

HUMBOLDT GENERAL HOSPITAL

DISTRICT BOARD OF TRUSTEES

REGULAR BOARD MEETING

TUESDAY

JANUARY 26, 2021

5:30 P.M.

SARAH WINNEMUCCA CONFERENCE
ROOM

JoAnn Casalez - Chairman
Michelle Miller - Secretary
Gene Hunt - Member
Alicia Cramer – Member
Lewis Trout - Member
Ken Tipton - Member-Humboldt
County Commissioner

HUMBOLDT GENERAL HOSPITAL
118 EAST HASKELL STREET
WINNEMUCCA, NEVADA 89445

DISTRICT BOARD OF TRUSTEES MEETING AGENDA

MEETING DATE: Tuesday January 26, 2021
MEETING TIME: 5:30 pm
MEETING PLACE: Sarah Winnemucca Conference Room
Humboldt General Hospital
118 E Haskell St, Winnemucca, Nevada
PLACES POSTED: in Winnemucca, Nevada at:
Humboldt General Hospital, 118 E Haskell Street
Humboldt County Courthouse, 50 W Fifth Street
Winnemucca City Hall, 90 W Fourth Street
Humboldt County Library, 85 E Fifth Street
United States Post Office, 850 Hanson Street
www.hghospital.org https://notice.nv.gov
PERSON POSTING: Alicia Wogan

MEETING ATTENDANCE MAY BE
VIA TELECONFERENCE OR VIDEOCONFERENCE ONLY
PURSUANT TO NRS 241.023 AND SECTION 1 OF THE STATE OF NEVADA EXECUTIVE DEPARTMENT
DECLARATION OF EMERGENCY DIRECTIVE 006 ISSUED MARCH 22, 2020 AS EXTENDED THERE IS NO
PHYSICAL LOCATION FOR MEMBERS OF THE GENERAL PUBLIC TO ATTEND THE MEETING
THE TELECONFERENCE AND VIDEOCONFERENCE ACCESS INSTRUCTIONS APPEAR BELOW

Teleconference: Dial 1-646-749-3122 - Access Code 368-086-437

Videoconference: <https://global.gotomeeting.com/join/368086437>

A. CALL TO ORDER

B. PUBLIC COMMENT

(This agenda item is designated to give the general public the opportunity to address the Hospital Board. No action may be taken upon a matter raised under this section until it is placed on an agenda for action. Public comment is generally limited to three (3) minutes per person.)

C. MEDICAL STAFF-HOSPITAL DEPARTMENT REPORTS

(These agenda items are designated to give the opportunity to report and update the Hospital Board on each group or department listed. No action may be taken upon a matter raised under this section until it is placed on an agenda for action.)

1. Medical Staff report – Chief of Staff
 - a) COVID update
2. Marketing update – Director, Marketing & Community Relations
3. Administration report
 - a) CEO report – Tim Powers

D. CONSENT AGENDA

(The Board is expected to review, discuss and take action on this agenda item. The items may be approved in a single motion; however, upon Board member request, any consent item may be

DISTRICT BOARD OF TRUSTEES MEETING AGENDA

January 26, 2021

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moved to the discussion portion of the agenda and other action, including postponement or denial of the item, may take place.)

1. Board meeting minutes December 29, 2020.
2. Medical Staff applications for appointments, reappointments, provisional and temporary privileges for: Steven Berger, MD, Provisional-Psychiatry; Karam Batieha, MD, Active-Internal Medicine/Hospitalist; Greg Paloolian, DO, Active-Emergency Medicine; Herbert Coard, EdD, Allied Health Professional-Psychology; and, Shanna Schreurs, APRN-CNP, Allied Health Professionals-Mental Health.

E. FINANCIAL REPORTS

(The Board is expected to review, discuss and take action on this agenda item.)

1. Financial update
2. Warrants disbursed - Monthly expenditures

F. BUSINESS ITEMS-OTHER REPORTS

(The agenda items in this section are for discussion and for possible action. The action may consist of approval, disapproval, acceptance, rejection, authorization, adoption, recommendation, review, referral to staff, or any other action as appropriate. The items may be heard in any order and at any time unless a time is specified; two or more items may be combined for consideration; an item may be removed from the agenda; or, discussion relating to an item may be delayed at any time.)

1. Hospital District / elections for board of trustees chairman and secretary positions / Board of Trustees
2. Hospital Administration-Housekeeping / Western State Design proposal to provide and install a Chicago Laser model gas heated ironer for housekeeping at an estimated cost of \$35,000 / CEO-Administration
3. Hospital Administration / Architectural Nexus, Inc. proposal to provide professional services for schematic design, design development, construction documents, permitting, bidding and construction for the proposed outpatient behavioral health services clinic and related improvements at an estimated cost of \$157,000 / CEO-Administration
4. Hospital Administration / request for approval of professional services agreement with Timothy Musick, MD for hospitalist services / CEO-Administration
5. Hospital Administration / request for approval of professional services agreement with David Masuck, MD for hospitalist services / CEO-Administration
6. Hospital Administration / request for approval of professional services agreement with Don Geer for cath-lab services / CEO-Administration
7. Hospital Administration / request for approval of second amendment to Surgicalist Services agreement with Rural Physicians Group to extend the term, provide for periodic compensation increases and modify the termination provisions of the agreement / CEO-Administration
8. Hospital Administration-Community Relations / request for approval of proposal with Mitchell Palmer for video production services at an estimated cost of \$79,655 / CEO-Community Relations-Administration
9. Hospital Administration-Community Relations / request for approval of work proposal with Mitchell Palmer for brand discovery, development and style guide services at an estimated cost of \$57,770 / CEO-Community Relations-Administration
10. Hospital Administration-Community Relations / request for approval of proposal with Coffey Communications for redesign of Humboldt General Hospital website at an estimated cost of \$86,568 for initial implementation and a monthly subscription fee of \$1,845 / CEO-Community Relations-Administration

G. TRUSTEE COMMENTS-STAFF REPORTS

(This period is designated for receiving reports, information, department updates, board and committee updates and proposals by the board, chief executive officer, chief financial officer,

DISTRICT BOARD OF TRUSTEES MEETING AGENDA

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human resources director, director of nurses, and other staff upon request. No action may be taken upon a matter raised under this section until it is placed on an agenda for action.)

H. PUBLIC COMMENT

(This agenda item is designated to give the general public an opportunity to address the Hospital Board. No action may be taken upon a matter raised under this section until it is placed on an agenda for action. Public comment is generally limited to three (3) minutes per person.)

Notice: Pursuant to Section 3 of the Declaration of Emergency Directive 006 ("Directive 006") as extended, the state law requirement that public notice agendas be posted at physical locations within the State of Nevada is suspended. This agenda has been physically posted at the locations noted above and electronically posted at <http://www.hghospital.org/> and at <https://notice.nv.gov/>.

Notice: Pursuant to Section 1 of Directive 006 as extended the state law requirement that there be a physical location designated for meetings of public bodies where members of the public are permitted to attend and participate is suspended. The meeting may be accessed via: (i) teleconference by dialing 1-646-749-3122 and using access code 368-086-437; or, (ii) videoconference by entering <https://global.gotomeeting.com/join/368086437> in a web browser.

Notice: Members of the public may make a public comment at the meeting without being physically present by emailing adminoffice@hghospital.org no later than 5:00 p.m. on the business day prior to the day of the meeting and messages received will be transcribed for entry into the record and provided to the Board of Trustees for review. Members of the public may also make a public comment at the meeting without being physically present by accessing the meeting through: (i) a telephone connection by dialing 1-646-749-3122 and using access code 368-086-437; or, (ii) through the Internet by entering <https://global.gotomeeting.com/join/368086437> in a web browser.

Notice: The Executive Assistant at the Administration Office located at Humboldt General Hospital, 118 E. Haskell Street, Winnemucca, Nevada, telephone number 775-623-5222 extension 1123, is the designated person from whom a member of the public may request the supporting material for the meeting. Pursuant to Section 5 of Directive 006 as extended, the state law requirement that a physical location be available for the public to receive supporting material for public meetings is suspended. Staff reports and supporting material for the meeting are available on the Humboldt General Hospital website at <http://www.hghospital.org/> and are available to the general public at the same time the materials are provided to the Board of Trustees.

Notice: By law a public body may receive information from legal counsel regarding potential or existing litigation involving a matter over which the public body has supervision, control, jurisdiction, or advisory power and such gathering does not constitute a meeting of the public body.

Notice: Reasonable efforts will be made to assist and accommodate disabled persons. Please contact the Administration Office by telephoning 775-623-5222 extension 1123, one (1) business day in advance of the meeting.



HUMBOLDT GENERAL HOSPITAL

118 E. Haskell Street ■ Winnemucca, Nevada 89445
Phone 775.623.5222 ■ Fax 775.623.5904

January 18, 2021

Board of Trustees

Ref: Medical Staff Meeting

The following Medical Staff Appointment, Reappointment, and Provisional privilege files were reviewed and approved by Medical Staff on January 14, 2021:

Provisional:

- Steven Berger, MD Provisional-Psychiatry

Appointment:

- Karam Batieha, MD Active-Internal Medicine/Hospitalist
- Greg Paloolian, DO Active-Emergency Medicine
- Herbert Coard, EdD Allied Health Professionals-Psychology
- Shanna Schreurs, APRN-CNP Allied Health Professionals-Mental Health

Below details additional information on each Medical Staff file:

- **Steven Berger, MD** earned his Doctor of Medicine from the University of Michigan in 1972. He then went on to complete his Internship and Residency with Michael Reese Hospital from 1972 to 1975 in Psychiatry. Dr. Berger is board certified Psychiatry and Forensic Psychiatry through the American Board of Psychiatry and Neurology and the National Board of Physicians and Surgeons. He also holds a board certification in Forensic Psychiatry through the American Board of Forensic Psychiatry. Dr. Berger holds a current BLS certification. Dr. Berger has been practicing as a Psychiatrist since 1975 and currently holds active medical staff membership with Dini-Townsend Psychiatric Hospital's Northern Nevada Adult Mental Health Services. Dr. Berger has also held numerous Psychiatric Consultant positions. He will be coming to Humboldt General Hospital as one of the providers in Dr. Herbert Coard's group. Dr. Berger is anticipated to start in mid-January 2021.
- **Karam Batieha, MD** earned his Bachelor of Medicine and Bachelor of Surgery from Jordan University of Science and Technology in 2010. He then went on to complete his Internship and Residency in Internal Medicine with the University of Nevada School of Medicine from 2012 to 2015. Dr. Batieha has been board certified in Internal Medicine through the American Board of Internal Medicine since 2015. He also holds current ACLS and BLS certifications. Dr. Batieha has been working as a Hospitalist in Las Vegas, Nevada since 2015. Dr. Batieha is a Hospitalist through Rural Physicians Group and started at Humboldt General Hospital in August 2020 with provisional privileges.
- **Greg Paloolian, DO** earned his Doctor of Osteopathic Medicine from Lake Erie College of Medicine in 2008. He then went on to complete his Emergency Medicine Residency with Mercy St. Vincent Medical Center from 2008 to 2011. Dr. Paloolian is currently board certified in Emergency Medicine through the American Osteopathic Board of Emergency Medicine. He also holds a current certification in ATLS. Dr. Paloolian began working as an ER Physician with Bowling Green Emergency Physicians from 2001 to 2012. After that, he began working with Northern Nevada Emergency Physician Group and is currently covering Humboldt



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General Hospital's ED through Envision. He started in July 2020 with temporary privileges and is currently under provisional staff.

- **Herbert Coard, EdD** earned his Doctor of Education in Educational Psychology from the University of Missouri, St. Louis in 2001. Dr. Coard then went on to complete a Postdoctoral Clinical Psychology Respecialization with Rosalind Franklin University of Medicine and Science from 2001 to 2007. He holds a current BLS certification. Dr. Coard has been working as a clinical Psychologist since 2007, is currently working with Renown Health Behavioral Health Services, and operates his own Clinical and Forensic Psychologist practice. Dr. Coard is anticipated to begin with Humboldt General Hospital in early January 2021.
- **Shanna Schreurs, APRN-CNP** earned her Master of Science in Nursing in 2014 from Vanderbilt University. Shanna is board certified through the American Nurses Credentialing Center as a Psychiatric-Mental Health Nurse Practitioner. She also holds a current BLS certification. Shanna has been practicing as a Psychiatric Nurse Practitioner since 2015 with Renown Behavioral Health in Reno, NV. She started a private practice in September 2019 providing psychiatric care to adolescents and adults. Shanna will be coming to Humboldt General Hospital as one of the providers in Dr. Herbert Coard's group. She is anticipated to start in early January 2021.

Thank You,
Jessica Villarreal
Medical Staff Credentialing Coordinator

December 2020 FINANCIAL NARRATIVE

- Gross patient revenue for the month of December was \$9.5M compared to budget of \$9.2M and prior year of \$7.5M.
- Inpatient revenue for the month of December was \$2.7M compared to budget of \$3.6M and prior year of \$1.8M.
- Contractual adjustments and bad debt was \$5.6M or 59% of gross revenue compared to budget of \$4.5M or 49% of gross revenue and prior year of \$2.7M or 36% of revenue. There was a significant change in the estimated bad debt for the year leading to this increase in deductions from revenue. There are two primary factors for this change, the first is R1 continues to change the payor class to self-pay when there is a secondary payor still to be billed or the claim is denied. When these claims get moved to self-pay it is very difficult to determine the collectability as each individual claim has to be processed for billing the secondary insurance or reprocessed due to the denial. The second factor is the AR continues to get older which casts further doubt as to our ability to collect as the claim maybe denied for timely filing.
- Net patient revenue for December was \$3.9M compared to budget of \$4.6M and prior year of \$4.8M. YTD net patient was \$27.4M compared to budget of \$27.5M and prior year of \$29.5M.
- December total operating revenue was \$3.9M compared to budget of \$4.7M and prior year of \$4.8M.
- Spending for the month of December was \$5.5M compared to budget of \$5.1M and prior year of \$5.3M. Purchased services and contract labor continue to outpace budget as we have more nursing travelers than anticipated and consulting costs related to correcting the Cerner build.
- YTD spending was \$33.1M compared to budget of \$30.1M and prior year of \$30.5M. The variance from budget can primarily be attributed to the bonus paid to employees and increase in purchased services.
- Net operating loss for December was \$1.5M compared to budget loss of \$(416K) and prior year an operating loss of \$508K. The operating loss for December is primarily a result of the increase in estimated bad debt. Continuing to correct issues in the revenue cycle and operations will maximize revenue and keep the organization on a path towards a positive operating margin.
- The YTD operating loss was \$(5.6M) compared to a budgeted loss of \$(2.5M) and a prior year loss of \$(844K). The December YTD loss is primarily a result of a decrease in anticipated revenue given the volumes seen in the hospital, increase in salaries related to bonuses paid in November, and increase in purchased services to support operations and correct the revenue cycle. We are also seeing increased repairs and maintenance costs which is generally a result of equipment being used beyond its useful life.
- Non-operating revenue for December was \$1.4M compared to budget of \$458K and prior year of \$210K. Included in the \$1.4M of non-operating revenue was \$1M of CARES Act revenue. December YTD non-operating revenue was \$5.5M compared to budget of \$2.7M and prior year of \$2.4M. Increase in non-operating revenue is related to recognition of CARES ACT funding as revenue.
- The net loss for December was \$119K compared to budget income of \$41K and prior year net loss of \$298K.
- December YTD the net loss was \$54K compared to budgeted income of \$247K and prior YTD income of \$1.5M. Less than anticipated gross patient revenue is the primary cause for the change between current year and prior year.

Humboldt General Hospital					
13 Month Statistics Comparison					
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20
RHC Visits- Total Visits	2421	2418	2359	2507	2620
Echo Mathews	311	280	258	264	266
Lacy Fettic				40	54
Tina Carbone	60	80	27	86	439
Robert Johnson	66	62	65	44	39
Brittani Smith					48
Subha Rajan	269	239	266	279	265
David Masuck	1	134	166	130	67
Rommel Adajar	356	315	360	365	308
Steven Miller			1	1	3
Andrew Wesley	35	33	39	33	40
Alvaro Galvis	24	32	27	53	58
Veronica Janhunen	227	313	288	364	255
Arthur Johnson	385	294	51	126	84
Shane Draper	63	87	86	80	72
Quinn Lindstrom	73	64	51	62	76
Trenton Argyle	26	45	51	45	39
Yatin Dhir	113	83	3	82	55
Samuel Gong	26	44	40	59	45
Joseph Ricioli	95	59	78	5	82
Roger Brecheen	93	100	103	52	35
Merleen Grover	149	96	105	120	116
Daniel Lambert		7	286	209	174
Nani Cabrera				1	
Richard Davis				2	
Stephanie Nainani	37		1	4	
Linda Lambert		48		1	
Charles Stringham			4		
Andrew Abrass			1		
Chester Westling	1	2	1		
Jeffrey Webster			1		
Raafat Khani		1			
Danny Sayegh	1				
Hind Elsanousy	1				
James Verrees	9				
John Gull					



Humboldt General Hospital
Statement of Profit and (Loss)
For the Period Ending December 31, 2020

FY20 MONTH		MONTH OF DECEMBER FY2021				FISCAL YEAR 2021 TO DATE				FY 2020 YTD		
PRIOR YR		BUDGET		ACTUAL		ACTUAL		BUDGET		PRIOR YR		
\$ 1,825,233		\$ 3,644,145		\$ 2,690,298		INPATIENT REVENUE	\$ 15,341,972		\$ 21,629,768		\$ 19,929,273	
4,483,298		4,293,503		5,486,618		OUTPATIENT REVENUE	31,023,061		25,484,015		27,403,829	
642,988		589,979		832,068		LTC	3,207,187		3,500,411		3,395,996	
590,982		642,902		545,481		CLINIC REVENUE	3,540,407		3,814,531		2,339,061	
7,542,501		9,170,529		9,554,465		TOTAL PATIENT SERVICE REVENUE	53,112,627		54,428,725		53,068,159	
						DEDUCTIONS FROM REVENUE						
(1,983,260)	26%	(3,762,116)	41%	(2,735,806)	29%	CONTRACTUAL ADJUSTMENTS	37%	(19,663,075)	41%	(22,329,981)	37%	(19,681,131)
(748,039)	10%	(779,418)	8%	(2,927,470)	31%	BAD DEBT	11%	(6,062,064)	8%	(4,626,228)	7%	(3,902,789)
(2,731,299)		(4,541,534)		(5,663,276)		TOTAL DEDUCTIONS FROM REVENUE		(25,725,139)		(26,956,209)		(23,583,920)
4,811,202		4,628,995		3,891,189		NET PATIENT SERVICE REVENUE	27,387,488		27,472,516		29,484,239	
35,471		37,164		56,174		OTHER OPERATING REVENUE	169,285		221,394		231,399	
4,846,673		4,666,159		3,947,363		TOTAL OPERATING REVENUE	27,556,773		27,693,910		29,715,638	
						OPERATING EXPENSES						
1,599,454		2,000,504		1,661,281		SALARIES	12,510,702		11,871,757		9,762,711	
740,802		605,104		530,463		BENEFITS	2,989,397		3,590,123		3,239,902	
122,888		7,920		192,570		CONTRACT LABOR	576,829		47,010		823,806	
1,100,079		943,366		1,255,565		PURCHASED SERVICES	6,416,521		5,596,653		6,030,359	
487,258		513,206		726,336		MEDICAL SUPPLIES	3,759,621		3,046,126		3,096,123	
179,172		97,701		193,947		OTHER SUPPLIES & MINOR EQUIPMENT	977,068		579,900		636,216	
156,073		124,474		173,683		REPAIRS AND MAINTENANCE	1,222,422		738,814		943,606	
37,575		25,821		45,071		RENTS AND LEASES	175,043		153,257		173,336	
22,289		54,674		50,127		INSURANCE	261,548		324,516		299,394	
76,319		71,878		63,191		UTILITIES	371,429		426,736		402,244	
544,916		489,122		517,138		DEPRECIATION	3,331,571		2,903,176		3,259,150	
131,144		21,651		10,643		TRAVEL, MEALS & EDUCATION	67,729		128,511		545,939	
156,792		127,571		65,329		OTHER EXPENSE	498,047		757,399		1,347,204	
5,354,761		5,082,992		5,485,344		TOTAL OPERATING EXPENSES	33,157,927		30,163,978		30,559,990	
(508,088)		(416,833)		(1,537,981)		NET OPERATING INCOME/(LOSS)	(5,601,154)		(2,470,068)		(844,352)	
						NON-OPERATING REVENUE/(EXPENSES)						
22,054		25,479		13,313		INTEREST INCOME	84,104		151,232		129,244	
187,342		430,171		333,085		TAXES	2,862,122		2,553,272		2,248,475	
-		2,123		-		DONATIONS	(18,014)		12,603		-	
-		-		1,303,776		CARES ACT PROVIDER RELIEF FUNDS	2,610,467		-		-	
441		-		(231,475)		MISCELLANEOUS	8,463		-		5,443	
209,837		457,773		1,418,699		NON-OPERATING REVENUE/(EXPENSES)	5,547,142		2,717,107		2,383,162	
\$ (298,251)		\$ 40,940		\$ (119,282)		NET INCOME/(LOSS)	\$ (54,012)		\$ 247,039		\$ 1,538,810	
\$ 246,665		\$ 530,062		\$ 397,856		EBIDA	\$ 3,277,559		\$ 3,150,215		\$ 4,797,960	

FINANCIAL DASHBOARD
HUMBOLDT GENERAL HOSPITAL
FISCAL YEAR 2021

Key Performance Indicator (KPI)	KPI Description	KPI Calculation	Fiscal Year 2020 June 30, 2020	Fiscal Year to Date 2021 Dec-20	Favorable ↑ Unfavorable ↓
EBIDA	Earnings Before Interest, Depreciation, and Amortization	Net Income + Interest + Depreciation + Amortization	7,657,370	6,555,118	↓
Current Ratio	Measures the number of times short-term obligations can be paid using short-term assets.	Current Assets ÷ Current Liabilities	9.7	12.89	↑
Average Payment Period	The number of days a company takes to pay off credit purchases.	Current Liabilities ÷ Daily Operating Expenses	36	25	↑
Days Cash on Hand	Measures the number of days an organization could operate if no cash was collected or received.	Cash ÷ ((Operating Expense - Depreciation Expense) ÷ 365)	214	208	↓
Operating Margin	Measures the control of operating expenses relative to operating revenues.	Operating Income (Loss) / Operating Revenue	(-16.0%)	(-3.0%)	↑
Days in Net Accounts Receivable	Measures the number of days that it takes an organization to collect its receivables.	Net Accounts Receivable ÷ (Net Patient Revenue for last 120 days ÷ 120)	99	86.0	↑
Salaries as % of Net Revenue	Measures the percentage of patient revenue that are labor costs.	(Salaries + Agency Salaries) ÷ Net Patient Revenue	70.0%	79.9%	↓
Supplies as % of Net Revenue	Measures the percentage of patient revenue that are supply costs.	Supplies Expense ÷ Net Patient Revenue	11.6%	18.7%	↓
Bad Debt as % of Gross Revenue	Measures the percentage of Gross Revenue that is written off as Bad Debt.	Bad Debt Expense ÷ Gross Patient Revenue	10.1%	30.6%	↓

Humboldt General Hospital
Statement of Profit and (Loss)
For Period Ending: 12/31/2020

	DEC 2020			FY2021		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
INPATIENT REVENUE	\$2,690,298	\$3,644,145	(\$953,847)	\$15,341,972	\$21,629,768	(\$6,287,796)
OUTPATIENT REVENUE	5,630,481	4,293,503	1,336,979	31,023,061	25,484,015	5,539,046
LTC	832,068	589,979	242,089	3,207,187	3,500,411	(293,223)
CLINIC REVENUE	545,481	642,902	(97,421)	3,540,407	3,814,531	(274,125)
TOTAL PATIENT SERVICE REVENUE	<u>9,698,329</u>	<u>9,170,529</u>	<u>527,800</u>	<u>53,112,627</u>	<u>54,428,725</u>	<u>(1,316,098)</u>
DEDUCTIONS FROM REVENUE						
CONTRACTUAL ADJUSTMENTS	(2,735,806)	(3,762,116)	1,026,311	(19,663,075)	(22,329,981)	2,666,906
BAD DEBT	(2,927,470)	(779,418)	(2,148,052)	(6,062,064)	(4,626,228)	(1,435,836)
TOTAL DEDUCTIONS FROM REVENUE	<u>(5,663,276)</u>	<u>(4,541,534)</u>	<u>(1,121,741)</u>	<u>(25,725,139)</u>	<u>(26,956,209)</u>	<u>1,231,070</u>
NET PATIENT SERVICE REVENUE	4,035,053	4,628,994	(593,941)	27,387,488	27,472,516	(85,028)
OTHER OPERATING REVENUE	(175,301)	37,164	(212,465)	169,285	221,394	(52,108)
TOTAL OPERATING REVENUE	<u>3,859,752</u>	<u>4,666,158</u>	<u>(806,406)</u>	<u>27,556,773</u>	<u>27,693,909</u>	<u>(137,136)</u>
OPERATING EXPENSES						
SALARIES	1,661,281	2,000,504	(339,223)	12,510,702	11,871,757	638,945
BENEFITS	530,463	605,104	(74,641)	2,989,397	3,590,123	(600,726)
CONTRACT LABOR	192,570	7,920	184,649	576,829	47,010	529,819
SUPPLIES MEDICAL	726,336	513,206	213,130	3,759,621	3,046,126	713,495
PURCHASED SERVICES	1,255,565	943,366	312,199	6,416,521	5,596,653	819,868
SUPPLIES & SMALL EQUIPMENT	193,947	97,701	96,246	977,068	579,900	397,168
REPAIRS AND MAINTENANCE	173,683	124,474	49,209	1,222,422	738,814	483,609
RENTS AND LEASES	45,071	25,821	19,250	175,043	153,257	21,786
INSURANCE	50,127	54,674	(4,547)	261,548	324,516	(62,968)
UTILITIES	63,191	71,878	(8,688)	371,429	426,736	(55,308)
DEPRECIATION	517,138	489,122	28,016	3,331,571	2,903,176	428,395
TRAVEL & MEALS	10,643	21,651	(11,009)	67,729	128,511	(60,782)
OTHER EXPENSE	65,329	127,571	(62,242)	498,047	757,399	(259,351)
TOTAL OPERATING EXPENSES	<u>5,485,342</u>	<u>5,082,993</u>	<u>402,349</u>	<u>33,157,926</u>	<u>30,163,976</u>	<u>2,993,950</u>
NET OPERATING INCOME/(LOSS)	<u>(1,625,590)</u>	<u>(416,835)</u>	<u>(1,208,756)</u>	<u>(5,601,153)</u>	<u>(2,470,067)</u>	<u>(3,131,086)</u>
NON-OPERATING REVENUE & EXPENSES						
INTEREST INCOME	13,313	25,479	(12,166)	84,104	151,232	(67,128)
TAXES	333,085	430,171	(97,086)	2,862,122	2,553,272	308,850
DONATIONS	0	2,123	(2,123)	(18,014)	12,603	(30,617)
OTHER INCOME	0	0	0	8,463	0	8,463
CERNER CLEARING	(143,863)	0	0	0	0	0
SUBSIDIES	1,303,776	0	1,303,776	2,610,467	0	2,610,467
NON-OPERATING REVENUE/(EXPENSE)	<u>1,506,310</u>	<u>457,773</u>	<u>1,048,537</u>	<u>5,547,141</u>	<u>2,717,107</u>	<u>2,830,034</u>
NET INCOME/(LOSS)	<u>(\$119,280)</u>	<u>\$40,938</u>	<u>(\$160,219)</u>	<u>(\$54,012)</u>	<u>\$247,039</u>	<u>(\$301,051)</u>



HUMBOLDT COUNTY HOSPITAL DISTRICT
 D/B/A HUMBOLDT GENERAL HOSPITAL
 STATEMENTS OF NET POSITION
 DECEMBER 31, 2020

		ACTUAL	AUDITED
		12/31/2020	6/30/2020
ASSETS:			
CURRENT ASSETS			
	CASH AND CASH EQUIVALENTS	\$ 33,684,176	\$ 31,701,634
	ACCOUNTS RECEIVABLE, NET	13,527,974	14,907,453
	OTHER RECEIVABLES	1,200,508	1,230,829
	INVENTORY	2,100,739	2,073,317
	PREPAIDS	1,653,760	1,493,214
	TOTAL CURRENT ASSETS	52,167,157	51,406,447
PROPERTY, PLANT AND EQUIPMENT			
	NET OF DEPRECIATION	55,701,050	58,277,583
DEFERRED OUTFLOW OF RESOURCES			
	PENSION DEFERRED OUTFLOWS	5,486,127	5,486,127
	TOTAL ASSETS	\$ 113,354,334	\$ 115,170,157
LIABILITIES:			
CURRENT LIABILITIES			
	ACCOUNTS PAYABLE	\$ 2,024,313	\$ 2,889,207
	ACCRUED PAYROLL	1,893,226	2,110,306
	OTHER CURRENT LIABILITIES	129,783	291,878
	TOTAL CURRENT LIABILITIES	4,047,322	5,291,391
LONG TERM LIABILITIES			
	NET PENSION LIABILITY	27,978,114	27,978,114
DEFERRED INFLOW OF RESOURCES			
	PENSION DEFERRED INFLOWS	2,478,091	2,478,091
	DEFERRED REVENUE- CARES ACT	1,248,078	2,711,391
	DEFERRED REVENUE- PENNINGTON FOUNDATION	945,571	-
	TOTAL DEFERRED INFLOW OF RESOURCES	4,671,740	2,478,091
	TOTAL LIABILITIES	36,697,176	35,747,596
FUND BALANCE:			
	NET POSITION	76,657,158	76,711,170
	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 113,354,334	\$ 112,458,766

HUMBOLDT GENERAL HOSPITAL

PRESENTATION OF CASH ACCOUNTS

December 30, 2020 -- FISCAL YEAR 2021

ACCOUNTS FOR:	G/L ACCT. #:	LOCATION HELD:	ACCOUNT.#:	BALANCES:
Cash Drawers	10010	Safe/Business Office/Clinics	Cash Drawers(12)	2,275
General Fund Checking	10000	Wells Fargo Bank	3828	11,249,950
Tax Account	10005	Wells Fargo Bank	925	16,575
Payroll Checking	10010	Wells Fargo Bank	3836	(284,701)
General Fund Investment	10020	Wells Fargo Bank	6671	1,248,078
Hanssen Scholarship Fund	10050	Wells Fargo Bank	7067	4,009
EMS Scholarship Fund	10055	Wells Fargo Bank	917	16,933
SNF Patient Trust	10035	Wells Fargo Bank	0021	28,408
SNF Memorial/Activity	10040	Wells Fargo Bank	9304	4,914
Investment Trust	10030	Wells Fargo Bank	6500	10,619,363
LGIP Savings	10025	NV State Treasurer	#xxxGHO	10,778,373

HGH TOTALS: 33,684,176

I, Cory Burnett, CFO for Humboldt General Hospital, hereby certifies the above report of cash account balances accurately reflects the actual cash book balances as reported in the general ledger.

SUBMITTED & SIGNED:

Cory Burnett, CFO



Corporate Office: 2331 Tripaldi Way, Hayward, CA 94545 USA O - 510.786.9271 F - 510.783.9748 E - info@westernstatedesign.com
www.westernstatedesign.com

Sales Contract

Salesperson: Will Cline
Office: Hayward
Phone: 800-633-7153
Customer Type: Existing Customer Cust. # _____
Purchaser: **Humboldt General Hospital**
Address: 118 East Haskell Street
City, State, Zip: Winnemucca, NV 89445
Contact: Rachel Meiron Phone: 775-623-5222
Email Address: meironr@hghospital.org

Date: 12/23/2020
Job # _____
Projected Delivery Date: 4/7/2021
Ship To: WSD Hayward
Address: _____
City, State, Zip: _____
Contact: Rachel Meiron Phone: 775-623-5222
Email Address: meironr@hghospital.org
Installation Location: Same as Ship To

The Purchaser Agrees to Purchase, and Western State Design, Inc. ("Seller") Agrees to Sell the following items, subject to Seller's Terms & Conditions included in this Agreement, as follows:

Qty	Part No.	Model #	Description	Voltage	Unit Price	Amount
1		Chicago Laser GO 13	Chicago Dryer CO. Laser Model GO 13 Gas Heated Ironer Type F 120" Usable Width	208V/60/3	\$ 24,525.00	\$ 24,525.00
						\$ -
						\$ -
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						\$ -

SPECIAL TERMS, CONDITIONS, DELIVERY & ADDITIONAL INSTRUCTIONS/INFORMATION:

Equipment Payment Terms:
 20% upon contract execution
 _____ prior to delivery to the Purchaser or a third party warehouse*

Installation Payment Terms:

Payment in full shall be paid within ten (10) days of the date the installation work specified is completed prior to startup

Total Equipment	\$	24,525.00
Factory Freight	\$	3,475.00
Installation*	\$	7,000.00
Applicable Sales Tax	\$	-
TOTAL SALE	\$	35,000.00
Deposit	\$	5,600.00
BALANCE DUE	\$	29,400.00

*If the equipment is financed by a third party, the third party financing entity shall provide a Purchase Order or written authorization that will guarantee payment to WSD prior to WSD ordering the equipment from the manufacturer(s).

DEPOSIT: The Deposit is due when the contract is signed and must be paid by cash, check or credit card. No equipment will be ordered or delivery dates guaranteed until the Deposit has been paid in full.

BALANCE OF PAYMENT: Unless otherwise provided in writing, payment in full of entire amount of this Sales Contract is due upon delivery of the equipment to the Purchaser's location. If the equipment is to be financed by lease or any means other than cash, the Delivery and Acceptance Form must be signed, dated, and tendered to Western State Design, Inc. at the time of delivery to the Site.

CREDIT CARD PAYMENT AND SURCHARGE: Any invoice paid by credit card will be assessed a surcharge of 2.7% of the invoice total.

CREDIT CHECK: Purchaser grants Seller permission to contact third parties as necessary to check Purchaser's credit and to exchange credit information. Seller may terminate this Agreement in its sole discretion based upon the credit review and/or any site review.

WARRANTY: Purchaser warrants the truth of the information given to Seller, its agents, and/or representatives.

This Contract is subject to the Western State Design, Inc. Terms and Conditions effective on the date of this Contract. The Terms and Conditions are incorporated into this Contract by this reference, as if they were set forth in this Contract in full. The Terms and Conditions are available to view at www.westernstatedesign.com/content/terms.asp, or a copy may be requested by Purchaser by email to terms@westernstatedesign.com or fax. By signing below, Purchaser acknowledges that Purchaser has reviewed and accepted the Terms and Conditions.

PURCHASER: _____ TITLE: _____ DATE: _____
 SELLER: _____ TITLE: _____ DATE: _____

RETURN ALL PAGES OF THE SIGNED CONTRACT TO 510-783-9748 OR EMAIL TO contracts@westernstatedesign.com



Corporate Office: 2331 Tripaldi Way; Hayward, CA 94545 USA O - 510.786.9271 F - 510.783.9748 E - info@westernstatedesign.com
www.westernstatedesign.com

SALES CONTRACT ADDENDUM - INSTALLATION SERVICES

Salesperson: Will Cline
Office: Hayward
Phone: 800-633-7153
Purchaser: Humboldt General Hospital
Address: 118 East Haskell Street
City, State, Zip: Winnemucca, NV 89445
Contact/Phone: Rachel Meiron /775-623-5222
Email Address: meironr@hghospital.org

Date: 12/23/2020
Job #
Installation Date:
Ship To: WSD Hayward
Address:
City, State, Zip:
Contact/Phone: Rachel Meiron /775-623-5222
Email Address:

Any services not specified in the following Scope of Services will require a written Change Order approved by the Purchaser and Seller.

Installation Instructions - Scope of Services:

1. Off load and move equipment into the laundry room or designated location	\$ 7,000.00
2. Install on ground level/on grade only	
3. Level, anchor equipment or bases and assemble to manufacturer specifications as required	
4. As applicable, final connection hook up of equipment to existing utilities, water, compressed air, electrical service, natural gas, exhaust ducting, wastewater sewer line, steam. All required utilities including ducting and wastewater shall be routed to within 5' of equipment Points of Connection (POC)	
5. Disconnecting and removal of existing laundry equipment, if applicable	
6. Debris Removal and containers	
7. Startup and training after hookup	
8. Includes all materials, labor, and rental equipment	
9. All work requiring building tenant improvements shall match existing conditions	

Installation Exclusions:

- Hazardous waste abatement or removal
- Any building modifications including not limited to carpentry, bulkheads, drywall, drop ceiling, flooring, painting, building refinishing, millwork, signage
- Modifications or rerouting utilities which exceed 5' from the Points of Connection (POC) on the equipment furnished
- Modifications to the building fire sprinkler system or alarm system
- Building permits, air quality permits, impact fees, fire inspection fees, professional engineering and architectural services including drawings
- General roof repairs or replacement other than patching roof penetrations required for exhaust ducting/makeup air venting
- Any changes to the building HVAC system/swamp cooling system including modifications to the combustion air discharge locations or makeup air locations to meet compliance of local building code and ordinances
- Modifications to the existing concrete floor/drain troughs/floor sinks including cutting, backfilling, framing, and refinishing
- Building electrical modifications including but not limited to overhead lighting, ie. electrical panels with circuit breakers, emergency lighting, exit lights, receptacles, etc.
- Building repairs, utility upgrades/repairs for unknown site conditions
- Installation of security systems, locks, cameras

Total cost of installation \$ 7,000.00

Installation amount is due and payable in full within ten (10) days after installation completion and prior to startup and training, unless otherwise specified.

→ Purchaser's Initial: _____

PROFESSIONAL SERVICES AGREEMENT (PHYSICIAN FULLTIME EMPLOYMENT)

This Professional Services Agreement (the "Agreement") is effective February 15, 2021 between Humboldt County Hospital District dba Humboldt General Hospital ("Hospital") and Timothy Musick, M.D. ("Physician").

BACKGROUND

1. Hospital is a hospital district organized and operated pursuant to Nevada law. Hospital operates a general acute-care hospital and associated clinics and facilities in Winnemucca, Nevada, and the surrounding communities ("the Community"). Hospital and its hospital, clinics and facilities are collectively referred to as "Hospital".
2. Hospital seeks to ensure that hospitalist services are provided to its patients by contracting with Physician to provide such services as an employee of Hospital on the terms and conditions set forth in this Agreement.
3. Physician is qualified by licensure, education, experience and training to provide hospitalist services ("Physician's Specialty") in Nevada. Physician agrees to provide such services to and on behalf of Hospital on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and conditions set forth herein, Hospital and Physician agree as follows:

- 1. NATURE OF RELATIONSHIP.** Physician agrees to render the services pursuant to this Agreement as an employee of Hospital.
- 2. COMMENCEMENT DATE.** Commencing no later than _Feburary 15th, 2021 ("Outside Date"), Physician shall provide the services required by this Agreement. The date that Physician actually becomes a Hospital employee and commences providing services pursuant to Section 3 of this Agreement shall be the "Commencement Date."

3. PHYSICIAN OBLIGATIONS.

3.1 Physician Services. Commencing on the Commencement Date, Physician shall provide clinical services that are reasonably and commonly within the scope of services provided by a physician practicing in Physician's Specialty consistent with Physician's licensure, training and privileges, including but not

limited to examining patients; performing medical and surgical procedures; prescribing medication or treatment; conducting hospital rounds; consulting with other practitioners. In addition to such clinical services, Physician shall also perform administrative and other duties related to Physician's clinical services and Hospital's operations as reasonably requested by Hospital or required by medical staff bylaws, rules, or policies, including but not limited to participation in Hospital's quality assurance, credentialing, peer review, strategic planning, education, community relations, compliance, and other activities. The services provided by Physician pursuant to this Agreement are collectively referred to as "Services".

3.2 Schedule / Call Coverage. Physician shall provide 24 hr coverage for a total of 10 days a month.

3.3 Location(s) for Services. Physician shall provide the Services at Hospital, Hospital's affiliated clinics and facilities, and such other locations as reasonably assigned by Hospital from time to time. Hospital shall have reasonable discretion to consolidate and relocate practices operated by Hospital.

3.4 Qualifications. As a condition precedent to Hospital's obligations under this Agreement and at all times during the term of this Agreement, Physician shall maintain the following qualifications ("Qualifications"):

(a) Maintain all licenses, registrations or certifications reasonably necessary to enable Physician to provide the Services required by this Agreement without restriction, including but not limited to an unrestricted license to practice medicine in Nevada, an unrestricted Nevada Board of Pharmacy registration, unrestricted DEA registration, and/or other authorization to prescribe controlled substances in Nevada.

(b) Maintain active medical staff membership at Hospital with all clinical privileges necessary to allow Physician to perform the Services without restriction. Physician's medical staff membership and privileges shall be determined according to Hospital's normal credentialing process, and nothing in this Agreement shall entitle Physician to such medical staff membership or privileges.

(c) Be board certified or board eligible in Physician's specialty unless such requirement is waived in writing by Hospital.

(d) Be eligible, credentialed to, and participate in Medicare, Medicaid, managed care programs, and all other third party payment programs that contract with Hospital, including health insurance plans contracting with Hospital.

(e) Satisfy all of Hospital's pre-employment screening requirements, including but not limited to providing proof of required immunizations.

(f) Maintain insurability under Hospital's professional liability insurance at rates comparable to other physicians in Physician's Specialty in Nevada with a good claims history.

(g) Have and maintain the training, competency, and the ability to provide the Services and perform the other duties required by this Agreement.

3.5 Representations and Warranties. Physician represents and warrants that, as of the Commencement Date and at all times during the term of the Agreement, Physician satisfies the following representations and warranties ("Representations and Warranties"), the violation of which shall constitute a material breach of this Agreement:

- (a) Physician satisfies the Qualifications set forth in this Agreement.
- (b) Physician is not subject to any contractual or other obligation that would prevent or

interfere with Physician's ability to accept employment by Hospital or perform the Services required by this Agreement, or subject Hospital or Physician to liability due to Physician's employment or performance of Services pursuant to this Agreement.

(c) Physician has fully disclosed in writing any of the following that have occurred prior to execution of this Agreement: (i) any actual or threatened adverse action, investigation, disciplinary proceeding, limitation or restriction against Physician or Physician's privileges taken by any government or licensing agency, healthcare organization, medical staff, payer, or professional organization; (ii) any actual or threatened malpractice action or other action against Physician arising out of or related to Physician's practice of medicine; or (iii) any criminal complaint or charges, convictions, or pleas against or involving Physician. Physician understands and agrees that a misrepresentation or failure to disclose information requested in response to such inquiries shall justify immediate termination or avoidance of this Agreement by Hospital.

(d) Physician has truthfully and fully responded to all questions asked by Hospital, and Physician will truthfully and fully respond to all questions and requests for information sought by Hospital, during Hospital's employment or

credentialing process. Physician understands and agrees that a misrepresentation or failure to disclose information requested in response to such inquiries shall justify immediate termination or voidance of this Agreement by Hospital.

(e) Physician shall immediately notify Hospital if (i) Physician fails to fully satisfy any of the Qualifications or Representations and Warranties; (ii) Physician is or becomes the subject of any investigation, inquiry, allegation, claim or peer review activity by any governmental agency, professional society, healthcare facility, or healthcare payer; (iii) any claims or allegations are asserted against Physician by any entity relating to Physician's professional conduct or competence; (iv) Physician becomes aware of any acts, omissions, or other facts or circumstances that may result in liability to Hospital or affect Physician's ability to perform Services under this Agreement; and/or (v) any direct or indirect financial relationship between Hospital and Physician or any of Physician's family members as defined in 42 C.F.R. § 411.351 so as to allow Hospital to comply with regulations which prohibit billing for prohibited referrals. Failure to provide such notice shall be cause for termination of this Agreement by Hospital pursuant to Section 8.3, below.

3.6 Performance Standards. Physician shall comply with the following standards in providing Services under this Agreement ("Performance Standards"):

(a) Adhere to all applicable federal, state and local laws and regulations; the standard of care in the Community; relevant licensure, accreditation, and ethical standards; third party payer requirements; and Hospital's bylaws, rules and policies, including but not limited to medical staff bylaws, rules and policies and Hospital's employment policies. If the Services are provided to a third party pursuant to Hospital's contract with such third party, Physician shall adhere to the requirements of such contract.

(b) Use Physician's best effort and skill for the interest, benefit and advantage of Hospital and its patients.

(c) Provide Services in a professional, courteous, responsible, non-disruptive manner, and promote respect, cooperation and teamwork among other health care professionals, Hospital personnel, patients, and Community members.

(d) Respond to patient and referring practitioner needs and concerns regarding patient diagnosis and treatment as expeditiously as reasonably possible and consult with other practitioners as reasonably required for effective patient care.

(e) Document Physician's Services in a timely and sufficient manner consistent with applicable professional standards, Hospital policies, third party payer requirements, and approved diagnostic and procedure codes so as to facilitate proper patient care, payment for such patient care, and effective Hospital operations. Physician shall use Hospital's approved electronic records system.

(f) To the extent consistent with quality patient care, provide Services in an efficient and cost-effective manner so as to maintain and enhance the efficiency and productivity of Hospital.

(g) Attend management and medical staff meetings as reasonably required by Hospital relevant to Physician's Services or Hospital operations.

(h) Participate in appropriate continuing medical education and engage in such other activities as reasonably necessary to maintain and improve Physician's skill in providing Services.

(i) Assist Hospital in the efficient and effective day-to-day management of Hospital and its programs related to Physician's Specialty as reasonably requested by Hospital.

(j) Fully support Hospital's overall quality improvement, quality assurance, and compliance activities.

(k) Fully support Hospital's charitable mission, including providing reasonable charity care to the uninsured, underinsured or poor consistent with Hospital's charity care policies or as requested by Hospital.

(l) Cooperate with and support Hospital's efforts to maintain a good relationship with the Community and promote Hospital programs related to Physician's Specialty.

(m) Cooperate with and take such action as reasonably requested by Hospital to obtain payment for Physician's professional services.

(n) Adhere to such other performance standards as reasonably established by Hospital or its medical staff from time to time.

3.7 Practice of Medicine. This Agreement shall not be interpreted to dictate Physician's practice of medicine or interfere with the exercise of Physician's independent judgment in the practice of medicine consistent with quality patient care and subject to Hospital policies. Notwithstanding the foregoing, Physician understands that Hospital shall have the final authority over the acceptance or refusal of a person to receive Services and the amount of fees to be charged to such patients. Physician shall not refuse to treat persons or otherwise

discriminate with respect to the quality of care rendered to a patient on the basis of race, national origin, religion, sex, age, disability, medical condition, or as otherwise prohibited by law.

3.8 Outside Activities. Physician agrees to devote his/her full professional time to the practice of medicine as an employee of Hospital pursuant to this Agreement. Subject to Section 12, Physician agrees that he/she will not otherwise engage in the practice of medicine or perform professional services for or on behalf of any other entity without Hospital's prior written consent. Notwithstanding the foregoing, Physician may engage in teaching, writing, lecturing, or providing expert witness testimony on medical topics without Hospital's prior written consent, provided that such activities shall not interfere or conflict with the performance of Physician's duties or Services under this Agreement or expose Hospital to liability. Physician understands and agrees that the professional liability insurance provided by Hospital may not cover Physician's activities performed outside the scope of this Agreement.

3.9 Participation in Payer Programs. Physician shall participate in and comply with the conditions of any managed care or third party payer programs relevant to Physician's Services as required by Hospital, including but not limited to Medicare and Medicaid. Physician shall complete and submit all credentialing documentation necessary to enable Physician to participate in such programs within fifteen (15) days of Hospital's request for same. Hospital shall have the sole and exclusive right and authority to enter into contractual relationships with HMOs, IPAs, PPOs, PHOs, ACOs, provider networks and other managed care organizations and third party payment programs for Services. Physician shall not otherwise contract with any managed care or third party payment program for Services covered by this Agreement unless expressly authorized by Hospital in writing.

3.10 Additional Physicians. Nothing in this agreement is intended to nor shall it create an exclusive contract to perform Services covered by this Agreement. Physician understands and agrees that Hospital may negotiate and enter into contracts or other relationships with additional qualified practitioners for provision of Services. Physician agrees to use Physician's best efforts to develop and establish an ongoing productive, cooperative relationship with such additional practitioners for the furnishing of services to patients.

3.11 Intellectual Property. Physician agrees that Hospital shall own and retain the rights to any intellectual property (including but not limited to any matter that may be protected by copyright, patent, trademark, trade secret, etc.) created or developed by Physician while acting within the course and scope of this Agreement or while using Hospital personnel, property or resources.

3.12 Use of Information. Physician authorizes Hospital to use Physician's image, name, business address, professional credentials, and similar information in Hospital's operations, including but not limited to Hospital's public relations or marketing activities.

3.13 Use of Hospital Personnel and Equipment. Physician agrees that Physician will use Hospital personnel, property and resources solely to perform Services pursuant to this Agreement. Physician will not use such personnel, property or resources for Physician's personal business or for any other purpose outside the scope of this Agreement.

4. COMPENSATION AND BENEFITS.

4.1 Compensation. In exchange for Physician's Services, Hospital shall compensate

Physician as set forth in Attachment 1.

4.2 Employee Benefits. Physician shall be entitled to employee benefits available to Hospital's similarly situated exempt employees subject to and as established by Hospital's employee benefits policies and plans, including but not limited to health insurance, participation in retirement plans, continuing medical education, reimbursement for professional expenses, etc., as applicable. Physician's entitlement to such benefits shall be subject to the terms, conditions, and limits of the applicable policies and plans. Physician may obtain a summary of such benefits from Hospital upon request. Hospital retains the right to modify its employee benefits policies and plans at any time, which modification shall be binding on Physician.

4.3 Income and Withholdings. Hospital shall withhold amounts from any payments to Physician in accordance with the requirements of applicable law for federal and state income tax, FICA, and other employment or payroll taxes or required withholdings.

4.4 Exempt Status. Physician shall be an exempt employee for purposes of the Fair Labor Standards Act and similar laws and shall not be entitled to payment for overtime.

4.5 Referrals. To the extent allowed by applicable law and regulations, including but not limited to 42 C.F.R § 411.354(d)(4) as it shall be amended, Physician shall be required to refer patients to Hospital for services related to Physician's Services, and Physician's compensation shall be conditioned on Physician's referrals to Hospital, provided that: (i) the requirement to make referrals to Hospital does not apply if the patient expresses a preference for a different provider, the patient's insurer determines the provider, or the referral is

not in the patient's best medical interests in Physician's judgment; and (ii) the requirement to make referrals does not apply to referrals for services that are unrelated to Physician's Services rendered pursuant to this Agreement.

5. PROFESSIONAL FEES

5.1 Right to Receive Fees. Except for Outside Services authorized in writing by Hospital, Hospital shall own and be entitled to all compensation and reimbursements from patients, third party payers, and other third parties resulting from Physician's practice of medicine or performance of professional services. Hospital shall have the exclusive right to establish the fees for Physician's professional services, and to bill, collect, and retain all such compensation or reimbursement for Hospital's own account. Any such compensation or reimbursement received by Physician shall be immediately paid over to Hospital unless otherwise agreed by Hospital in writing.

5.2 Assignment and Power of Attorney. Physician shall accept the assignment of benefits for all professional services rendered to patients who are beneficiaries under Medicare, Medicaid, or any other third party payment program designated by Hospital. Physician hereby assigns and reassigns to

Hospital the exclusive right to bill and receive payment from patients, third party payers, and other third parties for Physician's practice of medicine or performance of professional services. Physician hereby appoints Hospital as Physician's agent and grants Hospital his/her power of attorney to bill on behalf of Physician for all professional services performed by Physician; to obtain provider numbers on behalf of Physician; and to execute, deliver or endorse checks, applications for payment, insurance claim forms or other documents reasonably necessary for Hospital to secure payment for Physician's professional services. This power of attorney is coupled with an interest, is irrevocable and shall survive expiration or termination of this Agreement. This assignment and reassignment is intended and shall be interpreted to comply with the requirements of Medicare and any other relevant third party payment programs. Physician shall execute any additional documents reasonably required by Hospital to accomplish the intent of this Section.

6. PROFESSIONAL LIABILITY INSURANCE. During the term of this Agreement, Hospital shall provide professional medical liability insurance covering Physician's Services performed pursuant to this Agreement subject to reasonable terms, conditions, exclusions and limitations. The insurance shall provide a minimum coverage of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) in the aggregate, or such other amounts as required by Hospital's governing board. Hospital shall have the right to select the insurance company providing such coverage, which

insurance may be provided through a policy issued to or covering Hospital or through Hospital's participation in a risk retention group. Hospital's obligation to provide insurance under this Agreement shall terminate if Physician becomes uninsurable, or if the rates charged for insurance covering Physician exceed 150% of the usual and customary rates charged for similar coverage for physicians in Physician's Specialty in Nevada with a good claims history. The insurance provided under this Section may not apply to services that Physician provides outside the course and scope of duties of this Agreement.

7. TERM. The term of this Agreement shall be _____ (____) years from the Commencement Date subject to earlier termination as provided in this Agreement. The Agreement shall automatically renew for successive one-year terms unless one party provides notice to the other party at least ninety (90) days prior to the end of the effective term.

8. TERMINATION.

8.1 Termination Without Cause. Either party may terminate this Agreement without cause at any time upon ninety (90) days prior written notice to the other party. At Hospital's election, Hospital may terminate the Agreement immediately without cause or relieve Physician of his/her duties to provide Services at anytime during the 90-day notice period, provided that Hospital shall pay to Physician the compensation that Physician would have otherwise been eligible to receive during the remaining portion of the 90-day notice period, subject to applicable withholdings. For purposes of calculating the compensation to which Physician would have been eligible to receive during the remaining portion of the 90-day notice period, Hospital shall use the average compensation, calculated on a daily basis, that Physician received during the 90 days immediately prior to the time that Hospital terminated Physician's employment or suspended Physician's duties. The average daily compensation shall be multiplied by the number of unexpired days remaining in the 90-day notice period to determine the amount owed by Hospital, less applicable taxes and withholdings.

8.2 Termination With Cause. Either party may terminate this Agreement for cause due to a material breach of the Agreement by the other party. In such cases, the non-breaching party shall give thirty (30) days prior written notice of intent to terminate due to a material breach. The breaching party shall have the opportunity to cure the breach during the 30-day time period. If the breaching party fails to cure the breach within the 30-day time period, the non-breaching party may terminate the Agreement at the end of the 30-day time period. Cause for termination shall include, but shall not be limited to, the failure of Physician to satisfy any of the Performance Standards required by this Agreement.

8.3 Immediate Termination. Hospital may terminate the Agreement immediately and without prior notice upon the occurrence of the following:

(a) Physician fails to fully satisfy the Qualifications or Representations and Warranties required by this Agreement.

(b) Physician repeatedly breaches one or more of the Performance Standards after having received, on at least two prior occasions, the notice and opportunity to cure the breach of the Performance Standard pursuant to Section 8.2, above.

(c) Physician dies or becomes disabled. To the extent allowed by law, Physician shall be deemed to be “disabled” if Physician fails or is unable to perform the Services required by this Agreement, with or without reasonable accommodation as defined and required by the Americans with Disabilities Act, for a total of ninety (90) days or more, regardless of whether such days are consecutive, during any twelve (12) consecutive months.

(d) Physician commits, is charged with, pleads no contest to, or is convicted of a felony or a crime of moral turpitude, or Physician engages in any other conduct in violation of any law or regulation involving moral turpitude or relevant to Physician’s duties as a physician, the performance of Services, payment or reimbursement for Services, or operation of Hospital.

(e) Physician conducts himself/herself in a manner which Hospital determines to be unethical or fraudulent; jeopardizes the health or safety of patients or Hospital personnel; materially impairs the reputation or operations of Hospital; or exposes Hospital to liability.

(f) Physician uses alcohol, any drug, or otherwise abuses any substance, any of which materially impairs the ability of Physician to effectively perform Physician’s Services under this Agreement or which endangers Physician, patients or other personnel. Physician hereby consents to examination and testing for use of alcohol or controlled substances upon Hospital’s request consistent with Hospital’s drug and alcohol testing policies.

(g) Physician misrepresents any facts in Hospital’s application for employment, medical staff membership or privileges, or other credentialing or peer review process, or otherwise fails to disclose information required to be disclosed pursuant to this Agreement or Hospital’s credentialing process.

(h) Physician engages in any other activity that would justify immediate termination under Hospital’s compliance program or personnel policies.

8.4 Obligations Relating to Termination. Upon notice of and/or termination of the Agreement:

(a) Physician shall cooperate with Hospital in transferring the care of patients to other physicians or practitioners affiliated with Hospital, and taking such other action as reasonably requested by Hospital to ensure appropriate continuation of patient care and effective Hospital operations. Physician shall not notify patients of the termination unless and until the communication is authorized by Hospital. If requested by Hospital, Physician shall cooperate in developing and transmitting an appropriate notice to patients.

(b) Physician shall complete all medical records and other relevant records prior to or within twenty-four (24) hours after the effective date of termination. Physician's failure to complete required records shall be deemed a material breach of this Agreement, and subject Physician to damages for such breach, including but not limited to losses incurred by Hospital due to its inability to bill for Physician's Services.

(c) Physician's right to receive compensation and benefits shall immediately cease upon termination and Physician (or Physician's estate) shall be entitled to receive only those amounts earned or accrued, on a pro-rata basis, up to the date of termination, continuing health insurance coverage

required by law, and benefits accrued under Hospital's retirement or pension plan consistent with the terms of such plan.

(d) Following termination, both parties shall take reasonable steps to cooperate with each other if requested by the other party in responding to an investigation, inquiry, claim or action arising out of or related to this Agreement or Physician's Services under this Agreement.

8.5 Resignation of Privileges. Unless otherwise agreed by the parties, termination of this Agreement shall automatically constitute a resignation of and shall terminate Physician's medical staff membership and privileges at Hospital. In such case, Physician shall not be entitled to the hearing or appeal process set forth in Hospital's medical staff bylaws or associated policies, and Physician hereby waives such process.

9. RECORDS AND INFORMATION. Physician understands and agrees that during the term of the Agreement and thereafter all documents obtained, reviewed, or generated by Physician in the course of performing Services under this Agreement shall belong to and remain the property of Hospital, including but not limited to medical records, images, billing records, or other documents related to Services rendered to patients; documents prepared in

providing administrative Services; personnel and credentialing records; computer programs or databases; policies and procedures; protocols; operational reports; etc. Upon termination of this Agreement, Physician shall immediately return all such records in Physician's possession, whether in electronic or paper form, to Hospital. To the extent allowed by law, Physician shall be allowed to access records and obtain copies at his/her own expense as necessary to defend himself/herself from claims by third parties or for other purposes approved by Hospital.

10. CONFIDENTIALITY.

10.1 This Agreement. To the extent allowed by law, the terms of this Agreement are confidential and Physician shall not disclose its terms to any individual or entity without the express written consent of Hospital, except that Physician may disclose the Agreement to his/her spouse and legal, accounting, or similar professional advisors for the purposes of obtaining professional advice.

10.2 Other Confidential Information. Physician recognizes and acknowledges that certain information created, obtained, maintained, or accessed by Physician during the term of the Agreement is confidential and/or proprietary and is protected by applicable law and regulations, including but not limited to confidential information concerning Hospital's patients, personnel, medical staff members, contractors, credentialing or peer review activities, quality assurance activities, risk management, litigation, business operations, strategic plans, finances, pricing strategies, trade secrets, etc. ("Confidential Information"). Physician shall not, during or after the term of the Agreement, use or disclose Hospital's Confidential Information without Hospital's written consent except (i) in the course of performing Physician's duties under this Agreement; or (ii) if required by law to disclose such Confidential Information, provided that Physician shall first notify Hospital of the required disclosure and give Hospital the opportunity to intervene and preserve the confidentiality of Confidential Information.

11. RESTRICTIVE COVENANT. Physician acknowledges and agrees that Physician is a key employee of Hospital, and that the Restrictive Covenant set forth in this Section is necessary to protect Hospital's legitimate business interests and is supported by the consideration paid by Hospital pursuant to this Agreement. For purposes of this Section, the "Restricted Time" shall be during the term of this Agreement and for a period of one (1) year after the termination of this Agreement, and the "Restricted Area" shall be within twenty-five (25) miles of Hospital.

11.1 Non-Competition. Physician shall not, within the Restricted Time and Restricted Area and without Hospital's express written consent, engage in the practice of medicine as a hospitalist except as an employee of Hospital pursuant to this Agreement, or engage in, perform, or provide on behalf of any entity other than Hospital any of Physician's Services described in this Agreement, nor shall Physician establish, contract with, have an ownership or investment interest in, or provide professional services to any entity or facility that competes with Hospital in the provision of inpatient hospital services.

11.2 Non-Solicitation and Interference. Physician shall not, within the Restricted Time and without Hospital's express written consent, attempt to or actually solicit, contract with, or otherwise induce any employee, contractor or vendor of Hospital to terminate their relationship with Hospital, or otherwise interfere with Hospital's relationship to such employee, contractor or vendor, except as authorized by Hospital in the performance of Physician's Services under this Agreement. Physician acknowledges and agrees that all patients for whom Services are provided by Physician during the term of this Agreement are patients of Hospital. Except as otherwise provided in Section 4.5 or as necessary for appropriate patient care, Physician shall not, within the Restricted Time and without Hospital's express written consent, attempt to or actually divert, solicit or otherwise induce any patient of Hospital to terminate their relationship with Hospital or otherwise interfere with Hospital's relationship to such patient.

11.3 Scope of Restriction. Physician agrees that this Section 11 is reasonable and necessary to protect the legitimate interests of Hospital, its patients, and its personnel, and that Hospital would be irreparably injured by Physician's breach of these obligations. If the scope or duration of any restriction is too broad to permit enforcement of such restriction to its full extent, then such restriction shall be enforced to the maximum extent permitted by law. The restrictions are severable, and in the event a restriction is completely unenforceable, the other restrictions shall remain unaffected and shall be enforced.

11.4 Injunction. Physician agrees that in the event of any violation of these restrictions, Hospital shall be entitled to preliminary and permanent injunctive relief to prevent such breach without proof of actual damages and without the requirement of posting a bond. Hospital shall also be entitled to recover its attorneys' fees and costs incurred in seeking or obtaining an injunction. The injunction provided by this Section shall be in addition to, and not in lieu of, any other remedy that Hospital may seek as a result of damages caused by a violation of this Agreement, including but not limited to money damages resulting from injury to Hospital's reputation and loss of revenue.

11.5

Liquidated Damages.

Physician agrees that, in lieu of the injunction set forth above and

at Hospital's election, Hospital shall have the right to recover from Physician liquidated damages in the

amount of _____ Dollars (\$ _____) for a violation of Section 11.1, and _____

Dollars (\$ _____) for a violation of Section 11.2, together with attorneys fees and costs in

responding to the violation ("Liquidated Damages"). The parties believe that the Liquidated Damages are

reasonably related to the injuries that Hospital shall suffer as a result of Physician's violation of this

Section, and the exact amount of damages Hospital would suffer as a result of the violation are presently

uncertain in amount and will not be subject to accurate calculation of proof or would be difficult to prove;

accordingly, the parties have agreed to liquidate such damages and believe that the amount of the

Liquidated Damages is reasonable and appropriate considering the substantial financial contribution that

Hospital has made or is making to establish Physician's practice and the damage Hospital will suffer to its

operations, loss of revenue, Physician's receipt of information about Hospital's patient and operations;

etc.

12. NOTICE. All notices required or permitted to be given under the terms of this Agreement shall be in writing, and shall be effective upon delivery if delivered to the addressee in person, by fax confirming receipt, or e-mail with confirmation of receipt; effective three (3) business days after mailing if mailed by first class mail, postage prepaid; or effective the next business day if delivered by overnight courier with charges prepaid, as follows:

If to Hospital:

If to Physician:

Humboldt General Hospital Attn: Chief Executive Officer 118 E. Haskell Street
Winnemucca, NV 89445

Timothy Musick, M.D.

1482 Washington Street Reno Nevada, 89503

or to such other address as either party shall have designated for notices to be given to him/her or it in accordance with this Section.

13. ASSIGNMENT OF RIGHTS AND DUTIES. Hospital may assign all of its rights and duties under this Agreement without recourse to any affiliate or to any entity that purchases all or substantially all of the operating assets of Hospital, provided that any such assignment shall not abrogate any compensation of Physician. Physician may not assign his/her rights or duties herein without the prior written consent of Hospital. Any such assignment by Physician without the prior written consent of Hospital shall be null and void.

14. GOVERNING LAW AND VENUE. This Agreement shall be governed by, and construed and enforced in accordance with, Nevada law. Subject to Section 15, below, any action arising from this Agreement shall be brought in an Nevada court with jurisdiction over Humboldt County, or in the federal District Court of Nevada. The parties expressly waive the right to bring any legal action or claims in any other courts. The parties consent to venue of such action in Humboldt County, Nevada.

15. ARBITRATION. Except as to an action seeking an injunction pursuant to Section 11, the exclusive jurisdiction of which shall rest with a court of competent jurisdiction in the State of Nevada, any dispute arising out of or related to this Agreement shall be settled by arbitration in Humboldt County, Nevada. A judgment upon any award rendered may be entered in any court having jurisdiction over Humboldt County, Nevada. If the parties cannot agree on a single arbitrator, each party may appoint an arbitrator. The two appointed arbitrators shall appoint a third arbitrator. The arbitrators shall then hear the matter as an arbitration panel. The arbitration shall be administered under the guidelines issued by the American Arbitration Association, or such other rules as the parties may agree or the arbitrator(s) may impose to ensure the fair and efficient resolution of the dispute. The arbitrator(s) shall have power to award costs and reasonable attorneys' fees to the prevailing party.

16. INDEMNIFICATION. Physician agrees to defend, indemnify and hold harmless Hospital from any and all claims, suits, damages, fines, penalties, judgments, liabilities and expenses (including reasonable attorneys fees and court costs) arising from Physician's (i) negligent, reckless, or willful act or omission not covered by applicable insurance; (ii) breach of any term of this Agreement; or (iii) violation of any law, regulation, or Hospital policy. Notwithstanding the foregoing, Physician's indemnification obligations shall not apply to the extent such application would nullify any existing insurance coverage of Physician that would benefit Hospital or as to that portion of any claim or loss in which an insurer is obligated to defend or satisfy.

17. REMEDIES. Except as otherwise provided in Section 11.5, nothing in this Agreement shall be construed as a waiver or limitation on Hospital's remedies against Physician due to Physician's material breach of the Agreement, including but not limited to equitable relief or damages due, e.g., to Physician's failure to timely create or maintain adequate documentation to support Physician's Services, provision of substandard care, violation of law or regulations, failure to provide required notice prior to termination, etc. Such relief may include but is not limited to lost revenue or costs incurred by Hospital due to Physician's failure to comply with the requirements of this Agreement. To the extent allowed by law, Physician hereby authorizes Hospital to offset any amounts owed by Physician to Hospital for such damages or losses from and against any amounts owed by Hospital to Physician.

18. WAIVER. Any waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision and shall not be effective at all unless in writing. A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver by either party, and such waiving party shall be free to reinstate any such term or condition, with or without notice to the other party.

19. ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties with respect to its subject matter, and supersedes any such prior agreement between the parties, whether written or oral.

20. AMENDMENTS. No change, addition, or amendment to this Agreement shall be made except by written agreement executed by both of the parties to this Agreement.

21. SURVIVAL. The provisions of this Agreement that are intended to survive the termination of this Agreement shall survive the termination of the Agreement, including but not limited to Sections 3.11, 8.4, 8.5, and 9-276.

22. REGULATORY COMPLIANCE. The parties understand and intend that this Agreement complies with all applicable laws as they shall be amended, including but not limited to the 42 U.S.C.

§ 1395nn and its accompanying regulations. The Agreement shall be interpreted to facilitate such compliance. If either party determines that the Agreement does not comply with applicable law or regulations or that the performance of the Agreement may cause either party to be in violation of such law or regulation or subject a party to any penalty under applicable law or regulation (including but not limited to the loss of tax-exempt status or prohibition against billing government programs for Services), the parties shall exercise best efforts to revise the Agreement to comply with applicable laws and regulations. If the parties cannot agree on an appropriate revision, either party may terminate this Agreement upon thirty (30) days prior written notice; provided, that either party may terminate the Agreement immediately if performing the Agreement within such 30-day period would subject the party to fines, penalties, liabilities or adverse actions as a result of the violation or non-compliance.

23. CONFLICT WITH BYLAWS. In the event of a conflict between this Agreement and the Hospital's medical staff bylaws or policies, this Agreement shall control.

24. NO THIRD PARTY BENEFICIARIES. The rights and obligations of each party to this Agreement shall inure solely to the benefit of the parties and not to any third party. No third parties are intended to be the beneficiaries of this Agreement, and no third party may rely on or enforce the terms of this Agreement.

25. CONSTRUCTION. The parties acknowledge and agree that they have both participated in the negotiation and drafting of this Agreement, and have been represented by counsel of their own choosing or have declined to obtain counsel. This Agreement shall not be construed against one party more strictly than another.

26. COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be deemed an original as against any party whose signature appears on the counterpart. This Agreement shall become binding when one or more counterparts, individually or taken together, bear the authorized signatures of all the parties.

IN WITNESS WHEREOF, the parties hereto execute the Agreement as of the day and year first written above.

PHYSICIAN:

Name: _____

Signature: _____

Date: _____

HOSPITAL:

Name: _____

Title: _____

Signature: _____

Date: _____

ATTACHMENT 1:

COMPENSATION

In exchange for Physician's Services, Hospital shall compensate Physician as follows, subject to the conditions in Section 4 of the Agreement.

1 Base Compensation. Beginning on the Commencement Date, Hospital shall pay to Physician compensation at the rate of Two Thousand Eight Hundred Dollars (\$2,800) per twenty-four (24) hour hospitalist shift that Physician provides clinical hospitalist services as scheduled by Hospital. If Physician provides the hospitalist services for less than a full 24-hour hospitalist shift, Physician's compensation for that shift shall be reduced pro rata. The parties agree that the per-shift compensation set forth in this Section shall fully compensate Physician for all Services rendered pursuant to this Agreement and Physician shall not be entitled to additional compensation for time or activities spent outside the scheduled hospitalist shift (including but not limited to time spent completing records or performing administrative duties) unless otherwise expressly agreed by Hospital in writing.

2. Payment. Hospital shall pay the compensation according to Hospital's normal payroll period.

PROFESSIONAL SERVICES AGREEMENT (PHYSICIAN FULLTIME EMPLOYMENT)

This Professional Services Agreement (the "Agreement") is effective February 15, 2021 between Humboldt County Hospital District dba Humboldt General Hospital ("Hospital") and David Masuck, M.D. ("Physician").

BACKGROUND

1. Hospital is a hospital district organized and operated pursuant to Nevada law. Hospital operates a general acute-care hospital and associated clinics and facilities in Winnemucca, Nevada, and the surrounding communities ("the Community"). Hospital and its hospital, clinics and facilities are collectively referred to as "Hospital".
2. Hospital seeks to ensure that hospitalist services are provided to its patients by contracting with Physician to provide such services as an employee of Hospital on the terms and conditions set forth in this Agreement.
3. Physician is qualified by licensure, education, experience and training to provide hospitalist services ("Physician's Specialty") in Nevada. Physician agrees to provide such services to and on behalf of Hospital on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and conditions set forth herein, Hospital and Physician agree as follows:

1. NATURE OF RELATIONSHIP. Physician agrees to render the services pursuant to this Agreement as an employee of Hospital.

2. COMMENCEMENT DATE. Commencing no later than _February 15th, 2021

("Outside Date"), Physician shall provide the services required by this Agreement. The date that Physician actually becomes a Hospital employee and commences providing services pursuant to Section 3 of this Agreement shall be the "Commencement Date."

3. PHYSICIAN OBLIGATIONS.

3.1 Physician Services. Commencing on the Commencement Date, Physician shall provide clinical services that are reasonably and

commonly within the scope of services provided by a physician practicing in Physician's Specialty consistent with Physician's licensure, training and privileges, including but not limited to examining patients; performing medical and surgical procedures; prescribing medication or treatment; conducting hospital rounds; consulting with other practitioners. In addition to such clinical services, Physician shall also perform administrative and other duties related to Physician's clinical services and Hospital's operations as reasonably requested by Hospital or required by medical staff bylaws, rules, or policies, including but not limited to participation in Hospital's quality assurance, credentialing, peer review, strategic planning, education, community relations, compliance, and other activities. The services provided by Physician pursuant to this Agreement are collectively referred to as "Services".

3.2 Schedule / Call Coverage. Physician shall provide 24 hr coverage for a total of 10 days a month.

3.3 Location(s) for Services. Physician shall provide the Services at Hospital, Hospital's affiliated clinics and facilities, and such other locations as reasonably assigned by Hospital from time to time. Hospital shall have reasonable discretion to consolidate and relocate practices operated by Hospital.

3.4 Qualifications. As a condition precedent to Hospital's obligations under this Agreement and at all times during the term of this Agreement, Physician shall maintain the following qualifications ("Qualifications"):

- (a) Maintain all licenses, registrations or certifications reasonably necessary to enable Physician to provide the Services required by this Agreement without restriction, including but not limited to an unrestricted license to practice medicine in Nevada, an unrestricted Nevada Board of Pharmacy registration, unrestricted DEA registration, and/or other authorization to prescribe controlled substances in Nevada.
- (b) Maintain active medical staff membership at Hospital with all clinical privileges necessary to allow Physician to perform the Services without restriction. Physician's medical staff membership and privileges shall be determined according to Hospital's normal credentialing process, and nothing in this Agreement shall entitle Physician to such medical staff membership or privileges.

(c) Be board certified or board eligible in Physician's specialty unless such requirement is waived in writing by Hospital.

(d) Be eligible, credentialed to, and participate in Medicare, Medicaid, managed care programs, and all other third party payment programs that contract with Hospital, including health insurance plans contracting with Hospital.

(e) Satisfy all of Hospital's pre-employment screening requirements, including but not limited to providing proof of required immunizations.

(f) Maintain insurability under Hospital's professional liability insurance at rates comparable to other physicians in Physician's Specialty in Nevada with a good claims history.

(g) Have and maintain the training, competency, and the ability to provide the Services and perform the other duties required by this Agreement.

3.5 Representations and Warranties. Physician represents and warrants that, as of the Commencement Date and at all times during the term of the Agreement, Physician satisfies the following representations and warranties ("Representations and Warranties"), the violation of which shall constitute a material breach of this Agreement:

- (a) Physician satisfies the Qualifications set forth in this Agreement.
- (b) Physician is not subject to any contractual or other obligation that would prevent or

interfere with Physician's ability to accept employment by Hospital or perform the Services required by this Agreement, or subject Hospital or Physician to liability due to Physician's employment or performance of Services pursuant to this Agreement.

(c) Physician has fully disclosed in writing any of the following that have occurred prior to execution of this Agreement: (i) any actual or threatened adverse action, investigation, disciplinary proceeding, limitation or restriction against Physician or Physician's privileges taken by any government or licensing agency, healthcare organization, medical staff, payer, or professional organization; (ii) any actual or threatened malpractice action or other action against Physician arising out of or related to Physician's practice

of medicine; or (iii) any criminal complaint or charges, convictions, or pleas against or involving Physician. Physician understands and agrees that a misrepresentation or failure to disclose information requested in response to such inquiries shall justify immediate termination or voidance of this Agreement by Hospital.

(d) Physician has truthfully and fully responded to all questions asked by Hospital, and Physician will truthfully and fully respond to all questions and requests for information sought by Hospital, during Hospital's employment or credentialing process. Physician understands and agrees that a

misrepresentation or failure to disclose information requested in response to such inquiries shall justify immediate termination or voidance of this Agreement by Hospital.

(e) Physician shall immediately notify Hospital if (i) Physician fails to fully satisfy any of the Qualifications or Representations and Warranties; (ii) Physician is or becomes the subject of any investigation, inquiry, allegation, claim or peer review activity by any governmental agency, professional society, healthcare facility, or healthcare payer; (iii) any claims or allegations are asserted against Physician by any entity relating to Physician's professional conduct or competence; (iv) Physician becomes aware of any acts, omissions, or other facts or circumstances that may result in liability to Hospital or affect Physician's ability to perform Services under this Agreement; and/or (v) any direct or indirect financial relationship between Hospital and Physician or any of Physician's family members as defined in 42 C.F.R. § 411.351 so as to allow Hospital to comply with regulations which prohibit billing for prohibited referrals. Failure to provide such notice shall be cause for termination of this Agreement by Hospital pursuant to Section 8.3, below.

3.6 Performance Standards. Physician shall comply with the following standards in providing Services under this Agreement ("Performance Standards"):

(a) Adhere to all applicable federal, state and local laws and regulations; the standard of care in the Community; relevant licensure, accreditation, and ethical standards; third party payer requirements; and Hospital's bylaws, rules and policies, including but not limited to medical staff bylaws, rules and policies and Hospital's employment policies. If the Services are provided to a third party pursuant to Hospital's contract with such third party, Physician shall adhere to the requirements of such contract.

- (b) Use Physician's best effort and skill for the interest, benefit and advantage of Hospital and its patients.
- (c) Provide Services in a professional, courteous, responsible, non-disruptive manner, and promote respect, cooperation and teamwork among other health care professionals, Hospital personnel, patients, and Community members.
- (d) Respond to patient and referring practitioner needs and concerns regarding patient diagnosis and treatment as expeditiously as reasonably possible and consult with other practitioners as reasonably required for effective patient care.
- (e) Document Physician's Services in a timely and sufficient manner consistent with applicable professional standards, Hospital policies, third party payer requirements, and approved diagnostic and procedure codes so as to facilitate proper patient care, payment for such patient care, and effective Hospital operations. Physician shall use Hospital's approved electronic records system.
- (f) To the extent consistent with quality patient care, provide Services in an efficient and cost-effective manner so as to maintain and enhance the efficiency and productivity of Hospital.
- (g) Attend management and medical staff meetings as reasonably required by Hospital relevant to Physician's Services or Hospital operations.
- (h) Participate in appropriate continuing medical education and engage in such other activities as reasonably necessary to maintain and improve Physician's skill in providing Services.
- (i) Assist Hospital in the efficient and effective day-to-day management of Hospital and its programs related to Physician's Specialty as reasonably requested by Hospital.
- (j) Fully support Hospital's overall quality improvement, quality assurance, and compliance activities.
- (k) Fully support Hospital's charitable mission, including providing reasonable charity care to the uninsured, underinsured or poor consistent with Hospital's charity care policies or as requested by Hospital.

- (l) Cooperate with and support Hospital's efforts to maintain a good relationship with the Community and promote Hospital programs related to Physician's Specialty.
- (m) Cooperate with and take such action as reasonably requested by Hospital to obtain payment for Physician's professional services.
- (n) Adhere to such other performance standards as reasonably established by Hospital or its medical staff from time to time.

3.7 Practice of Medicine. This Agreement shall not be interpreted to dictate Physician's practice of medicine or interfere with the exercise of Physician's independent judgment in the practice of medicine consistent with quality patient care and subject to Hospital policies. Notwithstanding the foregoing, Physician understands that Hospital shall have the final authority over the acceptance or refusal of a person to receive Services and the amount of fees to be charged to such patients. Physician shall not refuse to treat persons or otherwise discriminate with respect to the quality of care rendered to a patient on the basis of race, national origin, religion, sex, age, disability, medical condition, or as otherwise prohibited by law.

3.8 Outside Activities. Physician agrees to devote his/her full professional time to the practice of medicine as an employee of Hospital pursuant to this Agreement. Subject to Section 12, Physician agrees that he/she will not otherwise engage in the practice of medicine or perform professional services for or on behalf of any other entity without Hospital's prior written consent. Notwithstanding the foregoing, Physician may engage in teaching, writing, lecturing, or providing expert witness testimony on medical topics without Hospital's prior written consent, provided that such activities shall not interfere or conflict with the performance of Physician's duties or Services under this Agreement or expose Hospital to liability. Physician understands and agrees that the professional liability insurance provided by Hospital may not cover Physician's activities performed outside the scope of this Agreement.

3.9 Participation in Payer Programs. Physician shall participate in and comply with the conditions of any managed care or third party payer programs relevant to Physician's Services as required by Hospital, including but not limited to Medicare and Medicaid.

Physician shall complete and submit all credentialing documentation necessary to enable Physician to participate in such programs within fifteen (15) days of Hospital's request for same. Hospital shall have the sole and exclusive right and authority to enter into contractual relationships with HMOs, IPAs, PPOs, PHOs, ACOs, provider networks and other managed care organizations and third party payment programs for Services. Physician shall not otherwise contract with any managed care or third party payment program for Services covered by this Agreement unless expressly authorized by Hospital in writing.

3.10 Additional Physicians. Nothing in this agreement is intended to nor shall it create an exclusive contract to perform Services covered by this Agreement. Physician understands and agrees that Hospital may negotiate and enter into contracts or other relationships with additional qualified practitioners for provision of Services. Physician agrees to use Physician's best efforts to develop and establish an ongoing productive, cooperative relationship with such additional practitioners for the furnishing of services to patients.

3.11 Intellectual Property. Physician agrees that Hospital shall own and retain the rights to any intellectual property (including but not limited to any matter that may be protected by copyright, patent, trademark, trade secret, etc.) created or developed by Physician while acting within the course and scope of this Agreement or while using Hospital personnel, property or resources.

3.12 Use of Information. Physician authorizes Hospital to use Physician's image, name, business address, professional credentials, and similar information in Hospital's operations, including but not limited to Hospital's public relations or marketing activities.

3.13 Use of Hospital Personnel and Equipment. Physician agrees that

Physician will use Hospital personnel, property and resources solely to perform Services pursuant to this Agreement. Physician will not use such personnel, property or resources for Physician's personal business or for any other purpose outside the scope of this Agreement.

4. COMPENSATION AND BENEFITS.

4.1 Compensation. In exchange for Physician's Services, Hospital shall compensate

Physician as set forth in Attachment 1.

4.2 Employee Benefits. Physician shall be entitled to employee benefits available to Hospital's similarly situated exempt employees subject to and as established by Hospital's employee benefits policies and plans, including but not limited to health insurance, participation in retirement plans, continuing medical education, reimbursement for professional expenses, etc., as applicable. Physician's entitlement to such benefits shall be subject to the terms, conditions, and limits of the applicable policies and plans. Physician may obtain a summary of such benefits from Hospital upon request. Hospital retains the right to modify its employee benefits policies and plans at any time, which modification shall be binding on Physician.

4.3 Income and Withholdings. Hospital shall withhold amounts from any payments to Physician in accordance with the requirements of applicable law for federal and state income tax, FICA, and other employment or payroll taxes or required withholdings.

4.4 Exempt Status. Physician shall be an exempt employee for purposes of the Fair Labor Standards Act and similar laws and shall not be entitled to payment for overtime.

4.5 Referrals. To the extent allowed by applicable law and regulations, including but not limited to 42 C.F.R § 411.354(d)(4) as it shall be amended, Physician shall be required to refer patients to Hospital for services related to Physician's Services, and Physician's compensation shall be conditioned on Physician's referrals to Hospital, provided that: (i) the requirement to make referrals to Hospital does not apply if the patient expresses a preference for a different provider, the patient's insurer determines the provider, or the referral is not in the patient's best medical interests in Physician's judgment; and (ii) the requirement to make referrals does not apply to referrals for services that are unrelated to Physician's Services rendered pursuant to this Agreement.

5. PROFESSIONAL FEES

5.1 Right to Receive Fees. Except for Outside Services authorized in writing by Hospital, Hospital shall own and be entitled to all compensation and reimbursements from patients, third party payers,

and other third parties resulting from Physician's practice of medicine or performance of professional services. Hospital shall have the exclusive right to establish the fees for Physician's professional services, and to bill, collect, and retain all such compensation or reimbursement for Hospital's own account. Any such compensation or reimbursement received by Physician shall be immediately paid over to Hospital unless otherwise agreed by Hospital in writing.

5.2 Assignment and Power of Attorney. Physician shall accept the assignment of benefits for all professional services rendered to patients who are beneficiaries under Medicare, Medicaid, or any other third party payment program designated by Hospital. Physician hereby assigns and reassigns to Hospital the exclusive right to bill and receive payment from patients, third party payers, and other third parties for Physician's practice of medicine or performance of professional services. Physician hereby appoints Hospital as Physician's agent and grants Hospital his/her power of attorney to bill on behalf of Physician for all professional services performed by Physician; to obtain provider numbers on behalf of Physician; and to execute, deliver or endorse checks, applications for payment, insurance claim forms or other documents reasonably necessary for Hospital to secure payment for Physician's professional services. This power of attorney is coupled with an interest, is irrevocable and shall survive expiration or termination of this Agreement. This assignment and reassignment is intended and shall be interpreted to comply with the requirements of Medicare and any other relevant third party payment programs. Physician shall execute any additional documents reasonably required by Hospital to accomplish the intent of this Section.

6. PROFESSIONAL LIABILITY INSURANCE. During the term of this Agreement, Hospital shall provide professional medical liability insurance covering Physician's Services performed pursuant to this Agreement subject to reasonable terms, conditions, exclusions and limitations. The insurance shall provide a minimum coverage of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) in the aggregate, or such other amounts as required by Hospital's governing board. Hospital shall have the right to select the insurance company providing such coverage, which insurance may be provided through a policy issued to or covering Hospital or through Hospital's participation in a risk retention group. Hospital's obligation to provide insurance under this Agreement shall terminate if Physician becomes uninsurable, or if the rates charged for insurance covering Physician exceed 150% of the usual and customary rates charged for similar coverage

for physicians in Physician's Specialty in Nevada with a good claims history. The insurance provided under this Section may not apply to services that Physician provides outside the course and scope of duties of this Agreement.

7. TERM. The term of this Agreement shall be _____ (____) years from the Commencement Date subject to earlier termination as provided in this Agreement. The Agreement shall automatically renew for successive one-year terms unless one party provides notice to the other party at least ninety (90) days prior to the end of the effective term.

8. TERMINATION.

8.1 Termination Without Cause. Either party may terminate this Agreement without cause at any time upon ninety (90) days prior written notice to the other party. At Hospital's election, Hospital may terminate the Agreement immediately without cause or relieve Physician of his/her duties to provide Services at anytime during the 90-day notice period, provided that Hospital shall pay to Physician the compensation that Physician would have otherwise been eligible to receive during the remaining portion of the 90-day notice period, subject to applicable withholdings. For purposes of calculating the compensation to which Physician would have been eligible to receive during the remaining portion of the 90-day notice period, Hospital shall use the average compensation, calculated on a daily basis, that Physician received during the 90 days immediately prior to the time that Hospital terminated Physician's employment or suspended Physician's duties. The average daily compensation shall be multiplied by the number of unexpired days remaining in the 90-day notice period to determine the amount owed by Hospital, less applicable taxes and withholdings.

8.2 Termination With Cause. Either party may terminate this Agreement for cause due to a material breach of the Agreement by the other party. In such cases, the non-breaching party shall give thirty (30) days prior written notice of intent to terminate due to a material breach. The breaching party shall have the opportunity to cure the breach during the 30-day time period. If the breaching party fails to cure the breach within the 30-day time period, the non-breaching party may terminate the Agreement at the end of the 30-day time period. Cause for termination shall include, but shall not be limited to, the failure of Physician to satisfy any of the Performance Standards required by this Agreement.

8.3 Immediate Termination. Hospital may terminate the Agreement immediately and without prior notice upon the occurrence of the following:

- (a) Physician fails to fully satisfy the Qualifications or Representations and Warranties required by this Agreement.
- (b) Physician repeatedly breaches one or more of the Performance Standards after having received, on at least two prior occasions, the notice and opportunity to cure the breach of the Performance Standard pursuant to Section 8.2, above.
- (c) Physician dies or becomes disabled. To the extent allowed by law, Physician shall be deemed to be “disabled” if Physician fails or is unable to perform the Services required by this Agreement, with or without reasonable accommodation as defined and required by the Americans with Disabilities Act, for a total of ninety (90) days or more, regardless of whether such days are consecutive, during any twelve (12) consecutive months.
- (d) Physician commits, is charged with, pleads no contest to, or is convicted of a felony or a crime of moral turpitude, or Physician engages in any other conduct in violation of any law or regulation involving moral turpitude or relevant to Physician’s duties as a physician, the performance of Services, payment or reimbursement for Services, or operation of Hospital.
- (e) Physician conducts himself/herself in a manner which Hospital determines to be unethical or fraudulent; jeopardizes the health or safety of patients or Hospital personnel; materially impairs the reputation or operations of Hospital; or exposes Hospital to liability.
- (f) Physician uses alcohol, any drug, or otherwise abuses any substance, any of which materially impairs the ability of Physician to effectively perform Physician’s Services under this Agreement or which endangers Physician, patients or other personnel. Physician hereby consents to examination and testing for use of alcohol or controlled substances upon Hospital’s request consistent with Hospital’s drug and alcohol testing policies.
- (g) Physician misrepresents any facts in Hospital’s application for employment, medical staff membership or privileges, or other credentialing or peer review process, or otherwise fails to disclose information required to be disclosed pursuant to this Agreement or Hospital’s credentialing process.

(h) Physician engages in any other activity that would justify immediate termination under Hospital's compliance program or personnel policies.

8.4 Obligations Relating to Termination. Upon notice of and/or termination of the Agreement:

(a) Physician shall cooperate with Hospital in transferring the care of patients to other physicians or practitioners affiliated with Hospital, and taking such other action as reasonably requested by Hospital to ensure appropriate continuation of patient care and effective Hospital operations. Physician shall not notify patients of the termination unless and until the communication is authorized by Hospital. If requested by Hospital, Physician shall cooperate in developing and transmitting an appropriate notice to patients.

(b) Physician shall complete all medical records and other relevant records prior to or within twenty-four (24) hours after the effective date of termination. Physician's failure to complete required records shall be deemed a material breach of this Agreement, and subject Physician to damages for such breach, including but not limited to losses incurred by Hospital due to its inability to bill for Physician's Services.

(c) Physician's right to receive compensation and benefits shall immediately cease upon termination and Physician (or Physician's estate) shall be entitled to receive only those amounts earned or accrued, on a pro-rata basis, up to the date of termination, continuing health insurance coverage required by law, and benefits accrued under Hospital's retirement or pension plan consistent with the terms of such plan.

(d) Following termination, both parties shall take reasonable steps to cooperate with each other if requested by the other party in responding to an investigation, inquiry, claim or action arising out of or related to this Agreement or Physician's Services under this Agreement.

8.5 Resignation of Privileges. Unless otherwise agreed by the parties, termination of this Agreement shall automatically constitute a resignation of and shall terminate Physician's medical staff membership and privileges at Hospital. In such case, Physician shall not be entitled to the hearing or appeal process set forth in Hospital's medical staff bylaws or associated policies, and Physician hereby waives such process.

9. RECORDS AND INFORMATION. Physician understands and agrees that during the term of the Agreement and thereafter all documents obtained, reviewed, or generated by Physician in the course of performing Services

under this Agreement shall belong to and remain the property of Hospital, including but not limited to medical records, images, billing records, or other documents related to Services rendered to patients; documents prepared in providing administrative Services; personnel and credentialing records; computer programs or databases; policies and procedures; protocols; operational reports; etc. Upon termination of this Agreement, Physician shall immediately return all such records in Physician's possession, whether in electronic or paper form, to Hospital. To the extent allowed by law, Physician shall be allowed to access records and obtain copies at his/her own expense as necessary to defend himself/herself from claims by third parties or for other purposes approved by Hospital.

10. CONFIDENTIALITY.

10.1 This Agreement. To the extent allowed by law, the terms of this Agreement are confidential and Physician shall not disclose its terms to any individual or entity without the express written consent of Hospital, except that Physician may disclose the Agreement to his/her spouse and legal, accounting, or similar professional advisors for the purposes of obtaining professional advice.

10.2 Other Confidential Information. Physician recognizes and acknowledges that certain information created, obtained, maintained, or accessed by Physician during the term of the Agreement is confidential and/or proprietary and is protected by applicable law and regulations, including but not limited to confidential information concerning Hospital's patients, personnel, medical staff members, contractors, credentialing or peer review activities, quality assurance activities, risk management, litigation, business operations, strategic plans, finances, pricing strategies, trade secrets, etc. ("Confidential Information"). Physician shall not, during or after the term of the Agreement, use or disclose Hospital's Confidential Information without Hospital's written consent except (i) in the course of performing Physician's duties under this Agreement; or (ii) if required by law to disclose such Confidential Information, provided that Physician shall first notify Hospital of the required disclosure and give Hospital the opportunity to intervene and preserve the confidentiality of Confidential Information.

11. RESTRICTIVE COVENANT. Physician acknowledges and agrees that Physician is a key employee of Hospital, and that the Restrictive Covenant set forth in this Section is necessary to protect Hospital's legitimate business interests and is supported by the consideration paid by Hospital pursuant to

this Agreement. For purposes of this Section, the “Restricted Time” shall be during the term of this Agreement and for a period of one (1) year after the termination of this Agreement, and the “Restricted Area” shall be within twentyfive (25) miles of Hospital.

11.1 Non-Competition. Physician shall not, within the Restricted Time and Restricted Area and without Hospital’s express written consent, engage in the practice of medicine as a hospitalist except as an employee of Hospital pursuant to this Agreement, or engage in, perform, or provide on behalf of any entity other than Hospital any of Physician’s Services described in this Agreement, nor shall Physician establish, contract with, have an ownership or investment interest in, or provide professional services to any entity or facility that competes with Hospital in the provision of inpatient hospital services.

11.2 Non-Solicitation and Interference. Physician shall not, within the Restricted Time and without Hospital’s express written consent, attempt to or actually solicit, contract with, or otherwise induce any employee, contractor or vendor of Hospital to terminate their relationship with Hospital, or otherwise interfere with Hospital’s relationship to such employee, contractor or vendor, except as authorized by Hospital in the performance of Physician’s Services under this Agreement. Physician acknowledges and agrees that all patients for whom Services are provided by Physician during the term of this Agreement are patients of Hospital. Except as otherwise provided in Section 4.5 or as necessary for appropriate patient care, Physician shall not, within the Restricted Time and without Hospital’s express written consent, attempt to or actually divert, solicit or otherwise induce any patient of Hospital to terminate their relationship with Hospital or otherwise interfere with Hospital’s relationship to such patient.

11.3 Scope of Restriction. Physician agrees that this Section 11 is reasonable and necessary to protect the legitimate interests of Hospital, its patients, and its personnel, and that Hospital would be irreparably injured by Physician’s breach of these obligations. If the scope or duration of any restriction is too broad to permit enforcement of such restriction to its full extent, then such restriction shall be enforced to the maximum extent permitted by law. The restrictions are severable, and in the event a restriction is completely unenforceable, the other restrictions shall remain unaffected and shall be enforced.

11.4 Injunction. Physician agrees that in the event of any violation of these restrictions, Hospital shall be entitled to preliminary and permanent injunctive relief to prevent such breach without proof of actual damages and without the requirement of posting a bond. Hospital shall also be entitled to recover its attorneys' fees and costs incurred in seeking or obtaining an injunction. The injunction provided by this Section shall be in addition to, and not in lieu of, any other remedy that Hospital may seek as a result of damages caused by a violation of this Agreement, including but not limited to money damages resulting from injury to Hospital's reputation and loss of revenue.

11.5 Liquidated Damages.

Physician agrees that, in lieu of the injunction set forth above and at Hospital's election, Hospital shall have the right to recover from Physician liquidated damages in the amount of _____ Dollars (\$_____) for a violation of Section 11.1, and _____ Dollars (\$_____) for a violation of Section 11.2, together with attorneys fees and costs in responding to the violation ("Liquidated Damages"). The parties believe that the Liquidated Damages are reasonably related to the injuries that Hospital shall suffer as a result of Physician's violation of this Section, and the exact amount of damages Hospital would suffer as a result of the violation are presently uncertain in amount and will not be subject to accurate calculation of proof or would be difficult to prove; accordingly, the parties have agreed to liquidate such damages and believe that the amount of the Liquidated Damages is reasonable and appropriate considering the substantial financial contribution that Hospital has made or is making to establish Physician's practice and the damage Hospital will suffer to its operations, loss of revenue, Physician's receipt of information about Hospital's patient and operations; etc.

12. NOTICE. All notices required or permitted to be given under the terms of this Agreement shall be in writing, and shall be effective upon delivery if delivered to the addressee in person, by fax confirming receipt, or e-mail with confirmation of receipt; effective three (3) business days after mailing if mailed by first class mail, postage prepaid; or effective the next business day if delivered by overnight courier with charges prepaid, as follows:

If to Hospital: Humboldt General Hospital
Attn: Chief Executive Officer
118 E. Haskell Street Winnemucca, NV 89445

If to Physician: David Masuck, M.D.

Winnemucca, NV 89445

or to such other address as either party shall have designated for notices to be given to him/her or it in accordance with this Section.

13. ASSIGNMENT OF RIGHTS AND DUTIES. Hospital may assign all of its rights and duties under this Agreement without recourse to any affiliate or to any entity that purchases all or substantially all of the operating assets of Hospital, provided that any such assignment shall not abrogate any compensation of Physician. Physician may not assign his/her rights or duties herein without the prior written consent of Hospital. Any such assignment by Physician without the prior written consent of Hospital shall be null and void.

14. GOVERNING LAW AND VENUE. This Agreement shall be governed by, and construed and enforced in accordance with, Nevada law. Subject to Section 15, below, any action arising from this Agreement shall be brought in an Nevada court with jurisdiction over Humboldt County, or in the federal District Court of Nevada. The parties expressly waive the right to bring any legal action or claims in any other courts. The parties consent to venue of such action in Humboldt County, Nevada.

15. ARBITRATION. Except as to an action seeking an injunction pursuant to Section 11, the exclusive jurisdiction of which shall rest with a court of competent jurisdiction in the State of Nevada, any dispute arising out of or related to this Agreement shall be settled by arbitration in Humboldt County, Nevada. A judgment upon any award rendered may be entered in any court having jurisdiction over Humboldt County, Nevada. If the parties cannot agree on a single arbitrator, each party may appoint an arbitrator. The two appointed arbitrators shall appoint a third arbitrator. The arbitrators shall then hear the matter as an arbitration panel. The arbitration shall be administered under the guidelines issued by the American Arbitration Association, or such other rules as the parties may agree or the arbitrator(s) may impose to ensure the fair and efficient resolution of the dispute. The arbitrator(s) shall have power to award costs and reasonable attorneys' fees to the prevailing party.

16. INDEMNIFICATION. Physician agrees to defend, indemnify and hold harmless Hospital from any and all claims, suits, damages, fines, penalties,

judgments, liabilities and expenses (including reasonable attorneys fees and court costs) arising from Physician's (i) negligent, reckless, or willful act or omission not covered by applicable insurance; (ii) breach of any term of this Agreement; or (iii) violation of any law, regulation, or Hospital policy. Notwithstanding the foregoing, Physician's indemnification obligations shall not apply to the extent such application would nullify any existing insurance coverage of Physician that would benefit Hospital or as to that portion of any claim or loss in which an insurer is obligated to defend or satisfy.

17. REMEDIES. Except as otherwise provided in Section 11.5, nothing in this Agreement shall be construed as a waiver or limitation on Hospital's remedies against Physician due to Physician's material breach of the Agreement, including but not limited to equitable relief or damages due, e.g., to Physician's failure to timely create or maintain adequate documentation to support Physician's Services, provision of substandard care, violation of law or regulations, failure to provide required notice prior to termination, etc. Such relief may include but is not limited to lost revenue or costs incurred by Hospital due to Physician's failure to comply with the requirements of this Agreement. To the extent allowed by law, Physician hereby authorizes Hospital to offset any amounts owed by Physician to Hospital for such damages or losses from and against any amounts owed by Hospital to Physician.

18. WAIVER. Any waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision and shall not be effective at all unless in writing. A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver by either party, and such waiving party shall be free to reinstate any such term or condition, with or without notice to the other party.

19. ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties with respect to its subject matter, and supersedes any such prior agreement between the parties, whether written or oral.

20. AMENDMENTS. No change, addition, or amendment to this Agreement shall be made except by written agreement executed by both of the parties to this Agreement.

21. SURVIVAL. The provisions of this Agreement that are intended to survive the termination of this Agreement shall survive the termination of the Agreement, including but not limited to Sections 3.11, 8.4, 8.5, and 9-276.

22. REGULATORY COMPLIANCE. The parties understand and intend that this Agreement complies with all applicable laws as they shall be amended, including but not limited to the 42 U.S.C. § 1395nn and its accompanying regulations. The Agreement shall be interpreted to facilitate such compliance. If either party determines that the Agreement does not comply with applicable law or regulations or that the performance of the Agreement may cause either party to be in violation of such law or regulation or subject a party to any penalty under applicable law or regulation (including but not limited to the loss of tax-exempt status or prohibition against billing government programs for Services), the parties shall exercise best efforts to revise the Agreement to comply with applicable laws and regulations. If the parties cannot agree on an appropriate revision, either party may terminate this Agreement upon thirty (30) days prior written notice; provided, that either party may terminate the Agreement immediately if performing the Agreement within such 30-day period would subject the party to fines, penalties, liabilities or adverse actions as a result of the violation or noncompliance.

23. CONFLICT WITH BYLAWS. In the event of a conflict between this Agreement and the Hospital's medical staff bylaws or policies, this Agreement shall control.

24. NO THIRD PARTY BENEFICIARIES. The rights and obligations of each party to this Agreement shall inure solely to the benefit of the parties and not to any third party. No third parties are intended to be the beneficiaries of this Agreement, and no third party may rely on or enforce the terms of this Agreement.

25. CONSTRUCTION. The parties acknowledge and agree that they have both participated in the negotiation and drafting of this Agreement, and have been represented by counsel of their own choosing or have declined to obtain counsel. This Agreement shall not be construed against one party more strictly than another.

26. COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be deemed an original as against any party whose signature appears on the counterpart. This Agreement shall become binding when one or more counterparts, individually or taken together, bear the authorized signatures of all the parties.

IN WITNESS WHEREOF, the parties hereto execute the Agreement as of the day and year first written above.

PHYSICIAN:

Name: _____

Signature: _____

Date: _____

HOSPITAL:

Name: _____

Title: _____

Signature: _____

Date: _____

ATTACHMENT 1:

COMPENSATION

In exchange for Physician's Services, Hospital shall compensate Physician as follows, subject to the conditions in Section 4 of the Agreement.

1 Base Compensation. Beginning on the Commencement Date, Hospital shall pay to Physician compensation at the rate of Two Thousand Eight Hundred Dollars (\$2,800) per twenty-four (24) hour hospitalist shift that Physician provides clinical hospitalist services as scheduled by Hospital. If Physician provides the hospitalist services for less than a full 24-hour hospitalist shift, Physician's compensation for that shift shall be reduced pro rata. The parties agree that the per-shift compensation set forth in this Section shall fully compensate Physician for all Services rendered pursuant to this Agreement and Physician shall not be entitled to additional compensation for time or activities spent outside the scheduled hospitalist shift (including but not limited to time spent completing records or performing administrative duties) unless otherwise expressly agreed by Hospital in writing.

2. Payment. Hospital shall pay the compensation according to Hospital's normal payroll period.

MANAGEMENT AND CLINICAL SERVICES AGREEMENT

This Agreement is made between **RURAL CARDIOVASCULAR SOLUTIONS** ("COMPANY"), a NEVADA limited liability company, and **HUMBOLDT GENERAL HOSPITAL, INC.** ("HOSPITAL"), a Nevada corporation, effective _____, 2020 ("Effective Date").

WHEREAS, HOSPITAL desires to establish a cardiac catheterization lab ("Lab") on its premises to provide additional services to patients in its service area; and

WHEREAS, HOSPITAL desires to enter into an agreement with COMPANY to perform certain management services for Lab; and

WHEREAS, COMPANY desires to perform such Management Services on behalf of HOSPITAL on the terms and conditions set forth herein; and

WHEREAS, HOSPITAL and COMPANY are interested in documenting the terms and conditions under which COMPANY will provide the Management Services;

NOW THEREFORE, in consideration of the foregoing premises and mutual promises herein contained, IT IS AGREED AS FOLLOWS:

1. DEFINITIONS.

(a) "Management Services" shall include management and oversight of the Lab operations, human resources, and Medical Director services for Lab as well as certain services related to HOSPITAL's Cardiology Clinic ("Clinic") as described in this Agreement.

2. DUTIES OF COMPANY.

(a) COMPANY shall perform Management Services for Lab in a timely manner during the term of this Agreement.

(b) COMPANY shall determine appropriate procedures and duties of COMPANY and HOSPITAL for the timely and efficient performance of Management Services and shall prepare written guidelines for these procedures that shall be mutually agreed upon by COMPANY and HOSPITAL.

(c) COMPANY shall provide qualified non-practitioner staff (RN's, RT's, RCIS, and MA's) necessary to operate the Lab and, through such personnel, render the services listed in Appendix B and such additional services as the parties shall agree. At the option of COMPANY and subject to HOSPITAL's approval, these staff may be COMPANY employees or may be HOSPITAL employees leased to COMPANY for this purpose. The COMPANY will pay compensation, benefits and all other related expenses for these contracted employees.

(f) At all times, COMPANY and its personnel shall comply with and perform their duties consistent with the requirements of applicable federal, state and local laws and regulations, the standard of care in the community, and third party payer requirements, and make every reasonable effort to comply with HOSPITAL's policies, including but not limited HOSPITAL's Corporate Compliance Program during the term of this Agreement.

(h) COMPANY and its personnel shall participate in government payment programs, managed care plans, and other third-party payer programs as reasonably requested by HOSPITAL. COMPANY shall cooperate with HOSPITAL's efforts to timely bill and collect from patients and all other third party payers for services rendered pursuant to this Agreement. Among other things, COMPANY and its personnel shall timely complete accurate medical records and other documentation reasonably necessary to properly bill and collect for the services consistent with HOSPITAL policies and using HOSPITAL's electronic medical records system.

(i) COMPANY agrees that COMPANY and its personnel will use HOSPITAL personnel, property and resources solely to perform services pursuant to this Agreement. They will not use HOSPITAL personnel, property or resources for their personal business or for any other purpose outside the scope of this Agreement.

3. DUTIES OF HOSPITAL.

(a) On or before the same day as the Effective Date of this Agreement, the parties shall execute the Business Associate's Agreement attached as Exhibit A or such other form as agreed by the parties as required by the Health Insurance Portability and Accountability Act of 1996 as amended, as of the Effective Date.

(b) HOSPITAL shall be responsible for all Lab, Clinic and HOSPITAL services not covered under this Agreement.

(c) HOSPITAL shall cooperate with and assist COMPANY as requested by COMPANY in determining and implementing the procedures and duties for efficient performance of the Management Services in accordance with written guidelines developed or to be developed by COMPANY and approved by HOSPITAL.

(d) HOSPITAL shall pay all amounts due and payable to COMPANY in a timely manner in accordance with this Agreement.

(e) HOSPITAL shall pay all costs for lease, purchase, install, or other arrangement for acquiring the physical space for Lab.

(f) HOSPITAL shall provide all equipment and supplies necessary for operation of Lab as determined by HOSPITAL. HOSPITAL shall retain ownership of all such equipment and supplies.

(g) HOSPITAL shall provide all maintenance and warranty coverage for all equipment as deemed necessary or appropriate by HOSPITAL.

(h) HOSPITAL shall provide all pre- and post-procedure staff for procedures performed in Lab and shall provide all staff for inpatients who receive services in LAB except for those specific staff provided by COMPANY.

(i) HOSPITAL shall provide COMPANY with access to HOSPITAL's computer management system to allow COMPANY to render services required by this Agreement.

(j) HOSPITAL shall perform billing and collection services for all services provided to inpatients in Lab.

(k) HOSPITAL shall perform all marketing services to patients, providers, and the community regarding the availability of the additional services made available as a result of this Agreement as determined appropriate by HOSPITAL.

(l) HOSPITAL will provide a monthly accounting of all patient encounters by the Lab and ancillary testing in the Clinic to the extent relevant to the parties' rights or duties under this Agreement. This will include date of encounter, patient info, what was billed and what was collected.

4. CHARGES AND PAYMENT.

(a) Right to bill and retain fees. HOSPITAL shall own and be entitled to all compensation and reimbursements from patients, third party payers, and other third parties resulting from COMPANY's or any COMPANY personnel's performance of services pursuant to this Agreement, and COMPANY hereby assigns such rights to HOSPITAL. HOSPITAL shall have the exclusive right to establish the fees for services, and to bill, collect, and retain all such compensation or reimbursement for HOSPITAL's own account. Any such compensation or reimbursement received by COMPANY or any COMPANY personnel shall be immediately paid over to HOSPITAL unless otherwise agreed by HOSPITAL in writing. COMPANY shall execute and cause its personnel to execute any documents necessary to accomplish the intent of this Section.

(b) Fee. In consideration of the Management and Clinical Services performed by COMPANY hereunder, HOSPITAL shall pay COMPANY a fee as described in this section. For purposes of this section, "Collections" shall mean amounts actually received by Hospital for services performed by COMPANY personnel, calculated on a cash basis; provided that in no event shall "Collections" include any amounts received for services ordered, referred or otherwise generated by COMPANY or COMPANY personnel. Collections shall be adjusted in subsequent months to account for overpayments, repayments, etc.

Commented [A1]: Is it appropriate to define the "Collections" according to services performed by RCS personnel—can we track and identify those? Will anyone be performing services in the Cath Lab other than RCS personnel such that we can give them a % of all Cath Lab revenue?

Commented [A2]: Confirm that RCS personnel are not in a position to generate referrals so as to ensure compliance with AKS rules.

(1) Services provided on an outpatient basis. For services provided in the Lab on an outpatient basis, HOSPITAL shall pay COMPANY an amount equal to forty-five percent (45%) of collections for such outpatient services performed by COMPANY personnel.

Commented [A3]: Are we comfortable that this represents FMV for the services provided?

(i) If the monthly volume reaches an average of thirty (30) cases per calendar month for three (3) consecutive months the rate will be reduced to forty percent (40%) of Collections for outpatient services for the next 3-month period.

Commented [A4]: Are "services", "outpatient" and "collections" sufficiently defined to avoid confusion or misunderstanding?

Commented [A5]: Are "cases" sufficiently defined to avoid misunderstanding?

(ii) If the monthly volume reaches an average of forty (40) cases per calendar month for three (3) consecutive months the rate will be reduced to thirty-five percent (35%) of Collections for outpatient services for the next 3-month period.

(2) Clinic services. For ancillary tests (e.g., Echo's, stress echo's, arterial studies peripheral, VIDS, ABI testing, etc.) and other services performed by COMPANY personnel in the Clinic, HOSPITAL shall pay COMPANY seventy percent (70%) of the Collections for the services performed by COMPANY personnel.

Commented [A6]: Does this accurately describe the services performed by RCS in or related to the Cardiac Clinic?

Commented [A7]: Confirm this is FMV. Does this sufficient describe the services for which RCS receives a percentage, and is the percentage appropriate?

(c) No Referrals. The parties intend and this Agreement shall be interpreted to comply with all applicable laws and regulations, including but not limited to the federal Anti-Kickback Statute, 42 USC 1320a-7b(b). To that end, COMPANY represents and warrants that at all times under this Agreement:

(1) No physician, practitioner, or other person with an ownership or investment interest in COMPANY is in a position to nor will they generate referrals to HOSPITAL that may affect the Fee described in Section 4(b), above.

(2) No employee, agent, contractor or representative of COMPANY is in a position to nor will they generate referrals to HOSPITAL that may affect the Fee described in Section 4(b), above.

(d) Payment of Fees. COMPANY will submit invoices to HOSPITAL for fees due and payable pursuant to this section on a monthly basis with payment due from HOSPITAL to COMPANY within fifteen (15) days after receipt of the invoice from COMPANY along with documents reasonably required by HOSPITAL to verify the fees due. Any undisputed payments due and payable by HOSPITAL that are not paid within this time period shall accrue interest at the rate of six percent (6 %) per annum.

Commented [A8]: Confirm penalties for late payments.

(e) Sales, Use, Gross Receipts or Excise Taxes. COMPANY and HOSPITAL acknowledge and agree that if and to the extent certain of the services provided by COMPANY hereunder are now or are subsequently determined to be subject to any sales, use, gross receipts, excise or similar taxes, COMPANY shall have a legal obligation to collect such taxes from HOSPITAL and to remit such taxes to the appropriate tax agencies. HOSPITAL agrees to pay said taxes to COMPANY in a timely manner upon demand by COMPANY.

Commented [A9]: Confirm tax consequences.

(f) No employee benefits; taxes. Neither COMPANY nor any of its personnel shall have any claim under this Agreement against HOSPITAL for workers' compensation,

unemployment compensation, vacation pay, sick leave, retirement benefits, Social Security benefits, disability insurance benefits, unemployment insurance benefits, or any other benefits offered by HOSPITAL to its employees. HOSPITAL shall not withhold on behalf of COMPANY or any COMPANY personnel any sums for income tax, unemployment insurance, Social Security, or any other purposes. All such withholdings or obligations, including the purchase of workers compensation insurance, shall be the sole responsibility of COMPANY. COMPANY shall indemnify, defend, and hold harmless HOSPITAL from any and all loss or liability, if any, arising under this Section if COMPANY or any of its personnel is alleged or determined to be the agent or an employee of HOSPITAL for any purpose, or for any failure by COMPANY to fulfill obligations related to withholdings, workers compensation insurance, or similar items.

5. TERM AND TERMINATION.

(a) Initial term. The initial term of this Agreement shall be for a period of a three (3) years from the Effective Date unless earlier terminated as provided in this Agreement.

(b) Additional terms. Upon the expiration of the initial term and any subsequent term of this Agreement, this Agreement will renew automatically for successive three (3) year terms, unless terminated by either party by giving written notice of termination to the other party at least sixty (60) days prior to the end of the expiring term.

(c) Termination for cause. This Agreement may be terminated immediately:

(1) By either party if the other party is in material default of any provision of this Agreement and such default is not cured within fifteen (15) days after written notice thereof.

(2) By either party if the other party becomes insolvent or seeks protection, voluntarily or involuntarily, under any bankruptcy law.

(3) By either party if the other party is excluded from participating in any government healthcare program, including but not limited to Medicare or Medicaid.

(4) By either party if it determines in good faith that this Agreement or performance of this Agreement causes either party to be in violation of any law or regulation or may subject the party to adverse action by any governmental entity with jurisdiction over the party.

(5) By either party if it determines in good faith that the other party is engaging in fraudulent, dishonest, or unlawful conduct, or engaging in any activity that jeopardizes the health or welfare of patients or any other party.

(6) By either party due to a breach of a representation or warranty required by this Agreement, including but not limited to the representations and warranties in Section 8, below.

(d) Termination without cause. Either party may terminate this Agreement upon 90 days advance notice to the other party.

(e) Obligations upon termination. Upon termination of this Agreement for any reason, COMPANY will complete any records relating to the services, including but not limited to medical records, prior to or within 24 hours following termination. COMPANY will cooperate with HOSPITAL in transferring the services to another entity identified by HOSPITAL to avoid disruption of patient care and effective HOSPITAL operations. COMPANY will immediately return to HOSPITAL all records and other property belonging to HOSPITAL. Both parties shall cooperate with each other in responding to any claim, allegation or investigation arising out of the services.

6. CONFIDENTIALITY.

(a) Pursuant to all applicable laws and the HIPAA Business Associate Contract, attached as Exhibit A, COMPANY shall keep confidential and instruct its personnel to keep confidential all patient information obtained from or encountered through HOSPITAL.

(b) HOSPITAL and COMPANY each acknowledge that pursuant to this Agreement, each may become aware of confidential information, including but not limited to, financial, statistical, personal, personnel or other business-related information from the other party. Each party recognizes the confidentiality of its relationship with the other and shall not before, during or after the term of this Agreement, directly or indirectly, disclose any confidential information from the other party to anyone other than its own employees, agents, and independent contractors engaged in performing the services contemplated by this Agreement. However, neither party shall be required to keep any data confidential that is publicly available, is required by law to be released, or is obtained from third parties through no fault of the disclosing party.

7. RECORDS.

(a) In general. COMPANY understands and agrees that during the term of the Agreement and thereafter all documents obtained, reviewed, or generated by COMPANY or its personnel in the course of performing services under this Agreement shall belong to and remain the property of HOSPITAL, including but not limited to medical records, images, billing records, or other documents related to services rendered to patients; documents prepared in providing Management Services; personnel and credentialing records; computer programs or databases; policies and procedures; protocols; operational reports; etc. Upon termination of this Agreement, COMPANY and its personnel shall immediately return all such records in their possession, whether in electronic or paper form, to HOSPITAL. To the extent allowed by law, COMPANY shall be allowed to access records and obtain copies at its own expense as necessary to defend itself from claims by third parties or for other purposes approved by HOSPITAL.

(b) Access to records. If this Agreement is deemed subject to 42 U.S.C. Section 1395X(V)(1) and 42 C.F.R. Part 420, Subpart D 420.300 *et seq.*, then in accordance with such law COMPANY agrees until the expiration of four (4) years after the furnishing of services under this Agreement, it shall make available upon written request, to the Secretary of Health

and Human Services or the Comptroller General of the United States of America, or any of their duly authorized representatives, such contracts, books, documents and records as needed to certify the nature and extent of reimbursable costs under the Medicare laws. If COMPANY renders the services through any subcontractor through a contract of \$10,000 or more, COMPANY shall ensure that such subcontractor agrees to retain and make available such records to the same extent as COMPANY. Subject to the requirements of applicable law or regulations, the parties agree that any applicable attorney-client or other legal privileges shall not be deemed waived by virtue of this Agreement.

8. REPRESENTATION AND WARRANTY.

(a) HOSPITAL acknowledges that COMPANY has not made and makes no express or implied warranties or representations that the services provided by COMPANY will result in any particular amount or level of income to HOSPITAL.

(b) COMPANY represents and warrants the following:

(1) All personnel provided by COMPANY to render services pursuant to this Agreement satisfy the following qualifications:

(i) They are qualified by licensure, education, experience and ability to render the services assigned to them pursuant to this Agreement.

(ii) They satisfy all of Hospital's screening requirements, including but not limited to providing proof of required immunizations.

(iii) If and to the extent required by HOSPITAL bylaws or policies, they have clinical privileges necessary to enable them to render the services required by this Agreement.

(iv) They have been approved by HOSPITAL to render the services. HOSPITAL retains the right to withdraw its approval at any time, in which case COMPANY shall not use such personnel to render services. Nothing in this Agreement shall be interpreted as requiring HOSPITAL to review or credential COMPANY personnel or impose liability on HOSPITAL if and to the extent that HOSPITAL relied on COMPANY to confirm the qualifications of its personnel.

(2) COMPANY shall, at its own expense, obtain and maintain at all times (i) professional liability insurance covering COMPANY and its personnel in the performance of services pursuant to this Agreement, with coverage in an amount of at least \$1,000,000 per occurrence or \$3,000,000 annual aggregate, or such greater amount as required by HOSPITAL's medical staff bylaws or policies; and (ii) workers compensation insurance covering COMPANY personnel while performing services in such amount as required by applicable law. The insurance provided by this Section shall be issued in a form and by a carrier acceptable to HOSPITAL. Upon HOSPITAL's request, COMPANY shall provide proof of such insurance to HOSPITAL. If such professional liability insurance is on a claims-made basis, COMPANY

shall purchase an extended reporting endorsement or “tail” insurance to maintain continuing coverage for services rendered pursuant to this Agreement.

(3) Neither COMPANY nor COMPANY’s owners, and no person used by COMPANY to render services pursuant to this Agreement has ever been excluded from participating in any government healthcare program, including but not limited to Medicare or Medicaid.

(4) Neither COMPANY nor any personnel utilized by COMPANY to render services is subject to any contractual or other obligation that would prevent or interfere with their ability to contract with HOSPITAL, perform the Services required by this Agreement, or subject HOSPITAL to liability due to COMPANY’s such personnel’s performance of Services pursuant to this Agreement.

(5) COMPANY has fully disclosed in writing any of the following that have occurred prior to execution of this Agreement: (i) any actual or threatened adverse action, investigation, disciplinary proceeding, limitation or restriction against COMPANY, any COMPANY personnel, or any COMPANY personnel’s privileges taken by any government or licensing agency, healthcare organization, medical staff, payer, or professional organization; (ii) any actual or threatened malpractice action, or other action against COMPANY or any COMPANY personnel arising out of or related to the their professional services; or (iii) any criminal complaint or charges, convictions, or pleas against or involving COMPANY or any of its personnel. COMPANY understands and agrees that a misrepresentation or failure to disclose information requested in response to such inquiries shall justify immediate termination or avoidance of this Agreement by HOSPITAL.

9. NOTICES.

Any notice required or desired to be given under this Agreement shall be given in writing and personally delivered or mailed by prepaid certified mail, return receipt requested, addressed as follows:

HOSPITAL: Humboldt General Hospital
Attn: CEO
118 E. Haskell St
Winnemucca, NV 89445

COMPANY: Rural Cardiovascular Solutions
1390 Avenue L
Ely, NV 89301
Attention: Donald Geer

10. ASSIGNMENT.

This Agreement and the duties or obligations contained therein may not be assigned without the prior written consent of the non-assigning party which consent shall not be unreasonably withheld.

11. WAIVER OF BREACH.

The waiver of either party of a breach or a violation of any provision of this Agreement shall not operate as, or be construed to constitute a waiver of any subsequent breach of the same provision of other provision thereof.

12. RELATIONSHIP OF THE PARTIES.

COMPANY and HOSPITAL intend to act and perform as independent contractors, and the provisions of this Agreement are not intended to create any partnership, joint venture, agency or employment relationship between the parties to this Agreement. Each party shall be solely responsible for and shall comply with all state and federal laws pertaining to employment taxes, income withholding, unemployment compensation contributions and other employment related statutes applicable to that party.

13. NO OBLIGATIONS TO THIRD PARTIES.

None of the obligations and duties of the parties under this Agreement shall in any way be deemed to create any obligation by COMPANY or HOSPITAL to, or any rights in, any person or entity not a party to this Agreement.

14. INDEMNIFICATION.

(a) If and to the extent allowed by law and consistent with the limitations imposed on HOSPITAL as a governmental entity, HOSPITAL hereby agrees to indemnify and hold harmless COMPANY from and against any and all liability, loss, damage, cause of action, cost or expense, including reasonable attorneys' fees, arising out of or in connection with the acts or omissions of HOSPITAL, its employees or agents in carrying out its responsibilities under this Agreement. Notwithstanding anything in this Agreement to the contrary, HOSPITAL is not waiving any rights or defenses it may have as a public entity to any claim for torts, indemnification or any other cause of action, including but not limited to any defenses in the Nevada Tort Claims Act.

(b) COMPANY hereby agrees to compensate, indemnify and hold harmless HOSPITAL from and against any and all liability, loss, damage, cause of action, cost or expense, including reasonable attorneys' fees, arising out of or in connection with the acts or omissions of COMPANY, its employees or agents in carrying out its responsibilities under this Agreement.

15. BINDING ON SUCCESSORS.

This Agreement shall be binding upon the parties hereto and their successors and assigns.

16. SURVIVAL.

Any provisions of this Agreement creating obligations extending beyond the term of this Agreement will survive the expiration or termination of this Agreement, regardless of the reason for such expiration or termination.

17. SEVERABILITY.

The parties have negotiated the terms of this Agreement in good faith with the intent that each term and condition be binding upon and inure to the benefit of the parties. Accordingly, if any term or condition of this Agreement becomes invalid or unenforceable, such provisions shall be construed as narrowly as possible and all remaining terms and conditions shall be valid and enforceable to the fullest extent permitted by law.

18. FORCE MAJEURE.

Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Agreement or other interruption of services deemed to result, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, pandemics, failure of transportation, strikes or other work interruptions by either party's employees, or any other similar cause beyond the reasonable control of either party unless such delay or failure in performance is expressly addressed elsewhere in this Agreement.

19. GOVERNING LAW; ALTERNATIVE DISPUTE RESOLUTION.

(a) In general. This Agreement shall have been deemed performed in its entirety in the State of Nevada and shall be interpreted in accordance with the laws thereof, without regard to its choice of law provisions. Any action arising out of this Agreement shall be brought in Humboldt County, Nevada, and the parties consent to venue therein.

(b) Alternative dispute resolution. If a dispute arises between the parties arising from or related to this Agreement, the parties shall first attempt to resolve the matter informally in good faith. If such attempts fail, the parties shall mediate the matter, with the costs of mediation shared by the parties. If mediation fails, the parties shall resolve the matter by arbitration in Winnemucca, Nevada. A judgment upon any award rendered may be entered in any court having jurisdiction over Humboldt County, Nevada. If the parties cannot agree on a single arbitrator, each party may appoint an arbitrator. The two appointed arbitrators shall appoint a third arbitrator. The arbitrators shall then hear the matter as an arbitration panel. The arbitration shall be administered under the guidelines issued by the American Arbitration Association, or such other rules as the parties may agree or the arbitrator(s) may impose to ensure the fair and efficient resolution of the dispute. The arbitrator(s) shall have power to award costs and reasonable attorneys' fees to the prevailing party.

20. CLAIMS.

Any claim arising out of or related to this Agreement shall be brought no later than the time limits for same under the laws of the state of Nevada.

21. COMPLIANCE WITH APPLICABLE LAW.

It is the understanding and intent of the parties that the parties will be in full compliance with the provisions of Federal and State Law, as amended from time to time. This Agreement shall be construed in such a manner as is consistent with the provisions of said statutes and applicable regulations, if any. The parties' belief and intent are that the amounts to be paid under this Agreement are consistent with fair market value. Should a change in the applicable statutes or regulations render void any material provision of this Agreement, the parties shall negotiate in good faith as necessary in an effort to amend this Agreement to bring the Agreement into compliance with such statute or regulation. If the parties are unable to agree upon the necessary amendment(s) or are otherwise unable to bring this Agreement into compliance with Federal or State Law and are therefore unable to operate in a lawful fashion, this Agreement shall be terminated upon thirty (30) days prior notice to the other party; provided, however, that either party may terminate immediately if continued performance during the 30-day period would violate applicable law or regulations or subject the party to adverse action by any governmental entity.

22. PRESUMPTION.

This Agreement or any section of it shall not be construed against any party due to the fact that said Agreement was drafted by said party.

23. TITLES AND CAPTIONS.

All article, section and paragraph titles or captions in this Agreement are for convenience only and shall not be deemed part of the context nor affect the interpretation of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement, to be effective on the Effective Date.

Rural Cardiovascular Solutions

By: _____

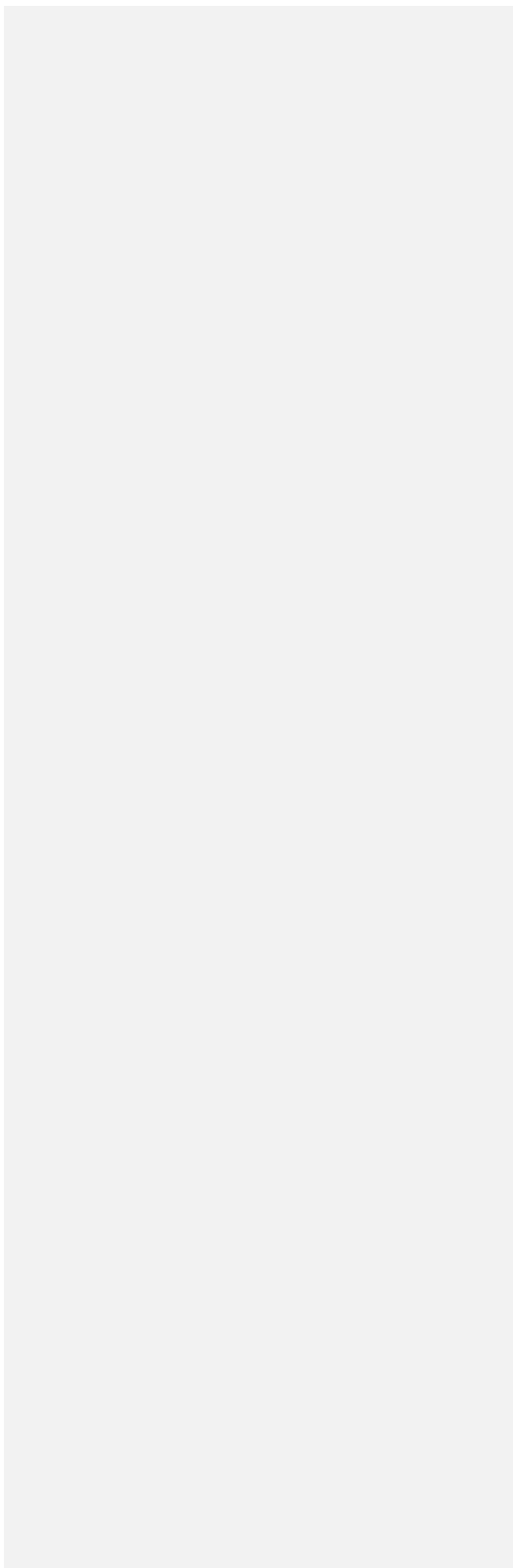
Date: 05/26/2020

Humboldt General Hospital

By: _____

Date: 05/25/2020

Title: Chief Executive Officer



APPENDIX A

Commented [A10]: Attach HGH's BAA

HIPAA Business Associate Agreement

(Signatures begin on next page)

Business Associate Agreement

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

COVERED ENTITY	BUSINESS ASSOCIATE
<u>Humboldt General Hospital</u>	Rural Cardiovascular Solutions
By: _____	By: _____
Print Name: <u>Tim Powers</u>	Print Name: <u>Donald Geer</u>
Print Title: <u>Chief Executive Officer</u>	Print Title: <u>CEO</u>
Phone: _____	Phone: <u>1-518-796-3714</u>
Fax: _____	Fax: _____

**SECOND AMENDMENT
TO
SURGICALIST SERVICES AGREEMENT**

THIS SECOND AMENDMENT TO SURGICALIST SERVICES AGREEMENT (the “**Second Amendment**”) is made and entered into by and between Rural Physicians Group – Pannu, PLLC (“**Contractor**”) and Humboldt County Hospital District (“**District**”).

RECITALS

- A. Contactor and District are parties to a Surgicalist Services Agreement dated July 1, 2012, as amended July 1, 2016 (collectively, the “**Agreement**”).
- B. Contractor and District now desire to amend the Agreement to reflect their mutual agreement to extend the term and modify certain termination provisions in accordance with Section 11.14 of the Agreement.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree to the following amendments to the Agreement:

- 1. Defined Terms. Defined terms used herein but not otherwise defined shall have the meanings given to them in the Agreement.
- 2. Section 7.1. Section 7.1 is hereby omitted in its entirety and replaced with the following:

Term. Subject to either party’s right of termination as set forth below, this Agreement shall be in effect through June 30, 2023. Thereafter, this Agreement shall be automatically renewed for successive one (1) year terms unless either party provides written notice of non-renewal not less than ninety (90) days prior to the expiration of the then current term. A three (3) percent annual pricing increase will be applied on July 1st of each calendar year.
- 3. Section 7.2. Section 7.2 is hereby omitted in its entirety and replaced with the following:

Termination without Cause. Contractor may terminate this Agreement at any time, with or without cause, upon ninety (90) days’ prior written notice to District. Effective June 30, 2023, either party may terminate this Agreement at any time, with or without cause, upon ninety (90) days’ prior written notice to the other party.
- 4. Second Amendment Effective Date. This Second Amendment shall be effective as of the last date of execution of the parties (“**Second Amendment Effective Date**”).
- 5. Counterparts, Electronic Signatures. This Second Amendment may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in “portable document format” (“.pdf”), or by any other electronic means which preserves the

Discussion Draft

original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

6. Reaffirmation. Except as otherwise amended herein, the parties hereby reaffirm, reapprove and re-declare the terms and conditions of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Second Amendment Effective Date.

CONTRACTOR:

DISTRICT:

Rural Physicians Group – Pannu, PLLC

Humboldt General Hospital

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

**Humboldt General Hospital
Board of Trustees Meeting**

Date: January 18, 2021

Agenda item: Mitchell + Palmer agreements

Department: Marketing

Item Description: Mitchell Palmer to be retained to provide creative marketing services. Projects include brand assessment/development and HGH video project.

Justification:

- **Purpose:** Mitchell Palmer will define the HGH brand that will be used in all aspects of marketing. Twelve (12) videos will be created to be used in marketing and will highlight all the great things happening at HGH.
- **Other vendors considered/other quotes:**
- **Return on Investment:** unknown at this time

Cost to purchase: Brand assessment/development = \$57,770; video project \$79,655



STATEMENT OF WORK PROPOSAL

CLIENT: Humboldt General Hospital **DATE:** January 20, 2021
PROJECT: Brand Discovery + Development + Style Guide **A.E.:** Andy Petersen (208) 899-3818

SCOPE OF WORK DELIVERABLES

Mitchell+Palmer will provide a dedicated team of marketing specialists to deliver the following services to Humboldt General Hospital:

- Client Account + Project Management
- Brand Discovery + Strategy
- Creative Development

BRAND DISCOVERY

- One and one-half (1.5) day on-site workshop to meet with Humboldt General Hospital's internal and external stakeholders to uncover the current state of Humboldt's brand and gather input to inform brand recommendations.

BRAND DEVELOPMENT

- Expected outcomes for the Discovery Session include defined brand values, personality, and purpose, unique positioning statement, target market personas, consumer insight.

STYLE GUIDE

- Comprehensive brand Style Guide to define the brand visuals and voice and inform internal and external communications.

All activities as mentioned in the above will include 2 rounds of revision. Production will not be included as part of the proposed project fee. Please see NOTE 1 below.

BRAND DISCOVERY, DEVELOPMENT + STYLE GUIDE	
TOTAL FEES	\$57,768.70

NOTE 1: All outside 3rd-party supplier costs necessary for production, plus the agency labor for producing, or supervising 3rd-party production of, deliverables (e.g. charges for legal clearance, stock photography, printing, props, talent, music, sound studio, filming, website domains, hosting, etc.), will be additionally estimated for client approval and charged per project at actual time of production. When applicable, production costs will additionally be marked-up for 6% ID Sales tax, which is not included in the above total.

NOTE 2: The project will be billed in two equal installments, 1st 50% of approved estimate after client approval and 2nd 50% after Brand Development phase.



STATEMENT OF WORK PROPOSAL

CLIENT: Humboldt General Hospital **DATE:** January 20, 2021
PROJECT: Brand Discovery + Development + Style Guide **A.E.:** Andy Petersen (208) 899-3818

MITCHELL+PALMER BILLING POLICY

- Project and production invoices are normally issued in two tranches: the first 50% of approved estimate shall be invoiced to CLIENT immediately following CLIENT's estimate approval; the second 50% of estimate shall be invoiced to CLIENT as soon as AGENCY's costs exceed the 1/2-way mark. Payment from CLIENT for the first 50% invoice is due at AGENCY within ten (10) calendar days of receipt by CLIENT; payment from CLIENT for the second 50% invoice is due at AGENCY within fifteen (15) calendar days of receipt by CLIENT. A final reconciliation invoice (or credit) shall be issued to CLIENT to close the project when variances in third-party production costs have occurred. Payment from CLIENT for final reconciliation production invoices is due at AGENCY within thirty (30) calendar days of receipt by CLIENT. Where production requirements dictate, AGENCY may agree with CLIENT to bill other % of estimate amounts during the life of a project, e.g., 75% and 25%, etc. AGENCY shall not self-finance any productions without CLIENT funds and production may be halted should funds not be in AGENCY's bank account on-time.

Agreed to: Humboldt General Hospital, Tim Powers

Signature: _____

Name Printed: _____

Date Agreed: _____

**Humboldt General Hospital
Board of Trustees Meeting
Date: January 18, 2021
Agenda item: website redesign**

Department: Marketing

Item Description: Coffey Communications - redesign of HGH website

Justification:

- **Purpose:** Current website is completely inadequate and provides a poor user experience. Coffey Communications would do a complete redesign of HGH website, with added features and optimization that the current website does not offer
- **Other vendors considered/other quotes:** other vendors considered were Scorpion (current vendor) and Mitchell Palmer
- **Return on Investment:** unknown at this time

Cost to purchase: \$86,568

Other Costs:

- **Service/Maintenance Agreement:** monthly hosting and support cost, \$1,845 (currently paying \$1,500/month for less service/support)

Website redesign for Humboldt General Hospital

Our organization
Website design methodology
Company innovation
Hosting and security
Health content
SEO: search engine optimization
CMS: content management system
Custom modules
Social media publishing
Ongoing support
Ongoing analysis
Project schedule
Budget

Eric Dutton
VP Business Development & Marketing
509.526.2310
edutton@coffeycomm.com



Our organization

Coffey Communications is a family-owned healthcare communications company located at 1505 Business One Circle, Walla Walla, WA 99362. Reach our main switchboard by calling 509.525.0101. Your main contact during this decision process is Eric Dutton, who can be reached at 509.526.2310.

Our founders, Cecil and Barbra Coffey, opened for business in 1975 and switched to a sole focus on healthcare marketing in 1983. Their children, Jane and Alan Coffey, have led the company as president and CEO since 1992.

Our first products were printed. We offered our clients healthcare publications in a tabloid format—which was unlike anything else in the marketplace at that time. And we filled those publications with content that was impeccably researched, thoroughly checked and beautifully illustrated.

As our reputation grew and the needs of our clients changed, so did our products. We developed magazines and newsletters, and we created publications that were just right for specific audience types. In time, we developed completely custom print publications too.

In 1998, Coffey moved into the digital age. We debuted our Health Information Library that year, and we began building websites for hospitals and health plans. Since that time, we've worked on hundreds of healthcare websites.

We've expanded our digital services to include search engine optimization (SEO), e-newsletters and social media publishing.

Now we offer our clients a completely integrated experience. We can enhance the power of a print publication with digital tools. We can entice people to sign up for a print piece through a website. And we can create completely custom campaigns that help immerse readers in a company's culture across all channels.

Throughout the history of the company, we've been guided by one mission: To communicate health and healthcare information for the enrichment of people's lives. We achieve this by partnering with clients who share that same goal.

We work exclusively in the healthcare industry. All of our 160-plus clients are in healthcare. Of our current client partners, we've worked with 135 for more than one year. And more than 50 of our clients have worked with us for more than 10 years. Additionally, our very first client—located in Hawaii—has worked with us continuously for 37 years.



We asked a current client, Tom Hottman at Sky Lakes Medical Center in Klamath Falls, Oregon, to describe what it's like to work with Coffey. He says: "The Coffey team (and I do see it as a team that I am a part of) took complete ownership of my project. I don't feel like I am 'just a client' to Coffey. I feel like I am working with a group who shares my goals. I feel as though I am part of something bigger that's shared among peers I know and trust." This is the experience we deliver to every client we serve.

We're proud of our client family and the work we've done together. In the ever-changing competitive landscape of healthcare, we believe it reassures our clients to know we manage our resources and theirs for long-term success.

Website design methodology

At Coffey, we do not use templates for our website designs. We will employ several strategic-planning sessions with you to help us gain a deeper understanding of your market, your organization and the goals of your key stakeholders. Then we will collaborate on a visual and functional design that's right for your unique organization and your brand.

Since we do not use templates to create our website designs, we're not limited in terms of design and site structure. You can tell us about the sites you like, and we can incorporate some of those elements into your new site. Or you can tell us about your vision for a website, even if you haven't seen an example. You can give as much input as you'd like.



We know that the modern healthcare consumer expects to have the same (or better) experience on a mobile device as on a desktop device. And with the majority of your website traffic coming from mobile users, our mobile-first design and content strategies will align perfectly.

We also know that people with vision disabilities expect the same (or better) online experience as your visitors without disabilities. And Section 508 demands that healthcare organizations meet this need or face a possible penalty. Your website will be designed for compliance, and your constituents with disabilities will be able to enjoy your site, along with our interactive health tools and videos.

We'll discuss photography and illustration choices carefully during the design process. We prefer and highly encourage local photos, and we can use those images to illustrate your service line pages, facility pages and other pages that demand a local feel. We also have an extensive library of images to draw from, if needed, for the pages or stories that do not require a local image.

Website design isn't a set-it-and-forget-it task for us. We continually run optimization reports, looking for areas that might benefit from adjustment. We monitor the user experience (UX) with Google Analytics page path reports, and we supplement that knowledge with heat-mapping tools. We keep a close eye on bounce rates, time spent on a page and other key user-experience metrics. And we deliver our knowledge in reports you can share with your team. We'll go over these reports with you, and we'll make changes to improve the user experience—and performance—of your site.

In addition, we'll keep you updated about industry, consumer and technological changes that might affect the way your website should work. We'll highlight new techniques and approaches that could help you

engage more health consumers. We also stay in close contact with you. If your needs for your website change, we'll be there to offer expertise, support and guidance. We know that your site will grow with time, and our partnership will support your growth.

Company innovation

We believe in providing our clients—and their communities—with digital experiences that are safe, engaging and current. As a result, we're always innovating. We curate new solutions based on feedback from our clients and our industry, and we simplify those solutions so you don't have to deal with complexities that won't benefit you. Then we offer all of those solutions within a single login.

We're hard at work on new solutions all the time. We envision building a portal to house a variety of tools, including those that can monitor an organization's reputation and business listings. And we're working on tools that make buying Google and Bing ads easier. We employ rigorous testing models before releasing new solutions to the market, and, as a Coffey client, you'll be the first to know.

In addition to adding new solutions, we're always looking for ways to make our existing tools better. For example, this is a list of changes we made to our content management system (CMS) in 2020 alone:

- **Enhanced form-builder tool functionality.** Now you can build your own custom forms with ease through our drag and drop user interface (UI). Start with a template and customize it to meet your needs. Add fields, mark fields as required, customize the layout and more. Eliminate the need to pay for developer time and add flexibility to create forms on the fly.
- **CMS version upgrade.** Rolled out to all of our clients at no additional charge, this major upgrade provides many enhancements to improve UI, UX and overall personalization.
- **CMS resource/training section.** You can always call your Coffey team with questions. But we wanted to add support for those times when you're working after hours. We've added live chat, FAQ answers and a series of new training videos to the CMS, so you'll always have support. If you need more in-depth training, either because you're new to the project or you need a refresher, just ask. We'll set up a session just for you.
- **Enhanced calendar functionality.** Healthcare organizations often hold repeating events, but what happens when an event has arbitrary dates, times and locations? Our custom-built Calendar module allows you to do exactly this, which greatly reduces the time for your team to create and manage calendar events. This flexibility is proving to be extremely valuable during the COVID-19 pandemic.
- **Social media sharing.** Sharing website content helps drive website traffic—and social media is an exceptional sharing opportunity. We've built social media sharing capabilities throughout the entire CMS, allowing you to promote pages, providers, events and more without leaving the platform. You have the option to share instantly or schedule a post in advance to streamline your workflow.
- **Hootsuite integration.** For our partners that have invested in the Hootsuite platform, we've built connectors directly into our CMS. This enables our partners to use Hootsuite to perform the same social media sharing described above, all within the CMS, and to pull in Hootsuite analytics. Why manage two platforms when they can be integrated to enhance your capabilities?
- **Smart search.** We've added predictive search capabilities on the front end of the website to recommend providers, locations and services as health consumers actively type. This advanced capability provides a better user experience than other search platforms.

As part of our service model, Coffey provides continual maintenance of our tools, requiring no additional effort by you. There is no additional charge for version upgrades. In fact, we just launched a complete version upgrade for all of our partners this year. Coffey continually works to provide clients with even better digital solutions and value. This includes regular updates and upgrades performed by our development team.

We look to industry trends, best practices and our expertise as we innovate. And we encourage collaboration—some of our best development ideas have come from our clients. Tell us about your goals for your market, your community and your facilities. Give us feedback on the tools we offer and tell us about the solutions you'd love to see us develop. Together, we'll push one another to innovate and improve.

Know that our innovations will not come at the expense of performance. We perform any change to the system with great caution. Our development team works on their local versions of the system first. Once ready, code is reviewed by the rest of the development team before going into testing. We use test sites based on real-world clients before we release to client sites.

Hosting and security

Client websites are hosted in a virtual private cloud on Amazon's AWS platform. We retain full control and autonomy over our servers while leveraging the best HIPAA-compliant physical hosting infrastructure in the world. Your data is always stored in the U.S. and fully encrypted, and all data centers meet U.S. DOD specifications. AWS offers the highest possible levels of security, redundancy and reliability and is relied on by organizations like Netflix, Samsung and NASA. Our partnership with Amazon provides world-class hosting environments for our products. More information about our service-level agreement is available [online](#).



We monitor our hosted sites continually and have staff available 24/7 to respond to service interruptions or technical issues. We offer 99.99% uptime.



Coffey is HITRUST CSF Certified, a demonstration of our commitment to information security and privacy for compliance with HIPAA and beyond. HITRUST certification requires a rigorous and comprehensive assessment of security and privacy protections performed by a qualified external assessment organization and further reviewed by the HITRUST organization. Maintaining this certification requires regular review, sound risk management practices and ongoing improvements to our security posture.

Protected Health Information (PHI) collected through forms on your website will be stored in a HIPAA-compliant manner. We protect your data through SSL encryption, and we test our servers regularly to ensure that the safeguards are secure. We're conversant in HIPAA, and we're willing to talk to your compliance officer to ensure that we offer the protection and documentation you need to prove that you're in compliance.

Our two primary senior developers have 30-plus combined years of experience, and they handle all technology support requests. We use a level-based ticketing system at Coffey with four categories:

- "Urgent" tickets are issues affecting the client site that offer no immediate workarounds. We

expect these to be fixed the same day. If our team deems that the fix will take longer than 24 hours, we notify clients as soon as possible.

- “High” tickets are issues within the system that have an available workaround. These are expected to be fixed by the next “minor” release of the system, which happens weekly. If the fix will take longer to implement, we notify clients as soon as possible.
- “Medium” tickets are feature requests for the system itself or design changes on the client site. New features for the system will be discussed by our development team, and work will be placed into our development schedule with a planned release date. New features are released to clients on a monthly schedule. Design changes are analyzed, and the estimated time to completion is reported back to our clients.
- “Low” tickets are any features or design changes that would be nice to have but aren’t deemed a priority by our clients. These are generally rolled in on a quarterly basis.

We have disaster recovery plans and business continuity plans in place. Both documents are reviewed, updated and tested annually.

Interactive, engaging health content



Filled with a growing collection of more than 450 interactive health tools, videos and infographics, Coffey’s digital content is searchable by keyword and topic.

Our writers and editors use only trusted and approved sources in the creation of our content. These sources include interviews with leading medical experts, materials generated by national health organizations and research

published in peer-reviewed medical journals. We evaluate our sources by three criteria: proximity, credibility and applicability. To be considered for use by Coffey writers and editors, a source must meet all three requirements.

1. **Proximity** addresses how close the source is to the original information. If the information is written by doctors or researchers based on their own research, the source is primary and likely to be trustworthy, but it must still meet the other criteria.
2. **Credibility** addresses a source’s standing in the medical field. How can this be evaluated? First, Coffey considers whether the source plays an authoritative role in the medical field. Medical sources that are subject to peer, independent or government review are generally deemed credible.
3. **Applicability** addresses whether a source is the most appropriate option for a given story. When evaluating two sources that have already been approved, the objective is to choose the source whose focus is most germane to the topic. For example, the American Academy of Family Physicians (AAFP) and the American College of Obstetricians and Gynecologists might both have information about breast cancer screenings. The college is recognized as the expert authority on women’s health information and is a preferred source for information about such topics. Therefore, we would choose it over the AAFP as a source for that story.

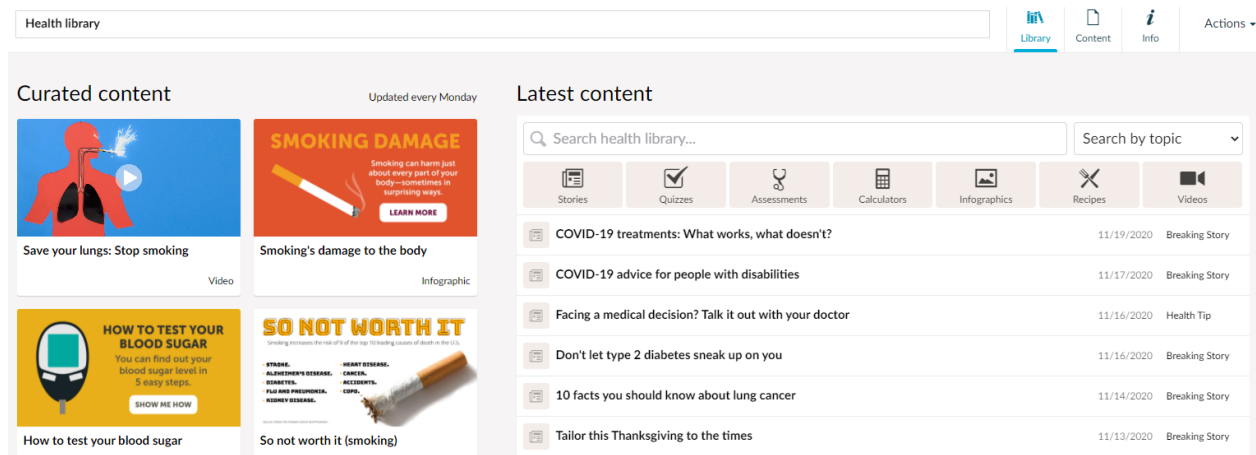
The content in Coffey’s digital Health Information Library is certified as meeting the [HONcode](#) standards for trustworthy content. Each story is thoroughly edited and fact-checked before publication. Articles are reviewed at a minimum of every six months.

We add breaking news stories to the library each day, and scripting allows them to be easily posted to your home page. You are also free to upload your own stories, images and videos to the Health Information Library. The module is social media-enabled, so local and breaking news stories can be automatically posted to Facebook and Twitter.

Content within the Health Information Library can be customized based on your strategic marketing goals, service line promotions and target audiences. While all of our content can be customized, how the process works depends on the type of story:

- Text-based articles can be fully customized by you with our easy-to-use content management tool. Coffey can also do this customization on your behalf. Customization is a great way to insert quotes from physicians or add information about screenings, classes or events.
- Interactive content, such as health tools and infographics, can be customized on your behalf by Coffey. There are several ways you can make our interactives your own. The name at the top of any tool can be changed to more closely relate to your events or initiatives. Introductory pages can be created with custom text and imagery to advertise a service or event. The CTA can also include things like a phone number to a related physician, a link to the provider directory or other related information. We can also customize interactive tools to match your brand standards.
- Changing colors, amending fonts and adding logos are just a few ways you can make these tools fit within your brand family.

Interactive content is made to engage readers and capture attention. This content is ideal for local initiatives—and you’ll have a team of in-house designers, illustrators and developers to help bring your ideas to life. We’ll begin with a conversation about your goals, and then we’ll build your custom infographic, quiz, calculator, video or other interactive content in collaboration with you.



Custom content and SEO

A website’s design can have a deep impact on performance. But the content you place on your organization’s website can, arguably, have an even deeper impact. The words on your website help

search engines (like Google) know about the benefits you offer. And those customized words can mean the difference between showing up in a search and remaining invisible.

That's why we recommend beginning SEO work before or during website development. Our in-house SEO team will identify the terms that are most meaningful in your market, so we can create the local content that meets those needs. Our analysis can also help us understand how the content you have now might help—or harm—your performance in local search.

After our analysis, we can create a custom content creation plan that incorporates SEO best practices. Using keyword research data and information gathered from your stakeholders, we will craft compelling content that engages consumers, answers their questions and gives them next steps to take. We will ensure that each piece of content is reviewed by your stakeholders and our team of fact-checkers. Regular content reviews will be done to ensure that content remains accurate.

Our years of experience in SEO have taught us that we must do more than identify and incorporate keywords. Content that performs is content that engages. The Google algorithm rewards content that draws the reader's eye (and the reader's click). All of the content we create is meant to appeal to your community, so you'll do well in search. We use health literacy editing services, along with SEO expertise, to accomplish this goal.

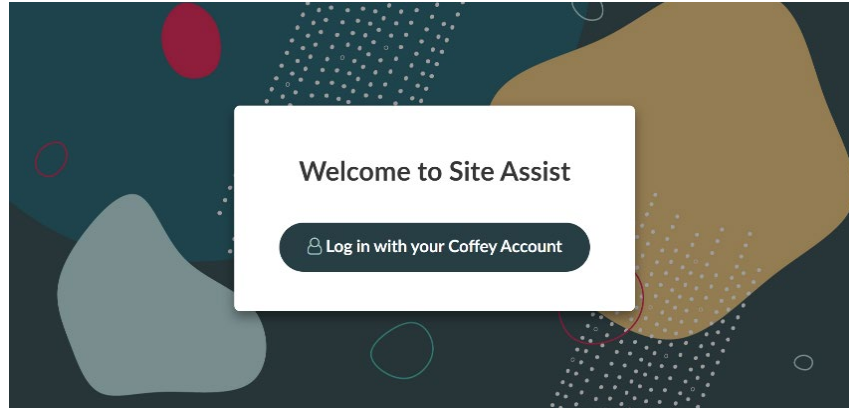
We also ensure that our content is organized properly, so readers can find what they are looking for in as few of clicks as possible. Optimization like this will lower bounce rates, as readers can move efficiently from one page to another instead of hitting the dreaded back button.

Succeeding in search isn't a sprint. It's a marathon. And we'll run that marathon with you. Our ongoing reporting will help you understand what's working and where you might consider a change. And we'll help you identify new opportunities in your market as they emerge. This ongoing, iterative process helps us deliver ideal user engagement and experience.

Content management system

Online readers expect that content— words, images, videos and more—they see on a website is both up-to-date and ever-changing. That means modern healthcare marketers must be prepared to update, add to, remove or amend website content regularly. From our work with hundreds of healthcare organizations, we know that updating a website can seem difficult or overwhelming. And we know that healthcare organizations have very specific needs that an average CMS can't address. That's why we built a CMS solution just for healthcare.

Our CMS solution, Site Assist, is built on the Microsoft ASP.NET MVC framework and the Umbraco CMS framework. This tool is both secure and easy to use. You don't need coding experience to use our CMS.



Work with Coffey to set usernames and passwords for every member of your team who will help you with your website. Think about what role each person on your team will play—and what aspects of your site that person should have access to. Then set permissions accordingly. Give each user access to all content, or give some users access to just a few pieces of content within the CMS.

Schedule—in advance—when content should appear and when it should be archived. Access our CMS on a mobile device and make changes on the fly (even when you're not at your desk). And know that our CMS has protective features, so you can lock down permissions or roll back to previous versions.

Call your Coffey team with any questions. And know that you're supported after hours. Use the training videos and written help text to help you solve problems on the fly. If you need more in-depth training, either because you're new to the project or you need a refresher, just ask. We'll set up a session just for you.

Our CMS supports text, photo, video and other types of content. And it has built-in safeguards to reduce 404 errors and to help ensure that your website is properly optimized for speed.

There are plenty of CMS systems that offer this kind of functionality. But ours is a little different. Our clients told us they wanted to do more within one login of the CMS, so they could handle all of their communications channels in one place. We responded with a CMS that has a unified interface for:

- **Analytics.** Measure website traffic, social media metrics, print product effectiveness and other 3rd party analytics with colorful, comprehensible reports that are easy to share. We'll collaborate to create a custom dashboard specifically for you. We'll talk with you about your goals and key performance indicators (KPIs), and we'll help you identify the metrics that will track your successes.
- **Social media publishing.** Plan content a week in advance without leaving the comfort of the CMS. Select your own content or Coffey's curated content that is designed for social media platforms and updated to align with health observances relevant to that specific time in the calendar year.
- **What's new at Coffey?** Find out about the new services we're releasing before anyone else does. And learn more about the Coffey services that you're not currently receiving.

Custom modules

Our content modules, built within the CMS, will transform your website into an integrated healthcare resource, seamlessly relating information visitors are looking for to services you provide. Our Smart Linking technology provides links to related information through associated keywords. Empowered with Smart Linking, visitors are always just one click away from your providers, services and events.

Based on your site goals and strategic vision, we will deploy select modules from the following:

- **Provider Directory.** This online listing is a fully searchable list of providers at your facility. Each provider's page can include photos, in-depth contact information, driving directions, specialty services, certifications and education information. We can connect to review sites via an application programming interface (API). Smart Linking technology automatically connects your provider listings to related events, services and health information. This module is also social media-enabled, allowing you to promote new physicians on your social networks, as well as allowing users to like and share your providers on Facebook.
- **Calendar.** We offer a best-in-class calendar module. Log in and create a listing for each event you hold. Save time while scheduling recurring meetings, as our tool allows you to create and manage one repeating event by selecting arbitrary days and times. Make it easy for readers to find what they want with listings sortable by date, topic, event type or text search. Encourage the next step by streamlining registration. Turn on an online registration feature and accept secure payments for those classes that require a fee. Don't want your readers to sign up online? Turn this feature off with one click of a button. Recreate an event that happened months or years ago by diving into the archive. Old listings are always available to you.
- **HIPAA-compliant Form Builder.** From registration information and job applications to online surveys, custom forms can be a valuable tool for gathering information on your website and enhancing the value your organization gains from the site. Using our Form Builder tool, you can create and edit custom forms that your customers can complete on your website. Save time with a template you customize, or build one from scratch. The structure, layout and colors of your forms can be customized to your specifications so that they are completely branded to your website. If you're not comfortable with customizing or building, we'll do it for you. Once submitted, the information in a form will be securely stored until you retrieve it. All form data is stored securely in accordance with HIPAA and PCI requirements.
- **Job Center.** Enhance your recruitment efforts by posting available jobs and providing online applications for job seekers. Our CMS makes it so easy that you can do this independently. Allow your applicants to submit information within the module, and know that all data is stored securely after it's submitted. Human resources personnel can flag and file applications for review, email applicants and promote new job announcements via social media.
- **Blogs.** Create multiple unique blogs with secure login information and usernames for authors and commentators, all branded to your site. Blogs can be organized by topic or author. Our Smart Linking technology provides links to related events, health articles, health services and providers for each post. An RSS feed gives customers instant updates. The module is also social media-enabled, allowing you to promote new blog posts on your social networks. Use a blog to post notes after meetings, or give each of your doctors a blog to share his or her thoughts with your community. We support custom content creation, so we can help you keep this vital part of your website up-to-date.
- **Community News Release Center.** Give the media immediate and convenient access to your latest news releases via your website, social networks and RSS feed. Archive your stories and

provide an image gallery with print-quality photos and logos. The News Release Center provides real-time information that is managed quickly and easily as news happens.

- **Health e-newsletters.** Create fully custom e-newsletters on any topic, or choose one or more of our ready-to-send e-newsletters, all of which offer the ability to add customized sections, content, photos and links.
 - **Keeping Well.** Send a monthly e-newsletter tailored to the health interests of the subscriber. Subscribers can select from up to 10 health topics. Each issue contains five articles on each topic, along with any local stories or links you choose to add. Each new issue can be automatically promoted on your social media sites.
 - **Pregnancy.** Offer weekly e-newsletters that are synced with the subscriber's due date, from conception through birth, for a total of 43 weeks. This e-newsletter is written at a 6th grade or lower reading level. Spanish versions are also available.
 - **New Parent.** Send valuable information monthly to parents for the first three years of their child's life. This e-newsletter is written at a 6th grade or lower reading level. Spanish versions are also available.
 - **This Week in Health.** Deliver the latest health news to consumers every Friday. With topics as diverse as new research, product recalls and lifestyle recommendations, you'll stay connected with readers through valuable information on a weekly basis. We offer in-depth reporting that can help you track your performance. And we can offer suggestions on list-building, so you'll have an audience that is eager to hear from you—and interact with your messages.

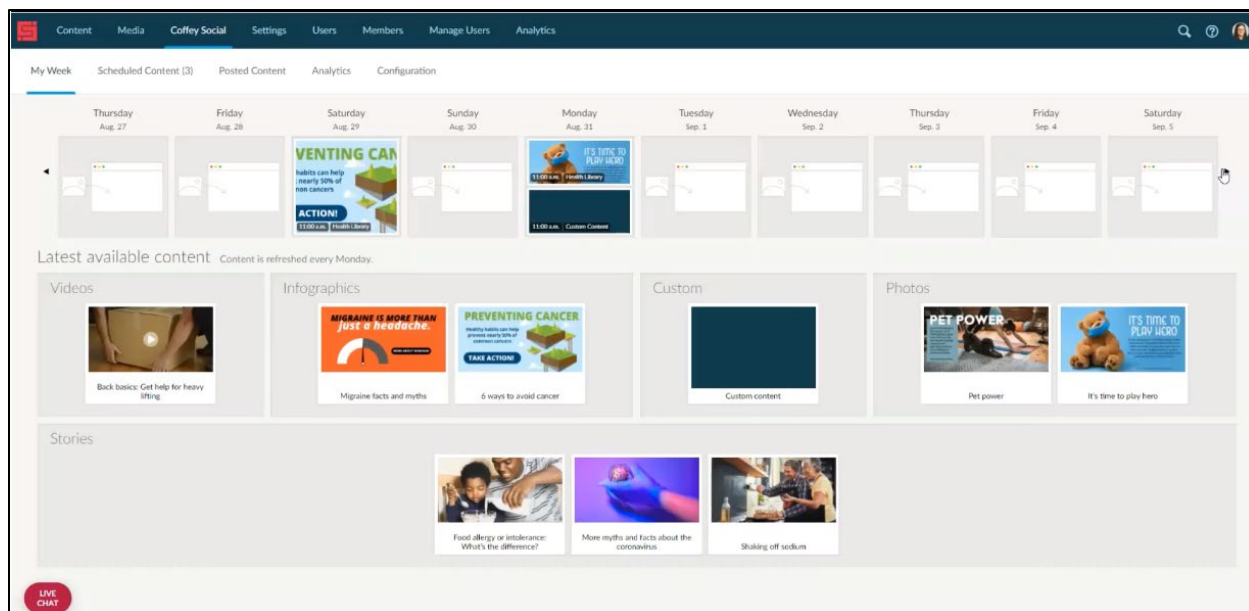
Social media publishing

Social media channels should—in theory—allow you to communicate with your community in real time. But success in today's social environment can be elusive. Consumers prefer to use their social channels to talk with their friends and family members, and social sites like Facebook have responded by reducing organic reach. Posting to your page is not enough. In order to break through, you must produce content that readers engage with. Only then will your pages become visible to the audience you're trying to reach.

Our Health Information Library is filled with content just like this. Our interactive infographics, engaging videos and compelling breaking news pieces are made to capture clicks and drive conversions. And our social media publishing tool allows you to tap into the power of the content—while saving time. Choose the content you'd like to share, and plan a week's worth of posts all at once. It's that easy. You can also use the Coffey Social tool to set up automated postings of breaking news posts, so you'll have content to share even when you're too busy to choose it by hand.

You can use the Coffey Social tool to share content that's made just for your community. Promote your providers, share news about your classes, share your press releases and more with just a few button clicks.

We know that reporting is personal. What one client wants to measure, another might not find meaningful. That's why we offer a customized social media reporting dashboard within our CMS. You'll work with your team and discuss the metrics that mean the most to you, and we'll create a custom dashboard that contains all of the data points you'd like to track. We can change that dashboard at any time.



Ongoing support

Your dedicated Project Manager at Coffey will schedule training sessions with each member of your team to provide them with a hands-on introduction to the CMS tools. Additional training may be requested at any time for new members of your team or just as a refresher.

Within our CMS, we have a series of training videos that explain how our tools work. And we offer live-chat during core business hours. These tools are meant to help you if you're in the midst of a project and have a quick question you'd rather handle without a call or email to your Coffey team. They can also be useful if you're working on projects during our off-hours.

Staying abreast of current trends and learning more about your digital marketing options can help you stay ahead of the competition. We offer several methods you can use for ongoing education. We offer weekly healthcare marketing advice on our blog, and we offer quarterly webinars on topics made to appeal to healthcare marketing teams. As a Coffey client, you'll have even more support. In collaboration with you, we'll schedule routine calls as a way to guide and maintain a proactive relationship.

Ongoing analysis

We provide ongoing reporting that can help you track user experience and SEO optimization. Each month we will send you a report based on metrics that are unique to you, based on your goals, your community, your past performance and your market. We have a large toolkit to draw from, including:

- **Google Analytics.** This Google tool helps us understand how people find your site, what content they enjoy on your site and how they engage with your site as a whole.
- **Hot Jar.** This sophisticated heat-mapping and user-tracking tool allows us to examine how people move through your site and interact with your content.
- **Moz.** This subscription-based tool helps us understand your site's performance from an SEO perspective.

- **Speed check.** We use Google's tool to ensure that content isn't slowing down the page load times.
- **Compliance check.** We make sure content is uploaded and coded in a manner compliant with Section 508. If not, we make corrections and offer a report about what we changed.
- **Browser check.** We'll test your website on supported browsers and make sure it's performing as planned.

We can go over this report in a meeting, and, at the end of this meeting, we can decide what you'd like to change and what can stay the same. Or we can simply make corrections for you and detail the solutions we've implemented in our final report. It's really up to you.

We also support ongoing DIY analysis. Communicating with your community across multiple touchpoints shouldn't require multiple analytics logins. We gather the metrics that are most important to you within one reporting screen in your CMS. We'll collaborate and discuss your goals, your KPIs and your ROI targets, and we'll determine which reports will give you the data you need. Then we'll create a colorful, comprehensive dashboard that collects and packages all of these metrics in ways you can understand. That data is updated in real time, so you can track your progress minute-by-minute, if you prefer. And you can quickly grab the data you need for any reports you need to generate.

In addition, we will keep you updated with new techniques and approaches that could help you engage more consumers. We stay abreast of industry, consumer and technological changes that might affect the way your website should work. If your needs for your website change, we'll be there to offer expertise, support and guidance. We know that your site may grow with time, and our website development process can—and will—support that growth.

Project schedule

We build our schedules collaboratively, depending on the functionality you need within your project and your go-live date.

This schedule can change dramatically based on your goals, your approval processes (and stakeholders involved in each process) and prior steps you may have already completed. We will help make these as easy as possible by providing advice, guidance and best practices that we have learned from hundreds of digital transformations.

Jordan is your main point of contact during this process. She will collaborate with you while directing the rest of your Coffey team/resources. We will keep your project on track and on schedule with the use of our sophisticated project management software. This software, Project Insight, allows Jordan to input your project's schedule, assign teammates to the work, track the progress of that work and protect your project's budget. We use Project Insight to ensure that no steps are missed. But we also collaborate through meetings, email messages, informal conversations and Slack messages. The Coffey team is collaborative, and each member of that team will communicate clearly and often, via weekly meetings, as the project moves forward.

The outline on the next page is a sample implementation plan, with the steps for each phase clearly defined. We will build a custom timeline with you at the outset of your project.

Budget

Coffey offers a flexible approach to budgets. While some organizations desire a lower initial investment with larger ongoing payments, others prefer the opposite. Not only do we have the ability to meet both of those scenarios, we also have the ability to blend them together. Based on conversations up to this point, the budget below reflects a larger initial investment to provide the lowest three-year total investment. We also mutually agreed that the new website needs a new SEO content strategy, along with rewriting and/or editing service line content to align with today's health-consumer search behaviors and preferences.

Development summary:

Initial implementation investment: **\$86,568** (One-time investment)

- Full website redesign with a new information architecture designed with a new SEO content strategy and user experience strategy.
- Custom mobile-first design focused on user experience.
- SEO content audit, local SEO research, SEO recommendations and guidelines <https://www.hghospital.org/>.
- SEO content creation, including writing and/or editing up to 155 website pages.
- Advanced location and provider directory functionality built throughout the site.
- Predictive search functionality to improve UX and conversions.

Monthly licensing/subscription fee*: **\$1,845** (Starts once website goes live, not at start of contract)

*Within the framework of your Site Assist subscription fee, we will provide the following:

- Enterprise content management system license with unlimited seats.
- Dedicated account manager to support your team.
- Technical SEO package.
- User experience package with heat mapping and a/b testing.
- Ongoing SEO analysis and consultation every quarter.
- Integration with social media and third-party applications.
- Ongoing compliance for Section 508 accessibility (WCAG 2.1 AA, Coffey's standard) via monthly monitoring with Section 508 approved devices (not simulation software).
- Secure content management modules built, hosted and updated by Coffey.
- Custom analytics dashboards.
- Setup of online payment services.
- Monthly PCI compliance with online payment services.
- Ongoing system upgrades at no additional fee.
- Hosting.
- Server maintenance and backups.
- Continuous security monitoring.
- Ongoing and iterative development to improve the functionality of each website module.

In addition, Coffey will perform an annual diagnostic audit of your website. The purpose of the audit is to check for general functionality and integrity of the various technical, design and content components of the site. The audit includes:

Developer:

- Review of the website's dynamic navigation system.
- Review of the website's auto-generated site map and XML site map system.
- Assessment of all JavaScript functionality to ensure compliance with the latest standards and

browsers.

- Website performance evaluation.

Designer:

- Evaluate CSS/HTML model to ensure compliance with latest standards and browsers.
- Evaluate overall design and CSS style consistency on client-produced content.
- Evaluate overall website for adherence with latest web usability and design trends.

Client Advocate/Project Manager (CA/PM):

- Review user accounts/roles for currency.
- Test website in latest browsers.

As part of our service model, Coffey provides continual maintenance of our tools, requiring no additional effort by you. There is no additional charge for version upgrades. Coffey continually works to provide clients with even better digital solutions and value. This includes regular updates and upgrades performed by our development team.

Notes:

The one-time website development fee is split into six equal payments and billed monthly over a six-month period. Licensing fees, maintenance, support and hosting will be billed on a monthly basis and start once the website goes live or at the end of the six-month development period.

Additional requests outside the scope of this project are available at a separate hourly rate or a separate proposal. Additional website SEO content outside the scope of this proposal that client requests Coffey to create will be billed at \$850 per page for content creation/writing or \$700 per page for content editing.

Pricing for this project includes discounts based on a three-year term and is good for 90 days from the date of this proposal.