

## MEMORANDUM OF UNDERSTANDING

### University of Connecticut Health Center, American Association of University Professors (UCHC-AAUP)

This is a memorandum of understanding between the University of Connecticut Health Center (hereinafter referred to as "UConn Health"), the University of Connecticut American Association of University Professors (UCHC-AAUP) (hereinafter "the Union") (collectively referred to as "the Parties") concerning covenants not-to-compete.

Whereas, Public Act No. 16-95 went into effect July 1, 2016 regarding "covenant not to compete" in physician employment contracts.

Whereas, UCHC-AAUP notified UConn Health of the change in law August 1, 2016.

Whereas, UConn Health redrafted its covenant not to compete and noticed the union of this fact on September 30, 2016.

Whereas, this constitutes a change in terms and conditions of employment.

Whereas, the UCHC-AAUP requested to negotiate this matter on November 3, 2016.

Therefore, the Parties agree as follows:

1. Effective July 1, 2016, the "Non-Compete Clause," will be included only in faculty appointment/reappointment where there is a "necessary legitimate business interest," as specified by statute. A copy of this clause is illustrated as Exhibit A.
2. As of July 1, 2016, existing faculty members who did not already have a non-compete clause in their contract shall not be subject to the Non-Compete Clause as illustrated in Exhibit A, unless they accept a new contract which includes the covenant.
3. Faculty appointment letters in the following departments/divisions shall not include Non-Compete Clauses: Emergency Medicine, and the Hospitalist Service.
4. This agreement intends to completely address this matter. As such, the parties agree to strike the following sentence from Section II. A of the 8.25.15 Multi-Year Appointment MOA, which reads:

*In such a case, if the faculty member has a Covenant Not To Compete, the post-employment period of the Covenant shall begin the day after the faculty member's salary is terminated.*

5. Any grievance to enforce the terms of this MOU may be brought to arbitration consistent with Article 8 of the Collective Bargaining Agreement.

6. If any provision of this MOU shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If any arbitrator finds that any provision of this MOU is invalid or unenforceable, but that by

limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

7. This MOU constitutes the full and complete understanding of the Parties. No other promises or agreements shall be binding unless placed in writing by the Parties.

**FOR THE UNION**

**Santhanam Lakshminarayanan, M.D. (signed)**  
UCHC-AAUP

**4/19/17**  
Date

**FOR UCONN HEALTH**

**John Peeples (signed)**  
Vice President, Human Resources

**4/19/17**  
Date

## **Exhibit A**

### **Covenant Not To Compete**

As you may be aware, it is common to have practice employment agreements between physicians and group practices. As UConn Health, our standard restriction post-employment is that during the twelve (12) months following your last day of employment as faculty at UConn Health, when separation from employment is the result of your voluntary resignation, retirement, or termination for cause, you cannot (1) establish an office and/or hospital practice engaged in the practice of medicine or (2) join a hospital, health system, group practice, or any other health care business entity engaged in the practice of medicine within a ten (10) mile radius from the primary UConn Health site where you practice. Primary site means the office, facility, or location where a majority of the revenue derived from your services is generated based on a twelve (12) month lookback period at the time of your departure.

You agree that the duration, scope and geographic area(s) applicable to this Covenant Not to Complete are fair, reasonable and necessary and that you have received fair compensation under this contract for such obligations. You further agree that these obligations will not prevent you from employment in your field.

You also agree that if you should leave UConn Health for any reason, you will not transmit, retain, copy, or otherwise collect patient demographic information for your use, and any written communications to patients about your departure must be pre-approved in writing by UConn Health.

If you violate this Covenant Not to Compete, you shall pay to UConn Health a sum equal to six (6) months of your annualized base salary. This amount shall be payable within thirty (30) days of entering practice in the proscribed area.

You understand and agree that a Covenant Not to Compete for your profession is of a special, unique and extraordinary nature and that the loss arising from a breach thereof cannot reasonably and adequately be compensated by money damages. Accordingly, UConn Health shall be entitled to injunctive or other extraordinary relief, in addition to any other remedies that may be available to UConn Health, including, but not limited to, the monetary relief described in this contract.