is allocated as follows. Each cell states the obligor.

Situation	Required supervision	Who must supply it	Rule
Trainee performing a skill for which the Program Instructor has **not** found the Trainee competent	**Direct** supervision by a licensed nurse (RN or LVN)	**Nursing-facility site:** Facility must make a licensed nurse available (Terms §4.2); School's Program Instructor may also serve. **Non-nursing-facility site:** School's Program Instructor only (Terms §3.2).	§556.3(w)(3); CBT route §556.3(r)(2)
Trainee providing a service after being found competent	**General** supervision by a licensed nurse	Same allocation as above	§556.3(w)(4); CBT route §556.3(r)(3)
All NATCEP training, overall	Performed by or under the **general supervision of an RN** with ≥ 2 years' nursing experience, ≥ 1 year of which is in a nursing facility	**School**, through its Program Director or a qualifying RN	26 TAC §556.5(a)(1); 42 C.F.R. §483.152(a)(5)(i)
Instructor-to-trainee ratio during clinical	≥ 1 Program Instructor per 10 Trainees	**School**	§556.3(o)(2)

4.2 Facility covenant to supply the licensed nurse (nursing-facility sites). If the Clinical Site is a nursing facility, **Facility will ensure that at least one licensed nurse (RN or LVN) who is not simultaneously assigned duties that preclude supervision is reasonably available on the unit(s) where Trainees are assigned during all scheduled clinical hours.** If Facility fails to do so and School's Program Instructor is unable to cover, School may suspend the affected clinical session without breach, and Facility will offer make-up dates under Terms §6.1(e). Repeated failure (three or more occurrences in any 90-day period) is a material breach under Terms §15.3(a). **For that breach, cure means Facility's delivery of a written staffing-remediation plan within thirty (30) days after School's breach notice, followed by ninety (90) consecutive days without a further occurrence. Solely as to that breach, the Terms §15.3(a) notice period is extended to one hundred twenty (120) days so that the cure can be performed within it; School may suspend placements under this §4.2 for the duration of the cure period without breach; and a further occurrence during the 90-day period renders the breach incurable, entitling School to terminate on ten (10) days' written notice.**

4.3 Trainee identification. Trainees will wear a School-issued badge and any Facility-required identification clearly identifying them as "**NATCEP Trainee**," as required by §556.3(w)(5) and, for CBT-route trainees, §556.3(r)(4) [Rule].

4.4 Program Director. School will at all times have an HHSC-approved Program Director who:

(a) is a **registered nurse licensed in the State of Texas** (26 TAC §556.5(b)(1)) [Rule]; **(b)** has a minimum of two years of nursing experience (§556.5(b)(2)); **(c)** has completed a course focused on teaching adult students, or has experience teaching adult students or supervising nurse aides (§556.5(b)(3)); **(d)** directly performs training or has general supervision of Program Instructors and Supplemental Trainers (§556.5(e), (e)(3)(B)); and **(e)** ensures NATCEP records are maintained, determines pass/fail on both classroom and clinical portions, and signs competency-evaluation applications and completion certificates (§556.5(e)(3)(C)–(G)).

A licensed vocational nurse may not serve as Program Director. School will submit a NATCEP application for HHSC approval if the Program Director changes (§556.5(e)(4)), and will not place Trainees at the Clinical Site during any resulting §556.3(x) freeze (see Terms §16.3). The Program Director's name and Texas RN license number are stated in **Schedule 7**.

4.5 Program Instructors. Each Program Instructor will be a **licensed vocational nurse or registered nurse licensed in the State of Texas**, with a minimum of two years of nursing experience and adult-teaching or nurse-aide-supervision background (26 TAC §556.5(c)) [Rule]. School will submit a NATCEP application for HHSC approval if a Program Instructor changes (§556.5(f)(3)).

4.6 Long-term-care experience rule. Either the Program Director or a Program Instructor will have at least one year of experience providing long-term-care services in a nursing facility. **If a Program Instructor is an LVN, School must have either (a) a Program Director with at least one year of long-term-care nursing-facility experience, or (b) a Program Instructor who is an RN with at least one year of such experience** (26 TAC §556.5(d)) [Rule].

4.7 Facility-based program / DON restriction. If the Agreement is used for a facility-based NATCEP, the Parties acknowledge that **Facility's director of nursing may be approved as Program Director but must not conduct the training** (26 TAC §556.5(e)(1); 42 C.F.R. §483.152(a)(5)(iii)) [Rule — both pin cites verified September 1, 2026]. Neither Party will assign, schedule, or permit Facility's director of nursing to deliver NATCEP classroom or clinical instruction.

4.8 Supplemental Trainers. School may use Supplemental Trainers to supplement Program Instructor training. **Each Supplemental Trainer must be a licensed health professional acting within the scope of that professional's practice and must have at least one year of experience in the field of instruction** (26 TAC §556.5(g)(1); 42 C.F.R. §483.152(a)(5)(iv)) [Rule — both pin cites verified September 1, 2026]. The Program Director must select and supervise each Supplemental Trainer (§556.5(g)(2)). **A Supplemental Trainer must not act in the capacity of a Program Instructor without HHSC approval** obtained by NATCEP application (§556.5(g)(3)).

4.9 Skills examiner conflict. If a competency evaluation is administered under Terms §2.9(d), the skills examiner must be HHSC-approved under §556.5(h)(1) and **must not administer the evaluation to any individual who participated in a NATCEP for which the examiner served as Program Director, Program Instructor, or Supplemental Trainer** (§556.5(h)(2)(E)) [Rule].

4.10 Continuing covenant. School covenants to maintain a qualified Program Director and Program Instructor at all times as a condition of HHSC approval (26 TAC §556.3(t)) [Rule], and will furnish current license verifications to Facility on request and annually.

5. Trainee Eligibility and Screening

5.1 Statutory pre-participation verification. Before a Trainee participates in the NATCEP (not merely before assignment to Facility), School will verify, in accordance with 26 TAC §556.3(v) as amended effective **July 30, 2026** [Rule], that the Trainee:

(a) is not listed on the NAR in revoked status (§556.3(v)(1));

(b) is not listed on the Search Engine for Multi-Agency Reportable Conduct (SEMARC) established under Tex. Health & Safety Code Ch. 810 (§556.3(v)(2)); and

(c) has not been convicted of a criminal offense listed in Tex. Health & Safety Code §250.006(a) (permanent bar), and has not been convicted of a criminal offense listed in §250.006(b) within the five years immediately before participating in the NATCEP (five-year bar) (§556.3(v)(3)).

5.2 Eligibility is a condition of participation. A Trainee who does not clear Terms §5.1 is ineligible to participate in the NATCEP and will not be placed at the Clinical Site. If a §5.1 search is **unavailable, ambiguous, or returns a possible match**, School will not place the Trainee until the result is resolved in writing by School Compliance, with the resolution retained.

5.3 Recheck and late placements. School will re-run all Terms §5.1 searches for any Trainee (a) added to a Rotation more than thirty (30) days after the original cohort verification, (b) returning from a leave of thirty (30) days or more, or (c) as to whom School receives credible adverse information. Re-verification results will be dated and retained.

5.4 Exclusion and debarment screening. Before placement and **monthly** thereafter during the Term, School will screen each Trainee, Program Instructor, Supplemental Trainer, and the Program Director against:

(a) the HHS-OIG List of Excluded Individuals/Entities (LEIE); **(b)** the System for Award Management (SAM) exclusions database; and **(c)** the Texas HHSC-OIG exclusion list.

This screening is a covenant adopted as School policy **[Policy]**; it is informed by, but not directly compelled by, 42 C.F.R. §455.436 (monthly exclusion-screening duties imposed on **state Medicaid agencies**) and the Texas HHSC-OIG exclusion authority at 1 Tex. Admin. Code §§371.1705–.1707 (mandatory and permissive exclusion). **On any confirmed match, School will immediately remove the individual from all activity at the Clinical Site and notify the Facility Liaison within one (1) Business Day.** School will retain dated screening evidence.

5.5 Additional Facility screening. At Facility's request, School will require each Trainee to obtain and submit:

(a) a criminal background check meeting Facility's written policy; **(b)** a drug screen; **(c)** a current tuberculosis screening; **(d)** documentation of immunizations required by Facility (which may include Hepatitis B, MMR, Varicella, Tdap, and seasonal influenza). **Any COVID-19 vaccination requirement is subject to Tex. Health & Safety Code Ch. 81D [Statute — verified against the current codification]: a private employer may not adopt or enforce a COVID-19 vaccine mandate against an employee, contractor, applicant for employment, or applicant for a contract position (§§81D.002–.003); the Texas Workforce Commission enforces the chapter through a $50,000 administrative penalty per violation (§81D.006); the chapter does not apply to governmental employers (§81D.001(5)); and a health care facility may still require an unvaccinated**

individual who is an employee or contractor of the facility** to use reasonable protective medical equipment based on routine direct patient exposure (§81D.0035). The Parties do not concede that Trainees fall within, or outside, any class Ch. 81D protects. Facility will confirm in writing that any COVID-19 vaccination requirement it applies to Trainees is lawful as applied; (e)** a physical examination within the past six (6) months confirming fitness for clinical duties; and **(f)** current Basic Life Support certification for healthcare providers, if required by Facility.

5.6 Cost allocation for screening. Costs under Terms §5.5 are allocated as stated in **Schedule 3 (Cost Schedule)**. **Notwithstanding anything in the Agreement, these Terms, or Schedule 3, if a Trainee is employed by or has received an offer of employment from a nursing facility on the date the Trainee begins the NATCEP, that nursing facility must not charge the Trainee for any portion of the NATCEP, including fees for textbooks or other required course materials** (26 TAC §556.3(aa)) [Rule]. Any allocation in Schedule 3 that would violate §556.3(aa) is void as to that Trainee, and the cost is borne by **the employing or offering nursing facility** (which may or may not be Facility) as between that facility and the Trainee — §556.3(aa) binds the nursing facility that employs or has offered employment to the aide. If the employing nursing facility is not a Party, School and Facility will cooperate to route the cost consistent with §556.3(aa), and in no event will the cost be charged to the Trainee. School will conduct and document a §556.3(aa) analysis for each Trainee before charging any cost.

5.7 HHSC cost reimbursement. School will inform each Trainee that **HHSC reimburses a nurse aide for a portion of NATCEP costs if the nurse aide is employed by or receives an offer of employment from a nursing facility within 12 months of completing the NATCEP** (26 TAC §556.3(bb); see 42 C.F.R. §483.152(c)(2)) [Rule], and will provide reasonable documentation support for reimbursement requests.

5.8 FCRA compliance. If any background check is a "consumer report" under the Fair Credit Reporting Act, School (or the requesting Party) will comply with 15 U.S.C. §1681b(b) (standalone written disclosure and authorization) and §1681m (pre-adverse-action notice with a copy of the report and the Summary of Rights, and adverse-action notice). Facility will not direct School to take adverse action without affording the FCRA process.

5.9 Cost disclosure to Trainees. School will disclose all Trainee-borne costs in its enrollment agreement consistent with Tex. Educ. Code Ch. 132 and 40 Tex. Admin. Code Ch. 807 [Rule].

5.10 Arrests, charges, and adverse information. If a pre-clinical screening discloses adverse information, or a Trainee is **charged with** a felony or a misdemeanor greater than a Class C, School will conduct an **individualized assessment** (nature and gravity of the conduct, time elapsed, and relationship to nurse-aide duties) and will determine whether removal from clinical activity is warranted. **An arrest or charge, without more, is not a conviction and is not automatically disqualifying under §556.3(v)(3).** Where removal occurs, the Trainee may resume clinical activity upon (a) School's written determination following final court disposition or completion of its individualized assessment, and (b) Facility's written re-clearance, **which Facility will not unreasonably withhold, condition, or delay and will provide or deny with reasons within ten (10) Business Days of School's request.** *[DEFERRED — negotiation point: Facility may seek final discretion over re-clearance; the reasonableness-plus-deadline standard here is School's opening position. Resolve before execution.]*

5.11 Accommodations and health-based exclusion. School and Facility will each engage in the interactive process required by the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*, and Title VII, 42 U.S.C. §2000e *et seq.* (religious accommodation), before excluding a Trainee on the basis of disability, pregnancy, or religion. **No Trainee will be excluded on health grounds without a documented direct-threat analysis** under 29 C.F.R. §1630.2(r) considering duration, nature and severity, likelihood, and imminence of harm, and whether reasonable accommodation would eliminate or reduce the risk.

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6. Rotations, Scheduling, and Make-Up

6.1 Scheduling mechanics.

(a) Committed slots. Facility commits to host up to the number of Trainees per Rotation stated in the **Agreement (Facility Information)** and the number of Rotations per year stated in **Schedule 6**, subject to Terms §6.2.

(b) Schedule delivery and acknowledgment. School will deliver each Rotation schedule to the Facility Liaison at least **twenty-one (21) days** before the first clinical session. Facility will acknowledge or propose changes within **seven (7) days**; absent response, the schedule is deemed accepted.

(c) Changes. After acceptance, the schedule may be changed only by mutual written (including email) agreement of the Facility Liaison and School Clinical Coordinator.

(d) Cancellation. Facility will give at least **seven (7) days'** written notice before cancelling or materially reducing any scheduled clinical day, except where cancellation is required by a bona fide emergency (outbreak, evacuation, survey, disaster, or acute census/staffing crisis), in which case notice will be given as soon as practicable and confirmed in writing within 24 hours with the reason.

(e) Make-up. For each cancelled or curtailed clinical day, Facility will offer make-up dates sufficient to restore the lost hours within **twenty-one (21) days**, or such longer period as the Parties agree in writing.

(f) Laboratory bridge. If make-up hours cannot be scheduled, School may seek to complete affected hours in a laboratory setting **only** through the pathway in 26 TAC §556.3(e) [Rule], which permits laboratory clinical hours **only** where (1) no appropriate and qualified clinical site is located within 20 miles of the NATCEP's location — which requires an affirmative request to HHSC — or (2) HHSC has determined that clinical training in a facility poses a health or safety risk based on a declared federal or state disaster, of which HHSC alerts the public. **Neither Party may treat §556.3(e) as a general substitution right.** Any §556.3(e) request requires School Compliance and counsel approval.

6.2 Cohort size. The number of Trainees placed per Rotation will be jointly agreed between the School Clinical Coordinator and the Facility Liaison, based on physical capacity, resident/patient census, and Facility staffing, and will never exceed the §556.3(o)(2) ratio School can staff.

6.3 School removal. School is responsible for the decision to exclude or remove any Trainee from the NATCEP. Facility will adhere to School's removal decisions.

6.4 Facility removal. Facility may deny a Trainee access to the Clinical Site or exclude a Trainee from resident/patient care if, in Facility's reasonable judgment, the Trainee's conduct, performance, or behavior poses a risk to residents, patients, staff, or Facility. Facility will notify the School Clinical Coordinator in writing (email acceptable) **within one (1) Business Day**, stating the reason. **Facility will not exercise this §6.4 right against a Trainee, Program Instructor, or Supplemental Trainer because that person made a good-faith report under Terms §13.6, raised a patient-safety concern, cooperated with a regulator, or requested an accommodation under Terms §5.11.** Health-based exclusions are subject to Terms §5.11. School will address the situation under School policy and, where §6.4 is invoked for cause, may pursue Terms §13.6 or §15 remedies.

6.5 No displacement. Trainees will not replace, substitute for, or displace any Facility employee; will not be counted toward any Facility staffing ratio, minimum staffing requirement, or payroll-based journal staffing report; and will not be assigned work for Facility's operational benefit in lieu of supervised educational activity. Trainees receive no wages from Facility for NATCEP clinical hours (subject to Terms §18.3).

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7. Facility Obligations and Eligibility Warranties

7.1 Eligibility representations and warranties. Facility represents and warrants, as of the Effective Date and continuously throughout the Term — except, as to §7.1(c), to the extent an event has been disclosed under Terms §7.2 and is covered by current written HHSC or CMS relief under the §7.1(d) safe harbors — that:

(a) License. Facility holds a current, unrestricted Texas license under the applicable chapter of the Texas Health and Safety Code (Ch. 242 nursing facility, Ch. 247 assisted living, Ch. 252 ICF-IID, Ch. 142 hospice, or Ch. 241 hospital).

(b) Equipment. The Clinical Site has all necessary equipment needed for Trainees to practice and perform skills training, as required by 26 TAC §556.3(d) [Rule].

(c) Program-prohibition triggers. If Facility is a nursing facility, then within the previous two (2) years Facility has **not**, in the statutory order of 26 TAC §556.3(f) [Rule]:

(1) operated under a waiver concerning the services of a registered nurse under §1819(b)(4)(C)(ii)(II) or §1919(b)(4)(C)(i)–(ii) of the Act; **(2)** been subjected to an extended or partially extended survey under §1819(g)(2)(B)(i) or §1919(g)(2)(B)(i) of the Act; **(3)** been assessed a civil money penalty of not less than $5,000, as adjusted annually under 45 C.F.R. Part 102, for deficiencies in nursing facility standards under §1819(h)(2)(B)(ii) or §1919(h)(2)(A)(ii) of the Act; **(4)** been subjected to denial of payment under Title XVIII or Title XIX of the Act; **(5)** operated under state-appointed temporary management under §1819(h) or §1919(h) of the Act; **(6)** had its participation agreement terminated under §1819(h)(4) or §1919(h)(1)(B)(i) of the Act; or **(7)** pursuant to state action, closed or had its residents transferred under §1919(h)(2) of the Act.

(d) Safe harbors preserved. The Parties acknowledge that §556.3(f) is **not** absolute:

(i) Under §556.3(l)–(m) [Rule], a nursing facility prohibited under §556.3(f) may nonetheless **contract with a person to offer a NATCEP in, but not by,** the prohibited facility under §1819(f)(2)(C)/§1919(f)(2)(C) of the Act, provided the contracting person has not been employed by the facility or its owner, the program is

offered to the facility's employees, there is no other NATCEP within a reasonable distance, and an adequate operating environment exists — with a separate HHSC application naming the prohibited facility.

(ii) Under §556.3(n) and 42 C.F.R. §483.151(c) [Rule], a facility prohibited **solely** by reason of §556.3(f)(3) (the $5,000 civil money penalty) may request a CMS waiver of that prohibition if the penalty was not related to the quality of care furnished to residents. "Quality of care furnished to residents" means direct hands-on care and treatment furnished by a health care professional or direct care staff (§483.151(c)(2)). A waiver does not waive the obligation to pay the penalty (§483.151(c)(3)).

If a §556.3(f) trigger occurs, Facility may within ten (10) Business Days after notice under Terms §7.2 give School written notice that it intends to pursue a §556.3(l)–(m) contracting pathway or a §556.3(n)/§483.151(c) waiver. **Each Party will cooperate in good faith with the other's submission**, including furnishing survey documents, penalty notices, and CMS correspondence. Facility's election under this §7.1(d) does **not** lift the suspension imposed by Terms §15.4.

(e) School policy items. Facility further represents that it is not currently designated a CMS Special Focus Facility and is not subject to a Medicare/Medicaid abuse-or-neglect training ban. **[Policy — not a §556.3 eligibility criterion; a Special Focus Facility designation is a correlate of, not a substitute for, the §556.3(f) analysis in §7.1(c).]**

(f) Medicare/Medicaid participation. *Applies only if Facility is a nursing facility that itself offers or seeks to offer a NATCEP.* Facility participates in Medicare, Medicaid, or both. **[Rule as to a nursing facility applying to be a NATCEP: 26 TAC §556.3(a) requires participation "to apply for approval to be a NATCEP." §556.3(a) does not condition a facility's use as a third-party NATCEP's clinical site on Medicare/Medicaid participation; the clinical-site rule is §556.3(d).]** Otherwise, Facility's Medicare/Medicaid status is recorded in the Agreement (Facility Information) for School's internal risk assessment only, and any School preference for participating facilities is waivable by School Compliance. **[Policy]**

7.2 Notice of change. Facility will notify School:

(a) Immediately, and in no event later than twenty-four (24) hours, after Facility knows of any event described in Terms §7.1(c)(1)–(7), any license suspension/revocation/probation, any provider-agreement termination, or any HHSC or CMS directive affecting NATCEP activity; and

(b) Within five (5) Business Days after any other event that would make any warranty in Terms §7.1 untrue, including any survey, deficiency citation, plan of correction, change in ownership or control, change in CMS status, or change of administrator or Facility Liaison.

Remedies for a breach of Terms §7.1 are governed exclusively by Terms §15; no termination right arises under this §7.2.

7.3 Operational obligations. Facility will:

(a) designate the Facility Liaison and a 24/7 escalation contact in the **Agreement (Facility Information)** and keep both current; **(b)** provide site orientation covering emergency codes, fire and evacuation routes, infection-control and PPE protocols, resident rights, incident reporting, and abuse-reporting channels, before the first clinical day of each Rotation; **(c)** maintain a safe environment reasonably free of recognized hazards and provide PPE and hand-hygiene supplies at no cost to Trainees; **(d)** maintain the equipment necessary for

skills practice under §556.3(d) and notify School promptly if equipment becomes unavailable; **(e)** obtain and honor resident/patient consent and each resident's right to refuse care by a Trainee; **(f)** furnish incident, exposure, and injury reports to School under Terms §13; **(g)** permit HHSC and its designees to inspect the areas of the Clinical Site used for clinical training at any reasonable time (Terms §9.5) and permit unannounced HHSC visits; **(h)** make a licensed nurse available as required by Terms §4.2 (nursing-facility sites); **(i)** provide reasonable space for Trainee report, breaks, and secure storage of personal belongings; and **(j)** promptly furnish license, CMS certification, and ownership information reasonably requested by School for its NATCEP application.

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8. School Obligations and Warranties

8.1 Representations and warranties. School represents and warrants, as of the Effective Date and continuously throughout the Term, that:

(a) HHSC approval. School holds, or has applied for and will not permit Trainee placement before obtaining, HHSC approval of its NATCEP, and will maintain that approval, including biennial renewal. School acknowledges 26 TAC §556.7(a)–(b) [Rule]: approval must be renewed every two years; HHSC sends portal notice at least 60 days before expiration; and School must submit its renewal application at least **30 days** before expiration or **the approval expires**.

(b) Solicitation gate. School has not solicited or enrolled, and will not solicit or enroll, Trainees before HHSC approves its NATCEP (26 TAC §556.3(cc)) [Rule].

(c) Personnel. School's Program Director, Program Instructors, and Supplemental Trainers meet 26 TAC §§556.5(a)–(g) and §556.3(t) [Rule], as detailed in Terms §4.

(d) Career-school approval. School holds approval or an exemption under Tex. Educ. Code Ch. 132 (Career Schools and Colleges), administered by the Texas Workforce Commission at 40 Tex. Admin. Code Ch. 807 — an express NATCEP requirement under 26 TAC §556.7(g) [Rule]. School will provide evidence on request.

(e) No exclusion or debarment. Neither School, nor any owner, officer, Program Director, Program Instructor, or Supplemental Trainer, is excluded from participation in any federal or state health care program, listed on the HHS-OIG List of Excluded Individuals/Entities ("**LEIE**"), listed as an excluded party in the System for Award Management ("**SAM**"), or listed on the Texas HHSC-OIG exclusion list.

(f) Online-training identity verification. If any portion of School's classroom training is delivered online, School has adopted, implemented, and enforces a policy and procedures establishing that the registering Trainee is the Trainee who participates in and completes the course, addressing identity verification, privacy protection, and documentation of hours, and has so verified on its NATCEP application (26 TAC §556.3(p)(2)–(3)) [Rule].

(g) Records address. School has provided HHSC, on the NATCEP application through the online portal, the physical address at which all NATCEP records are maintained, and will notify HHSC of any change (26 TAC §556.3(z)(3)) [Rule].

(h) Insurance. School maintains the coverage required by Terms §10.1.

(i) Authority. School is duly organized, validly existing, and authorized to execute and perform the Agreement, and its signatory has authority to bind it.

8.2 Notice of change. School will notify Facility **immediately, and in no event later than twenty-four (24) hours,** after any withdrawal, expiration, suspension, or proposed withdrawal of its HHSC NATCEP approval, any HHSC directive to cease using the Clinical Site, or any exclusion event under Terms §8.1(e); and **within five (5) Business Days** after any change of Program Director, Program Instructor assigned to the Clinical Site, School Clinical Coordinator, insurance carrier, or entity name/ownership.

8.3 Operational obligations. School will:

(a) designate the School Clinical Coordinator and a 24/7 escalation contact in **Schedule 7** and keep both current; **(b)** maintain HHSC NATCEP approval and Tex. Educ. Code Ch. 132 approval or exemption; **(c)** supply qualified Program Director, Program Instructors, and Supplemental Trainers meeting Terms §4; **(d)** maintain the §556.3(o)(2) ratio at all times during clinical training; **(e)** complete all Terms §5 verifications and screening before participation and on the recheck schedule; **(f)** train each Trainee on 29 C.F.R. §1910.1030 before the first clinical day (Terms §13.1) and on abuse reporting (Terms §13.6(d)); **(g)** maintain the records required by Terms §9 and make them available to HHSC; **(h)** supervise, discipline, evaluate, and grade Trainees, including all decisions on removal from the NATCEP; **(i)** maintain the insurance required by Terms §10.1; and **(j)** promptly notify Facility of matters listed in Terms §8.2.

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9. Records and Documentation

9.1 Training records. School will maintain records for each classroom and clinical training session and make them available to HHSC or its designees at any reasonable time (26 TAC §556.3(z)) [Rule], including:

(a) dates and times of all classroom and clinical training (§556.3(z)(1)(A)); **(b)** each Trainee's full name and Social Security number (§556.3(z)(1)(B)); **(c)** a record of the date and time of each session each Trainee attends (§556.3(z)(1)(C)); **(d)** a final course grade indicating pass or fail (§556.3(z)(1)(D)); and **(e)** a physical or electronic sign-in record for each session; **any electronic sign-in must include identity verification conducted in compliance with §556.3(p)(2)** (§556.3(z)(1)(E)).

9.2 CBT certificates. For any Trainee who completes classroom training through HHSC's CBT, School will (a) confirm the certificate of completion is **issued by HHSC**, states the completion date, and reflects completion **within the preceding 12 months** (26 TAC §556.3(o)(1)(B)), and (b) **retain a copy of the certificate in the Trainee's record** (§556.3(z)(2)) [Rule — both verified September 1, 2026].

9.3 Form 5497. School will use **HHSC Form 5497-NATCEP** to document major duties or skills taught, Trainee performance of each duty or skill, satisfactory or unsatisfactory performance, and the name of the instructor supervising the performance. **At the completion of the NATCEP, School will deliver a copy of the completed performance record to the Trainee and to the Trainee's employer, if applicable, and will retain a copy** (26 TAC §556.3(y)) [Rule]. School will obtain and retain a dated delivery receipt or acknowledgment for each copy delivered.

9.4 Records address. School will keep on file with HHSC, through the online portal, the physical address at which all records are maintained and will notify HHSC of any change (26 TAC §556.3(z)(3)) [Rule]. School will notify Facility of any change within five (5) Business Days.

9.5 HHSC access. Facility acknowledges that HHSC or its designees may inspect NATCEP records and the areas of the Clinical Site used for clinical training at any reasonable time, including unannounced visits, and will provide reasonable access. Facility acknowledges that refusing to permit unannounced HHSC visits is a ground for immediate withdrawal of approval of a facility-based NATCEP (26 TAC §556.8(a)(8)) [Rule].

9.6 Renewal training. If School provides training to renew a nurse aide's NAR listing, that training will include geriatrics and care of residents with a dementia disorder, including Alzheimer's disease (26 TAC §556.3(ff)) [Rule].

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10. Insurance

10.1 School insurance. School will maintain at its expense, throughout the Term and for the tail period in Terms §10.3:

(a) Commercial General Liability of not less than **$1,000,000 per occurrence / $3,000,000 aggregate**; **(b)** Professional (educators'/clinical) Liability / Errors & Omissions of not less than **$1,000,000 per occurrence / $3,000,000 aggregate**, **expressly covering School, its Program Director, Program Instructors, Supplemental Trainers, and Trainees while participating in clinical training at the Clinical Site**. School will confirm Trainee coverage in writing on Facility's request; **(c) Workers' compensation. Texas is a non-subscriber state; Tex. Lab. Code §406.002 does not compel private employers to carry workers' compensation. School therefore affirmatively covenants to maintain workers' compensation insurance at Texas statutory limits for its employees, together with Employer's Liability coverage of not less than $1,000,000 each accident / $1,000,000 disease–each employee / $1,000,000 disease–policy limit.** If School is or becomes a non-subscriber, School will (i) notify Facility in writing within five (5) Business Days, (ii) provide evidence of an occupational injury benefit plan and excess employer's liability coverage at not less than the limits above, and (iii) obtain School's prior written internal approval and Facility's written consent, which Facility may withhold; **(d)** Cyber Liability / privacy of not less than **$1,000,000 per claim**, covering unauthorized disclosure of PHI and Trainee education records; and **(e)** Student accident / blanket medical coverage of not less than **$25,000 per Trainee per occurrence** for injuries sustained during clinical training (see Terms §13.3).

[DEFERRED — the dollar floors in Terms §10.1–§10.2 and the Trainee-insured status in §10.1(b) are pending broker validation. Complete before signature.]

10.2 Facility insurance. Facility will maintain at its expense Commercial General Liability of not less than **$1,000,000 per occurrence / $3,000,000 aggregate** and Professional/Medical Professional Liability of not less than **$1,000,000 per occurrence / $3,000,000 aggregate** covering its operations, staff, and premises, **or** deliver a certification of a funded self-insurance program with substantially equivalent limits. *[If Facility is a Texas governmental entity, Facility may instead certify self-insurance or coverage under an interlocal risk pool to the extent of the limits in Tex. Civ. Prac. & Rem. Code Ch. 101.]*

10.3 Carrier standards and claims-made mechanics. All policies will be issued by carriers rated **A– VII or better by AM Best** and licensed or eligible to write in Texas. **If any required coverage is written on a claims-made basis, the retroactive date will be on or before the Effective Date, and the insuring Party will maintain the coverage or purchase extended reporting period ("tail") coverage for not less than three (3) years after expiration or termination of the Agreement.**

10.4 Certificates. Each Party will deliver certificates of insurance evidencing the required coverages **(i) before the first clinical day, (ii) at each policy renewal, and (iii) within ten (10) Business Days of the other Party's written request.** School's CGL certificate will name Facility as an additional insured on a primary-and-noncontributory basis with respect to clinical activities under the Agreement, and **School will also cause Facility to be named an additional insured on the professional liability policy in Terms §10.1(b) to the extent the policy form permits**. Certificates are collected on the checklist at **Schedule 1**.

10.5 Notice of change. Each Party will give the other written notice within five (5) Business Days after it receives or issues any notice of cancellation, non-renewal, or material reduction of required coverage. The Parties acknowledge that carriers generally will not undertake notice obligations to certificate holders; this covenant runs between the Parties, not against any carrier.

10.6 Trainee personal insurance. Trainees are responsible for their own health insurance and personal medical expenses, subject to Terms §10.1(e) and §13.3.

10.7 Insurance lapse. Insurance lapse is addressed exclusively in Terms §15.3(c) and §15.6.

10.8 Waiver of subrogation. To the extent permitted by each Party's policies, each Party waives, and will cause its insurers to waive, all rights of subrogation against the other Party and its officers, employees, and agents for losses covered by the insurance required under this §10, except as to gross negligence or willful misconduct.

10.9 Insurance not a limit. The insurance required by this §10 is a minimum and does not limit either Party's obligations under Agreement Section A (or Section B, where applicable).

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11. HIPAA and Protected Health Information

11.1 Workforce status. For purposes of HIPAA, 45 C.F.R. Parts 160 and 164, Trainees, Program Instructors, and Supplemental Trainers will be treated as part of Facility's workforce under 45 C.F.R. §160.103 while at the Clinical Site. **Facility acknowledges that workforce status requires that the conduct of such persons, in the performance of work for Facility, be under Facility's direct control, and Facility exercises such direct control over Trainee access to and use of PHI at the Clinical Site.** Such persons are not employees of Facility for any other purpose.

11.2 Training. Facility will provide, and Trainees and instructors will complete, Facility's HIPAA privacy and security training before the first clinical day, and will comply with Facility's HIPAA policies and procedures.

11.3 No business associate relationship — condition-precedent fallback. The Parties intend that School provides no service to Facility that creates a "business associate" relationship under 45 C.F.R. §160.103, and the Agreement is structured so that Trainee and instructor access to PHI occurs solely within Facility's

workforce model under Terms §11.1. **If either Party determines, or a regulator advises, that School's activities under the Agreement create or would create a business associate relationship, then: (a) School will immediately cease, and will not commence, creating, receiving, maintaining, or transmitting PHI for or on behalf of Facility in any business-associate capacity, and Facility will immediately cease furnishing PHI to School outside the §11.1 workforce model (including under Terms §11.10); (b) the Parties will negotiate and execute a business associate agreement satisfying every required element of 45 C.F.R. §164.504(e) within thirty (30) days of either Party's written notice; and (c) execution of that agreement is a CONDITION PRECEDENT to any business-associate creation, receipt, maintenance, or transmission of PHI by School — no cure or negotiation period permits School to act as a business associate before a compliant agreement is in force, because 45 C.F.R. §164.502(e) requires written satisfactory assurances before a covered entity permits a business associate to handle PHI. Any PHI School holds when clause (a) is triggered will be returned or destroyed under Terms §11.11 unless and until the agreement is executed. Schedule 4 records the required elements of the agreement to be executed; it is a drafting checklist, not the agreement itself.**

11.4 Minimum necessary and no removal. Trainees and instructors will access only the minimum PHI necessary for the assigned educational task (45 C.F.R. §164.502(b)). **This minimum-necessary commitment is an independent contractual standard, applicable whether or not a Trainee or instructor is treated as part of Facility's HIPAA workforce. Trainees and instructors will not photograph, copy, transcribe onto personal devices, transmit, or remove PHI from the Clinical Site.** Any clinical documentation, case study, or care-plan exercise submitted to School must be de-identified in accordance with 45 C.F.R. §164.514(a)–(b) before it leaves the Clinical Site. School will not request or accept identifiable PHI from Facility except as permitted by Terms §11.10.

11.5 Confidentiality acknowledgment. Facility may require each Trainee and instructor to sign Facility's HIPAA and confidentiality acknowledgment; School will facilitate that process. **Schedule 2** is School's standard form for use where Facility has none.

11.6 Texas medical privacy. Facility and School each acknowledge that they may be "covered entities" under the broader definition in Tex. Health & Safety Code Ch. 181 (Texas Medical Records Privacy Act, as amended by H.B. 300), and will comply with its training, notice, and electronic-disclosure requirements.

11.7 Breach and incident notification. School will notify Facility within twenty-four (24) hours after discovering any acquisition, access, use, or disclosure of PHI not permitted by the Agreement or HIPAA by a Trainee or School instructor in connection with clinical training; **Facility will notify School within five (5) Business Days** after discovering any such impermissible acquisition, access, use, or disclosure of Trainee personal information by a Facility workforce member. Notice will identify the individuals affected (to the extent known), the PHI involved, the date of discovery, and mitigation taken. **Facility, as the covered entity, controls breach risk assessment and any notification under 45 C.F.R. §§164.400–414; School will cooperate and will not make any notification to a resident, patient, or regulator concerning Facility's PHI without Facility's prior written consent, except as required by law. Separately from HIPAA, if School experiences a breach of system security involving sensitive personal information of Texas residents — including Trainee Social Security numbers, which in School's hands are sensitive personal information governed by Tex. Bus. & Com. Code §521.053 rather than PHI — School will comply with §521.053 [Statute]: notice to affected individuals without unreasonable delay and no later than sixty (60) days after determining the breach**

occurred, and notice to the Texas Attorney General no later than thirty (30) days after that determination where the breach involves at least 250 Texas residents.

11.8 Sanctions. School will apply appropriate disciplinary sanctions to any Trainee or instructor who violates this §11, up to dismissal from the NATCEP, and will report the disposition to Facility.

11.9 Safeguards. Each Party will maintain administrative, physical, and technical safeguards reasonably designed to protect PHI and Trainee education records in its possession.

11.10 Limited PHI for education review. If Facility elects to share limited identifiable PHI with School for competency documentation or incident investigation, it will do so under a documented request that states the purpose and the minimum data set, and School will use it only for that purpose and return or destroy it under Terms §11.11. **If any disclosure under this §11.10 would cause School to act as Facility's business associate, Terms §11.3 governs and the disclosure may not occur before the §11.3 agreement is executed.**

11.11 Return or destruction. Within thirty (30) days after termination or expiration, each Party will return or securely destroy PHI and education records of the other Party in its possession, except as retention is required by law or Terms §25.9, and will certify the action in writing on request.

11.12 Cooperation with regulators. Each Party will cooperate with any investigation by the U.S. Department of Health and Human Services, its Office for Civil Rights, the Texas Attorney General, or another oversight agency arising from clinical training under the Agreement.

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12. FERPA

12.1 School official designation. School designates Facility as a "school official" with a legitimate educational interest in Trainee education records under FERPA, 20 U.S.C. §1232g and 34 C.F.R. Part 99, to the extent necessary to carry out clinical training. **To satisfy 34 C.F.R. §99.31(a)(1)(i)(B), Facility (i) performs an institutional service or function for which School would otherwise use employees, (ii) is under the direct control of School with respect to the use and maintenance of education records, and (iii) is subject to Terms §12.2–§12.6.** School covenants that its annual FERPA notification specifies the criteria for school-official status and legitimate educational interest consistent with this designation. *[Negotiation note: the "direct control" language in clause (ii) is required verbatim by 34 C.F.R. §99.31(a)(1)(i)(B) as a condition of the school-official exception; it is limited to Facility's use and maintenance of education records and does not give School operational control over Facility.] [DEFERRED — counsel confirms this school-official designation (including the (i)–(iii) recitals) against School's actual FERPA annual notification before first Trainee data flows.]*

12.2 Use limitation. Facility will use Trainee education records solely for the clinical-training purposes of the Agreement and for no other purpose, including no use for recruiting, marketing, credentialing outside the Agreement, or employment screening unrelated to clinical placement.

12.3 Redisclosure bar. Facility will not redisclose Trainee education records to any third party without School's prior written consent, except as required by law. Facility acknowledges 34 C.F.R. §99.33(a) and that

unauthorized redisclosure may require School to bar Facility's access to education records for at least five years, as §99.33(e) contemplates.

12.4 Recordkeeping. Facility will maintain a record of any disclosure it makes and provide it to School on request, so that School can satisfy 34 C.F.R. §99.32.

12.5 No Social Security numbers. School will not transmit Trainee Social Security numbers to Facility. Where a unique identifier is needed, School will use a School-assigned Trainee ID.

12.6 Health and safety emergency. Nothing in this §12 limits either Party's ability to disclose information in connection with a health or safety emergency consistent with 34 C.F.R. §99.36; the disclosing Party will document the basis and notify the other Party within one (1) Business Day.

12.7 Return or destruction. Governed by Terms §11.11.

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13. Health, Safety, Exposure, Injury, Incidents, and Mandatory Reporting

13.1 Blood-borne pathogens training. School will train each Trainee on OSHA's Occupational Exposure to Blood-Borne Pathogens standard, 29 C.F.R. §1910.1030, before the Trainee's first day at the Clinical Site, and will provide the Hepatitis B vaccination series or a documented declination. **[Contract — §1910.1030 binds OSHA-covered employers as to employees; the Parties extend its training, vaccination, and post-exposure protections to all Trainees as a contractual standard.]**

13.2 Exposure response. On any Trainee exposure incident at the Clinical Site:

(a) Facility will **immediately** initiate its exposure protocol, provide or arrange immediate post-exposure first aid, and **notify School's 24/7 contact immediately and in no event later than two (2) hours**, followed by written notice within 24 hours; **(b)** Facility will initiate documentation of the exposure incident and, where clinically indicated, arrange baseline testing; **(c) source-patient testing, if any, will be conducted in accordance with Tex. Health & Safety Code Ch. 81, Subchapter F, including its consent and confidentiality requirements;** and **(d) the confidential medical evaluation and follow-up required by 29 C.F.R. §1910.1030(f) will be made available at no cost to the exposed Trainee**, allocated between the Parties as stated in **Schedule 3**; where the Trainee is School's employee or student for OSHA purposes, School bears the cost.

13.3 Emergency care. Facility will provide immediate first aid or emergency stabilization to any Trainee who sustains acute injury or illness at the Clinical Site. Ongoing medical care beyond stabilization is the responsibility of the Trainee, the Trainee's health insurance, and School's student accident coverage under Terms §10.1(e), in that order of primacy as against Facility, except as Terms §13.2(d) provides otherwise and except where the injury results from Facility's negligence.

13.4 Workers' compensation status of Trainees. Neither Party provides workers' compensation coverage to Trainees for NATCEP clinical participation, and neither Party represents that Trainees are covered by the other's workers' compensation program. This §13.4 is a statement of the Parties' intent as between themselves; it does not adjudicate any Trainee's rights against any person, and it does not apply to a Trainee who is separately employed by Facility and injured in the course of that employment.

13.5 Incident reporting. Each Party will notify the other of any Trainee-involved incident affecting resident/patient safety, medication error, fall, elopement, equipment failure, security event, or allegation of misconduct: **verbally by end of the shift** and **in writing within twenty-four (24) hours**, using **Schedule 5**. School will notify its insurer and counsel as appropriate and will impose a litigation hold where a claim is reasonably anticipated. Clinical activity by the involved Trainee resumes only on the written approval of both the School Clinical Coordinator and the Facility Liaison.

13.6 Abuse, neglect, and exploitation reporting.

(a) Mandatory report. Each Party acknowledges that **any person who has cause to believe that the physical or mental health or welfare of a resident has been or may be adversely affected by abuse, neglect, or exploitation must immediately report to HHSC** under Tex. Health & Safety Code §260A.002 [Statute], and that failure to report is a criminal offense under §260A.012. **This duty runs to each Trainee, Program Instructor, and Supplemental Trainer individually and cannot be satisfied by internal reporting to Facility alone. Scope note [Statute]: Ch. 260A applies where the Clinical Site is a "facility" as defined by §260A.001(5) — an institution licensed under Tex. Health & Safety Code Ch. 242, an assisted living facility licensed under Ch. 247, or a prescribed pediatric extended care center — and does not by its terms reach hospitals or hospice inpatient units [Statute — confirm for ICF-IID sites: §242.002(10)'s functional definition of "institution" may be argued to reach some ICF-IIDs; the fallback channel below governs either way]. For a Clinical Site outside Ch. 260A, each Trainee and instructor will report suspected abuse, neglect, or exploitation through the channel applicable to that site type (for hospitals, see Tex. Health & Safety Code §161.132; otherwise, the applicable licensing chapter and Facility policy), and the protocols and protections of this §13.6 apply as contractual obligations.**

(b) Contract protocol. A Trainee or instructor who forms such a belief will (i) ensure the resident's immediate safety, (ii) make the required report to HHSC, and (iii) notify both the Facility Liaison and the School Clinical Coordinator as soon as practicable after making the report. Facility will make its abuse-reporting procedures and the HHSC reporting number available at the Clinical Site and will cover them in orientation under Terms §7.3(b).

(c) Anti-retaliation. Neither Party will suspend, terminate, remove, discipline, penalize, or otherwise retaliate or discriminate against any Trainee, instructor, or employee for making a good-faith report under §260A.002 or for cooperating with an investigation. The Parties acknowledge Tex. Health & Safety Code §§260A.014–260A.015 and Tex. Health & Safety Code §161.134 [Statute]. **Facility will not invoke Terms §6.4 against a good-faith reporter**, and any §6.4 removal occurring within ninety (90) days after a report is presumed retaliatory **as a matter of contract** unless Facility documents an independent basis. The Parties acknowledge that the statutory presumption in §260A.014(f) is sixty (60) days and protects employees; this §13.6(c) sets a broader contractual standard and is not a statement of the statute.

(d) Training. School will train each Trainee on §260A.002 reporting duties, the anti-retaliation protections, and resident rights under §556.3(q)(11)(F) before the first clinical day.

13.7 Medical- and exposure-record retention. For purposes of this §13.7, the "OSHA-covered employer" is the Party (if either) that employs the affected individual within the meaning of 29 C.F.R. §1910.1020(b)–(c); for a Trainee employed by neither Party, subsection (c) governs. **(a)** Employee **medical records** subject to 29 C.F.R. §1910.1020(d)(1)(i) are retained by the OSHA-covered employer for **the duration of employment plus**

thirty (30) years, except that records of an employee who worked for less than one (1) year need not be retained beyond employment if provided to the employee on termination (§1910.1020(d)(1)(i)(C)). **(b)** Employee **exposure records** subject to §1910.1020(d)(1)(ii) are retained for **at least thirty (30) years**. **(c)** For a Trainee who is not an employee of either Party, School will create and retain equivalent exposure and medical documentation for the same periods **as a contractual obligation** — an unpaid Trainee is generally not an "employee" under OSHA, so the regulatory duty may not attach of its own force. This §13.7 controls over Terms §25.9's seven-year default.

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14. Ownership Independence and Conflicts

14.1 Attestation. Facility attests, by the checkbox and initials in the **Agreement (Ownership-Independence Attestation)**, that it has no common ownership, partnership, or familial ties to School, School's owners, or School's principals, and will notify School within ten (10) Business Days of any change. **[Policy — 26 TAC Ch. 556 does not impose a general ownership-independence requirement; §556.3(a) expressly permits a nursing facility to operate its own NATCEP. School imposes this attestation as a program-integrity control.]** The attestation is a contractual representation; a material misstatement is a breach of this §14.1 and of Terms §7.1, entitling School to the remedies in Terms §15.

14.2 Section 556.3(l) conflict disclosure. [Contract — material to the §556.3(l) rule pathway where invoked] Facility will disclose to School whether School, or any person School proposes to use to offer the NATCEP, has been employed by Facility or by Facility's owner. This disclosure is material to the eligibility condition in 26 TAC §556.3(l), which permits contracting to offer a NATCEP in a §556.3(f)-prohibited nursing facility only if the contracting person "has not been employed by the nursing facility or by the nursing facility's owner." Where that pathway is invoked, the disclosure goes to an HHSC eligibility condition for approving the NATCEP application that names Facility, and a misstatement may affect HHSC's approval of that application.

14.3 Other programs. Neither Party is prohibited from participating in other clinical or educational programs.

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15. Term, Termination, and Withdrawal of Participation

15.1 Initial Term. The **Initial Term** is three (3) years from the Effective Date, as stated in the Agreement (Key Terms). **[Policy — Texas law prescribes no minimum or maximum term for a NATCEP clinical agreement.]**

15.2 Renewal. The Agreement automatically renews for successive one-year **Renewal Terms** unless either Party gives written notice of non-renewal at least sixty (60) days before the end of the then-current term. Continued performance during any Renewal Term is conditioned on School's then-current HHSC approval (Terms §16.5). A new version of these Terms applies at a Renewal Term only as the Agreement provides.

15.3 Termination grounds.

(a) Material breach — 30-day cure. Either Party may terminate on thirty (30) days' written notice if the other materially breaches and fails to cure within the notice period. **(b) Loss of licensure or certification — immediate.** Either Party may terminate immediately on written notice if the other loses required licensure or,

where applicable, CMS certification. **(c) Insurance lapse — 15-day cure.** Either Party may terminate on fifteen (15) days' written notice if the other fails to maintain required insurance and does not cure within that period. **(d) Warranty breach.** A breach of the Terms §7.1(c) warranty arising from a 26 TAC §556.3(f) trigger is governed by Terms §15.4 and §15.6, not by §15.3(a). Any other breach of Terms §7.1 or §8.1 is a material breach remediable under §15.3(a) — or §15.3(b) or (c) where those grounds apply — subject to the ordering rule in Terms §15.6. **(e) Without cause.** Either Party may terminate without cause on sixty (60) days' written notice, subject to Terms §15.7. **(f) Regulatory direction — immediate.** School may terminate immediately if HHSC directs School to cease using the Clinical Site, or if School's NATCEP approval is withdrawn or expires.

15.4 Suspension on a §556.3(f) event. If a §556.3(f) trigger occurs at a nursing-facility Clinical Site, the Agreement is immediately SUSPENDED as to new and continuing Trainee placement — automatically and without notice — upon the earlier of Facility's notice under Terms §7.2(a) or School's discovery. During suspension:

(a) no Trainee will begin or continue clinical hours at the Clinical Site; **(b)** Facility may elect the Terms §7.1(d) safe-harbor pathways, and the Parties will cooperate on the submission; **(c)** School will submit any required NATCEP application change and will not resume until HHSC approves (see Terms §16.3); and **(d) if HHSC or CMS declines the §556.3(l)–(m) contracting pathway or the §556.3(n)/§483.151(c) waiver, or if no election is made within ten (10) Business Days, School may terminate the Agreement immediately on written notice.** If HHSC or CMS grants relief, suspension lifts on School's written confirmation.

Suspension under this §15.4 is not a breach by either Party and gives rise to no damages claim.

15.5 Effect of §556.8 withdrawal. The Parties acknowledge 26 TAC §556.8 [Rule]: HHSC **immediately** withdraws approval of a facility-based NATCEP on any of the eight grounds in §556.8(a), including refusal to permit unannounced HHSC visits; HHSC withdraws approval of any NATCEP that does not comply with §556.3, after a two-notice cure process (10 days, then 20 days) under §556.8(b); and a NATCEP whose approval is withdrawn for §556.3 noncompliance is not approved again **for at least two years** (§556.8(c)). Each Party will notify the other within twenty-four (24) hours of any §556.8 notice it receives and will cooperate in any response, plan of correction, or hearing request. **Hearing and appeal rights differ by claimant and by the decision challenged [Rule — text verified]: (i) the NATCEP may request a hearing on a withdrawal proposed on §556.3/§556.7 grounds within 15 days of notice (§556.8(i), applying 1 TAC §357.484); (ii) a nursing facility that offers a NATCEP and participates only in Medicaid may request a hearing within 60 days (§556.8(f)); (iii) a dually certified (Medicare/Medicaid) nursing facility that offers a NATCEP proceeds under the federal appeals process at 42 C.F.R. Part 498 (§556.8(e)); and the facility routes in (ii) and (iii) are mutually exclusive (§556.8(g)). CRITICAL LIMITATION: under both §556.8(e) and (f), the facility may challenge only the findings of noncompliance that led to the withdrawal — not the withdrawal of approval of the NATCEP itself. Compliance confirms the applicable claimant, track, and remedy scope before calendaring any deadline.**

15.6 Ordering rule — CONTROLS OVER ALL OTHER TERMINATION LANGUAGE. Notwithstanding Terms §7.2, §10, §16, or any other provision of the Agreement or these Terms, all rights to suspend or terminate arise exclusively under this §15, Terms §20.3 (force majeure), and Terms §25.5 (change in law), and are exercised in the following order: (1) automatic suspension under Terms §15.4 or §16.3 where triggered; (2) immediate termination rights under Terms §15.3(b), (f), or §15.4(d); (3) cure-period terminations under Terms §15.3(a) and (c); (4) termination under Terms §20.3 (force majeure) or §25.5 (change in law), on the

notice periods those sections state; (5) termination without cause under Terms §15.3(e). Where two grounds apply to the same facts, the terminating Party may elect any available ground but must identify the elected ground in its notice. No provision outside Terms §15, §20.3, and §25.5 creates an independent termination right.

15.7 Withdrawal of participation. [Contract — modeled on, but not governed by, 22 TAC §215.10(c)(2); see Terms §2.0.] Either Party may withdraw from participation in clinical placements without terminating the Agreement by giving written notice specifying the withdrawal date, which must be **not less than sixty (60) days** after notice, except that a shorter period applies where withdrawal is required by law, HHSC direction, a §556.3(f) event, or a documented resident-safety determination. **In every case, a withdrawing Party will permit Trainees then enrolled in an in-progress Rotation to complete that Rotation's remaining clinical hours to the extent Terms §15.9 permits.** A withdrawal notice under this §15.7 does not affect either Party's obligations under Terms §§9, 10, 11, 12, 13, 14, 21, 22, 24, 25, Terms §23, or Agreement Section A (or Section B, where applicable).

15.8 Periodic review. The Parties will review the Agreement and these Terms at least annually to confirm currency with HHSC rules, and will document the review. **[Contract/Policy — not a §556 requirement.]**

15.9 Teach-out — subordinate to law.

(a) Governing principle. The teach-out rights in this §15.9 are expressly subordinate to (i) applicable law, (ii) the Clinical Site's continuing eligibility under §556.3(d) and (f), (iii) resident/patient and Trainee safety, and (iv) any HHSC direction, including any §556.3(x) freeze or §556.8 withdrawal. Nothing in this §15.9 permits, requires, or may be construed to require either Party to continue clinical training that law or HHSC prohibits.

(b) Completion right. Subject to §15.9(a), Trainees actively engaged in clinical training at the time of any termination, non-renewal, or withdrawal will be permitted to complete **the remaining clinical hours of the NATCEP cohort in which they are enrolled** (not merely the current rotation day or shift), for a period equal to the **greater of** ninety (90) days after the effective date of termination **or**, where 26 TAC §556.8(j) applies, the period necessary for those Trainees to complete the NATCEP.

(c) Facility curtailment. Facility may curtail teach-out only on a **documented written safety determination** delivered to School, identifying the specific risk and the basis for concluding that continued Trainee presence is unsafe or unlawful.

(d) School obligations on curtailment or termination. School will (i) notify affected Trainees in writing within **five (5) Business Days**, (ii) use commercially reasonable efforts to secure an alternate HHSC-approved clinical site within **fifteen (15) days**, and (iii) deliver completed Form 5497 records and transcripts to affected Trainees within **ten (10) Business Days**.

(e) Regulatory backstop. The Parties note 26 TAC §556.8(j)**:** a trainee who started a NATCEP before HHSC sent notice of withdrawal may complete the NATCEP. This §15.9 is not intended to reduce that right.

15.10 Effect of termination. Termination does not affect obligations accrued before the effective date. Sections surviving termination are listed in Terms §25.13.

16. Regulatory Conditions Precedent, Stop-Work, and Cooperation

16.1 Signature may precede approval. The Parties may execute the Agreement before HHSC approves the Clinical Site on School's NATCEP application, so that the executed Agreement can be submitted with the application under 26 TAC §556.3(d) and §556.4.

16.2 Condition precedent to access. NO TRAINEE WILL BE PLACED AT, ORIENTED AT, OR PERFORM ANY CLINICAL HOUR AT THE CLINICAL SITE UNTIL SCHOOL DELIVERS WRITTEN CONFIRMATION TO THE FACILITY LIAISON THAT HHSC HAS APPROVED THE CLINICAL SITE ON SCHOOL'S NATCEP APPLICATION. Facility will not admit Trainees for clinical training absent that confirmation. School further covenants that it will not solicit or enroll any Trainee before HHSC approves its NATCEP (26 TAC §556.3(cc)) [Rule].

16.3 Change-pending freeze — STOP WORK. The Parties acknowledge 26 TAC §556.3(x) [Rule]: if the information in an approved NATCEP application changes, the NATCEP must submit a new application through the online portal, and "the NATCEP may not continue training or start new training until HHSC approves the change." Accordingly:

(a) the freeze reaches **all** NATCEP training — continuing cohorts as well as new ones — and is **not** limited to the changed site; **(b)** School will notify Facility within one (1) Business Day of submitting any change application and will state the expected freeze scope; **(c) School may suspend Trainee placement at the Clinical Site immediately and without liability while any change application is pending**, and no such suspension is a breach or a ground for Facility to terminate under Terms §15.3(a), without limiting Facility's right under Terms §15.3(e); **(d)** Facility will notify School **within twenty-four (24) hours** of any change to Facility information that School reported on its application — legal name, DBA, physical address, license number, CMS certification number, ownership or control, administrator, bed capacity, or unit configuration — so School can assess whether §556.3(x) is triggered; and **(e)** the Parties will resume placement only on School's written confirmation of HHSC approval.

16.4 No representation of approval. Facility will not represent, in marketing, signage, resident/family communications, or otherwise, that it is an HHSC-approved NATCEP clinical site until School delivers the Terms §16.2 confirmation, and will cease any such representation on written notice that approval has lapsed, been suspended, or been withdrawn. Neither Party will represent that HHSC has approved any content or hours beyond the required curriculum (§556.3(dd)).

16.5 Continuing approval as a condition of performance. School's obligation and right to place Trainees is conditioned on School holding current HHSC NATCEP approval throughout the Term. School will notify Facility within twenty-four (24) hours if approval lapses, is suspended, or is proposed for withdrawal.

16.6 Reportable changes — consolidated. The notice obligations of Facility under Terms §7.2 and §16.3(d), and of School under Terms §8.2, are cumulative and constitute the complete set of change-notice duties. **Twenty-four-hour notice** applies to disqualifying and regulatory events; **five Business Days** applies to administrative changes.

16.7 HHSC access. Governed by Terms §7.3(g) and §9.5.

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17. Non-Discrimination

Neither Party will discriminate against any Trainee, instructor, employee, or applicant on the basis of race, color, national origin, sex (including pregnancy, sexual orientation, and gender identity), religion, age, disability, genetic information, veteran status, or any other basis protected by federal or Texas law. Each Party will comply, to the extent applicable, with Section 1557 of the Affordable Care Act, 42 U.S.C. §18116; Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act; and Tex. Lab. Code Ch. 21. Accommodation requests are handled under Terms §5.11.

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18. Relationship of the Parties

18.1 The Parties are independent contractors. Nothing in the Agreement or these Terms creates any employment, partnership, joint venture, agency, or fiduciary relationship between them.

18.2 Trainee status. For purposes of the Agreement and except as Terms §18.3 provides, no Trainee will be considered an employee, agent, or contractor of either Party by reason of participation in the clinical program, and no Trainee will receive wages, employment benefits, or workers' compensation from either Party **for NATCEP clinical participation**. **This §18.2 is a contractual characterization of the Parties' intent. It is not a statement of any Trainee's rights under wage-and-hour, workers' compensation, or other law, and it is subject in all respects to Agreement §A.2.**

18.3 Facility-employed Trainees carve-out. If a Trainee is separately employed by Facility, or holds an offer of employment from Facility, that Trainee's employment rights, wages, benefits, and workers' compensation coverage arise from that employment relationship and are unaffected by the Agreement. The Parties acknowledge that 26 TAC §556.3(aa) and (bb) expressly contemplate facility-employed nurse aides participating in a NATCEP. Facility remains subject to Terms §5.6 (no charge) as to such Trainees. **For a Facility-employed Trainee, whether NATCEP training time is compensable hours worked is determined under 29 C.F.R. §§785.27–785.32 and is Facility's responsibility as the employer; School makes no representation on that question.**

18.4 Unpaid-Trainee status — primary-beneficiary intent. For a Trainee not employed by either Party, the Parties intend and will operate the program so that the Trainee is the **primary beneficiary** of the clinical training under the factors described in U.S. Department of Labor **Fact Sheet #71** and **Field Assistance Bulletin 2018-2**: the clinical training is integrated into and tied to School's educational program; it provides training similar to that of an educational environment; it is of primarily educational benefit to the Trainee; Trainees do not displace paid employees and are not counted toward Facility staffing; and participation carries no entitlement to wages or to a job at its conclusion. **[Guidance — the primary-beneficiary test is fact-specific; this §18.4 states intent and operating commitments, not a guaranteed legal outcome.]**

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19. Notice Mechanics

Notice addresses for both Parties are stated in the Agreement (Notices), not in these Terms.

19.1 Method and deemed receipt.

Method	Deemed received
Personal delivery	On delivery
Nationally recognized overnight courier, charges prepaid	One (1) Business Day after deposit, per the carrier's tracking record
Certified mail, return receipt requested, postage prepaid	Three (3) Business Days after deposit, or on the return-receipt date if earlier
Email to the addresses in the Agreement	On the sender's receipt of a non-automated confirmation of receipt from the recipient (an automated delivery or read receipt is not confirmation); absent confirmation, email effects notice only for the Terms §19.3 communications (operational communications **and** the regulatory-clock notices listed in §19.3)

19.2 Formal notices. Notices of **termination, suspension, withdrawal of participation, indemnity claim, breach, or insurance lapse** must be delivered by personal delivery, overnight courier, or certified mail, **with a courtesy copy by email**. Email alone is insufficient for these notices.

19.3 Operational communications and regulatory-clock notices. Rotation schedules, cohort rosters, day-to-day scheduling, removal notices under Terms §6.4, and incident reports under Terms §13.5 may be sent by email to the Facility Liaison and School Clinical Coordinator and are effective on transmission. **In addition, and notwithstanding Terms §19.1's confirmation requirement and §19.2, any notice under Terms §7.2, §8.2, §5.4, §9.4, §10.5, §11.7, §14.1, §15.5, §16.3, or §16.5 — the 24-hour, one-Business-Day, five-Business-Day, and ten-Business-Day regulatory and compliance clocks — is effective on transmission by email to the addresses in the Agreement (Notices), provided the sender delivers a confirming copy by a §19.2 method, or by email confirmed under §19.1, within two (2) Business Days. The confirming copy evidences, and does not delay, effectiveness. This sentence supplies the delivery method for every notice obligation in the Agreement or these Terms whose period is shorter than the shortest §19.1 deemed-receipt period for a non-email method.**

19.4 Changes. Either Party may change its notice address by notice given under Terms §19.2. **A change of Facility Liaison or School Clinical Coordinator is made by updating the Agreement (Facility Information) or Schedule 7 by email confirmation and does not require an amendment under Terms §25.3.**

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20. Force Majeure

20.1 Neither Party will be in breach for any delay or failure to perform caused by acts of God, war, terrorism, fire, natural disaster, epidemic or pandemic, declared federal or state disaster, government order, utility or communications failure, or other cause beyond the Party's reasonable control (a "**Force Majeure Event**").

20.2 Notice. The affected Party will give written notice describing the event, the affected obligations, and the estimated duration **within ten (10) days** of the event's onset, and will provide updates at least every thirty (30) days.

20.3 Mitigation and termination. The affected Party will use diligent, good-faith efforts to resume performance. **If a Force Majeure Event prevents clinical placement for more than sixty (60) consecutive days, either Party may terminate on fifteen (15) days' written notice**, subject to Terms §15.9.

20.4 Carve-outs. Force majeure does not excuse (a) payment obligations, (b) confidentiality, HIPAA, or FERPA obligations, (c) indemnity obligations under Agreement Section A or Section B, or (d) obligations to maintain insurance.

20.5 Regulatory bridge. If a Force Majeure Event arises from a federal- or state-declared disaster, School may pursue laboratory clinical hours **only** through 26 TAC §556.3(e)(2), which requires an HHSC determination that clinical training in a facility poses a risk to health or safety; HHSC alerts the public when that pathway is available. School will monitor HHSC alerts and notify Facility if it invokes the pathway.

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21. Confidentiality

21.1 Confidential Information. "Confidential Information" means non-public business, financial, operational, curricular, pricing, personnel, and strategic information disclosed by one Party to the other in connection with the Agreement and identified as confidential or reasonably understood to be confidential. PHI and education records are governed by Terms §11 and §12.

21.2 Obligations. Each Party will use Confidential Information only for purposes of the Agreement, will protect it with at least reasonable care, and will not disclose it except to personnel with a need to know who are bound by comparable obligations.

21.3 Exclusions. Information that is or becomes public through no fault of the recipient, was lawfully known before disclosure, is independently developed, or is lawfully received from a third party is not Confidential Information.

21.4 Compelled disclosure and protected reporting. Nothing in this §21 or in any other provision of the Agreement or these Terms restricts either Party, any Trainee, or any instructor from reporting a suspected violation of law to HHSC, CMS, OSHA, the HHS Office of Inspector General, the Texas Attorney General, the Texas Board of Nursing, the Securities and Exchange Commission, or any other governmental authority, from participating in a governmental investigation, or from making a mandatory report under Terms §13.6. No prior notice to the other Party is required for such reports. For other compelled disclosures, the recipient will give prompt notice where legally permitted.

21.5 Term. Confidentiality obligations continue for three (3) years after termination, and indefinitely as to trade secrets.

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22. Intellectual Property, Marks, and Publicity

22.1 IP ownership. Each Party retains all right, title, and interest in its own curriculum, training materials, policies, forms, software, and other intellectual property. No license is granted except as necessary to perform the Agreement.

22.2 Marks. Neither Party will use the other's name, logo, or trademarks in advertising, marketing, or a press release without the other's prior written consent, except that School may list Facility as a clinical site in regulatory filings, accreditation submissions, and factual student-facing disclosures, and Facility may identify School as a training partner in internal and recruitment materials.

22.3 Photography, recording, and social media. No Trainee or instructor will photograph, video-record, or audio-record at the Clinical Site, or post any content about the Clinical Site, its residents, patients, staff, or operations to social media, without Facility's prior written consent. School will include this prohibition in its Trainee handbook and in the **Schedule 2** acknowledgment. Violation is grounds for immediate removal under Terms §6.3 or §6.4.

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23. Dispute Resolution

Governing law, venue, and the jury waiver are in the Agreement (Section C) and are not part of these Terms. Indemnification and limitation of liability are in the Agreement (Sections A and B).

23.1 Escalation. Before filing suit, the Parties will escalate any dispute to the School Director of Compliance and the Facility Administrator, who will confer in good faith within **fifteen (15) Business Days** of written notice of dispute.

23.2 Mediation. If escalation does not resolve the dispute within thirty (30) days, the Parties will submit it to non-binding mediation before a mutually acceptable mediator in the county stated in Agreement §C.1, sharing the mediator's fees equally. **If Facility is a governmental entity, the contract-claim resolution process of Tex. Gov't Code Ch. 2260 applies where that chapter governs and controls over this §23.2 to the extent of any conflict.** *[DEFERRED — counsel election: decide before execution with a governmental Facility whether to elect the Ch. 2260 arbitration option, and generally whether to substitute binding arbitration for litigation under Agreement §C.1.]*

23.3 Equitable relief. Nothing in this §23 prevents either Party from seeking a temporary restraining order or injunctive relief to prevent imminent harm, including breach of Terms §11, §12, §21, or §22, without first completing Terms §23.1–§23.2.

23.4 Attorneys' fees. In any action to enforce the Agreement or these Terms, the substantially prevailing Party may recover its reasonable attorneys' fees and costs as a freestanding contractual right, independent of and in addition to any right under Tex. Civ. Prac. & Rem. Code Ch. 38. The Parties acknowledge that Ch. 38 permits recovery only by a claimant and does not reach certain religious and charitable organizations; this §23.4 supplies a mutual contractual entitlement that does not depend on Ch. 38.

23.5 Regulatory matters excluded. This §23 does not apply to, delay, or condition any Party's compliance with an HHSC, CMS, or OSHA directive, or to any suspension or stop-work under Terms §15.4 or §16.3.

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24. Consideration and No Remuneration

24.1 Consideration. The mutual covenants in the Agreement and these Terms constitute the sole consideration exchanged. **Neither Party will pay, and neither Party will accept, any fee, rebate, discount, referral payment, in-kind benefit, or other remuneration in exchange for clinical placements, referrals, or the execution of the Agreement.**

24.2 Intent. The Parties intend that the Agreement comply with the federal Anti-Kickback Statute, 42 U.S.C. §1320a-7b(b), the federal physician self-referral law where applicable, and Tex. Occ. Code §102.001 (illegal remuneration). No provision will be construed to require or permit conduct that violates those laws.

24.3 Hiring is free. Facility may offer employment to any Trainee at any time with no fee, placement charge, liquidated damage, or other payment to School. Nothing in the Agreement restricts a Trainee's employment mobility.

24.4 No-charge rule. Facility's obligation not to charge an employed or offered nurse aide for any portion of the NATCEP is stated in Terms §5.6 and 26 TAC §556.3(aa).

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25. Miscellaneous

25.1 Compliance with law. Each Party will comply with all applicable federal, state, and local laws, rules, and regulations, including 26 Tex. Admin. Code Ch. 556; 42 C.F.R. Part 483, Subpart D; HIPAA; FERPA; OSHA; Tex. Health & Safety Code Chs. 81, 181, 250, and 260A; and the anti-kickback provisions referenced in Terms §24.

25.2 Assignment and change of control. Neither Party may assign the Agreement without the other's prior written consent, not to be unreasonably withheld, except that either Party may assign to an affiliate or to a successor by merger, reorganization, or sale of substantially all assets **on thirty (30) days' prior written notice**. **Any assignment, change of ownership, or change of control of Facility (a) requires re-execution of the ownership-independence attestation in the Agreement under Terms §14.1 and a fresh Terms §14.2 disclosure, and (b) is a change to approved NATCEP application information that triggers School's obligations under Terms §16.3.**

25.3 Amendments. Any amendment to the Agreement must be in writing and signed by both Parties, except as Terms §19.4 provides for contact updates. These Terms are amended only by School's publication of a new version, which binds an executed Agreement only as the Agreement provides.

25.4 Severability. If any provision is held invalid or unenforceable, the remaining provisions remain in full force, and the Parties will substitute an enforceable provision that most nearly effects their original intent.

25.5 Change in law. If a change in federal or state law or regulation materially affects either Party's rights or obligations, either Party may request renegotiation by written notice. The Parties will negotiate in good faith for thirty (30) days; if they do not reach agreement, either Party may terminate on thirty (30) days' written notice, subject to Terms §15.9. Pending renegotiation, each Party will perform in the manner that complies with the changed law.

25.6 Entire agreement. The Agreement, its Exhibits, and the version-locked Terms and Schedules are the entire agreement on this subject and supersede all prior discussions and agreements. **Where these Terms conflict with the Agreement, the Agreement controls, except that a provision of these Terms required by applicable law controls to the extent of that requirement** (Agreement §D.1).

25.7 Counterparts and electronic signatures. The Agreement may be executed in counterparts, including by electronic signature under the Texas Uniform Electronic Transactions Act, each of which is an original and all of which together constitute one instrument.

25.8 No third-party beneficiaries. The Agreement and these Terms are for the benefit of the Parties only and create no rights in any third party, including Trainees. **This §25.8 does not limit Agreement Section A or Section B, under which Indemnitees include the named categories of officers, employees, and agents.**

25.9 Records retention. Each Party will retain records related to the Agreement for at least **seven (7) years** after termination or expiration, or such longer period as law requires. **Notwithstanding the foregoing: (a) medical and exposure records subject to 29 C.F.R. §1910.1020 are retained as Terms §13.7 provides (medical records: duration of employment plus thirty (30) years, subject to the less-than-one-year exception; exposure records: at least thirty (30) years); (b) NATCEP training records are retained as HHSC requires under 26 TAC §556.3(z); and (c) records subject to a litigation hold are retained until the hold is released.**

25.10 Waiver. No waiver of any provision is effective unless in writing and signed, and no waiver on one occasion waives any other occasion.

25.11 Cumulative remedies. Except as Terms §15.6 and Agreement Section A provide, remedies are cumulative.

25.12 Further assurances. Each Party will execute such documents and take such actions as the other reasonably requests to give effect to the Agreement, including furnishing information required for School's HHSC application.

25.13 Survival. The following survive termination or expiration: Terms §1 (Definitions), §9 (Records), **§10.3, §10.4, §10.5, and §10.8 (tail coverage, certificate delivery, lapse notice, and subrogation waiver, each for the duration of the tail period)**, §11 (HIPAA), §12 (FERPA), **§13.2–§13.3 (exposure response and emergency care, as to any incident occurring during the Term, including the 29 C.F.R. §1910.1030(f) post-exposure evaluation and follow-up)**, §13.6–§13.7 (abuse reporting; record retention), §14 (attestation as to the period covered), §15.9 (Teach-out), §21 (Confidentiality), §22 (IP and Publicity), §23 (Dispute Resolution), §24 (No Remuneration), §25.1, §25.4, §25.6, §25.8, §25.9, and §25.13; **and, in the Agreement, Section A (or Section B, where applicable) and Section C.**

Version History

Version	Effective date	Applies to Agreements executed on or after	Summary of changes	Archived copy
1.0	September 2, 2026	September 2, 2026	Initial publication. Content restructured from the Zollege TX-NATCEP Clinical Partnership Agreement template v3.2 (September 2, 2026); no substantive obligation added, weakened, or removed. Indemnification, limitation of liability, governmental-entity alternative, governing law, venue, and jury waiver remain in the signed Participation Agreement.	https://www.zollege.com/legal/clinical-partner-terms

All prior versions are permanently archived at the URL above. A new version applies to an executed Agreement only at the next Renewal Term, after at least 60 days' written notice with a link and a redline, and only if Facility does not object in writing before that renewal; if Facility objects, the prior version continues or either Party may non-renew.

Schedules

Schedule 1 — Certificate of Insurance Checklist

(formerly Exhibit C)

#	Requirement	Terms §Ref	Received	Expires	Verified by / date
1	School CGL $1M/$3M, Facility named additional insured, primary	10.1(a), 10.4			

#	Requirement	Terms §Ref	Received	Expires	Verified by / date
	& noncontributory				
2	School Professional/E&O $1M/$3M, **Trainee coverage expressly confirmed**	10.1(b)			
3	School workers' comp (statutory) + Employer's Liability $1M/$1M/$1M, **or** non-subscriber package under Terms §10.1(c)	10.1(c)			
4	School Cyber $1M per claim	10.1(d)			
5	School student accident $25K per Trainee	10.1(e)			
6	Facility CGL $1M/$3M **or** self-insurance certification	10.2			
7	Facility Professional $1M/$3M **or** self-insurance certification	10.2			
8	All carriers AM Best A– VII or better	10.3			
9	Claims-made policies: retro date ≤ Effective Date; tail commitment ≥ 3 years	10.3			

Renewal tickler: Compliance sets a calendar reminder 45 days before each expiration date above.

Schedule 2 — Trainee and Instructor Confidentiality, Conduct, and Media Acknowledgment

(formerly Exhibit E)

I acknowledge that as a NATCEP Trainee or instructor at [Facility] I will:

1. access only the minimum protected health information necessary for my assigned educational task, and will not photograph, copy, transcribe onto a personal device, transmit, or remove PHI from the Clinical Site (Terms §11.4);
2. complete Facility's HIPAA privacy and security training and follow Facility policies (Terms §11.2);
3. not photograph, video-record, or audio-record at the Clinical Site and not post about the Clinical Site, its residents, patients, staff, or operations on social media (Terms §22.3);
4. wear identification clearly identifying me as a NATCEP Trainee (Terms §4.3);
5. perform only services for which I have been trained and found proficient, under the supervision required by Terms §4.1;
6. **immediately report any cause to believe a resident or patient has been or may be adversely affected by abuse, neglect, or exploitation — to HHSC where the Clinical Site is a nursing facility, assisted living facility, or prescribed pediatric extended care center, as Tex. Health & Safety Code §260A.002 requires of me personally, or otherwise through the reporting channel identified for the site type in Terms §13.6(a) and Facility policy — and understand that I am protected from retaliation for a good-faith report** (Terms §13.6); and
7. report any exposure, injury, or incident immediately (Terms §13.2, §13.5).

Signed: _____ Printed: _____ Date: _____

Schedule 3 — Cost Schedule

(formerly Exhibit F)

Item	Borne by	Terms §Ref	Note
Criminal background check (Facility-requested)	☐ School ☐ Facility ☐ Trainee	5.5(a), 5.6	Void as to any §556.3(aa) Trainee
Drug screen	☐ School ☐ Facility ☐ Trainee	5.5(b), 5.6	Same
TB screening	☐ School ☐ Facility ☐ Trainee	5.5(c), 5.6	Same
Immunizations	☐ School ☐ Facility ☐ Trainee	5.5(d), 5.6	Same
Physical examination	☐ School ☐ Facility ☐ Trainee	5.5(e), 5.6	Same
BLS certification	☐ School ☐ Facility ☐ Trainee	5.5(f), 5.6	Same
Post-exposure evaluation	**Not the Trainee**	13.2(d)	29 C.F.R. §1910.1030(f)

Item	Borne by	Terms §Ref	Note
and follow-up			requires no cost to the employee; extended to all Trainees by contract (Terms §13.1, §13.2(d))
Textbooks and required course materials	☐ School ☐ Trainee	5.6	**Never charged to a §556.3(aa) Trainee**
Competency evaluation fee	☐ School ☐ Trainee	2.9, 5.6	Same; see Terms §5.7 HHSC reimbursement

§556.3(aa) determination: For each Trainee, School records whether the Trainee was employed by, or held an offer of employment from, a nursing facility **on the date the Trainee began the NATCEP**. If yes, that nursing facility may charge the Trainee nothing for any portion of the NATCEP, including materials.

Schedule 4 — Business Associate Agreement (Required-Elements Checklist)

(formerly Exhibit G)

[This Schedule is a checklist, not an operative agreement (Terms §1.17). If Terms §11.3 is triggered, attach and execute School's standard HIPAA business associate agreement, which must address: permitted uses and disclosures; safeguards under 45 C.F.R. §164.314(a); reporting of security incidents and breaches within 24 hours; subcontractor flow-down; access, amendment, and accounting under §§164.524, 164.526, 164.528; HHS access; return or destruction on termination; and termination for material breach.]

Schedule 5 — Incident / Exposure Report Form

(formerly Exhibit H)

Field	Entry
Date and time of incident	
Date and time reported (verbal / written)	
Reported by	
Type	☐ Exposure ☐ Trainee injury ☐ Resident/patient event ☐ Medication error ☐ Fall ☐ Elopement ☐ Equipment ☐ Security ☐ Alleged abuse/neglect/exploitation ☐ Privacy incident
Trainee(s) involved	
Facility staff involved	
Resident/patient involved (**do not record identifying detail on this form**)	Unit/room only:
Site type (Terms §13.6(a)): ☐ Nursing facility / ALF / PPECC (Ch. 260A) ☐ Hospital (§161.132) ☐ Other (licensing chapter + Facility policy)	

Field	Entry
Applicable external abuse/neglect/exploitation report: channel, recipient, made by whom, date/time (HHSC §260A.002 where Ch. 260A applies; otherwise the Terms §13.6(a) channel for the site type)	
Was a HIPAA privacy incident notice given under Terms §11.7?	
Insurer / counsel notified?	
Litigation hold issued?	
Approval to resume clinical activity — School Clinical Coordinator	Name / date
Approval to resume clinical activity — Facility Liaison	Name / date

Schedule 6 — Site Operational Schedule

(operational detail formerly in Exhibit A; completed by the Facility Liaison and School Clinical Coordinator after signing and updated by email confirmation under Terms §19.4. Core identification, capacity, and contact fields are on the face of the Agreement and control as to those facts.)

6-A. Site identification supplement

Field	Value
Scope limit that applies (Terms §3.1)	☐ n/a (nursing facility) ☐ §556.3(h) ALF ☐ §556.3(i) ICF-IID ☐ §556.3(j) hospice inpatient ☐ §556.3(k) hospital
Medicare participation	☐ Yes ☐ No
Medicaid participation	☐ Yes ☐ No
Bed capacity / current census	
Ownership entity and any parent	

Note: license-chapter references identify the Facility's licensing statute. 26 TAC §556.3(h)–(k) supply scope limits for ALF, ICF-IID, hospice inpatient, and hospital sites only; a nursing facility is the default with no scope-limiting subsection.

6-B. Contacts supplement

Role	Name	Phone	Email
Backup liaison			
24/7 escalation contact (Terms §13.2, §13.5)			
Infection preventionist			

6-C. Operational schedule

Field	Value
Permitted clinical days	
Permitted clinical hours (shift windows)	
Units/wings available for training	
Maximum Trainees per Rotation (must match the Agreement)	
Rotations committed per year (Terms §6.1(a))	
Blackout dates	
Parking/entry instructions	
Consent to host competency evaluation on site (Terms §2.9(d))	☐ Yes ☐ No

6-D. Decision logic

Question	If yes
Is Facility a nursing facility?	Terms §4.2 licensed-nurse covenant applies; Terms §7.1(c) warranty applies; §556.3(aa) no-charge rule applies (Terms §5.6)
Is Facility a non-nursing-facility site?	Terms §3.2 instructor-only direct supervision applies; scope limited per the Terms §3.1 table
Is Facility a governmental entity?	Agreement Section B modifies Agreement Section A; Exhibit I determination worksheet (verifications executed per Agreement §B.5); Agreement §B.4 venue; Terms §10.2 self-insurance option
Is Facility offering its own facility-based NATCEP?	Terms §7.1(f) Medicare/Medicaid warranty applies; Terms §4.7 DON restriction applies

Schedule 7 — School NATCEP Program Information

(formerly Exhibit B; maintained and updated by School under Terms §8.3(a) and §19.4)

Field	Value
Zollege legal entity	
School DBA	
HHSC NATCEP approval #	
HHSC approval expiration date (§556.7(a))	
Renewal application due date (30 days before expiration, §556.7(b))	
Tex. Educ. Code Ch. 132 approval or exemption # (§556.7(g))	
Program Director — name and Texas RN license #	

Field	Value
(§556.5(b))	
Program Director LTC experience ≥ 1 yr? (§556.5(d))	☐ Yes ☐ No
Program Instructor(s) — name, RN or LVN, Texas license # (§556.5(c))	
If any instructor is an LVN, §556.5(d) satisfied by	☐ Director w/ 1 yr LTC ☐ RN instructor w/ 1 yr LTC
Supplemental Trainer(s) — profession, license #, ≥ 1 yr field experience (§556.5(g)(1))	
Records physical address on file with HHSC (§556.3(z)(3))	
School Clinical Coordinator (Terms §1.12)	
24/7 escalation contact	
Compliance contact	

These Terms are a compliance document prepared with AI assistance and reviewed by Zollege Compliance. They are not legal advice. Authorities verified as of September 1–2, 2026, against 26 TAC Ch. 556 as amended effective July 30, 2026. Round 4 and 4b verification confirmed Tex. Health & Safety Code Ch. 81D, Tex. Civ. Prac. & Rem. Code §15.0151, Tex. Gov't Code §2271.002, Tex. Gov't Code §2274.002 (see also the Texas OAG advisory on S.B. 13 and S.B. 19), Tex. Gov't Code §2252.908(b)–(c), and 26 TAC §556.8(e)–(g).