
REGULAR BOARD MEETING PACKET



BOARD OF COMMISSIONERS

Board Chair – Tom Herrin, Secretary – Kim Olive,
Commissioner – Craig Coppock, Commissioner – Wes McMahan &
Commissioner-Trish Frady

August 30, 2023 @ 3:30 PM

Conference Room 1 & 2 or Join Zoom Meeting:

<https://myarborhealth.zoom.us/j/86984869026>

Meeting ID: 869 8486 9026

One tap mobile: +12532050468,,86984869026#

Dial: +1 253 205 0468 US



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
REGULAR BOARD OF COMMISSIONERS' MEETING**

August 30, 2023 at 3:30 p.m.

Conference Room 1 & 2 or via ZOOM

<https://myarborhealth.zoom.us/j/86984869026>

Meeting ID: 869 8486 9026

One tap mobile: +12532050468,,86984869026#

Dial: +1 253 205 0468 US

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide every patient the best care and every employee the best place to work.

| AGENDA | PAGE | TIME |
|---|----------------|---------|
| Call to Order Roll Call Excused/Unexcused Absences Reading of the Mission & Vision Statement Approval or Amendment of Agenda Conflicts of Interest | | 3:30 pm |
| Comments and Remarks <ul style="list-style-type: none"> Commissioners Audience | | 3:35 pm |
| Executive Session-RCW 70.41.200 <ul style="list-style-type: none"> Medical Privileging-Chief of Staff Dr. Travis Podbilski & Medical Staff Coordinator Barb Goble | 5 | 3:40 pm |
| Department Spotlight <ul style="list-style-type: none"> Pharmacy-Nicholas Tyler | 7 | 3:45 pm |
| Board Committee Reports <ul style="list-style-type: none"> Hospital Foundation Report-Committee Chair-Secretary Olive | 9 | 3:55 pm |
| <ul style="list-style-type: none"> Finance Committee Report- Committee Chair-Commissioner Coppock | 11 | 4:00 pm |
| <ul style="list-style-type: none"> Compliance Committee Report-Committee Chair-Commissioner McMahan | | 4:10 pm |
| Consent Agenda (Action) <ul style="list-style-type: none"> Approval of Minutes: <ul style="list-style-type: none"> August 2, 2023, Compliance Committee Meeting July 26, 2023, Regular Board Meeting August 23, 2023, Finance Committee Meeting | 16 19 28 | 4:15 pm |
| <ul style="list-style-type: none"> Warrants & EFTs in the amount of \$3,344,878.15 dated July 2023 | 32 | |
| <ul style="list-style-type: none"> RES-23-17- Declaring to Surplus or Dispose of Certain Property <ul style="list-style-type: none"> To approve liquidation of items beyond their useful life. | 34 | |
| Old Business <ul style="list-style-type: none"> None. | | |

| | | |
|--|-------------------|---------|
| New Business | | |
| <ul style="list-style-type: none"> RES-23-18-Approving the Capital Purchase of the MRI Unit (<i>Action</i>) <ul style="list-style-type: none"> <i>To approve the purchase of the MRI Unit through a lease.</i> | 39 | 4:20 pm |
| <ul style="list-style-type: none"> RES-23-19-Appointing Replacement Public Records Officer of Lewis County Hospital District No. 1 (<i>Action</i>) <ul style="list-style-type: none"> <i>To appoint replacement PRO Superintendent Everett to Superintendent Mach. WAC 480-07-160 (1)</i> | 131 | 4:30 pm |
| <ul style="list-style-type: none"> Board Policy & Procedure Review <ul style="list-style-type: none"> Annual Adoption of the Compliance Plan Annual Adoption of the Quality Program Plan Quality Improvement Oversight Information | 132 134 136 | 4:35 pm |
| Superintendent Report | 139 | 4:40 pm |
| <ul style="list-style-type: none"> Board Educational Articles | 141 | |
| Meeting Summary & Evaluation | | 4:55 pm |
| Next Board Meeting Dates and Times | | 4:58 pm |
| <ul style="list-style-type: none"> Regular Board Meeting-September 27, 2023 @ 3:30 PM (ZOOM & In Person) | | |
| Next Committee Meeting Dates and Times | | |
| <ul style="list-style-type: none"> QIO Committee Meeting-September 13, 2023 @ 12:00 PM (ZOOM) Finance Committee Meeting-September 20, 2023 @ 12:00 PM (ZOOM) | | |
| Guest Speaker | | 5:00 pm |
| <ul style="list-style-type: none"> Kurt O'Brien Consulting <ul style="list-style-type: none"> <i>Developing a High Functioning & Effective Board-2023 Part 3</i> | | |
| Adjournment | | 5:30 pm |

EXECUTIVE SESSION



MEDICAL STAFF PRIVILEGING

The below providers are requesting appointment to the Arbor Health Medical Staff. All files have been reviewed for Quality Data, active state license, any malpractice claims, current liability insurance, peer references, all hospital affiliations, work history, National Practitioner Data Bank reports, sanctions reports, Department of Health complaints, Washington State Patrol background check and have been reviewed by the credentialing and medical executive committees including the starred items below. The credentialing and medical executive committees have recommended the following for approval.

INITIAL APPOINTMENTS-1

Radia Inc.

- Daniel Pham, MD (Consulting Radiology Privileges)

REAPPOINTMENTS-6

Arbor Health

- Victoria Acosta, DO (Family Medicine Privileges)
- Annette Cole, CRNA (Anesthesia Privileges)
- Todd Nelson, CRNA (Anesthesia Privileges)
- Garrett Peresko, DPM (Podiatry Privileges)
- Edward Junn, MD (Emergency Medicine Privileges)

Providence Health & Services Privileging by Proxy

- Andrew Rontal, MD (Consulting Neurology/Telestroke Privileges)

⊛-notates files with items to note.

DEPARTMENT SPOTLIGHT

PHARMACY SPOTLIGHT

REVENUE

| | |
|----------------|-----------------|
| YTD EXPECTED | \$1117k |
| YTD ACTUAL | \$802.5k |
| YTD DIFFERENCE | \$314.5k |

ANALYSIS

- New Permanent Management
- Learning Curve
- 2023 Census Difference

OPERATIONS

| | |
|--------------------|--------------|
| YTD PAYROLL BUDGET | \$308.5k |
| YTD PAYROLL ACTUAL | \$241.5k |
| YTD DIFFERENCE | \$67k |

| | |
|---------------------|----------------|
| YTD SUPPLIES BUDGET | \$228.3k |
| YTD SUPPLIES ACTUAL | \$123.2k |
| YTD DIFFERENCE | \$105.k |

ANALYSIS

- New Permanent Management
- Cost Reduction Strategies
- Waste Reduction Strategies
- Formulary Streamlining

PRODUCTIVITY

| | |
|----------------|--------------------|
| YTD EXPECTED | 38.4k doses |
| YTD ACTUAL | 48.8k doses |
| YTD DIFFERENCE | 10.4k doses |

ANALYSIS

- Formulary Streamlining

PHARMACY NEWS

- Preparing for Flu Season
- Watching Covid Research
- PQAC Inspection

PROFESSIONAL DEVELOPMENT

- Cerner Training
- 340B University

ONGOING RESEARCH

INPATIENT SERVICES

- Administration Fee Project

OUTPATIENT SERVICES

- SUD OP Clinic
- Niche Services
- Outpatient Pharmacy

QUESTIONS/COMMENTS



Submitted to the Finance Committee
Nicholas Tyler, Pharmacy Director
ntylerhashemi@myarborhealth.org

08/23/2023

Pg 7 Board Packet

BOARD COMMITTEE REPORTS

Hybrid Meeting Minutes
July 10, 2023

1. Call to order

Marc Fisher called the meeting to order at 11:00 am with Rob Mach (CEO), Christie Greiter, Lenae Langdon, Katelin Forrest, Shannon Kelly, Kip Henderson, Marc Fisher, Louise Fisher, Jessica Scogin, Lynn Bishop, Mya Riffe, Martha Wright, Christine Brower, and Gwen Turner in attendance.

EXCUSED ABSENCES: Ann Marie, Bonnie Justice, Paula Baker

2. Approval of Treasurer's Report and June Minutes

Katelin Forrest moved the Treasurer's report and June Minutes be approved and Christie Greiter second. Motion carried.

3. Administrators Report- Rob Mach joining remotely – Gave thanks for everyone's time and volunteering with the Foundation. Currently in the process of moving from Michigan to Washington. Movers arrive on Wednesday.

4. Executive Directors Report:

- Ind. race report – over 240 participants. 240 registered and 40 day of. One particular participant appreciated the ribbons since she never wins and having a medal to take home was special/important to her. The medals are cost effective with ribbons for each of the races in 2023.
- Mamos and mocktails July 22 – 21 signed up. Good solid attendance! The tech person can do more on that day if more sign up. Only 3D mammogram in Lewis County. United Healthcare is a co-sponsor. Cookies and Mocktails for those who get a mammogram.
- Parade – Jubilee – Need volunteers for helping put the float together and on the float – Wizards of Oz – kids from the Children's Theatre are helping. Color Run flyers will be passed out during this event, need people to hand out flyers during the parade. Christie is providing the trailer and use an Arbor Health truck to pull it.
- Color run - last year we had 72 participants, there will be a photographer riding around taking pictures from a golf cart. There will be a wellness fair afterwards. August 26th.

- Giftshop yard sale-Labor Day weekend – to help reduce the stock we have for the gift shop. Jessica needs help with going through some archival documents and the stock in general.
- Father Smith art collection donation-September need someone willing to help look up and price. Please let Jessica know if you want to help. The art will be on display for a month prior to the art show. The commission will be 30% to the gallery.
- Employee exercise bike for gym – A bike has been researched and found one for \$237 on sale from \$450. Lynn Bishop motion to purchase the bike. Renee second. Motion carries.
- Need volunteers for gift shop. Gift shop is not open on Fridays, Fridays aren't as busy.

5. Old Business:

- Arbor health Foundation memorial plaque
 - No new update.
- Hospital support agreement
 - No new update, pending a good date for review.
- Change designation of Foundation for compliance
 - This will be part of the support agreement and the meeting pending above.

6. New Business:

7. Next Meeting: August 8th Mark reminded all that often August is skipped as it is a busy time.

ARBOR HEALTH
EXECUTIVE SUMMARY
Fiscal Year Ending: 7/31/23

BALANCE SHEET

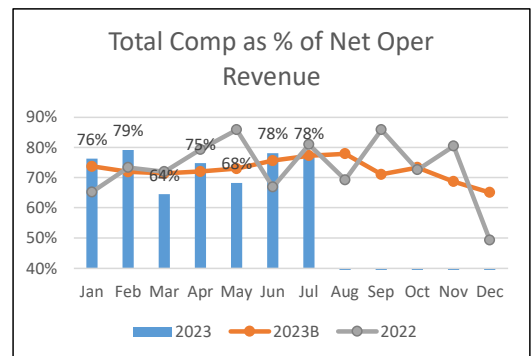
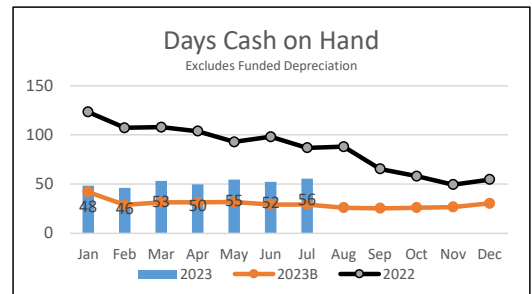
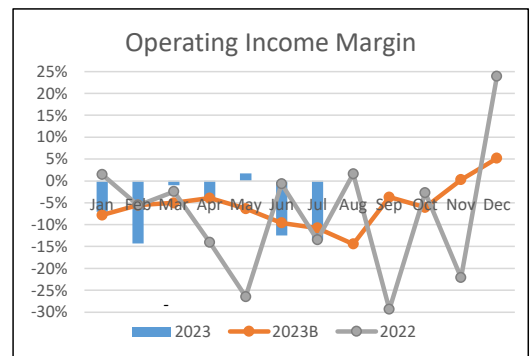
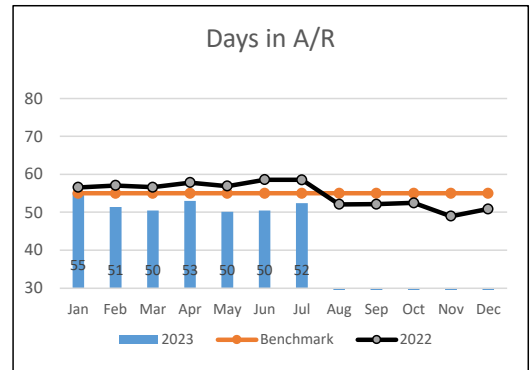
| | YTD 7/31/2023 | Prior YTD 7/31/2022 |
|---|---------------------|------------------------|
| ASSETS | | |
| Current Assets | \$9,665,232 | \$13,716,756 |
| Assets Whose Use is Limited | \$0 | \$0 |
| Property, Plant & Equipment (Net) | \$10,049,329 | \$10,984,559 |
| Other Assets | \$814,500 | \$815,344 |
| Total Unrestricted Assets | \$20,529,061 | \$25,516,659 |
| Restricted Assets | \$1,764,576 | \$2,094,554 |
| Total Assets | \$22,293,637 | \$27,611,213 |
| LIABILITIES & NET ASSETS | | |
| Current Liabilities | \$3,326,534 | \$8,422,670 |
| Long-Term Debt | \$6,042,230 | \$6,912,376 |
| Other Long-Term Liabilities | \$0 | \$0 |
| Total Liabilities | \$9,368,764 | \$15,335,046 |
| Net Assets | \$12,924,873 | \$12,276,167 |
| Total Liabilities and Net Assets | \$22,293,637 | \$27,611,213 |

STATEMENT OF REVENUE AND EXPENSES - YTD

| | 7/31/2023 | | YEAR TO DATE | |
|---------------------------------|--------------------|--------------------|----------------------|----------------------|
| | ACTUAL | BUDGET | ACTUAL | BUDGET |
| Gross Patient Revenues | \$4,661,365 | \$5,025,454 | \$33,434,079 | \$35,125,403 |
| Discounts and allowances | (\$1,833,993) | (\$2,054,168) | (\$12,132,664) | (\$13,289,845) |
| Bad Dbt & Char C Write-Offs | (\$88,854) | (\$79,133) | (\$876,430) | (\$505,150) |
| Net Patient Revenues | \$2,738,518 | \$2,892,153 | \$20,424,985 | \$21,330,408 |
| Other Operating Revenues | (\$97,354) | \$103,429 | \$449,482 | \$724,001 |
| Total Operating Revenues | \$2,641,164 | \$2,995,582 | \$20,874,467 | \$22,054,409 |
| Salaries, Benefits & Contr Lbr | \$2,068,280 | \$2,314,139 | \$15,290,454 | \$16,208,956 |
| Purchased Serv & Phys Fees | \$297,010 | \$396,635 | \$2,340,870 | \$2,817,429 |
| Supply Expenses | \$238,237 | \$230,391 | \$1,608,451 | \$1,595,366 |
| Other Operating Expenses | \$267,275 | \$274,172 | \$1,915,942 | \$2,171,044 |
| Depreciation & Interest Exp. | \$127,941 | \$103,441 | \$906,086 | \$798,438 |
| Total Expenses | \$2,998,743 | \$3,318,778 | \$22,061,803 | \$23,591,233 |
| NET OPERATING SURPLUS | (\$357,579) | (\$323,196) | (\$1,187,336) | (\$1,536,824) |
| Non-Operating Revenue/(Exp) | \$105,787 | \$77,949 | \$876,920 | \$545,640 |
| TOTAL NET SURPLUS | (\$251,792) | (\$245,247) | (\$310,416) | (\$991,184) |

KEY STATISTICS

| | 7/31/2023 | | YEAR TO DATE | |
|-----------------------------|-----------|--------|--------------|--------|
| | ACTUAL | BUDGET | ACTUAL | BUDGET |
| Total Inpatient Admits | 13 | 16 | 83 | 111 |
| Average Length of Stay | 3.70 | 3.00 | 4.40 | 3.00 |
| Total Emergency Room Visits | 523 | 467 | 3,194 | 3,267 |
| Outpatient Visits | 1,094 | 1,393 | 8,242 | 9,542 |
| Total Surgeries | 31 | 33 | 270 | 231 |



All Morton General Hospital
Income Statement
July, 2023

| Pr Yr MTD | % Var | MTD \$ Var | MTD Budget | MTD Actual | | YTD Actual | YTD Budget | YTD \$ Var | YTD % Var | PY YR YTD |
|---------------------------|-------------|------------------|------------------|------------------|--------------------------------------|-------------------|-------------------|--------------------|--------------|-------------------|
| 315,227 | -56% | (571,803) | 1,012,255 | 440,452 | Total Hospital IP Revenues | 4,838,741 | 7,083,640 | (2,244,899) | -31.7 | 4,148,890 |
| 3,409,900 | 10% | 360,261 | 3,443,096 | 3,803,358 | Outpatient Revenues | 25,064,179 | 24,065,767 | 998,412 | 4.1 | 22,266,690 |
| 416,460 | -27% | (152,549) | 570,104 | 417,555 | Clinic Revenues | 3,531,158 | 3,975,995 | (444,836) | -11.2 | 2,979,913 |
| 4,141,587 | -7% | (364,090) | 5,025,455 | 4,661,364 | Total Gross Patient Revenues | 33,434,079 | 35,125,402 | (1,691,324) | -4.8 | 29,395,492 |
| (1,346,472) | 11% | (220,175) | (2,054,168) | (1,833,993) | Contractual Allowances | (12,132,664) | (13,289,845) | (1,157,180) | 8.7 | (9,675,438) |
| 8,920 | 152% | (31,148) | (20,432) | (51,580) | Bad Debt | (532,652) | (139,581) | (393,071) | 281.6 | (108,265) |
| (52,426) | -37% | 21,427 | (58,701) | (37,274) | Charity Care | (343,778) | (365,569) | 21,791 | -6.0 | (303,596) |
| (1,389,978) | -10% | 210,455 | (2,133,301) | (1,922,846) | Total Deductions From Revenue | (13,009,093) | (13,794,994) | 785,901 | -5.7 | (10,087,299) |
| 2,751,609 | -5% | (153,635) | 2,892,154 | 2,738,518 | Net Patient Revenues | 20,424,985 | 21,330,408 | (905,423) | -4.2 | 19,308,194 |
| 91,764 | -194% | (200,783) | 103,429 | (97,354) | Other Operating Revenue | 449,482 | 724,001 | (274,519) | -37.9 | 663,844 |
| 2,843,373 | -12% | (354,418) | 2,995,582 | 2,641,164 | Total Operating Revenue | 20,874,467 | 22,054,409 | (1,179,942) | -5.4 | 19,972,038 |
| Operating Expenses | | | | | | | | | | |
| 1,894,609 | 5% | 94,021 | 1,917,186 | 1,823,165 | Salaries | 12,857,498 | 13,444,077 | 586,579 | 4.4 | 11,983,801 |
| 305,324 | 38% | 151,838 | 396,953 | 245,115 | Total Benefits | 2,432,956 | 2,764,878 | 331,922 | 12.0 | 2,736,010 |
| 2,199,932 | 11% | 245,859 | 2,314,139 | 2,068,280 | Salaries And Benefits | 15,290,454 | 16,208,956 | 918,502 | 5.7 | 14,719,811 |
| 145,964 | 1% | 1,152 | 123,916 | 122,765 | Professional Fees | 898,423 | 963,128 | 64,704 | 6.7 | 953,960 |
| 230,627 | -3% | (7,847) | 230,391 | 238,237 | Supplies | 1,608,451 | 1,595,364 | (13,088) | -0.8 | 1,476,847 |
| 328,602 | 25% | 99,625 | 396,635 | 297,010 | Total Purchased Services | 2,340,870 | 2,817,429 | 476,559 | 16.9 | 2,588,468 |
| 44,224 | 43% | 19,209 | 45,172 | 25,963 | Utilities | 287,479 | 308,886 | 21,407 | 6.9 | 337,179 |
| 23,781 | 6% | 1,989 | 30,695 | 28,706 | Insurance Expense | 200,161 | 214,864 | 14,703 | 6.8 | 162,067 |
| 110,552 | -24% | (24,500) | 103,441 | 127,941 | Depreciation and Amortization | 906,086 | 798,438 | (107,648) | -13.5 | 768,584 |
| 35,139 | 0% | 63 | 28,989 | 28,926 | Interest Expense | 203,414 | 202,921 | (493) | -0.2 | 231,145 |
| 90,900 | -34% | (15,515) | 45,401 | 60,915 | Other Expense | 326,464 | 481,248 | 154,784 | 32.2 | 317,928 |
| 3,209,721 | 10% | 320,035 | 3,318,778 | 2,998,743 | Total Operating Expenses | 22,061,803 | 23,591,233 | 1,529,431 | 6.5 | 21,555,989 |
| (366,348) | 11% | (34,383) | (323,195) | (357,578) | Income (Loss) From Operations | (1,187,336) | (1,536,824) | 349,488 | -22.7 | (1,583,952) |
| 147,209 | -36% | (27,838) | 77,949 | 105,787 | Non-Operating Revenue/Expense | 876,920 | 545,640 | (331,280) | -60.7 | 1,015,109 |
| (219,139) | 3% | (6,545) | (245,247) | (251,792) | Net Gain (Loss) | (310,416) | (991,184) | 680,768 | -68.7 | (568,843) |

Lewis County Public Hospital District No. 1

Balance Sheet

July, 2023

| | <u>Current Month</u> | <u>Prior-Month</u> | <u>Prior-Year end</u> | <u>Incr/(Decr) From PrYr</u> |
|---|---------------------------------|------------------------------|------------------------------|----------------------------------|
| Assets | | | | |
| Current Assets: | | | | |
| Cash | \$ 5,152,068 | 5,287,563 | 5,055,656 | 96,412 |
| Total Accounts Receivable | 8,093,457 | 8,062,384 | 7,508,625 | 584,833 |
| Reserve Allowances | <u>(4,237,050)</u> | <u>(4,016,117)</u> | <u>(3,362,569)</u> | <u>(874,481)</u> |
| Net Patient Accounts Receivable | 3,856,407 | 4,046,267 | 4,146,056 | (289,649) |
| Taxes Receivable | 4,149 | (55,956) | 52,607 | (48,458) |
| Estimated 3rd Party Receivables | 0 | (14,000) | (11,605) | 11,605 |
| Prepaid Expenses | 237,448 | 280,882 | 324,031 | (86,583) |
| Inventory | 262,434 | 256,137 | 253,658 | 8,776 |
| Funds in Trust | 1,764,576 | 1,756,068 | 1,711,559 | 53,016 |
| Other Current Assets | <u>152,726</u> | <u>176,392</u> | <u>180,415</u> | <u>(27,689)</u> |
| Total Current Assets | <u>11,429,808</u> | <u>11,733,352</u> | <u>11,712,378</u> | <u>(282,570)</u> |
| Property, Buildings and Equipment | 34,942,222 | 34,892,149 | 34,963,861 | (21,640) |
| Accumulated Depreciation | <u>(24,892,893)</u> | <u>(24,793,213)</u> | <u>(24,491,062)</u> | <u>(401,831)</u> |
| Net Property, Plant, & Equipment | 10,049,329 | 10,098,936 | 10,472,799 | (423,470) |
| Right-of-use assets | 644,986 | 548,948 | 681,064 | (36,078) |
| Other Assets | <u>169,514</u> | <u>169,514</u> | <u>167,514</u> | <u>2,000</u> |
| Total Assets | <u><u>\$ 22,293,637</u></u> | <u><u>22,550,750</u></u> | <u><u>23,033,755</u></u> | <u><u>(740,118)</u></u> |
| Liabilities | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | 555,900 | 562,992 | 697,151 | (141,251) |
| Accrued Payroll and Related Liabilities | 982,212 | 738,817 | 1,312,233 | (330,021) |
| Accrued Vacation | 803,313 | 819,615 | 716,055 | 87,258 |
| Third Party Cost Settlement | 91,068 | 248,733 | (69,226) | 160,295 |
| Interest Payable | 26,673 | 160,433 | 0 | 26,673 |
| Current Maturities - Debt | 865,842 | 865,842 | 865,842 | 0 |
| Other Payables | <u>1,525</u> | <u>8,574</u> | <u>26,555</u> | <u>(25,030)</u> |
| Current Liabilities | <u>3,326,534</u> | <u>3,405,006</u> | <u>3,548,610</u> | <u>(222,076)</u> |
| Total Notes Payable | 909,995 | 935,279 | 1,086,048 | (176,053) |
| Lease Liability | 399,090 | 300,766 | 431,433 | (32,343) |
| Net Bond Payable | 4,733,145 | 4,733,035 | 4,732,375 | 770 |
| Total Long Term Liabilities | <u>6,042,230</u> | <u>5,969,079</u> | <u>6,249,856</u> | <u>(207,625)</u> |
| Total Liabilities | <u><u>9,368,764</u></u> | <u><u>9,374,085</u></u> | <u><u>9,798,466</u></u> | <u><u>(429,702)</u></u> |
| General Fund Balance | 13,235,289 | 13,235,289 | 13,235,289 | 0 |
| Net Gain (Loss) | <u>(310,416)</u> | <u>(58,624)</u> | <u>0</u> | <u>(310,416)</u> |
| Fund Balance | <u><u>12,924,873</u></u> | <u><u>13,176,665</u></u> | <u><u>13,235,289</u></u> | <u><u>(310,416)</u></u> |
| Total Liabilities And Fund Balance | <u><u>\$ 22,293,637</u></u> | <u><u>22,550,750</u></u> | <u><u>23,033,755</u></u> | <u><u>(740,118)</u></u> |

Arbor Health

Cash Forecast

Planned Cash Reserves

| | | | | | | | | | | | | |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Cash Balance | 6,767,215 | 6,916,201 | 6,861,634 | 7,063,075 | 6,584,059 | 6,998,206 | 7,043,631 | 6,916,644 | 6,647,570 | 6,683,361 | 6,650,403 | 6,819,200 |
| Operating Reserves | (1,711,559) | (1,719,773) | (1,728,952) | (1,738,547) | (1,746,846) | (1,756,068) | (1,764,576) | (1,700,000) | (1,700,000) | (1,700,000) | (1,700,000) | (1,700,000) |
| Commitments and Contingencies | - | | | | | | | | | | | |

| | | | | | | | | | | | | |
|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Cash, Net of Reserves | 5,055,656 | 5,196,428 | 5,132,682 | 5,324,528 | 4,837,213 | 5,242,138 | 5,279,055 | 5,216,644 | 4,947,570 | 4,983,361 | 4,950,403 | 5,119,200 |
|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

Cash Receipts

| | | | | | | | | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Patient Receipts - Run Rate | 2,973,519 | 2,701,154 | 3,403,324 | 2,455,154 | 3,141,600 | 2,908,195 | 2,928,378 | 2,854,057 | 3,169,994 | 3,068,619 | 3,271,537 | 3,458,660 |
| Non Operating | 75,955 | 299,264 | 98,949 | 114,734 | 99,837 | 113,299 | 117,253 | 81,737 | 81,737 | 81,737 | 81,737 | 81,737 |
| Other Operating Receipts | 56,739 | 142,326 | 65,070 | 72,802 | 114,258 | 95,642 | (97,354) | 103,429 | 103,429 | 103,429 | 103,429 | 103,429 |
| Total Cash Receipts | 3,106,213 | 3,142,744 | 3,567,343 | 2,642,690 | 3,355,695 | 3,117,136 | 2,948,277 | 3,039,223 | 3,355,160 | 3,253,785 | 3,456,703 | 3,643,826 |

Cash Disbursements

| | | | | | | | | | | | | |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Payroll and Benefits | 2,212,316 | 2,001,921 | 2,743,985 | 1,899,223 | 1,920,312 | 1,890,252 | 1,841,187 | 2,126,131 | 2,148,318 | 2,148,422 | 2,140,952 | 2,142,233 |
| A/P - | 479,413 | 978,330 | 198,397 | 1,009,481 | 710,533 | 877,326 | 1,072,752 | 979,738 | 968,623 | 935,893 | 944,526 | 952,235 |
| A/P - Employee Health Claims | 194,046 | 192,108 | 286,026 | 166,147 | 171,597 | 253,075 | 126,504 | 177,207 | 177,207 | 177,207 | 177,207 | 177,207 |
| Debt Coverage | 24,901 | 24,952 | 69,706 | 46,855 | 47,917 | 47,358 | 34,821 | 25,221 | 25,221 | 25,221 | 25,221 | 319,544 |
| Property, Plan, Equipment | 46,551 | - | 67,788 | - | 91,189 | 3,700 | - | - | - | - | - | - |
| Total Cash Disbursements | 2,957,227 | 3,197,311 | 3,365,902 | 3,121,706 | 2,941,548 | 3,071,711 | 3,075,264 | 3,308,297 | 3,319,369 | 3,286,743 | 3,287,906 | 3,591,219 |

| | | | | | | | | | | | | |
|--------------------|---------|----------|---------|-----------|---------|--------|-----------|-----------|--------|----------|---------|--------|
| Net Change in Cash | 148,986 | (54,567) | 201,441 | (479,016) | 414,147 | 45,425 | (126,987) | (269,074) | 35,791 | (32,958) | 168,797 | 52,607 |
|--------------------|---------|----------|---------|-----------|---------|--------|-----------|-----------|--------|----------|---------|--------|

| | | | | | | | | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Ending Cash Balance | 6,916,201 | 6,861,634 | 7,063,075 | 6,584,059 | 6,998,206 | 7,043,631 | 6,916,644 | 6,647,570 | 6,683,361 | 6,650,403 | 6,819,200 | 6,871,807 |
| Ending Cash Net Of Reserves | 5,204,642 | 5,141,861 | 5,334,123 | 4,845,512 | 5,251,360 | 5,287,563 | 5,152,068 | 4,947,570 | 4,983,361 | 4,950,403 | 5,119,200 | 5,171,807 |

CONSENT AGENDA



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
Compliance Committee Meeting
August 2, 2023, at 12:00 p.m.
Via Zoom

Mission Statement
To foster trust and nurture a healthy community.

Vision Statement
To provide accessible, quality healthcare.

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|--|--|-------|----------|
| Call to Order Roll Call Unexcused/Excused Absences Reading the Mission & Vision Statements | <p>Commissioner McMahan called the meeting to order via Zoom at 12:00 p.m.</p> <p>Commissioner(s) Present in Person or via Zoom:</p> <p><input checked="" type="checkbox"/> Wes McMahan, Commissioner</p> <p><input checked="" type="checkbox"/> Trish Frady, Commissioner</p> <p>Committee Member(s) Present in Person or via Zoom:</p> <p><input checked="" type="checkbox"/> Robert Mach, CEO</p> <p><input type="checkbox"/> Shana Garcia, Executive Assistant</p> <p><input checked="" type="checkbox"/> Spencer Hargett, Compliance Officer</p> <p><input checked="" type="checkbox"/> Cheryl Cornwell, CFO</p> <p><input checked="" type="checkbox"/> Shannon Kelly, CHRO</p> <p><input type="checkbox"/> Sherry Sofich, Revenue Cycle Director</p> <p><input checked="" type="checkbox"/> Sara Williamson, CNO/CQO</p> <p><input checked="" type="checkbox"/> Julie Johnson, Quality Manager</p> <p><input checked="" type="checkbox"/> Matthew Lindstrom, Facilities Director</p> <p><input checked="" type="checkbox"/> Jim Frey, IT Director</p> <p><input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director</p> | Excused Absences: Shana Garcia Sherry Sofich | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|--|---|----------------------------|----------|
| Approval or Amendment of Agenda | No amendments noted. | The motion passed unanimously. | | |
| Conflicts of Interest | Commissioner McMahan asked the Committee to state any conflicts of interest with today's agenda. | None noted. | | |
| Committee Reports <ul style="list-style-type: none"> Compliance Operational Workgroup Recap | Compliance Officer Hargett highlighted the workgroup minutes and the areas of focus. | | | |
| Consent Agenda | <p>Commissioner McMahan announced the following in consent agenda up for approval:</p> <ol style="list-style-type: none"> 1. Review of Compliance Minutes –February 1, 2023 2. Review of Compliance Operational Workgroup Minutes –March 1, 2023 3. Review of Compliance Operational Workgroup Minutes –April 5, 2023 4. Compliance Program Update 5. Annual Action Schedule 6. New & Updated Laws Dashboard 7. Regulatory Audit Dashboard | <p>Commissioner Frady made a motion to support appointing Superintendent Mach as the Public Records Officer for the District. Motion passed unanimously.</p> <p>Commissioner Frady made a motion to approve the consent agenda. Seconded by Superintendent Mach. Motion passed unanimously.</p> | | |
| <p>Old Business</p> <ul style="list-style-type: none"> RA#3 COVID Effects on staffing, competencies, etc.- RA#4 2-Year P&P Requirements RA#5 WSHA Signage | <p>CNO/CQO Williamson provided an update on space for Meditation Room which has been identified. This project is on hold until the Maintenance Department is back up to full staff levels. Swartz Rounds will expand to CNO & CEO.</p> <p>Compliance Officer Hargett shared 74% compliance overall for P & P's. Some department areas have more than others, so training and support has been offered.</p> <p>Compliance Officer Hargett noted the regulation part is done and this is ready to close out.</p> | <p>This risk is ready to close.</p> | Compliance Officer Hargett | 08.04.23 |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|---|--|---------------------|----------|
| <ul style="list-style-type: none"> RA#6 Contract Evaluations | Executive Assistant Garcia provided an update via contract memo in her absence. Contract evaluations are processing slower than expected. Support is being provided and expect after the Summer months to increase focus. | | | |
| New Business <ul style="list-style-type: none"> Record Retention Annual Review | Compliance Officer Hargett reported that DNV identified the Hospital's paper records are not to code. There are 70-80 boxes that need to be moved, scanned and retained. | Create a workgroup to address boxes, scanning and retention storage. | Superintendent Mach | 08.10.23 |
| <ul style="list-style-type: none"> Q2 Work plan Update | Compliance Officer Hargett reported 71% of Annual Compliance workplan is complete and making good progress. | | | |
| <ul style="list-style-type: none"> RA#1 ADT Notifications | Compliance Officer Hargett noted emerging risk and working with Cerner to find a solution. Requirements are that Discharge Notification must be sent electronically to PCP. | | | |
| Meeting Summary & Evaluation | Compliance Officer Hargett provided a summary report. | | | |
| Adjournment | Commissioner McMahan adjourned the meeting at 12:53 p.m. | | | |



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
REGULAR BOARD OF COMMISSIONERS' MEETING**

July 26, 2023, at 3:30 p.m.

Conference Room 1 & 2 and via ZOOM

<https://myarborhealth.zoom.us/j/89951572881>

Meeting ID: 899 5157 2881

One tap mobile: +12532158782,,89951572881#

Dial: +1 253 215 8782

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide every patient the best care and every employee the best place to work.

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|--|--------|-------|----------|
| Call to Order Roll Call Unexcused/Excused Absences Reading the Mission & Vision Statements | <p>Board Chair Herrin called the meeting to order at 3:30 p.m.</p> <p>Commissioners present:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Tom Herrin, Board Chair<input checked="" type="checkbox"/> Kim Olive, Secretary<input checked="" type="checkbox"/> Wes McMahan<input checked="" type="checkbox"/> Craig Coppock<input checked="" type="checkbox"/> Trish Frady <p>Others present:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Robert Mach, Superintendent<input checked="" type="checkbox"/> Shana Garcia, Executive Assistant<input checked="" type="checkbox"/> Sara Williamson, CNO/CQO<input checked="" type="checkbox"/> Cheryl Cornwell, CFO<input checked="" type="checkbox"/> Shannon Kelly, CHRO<input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director<input type="checkbox"/> Dr. Kevin McCurry, CMO<input type="checkbox"/> Matthew Lindstrom, CFMO<input checked="" type="checkbox"/> Spencer Hargett, Compliance Officer<input checked="" type="checkbox"/> Janice Cramer, Medical Coordinator | | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|--|---|-------|----------|
| | <input checked="" type="checkbox"/> Dr. Travis Podbilski, Chief of Staff <input checked="" type="checkbox"/> Buddy Rose, Reporter <input checked="" type="checkbox"/> Clint Scogin, Controller <input checked="" type="checkbox"/> Julie Johnson, Quality Manager <input checked="" type="checkbox"/> Jessica Scogin, Foundation Manager <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Diane Markham, Marketing a& Communications Manager <input checked="" type="checkbox"/> Jim Frey, IT Director <input checked="" type="checkbox"/> Robert Houser, Imaging Manager Board Chair Herrin noted the chat function has been disabled and the meeting will not be recorded. | | | |
| Approval or Amendment of Agenda | Superintendent Mach requested to amend the agenda by adding The Rural Collaborative ACO to New Business. | Commissioner Coppock made a motion to approve the amended agenda. Secretary Olive seconded and the motion passed unanimously. | | |
| Conflicts of Interest | Board Chair Herrin asked the attendees to state any conflicts of interest with today's amended agenda. | None noted. | | |
| Comments and Remarks | Commissioners: Commissioner Coppock commended the hospital on receiving the Quality Award from WSHA. The Rural Hospital Leadership Conference was informative and a great way to network. Secretary Olive echoed great work to those that contributed to achieving the award. Welcomed Superintendent Mach and thanked him for choosing Arbor Health. Lastly, kudos to everyone that made the 2nd Annual Arbor Health (AH) Softball game a success and lunch was served with no fires this year! Commissioner McMahan was unable to attend the conference due to family circumstances, but echoed congratulations on the quality | | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|-------------------------------------|---|--|-------|----------|
| | <p>award. Congratulated the management team for their early efforts on embarking on the new strategic plan, as well as engagement efforts with the community. Board Chair Herrin agrees with all comments made and is excited for the future.</p> <p>Audience: Diane Markham shared AH Wellness Week is coming up August 21st through the 26th. Encouraged the Board's involvement and encouraging the District to participate in the events.</p> | | | |
| Executive Session- RCW 70.41.200 | <p>Board Chair Herrin announced going into executive session at 3:43 p.m. for ten minutes to discuss RCW 70.41.200-Medical Privileging and RCW 70.41.205-Quality Improvement Oversight Report. The Board returned to open session at 3:53 p.m. Board Chair Herrin noted no decisions were made in Executive Session.</p> <p>Initial Appointments- Radia Inc.</p> <ol style="list-style-type: none"> 1. Jose Lopez, MD (Radiology Consulting Privileges) <p>Reappointments- Arbor Health</p> <ol style="list-style-type: none"> 2. Charles Anderson, MD (Emergency Medicine Privileges/General Surgery Privileges) 3. Vincent Ball, MD (Emergency Medicine Privileges) 4. Jeffery Ford, MD (Emergency Medicine Privileges) | <p>Commissioner Frady made a motion to approve the Medical Privileging as presented, Commissioner Coppock seconded. The motion passed unanimously.</p> | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|--|--------|-------|----------|
| | <p>5. Travis Podbilski, DO (Family Medicine Privileges)</p> <p>Peace Health</p> <p>1. Laila Naqib-Osman, MD (Pathology Consulting Privileges)</p> <p>Providence Health & Services Privileging by Proxy</p> <p>1. Abdelrahman Beltagy, MD (Consulting Neurology/Telestroke Privileges)</p> <p>2. Stephen Burton, MD (Consulting Neurology/Telestroke Privileges)</p> <p>3. Williams Lou, MD (Consulting Neurology/Telestroke Privileges)</p> | | | |
| <p>Department Spotlight</p> <ul style="list-style-type: none"> Patient Access | <p>Board Chair Herrin noted the manager resigned and rescheduling.</p> | | | |
| <p>Board Committee Reports</p> <ul style="list-style-type: none"> Hospital Foundation Report | <p>Foundation Manager Scogin shared the Independence Day Race was a success and the Foundation handed out participation ribbons to 240 runners. The Mammos and Mocktails for 2023 was again very successful with 40 patients, thanks to Lundi and her efforts. A new stationary bike was donated to the wellness gym. Planning for a Wizard of Oz float in the Jubilee Parade on August 12th. Encouraging everyone to participate in the Color Run on August 26th. Always recruiting for volunteers in the gift shop, so tell your friends! The annual Dinner Auction will be Emerald City theme this year on October 7th. Lastly, the Foundation is working with legal regarding the</p> | | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|---|---|----------------------------|----------|
| | articles of incorporation to ensure compliance. | | | |
| <ul style="list-style-type: none"> Finance Committee Report | Commissioner Coppock's finance update included positive points on the financials, considering a new auditor and cost report preparer in hopes of leveraging cost savings and finding more revenue opportunities. The Imaging Department proposed purchasing a new CT Scanner and will be evaluating the purchase in new business. Current CT is limiting and cause for concern of timely patient care. Proposing to purchase via a lease. CFO Cornwell continues to work with management on a 5-year capital list. The Finance Committee supports the CT Purchase and adding Superintendent Mach as an auditor of the District. | | | |
| <ul style="list-style-type: none"> Compliance Committee Report | Commissioner McMahan's compliance update included Risk Assessment (RA) #1-CMS Transparency was retired as the Hospital received a letter from CMS noting compliance. RA#2-COVID Burnout remains a work in progress with WSHA's support. RA#3-Policy and Procedure 2-year reviews also remain in progress. RA#4-Signage is an ongoing effort to sustain compliance. There are new legislative items that management is tracking and already in process of implementing the changes. | | | |
| Consent Agenda | <p>Board Chair Herrin announced the consent agenda items for consideration of approval:</p> <ol style="list-style-type: none"> 1. Approval of Minutes <ol style="list-style-type: none"> a. May 3, 2023, Compliance Committee Meeting b. May 31, 2023, Regular Board Meeting | <p>Commissioner Coppock made a motion to approve the Consent Agenda and Commissioner Frady seconded. The motion passed unanimously.</p> <p>Minutes, Warrants and Resolutions will</p> | Executive Assistant Garcia | 7.27.23 |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|---|---|-------|----------|
| | <ul style="list-style-type: none"> c. June 14, 2023, QIO Committee Meeting d. June 21, 2023, Finance Committee Meeting e. July 19, 2023, Finance Committee Meeting <ul style="list-style-type: none"> 2. Warrants & EFTs in the amount of \$4,314,568.72 dated May 2023 3. Warrants & EFTs in the amount of \$3,621,853.48 dated June 2023 4. RES-23-16-Declaring to Surplus or Dispose of Certain Property | be sent for electronic signatures. | | |
| Old Business <ul style="list-style-type: none"> • 2023 AWPHD & WSHA Rural Hospital Leadership Conference, Chelan, WA | <p>Board Chair Herrin shared there was great attendance at the conference and the award was an awesome bonus. Unfortunately, it was not as board focused as anticipated and feedback was provided. Commissioner Frady noted while it was great to be back together, the conference was not as strong. There is always something to learn and agreed the focus was less on commissioners this year. Something to remember is employees/people are always moving in different directions and AH needs to continue being an awesome place to work. Commissioner Coppock appreciated the insight into what other hospitals are doing in Washington (WA). Superintendent Mach enjoyed networking with other WA C-Suite leaders and vendors with being new to the area. A complement to AH, as many people at the conference knew about us.</p> | | | |
| New Business <ul style="list-style-type: none"> • RES-23-14- Approving the Capital Purchase of a CT Scanner | <p>CFO Cornwell presented Resolution 23-14 and Imaging Manager Houser proposed the purchase of the new CT Scanner. The current one overheats and impacts patient care. A new one will be a better solution with the</p> | <p>Commissioner Frady made a motion to approve RES-23-14 and Commissioner Coppock seconded. The</p> | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|---|---|----------------------------|----------|
| | <p>possibility of expanding services. This purchase does cost the District additional monies and it is not in the budget. The current scanner is designed for a standalone clinic not an Emergency Department (ED). Unfortunately, Cannon would not work with us and could not resolve the issues. Board Chair Herrin thanked management for bringing this purchase to the board's attention. Quality patient care cannot be completed if the Hospital does not have the equipment to do it.</p> | <p>motion passed unanimously.</p> <p>Resolution will be sent for electronic signatures.</p> | Executive Assistant Garcia | 07.27.23 |
| <ul style="list-style-type: none"> RES-23-15-Appointing Replacement Auditor of Lewis County Hospital District No. 1 | <p>Board Chair Herrin presented Resolution 23-15 noting the District needs to appoint a replacement auditor from Superintendent Everett to Superintendent Mach.</p> | <p>Commissioner Coppock made a motion to approve RES-23-15 and Secretary Olive seconded. The motion passed unanimously.</p> | Executive Assistant Garcia | 07.27.23 |
| <ul style="list-style-type: none"> New Auditor Consideration | <p>CFO Cornwell proposed switching the District's financial auditor and cost report preparers from DZA to Wipfli. Wipfli is robust in experience and access to personnel in multiple areas. There is a cost increase. Already have trust with this group, nationally recognized and highly reliable. Optimistic on finding areas to maximize cost reimbursement and missed opportunities through this change. DZA produced a good audit report and were easy to work with; however, looking for ways to grow and adapt to changes in healthcare.</p> <p>The Board fully supported the change from DZA to Wipfli, noting this function is a product the Board relies on to ensure the Hospital stays vital. CFO Cornwell will work on an engagement letter to complete the upcoming mid-year report.</p> | <p>Commissioner McMahan made a motion to approve WIPFLI as the new auditor and cost report preparer and Commissioner Frady seconded. The motion passed unanimously.</p> | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|--|--|-------|----------|
| <ul style="list-style-type: none"> The Rural Collaborative (TRC)-ACO | <p>Superintendent Mach shared management wants to continue participating in the ACO. There is an additional cost with more risk but stronger reward. TRC hospitals are in support of participating in this ACO. TRC projects a break-even in year one and in year two and three, the Hospital will make money being an overall net positive project. There is incentive to move the needle and more metrics to report.</p> | <p>Commissioner Coppock made a motion to approve the ACO membership and Secretary Olive seconded. The motion passed unanimously.</p> | | |
| <p>Superintendent Report</p> | <p>Superintendent Mach highlighted the following:</p> <ol style="list-style-type: none"> 1. Excited to be part of Arbor Health and in the process of looking for a home. 2. Continuing Cup of Joes w/CEO but adding a new twist-Root beer Floats w/Rob. 3. Packwood Clinic is in good shape. 4. Strategic Plan is taking shape and management will update monthly with plans to report quarterly to the Board on the progress made. 5. Signed the ERC paperwork and expecting monies. 6. Created a position committee lead by CHRO Kelly and a move committee lead by CFMO Lindstrom to ensure leadership is involved prior to changes being made. 7. Independence Day Run was a success. 8. Started legislated reach outs to maintain relationships. 9. New staffing law in place and CNO/CQO Williamson is working on it. 10. Reviewing contracts to become familiar with the Districts commitments and identify if there are any opportunities to change, continue or stop. | | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|---|--------|-------|----------|
| | <p>11. Hired a PT traveler as permanent, so that's exciting.</p> <p>12. Starting CNO Candidate interviews in August.</p> <p>13. Still want to schedule 1:1's with the Board to know each other's priorities and really get to know another better.</p> | | | |
| Meeting Summary & Evaluation | Board Chair Herrin thanked everyone for coming to the meeting. Secretary Olive and Commissioner McMahan thanked Superintendent Mach for his updates. Commissioner Coppock recommended making reservations for Chelan this fall for next year. Commissioner Frady shared that it was another informative and productive meeting. | | | |
| Guest Speaker | The Board has agreed to do four 30-minute educational sessions for August, September, October and November. Commissioner McMahan proposed inviting future commissioner candidates to these trainings moving forward. | | | |
| Adjournment | Commissioner Coppock moved and Secretary Olive seconded to adjourn the meeting at 6:07 p.m. The motion passed unanimously. | | | |

Respectfully submitted,

Kim Olive, Secretary

Date



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
Finance Committee Meeting
August 23, 2023, at 12:00 p.m.
Via Zoom

Mission Statement
To foster trust and nurture a healthy community.

Vision Statement
To provide every patient the best care and every employee the best place to work.

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|---|--|---|-------|----------|
| Call to Order Roll Call Unexcused/Excused Absences Reading the Mission & Vision Statements | Commissioner Coppock called the meeting to order via Zoom at 12:00 p.m. Commissioner(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Craig Coppock, Commissioner <input checked="" type="checkbox"/> Wes McMahan, Commissioner Committee Member(s) Present in Person or via Zoom: <input checked="" type="checkbox"/> Shana Garcia, Executive Assistant <input checked="" type="checkbox"/> Cheryl Cornwell, CFO <input checked="" type="checkbox"/> Robert Mach, Superintendent <input checked="" type="checkbox"/> Marc Fisher, Community Member <input checked="" type="checkbox"/> Clint Scogin, Controller <input checked="" type="checkbox"/> Sherry Sofich, Revenue Cycle Director <input checked="" type="checkbox"/> Sara Williamson, CNO/CQO <input checked="" type="checkbox"/> Julie Taylor, Ancillary Services Director <input checked="" type="checkbox"/> Robert Houser, Imaging Manager <input checked="" type="checkbox"/> Nicholas Tyler, Pharmacist | Unexcused Absences: None Excused: None. | | |
| Approval or Amendment of Agenda | | Commissioner McMahan made a motion to approve the agenda and Community Member | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--------|------------|--------|-------|----------|
|--------|------------|--------|-------|----------|

| | | | | |
|--|---|---|--|--|
| | | Fisher seconded. The motion passed unanimously. | | |
| Conflicts of Interest | Commissioner Coppock asked the Committee to state any conflicts of interest with today's agenda. | None were noted. | | |
| Consent Agenda | Commissioner Coppock announced the following in consent agenda up for approval: <ol style="list-style-type: none"> 1. Review of Finance Minutes –July 19, 2023 2. Financial Statement Review 3. Revenue Cycle 4. Board Oversight Activities | Superintendent Mach made a motion to approve the consent agenda and Commissioner McMahan seconded. The motion passed unanimously. | | |
| Old Business <ul style="list-style-type: none"> Financial Department Spotlight-Pharmacy | Pharmacist Tyler shared a few improvements in pharmacy: permanent management, cost and waste reductions through supplies and formulary streamlining. YTD Pharmacy is behind budget primarily due to patient volumes. Preparing for flu and covid season and possible surges. PQAC Inspection Survey occurred in August and working on CAP's. Completed Cerner training and scheduling 340b training for Pharmacy staff to hopefully find additional sources of revenue. Highlighted sources of potential services/revenue options. Monitoring closing drug shortages and third-party vendors for accessing medications. | | | |
| <ul style="list-style-type: none"> CFO Financial Review | CFO Cornwell shared the Executive Summary with the following highlights: <ol style="list-style-type: none"> 1. Income Statement updates include \$1.7 million behind budget in patient revenues due to anticipated volumes from dermatology, chiropractic, and Packwood Clinic opening later than expected, as well as patient volumes less than expected. Other Operating Revenue reduced due to covid relief dollars being paid back for lack of reporting in 2021. | P & L-contractual allowance-39%-departmental. Clinics do not traditionally make money and drive business to the hospital. | | |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|---|---|-----------------------------------|-----------------|
| | <p>Requested forgiveness due to turnover but was unsuccessful. With the lack of revenue, the District experienced a loss of \$310,416 YTD, yet still stronger than anticipated compared to budget. Summer months historically trend lower.</p> <p>2. Included the departmental P & L's as requested for newer services. Remember clinics do not traditionally make money but rather drive business to the hospital. Keep in mind, contractual allowance should be showing an estimated 39% and finance is reviewing.</p> | | | |
| <p>New Business</p> <ul style="list-style-type: none"> Capital Review <ul style="list-style-type: none"> MR I | <p>Ancillary Services Director Taylor presented purchasing an MRI unit. Transitioning from a mobile MRI to an onsite unit will increase access for patients for MRI care. The data shows outmigration, so this is a new model that would keep services or bring patients back, potentially expand services, produce quality images and ultimately increase accessibility. The MRI tube is larger meaning it will accommodate more patients than we currently can. Currently, patients have a wait time of at least a week and out of town is more than two weeks out. There is a six-month wait for the build and the lease includes all costs, site prep, electrical, etc. This will be an 84-month lease. Payment is not due until the hospital scans a patient, so Q2 2024 at the earliest depending on production. While the request is in 2023, it will be budgeted for 2024. There is a special through the end of August where the Hospital will receive 3 years free on the service contract.</p> | <p>The Finance Committee supported requesting the Board's approval of a resolution for the purchase of the MRI Unit at the Regular Board Meeting.</p> | <p>Executive Assistant Garcia</p> | <p>08.30.23</p> |

| AGENDA | DISCUSSION | ACTION | OWNER | DUE DATE |
|--|--|--|----------------------------|----------|
| | The Finance Committee supports the capital purchase of the MRI Unit and will recommend approval at the Board level. | | | |
| <ul style="list-style-type: none"> WA HCA Letter | CFO Cornwell shared the Hospital completed a Medicaid Audit and received a letter with only good news, no findings. | | | |
| <ul style="list-style-type: none"> AH Retirement Fund Update | CFO Cornwell provided a quarterly update on the District's retirement account via The Rural Collaborative (TRC). There are no major concerns regarding the funds and performance. Good news, lots of eyes monitoring the plan. | | | |
| <ul style="list-style-type: none"> Surplus or Dispose of Certain Property | <p>CFO Cornwell presented the list of assets for surplus.</p> <p>The Finance Committee supports the resolution and will recommend approval at the Board level in Consent Agenda.</p> | The Finance Committee supported requesting the Board's approval of a resolution of the Surplus at the Regular Board Meeting. | Executive Assistant Garcia | 08.30.23 |
| Meeting Summary & Evaluation | <p>CFO Cornwell highlighted the decisions made and action items that need to be taken to the entire board for approval.</p> <p>Commissioners McMahan and Coppock appreciated the cost report education.</p> | | | |
| Adjournment | Commissioner Coppock adjourned the meeting at 12:55 pm. | | | |

WARRANT & EFT LISTING NO. 2023-07

RECORD OF CLAIMS ALLOWED BY THE
BOARD OF LEWIS COUNTY
COMMISSIONERS

The following vouchers have been audited,
charged to the proper account, and are within the
budget appropriation.

CERTIFICATION

I, the undersigned, do hereby certify, under
penalty of perjury, that the materials have been
furnished, as described herein, and that the claim
is a just, due and unpaid obligation against
LEWIS COUNTY HOSPITAL DISTRICT NO. 1
and that I am authorized to authenticate and
certify said claim.

Signed:

Cheryl Cornwell, CFO

We, the undersigned Lewis County Hospital
District No. 1 Commissioners, do hereby certify
that the merchandise or services hereinafter
specified has been received and that total
Warrants and EFT's are approved for payment
in the amount of

\$3,344,878.15 this 30th day
of August 2023

Board Chair, Tom Herrin

Secretary, Kim Olive

Commissioner, Wes McMahan

Commissioner, Craig Coppock

Commissioner, Patricia Frady

SEE WARRANT & EFT REGISTER in the amount of \$3,344,878.15 dated July 1, 2023 – July 31, 2023.

Jul-23
ARBOR HEALTH WARRANT REGISTER

Routine A/P Runs

| Warrant No. | Date | Amount | Description |
|---------------------------|-------------|------------------------|-------------|
| 130674 - 130684 | 3-Jul-2023 | 131,022.18 | CHECK RUN |
| 130686 - 130722 | 7-Jul-2023 | 165,008.05 | CHECK RUN |
| 130723 - 130737 | 10-Jul-2023 | 99,390.42 | CHECK RUN |
| 130738 | 5-Jul-2023 | 47.30 | CHECK RUN |
| 130739 | 10-Jul-2023 | 1,000.00 | CHECK RUN |
| 130740 | 11-Jul-2023 | 553.60 | CHECK RUN |
| 130741 - 130765 | 14-Jul-2023 | 5,892.06 | CHECK RUN |
| 130766 - 130797 | 14-Jul-2023 | 126,014.76 | CHECK RUN |
| 130798 - 130800 | 14-Jul-2023 | 41,978.40 | CHECK RUN |
| 130801 - 130827 | 17-Jul-2023 | 934,814.00 | CHECK RUN |
| 130828 | 5-Jul-2023 | 307.83 | CHECK RUN |
| 130829 | 14-Jul-2023 | 28,211.32 | CHECK RUN |
| 130830 | 17-Jul-2023 | 3,706.31 | CHECK RUN |
| 130831 | 18-Jul-2023 | 457.61 | CHECK RUN |
| 130832 - 130852 | 25-Jul-2023 | 118,171.58 | CHECK RUN |
| 130853 - 130922 | 24-Jul-2023 | 312,963.04 | CHECK RUN |
| 130923 | 24-Jul-2023 | 321.67 | CHECK RUN |
| 130924 | 25-Jul-2023 | 214.55 | CHECK RUN |
| 130925 | 26-Jul-2023 | 27,858.25 | CHECK RUN |
| 130926 - 130947 | 28-Jul-2023 | 4,073.80 | CHECK RUN |
| 130948 - 130984 | 28-Jul-2023 | 168,921.83 | CHECK RUN |
| 130985 - 131001 | 31-Jul-2023 | 799,321.39 | CHECK RUN |
| 131002 -131003 | 28-Jul-2023 | 763.53 | CHECK RUN |
| 131004 - 131006 | 31-Jul-2023 | 48,260.47 | CHECK RUN |
| | | | |
| | | | |
| Total - Check Runs | | \$ 3,019,273.95 | |

Error Corrections - in Check Register Order

| Warrant No. | Date Voided | Amount | Description |
|------------------------------|-------------|-------------|-------------|
| | | | |
| | | | |
| TOTAL - VOIDED CHECKS | | \$ - | |

| | |
|--|------------------------|
| UMPQUA BANK CHECKS, EFT'S, LESS VOIDS | \$ 3,019,273.95 |
|--|------------------------|

| Eft | Date | Amount | Description |
|--|-------------|----------------------|-------------|
| 4756 | 3-Jul-2023 | 19.37 | TPSC |
| 4757 | 10-Jul-2023 | 96.64 | TPSC |
| 1203 | 7-Jul-2023 | 162,079.94 | IRS |
| 4758 | 17-Jul-2023 | 363.68 | TPSC |
| 4759 | 20-Jul-2023 | 137.50 | TPSC |
| 1204 | 21-Jul-2023 | 161,419.91 | IRS |
| 4760 | 24-Jul-2023 | 1,010.06 | TPSC |
| 4761 | 31-Jul-2023 | 477.10 | TPSC |
| | | | |
| | | | |
| TOTAL EFTS AT SECURITY STATE BANK | | \$ 325,604.20 | |

| | |
|---|------------------------|
| TOTAL CHECKS, EFT'S, & TRANSFERS | \$ 3,344,878.15 |
|---|------------------------|



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION DECLARING TO
SURPLUS OR DISPOSE OF CERTAIN
PROPERTY

RESOLUTION NO. 23-17

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital
District No. 1 as follows:

**That the equipment and supplies listed on Exhibit A, attached hereto and by this reference
incorporated herein, are hereby determined to be no longer required for hospital purposes. The
Administrator is hereby authorized to surplus, dispose and/or trade in of said property upon such
terms and conditions as are in the best interest of the District.**

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in
an open public meeting thereof held in compliance with the requirements of the Open Public
Meetings Act this 30th day of August 2023, the following commissioners being present and voting
in favor of this resolution.

Tom Herrin, Board Chair

Kim Olive, Secretary

Wes McMahan, Commissioner

Craig Coppock, Commissioner

Patricia Frady, Commissioner

DISPOSAL/SURPLUS PERSONAL PROPERTY

EXHIBIT A

| DATE | DESCRIPTION | DEPARTMENT | PROPERTY # | DISPOSITION | REASON |
|----------|---------------|------------|------------|-------------|---|
| 8/1/2023 | Vital Machine | Acute Care | 5415 | Surplus | No longer required for public hospital district purposes, Broken and irreparable |
| DATE | DESCRIPTION | DEPARTMENT | PROPERTY # | DISPOSITION | REASON |
| 8/1/2023 | PCA Pump | Acute Care | 5984 | Surplus | No longer required for public hospital district purposes, no longer useful to department needs. |
| DATE | DESCRIPTION | DEPARTMENT | PROPERTY # | DISPOSITION | REASON |
| 8/1/2023 | PCA Pump | Acute Care | 5983 | Surplus | No longer required for public hospital district purposes, no longer useful to department needs. |
| DATE | DESCRIPTION | DEPARTMENT | PROPERTY # | DISPOSITION | REASON |
| 8/1/2023 | PCA Pump | Acute Care | 5982 | Surplus | No longer required for public hospital district purposes, no longer useful to department needs. |

| DATE | DESCRIPTION | DEPARTMENT | PROPERTY # | DISPOSITION | REASON |
|----------|-------------|------------|------------|-------------|---|
| 8/1/2023 | PCA Pump | Acute Care | 5981 | Surplus | No longer required for public hospital district purposes, no longer useful to department needs. |

OLD BUSINESS

NEW BUSINESS



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION APPROVING THE CAPITAL
PURCHASE OF AN MRI UNIT

RESOLUTION NO. 23-18

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital
District No. 1 as follows:

Approving the purchase of the new Magnetom MRI Unit.

The new purchase cost is \$1,836,253.73 which will be a new 84-month lease.

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in
an open public meeting thereof held in compliance with the requirements of the Open Public
Meetings Act this 30th day of August 2023, the following commissioners being present and voting
in favor of this resolution.

Tom Herrin, Board Chair

Kim Olive, Secretary

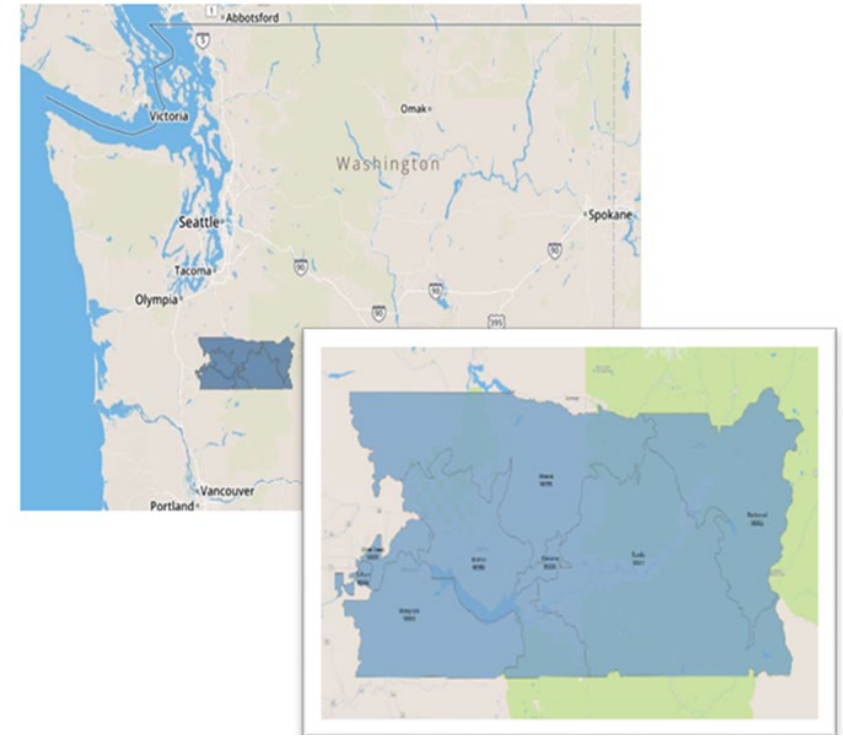
Wes McMahan, Commissioner

Craig Coppock, Commissioner

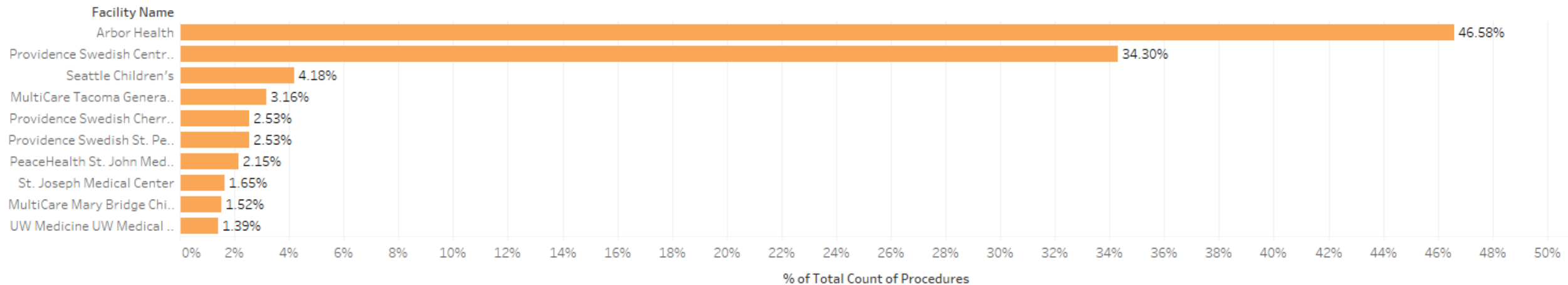
Patricia Frady, Commissioner



MRI Unit Presentation



2021 & 2022 Outmigration Procedures





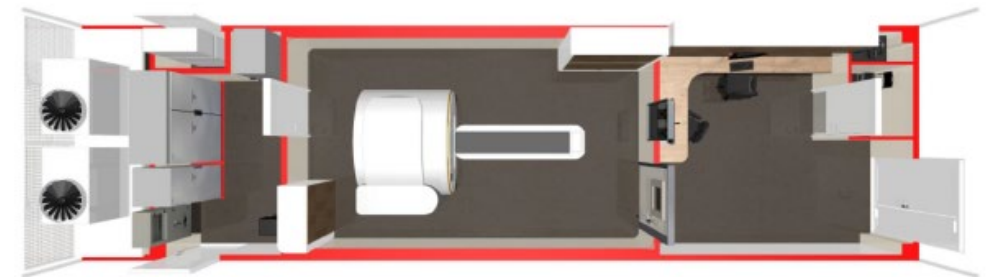
Current Model:

- Mobile MRI trailer once a week with an additional day every other week
 - beginning July 2023
- Billed \$447per exam
- Average cost ~\$20,000 per month



Proposed Model:

- Stand Alone unit On Site Full time
- Expand MRI services
- Lease cost ~\$27,700 per month



MAGNETOM Free.Max

Key Features



- 80cm open bore
 - Increased accommodation:
 - Claustrophobic
 - Anxious
 - Bariatric (up to 700lb)
 - Significant reduction in Helium
 - Compact footprint
 - Freestanding container model

1 Day a Week 10 Patients a Day

\$1.86M

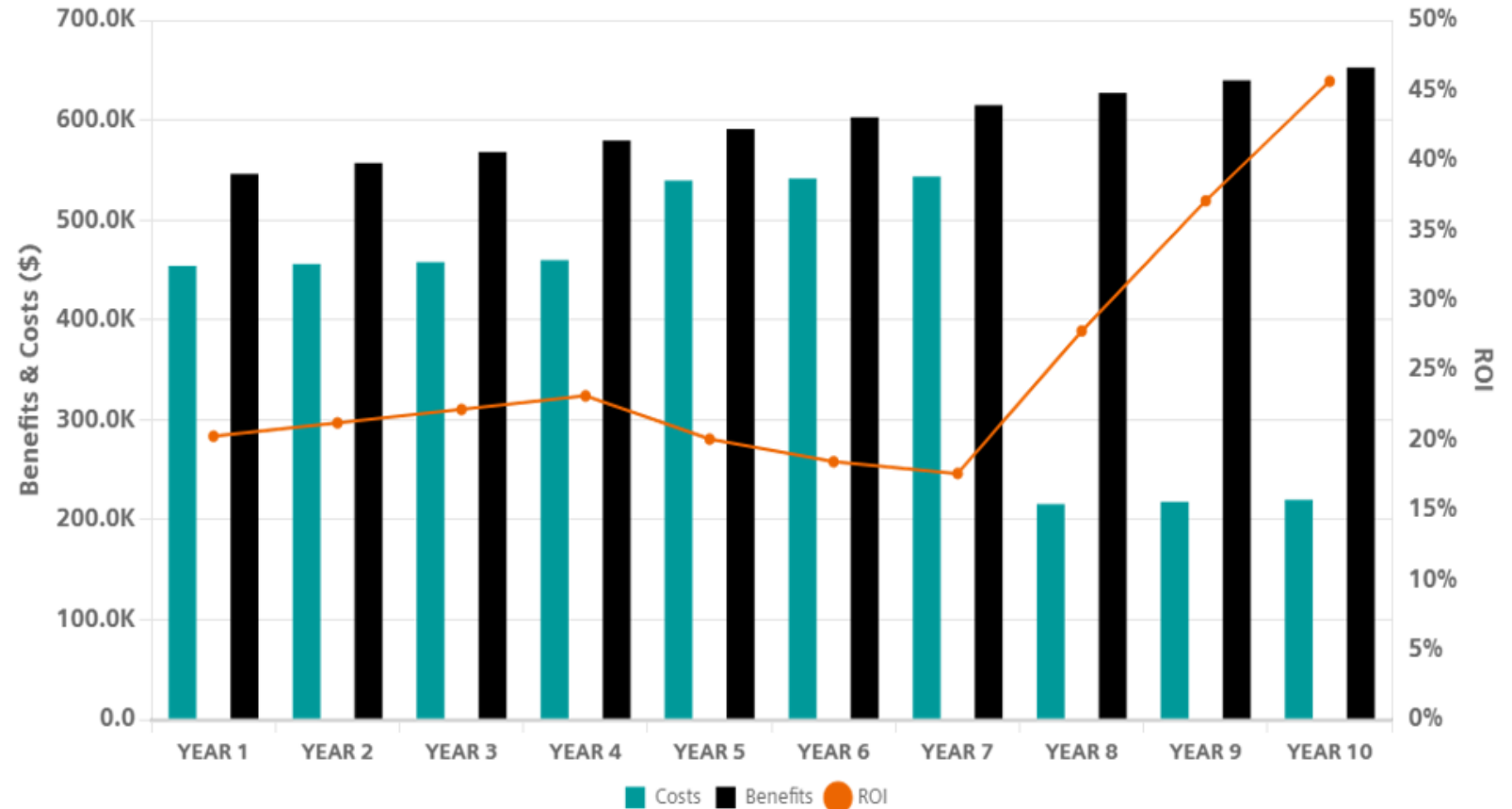
Potential 10-year
Revenue

46%

10-year Return on
Investment

37.08 Months

Payback Period





10 year financial impact of 5% increase per year over baseline 1 Day a Week 10 Patients a Day

| Benefits | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Total |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|
| Generate Revenue by Performing Exams In-House | \$520.00K | \$530.40K | \$541.01K | \$551.83K | \$562.86K | \$574.12K | \$585.60K | \$597.32K | \$609.26K | \$621.45K | \$5.69M |
| Increase Revenue by Attracting More Patients | \$26.00K | \$26.52K | \$27.05K | \$27.59K | \$28.14K | \$28.71K | \$29.28K | \$29.87K | \$30.46K | \$31.07K | \$284.69K |
| Total Benefit | \$546.00K | \$556.92K | \$568.06K | \$579.42K | \$591.01K | \$602.83K | \$614.88K | \$627.18K | \$639.73K | \$652.52K | \$5.98M |
| Costs | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Total |
| Equipment and Construction/Installation Costs* (Capital Lease) | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$0.00 | \$0.00 | \$0.00 | \$2.31M |
| Advertising / Marketing | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$100.00K |
| Utilities | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$100.00K |
| Rent | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Supplies | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$100.00K |
| Staffing Costs (1 FTE) | \$94.00K | \$95.88K | \$97.80K | \$99.75K | \$101.75K | \$103.78K | \$105.86K | \$107.98K | \$110.14K | \$112.34K | \$1.03M |
| Service Fees (includes 4 year warranty) | \$0.00 | \$5.1K | \$5.1K | \$5.1K | \$77.60K | \$77.60K | \$77.60K | \$77.60K | \$77.60K | \$77.60K | \$465.59K |
| Total Costs | \$454.06K | \$461.04K | \$462.95K | \$464.91K | \$539.40K | \$541.44K | \$543.51K | \$215.57K | \$217.73K | \$219.94K | \$4.12M |
| Net Benefit | \$91.94K | \$95.88K | \$105.10K | \$114.51K | \$51.60K | \$61.39K | \$71.37K | \$411.61K | \$421.99K | \$432.58K | \$1.86M |

Total Net Benefit \$1.86M over 10-years

3 Days a Week 6 Patients a Day

\$6.65M

Potential 10-year
Revenue

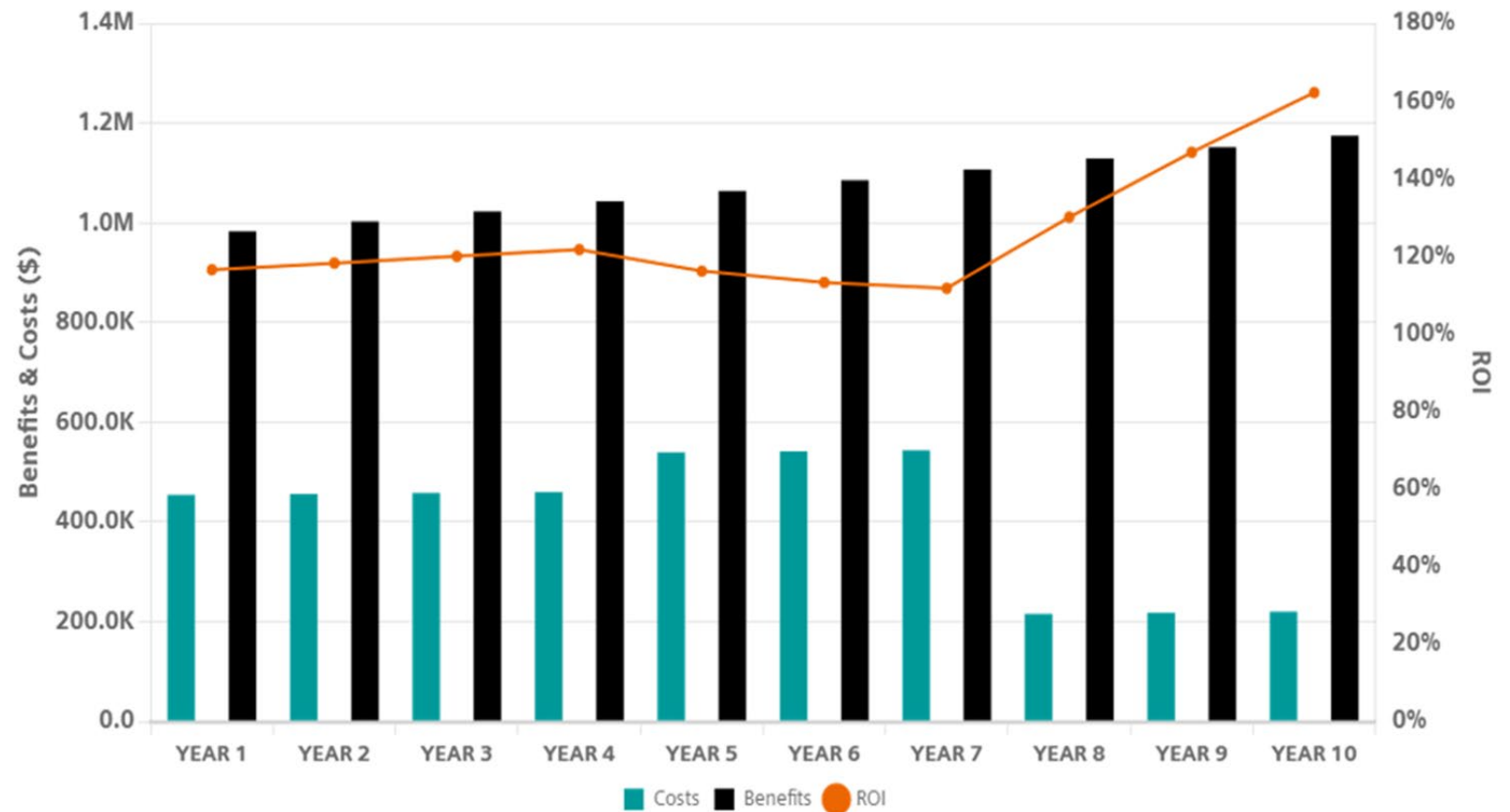
162%

10-year Return on
Investment

13.89 Months

Payback Period

Arbor
Health





10 year financial impact of scanning 3 days per week and 5% annual increase in volume

| Benefits | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Total |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|
| Generate Revenue Performing Exams In-House | \$936.00K | \$954.72K | \$973.81K | \$993.29K | \$1.01M | \$1.03M | \$1.05M | \$1.08M | \$1.10M | \$1.12M | \$10.25M |
| Increase Revenue by Attracting More Patients | \$46.80K | \$47.74K | \$48.69K | \$49.66K | \$50.66K | \$51.67K | \$52.70K | \$53.76K | \$54.83K | \$55.93K | \$512.45K |
| Total Benefit | \$982.80K | \$1.00M | \$1.02M | \$1.04M | \$1.06M | \$1.09M | \$1.11M | \$1.13M | \$1.15M | \$1.17M | \$10.76M |
| Costs | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Total |
| Equipment and Construction/Installation Costs* (Capital Lease) | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$330.06K | \$0.00 | \$0.00 | \$0.00 | \$2.31M |
| Advertising / Marketing | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$100.00K |
| Utilities | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$100.00K |
| Rent | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Supplies | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$10.00K | \$100.00K |
| Staffing Costs (1 FTE) | \$94.00K | \$95.88K | \$97.80K | \$99.75K | \$101.75K | \$103.78K | \$105.86K | \$107.98K | \$110.14K | \$112.34K | \$1.03M |
| Service Fees (includes 4 year warranty) | \$0.00 | \$5.1K | \$5.1K | \$5.1K | \$77.60K | \$77.60K | \$77.60K | \$77.60K | \$77.60K | \$77.60K | \$465.59K |
| Total Costs | \$454.06K | \$461.04K | \$462.95K | \$464.91K | \$539.40K | \$541.44K | \$543.51K | \$215.57K | \$217.73K | \$219.94K | \$4.12M |
| Net Benefit | \$528.74K | \$541.42K | \$559.55K | \$578.04K | \$524.41K | \$543.65K | \$563.28K | \$913.35K | \$933.77K | \$954.60K | \$6.65M |

Total Net Benefit \$6.65M over 10-years



Current Promotion:

Additional 3 years of
warranty for MRI instrument
\$217,494 in savings





August 23, 2023

Lewis County Hospital District No. 1
521 Adams Avenue Morton, WA 98356

Siemens Financial Services, Inc. is pleased to submit this **PRELIMINARY FINANCING PROPOSAL** to you. The terms and conditions of the proposed financing are as follows:

Lessor: Siemens Financial Services, Inc., its designee or assignee

Lessee: Lewis County Hospital District No. 1

Bid ID: 20644

Equipment Location: 521 Adams Avenue Morton, WA 98356

| Nominal Purchase Option Lease | |
|--|------------------|
| Equipment Description | Equipment Amount |
| MAGNETOM Free.Max & Container CPQ-899489 | \$1,836,253.73 |
| Payment Stream Estimate*: 84 at \$27,770.43 | |
| *plus applicable taxes | |
| End of Term Options: Lessee will have the option to purchase the Equipment at the end of the Lease term for \$1.00 | |

PRICING: This Pricing is subject to the submittal by Lessee of its financial and business information and review by Lessor, which may result in modification of the pricing or a decision not to proceed with a lease proposal.

RATE ADJUSTMENT: The Monthly Payments are based upon the like term Swap Rate as reported by any nationally recognized source of financial data that may be selected by Lessor in its reasonable discretion for the purposes of establishing the Reference Rate for 7/14/2023 or, where there is no Swap Rate reported for the like term, then the Swap Rate for the term that is closest in length to the like term. The Monthly Payments will be adjusted for any corresponding increase in such Swap Rate as reported for the date that is two (2) business days prior to the Commencement Date of the Lease.

PAYMENT METHOD: All payments shall be required to be made via automatic withdrawals from Lessee's bank account.

NET LEASE/DOCUMENTS: This will be a non-cancelable lease transaction and all fees and costs for insurance, maintenance filings, registration and taxes relating to the Lease and the Equipment will be for Lessee's account. All lease documentation shall be provided by Lessor and must be satisfactory to all parties.

INSURANCE: Lessee will be required to provide Lessor with insurance certificates, in form and substance acceptable to Lessor, showing physical damage and liability insurance, with an insurer and amounts satisfactory to Lessor, and which names Lessor and its assigns as loss payee and additional insured, as applicable.

DOCUMENTATION FEES: \$995

APPROVAL: This proposal is subject to, among other things, final pricing and credit approval by Lessor.

REFERRAL: Lessor may at its option refer the transaction (in part or in whole) to potential designees, along with the transmittal to such designees, of Lessee's financial and business information sent to and obtained by Lessor. Lessee, as well as any individuals whose personal information is included, consent to such transmittal by signing this proposal.

PROPOSAL EXPIRATION: This proposal shall expire if not accepted by Lessee within thirty (30) days from date of this letter.

The terms and conditions outlined herein are not all-inclusive and are based upon information provided to date. This proposal may be withdrawn or modified by Lessor at any time. This proposal does not represent an offer or commitment by Lessor to enter into a lease agreement or to provide any other financing and does not create any obligation for Lessor.

Please indicate your chosen option and acceptance of this proposal by executing a copy where indicated below and returning it to my attention along with the Proposal Fee via email or mail at the address noted below. Your acceptance hereof acknowledges that this proposal contains the relevant terms and conditions to be incorporated into lease documents.

If you have any questions or comments, please do not hesitate to contact me at the number noted below. I look forward to working with your organization.

Sincerely,

Jonathan Cramer
Finance Sales Manager – Western Zone
Siemens Financial Services, Inc.
301 Lindenwood Drive, Suite 215
Malvern, PA 19355
Phone: (732) 983-8960
Email: jonathan.cramer@siemens.com

AGREED TO AND ACCEPTED BY:

| | |
|------------------|---|
| <i>Lessee</i> | <u>Lewis County Hospital District No. 1</u> |
| <i>Signature</i> | _____ |
| <i>Name</i> | _____ |
| <i>Title</i> | _____ |
| <i>Date</i> | _____ |

August 18, 2023

Lewis County Hospital District Number 1
 dba Arbor Health Morton General Hospital
 521 Adams Ave
 Morton, Washington 98356

RE: New Build 13' X 49' Relocatable Lamboo Unit to house Siemens Magnetom Free Max.

This scope was developed by Lamboo Medical LLC. Please review the attachments listed below.

Scope of Work
 Relocatable Unit Floor Plan
 General Conditions

Siemens is pleased to present the construction proposal base price of **\$588,727.00 (five hundred eighty-eight thousand seven hundred twenty-seven dollars and zero cents)**, which includes only those items outlined in the attached Scope of Work. The base pricing above includes the Transportable Unit along with transport and positioning at the customer's site.

This proposal does **not** include work associated with bringing required utilities to the location of the Transportable Unit or a site preparation of the pad.

Siemens FreeMax medical equipment is **not** included in this price.

Add Alternate Selections/To be Added to the Base Price Above:

To accept Add Alternate please
initial on line opposite price

| | | |
|--|-------------|-------|
| 30 minute fire rating walls with cage construction ER30 / EIR30 Certificate approval for fire rating walls usable for placing close to a building. | \$17,666.67 | _____ |
| 30 minute fire rating door with cage construction ER30 / EIR30 Certificate approval for fire rating doors usable for placing close to a building. | \$16,909.09 | _____ |
| ADA Compliant Built-in Sink | \$3,636.36 | _____ |
| ADA Compliant Roll-Around Sink (Stainless Steel) | \$4,242.42 | _____ |
| ADA Compliant Roll-Around Sink (Plastic) | \$2,181.82 | _____ |
| Virtual Skylight The ceiling above the MRI Table will be executed with a virtual LED lit sky light. Image per the customer selection | \$11,151.52 | _____ |

Add Alternates (continued)

| | | |
|--|-------------|-------|
| Wall Mural Inside the MRI Room | \$3,030.30 | _____ |
| One wall mural will be fitted on the wall. Image per the customer selection. | | |
| Exterior Graphics (select no more than one of the following) | | |
| Small Spot Graphic | \$4,848.48 | _____ |
| Medium (50% wrap) | \$9,090.91 | _____ |
| Large (Full Wrap) | \$18,181.82 | _____ |

Siemens will contract with Lamboo Medical LLC for the Relocatable Unit outlined to accommodate the quoted Siemens equipment. This quotation is valid through 9/14/2023.

The contract price for this commercial construction project has been calculated based on the current prices for the components and transportation as of the date of Siemens' proposal. However, the market for the building materials that are hereafter specified is volatile, and sudden price increases could occur. Siemens will work to try and obtain favorable pricing from its suppliers, but should there be an increase in the prices of these specified materials and labor in our proposal for use in this commercial construction project, Siemens will provide written notice to the Owner detailing the building material or materials which have increased, and the source of supply, supported by invoices or bills of sale and Owner agrees to pay that cost increase to Siemens in addition to the rest of the fees set forth in the Contract. Such increase to the cost of construction will be memorialized by a change order signed by both Owner and Siemens.

Please be advised that the enclosed Scope of Work represent the confidential information of Siemens (collectively, the "Confidential Information"). You may not copy, reproduce, distribute, disclose, summarize, or disseminate in any way or form any of the Confidential Information except to your own employees who have a reasonable need to know the Confidential Information for purposes of evaluating Siemens' proposal, and who are advised as to the confidential and proprietary nature of the Confidential Information and the restrictions on use. You may use the Confidential Information solely for the purpose of evaluating Siemens' proposal to provide the services outlined in the Scope of Work, and you shall treat the Confidential Information with the same degree of care to avoid disclosure to any third party as is used with respect to your own information of like importance which is to be kept secret.

To acknowledge your understanding of the Scope of Work, and the terms set forth in this letter as well as your acceptance of the Client General Conditions for Construction, please sign the last page of this document and return originals along with your purchase order to Siemens' Design and Construction Services at the address indicated on the letterhead below.

Siemens thanks you for this opportunity and looks forward to completion of a successful project.

Sincerely,

Michael Tighe

Michael Tighe
Siemens Medical Solutions USA, Inc.
614-873-1969
michael.tighe@siemens-healthineers.com

Scope of Work

The following Scope of Work detailed in DCS Proposal No. 23-57-1279-1 dated August 18, 2023, defines the construction to facilitate the installation of a Siemens Medical Solutions 13' x 49' Transportable Unit for use with a Siemens Free Max MRI System at Arbor Health Morton General Hospital 521 Adams St., Morton, WA 98356. A site visit was not performed to verify the location of the unit.

This scope of work does not include additional scope requirements or costs associated with current or future healthcare facility or government enacted COVID-19 construction safety plan/protocols, employee virus testing, additional supervision or procedures or extending construction durations or schedules and if required shall be added via change order.

STATUARY AND REGULATORY REQUIRMENTS:

It is the responsibility of the purchaser to understand all compliance and code regulations that may govern this vehicle at the sites in which it will operate.

Transportable Specifications

General

The medical unit requires specific site preparations by the customer at each desired location. The site must meet these requirements before the Relocatable unit can function properly:

Minimum space required for placing the Relocatable unit without access ramps:

| | |
|--------|---------|
| Length | 60 feet |
| Width | 20 feet |

The ground and the access way must be paved.

To ensure proper operation of the stabilizing system the ground must level with a deviation not exceeding 1%.

Ensure that the entrance and service doors are easily accessible for patient entry and services.

Following rooms are housed in the Relocatable Unit:

Technical Compartment

- Technical area with one service door at the outside of the unit.
- The technical area houses the generator and HVAC system.

Changing Room

- A changing room is located in the control room technical area including a patient locker.

Control Room

- The control room is located next to the examination room.
- The control room is furnished with a large desktop, storage cabinets and two office chairs.

Examination Room

- The examination room is located in between the technical room and examination room.

Main Entrance

- On the back side of the relocatable unit, the main entrance has the following provisions:
 - Possible connection to a staircase.
 - Entrance by swing door.
 - Door executed with a window and integrated blinds.

Foundation/Support Requirements

The ground and access way must be able to carry the total weight of the unit:

Possible elevations or irregularities should be removed from the entire foundation site.

It is advised that the Relocatable Unit be installed on a perfect horizontal level surface. If this is not possible the unit can be shimmed out by using shim plates of aluminum or nylon.

General Building Information

Floor

- The primary frame construction is integrated in the floor and made of composite profiles with a stainless-steel frame.
- To achieve the maximum insulation value the floor is executed with Styrofoam.
- The primary frame construction holds the super structure for mounting the MRI gantry.

Roof

- The fixed roof section is assembled out of reinforced Lamboo/SVSR sandwich panel with 70mm Styrofoam insulation.
- The roof has integrated reinforcements where applicable.

Wall Finishing

- The inside wall is finished with a reinforced polyester finishing. The walls are seamless and very easy to clean.
- The walls will be finished with RAL color 9010. A two-component transparent epoxy finishing is applied to protect the inside wall from damages.
- Graphics are not included.

Shielding

- The scan room is constructed with an integrated RF safe and integrated XP steel to keep the 5-gauss line within the outside walls.

Internal Lighting

- Dimmable LED panel lighting in all room.
- Switches centrally positioned in control room.
- Lighting integrated in ceiling.
- Optional LED RGB ambience lighting in MRI room.
- Control RGB lighting in control room

- LED lighting under cabinets control room.

External Lighting

- LED light above the main entrance. Switch on the inside next to main entrance door.
- LED scene light at each upper corner of the trailer. Switch on the inside next to main entrance door

Plumbing

- Unit requires a freshwater connection.
- Drainage for air humidifier and AC units.

HVAC System

- A Northern-Air or like full redundant system will be installed against the front wall in the technical compartment.
- Total cooling capacity according to the OEM specifications.
- The system has a double water pump, double compressor system with will reduce down time.

Electrical Requirements

- The Relocatable Unit is equipped with a 480-volt 3 phase 60 Hz electric system. The site shall provide a fused 125-amp electrical feeder to the Lamboo Transportable Unit.
- The unit is to be hard wired connected. It is the site's responsibility to provide the cabling and connect it to the power distribution box of the Unit
- The electrical installation must provide a dedicated medical earth ground terminal for connecting of the earth connection of the trailer. This earth cable shall be connected to the trailer and the mains supply outlet before the mains cable is plugged in.

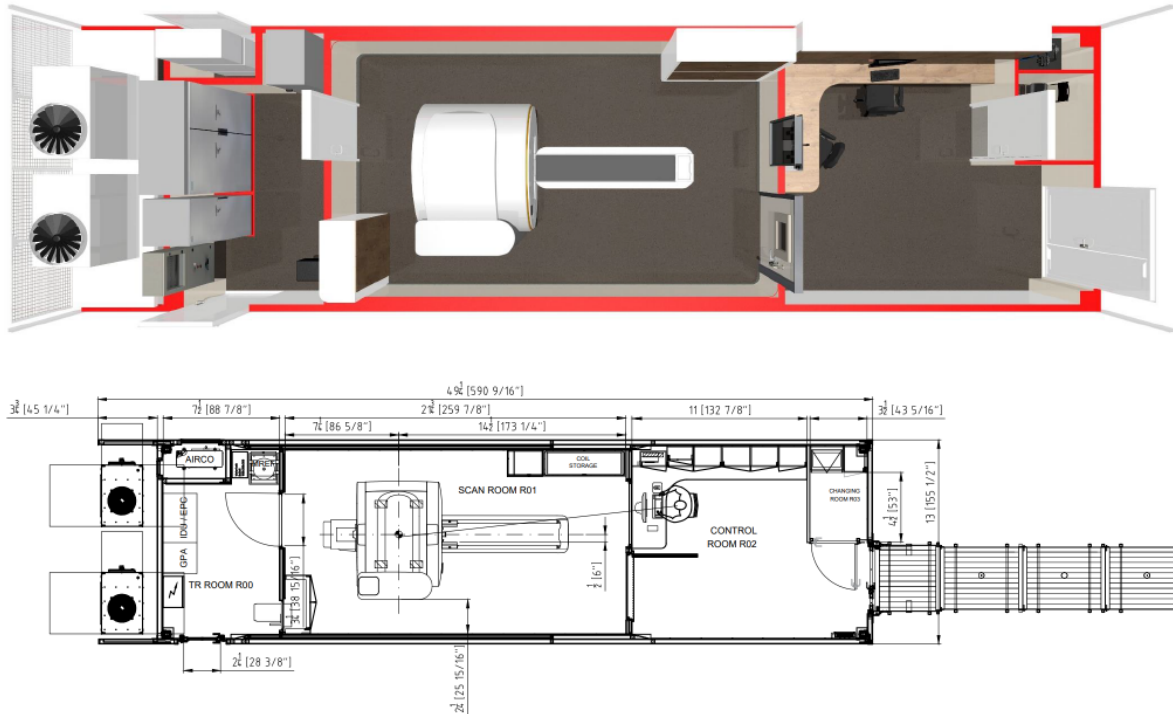
Telephone and Computer Connection

- Data lines receptacles located in the belly of the trailer utilize RJ45 CAT 6 cable to connect to site location. The site must supply cables and the hub or switch for connecting to the IT network.

Fire Detection

- Fire detection is included in this quote.

Typical Relocatable Unit Floor Plan Drawing



Drawing extract taken from Lamboo Medical Relocatable Unit Plan.

CHANGE ORDERS:

This Agreement is a fixed price contract and change orders, as well as any other changes to the terms of this Agreement, if any, shall be approved in writing in advance and require signatures by both parties prior to execution of such changes.

WARRANTY AND POST DELIVERY OBLIGATIONS:

- (12) Months on material and parts, excluding wear and tear products.
- (60) Months on patented Lamboo sandwich construction.

INSPECTION PRIOR TO SHIPMENT:

At the Purchasers discretion a representative of the Purchaser will be responsible to inspect the unit. If Purchaser chooses not to inspect at Lamboo Medical facility unit will be deemed to be accepted upon completion and preparation for shipment.

OWNERSHIP OF DOCUMENTS:

All design and production documents shall remain the property of Seller and may not be duplicated, copied, or reproduced in any form without the prior written consent of Seller in advance. Documents may be copied and distributed for Purchaser internal company use only.

TAXES, TITLE, AND TRANSPORTATION:

The Purchase Price for the vehicle and the services related thereto does not include any sales or similar taxes or levies and Purchaser accepts responsibility for said expenses, including vehicle registration.

ASSIGNMENT:

Neither party hereto may assign this Agreement or any rights nor obligations arising out of this Agreement to a third party without the prior written consent of the other party.

WAIVER:

No delay or failure by either party hereto to exercise any right under this Agreement, and no partial or single exercise of that right shall constitute a waiver of fact or any other right, unless otherwise expressly provided herein.

MISCELLANEOUS:

This Agreement represents the entire agreement between the parties hereto in respect to its subject matter and supersedes all previous arrangements, understandings, and discussions. Any part of this Agreement which conflicts with applicable law now in effect or which may be enacted in the future, shall be null and void, but only to the extent of such conflict, and all other parts of this agreement shall remain in full force and effect. Paragraph headings are used for identification purposes only and are not intended to limit the content thereof.

PAYMENT TERMS:

- 50% Down Payment
- 50% Final Payment before Acceptance/Delivery

Note: Lamboo Medical will not release the MSO (Manufacturer's certificate of origin) until payment in full for the unit has been received.

IF THIS AGREEMENT IS TERMINATED, UNLESS DONE IN ACCORDANCE WITH THIS AGREEMENT, AFTER DEPOSIT HAS BEEN MADE, PURCHASER WILL FORFEIT ITS DEPOSIT WITHOUT FURTHER LIABILITY OR PENALTY TO SELLER.

In witness whereof, Seller and Purchaser have executed this Agreement as of the day and year first set forth above as the "Effective Date".

SELLER: Siemens Healthineers

Signature_____Date_____

PURCHASER: Morton Hospital

Signature:_____Date_____

DISTRICT / SALES OFFICE

SIEMENS MEDICAL SOLUTIONS USA, INC.

Attn: Mark Belaire

Phone: +1 425-281-5705

Email: mark.belaire@siemens-healthineers.com

SOLD TO

**LEWIS COUNTY HOSPITAL DISTRICT
NUMBER 1**
521 ADAMS AVE,
MORTON, WA, 98356

BILL TO

**LEWIS COUNTY HOSPITAL DISTRICT
NUMBER 1**
521 ADAMS AVE,
MORTON, WA, 98356

PAYER

**LEWIS COUNTY HOSPITAL DISTRICT
NUMBER 1**
521 ADAMS AVE,
MORTON, WA, 98356

Siemens Medical Solutions USA, Inc. is pleased to submit the following proposal for service and maintenance described herein at the stated prices and terms. Subject to your acceptance of the terms and conditions on the face and general terms and conditions Document hereof.

| Item # | System Name | Functional Location | Service Agreement | Contract Duration | Warranty Period Price | Partial Year Price | Annual Price |
|--------|---------------------|---------------------|--------------------|-------------------|-----------------------|--------------------|--------------|
| 1 | MAGNETOM Free.Max | N/A | Advance Plan Plus | Warranty +5 Years | \$ 0 | \$ 0 | \$ 77,598 |
| 2 | SPECTRIS Solaris EP | N/A | Bayer Full Service | Warranty +5 Years | \$ 0 | \$ 0 | \$ 5,100 |

Terms of payment: Net 30 days from invoice date. Past due payment is subject to 1.5% interest charge per month

INCLUDES:

Parts and/or Labor to the extent shown in Exhibit A. System Updates. Access to Siemens Customer Care Center for technical telephone support (remote diagnostics, if available to the site and the equipment).

EXCLUDES:

Parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock. Specialty components, including, but not limited to: Glassware, Flat Detectors, Consumables, Transducers, MRI coils, SPECT and PET sources (unless purchased as an option). Non-Siemens components and accessories (such as VCR, injector, laser printer, MR surface coils, tables/table tops, chiller, UPS, etc.) unless specifically identified in Exhibit A.

NOTES:**INCLUDES:**

Parts and/or Labor to the extent shown in Exhibit A. System Updates. Access to Siemens Customer Care Center for technical telephone support (remote diagnostics, if available to the site and the equipment).

EXCLUDES:

Parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock. Specialty components, including, but not limited to: Glassware, Flat Detectors, Consumables, Transducers, MRI coils, SPECT and PET sources (unless coverage for one or more of these items is purchased as an option). Non-Siemens components and accessories (such as VCR, injector, laser printer, MR surface coils, tables/table tops, chiller, UPS, etc.) are excluded unless specifically identified in Exhibit A.

NOTES:

The filtered and chilled water supply listed in the specifications is an integral part of the MR Equipment covered by this Agreement and is critical for the proper operation of the Equipment and for minimizing the loss of cryogenics and preventing damage to the MR and its components. Servicing of the chiller, that among other things regulates the quality and temperature of the water supply to the MR, by vendors contracted and certified by Siemens is the recommended path for reducing downtime, potential cryogen losses and damage to the MR and its components. In the event that Customer fails to maintain water quality and cooling parameters as per Equipment specifications, Siemens Healthineers reserves the right on written notice to Customer to: (i) remove helium, CryoCare, and Magnet coverage from the service Agreement or relevant service schedule (with a corresponding reduction in price for the remaining coverage term); or (ii) terminate the Service Agreement and/or relevant service schedule.

Cryogenics lost on the associated MR Equipment and any other damages caused to the MR and any of its components due to issues with chillers not serviced in accordance with Siemens Healthineers specifications or due to other excluded causes (e.g., interruption of power, force majeure occurrences, Customer misuse or negligence, etc.) are not covered under this Agreement and will be replaced and/or repaired at the Customer's sole cost and expense at the current negotiated rate for Siemens Service By Request (Time and Materials) customers.



Customer's Acceptance

Siemens Medical Solutions USA, Inc.

By (sign): _____

By (sign): _____

Name: _____

Name: Mark Belaire

Title: _____

Title: Service Sales Executive

Date: _____

Date: _____

Customer
P.O. # _____

Enter P.O. # for contract billing; if not provided, Siemens will invoice without P.O.

Initialed

Initial if P.O. is required but will be issued prior to warranty expiration

Standing
P.O. # _____

Used for T&M charges outside of the contract

This service agreement proposal is valid for 30 days. Agreement becomes effective upon customer signature and Siemens acceptance. Customer's acceptance acknowledges receipt and agreement to Terms and Conditions set forth on all pages of this proposal.

Exhibit A - Item #1: MAGNETOM Free.Max

| | | |
|--|--|--|
| EQUIPMENT LOCATION LEWIS COUNTY HOSPITAL DISTRICT NUMBER 1 521 ADAMS AVE, MORTON, WA, 98356 | EQUIPMENT QUOTE # CPQ-899489 Rev 2 | SERVICE QUOTE # CPQ-899608 Rev 4 |
| SERVICE AGREEMENT Advance Plan Plus | PAYMENT FREQUENCY Monthly | STANDARD WARRANTY Warranty |
| WARRANTY START Upon Warranty Commencement | WARRANTY END 1 year Duration | WARRANTY PRICE \$ 0 |
| CONTRACT START Upon Warranty Expiration | CONTRACT END 5 years Duration | ANNUAL PRICE \$ 77,598 |

See Glossary pages for detailed descriptions of items listed below:

| Coverage applies during the Contract Period as indicated: | Warranty Period | Contract Period |
|---|----------------------|----------------------|
| Standard PCP Weekdays | 08:00-17:00 | 08:00-17:00 |
| Annual Exam Allowance | Unlimited | 2,000 exams |
| Uptime Guarantee | 97% | 95% |
| On-Site Response Time | Within 4 Hours | Within 8 Hours |
| Parts Order Requirement | Noon | 6 PM |
| Delivery Time | Same Day | Next Business Day |
| Planned Maintenance Labor | Per factory schedule | Per factory schedule |
| Safety Checks | ✓ | ✓ |
| Quality Assurance | ✓ | ✓ |

| Coverage applies during the Contract Period as indicated: | Warranty Period | Contract Period |
|---|-------------------|--|
| Updates | ✓ | ✓ |
| Technical Phone Support | ✓ | ✓ |
| Corrective Maintenance Labor | ✓ | ✓ |
| Remote response Time | Within 30 Minutes | Within 1 Hour |
| Service Parts Coverage | ✓ | ✓ |
| Consumable Coverage | ✓ | ✓ |
| AdvanceNow | ✓ | ✓ |
| Travel | ✓ | ✓ |
| Coil Coverage | Wear/Failure | Wear/Failure/Damage with \$5k Deductible |
| MMA | ✓ | ✓ |
| Cryocare Coverage | ✓ | ✓ |
| External Chiller | Not included | Not included |
| MR Guardian Pro | ✓ | ✓ |
| Phone Application Support | ✓ | ✓ |
| Remote Assist - Application Support | ✓ | ✓ |
| Enhanced Virtual Learning Subscription | N/A | Not included |
| No Accredited Self Studies | N/A | ✓ |
| ACR Support Package (MR) | ✓ | ✓ |
| Smart Remote Services | ✓ | ✓ |
| PEPconnect | ✓ | ✓ |

| Coverage applies during the Contract Period as indicated: | Warranty Period | Contract Period |
|---|-----------------|-----------------|
| 12 Months Warranty added to Standard Warranty | ✓ | ✓ |
| 12 Months Warranty added to Standard Warranty | ✓ | ✓ |

The Options or Alternatives listed below will be included in the warranty or contract as indicated, only if initialed:

| Alt/Opt | Description | Warranty Period | Contract Period | Add to Warranty Price | Add to Contract Annual Price | Initial |
|---------|--------------------------------------|-----------------|-----------------|-----------------------------|------------------------------------|---------|
| Alt | Annual Exam Allowance 3,000 exams | N/A | 3,000 exams | \$ 0 | \$ 2,828 | |
| Alt | Annual Exam Allowance | N/A | Unlimited | \$ 0 | \$ 4,337 | |

Exam definition: An "Exam" is a range of measurements pertaining to a specific clinical question, generally as part of a referral. An Exam includes all series for one specific part of the patient's body.

Calculation of Exams and Overage Fees will be based on a utilization report from teamplay. The unit of measure will be based on the number of patient Exams as set forth in the teamplay utilization report. A 3% allowable Exam overage is permitted before Customer will incur any overage fees, to allow for Exam count differences. Siemens shall invoice Customer at the end of each annual period for any overage Exam fees in accordance with the Exam Rate charge set forth in this Agreement. Payments are due net 30 days from the invoice date. The Equipment must remain connected to the teamplay network for the Contract Duration. Should Customer fail to maintain such connection, other than as a result of a Force Majeure occurrence, at any time during the Contract Duration, [pricing will be increased to Siemens' then-current pricing for unlimited exams.]

Terms:

Allowance Option. If Customer chooses the Allowance Option, then Customer may increase the Exam Allowance threshold to the next higher tier and increase the annual charge by the amount indicated in the Option/Alternative items by notifying Siemens in writing at least thirty (30) days before the start of each annual period. Siemens will then adjust the Annual Agreement Price accordingly. Should Customer elect to increase the Exam Allowance to this Option/Alternative at any time other than the start of a new annual period, the adjustment shall be retroactive to the start of the current annual period, and Siemens shall invoice Customer for the difference in the Annual Agreement Price for the previous months in the current annual period and adjust the Annual Agreement Price for the remaining months in the current annual period. Invoices for retroactive adjustments shall be due net 30 days from the invoice date. The Exam Allowance for a period of less than one year will be calculated by dividing the contracted annual Exam Allowance (e.g., 1800 exams) by 360 days and then multiplying by the number of days from period start date until contract expiration.

Pay Per Exam Option. If Customer chooses the Pay Per Exam option, then Siemens shall calculate the number of Exams performed during each month and shall invoice Customer on a monthly basis in accordance with the price per Exam charge set forth in this Agreement. To allow for Exam count differences, Customer shall not be billed for a 3% overage of the total monthly Exam count as calculated by Siemens. Payments are due net 30 days from the invoice date.

The Annual Exam Period start date will commence following warranty expiration and will run for 365 days. Annual periods will run consecutively.

This pricing is only valid for new service contracts that are signed with the equipment purchase or prior to warranty commencement.

No further Options or Alternatives are included in the above listed equipment.

Exhibit A - Item #2: SPECTRIS Solaris EP

| | | |
|--|--|--|
| EQUIPMENT LOCATION LEWIS COUNTY HOSPITAL DISTRICT NUMBER 1 521 ADAMS AVE, MORTON, WA, 98356 | EQUIPMENT QUOTE # CPQ-899489 Rev 2 | SERVICE QUOTE # CPQ-899608 Rev 4 |
| SERVICE AGREEMENT Bayer Full Service | PAYMENT FREQUENCY Monthly | STANDARD WARRANTY Bayer Warranty |
| WARRANTY START Upon Warranty Commencement | WARRANTY END 1 year Duration | WARRANTY PRICE \$ 0 |
| CONTRACT START Upon Warranty Expiration | CONTRACT END 5 years Duration | ANNUAL PRICE \$ 5,100 |

See Glossary pages for detailed descriptions of items listed below:

| Coverage applies during the Contract Period as indicated: | Warranty Period | Contract Period |
|---|------------------|------------------|
| Standard PCP Weekdays | 08:00-17:00 | 08:00-17:00 |
| Planned Maintenance (1) per year - OEM | N/A | 1 x per year |
| Technical Phone Support (7x24) - OEM | ✓ | ✓ |
| PMs performed during PCP - OEM | N/A | ✓ |
| CM Onsite Resp. Time 24 Hrs - OEM | Within 24 Hours | Within 24 Hours |
| Labor & Travel - OEM | ✓ | ✓ |
| Site visits (during PCP) Unlimited | ✓ | ✓ |
| Remote Support Service During PCP | ✓ | ✓ |
| Emergency Service 8am - 5pm M-F - OEM | Weekdays 8am-5pm | Weekdays 8am-5pm |

| Coverage applies during the Contract Period as indicated: | Warranty Period | Contract Period |
|---|-----------------|-----------------|
| General Spare Parts Coverage - OEM | ✓ | ✓ |
| Software Updates - OEM | ✓ | ✓ |

This pricing is only valid for new service contracts that are signed with the equipment purchase or prior to warranty commencement.

Glossary

| Deliverables | Description |
|--|---|
| 12 Months Warranty added to Standard Warranty | Notwithstanding any contrary provision in the terms and conditions contained herein, the warranty period for the Equipment includes Standard Warranty plus any Additional Warranty plus any Extended Warranty being provided as part of this quotation. Additional Warranty will be provided as an extension of the Standard Warranty. Extended Warranty will be provided in case that Siemens receives from Customer a binding Point of Sale Service Agreement with a binding Purchase Order for the Equipment. If a binding Point of Sale Service Agreement is not received by Siemens at the same time as the binding Purchase Order for the Equipment, or no later than the equipment installation start date, then the Customer will not be entitled to any Extended Warranty, over and above the Standard Warranty plus any Additional Warranty. The Extended Warranty will commence after the warranty end date stated in Exhibit A. |
| ACR Support Package (MR) | This ACR accreditation assistance package includes a remotely executed pre-submission system quality check to evaluate the readiness of one applicable Siemens system to acquire images for ACR accreditation. Supporting deliverables include an accreditation eBook aligned to the applicable Siemens system and Siemens operating system nomenclature, workflow templates and/or phantom acquisition protocols containing imaging acquisition tips relative to the ACR accreditation process. Additionally, unlimited technical and clinical applications phone support pertaining to the system readiness and deliverables described above, performed by the Customer Care Center during normal hours of operation M-F 8-8PM EST during the term of this engagement agreement. Customer is responsible for applying for accreditation, and all tasks and costs related to the application and acquiring the ACR phantom, collecting images, working with and communicating with the ACR. Numerous factors determine whether a site receives ACR accreditation. Therefore, Siemens does not guarantee a site will receive ACR accreditation. |
| AdvanceNow | Customer receives all software upgrades to the main system as they become available, as well as any replacement computing hardware required to assure software performance and compatibility. Updates and upgrades are provided via remote connection if possible. Includes any required applications training for the associated update or upgrade. Exclusions: a) Syngo MultiModality Workplace. b) Scheduled hardware upgrades that were already due prior to the purchase of AdvanceNow. All pending hardware upgrades will need to be purchased separately c) Any software upgrade unable to be installed due to pending hardware upgrade under exclusion b) |
| Annual Exam Allowance | Coverage includes an unlimited number of Patient Exams per year. |
| Annual Exam Allowance 2,000 exams | Coverage includes up to 2,000 patient exams per contract year. MR Patient Exam definition: An "Exam" is a range of measurements pertaining to a specific clinical question, generally as part of a referral. One exam includes all of the studies for a specific part of the body of a given patient in a single session (e.g. a brain and spine scan would constitute two exams). |

| Deliverables | Description |
|--|--|
| Annual Exam Allowance 3,000 exams <i>(Alternative)</i> | Coverage includes up to 3,000 patient exams per contract year. MR Patient Exam definition: An "Exam" is a range of measurements pertaining to a specific clinical question, generally as part of a referral. One exam includes all of the studies for a specific part of the body of a given patient in a single session (e.g. a brain and spine scan would constitute two exams). |
| CM Onsite Resp. Time 24 Hrs - OEM | For non-Siemens OEM systems: Typical on-site CSE arrival within a specific time period (see Exhibit A) after a call for service has been placed with the Siemens Customer Care Center. This on-site response applies in system/room down situations only. Covers the factory repair and replacement of Local Surface Coils, having Siemens part number and serial number, from normal wear and tear. Coils damaged due to "acts of God", abuse, misuse, neglect, or thermal shock will be replaced subject to a \$5,000 deductible per occurrence. Sentinelle Breast coils, if part of the Siemens factory configuration, requires supplement coverage. |
| Coil Coverage | Additional onsite labor to be added for coil status verification if system has limited or no labor coverage. Exclusions: Built-in Gradient and Body Coil; Third Party coils, which are not supplied by Siemens factory i.e. Invivo 4 Channel wrist array, lower extremity, knee array, 7-channel Breast, 4 ch. Small Extremity coil, 8-channel Shoulder, NeoCoil etc.. If a coil needs to be repaired or replaced and is excluded under the Coil Coverage, or if Coil Coverage is not purchased (as designated in Exhibit A) under the Agreement, the cost to repair or replace the coil will be deducted from the parts allowance (if applicable) or billable. |
| Consumable Coverage | Siemens will supply at its own expense, consumables; such as but not limited to, batteries, leads, padding, storage media, cassettes, etc. Full list of consumables covered can be found on teamplay Fleet customer portal: fleet.siemens-healthineers.com Excludes parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock. Excludes specialty components, including, but not limited to: Glassware, Flat Detectors, Transducers, MRI coils, SPECT and PET sources (unless purchased as an option). Excludes non-Siemens components and accessories (such as VCR, injector, laser printer, MR surface coils, tables/table tops, chiller, UPS, etc.) unless specifically identified in Exhibit A. |
| Corrective Maintenance Labor | Unlimited coverage of on-site labor during the Principal Coverage Period indicated. Preferred labor rates for billable service outside of Principal Coverage Period (at current prevailing tiered rates). |
| Cryocare Coverage | Cover parts required for maintenance of the refrigeration system. Includes Helium Compressor, high pressure gas lines and Cold head. Additional Labor block required for service plan with limited or no system labor coverage. Excluded: Labor; Helium, chilled water circuit, Magnet replacement. |
| Delivery Time Next Business Day | Spare parts arrival for on-site repair of room-down/system-down is typically the Next Business Day following the time the parts order is submitted. |

| Deliverables | Description |
|---|--|
| Delivery Time Same Day | Spare parts arrival for on-site repair of room-down/system-down is typically the Same Day following the time the parts order is submitted. |
| Emergency Service 8am - 5pm M-F - OEM | For Bayer injector systems: Guaranteed remote response time for room-down/system-down situation Monday – Friday from 8am – 5pm. |
| Enhanced Virtual Learning Subscription | Excludes the enhanced virtual learning subscription |
| External Chiller | A separate service agreement is required for external chiller purchased through Siemens Healthineers. Without a separate agreement for chiller coverage for the associated MR equipment covered by this Agreement, all repair costs for service and maintenance of the chiller will be the Customer's responsibility, as well as any additional service, maintenance, or cost of cryogen caused by chiller performance issues. |
| General Spare Parts Coverage - OEM | For non-Siemens OEM systems: Covers replacement of standard spare parts. Excludes consumables, bulbs, and UPS batteries, fans, and full capacitor replacement. |
| Labor & Travel - OEM | For non-Siemens OEM systems: Labor and travel during the Principal Coverage Period as indicated. |
| MMA | Maintenance of magnet ancillary components and magnet performance. Covers parts associated with maintaining the magnet and refrigeration components (CryoCare). Covers burst disc, vent kit, valves, MSUP, ERDU, helium compressor, high pressure gas lines and cold head. If the magnet refrigeration system shuts down due to facility services failure or other causes, then additional charges may apply for cryogen refills and any resulting damages caused to system components. In addition, helium refills due to a customer-caused quench will be chargeable. |
| MR Guardian Pro | Remote, proactive monitoring of system performance from the Customer Care Center, for the purpose of resolving abnormalities before malfunctions occur. Includes Real time event monitoring of a system by a Siemens engineer, (M-F 7am-10pm ET) and Performance Report. Customers will be notified of critical events and/or dispatch CSE (based on labor coverage) with action plan for resolution. Events of non-critical nature will be stored for trending purposes enabling predictive analysis for potential future failures. Siemens will respond to trends and schedule service accordingly. |
| No Accredited Self Studies | Excludes accredited self-studies |
| On-Site Response Time Within 4 Hours | If Siemens provides remote diagnostic support that either provides immediate resolution of the service event or renders it unnecessary to send a service engineer on-site, then communication of these steps within the 4 hours guarantee will be sufficient. If Customer refuses remote support or SRS connection is unavailable, the response time guarantee is voided. Siemens guarantees on-site service engineer arrival within 4 hours after an initial remote diagnostic evaluation, for a service event that requires on-site support to complete the evaluation. If remote support identifies required spare parts as a portion of the maintenance and repair, on-site response will be coordinated with the arrival of the required spare parts. On-site response applies in system/room down situations only, as defined in the General Terms and Conditions under Response Time Guarantee. |

| Deliverables | Description |
|---|---|
| On-Site Response Time Within 8 Hours | Siemens guarantees on-site CSE arrival within a specific time period (see Exhibit A) after a call for service has been placed with the Customer Care Center. This on-site response applies in system/room down situations only. (See Response Time Guarantee for additional information.) |
| Parts Order Requirement | Parts order must be placed with Siemens by 6pm (Customer's local time) in order to receive Parts Delivery commitment as specified. |
| PEPconnect | PEPconnect provides easy access education to a wide variety of product-specific clinical topics, general healthcare, professional development, job relevant courses, and performance support activities for customers. PEPconnect groups allow for social learning and sharing best practices connecting beyond our experts to the larger healthcare community. Local language interfaces are based on availability. There is no fee to access PEPconnect. |
| Phone Application Support | Telephone support provided by the Customer Care Center regarding application issues. |
| Planned Maintenance (1) per year - OEM | For non-Siemens OEM systems: Regular scheduled maintenance to optimize system reliability through standardized measures and procedures, in accordance with the manufacturer's recommendations during the PCP. PM parts included. |
| Planned Maintenance Labor | Preventive services carried out in accordance with the Maintenance Plan. This includes: tracking and scheduling of required maintenance tasks; exchange of wear and tear parts according to maintenance plan; care measures; adjustments to factory specifications; verification of specified performance and functionality; documentation and detailed protocol of system condition. |
| PMs performed during PCP - OEM | For non-Siemens OEM systems: Covers Preventative Maintenance performed during Principal Coverage Period. |
| Quality Assurance | Quality Assurance tasks are performed to keep the system within the quality specifications as issued by the Equipment's specifications. This consists of: tracking and scheduling of required quality assurance tasks, check of measuring and image quality parameters; verification of specified quality parameters; adjustments to factory quality specifications; and documentation and detailed quality report of system condition. |
| Remote Assist - Application Support | Remote Assist covers clinical application support for troubleshooting clinical usage issues. Does not include extensive training. You can call the Clinical Applications Support Center and a Siemens Healthineers Clinical Education Specialist will provide you with real-time image quality assessment, protocol optimization, and workflow enhancements. This offering is provided together with the Application hotline. Prerequisites are an SRS connection and the right software version. |
| Remote response Time | The response time indicated on Exhibit A provides preferred call-handling of a service event. This Call-back Response is the telephone response to the Customer by the Customer Care Center personnel or the CSE to provide the status of the service call. |
| Remote Support Service During PCP | For non-Siemens OEM systems: Remote analysis and diagnosis for the system's digital components. Customer must provide and accept requests for remote access. |

| Deliverables | Description |
|---|---|
| Safety Checks | This service consists of tracking and scheduling of required tests, mechanical safety checks (e.g. mechanical movements etc.), electrical safety checks (e.g. leakage currents, insulation etc.), and reporting of findings and results. |
| Service Parts Coverage | Excludes high-vacuum components, consumables, Shock wave components, Specialty Probes, Flat Panel Detectors, MMLC, and Waveguides unless specifically identified in Exhibit A. Excludes non-Siemens Healthineers parts unless specifically identified in the T&C. |
| Site visits (during PCP) Unlimited | For non-Siemens OEM systems: Unlimited site visits during the Principal Coverage Period. |
| Smart Remote Services | Remote services that can be provided, when supported by the respective product and included in your agreement for services <ul style="list-style-type: none"> - Remote diagnosis and repair - Remote Software Updates & Software Upgrades - Remote Application Support - Remote Trainer - Remote Predictive & Proactive Monitoring |
| Software Updates - OEM | For non-Siemens OEM systems: Includes software security updates and performance upgrades as they become available. Such updates will be installed at the time of repair or during preventative maintenance occurring during the purchased plan. |
| Standard PCP Weekdays | Specific 9-hour period during which agreed-upon services are provided, as noted above. |

| Deliverables | Description | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------------|--|------------------------|-------------------------|---------------------|---------------------|-------|-------------------|------------------|--|-------|-------------------|-----|--|--------|-------------------|--------------------|--|----|--------------------|-----------------------|------|-------------|--|--|--|--------|--------------------|-----------------------|-------------------------|----------|--------------------|--------------------|--|--|-----------------------|------------------------|--|--------|-------------------|-----|--|----|--------------------|-------------------|------|-------------|--|--|--|-----|-------------------|--------------------|-----------------------|------|-------------------|--------------------|-----------------------|-----------------|--|-------------------|--------------------|--|---------------|--|--|---------|--|--|--|
| | <p>Access to specialists at the Siemens Customer Care Center for fast diagnosis and technical support is available during Modality Staffed hours (MSH). Technical support resources will be available outside of Staffed Hours on an on-call basis during the On-Call Hours specified by modality for emergency calls only. Telephone response times for technical support cannot be guaranteed outside of Staffed Hours. All modality Staffed Hours are listed below (and can also be found on teamplay Fleet: fleet.siemens-healthineers.com) and are subject to change.</p> <table><thead><tr><th>Modality</th><th>Staffed Hours (MSH)</th><th>On-Call Hours (EST)</th><th>On-Call Hours (EST)</th></tr></thead><tbody><tr><td>AT AX</td><td>7:00a - 7:00p M-F</td><td>24x7 outside MSH</td><td></td></tr><tr><td>AT SU</td><td>8:00a - 6:00p M-F</td><td>N/A</td><td></td></tr><tr><td>AT ECS</td><td>8:00a - 6:00p M-F</td><td>6:00p - 12:00a M-F</td><td></td></tr><tr><td>CT</td><td>7:00a - 12:00a M-F</td><td>7:00a – 5:00p Sat-Sun</td><td>24x7</td></tr><tr><td>outside MSH</td><td></td><td></td><td></td></tr><tr><td>MI PET</td><td>7:00a – 10:00p M-F</td><td>7:00a – 3:00p Sat-Sun</td><td>6:30a – 10:00p Holidays</td></tr><tr><td>MI SPECT</td><td>7:00a - 10:00p M-F</td><td>8:00p - 12:00a M-F</td><td></td></tr><tr><td></td><td>7:00a – 5:00p Sat-Sun</td><td>6:00a –12:00a Holidays</td><td></td></tr><tr><td>MI PCL</td><td>8:00a - 6:00p M-F</td><td>N/A</td><td></td></tr><tr><td>MR</td><td>6:30a - 10:00p M-F</td><td>7:00a – 5:00p Sat</td><td>24x7</td></tr><tr><td>outside MSH</td><td></td><td></td><td></td></tr><tr><td>ULT</td><td>7:30a - 8:00p M-F</td><td>8:00a – 11:00p M-F</td><td>8:00a – 8:00p Sat-Sun</td></tr><tr><td>XPRF</td><td>8:00a - 7:00p M-F</td><td>7:00a – 12:00a M-F</td><td>8:00a – 8:00p Sat-Sun</td></tr><tr><td>XPWH, XPU, XPSU</td><td></td><td>8:00a – 5:30p M-F</td><td>5:30a – 12:00a M-F</td></tr><tr><td></td><td>8:00a – 8:00p</td><td></td><td></td></tr><tr><td>Sat-Sun</td><td></td><td></td><td></td></tr></tbody></table> | Modality | Staffed Hours (MSH) | On-Call Hours (EST) | On-Call Hours (EST) | AT AX | 7:00a - 7:00p M-F | 24x7 outside MSH | | AT SU | 8:00a - 6:00p M-F | N/A | | AT ECS | 8:00a - 6:00p M-F | 6:00p - 12:00a M-F | | CT | 7:00a - 12:00a M-F | 7:00a – 5:00p Sat-Sun | 24x7 | outside MSH | | | | MI PET | 7:00a – 10:00p M-F | 7:00a – 3:00p Sat-Sun | 6:30a – 10:00p Holidays | MI SPECT | 7:00a - 10:00p M-F | 8:00p - 12:00a M-F | | | 7:00a – 5:00p Sat-Sun | 6:00a –12:00a Holidays | | MI PCL | 8:00a - 6:00p M-F | N/A | | MR | 6:30a - 10:00p M-F | 7:00a – 5:00p Sat | 24x7 | outside MSH | | | | ULT | 7:30a - 8:00p M-F | 8:00a – 11:00p M-F | 8:00a – 8:00p Sat-Sun | XPRF | 8:00a - 7:00p M-F | 7:00a – 12:00a M-F | 8:00a – 8:00p Sat-Sun | XPWH, XPU, XPSU | | 8:00a – 5:30p M-F | 5:30a – 12:00a M-F | | 8:00a – 8:00p | | | Sat-Sun | | | |
| Modality | Staffed Hours (MSH) | On-Call Hours (EST) | On-Call Hours (EST) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AT AX | 7:00a - 7:00p M-F | 24x7 outside MSH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AT SU | 8:00a - 6:00p M-F | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AT ECS | 8:00a - 6:00p M-F | 6:00p - 12:00a M-F | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CT | 7:00a - 12:00a M-F | 7:00a – 5:00p Sat-Sun | 24x7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| outside MSH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MI PET | 7:00a – 10:00p M-F | 7:00a – 3:00p Sat-Sun | 6:30a – 10:00p Holidays | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MI SPECT | 7:00a - 10:00p M-F | 8:00p - 12:00a M-F | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7:00a – 5:00p Sat-Sun | 6:00a –12:00a Holidays | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MI PCL | 8:00a - 6:00p M-F | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MR | 6:30a - 10:00p M-F | 7:00a – 5:00p Sat | 24x7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| outside MSH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ULT | 7:30a - 8:00p M-F | 8:00a – 11:00p M-F | 8:00a – 8:00p Sat-Sun | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XPRF | 8:00a - 7:00p M-F | 7:00a – 12:00a M-F | 8:00a – 8:00p Sat-Sun | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XPWH, XPU, XPSU | | 8:00a – 5:30p M-F | 5:30a – 12:00a M-F | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 8:00a – 8:00p | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sat-Sun | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Technical Phone Support | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Technical Phone Support (7x24) - OEM | <p>For non-Siemens OEM systems: Access to technical specialists for fast diagnosis and technical support 24 hours a day, 7 days a week.</p> <p>Includes travel time for Customer Service Engineer to and from Customer's site. Subject to change to reflect currently prevailing rates, if occurring outside of the Principal Coverage Period indicated.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Travel | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>The delivery of hardware and software updates to enhance the safety and performance of the Equipment as recommended and issued by Siemens Healthineers:</p> <ul style="list-style-type: none">- Continuous system monitoring if updates are required- Delivery of safety updates- Delivery of recommended updates- Documentation and detailed reporting of updating procedure | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Updates | <p>Dependent on the respective Siemens Healthineers’ specifications, software updates are performed either on-site by a Siemens Healthineers Certified Engineer or remotely (see Siemens Healthineers Remote Service) upon receipt of the Customer’s approval.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Deliverables | Description |
|-------------------------|---|
| Uptime Guarantee | Siemens guarantees that the Equipment will function at the minimum Uptime Performance level as specified on Exhibit A. System availability is calculated over a 12-month period, calculated over the Principal Coverage Period. Siemens Remote Services (SRS) connection via VPN broadband is required. (See System Performance Guarantee for further details.) |

Siemens Medical Solutions USA, Inc. General Terms and Conditions

1. Scope

For the term set forth on the first page hereof under the heading "Contract Duration", Siemens will provide (i) remedial maintenance service on the equipment described on the preceding pages hereof (the "Equipment") when requested by the Customer, as well as planned maintenance inspections, when scheduled, as further described in the Glossary section attached hereto, in order to keep the Equipment operating in accordance with the manufacturer's specifications, and (ii) any training courses and/or other educational offerings described in Exhibit A and the Glossary. Siemens will make every effort to respond to service calls at a mutually agreed upon arrival time consistent with the provisions cited in Section 2. In connection with the provision of Equipment maintenance services, Siemens may take photographs or other images of the Equipment or components thereof in order to expedite the completion of repairs, provided that any such photographs shall not include any patients, employees or agents of the Customer and further provided that such photographs and images will only be used in order for Siemens to carry out its duties and responsibilities hereunder. In the event that (i) the term of this Agreement does not include the Equipment warranty period (as indicated on the first page hereof under the heading "Contract Duration"), or (ii) the term of this Agreement does not commence immediately upon the expiration of the Siemens warranty, or (iii) the Equipment was serviced prior to commencement of the term by anyone other than Siemens or an authorized Siemens dealer or service provider, or (iv) the Equipment was moved from its original location or is not connected to its original power supply (other than portable or mobile Equipment), then the Equipment is subject to inspection by Siemens to determine if it is in good operating condition prior to the commencement of services under this Agreement. Any inspection as well as any repairs or adjustments deemed necessary by Siemens during such inspection shall be made at Siemens' per-call rates and terms then in effect and shall include charges for parts, with all such repairs or adjustments to be completed prior to the commencement of service under this Agreement. If this Agreement includes any training courses or other educational offerings, such training courses or other

offerings may consist of on-site training or consultation at the Customer site, a Siemens training facility or via conference call or net meeting, self-study or computer based training, or other arrangements, as further described in Exhibit A and the Glossary. In some cases, tuition charges will cover travel and lodging for off-site training, and in other cases Customer will be responsible for all travel and lodging costs. Details of the training are provided on Exhibit A and the Glossary.

2. Principal Coverage Period (PCP)

Service and maintenance will be provided during the principal coverage period ("PCP") as defined on Exhibit A, excluding the following holidays: New Years Day, Memorial Day (observed), Independence Day, Labor Day, Thanksgiving Day, Christmas Day. If one of the foregoing holidays falls on a Saturday, then the holiday will be observed on the previous Friday, and if the holiday falls on a Sunday, the holiday will be observed on the following Monday. Unless an extended hours coverage option has been selected, labor and travel required outside the PCP will be charged at Siemens' per-call rates and terms then in effect.

3. Replacement Parts

Siemens will supply at its own expense, necessary parts, except as indicated in the Glossary section, provided replacement of the parts is required because of normal wear and tear or otherwise deemed necessary by Siemens and further provided that the Siemens-manufactured parts are available from the factory. All Parts will be new, standard parts, or used, reworked or refurbished parts that comply with applicable performance and reliability specifications. Exchange parts removed from the Equipment shall become the property of Siemens unless such exchange parts constitute "hazardous wastes", "hazardous substances", "special wastes" or other similar materials, as such terms are defined by any federal, state or local laws, rules or regulations, in which case, at the option of Siemens, the exchange parts shall remain the property of the Customer and shall be disposed of by the Customer in strict compliance with all applicable laws, rules and regulations.

4. Planned Maintenance (PM)

Planned maintenance will be carried out according to the manufacturer's recommended schedule. Planned maintenance generally includes checking mechanical and electrical safety, lubrication, functional testing and adjusting for optimum performance as specified in the detailed planned maintenance work plan.

5. Software Maintenance

Whenever the Equipment covered by this Agreement utilizes Siemens' operating system software, Siemens will provide all maintenance and commercially available updates for such operating system software as part of this Agreement. Such updates will solely enhance previously purchased capacities of the Equipment. Operating system software upgrades that provide new features or capabilities or that require hardware changes will be offered to Customer when commercially available and at purchase prices established by Siemens. In addition, some upgrades may require applications training performed by Siemens' personnel that will be offered at Siemens' rates and terms then in effect. Siemens retains the sole right to determine whether an upgrade requires such training. Nothing in this Agreement shall in any way grant to Customer any right to or license in any diagnostic service software utilized by Siemens in servicing the Equipment. Such service software is and remains the property of Siemens and is available to Customer pursuant to the terms and conditions of a separate diagnostic materials license agreement, which may require payment of a license fee. This service software shall be disabled by Siemens upon cancellation or termination of this Agreement.

6. Equipment; Location; Remote Access

The Equipment covered under this Agreement is limited to the Siemens furnished Equipment described on the face sheet(s). The Equipment shall not be moved to another location unless Customer obtains the prior written consent of Siemens, subject to the following exceptions (i) portable Equipment (e.g., Ultrasound equipment, but not including any equipment that is housed in a mobile vehicle, van or trailer) may be moved to other locations within the same facility, so long as the Customer informs

Siemens of the location of the Equipment when Siemens is scheduled to provide on-site service; (ii) if Equipment is located in a trailer, van or other form of mobile vehicle, the Equipment may be moved from the Equipment Location identified on Exhibit A, provided, however, that Siemens shall not be required to service such Equipment, and the Response Time and Uptime Performance Guarantees (if any) or Availability Commitment (if applicable) shall not apply, if either (a) the Customer does not notify Siemens at least one (1) month in advance of the Equipment's mobile route, or (b) the Equipment is moved more than 25 miles from the original Equipment Location; and (iii) if fixed Equipment is moved to any other location within the Customer's facility, then either (a) the Customer will engage Siemens to relocate the Equipment, at Siemens' then current rates and charges, or (b) if Siemens does not perform the services necessary to relocate the Equipment, then Siemens may suspend services with respect to such Equipment until Siemens performs an inspection of the Equipment, at the Customer's cost, to determine if any repairs are necessitated as a result of any such relocation (in which case the Customer shall be separately charged for such repairs, including parts and labor, at Siemens' rates and charges then in effect). Siemens service personnel will be given full and free access to the Equipment to perform inspections and service/maintenance on the Customer's premises, and will make specific appointments for such maintenance. If the Equipment is not made available at the appointed time, waiting time beyond a reasonable allowance will be charged at Siemens' per-call rates and terms then in effect. Customer shall provide Siemens with both on-site and remote access to the Equipment. The remote access shall be provided through the Customer network as is reasonably necessary for Siemens to provide services under this Agreement. Remote access will be established through a broadband internet based connection to either a Customer owned or Siemens provided secure end-point. The method of connection will be a Peer-to-Peer VPN IPsec tunnel (non-client based) with specific inbound and outbound port requirements. In the event the Customer fails to provide or maintain the remote access connection for any Proactive Service Agreement (e.g., Pinnacle, Select, Essential, as identified in Exhibit A), or any Signature, Benchmark, or Balance Service Agreement with a volume-based deliverable as defined in Exhibit A, then Siemens shall have the option to terminate this Agreement. In addition, in accordance with

the terms of Section 22 hereof, any Uptime Performance Guarantee or Availability Commitment (if applicable) shall be void if the remote access connection is not provided and available 24 hours per day, 7 days a week.

7. Agreement Term; Price; Payment Terms

This Agreement shall be in effect for the period stated on the first page of this Agreement. For the basic services to be provided by Siemens under the terms of this Agreement, Siemens shall send invoices to the Customer and payments shall be made in advance based on the payment frequency shown in Exhibit A under "Payment Frequency". Invoices for all amounts due under this Agreement shall be sent to the Customer by regular U.S. mail, postage prepaid, at the address set forth on the first page hereof under "Bill To". After the first year of the term of the Equipment coverage period set forth in the Agreement, Siemens may increase the Annual Agreement Price no more than once every twelve (12) months based upon the percentage increase in the Consumer Price Index for All Urban Consumers, U.S. City Average, All Items ("CPI"), as published by the United States Department of Labor, Bureau of Labor Statistics. The percentage increase in the CPI shall be measured over the period since the commencement of the Agreement (in the case of the first price increase) or since the effective date of the last price increase (in the case of any subsequent price increases). Siemens shall provide the Customer with no less than thirty (30) days written notice of any price increase. All payments to be made by Customer under this Agreement are due net thirty (30) days from the invoice date. Past due payments shall bear interest at the rate of 1½% per month.

8. Causes for Exclusion/Separate Charges

This Agreement specifically excludes labor, parts and expenses necessary to repair Equipment:

- damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence as described in Section 17 hereof, or by the Customer's failure to operate the Equipment in accordance with the manufacturer's instructions or to maintain the recommended operating environment and line conditions;

- defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Equipment by the Customer or any third party or due to the attachment and/or use of non-Siemens supplied parts, equipment or software without Siemens' prior written approval (and if the Customer or a third party modifies the Equipment, then Siemens may remove such Equipment from coverage under this Agreement unless the Customer restores the Equipment to the manufacturer's published specifications);
- defective due to any repair or service of the Equipment by the Customer or any third party prior to the commencement of the term of this Agreement;
- which failed due to causes from within non-Siemens supplied equipment, parts or software including, but not limited to, problems with the Customer's network;
- which is worn out and cannot be reasonably repaired due to the unavailability of spare parts from the original equipment manufacturer; or
- which is a transducer or probe and which is damaged or defective, or which failed, due to any of the foregoing causes or due to improper cleaning, disinfecting or TEE bite marks.

If Siemens is called upon to service or repair Equipment which falls under this Section 8, a separate invoice will be issued for labor, parts and expenses at Siemens' rates and terms then in effect. This Agreement does not entitle the Customer to services related to information technology, patient and imaging workflow design and analysis, or problem diagnosis. Siemens' responsibility under this Agreement does not extend beyond the outbound or inbound sockets of the Equipment. In addition, changes, adjustments, additions or repairs required to or with respect to the Equipment resulting from issues, matters, items or concerns that are the responsibility of the Customer, such as changes related to Customer's network infrastructure, are not covered by this Agreement. This may include, but is not limited to, network IP address changes. Although the Equipment may have limited short term storage capacity, the storage of images, both patient and QA images, is the responsibility of the Customer. If Siemens offers a Network Assistance option for the Equipment and the Customer purchases this option as indicated on Exhibit A, then Siemens shall assist the Customer in its efforts to identify the cause of any network or connectivity problems which may affect the operation of the Equipment; provided, however, that the

price for this option does not include the cost of any repairs (labor, parts, etc.) to remedy such problems, which shall be the sole responsibility of the Customer. If the Customer does not purchase this option, or if this option is not offered by Siemens, then any assistance provided by Siemens to the Customer with respect to any network or connectivity issues shall require a P.O. from the Customer and shall be separately billed to the Customer at Siemens' then current rates and charges.

9. Default

Customer shall be in default under this Agreement upon: (i) a failure by Customer to make any payment due Siemens within ten (10) days of receipt of notice from Siemens that the payment was not made within the applicable payment period; (ii) a failure by Customer to perform any other obligation under this Agreement within thirty (30) days of receipt of notice from Siemens; (iii) a failure to grant Siemens access to the Equipment as set forth in Section 6 of this Agreement; (iv) a default by Customer or any affiliate of the Customer under any other obligation to or agreement with Siemens, Siemens Financial Services, Inc. or Siemens Medical Solutions Health Services Corporation, or any assignee of the foregoing (including but not limited to, a promissory note, lease, rental agreement, license agreement or purchase contract); or (v) the commencement of any insolvency, bankruptcy or similar proceedings by or against the Customer (including any assignment by Customer for the benefit of creditors). Upon the occurrence of any event of default hereunder, Siemens may, in addition to any and all other remedies available under law, elect to: (i) immediately cease providing services under this Agreement and any and all other agreements between the parties, or suspend any training courses or educational offerings provided under this Agreement, until the default is cured or corrected, (ii) terminate this Agreement, in which case Customer shall pay to Siemens (a) all amounts due under this Agreement through the effective date of termination, (b) as liquidated damages and not as a penalty, an amount equal to 25% of the remaining payments due under this Agreement from the date of termination through the scheduled expiration of the term of this Agreement, and (c) all costs and expenses of collection, including without limitation reasonable attorneys' fees and court costs incurred by Siemens as a result of the Customer's default, and/or (iii) commence

collection actions (including court actions) for all sums due under this Agreement. All rights and remedies available to Siemens hereunder, by law or equity, shall be cumulative and there shall be no obligation for Siemens to exercise a particular remedy. In the event that Customer cures all defaults hereunder, then prior to resumption of the Equipment maintenance services under this Agreement, Siemens may inspect the Equipment to determine if it is in good operating condition. Such inspection shall be charged to the Customer at Siemens' per-call rates and terms then in effect. Any repairs or adjustments which Siemens determines are required due to (i) the use of any non-Siemens parts, (ii) the repair or service of the Equipment by the Customer or any third party during the suspension of services by Siemens, or (iii) any of the exclusions from coverage set forth in Section 8 of this Agreement, shall be charged to the Customer at Siemens' rates and terms then in effect and shall include charges for parts, with all such repairs or adjustments to be completed prior to the resumption of service under this Agreement.

10. Limitation of Liability

Siemens' entire liability and Customer's exclusive remedy for any direct damages incurred by the Customer from any cause whatsoever, and regardless of the form of action, whether liability in contract or in tort, arising under this Agreement or related hereto, shall not exceed, as applicable: (i) an amount equal to the Annual Agreement Price (in effect when the cause of action arose) for the specific item of Equipment under this Agreement that caused the damage or is the subject matter of, or is directly related to, the cause of action, or (ii) the amount paid by Customer to Siemens under this Agreement for the particular training course or educational offering that is the subject matter of the claim. The foregoing limitation of liability shall not apply to claims by Customer or third parties for bodily injury or damage to real property or tangible personal property (including damage to the Equipment covered by this Agreement) caused solely and directly by the gross negligence or willful misconduct of Siemens. In addition, Siemens shall have no liability hereunder to Customer to the extent that Customer's or any third party's acts or omissions contributed in any way to any loss it sustained or to the extent that the loss or damage is due to a force majeure occurrence as described in Section 17 hereof or any other cause beyond the

reasonable control of Siemens. THIS IS A SERVICE AGREEMENT. WITHOUT LIMITING THE LIMITATION OF LIABILITY SET FORTH IN THE PRECEDING PARAGRAPH, SIEMENS EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL SIEMENS BE LIABLE FOR ANY LOST PROFITS, LOST SAVINGS, LOST REVENUES, LOSS OF USE OR DOWNTIME (EXCEPT AS OTHERWISE PROVIDED HEREIN), LOST DATA, OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF SIEMENS HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE USE OR PERFORMANCE OF THE EQUIPMENT.

11. Notices

Except for the issuance of invoices as set forth in Section 7 hereof, all notices required to be provided hereunder shall be in writing and shall be sent by overnight delivery via a nationally recognized delivery service or by certified or registered mail, postage prepaid, to Siemens at the address set forth on the first page of this Agreement and to the Customer at the address set forth under "Bill To" on the first page of this Agreement. Notice given in compliance with this Section 11 shall be sufficient for all purposes under this Agreement, and such notice shall be effective when sent. Either party may change its notice address only if notification is sent in writing pursuant to this Section 11.

12. Governing Law; Waiver of Jury Trial

This Agreement shall be governed by the laws of the Commonwealth of PA. TO THE EXTENT NOT PROHIBITED BY LAW, THE PARTIES WAIVE ALL RIGHTS TO A JURY TRIAL IN ANY LITIGATION ARISING FROM OR RELATED IN ANY WAY TO THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREBY.

13. Government Access Clause

Until the expiration of four (4) years after the furnishing of any services under this Agreement, Siemens shall make available upon written request of the Secretary of the Department of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, this Agreement and the books, documents and records of Siemens which are necessary to certify the nature and extent of costs incurred under this Agreement. If Siemens carries out any of the duties of this Agreement through a subcontract with a value of \$10,000 or more over a 12 month period with a related organization, such subcontract shall include a clause to the effect that until the expiration of four (4) years after the furnishing of any services under the subcontract, the related organization shall make available upon written request of the Secretary of the Department of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, the subcontract and the books, documents and records of the related organization that are necessary to certify the nature and extent of costs incurred under that subcontract. This provision shall apply if and solely to the extent that Section 1861 (v) (1) (I) of the Social Security Act applies to this Agreement.

14. Damages, Costs, And Fees

In the event that any dispute or difference is brought arising from or relating to this Agreement or the breach, termination, or validity thereof, the prevailing party shall not be entitled to recover from the other party punitive damages. The prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees and collection agency fees incurred, together with such other expenses, costs and disbursements as may be allowed by law.

15. Severability; Headings

No provision of this Agreement which may be deemed invalid, illegal or unenforceable will in any way invalidate any other portion or provision of this Agreement. Paragraph headings are for convenience only and will have no substantive effect.

16. Waiver

No failure, and no delay in exercising, on the part of any party, any right under this Agreement will operate as a

waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

17. Force Majeure

Siemens will not be liable to Customer for any failure to fulfill its obligations under this Agreement due to causes beyond its reasonable control and without its fault or negligence including, but not limited to, governmental laws and regulations, acts of God or the public, war or other violence, civil commotion, blockades, embargoes, calamities, floods, fires, earthquakes, explosions, accidents, storms, strikes, lockouts, work stoppages, labor disputes, or unavailability of labor, raw materials, power or supplies. In addition, in the event of any determination pursuant to the provisions of a collective bargaining agreement between the Customer and any labor union representing any employees of the Customer preventing or hindering the performance of any of the obligations of Siemens under this Agreement, or determining that the performance of any such obligations violates provisions of that collective bargaining agreement, or in the event a trade union, or unions, representing any of the employees of the Customer otherwise prevents Siemens from performing any such obligations, then Siemens shall be excused from the performance of such obligations unless the Customer makes all required arrangements with the trade union, or unions, to permit Siemens to perform the work. The Customer shall pay any additional costs incurred by Siemens that are related to any labor dispute(s) that involve the Customer.

18. Confidentiality

Siemens and the Customer shall maintain the confidentiality of any information provided or disclosed to the other party, its employees or agents (a "receiving party") relating to the business, customers and/or patients of the disclosing party, including but not limited to know-how, technical data, processes, software, techniques, developments, inventions, research products and plans for future developments, proprietary matters of a business or technical nature, as well as this Agreement and its terms (including the pricing and other financial terms under which the Customer will be obtaining the services hereunder). Confidential Information shall also include all written materials (including correspondence, memoranda, manuals, training materials, notes and

notebooks) and all computer software, models, mechanisms, devices, drawings or plans which may be disclosed or made available embodying Confidential Information. All Confidential Information shall be and remain the sole and exclusive property of the disclosing party. Each party shall use reasonable care to protect the confidentiality of the information disclosed, but no less than the degree of care it would use to protect its own confidential information, and shall only disclose the other party's confidential information to its employees and agents having a need to know this information. Confidential Information shall not include any information or data which (i) is or becomes public knowledge (through no fault of the receiving party or any of its employees or agents), (ii) is made available to the receiving party by an independent third party without any obligation of confidentiality, (iii) is already in the receiving party's possession at the time of receipt from the disclosing party (as such prior possession can be properly demonstrated by it), or (iv) is required by law to be disclosed, provided that the receiving party gives the disclosing party advance notice of the requirement for disclosure so that the disclosing party can take whatever action it deems necessary to protect the disclosure of its Confidential Information. In addition, this confidentiality provision shall not apply to any action brought by either party to enforce the terms of this Agreement against the other party. Any unauthorized use, disclosure or misappropriation of any Confidential Information by the receiving party in violation the foregoing may result in irreparable and continuing damage to the disclosing party; in the event of such breach, the disclosing party shall be entitled to obtain immediate injunctive relief and any other relief or remedies to which it may be entitled. The receiving party waives any requirement that the disclosing party post a bond or other security in connection with any petition filed by the disclosing party for injunctive relief. In the event that a court of competent jurisdiction determines that the receiving party has breached this provision, then the receiving party shall reimburse the disclosing party for the costs of any court proceedings and all reasonable attorneys' fees.

19. End of Support Announcement

Notwithstanding anything to the contrary contained herein, in the event that Siemens makes a general announcement that it will no longer offer service

agreements for an item of Equipment or components thereof, or provide a particular service agreement option or feature, whether due to the unavailability of spare parts or otherwise (an "EOS Announcement"), then upon no less than twelve (12) months prior written notice to the Customer, Siemens may remove any affected Equipment, components, options or features from coverage under this Agreement, with a corresponding adjustment of the Annual Agreement Price. In addition, at the end of this twelve (12) month period, the Customer may either remove the affected Equipment components, options or features from coverage under this Agreement or request that Siemens provide service or parts on a time and materials basis only, at Siemens' rates and terms then in effect, for any Equipment, components, options or features subject to an EOS Announcement.

20. Removal of Equipment from Coverage

The Customer may remove Equipment from coverage under this Agreement at any time upon no less than thirty (30) days prior written notice to Siemens if the use of the Equipment is permanently discontinued and the Equipment is removed from service. There is no fee for this cancellation. Prorated credit will be issued for any advance payments made by the Customer for the period after the effective date of removal (based on the notice requirement). In addition, if the Customer sells or otherwise transfers any of the Equipment to a third party and the Equipment remains installed and in use at the same location, but such third party does not assume the obligations of the Customer under this Agreement or enter into a new service agreement with Siemens with a term at least equal to the unexpired term of this Agreement, then the Customer may terminate this Agreement with respect to such Equipment upon no less than thirty (30) days prior written notice to Siemens, in which case the Customer shall pay to Siemens (i) all amounts due under this Agreement through the effective date of termination (based on the notice requirement) and (ii) as liquidated damages and not as a penalty, an amount equal to 25% of the remaining payments due under this Agreement for such Equipment from the date of termination through the scheduled expiration of the term of this Agreement.

21. HIPAA

To the extent required by the provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and any regulations promulgated thereunder, Siemens does hereby assure Customer that it will appropriately safeguard Protected Health Information (as defined under HIPAA) made available to or obtained by Siemens pursuant to this Agreement or any Service Schedule ("PHI"). Without limiting the obligations of Siemens otherwise set forth in this Agreement or imposed by applicable law, Siemens agrees to comply with applicable requirements of law relating to PHI and with respect to any task or other activity Siemens performs on behalf of Customer. Specifically, Siemens shall: (a) not use or disclose PHI other than as permitted or required by this Agreement or as required by law, and limit any use or disclosure of PHI to a limited data set or the minimum necessary to accomplish the intended purpose of such use or disclosure; (b) implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of any electronic PHI that it creates, receives, maintains or transmits on behalf of the Customer, and comply, where applicable, with the HIPAA Security Rule with respect to such electronic PHI, and otherwise use appropriate safeguards to prevent use or disclosure of PHI, other than as provided for by this Agreement; (c) report to Customer any use or disclosure of PHI not provided for by this Agreement, and report any security incident, of which Siemens becomes aware; (d) in accordance with applicable HIPAA and HITECH requirements, ensure that any subcontractors or agents to whom Siemens provides PHI received from, or created or received by Siemens on behalf of, Customer agree to essentially the same restrictions and conditions that apply to Siemens with respect to PHI and implement reasonable and appropriate safeguards with respect to PHI; (e) upon Customer's written request, make PHI available to the Customer as necessary for Customer to respond to individuals' requests for access to PHI about them, provided that the PHI in Siemens' possession constitutes a Designated Record Set and Siemens has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer; (f) upon Customer's written request, make PHI available to Customer for amendment and incorporate any amendments to the PHI in accordance with applicable law, provided that the PHI in Siemens' possession constitutes

a Designated Record Set and Siemens has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer; (g) make available to Customer the information in its possession required to provide an accounting of disclosures of PHI as required by applicable law; (h) mitigate, to the extent practicable, any harmful effect that is known to Siemens of a use or disclosure of PHI by Siemens in violation of the requirements of this Agreement or of law; (i) provide notice of a breach of unsecured PHI to Customer without unreasonable delay, and in no case later than thirty (30) days after discovery of a breach. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by Siemens to have been, accessed, acquired, used, or disclosed. Siemens shall provide Customer with any other available information that Customer is required to include in notification to the Individual under applicable law; (j) make Siemens' internal practices, books, and records relating to the use and disclosure of PHI received from Customer available to the Secretary of the United States Health & Human Services for purposes of determining Customer's compliance with applicable law; and (k) upon expiration or termination of this Agreement, return to Customer or destroy all PHI in its possession as a result of this Agreement and retain no copies of PHI, if it is feasible to do so. If return or destruction is not feasible, Siemens agrees to extend all protections contained in this Agreement to Siemens' use and/or disclosure of any retained PHI, and to limit further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible. Siemens may use and disclose PHI as necessary for Siemens to perform its obligations hereunder, and may (i) use the PHI for its proper management and administration and to carry out its legal responsibilities, (ii) disclose the PHI to a third party for Siemens' proper management and administration or to carry out Siemens' legal responsibilities, provided that the disclosures are required by law or Siemens obtains reasonable assurances from the third party regarding the confidential handling of such PHI as required under HIPAA and/or HITECH, and the third party agrees to notify Siemens of any instances in which the confidentiality of the information has been breached, (iii) provide data aggregation services related to the healthcare operations of Customer, and (iv) de-identify the PHI, and use such de-identified data, in accordance with the de-identification requirements under HIPAA. Siemens agrees that it will

negotiate in good faith an amendment to this Agreement if, and to the extent required by, the provisions of HIPAA and regulations promulgated thereunder, in order to assure that this Agreement is consistent therewith.

22. Uptime Performance Guarantee [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

For any Equipment that includes an Uptime Guarantee as specified in Exhibit A, Siemens guarantees that the Equipment will function at the minimum Uptime Performance (defined below) level set forth in Exhibit A (computed as described below). "Uptime Performance" is defined as the capability of the Equipment to be utilized to treat or diagnose patients. The Equipment will be considered to be operational (i.e., it will not be considered to be "down"): (a) unless it cannot be utilized to treat or diagnose patients (room down); (b) if Siemens is prepared to perform maintenance services to make the Equipment operational but such service is refused by the Customer or is deferred by the Customer until a later time or date; (c) if the Equipment is not otherwise made available to Siemens' service engineers; (d) if the Equipment is down is due to, associated with, or caused by (i) misuse, negligence, or operator error, (ii) inadequate environmental conditions (not conforming with the environmental specifications provided by Siemens), including temperature and humidity, line power exceeding Siemens' requirements of voltage, frequency, impulses or transients, (iii) any of the exclusions set forth in Section 8 hereof, or (iv) acts of God or other force majeure events described in Section 17 hereof; or (e) during periods in which Siemens is performing scheduled or planned maintenance, changing high-vacuum components, and installing updates and/or upgrades. If the Equipment is not operational, then the Customer must immediately notify the Siemens Customer Care Center (24-hour Service Call Dispatch Center). Downtime will not commence until such notification is given to Siemens. For purposes of calculating the Uptime Performance level percentage, such computation shall be made over the PCP, to include any extended coverage hours as indicated on Exhibit A. The Equipment's Uptime Performance shall be calculated to comply with the above guidelines on an annual basis. If the Equipment's Uptime Performance level is found to be less than the guaranteed percentage, as computed in accordance with the above guidelines, Siemens will extend the term of this Agreement by seven

(7) calendar days (30 calendar days for Oncology Care Systems) for every percentage point (rounded to the nearest percent) below the guaranteed percentage. These days will be added at the end of the term of this Agreement. For example, if the guaranteed percentage is 97%, then 96% Uptime Performance would result in an extension of seven (7) calendar days and 95% Uptime Performance would result in an extension of fourteen (14) calendar days. The foregoing states Siemens' entire obligation and liability, and the Customer's sole remedy, for Siemens' failure to meet the Uptime Performance Guarantee. In order for the Uptime Performance Guarantee to be effective, the Customer must place all calls for service through the Siemens Customer Care Center and must accept all Technical Assistance that is offered by Siemens, including, but not limited to, telephone support and remote diagnostics. For any period of time that the Customer does not seek and accept Technical Assistance from Siemens, then the Equipment shall be considered to be operational. The Customer agrees to allow connection to Smart Remote Service diagnostic equipment, where available, for the Equipment covered by this Agreement. Smart Remote Service (SRS) is required for SRS-capable systems. The Uptime Performance Guarantee shall be void if the SRS connection is not provided and available 24 hours per day, 7 days a week.

23. Response Time Guarantee [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

Siemens guarantees that it shall meet any on-site response time as specified in Exhibit A for system "down" situations. Response time is measured from the time that the Customer notifies the Siemens Customer Care Center that a system is down. The response time only applies during the PCP, to include any extended coverage hours (if selected by the Customer), as indicated on Exhibit A. For example, a request for on-site service made at noon on a Monday (where the PCP is 8:00 a.m. through 5:00 p.m., Mondays through Fridays) will have a guaranteed arrival time of 4:00 p.m. on the same day for customers with a four (4) hour response time and a guaranteed arrival time of 11:00 a.m. on the next day for customers with an eight (8) hour response time guarantee. A request for on-site service made at 9:00 a.m. on a Saturday will have a guaranteed arrival time of noon on the next Monday for customers with a four (4) hour response time

and 4:00 p.m. on that Monday for customers with an eight (8) hour response time guarantee. If a request for on-site service is made outside the PCP (to include extended coverage hours, if selected by the Customer), Siemens will use its best efforts to have a CSE on-site as soon as possible. If Siemens responds to a request for on-site service during the PCP but its work to repair or service the Equipment continues after the expiration of the PCP (to include any extended coverage hours, if applicable), then any work outside the PCP will be billed to the Customer, unless any optional Continuous Effort coverage that is available for the Equipment has been purchased as part of this Agreement. Continuous Effort coverage ensures that in room/system down situations, work will continue past the contracted PCP (including any extended coverage hours, if applicable, and/or core modality specific hours, as defined in the Glossary, if applicable) at no additional charge until the system is repaired or 1:00 a.m., whichever comes first, as long as the CSE has been on-site for one hour or more before the end of the contracted PCP (including any extended coverage hours and/or core modality specific hours, if applicable). The remedy provided by Siemens for its failure to meet the on-site response time guarantee is as follows: for each one (1) hour or portion thereof that Siemens fails to meet the on-site response time guarantee, the Customer will receive one (1) free hour of overtime after the PCP for that service event. The foregoing states Siemens' entire obligation and liability, and the Customer's sole remedy, for Siemens' failure to meet the Response Time Guarantee.

24. Tool and Test Access [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

Siemens agrees to rent to the Customer, certain tools and test equipment as determined by Siemens ("Tools") to enable Customer to service the Equipment during the Contract Duration on the terms set forth herein. Siemens shall provide Tools after verifying to its sole satisfaction that Customer's In-House Biomedical Engineers are properly trained on the Equipment and Tools. Siemens shall notify Customer of the rental fee for the Tools at the time of the order. Customer will be charged the rental fee after shipment of the Tools to Customer. Customer agrees to pay full list price of Tools (less rental fees paid) if Customer fails to return the Tools as required herein. Customer may use the Tools for up to two (2) weeks ("Rental Period") from the date of receipt of the Tools.

Customer may, with Siemens' consent, extend the Rental Period for an additional rental fee. Customer must return the Tools within five (5) business days of the conclusion of the Rental Period ("Return Period"). If the Tools are not received by Siemens before the conclusion of the Return Period, Customer will be charged the then-current list price for the Tools. Customer may, at the conclusion of the Return Period, purchase the Tools at the then-current list price, subject to the Terms and Conditions of Sale for Spare Parts and Service. The delivery of the Tools to the Customer and return of the Tools to Siemens shall be completed by Siemens at its own expense. Title to the Tools shall be and at all times remain with Siemens and Customer shall keep the same free and clear of any and all liens and claims. Customer (i) authorizes Siemens to execute in Customer's name and file (and Customer shall promptly execute, if requested by Siemens) and (ii) irrevocably appoints Siemens its agent and attorney-in-fact to execute in the name of Customer and file, with such authorities and at such locations as Siemens may deem appropriate, any Uniform Commercial Code financing statements evidencing Siemens' ownership of the Tools. Risk of loss shall pass to Customer upon delivery. Customer shall maintain at its expense adequate liability insurance with respect to its possession and use of the Tools and against all common risks (i.e., fire, flood, theft, Acts of God, etc.) for the full replacement value of the Tools. At the request of Siemens, Customer shall provide Siemens with an insurance certificate evidencing such insurance coverage. Customer shall only use the Tools for their intended purpose, in the proper manner and with appropriate care, pursuant to any instructions, training and manuals provided to Customer by Siemens, Customer shall immediately report to Siemens or its designee any malfunction or defect, whatever the nature or cause. Customer shall ensure that any necessary repair, modification or service to any Tool is carried out by Siemens or Siemens' designee. Siemens agrees to use its best efforts to repair the Tools as needed in a prompt and timely fashion, following a reported malfunction or defect. Customer shall not move the Tools from the Customer's facilities identified on the front page of this Agreement. Customer shall return the Tools to Siemens in the same condition as when delivered to Customer (ordinary wear and tear excepted). Customer acknowledges the Tools constitute Confidential Information, and Customer will maintain the Tools in

accordance with the Confidentiality provisions of this Agreement.

25. Non-Assignment

Customer may not assign this Agreement unless it obtains the prior written consent of Siemens, which consent shall not be unreasonably withheld or delayed. Siemens may not assign this Agreement unless it obtains the prior written consent of the Customer, which consent shall not be unreasonably withheld or delayed, except that Siemens may assign without Customer approval to any subsidiary or affiliated company or any of its authorized dealers.

26. Teamplay Offering Terms and Conditions

The terms and conditions of the teamplay MSA, set forth at the following link: <http://teamplay.siemens.com/legal>, are incorporated by reference as material terms of this Agreement. With respect to the teamplay offering, in the event of any conflict with the terms of the Agreement, the teamplay terms and conditions shall govern.

27. Reimbursement for Training and Educational Services Upon Early Termination; Cancellation Policy

If this Agreement includes any training courses or other educational offerings and this Agreement is terminated or Equipment is removed from coverage as provided hereunder prior to the expiration of the term, then Siemens may bill the Customer for any balance due and owing with respect to those training courses or other educational offerings that have been completed by the Customer, and Customer agrees to pay the same. Customer shall notify the Siemens training and education coordinator, in advance, of the cancellation, in whole or in part, of any training or other educational offering, or any request to reschedule the same. The cancellation or rescheduling of any training courses and other educational offerings may be subject to the payment of a cancellation fee. A copy of Siemens' cancellation policy is available upon request or can be found at:

<https://usa.healthcare.siemens.com/education/personalized-education-by-solution/solution/imaging-and-therapy/cancellation-policy>.

28. Cost Reporting

Customer agrees that it must fully and accurately report prices paid under this Agreement, net of all discounts, as required by applicable law and contract, including without limitation 42 CFR §1001.952(h), in all applicable Medicare, Medicaid and state agency cost reports. Customer shall retain a copy of this Agreement and all other communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.

29. Execution; Counterparts

If the Customer is a corporation or partnership, the person signing this Agreement on its behalf certifies that such person is an officer or partner thereof, that his or her action was duly authorized by appropriate corporate or partnership action, that such action does not conflict with the corporate charter or bylaws or the partnership agreement, as the case may be, or any contractual provision binding on such corporation or partnership, and that no consent of any stockholders to his or her action is required. This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original document but all of which together shall constitute one and the same agreement.

30. Entire Agreement

This Agreement, including all exhibits and addenda attached hereto, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes all prior and contemporaneous oral or written representations or communications between the parties. This Agreement may not be modified or amended, except in writing executed by the appropriate designated officers of the parties hereto. Any variation in the terms and conditions contained in this Agreement (including, but not limited to, the inclusion of Customer's own terms and conditions in any purchase order or other document issued by Customer in response to and/or referencing Siemens' quotation for service or this Agreement) shall not be deemed to be a part of this Agreement and shall not be binding upon Siemens unless set forth in writing and executed by the appropriate designated officer of Siemens. Subject to the limitations expressed herein, this Agreement will be binding upon and inure to the benefit of the parties hereto, their successors, legal representatives, and permitted assigns. Notwithstanding anything to the contrary contained herein, the provisions of Sections 9, 10, 12, 13, 14, 15, 16, 18, 21 and 27 shall survive the expiration or termination of this Agreement.

August 18, 2023

Lewis County Hospital District Number 1
dba Arbor Health Morton General Hospital
521 Adams Ave
Morton, Washington 98356

RE: Site modifications for the installation of medical equipment by Siemens Medical Solutions USA, Inc. Free.Max MRI Lamboo Relocatable Unit (Room Exterior outside MRI Entry)

Site-specific plans will be produced upon receipt of your purchase order. Equipment requirements were based on the Lamboo Site Planning Guide and Layout. Referenced plans are listed below:

CSI 50 Division Scope of Work
Lamboo Site Planning Guide
Lamboo Relocatable Unit Layout
Client General Conditions for Construction

Siemens is pleased to present the proposal base price of \$183,126.00 (one hundred eighty-three thousand one hundred twenty-six dollars and zero cents), which includes only those items outlined in the attached Scope of Work.

The contract price for this commercial construction project has been calculated based on the current prices for the component building materials as of the date of Siemens' proposal. However, the market for the building materials that are hereafter specified is volatile, and sudden price increases could occur. Siemens will work to try and obtain favorable pricing from its suppliers, but should there be an increase in the prices of these specified materials and labor in our proposal for use in this commercial construction project, Siemens will provide written notice to the Owner detailing the building material or materials which have increased, and the source of supply, supported by invoices or bills of sale and Owner agrees to pay that cost increase to Siemens in addition to the rest of the fees set forth in the Contract. Such increase to the cost of construction will be memorialized by a change order signed by both Owner and Siemens.

This quotation is valid through November 03, 2023.

Please be advised that the enclosed Scope of Work represent the confidential information of Siemens (collectively, the "Confidential Information"). You may not copy, reproduce, distribute, disclose, summarize, or disseminate in any way or form any of the

Confidential Information except to your own employees who have a reasonable need to know the Confidential Information for purposes of evaluating Siemens' proposal, and who are advised as to the confidential and proprietary nature of the Confidential Information and the restrictions on use. You may use the Confidential Information solely for the purpose of evaluating Siemens' proposal to provide the services outlined in the Scope of Work, and you shall treat the Confidential Information with the same degree of care to avoid disclosure to any third party as is used with respect to your own information of like importance which is to be kept secret.

To acknowledge your understanding of the Scope of Work, and the terms set forth in this letter as well as your acceptance of the Client General Conditions for Construction, please sign the last page of this document and return originals along with your purchase order to Siemens' Design and Construction Services at the address indicated on the letterhead below.

Siemens thanks you for this opportunity and looks forward to completion of a successful project.

Sincerely,

A handwritten signature in cursive script that reads "Michael Tighe".

Michael Tighe
Siemens Medical Solutions USA, Inc
614-956-6643
michael.tighe@siemens-healthineers.com

Scope of work

The following Scope of Work detailed in 23-57-1280-2 dated 8/18/2023 defines the extended/turnkey installation scope of work and schedule of values for the Siemens Medical Solutions Free.Max MRI Lamboo Relocatable Unit located in Room Exterior out side MRI Entry at Morton General Hospital Arbor Health and is based on the Lamboo Site Planning Guide and a site visit on 7/14/2023. This scope and price are subject to change if site conditions change. This quote is valid through 11/3/2023.

Division 1: General Requirements

1. Work Plans
 - 1.1. Structural plans and fees are included
 - 1.2. Mechanical plans and fees are excluded
 - 1.3. Electrical plans and fees are included
 - 1.4. Plumbing plans and fees are excluded
 - 1.5. Permit fees are excluded
 - 1.6. Building permit fees are excluded
 - 1.7. Provide up to three (3) design modifications to meet customer approval.
 - 1.8. Maintain "as-built" plans depicting red lined field changes.
 - 1.9. Provide project final (non-bid) documents.
2. Preliminary Project Duration
 - 2.1. Work Plans: 5 weeks
 - 2.2. Plan Review/Approval: 2 weeks (estimated)
 - 2.3. Long Lead Items: 5 weeks (estimated)
 - 2.4. Extended/Turnkey Installation: 4 weeks
3. The summary of work includes all general trade work and project management needed for the renovation of the medical equipment suite.
4. Provide full time superintendent.
5. All work is to be performed in one phase during normal working hours from 7:00 a.m to 5:00 p.m. Off hours work is included for noise abatement and utility shutdowns only. Weekend work or overtime is excluded.
6. Any item(s) to be salvaged by the owner are to be removed by the owner from the site before the project begins.
7. The owner is to provide clear, unrestricted access from the loading dock to the project site for contractor material deliveries.
8. The use of owner's facilities and utilities shall be permitted.
9. Provide for daily broom cleaning of the job site and debris removal and appropriate disposal.
10. Dumpster for disposal of project debris and materials is excluded
11. Final cleaning is included. Final clinical cleaning / waxing of floors is excluded.
12. Infectious control standards shall comply with owner's standards.
13. Comply with utility interruption policies.
14. Comply with orientation and clearance programs.
15. Comply with OSHA requirements.

16. Maintain up to date copy of project plans with redlined as built conditions.
17. Taxes are excluded. Customer shall provide tax exemption certificate(s) as needed.
18. Performance and payments bonds are excluded
19. Close out documents will be presented at project completion upon receipt of owner signed substantial completion form.
20. Submittals to Department of Health By others.
21. Rigging, placement, and shimming of Lamboo Unit is not included in this Proposal.

Division 2: Site Work

1. This scope of work does not include the removal of any materials deemed hazardous
2. Set up safety delineators and caution tape around work space in parking area to be set up at Lamboo MRI Container location.
3. Cut break and remove existing asphalt paving at location of new Lamboo Unit. Approximately 60'x 20'.
4. Excavate existing substrate as needed to get engineered designed slab thickness.
5. Cut 12"x 12" holes in existing asphalt and excavate as needed at 10 locations for new 3" bollards.
6. Install 10 each 3" steel bollards 3' above ground at edge of new Lamboo unit.
7. Remove asphalt and extra soils from site once demo and excavation are completed.

Division 3: Concrete

1. Form up new slab at 60'x 20' at specified thickness from engineer's design.
2. Install new rebar in slab per engineer's design.
3. Pour and finish new concrete slab with concrete mix per engineered design. Surface to be broom type finish.

Division 4: Masonry NA

Division 5: Metals

1. Seismic anchoring is excluded.
2. Structural metals other than those specifically stated in this proposal are excluded.
3. Provide labor and Materials to shim and anchor Lamboo Unit. Lamboo to provide crane and/or forklift services to set new unit.
4. Provide structural engineering as required for placement and anchoring of unit based on the specifications provided by Siemens and/or Lamboo Unit manufacturer.

Division 6: Wood and Plastics NA

Division 7: Thermal and Moisture Protection NA

Division 8: Doors, Frames, Hardware and Windows NA

Division 9: Finishes

1. Prep and paint 10 installed steel bollards safety yellow.

Division 10: Specialties NA

Division 11: Equipment NA

Division 12: Furnishings NA

Division 13: Special Construction NA

Division 14: Conveying Systems NA

Division 21: Fire Suppression

1. Work associated with upgrading the existing fire systems is excluded.

Division 22: Plumbing

1. Work associated with plumbing is excluded.
2. Work associated with Medical Gases is excluded.

Division 23: Heat, Ventilating, and Air Conditioning NA

Division 26: Electrical

1. Blank
2. An in-depth analysis of the quality, capacity or availability of existing building power and grounding, is excluded.
3. Existing building power or grounding upgrade is excluded.
4. Work associated with installing power conditioning or surge suppression equipment is excluded.
5. Blank
6. Disconnect existing shore power fitting and load side wiring in preparation of new electrical work to be performed.
7. Blank
8. Furnish and install (3) 125A 600Vac Class RK-5 Time Delay Fuses in existing Disconnect.
9. Furnish and install (1) 125A Feeder w/(3) #1Cu THHN Phase conductors and (1) #4 Cu Ground from Disconnect to the primary side of the Lamboo Mobile Service inside the Equipment Room ~ 50LF.
10. Furnish and install bonding from Ufer Foundation Grounding Electrode to Mobile building steel and to Mobile Service ground.
11. Furnish and install (2) 1" Conduit between the utility pole and Lamboo for LV Systems by others.

Division 27: Communications

1. Work associated with telephone, intercom, nurse call, code blue, PA or CCTV systems is excluded.

Division 28: Electronic Safety and Security

1. Work associated with security or alarm systems is excluded.

Division 31: Earthwork NA

Division 32: Exterior Improvements NA

Division 33: Utilities NA

Division 34: Transportation NA

Division 35: Waterway and Marine Construction NA

Division 40: Process Integration NA

Division 41: Material Processing and Handling Equipment NA

Division 42: Process Heating, Cooling, and Drying Equipment NA

Division 43: Process Gas & Liquid Handling, Purification & Storage Equipment NA

Division 44: Pollution and Waste Control Equipment NA

Division 45: Industry-Specific Manufacturing Equipment NA

Division 46: Water and Wastewater Equipment NA

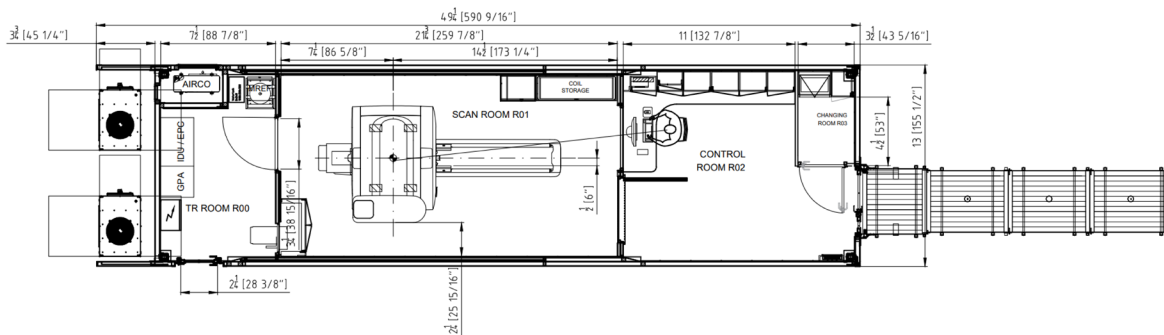
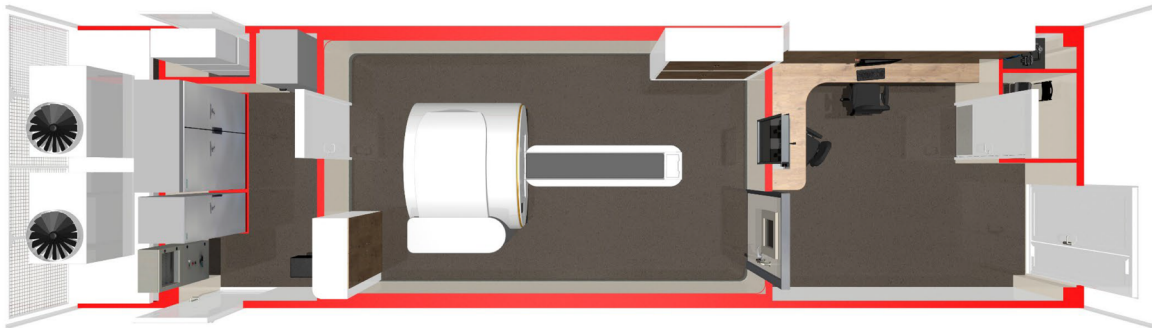
Division 48: Electrical Power Generation NA

Exclusions:

The following items are specifically excluded from our Proposal:

1. Work in an environment where there is possible contamination by the presence, removal, or encapsulation of hazardous material(s).
2. Mold, asbestos or hazardous material survey(s), removal or abatement of any kind.
3. Work associated with the removal or relocation of concealed or hidden installations and/or any effects to the project schedule.
4. Upgrades associated with ADA or code requirements (if any) outside this project are excluded.
5. Any other item(s) not specifically mentioned or otherwise included in this Proposal.

Lamboo Relocatable Unit Layout



**Standard Form of Agreement
Between Siemens Medical Solutions USA, Inc. and Client
For Modification of Client Premises for the
Installation of Medical Equipment**

**DOCUMENT 00001A
CLIENT GENERAL CONDITIONS FOR CONSTRUCTION**

GENERAL

To facilitate the administration of the purchase of Medical Equipment ("Equipment"), modification of the Client's premises and installation of the Equipment ("Project"), the

Client has requested that Siemens Medical Solutions USA, Inc. ("Siemens") act as the Client's agent in obtaining the necessary services of licensed contractors, architects, engineers and consultants, as necessary, to modify the Client's premises for the installation of the Equipment.

The Client acknowledges and agrees that Siemens is not licensed to perform architectural services and in no event shall anything contained herein require or be interpreted to require Siemens to perform any architectural services which would require such licensing. All architectural services relating to the Project shall be performed, respectively, by the Architect and necessary engineers, consultants and contractor retained by Siemens for the Project.

Client agrees to reimburse Siemens for all cost and other obligations incurred by Siemens in connection with retention of architects, engineers, consultants and contractors in connection with the Project.

Client agrees to perform all duties and furnish all information required of the Client in the contracts between Siemens and architects, engineers, consultants and contractors that are incorporated into this contract.

The Client is to sign a copy of the Equipment documents/architectural and engineering documents as an indication of Client's acceptance of those documents and notice to proceed with the construction and the delivery and installation of the Equipment.

RESPONSIBILITIES

The Client shall designate a representative authorized to act on the Client's behalf with respect to the Project. The Client or such authorized representative shall render decisions in a timely manner in order to avoid unreasonable delays in the orderly and sequenti

al progress of the design and construction of the Project.

The Client shall furnish information, including as-built drawings, plans and specifications describing physical the characteristics of the Project premises (“As-build documents”). As-build documents can be provided by Siemens as “extra services” and billed to the Client. .

Prior to any work commencing, the Client shall promptly obtain all necessary easements , zoning variances, permits (with the assistance of Siemens, the architect and the contractor, as necessary), approvals, legal authorizations, and other State and local approvals required for the completion of the Project, and shall pay all cost and expenses associated therewith. Where applicable, the Client shall furnish surveys describing physical characteristics, legal limitations and utility locations for the Project site, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements, and adjoining property and structures; adjacent drainage; right-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data pertaining to existing buildings other improvements and trees; and information concerning a available utility service lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark. .

RESPONSIBILITIES (continued)

The above information can be provided by Siemens, as “extra services” and billed to the Client. Where applicable, the Client shall furnish and pay for the services of all necessary geotechnical engineers when such services are stipulated or deemed reasonably necessary. Such services may include, but are not limited to, test borings, test pits, determinations of soil bearing values, percolation test, evaluations of hazardous materials, ground corrosion and resistivity test, and necessary operations for anticipation subsoil conditions. The services of geotechnical engineer(s) or other consultants shall include preparation and submission of all appropriate reports and professional recommendations. .

The Client shall disclose, to the extent known, the results and reports of prior tests, inspections or investigation conducted for the Project or otherwise with respect to the Project site or which may otherwise affect the Project, involving the following: structural or mechanical systems; chemical, air and water pollution; hazardous materials; or other environmental and subsurface conditions. .

The Client must identify all hazardous materials (including, but not limited to, asbestos) and provide abatement at the expense of the Client prior to the commencement of any c

onstruction. Any cost associated with delays in the Project schedule resulting from hazardous material surveys and abatement programs shall be borne by the Client. .

TIME

If Siemens is delayed at any time in the progress of the work by the Client, Client's employees or agents, or separate contractors employed by the Client, or by changes in the work, or labor disputes, fire, adverse weather conditions not reasonably anticipated, unavoidable casualties or other causes beyond the contractor's or Siemens reasonable control, or by delay authorized by the Client and agreed to by Siemens and the contractor, then the Contract Time is to be extended by Change Order and any costs and expenses associated with the delay, including extended general conditions of the contract, are to be paid by the Client. .

PRICING

Pricing for construction is valid for 90 days from the signing date of this agreement. If the project is delayed more than 90 days through no fault of Siemens or the contractor, the price is subject to change. .

CHANGE ORDERS

Change Order pricing will include a 15% overhead markup to cover insurance, project management time, processing, bookkeeping and other costs of providing this service. .

CHANGES IN WORK

To the extent that it is consistent with applicable terms or policies of insurance, the Client and Siemens hereby waive any rights of subrogation against each other and the contractor, subcontractors, architect and other design professionals, and their respective agents and employees, for damages caused by fire or other perils. Siemens shall require similar waivers in favor of the Client and Siemens from the contractor and all subcontractors (any tier). .

Changes in the Work may be accomplished without invalidating this agreement. Changes will not commence until Client, contractor, and Siemens have reviewed and approved the effect such changes will have on the construction cost and schedule, and evidence such change by executing an AIA Change Order G701 document or similar document. .

The Client is not authorized to modify the Scope of the Work at any time without first having both the revised cost and construction schedule defined and agreed to by Siemens and the contractor. When the Client, Siemens and contractor agree upon the adjustments in the Contract Sum and Contract Time, such agreement shall be effective immediately and shall be recorded by preparation and execution of an appropriate Change Order

. The Client will pay all cost of additional work requested by the Client. .

CONCEALED CONDITIONS

If conditions are encountered at the Project site which are subsurface or otherwise concealed physical conditions which differ materially from those indicated in the Contract Documents, or unknown physical condition of an unusual nature which differ naturally from those ordinarily found to exist and generally recognized as inherent in the construction activities of the character provided for in the Contract Documents, then notice by the observing party shall be given to the other parties promptly before conditions are disturbed. The parties shall execute a Change Order equitably adjusting the Contract Sum and Contract Time for such concealed or unknown conditions. The Client will pay all cost associated with concealed conditions. .

WORK BY CLIENT

The Client reserves the right to perform construction or operations related to the Project with the Client's own forces and to award separate contracts in connection with other portions of the Project or other construction or operations on the Project site under conditions of insurance and waiver of subrogation identical to Siemens. The Client shall be responsible for coordinating the work of its own forces and/or separate contractors with the Work of the contractor retained by Siemens for the Project. If delays occur by the use of Client forces or separate contractors, all deadlines under the construction documents will be extended for a period of time no less than the period of the delay, and the Client will be responsible for all additional costs and expenses, including extended general condition costs associated with any such delays. .

COMPLETION OF THE PROJECT

When the Work or designated portion thereof is substantially complete, the contractor will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion, and warranty start date, the responsibilities of contractor, Siemens and the Client, and the time within which the contractor shall finish all items on the list accompanying the Certificate. The Certificate of Substantial Completion will be signed by the Client, Siemens and the contractor.

DISPUTE RESOLUTION

Claims, disputes or other matters in question between the parties shall be subject to and decided by mediation or arbitration. Such mediation shall be conducted in accordance with the Construction Industry Mediation or Arbitration Rules of the American Arbitration Association currently in effect. Prior to the institution or any arbitration proceeding, the parties shall endeavor to settle disputes by mediation. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law.

aw in any court having jurisdiction thereof. .

INDEMNIFICATION

Siemens shall indemnify and hold harmless the Customer, its officers, directors, employees and agents against all third party claims, losses, damages and expenses (including reasonable attorneys fees) for bodily injuries and damages to real and tangible personal property to the extent arising or resulting from the negligence of Siemens, its directors, officers, employees and agents (including subcontractors) in connection with the performance of work under this Agreement. .

Customer shall indemnify and hold harmless Siemens, its officers, directors, employees and agents against all third party claims, losses, damages and expenses (including reasonable attorneys fees) for bodily injuries and damages to real and tangible personal property to the extent arising or resulting from the negligence or misconduct of Customer, its directors, officers, employees and agents (including its subcontractors, if any).

The obligations of indemnity shall survive the expiration or termination of the Agreement .

USE OF DRAWINGS, SPECIFICATIONS AND OTHER DOCUMENTS

The Drawings, Specifications and other documents prepared by the architect for this Project are instruments of services for use solely with respect to this Project and shall not be used by the Client or others on other projects, for additions to this Project or for completion of the Project by others, except by agreement in writing and with appropriate compensation to the architect. .

RESPONSIBILITY FOR CONSTRUCTION COST

Evaluations of the Client's project budget and preliminary estimates of Construction Cost prepared by Siemens and/or its consultants represent Siemens' and/or its consultants' best judgment. It is recognized, however, that neither Siemens and/or its consultants nor the Client has control over the cost of labor, materials or equipment, over the contractor's methods of determining bid prices or over competitive bidding, market conditions or negotiation condition. Accordingly, Siemens cannot and does not warrant or represent that actual bids or negotiated prices will not vary from the Client's budget or from any estimate of Construction Cost prepared or agreed to by Siemens. .

WARRANTY

All warranty claims for the Project will be directed to the contractor awarded the work for the Project. Siemens offers no specific warranties for work performed other than specific warranties agreed to by the contractor and subcontractors who perform the work, and

other than warranties with respect to the Medical Equipment manufactured by Siemens. Siemens agrees to provide the Client with names and telephone number of contact person for all such claims. .

LIMITATION OF LIABILITY

In no event will either party be liable to the other for any lost profits, lost savings, lost revenues, loss of use, or for any special, indirect, incidental or consequential damages whether based on contract. Tort (including negligence), strict liability or any other theory of form of action, even if a party has been advised of the possibility thereof, arising out for or in connection with this agreement. .

INCONSISTENCIES

In the event of any inconsistencies between the terms of this agreement and the Siemens Terms and Conditions of Sale with respect to the Medical Equipment, the terms of this agreement shall prevail. .

TO ACKNOWLEDGE YOUR AGREEMENT WITH THE INFORMATION SET FORTH HEREIN, PLEASE SIGN IN THE SPACE INDICATED BELOW AND PROMPTLY RETURN A COPY TO THE UNDERSIGNED.

SIEMENS MEDICAL SOLUTIONS USA, INC

CLIENT:

.

| | |
|----------------------|----------------------|
| ----- | ----- |
| Authorized Signature | Authorized Signature |
| ----- | ----- |
| Printed Name | Printed Name |
| ----- | ----- |
| Title | Title |
| ----- | ----- |
| Date | Date |
| ----- | ----- |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

Customer Number: 0000002807

Date: 08/23/2023

LEWIS COUNTY HOSPITAL DISTRICT NUMBER 1
521 ADAMS AVE
MORTON, WA 98356

Siemens Medical Solutions USA, Inc. is pleased to submit the following quotation for the products and services described herein at the stated prices and terms, subject to your acceptance of the terms and conditions on the face and back hereof, and on any attachment hereto.

| Table of Contents | Page |
|--|-------------|
| MAGNETOM Free.Max (DE) (Quote Nr. CPQ-899489 Rev. 4) | 3 |
| OPTIONS for MAGNETOM Free.Max (DE) (Quote Nr. CPQ-899489 Rev. 4) | 12 |
| General Terms and Conditions | 14 |
| OtherTC - FlexForce Start-Up Tech (MR) | 21 |
| Software License Schedule | 27 |
| Trade-In Equipment Requirements | 30 |
| Warranty Information | 31 |

Contract Total: \$ 1,812,981
(total does not include any Optional or Alternate components which may be selected)

Proposal valid until 08/31/2023

Estimated Delivery Date: 3/30/2024

Estimated delivery date is subject to change based upon factory lead times, acceptance date of this quote, customer site readiness, and other factors. A Siemens representative will contact you regarding the final delivery date.

This offer is only valid if a firm, non-contingent order is placed with Siemens and a signed POS contract must accompany the equipment order.

Included in this Quotation is \$25,000 to be held by Siemens Healthineers on account for the Customer ("Innovation Fund"). The Innovation Fund may only be used to purchase commercially available Siemens Healthineers products. This amount will not yield interest or other benefit to Customer. Any unused funds remaining will be refunded to the Customer as of the earlier of 24 months from the date of installation of the Products included in this Quotation or Siemens Healthineers' receipt of Customer's written request for return of the balance of the Innovation Fund.

This quote contains the following turn key parts:
DCS Proposal# 23-57-1279-1 for EQ Quote: CPQ-899489 \$588,727
DCS Proposal# 23-57-1280-2 for EQ Quote: CPQ-899489 \$183,126

Notwithstanding anything to the contrary stated in the Terms and Conditions, this system is provided with a standard twelve (12) month warranty and an additional twelve (12) months of warranty, for a total of twenty-four (24) months of warranty.

This quote is based upon standard delivery terms and conditions (e.g., standard work hours, first floor delivery,

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

etc.), basic rigging, mechanical installation and calibration. Siemens Medical Solutions USA, Inc., Project Management shall perform a site-specific assessment to ascertain any variations that are out of scope and not covered by the standard terms (examples such as, but not limited to: larger crane, nonstandard work hours, removal of existing equipment, etc.). Any noted variations identified by Siemens Project Management shall remain the responsibility of the customer and will be subject to additional fees.

Accepted and Agreed to by:

Siemens Medical Solutions USA Inc.

LEWIS COUNTY HOSPITAL DISTRICT NUMBER 1

By (sign): _____

By (sign): _____

Name: Lavanya Rajan

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

By signing below, signor certifies that no modifications or additions have been made to the Quotation. Any such modifications or additions will be void.

By (Sign): _____

| | |
|------------------------------|--|
| Quote Nr: | CPQ-899489 Rev. 4 |
| Terms of Payment: | 00% Down, 80% Delivery, 20% Installation Free On Board: Destination |
| Purchasing Agreement: | VIZIENT SUPPLY LLC VIZIENT SUPPLY LLC terms and conditions apply to Quote Nr CPQ-899489 Customer certifies, and Siemens relies upon such certification, that : (a) VIZIENT MRI XR0885 is the sole GPO for the purchases described in this Quotation, and (b) the person signing this Quotation is fully authorized under the Customer's policies to choose and indicate for Customer such appropriate GPO. |

MAGNETOM Free.Max (DE)

All items listed below are included for this system:

| Qty | Part No. | Item Description |
|-----|----------|---|
| 1 | 14471000 | MAGNETOM Free.Max - System MAGNETOM Free.Max is the world's first MR scanner with an 80 cm patient bore. Based on its unique High-V MR technology it provides excellent diagnostic value and opens up new clinical opportunities such as pulmonary MRI and improved implant imaging. The innovative DryCool technology provides a sealed-for-life magnet that operates on as few as 0.7 liters of liquid helium and eliminates the need for a quench pipe. Combined with its benchmark compact footprint, MAGNETOM Free.Max radically simplifies the infrastructure required for MRI. MAGNETOM Free.Max incorporates our established Tim 4G and BioMatrix technologies to create a groundbreaking platform that is designed to expand the reach of MRI. Additionally for the operator, MAGNETOM Free.Max provides a completely new and simplified scanning experience with myExam Companion which provides tailored user assistance for consistent and high-quality scans. |
| 1 | 14475330 | Viewing & Reading Package The Viewing & Reading package contains all the tools and workflows required for viewing, basic reading and postprocessing at the scanner console. It comprises of a rich bundle of workflows including: ->MR View&GO: The workflow optimized for the viewing, post-processing, quality assurance needs, and result distribution. ->MR General Engine: - MR Basic workflow: All the essential 2D, 3D and 4D capabilities, viewing layouts and easy interaction. - MR Evaluation tools: For general radiology reading. - Specific workflows (e.g. MR Neurology and MR Prostate): With predefined layouts and tools for these clinical applications. |
| 1 | 14471001 | B80 Gradients The B80 gradient system brings a gradient strength of 26 mT/m peak amplitude with a slew rate of 45 T/m/s for imaging all three orthogonal axes (X, Y & Z). It enables acquisition of sagittal, transverse, coronal, single oblique and double oblique slices. High-V MRI enables impressive image quality and clinical outcomes with the B80 |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|----------|---|
| | | gradients. |
| 1 | 14475447 | syngo Expert-i XA50/XA51 This software application enables remote access to the system (connected via local area network) for planning and processing. |
| 1 | 14475405 | SW syngo MR XA50A syngo MR XA50A software platform with new features and functionalities for daily clinical excellence. Please be aware that certain or all positions of this quote have the software version syngo MR XA50A as prerequisite. syngo MR XA50A guides and enables the user throughout the entire workflow: from patient registration; patient set up with guided workflows on the Select&GO; protocol management and selection; image acquisition and viewing; data handling; and post processing and reporting. This software together with the hardware enables diagnostic excellence for your daily clinical needs. The syngo MR XA50A platform offers myExam Companion which introduces a new MRI operation philosophy by providing built-in expertise and automation for users and clinical questions. myExam Companion provides different workflow modes for tailored assistance: myExam Autopilot, myExam Assist and myExam Cockpit. No matter the user or patient, myExam Companion helps generate consistent, comprehensive results. |
| 1 | 14475308 | myExam Brain Assist myExam Brain Assist provides guided and flexible workflows. Optimized scan strategies are provided and can be selected based on the patient's condition, which allows for reproducible, high image quality and time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the brain workflow, and to personalize to the individual patient's condition and clinical need. myExam Brain Assist is customizable to the site-specific standards of care. |
| 1 | 14475309 | myExam Spine Assist myExam Spine Assist provides guided and flexible workflows for cervical, thoracic and lumbar spine. Optimized scan strategies are provided and can be selected based on the patient's condition, which allows for reproducible, high image quality and time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the spine workflow, and to personalize to the individual patient's condition and clinical need. myExam Spine Assist is customizable to the site-specific standards of care. |
| 1 | 14475310 | myExam Large Joint Assist myExam Large Joint Assist provides guided and flexible workflows for knee, hip and shoulder. Optimized scan strategies are provided and can be selected based on the patient's condition, which allows for reproducible, high image quality and time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the scan workflow, and to personalize to the individual patient's condition and clinical need. myExam Large Joint Assist is customizable to the site-specific standards of care. |
| 1 | 14475311 | myExam Brain Autopilot myExam Brain Autopilot enables less experienced staff to scan brain MRI at high quality with just a few simple clicks. By using automation and AI, it takes away burdensome routine tasks for all technologists. Predefined automated protocols allow users to scan with no manual adjustments. A new and intuitive user interface simplifies scanning so that exams can be performed, or strategies can be changed easily. This new approach to operate MRI helps any user to generate consistent, comprehensive results. myExam Brain Autopilot is customizable to the site-specific standards of care. |
| 1 | 14475312 | myExam Spine Autopilot myExam Spine Autopilot enables less experienced staff to scan cervical, thoracic and lumbar spine MRI at high quality. By using automation and AI, it takes away burdensome routine tasks for all technologists. Predefined automated protocols allow users to scan with few manual adjustments. |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|----------|--|
| | | A new and intuitive user interface simplifies scanning so that exams can be performed, or strategies can be changed easily. This new approach to operate MRI helps any user to generate consistent, comprehensive results. |
| 1 | 14475313 | <p>myExam Spine Autopilot is customizable to the site-specific standards of care.</p> <p>myExam Knee Autopilot myExam Knee Autopilot enables less experienced staff to scan knee MRI at high quality with just a few simple clicks. By using automation and AI, it takes away burdensome routine tasks for all technologists. Predefined automated protocols allow users to scan with no manual adjustments. A new and intuitive user interface simplifies scanning so that exams can be performed, or strategies can be easily changed. This new approach to operate MRI helps any user to generate consistent, comprehensive results. myExam Knee Autopilot is customizable to the site-specific standards of care.</p> |
| 1 | 14475401 | <p>myExam Shoulder Autopilot myExam Shoulder Autopilot enables less experienced staff to scan shoulder MRI at high quality with just a few simple clicks. By using automation and AI, it takes away burdensome routine tasks for all technologists. Predefined automated protocols allow users to scan with no manual adjustments.</p> <p>A new and intuitive user interface simplifies scanning so that exams can be performed, or strategies can be easily changed. This new approach to operate MRI helps any user to generate consistent, comprehensive results.</p> <p>myExam Shoulder Autopilot is customizable to the site-specific standards of care.</p> |
| 1 | 14475306 | <p>High-V Application Suites The High-V Application Suites offers a complete range of clinically optimized examinations for specific body regions. High-V Suites provided as standard are:</p> <ul style="list-style-type: none"> - Neuro Suite - Angio Suite - Body Suite - Onco Suite - Ortho Suite - Planning Suite - Scientific Suite - Breast Suite (for Free.Max only) |
| 1 | 14475326 | <p>High-V Performance High-V Performance comprises established and new innovative imaging techniques to maximize productivity for all contrasts, orientations and all imaging applications. This package provides highly efficient acquisition techniques and deep learning-based reconstruction to deliver diagnostic confidence in your daily routine.</p> <p>The High-V Performance package provides the following as standard:</p> <ul style="list-style-type: none"> - Deep Resolve Gain - Simultaneous Multi-Slice package - iPAT and iPAT² - CAIPIRINHA |
| 1 | 14475475 | <p>High-V Performance Plus High-V Performance Plus contains Deep Resolve Sharp and CS SPACE.</p> <ul style="list-style-type: none"> - Deep Resolve Sharp is a deep learning neural reconstruction network to improve image quality by increasing the perceived sharpness. - Compressed Sensing SPACE offers highly accelerated 3D imaging based on the SPACE pulse sequence with Compressed Sensing and Iterative Reconstruction. |
| 1 | 14456323 | <p>Inline Composing syngo #Se Automatic anatomical or angiographic composing of multiple adjacent coronal or sagittal images for presentation and further evaluation. Composed images can be automatically loaded into Graphical Slice Positioning for scan planning purposes.</p> |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|----------|--|
| 1 | 14475329 | Inline Diffusion Automatic real-time calculation of trace-weighted images and ADC maps with Inline Diffusion Technology. Compatible to single-shot diffusion-weighted EPI. |
| 1 | 14475327 | DIXON & Fast DIXON for Fatsat Dixon technique for fat and water separation - available on VIBE and Turbo Spin Echo sequences. |
| 1 | 14456327 | WARP & Advanced WARP #Vi WARP and Advanced WARP (SEMAC) integrates different techniques tailored to reduce susceptibility artifacts caused by orthopedic MR-conditional metal implants. |
| 1 | 14475315 | SWI-EPI Sequence Susceptibility Weighted Imaging (SWI) is a high-resolution 3D imaging technique for the brain with ultra-high sensitivity for microscopic magnetic field inhomogeneities caused by deoxygenated blood, products of blood decomposition and microscopic iron deposits. Among other things, the method allows for highly sensitive detection of cerebral hemorrhages and high-resolution display of venous cerebral blood vessels. The new EPI-based approach offers faster SWI with improved SNR efficiency. |
| 1 | 14482839 | TWIST TWIST is a Siemens unique sequence for time-resolved (4D) MR angiographic and dynamic imaging in general with high spatial and temporal resolution. |
| 1 | 14482840 | StarVIBE StarVIBE is a motion-insensitive VIBE sequence using a stack-of-stars trajectory. |
| 1 | 14475409 | Head/Neck Coil The 12-channel Head/Neck Coil has DirectConnect technology for efficient set up and workflow. It has a fixed 9-degree tilt angle and open design for patient comfort. With the Head/Neck Coil the following application areas can be covered: <ul style="list-style-type: none"> - Head - Neck - MR Head Angiography - MR Neck Angiography - Combined head / neck |
| 1 | 14475410 | Spine Coil 9-element Spine Coil within the patient bore underneath the patient table. No need to place or remove the spine coil, offering maximum workflow efficiency and a hygienic design. |
| 1 | 14475476 | Contour M Coil The Contour M Coil with its integrated Coil Link is lightweight and super flexible to be able to comfortably adapt to the patient anatomy. With minimal surfaces and interfaces, the Contour M Coil is hygienic and easy to clean. With the Contour M Coil, the following applications can be covered: <ul style="list-style-type: none"> - Knee - Unilateral Hip - Shoulder - Hand - Foot - Head/Brain with RT head coil holders (coils anterior, posterior, RT Edition only) |
| 1 | 14471009 | BioMatrix Contour L Coil The BioMatrix Contour L Coil is a sleek lightweight blanket-like coil for large field of view coverage. Coil electronics are miniaturized to enable ultimate flexibility and patient comfort. This coil is ideal for Body and Thorax imaging as well as bi-lateral hip examinations. The applications enabled by the BioMatrix Contour L include: |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|----------|--|
| | | <ul style="list-style-type: none"> - Thorax - Abdomen - Pelvis - Bi-lateral hip |
| 1 | 14475477 | Coil Link Interchangeable coil cable connecting Contour S Coil or BioMatrix Contour L Coil to MAGNETOM Free. Platform. |
| 1 | 14482836 | ACR Phantom Holder Free. Platform The ACR Phantom holder helps to level the ACR Phantom at ease. |
| 1 | 14456270 | PC Keyboard US English #Vi Standard PC keyboard with 105 keys. |
| 1 | 14475332 | 24" Standard Monitor This 24" medical grade monitor gives the ideal standard work environment. It has a new smart and sleek design for a professional looking workspace. |
| 1 | 14471005 | High load Patient Table This patient table variant supports a high load to further increase access for obese patients. <ul style="list-style-type: none"> - This patient table has two drives enabling vertical movement, as well as standard horizontal movement. - The patient table can be lowered to a minimum height of 480 mm for easier patient positioning and better accessibility for geriatric, pediatric or immobile patients. - Maximum weight capacity of 320 kg (705 lbs). - 140 cm scan range. |
| 1 | 14471013 | Paper Roll Holder A paper roll holder that is fitted at the foot of the patient table for fast and efficient patient set up. |
| 1 | 14446651 | In-Ear Headset #T+D In-Ear Headphone for easy communication with patient while using the head coil. |
| 1 | 14475342 | UPS System UPS system Liebert GXT5 3000IRT2EXLE for MAGNETOM Free.Max and Free.Star for safeguarding computers. Including Power Cable of 9 m for connecting the UPS. <ul style="list-style-type: none"> - Power output: 3.0 kVA / 2.7 kW - Bridge time: 5 min full load / 13 min half load - Input voltage: 230 VAC |
| 1 | 14475343 | UPS Battery Module UPS battery module Liebert GXT5 72VBATTE for safeguarding computers. Extension for: Liebert GXT5 3000IRT2EXLE Extension of the bridge time to: 20 minutes full load / 48 min half load with one module. |
| 1 | 14482827 | Free.Platform Relocatable Kit Free.Platform Relocatable Kit enables a MR System installation within a transportable container provided by an certified external vendor (e.g. Lamboo or Expandable Healthcare) (additional certification activities may be needed for specific regions). The life cycle transportation capability is limited to 15000 roadmiles and needs to be monitored between container vendor and regional Siemens Healthineers entity or customer. The MR Systems must be ramped down during transport. |
| 1 | 14471020 | Active Cooling Kit The Active Cooling Kit contains all you need to be able to provide the optimal and reliable cooling system for the MAGNETOM Free.Max. As well as the hose connections and Indoor Cooling Unit, the Active Cooling Kit contains the Siemens Outdoor Cooling System designed specifically for the DryCool Magnet Technology. This offers a robust cooling infrastructure with in-built dual-unit set up for redundancy to guarantee maximum up-time. |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|---------------------|--|
| 1 | 14471010 | Contour S Coil The Contour S Coil is lightweight and super flexible to be able to comfortably adapt to the patient anatomy. It provides high image quality for body regions such as knee, shoulder, hand, wrist, ankle and forefoot. With minimal surfaces and interfaces, the Contour S Coil is hygienic and easy to clean. |
| 1 | 14471011 | Breast BI Coil & Accessories The Breast BI Coil & Accessories offers a comfortable patient set up and a high degree of versatility for breast imaging. The wide frame accommodates even large breasts, and has comfortable cushions for the critical regions such as the shoulder and the sternum. |
| 1 | 14475298 | Breast BI Coil Compression Unit The cranio-caudal compression unit for the Breast BI Coil allows to fixate both breasts in cranio-caudal direction instead of L-R direction. This way of fixation facilitates optimized axial imaging by typically reducing the number of H-F coverage required. |
| 1 | 14456265 | syngo.MR BreVis #1 syngo.MR BreVis extends the syngo.MR General Engine by adding software functionality for professional and routine breast reading and evaluation. syngo.MR BreVis has been optimized for visualization and analysis of MR exams, however also images from other modalities, such as X-ray mammography and/or ultrasound can be visualized. syngo.MR BreVis contains several user-adjustable workflows, as well as evaluation features/tools. |
| 1 | 14482825 | 2nd Select&GO The 2nd Select&GO interface enables fast and easy single-touch patient positioning from both sides of the patient table. The interfaces are integrated left and right into the front covers. Correct positioning saves unnecessary wasted time for repositioning and additional adjustments, therefore shortening the total room time. |
| 1 | 14475314 | myExam Abdomen Assist myExam Abdomen Assist provides guided and flexible workflows for abdomen exams. Optimized scan strategies are provided and can be selected based on the patient's condition, which allow for reproducible, high image quality, time efficient exams. The built-in flexibility allows users to change predefined strategies at any time during the workflow, and to personalize to the individual patient's condition and clinical need. myExam Abdomen Assist provides: - Personalized Exam Strategies - Guidance - Automatic sequence scaling - Auto Navigator - Auto-FoV - Timeline setup for dynamic imaging and monitoring - Automatic Voice Commands - Auto Bolus Detection - Inline radial MIPs calculation for MRCP - Inline Subtraction - Inline Registration myExam Abdomen Assist is customizable to the site-specific standards of care. |
| 1 | MR_STD_RIG_I NST | MR Standard Rigging and Installation MR Standard Rigging and Installation This quotation includes standard rigging and installation of your new MAGNETOM system Standard rigging into a room on ground floor level of the building during standard working hours (Mon. – Fri./ 8 a.m. to 5 p.m.) |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|------------------|---|
| | | <p>It remains the responsibility of the Customer to prepare the room in accordance with the SIEMENS planning documents</p> <p>Any rigging requiring a crane over 80 tons and/or special site requirements (e.g. removal of existing systems, etc.) is an incremental cost and the responsibility of the Customer.</p> <p>All other "out of scope" charges (not covered by the standard rigging and installation) will be identified during the site assessment and remain the responsibility of the Customer.</p> |
| 1 | MR_BTL_INSTALL | MR Standard Rigging & Install |
| 1 | MR_PREINST_FIXED | T+D Preinstall kit for fixed table |
| 1 | MR_PM | <p>MR Project Management</p> <p>A Siemens Project Manager (PM) will be the single point of contact for the implementation of your Siemens equipment. The assigned PM will work with the customer's facilities management, architect or building contractor to assist you in ensuring that your site is ready for installation. Your PM will provide initial and final drawings and will coordinate the scheduling of the equipment, installation, and rigging, as well as the initiation of on-site clinical education.</p> |
| 1 | ML12583 | <p>Deluxe Foam Positioning Kit</p> <p>• Set of 2, 18.75° Wedges. 3" H x 4" W x 7"L • 45° Wedge. 6.6" H x 6.75" W x 7.25"L • Circular Disc. 1.5"H x 7" Diameter • Set of 2, 12° Wedges. 2.25" H x 9.5" W x 7.25"L • Rectangle .5" x 4" x 6" • Rectangle 4"H x 18"W x 24"H • 2 Cylinders, 4.25"D x 12"L • Set of 2 Thin Mats, .25"H x 18"W x 24"L • Standard vinyl table pad 1" x 24" x 72"</p> |
| 1 | MRIMAB_100 | MRI Armboard w/ Pad |
| 1 | ML11685 | <p>MR Wall sign -English</p> <p>Highly durable 1mm PVC wall signs with high-tack, double-back tape. Sticks to most any surface. English. 12" x 18".</p> |
| 1 | MRISMNS0001 | <p>MRI Patient Audio System</p> <p>The MRI Patient Audio System is to be installed in the technologist room and is connected to the Siemens intercom system. The package provides the following benefits:</p> <ul style="list-style-type: none"> • Create custom, commercial-free radio stations based on artist, song or genre preferences • Avoid any AM/FM tuning issues that may occur in RF-shielded rooms • Compatible with all popular audio apps <p>Includes all cables and adapters; Bose Companion 2 technologist speakers; 3.5 mm to RCA cable; and customized iPad Mini with all original accessories and iPad stand.</p> <p>The MR Stereo can play internet radio (depending on quality of and access to Wi-Fi signals) and device (iPad) stored audio content. Optimal performance requires access to Wi-Fi signal for Internet radio through the facility's wireless network.</p> <p>The audio system is not MR safe and is only intended for use outside the MRI suite.</p> <p>Installation is not included unless purchased with the Siemens system.</p> <p>Includes 3 year limited liability warranty on all system components through MRI Med.</p> |
| 1 | ML11591 | <p>MRI 26in bariatric wheelchair</p> <p>MRI 26" bariatric wheelchair Specifically designed for use in and around the MRI suite. Storage pocket on rear of</p> |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description |
|-----|--------------------|---|
| | | chair has "MR" prominently displayed. Weight capacity of 550 lbs. DOORWAY MUST ACCOMMODATE 35" WIDTH. Removable arm rests. Detachable, swing-away, flip-up footrests. IV Pole also available, sold separately. |
| 1 | ML11071 | MR Transfer Board 8 carrying handles allow for quick and effective patient transfers. Made of high density polyethylene, easy to clean. MR Safe. Overall Size: 71" x 23.5". |
| 1 | MR_EXTEND_WARRANTY | MR Extended Warranty 12 Months |
| 1 | M3SSMREPIBC | Spectris Solaris Injector for Free.Max Includes Spectris Solaris EP injector and Integrated Continuous Battery Charger (ICBC). <ul style="list-style-type: none"> - Optimized color touch screen with few keystrokes. - Six user-programmable phases for added flexibility. - Independent Keep Vein Open (KVO) allows more time to focus on patient. - Large 115 mL saline syringe allows for longer KVO and multiple flushes. - Design of low pressure tubing eliminates dead space in the "T" connection that can waste contrast. - The clear barrel design with molded FluidDots help detect the presence of air in a syringe. - Pressure Limit Setting control software enables user to select from one to six preset maximum pressure limits, ranging from 100-300 psi, and to view current pressure during injection next to the pre-selected maximum value on the Solaris display. |
| | | Installation, applications and one year warranty provided by Bayer. |
| 1 | MR_ADDL_RIGGING | Additional Rigging MR Inbound \$10,000 |
| 1 | MR_BUND_LV2_HIGHV | MR EDU Bundle - New to High-V System This flexible Essential Education Bundle is designed to support you as a new or existing Siemens' customer with your new Siemens MAGNETOM High-V system. This bundle of training elements launches with a Customer & Clinical Education Specialist (CES) Consultation. This CES will be your point of contact & act as a Concierge throughout your 1st year of the system's lifecycle to ensure the following: <ul style="list-style-type: none"> •Development of a full training plan for delivery during year 1 of system installation •Ensure all training goals/objectives are met •Full support for all your education needs with regular touchpoints throughout the year •All education sold with your system is delivered using the most appropriate method •Advice on additional education that will be valuable to you beyond year 1 The elements in this bundle are designed to be flexible & provide the right balance/blend of delivery methods to meet the training needs/goals set during the initial consultation. Depending on the goals & experience levels of your staff, education will be delivered using a variety of methods including e-learning, in-person/virtual classroom or workshop, & onsite/live remote training. Bundled items include: <ul style="list-style-type: none"> •Customized Education Planning & Consultation •12-Month e-learning Subscription •Dedicated Protocol Optimization •MR Classroom Training at Siemens Healthineers Training Center (1 Attendee) •Onsite Initial Training(Up to 28 Hours) •Onsite Follow-Up Training(Up to 24 Hours) •Virtual Trainer(x3) – 2-hour didactic training or scanning session •Ongoing Clinical Check-ins by your Clinical Consultation Specialist This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens' obligation to provide the training will expire without refund. |
| 2 | MR_EP2_16 | Essential Training PH 2 (Onsite-16) MR Up to (16) hours of on-site clinical Education training, scheduled consecutively |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| Qty | Part No. | Item Description | |
|-----|--------------------|---|----------------------------------|
| | | (Monday – Friday) during standard business hours for a maximum of (4) imaging professionals. Training will cover agenda items on the ASRT approved checklist if applicable. This Educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund. | |
| 2 | MR_STRTUP_T ECH | FlexForce Start-Up Tech (MR) The FlexForce Start-Up Tech will be provided in conjunction with system turnover in support of effective initial use of the new system. During the engagement, the FlexForce Start-Up Tech will perform scans onsite for four (4) consecutive weeks, up to (40) hours per week, between 7am-7pm local time Monday through Friday. Excludes weekends, legal holidays and overtime. The FlexForce Start-Up Tech engagement must be initiated and completed within 12 months of installation date, after which Siemens obligation will expire without refund. | |
| 1 | MR_INNO_ASS UR | MR Innovation Assurance Fund | |
| 1 | ML11315WH | PVC Bariatrics Sling Gurney PVC Bariatric Sling Gurney for the MRI. Constructed entirely of nonferrous materials. 600 lbs weight capacity. Three position elevating headrest. Dual dropdown side rails allow barrier-free transferring. Full specs are available upon request. | |
| 1 | MR_TURNKEY | DCS Proposal# 23-57-1279-1 for EQ Quote: CPQ-899489, Valid To: 9/14/2023 \$588,727 | |
| 1 | MR_TURNKEY | DCS Proposal# 23-57-1280-2 for EQ Quote: CPQ-899489, Valid to: 11/3/2023 \$183,126 | |
| | | | System Total \$ 1,812,981 |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS
Healthineers 
SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

OPTIONS on Quote Nr : CPQ-899489 Rev. 4

OPTIONS for MAGNETOM Free.Max (DE)

All items listed below are OPTIONS and will be included on this system ONLY if initialed: (See Detailed Technical Specifications at end of Proposal.)

| Qty | Part No. | Item Description | Extended Price | Initial to Accept |
|-----|----------|---|--------------------|-------------------|
| 1 | 14460171 | syngo.MR Neuro Perfusion Engine #1 syngo.MR Neuro Perfusion Engine extends the MR Neurology workflow with a complete package for advanced processing and evaluation of brain perfusion datasets | + \$ 19,292 | _____ |
| 1 | 14475305 | Patient Observation Kit Wall-mount This package contains a complete set which consists of camera, viewer box and monitor with the Patient TV wall support. | + \$ 5,724 | _____ |
| 1 | 14416946 | Neuro Perfusion Package #T+D The Neuro Perfusions Package helps to streamline the clinical workflow by inline post-processing in dynamic susceptibility contrast (DSC) based perfusion imaging. This makes it possible to see perfusion maps immediately. Perfusion parameter maps are based on a Local Arterial Input function. A corrected reICBV map calculation and motion correction is provided. | + \$ 8,268 | _____ |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

FINANCING: The equipment listed above may be financed through Siemens. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

ACCESSORIES: Don't forget to ask us about our line of OEM imaging accessories to complete your purchase. All accessories can be purchased or financed as part of this order. To purchase accessories directly or to receive our accessories catalog, please call us directly at 1-888-222-9944 or contact your local Sales Representative.

COMPLIANCE: Compliance with legal and internal regulations is an integral part of all business processes at Siemens. Possible infringements can be reported to our communication channel "Let Us Know".

Siemens Medical Solutions USA, Inc. General Terms and Conditions

1. GENERAL

1.1 Contract Terms and Acceptance. These terms and conditions constitute an integral part of any contract between Seller and Purchaser identified on the first page hereof and shall govern the sale of the products identified in such contract ("Products"). Purchaser acknowledges that this is a commercial and not a consumer transaction. Purchaser shall be deemed to have assented to, and to have waived any objection to, this Agreement upon the earliest to occur of any of the following: Purchaser's completion or execution of this Agreement; Purchaser's acceptance of all or any part of the Products; Purchaser's issuance of a purchase order for any Products identified on Seller's quotation or proposal; or delivery of the Products to the common carrier for shipment pursuant hereto.

1.2 Refurbished/Used Products. For Products identified on this Agreement as used or refurbished Products, these Products have been previously owned and used. When delivered to Purchaser, such Products will perform in accordance with the manufacturer's specifications. Since pre-owned Products may be offered simultaneously to several customers, the availability of such Products to Purchaser cannot be guaranteed. If the Products are no longer available, Seller will use its best efforts to identify other suitable products in its inventory. If substitute products are not acceptable to Purchaser, then Seller will cancel the order and refund to Purchaser any deposits previously paid. The warranty period for any used or refurbished Products will be separately stated on the quotation.

1.3 Third Party Products. If this Agreement includes the sale of third party products not manufactured by Seller, then Purchaser agrees and acknowledges that (a) Purchaser has made the selection of these products on its own, (b) the products are being acquired by Seller solely at the request of and for the benefit and convenience of Purchaser, (c) no representation, warranty or guarantee has been made by Seller with respect to the products, (d) the obligation of Purchaser to pay Seller for the products is absolute and unconditional, (e) use of the products may be subject to Purchaser's agreement to comply with any software licensing terms imposed by the manufacturer; and (f) unless otherwise indicated by Seller in writing, Seller is

not responsible for any required installation, validation, product recall, warranty service, maintenance, complaint handling, or any other applicable FDA regulatory requirements, and the Purchaser will look solely to the manufacturer regarding these services and will assert no claim against Seller with respect to these products.

2. PRICES

2.1 Quotations. Unless otherwise agreed to in writing or set forth in the quotation, all prices quoted by Seller and amounts payable by Purchaser are in U.S. dollars, and include Seller's standard packaging. The prices quoted to Seller assume that the Seller is located in, and will use the Products in, the U.S. If not, such quotation will be void. Unless otherwise stated, the quotation shall only be valid for forty-five (45) days from the date of the quotation.

2.2 Delay in Acceptance of Delivery. Should the agreed delivery date be postponed by Purchaser, Seller shall have the right to deliver the Products to storage at Purchaser's risk and expense, and payments due upon delivery shall become due when Seller is ready to deliver.

3. TAXES

3.1 Any sales, use or manufacturer's tax which may be imposed upon the sale or use of Products, or any property tax levied after readiness to ship, or any excise tax, license or similar fee (excluding the Medical Device Excise Tax as set forth in Section 4191 of the Internal Revenue Code of 1986, as amended) required under this transaction, shall be in addition to the quoted prices and shall be paid by Purchaser. Notwithstanding the foregoing, Seller agrees to honor any valid exemption certificate provided by Purchaser.

4. TERMS OF PAYMENT; DEFAULT

4.1 Payments; Due Date. Unless otherwise set forth in the quotation, Purchaser shall pay Seller as follows: an initial deposit of 10% of the purchase price for each Product is due upon submission of the purchase order, an additional 80% of the purchase price is due upon delivery of each Product, and the final 10% of the purchase price is due upon completion of installation or when the Products are available for first patient use, whichever occurs first. Unless otherwise agreed, all payments other than the initial deposit are due net thirty

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

(30) days from the date of invoice. Seller shall have no obligation to complete installation until the payment due upon delivery is received. Partial shipments shall be billed as made, and payments for such shipments will be made in accordance with the foregoing payment terms.**4.2 Late Payment.** A service charge of 1½% per month, not to exceed the maximum rate allowed by law, shall be made on any portion of Purchaser's outstanding balance which is not paid when due. Payment of such service charge shall not excuse or cure Purchaser's breach or default for late payment.**4.3 Payment of Lesser Amount.** If Purchaser pays, or Seller otherwise receives, a lesser amount than the full amount provided for under this Agreement, such payment shall not constitute or be construed other than as on account of the earliest amount due Seller. No endorsement or statement on any check or payment or elsewhere shall constitute or be construed as an accord or satisfaction. **4.4 Where Payment Due Upon Installation or Completion.** Should any terms of payment provide for either full or partial payment upon completion of installation or thereafter, and completion of installation is delayed for any reason for which Seller is not responsible beyond the installation date set forth in the Notice to Manufacture Letter issued by Seller, as applicable, then the balance of payments shall be due on the day following such installation date.**4.5 Default; Termination.** Each of the following shall constitute an event of default under this Agreement: (i) a failure by Purchaser to make any payment when due; (ii) a failure by Purchaser to perform any other obligation under this Agreement within thirty (30) days of receipt of written notice from Seller; or (iii) the commencement of any insolvency, bankruptcy or similar proceedings by or against Purchaser. Upon the occurrence of any event of default, at Seller's election: (a) the entire amount of any indebtedness and obligation due Seller under this Agreement and interest thereon shall become immediately due and payable; (b) Seller may suspend the performance of any of Seller's obligations hereunder, including, but not limited to, obligations relating to delivery, installation and warranty services; (c) Purchaser shall put Seller in possession of the Products upon demand; (d) Seller may sell or otherwise dispose of all or any part of the Products and apply the proceeds thereof against any indebtedness or obligation of Purchaser under this Agreement; (e) if this Agreement or any indebtedness or obligation of Purchaser under this Agreement is referred to an attorney for collection or realization, Purchaser shall

pay to Seller all costs of collection and realization (including, without limitation, a reasonable sum for attorneys' fees); and Purchaser shall pay any deficiency remaining after collection of or realization by Seller on the Products. In addition, Seller may terminate this Agreement upon written notice to Purchaser in the event that Purchaser is not approved for credit or upon the occurrence of any material adverse change in the financial condition or business operations of Purchaser.**4.6 Financing.** Notwithstanding any arrangement that Purchaser may make for the financing of the purchase price of the Products, the parties agree that any such financing arrangement shall have no effect on the Purchaser's payment obligations under this Agreement, including but not limited to Sections 4.1 and 4.2 above.

5. EXPORT TERMS

5.1 Unless other arrangements have been made, payment on export orders shall be made by irrevocable confirmed letter of credit, payable in U.S. dollars against Seller's invoice and standard shipping documents. Such letter of credit shall be in an amount equal to the full purchase price of the Products and shall be established in a U.S. bank acceptable to Seller. Purchaser shall have sole responsibility to procure all necessary permits and licenses for shipment and compliance with any governmental regulations concerning control of final destination of Products.**5.2** Purchaser agrees that Products shall not at any time directly or indirectly be used, exported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with applicable export Control and US Sanction laws and regulations. If Purchaser purchases a Product at the domestic price and exports such Product, or transfers such Product to a third party for export, outside of the U.S., Purchaser shall pay to Seller the difference between the domestic price and the international retail price of such Product. Purchaser shall deliver to Seller, upon Seller's request, written assurance regarding compliance with this Section in form and content acceptable to Seller.

6. DELIVERY, RISK OF LOSS

6.1 Delivery Date. Delivery and installation dates will be established by mutual agreement of the parties as set forth in the Notice to Manufacture Letter issued by the Seller, as applicable. Seller shall make reasonable efforts to meet such delivery date(s).**6.2 Risk of Loss;**

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

Title Transfer. Unless otherwise agreed to in writing, the following shall apply: (a) For Products that do not require installation by Seller, and for options and add-on products purchased subsequent to delivery and installation of Products purchased under this Agreement, delivery shall be complete upon transfer of possession to common carrier, F.O.B. Shipping Point, whereupon title to and all risk of loss, damage to or destruction of the Products shall pass to Purchaser. (b) For Products that require installation by Seller, delivery shall be complete upon delivery of the Products to Purchaser's designated site, F.O.B. Destination; whereupon title to and all risk of loss, damage to or destruction of such Products shall pass to Purchaser upon completion of delivery. (c) All freight charges and other transportation, packing and insurance costs, license fees, custom duties and other similar charges shall be the sole responsibility of Purchaser unless included in the purchase price or otherwise agreed to in writing by Seller. In the event of any loss or damage to any of the Products during shipment, Seller and Purchaser shall cooperate in making any insurance claim.

7. SECURITY INTEREST/FILING

7.1 Purchaser grants to Seller a security interest in the Products until payment in full by Purchaser. Purchaser shall sign any financing statements or other documents necessary to perfect Seller's security interests in the Products. Purchaser further represents and covenants that (a) it will keep the Products in good order and repair until the purchase price has been paid in full, (b) it will promptly pay all taxes and assessments upon the Products or the use thereof, (c) it will not attempt to transfer any interest in the Products until the purchase price has been paid in full, and (d) it is solvent and financially capable of paying the full purchase price for the Products.

8. CHANGES, CANCELLATION, AND RETURN

8.1 Orders accepted by Seller are not subject to change except upon Seller's written agreement. **8.2** Orders accepted by Seller are non-cancellable by Purchaser except upon Seller's written consent and payment by Purchaser of a cancellation charge equal to 10% of the price of the affected Products, plus any shipping, insurance, inspection and refurbishment charges; the cost of providing any training, education, site evaluation or other services completed by Seller; and any return, cancellation or restocking fees with

respect to any Third Party Products ordered by Seller on behalf of Purchaser. Seller may retain any payments received from Purchaser up to the amount of the cancellation charge. In no event can an order be cancelled by Purchaser or Products be returned to Seller after shipment. **8.3** Seller reserves the right to change the manufacture and/or design of its Products if, in the judgment of Seller, such change does not alter the general function of the Products.

9. FORCE MAJEURE

9.1 Seller shall not be liable for any loss or damage for delay in delivery, inability to install or any other failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God or the public, war, civil commotion, blockades, embargoes, calamities, floods, fires, earthquakes, explosions, storms, strikes, lockouts, labor disputes, or unavailability of labor, raw materials, power or supplies. Should such a delay occur, Seller may reasonably extend delivery or production schedules or, at its option, cancel the order in whole or part without liability other than to return any unearned deposit or prepayment.

10. WARRANTY

10.1 Seller warrants that the Products manufactured by Seller and sold hereunder shall be free from defects in material or workmanship under normal use and service for the warranty period. The final assembled Products shall be new although they may include certain used, reworked or refurbished parts and components (e.g., circuit boards) that comply with performance and reliability specifications and controls. Seller's obligation under this warranty is limited, at Seller's option, to the repair or replacement of the Product or any part thereof. Unless otherwise set forth in the Product Warranty attached hereto and incorporated herein by reference ("Product Warranty"), the warranty period shall commence upon the earlier of the date that the Products have been installed in accordance with Section 12.5 hereof (which date shall be confirmed in writing by Seller) or first patient use, and shall continue for twelve (12) consecutive months. Seller makes no warranty for any Products made by persons other than Seller or its affiliates, and Purchaser's sole warranty therefor, if any, is the original manufacturer's warranty, which Seller agrees to pass on to Purchaser, as applicable. The warranty provided by Seller under this Section 10 extends only to the original Purchaser,

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

unless the Purchaser obtains the Seller's prior written consent with respect to any sale or other transfer of the Products during the term of the warranty.**10.2** No warranty extended by Seller shall apply to any Products which have been damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence as described in Section 9 hereof or by the Purchaser's failure to operate the Products in accordance with the manufacturer's instructions or to maintain the recommended operating environment and line conditions; which are defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Products by the Purchaser or any third party or due to the attachment and/or use of non-Seller supplied parts, equipment or software without Seller's prior written approval; which failed due to causes from within non-Seller supplied equipment, parts or software including, but not limited to, problems with the Purchaser's network; or which have been damaged from the use of operating supplies or consumable parts not approved by Seller. In addition, there is no warranty coverage for any transducer or probe failure due to events such as cracking from high impact drops, cable rupture from rolling equipment over the cable, delamination from cleaning with inappropriate solutions, or TEE bite marks. Seller may effectuate any repairs at Purchaser's facility, and Purchaser shall furnish Seller safe and sufficient access for such repair. Repair or replacement may be with parts or products that are new, used or refurbished. Repairs or replacements shall not interrupt, extend or prolong the term of the warranty. Purchaser shall, upon Seller's request, return the non-complying Product or part to Seller with all transportation charges prepaid, but shall not return any Product or part to Seller without Seller's prior written authorization. Purchaser shall pay Seller its normal charges for service and parts for any inspection, repair or replacement that falls outside of Seller's warranty. Seller's warranty does not apply to consumable materials, disposables, supplies, accessories and collateral equipment, except as specifically stated in writing or as otherwise set forth in the Product Warranty.**10.3** This warranty is made on condition that immediate written notice of any noncompliance be given to Seller and Seller's inspection reveals that Purchaser's claim is covered under the terms of the warranty (i.e., that the noncompliance is due to traceable defects in original materials and/or workmanship).**10.4** Purchaser shall provide Seller with

both on-site and remote access to the Products. The remote access shall be provided through the Purchaser's network as is reasonably necessary for Seller to provide warranty services under this Agreement. Remote access will be established through a broadband internet-based connection to either a Purchaser owned or Seller provided secure end-point. The method of connection will be a Peer-to-Peer VPN IPsec tunnel (non-client based) with specific inbound and outbound port requirements.**10.5** Warranty service will be provided without charge during Seller's regular working hours (8:30-5:00), Monday through Friday, except Seller's recognized holidays. If Purchaser requires that service be performed outside these hours, such service can be made available at an additional charge, at Seller's then current rates. The obligations of Seller described in this Section are Seller's only obligations and Purchaser's sole and exclusive remedy for a breach of product warranty.**10.6 SELLER MAKES NO WARRANTY OTHER THAN THE ONE SET FORTH HEREIN AND IN THE PRODUCT WARRANTY. SUCH WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSES, AND SUCH CONSTITUTES THE SOLE AND EXCLUSIVE WARRANTY MADE WITH RESPECT TO THE PRODUCTS, SERVICE OR OTHER ITEM FURNISHED UNDER THIS AGREEMENT.****10.7** In the event of any inconsistencies between the terms of this Section 10 and the terms of the Product Warranty, the terms of the Product Warranty shall prevail.

11. LIMITATION OF LIABILITY

11.1 In no event shall Seller's liability hereunder exceed the actual loss or damage sustained by Purchaser, up to the purchase price of the Products. The foregoing limitation of liability shall not apply to claims for bodily injury or damages to real property or tangible personal property to the extent arising from Seller's negligence or a product defect.**11.2 SELLER SHALL NOT BE LIABLE FOR ANY LOSS OF USE, REVENUE OR ANTICIPATED PROFITS; COST OF SUBSTITUTE PRODUCTS OR SERVICES; LOSS OF STORED, TRANSMITTED OR RECORDED DATA; OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY**

OTHER THEORY OR FORM OF ACTION, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SALE OR USE OF THE PRODUCTS. THE FOREGOING IS A SEPARATE, ESSENTIAL TERM OF THIS AGREEMENT AND SHALL BE EFFECTIVE UPON THE FAILURE OF ANY REMEDY, EXCLUSIVE OR NOT.

12. INSTALLATION - ADDITIONAL CHARGES

12.1 General. Unless otherwise expressly stipulated in writing, the Products shall be installed by and at the expense of Seller except that Seller shall not provide rigging or site preparation services unless otherwise agreed to in writing by Seller for an additional charge. Seller will not install accessory items such as cabinets, illuminators, darkroom equipment or processors for X-Ray and CT equipment, unless otherwise agreed to in writing by Seller. **12.2 Installation by Seller.** If Seller specifies it will install the Products, the following applies: subject to fulfillment of the obligations set forth in Section 12.3 below, Seller shall install the Products and connect them to the requisite safety switches and power lines to be installed by Purchaser. Except as otherwise specified below, if such installation and connection are performed by Seller's technical personnel, prices shown include the cost thereof, provided that the installation and connection can be performed within the Continental United States or Puerto Rico and during normal business hours. Any overtime charges or other special expenses shall be additional charges to the prices shown. **12.3 Purchaser's Obligations.** Purchaser shall, at its expense, provide all proper and necessary labor and materials for plumbing service, carpentry work, conduit wiring, and other preparations required for such installation and connection. All such labor and materials shall be completed and available at the time of delivery of the Products by Seller. Additionally, Purchaser shall provide free access to the installation site and, if necessary, safe and secure space for storage of Products and equipment prior to installation by Seller. Purchaser shall be responsible, at its sole cost and expense, for obtaining all permits, licenses and approvals required by any federal, state or local authorities in connection with the installation and operation of the Products, including but not limited to any certificate of need and zoning variances. Purchaser shall provide a suitable environment for the Products

and shall ensure that its premises are free of hazardous conditions and any concealed or dangerous conditions and that all site requirements are met. Seller shall delay its work until Purchaser has completed the removal of any hazardous materials or has taken any other precautions and completed any other work required by applicable regulations. Purchaser shall reimburse Seller for any increased costs and expenses incurred by Seller that are the result of or are caused by any such delay. In the event that Seller is requested to supervise the installation of the Products, it remains the Purchaser's responsibility to comply with local regulations. Seller is not an architect and all drawings furnished by Seller are not construction drawings. If local labor conditions, including a requirement to use union labor, require the use of non-Seller employees to participate in the installation of the Product or otherwise causes delays or any additional expenses, then any such additional costs shall be at Purchaser's expense.

12.4 Regulatory Reporting. In the event that any regulatory activity is performed by anyone other than Seller's authorized personnel, then Purchaser shall be responsible for fulfilling any and all reporting requirements. **12.5 Completion of Installation.** Installation shall be complete upon the conclusion of final calibration and checkout under Seller's standard procedures to verify that the Products meet applicable written performance specifications. Notwithstanding the foregoing, first use of the Products by Purchaser, its agents or employees for any purpose after delivery shall constitute completion of installation.

13. PATENT, COPYRIGHT AND OTHER INFRINGEMENT CLAIMS

13.1 Infringement by Seller. Seller warrants that the Products manufactured by Seller and sold hereunder do not infringe any U.S. patent or copyright. If Purchaser receives a claim that any such Products, or parts thereof, infringe upon the rights of others under any U.S. patent or copyright, Purchaser shall notify Seller immediately in writing. Provided that Purchaser gives Seller information, assistance and exclusive authority to evaluate, defend and settle such claims, Seller shall at its own expense and option: indemnify and defend Purchaser against such claims; settle such claims; procure for Purchaser the right to use the Products; or remove or modify them to avoid infringement. If none of these alternatives is available on terms reasonable to Seller, then Purchaser shall return the Products to Seller and Seller shall refund to

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

Purchaser the purchase price paid by Purchaser less reasonable depreciation for Purchaser's use of the Products. The foregoing states Seller's entire obligation and liability, and Purchaser's sole remedy, for claims of infringement. **13.2 Infringement by Purchaser.** If some or all of the Products sold hereunder are made by Seller pursuant to drawings or specifications furnished by Purchaser, or if Purchaser modifies or combines, operates or uses the Products other than as specified by Seller or with any product, data, software, apparatus or program not provided or approved by Seller, then the indemnity obligation of Seller under Section 13.1 shall be null and void.

14. DESIGNS AND TRADE SECRETS; LICENSE; CONFIDENTIALITY

14.1 Any drawings, data, designs, software programs or other technical information supplied by Seller to Purchaser in connection with the sale of the Products shall remain Seller's property and shall at all times be held in confidence by Purchaser. **14.2** For all Products which utilize software for their operation, such "Applications Software" shall be licensed to Purchaser under the terms of Seller's Software License Schedule attached hereto. **14.3** Seller and Purchaser shall maintain the confidentiality of any information provided or disclosed to the other party relating to the business, customers and/or patients of the disclosing party, as well as this Agreement and its terms (including the pricing and other financial terms under which the Purchaser will be purchasing the Products). Each party shall use reasonable care to protect the confidentiality of the information disclosed, but no less than the degree of care it would use to protect its own confidential information, and shall only disclose the other party's confidential information to its employees and agents having a need to know this information. The obligations of confidentiality set forth herein shall not apply to any information in the public domain at the time of disclosure or that is required to be disclosed by court order or by law.

15. ASSIGNMENT

15.1 Neither party may assign any rights or obligations under this Agreement without the prior written consent of the other, which shall not be unreasonably withheld. Any attempt to do so shall be void, except that Seller may assign this Agreement without consent to any subsidiary or affiliated company, and may delegate to authorized subcontractors or service suppliers any work to be performed under this Agreement so long as

Seller remains liable for the performance of its obligations under this Agreement. This Agreement shall inure to and be binding upon the parties and their respective successors, permitted assigns and legal representatives.

16. COSTS AND FEES

16.1 In the event that any dispute or difference is brought arising from or relating to this Agreement or the breach, termination or validity thereof, the prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees incurred, together with such other expenses, costs and disbursements as may be allowed by law.

17. MODIFICATION

17.1 This Agreement may not be changed, modified or amended except in writing signed by duly authorized representatives of the parties.

18. GOVERNING LAW; WAIVER OF JURY TRIAL

18.1 This Agreement shall be governed by the laws of the state where the Product(s) will be installed, without regard to that state's choice of law principles. **18.2 EACH OF THE PARTIES EXPRESSLY WAIVES ALL RIGHTS TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE UNDER THIS AGREEMENT.**

19. COST REPORTING

19.1 Purchaser agrees that it must fully and accurately report prices paid under this Agreement, net of all discounts, as required by applicable law and contract, including without limitation 42 CFR §1001.952(h), in all applicable Medicare, Medicaid and state agency cost reports. Purchaser shall retain a copy of this Agreement and all other communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.

20. INTEGRATION

20.1 These terms and conditions, including any attachments or other documents incorporated by reference herein, constitute the entire, complete and exclusive statement of agreement with respect to the subject matter hereof, and supersede any and all prior agreements, understandings and communications between the parties with respect to the Products. Purchaser's additional or different terms and conditions stated in a purchase order, bid documents or any other

document issued by Purchaser are specifically rejected and shall not apply to the transactions contemplated under this Agreement.

21. SEVERABILITY; HEADINGS

21.1 No provision of this Agreement which may be deemed unenforceable will in any way invalidate any other portion or provision of this Agreement. Section headings are for convenience only and have no substantive effect.

22. WAIVER

22.1 No failure and no delay in exercising, on the part of any party, any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

23. NOTICES

23.1 Any notice or other communication under this Agreement shall be deemed properly given if in writing and delivered in person or mailed, properly addressed and stamped with the required postage, to the intended recipient at its address specified on the face hereof.

24. RIGHTS CUMULATIVE

24.1 The rights and remedies afforded to Seller under this Agreement are in addition to, and do not in any way limit, any other rights or remedies afforded to Seller by any other agreement, by law or otherwise.

25. END USER CERTIFICATION

25.1 Purchaser represents, warrants and covenants that it is acquiring the Products for its own end use and not for reselling, leasing or transferring to a third party (except for lease-back financings).

26. ACCESS TO BOOKS AND RECORDS

26.1 To the extent required by Section 1861(v)(1)(I) of the Social Security Act and the regulations promulgated thereunder, until the expiration of four (4) years after the furnishing of any Product or service pursuant to this Agreement, Seller shall make available, upon written request by the Secretary of Health and Human Services (the "Secretary"), or upon request by the Comptroller General (the "Comptroller"), or any of their duly authorized representatives, copies of this Agreement and any books, documents, records or other data of Seller that are necessary to certify the nature and extent of any costs incurred by Purchaser for such Products and services. If Seller carries out any of its duties under this Agreement through a subcontract with a related organization involving a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period, Seller will cause such subcontract to contain a clause to the effect that, until the expiration of four (4) years after the furnishing of any Product or service pursuant to said contract, the related organization will make available upon the written request of the Secretary or the Comptroller, or any of their duly authorized representatives, copies of records of said related organization that are necessary to certify the nature and extent of cost incurred by Purchaser for such Product or service.

27. DISPOSITION OF PRODUCTS

27.1 Purchaser expressly agrees that should Purchaser sell, transfer or otherwise dispose of the Products, Purchaser shall notify Seller in writing and give Seller the opportunity to purchase such Products. With Purchaser's notice, Purchaser shall provide Seller with a copy of the third party's binding offer to purchase the Products and Seller shall have seven (7) days to notify the Purchaser of an offer to purchase the Products.
05/15 Rev.

OtherTC - FlexForce Start-Up Tech (MR)

SIEMENS HEALTHINEERS
FLEXFORCE[®] AND CREWPLACE[™] START-UP TECHNOLOGIST ADDENDUM

1. GENERAL.

- 1.1. This FlexForce[®] and CrewPlace[™] Start-Up Technologist Addendum (the "Start-Up Technologist Addendum"), and the applicable Statement of Work (the "SOW"), includes additional terms and conditions relating to the FlexForce[®] and CrewPlace[™] start up technologist services that supplement the Siemens Medical Solutions USA, Inc. ("Seller") General Terms and Conditions of Sale attached to the quote.

2. DEFINITIONS.

- 2.1. "Customer Personnel" shall refer to directors, officers, employees, independent contractors, and agents of Customer and its affiliates.
- 2.2. "Customer Policies" shall mean the Customer's procedures and policies provided to Seller in connection with this Start-Up Technologist Addendum, including those policies and procedures related to Customer's compliance requirements with workplace environmental, health and safety requirements and ensuring worker safety and health, and the Joint Commission of Health Care Organization standards.
- 2.3. "Normal Business Hours" shall mean Monday through Sunday from 12:01 A.M. to 12:00 P.M., excluding days when the Customer's site is closed.
- 2.4. "Scans" shall mean the operation of imaging modalities by trained and certified medical technologists supplied by Seller to assist Customer in performing diagnostic testing.
- 2.5. "Technologists" shall refer to trained and certified medical technologists who are either employed directly by Seller or supplied by one of Seller's subcontractors and who are assigned by Seller to assist in Customer's performance of Scans in accordance with the terms set forth herein.
- 2.6. "Start-Up Technologist Services" shall mean the Technologists provided by Seller to Customer to perform Scans at one of Customer's locations during Normal Business Hours, as specifically described in the SOW.

3. RESPONSIBILITIES OF SELLER. For the duration of the Term, and subject to compliance with the terms and conditions in this Start-Up Technologist Addendum:

- 3.1. Technologists. Seller shall provide to Customer available Technologists to perform Start-Up Technologist Services.
- 3.2. Licensure/Certification/Accreditation of Technologists. Seller shall ensure that all Technologists have and maintain appropriate license/certification/accreditation in all applicable jurisdictions to perform the Start-Up Technologist Services.
- 3.3. Non-Exclusion. Seller represents and warrants that neither it nor the Technologists are excluded from participation from any federally funded healthcare program, including Medicare and Medicaid. Seller agrees to promptly notify Customer of any exclusion from any federally funded healthcare program, including Medicare or Medicaid.
- 3.4. Documentation. Seller agrees to obtain and provide to Customer upon written request documentation on references, malpractice history and licensure disciplinary action for the Technologists. Seller agrees to make that documentation available to the Customer upon Customer's written request.
- 3.5. Technologist Credentialing. Seller shall require the Technologists to satisfy all applicable credentialing requirements. Customer shall provide these credentialing requirements to Seller directly or, if applicable, through Customer's vendor credentialing organization before the start of the Term. Such requirements may include criminal background checks, drug screening attestations, proof of citizenship or legal residency,

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

documentation of vaccine declination or proof of immunizations and/or tests for immunity for certain diseases including the Hepatitis B Virus, and proof of training documentation.

- 3.6. Technologist Performance. If at any time during the Term Customer is dissatisfied with the performance of the Technologist, the Customer in its sole discretion may dismiss such Technologist and upon providing prompt written notice to Seller, Seller will make commercially reasonable efforts to provide a replacement technologist, subject to compliance with applicable federal and state employment laws.
- 3.7. No Practice of Medicine. Notwithstanding the authority granted to Seller under this Start-Up Technologist Addendum, the parties acknowledge that Seller does not and is not authorized or qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine, that the Customer shall retain the authority to direct all activities regarding the care and treatment of its patients, and Seller shall neither exercise control over nor interfere with the care and treatment of patients or the physician-patient relationship. To the extent any act or service required of Seller should be construed or deemed, by a governmental authority, agency or court to constitute the practice of medicine, the performance of said act or service by Seller shall be deemed waived and forever unenforceable.

4. RESPONSIBILITIES OF CUSTOMER. For the duration of the Term, and subject to compliance with the terms and conditions in this Start-Up Technologist Addendum:

- 4.1. Technologist Supplies. Customer shall make available to the Technologists office space, equipment and supplies as may be appropriate and necessary for the provision of the Start-Up Technologist Services, and Customer shall perform or otherwise arrange for the customary maintenance on such equipment/supplies. Customer shall supply the Technologists with identification badges, as well as other necessary devices and personal protective equipment including but not limited to lead vests/jackets/aprons, scrubs, gloves, masks/respirators, and eye protection, and, if necessary, other information regarding Customer. As applicable, Customer shall share results of ionizing radiation monitoring with the Technologists, where required in accordance with state and federal agency requirements, and with Seller upon written request, and Customer shall immediately notify Seller if a Technologist's ionizing radiation exposure exceeds a federal or state dose limit.
- 4.2. Technologist Orientation and Training on Customer Policies. Customer shall provide the Technologists with any and all necessary orientation and training on all applicable Customer Policies and any other Customer-required topics, directly or indirectly related to the Start-Up Technologist Services, including training tailored to Customer's site-specific workplace/equipment hazards and related control (e.g., Blood-borne Pathogen Exposure Control Plan, Hazard Communication Plan, laboratory Chemical Hygiene Plan, medical clearance and fit testing for respiratory protection, radiation safety/exposure monitoring and RAM license requirements, incident reporting, personal protective equipment use and care, waste management, and other environmental, health and safety hazards). Customer is responsible for overseeing the Technologists' compliance with all Customer Policies. Customer shall provide written copies of all Customer Policies to Seller prior to the execution of the SOW.
- 4.3. Physician Oversight. Customer shall arrange for and/or provide such physician(s) as may be required for the supervision, interpretation and patient needs for the Technologists to perform the Scans, in accordance with all applicable laws, rules or regulations.
- 4.4. Licensure/Certification/Accreditation of Customer Personnel. Customer shall ensure that Customer and Customer Personnel maintain the appropriate license/certification/accreditation in all applicable jurisdictions for the performance of any required Scans. In addition, Customer shall be responsible for any services performed by Customer or Customer Personnel and for the accuracy and completeness of all data and information submitted or made available to Seller in connection with the Start-Up Technologist Services.
- 4.5. Non-Exclusion. Customer hereby represents and warrants that neither it nor Customer Personnel are excluded from participation from any federally funded healthcare program, including Medicare and Medicaid. Customer agrees to promptly notify Seller of any exclusion from any federally funded healthcare program, including Medicare or Medicaid.

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

- 4.6. Non-Solicitation. During the term of this Start-Up Technologist Addendum and for six (6) months thereafter, Customer agrees that it will not directly or indirectly solicit for employment or otherwise employ or engage the services of any Technologist who had been assigned to Customer under the SOW without first obtaining the written consent of Seller. Should Seller agree to Customer's request for employment of the Technologist, Seller will charge Customer a fee of one hundred percent (100%) of the applicable SOW on a per-person basis.

5. RELATIONSHIP OF THE PARTIES

- 5.1. Independent Contractor Status. Both parties agree that (i) all Technologists supplied by Seller under this Start-Up Technologist Addendum, or the SOW, shall be independent contractors, not employees or agents, of Customer and Seller (unless a technologist is employed directly by Seller) and (ii) Seller and Customer are each independent contractor of each other. Nothing contained in this Start-Up Technologist Addendum shall be construed to create a joint venture, partnership, association or other affiliation or like relationship between the parties and that neither shall act or represent themselves, directly or by implication, as an agent of the other, or in any manner assume or create any obligation on behalf of, or in the name of, the other. For the sake of clarity, the Technologists are either employed directly by Seller or employed by one of Seller's subcontractors. Responsibility for OSHA injury/illness recordkeeping will remain with Siemens Seller or one of Seller's subcontractors (as applicable).
- 5.2. Technologist Compensation. As relating to the Start-Up Technologist Services, Customer has no obligation to (a) provide compensation or employment benefits directly to the Technologists, or (b) file any applicable tax returns with or make any payments required to be paid to any federal, state, or local tax authority. Customer shall not withhold any part of the fees owed to Seller for the Start-Up Technologist Services for reasons associated with the payment of any social security, federal, state, or other local employee payroll taxes for the Technologists.
- 5.3. No Limitation on Like Services. This Start-Up Technologist Addendum shall not limit the ability of Seller or Customer to enter into like agreements for the same or similar types of services as are provided under this Start-Up Technologist Addendum.

6. INSURANCE

- 6.1. Commercial General Liability. Seller and Customer shall purchase and maintain commercial general liability insurance in a form and in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million (\$2,000,000) per annual aggregate. Upon request, a valid certificate evidencing such coverage shall be provided and notice of any change in such coverage shall also be provided. This duty shall survive the termination of this Start-Up Technologist Addendum. Seller and Customer shall carry worker's compensation insurance that complies with the statutory requirements of the Commonwealth of Pennsylvania.
- 6.2. Professional Liability. Seller and Customer shall purchase and maintain professional liability insurance. Seller and Customer shall only provide employees for whom there is proof of professional liability insurance with minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate. The duties to maintain such coverage shall continue as long as Seller and Customer are providing employees that are involved in any way in Procedures and shall survive the termination of this Start-Up Technologist Addendum.
- 6.3. Certificates. Upon request, Seller and Customer will provide certificates of insurance as evidence of satisfaction of the obligations described in this Article. Seller and Customer agree that they will provide at least thirty (30) days advance notice of cancellation, non-renewal, or adverse change in their insurance. This duty shall survive the termination of this Start-Up Technologist Addendum.

7. LIMITATION OF LIABILITY, INDEMNIFICATION, AND WARRANTY DISCLAIMER

- 7.1. Limitation of Liability. The following limitation of liability is applicable to this Start-Up Technologist Addendum only and does not apply to the following carve-outs: (i) claims by a party for bodily injury or (ii) damages to real property or tangible personal property, to the extent caused solely and directly by the negligence or willful misconduct of the other party. Except as otherwise provided in this Section 7.1, a party's liability to the other party under this Addendum shall be limited to the actual direct damages suffered by such party and then only to

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

a total cumulative damage limit equal to the amount paid by Customer to Seller for the Start-Up Technologist Services. For the sake of clarity, the foregoing limitation of liability does not void or otherwise change the limitation of liability stated in Seller's General Terms and Conditions of Sale or any other attachment to the quote.

- 7.2. Disclaimed Indirect Damages. **IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY LOST PROFITS, LOST SAVINGS, LOST REVENUES, LOSS OF USE, LOST DATA, OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS START-UP TECHNOLOGIST ADDENDUM.**
- 7.3. Indemnification. The indemnification provided in this Section 7.3 applies only to this Start-Up Technologist Addendum and has no effect on Seller's General Terms and Conditions of Sale or any other attachment to the quote. Notwithstanding anything to the contrary contained herein, each party agrees to indemnify and defend the other party and its officers, directors, employees and agents from and against all losses, damages and expenses (including reasonable attorneys' fees) with respect to third party claims for bodily injuries (including death) and damages to real and tangible personal property to the extent arising or resulting from the negligent acts or omissions or the willful misconduct of the indemnifying party, its directors, officers, employees and agents. Customer agrees to waive any and all tort or other subrogation rights against Seller arising directly or indirectly out of, relating to, or in connection with, any services that any Technologist or Customer's agents, officers or employees provide. This indemnification obligation shall survive the expiration or termination of this Start-Up Technologist Addendum.
- 7.4. Disclaimed Warranties. **THIS IS A SERVICE ADDENDUM. WITHOUT LIMITING THE LIMITATION OF LIABILITY SET FORTH IN SECTION 7.1, AND EXCEPT AS OTHERWISE SET FORTH ELSEWHERE IN THIS START-UP TECHNOLOGIST ADDENDUM, SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE.**

8. TERM, CANCELLATION, AND DELAYS

- 8.1. Term. This Start-Up Technologist Addendum begins on the first day the Technologist is scheduled to perform the Start-Up Technologist Services (as indicated on the corresponding SOW) and will expire four (4) consecutive weeks thereafter (the "Term"). Customer must use the Start-Up Technologist Services and complete the Term within twelve (12) months of the Product installation date (as defined in Seller's General Terms and Conditions of Sale), after which Seller's obligation to supply a Technologist pursuant to this Start-Up Technologist Addendum will expire without any refund to Customer. Customer cannot under any circumstances extend the Start-Up Technologist Services. If Customer wants to continue using Seller's FlexForce® and/or CrewPlace™ services, Customer and Seller must negotiate and execute a separate agreement.
- 8.2. Rescheduling. The Start-Up Technologist Services may be rescheduled if Customer provides Seller with written notice and such notice is given more than ten (10) business days from the scheduled start of the Term. If Customer reschedules the services pursuant to this Section 8.2, the services must be rescheduled and completed within the twelve (12) months period described in Section 8.1 above.
- 8.3. Cancellation. If Customer cancels the Start-Up Technologist Services within ten (10) days or less from the scheduled start of the Term, Customer will not receive a refund for any amounts paid to Seller for the Start-Up Technologist Services.
- 8.4. Delays. Unless subject to force majeure as described in the Seller's General Terms and Conditions of Sale, if Customer delays starting the Start-Up Technologist Services within ten (10) business days from the scheduled start of the Term, the Term will be reduced by the number of days delayed by Customer up to ten (10) days, and the price for the Start-Up Technologist Services will not be reduced or otherwise adjusted.

9. PAYMENT TERMS

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

- 9.1. General. Customer shall pay Seller for the Start-Up Technologist Services in accordance with the payment terms set forth in the quote and/or Seller's General Terms and Conditions of Sale.
- 9.2. Fair-Market-Value. The parties acknowledge and agree that any compensation set forth herein represents the fair market value of the services negotiated in an arms'-length transaction and has not been determined in a manner which takes into account the volume or value of referrals or business, if any, that may otherwise be generated between Seller and Customer. Nothing contained in this Start-Up Technologist Addendum will be construed in any manner as an obligation or inducement for Customer to purchase, use, order, or recommend any products manufactured or distributed by, or tests or services provided by Seller or its affiliates.
- 9.3. Medicare/Medicaid/Third-Party Payers Billing. Customer shall bill, collect and retain all amounts collected from Medicare, Medicaid, and all other third-party payers for the Start-Up Technologist Services.

10. PROTECTED HEALTH INFORMATION

- 10.1. Access to Protected Health Information. The Technologists shall have access to patient information as is reasonably necessary to perform the Start-Up Technologist Services. Without limiting the obligations of the parties as set forth in this Start-Up Technologist Addendum or imposed by applicable law, each party agrees to comply with applicable requirements of law relating to PHI and with respect to any task or other activity Seller performs on behalf of Customer.
- 10.2. HIPAA Compliance. To the extent required by the provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and any regulations promulgated thereunder, Seller will appropriately safeguard Protected Health Information (as defined under HIPAA) made available to or obtained by Seller pursuant to this Start-Up Technologist Addendum ("PHI"). Seller agrees to comply with applicable requirements of law relating to PHI and with respect to any task or other activity Seller performs on behalf of Customer pursuant to this Start-Up Technologist Addendum. Specifically, Seller shall:
 - 10.2.1. not use or disclose PHI other than as permitted or required by this Start-Up Technologist Addendum, or as required by law, and limit any use or disclosure of PHI to a limited data set or the minimum necessary to accomplish the intended purpose of such use or disclosure;
 - 10.2.2. implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of any electronic PHI that it creates, receives, maintains or transmits on behalf of the Customer, and comply, where applicable, with the HIPAA Security Rule with respect to such electronic PHI, and otherwise use appropriate safeguards to prevent use or disclosure of PHI, other than as provided for by this Start-Up Technologist Addendum;
 - 10.2.3. report to Customer any use or disclosure of PHI not provided for by this Start-Up Technologist Addendum, and report any security incident, of which Seller becomes aware;
 - 10.2.4. in accordance with applicable HIPAA and HITECH requirements, ensure that any subcontractors or agents to whom Seller provides PHI received from, or created or received by Seller on behalf of, Customer agree to essentially the same restrictions and conditions that apply to Seller with respect to PHI and implement reasonable and appropriate safeguards with respect to PHI;
 - 10.2.5. upon Customer's written request, make PHI available to the Customer as necessary for Customer to respond to individuals' requests for access to PHI about them, provided that the PHI in Seller's possession constitutes a Designated Record Set and Seller has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer;
 - 10.2.6. upon Customer's written request, make PHI available to Customer for amendment and incorporate any amendments to the PHI in accordance with applicable law, provided that the PHI in Seller's possession constitutes a Designated Record Set and Seller has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer;

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

- 10.2.7. make available to Customer the information in its possession required to provide an accounting of disclosures of PHI as required by applicable law;
- 10.2.8. mitigate, to the extent practicable, any harmful effect that is known to Seller of a use or disclosure of PHI by Seller in violation of the requirements of this Start-Up Technologist Addendum or of law;
- 10.2.9. provide notice of a breach of unsecured PHI to Customer without unreasonable delay, and in no case later than thirty (30) days after discovery of a breach. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by Seller to have been, accessed, acquired, used, or disclosed. Seller shall provide Customer with any other available information that Customer is required to include in notification to the individual under applicable law;
- 10.2.10. make Seller' internal practices, books, and records relating to the use and disclosure of PHI received from Customer available to the Secretary of the United States Health & Human Services for purposes of determining Customer's compliance with applicable law; and
- 10.2.11. upon expiration of this Start-Up Technologist Addendum, return to Customer or destroy all PHI in its possession as a result of this Addendum and retain no copies of PHI, if it is feasible to do so. If return or destruction is not feasible, Seller agrees to extend all protections contained in this Start-Up Technologist Addendum to Seller's use and/or disclosure of any retained PHI, and to limit further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

11. MISCELLANEOUS PROVISIONS

- 11.1. Delegation. Seller may delegate to authorized subcontractors or service suppliers any work to be performed under this Start-Up Technologist Addendum so long as Seller remains liable for the performance of its obligations under this Start-Up Technologist Addendum.
- 11.2. Non-Discrimination. Seller and Customer agree not to discriminate on the basis of race, sex, religion, national origin, age or disability in conjunction with their obligations under this Start-Up Technologist Addendum.
- 11.3. License. To improve and enhance the Start-Up Technologist Services, and for other related product/service improvement, diagnostic and corrective purposes, and internal business purposes, Seller desires the right to access, collect, analyze, and use the information and de-identified data collected, received, processed, or maintained by or on behalf of Customer in connection with the Start-Up Technologist Services. Accordingly, Customer hereby grants to Seller and its employees, contractors, officers, directors, agents, licensors and subcontractors a limited, royalty-free, perpetual, worldwide right and license to access, collect, analyze and use such information or de-identified data.

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

Software License Schedule to the Siemens Medical Solutions USA, Inc General Terms and Conditions

1. DEFINITIONS: The following definitions apply to this Schedule:

"Agreement" shall mean the attached (i) Quotation for Products and/or Services including the Terms and Conditions of Sale and applicable schedules; and/or (ii) Software License Agreement describing the software licensed herein and the specific system for which the license is issued.

"Licensor" shall mean Siemens Medical Solutions USA, Inc.

"Licensee" shall mean the end-user to whom Licensor provides Software or Documentation for its internal use under the Agreement.

"Software" shall mean the software described in the attached Agreement, including the following as contained therein: (i) software programs consisting of a series of statements or instructions to be used directly or indirectly in a programmable controller or computer to bring about a certain result and (ii) databases consisting of systemized collections of data to be used or referenced directly or indirectly by a programmed controller or computer. Notwithstanding the foregoing, "Software" does not include "firmware" as such term is conventionally understood. Diagnostic/Maintenance Software also is not included within the scope of the Software licensed under this Schedule, and is available only as a special option under a separate Diagnostic Materials License Agreement and may be subject to a separate licensing fee.

"Documentation" shall mean the documents and other supporting materials which are intended to support the use of an associated product, including (but not limited to) instructions, descriptions, flow charts, logic diagrams and listings of the Software, in text or graphic form, on machine readable or printed media.

"Designated Unit" shall mean a single control unit or computer identified on the first page of the Agreement, on which Software licensed hereunder may be used by Licensee.

2. SCOPE: The following terms and conditions shall apply to all Software and Documentation provided by Licensor to Licensee under the Agreement (whether included with other products listed in the Agreement or listed separately in the Agreement), together with any updates or revisions thereto which Licensor may provide to Licensee, and all copies thereof, except any Software and/or Documentation licensed directly by Licensor's supplier under a separate end-user license agreement accompanying the Software or the Documentation, in which case Licensee agrees to be bound by that license agreement as a condition to using the Software and/or Documentation. Except as expressly provided herein, and provided that in no event shall the warranties or other obligations of Licensor with respect to such Software or Documentation exceed those set forth in this Schedule, this Schedule shall be subject to the liability limitations and exclusions and other terms and conditions set forth in the Agreement. **ANY USE OF THE SOFTWARE, INCLUDING BUT NOT LIMITED TO USE ON THE DESIGNATED UNIT, WILL CONSTITUTE LICENSEE'S AGREEMENT TO THIS SOFTWARE LICENSE SCHEDULE (OR RATIFICATION OF ANY PREVIOUS CONSENT).**

3. SOFTWARE AND DOCUMENTATION LICENSE: Subject to the payment of any applicable annual license fee(s), whether stated separately or included in the purchase price of another product, and to Licensee's acceptance of all of the obligations set forth herein and to the fulfillment of those obligations, Licensor or, if applicable, its licensor or supplier, hereby grants to Licensee a paid-up, nonexclusive and nontransferable (except as expressly provided in this Schedule) limited license to use the Software provided by Licensor under the Agreement solely for Licensee's own use on the Designated Unit and to use the Documentation in support of Licensee's authorized use of the Software, for the purpose of operating the Designated Unit in accordance with the instructions set forth in the user's manual supplied with the Designated Unit and for no other purpose whatsoever. A separate license is required for each Designated Unit on which the Software is to be used. Licensee may obtain from Licensor one copy of the Software licensed hereunder for backup and archival purposes only as is necessary to support Licensee's own authorized use of the Software, provided that Licensee includes on or in all copies (in any form) all copyright, trade secret or other proprietary notices contained on or in the Software as provided by Licensor. Additional copies of the Documentation may be licensed from Licensor at its then applicable charges. Licensee may

make the Software and Documentation (including any copies) available only to its employees and other persons on Licensee's premises to whom such disclosure is necessary to enable Licensee to use the Software or Documentation within the scope of the license provided in this Schedule. If the Software is supplied to any unit or agency of the United States Government other than the Department of Defense, the Software and Documentation are classified as "restricted computer software" and the Government's rights in the Software and Documentation shall be as provided in paragraph (c) (2) of the Commercial Computer Software-Restricted Rights clause in FAR 52.227-19 and any successor laws, rules or regulations thereto. If the Software is supplied to the United States Department of Defense, the Software is classified as "commercial computer software" and the Government is furnished the Software and Documentation with "restricted rights" as defined in paragraph (c) (1) of the Rights in Technical Data and Computer Software clause in DFARS 252.227-7013 and any successor laws, rules or regulations thereto.

4. PROPRIETARY PROTECTION AND CONFIDENTIALITY: Ownership of and title to the Software and Documentation and all copies, in any form, licensed under this Schedule are and will remain in Licensor or its suppliers at all times. Licensee shall not (i) remove any copyright, trade secret or other proprietary right notices contained on or in the Software or Documentation as provided by Licensor, (ii) reproduce or modify any Software or Documentation or copy thereof, (iii) reverse assemble, reverse engineer or decompile any Software, or copy thereof, in whole or in part (except and only to the extent that such activity is expressly permitted by applicable law notwithstanding this limitation), (iv) sell, transfer or otherwise make available to others the Software or Documentation, or any copy thereof, except as expressly permitted by this Schedule, or (v) apply any techniques to derive any trade secrets embodied in the Software or Documentation. Licensee shall take all appropriate actions to ensure that: (i) the Software does not leave the Designated Unit's equipment location as set forth above, (ii) the Software is not copied by Licensee or any third parties, and (iii) the Software is not used in any equipment other than the Designated Unit. Licensee shall secure and protect the Software and Documentation and copies thereof from disclosure and shall take such actions with its employees and other persons who are permitted access to the Software or Documentation or copies as may be necessary to satisfy Licensee's obligations hereunder. Prior to disposing of any computer medium, computer memory or data storage apparatus, Licensee shall ensure that all copies of Software and Documentation have been erased therefrom or otherwise destroyed. In the event that Licensee becomes aware that any Software or Documentation or copies are being used in a manner not permitted by the license, Licensee shall immediately notify Licensor in writing of such fact and if the person or persons so using the Software or Documentation are employed or otherwise subject to Licensee's direction and control, Licensee shall use reasonable efforts to terminate such impermissible use. Licensee will fully cooperate with Licensor so as to enable Licensor to enforce its proprietary and property rights in the Software. Licensee agrees that, subject to Licensee's reasonable security procedures, Licensor shall have immediate access to the Software at all times and that Licensor may take immediate possession thereof upon termination or expiration of the associated license or this Schedule. Licensee's obligations under this paragraph shall survive any termination of a license, the Schedule or the Agreement.

5. UPDATES AND REVISIONS: During the warranty period or under a separate service contract or software update subscription, revised or updated versions of the Software licensed under this Schedule may be made available, at Licensor's option, to Licensee to use or to test while Licensee continues use of a previous version. Licensee has the right to decide whether to install any such revised or updated versions or to continue use of the previous version after giving due regard to the United States Food and Drug Administration rules and regulations. However, Licensee shall pay Licensor for any services necessitated by any modifications of the Software by Licensee or by Licensee's failure to utilize the current non-investigational version of the Software provided by Licensor. Software updates that provide new features or capabilities or that require hardware changes will be offered to Licensee at purchase prices established by Licensor. Licensor retains the sole right to determine whether an update represents an enhancement of a previously purchased capability or

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

a new capability for which the Licensee will be charged. In addition, some updates may require Applications Training performed by Licensor's personnel that will be offered at Licensor's prevailing rates. Licensor retains the sole right to determine whether an update requires such training.

6. DELIVERY, RISK OF LOSS AND TITLE: Notwithstanding the provisions of Section 6 of the attached Terms and Conditions of Sale, if any, the Software and Documentation licensed hereunder shall be delivered on or about the delivery date stated in the Agreement unless a separate delivery date is agreed upon. If Software or Documentation licensed hereunder is lost or damaged during shipment from Licensor, Licensor will replace it at no charge to Licensee. If any Software or Documentation supplied by Licensor and licensed hereunder is lost or damaged while in the possession of Licensee, Licensor will replace it at Licensor's then current applicable charges, if any, for materials, processing and distribution. Notwithstanding the provisions of Section 6 of the attached Terms and Conditions of Sale, if any, the Software and Documentation, in any form, and all copies made by Licensee, including partial copies, and all computer media provided by Licensor are and remain the property of Licensor or its supplier. Licensee has no right, title or interest in the Software, the Documentation, or any computer media provided by Licensor, or copies, except as stated herein, and ownership of any such Software, Documentation and computer media shall at all times remain with Licensor or its suppliers.

7. LICENSE TRANSFER: The Software and Documentation, and the license hereunder, may not be assigned, transferred or sublicensed except as hereinafter provided. Upon the sale or lease of the Designated Unit to a third party, Licensee may transfer to such third party, with Licensor's written consent and in accordance with Licensor's then current policies and charges, the license to use the Software and Documentation hereunder, together with the Software, the Documentation, the computer media provided by Licensor, and all copies provided that: (i) Licensee notifies Licensor in writing of the name and address of such third party; (ii) such third party agrees in a written instrument delivered to Licensor to the terms of this Schedule; and (iii) Licensee does not retain any copies of the Software or Documentation in any form.

8. WARRANTIES: Licensor warrants that for the warranty period provided by Licensor under the attached Terms and Conditions of Sale, if any, the Software shall conform in all material respects to Licensor's published specifications as contained in the applicable supporting Documentation. This paragraph replaces Paragraphs 10.1 and 10.4 of any such Terms and Conditions of Sale with respect to the Software and Documentation. Such Documentation may be updated by Licensor from time to time and such updates may constitute a change in specification. Licensee acknowledges that the Software is of such complexity that it may have inherent or latent defects. As Licensee's sole remedy under the warranty, Licensor will provide services, during the warranty period, to correct documented Software errors which Licensor's analysis indicates are caused by a defect in the unmodified version of the Software as provided by Licensor. Licensor does not warrant that the Software will meet Licensee's requirements, or will operate in combinations which may be selected for use by Licensee, or that the operation of the Software will be uninterrupted or error free. Licensee is responsible for determining the appropriate use of and establishing the limitations of the Software and its associated Documentation as well as the results obtained by use thereof.

LICENSOR MAKES NO WARRANTY WITH RESPECT TO THE SOFTWARE AND DOCUMENTATION OTHER THAN THOSE SET FORTH IN THIS SECTION. THE WARRANTY HEREIN IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED, AND CONSTITUTES THE ONLY WARRANTY MADE WITH RESPECT TO THE SOFTWARE AND DOCUMENTATION.

9. LICENSE TERM AND TERMINATION: The license for the Software and Documentation is effective on the shipment date of the Software and Documentation (F.O.B. shipping point or F.A.S., as the case may be) and continues until Licensee's possession of the Software and all copies ceases (except in connection with a transfer of the license as permitted by this Schedule) or until otherwise terminated as provided herein. Licensee may terminate the license for the Software and Documentation at any time after discontinuance of use of the Software and Documentation and all copies, upon written notice to Licensor. If Licensee (i) fails to comply with its obligations herein and does not cure such failure within ten (10) days after receipt of notice from Licensor, or (ii) attempts to assign the Agreement or this Schedule or any rights or obligations hereunder without Licensor's prior written consent, then

Licensor may terminate the license hereunder and require the immediate discontinuance of all use of the Software and Documentation and all copies thereof in any form, including modified versions and updated works. Within five (5) days after the termination of the license, Licensee shall, at Licensor's option either: (i) return to Licensor the Software and Documentation, and all copies, in any form, including updated versions, along with any computer media provided by Licensor; or (ii) destroy the affected Software and Documentation, and all copies, in any form, including updated versions, and certify such return or destruction in writing to Licensor.

10. MISCELLANEOUS: Since the unauthorized use of the Software and/or Documentation may leave Licensor without an adequate remedy at law, Licensee agrees that injunctive or other equitable relief will be appropriate to restrain such use, threatened or actual. Licensee further agrees that to the extent applicable, (i) any of Licensor's suppliers of Software and/or Documentation is a direct and intended beneficiary of this Schedule and may enforce it directly against Licensee with respect to the Software and/or Documentation provided by such supplier, and that (ii) **NO SUPPLIER OF LICENSOR SHALL BE LIABLE FOR ANY GENERAL, SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES ARISING OUT OF ANY SUBLICENSE OF THE SOFTWARE AND/OR DOCUMENTATION. THIS LIMITATION ON LIABILITY SHALL APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.**

11. ADDITIONAL PROVISIONS RELATING TO THIRD-PARTY SOFTWARE: If the Software includes software licensed by Licensor from third parties, the following additional provisions shall apply:

(a) If Software is provided by Licensor on separate media and labeled "Recovery Media," Licensee may use the Recovery Media solely to restore or reinstall the Software and/or Documentation originally installed on the Designated Unit.

(b) Licensee is licensed to use the Software to provide only the limited functionality (specific tasks or processes) for which the Designated Unit has been designed and marketed by Licensor. This license specifically prohibits any other use of the software programs or functions, or inclusion of additional software programs or functions that do not directly support the limited functionality, on the Designated Unit. If Licensee uses the Designated Unit to access or utilize the services or functionality of Microsoft Windows Server products (such as Microsoft Windows NT Server 4.0 (all editions) or Microsoft Windows 2000 Server (all editions)), or uses the Designated Unit to permit workstation or computing devices to access or utilize the services or functionality of Microsoft Windows Server products, Licensee may be required to obtain a Client Access License for the Designated Unit and/or each such workstation or computing device. Licensee should refer to the end user license agreement for its Microsoft Windows Server product for additional information.

(c) The Software may contain support for programs written in Java. Java technology is not fault tolerant and is not designed, manufactured, or intended for use or resale as online control equipment in hazardous environments requiring fail-safe performance, such as in the operation of nuclear facilities, aircraft navigation or communication systems, air traffic control, direct life support machines, or weapons systems, in which the failure of Java technology could lead directly to death, personal injury, or severe physical or environmental damage. Sun Microsystems, Inc. has contractually obligated Licensor's supplier to make this disclaimer.

(d) The Software may permit Licensor, its supplier(s), or their respective affiliates to provide or make available to Licensee Software updates, supplements, add-on components, or Internet-based services components of the Software after the date Licensee obtains its initial copy of the Software ("Supplemental Components").

- If Licensor provides or makes available to Licensee Supplemental components and no other end-user software licensing agreement terms are provided along with the Supplemental Components, then the terms of this Software License Schedule shall apply.

- If a supplier of Licensor or affiliates of such a supplier make available Supplemental Components, and no other end-user software licensing agreement terms are provided, then the terms of this Schedule shall apply, except that the supplier or affiliate entity providing the Supplemental Component(s) shall be the licensor of the Supplemental Component(s).

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

Licensor, its supplier(s), and their respective affiliates reserve the right to discontinue any Internet-based services provided to Licensee or made available to Licensee through the use of the Software.

(e) The Software and Documentation supplied by Licensor's suppliers are provided by such suppliers "AS IS" and with all faults. SUCH SUPPLIERS DO NOT BEAR ANY OF THE RISK AS TO SATISFACTORY QUALITY, PERFORMANCE, ACCURACY, OR EFFORT (INCLUDING LACK OF NEGLIGENCE) WITH RESPECT TO SUCH SOFTWARE AND DOCUMENTATION. ALSO, THERE IS NO WARRANTY BY SUCH SUPPLIERS AGAINST INTERFERENCE WITH LICENSEE'S ENJOYMENT OF THE SOFTWARE OR AGAINST INFRINGEMENT. IF LICENSEE HAS RECEIVED ANY WARRANTIES REGARDING THE DESIGNATED UNIT OR THE SOFTWARE, THOSE WARRANTIES DO NOT ORIGINATE FROM, AND ARE NOT BINDING ON, LICENSOR'S SUPPLIERS.

(f) Licensee acknowledges that portions of the Software are of U.S. origin. Licensee agrees to comply with all applicable international and national laws that apply to the Software, including the U.S. Export Administration Regulations, as well as applicable end-user, end-use and destination restrictions issued by U.S. and other governments. For additional information on exporting software supplied by Microsoft, see <http://www.microsoft.com/exporting/>.

Revised 03/15/05

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

TRADE-IN EQUIPMENT REQUIREMENTS

TRADE-IN EQUIPMENT REQUIREMENTS

THE FOLLOWING APPLIES ONLY TO THE EXTENT THAT THE QUOTATION INCLUDES AN EQUIPMENT TRADE IN OR IF A TRADE-IN IS LATER ADDED TO THIS QUOTATION VIA A CHANGE ORDER. THESE REQUIREMENTS ARE IN ADDITION TO ANY OTHER REFERENCED TERMS AND CONDITIONS OF THE QUOTATION AND SHALL REMAIN IN EFFECT REGARDLESS OF ANY CONTRARY LANGUAGE IN THE QUOTATION.

This Quotation includes the trade-in equipment described herein and referenced by either the Project Number identified in the Quotation hereof (non-Ultrasound) or the Trade In Part Number (Ultrasound) as further described in the associated Trade Sheet which is incorporated herein by reference. Purchaser certifies that the description of the trade-in equipment as set forth on the Trade Sheet is a true and accurate representation of the equipment, and that the equipment is in good working condition unless otherwise noted on the Trade Sheet.

The trade-in equipment must be made available for removal no later than turnover of the new equipment. Purchaser must vacate the room of all items not listed on the Trade Sheet, or otherwise clearly identify all items listed on the Trade Sheet, prior to the start of the de-installation. If this is not done, Seller will have no liability for items which are subsequently removed or scrapped. If the de-installation or return of the trade-in equipment is delayed by Purchaser for reasons other than a force majeure event, or if upon inspection by Seller it is determined that the equipment does not meet the manufacturer's operating specifications, or if any items listed as included on the Trade Sheet are not made available at the time of de-installation, then trade-in value will be re-evaluated and any loss in value or additional costs incurred by Seller shall be deducted from the established trade-in value and the pricing set forth on this Quotation will be adjusted by change order. In the event that access to the non-ultrasound trade-in equipment is denied past 14 days from turnover, or access to ultrasound trade-in equipment is denied past 30 days from turnover, then Purchaser shall pay to Seller a rental fee in the amount 3.5% of the total trade-in value plus any additional value provided by an Elevate/Promotional program included in this quotation (no less than \$1000) for each month, or part thereof, that access is denied. In addition, if the purchase and installation of the new equipment covered by this Quotation is not completed, then Seller shall invoice Purchaser for all costs and expenses incurred by Seller in connection with the de-installation and removal of the trade-in equipment, including but not limited to labor, materials, rigging out, and transportation, which costs shall be paid by Purchaser within thirty (30) days of the invoice date.

Purchaser further acknowledges and agrees that (i) the trade-in equipment will be free and clear of all liens and encumbrances including, but not limited to, unpaid leases and loans, and that upon request, it will execute a bill of sale or other documents reasonably satisfactory to Siemens to transfer title and ownership of the

equipment to Seller, (ii) it is Purchaser's sole responsibility to delete all protected health information and any other confidential information from the equipment prior to de-installation, without damaging or cannibalizing the equipment or otherwise affecting the operation of the equipment in accordance with its specifications, (iii) the equipment, including all updates, upgrades, modifications, enhancements, revisions, software, S/W disks and manuals, shall be returned to Siemens in good operating condition, reasonable wear and tear excepted, and (iv) to the extent not prohibited by applicable law, Purchaser shall indemnify and hold Seller harmless from and against any and all claims, demands, causes of action, damages, liability, costs and expenses (including reasonable attorney's fees) resulting or arising from Purchaser's failure to comply with item (i) above.

FOR MR SYSTEMS: cryogen levels must be least 65% upon time of de-installation. FOR MOBILE SYSTEMS: system must be road worthy and a state issued title transferring ownership to Seller (or Designee) must be received prior to the removal of the mobile system. FOR MODALITY TRADE SYSTEMS (non-ultrasound): The trade-in equipment must be available for inspection within two weeks of the scheduled de-installation date. In addition, Purchaser must provide a clear path for the removal of the trade-in equipment and on the date of de-installation after final inspection and test by the Seller (or Designee) has occurred, the Purchaser must supply licensed tradespeople to disconnect the power and plumbing (including draining and removing and disposing of any hazardous materials including, but not limited to glycol from the chiller and oil from the transformer, as examples.) Any additional costs due to the need to use a larger rig (other than a standard 80 ton rig), as well as any construction activities, street closings, permits, etc., required to de-install/remove the equipment are out-of-scope costs and will be the responsibility of Purchaser. FOR ULTRASOUND SYSTEMS – Purchaser may provide transducers with the ultrasound unit being traded in, but will not receive additional credit for such transducers.

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

MR Warranty Information

| Product | Period of Warranty ¹ | Coverage | Note |
|---|---------------------------------|--|--|
| New Systems and "ECO" Refurbished Systems Only (Not including consumables) | 12 months | Full Warranty (parts & labor) ¹ Principal Coverage Period 8am-5pm Monday through Friday ² | 1. MAGNETOM Semptra/Free.MAX/Free.STAR requires Smart Remote Services (SRS) Connection prior to system installation or requires purchase of "No SRS" option. |
| FIT Upgrades – MAGNETOM_Avanto/Skyra_Fit_BioMatrix, MAGNETOM_Sola/Vida_Fit (Not including consumables) | | | 1.Fit Upgrade warranty excludes Magnet, Magnet Refrigeration System (CryoCare), Liquid Helium Refills and Gradient Coil (if the Gradient Coil is not replaced with the Fit upgrade). These coverages can be purchased separately. |

| Post-Warranty (after expiration of system warranty) – Replacement of parts prorated only. Does not include labor. | | | |
|---|---|------------|--|
| Magnet | 12 months | Parts only | |
| Spare Parts | 6 months | Parts only | |
| Consumables | Refer to warranty of consumable item | | |

DNA Warranty Information for On-premise perpetual Applications only

| Product | Period of Warranty | Coverage | |
|---|--|---|--|
| syngo plaza, syngo workflow, syngo Dynamics, syngo Carbon | 6 months Software | Remote Phone Support, Remote Software Upgrades & Updates, Remote Education | Requires Smart Remote Services (SRS) Connection prior to system installation |
| Upgrades related to syngo Dynamics, syngo Carbon, Medicalis Workflow Orchestrator, Medicalis Clinical Decision Support, Medicalis Referral Management | No Additional Warranty Included for upgrades | Remote Phone Support, Remote Software Upgrades & Updates, Remote Education | Upgrades via the ESA are a contract component and do not have a separate warranty. |

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Lavanya Rajan
lavanya.rajan@siemens-healthineers.com

| | | | |
|--|---------------------------|--------------------------------|--|
| Hardware | OEM Warranty for Hardware | Parts & Labor (Not Applicable) | |
| Spare Parts & Consumables | Not Applicable | Not Applicable | |
| Post-Warranty (after expiration of system warranty) – Replacement of parts prorated only. Does not include labor. | | | |
| Spare Parts & Consumables | Not Applicable | Not Applicable | |

DNA Warranty Information for On-premise term licenses/Subscriptions & Cloud based Applications

| Product | Period of Warranty | Coverage | |
|--|---------------------------|--|--|
| syngo Virtual Cockpit, teamplay, AI-Rad Companion | No warranty | Remote Phone Support, Remote Software Upgrades & Updates, Remote Education | |
| Incremental purchases on Applications, Upgrades related to syngo Virtual Cockpit, teamplay, AI-Rad Companion | No Warranty | Remote Phone Support, Remote Software Upgrades & Updates, Remote Education | Upgrades and incremental purchases on Applications do not have a separate warranty |
| Hardware | OEM Warranty for Hardware | Parts & Labor (Not Applicable) | |
| Spare Parts & Consumables | Not Applicable | Not Applicable | |



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION APPOINTING REPLACEMENT
PUBLIC RECORDS OFFICER(S) OF
LEWIS COUNTY HOSPITAL DISTRICT NO. 1

RESOLUTION NO. 23-19

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

Robert Mach, Superintendent, replacing former Leianne Everett, Superintendent, Morton, Washington is hereby appointed as additional Public Records Officer of Lewis County Hospital District No. 1 to hold this office until further action of the Commission.

**Shana Garcia, Executive Assistant (RES 19-08) remains a Public Records Officer of the District.
WAC 480-07-160 (1)**

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 30th day of August 2023, the following commissioners being present and voting in favor of this resolution.

Tom Herrin, Board Chair

Kim Olive, Secretary

Wes McMahan, Commissioner

Craig Coppock, Commissioner

Patricia Frady, Commissioner



DocID: 17952
Revision: 0
Status: Official
Department: Governing Body
Manual(s):

Policy & Procedure : Annual Adoption of the Compliance Plan

Policy:

It is the policy of Lewis County Hospital District No. 1 that the Board of Commissioners commissions the implementation of the District's Compliance Plan in accordance with the Office of Inspector General Compliance Program Guidance.

The District's Compliance Plan will have as its basis the minimum requirements found in the appertaining documents of the Federal Office of the Investigative General, CFR42 Vol. 5 Sub Chapters G Port 482 COP and the Office of Inspector General Compliance Program Guidance.

The Board of Commissioners encourages and supports thoughtful and applicable expansion of the scope and coverage of this program beyond the minimum requirements under the law.

Procedure:

1. In accordance with the Compliance Plan of this District, and as here-after amended, two Board of Commissioners are appointed to the Compliance Committee.
2. The Director of Compliance will present the Compliance Plan annually to the Compliance Committee for review and comment.
3. The Board of Commissioners will adopt the District's Compliance Plan by resolution at a regularly scheduled board meeting.

Document Owner: Herrin, Tom

Collaborators:

Approvals

- **Committees:** (09/25/2019) Board of Commissioners, (10/28/2020) Board of Commissioners, (09/29/2021) Board of Commissioners, (08/31/2022) Board of Commissioners,

- **Signers:**

Original Effective Date: 12/05/2017

Revision Date: [12/05/2017 Rev. 0]

Review Date:

[09/07/2018 Rev. 0], [09/05/2019 Rev. 0], [10/08/2020 Rev. 0], [09/17/2021 Rev. 0], [07/20/2022 Rev. 0], [07/20/2022 Rev. 0]

Attachments:

(REFERENCED BY THIS DOCUMENT)

Other Documents:

(WHICH REFERENCE THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

<https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:17952>.



DocID: 8610-105
Revision: 3
Status: Official
Department: Governing Body
Manual(s):

Policy : Annual Adoption of the Quality Program Plan

Policy:

In accordance with RCW 70.41.200, and as hereafter are amended, the Board of Commissioners of Lewis County Hospital District No. 1 commissions the implementation of this District's Quality Program Plan.

The District's Quality Program Plan will have as its basis the minimum requirements found in the above referenced statute. The Board of Commissioners will welcome and support reasonable expansion of the scope of coverage of this program beyond the minimum requirements under law. The Board of Commissioners will adopt the District's Quality Program Plan by resolution at a regular board meeting.

Procedure:

1. In accordance with the bylaws of this District, and as they are hereafter amended, two hospital district commissioners are appointed to the Quality Improvement Oversight Committee.
2. The Quality Manager will present the Quality Program Plan annually to the Quality Improvement Oversight Committee members for review and comment. The plan will then go to the Board of Commissioner for final approval.

Document Owner: Herrin, Tom

Collaborators:

Approvals

- **Committees:** (07/25/2018) Board of Commissioners, (09/25/2019) Board of Commissioners, (07/29/2020) Board of Commissioners, (09/29/2021) Board of Commissioners, (08/31/2022) Board of Commissioners,

- **Signers:**

Original Effective Date:

Revision Date: [08/01/2006 Rev. 1], [05/09/2016 Rev. 2], [06/26/2018 Rev. 3]

Review Date: [05/29/2009 Rev. 1], [04/11/2011 Rev. 1], [01/17/2013 Rev. 1], [12/23/2014 Rev. 1], [07/24/2015 Rev. 1], [07/11/2017 Rev. 2], [09/05/2019 Rev. 3], [07/21/2020 Rev. 3], [09/17/2021 Rev. 3], [07/20/2022 Rev. 3], [07/20/2022 Rev. 3]

Standards: GB.1 SR.1

(WHICH REFERENCE THIS DOCUMENT)

Attachments:

(REFERENCED BY THIS DOCUMENT)

Other Documents:

(WHICH REFERENCE THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

<https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:10651>.



DocID: 8610-101
Revision: 3
Status: Official
Department: Governing Body
Manual(s):

Policy : Quality Improvement Oversight Information

Policy:

It is the policy of Lewis County Hospital District No. 1 that the Board of Commissioners in accordance with RCW 70.41.200, and as hereafter are amended, implement the District's Quality Improvement Oversight Program.

The District's Quality Improvement Oversight Program will have as its basis the minimum requirements found in the above reference statute. The Board of Commissioners will welcome and support reasonable enlargement of the scope of coverage of this program beyond the minimum requirements under law. The Board of Commissioners will adopt the District's Quality Improvement Oversight Program by resolution at a regular board meeting.

In accordance with the bylaws of this District and as they are hereafter amended, two hospital district commissioners are appointed to the Quality Improvement Oversight Committee.

| | |
|---------------------------------|---|
| Document Owner: | Herrin, Tom |
| Collaborators: | |
| Approvals | |
| - Committees: | (01/22/2020) Board of Commissioners, (09/30/2020) Board of Commissioners, (09/29/2021) Board of Commissioners, (08/31/2022) Board of Commissioners, |
| - Signers: | |
| Original Effective Date: | |
| Revision Date: | [05/08/2006 Rev. 1], [06/26/2018 Rev. 2], [01/16/2020 Rev. 3] |
| Review Date: | [05/22/2007 Rev. 1], [08/17/2007 Rev. 1], [05/29/2009 Rev. 1], [04/11/2011 Rev. 1], [01/17/2013 Rev. 1], [12/23/2014 Rev. 1], [07/24/2015 Rev. 1], [05/02/2016 Rev. 1], [08/24/2017 Rev. 1], [09/21/2020 Rev. 3], [09/17/2021 Rev. 3], [07/20/2022 Rev. 3], [07/20/2022 Rev. 3] |
| Standards: | GB.1 SR.1 |
| (WHICH REFERENCE THIS DOCUMENT) | |
| Attachments: | |
| (REFERENCED BY THIS DOCUMENT) | |

Other Documents:

(WHICH REFERENCE THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

<https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:10639>.

SUPERINTENDENT REPORT

Lewis County Hospital District #1 – Superintendent's Report – August 30, 2023

- Met with Renasolve about adding dialysis so that we can keep patients local who require inpatient stay who we would otherwise transfer just because they require dialysis. Discussions ongoing.
- Met with Community Integrated Health Services about bringing Behavioral health services to East Lewis County and renting space from us. Discussions ongoing.
- Strategic plan - 4 of 43 measures complete.
- In negotiations with our selected CNO candidate.
- We have started the budget process with Cheryl and team holding numerous meetings to get department managers and director's input.
- In the process of recruiting 3 Advanced practice providers, 2 for family care and 1 for urgent care.
- Dr. Ho will be rejoining our family within the next few months full time.
- Dr. Peresko has rejoined our family full time.
- We officially renewed our membership in the Rural collaborative ACO covering over 15,000 lives.
- We have started to digitize/storage of over 75 boxes of paper records.
- We had a meet and greet visit from AWPHD in Morton on 8/16.
- Working on adding employee parking area
- Had meeting with State auditor Pat McCarthy.
- Hired new Environment of care employee.
- 2 of 3 positions filled for security guard.
- There have been several moves of employees this month as we try and utilize our existing space better.
- Oxygen tank project has started.
- Have reached out to a few different healthcare organization to discuss orthopedic and cardiology coverage.

- Continue to work with Representative Perez on making accessing care for Veterans easier at Arbor Health.
- Continuing work on 340B.
- Meetings scheduled to address our health insurance broker.

How providers are using AI to automate administrative work and reduce burnout

Healthcare providers are buckling under the administrative burden associated with electronic health record (EHR) systems. Allergists and immunologists are no exception. In addition to documenting patient visits, allergists and immunologists must deal with high volumes of prior authorizations and paperwork needed for biologic agents that can transform the lives of patients with conditions like severe asthma.

During a recent *Becker's Hospital Review* webinar sponsored by Nuance, Robert McDermott, MD, allergist and immunologist with Allergy, Asthma & Immunology of the Rockies in Colorado, and founder of Healing Intelligence Network, discussed how allergists, immunologists and other specialists can leverage technology to combat employee burnout in their practices.

AI-powered technologies restore the human connection to medicine, while reducing administrative burden

Solutions that integrate with the EHR can eliminate the need to type or dictate into the system. Allergy, Asthma & Immunology of the Rockies, for example, recently implemented DAX by Nuance at its offices in Colorado.

"DAX has been a huge help," Dr. McDermott said. "The AI technology listens in the background to the natural conversations that we have with patients and then handles the documentation. It enables us to connect with people more effectively because we aren't distracted by documentation."

Before deploying DAX, Dr. McDermott waited until after patient visits to complete documentation. "It's a sacred moment when you can connect with people, but then I had to spend up to two hours at the end of each day finishing documentation. If healthcare providers don't have tools to handle documentation efficiently, they often feel that they are fighting a losing battle," Dr. McDermott said.

In response to burnout, physician practices are turning to AI

In 2021, Dr. McDermott polled his providers, PAs and another physician that works with him to find out how much time they spent documenting in the EHR each day, as well as their level of burnout.

"They all felt extremely burned out and they were devoting at least one and a half hours per day to documenting in the EHR at the end of the workday," Dr. McDermott said.

According to Dr. McDermott, to get the organization out of the burnout trap, he and his team have focused on three elements:

1. *Psychology tools* to improve mindset
2. *Physiology tools* to enable people to take better care of themselves
3. *Technology tools* and AI to streamline work

"This approach has really helped us," Dr. McDermott said.

After implementing DAX, Dr. McDermott conducted another poll. Employees felt much better and were only spending 30 minutes on documentation at the end of the day.

"I think DAX leads to better patient care. Nuance reports that 70 percent of providers that implement DAX feel reduced symptoms of burnout," Dr. McDermott said.

"Healing intelligence" tools support the clinical diagnosis and treatment of allergies

Physicians recognize that a patient's verbal and nonverbal cues are crucial to the accurate diagnosis of conditions. "I refer to technology like DAX as healing intelligence or HIQ," Dr. McDermott said. "It removes distractions. If you aren't paying attention, you will miss what the patient is trying to say. Fully engaging with allergy patients is a huge part of the healing journey."

Many EHRs also include background checker tools which automatically evaluate drug interactions and allergies. These AI-powered solutions create a second set of eyes for doctors.

Technologies like DAX benefit patients, providers and the bottom line

Lower levels of burnout translate into decreased employee turnover. "Burnout is a huge financial risk. The cost to replace a physician is massive, but so is the cost of having a burned-out provider see patients. Those encounters can lead to unhappy patients, increased risk of malpractice suits and greater difficulty in collecting the patients' financial responsibility," Dr. McDermott said.

DAX streamlines documentation, which reduces burnout and also generates higher-quality EHR data. This simplifies prior authorizations for allergists and immunologists. "Comprehensive documentation makes it easy to justify the level of service we are providing to patients," Dr. McDermott said.

In addition, research conducted by Nuance found that DAX saves seven minutes per encounter, so many healthcare providers have added as many as three more patients to their schedule each day.

Conclusion

While some providers are hesitant about incorporating AI into their daily workflow, Dr. McDermott feels optimistic about the responsible use of this technology in healthcare.

"Artificial intelligence will never replace the physician-patient relationship because moments of vulnerability require human connectivity. However, AI-powered technologies enable us to filter data, reduce the burden of documentation and support processes like scheduling. Looking ahead, I believe that AI will continue to generate data that we can use to better serve patients."

To register for upcoming webinars, [click here](#).

Latest articles on Strategy:

[4 ways healthcare organizations are responding to industry trends](#)

[What the chaos era for Netflix and Disney spells for healthcare](#)

[The gas station company delving into urgent care](#)

<https://www.beckershospitalreview.com/strategy/how-providers-are-using-ai-to-automate-administrative-work-and-reduce-burnout.html>

Physician contracts are changing

Shorter contracts, noncompete agreements and increased emphasis on value-based components are among the shifts occurring in physician contracts as hospitals and medical groups build recruitment pipelines and offer incentives to retain physicians.

Changes in how physician contracts are layered echoes a trend that has been occurring in the labor market itself. Physicians are increasingly opting for employed opportunities and contracts within those models are changing accordingly.

From 2019 to 2021, more than 108,700 physicians [left](#) private practice for employment opportunities, with 58,200 physicians joining hospitals. About three in four physicians are now employed by hospitals, health systems, private-equity-owned groups, payers or other corporate entities.

The rising costs of private practice, increasing administrative burdens and reimbursement hurdles are also making solo practice a challenging model for many physicians today.

Fewer large medical groups are [offering](#) salaries with production bonuses, according to an AMN Healthcare report on physician and advanced practitioner recruiting incentives. The company's 2017 report found that 75 percent of contracts featured a salary with production bonus, while only 17 percent had a straight salary.

Some medical groups have stopped offering production bonuses because they found that the straight salary model has less ambiguity and is less likely to cause friction with physicians, according to the report.

AMN also found that a relatively high percentage of academic medical centers do not offer the salary with production bonus model, which may account for the decline in the use of this compensation structure in its report.

Income guarantees, which are essentially loans that must be repaid generally (but can be forgiven over time) are used to establish physicians in solo or small independent practices. Income guarantees were once the standard contract model, but as the number of private practices has declined, so has the use of income guarantees, according to the report..

Health systems continue to [rethink](#) physician contracts as healthcare continues its shift away from fee for service, but challenges remain when it comes to compensation in these models. Systems at the forefront of this shift are developing ways to incentivize physicians in value-based care as the trend towards team-based compensation gains traction and fosters collaboration among providers.

Subscribe to the following topics: value-based care salaries

Latest articles on Compensation Issues:

[PA pay, by specialty](#)

[Women's unpaid caregiving labor is worth \\$627B](#)

[12 physician specialties with starting pay increasing](#)

<https://www.beckershospitalreview.com/compensation-issues/physician-contracts-are-changing.html>

11 latest hospital bankruptcies, closures

From reimbursement challenges to declining patient volumes and spiraling labor costs, many factors lead hospitals to shut down or enter bankruptcy.

Below are 11 hospitals that filed for bankruptcy, closed or announced plans to close this year:

1. [South City Hospital](#), a 178-bed facility in St. Louis, plans to close in the coming weeks because of financial challenges. The 154-year-old hospital has been under receivership for the past few months. It began transferring patients to other facilities and winding down the facility Aug. 4. SA Acquisition Group [purchased](#) the hospital out of bankruptcy in January 2021.
2. [Mercy Iowa City](#) has filed for Chapter 11 bankruptcy in the Northern District of Iowa. The filing includes a reference to a letter of intent between Mercy Iowa City and the State of Iowa that outlines a plan to transition the hospital to become part of UI Health Care. The affiliation requires approval from the university board of regents, state of Iowa, and the bankruptcy court.
3. [Martin General Hospital](#), a 49-bed facility in Williamston, N.C., suspended operations Aug. 3 and plans to file for bankruptcy. The hospital, which lost \$13 million in 2022, cited financial challenges related to declining population and utilization trends as reasons for the decision.
4. Grand Rapids, Mich.-based Corewell Health will close its Lakeview, Mich.-based [Spectrum Health Kelsey Hospital](#) in October after a steady decline in admissions. In June, Corewell opened a \$12 million care center a few minutes away from Spectrum Health Kelsey. The hospital opened in 1962 and was having problems with aging infrastructure.
5. [Eastern Niagara Hospital](#) in Lockport, N.Y., closed June 17 after years of financial turbulence. In November 2019, the hospital [filed](#) for Chapter 11 bankruptcy protection and signed a management agreement with Buffalo, N.Y.-based Catholic Health. The system had been planning to close Eastern Niagara Hospital once its replacement hospital opens. The closure affected 337 employees.
6. San Benito Health Care District, the board overseeing Hollister, Calif.-based [Hazel Hawkins Memorial Hospital](#), voted May 22 to file for Chapter 9 bankruptcy. The hospital said it will remain open and operational "while leadership looks for a strategic partner or buyer."
7. [McLaren St. Luke's](#) in Maumee, Ohio, closed May 8 and ceased all outpatient services. Cincinnati-based Mercy Health is acquiring the hospital campus — which includes 12 buildings — from Grand Blanc, Mich.-based McLaren Health Care. Mercy is working with WellCare Physicians Group practices through the transition to maintain the continuity of patient care. Changes will begin after Mercy officially takes over June 1.
8. San Antonio-based [Texas Vista Medical Center](#), part of Dallas-based Steward Health Care, closed May 1. The 325-bed hospital provided healthcare to predominantly lower income residents in San Antonio and South Texas for almost 40 years and had been struggling financially. The closure [resulted](#) in 827 layoffs.
9. Montebello, Calif.-based [Beverly Hospital](#) filed for Chapter 11 bankruptcy April 19. The hospital secured \$13 million in financing to keep operating as it looked for a buyer. Hospital officials said rising costs outpacing government reimbursement rates were to blame for the situation. Beverly has unsuccessfully attempted to merge with three health systems.
10. [Madera \(Calif.\) Community Hospital](#) filed for Chapter 11 bankruptcy March 10. The hospital officially [closed](#) at midnight Dec. 30, after Livonia, Mich.-based Trinity Health's plan to buy the hospital fell through. Trinity already owns and operates Saint Agnes Medical Center in Fresno, Calif. Madera Community leaders had

[hoped](#) to avoid bankruptcy and explored a number of options, including [looking for](#) another organization to take over operations. But without a buyer lined up, the hospital proceeded with the bankruptcy filing.

11. [St. Margaret's Health-Peru \(Ill.\)](#) closed Jan. 28 after the system's CEO and chair of the board detailed plans to temporarily shutter the hospital and reopen it once a rural emergency hospital designation is finalized. However, the hospital will need to reopen before it can qualify for the designation.

Latest articles on Finance:

[Only 8% of CFOs still anticipate a recession](#)

[UVM Medical Center eyes 24% rate hike](#)

[Medicare out-of-pocket drug expenses could be paid on monthly basis, CMS says](#)

<https://www.beckershospitalreview.com/finance/8-latest-hospital-bankruptcies-closures.html>

6 changes coming to HCAHPS in 2025

CMS is making key changes to HCAHPS to modernize the survey and increase patient response rates, the agency said in its Hospital Inpatient Prospective Payment System [final rule released](#) Aug. 1.

The survey's main mode of administration — paper — and its question sets have remained largely unchanged since CMS launched HCAHPS in 2008, according to Rick Evans, senior vice president of patient services and chief experience officer of NewYork-Presbyterian Hospital in New York City.

"This has led us to a point where, if HCAHPS is not updated, its credibility as a reliable source of data on patient needs and preferences is in jeopardy," Mr. Evans [wrote](#) in an April column for *Becker's* in response to the proposed changes.

Below are six survey changes that will take effect in 2025. HCAHPS scores collected under the modernized process will be reflected in hospitals' payment determinations for fiscal year 2027.

1. CMS will allow patients to fill out the HCAHPS survey online, as opposed to only over the phone or by mail. In a 2021 pilot run, CMS found adding an option for electronic administration increased survey response rates.
2. CMS will end a regulation that prohibits patients' loved ones from filling out the survey on their behalf.
3. The data collection period for the survey will extend from 42 days to 49.
4. CMS will limit the number of supplemental items to 12 to align with its other patient experience surveys.
5. Hospitals will be required to collect information about what language a patient speaks. Spanish-speaking patients must be presented with the official CMS Spanish translation of the survey.
6. CMS will sunset two current survey administration options — the Active Interactive Voice Response and the Hospitals Administering HCAHPS for Multiple Sites survey modes — which have not been used by any hospitals since 2016 and 2019, respectively.

Subscribe to the following topics: [cmssurveyrateshcahpsselectronic](#)

Latest articles on Patient Experience:

[Why Brigham and Women's quietly serves vegan meals](#)

[Top healthcare organizations for patient experience in 2023](#)

[How NewYork-Presbyterian is addressing the challenge to revitalize the patient advisor role](#)

<https://www.beckershospitalreview.com/patient-experience/6-changes-coming-to-hcahps-in-2025.html>