



Hazel Hawkins  
MEMORIAL HOSPITAL

**FINANCE COMMITTEE**  
**Monday, November 15, 2021, 5:00 p.m**  
**Online Zoom Meeting**  
**Agenda**

Call to Order

I. Financial Reports:

- A. Financial Statements – October 2021

II. Financial Updates

- A. Finance Dashboard
- B. ADAMS Management Services Corporation – Advisory Services
- C. Salinas Valley Radiology Amendment **(Action item)**

III. Capital

- A. UKG HR and Payroll Upgrades **(Action item)**

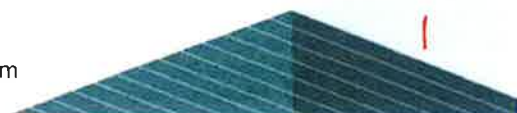
IV. Contracts

- A. Pharmacy Contract Services-Cardinal Health Proposal **(Action item)**
- B. GE Radiology Maintenance Agreement **(Action item)**
- C. GE Biomed Maintenance Agreement **(Action item)**

V. Physician Agreements

- A. Central Coast Nephrology – contract extension **(Action item)**

Adjournment





**Hazel Hawkins**  
MEMORIAL HOSPITAL

November 15, 2021

**CFO Financial Summary for the Finance Committee:**

For the month ending October 31, 2021, the District's Net Surplus (Loss) is \$378,460 compared to a budgeted Surplus (Loss) of \$192,139. The District exceeded its budget for the month by \$186,321.

For the YTD ending October 31, 2021, the District's Net Surplus (Loss) is \$1,269,657 compared to a budgeted Surplus (Loss) of \$409,636. The District exceeded its budget YTD by \$860,021.

Acute discharges were 187 for the month, exceeding budget by 41 discharges or 28%. The ADC was 20.55 compared to a budget of 14.39. The ALOS was 3.41. The acute I/P gross revenue was over budget by **\$2 million** while O/P services gross revenue was **\$650,000** or 3% under budget. ER I/P visits were 141 and ER O/P visits were over budget by 66 visits or 4%. The RHCs & Specialty Clinics treated 4,252 (includes 797 visits at the Diabetes Clinic) and 2,697 visits respectively.

**Other Operating** revenue was slightly under budget by **\$8,688** due to the GPO share-back not being met.

**Operating Expenses** were over budget by **\$552,499** due mainly to variances in: Salary and Wages being over by \$153,615, Registry by \$250,941 and Supplies by \$149,558 due to the increase in COVID-19 patients.

**Non-operating Revenue** was over budget by **\$8,170** due to higher than budgeted donations.

The SNFs ADC was **81.77** for the month. The Net Surplus (Loss) is **\$11,780** compared to a budget of \$47,583. The ADC is budgeted to be 82 residents for the month. YTD, the SNFs Net Surplus is \$145,299.

The debt service ratio for the fiscal year ending June 30, 2021 is budgeted to exceed **1.25**, the days-cash-on-hand is projected to exceed **30.00** and the current ratio is projected to be less than **1.5**. The Cal- Mortgage 2021 bond covenant targets are a **1.25** DSR, **30** days-cash-on-hand and a **1.5** current ratio.

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED  
HOLLISTER, CA 95023  
FOR PERIOD 10/31/21

	CURRENT MONTH				YEAR-TO-DATE					
	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/20	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/20
GROSS PATIENT REVENUE:										
ACUTE ROUTINE REVENUE	4,107,005	3,040,418	1,066,587	35	1,991,047	11,350,440	3,963,042	35	10,091,388	
SNF ROUTINE REVENUE	1,651,500	1,656,900	(5,400)	0	1,389,750	6,454,452	174,948	3	5,512,420	
ANCILLARY INPATIENT REVENUE	5,072,003	4,313,372	758,631	18	2,988,314	16,155,829	4,565,829	28	14,352,387	
HOSPITALIST/PEDS I/P REVENUE	217,859	171,197	46,662	27	70,242	643,876	169,545	26	441,450	
TOTAL GROSS INPATIENT REVENUE	11,048,367	9,181,887	1,866,480	20	6,439,353	34,604,357	8,873,364	25	30,397,646	
ANCILLARY OUTPATIENT REVENUE	20,110,682	20,603,710	(693,028)	(3)	17,912,994	79,193,255	3,601,856	5	73,455,474	
HOSPITALIST/PEDS O/P REVENUE	57,810	14,777	43,033	291	13,393	55,169	161,908	294	66,016	
TOTAL GROSS OUTPATIENT REVENUE	20,168,492	20,818,487	(649,996)	(3)	17,926,387	79,248,424	3,763,764	5	73,521,490	
TOTAL GROSS PATIENT REVENUE	31,216,858	30,000,374	1,216,484	4	24,365,740	113,852,781	12,637,128	11	103,919,136	
DEDUCTIONS FROM REVENUE:										
MEDICARE CONTRACTUAL ALLOWANCES	7,388,738	8,159,375	(770,637)	(9)	6,318,849	29,943,776	376,279	1	25,364,594	
MEDICAL CONTRACTUAL ALLOWANCES	7,614,988	6,188,807	1,426,181	23	5,389,326	23,486,365	9,135,123	39	22,586,720	
BAD DEBT EXPENSE	369,191	275,200	93,991	34	254,076	1,042,489	288,222	28	1,104,610	
CHARITY CARE	41,350	72,635	(31,285)	(43)	64,672	275,153	9,766	4	341,158	
OTHER CONTRACTUALS AND ADJUSTMENTS	3,834,813	4,055,712	(220,899)	(5)	3,715,301	15,364,335	186,372	1	16,108,203	
HOSPITALIST/PEDS CONTRACTUAL ALLOW	(2,416)	5,579	(7,995)	(143)	(39,135)	20,970	31,142	149	(8,026)	
TOTAL DEDUCTIONS FROM REVENUE	19,246,663	18,757,308	489,355	3	15,703,099	70,133,088	10,026,904	14	65,497,260	
NET PATIENT REVENUE	11,970,195	11,243,066	727,129	7	8,662,651	43,719,693	2,610,224	6	38,421,876	
OTHER OPERATING REVENUE	532,997	541,685	(8,688)	(2)	2,026,384	2,182,906	3,125	0	4,259,325	
NET OPERATING REVENUE	12,503,192	11,784,751	718,441	6	10,689,034	45,902,599	2,613,349	6	42,680,201	
OPERATING EXPENSES:										
SALARIES & WAGES	4,891,351	4,744,629	146,722	3	4,185,853	18,617,890	387,327	2	16,647,432	
REGISTRY	432,350	175,621	256,729	146	429,742	1,397,081	703,326	101	1,255,152	
EMPLOYEE BENEFITS	2,632,570	2,621,832	1,0738	0	2,290,407	10,303,932	22,873	0	9,082,069	
PROFESSIONAL FEES	1,396,748	1,453,506	(56,758)	(4)	1,415,396	5,726,881	(3,265)	0	5,426,978	
SUPPLIES	1,204,854	1,060,260	144,594	14	924,440	4,487,344	413,166	10	3,848,569	
PURCHASED SERVICES	1,003,674	990,027	13,647	1	1,062,300	3,891,171	115,199	3	3,892,638	
RENTAL	178,275	139,636	38,639	28	148,961	558,536	49,094	9	613,435	
DEPRECIATION & AMORT	272,716	323,397	(50,681)	(16)	330,021	1,293,581	(27,782)	(2)	1,351,593	
INTEREST	657	5,799	(5,142)	(89)	4,377	23,265	(19,333)	(83)	11,032	
OTHER	368,770	316,966	51,804	16	285,777	1,266,162	107,484	9	1,208,857	
TOTAL EXPENSES	12,371,963	11,831,673	540,290	5	11,077,274	45,449,351	1,748,088	4	43,307,754	
NET OPERATING INCOME (LOSS)	131,229	(46,922)	178,151	(380)	(388,240)	318,509	865,261	(118)	(627,553)	

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED  
HOLLISTER, CA 95023  
FOR PERIOD 10/31/21

	CURRENT MONTH				PRIOR YR				YEAR-TO-DATE				
	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NEG VARIANCE	PERCENT VARIANCE	ACTUAL 10/31/20	BUDGET 10/31/20	POS/NEG VARIANCE	PERCENT VARIANCE	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/20
NON-OPERATING REVENUE\EXPENSE:													
DONATIONS	11,540	5,000	6,640	133	3,425	18,209	(6,791)	(27)	25,000	(6,791)	(27)	9,558	
PROPERTY TAX REVENUE	185,249	185,247	2	0	171,868	740,996	3	0	740,993	3	0	687,473	
GO BOND PROP TAXES	160,091	160,090	1	0	155,365	640,362	0	0	640,362	0	0	621,460	
GO BOND INT REVENUE\EXPENSE	(75,091)	(75,090)	(1)	0	(77,865)	(300,362)	0	0	(300,362)	0	0	(311,460)	
OTHER NON-OPER REVENUE	7,875	7,866	9	0	397	31,501	36	0	31,465	36	0	447	
OTHER NON-OPER EXPENSE	(42,627)	(44,127)	1,500	(3)	(64,910)	(179,821)	1,549	(1)	(181,370)	1,549	(1)	(256,286)	
INVESTMENT INCOME	95	75	20	27	2,931	263	(37)	(12)	300	(37)	(12)	(849)	
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL NON-OPERATING REVENUE/(EXPENSE)	247,231	239,061	8,170	3	191,211	951,148	(5,240)	(1)	956,388	(5,240)	(1)	750,344	
NET SURPLUS (LOSS)	378,460	192,139	186,321	97	(197,029)	1,269,657	860,021	210	409,636	860,021	210	122,791	
EBIDA	\$ 608,804	\$ 474,663	\$ 134,141	28.26%	\$ 120,402	\$ 2,375,277	\$ 830,690	53.78%	\$ 1,544,587	\$ 830,690	53.78%	\$ 1,420,669	
EBIDA MARGIN	4.87%	4.03%	0.84%	20.86%	1.13%	4.90%	1.53%	45.49%	3.36%	1.53%	45.49%	3.33%	
OPERATING MARGIN	1.05%	(0.40)%	1.45%	(363.56)%	(3.53)%	0.66%	1.85%	(155.11)%	(1.19)%	1.85%	(155.11)%	(1.47)%	
NET SURPLUS (LOSS) MARGIN	3.03%	1.63%	1.40%	85.65%	(1.84)%	2.62%	1.72%	193.24%	0.89%	1.72%	193.24%	0.29%	

EAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY  
HOLLISTER, CA 95023  
FOR PERIOD 10/31/21

	CURRENT MONTH				YEAR-TO-DATE				
	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NBS VARIANCE	PERCENT VARIANCE	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NBS VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/20
GROSS PATIENT REVENUE:									
ROUTINE REVENUE	4,107,005	3,040,418	1,066,587	35	15,313,482	11,350,440	3,963,042	35	10,091,388
ANCILLARY INPATIENT REVENUE	4,867,331	3,986,704	880,627	22	19,727,082	14,883,101	4,843,981	33	13,736,794
HOSPITALIST I/P REVENUE	217,859	171,197	46,662	27	813,421	643,876	169,545	26	441,450
TOTAL GROSS INPATIENT REVENUE	9,192,194	7,198,319	1,993,875	28	35,853,984	26,877,417	8,976,567	33	24,269,632
ANCILLARY OUTPATIENT REVENUE	20,110,682	20,803,710	(693,028)	(3)	82,795,111	79,193,255	3,601,856	5	73,455,474
HOSPITALIST O/P REVENUE	57,810	14,777	43,033	291	217,077	55,169	161,908	294	66,016
TOTAL GROSS OUTPATIENT REVENUE	20,168,491	20,818,487	(649,996)	(3)	83,012,188	79,248,424	3,763,764	5	73,521,490
TOTAL GROSS ACUTE PATIENT REVENUE	29,360,685	28,016,806	1,343,879	5	118,866,172	106,125,841	12,740,331	12	97,791,122
DEDUCTIONS FROM REVENUE ACUTE:									
MEDICARE CONTRACTUAL ALLOWANCES	7,362,275	7,932,911	(570,636)	(7)	29,777,232	29,067,344	709,888	2	25,133,635
MEDI-CAL CONTRACTUAL ALLOWANCES	7,541,956	6,136,259	1,405,697	23	32,503,507	23,281,486	9,222,021	40	22,756,224
BAD DEBT EXPENSE	305,401	275,200	30,201	11	1,270,204	1,042,489	227,715	22	1,073,892
CHARITY CARE	41,350	72,635	(31,285)	(43)	284,322	275,153	9,169	3	341,158
OTHER CONTRACTUALS AND ADJUSTMENTS	3,772,988	4,022,587	(249,599)	(6)	15,441,283	15,235,294	205,989	1	16,005,832
HOSPITALIST\PEDS CONTRACTUAL ALLOW	(2,416)	5,579	(7,995)	(143)	52,112	20,970	31,142	149	(8,026)
TOTAL ACUTE DEDUCTIONS FROM REVENUE	19,021,554	18,445,171	576,383	3	79,328,660	68,922,736	10,405,924	15	65,302,716
NET ACUTE PATIENT REVENUE	10,339,132	9,571,635	767,497	8	39,537,512	37,203,105	2,334,407	6	32,488,406
OTHER OPERATING REVENUE	532,997	541,685	(8,688)	(2)	2,186,031	2,182,906	3,125	0	4,258,325
NET ACUTE OPERATING REVENUE	10,872,129	10,113,320	758,809	8	41,723,543	39,386,011	2,337,532	6	36,746,731
OPERATING EXPENSES:									
SALARIES & WAGES	4,031,655	3,878,040	153,615	4	15,441,741	15,214,368	227,373	2	13,330,107
REGISTRY	421,576	170,635	250,941	147	1,340,750	673,973	666,777	99	1,244,592
EMPLOYEE BENEFITS	2,080,827	2,082,005	(1,178)	0	8,183,671	8,182,391	1,280	0	7,100,675
PROFESSIONAL FEES	1,394,708	1,443,680	(48,972)	(3)	5,715,456	5,688,052	27,404	1	5,417,789
SUPPLIES	1,129,792	980,234	149,558	15	4,137,365	3,766,996	370,369	10	3,516,122
PURCHASED SERVICES	942,353	929,646	12,707	1	3,764,107	3,651,648	112,459	3	3,523,111
RENTAL	177,000	138,638	38,362	28	601,126	554,550	46,576	8	605,357
DEPRECIATION & AMORT	233,042	282,500	(49,458)	(19)	1,105,720	1,129,994	(24,275)	(2)	1,187,380
INTEREST	657	5,759	(5,102)	(89)	3,932	23,265	(19,333)	(83)	11,032
OTHER	324,344	272,277	52,067	19	1,151,630	1,087,717	63,913	10	1,052,559
TOTAL EXPENSES	10,735,953	10,183,454	552,499	5	41,485,497	39,973,154	1,512,343	4	36,988,722
NET OPERATING INCOME (LOSS)	136,177	(70,124)	206,311	(294)	238,046	(587,143)	825,189	(141)	(241,991)

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BASEL HARRIS MEMORIAL HOSPITAL - ACUTE FACILITY  
HOLLISTER, CA 95023  
FOR PERIOD 10/31/21

	CURRENT MONTH			PRIOR YR			YEAR-TO-DATE		
	ACTUAL 10/31/21	BUDGET 10/31/21	PERCENT VARIANCE	ACTUAL 10/31/20	BUDGET 10/31/21	PERCENT VARIANCE	ACTUAL 10/31/21	BUDGET 10/31/21	PERCENT VARIANCE
NON-OPERATING REVENUE\EXPENSE:									
DONATIONS	11,640	5,000	133	3,425	18,209	(6,791)	25,000	25,000	9,558
PROPERTY TAX REVENUE	159,183	159,182	0	147,685	636,732	2	636,730	636,730	590,740
GO BOND PROP TAXES	160,091	160,090	1	155,365	640,362	0	640,362	640,362	621,460
GO BOND INT REVENUE\EXPENSE	(75,091)	(75,090)	(1)	(77,865)	(300,362)	0	(300,362)	(300,362)	(311,460)
OTHER NON-OPER REVENUE	7,875	7,866	0	397	31,501	36	31,465	31,465	447
OTHER NON-OPER EXPENSE	(33,289)	(34,789)	(4)	(50,900)	(140,393)	1,549	(141,942)	(141,942)	(200,243)
INVESTMENT INCOME	95	75	27	2,931	263	(37)	300	300	(849)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	230,504	222,334	4	181,039	886,312	(5,241)	891,553	891,553	709,654
NET SURPLUS (LOSS)	366,680	152,200	141	(39,164)	1,124,356	819,948	304,410	304,410	467,663

HAZEL HAWKINS SKILLED NURSING FACILITIES  
 HOLLISTER, CA  
 FOR PERIOD 10/31/21

	CURRENT MONTH			PRIOR YR			YEAR-TO-DATE			
	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/20	ACTUAL 10/31/21	BUDGET 10/31/21	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 10/31/20
GROSS SNF PATIENT REVENUE:										
ROUTINE SNF REVENUE	1,651,500	1,656,900	(5,400)	0	1,389,750	6,629,400	6,454,452	174,948	3	5,512,420
ANCILLARY SNF REVENUE	204,673	326,668	(121,996)	(37)	184,711	994,336	1,272,488	(278,152)	(22)	615,593
TOTAL GROSS SNF PATIENT REVENUE	1,856,173	1,983,568	(127,396)	(6)	1,574,461	7,623,736	7,726,940	(103,204)	(1)	6,128,013
DEDUCTIONS FROM REVENUE SNF:										
MEDICARE CONTRACTUAL ALLOWANCES	26,463	226,464	(200,001)	(88)	92,340	876,432	(333,609)	(38)	(38)	230,959
MEDI-CAL CONTRACTUAL ALLOWANCES	73,032	52,548	20,484	39	(57,635)	117,981	204,879	(86,898)	(42)	(169,504)
BAD DEBT EXPENSE	63,790	0	63,790	0	1,953	60,507	0	60,507	0	30,718
CHARITY CARE	0	0	0	0	0	596	0	596	0	0
OTHER CONTRACTUALS AND ADJUSTMENTS	61,825	33,125	28,700	87	30,099	109,424	129,041	(19,617)	(15)	102,370
TOTAL SNF DEDUCTIONS FROM REVENUE	225,110	312,137	(87,027)	(28)	66,857	831,332	1,210,352	(379,021)	(31)	194,544
NET SNF PATIENT REVENUE	1,631,063	1,671,431	(40,368)	(2)	1,507,604	6,792,405	6,516,588	275,817	4	5,933,470
OTHER OPERATING REVENUE	0	0	0	0	0	0	0	0	0	0
NET SNF OPERATING REVENUE	1,631,063	1,671,431	(40,368)	(2)	1,507,604	6,792,405	6,516,588	275,817	4	5,933,470
OPERATING EXPENSES:										
SALARIES & WAGES	849,696	866,589	(16,893)	(2)	837,451	3,563,476	3,403,522	159,954	5	3,317,325
REGISTRY	10,774	4,986	5,788	116	10,560	56,331	19,782	36,549	185	10,560
EMPLOYEE BENEFITS	551,743	539,827	11,916	2	561,136	2,143,134	2,121,541	21,593	1	1,981,393
PROFESSIONAL FEES	2,040	2,182	(142)	(7)	2,040	8,160	8,500	(340)	(4)	9,189
SUPPLIES	75,062	80,026	(4,964)	(6)	70,010	349,979	307,182	42,797	14	302,447
PURCHASED SERVICES	61,321	60,361	940	2	115,573	242,263	239,323	2,940	1	369,527
RENTAL	1,275	998	277	28	1,150	6,503	3,986	2,517	63	8,078
DEPRECIATION	39,675	40,897	(1,222)	(3)	41,078	160,079	163,587	(3,508)	(2)	164,214
INTEREST	0	0	0	0	0	0	0	0	0	0
OTHER	44,426	44,689	(263)	(1)	36,644	182,016	178,445	3,571	2	156,299
TOTAL EXPENSES	1,636,011	1,640,575	(4,565)	0	1,675,642	6,711,942	6,445,868	266,074	4	6,319,032
NET OPERATING INCOME (LOSS)	(4,948)	30,856	(35,804)	(116)	(168,038)	80,463	70,720	9,743	14	(385,563)
NON-OPERATING REVENUE/EXPENSE:										
DONATIONS	0	0	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	26,066	26,065	1	0	24,183	104,264	104,263	1	0	96,733
OTHER NON-OPER EXPENSE	(9,338)	(9,338)	0	0	(14,011)	(39,428)	(39,428)	0	0	(56,043)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	16,728	16,727	1	0	10,173	64,836	64,835	1	0	40,690
NET SURPLUS (LOSS)	11,780	47,583	(35,803)	(75)	(157,865)	145,299	135,555	9,744	7	(344,873)

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HAZEL HAWKINS MEMORIAL HOSPITAL  
 HOLLISTER, CA  
 For the month ended 10/31/21

	CURR MONTH 10/31/21	PRIOR MONTH 09/30/21	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/21
CURRENT ASSETS					
CASH & CASH EQUIVALENT	13,701,745	15,875,954	(2,174,209)	(14)	18,776,056
PATIENT ACCOUNTS RECEIVABLE	43,823,891	41,499,706	2,324,185	6	41,109,182
BAD DEBT ALLOWANCE	(3,603,201)	(3,543,941)	(59,260)	2	(3,410,983)
CONTRACTUAL RESERVES	(26,832,511)	(25,363,570)	(1,468,941)	6	(24,852,045)
OTHER RECEIVABLES	2,941,775	2,280,930	660,845	29	2,536,893
INVENTORIES	2,909,267	2,922,184	(12,917)	0	2,844,436
PREPAID EXPENSES	1,028,883	1,010,766	18,117	2	504,949
DUE TO\FROM THIRD PARTIES	546,933	574,556	(27,623)	(5)	1,063,597
TOTAL CURRENT ASSETS	34,516,782	35,256,584	(739,802)	(2)	38,572,086
ASSETS WHOSE USE IS LIMITED					
BOARD DESIGNATED FUNDS	3,814,164	3,584,928	229,236	6	3,014,647
TOTAL LIMITED USE ASSETS	3,814,164	3,584,928	229,236	6	3,014,647
PROPERTY, PLANT, AND EQUIPMENT					
LAND & LAND IMPROVEMENTS	3,237,474	3,237,474	0	0	3,237,474
BLDGS & BLDG IMPROVEMENTS	97,228,543	97,212,467	16,076	0	97,184,444
EQUIPMENT	40,018,742	39,999,072	19,671	0	39,899,483
CONSTRUCTION IN PROGRESS	640,406	610,538	29,868	5	425,000
CAPITALIZED INTEREST	80	0	80		0
GROSS PROPERTY, PLANT, AND EQUIPMENT	141,125,245	141,059,551	65,694	0	140,746,401
ACCUMULATED DEPRECIATION	(83,683,169)	(83,395,488)	(287,682)	0	(82,357,510)
NET PROPERTY, PLANT, AND EQUIPMENT	57,442,076	57,664,063	(221,988)	0	58,388,891
OTHER ASSETS					
UNAMORTIZED LOAN COSTS	597,002	603,418	(6,416)	(1)	622,665
PENSION DEFERRED OUTFLOWS NET	1,480,373	1,480,373	0	0	1,480,373
TOTAL OTHER ASSETS	2,077,375	2,083,791	(6,416)	0	2,103,038
TOTAL UNRESTRICTED ASSETS	97,850,396	98,589,366	(738,970)	(1)	102,078,662
RESTRICTED ASSETS	102,396	102,367	29	0	102,297
TOTAL ASSETS	97,952,792	98,691,733	(738,941)	(1)	102,180,959



HAZEL HAWKINS MEMORIAL HOSPITAL  
 HOLLISTER, CA  
 For the month ended 10/31/21

	CURR MONTH 10/31/21	PRIOR MONTH 09/30/21	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/21
<b>CURRENT LIABILITIES</b>					
ACCOUNTS PAYABLE	6,639,935	6,426,051	(213,884)	3	7,650,785
ACCRUED PAYROLL	1,211,404	3,140,297	1,928,893	(61)	1,629,838
ACCRUED PAYROLL TAXES	3,137,657	2,505,608	(632,049)	25	2,425,261
ACCRUED BENEFITS	6,314,581	5,728,609	(585,972)	10	6,431,270
ACCRUED PENSION (CURRENT)	1,045,566	779,055	(266,511)	34	1,321,074
OTHER ACCRUED EXPENSES	36,713	63,815	27,102	(43)	69,880
PATIENT REFUNDS PAYABLE	0	12,079	12,079	(100)	0
DUE TO\FROM THIRD PARTIES	4,791,721	5,777,111	985,390	(17)	9,331,006
OTHER CURRENT LIABILITIES	427,863	317,870	(109,993)	35	186,314
<b>TOTAL CURRENT LIABILITIES</b>	<b>23,605,440</b>	<b>24,750,495</b>	<b>1,145,054</b>	<b>(5)</b>	<b>29,045,428</b>
=====					
<b>LONG-TERM DEBT</b>					
LEASES PAYABLE	56,145	0	(56,145)		0
BONDS PAYABLE	40,249,762	40,278,282	28,520	0	40,363,842
<b>TOTAL LONG TERM DEBT</b>	<b>40,305,907</b>	<b>40,278,282</b>	<b>(27,625)</b>	<b>0</b>	<b>40,363,842</b>
=====					
<b>OTHER LONG-TERM LIABILITIES</b>					
DEFERRED REVENUE	0	0	0	0	0
LONG-TERM PENSION LIABILITY	12,243,918	12,243,918	0	0	12,243,918
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>	<b>12,243,918</b>	<b>12,243,918</b>	<b>0</b>	<b>0</b>	<b>12,243,918</b>
=====					
<b>TOTAL LIABILITIES</b>	<b>76,155,265</b>	<b>77,272,695</b>	<b>1,117,430</b>	<b>(1)</b>	<b>81,653,188</b>
<b>NET ASSETS:</b>					
UNRESTRICTED FUND BALANCE	20,425,474	20,425,474	0	0	20,425,474
RESTRICTED FUND BALANCE	102,396	102,367	(29)	0	102,297
NET REVENUE/(EXPENSES)	1,269,657	891,197	(378,460)	43	0
<b>TOTAL NET ASSETS</b>	<b>21,797,527</b>	<b>21,419,038</b>	<b>(378,489)</b>	<b>2</b>	<b>20,527,771</b>
=====					
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>97,952,792</b>	<b>98,691,733</b>	<b>738,941</b>	<b>(1)</b>	<b>102,180,959</b>
=====					



San Benito Health Care District  
 Hazel Hawkins Memorial Hospital  
 OCTOBER 2021

Description	Target	MTD Actual	YTD Actual	YTD Target
Average Daily Census - Acute	14.39	20.55	19.82	13.54
Average Daily Census - SNF	82.00	81.77	82.56	80.50
Acute Length of Stay	3.05	3.41	3.31	3.03
<b>ER Visits:</b>				
Inpatient	100	141	569	395
Outpatient	1,740	1,806	7,598	6,860
<b>Total</b>	<b>1,840</b>	<b>1,947</b>	<b>8,167</b>	<b>7,255</b>
Days in Accounts Receivable	45.0	43.3	43.3	45.0
Productive Full-Time Equivalents	495.86	504.46	496.37	495.86
Net Patient Revenue	11,243,066	11,970,195	46,329,917	43,719,693
Medicare Traditional Payor Mix	27.13%	30.41%	29.92%	26.96%
Commercial Payor Mix	31.17%	24.58%	24.27%	32.21%
Bad Debt % of Gross Revenue	0.92%	1.19%	1.06%	0.92%
EBIDA	474,663	608,804	2,375,277	1,544,587
EBIDA %	4.03%	4.87%	4.90%	3.36%
Operating Margin	-0.40%	1.05%	0.66%	-1.19%
Salaries, Wages, Registry & Benefits %:				
by Net Operating Revenue	64.00%	63.55%	63.34%	64.52%
by Total Operating Expense	63.74%	64.23%	63.76%	63.76%
<b>Bond Covenants:</b>				
Debt Service Ratio	1.25	3.80	3.80	1.25
Current Ratio	1.50	1.46	1.46	1.50
Days Cash on hand	30.00	36.29	36.29	30.00
<b>Met or Exceeded Target</b>				
<b>Within 10% of Target</b>				
<b>Not Within 10%</b>				

Hazel Hawkins Memorial Hospital  
 Bad Debt Expense  
 For the Year Ending June 30, 2022

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Budgeted Gross Revenue	28,077,628	28,267,165	27,507,614	30,000,374	27,367,008	27,461,364	29,584,020	27,738,115	28,163,207	28,701,313	27,450,017	26,750,954	337,068,779
Budgeted Bad Debt Expense	256,791	258,639	251,859	275,200	249,843	250,205	272,444	256,135	258,393	263,901	250,864	244,615	3,088,889
BD Exp as a percent of Gross Revenue	0.91%	0.91%	0.92%	0.92%	0.91%	0.91%	0.92%	0.92%	0.92%	0.92%	0.91%	0.91%	0.92%
Actual Gross Revenue	30,573,916	32,794,947	31,149,360	30,941,189	-	-	-	-	-	-	-	-	125,459,412
Actual Bad Debt Expense	253,140	298,645	409,735	369,191	-	-	-	-	-	-	-	-	1,330,711
BD Exp as a percent of Gross Revenue	0.83%	0.91%	1.32%	1.19%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	1.06%
Budgeted YTD BD Exp	1,042,489	0.92%											275,153
Actual YTD BD Exp	1,330,711	1.06%											284,919
Amount under (over) budget	(288,222)	-0.15%											(9,766)
Prior Year percent of Gross Revenue	0.95%												0.23%
Percent of Decrease (Inc) from Prior Year	-11.6%												

YTD Charity Exp Budget 275,153  
 YTD Charity Exp Actual 284,919  
 Amt under (over) budget (9,766)  
 Charity Exp % of Gross Rev 0.23%

## Statement of Cash Flows

Hazel Hawkins Memorial Hospital  
Hollister, CA

Four months ending October 31, 2021

	CASH FLOW		COMMENTS
	Current Month 10/31/2021	Current Year-To-Date 10/31/2021	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net Income (Loss)	\$378,460	\$1,269,658	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	287,682	1,325,661	
(Increase)/Decrease in Net Patient Accounts Receivable	(795,985)	(542,025)	
(Increase)/Decrease in Other Receivables	(660,845)	(404,881)	
(Increase)/Decrease in Inventories	12,917	(64,832)	
(Increase)/Decrease in Pre-Paid Expenses	(18,117)	(523,934)	
(Increase)/Decrease in Due From Third Parties	27,623	516,665	
Increase/(Decrease) in Accounts Payable	213,884	(1,010,851)	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	(444,361)	(98,235)	
Increase/(Decrease) in Accrued Expenses	(27,102)	(33,168)	
Increase/(Decrease) in Patient Refunds Payable	(12,079)	0	
Increase/(Decrease) in Third Party Advances/Liabilities	(985,390)	(4,539,285)	
Increase/(Decrease) in Other Current Liabilities	109,993	241,549	Semi-Annual Interest - 2021 Insured Revenue Bonds
<b>Net Cash Provided by Operating Activities:</b>	<b>(2,291,760)</b>	<b>(5,133,336)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant and Equipment	(65,694)	(378,844)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	(229,256)	(799,518)	Bond Principal & Int Payment - 2014 & 2021 Bonds
(Increase)/Decrease in Other Assets	6,416	25,664	Amortization
<b>Net Cash Used by Investing Activities</b>	<b>(288,514)</b>	<b>(1,152,698)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Increase/(Decrease) in Bond/Mortgage Debt	(28,520)	(114,080)	Refinancing of 2013 Bonds with 2021 Bonds
Increase/(Decrease) in Capital Lease Debt	0	0	
Increase/(Decrease) in Other Long Term Liabilities	56,145	56,145	
<b>Net Cash Used for Financing Activities</b>	<b>27,625</b>	<b>(57,935)</b>	
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	0	
<b>Net Increase/(Decrease) in Cash</b>	<b>(2,174,209)</b>	<b>(5,074,311)</b>	
Cash, Beginning of Period	15,875,954	18,776,056	
<b>Cash, End of Period</b>	<b>\$13,701,745</b>	<b>\$13,701,745</b>	

Cost per day to run the District

\$377,552

Operational Days Cash on Hand

36.29



October 27, 2021

**VIA EMAIL**

Steven Hannah  
Chief Executive Officer  
Hazel Hawkins Memorial Hospital  
911 Sunset Dr  
Hollister, California 95023

**Re: Hazel Hawkins Memorial Hospital**  
*Letter Agreement for Advisory Services*

Dear Mr. Hannah:

We are pleased to submit this proposal to provide advisory services for Hazel Hawkins Memorial Hospital.

We look forward to continuing our work with Hazel Hawkins Memorial Hospital. If you should have any questions regarding the information in the proposal or our services, please feel free to contact me at any time at 214.681.9753.

Respectfully yours,  
**ADAMS Management Services Corporation**

Jeffrey L. Christmann, Chief Executive Officer

10/27/2021  
Date

Accepted by:  
**Hazel Hawkins Memorial Hospital**

Steven Hannah, CEO

Date



ADAMS Management Services Corporation

## **Attachment A – Scope of Services**

**Hazel Hawkins Memorial Hospital**

*October 27, 2021*

### **OUR UNDERSTANDING OF THE ENGAGEMENT**

Hazel Hawkins Memorial Hospital recently completed master planning and provider needs assessment engagements with ADAMS and TreanorHL. To proceed with the recommended solutions, the facility needs to develop detailed pro-forma financial plans for each of the various options. Additionally, the facility would like assistance with identifying financing sources and potential development opportunities presented by the prior engagements.

The balance of this document outlines ADAMS approach for this engagement.

### **Scope of Services**

#### **Task 1-Pro-Forma Financial Statement Development**

- Develop pro-forma income statements for recommended provider recruitment:
  - Visit Volumes
  - Revenue per Case
  - Staffing Models
  - Projected Hospital Admissions and OP Services
  - Projected practice subsidy
- Develop pro-forma financial statements for each facility option contemplated by the master plan.
  - Balance Sheet
  - Income Statement
  - Cash Flows
  - Detailed assumptions will include:
    - Reimbursement and revenues: Project reimbursement by determining relative reimbursement rates and fee schedules for each payor by DRG for Inpatients and by OP Service.
    - Expense structure, staffing and productivity, including consideration for required nurse staffing ratios.
    - Capital expenditures.
  - Develop required sensitivity estimates for certain key assumptions in order to illustrate potential risk factors.
- Identify potential capital funding options to finance the proposed projects.

ADAMS anticipates two on-site visits to complete this engagement.



## **STAFFING**

### **Jeffery Christmann – Executive**

Jeff will be the Executive Engagement Manager assigned to this project. He will have complete oversight of the ADAMS Project Team where he will lead planning, project organization and advisory services for all operational issues and development. He will meet with key leadership and stakeholders as required to facilitate the achievement of program goals and objectives. He will oversee the staff assigned to the engagement and will participate in the program as necessary. He will ensure proper staffing is provided at all times as well as provide direction to ADAMS staff and to the various members of the planning team. Jeff will provide periodic evaluations of ADAMS performance and oversee the successful completion of the engagement.

### **Thomas Yates, CPA, CHFP – Director, Advisory Services**

Thomas will serve as Strategic Planning and Market Analysis support. He will be the strategic planning support specialist for the engagement and will help validate and analyze market data to determine proper direction and/or validate that project scope and goals are commensurate with market trends and projections. Thomas will also help ensure the business model best meets the needs of Hazel Hawkins Memorial Hospital, its physicians, and patients.

ADAMS will add additional staff as needed.

## **TERM OF ENGAGEMENT**

The Term of Engagement noted below is based upon a three (3) month project duration. Should the project extend beyond the anticipated completion date, ADAMS will develop an addendum to this agreement and will adjust our fee accordingly.

December 1, 2021 through February 28, 2022



ADAMS Management Services Corporation

**Attachment B – Terms and Conditions of Engagement**  
**Hazel Hawkins Memorial Hospital**

*October 27, 2021*

ADAMS Management Services Corporation, hereinafter referred to as “Consultant”, and Hazel Hawkins Memorial Hospital, hereinafter referred to as “Client”, agree to the following terms and conditions:

The Consultant shall provide the Client, in accordance with the following Terms and Conditions, the services and/or deliverables as defined in the accompanying Attachment A. In the event the Client requests services and/or deliverables in addition to, or in exception of, those described in the Attachment A, or should the assignment be materially altered, or should the Client require the Consultant to accelerate performance of services and/or deliverables, adjusted compensation shall be negotiated prior to the rendering of such services and/or deliverables.

It is understood and mutually agreed that this is a personal service contract terminable at the will of either the Consultant or the Client, with or without cause upon not less than thirty-five (35) days prior written notice to the other party. Consultant and Client covenant and agree that they shall not assert any claim or bring any lawsuit against one another on the basis of wrongful termination and mutually agree that neither party shall sustain damages in the event either exercises its absolute right to termination in accordance herewith. In the event of termination of the Consultant by the Client, Client agrees to pay all fees for services and/or deliverables rendered through the effective date of such termination.

Client shall indemnify and defend Consultant from any claims, damages, losses, and expenses, including, but not limited to attorneys' fees, arising from Consultant's performance of the services requested by Client as described in the Attachment A of this Agreement, other than any claim resulting from a breach of this Agreement, or the gross negligence or willful misconduct of Consultant. Consultant shall indemnify and defend Client from any claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising from a breach of this Agreement by Consultant or the gross negligence or willful misconduct of Consultant. In no event shall either party be liable for indirect, special or consequential damages.

The Consultant agrees that any items or information made available to it by Client pursuant to the assignment described in the Attachment A that are not otherwise available to members of the industry and the public, will be used solely for purposes of the performance of this Agreement by the Consultant. Other than as necessary in the performance of its duties hereunder, the Consultant agrees to retain, to the extent practicable, such information in confidence and not knowingly disclose such information to any third party without the prior written consent of the Client or unless otherwise required by governing law. Consultant is not responsible for the actions of any third party to whom Consultant may disclose such information in accordance herewith.

Except for reference and coordination purposes in connection with the performance of the services hereunder, documents, products, and other related material prepared by the Consultant as instruments of service are and shall be the property of the Client. All project files, work product, information, correspondence or documents maintained by Consultant or Client in connection with

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the project ("Project Materials") shall be retained by such party for three (3) years after the expiration or the termination of this Agreement. If Project Materials are maintained electronically by Client, Client will provide Consultant with reasonable access thereto as reasonably requested by Consultant. Such material prepared by the Consultant and information acquired by the Client regarding Consultant's means and methods, strategies, data etc., shall not be disclosed to any third parties or used by the Client for any other purpose than described in the Attachment A of this Agreement. Neither party shall be held accountable for "know how" gleaned as a result of this engagement unless willfully sharing the proprietary information of the other party with others. Submission or distribution of information otherwise considered confidential or proprietary by the Client in the course of conducting the assignment on behalf of the Client to meet official governing regulatory requirements shall not be considered publication in derogation of the Client's rights.

The Consultant is granted a limited license to use and reproduce applicable portions of the work documents, products and other information prepared by the Consultant appropriate to and for the use and execution of the services as described in the Attachment A. All copies made under this license shall bear the statutory copyright notice, if any, shown on the documents, information, products and/or other material prepared by the Consultant. Consultant shall be permitted to use drawings, photographs and other representations of facilities to be constructed, reconstructed or developed relating to the assignment as described in the Attachment A for marketing purposes only.

It is understood and agreed that the Consultant is acting as an independent contractor in the services and work described hereunder, and nothing herein shall be deemed to create an agency or employment relationship between the Client and Consultant. It is further understood that the Consultant is not an expert in legal matters and opinions. Advice or representations related to legal issues made by the Consultant are based solely upon the Consultant's knowledge and previous experience in the design and construction industry, and upon specific documents provided to the Consultant by the Client in connection with the work described in Attachment A, and cannot be considered in any manner as legal advice.

Consultant will not perform, will not be responsible for performing, and will have no liability for those services or duties of design professionals, contractors, subcontractors, suppliers, material men or others in connection with the project(s), facilities or future facilities relevant to the work described in the Attachment A in connection with this engagement, including without limitation, inspections of the design, materials, products and /or construction referred to, resident engineer responsibilities, or any other duties or obligations, express or implied, performed or undertaken by those parties. All costs and expenses of the project shall be the responsibility of Client. All contracts entered into for the project shall be in Client's name and shall impose no liability on Consultant. Consultant shall not be obligated to incur any costs or liabilities (other than as necessary to provide its services under this Agreement) or advance any funds in connection with the project.

Any provisions required by applicable valid federal, state or local law, ordinance, rule or regulation to be included in an agreement of this type shall be deemed to be incorporated herein.

This Agreement shall be governed by California law without regard to the conflicts of law and principles contained herein. In the event any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, such invalid or unenforceable



provision shall in no way effect the validity or enforceability of the remaining provision or portions or applications thereof.

Each of Client and Consultant agrees to not raid or solicit the employment of (or hire upon such improper solicitation) any employee of the other party for the purpose of causing such employee to take employment with such person, or an affiliate of such person or any competitor of the other party until such employee or former employee has ceased to be employed by the Client or Consultant, as the case may be, for a period of twelve (12) months.

Notwithstanding any other term or condition contained herein, in the event Consultant is required to respond to a subpoena, deposition, discovery or any court ordered mandate(s) or to make an appearance before any court, arbitrator or other authority in relation to any legal matter arising from or concerning the project or program described herein, Client agrees to compensate Consultant for Consultant's time and effort related thereto at its current personnel fee schedule, and to pay or reimburse Consultant for all expenses incurred by Consultant in connection therewith, including without limitation, travel costs and attorneys' fees and expenses.

This proposal and all conditions, details and elements therein shall be valid for forty-five (45) calendar days from the date of the transmittal letter. Requested changes to the scope or any elements of the original proposal do not extend the expiration date. Extension of the expiration date will be considered if requested within the original term of this engagement.

Consultant will perform the facility/campus master plan services described in Attachment A for the lump sum fee of:

**\$60,000**  
**(Sixty Thousand Dollars)**

This fee will be billed in Four (4) equal installments of \$15,000. The initial invoice will be issued upon execution of this agreement. Subsequent invoices will be issued on the 25th of each subsequent month. All fee invoices will be submitted electronically to:

[shannah@hazelhawkins.com](mailto:shannah@hazelhawkins.com) or as otherwise directed

#### **Architect Fees**

In addition to consultant fee indicated above, ADAMS will bill client for selected Architect Fees as incurred.

#### **Reimbursable Expenses**

In addition to the fees and allowances indicated above, all qualified reimbursable expenses, such as travel, meals, cell phone and telephone charges, project-specific software as required, facsimile, postage, courier, photocopy, publishing and other reproduction costs incurred by Consultant in direct relation to the assignment as described in the Attachment A will be billed at actual cost.



Reimbursable expenses will be billed separately on 30-day cycles beginning December 25, 2021. All invoices will be due and payable on a net 10-day basis. All reimbursable expense invoices will be submitted electronically to:

shannah@hazelhawkins.com or as otherwise directed

Checks should be made payable to:

**ADAMS Management Services Corporation  
TAX ID #: 20-2074083**

All payments should be remitted to:

**ADAMS Management Services Corporation  
336 Broad Street, Suite 300  
Rome, GA 30161**

All notices required under this Agreement shall be deemed to have been received by the addressee if delivered to an officer of the party for whom they are intended or if sent by certified mail, return receipt requested, by telecopy (with confirmation copy by one of the other methods of delivery specified herein), by hand, or by overnight courier, addressed as follows:

If to Client:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Consultant:

ADAMS Management Services Corporation  
336 Broad Street, Suite 300  
Rome, Georgia 30161  
Attn: Contracts

Either party may change its address for notices hereunder, or the identity of its designated representatives, by written notice given to the other party in accordance with the provisions



**Contract Review Worksheet – Salinas Valley Radiology**

Agreement Type: New  Amendment  Addendum

Medical Director       Professional Services       ED On-Call  
 Recruitment             Hospital Coverage             Leadership/Committee  
 Other (specify):

**Contracting Entity Name:** Salinas Valley Radiology

**Executive Summary:** Hazel has paid Nightshift for radiology night coverage. Usually virtual radiology services contract with a professional corporation rather than the hospital. Nightshift provided a termination notice in August 2021 that Hazel has been able to extend until the end of November 2021. Salinas Valley Radiology (SVR) has contracted with Statrad to take over the service, and the hospital will cover direct costs (projected to be 10% less than current expenses) and pay SVR when invoiced monthly. We agree to cover actual for the first 12 months and will assess expenses moving forward.

**Services Provided:** Night coverage for radiology.

Department	Cost Center	Person Responsible for Oversight
Radiology		1: COO      2: Dir, Radiology

**Agreement Terms:**

Proposed Effective Date: 12/1/21 Contract Term: 12 months Expiration Date 11/30/2022 Auto-renew: Yes

**Financial Terms:**

Select One:  Funds to be Paid to Hospital       Funds to be Paid by Hospital

**Contract Rate:** A coverage fee of approximately \$11,000 per month.

**Other Compensation Agreements with Contracting Entity (List All)**

Specify: N/A

**Required Assessment/Attachments (required prior to approval):**

done Drafted or template       n/a Other Associated Contracts  
 done Contract FMV       n/a Supplemental doc if FMV >75<sup>th</sup> %ile  
 done Overall FMV       done Commercial Reasonableness Documented  
 on file Certificate of Liability Insurance       n/a Business Associate Agreement  
 n/a Sanctions Screening/Clearance       n/a Supplemental checklist (if w/in 1 yr of orig & \$ change)

	Name/Activity	Date/Note
Requested by/Responsible:	Jordan Wright, COO	11/12/2021

**Review following signatures/approval:**

Legal Counsel:	11/12/2021
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# Hazel Hawkins Memorial Hospital

## Capital Request Form

Department: Human Resources & Payroll  
 Item Requested: UKG HR & Payroll System  
 Requested by: Jordan Wright

New	Replacement
	X
Purchase	Lease
X	X

**Purchase Price:**

- Equipment Cost	\$96,000
- Sales Tax @ 9.25% of taxable portion	\$0
- Shipping	\$0

**Total Cost**

**\$96,000**

**Lease Terms:**

- Number of Years	Renewal Term: 12 months
- Cost per month	\$18,200

**Service Agreement Required:**

Yes	No
Included	

**If Yes, Annual Cost:**

\$0

Total - 1-year service agreement

\$218,400

Combined Total Cost - Software & Maintenance Agreement - 1 yr.

\$314,400

Annual combined Service cost and depreciation.

237,600

**Revenue Producing**

Yes	No
	X

Reason(s) for Request:

HR is wanting to move away from many manual processes that are currently in place. Implementing a self-service integrated HR and payroll system will assist in reaching that goal.

Justification:

Benefits include on-line job applications, electronic record keeping, employee self-service and freeing up time of the HR staff.



Quote#: Q-87281  
Expires: 11/26/2021  
Sales Executive: Christopher Kearney

**ORDER FORM**

Order Type: Quote  
Date: 10/20/2021

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**Bill To Contact:**

**Bill To:** HAZEL HAWKINS HOSPITAL  
911 SUNSET DR  
HOLLISTER, CA 95023-5608 USA

**Ship To Contact:** Jordan Wright

**Ship To:** HAZEL HAWKINS HOSPITAL  
911 SUNSET DR  
HOLLISTER, CA 95023-5608 USA

**Ship to Phone:** (831) 637-5711  
**Ship to Mobile:**  
**Contact:** Jordan Wright  
**Email:** jwright@hazelhawkins.com

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**Currency:** USD  
**Customer PO Number:**  
**Solution ID:** 6036328  
**Initial Term:** 36 months  
**Billing Start Date:** Upon Signature of Order Form  
**Data Center Location:** USA

**Shipping Terms:** Shipping Point  
**Ship Method:**  
**Freight Term:** Prepay & Add  
**Renewal Term:** 12 months  
**Payment Terms:** Net 30 Days

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**Order Notes:**

This order is subject to the terms and conditions of the Workforce Dimensions Agreement between Kronos, a UKG company and Customer dated 8/31/20 (the "Agreement"), as amended.

UKG Pro Pay and People Center for U.S. only includes:

- UKG Pro Pay
- UKG Pro People Center
- UKG Pro Benefits
- UKG Pro Career Development
- UKG Pro Model My Pay
- UKG Pro SSO
- UKG Employer Services (includes UKG Pro Payment Services and UKG Pro ACA Services)
- Business Intelligence ("BI") Reporting Tools including:
  - Two (2) Report Administrators
  - Eight (8) authors
  - Fifty (50) consumers
- Unlimited Recipients
- Online human resource and benefits library for two (2) users
- Check Printing Services

The Launch services are based on the Minimum Quantity. In the event that the number of Customer's employees exceeds 110% of the Minimum Quantity above as of the applicable Application live date, then Customer agrees to pay UKG \$185.00 per each additional employee. For clarification purposes, this additional Launch fee if applicable shall only be charged to Customer as of the applicable Application live date and Customer shall not be charged for any additional Launch fees subsequent to that date.

The Launch services shall be provided to Customer for only the services as set forth in the Launch Overview which is made a part hereof and incorporated by reference as Exhibit 2. Launch services outside of the scope of the Launch Overview shall be quoted to Customer and agreed upon by the Parties in writing.



**SaaS Services**

Billing Frequency: Monthly in Arrears

Product Name	Minimum Quantity	PEPM	Monthly Price
UKG PRO PAY AND PEOPLE CENTER – COMPENSATED EMPLOYEES	700	USD 18.00	USD 12,600.00
UKG PRO TALENT – COMPENSATED EMPLOYEES	700	USD 3.00	USD 2,100.00
UKG PRO TALENT ACQUISITION – COMPENSATED EMPLOYEES	700	USD 3.00	USD 2,100.00
UKG PRO EMPLOYEE VOICE – COMPENSATED EMPLOYEES	700	USD 2.00	USD 1,400.00
<b>Total Price</b>			<b>USD 18,200.00</b>

**Fixed Fee**

Billing Frequency: 12 Equal Monthly Installments

Item	Billing Role	Quantity	Unit Price	Total Price
UKG PRO MILESTONE LAUNCH	Grouped	1	USD 96,000.00	USD 96,000.00
<b>Total Price</b>				<b>USD 96,000.00</b>

**Quote Summary**

Item	Total Price
Total Monthly SaaS Fees	USD 18,200.00

Item	Total Price
Total Fixed Fees	USD 96,000.00



**HAZEL HAWKINS HOSPITAL**

**Kronos Incorporated**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Invoice amount will reflect deposit received. All professional services are billed as delivered with payment due, in accordance with the Payment Term set out in this Order Form. Unless otherwise indicated above, this order is subject to the relevant Kronos Terms and Conditions executed between the parties. **THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE.** Shipping and handling charges will be reflected on the final invoice. The Monthly Price on this Order Form has been rounded to two decimal places for display purposes. As many as eight decimal places may be present in the actual price. Due to the rounding calculations, the actual price may not display as expected when displayed on your Order Form. Nonetheless, the actual price on your invoice is the true and binding total for this order for purposes of amounts owed for the term. If you are tax exempt; please provide a copy of your "Tax Exempt Certificate" with your signed quote.



# GE Healthcare Service Quotation

AGREEMENT# \_\_\_\_\_ ACCOUNT# **129839** QUOTATION ID# **5CF5731**

**Customer Information:** Name: HAZEL HAWKINS MEMORIAL  
Address: HOSPITAL 911 SUNSET DR  
City: HOLLISTER State: CA Zip: 95023

### Service Billing Option (choose one)

**HFS Combined Billing** (Service payments billed through Healthcare Financial Services equipment financing agreement):

By selecting this box & signing below, the payments related to this service agreement will be administered through GE Healthcare Financial Services. See HFS Equipment Financing agreement for Service billing details. See rest of Agreement (as defined below) for remainder of terms and conditions. If not selecting HFS Combined Billing option, please complete the remainder of the agreement below in its entirety.

**Standard:**

<b>Term:</b> <u>84 months</u>	<b>Agreement Start Date**:</b> <u>November 25, 2021</u>
<b>Billing Frequency:</b> <u>Monthly - Advance</u>	<b>Quotation Expiration Date:</b> <u>November 25, 2021</u>
<b>Payment Terms:</b> <u>Net 30 days of invoice date</u>	<b>PO Requirement:</b> <input type="checkbox"/> Yes (hardcopy PO required) <input type="checkbox"/> No
<b>Payment Schedule***:</b> <u>(1-1, \$3,037.27), (2-84, \$15,186.33), (85-85, \$12,149.07)</u>	<b>PO #:</b> _____ <b>PO Expiration Date:</b> _____
	<b>Sales And Use Tax Status:</b> <u>No Exemption Certification on file</u>
<b>Customer Billing Information:</b> Name: <u>HAZEL HAWKINS MEMORIAL</u>	Address: <u>HOSPITAL</u> <u>911 SUNSET DR</u>
	City: <u>HOLLISTER</u> State: <u>CA</u> Zip: <u>95023</u>
Is the above billing address correct? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, please provide the correct billing address below:	
<b>Customer Billing Information:</b> Name: _____	Address: _____
	City: _____ State: _____ Zip: _____
<b>Please provide the contact name and email address of the following person(s):</b>	
<b>1. To be notified when this Agreement is processed:</b>	<b>Contact Name:</b> _____ <b>Email address:</b> _____
<b>2. To receive all invoices electronically via email:</b>	_____

Service Sales Rep.: Madison White Phone: 4145249246 Email: madison.white@ge.com

**\*\*Agreement Start Date:** The "Agreement Start Date" begins on: (a) the above date if Customer signs and returns this Agreement within 30 calendar days of that date; or (b) the date of signature if Customer does not sign and return this Agreement within 30 calendar days of the above date.

**Annual Charges:** See Product Schedule for annual charges, offerings, coverage, and start dates for each Product. Charges are based on Product inventory, offerings, and coverage as of the Agreement Start Date and may change to reflect inventory and coverage modifications, variable charges and other adjustments as specified in this Agreement. If this Agreement's annual charges are less than \$12,000, GE Healthcare reserves the right to enforce automatic bill payment (via ACH or credit card).

**\*\*\*Payment Schedule:** Charges are payable in installments as set forth above plus applicable taxes. These charges may change based on Product additions/deletions, inflation adjustments or other modifications permitted by this Agreement. Customer will be billed beginning on the Agreement Start Date. Payment is due per above Billing Frequency and Payment Terms. If the Agreement Start Date is not the first of the month, the first and last payments will be prorated.

**Agreement:** This Agreement is between the "Customer" identified above and the GE Healthcare business identified below ("GE Healthcare"), for the sale and purchase of the Services and/or the Subscription identified in this Quotation, together with any applicable schedules referred to herein ("Quotation"). "Agreement" is defined as the GE Healthcare: (1) Quotation; (2) Product Schedule; (3) Statement of Service Deliverables; and (4) Service Terms & Conditions, that apply to the Products, Services and/or Subscription identified in this Quotation. In the event of conflict, the order of precedence is as listed. GE Healthcare can withdraw this Quotation at any time before "Quotation Acceptance", which occurs when Customer either: (i) signs and returns this Quotation; or (ii) provides evidence of Quotation acceptance satisfactory to GE Healthcare. On Quotation Acceptance, this Agreement is the complete and final agreement of the parties relating to the Services and/or Subscription identified in this Quotation. There is no reliance on any terms other than those expressly stated or incorporated by reference in this Agreement and, except as permitted in this Agreement, no attempt to modify will be binding unless agreed to in writing by the parties. Modifications may result in additional fees and cannot be made without GE Healthcare's prior written consent.

Handwritten or electronic modifications on this Agreement (except signatures on the signature blocks below) are void. This Agreement is not part of an umbrella or other group purchasing agreement unless otherwise indicated.

The parties have caused this Agreement to be executed by their authorized representative as of the last signature date below.

**Customer**  
Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**GE Precision Healthcare LLC, a GE Healthcare business**  
Signature: \_\_\_\_\_  
Print Name: Madison White  
Title: Healthcare Services Account Manager  
Date: 10/6/2021

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# GE Precision Healthcare LLC, a GE Healthcare business

**Schedule A**  
**Quote ID: 5CF5731**

## HAZEL HAWKINS MEMORIAL HOSPITAL

Support and prices quoted below are valid provided the customer signs and returns this quote to GE Healthcare by 11/25/2021

Equipment Identifiers	Trans. Type	Equipment	Effective Date	Offering	Options	Features	Annual Amount
System ID: 408636HAMX4 Phy Loc Acct: 129839 Global Order #: -99999 Cost Center: RAD	ADD REN	GE XR AMX4+ AND PRIOR (XMB001) Future EOSL: 12/31/2022	11/25/2021 through 11/24/2028	AssurePoint Standard	INCLUDED: • AUTOMATIC EXPOSURE CONTROL • Battery Replacement Coverage • TECHSWITCH EXCLUDED: • DIGITAL DETECTOR • Digital Retrofit Kit • PERIPHERAL DEVICES • Printers • TUBE COVERAGE • UNINTERRUPTED POWER SUPPLY • VCR • WORKSTATION	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-5PM</li> <li>• FE Coverage Weekend: NO COVERAGE HRS</li> <li>• FE Onsite Response Time: 4-Hours</li> <li>• iCenter</li> <li>• InSite Response: 30</li> <li>• InSite/Tech Phone Support</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-GDXX</li> <li>• Software and Quality Updates</li> <li>• Third Party Software: Excluded</li> <li>• TIP Answer Line</li> <li>• Uptime Commitment: 97%</li> </ul>	\$3,045
System ID: 408636PROTEUS Phy Loc Acct: 129839 Global Order #: 920097457001 Cost Center: RAD	ADD REN	GE XR PROTEUS XR/A (XRA560) EOPL:4/15/2021	11/25/2021 through 11/24/2028	AssurePoint Standard	INCLUDED: • TUBE COVERAGE EXCLUDED: • Analog to Digital Upgrade Kit • PERIPHERAL DEVICES • Printers • UNINTERRUPTED POWER SUPPLY • WIRELESS DETECTOR • WORKSTATION	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-5PM</li> <li>• FE Coverage Weekend: NO COVERAGE HRS</li> <li>• FE Onsite Response Time: 4-Hours</li> <li>• iCenter</li> <li>• InSite Response: 30</li> <li>• InSite/Tech Phone Support</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-GDXX</li> <li>• Software and Quality Updates</li> <li>• Third Party Software: Excluded</li> <li>• TIP Answer Line</li> <li>• Uptime Commitment: 97%</li> </ul>	\$6,311
System ID: 831636HAMX5 Phy Loc Acct: 129839 Global Order #: 920032225001 Cost Center: RAD	ADD REN	GE XR AMX4+ AND PRIOR (XMB002)	11/25/2021 through 11/24/2028	AssurePoint Standard	INCLUDED: • AUTOMATIC EXPOSURE CONTROL • Battery Replacement Coverage • TECHSWITCH EXCLUDED: • DIGITAL DETECTOR • Digital Retrofit Kit • PERIPHERAL DEVICES • Printers • TUBE COVERAGE • UNINTERRUPTED POWER SUPPLY • VCR • WORKSTATION	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-5PM</li> <li>• FE Coverage Weekend: NO COVERAGE HRS</li> <li>• FE Onsite Response Time: 4-Hours</li> <li>• iCenter</li> <li>• InSite Response: 30</li> <li>• InSite/Tech Phone Support</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-GDXX</li> <li>• Software and Quality Updates</li> <li>• Third Party Software: Excluded</li> <li>• TIP Answer Line</li> <li>• Uptime Commitment: 97%</li> </ul>	\$3,045



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# GE Precision Healthcare LLC, a GE Healthcare business

Schedule A  
Quote ID: 5CF5731

Equipment Identifiers	Trans. Type	Equipment	Effective Date	Offering	Options	Features	Annual Amount
System ID: 831637HHMR Phy Loc Acct: 129839 Global Order #: 83005592001 Cost Center: MRI	ADD REN	GE MR 1.5T HDxt ECHOSPEED (NON- MOBILE) (MSU131)	11/25/2021 through 11/24/2028	AssurePoint Standard	<p>INCLUDED:</p> <ul style="list-style-type: none"> <li>• APM Predict: OnWatch</li> <li>• Cryogens</li> <li>• GE SUPPLIED COILS</li> <li>• ILINQ RESPONSE TIME: 30 MIN.</li> <li>• Magnet Maintenance</li> <li>• MR Pads: HDxt Echosped; 1se/yr Table and Position Pads</li> <li>• SPECTROSCOPY</li> <li>• SYSTEM USAGE: UNLIMITED</li> </ul> <p>EXCLUDED:</p> <ul style="list-style-type: none"> <li>• 32-CHANNEL</li> <li>• CHILLER COVERAGE</li> <li>• PERIPHERAL DEVICES</li> <li>• Printers</li> <li>• Sentinel Breast Imaging Table</li> <li>• UNINTERRUPTED POWER SUPPLY</li> <li>• WORKSTATION</li> </ul>	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-9PM</li> <li>• FE Coverage Weekend: NO COVERAGE HRS</li> <li>• FE Onsite Response Time: 4-Hours</li> <li>• iCenter</li> <li>• InSite Response: 30</li> <li>• InSite/Tech Phone Support</li> <li>• MR Touch: Excluded</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-9PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-MR</li> <li>• Software and Quality Updates</li> <li>• Third Party Software: Excluded</li> <li>• TIP Answer Line</li> <li>• TIP-Ed Online(TV) Subscription</li> <li>• Uptime Commitment: 97%</li> <li>• VioWorks HW: Excluded</li> </ul>	\$122,302
System ID: 831637HHCHIL Phy Loc Acct: 129839 Global Order #: 83005592001 Cost Center: MRI	ADD REN	GE MR GE CHILLER - AIRSYS, ELLIS (MAIRSY) EOPL	11/25/2021 through 11/24/2028	AssurePoint Standard	<p>INCLUDED:</p> <ul style="list-style-type: none"> <li>• CHILLER AGE: CHILLER AGE &lt;10 YEARS</li> </ul> <p>EXCLUDED:</p> <ul style="list-style-type: none"> <li>• PERIPHERAL DEVICES</li> <li>• UNINTERRUPTED POWER SUPPLY</li> <li>• WORKSTATION</li> </ul>	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-5PM</li> <li>• FE Onsite Response Time: 24 Hours</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-MR</li> <li>• Third Party Software: Excluded</li> </ul>	\$6,560
System ID: OEC6S2860 Phy Loc Acct: 129839 Global Order #: XXXXX Serial: 8S-2860 Cost Center: RAD	ADD REN	GE XR OEC SERIES 9800 (XMS531)	11/25/2021 through 11/24/2028	AssurePoint Standard	<p>INCLUDED:</p> <ul style="list-style-type: none"> <li>• Battery Replacement Coverage</li> <li>• DICOM GATEWAY</li> <li>• DIGITAL ACQUISITION SYSTEM</li> <li>• IMAGE INTENSIFIER: 9 INCH IMAGE INTENSIFIER</li> <li>• Printers</li> <li>• TUBE COVERAGE</li> </ul> <p>EXCLUDED:</p> <ul style="list-style-type: none"> <li>• VCR</li> </ul>	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-5PM</li> <li>• FE Coverage Weekend: NO COVERAGE HRS</li> <li>• FE Onsite Response Time: 6-Hours</li> <li>• iCenter</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-SAVI</li> <li>• Software and Quality Updates</li> <li>• Technical Phone Support</li> <li>• Third Party Software: Excluded</li> <li>• TIP Answer Line</li> <li>• Uptime Commitment: 97%</li> </ul>	\$13,765
System ID: OEC620066CH Phy Loc Acct: 129839 Global Order #: XXXXX Serial: E2-0066-CH Cost Center: RAD	ADD REN	GE XR OEC SERIES 9900 ELITE (XMS592)	11/25/2021 through 11/24/2028	AssurePoint Standard	<p>INCLUDED:</p> <ul style="list-style-type: none"> <li>• Battery Replacement Coverage</li> <li>• DICOM GATEWAY</li> <li>• DIGITAL ACQUISITION SYSTEM</li> <li>• IMAGE INTENSIFIER: 12 INCH II</li> <li>• Printers</li> <li>• TUBE COVERAGE</li> </ul> <p>EXCLUDED:</p> <ul style="list-style-type: none"> <li>• MTS/CARDIAC</li> <li>• VCR</li> </ul>	<ul style="list-style-type: none"> <li>• FE Coverage Weekdays: MON-FRI, 8AM-9PM</li> <li>• FE Coverage Weekend: NO COVERAGE HRS</li> <li>• FE Onsite Response Time: 6-Hours</li> <li>• iCenter</li> <li>• PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>• Repair Parts: Included, Next Day 10:30 AM LST-SAVI</li> <li>• Software and Quality Updates</li> <li>• Technical Phone Support</li> <li>• Third Party Software: Excluded</li> <li>• TIP Answer Line</li> <li>• Uptime Commitment: 97%</li> </ul>	\$16,857



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# GE Precision Healthcare LLC, a GE Healthcare business

**Schedule A**  
**Quote ID: 5CF5731**

Equipment Identifiers	Trans. Type	Equipment	Effective Date	Offering	Options	Features	Annual Amount
System ID: 408636FPROTEUS1 Phy Loc Acct: 128839 Global Order #: 2811077 Cost Center: RAD	ADD REN	GE XR PROTEUS XRVA (XRA560) EOP: 4/15/2021	11/25/2021 through 11/24/2028	AssurePoint Standard	<p><b>INCLUDED:</b></p> <ul style="list-style-type: none"> <li>TUBE COVERAGE</li> </ul> <p><b>EXCLUDED:</b></p> <ul style="list-style-type: none"> <li>Analog to Digital Upgrade Kit</li> <li>PERIPHERAL DEVICES</li> <li>Printers</li> <li>UNINTERRUPTED POWER SUPPLY</li> <li>WIRELESS DETECTOR</li> <li>WORKSTATION</li> </ul>	<ul style="list-style-type: none"> <li>FE Coverage Weekdays: MON-FRI, 8AM-5PM</li> <li>FE Coverage Weekend: NO COVERAGE HRS</li> <li>FE Onsite Response Time: 4-Hours</li> <li>iCenter</li> <li>InSite Response: 30</li> <li>InSite/Tech Phone Support</li> <li>PM Coverage HOURS/DAYS: MON-FRI, 8AM-5PM</li> <li>Repair Parts: Included, Next Day 10:30 AM LST-GDXX</li> <li>Software and Quality Updates</li> <li>Third Party Software: Excluded</li> <li>TIP Answer Line</li> <li>Uptime Commitment: 97%</li> </ul>	\$8,311
<b>NET ANNUAL VALUE:</b>							\$182,236



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GE Healthcare Service Quotation

AGREEMENT# \_\_\_\_\_ ACCOUNT# 129839 QUOTATION ID# DC19A27

Customer Name: HAZEL HAWKINS MEMORIAL
Information: Address: HOSPITAL 911 SUNSET DR
City: HOLLISTER State: CA Zip: 95023

Service Billing Option (choose one)

[ ] HFS Combined Billing (Service payments billed through Healthcare Financial Services equipment financing agreement):

By selecting this box & signing below, the payments related to this service agreement will be administered through GE Healthcare Financial Services. See HFS Equipment Financing agreement for Service billing details. See rest of Agreement (as defined below) for remainder of terms and conditions. If not selecting HFS Combined Billing option, please complete the remainder of the agreement below in its entirety.

[ ] Standard:

Form containing billing details: Term: 84 months, Billing Frequency: Monthly - Advance, Payment Terms: Net 30 days of invoice date, Payment Schedule, Agreement Start Date, Quotation Expiration Date, PO Requirement, PO #, PO Expiration Date, Sales And Use Tax Status, Customer Billing Information, and contact details.

Service Sales Rep.: Madison White Phone: 4145249246 Email: madison.white@ge.com

\*\*Agreement Start Date: The "Agreement Start Date" begins on: (a) the above date if Customer signs and returns this Agreement within 30 calendar days of that date; or (b) the date of signature if Customer does not sign and return this Agreement within 30 calendar days of the above date.

Annual Charges: See Product Schedule for annual charges, offerings, coverage, and start dates for each Product. Charges are based on Product inventory, offerings, and coverage as of the Agreement Start Date and may change to reflect inventory and coverage modifications, variable charges and other adjustments as specified in this Agreement.

\*\*\*Payment Schedule: Charges are payable in installments as set forth above plus applicable taxes. These charges may change based on Product additions/deletions, inflation adjustments or other modifications permitted by this Agreement.

Agreement: This Agreement is between the "Customer" identified above and the GE Healthcare business identified below ("GE Healthcare"), for the sale and purchase of the Services and/or the Subscription identified in this Quotation, together with any applicable schedules referred to herein ("Quotation").

Handwritten or electronic modifications on this Agreement (except signatures on the signature blocks below) are void. This Agreement is not part of an umbrella or other group purchasing agreement unless otherwise indicated.

The parties have caused this Agreement to be executed by their authorized representative as of the last signature date below.

Customer Signature: \_\_\_\_\_
Print Name: \_\_\_\_\_
Title: \_\_\_\_\_
Date: \_\_\_\_\_

GE Precision Healthcare LLC, a GE Healthcare business
Signature: \_\_\_\_\_
Print Name: Madison White
Title: Healthcare Services Account Manager
Date: 10/6/2021

GE Precision Healthcare LLC, a GE Healthcare business

Schedule A  
Quote ID: DC19A27

**HAZEL HAWKINS MEMORIAL HOSPITAL**

Support and prices quoted below are valid provided the customer signs and returns this quote to GE Healthcare by 11/25/2021

Equipment Identifiers	Trans. Type	Equipment	Effective Date	Offering	Options	Features	Annual Amount	Comments
System ID: BIC000604 Phy Loc Acct: 120630	ADD REN	GE BIOMEDICAL BIOMEDICAL EQUIPMENT (QB10M)	11/26/2021 through 11/24/2026	Biomedical Services™	EXCLUDED: • Asset Management Leader • Disinfection and Distribution	• Biomedical Services	\$323,000	• Biomedical Services Quote ID: CP-17492V1
NET ANNUAL VALUE:							\$323,000	



GE Healthcare Proprietary and Confidential

2021.10.06 - oPB20210912, Q20210910, SS0212707839 dc19a27, WF:

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## GE Healthcare Service Terms & Conditions

- 1. Definitions.** As identified in this Agreement, "**Equipment**" is hardware and embedded software that is licensed with the purchase of the hardware delivered to Customer in GE Healthcare's packaging and with its labeling; "**Software**" is software developed by GE Healthcare and/or delivered to Customer in GE Healthcare's packaging and with its labeling, and Documentation associated with the software; "**Third Party Software**" and "**Third Party Equipment**" are respectively software developed by a third party, and hardware and embedded software that is licensed with the purchase of the hardware, that is delivered to Customer in the third party's packaging and with its labeling (collectively, "**Third Party Product**"); "**Product**" is Equipment, Software and Third Party Product; "**Services**" are Product support or professional services; and "**Subscription**" is a limited-term, non-transferable license to access and use a Product (except Healthcare Digital Products), including any associated Services. "**Healthcare Digital Products**" are: (i) Software identified in the Quotation as "**Centricity**"; (ii) Third Party Software licensed for use in connection with Centricity Software; (iii) hardware used to operate Centricity or Third Party Software; (iv) Services provided for Implementation, Installation or support and maintenance of Centricity or Third Party Software licensed for use in connection with Centricity Software; and/or (v) any Product or Service that is identified in a Healthcare Digital Quotation. "**Specifications**" are GE Healthcare's written specifications and manuals as of the date the Equipment shipped. "**Documentation**" is the online help functions, user Instructions and manuals regarding the installation and operation of the Product as made available by GE Healthcare to Customer.
- 2. Term and Termination.** Services and/or Subscriptions will have individual term lengths identified in the Quotation. If there is a material breach of this Agreement that is not cured by the breaching party within 60 days from receipt of written notice, the non-breaching party can terminate this Agreement. Other than as set forth in this Agreement, neither party can unilaterally terminate this Agreement. Any remaining undisputed, unpaid fees become immediately due and payable on expiration or termination.
- 3. Inventory.** GE Healthcare will complete an inventory of Products and provide an updated Product schedule ("**Product Schedule**"). Products must be in safe, normal operating condition and comply with original equipment manufacturer ("**OEM**") specifications in order to be added to the Product Schedule, and GE Healthcare is not liable or responsible for any preexisting defect, malfunction or necessary repairs.
- 4. Product Removal.** Product sold (excluding an assignment of this Agreement) or scrapped by Customer may be removed from this Agreement with 60 days' prior written notice to GE Healthcare, and fees will be adjusted on the later of the end of the notice period or the date the Product is sold or scrapped. Customer has no right to remove a Product at its convenience.
- 5. Warranty.** GE Healthcare warrants that its Service will be performed by trained individuals in a professional, workman-like manner. GE Healthcare will re-perform non-conforming Service as long as Customer provides prompt written notice to GE Healthcare. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WILL APPLY. DOCUMENTATION IS PROVIDED "AS IS".
- 6. Loaner Units.** GE Healthcare may provide a loaner unit during extended periods of Service. If a loaner unit is provided: (i) it is for Customer's temporary use at the location identified in the Quotation; (ii) it will be returned to GE Healthcare within 5 days after the Product is returned to Customer, and if it is not, GE Healthcare may repossess it or invoice Customer for its full list price; (iii) it, and all programs and information pertaining to it, remain GE Healthcare property; (iv) risk of loss is with Customer during its possession; (v) Customer will maintain and return it in proper condition, normal wear and tear excepted, in accordance with GE Healthcare's instructions; (vi) it will not be repaired except by GE Healthcare; (vii) GE Healthcare will be given reasonable access to it; (viii) Customer is not paying for its use, and Customer will ensure charges or claims submitted to a government healthcare program or patient are submitted accordingly; and (ix) prior to returning it to GE Healthcare, Customer will delete all information, including PHI, from it and its accessories, in compliance with industry standards and instructions provided by GE Healthcare.
- 7. License Registration.** Online registration as a licensee may be required for receipt of Software and Documentation.
- 8. Customer Responsibilities.** Customer must: (i) maintain power quality, grounding, temperature, humidity and repairs due to power anomalies, all as necessary for Products to operate within OEM specifications; (ii) ensure labeling complies with regulations; (iii) provide Third Party Product warranty and operating and maintenance manuals, maintenance and service requirements (e.g., software, tools, phantoms), or pay GE Healthcare for acquiring these materials; (iv) repair accessories unless the item is identified on the Product Schedule; (v) replace accessories, supplies and consumables; (vi) dispose of accessories, supplies and consumables unless GE Healthcare is legally required to take the item back; (vii) update Third Party Product; (viii) maintain licenses, permits and other approvals required to receive or use radioactive sources and provide the sources needed for calibration and performance checks; (ix) provide access to Products during Service coverage hours; and (x) if required by GE Healthcare, sign an agency authorization letter to provide Services. Service for Products not maintained to OEM specifications may result in additional charges. Customer cannot stockpile replacement parts.
- 9. End of Support.** If GE Healthcare determines that: (i) a Product or component thereof has been declared end of life/support by the OEM; (ii) its ability to Service or maintain a Product or component thereof is hindered due to the unavailability of parts or trained personnel; or (iii) it can no longer Service or maintain the Product in a safe or effective manner, then GE Healthcare may, upon notice: (a) remove the item from this Agreement and adjust fees without otherwise affecting this Agreement, or (b) move the item to "end of service life" coverage.
- 10. Return for Repair.** Prior to shipping Product to GE Healthcare for repair, Customer will back up and remove data stored on the Product. Customer is responsible for damage during shipment to GE Healthcare. GE Healthcare may remove data stored on the Product prior to sending it back to Customer and will provide standard shipping.
- 11. Exclusions.** Unless identified on the Product Schedule, this Agreement does not cover: (i) tubes, detectors, probes, chillers, crystals, batteries, accessories, consumables, user-replaceable items, supplies, cosmetic upgrades or parts used to correct/enhance Product appearance; (ii) a defect, deficiency or repairs due to improper storage or handling, failure to maintain Product according to OEM instructions/specifications, inadequate backup or virus protection, cyber-attacks, or any cause external to the Product or beyond GE Healthcare's control; (iii) payment/reimbursement of facility costs arising from repair/replacement of Product; (iv) adjustment, alignment, calibration, or planned maintenance; (v) Third Party Product that was not commercially available from the OEM on the date the item was



installed; (vi) OEM warranty service or recalls; (vii) Product upgrades, certification surveys and relocations; (viii) consultation, training or assistance with use, development, or modification of items/materials (e.g., software and protocols); (ix) installation and reusing existing facilities for testing, training and other purposes; (x) MR-related defect from failure of a Customer water chiller system or service to water chiller system; (xi) Healthcare Digital Products; and (xii) non-GE Healthcare network/antenna installations/troubleshooting.

**12. Existing Service Arrangements.** This Agreement does not apply to Products covered by arrangements/warranties from other vendors until the end or termination of those arrangements/warranties. If Products covered by another arrangement/warranty are added to this Agreement, they will be added on the day following the end or termination of the other arrangement/warranty.

**13. Hourly Billed Services.** Services not covered by this Agreement are hourly-billed services and may have a 2-hour minimum charge.

**14. Inflation.** After the first year of this Agreement, but no more than annually and with 60 days' prior notice provided in the same manner as Customer's invoices, GE Healthcare may increase fees by an amount no more than the prior 12-month increase in the U.S. Bureau of Labor Statistics ("BLS") Employment Cost Index for "Service-providing industries: Natural resources, construction, and maintenance (not seasonally adjusted, total compensation)" or any replacement index as determined by BLS, capped at 5% annually.

**15. Product Specific Service Terms.**

**15.1. Tube Support (Excluding C-Arms).** If tube support/coverage is identified on the Product Schedule, GE Healthcare will provide tubes, on an exchange basis, to replace failed tubes. Customer will: (i) maintain a Product maintenance and repair program, including tube warm up, in accordance with GE Healthcare planned maintenance and repair requirements; (ii) repair the Product with repair parts that meet OEM specifications; and (iii) protect Product configuration against alteration except as authorized by GE Healthcare. Product must have an operational tube on the Agreement Start Date (as defined in the Quotation). No credit will be provided to Customer for the tube. Tubes provided under tube support/coverage are on an "AS IS" basis with no warranties of any kind. Claims reported after expiration or termination of tube support/coverage are not covered even if a tube failure occurred prior to such expiration or termination.

**15.2. Magnetic Resonance ("MR").**

**15.2.1. Magnet Maintenance.**

**15.2.1.1.** If magnet maintenance for MR systems with Lhe/Ln and shield cooler-configured magnets and condenser-configured magnets (K4 technology) is identified on the Product Schedule, GE Healthcare will: (i) adjust, repair, or replace covered components (i.e., MR magnet, cryostat, coldhead, cryo-cooler compressor, shim coils); (ii) monitor cryogen levels within the magnet cryostat, based on Customer cryostat meter readings; and (iii) perform magnetic field homogeneity adjustments to the extent required by magnet ramping or covered component adjustment, repair or replacement. Customer will ensure that the Product's cryo-cooler system and water chiller system used with the cryo-cooler system (including in vans or trailers in transit) are operational at all times and maintained, and immediately notify GE Healthcare if it is not.

**15.2.1.2.** If magnet maintenance for MR systems with permanent magnets is identified on the Product Schedule, GE Healthcare will perform magnetic field homogeneity adjustments to the extent required by a covered component adjustment, repair or replacement.

**15.2.2. Remote Magnet Monitoring for non-GE Healthcare Systems.** If remote magnet monitoring for non-GE Healthcare systems is identified on the Product Schedule, GE Healthcare will: (i) remotely monitor operating parameters of the MR magnet refrigeration system; (ii) oversee installation of remote monitoring hardware; and (iii) maintain the hardware. Customer will provide power, access and remote connectivity as needed for remote magnet monitoring.

**15.2.3. Cryogen Coverage.** If cryogens for GE Healthcare MR systems are identified on the Product Schedule as included in the Service for the Equipment, GE Healthcare will provide: (i) monitoring of cryogen levels; and (ii) cryogen delivery and transfill service Monday-Friday, between 9pm-6am local time (excluding GE Healthcare holidays), to replenish cryogen losses resulting from (a) the normal operation of the Equipment in accordance with Specifications, or (b) GE Healthcare's failure to maintain the Equipment in accordance with Specifications. Notwithstanding the foregoing, if Customer's failure to maintain or use the Equipment in accordance with Specifications results in cryogen loss, Customer will be billed for resulting lost liquid helium liters (whether or not a refill was immediately required to replace lost liters) at GE Healthcare's then-current rates. Subject to the foregoing, if cryogens are identified on the Product Schedule as included in the Service for the Equipment, cryogen delivery and transfill service will be provided either: (1) on an unlimited (as needed) basis, or (2) if the cryogens are at the required target fill level, on a 1 cryogen liter per contract year basis. See Product Schedule and AssurePoint Reserve terms and conditions (if applicable) for details. Customer will inform GE Healthcare of its authorized cryogen representative who will provide GE Healthcare accurate cryostat meter readings and receive notifications relative to cryogen quantity and delivery schedules (for Lhe/Ln and shield cooler configured magnets only); and provide a delivery dock and storage facility. GE Healthcare is not responsible or liable for: cryogen loss or transfer efficiency during transfer to the cryostat; cryogens if cryogens are identified on the Product Schedule as excluded; or service needed on Equipment due to cryogen transfill service not otherwise provided by GE Healthcare.

**15.2.4. Cryogen Cost Increases.** If GE Healthcare's cryogen cost increases by more than 12%, as measured against its cost as of the Agreement Start Date (as defined in the Quotation) or its cost on the date of the most recent adjustment, GE Healthcare may increase Service fees in an amount equal to such cost increase.

**15.3. Cyclotron.** GE Healthcare will work in accordance with its health and safety rules and applicable radiation and radioactive materials safety laws and regulations, whichever is more stringent, including assessment and management of radiation dose in accordance with the As Low As Reasonably Achievable ("ALARA") standard. Customer will follow all ALARA guidelines to maintain and control the radiation exposures as far below the dose limits as possible. Customer will: (i) if requested by GE Healthcare, remove targets prior to Service; (ii) place targets in an appropriately shielded area/container during Service; (iii) replace targets following Service; (iv) provide at least 24 hours of Product downtime prior to planned maintenance; (v) provide GE Healthcare with Customer's emergency and site-specific safety procedures; (vi) ensure that a Customer representative is available in the work area during Service; (vii) confirm that GE Healthcare personnel and their tools and accessories are free from contamination prior to leaving Customer's facility; and (viii) store and dispose of waste generated by Service in compliance with applicable laws and regulations. GE Healthcare reserves the right not to enter areas with dose rates in excess of 2

mSv/hour. Other radiation exposure limits may apply to Service, including daily or personal cumulative dose limits, and local requirements, which could prevent Service of the cyclotron until radiation levels are reduced.

## 16. General Terms.

16.1. **Confidentiality.** Each party will treat this Agreement and the other party's proprietary information as confidential, meaning it will not use or disclose the information to third parties unless permitted in this Agreement or required by law. Customers are not prohibited from discussing patient safety issues in appropriate venues.

16.2. **Governing Law.** The law of the state where the Product is installed, the Service is provided, or the Subscription is accessed will govern this Agreement.

16.3. **Force Majeure.** Performance time for non-monetary obligations will be reasonably extended for delays beyond a party's control.

16.4. **Assignment; Use of Subcontractors.** Rights and obligations under this Agreement cannot be assigned without the other party's prior written consent, unless: (i) it is to an entity (except to a GE Healthcare competitor) that (a) is an affiliate or parent of the party or (b) acquires substantially all of the stock or assets of such party's applicable business, Product line, or Service thereof; and (ii) the assignee agrees in writing to be bound by this Agreement, including payment of outstanding fees. GE Healthcare may hire subcontractors to perform work under this Agreement but will remain responsible for its obligations.

16.5. **Waiver; Survival.** If any provision of this Agreement is not enforced, it is not a waiver of that provision or of a party's right to later enforce it. Terms in this Agreement related to intellectual property, compliance, data rights and terms that by their nature are intended to survive will survive the Agreement's expiration or termination.

16.6. **Intellectual Property.** GE Healthcare owns all rights to the intellectual property in GE Healthcare's Products, Services, Documentation, Specifications, and statements of work related to a Quotation or otherwise. Customer may provide GE Healthcare with feedback related to Products, Services, and related Documentation, and GE Healthcare may use it in an unrestricted manner.

## 17. Compliance.

17.1. **Generally.** Each party will comply with applicable laws and regulations. Customer is only purchasing or licensing Products for its own medical, billing and/or non-entertainment use in the United States. GE Healthcare will not deliver, install, service or train if it discovers Products have been or are intended to be used contrary to this Agreement. This Agreement is subject to GE Healthcare's ongoing credit review and approval. Customer is aware of its legal obligations for cost reporting, including 42 C.F.R. § 1001.952(g) and (h), and will request from GE Healthcare any information beyond the invoice needed to fulfill Customer's cost reporting obligations. GE Healthcare will provide safety-related updates for Equipment and Software required by applicable laws and regulations at no additional charge.

17.2. **Security.** GE Healthcare is not responsible for: (i) securing Customer's network; (ii) preventing unauthorized access to Customer's network or the Product; (iii) backup management; (iv) data integrity; (v) recovery of lost, corrupted or damaged data, images, software or equipment; (vi) third party operating systems, unless specifically provided in the Quotation; or (vii) providing or validating antivirus or related IT safeguards unless sold to Customer by GE Healthcare. **NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR DAMAGES CAUSED BY UNAUTHORIZED ACCESS TO THE NETWORK OR PRODUCTS REGARDLESS OF A PARTY'S COMPLIANT SECURITY MEASURES.**

17.3. **Environmental Health and Safety ("EHS").** GE Healthcare personnel may stop work without penalty due to safety concerns. Customer must: (i) comply with GE Healthcare's EHS requirements; (ii) provide a safe environment for GE Healthcare personnel; (iii) tell GE Healthcare about chemicals or hazardous materials that might come in contact with Products or GE Healthcare personnel; (iv) perform decommissioning or disposal at Customer facilities; (v) obtain and maintain necessary permits; (vi) thoroughly clean Products before Service; (vii) provide radioactive materials required for testing Products; and (viii) dispose of waste related to Products and installations.

17.4. **Parts and Tubes.** GE Healthcare: (i) recommends the use of parts it has validated for use with the Product; (ii) is not responsible for the quality of parts supplied by third parties to Customer; and (iii) cannot assure Product functionality or performance when non-validated parts are used. Certain Products are designed to recognize GE Healthcare-supplied tubes and report the presence of a non-GE Healthcare tube; GE Healthcare is not responsible for the use of, or effects from, non-GE Healthcare supplied tubes.

17.5. **Training.** GE Healthcare's training does not guarantee that: (i) Customer trainees are fully trained on Product use, maintenance or operation; or (ii) training will satisfy any licensure or accreditation. Customer must ensure its trainees are fully qualified in the use and operation of the Product. Unless otherwise identified in the training catalog, Customer will complete training within 12 months of: (a) the date of Product delivery for a Product purchase; (b) the respective start date for Services or Subscription for purchase of Service or Subscription; or (c) the date training is ordered for training-only purchases. If not completed within this time period, other than because of GE Healthcare's fault, training expires without refund.

17.6. **Medical Diagnosis and Treatment.** All clinical and medical treatment, diagnostic and/or billing decisions are Customer's responsibility.

17.7. **Connectivity.** If a Product has remote access capability: (i) Customer will provide GE Healthcare with, and maintain, a GE Healthcare-validated remote access connection to service the Product; or (ii) GE Healthcare reserves the right to charge Customer for onsite support at GE Healthcare's then-current billing rate. This remote access and collection of machine data (e.g., temperature, helium level) will continue after the end of this Agreement unless Customer requests in writing that GE Healthcare disable it.

### 17.8. Use of Data.

17.8.1. **Protected Health Information.** If GE Healthcare creates, receives, maintains, transmits or otherwise has access to Protected Health Information (as defined in 45 C.F.R. § 160.103) ("PHI"), GE Healthcare may use and disclose the PHI only as permitted by law and by the Business Associate Agreement. Before returning any Product to GE Healthcare, Customer must ensure that all PHI stored in it is deleted.

17.8.2. **Data Rights.** GE Healthcare may collect, prepare derivatives from and otherwise use non-PHI data related to Products and/or Services for such things as training, demonstration, research, development, benchmarking, continuous improvement and facilitating the

provision of its products, software and services. GE Healthcare will own all intellectual property and other rights that could result from this collection, preparation and use. The non-PHI data will not be used to identify Customer or sold by GE Healthcare without Customer's consent.

17.9. **Customer Policies.** GE Healthcare will use reasonable efforts to respect Customer-provided policies that apply to GE Healthcare and do not materially contradict GE Healthcare policies. Failure to respect Customer policies is not a material breach unless it is willful and adversely affects GE Healthcare's ability to perform its obligations.

17.10. **Insurance.** GE Healthcare will maintain coverage in accordance with its standard certificate of insurance.

17.11. **Excluded Provider.** To its knowledge, neither GE Healthcare nor its employees performing Services under this Agreement have been excluded from participation in a Federal Healthcare Program. If an employee performing Services under this Agreement is excluded, GE Healthcare will replace that employee within a reasonable time; if GE Healthcare is excluded, Customer may terminate this Agreement upon written notice to GE Healthcare.

## 18. Disputes and Arbitration.

18.1. **Binding Arbitration.** Other than collection matters and actions seeking injunctive relief to prevent or cease a violation of intellectual property rights related to Products or Services, the parties agree to submit all disputes arising under or relating to this Agreement to the American Arbitration Association ("AAA") office closest to the largest metropolitan area of the location where the Product is installed or the Service is provided for binding arbitration conducted in accordance with AAA's then-current Commercial Arbitration Rules. Costs, including arbitrator fees and expenses, will be shared equally, and each party will bear its own attorneys' fees. The arbitrator will have authority to award damages only to the extent available under this Agreement. Nothing in this Section shall allow either party to arbitrate claims of any third-party not a party to this Agreement. The parties further agree to keep confidential: (i) the fact that any arbitration occurred; (ii) the results of any arbitration; (iii) all materials used, or created for use, in the arbitration; and (iv) all other documents produced by another party in the arbitration and not otherwise in the public domain.

## 19. Liability and Indemnity.

19.1. **Limitation of Liability.** GE HEALTHCARE'S LIABILITY FOR DIRECT DAMAGES TO CUSTOMER UNDER THIS AGREEMENT WILL NOT EXCEED: (I) FOR PRODUCTS, THE PRICE FOR THE PRODUCT THAT IS THE BASIS FOR THE CLAIM; OR (II) FOR SERVICE OR SUBSCRIPTIONS, THE AMOUNT OF SERVICE OR SUBSCRIPTION FEES FOR THE 12 MONTHS PRECEDING THE ACTION THAT IS THE BASIS FOR THE CLAIM. THIS LIMITATION WILL NOT APPLY TO GE HEALTHCARE'S DUTIES TO INDEMNIFY CUSTOMER UNDER THIS AGREEMENT.

19.2. **Exclusion of Damages.** NEITHER PARTY WILL HAVE ANY OBLIGATION FOR: (I) CONSEQUENTIAL, PUNITIVE, INCIDENTAL, INDIRECT OR REPUTATIONAL DAMAGES; (II) PROFIT, DATA OR REVENUE LOSS; OR (III) CAPITAL, REPLACEMENT OR INCREASED OPERATING COSTS.

19.3. **IP Indemnification.** GE Healthcare will indemnify, defend and hold Customer harmless from third-party claims for infringement of United States intellectual property rights arising from Customer's use of the Equipment or Software in accordance with the Specifications, Documentation and license.

### 19.4. General Indemnification.

19.4.1. GE Healthcare will indemnify, defend and hold Customer harmless for losses which Customer becomes legally obligated to pay arising from third party claims brought against Customer for bodily injury or damage to real or tangible personal property to the extent the damage was caused by GE Healthcare's: (i) design or manufacturing defect; (ii) negligent failure to warn, negligent installation or negligent Services; or (iii) material breach of this Agreement.

19.4.2. Customer will indemnify, defend and hold GE Healthcare harmless for losses which GE Healthcare becomes legally obligated to pay arising from third party claims brought against GE Healthcare for bodily injury or damage to real or tangible personal property to the extent the damage was caused by Customer's: (i) medical diagnosis or treatment decisions; (ii) misuse or negligent use of the Product; (iii) modification of the Product; or (iv) material breach of this Agreement.

19.5. **Indemnification Procedure.** For all indemnities under this Agreement: (i) the indemnified party must give the other party written notice before claiming indemnification; (ii) the indemnifying party will control the defense; (iii) the indemnified party may retain counsel at its own expense; and (iv) the indemnifying party is not responsible for any settlement without its written consent.

## 20. Payment and Finance.

20.1. **Late Payment.** Customer must raise payment disputes before the payment due date. For any undisputed late payment, GE Healthcare may: (i) suspend performance under this Agreement until all past due amounts are paid; (ii) charge interest at a rate no more than the maximum rate permitted by applicable law; and (iii) use unapplied funds due to Customer to offset any of Customer's outstanding balance. If GE Healthcare suspends performance, any downtime will not be included in the calculation of any uptime commitment. If Customer fails to pay when due: (a) GE Healthcare may revoke its credit and designate Customer to be on credit hold; and (b) all subsequent shipments and Services must be paid in full on receipt.

20.2. **Taxes.** Prices do not include applicable taxes, which are Customer's responsibility.

21. **Notices.** Notices will be in writing and considered delivered when received if sent by certified mail, postage prepaid, return receipt requested, by overnight mail, or by fax. Notice to Customer will be directed to the address on this Agreement, and notice to GE Healthcare to General Counsel, 9900 W Innovation Dr., Wauwatosa, WI 53226.



## Statement of Service Deliverables Bio Med Services

### 1. Service Coverage Options (as identified on the Product Schedule).

**Full Service with Parts ("FSWP").** Includes corrective maintenance service, planned maintenance service (including performance verification and electrical safety inspections), and Replacement Parts (subject to availability) to perform service.

**Full Service no Parts ("FSNP").** Includes corrective maintenance service and planned maintenance service (including performance verification and electrical safety inspections). Replacement Parts are excluded.

**Planned Maintenance with Parts ("PMWP").** Includes planned maintenance service (including performance verification and electrical safety inspections) and Replacement Parts (subject to availability) to perform service.

**Planned Maintenance no Parts ("PMNP").** Includes planned maintenance service (including performance verification and electrical safety inspections). Replacement Parts are excluded.

**Electrical/Equipment Safety Inspection no Parts ("ESNP").** Includes a safety inspection of the Product only. Replacement Parts are excluded.

**Inventory Management no Parts ("IMNP").** Product under IMNP is included in the physical inventory conducted by GE Healthcare for tracking purposes only. GE Healthcare corrective maintenance service, planned maintenance service and Replacement Parts are excluded.

**Contract Management Supplier Terms ("CMST").** Includes additional vendor-specific service deliverables and costs as agreed to by the parties in writing for a Product.

**Vendor Management no Parts ("VMNP").** Product under VMNP will be under contract with an original equipment manufacturer ("OEM") or third-party service provider (i.e., services are contracted directly between Customer and the OEM/third-party service provider). GE Healthcare will: (i) assign and place a control identification number label on Product; (ii) include Product in the physical inventory; (iii) act as Customer's liaison for the management of the OEM/third-party service provider and contact the OEM/third-party service provider on Customer's behalf as needed to schedule service; and (iv) track service and other deliverables of Customer's contract (to the extent permitted by Customer) with the OEM/third-party service provider. Customer maintains all negotiation, execution, dispute resolution and payment obligations with the OEM/third-party service provider. GE Healthcare will not provide payment to such OEM/third-party service provider. GE Healthcare corrective maintenance service, planned maintenance service and Replacement Parts are excluded.

**2. Corrective Maintenance.** For service coverage that includes corrective maintenance service, GE Healthcare or its agents will use commercially reasonable efforts to resolve any verifiable and reproducible service issue of the Product (defined as the Product not substantially meeting OEM published specifications) on-site during the coverage hours of 8am to 5pm local time, Monday-Friday (excluding GE Healthcare holidays), unless otherwise identified on the Product Schedule.

**3. Planned Maintenance.** For service coverage that includes planned maintenance service ("PM"), GE Healthcare or its agents will provide PM pursuant to OEM recommended frequencies and published specifications as set forth in the OEM service manuals (where available), or pursuant to documented alternate PM frequencies and specifications based on GE Healthcare's risk-based assessment. PM will be performed at mutually agreed upon times during the coverage hours of 8am to 5pm local time, Monday-Friday (excluding GE Healthcare holidays), unless otherwise identified on the Product Schedule.

**4. Replacement Parts.** For service coverage that includes Replacement Parts, "Replacement Parts" mean the lowest level component repair part available that will bring the Product to OEM published specifications. GE Healthcare will provide subassemblies or assemblies if a lower replacement part is not available. Replacement Parts may be provided on a new, used, or refurbished/repared (exchange) basis, at GE Healthcare's sole discretion. If an exchange part is provided, the original part becomes GE Healthcare property and GE Healthcare will remove it from Customer's site or Customer must return it to GE Healthcare within a reasonable timeframe of replacement to avoid being billed for the non-returned part. Replacement Parts are shipped freight included (excluding "Special Order" parts, which are not stocked by GE Healthcare due to low demand). If delivery priority is identified on the Product Schedule, it will be subject to shipment cut-off times for the applicable distribution center. Expedited parts delivery is available for an additional fee.

### 5. Customer Responsibilities.

**5.1. Service Coverage Modifications.** GE Healthcare will provide a monthly (or other agreed upon frequency) modification report that identifies product additions, removals and/or coverage and billing changes ("Modification(s)") that occurred during the previous month (or other agreed upon timeframe). Customer will have 30 days from receipt of the report to review and reconcile any necessary changes to it, after which the Modification(s) will be final and fees adjusted starting as of the Modification date.

**5.2. GE Healthcare Biomedical Engineers.** If Service includes on-site GE Healthcare biomedical engineers, Customer will provide an adequately sized, safe, secure and lockable workspace for them to use. The workspace must be a minimum of 250 sq. ft. for 1 biomedical engineer and 150 sq. ft. for each additional biomedical engineer (excluding storage space for Products awaiting service, retirement, or pickup following completion of service). The workspace must not be shared with other Customer personnel, agents or contractors. The workspace shall conform to all requirements of Federal and State OSHA requirements, NIOSH, the National Electric Code (NEC), EPA, and other governing agencies that define requirements for a permanently occupied space.

**5.3. Drug Library Dataset Transfer.** If Service includes GE Healthcare performing transfers of Customer-provided drug library dataset (i.e., an electronic library of medication information, drug name, concentration, dosing guidelines) from Customer's master device (i.e., a device, not

in clinical use, containing the original OEM copy, or Customer verified copy, of the drug library dataset) to its recipient device (i.e., an infusion pump in clinical use), Customer will: (i) deliver the master device to GE Healthcare and clearly label it as the "master device"; (ii) deliver the recipient device to GE Healthcare; (iii) provide labels for recipient device that indicate the original OEM drug library dataset creation/installation date, the then-current drug library dataset version, and the then-current drug library dataset installation date upon completion of a transfer; (iv) install, program, maintain, update and verify the drug library dataset on the master device, and ensure that the correct, accurate and up-to-date drug library dataset resides on the master device at all times; (v) ensure that the correct, accurate and up-to-date drug library dataset is installed on recipient device following transfer; (vi) promptly notify GE Healthcare of any incomplete or non-conforming transfer; and (vii) Indemnify and hold GE Healthcare harmless from third party damages that GE Healthcare becomes legally obligated to pay based on or arising out of this Agreement, including without limitation, Customer breach of this Agreement, any death or bodily injury caused by Customer's actions or omissions, and any failure of GE Healthcare to locate a recipient device or perform a transfer.

**6. PM Performance Commitment.** For service coverage that includes PM, if with respect to any rolling 12-month period, measured on a semi-annual basis, GE Healthcare fails to complete PM on Product within the applicable percentages in the table below, GE Healthcare will provide a service credit based on the corresponding credit percentage multiplied by the annual service charge paid for the Product covered under PM coverage during the prior twelve 12 months.

<i>% of PM Compliance in 12-Month Period</i>	<i>Credit %</i>
>95%	0%
90%-94.9%	0.5%
<90%	1.75%

To be eligible for the credit, Customer must maintain its "Cannot Locate/Unavailable Equipment" at less than 1% of its total clinical Product inventory during the applicable rolling 12-month period. "Cannot Locate/Unavailable Equipment" means clinical equipment that cannot be located or is unavailable for PM at the scheduled time. PM scheduled for Product that is not in compliance with OEM specifications or is in unsuitable condition for maintenance will not be counted as either completed or not completed for purposes of the PM Performance Commitment calculation. The credit is Customer's sole and exclusive remedy for GE Healthcare's failure to meet its PM Performance Commitment. Customer is responsible for tracking and calculating GE Healthcare's PM performance. If Customer believes GE Healthcare did not meet the PM Performance Commitment, Customer will give GE Healthcare written notice within a reasonable time following the end of the 12-month period, along with data evidencing GE Healthcare's failure.

**7. Exclusions.** Service occurring outside coverage hours and services not covered by the applicable service coverage will be billed to Customer at GE Healthcare's then-current rates. Service coverage is excluded under this Agreement and Customer is not entitled to any remedy (including any PM Performance Commitment service credit) if GE Healthcare's failure to provide Service is due to: (i) Customer cancellation or rescheduling; (ii) inability of GE Healthcare to access the Product; (iii) Customer's default; (iv) improper care of the Product; or (v) any cause beyond GE Healthcare's control. Unless identified on the Product Schedule, this Agreement does not cover (and GE Healthcare will charge separately): upgrades and overhauls; disposables, PM kits, user-replaceable parts and supplies (including but not limited to, rubber and elastomer goods, breathing circuits, water traps, tubes, masks, bags, cartridges, cassettes, copier drums, electrodes, fiber optics, fiber optic bundles, filters, laser tubes, film magazines, patient cables, styli); diagnostic imaging equipment (including but not limited to, radiation sources, radiation shields, processors, glassware, stand-alone workstations, transducers, sensors); refrigeration services (including but not limited to, cryostat, cryo-cooler compressor, cryogenics, refrigeration compressors); IT services; IT products (including but not limited to, software, middleware, servers, switches, routers, MDM); telemetry and physiological monitoring networks (e.g., PCI and Tele infrastructure); general equipment and systems (including but not limited to, fax machines, copiers, office printers, dictation systems, intercom systems, parking machines, emergency response equipment, wheelchairs, drug cabinets, stretchers, beds, specialty beds, overhead lights, environmental testing, TV systems, line isolation monitors, fire alarms, ice machines, infant abduction systems, phones, phone switches, PA systems, pneumatic tube systems, mercury-containing equipment, waste management systems, run to fail devices, home health devices, nurse call systems); surgical instruments and instrument sharpening.





**Contract Review Worksheet – Central Coast Nephrology**

**Agreement Type:** New  Amendment \_\_\_\_\_ Addendum \_\_\_\_\_

Medical Director       Professional Services       ED On-Call  
 Recruitment           Hospital Coverage           Leadership/Committee  
 Other (specify):

**Contracting Entity Name:** Central Coast Nephrology

**Executive Summary:** Central Coast Nephrology has been contracted to provide part-time, clinic-based nephrology services to the patients of our rural health and Multi-Specialty clinics since 2009. In consideration of current Fair Market Value rates, an hourly rate increase is now requested.

**Services Provided:** Drs. Barbara Rever, Ray Carrillo & Dennis Phan are the board-certified nephrologists providing professional services in the Sunset and Multi-Specialty clinics 40 hours per month.

Department	Cost Center	Person Responsible for Oversight
RHC & MSC	01.7180, 01.7077	1: CEO      2: Dir, Provider Svcs & Clinic Operations

**Agreement Terms:**

Proposed Effective Date: 12/1/21 Contract Term: 36 months Expiration Date 11/30/2024 Auto-renew: Yes

**Financial Terms:**

Select One:  Funds to be Paid to Hospital       Funds to be Paid by Hospital

**Contract Rate:** A contract rate of \$240 per direct patient care hour, up to 40 hours per month. This rate is determined by referencing MGMA FMV Total Compensation values below the 75<sup>th</sup> % ile.

*\*Historical contract rates from 2009 – 2015 (\$200 per hour), then from 2015 – present (\$225 per hour).*

Contract Term	FMV %ile	FTE	Base Monthly Cost	Expected Annual Base Cost	Expected Total Base Term Cost
3 years	<75th	0.2	\$9,600	\$115,200	\$345,600

**Other Compensation Agreements with Contracting Entity (List All)**

Specify: N/A

**Required Assessment/Attachments (required prior to approval):**

done \_\_\_\_\_ Drafted or template       n/a \_\_\_\_\_ Other Associated Contracts  
 done \_\_\_\_\_ Contract FMV       n/a \_\_\_\_\_ Supplemental doc if FMV >75<sup>th</sup> %ile  
 done \_\_\_\_\_ Overall FMV       done \_\_\_\_\_ Commercial Reasonableness Documented  
 on file \_\_\_\_\_ Certificate of Liability Insurance       n/a \_\_\_\_\_ Business Associate Agreement  
 n/a \_\_\_\_\_ Sanctions Screening/Clearance       n/a \_\_\_\_\_ Supplemental checklist (if w/in 1 yr of orig & \$ change)

	Name/Activity	Date/Note
Requested by/Responsible:	Steven Hannah, CEO	11/4/2021



Hazel Hawkins  
MEMORIAL HOSPITAL

**Contract Review Worksheet – Central Coast Nephrology**

**Review following signatures/approval:**

Legal Counsel:	
Finance Committee:	11/15/2021
Board of Directors (if required: insert N/A or Board approval date at right):	11/18/2021

**Review following signatures:**

Signatures: MD: _____ CEO: _____	
Board of Directors (if required: insert N/A or Board approval date at right)	11/18/2021
Added to physician contract tracking document	
Contract Administrator – final review:	