

Section 1: 8-K (FORM 8-K)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 26, 2019

LHC GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-33989
(Commission File Number)

71-0918189
(I.R.S. Employer Identification No.)

**901 Hugh Wallis Road South
Lafayette, Louisiana 70508**
(Address of Principal Executive Offices) (Zip Code)

(337) 233-1307
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	LHCG	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with

any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On November 26, 2019, LHC Group, Inc. (the “Company”) announced that Donald D. Stelly will resign as President and Chief Operating Officer of the Company, effective as of December 31, 2019. In connection with his resignation, the Company and Mr. Stelly have entered into a separation agreement (the “Separation Agreement”) providing for severance payments and benefits to Mr. Stelly consistent with the terms of Mr. Stelly’s employment agreement with the Company, dated as of June 1, 2019 (the “Employment Agreement”). Under the Separation Agreement, Mr. Stelly agreed not to compete against the Company or solicit the Company’s employees or customers for a period of twenty-four months following the termination of his employment.

In addition, Mr. Stelly and the Company have entered into a consulting agreement (the “Consulting Agreement”) pursuant to which Mr. Stelly will provide consulting services to the Company for a term of twenty-four months following his termination of employment. Under the Consulting Agreement, Mr. Stelly agreed not to compete against the Company or solicit the Company’s employees or customers during the term of the Consulting Agreement and for a period of not less than twelve months following the termination of the Consulting Agreement. In consideration of the consulting services and the restrictive covenants, the Company will pay Mr. Stelly a monthly consulting fee, and will grant to Mr. Stelly an award of restricted stock which will vest in five equal annual installments, subject to Mr. Stelly’s compliance with all restrictive covenants applicable to him under his Employment Agreement, the Separation Agreement and the Consulting Agreement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are furnished with this Current Report on Form 8-K:

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
<u>10.1</u>	<u>Separation Agreement by and between Donald D. Stelly and LHC Group, Inc.</u>
<u>10.2</u>	<u>Consulting Agreement by and between Donald D. Stelly and LHC Group, Inc.</u>
<u>99.1</u>	<u>Press Release, dated November 26, 2019, announcing senior management change (furnished only).</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LHC GROUP, INC.

Date: November 29, 2019

By: /s/ Joshua L. Proffitt
Joshua L. Proffitt
Chief Financial Officer

[\(Back To Top\)](#)

Section 2: EX-10.1 (EXHIBIT 10.1)

EXHIBIT 10.1

CONFIDENTIAL SEPARATION AGREEMENT

THIS CONFIDENTIAL SEPARATION AGREEMENT (this "Separation Agreement") is made and entered into by and between Donald D. Stelly ("Executive") and LHC Group, Inc. ("LHC Group" or the "Company"). Executive and LHC Group and/or the Company are sometimes collectively referred to herein as the "Parties" and individually as a "Party." Capitalized terms used and not otherwise defined herein have the meanings set forth in the Employment Agreement (as defined below).

RECITALS:

WHEREAS, Executive and the Company are parties to that certain Amended and Restated Employment Agreement, dated as of June 1, 2019 (the "Employment Agreement") pursuant to which Executive serves as President and Chief Operating Officer of the Company; and

WHEREAS, in consideration of Executive's execution of this Separation Agreement and a mutual desire to resolve any issues between the Parties' relating to Executive's employment, the Company has agreed to allow Executive to resign his employment effective as of December 31, 2019 (the "Separation Date") and still receive the severance-related benefits described in Paragraph 2 below.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements contained herein, the Parties, intending to be legally bound, hereby agree as follows:

1. **Resignation**. Effective as of the Separation Date, Executive resigns from any and all offices, positions, titles in and employment by the Company and its affiliates. Executive shall not hold himself out in any manner as an officer, employee or agent of, or in any other manner as a representative of, the Company or its affiliates.
2. **Separation Pay and Benefits**. Subject to Executive's compliance with (i) the terms of this Separation Agreement, and (ii) his continuing obligations under the Employment Agreement and the execution and delivery of the Release attached hereto as Exhibit A, the Company agrees to pay Executive with the following benefits (collectively the "Separation Benefits"):
 - A. The sum of the following amounts, to the extent not previously paid: (a) Executive's current base salary of \$650,000.00 ("Base Salary") through the Separation Date; and (b) the amount of Executive's accrued and unused paid time off as of the Separation Date;
 - B. A severance payment in the amount of \$2,080,650, which represents an amount equal to 1.5 times the sum of (a) Executive's Base Salary; and (b) the average of the annual bonuses earned by Executive for calendar years 2017 and 2018;

- C. An annual bonus for 2019 in an amount equal to the bonus, if any, that would have been earned by Executive under the annual incentive bonus plan for 2019 if Executive had remained employed on the date that annual bonuses are paid to other Company executives, payable in February 2020 at the time that annual bonuses are paid to other Company executives;
- D. All outstanding restricted stock awards will continue to vest and become exercisable in accordance with the vesting schedule set forth in the restricted stock certificates, provided that Executive complies with restrictive covenants set forth in the Employment Agreement and Paragraph 8 of this Separation Agreement, provided further, the vesting of such restricted stock awards will accelerate and become 100% vested upon Executive's death or Disability (as such term is defined in the LHC Group, Inc. 2010 Long Term Incentive Plan).
- E. If Executive elects COBRA coverage in connection with any LHC Group medical, dental, vision and/or prescription drug benefit plans in which Executive and/or his eligible dependents are currently participating, LHC Group will pay the excess of the cost of COBRA coverage over the amount Executive would have had to pay if Executive had remained employed during the COBRA coverage period and paid the active employee rate for the applicable benefits coverage. The cost of COBRA coverage paid by the Company on Executive's behalf will be deemed taxable income to Executive to the extent required by law. If Executive becomes eligible to receive group health benefits under a program of a subsequent employer or otherwise (including coverage available to Executive's spouse), the Company's obligation to pay the cost of COBRA coverage as described in this Paragraph will cease, except as otherwise provided by law.
- F. At no cost to Executive, the Company agrees to continue to provide, service, maintain, and pay for Executive's mobile telephone service, existing laptop and home computer system during the term of the Consulting Agreement.

Except for the bonus payment described in Paragraph 2(C) of this Separation Agreement, the remaining cash payments described above will be made in a single lump sum payment within thirty (30) days of the Separation Date.

- 3. No Other Payments or Benefits. Executive acknowledges and agrees that, other than the payments and benefits expressly set forth in this Separation Agreement, he has received all compensation to which he is entitled from the Company, and is not entitled to any other payments or benefits from the Company, including but not limited to any other payments or benefits that may be described or referenced in the Employment Agreement. Executive further agrees that he has received full reimbursement for all business expenses owed by the Company.
- 4. Cooperation. Prior to and after the Separation Date and in consideration of the Separation Benefits provided under Paragraph 2 above, Executive agrees that he will reasonably cooperate with the Company, its affiliates and its subsidiaries, as well as any of their officers, directors, shareholders, or employees: (A) concerning requests for information about the business of the Company or its subsidiaries or affiliates or Executive's involvement and participation therein, (B) in connection with any investigation or review by the Company or any federal, state or local regulatory, quasi-regulatory or self-governing authority (including, without limitation, the Securities and Exchange Commission and the Office of Inspector General) as any such investigation or review relates to events or occurrences that transpired while Executive was employed by the Company, and (C) with respect to transition and succession matters. Executive's cooperation shall include, but not be limited to (taking into account personal and professional obligations, including those to any new employer or entity to which Executive provide services), being available to meet and speak with officers or employees of the Company and/or the Company's counsel at reasonable times and locations, executing accurate and truthful documents and taking such other actions as may reasonably be requested by the Company and/or the Company's counsel to effectuate the foregoing.

5. Nondisparagement. Executive agrees that he will not, with intent to damage, disparage or encourage or induce others to disparage any of the Company, its subsidiaries and affiliates, together with all of their respective past and present directors and officers, and each of their successors and assigns. The Company likewise agrees that it will not, with intent to damage, disparage or encourage or induce others to disparage Executive. Should anyone inquire as to the reason for Executive's separation, the Company shall only state that Executive voluntarily resigned from the Company and shall not otherwise comment. Nothing in this Separation Agreement is intended to or shall prevent any party from providing, or limiting testimony in response to a valid subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law. Executive agrees that he will notify the Company in writing as promptly as practicable after receiving any request for testimony or information in response to a subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law, regarding the anticipated testimony or information to be provided and at least (10) days prior to providing such testimony or information (or, if such notice is not possible under the circumstances, with as much prior notice as is possible).
6. Company Property. Executive agrees to return, on or before the Separation Date, all documents, materials, equipment, keys, Company-issued credit cards, financial information, customer information, trade secrets (as defined by applicable state or federal law) and other confidential and/or material information relating to the Company or the Company's business, and not to retain or provide to anyone else any copies thereof.
7. Confidentiality of Agreement. Executive agrees that he, individually and through anyone acting on his behalf, will not disclose, disseminate, communicate, publicize or cause or permit to be disclosed, disseminated, communicated or publicized any of the specific terms of this Separation Agreement including any amounts paid under this Separation Agreement to any person, entity or agency other than Executive's legal counsel, immediate family members and Executive's tax advisors. If Executive receives any subpoena, court order or governmental agency order, directive or inquiry to disclose the terms of this Separation Agreement, he agrees to provide advance notice and a copy of such subpoena or order to the Company's Secretary at 901 Hugh Wallis Road South, Lafayette, Louisiana 70508, so that the Company may have the opportunity to intervene or assert its rights prior to any response to such an order, subpoena, directive or inquiry. This confidentiality provision does not prohibit Executive from cooperating with any federal or state investigative agency.

8. Restrictions on Conduct of Executive. Consistent with the requirements of the Employment Agreement, Executive agrees to comply with and be bound by the following post-employment covenants:

(a) Definitions. The following capitalized terms used shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

(i) “*Competitive Services*” means (A) the business of providing healthcare services through home nursing agencies, hospices, community based/private duty/personal care agencies, accountable care organizations, or long-term acute care hospitals; (B) the business of providing in-home health risk assessments, primary medical care, either directly in the home setting or indirectly via technology-enabled devices, or population health analytics; (C) management, consulting and advisory activities relating to any of the services described in (i)(A) and (i)(B); and (D) governmental relations or lobbying activities regarding any of the services described in (i)(A) and (i)(B) above. Competitive Services also encompasses the additional services provided by the Company’s facility-based and healthcare innovations segments during Executive’s employment, including, without limitation, outpatient and physical therapy clinics, rural health clinics, accountable care organization management enablement businesses, and the business of providing in-home assessment services to the long-term care industry.

(ii) “*Confidential Information*” means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. “Confidential Information” shall include, but is not limited to, financial plans and data concerning the Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; customer lists; customer files, data and financial information, details of customer contracts; current and anticipated customer requirements; identifying and other information pertaining to business referral sources; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. “Confidential Information” shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. This definition shall not limit any definition of “confidential information” or any equivalent term under state or federal law.

(iii) “*Person*” means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

(iv) “*Principal or Representative*” means a principal, owner, partner, stockholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

(v) “*Protected Customers*” means any Person to whom the Company has sold its products or services or solicited to sell its products or services, other than through general advertising targeted at consumers, during the twelve (12) months prior to the Separation Date.

(vi) “*Protected Employees*” means employees of the Company who were employed by the Company or its affiliates at any time within six (6) months prior to the Separation Date, other than those who were discharged by the Company or such affiliated employer without cause.

(vii) “*Restricted Period*” means a period of twenty-four (24) months after the Separation Date.

(viii) “*Restricted Territory*” means the geographical territories described on Exhibit A hereto.

(ix) “*Restricted Covenants*” means the restrictive covenants contained in Section 8(b) below.

(x) “*Trade Secret*” means all information, without regard to form, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret includes (1) any item of confidential information that constitutes a “trade secret(s)” under applicable common law or statutory law and (2) the structure, operation, tools, processes and workflow of the Company’s operating methods and systems, including the Service Value Points (SVPTM) system and the Lifeline® system except to the extent specifically disclosed in US Patent Nos. 7,505,916 and 7,844,473.

(b) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Executive understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that Executive shall not, directly or indirectly, reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information. Executive shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The parties acknowledge and agree that this Separation Agreement is not intended to, and does not, alter either the Company's rights or Executive's obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices. Anything herein to the contrary notwithstanding, Executive shall not be restricted from disclosing Confidential Information or any Trade Secret that is required to be disclosed by law, court order or other legal process; *provided, however*, that in the event disclosure is required by law, court order or other legal process, Executive shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Executive.

(ii) Nonsolicitation of Protected Employees. During the Restricted Period, Executive shall not directly or indirectly on Executive's own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee to terminate his employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. During the Restricted Period, Executive agrees that he shall not, without the prior written consent of the Company, directly or indirectly, on Executive's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer located in the Restricted Territory for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall not apply to the conduct of general advertising activities.

(iv) Noncompetition with the Company. Executive understands and agrees that, based on his senior management position with the Company and his access to the most sensitive and proprietary information about the Company, he agrees not to accept employment with or otherwise provide any consulting services to any of the following entities or any of their subsidiaries or affiliates during the Restricted Period in the Restricted Territory: AccentCare, Amedisys, Inc., Aseracare, BAYADA, Brookdale Senior Living, Chemed Corporation, Compassionate Care Hospice, Compassus, Curo Health Services, Encompass Health, The Ensign Group, Inc., HCR Manor Care, Humana, Inc., Interim Healthcare, Kindred Healthcare, National Healthcare Corporation, Providence Service Corporation, Seasons Hospice and Palliative Care, Trinity Health at Home, Visiting Nurse Service of New York or Vitas Healthcare. Additionally, during the Restricted Period and in the Restricted Territory, Executive shall not, directly or indirectly, carry on or engage in Competitive Services on his own or on behalf of any Person, or any Principal or Representative of any Person; *provided, however*, that the provisions of this Separation Agreement shall not be deemed to prohibit the ownership by Executive of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act. Executive acknowledges that the Restricted Territory is reasonable because the Company carries on and engages in Competitive Services throughout the Restricted Territory and that his duties for the Company extended throughout the Restricted Territory.

(v) Intellectual Property Protection. Executive shall not institute or actively participate, directly or indirectly, as an adverse party in, or otherwise provide material support to, any legal action or administrative proceeding to invalidate or limit the scope of any intellectual property claim, including any trade secret, trademark copyright or patent claim, owned by Company or obtain a ruling that any such claim is invalid, unenforceable or not patentable. Executive's failure to comply with this provision will constitute a material breach of this Agreement.

(c) Enforcement of Restrictive Covenants.

(i) Rights and Remedies upon Breach. In the event Executive breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the right and remedy to enjoin, preliminarily and permanently, Executive from violating or threatening to violate the Restrictive Covenants and to have them specifically enforced by any court or tribunal of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. Such right and remedy shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity.

(ii) Severability of Covenants and Reformation. Executive acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Separation Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Separation Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the reviewing tribunal shall have the authority to reform or redefine the invalid or unreasonable term or provide a new enforceable term such that the intent of the Company and Executive in agreeing to the provisions of this Separation Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws.

(iii) Consent to Jurisdiction. The Company and Executive irrevocably consent to the exclusive jurisdiction and venue of the 15th Judicial District Court in Lafayette, Louisiana, in any judicial proceeding brought to enforce this Separation Agreement. The parties agree that any forum is an inconvenient forum and that a lawsuit (or non-compulsory counterclaim) brought by one party against another party, in a court of any jurisdiction other than the 15th Judicial District Court in Lafayette, Louisiana should be forthwith dismissed or transferred to 15th Judicial District Court in Lafayette, Louisiana.

9. Release. Executive, for himself, his successors and assigns, now and forever hereby releases and discharges the Company and all its past and present officers, directors, stockholders, employees, agents, parent corporations, predecessors, subsidiaries, affiliates, estates, successors, assigns, benefit plans, consultants, administrators, and attorneys (hereinafter collectively referred to as "Releasees") from any and all claims, charges, actions, causes of action, sums of money due, suits, debts, covenants, contracts, agreements, promises, demands or liabilities (hereinafter collectively referred to as "Claims") whatsoever, in law or in equity, whether known or unknown, which Executive ever had or now has from the beginning of time up to the date this Release ("Release") is executed, including, but not limited to, claims under the Age Discrimination in Employment Act ("ADEA"), as amended by the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964 (and all of its amendments), the Americans with Disabilities Act, as amended, or any other federal or state statutes, all tort claims, all claims for wrongful employment termination or breach of contract, and any other claims that Executive has, had, or may have against the Releasees on account of or arising out of Executive's employment with or termination from the Company; provided, however, that nothing contained in this Release shall in any way diminish or impair (i) any rights of Executive to the benefits conferred or referenced this Separation Agreement or the Consulting Agreement; (ii) any rights of Executive to any other vested benefits; (iii) any rights of Executive to enforce the terms of this Separation Agreement; (iv) any rights to indemnification that may exist from time to time under the Company's bylaws, certificate of incorporation, Louisiana law or otherwise; and/or (v) Executive's ability to raise an affirmative defense in connection with any lawsuit or other legal claim or charge instituted or asserted by the Company against Executive.

Without limiting the generality of the foregoing, Executive hereby acknowledges and covenants that he has knowingly waived any right or opportunity to assert any claim that is in any way connected with any employment relationship or the termination of any employment relationship which existed between the Company and Executive. Executive further understands and agrees that he has knowingly relinquished, waived and forever released any and all remedies arising out of the aforesaid employment relationship or the termination thereof, including, without limitation, claims for back pay, front pay, liquidated damages, compensatory damages, general damages, special damages, punitive damages, exemplary damages, costs, expenses and attorneys' fees. Nothing in this Release shall constitute a waiver of Executive's right to file an administrative charge with the Equal Employment Opportunity Commission or other government agency authorized to handle administrative employment claims, but Executive shall not receive or accept, and waives his right to, any monetary relief or remedies obtained on his behalf by any agency, organization, or other person.

Executive specifically acknowledges and agrees that he has knowingly and voluntarily released the Company and all other Releasees from any and all claims arising under the ADEA, 29 U.S.C. § 621, et seq., which Executive ever had or now has from the beginning of time up to the date this Release is executed, including but not limited to those claims which are in any way connected with any employment relationship or the termination of any employment relationship which existed between the Company and Executive. Executive further acknowledges and agrees that he has been advised to consult with an attorney prior to executing this Release and that he has been given twenty one (21) days to consider this Release prior to its execution. Executive also understands that he may revoke this Release at any time within seven (7) days following its execution. Executive understands, however, that this Release shall not become effective, that none of the consideration described in the Separation Agreement shall be paid to him until the expiration of the seven day revocation period and that he shall not receive any such consideration if he revokes this Release.

Executive acknowledges and agrees that this Release may not be revoked at any time after the expiration of the seven-day revocation period and that he will not institute any suit, action, or proceeding, whether at law or equity, challenging the enforceability of this Release. Executive further acknowledges and agrees that, with the exception of an action to challenge his waiver of claims under the ADEA, he shall not ever attempt to challenge the terms of this Release, attempt to obtain an order declaring this Release to be null and void, or institute litigation against the Company or any other Releasee based upon a claim which is covered by the terms of the release contained herein, without first repaying all monies paid to him under this Separation Agreement. Furthermore, with the exception of an action to challenge his waiver of claims under the ADEA, if Executive does not prevail in an action to challenge this Release, to obtain an order declaring this Release to be null and void, or in any action against the Company or any other Releasee based upon a claim which is covered by the release set forth herein, Executive shall pay to the Company and/or the appropriate Releasee all their costs and attorneys' fees incurred in their defense of Executive's action.

Executive waives and forever discharges any right or claim to any portion of any settlement, judgment, or other recovery as a relator under the *qui tam* provisions of the False Claims Act (31 U.S.C. § 3730) or any other law of any state or territory that is similar, comparable, or equivalent to the False Claims Act in any past, present, or future lawsuit arising from, or in any way related to, any transactions or occurrences involving Executive including, but not limited to, any right to recover or receive expenses, attorney's fees, or costs under 31 U.S.C. § 3130(d), or any other provision of federal, state or local law or regulation or in equity. Executive affirms that he has reported all compliance issues and violations of federal, state and local laws or regulations or Company policy of which he had knowledge during the term of his employment, if any. Executive represents and acknowledges that he has no further or additional knowledge or information regarding compliance issues or possible violations of federal, state or local laws or regulations or Company policy other than what Executive has previously raised, if any.

10. Taxes. The parties acknowledge and agree that the form and timing of this Separation Benefits and any other payments and benefits to be provided pursuant to this Separation Agreement are intended to be exempt from or to comply with one or more exceptions to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations thereunder ("Section 409A"), including the requirement for a six-month suspension on payments to "specified employees" as defined in Section 409A that are not otherwise permitted to be paid within the six-month suspension period. The parties further acknowledge and agree that for purposes of Section 409A, Executive does not have discretion with respect to the timing of the payment of any amounts provided under this Separation Agreement. Notwithstanding any provision of this Separation Agreement to the contrary, the Company, its affiliates, subsidiaries, successors, and each of their respective officers, directors, employees and representatives, neither represent nor warrant the tax treatment under any federal, state, local, or foreign laws or regulations thereunder (individually and collectively referred to as the "Tax Laws") of any payment or benefits contemplated by this Separation Agreement including, but not limited to, when and to what extent such payments or benefits may be subject to tax, penalties and interest under the Tax Laws. The Company shall be entitled to deduct or withhold from any amounts owing from the Company to Executive any federal, state, local or foreign withholding taxes, excise tax, or employment taxes ("Taxes") imposed with respect to any payments from the Company. In the event that the Company does not make such deductions or withholdings, Executive shall indemnify the Company for any amounts paid with respect to any such Taxes, together (if such failure to withhold was at the written direction of Executive or if Executive was informed in writing by the Company that such deductions or withholdings were not made) with any interest, penalties and related expenses thereto.
11. Enforcement. Each term and condition of this Separation Agreement shall be considered severable, and if, for any reason, any provision or provisions, or portions thereof, are determined to be invalid, overbroad, or unenforceable for any reason, such provision or provisions shall be deemed modified or may be reformed by a court of competent jurisdiction, to the extent required to render it valid, enforceable and binding, and such determination shall not affect the validity or enforceability of any other provision of this Separation Agreement. In the event that such an invalid, excessively broad, or otherwise unenforceable provision cannot be modified or reformed such that it may be enforced, then said court shall, to the extent necessary, strike or sever the invalid or unenforceable provision and enforce the remaining provisions of this Separation Agreement.

12. No Admission. This Separation Agreement and the presentment of this Separation Agreement to Executive is not intended shall not in any way be construed as an admission that either Executive or the Company, its subsidiaries and affiliates, together with all of their respective past and present directors and officers and each of their successors and assigns, have violated any federal, state or local law, ordinance or regulation, breached any contract, or committed any wrong whatsoever.
13. Successors. The obligations of Executive under this Separation Agreement are personal and may not be assigned or delegated to any other person. This Separation Agreement shall inure to the benefit of the Company, its affiliates, subsidiaries, and any of their successors, representatives and assigns. This Separation Agreement shall be assignable by the Company, in whole or in part, without Executive's prior consent.
14. Choice of Law. This Separation Agreement is being entered into, in whole or in part, in Lafayette Parish, Louisiana, for performance, in whole or in part, in Lafayette, Parish, Louisiana. This Separation Agreement shall be interpreted in accordance with the laws of the State of Louisiana and Louisiana law shall apply.
15. Entire Agreement. Executive acknowledges that this Separation Agreement contains the sole and entire agreement and understanding between him and the Company with respect to this Separation Agreement's subject matter and supersedes and invalidates any previous agreements or contracts. The parties agree that the Employment Agreement has been terminated as a result of Executive's resignation of employment and that Executive is not entitled to any payments from the Company other than what is provided in this Separation Agreement; provided, however, that this Separation Agreement does not invalidate the Restrictive Covenants set forth in the Employment Agreement, which shall remain in full force and effect. No agreements, understandings, discussions, negotiations, commitments, letters of intent, memoranda, and writings, oral or otherwise, which are not embodied herein, shall be of any force or effect. This Separation Agreement can be amended only by a written agreement executed by each party hereto.
16. Effective Date. Executive may accept this Separation Agreement by signing it and returning it to the Company's Chief Executive Officer at 901 Hugh Wallis Road South, Lafayette, Louisiana 70508. The effective date of this Separation Agreement shall be the date it is signed by both parties.
17. Headings. The headings used in this Separation Agreement are for the convenience of reference only and shall not be deemed to limit or otherwise affect any provisions of this Separation Agreement.

18. Counterparts. This Separation Agreement may be executed in multiple originals or counterparts, including emailed or telescoped facsimiles, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Separation Agreement as of the date set forth below.

LHC GROUP, INC.:

By: /s/ Keith G. Myers
Keith G. Myers
Chairman and Chief Executive Officer

Date: _____

EXECUTIVE:

Donald D. Stelly

/s/ Donald D. Stelly
Signature

Date: _____

EXHIBIT A

Restricted Territory

The Restricted Territory shall include the following counties and parishes in the states where the Company and its subsidiaries and affiliates conduct business:

ALABAMA

Autauga, Baldwin, Barbour, Bibb, Blount, Bullock, Butler, Calhoun, Chambers, Chilton, Choctaw, Clarke, Clay, Cleburne, Coffee, Colbert, Conecuh, Coosa, Covington, Crenshaw, Cullman, Dale, Dallas, DeKalb, Elmore, Escambia, Etowah, Fayette, Franklin, Geneva, Greene, Hale, Henry, Houston, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Lee, Limestone, Lowndes, Macon, Madison, Marengo, Marion, Marshall, Mobile, Monroe, Montgomery, Morgan, Perry, Pickens, Pike, Randolph, Russell, Shelby, St. Clair, Talladega, Tallapoosa, Tuscaloosa, Walker, Washington, Wilcox, Winston

ARIZONA

Cochise, Coconino, Gila, La Paz, Maricopa, Mohave, Navajo, Pima, Pinal, Santa Cruz, Yavapai

ARKANSAS

Arkansas, Ashley, Baxter, Benton, Boone, Bradley, Calhoun, Carroll, Clark, Cleburne, Cleveland, Columbia, Conway, Craighead, Crawford, Crittenden, Cross, Dallas, Drew, Faulkner, Franklin, Fulton, Garland, Grant, Greene, Hempstead, Hot Spring, Howard, Independence, IZard, Jackson, Jefferson, Johnson, Lafayette, Lawrence, Lee, Lincoln, Little River, Logan, Lonoke, Madison, Marion, Miller, Mississippi, Monroe, Montgomery, Nevada, Newton, Ouachita, Perry, Phillips, Pike, Poinsett, Polk, Pope, Prairie, Pulaski, Randolph, Saline, Scott, Searcy, Sebastian, Sevier, Sharp, St. Francis, Stone, Union, Van Buren, Washington, White, Woodruff, Yell

CALIFORNIA

Butte, Glenn, Merced, San Joaquin, Shasta, Stanislaus, Tehama

COLORADO

Adams, Alamosa, Arapahoe, Boulder, Broomfield, Conejos, Costilla, Denver, Douglas, El Paso, Elbert, Huerfano, Jefferson, Larimer, Lincoln, Logan, Morgan, Rio Grande, Saguache, Teller, Washington, Weld

CONNECTICUT

Fairfield, Hartford, Litchfield, Middlesex, New Haven, New London, Tolland, Windham

FLORIDA

Alachua, Baker, Bay, Bradford, Brevard, Broward, Calhoun, Citrus, Charlotte, Clay, Collier, Columbia, DeSoto, Dixie, Duval, Escambia, Flagler, Franklin, Gadsen, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Hernando, Highlands, Hillsborough, Holmes, Indian River, Jackson, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Martin, Nassau, Okaloosa, Okeechobee, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Putnam, St. John's, St. Lucie, Santa Rosa, Sarasota, Seminole, Sumter, Suwanee, Taylor, Union, Volusia, Wakulla, Walton, Washington

GEORGIA

Atkinson, Baker, Banks, Barrow, Bartow, Ben Hill, Berrien, Brooks, Bryan, Bulloch, Butts, Carroll, Catoosa, Chatham, Chattooga, Cherokee, Clarke, Clayton, Clinch, Cobb, Colquitt, Cook, Coweta, Crisp, Dade, Dawson, Decatur, DeKalb, Dougherty, Douglas, Echols, Effingham, Fannin, Fayette, Floyd, Forsyth, Franklin, Fulton, Gilmer, Gordon, Grady, Gwinnett, Habersham, Hall, Haralson, Harris, Heard, Henry, Irwin, Jackson, Lanier, Lee, Liberty, Long, Lowndes, Lumpkin, Madison, McIntosh, Meriwether, Mitchell, Murray, Muscogee, Newton, Oconee, Paulding, Pickens, Pike, Polk, Rabun, Rockdale, Screven, Spalding, Stephens, Thomas, Tift, Towns, Troup, Turner, Union, Walker, Walton, Ware, White, Whitfield, Wilcox, Worth

IDAHO

Ada, Bannock, Bear Lake, Benewah, Bingham, Blaine, Boise, Bonner, Bonneville, Butte, Camas, Canyon, Caribou, Cassia, Clark, Custer, Elmore, Franklin, Fremont, Gem, Gooding, Jefferson, Jerome, Kootenai, Lemhi, Lincoln, Madison, Minidoka, Oneida, Owyhee, Power, Shoshone, Teton, Twin Falls

ILLINOIS

Alexander, Bond, Bureau, Calhoun, Cass, Champaign, Christian, Clark, Clay, Clinton, Coles, Cook, Crawford, Cumberland, Dewitt, Douglas, DuPage, Edgar, Edwards, Effingham, Fayette, Ford, Franklin, Fulton, Gallatin, Greene, Grundy, Hamilton, Hardin, Henry, Iroquois, Jackson, Jasper, Jefferson, Jersey, Johnson, Kane, Kankakee, Knox, Lake, LaSalle, Lawrence, Lee, Livingston, Logan, Macon, Macoupin, Madison, Marion, Marshall, Mason, Massac, McHenry, Mclean, Menard, Mercer, Monroe, Montgomery, Morgan, Moultrie, Peoria, Perry, Piatt, Pope, Pulaski, Putnam, Randolph, Richland, Rock Island, Saline, Sangamon, Scott, Shelby, St. Clair, Stark, Tazewell, Union, Vermillion, Wabash, Washington, Wayne, White, Whiteside, Will, Williamson, Woodford

INDIANA

Adams, Allen, Bartholomew Blackford, Boone, Brown, Carroll, Cass, Clark, Clinton, Crawford, Daviess, Dearborn, Decatur, DeKalb, Delaware, Dubois, Elkhart, Fayette, Floyd, Franklin, Fulton, Gibson, Grant, Hamilton, Hancock, Harrison, Hendricks, Henry, Howard, Huntington, Jackson, Jay, Jefferson, Jennings, Johnson, Know, Know, Kosciusko, LaGrange, Lawrence, Madison, Marion, Martin, Marshall, Martin, Miami, Monroe, Montgomery, Morgan, Noble, Ohio, Orange, Owen, Perry, Perry, Pike, Posey, Pulaski, Putnam, Randolph, Ripley, Rush, St. Joseph, Scott, Spencer, Shelby, Steuben, Switzerland, Tippecanoe, Tipton, Union, Vanderburgh, Wabash, Warrick, Washington, Wayne, Wells, White, and Whitley

KENTUCKY

Allen, Anderson, Bullitt, Boone, Bourbon, Boyle, Breckinridge, Butler, Caldwell, Campbell, Carroll, Casey, Christian, Clark, Clinton, Crittenden, Cumberland, Daviess, Edmonson, Estill, Fayette, Franklin, Fulton, Garrard, Grayson, Green, Hancock, Hardin, Harrison, Hart, Henderson, Henry, Hickman, Hopkins, Jessamine, Kenton, Jefferson, LaRue, Lee, Lincoln, Livingston, Logan, Lyon, Madison, Marshall, Meade, Mercer, Metcalfe, McCreary, McLean, Monroe, Montgomery, Nelson, Nicholas, Ohio, Oldham, Owen, Powell, Pulaski, Rockcastle, Russell, Scott, Shelby, Simpson, Spencer, Taylor, Todd, Trigg, Trimble, Union, Warren, Wayne, Webster, Woodford

LOUISIANA

Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Baton Rouge, East Carroll, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Jefferson Davis, La Salle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana, Winn

MARYLAND

Anne Arundel, Baltimore, Jurisdiction of Baltimore City, Calvert, Caroline, Carroll, Cecil, Charles, Dorchester, Frederick, Harford, Howard, Kent, Montgomery, Prince George's, Queen Anne's, St. Mary's, Talbot, Washington, Wicomico, Worcester.

MASSACHUSETTS

Middlesex, Norfolk, Suffolk, Worcester, Franklin, Hampshire, Hampden, Barnstable, Bristol, Plymouth, Essex - NH counties Cheshire, Hillsborough, Rockingham, Stafford, Merrimack, Sullivan, Bleknep, Carroll, Grafton, and Coos

MICHIGAN

Baraga, Delta, Dickinson, Houghton, Keweenaw, Marquette, Menominee, Ontonagon, Schoolcraft

MISSISSIPPI

Adams, Amite, Attala, Benton, Calhoun, Carroll, Chickasaw, Choctaw, Claiborne, Clarke, Clay, Coahoma, Copiah, Covington, Desoto, Forrest, Franklin, George, Greene, Grenada, Hancock, Harrison, Hinds, Holmes, Humphreys, Issaquena, Itawamba, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lafayette, Lamar, Lauderdale, Lawrence, Leake, Lee, Leflore, Lincoln, Lowndes, Madison, Marion, Marshall, Monroe, Montgomery, Neshoba, Newton, Noxubee, Oktibbeha, Panola, Pearl River, Perry, Pike, Pontotoc, Quitman, Rankin, Scott, Sharkey, Simpson, Smith, Stone, Sunflower, Tallahatchie, Tate, Tippah, Tunica, Union, Walthall, Warren, Washington, Wayne, Webster, Winston, Yalobusha, Yazoo

MISSOURI

Audrain, Barry, Barton, Bollinger, Boone, Butler, Callaway, Camden, Cape Girardeau, Carter, Cedar, Christian, Cole, Cooper, Crawford, Dade, Dallas, Dent, Douglas, Dunklin, Franklin, Gasconade, Greene, Hickory, Howell, Iron, Jasper, Jefferson, Lawrence, Laclede, Lincoln, Marion, Maries, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, Morgan, New Madrid, Newton, Osage, Ozark, Pemiscot, Phelps, Pike, Pulaski, Polk, Ralls, Randolph, Reynolds, Scott, Shelby, St. Charles, St. Francis, St. Louis, St. Louis City, Stoddard, Stone, Taney, Texas, Warren, Washington, Wayne, Webster, Wright

NEW HAMPSHIRE

Cheshire, Hillsborough, Rockingham, Stafford, Merrimack, Sullivan, Belknap, Carroll, Grafton, and Coos

NEW JERSEY

Atlantic, Bergen, Cape May, Essex, Hudson, Lydhurst, Morris, North Arlington, Ocean, Passaic, Rutherford, Winslow Township

NEW YORK

Allegany, Bronx, Cattaraugus, Chautaugua, Erie, Delaware, Dutchess, Genessee, Greene, Niagara, Orange, Orleans, Putnam, Rockland, Sullivan, Ulster, Westchester, Wyoming

NEVADA

Carson City, Churchill, Douglas, Lyon, Storey, Washoe

NORTH CAROLINA

Alamance, Alexander, Avery, Beaufort, Bertie, Bladen, Buncombe, Burke, Caldwell, Caswell, Catawba, Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Duplin, Durham, Edgecombe, Franklin, Gaston, Graham, Granville, Greene, Guilford, Halifax, Harnett, Haywood, Henderson, Hertford, Hoke, Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Lincoln, Macon, Madison, Martin, McDowell, Mecklenburg, Mitchell, Montgomery, Moore, Nash, Northampton, Orange, Pender, Person, Pitt, Polk, Randolph, Robeson, Rockingham, Rutherford, Sampson, Swain, Transylvania, Union, Vance, Wake, Warren, Wayne, Wilson, Yancey

OHIO

Adams, Allen, Ashland, Ashtabula, Athens, Auglaize, Belmont, Brown, Butler, Carroll, Champagne, Clark, Clermont, Clinton, Columbiana, Coshocton, Crawford, Cuyahoga, Darke, Defiance, Delaware, Erie, Fairfield, Fayette, Franklin, Fulton, Gallia, Geauga, Green, Guernsey, Hamilton, Hancock, Harrison, Hardin, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Knox, Lake, Lawrence, Licking, Logan, Lorain, Lucas, Madison, Mahoning, Marion, Medina, Meigs, Mercer, Miami, Monroe, Montgomery, Morgan, Morrow, Muskingum, Noble, Ottawa, Paulding, Perry, Pickaway, Pike, Portage, Predble, Richland, Ross, Sandusky, Seneca, Scioto, Shelby, Stark, Summit, Trumbull, Tuscarawas, Union, Van Wert, Vinton, Warren, Washington, Wayne, Williams, Wood, Wyandot

OKLAHOMA

Custer, Washita, Mayes, Oklahoma, Kay, Woodward

OREGON

Benton, Clackamas, Douglas, Jackson, Josephine, Linn, Marion, Multnomah, Polk, Washington, Yamhill

PENNSYLVANIA

Adams, Allegheny, Armstrong, Beaver, Bedford, Berks, Bradford, Bucks, Blair, Butler, Carbon, Cambria, Centre, Chester, Clarion, Clearfield, Clinton, Columbia, Cumberland, Dauphin, Delaware, Fayette, Franklin, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Mercer, Mifflin, Monroe, Montgomery, Montour, Mifflin, Northampton, Northumberland, Perry, Pike, Schuylkill, Snyder, Somerset, Sullivan, Susquehanna, Tioga, Union, Washington, Wayne, Westmoreland, Wyoming, York

RHODE ISLAND

Bristol, Kent, Newport, Providence, Washington

SOUTH CAROLINA

Abbeville, Aiken, Allendale, Anderson, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Cherokee, Chester, Chesterfield, Clarendon, Colleton, Darlington, Dillon, Dorchester, Edgefield, Fairfield, Florence, Georgetown, Greenville, Greenwood, Hampton, Horry, Jasper, Kershaw, Lancaster, Laurens, Lee, Lexington, Marion, Marlboro, McCormick, Newberry, Oconee, Orangeburg, Pickens, Richard, Richland, Saluda, Spartanburg, Sumter, Union, Williamsburg, York

TENNESSEE

Anderson, Bedford, Benton, Bledsoe, Blount, Bradley, Campbell, Cannon, Carroll, Carter, Cheatham, Chester, Claiborne, Clay, Cocke, Coffee, Crockett, Cumberland, Davidson, Decatur, Dekalb, Dickson, Dyer, Fayette, Fentress, Franklin, Gibson, Giles, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hardeman, Hardin, Hawkins, Haywood, Henderson, Henry, Hickman, Hopkins, Houston, Humphreys, Jackson, Jefferson, Johnson, Knox, Lake, Lauderdale, Lawrence, Lewis, Lincoln, Loudon, Macon, Madison, Marion, Marshall, Maury, McMinn, McNairy, Meigs, Monroe, Montgomery, Moore, Morgan, Obion, Overton, Perry, Pickett, Polk, Putnam, Rhea, Roane, Robertson, Rutherford, Scott, Sequatchie, Sevier, Shelby, Smith, Stewart, Sullivan, Sumner, Tipton, Trousdale, Unicoi, Union, Van Buren, Warren, Washington, Wayne, Weakley, White, Williamson, Wilson

TEXAS

Anderson, Andrews, Angelina, Aransas, Armstrong, Atascosa, Bandera, Bee, Bexar, Blanco, Borden, Bowie, Briscoe, Caldwell, Camp, Carson, Cass, Castro, Cherokee, Collin, Comal, Cooke, Crane, Crosby, Dallas, Dawson, Deaf Smith, Delta, Denton, Donley, Duval, Ector, Ellis, Erath, Fannin, Floyd, Franklin, Freestone, Frio, Garza, Glasscock, Gray, Grayson, Gregg, Guadalupe, Hale, Hall, Hardin, Harrison, Hartley, Hays, Henderson, Hockley, Hood, Hopkins, Houston, Howard, Hunt, Hutchinson, Jefferson, Jim Wells, Johnson, Kaufman, Kendall, Kleberg, Lamar, Lamb, Liberty, Limestone, Live Oak, Loving, Lubbock, Lynn, Marion, Martin, Medina, Midland, Montague, Moore, Morris, Nacogdoches, Nueces, Oldham, Orange, Panola, Parker, Pecos, Polk, Potter, Rains, Randall, Reagan, Red River, Reeves, Refugio, Rockwall, Rockwell, Rusk, San Augustine, San Jacinto, San Patricio, Shelby, Smith, Somervell, Swisher, Tarrant, Terry, Titus, Tyler, Upshur, Upton, Van Zandt, Ward, Wilson, Winkler, Wise, Wood

VIRGINIA

Bedford, Bedford City, Bland, Botetourt, Buchanan, Carroll, Craig, Culpeper, Danville City, Fauquier, Floyd, Franklin, Galax City, Giles, Grayson, Henry, Loudoun, Martinsville City, Montgomery, Patrick, Pittsylvania, Prince William, Pulaski, Rappahannock, Roanoke, Roanoke City, Russell, Smyth, Tazewell, Wythe

WASHINGTON

Adams, Clallam, Cowlitz, Ferry, Grant, Grays Harbor, Jefferson, King, Lewis, Lincoln, Mason, Pacific, Pend Oreille, Pierce, Snohomish, Spokane, Stevens, Thurston, Wahkiakum

WEST VIRGINIA

Barbour, Boone, Braxton, Cabell, Calhoun, Doddridge, Fayette, Gilmer, Grant, Greenbrier, Hampshire, Hardy, Harrison, Jackson, Kanawha, Lewis, Lincoln, Logan, Marion, Marshall, Mason, McDowell, Mercer, Mingo, Monongalia, Monroe, Nicholas, Ohio, Pendleton, Pleasants, Pocahontas, Preston, Putnam, Raleigh, Randolph, Ritchie, Roane, Summers, Taylor, Tucker, Tyler, Upshur, Wayne, Webster, Wetzel, Wirt, Wood, Wyoming

WISCONSIN

Adams, Brown, Barron, Buffalo, Calumet, Chippewa, Clark, Dodge, Door, Dunn, Eau Claire, Fond Du Lac, Green Lake, Jefferson, Juneau, Kenosha, Kewaunee, LaCrosse, Manitowoc, Marathon, Marinette, Menomonee, Milwaukee, Monroe, Oconto, Outagamie, Ozaukee, Pierce, Pepin, Racine, Rock, Shawano, Sheboygan, St. Croix, Trempealeau, Vernon, Walworth, Waupaca, Washington, Waushara, Waukesha, Winnebago, Wood

[\(Back To Top\)](#)

Section 3: EX-10.2 (EXHIBIT 10.2)

EXHIBIT 10.2

CONSULTING AGREEMENT

This CONSULTING AGREEMENT (this “Agreement”) is made and entered into as of January 1, 2020 (“Effective Date”), by and between LHC Group, Inc., a Delaware corporation (“LHC” or the “Company”) and Donald D. Stelly (“Consultant”), each a “Party” and, collectively, the “Parties.”

WHEREAS, Consultant previously served as LHC’s President and Chief Operating Officer pursuant to an Amended and Restated Employment Agreement dated as of June 1, 2019 (the “Employment Agreement”);

WHEREAS, Consultant resigned from his employment with LHC pursuant to a Confidential Separation Agreement dated as of December 31, 2019 (the “Separation Agreement”); and

WHEREAS, LHC desires to retain the services of Consultant in accordance with the terms of this Agreement, and Consultant is willing to serve as such in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the promises and covenants contained herein and intending to be legally bound hereby, the

Parties hereto agree as follows:

1. Nature of Relationship and Services. LHC hereby engages Consultant as an independent contractor to serve as Special Advisor to LHC's Chief Executive Officer and provide mutually-agreed upon consulting services on behalf of LHC (collectively, the "Consulting Services"). Consultant expressly agrees that he is an independent contractor, not an employee or agent of LHC. This Agreement is non-exclusive and does not constitute a guarantee of hours or amount of work.

2. Term and Termination.

- (a) Initial Term. The initial term of this Agreement shall begin as of the Effective Date and shall remain in effect through December 31, 2021 (the "Initial Term").
- (b) Renewal Option. LHC shall have the option to renew the term of this Agreement for successive twenty-four month periods (each a "Renewal Term"). LHC may exercise its option by delivering notice to Consultant at least sixty (60) days prior to the expiration of the Initial Term or any Renewal Term. The Initial Term along with any Renewal Term(s) are referred to herein as the "Term."
- (c) On or after January 1, 2021, LHC may terminate this Agreement for any reason upon thirty (30) days prior written notice to Consultant. Consultant may only terminate this Agreement (i) for cause in the event of a breach by LHC of any material term hereof and the failure of LHC to institute reasonable action to cure such breach within sixty (60) days following the receipt of written notice of such breach from Consultant or, (ii) if LHC exercises its renewal option described in Section 2(b) above, by written notice to LHC after receipt of notice of such exercise at least 15 days prior to the commencement of the Renewal Term. Any termination described in Section 2(c)(ii) will be effective on the final day of the then-current Term.

3. Independent Contractor. LHC shall file an Internal Revenue Service Form 1099-MISC (or equivalent form for independent contractor payments) with respect to Consultant that shall report the amount of compensation paid by LHC to Consultant for the Consulting Services rendered hereunder. Consultant shall be responsible for filing any and all other required state or federal income and self-employment tax returns and for paying all taxes with respect to such compensation. Consultant understands and agrees that because he is a self-employed independent contractor, LHC will make no deduction from payments to Consultant for federal or state tax withholdings, social security, unemployment, workers' compensation or disability insurance and will make no payments from such items on his behalf. Consultant further agrees and acknowledges that he shall have no power to enter into any contracts or commitments in the name of, or on behalf of, LHC, or to bind LHC in any respect whatsoever, and Consultant shall not act in a manner that suggests such authority or capacity in Consultant.

4. Compensation. Consultant agrees to provide the Consulting Services described in this Agreement in exchange for payment of fees and charges set forth in Exhibit A attached hereto and incorporated herein by reference ("Consulting Fees").

5. Expense Reimbursement. LHC will reimburse Consultant for reasonable business expenses directly related to Consultant's performance of the Consulting Services hereunder (including coach travel expenses and mileage reimbursement at the applicable Federal mileage rate), provided that (a) LHC approves such expenses in advance; and (b) Consultant submits accurate reports and receipts documenting such expenses. During the Term, LHC will provide, at LHC's expense and consistent with the Company's policies for its executives, Consultant with a cellular telephone and home computer along with reasonable IT/IS support services.

6. Right to Materials and Return of Materials. All records, files, software, memoranda, reports, customer lists, drawings, plans, sketches, documents, technical information and the like (together with all copies of such documents and things) relating to the business of LHC (including without limitation the Company), which Consultant shall use or prepare or come in contact with in the course of or as a result of its engagement under this Agreement, shall remain the sole property of LHC and shall be returned to LHC upon the expiration of this Agreement.

7. Restrictions on Conduct of Consultant.

(a) General. Consultant and the Company understand and agree that the purpose of the provisions of this Section 7 is to protect legitimate business interests of the Company, as more fully described below, and is not intended to impair or infringe upon Consultant's right to work, earn a living, or acquire and possess property from the fruits of his labor. Consultant hereby acknowledges that Consultant has received good and valuable consideration for the restrictions set forth in this Section 7 in the form of the compensation and benefits provided for herein. Consultant hereby further acknowledges that the restrictions set forth in this Section 7 are reasonable and that they do not, and will not, unduly impair his ability to earn a living after the termination of this Agreement. In addition, the Parties acknowledge that: (A) Consultant's services under this Agreement require unique expertise and talent in the provision of Competitive Services; (B) pursuant to this Agreement, Consultant will be placed in a position of trust and responsibility and he will have access to a substantial amount of Confidential Information and Trade Secrets and that the Company is placing him in such position and giving him access to such information in reliance upon his agreement to abide by the covenants set forth in this Section 7; (C) due to Consultant's unique experience and talent, the loss of Consultant's services to the Company under this Agreement cannot reasonably or adequately be compensated solely by damages in an action at law; (D) Consultant is capable of competing with the Company; and (E) Consultant is capable of obtaining gainful, lucrative and desirable employment that does not violate the restrictions contained in this Agreement.

Therefore, Consultant shall be subject to the restrictions set forth in this Section 7.

(b) Definitions. The following capitalized terms used in this Section 7 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms: “*Competitive Services*” means (A) the business of providing healthcare services through home nursing agencies, hospices, or community based/private duty/personal care agencies; (B) management, consulting and advisory activities relating to any of the services described in (A); and (C) governmental relations or lobbying activities regarding any of the services described in (A) above.

“*Confidential Information*” means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. “*Confidential Information*” shall include, but is not limited to, financial plans and data concerning the Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; customer lists; customer files, data and financial information, details of customer contracts; current and anticipated customer requirements; identifying and other information pertaining to business referral sources; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. “*Confidential Information*” shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. This definition shall not limit any definition of “*confidential information*” or any equivalent term under state or federal law.

“*Determination Date*” means the date of termination of this Agreement for any reason whatsoever or any earlier date (during the Term) of an alleged breach of the Restrictive Covenants by Consultant.

“*Person*” means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

“*Principal or Representative*” means a principal, owner, partner, stockholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

“*Protected Customers*” means any Person to whom the Company has sold its products or services or solicited to sell its products or services, other than through general advertising targeted at consumers, during the twelve (12) months prior to the Determination Date.

“*Protected Employees*” means employees of the Company who were employed by the Company or its affiliates at any time within six (6) months prior to the Determination Date, other than those who were discharged by the Company or such affiliated employer without cause.

“*Restricted Period*” means the Term plus twelve (12) months; *provided, however*, if this Agreement is terminated by Consultant pursuant to Section 2(c)(ii), then “*Restricted Period*” means the Term plus twenty-four (24) months.

“*Restricted Territory*” means the geographical territories described on Exhibit B hereto. The Company and Consultant agree that Exhibit B shall be periodically reviewed and updated as necessary to maintain a current and complete description of the geographic territories in which the Company does business.

“*Restrictive Covenants*” means the restrictive covenants contained in Section 7(c) hereof.

“*Third Party Information*” means confidential or proprietary information subject to a duty on the Company’s and its affiliates’ part to maintain the confidentiality of such information and to use it only for certain limited purposes.

“*Trade Secret*” means all information, without regard to form, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret includes (1) any item of confidential information that constitutes a “trade secret(s)” under applicable common law or statutory law and (2) the structure, operation, tools, processes and workflow of the Company’s operating methods and systems, including the Service Value Points (SVPTM) system and the Lifeline® system except to the extent specifically disclosed in US Patent Nos. 7,505,916 and 7,844,473.

“*Work Product*” means all inventions, innovations, improvements, developments, methods, processes, programs, designs, analyses, drawings, reports, and all similar or related information (whether or not patentable) that relate to the Company’s or its affiliates’ actual or anticipated business, research and development, or existing or future products or services and that are conceived, developed, contributed to, made, or reduced to practice by Consultant (either solely or jointly with others) during the Term.

(c) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Consultant understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Consultant’s own use. Accordingly, Consultant hereby agrees that Consultant shall not, directly or indirectly, reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information, and Consultant shall not, directly or indirectly, use or make use of any Confidential Information in connection with any business activity other than that of the Company. Throughout the Term and at all times after the date that this Agreement terminates for any reason, Consultant shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The Parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company’s rights or Consultant’s obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices.

Anything herein to the contrary notwithstanding, Consultant shall not be restricted from disclosing Confidential Information or any Trade Secret that is required to be disclosed by law, court order or other legal process; *provided, however*, that in the event disclosure is required by law, court order or other legal process, Consultant shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Consultant.

Consultant acknowledges that any and all Confidential Information is the exclusive property of the Company and agrees to deliver to the Company on the Determination Date, or at any other time the Company may request in writing, any and all Confidential Information which he may then possess or have under his control in whatever form same may exist, including, but not by way of limitation, hard copy files, soft copy files, computer disks, and all copies thereof.

(ii) Nonsolicitation of Protected Employees. Consultant understands and agrees that the relationship between the Company and each of its Protected Employees constitutes a valuable asset of the Company and may not be converted to Consultant's own use. Accordingly, Consultant hereby agrees that during the Restricted Period, Consultant shall not directly or indirectly on Consultant's own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee to terminate his employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. Consultant understands and agrees that the relationship between the Company and each of its Protected Customers constitutes a valuable asset of the Company and may not be converted to Consultant's own use. Accordingly, Consultant hereby agrees that, during the Restricted Period, Consultant shall not, without the prior written consent of the Company, directly or indirectly, on Consultant's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer located in the Restricted Territory for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall not apply to the conduct of general advertising activities.

(iv) Noncompetition with the Company. In consideration of the compensation and benefits being paid and to be paid by the Company to Consultant hereunder, Consultant understands and agrees that, during the Restricted Period and within the Restricted Territory, he shall not, directly or indirectly, carry on or engage in Competitive Services on his own or on behalf of any Person, or any Principal or Representative of any Person; *provided, however*, that the provisions of this Agreement shall not be deemed to prohibit the ownership by Consultant of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act. Consultant acknowledges that the Restricted Territory is reasonable because the Company carries on and engages in Competitive Services throughout the Restricted Territory and that in the performance of his duties for the Company he is charged with operating on the Company's behalf throughout the Restricted Territory.

(v) Ownership of Work Product. Consultant acknowledges that the Work Product belongs to the Company or its affiliates and Consultant hereby assigns, and agrees to assign, all of the Work Product to the Company or its affiliates. Any copyrightable work prepared in whole or in part by Consultant in the course of his work for any of the foregoing entities shall be deemed a "work made for hire" under the copyright laws, and the Company or such affiliate shall own all rights therein. To the extent that any such copyrightable work is not a "work made for hire," Consultant hereby assigns and agrees to assign to the Company or such affiliate all right, title, and interest, including without limitation, copyright in and to such copyrightable work. Consultant shall promptly disclose such Work Product and copyrightable work to the General Counsel of the Company and perform all actions reasonably requested by the Board (whether during or after the Term) to establish and confirm the Company's or such affiliate's ownership (including, without limitation, assignments, consents, powers of attorney, and other instruments).

(vi) Third Party Information. Consultant understands that the Company and its affiliates will receive Third Party Information. During the Term and thereafter, and without in any way limiting the provisions of Section 7(c)(i) above, Consultant will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel of the Company or its affiliates who need to know such information in connection with their work for the Company or its affiliates) or use, except in connection with his work for the Company or its affiliates, Third Party Information unless expressly authorized by a member of the Board of Directors in writing.

(vii) Intellectual Property Protection. Consultant shall not institute or actively participate, directly or indirectly, as an adverse party in, or otherwise provide material support to, any legal action or administrative proceeding to invalidate or limit the scope of any intellectual property claim, including any trade secret, trademark copyright or patent claim, owned by Company or obtain a ruling that any such claim is invalid, unenforceable or not patentable. Consultant's failure to comply with this provision will constitute a material breach of this Agreement.

(d) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. In the event Consultant breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the right and remedy to enjoin, preliminarily and permanently, Consultant from violating or threatening to violate the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court or tribunal of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. Such right and remedy shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity.

(ii) Severability of Covenants. Consultant acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Section 7 shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined, or a new enforceable term provided, such that the intent of the Company and Consultant in agreeing to the provisions of this Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws.

(iii) Reformation. The Parties hereunder agree that it is their intention that the Restrictive Covenants be enforced in accordance with their terms to the maximum extent possible under applicable law. The Parties further agree that, in the event any tribunal of competent jurisdiction shall find that any provision hereof is not enforceable in accordance with its terms, the tribunal shall reform the Restrictive Covenants such that they shall be enforceable to the maximum extent permissible at law.

8. Modification. No waiver or modification of this Agreement or of any covenant, condition or limitation contained herein shall be valid unless in writing signed by both Parties. Notwithstanding the foregoing, specifications of services to be rendered by Consultant permitted pursuant to Section 2 herein shall not constitute a modification of the Agreement.

9. Construction of the Agreement and Binding Effect. Notwithstanding the place where this Agreement may be executed by any of the parties hereto, the parties expressly agree that all terms and conditions of this Agreement shall be construed under and governed by the laws of the State of Louisiana.

10. HIPAA Requirements. To the extent this Agreement involves Protected Health Information, as defined in the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, Consultant shall agree to the obligations set forth in the Business Associate Agreement set forth in Exhibit B attached hereto and incorporated herein by reference.

11. Entire Agreement; Assignment. This Agreement contains the complete understanding concerning the consulting arrangement between the parties. The obligations and rights set forth in this Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, executors, heirs, administrators, successors and assigns; *provided, however*, that Consultant shall have no right to delegate Consultant's obligations under this Agreement.

12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

LHC:

LHC GROUP, INC.

By: /s/ Keith G. Myers
Keith G. Myers, Chief Executive Officer

Date: _____

CONSULTANT:

DONALD D. STELLY

By: /s/ Donald D. Stelly
Donald D. Stelly

Date: _____

EXHIBIT A

Consulting Fee. LHC shall pay Consultant or his designee a monthly consulting fee in the amount of Twenty Eight Thousand Three Hundred and Thirty Three Dollars (\$28,333) per month for Consulting Services rendered during the Term, payable in arrears. LHC shall make said monthly payment no later than the 15th day of the month.

Equity Award. On January 1, 2020, LHC shall grant to Consultant an initial grant of restricted stock having a grant date value of One Million Five Hundred Thousand (\$1,500,000)(the "**Initial Stock Grant**"). If LHC exercises its option in accordance with Section 2(b) above, on January 1 of each first year of a Renewal Term, LHC shall grant to Consultant an additional grant of restricted stock having a grant date value of One Million Five Hundred Thousand (\$1,500,000)(each a "**Renewal Stock Grant**"). The Initial Stock Grant along with any Renewal Stock Grant(s) are referred to herein as "**Restricted Stock Grants**." Each Restricted Stock Grant shall vest in five equal annual installments on January 1 each year beginning on the first anniversary of the grant date, subject to (i) Consultant's continued provision of Consulting Services during the Term pursuant to this Agreement, and (ii) Consultant's compliance with restrictive covenants set forth in the Employment Agreement, the Separation Agreement and Section 7 of this Agreement. Notwithstanding the foregoing, the vesting of each Restricted Stock Grant will accelerate and become vested upon (i) the termination of this Agreement due to Consultant's death or Disability (as such term is defined in the LHC Group, Inc. 2010 Long Term Incentive Plan) or (ii) upon the termination of this Agreement by the Company within twenty-four (24) months of a Change of Control (as such term is defined in the LHC Group, Inc. 2010 Long Term Incentive Plan).

Use of Company-Owned Aircraft. Consultant shall be eligible to use Company-owned aircraft for personal use for up to thirty (30) flight hours per calendar year, pursuant to an Aircraft Time Sharing Agreement dated as of the date of this Agreement, and subject to the terms and conditions set forth therein.

EXHIBIT B

BUSINESS ASSOCIATE AGREEMENT

I. Definitions.

- A. The following terms used in this Business Associate Agreement (“Agreement”) shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information (“PHI”), Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information (“Unsecured PHI”), and Use.
- B. Specific definitions:
1. Business Associate. “Business Associate” shall generally have the same meaning as the term “business associate” as set forth in 45 CFR § 160.103, and in reference to the Party to this Agreement, shall mean Donald D. Stelly.
 2. Covered Entity. “Covered Entity” shall generally have the same meaning as the term “covered entity” as set forth in 45 CFR § 160.103, and in reference to the Party to this Agreement, shall mean LHC Group, Inc. and its affiliates.
 3. HIPAA Rules. “HIPAA Rules” shall mean the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act provisions of the American Recovery and Reinvestment Act of 2009, and its implementing regulations, the Privacy, Security, Breach Notification and Enforcement Rules at 45 CFR Part 160 and Part 164, as such regulations may be amended from time to time.

II. Obligations and Activities of Business Associate as to Protected Health Information.

- A. Use and Disclosure of Protected Health Information. Business Associate may use and/or disclose PHI only as Required by Law, permitted under this Agreement, or to the extent necessary to perform Business Associate's obligations under the agreement setting forth the business arrangement between the Covered Entity and the Business Associate (the “Underlying Agreement”). Business Associate shall use the Minimum Necessary PHI to accomplish the purposes of each Use or Disclosure of PHI hereunder in compliance with the requirements of 45 C.F.R. §164.502(b).
- B. Health Information Safeguards. Business Associate shall develop, implement, maintain and use appropriate safeguards that comply with Subpart C of 45 C.F.R. Part 164 and reasonably and appropriately protect the confidentiality, integrity, security and availability of electronic PHI and prevent Use or Disclosure of any PHI other than as provided for by this Agreement or the Underlying Agreement. Business Associate shall implement administrative, physical and technical safeguards for Electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity, including without limitation, compliance with each of the Standards and Implementation Specifications of 45 C.F.R. §164.308 (Administrative Safeguards), 45 C.F.R. §164.310 (Physical Safeguards), 45 C.F.R. §164.312 (Technical Safeguards) and 45 C.F.R. §164.316 (Policies and Procedures and Documentation Requirements).

- C. Reporting. Business Associate shall report to Covered Entity any Security Incident or any Use or Disclosure of PHI not authorized by this Agreement or the Underlying Agreement of which it becomes aware, including incidents that constitute Breaches of Unsecured PHI, as required at 45 CFR § 164.410. Business Associate shall make the report to Covered Entity's Privacy Officer within 5 business days after Business Associate learns of such unauthorized Use or Disclosure. Business Associate's report shall at least: (a) identify the nature of the unauthorized Use or Disclosure; (b) identify the PHI used or disclosed; (c) identify who is responsible for the unauthorized Use or Disclosure; (d) identify what Business Associate has done or shall do to mitigate any deleterious effect of the unauthorized Use or Disclosure; (e) identify what corrective action Business Associate has taken or shall take to prevent future similar unauthorized Use or Disclosure; and (f) provide such other information, including a written report, as reasonably requested by Covered Entity's Privacy Officer. Business Associate shall notify Covered Entity in writing promptly upon the discovery of any Breach of PHI in accordance with 45 C.F.R. § 164.410, but in no case later than 30 calendar days after discovery. A privacy risk assessment will be conducted to determine whether the Business Associate or Covered Entity has the obligation to report the breach to the patient(s), OCR, and/or the media, as required by the HIPAA Rules.
- D. Subcontractors and Agents. In accordance with 45 CFR §§ 164.502 (e)(1)(ii) and 164.308(b)(2), if applicable, Business Associate shall ensure that any Subcontractors and agents that create, receive, maintain, or transmit PHI on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information. Business Associate shall be liable for any Breach caused by its Subcontractors and agents.
- E. Mitigation of Disclosure of PHI. Business Associate shall take reasonable measures to mitigate, to the extent practicable, any harmful effect known to Business Associate of any Use or Disclosure of PHI by Business Associate or its Subcontractors or agents in violation of the requirements of this Agreement or the Underlying Agreement. Without limiting the generality of the foregoing, Business Associate shall cure any violation in accordance with 45 C.F.R. § 160.410(b)
- F. Access to Health Information by Individuals. Business Associate shall make available to Covered Entity, within five (5) business days of request, PHI held in a Designated Record Set as necessary for Covered Entity to respond to an Individual's request for access to PHI. In the event any Individual or personal representative requests access to the Individual's PHI or Health Information directly from Business Associate, Business Associate shall forward to Covered Entity any and all requests by the Individual to access such records. Business Associate shall establish procedures providing for such access that at a minimum comply with 45 CFR § 164.524.
- G. Correction of Health Information. Business Associate shall, as directed or agreed to by the Covered Entity, promptly amend or correct PHI held in a Designated Record Set or take other measures necessary to satisfy Covered Entity's obligations in accordance with the requirements of 45 C.F.R. § 164.526. In the event an Individual delivers the request for an amendment or correction directly to Business Associate, Business Associate shall promptly forward such request to Covered Entity within five (5) business days.
- H. Accounting of Disclosures. Business Associate shall implement an appropriate recordkeeping system and document its disclosures of PHI in a manner sufficient for the Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528. Covered Entity shall designate the time and manner in which Business Associate shall provide the accounting of its disclosures to Covered Entity. In the event an Individual delivers the request for an accounting directly to Business Associate, Business Associate shall promptly forward such request to Covered Entity within five (5) business days.

- I. Availability of Books and Records. To the extent the Business Associate is to carry out one or more of the covered entity's obligation(s) under Subpart E of 45 CFR Part 164, Business Associate shall comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s). Business Associate shall make its internal practices, books and records relating to the Use and Disclosure of PHI received from or on behalf of Covered Entity available to Covered Entity and to the Secretary for the purpose of determining compliance by Covered Entity or Business Associate with the requirements of the HIPAA Rules.

III. Permitted Uses and Disclosures by Business Associate.

- A. Business Associate may only use or disclose PHI as permitted by law, as set forth in the Underlying Agreement or as designated specifically by this Agreement. Business Associate is not authorized to de-identify patient information in accordance with 45 CFR 164.514 (a)-(c) without written approval by the Covered Entity.
- B. Business Associate agrees to make Uses and Disclosures and requests for PHI consistent with Covered Entity's minimum necessary policies and procedures. Without limiting the generality of the foregoing, Covered Entity will provide, and Business Associate will request, no more than, the Minimum Necessary amount of PHI required for the performance of Business Associate's services under the Underlying Agreement.
- C. The Business Associate may not use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by the Covered Entity, except for the specific Uses and Disclosures set forth below, and Covered Entity will not request Business Associate to do so.
- D. Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibility of the Business Associate.
- E. Business Associate may disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used for the purposes for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which confidentiality of the information has been breached.
- F. Business Associate shall not use PHI to provide Data Aggregation services except as permitted by the Underlying Agreement or with the prior written authorization of the Covered Entity.

IV. Obligations of Covered Entity.

- A. Covered Entity shall notify Business Associate of any limitation(s) in the Notice of Privacy Practices of Covered Entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

- B. Covered Entity shall notify Business Associate of any changes in, or revocation of, the permission by an Individual to use or disclose his or her protected information, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- C. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

V. Term and Termination.

- A. Term. The Term of this Agreement shall be effective as of the date of the Underlying Agreement and shall terminate on the termination date of the Underlying Agreement, or on the date the Covered Entity terminates for cause as authorized by paragraph (b) of this Paragraph, whichever is sooner.
- B. Termination for Cause or Breach. Upon the Covered Entity's knowledge of a material breach of this Agreement by Business Associate, Covered Entity shall: (1) provide an opportunity for Business Associate to cure the breach or end the violation, and terminate the Business Relationship and this Agreement and the Underlying Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or (2) if feasible, immediately terminate the Business Relationship and this Agreement and the Underlying Agreement if Business Associate has breached a material term of this Agreement and cure is not possible. Covered Entity shall have the right to terminate this Agreement and the Underlying Agreement if it determines, in its sole discretion, that Business Associate has breached any material provision of this Agreement or violated any provision contained in the HIPAA Rules. Covered Entity may exercise this right by providing written notice to the breaching Party of termination, and the termination shall be effective immediately or at such other date specified by the Covered Entity in such notice.
- C. Return or Destruction of Health Information.
 - 1. Except as otherwise provided in this Paragraph, upon termination, cancellation, expiration or other conclusion of this Agreement, Business Associate shall return to Covered Entity or destroy all PHI in whatever form or medium (including in any electronic media under Business Associate's custody or control), that Business Associate received from or on behalf of Covered Entity, including any copies of and any PHI or compilations derived from and allowing identification of such PHI. Business Associate shall complete such return or destruction as promptly as possible, but not later than 30 days after the effective date of the termination, cancellation, expiration or other conclusion of this Agreement. Within such 30-day period, Business Associate shall certify in writing to Covered Entity that such return or destruction has been completed. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Agreement to such PHI and limit further Uses and Disclosures of PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.
 - 2. If the Business Associate is required to use or disclose PHI for its own management and administration or to carry out its legal responsibilities and the Business Associate needs to retain PHI for such purposes, Business Associate shall:

- a) Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - b) Return to Covered Entity or destroy the remaining PHI that the Business Associate still maintains in any form;
 - c) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI other than as provided for in this Paragraph, for as long as the Business Associate retains the PHI;
 - d) Not use or disclose the PHI retained by the Business Associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out in Paragraphs III. D. and E. above, which applied prior to termination; and
 - e) Return to Covered Entity, or destroy, the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.
3. Continuing Obligations. Business Associate's obligation to protect PHI and Health Information received from or on behalf of Covered Entity shall be continuous and shall survive any termination, cancellation, expiration or other conclusion of this Agreement or the Underlying Agreement.

VI. Miscellaneous.

- A. Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- B. Ownership of PHI. The PHI to which Business Associate, or any agent or contractor or subcontractor of Business Associate has access under this Agreement shall be and remains the property of Covered Entity.
- C. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law.
- D. Interpretation. Any ambiguity in this Agreement and the underlying Agreement shall be interpreted to permit compliance with the HIPAA Rules.
- E. Injunctive Relief. Notwithstanding any rights or remedies provided for in this Agreement or the underlying Agreement, Covered Entity retains all rights to seek injunctive relief to prevent or stop the inappropriate Use or Disclosure of PHI directly or indirectly by Business Associate without the need to post bond.

- F. Notices. Any notice, demand or communication required or permitted to be given by any provision of this Agreement shall be in writing and will be deemed to have been given when actually delivered (by whatever means) to the Party designated to receive such notice, or on the next business day following the day sent by overnight courier with delivery confirmation, or on the third (3rd) business day after the same is sent by certified United States mail, postage and charges prepaid, directed to the individuals at the addresses noted below, or to such other or additional address as any Party might designate by written notice to the other Party.

EXHIBIT C

Restricted Territory

The Restricted Territory shall include the following counties and parishes in the states where the Company and its subsidiaries and affiliates conduct business:

ALABAMA

Autauga, Baldwin, Barbour, Bibb, Blount, Bullock, Butler, Calhoun, Chambers, Chilton, Choctaw, Clarke, Clay, Cleburne, Coffee, Colbert, Conecuh, Coosa, Covington, Crenshaw, Cullman, Dale, Dallas, DeKalb, Elmore, Escambia, Etowah, Fayette, Franklin, Geneva, Greene, Hale, Henry, Houston, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Lee, Limestone, Lowndes, Macon, Madison, Marengo, Marion, Marshall, Mobile, Monroe, Montgomery, Morgan, Perry, Pickens, Pike, Randolph, Russell, Shelby, St. Clair, Talladega, Tallapoosa, Tuscaloosa, Walker, Washington, Wilcox, Winston

ARIZONA

Cochise, Coconino, Gila, La Paz, Maricopa, Mohave, Navajo, Pima, Pinal, Santa Cruz, Yavapai

ARKANSAS

Arkansas, Ashley, Baxter, Benton, Boone, Bradley, Calhoun, Carroll, Clark, Cleburne, Cleveland, Columbia, Conway, Craighead, Crawford, Crittenden, Cross, Dallas, Drew, Faulkner, Franklin, Fulton, Garland, Grant, Greene, Hempstead, Hot Spring, Howard, Independence, IZard, Jackson, Jefferson, Johnson, Lafayette, Lawrence, Lee, Lincoln, Little River, Logan, Lonoke, Madison, Marion, Miller, Mississippi, Monroe, Montgomery, Nevada, Newton, Ouachita, Perry, Phillips, Pike, Poinsett, Polk, Pope, Prairie, Pulaski, Randolph, Saline, Scott, Searcy, Sebastian, Sevier, Sharp, St. Francis, Stone, Union, Van Buren, Washington, White, Woodruff, Yell

CALIFORNIA

Butte, Glenn, Merced, San Joaquin, Shasta, Stanislaus, Tehama

COLORADO

Adams, Alamosa, Arapahoe, Boulder, Broomfield, Conejos, Costilla, Denver, Douglas, El Paso, Elbert, Huerfano, Jefferson, Larimer, Lincoln, Logan, Morgan, Rio Grande, Saguache, Teller, Washington, Weld

CONNECTICUT

Fairfield, Hartford, Litchfield, Middlesex, New Haven, New London, Tolland, Windham

FLORIDA

Alachua, Baker, Bay, Bradford, Brevard, Broward, Calhoun, Citrus, Charlotte, Clay, Collier, Columbia, DeSoto, Dixie, Duval, Escambia, Flagler, Franklin, Gadsen, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Hernando, Highlands, Hillsborough, Holmes, Indian River, Jackson, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Martin, Nassau, Okaloosa, Okeechobee, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Putnam, St. John's, St. Lucie, Santa Rosa, Sarasota, Seminole, Sumter, Suwanee, Taylor, Union, Volusia, Wakulla, Walton, Washington

GEORGIA

Atkinson, Baker, Banks, Barrow, Bartow, Ben Hill, Berrien, Brooks, Bryan, Bulloch, Butts, Carroll, Catoosa, Chatham, Chattooga, Cherokee, Clarke, Clayton, Clinch, Cobb, Colquitt, Cook, Coweta, Crisp, Dade, Dawson, Decatur, DeKalb, Dougherty, Douglas, Echols, Effingham, Fannin, Fayette, Floyd, Forsyth, Franklin, Fulton, Gilmer, Gordon, Grady, Gwinnett, Habersham, Hall, Haralson, Harris, Heard, Henry, Irwin, Jackson, Lanier, Lee, Liberty, Long, Lowndes, Lumpkin, Madison, McIntosh, Meriwether, Mitchell, Murray, Muscogee, Newton, Oconee, Paulding, Pickens, Pike, Polk, Rabun, Rockdale, Screven, Spalding, Stephens, Thomas, Tift, Towns, Troup, Turner, Union, Walker, Walton, Ware, White, Whitfield, Wilcox, Worth

IDAHO

Ada, Bannock, Bear Lake, Benewah, Bingham, Blaine, Boise, Bonner, Bonneville, Butte, Camas, Canyon, Caribou, Cassia, Clark, Custer, Elmore, Franklin, Fremont, Gem, Gooding, Jefferson, Jerome, Kootenai, Lemhi, Lincoln, Madison, Minidoka, Oneida, Owyhee, Power, Shoshone, Teton, Twin Falls

ILLINOIS

Alexander, Bond, Bureau, Calhoun, Cass, Champaign, Christian, Clark, Clay, Clinton, Coles, Cook, Crawford, Cumberland, Dewitt, Douglas, DuPage, Edgar, Edwards, Effingham, Fayette, Ford, Franklin, Fulton, Gallatin, Greene, Grundy, Hamilton, Hardin, Henry, Iroquois, Jackson, Jasper, Jefferson, Jersey, Johnson, Kane, Kankakee, Knox, Lake, LaSalle, Lawrence, Lee, Livingston, Logan, Macon, Macoupin, Madison, Marion, Marshall, Mason, Massac, McHenry, Mclean, Menard, Mercer, Monroe, Montgomery, Morgan, Moultrie, Peoria, Perry, Piatt, Pope, Pulaski, Putnam, Randolph, Richland, Rock Island, Saline, Sangamon, Scott, Shelby, St. Clair, Stark, Tazewell, Union, Vermillion, Wabash, Washington, Wayne, White, Whiteside, Will, Williamson, Woodford

INDIANA

Adams, Allen, Bartholomew Blackford, Boone, Brown, Carroll, Cass, Clark, Clinton, Crawford, Daviess, Dearborn, Decatur, DeKalb, Delaware, Dubois, Elkhart, Fayette, Floyd, Franklin, Fulton, Gibson, Grant, Hamilton, Hancock, Harrison, Hendricks, Henry, Howard, Huntington, Jackson, Jay, Jefferson, Jennings, Johnson, Know, Know, Kosciusko, LaGrange, Lawrence, Madison, Marion, Martin, Marshall, Martin, Miami, Monroe, Montgomery, Morgan, Noble, Ohio, Orange, Owen, Perry, Perry, Pike, Posey, Pulaski, Putnam, Randolph, Ripley, Rush, St. Joseph, Scott, Spencer, Shelby, Steuben, Switzerland, Tippecanoe, Tipton, Union, Vanderburgh, Wabash, Warrick, Washington, Wayne, Wells, White, and Whitley

KENTUCKY

Allen, Anderson, Bullitt, Boone, Bourbon, Boyle, Breckinridge, Butler, Caldwell, Campbell, Carroll, Casey, Christian, Clark, Clinton, Crittenden, Cumberland, Daviess, Edmonson, Estill, Fayette, Franklin, Fulton, Garrard, Grayson, Green, Hancock, Hardin, Harrison, Hart, Henderson, Henry, Hickman, Hopkins, Jessamine, Kenton, Jefferson, LaRue, Lee, Lincoln, Livingston, Logan, Lyon, Madison, Marshall, Meade, Mercer, Metcalfe, McCreary, McLean, Monroe, Montgomery, Nelson, Nicholas, Ohio, Oldham, Owen, Powell, Pulaski, Rockcastle, Russell, Scott, Shelby, Simpson, Spencer, Taylor, Todd, Trigg, Trimble, Union, Warren, Wayne, Webster, Woodford

LOUISIANA

Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Baton Rouge, East Carroll, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Jefferson Davis, La Salle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana, Winn

MARYLAND

Anne Arundel, Baltimore, Jurisdiction of Baltimore City, Calvert, Caroline, Carroll, Cecil, Charles, Dorchester, Frederick, Harford, Howard, Kent, Montgomery, Prince George's, Queen Anne's, St. Mary's, Talbot, Washington, Wicomico, Worcester.

MASSACHUSETTS

Middlesex, Norfolk, Suffolk, Worcester, Franklin, Hampshire, Hampden, Barnstable, Bristol, Plymouth, Essex - NH counties Cheshire, Hillsborough, Rockingham, Stafford, Merrimack, Sullivan, Bleknap, Carroll, Grafton, and Coos

MICHIGAN

Baraga, Delta, Dickinson, Houghton, Keweenaw, Marquette, Menominee, Ontonagon, Schoolcraft

MISSISSIPPI

Adams, Amite, Attala, Benton, Calhoun, Carroll, Chickasaw, Choctaw, Claiborne, Clarke, Clay, Coahoma, Copiah, Covington, Desoto, Forrest, Franklin, George, Greene, Grenada, Hancock, Harrison, Hinds, Holmes, Humphreys, Issaquena, Itawamba, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lafayette, Lamar, Lauderdale, Lawrence, Leake, Lee, Leflore, Lincoln, Lowndes, Madison, Marion, Marshall, Monroe, Montgomery, Neshoba, Newton, Noxubee, Oktibbeha, Panola, Pearl River, Perry, Pike, Pontotoc, Quitman, Rankin, Scott, Sharkey, Simpson, Smith, Stone, Sunflower, Tallahatchie, Tate, Tippah, Tunica, Union, Walthall, Warren, Washington, Wayne, Webster, Winston, Yalobusha, Yazoo

MISSOURI

Audrain, Barry, Barton, Bollinger, Boone, Butler, Callaway, Camden, Cape Girardeau, Carter, Cedar, Christian, Cole, Cooper, Crawford, Dade, Dallas, Dent, Douglas, Dunklin, Franklin, Gasconade, Greene, Hickory, Howell, Iron, Jasper, Jefferson, Lawrence, Laclede, Lincoln, Marion, Maries, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, Morgan, New Madrid, Newton, Osage, Ozark, Pemiscot, Phelps, Pike, Pulaski, Polk, Ralls, Randolph, Reynolds, Scott, Shelby, St. Charles, St. Francis, St. Louis, St. Louis City, Stoddard, Stone, Taney, Texas, Warren, Washington, Wayne, Webster, Wright

NEW HAMPSHIRE

Cheshire, Hillsborough, Rockingham, Stafford, Merrimack, Sullivan, Belknap, Carroll, Grafton, and Coos

NEW JERSEY

Atlantic, Bergen, Cape May, Essex, Hudson, Lydhurst, Morris, North Arlington, Ocean, Passaic, Rutherford, Winslow Township

NEW YORK

Allegany, Bronx, Cattaraugus, Chautaugua, Erie, Delaware, Dutchess, Genessee, Greene, Niagara, Orange, Orleans, Putnam, Rockland, Sullivan, Ulster, Westchester, Wyoming

NEVADA

Carson City, Churchill, Douglas, Lyon, Storey, Washoe

NORTH CAROLINA

Alamance, Alexander, Avery, Beaufort, Bertie, Bladen, Buncombe, Burke, Caldwell, Caswell, Catawba, Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Duplin, Durham, Edgecombe, Franklin, Gaston, Graham, Granville, Greene, Guilford, Halifax, Harnett, Haywood, Henderson, Hertford, Hoke, Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Lincoln, Macon, Madison, Martin, McDowell, Mecklenburg, Mitchell, Montgomery, Moore, Nash, Northampton, Orange, Pender, Person, Pitt, Polk, Randolph, Robeson, Rockingham, Rutherford, Sampson, Swain, Transylvania, Union, Vance, Wake, Warren, Wayne, Wilson, Yancey

OHIO

Adams, Allen, Ashland, Ashtabula, Athens, Auglaize, Belmont, Brown, Butler, Carroll, Champagne, Clark, Clermont, Clinton, Columbiana, Coshocton, Crawford, Cuyahoga, Darke, Defiance, Delaware, Erie, Fairfield, Fayette, Franklin, Fulton, Gallia, Geauga, Green, Guernsey, Hamilton, Hancock, Harrison, Hardin, Henry, Highland, Hocking, Holmes, Huron, Jackson, Jefferson, Knox, Lake, Lawrence, Licking, Logan, Lorain, Lucas, Madison, Mahoning, Marion, Medina, Meigs, Mercer, Miami, Monroe, Montgomery, Morgan, Morrow, Muskingum, Noble, Ottawa, Paulding, Perry, Pickaway, Pike, Portage, Predble, Richland, Ross, Sandusky, Seneca, Scioto, Shelby, Stark, Summit, Trumbull, Tuscarawas, Union, Van Wert, Vinton, Warren, Washington, Wayne, Williams, Wood, Wyandot

OKLAHOMA

Custer, Washita, Mayes, Oklahoma, Kay, Woodward

OREGON

Benton, Clackamas, Douglas, Jackson, Josephine, Linn, Marion, Multnomah, Polk, Washington, Yamhill

PENNSYLVANIA

Adams, Allegheny, Armstrong, Beaver, Bedford, Berks, Bradford, Bucks, Blair, Butler, Carbon, Cambria, Centre, Chester, Clarion, Clearfield, Clinton, Columbia, Cumberland, Dauphin, Delaware, Fayette, Franklin, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Mercer, Mifflin, Monroe, Montgomery, Montour, Mifflin, Northampton, Northumberland, Perry, Pike, Schuylkill, Snyder, Somerset, Sullivan, Susquehanna, Tioga, Union, Washington, Wayne, Westmoreland, Wyoming, York

RHODE ISLAND

Bristol, Kent, Newport, Providence, Washington

SOUTH CAROLINA

Abbeville, Aiken, Allendale, Anderson, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Cherokee, Chester, Chesterfield, Clarendon, Colleton, Darlington, Dillon, Dorchester, Edgefield, Fairfield, Florence, Georgetown, Greenville, Greenwood, Hampton, Horry, Jasper, Kershaw, Lancaster, Laurens, Lee, Lexington, Marion, Marlboro, McCormick, Newberry, Oconee, Orangeburg, Pickens, Richard, Richland, Saluda, Spartanburg, Sumter, Union, Williamsburg, York

TENNESSEE

Anderson, Bedford, Benton, Bledsoe, Blount, Bradley, Campbell, Cannon, Carroll, Carter, Cheatham, Chester, Claiborne, Clay, Cocke, Coffee, Crockett, Cumberland, Davidson, Decatur, DeKalb, Dickson, Dyer, Fayette, Fentress, Franklin, Gibson, Giles, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hardeman, Hardin, Hawkins, Haywood, Henderson, Henry, Hickman, Hopkins, Houston, Humphreys, Jackson, Jefferson, Johnson, Knox, Lake, Lauderdale, Lawrence, Lewis, Lincoln, Loudon, Macon, Madison, Marion, Marshall, Maury, McMinn, McNairy, Meigs, Monroe, Montgomery, Moore, Morgan, Obion, Overton, Perry, Pickett, Polk, Putnam, Rhea, Roane, Robertson, Rutherford, Scott, Sequatchie, Sevier, Shelby, Smith, Stewart, Sullivan, Sumner, Tipton, Trousdale, Unicoi, Union, Van Buren, Warren, Washington, Wayne, Weakley, White, Williamson, Wilson

TEXAS

Anderson, Andrews, Angelina, Aransas, Armstrong, Atascosa, Bandera, Bee, Bexar, Blanco, Borden, Bowie, Briscoe, Caldwell, Camp, Carson, Cass, Castro, Cherokee, Collin, Comal, Cooke, Crane, Crosby, Dallas, Dawson, Deaf Smith, Delta, Denton, Donley, Duval, Ector, Ellis, Erath, Fannin, Floyd, Franklin, Freestone, Frio, Garza, Glasscock, Gray, Grayson, Gregg, Guadalupe, Hale, Hall, Hardin, Harrison, Hartley, Hays, Henderson, Hockley, Hood, Hopkins, Houston, Howard, Hunt, Hutchinson, Jefferson, Jim Wells, Johnson, Kaufman, Kendall, Kleberg, Lamar, Lamb, Liberty, Limestone, Live Oak, Loving, Lubbock, Lynn, Marion, Martin, Medina, Midland, Montague, Moore, Morris, Nacogdoches, Nueces, Oldham, Orange, Panola, Parker, Pecos, Polk, Potter, Rains, Randall, Reagan, Red River, Reeves, Refugio, Rockwall, Rockwell, Rusk, San Augustine, San Jacinto, San Patricio, Shelby, Smith, Somervell, Swisher, Tarrant, Terry, Titus, Tyler, Upshur, Upton, Van Zandt, Ward, Wilson, Winkler, Wise, Wood

VIRGINIA

Bedford, Bedford City, Bland, Botetourt, Buchanan, Carroll, Craig, Culpeper, Danville City, Fauquier, Floyd, Franklin, Galax City, Giles, Grayson, Henry, Loudoun, Martinsville City, Montgomery, Patrick, Pittsylvania, Prince William, Pulaski, Rappahannock, Roanoke, Roanoke City, Russell, Smyth, Tazewell, Wythe

WASHINGTON

Adams, Clallam, Cowlitz, Ferry, Grant, Grays Harbor, Jefferson, King, Lewis, Lincoln, Mason, Pacific, Pend Oreille, Pierce, Snohomish, Spokane, Stevens, Thurston, Wahkiakum

WEST VIRGINIA

Barbour, Boone, Braxton, Cabell, Calhoun, Doddridge, Fayette, Gilmer, Grant, Greenbrier, Hampshire, Hardy, Harrison, Jackson, Kanawha, Lewis, Lincoln, Logan, Marion, Marshall, Mason, McDowell, Mercer, Mingo, Monongalia, Monroe, Nicholas, Ohio, Pendleton, Pleasants, Pocahontas, Preston, Putnam, Raleigh, Randolph, Ritchie, Roane, Summers, Taylor, Tucker, Tyler, Upshur, Wayne, Webster, Wetzel, Wirt, Wood, Wyoming

WISCONSIN

Adams, Brown, Barron, Buffalo, Calumet, Chippewea, Clark, Dodge, Door, Dunn, Eau Claire, Fond Du Lac, Green Lake, Jefferson, Juneau, Kenosha, Kewaunee, LaCrosse, Manitowoc, Marathon, Marinette, Menomonee, Milwaukee, Monroe, Oconto, Outagamie Ozaukee, Pierce, Pepin, Racine, Rock, Shawano, Sheboygan, St. Croix, Trempealeau, Vernon, Walworth, Waupaca, Washington, Waushara, Waukesha, Winnebago, Wood

[\(Back To Top\)](#)

Section 4: EX-99.1 (PRESS RELEASE)

EXHIBIT 99.1

LHC Group announces senior management change

LAFAYETTE, La., Nov. 26, 2019 (GLOBE NEWSWIRE) -- LHC Group, Inc. (NASDAQ: LHCG) announced that Donald D. Stelly, the Company's president and chief operating officer, will step down on December 31, 2019 while continuing to serve as an advisor to LHC Group. Keith Myers, LHC Group's chairman and chief executive officer, will assume the role of president.

"I appreciate Don's many contributions to the company and look forward to continuing to work with him in this new role," said Mr. Myers. "We have developed a deep bench and one of the strongest clinical and operational teams in the industry with an average of over 25 years of healthcare experience across our senior management and divisional leadership team. As we often say, our growing team of more than 32,000 dedicated healthcare professionals throughout the country who consistently deliver high-quality care to the growing number of patients, families, and communities we are privileged to serve, have been and will continue to be the key to our success."

Mr. Stelly added, "I sincerely want to thank Keith, the board, and my fellow colleagues for their support and encouragement over the past 14 years at LHC Group. Together, we have built a strong and experienced team with industry leading quality and patient satisfaction scores, and a national in-home healthcare platform. It has been my distinct privilege to lead and serve the talented and committed professionals who care for our patients and families, and I look forward to continuing to contribute to the success of LHC Group."

About LHC Group, Inc.

LHC Group, Inc. is a national provider of in-home healthcare services and innovations, providing high-quality and affordable healthcare services to patients in the privacy and comfort of the home or place of residence. LHC Group's services cover a wide range of healthcare needs for patients and families dealing with illness, injury, or chronic conditions. The company's 32,000 employees deliver home health, hospice, home and community based services, and facility-based care in 35 states and the District of Columbia – reaching 60 percent of the U.S. population aged 65 and older. LHC Group is the preferred in-home healthcare partner for 350 leading hospitals around the country. In 2019, the company was named to the inaugural *Forbes* list of "America's Best-in-State Employers."

Forward-looking Statements

Certain statements and information in this press release may be deemed to contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, and all statements, other than statements of historical facts, that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future. These statements are often characterized by terminology such as "believe", "hope", "may", "anticipate", "should", "intend", "plan", "will", "expect", "estimate", "project", "positioned", "strategy" and similar expressions, and are based on assumptions and assessments made by LHC Group's management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Any forward-looking statements in this press release are made as of the date hereof, and LHC Group undertakes no duty to update or revise any such statements, whether as a result of new information, future events or otherwise. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. Important factors that could cause actual results, developments, and business decisions to differ materially from forward-looking statements are described in LHC Group's most recent Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q, including the sections entitled "Risk Factors", as well LHC Group's current reports on Form 8-K, filed with the Securities and Exchange Commission.

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[\(Back To Top\)](#)